



MUAR BAN LEE GROUP BERHAD

(Company No.200601033829 (753588-P))

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR FOURTH QUARTER ENDED 31 DECEMBER 2022



MUAR BAN LEE GROUP BERHAD

(Company No. 200601033829 (753588-P))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

	Individual Quarter		Cumulative Quarter	
	31/12/2022 RM'000	31/12/2021 RM'000	31/12/2022 RM'000	31/12/2021 RM'000
Revenue	67,804	119,232	392,825	340,626
Cost of sales	(56,576)	(104,812)	(322,965)	(293,036)
Gross profit	11,228	14,420	69,860	47,590
Other income	5,745	1,182	8,074	4,023
Depreciation and amortisation	(1,201)	(1,212)	(3,983)	(2,335)
Distribution and administrative expenses	(9,994)	(9,248)	(34,265)	(32,006)
Operating profit	5,778	5,142	39,686	17,272
Interest Income	126	45	507	228
Interest expenses	(758)	(987)	(2,724)	(1,620)
Profit on disposal of subsidiaries	46,404	-	46,404	-
Share of results of an associate	(44)	9,999	(2,778)	9,999
Profit before taxation	51,506	14,199	81,095	25,879
Taxation	(6,463)	(2,687)	(14,414)	(6,639)
Profit for the continuing operations	45,043	11,512	66,681	19,240
Discontinued operation				
Loss from discontinued operation, net of tax	(663)	(433)	(1,033)	(1,086)
Profit for the financial year	44,380	11,079	65,648	18,154
Other comprehensive income/(loss), net of tax	6,934	(10,654)	7,880	(34,972)
Total comprehensive income/(loss) for the financial year	51,314	425	73,528	(16,818)
Profit attributable to:				
Owners of the parent - continuing operation	46,629	11,035	67,057	18,228
- discontinued operation	(663)	(433)	(1,033)	(1,086)
	45,966	10,602	66,024	17,142
Non-controlling interests	(1,586)	477	(376)	1,012
Profit for the financial year	44,380	11,079	65,648	18,154
Total comprehensive income/(loss) attributable to:				
Owners of the parent - continuing operation	53,563	409	74,473	(16,947)
- discontinued operation	(663)	(433)	(1,033)	(1,086)
	52,900	(24)	73,440	(18,033)
Non-controlling interests	(1,586)	449	88	1,215
Total comprehensive income/(loss) for the financial year	51,314	425	73,528	(16,818)
Earnings per share (sen)				
Basic - continuing operation	20.48	5.33	29.45	8.73
- discontinued operation	(0.29)	(0.21)	(0.45)	(0.52)
	20.19	5.12	29.00	8.21
Diluted - continuing operation	N/A	4.75	N/A	8.00
- discontinued operation	N/A	(0.19)	N/A	(0.47)
	N/A	4.56	N/A	7.53

The Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Report of the Group for the year ended 31 December 2021 and the accompanying explanatory notes attached to the Interim Financial Statements.



MUAR BAN LEE GROUP BERHAD

(Company No. 200601033829 (753588-P))

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	(Unaudited) As at 31/12/2022	(Audited) As at 31/12/2021
Note	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	62,142	69,726
Investment properties	750	625
Intangible assets	409	409
Right of use assets	2,413	3,333
Deferred tax assets	-	523
Investment in associates	16,809	76,066
Other investment	-	1
	82,523	150,683
Current assets		
Inventories	45,007	38,371
Trade and other receivables	47,122	49,602
Amount owing from contract customers	19,851	23,572
Tax recoverable	4,177	6,335
Fixed deposits with licensed banks	2,155	2,107
Cash and bank balances	116,395	33,538
	234,707	153,525
Assets included in disposal group classified as held for sale	29,482	29,448
	264,189	182,973
Total assets	346,712	333,656
EQUITY AND LIABILITIES		
Equity		
Share capital	75,535	75,395
Treasury shares	(11,140)	(9,114)
Revaluation reserve	13,133	6,199
Discount on shares	-	(10,103)
Warrant reserves	-	13,586
Foreign currency translation reserve	-	(685)
Retained profits	128,563	70,180
Shareholder's equity	206,091	145,458
Non-controlling interests	(451)	9,064
Total equity	205,640	154,522



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

		(Unaudited) As at 31/12/2022 RM'000	(Audited) As at 31/12/2021 RM'000
LIABILITIES			
Non-current liabilities			
Finance lease liabilities		4,709	5,043
Right-of-use lease liabilities		1,895	2,509
Bank borrowings	2	6,226	49,688
Deferred tax liabilities		3,328	2,186
		<u>16,158</u>	<u>59,426</u>
Current liabilities			
Trade and other payables		107,737	94,085
Finance lease liabilities		908	1,071
Right-of-use lease liabilities		725	980
Bank borrowings		6,038	15,261
Provision for taxation		3,699	2,319
		<u>119,107</u>	<u>113,716</u>
Liabilities included in disposal group classified as held for sale		5,807	5,992
		<u>124,914</u>	<u>119,708</u>
Total liabilities		<u>141,072</u>	<u>179,134</u>
Total equity and liabilities		<u>346,712</u>	<u>333,656</u>
Net assets per share (RM)		0.91	0.74

Notes:

- 1 The decreased in investment in associates was mainly due to the disposal of a wholly owned subsidiary, Theron Holdings Sdn. Bhd. whom holding 98,090,536 ordinary shares in Symphony Life Berhad has been completed on 13 December 2022.
- 2 With the deconsolidation of term loan which was held under Theron Holdings Sdn. Bhd., the Group's borrowings and advances from MBL owed by Theron has been recovered.

The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Report of the Group for the year ended 31 December 2021 and the accompanying explanatory notes attached to the Interim Financial Statements.


MUAR BAN LEE GROUP BERHAD

 (Company No. 200601033829 (753588-P))
 (Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

	Attributable to owners of the parent										
	Share Capital	Treasury Shares	Non-Distributable				Fair Value Adjustment Reserve	Distributable	Subtotal	Non-controlling interests	Total Equity
			Revaluation Reserve	Discount On Shares	Warrant Reserves	Foreign Currency Translation Reserve		Retained Profits			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2022	75,395	(9,114)	6,199	(10,103)	13,586	(685)	-	70,180	145,458	9,064	154,522
Profit for the financial year	-	-	-	-	-	-	-	66,024	66,024	(376)	65,648
Other Comprehensive Expenses											
- Surplus in revaluation	-	-	6,934	-	-	-	-	-	6,934	-	6,934
- Forex Translation Difference	-	-	-	-	-	482	-	-	482	464	946
Total comprehensive income for the financial year	-	-	6,934	-	-	482	-	66,024	73,440	88	73,528
<i>Contributions by and distributions to owners of the Company</i>											
Proceed from conversion of warrants	140	-	-	45	(60)	-	-	-	125	-	125
Transfer of warrant reserve upon expiry of warrants to retained profits	-	-	-	10,058	(13,526)	-	-	3,468	-	-	-
Purchase of treasury shares	-	(2,026)	-	-	-	-	-	-	(2,026)	-	(2,026)
Elimination of non-controlling interest at disposal of a subsidiary	-	-	-	-	-	203	-	-	203	(9,603)	(9,400)
Changes in ownership interest in a subsidiary	-	-	-	-	-	-	-	(11,109)	(11,109)	-	(11,109)
Total transactions with owners of the Company	140	(2,026)	-	10,103	(13,586)	203	-	(7,641)	(12,807)	(9,603)	(22,410)
At 31 December 2022	75,535	(11,140)	13,133	-	-	-	-	128,563	206,091	(451)	205,640
At 1 January 2021	67,633	(9,054)	6,271	(10,103)	13,586	(897)	5,475	82,877	155,788	7,850	163,638
Profit for the financial year	-	-	-	-	-	-	-	17,142	17,142	1,012	18,154
Other Comprehensive Expenses											
- Realisation of revaluation surplus	-	-	(72)	-	-	-	-	72	-	-	-
- Fair value on quoted investment	-	-	-	-	-	-	(35,386)	-	(35,386)	-	(35,386)
- Forex Translation Difference	-	-	-	-	-	212	-	-	212	202	414
- Transfer of loss on disposal of equity - investment at FVOCI	-	-	-	-	-	-	29,911	(29,911)	-	-	-
Total comprehensive income for the financial year	-	-	(72)	-	-	212	(5,475)	(12,697)	(18,032)	1,214	(16,818)
<i>Contributions by and distributions to owners of the Company</i>											
Proceed from issuance of Private Placement	7,762	-	-	-	-	-	-	-	7,762	-	7,762
Purchase of treasury shares	-	(60)	-	-	-	-	-	-	(60)	-	(60)
Total transactions with owners of the Company	7,762	(60)	-	-	-	-	-	-	7,702	-	7,702
At 31 December 2021	75,395	(9,114)	6,199	(10,103)	13,586	(685)	-	70,180	145,458	9,064	154,522

The Unaudited Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the Annual Report of the Group for the year ended 31 December 2021 and the accompanying explanatory notes attached to the Interim Financial Statements.



MUAR BAN LEE GROUP BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

	Current Year To-date	Preceding Year Corresponding Period
	31/12/2022	31/12/2021
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation		
- Continuing operations	81,095	25,879
- Discontinued operations	(1,033)	(1,086)
	80,062	24,793
Adjustments for non-cash items:		
Depreciation of investment properties	5	5
Depreciation of property, plant and equipment	4,170	4,396
- Continuing operations	4,113	4,248
- Discontinued operations	57	148
Amortisation of intangible assets	-	276
- Continuing operations	-	-
- Discontinued operations	-	276
Amortisation of right-of-use assets	1,513	1,090
- Continuing operations	1,445	1,022
- Discontinued operations	68	68
Finance costs	2,724	1,942
- Continuing operations	2,724	1,620
- Discontinued operations	-	322
Fixed assets written off	2	-
Gain on disposal of property, plant & equipment	(503)	(188)
Gain on disposal of investment in subsidiaries	(46,404)	-
Net gain arising from changes in fair value of biological assets	-	(45)
- Continuing operations	-	-
- Discontinued operations	-	(45)
Reversal of impairment losses of property, plant & equipment	-	68
Reversal of impairment loss on trade receivable	-	(25)
Interest income	(507)	(228)
Dividend income	-	(1,432)
Share of results of an associate	2,778	(9,999)
Unrealised gain on foreign exchange	(940)	(59)
Operating profit before working capital changes	42,900	20,594
Changes in working capital		
Inventories	(12,626)	(9,195)
Receivables	(13,897)	3,085
Payables	23,666	42,559
Contract customers	3,721	-
Cash from operations	43,764	57,043
Income tax paid	(7,043)	(7,013)
Net cash generated from operating activities	36,721	50,030



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

	Current Year To-date	Preceding Year Corresponding Period
	31/12/2022	31/12/2021
	RM'000	RM'000
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Acquisition of other investment	-	(89,536)
Acquisition of property, plant and equipment	(6,164)	(10,520)
Acquisition of investment in associate	(3,801)	-
Interest received	507	228
Dividend received	-	1,432
Proceed from disposal of other investment	1	2,788
Proceeds from disposal of property, plant and equipment	529	211
Proceed from disposal of investment in subsidiaries	28,191	
Net cash generated from/(used in) investing activities	19,263	(95,397)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(2,724)	(1,942)
Purchase of treasury shares	(2,027)	(59)
Proceed from conversion of warrant to share capital	124	-
Proceed of private placement	-	7,762
(Placemnt)/Withdrawal of pledged fixed deposits	(47)	1,954
(Repayment)/Proceeds from bankers acceptance	(4,340)	2,740
Net change of floor stocks	-	(75)
Net change of trade financing	2,988	-
Proceeds from term loans	87,402	50,923
Repayment of term loans	(51,331)	(1,335)
Repayment of lease liabilities	(1,392)	(856)
Repayment of finance lease liabilities	(1,077)	(906)
Net cash generated from financing activities	27,576	58,206
NET INCREASE IN CASH AND CASH EQUIVALENTS	83,560	12,839
Effect of exchange translation differences on cash and cash equivalents	(507)	(60)
Cash and cash equivalents at the beginning of the financial year	33,583	20,804
Cash and cash equivalents at the end of the financial year	116,636	33,583
Note: <u>Cash and cash equivalents at the end of the financial year comprises:</u>		
Fixed deposits with licensed banks	2,155	2,107
Cash and bank balances	116,636	33,583
- Continuing operations	116,395	33,538
- Discontinued operations	241	45
Fixed deposits pledged	(2,155)	(2,107)
	116,636	33,583

The Unaudited Condensed Statements of Cash Flows should be read in conjunction with the Annual Report of the Group for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the Interim Financial Statements.



MUAR BAN LEE GROUP BERHAD (Company No. 200601033829 (753588-P))

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

A. EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL STATEMENTS

A1. BASIS OF PREPARATION

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirement of Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2021. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2021.

A2. CHANGES IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2021 except for those standard, amendments and IC interpretation that had become effective 1 January 2022 and such adoptions do not have material impact on the financial statements of the Group and the Company.

A3. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors’ report on the preceding audited financial statements was not subject to any qualification.

A4. SEASONALITY OR CYCLICALITY FACTORS

The performance of the Group is generally not affected by any seasonal or cyclical factors.

A5. UNUSUAL ITEMS

There were no unusual items for the current financial period under review.

A6. CHANGES IN ESTIMATES

There were no changes in estimates amount that had a material effect for the current financial period under review.

A7. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter.

Total treasury shares held as at 31 December 2022 was 21,085,900 shares. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016.



MUAR BAN LEE GROUP BERHAD (Company No. 200601033829 (753588-P))

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

A8. DIVIDEND PAID

There was no dividend paid during the quarter under review.

A9. SEGMENTAL INFORMATION

Segmental reporting for the 12 months ended 31 December 2022

12 months ended 31 December 2022

	Investment Holding RM '000	Manu- facturing RM '000	Bio- Engineering RM '000	Oil Milling RM '000	Plantation RM '000	Automotive RM '000	Elimination RM '000	Consolidated (Continuing) RM '000	Plantation (Discounted) RM '000	Consolidated (Total) RM '000
Revenue										
External sales	-	151,409	-	130,819	-	110,597	-	392,825	-	392,825
Inter-company	-	-	-	-	-	-	-	-	-	-
Dividend income	-	-	-	-	-	-	-	-	-	-
	-	151,409	-	130,819	-	110,597	-	392,825	-	392,825
Segmental results	2,219	33,892	-	3,958	(561)	178	(0)	39,686	(1,033)	38,653
Finance costs	(1,636)	(429)	-	-	(196)	(464)	-	(2,724)	-	(2,724)
Interest income	64	396	-	-	-	47	-	507	-	507
Share of results of an associate	(2,778)	-	-	-	-	-	-	(2,778)	-	(2,778)
Profit/(Loss) on disposal of subsidiaries	48,404	(2,000)	-	-	-	-	-	46,404	-	46,404
Profit/(Loss) before Tax	46,273	31,860	-	3,958	(757)	(239)	(0)	81,095	(1,033)	80,062
Taxation	-	-	-	-	-	-	-	(14,414)	-	(14,414)
Profit/(Loss) for the period								66,681	(1,033)	65,648

Segmental reporting for the 12 months ended 31 December 2021

12 months ended 31 December 2021

	Investment Holding RM '000	Manu- facturing RM '000	Bio- Engineering RM '000	Oil Milling RM '000	Plantation RM '000	Automotive RM '000	Elimination RM '000	Consolidated (Continuing) RM '000	Plantation (Discounted) RM '000	Consolidated (Total) RM '000
Revenue										
External sales	-	96,191	-	154,882	-	88,121	-	339,194	141	339,334
Inter-company	-	-	-	-	-	-	-	-	-	-
Dividend income	2,432	-	-	-	-	-	(1,000)	1,432	-	1,432
	2,432	96,191	-	154,882	-	88,121	(1,000)	340,626	141	340,767
Segmental results	(319)	14,518	-	4,272	(373)	(104)	(722)	17,272	(1,086)	16,186
Finance costs	(715)	(330)	-	-	(115)	(882)	422	(1,620)	-	(1,620)
Interest income	85	671	-	-	-	174	(702)	228	-	228
Share of results of an associate	9,999	-	-	-	-	-	-	9,999	-	9,999
Profit/(Loss) before Tax	9,050	14,859	-	4,272	(488)	(812)	(1,002)	25,879	(1,086)	24,793
Taxation	-	-	-	-	-	-	-	(6,639)	-	(6,639)
Profit/(Loss) for the period								19,240	(1,086)	18,154



A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The Group has revalued its property, land and buildings during the financial period under review. A revaluation reserve of RM6,933,837 was recognised for assets valued higher than its carrying value.

A11. MATERIAL SUBSEQUENT EVENTS

There was no material subsequent event occurred after the financial period under review.

A12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group in the financial period under review, except the disposal of Theron Holdings Sdn. Bhd. and PT. Serdang Jaya Perdana.

A13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities and contingent assets in the financial period under review.

A14. CAPITAL COMMITMENTS

There were no capital commitments in the financial period under review.

A15. RELATED PARTY TRANSACTIONS

The Group's related party transactions for current quarter and financial year-to-date are as follows:

Transacting parties	Relationship	Nature of transactions	Current quarter RM	Financial Year-to-date RM
Directors	Which the directors owned the said property and have substantial financial interests in the Company	Rental	6,000	24,000
WP Technology Sdn Bhd	Which the directors have substantial financial interests in the Company	Rental	7,500	30,000
Tan Commercial Management Services Sdn. Bhd.	Which the directors have substantial financial interests in the Company	Secretarial fee	-	28,320

A16. DISCLOSURE OF DERIVATIVES

There was no outstanding forward contract at the end of the quarter under review.



**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD**

B1. REVIEW OF PERFORMANCE

	Individual Quarter (3 months ended)			Cumulative Quarter (12 months ended)		
	31/12/2022 RM '000	31/12/2021 RM '000	Changes %	31/12/2022 RM '000	31/12/2021 RM '000	Changes %
Revenue						
- Continuing operations	67,804	119,232	(43.1)	392,825	340,626	15.3
- Discontinued operation	-	-	-	-	-	-
	<u>67,804</u>	<u>119,232</u>	<u>(43.1)</u>	<u>392,825</u>	<u>340,626</u>	<u>15.3</u>
Operating profit	5,778	5,142	12.4	39,686	17,272	129.8
Profit before interest and tax	5,734	15,141	(62.1)	36,908	27,271	35.3
Profit before tax (PBT)						
- Continuing operations	51,506	14,199	262.7	81,095	25,879	213.4
- Discontinued operation	(663)	(433)	53.1	(1,033)	(1,086)	(4.9)
	<u>50,843</u>	<u>13,766</u>	<u>269.3</u>	<u>80,062</u>	<u>24,793</u>	<u>222.9</u>
Profit after tax (PAT)						
- Continuing operations	45,043	11,512	291.3	66,681	19,240	246.6
- Discontinued operation	(663)	(433)	53.1	(1,033)	(1,086)	(4.9)
	<u>44,380</u>	<u>11,079</u>	<u>300.6</u>	<u>65,648</u>	<u>18,154</u>	<u>261.6</u>
Profit attributable to Ordinary Equity Holders of the Parent						
- Continuing operations	46,629	11,035	322.6	67,057	18,228	267.9
- Discontinued operation	(663)	(433)	53.1	(1,033)	(1,086)	(4.9)
	<u>45,966</u>	<u>10,602</u>	<u>333.6</u>	<u>66,024</u>	<u>17,142</u>	<u>285.2</u>

For the current quarter under review, the Group posted a 43.1% decrease in revenue from RM119.23 million a year earlier to RM67.80 million. Profit Before Tax ("PBT") increase 262.7% from RM14.20 million to RM51.51 million a year earlier. The decrease in revenue was mainly due to the disposal of a subsidiary in Indonesia, PT. Serdang Jaya Perdana. The increase in PBT was mainly due to the profit from disposal of a wholly owned subsidiary, Theron Holdings Sdn Bhd, which own 98,090,536 ordinary shares in Symphony Life Berhad. The performance review by segments is as follows:

Manufacturing division's revenue and PBT were recorded at RM38.94 million and RM0.37 million respectively in the current quarter as compared with RM33.08 million and RM4.16 million recorded in prior year's corresponding quarter.

The higher revenue was mainly due to the increase in project completion. Lower PBT was impacted by the elevated raw material costs, labour cost and loss incurred on the disposal of subsidiary in Indonesia, PT. Serdang Jaya Perdana.



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**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

Oil milling division has zero revenue and PBT in current quarter under review as compared to the same period last year due to the disposal of PT. Serdang Jaya Perdana.

Plantation division registered a Loss before Tax (“LBT”) of RM0.19 million (2021: RM0.17 million). The unfavorable result was mainly due to the durian plantation is still immature and therefore no revenue is generated.

Automotive division’s revenue and PBT stood at RM28.86 million and RM0.34 million respectively as compared with RM34.89 million and LBT of RM1.14 million recorded in the same period last year. Decrease in revenue mainly caused by the dropped in market demand of popular x model. Although recording a lower revenue, PBT of RM0.34 million was registered in view of better management and cost saving as compared to the same period last year.

For the cumulative twelve months period under review, the Group’s revenue improved by 15.3% to RM392.83 million, while Profit Before Tax (“PBT”) improved by 213.4% to RM81.10 million as compared to the preceding year’s corresponding quarter. Generally, the higher revenue was mainly contributed by the higher sales in all segments except Plantation segment and Oil milling segment where a subsidiary in Indonesia, PT. Serdang Jaya Perdana, has been disposed during the current quarter. The increase in PBT was mainly due to the profit from disposal of a wholly owned subsidiary, Theron Holdings Sdn Bhd, which own 98,090,536 ordinary shares in Symphony Life Berhad.



B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULT

	Current Quarter 31/12/2022 RM '000	Immediate Preceding Quarter 30/09/2022 RM '000	Changes %
Revenue			
- Continuing operations	67,804	134,599	(49.6)
- Discontinued operation	-	-	-
	67,804	134,599	(49.6)
Operating profit			
- Continuing operations	5,778	16,828	(65.7)
- Discontinued operation	-	-	-
	5,778	16,828	(65.7)
Share of results of associate	(44)	(1,217)	(96.4)
Profit before interest and tax	5,734	15,611	(63.3)
Profit before tax (PBT)			
- Continuing operations	51,506	15,293	236.8
- Discontinued operation	(663)	(63)	952.4
	50,843	15,230	233.8
Profit after tax (PAT)			
- Continuing operations	45,043	9,970	351.8
- Discontinued operation	(663)	(63)	952.4
	44,380	9,907	348.0
Profit attributable to Ordinary Equity Holders of the Parent			
- Continuing operations	46,629	9,142	410.1
- Discontinued operation	(663)	(63)	952.4
	45,966	9,079	406.3

For the current quarter under review, revenue and PBT of the Group were recorded at RM67.80 million and RM51.51 million as compared to immediate preceding quarter of RM134.60 million and RM15.29 million, respectively. Generally, the decrease in revenue as compared to immediate preceding quarter was mainly due to the disposal of a subsidiary in Indonesia, PT. Serdang Jaya Perdana. Whereas, the increase in PBT as compared to immediate preceding quarter was mainly due to the profit from disposal of a wholly owned subsidiary, Theron Holdings Sdn Bhd, which own 98,090,536 ordinary shares in Symphony Life Berhad.



B3. COMMENTARY ON PROSPECTS

With the sizable secured order book in hand and the encouraging business environment ahead, the board is optimistic that the Group will be able to achieve satisfactory results mainly driven by the manufacturing division for the financial year ending 31 December 2023.

B4. VARIANCE FROM PROFIT FORECAST

There is no profit forecast issued for the current financial period under review.

B5. TAXATION

Taxation for the quarter and year to date comprises:

	Current Quarter RM '000	Current YTD RM '000
Taxation		
- Current year	(6,463)	(14,414)
	<u>(6,463)</u>	<u>(14,414)</u>

Malaysian income tax is calculated at the statutory tax rate of 24% of the estimated assessable profits for the financial year. Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

B6. STATUS OF CORPORATE PROPOSALS

Proposed Bonus Issue of Warrants-B (the "Proposal")

On 20 January 2023, the Company proposes to undertake a bonus issue of 113,767,950 warrants ("Warrant(s)-B") on the basis of 1 Warrant B for every 2 existing ordinary shares in the MBL ("MBL Share(s)" or the "Share(s)") held by the shareholders whose names appear in the Record of Depositors of the Company on an entitlement date to be determined later ("Entitlement Date") ("Entitled Shareholder(s)") ("Proposed Bonus Issue of Warrants-B" or the "Proposal").

The above corporate proposal is currently pending for submission and shareholder's approval.



B7. GROUP BORROWINGS AND DEBT SECURITIES

The Group's borrowings as at 31 December 2022 and 31 December are as follows:

	As at Fourth Quarter ended 2022					
	Long Term		Short Term		Total Borrowings	
	Denominated in		Denominated in		Denominated in	
	USD RM '000	RM RM '000	USD RM '000	RM RM '000	USD RM '000	RM RM '000
Secured						
- Term loans	-	6,226	-	743	-	6,969
- Bankers acceptance	-	-	-	2,308	-	2,308
- Trade Financing	-	-	-	2,987	-	2,987
Total	-	6,226	-	6,038	-	12,264

	As at Fourth Quarter ended 2021					
	Long Term		Short Term		Total Borrowings	
	Denominated in		Denominated in		Denominated in	
	USD RM '000	RM RM '000	USD RM '000	RM RM '000	USD RM '000	RM RM '000
Secured						
- Term loans	-	49,688	-	8,613	-	58,301
- Bankers acceptance	-	-	-	6,648	-	6,648
- Trade Financing	-	-	-	-	-	-
Total	-	49,688	-	15,261	-	64,949

The effective interest rates per annum at the end of the reporting period for the Group's borrowings were as follows:

	(Unaudited) 2022 %	(Audited) 2021 %
Term loans	3.27 - 4.88	4.08 - 4.71
Bankers acceptance	3.56	3.02
Trade Financing	3.95 - 4.58	-

B8. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

As at the date of this report, the Group did not have any financial instruments with off balance sheet risks.



B9. MATERIAL LITIGATION

A. Disposal of Sokor Gemilang Ladang Sdn Bhd (“SGLSB”)

On 18 February 2022, the Group wholly-owned subsidiary, MBL Plantation Sdn Bhd (“MBLPSB” or collectively referred to as “Defendant”) had received a Writ of Summon and Statement of Claim both dated 15 February 2022 filed by Doa Huat Holdings Sdn Bhd (collectively referred to as “Plaintiff”) under Kuala Lumpur High Court Suit No. WA-22NCC-67-02/2022 in relation to the claims filed by the Plaintiff through a legal firm acting on their behalf.

The plaintiff claimed that the Share Sales Agreement dated 1 April 2021 between the Plaintiff and the Defendant for the purchase of shares of Sokor Gemilang Ladang Sdn Bhd (“SGLSB”) with a total consideration of RM25,000,000.00 is void or terminated and demanded for the repayment of RM23,900,000.00.

The Plaintiff has made a total payment of RM23,900,000.00 to the Defendant to date, with the balance of the consideration RM1,100,000.00 remains outstanding.

MBLPSB has appointed a legal firm to act on its behalf and filed a counter claim against plaintiff on the above case. Further to the announcement made on 18 February 2022 and 2 March 2022, the case WA-22NCC-67-02/2022 has been transferred to Penang high court pursuant to a court order dated 15 April 2022.

Pursuant to the case Management on 20 May 2022, the company has filed the interlocutory applications to Penang High Court to move the Court to dispose of Doa Huat’s claim and to seek the court to enter summary judgement against Doa Huat for MBLPSB’s counterclaim. The Court has fixed the hearing date on 29 July 2022.

On 29 July 2022, Plaintiff’s claim has been dismissed by the Court with costs of RM5,000.00, subject to allocator, to be paid by the Plaintiff to MBLPSB.

In respect of MBLPSB’s counterclaim against Plaintiff, the Court allowed MBLPSB’s application for summary judgment of its counterclaim with the following terms:-

- (a) a Declaration that the Plaintiff’s act/attempt to terminate the share sale agreement dated 1/4/2021 (“the Agreement”) via the Plaintiff’s letter of termination dated 7/2/2022 is not valid;
- (b) an order for specific performance of the Agreement whereby the Plaintiff shall continue and fulfill all its obligations under the Agreement including paying the balance consideration price of RM1,100,000.00 to the Defendant within fourteen (14) days from the date of this judgment;
- (c) The Plaintiff shall provide full cooperation and do all that is necessary to complete the Agreement within fourteen (14) days from the date the Defendant receives payment of the balance consideration price of RM1,100,000.00;
- (d) If the Plaintiff fails to comply with paragraph (c) above, then the Registrar of the Court is given the power to execute all requisite documents to complete the transfer of 100% of the shares in Sokor Gemilang Ladang Sdn. Bhd. (Company No: 742516-X) from the Defendant to the Plaintiff; and
- (e) Costs of RM5,000.00, subject to allocator, to be paid by the Plaintiff to MBLPSB.

In gist, the whole civil suit PA-22NCC-13-04/2022 has been disposed of in MBLPSB’s favour.

On 2 September 2022, MBLPSB’s solicitors had updated the Company that the Plaintiff has filed an appeal to the Court of Appeal against the High Court Orders/Decisions given on 29 July 2022. The Plaintiff has also filed an application for stay of the High Court orders pending their appeal to the Court of Appeal. The Company is resisting and opposing both the Appeal and the Stay application.



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The first case management of the Appeal (Court of Appeal, Civil Appeal No.: P-02(IM)(NCC)-1545-08/2022) is fixed on 10 November 2022. There is no appeal hearing date fixed yet at this juncture. As for the Application for Stay at the High Court, the court has given directions for filing of affidavits and has fixed a further case management date. There is still no hearing date fixed yet for the Stay application at this juncture.

The High Court matter and the Court of Appeal matters have also now been taken over by our new solicitors (Messrs Presgrave & Matthews).

Pursuant to the Case Management on 4 October 2022, the Court has fixed the hearing date for the stay application on 15 December 2022 at 8.30 a.m. by Zoom before YA Tuan Quay Chew Soon.

On 22 November 2022, pursuant to the Case Management in respect of the Appeal (Court of Appeal, Civil Appeal No.: P-02(IM)(NCC)-1545-08/2022) conducted on 10 November 2022 and which concluded only on 21 November 2022, the Court of Appeal (Putrajaya) has fixed the hearing of the Plaintiff/Appellant's Appeal to be heard on 20 June 2023.

On 9 December 2022, MBLPSB's solicitor had updated the Company that the Court has rescheduled the hearing date for the stay application from 15 December 2022 to 6 January 2023.

On 6 January 2023, MBLPSB's solicitor had updated the Company on the outcome of hearing for the stay application on 6 January 2023. Plaintiff's application for Stay (Enclosure 50) has been dismissed by the Court with costs of RM5,000.00 to be paid by the Plaintiff to MBLPSB.

On 13 February 2023, MBLPSB's solicitor had updated the Company that the Court of Appeal has fixed the hearing date for both Motions (Enclosure 13 for Fresh Evidence and Enclosure 16 for Stay) on 9 May 2023.

B. Statutory Derivative Action

On 1 June 2022, Jingshi Holdings (M) Sdn Bhd ("Jingshi") had filed an Originating Summons in the Penang High Court (No. PA-24NCvC-459-05/2022) against Muar Ban Lee Group Berhad ("MBL"), inter alia for Leave to commence a Statutory Derivative Action pursuant to Sections 347, 348 and 350 of the Companies Act 2016.

The Company was only served with the unsealed copy of the Originating Summons together with the Plaintiff's Affidavit in Support on 31 May 2022. The sealed Copy of the Originating Summons was received by the Company on 1 June 2022.

The Company intends to defend and resist the matter and as such has duly appointed Messrs Presgrave & Matthews as solicitors to act on its behalf in respect of the said matter.

Further to the announcement made by the Company on 1 June 2022, the Company wishes to provide the following additional information:

- (a) There is no Writ and Statement of Claim as this Originating Summons is filed by the Plaintiff to obtain Leave of Court to initiate an action in the name and on behalf of the Company;
- (b) At the moment, apart from the legal costs, the Originating Summons are not expected to have any financial and operational impact on the Company as the Leave has not been granted yet and in the event that Leave is granted by the Court, the proposed Civil Suit to be filed will be by the company; and
- (c) The Company at this juncture is taking steps to defend and resist the Originating Summons and/or from Leave being granted.



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Pursuant to the Case Management on 7 September 2022, the Court has fixed the next Case Management date on 10 November 2022 and the hearing date on 7 December 2022.

On 7 December 2022, MBL's solicitors had updated the Company that the Court has rescheduled the hearing date from 7 December 2022 to 6 January 2023.

On 6 January 2023, MBL's solicitors had updated the Company on the outcome of Hearing held on 6 January 2023, Plaintiff's application pursuant to the Originating Summons (Enclosure 1) has been dismissed by the Court with costs of RM10,000.00 to be paid by the Plaintiff to MBL.

B10. DIVIDEND DECLARED

There was no dividend declared for the current quarter under review.

B11. EARNINGS PER SHARE

The basic earnings per share ("EPS") is calculated by dividing the profit for the financial period attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue during the financial year held by the Company calculated as follows:

	Current Quarter RM '000	Current YTD RM '000
a) <u>Basic EPS</u>		
Profit attributable to ordinary shareholders of the Company		
- Continuing operations	46,629	67,057
- Discontinued operation	(663)	(1,033)
	<u>45,966</u>	<u>66,024</u>
Weighted average number of ordinary shares (000)	227,707	227,707
Basic EPS (Sen)		
- Continuing operations	20.48	29.45
- Discontinued operation	(0.29)	(0.45)
	<u>20.19</u>	<u>29.00</u>
b) <u>Diluted EPS</u>	N/A	N/A

The Group has no potential equity instruments in issue as at the reporting date and therefore, diluted earnings per share have not been presented.

B12. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the preceding audited financial statements was not subject to any qualification.



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B13. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

	Current Quarter RM'000	Current YTD RM'000
Profit before tax is arrived at after (crediting)/charging:		
Interest income	(126)	(507)
Interest expense	758	2,724
Depreciation and amortization	2,145	5,688
Foreign exchange loss	564	940

B14. AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Board of Directors dated 28 February 2023.

By Order of the Board

Tan Hui Lun (LS 0010066)
Company Secretary
Muar