



INGENIEUR
INGENIEUR GUDANG BERHAD

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(formerly known as Dynaciate Group Berhad)

Registration No. 200601012544 (732294-W)

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2022

INGENIEUR GUDANG BERHAD (formerly known as DYNACIATE GROUP BERHAD)
Registration No.: 200601012544 (732294-W)
(Incorporated in Malaysia)

CONDENSED INTERIM FINANCIAL STATEMENT
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2022

	As at 31-Aug-22 Unaudited RM'000	As at 30-Nov-21 Audited RM'000
Assets		
Non-current assets		
Property, plant and equipment	28,507	31,749
Investment properties	104,440	60,000
Investment in an associate	-	6,514
Intangible assets	157	-
Total non-current assets	<u>133,104</u>	<u>98,263</u>
Current assets		
Trade and other receivables	28,025	16,775
Contract assets	1,181	673
Current tax assets	39	20
Deposits, cash and bank balances	1,710	7,091
	30,955	24,559
Asset classified as held for sale	77,300	-
Total current assets	<u>108,255</u>	<u>24,559</u>
Total assets	<u><u>241,359</u></u>	<u><u>122,822</u></u>
Equity		
Share capital	115,213	92,348
Reserves	(15,109)	(31,533)
Total equity attributable to owners of the Company	<u>100,104</u>	<u>60,815</u>
Non-controlling interests	6,000	6,000
Total equity	<u>106,104</u>	<u>66,815</u>
Liabilities		
Non-current liabilities		
Other payables	6,622	5,874
Deferred tax liabilities	259	1,615
Loans and borrowings	27,906	18,113
Total non-current liabilities	<u>34,787</u>	<u>25,602</u>
Current liabilities		
Trade and other payables	53,845	28,052
Contract liabilities	-	904
Current tax liabilities	107	-
Loans and borrowings	46,516	1,449
Total current liabilities	<u>100,468</u>	<u>30,405</u>
Total liabilities	<u>135,255</u>	<u>56,007</u>
Total equity and liabilities	<u><u>241,359</u></u>	<u><u>122,822</u></u>
Net assets per ordinary share attributable to owners of the Company (sen)	10.13	8.17

The unaudited Condensed Consolidated Statement of financial position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 November 2021 with the accompanying explanatory notes attached to the financial statements.

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CONDENSED INTERIM FINANCIAL STATEMENT
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2022

	Individual period		Cumulative period	
	Current year- quarter-ended 31-Aug-22 RM'000	Preceding year corresponding quarter ended 31-Aug-21 RM'000	Current period- to-date 31-Aug-22 RM'000	Preceding year corresponding period ended 31-Aug-21 RM'000
Revenue	3,060	500	5,693	12,774
Cost of sales	<u>(1,840)</u>	<u>(209)</u>	<u>(2,374)</u>	<u>(11,983)</u>
Gross profit	1,220	291	3,319	791
Other income	229	15	631	1,118
Administrative expenses	(819)	(1,763)	(3,090)	(5,414)
Other operating expenses	(372)	-	(1,346)	-
Fair value gain on investment property	17,300	-	17,300	-
Finance costs, net	(785)	(114)	(1,558)	(460)
Share of loss of associate, net of tax	-	(9)	(32)	(9)
Profit/(Loss) before taxation	<u>16,773</u>	<u>(1,580)</u>	<u>15,224</u>	<u>(3,974)</u>
Income tax expense	<u>1,678</u>	<u>1</u>	<u>1,673</u>	<u>(2)</u>
Profit/(Loss) after taxation/Total comprehensive income/(expenses) for the financial period	<u><u>18,451</u></u>	<u><u>(1,579)</u></u>	<u><u>16,897</u></u>	<u><u>(3,976)</u></u>
Profit/(Loss) after taxation attributable to:				
Owners of the Company	18,451	(1,579)	16,897	(3,976)
Non-controlling interests	-	-	-	-
	<u><u>18,451</u></u>	<u><u>(1,579)</u></u>	<u><u>16,897</u></u>	<u><u>(3,976)</u></u>
Total comprehensive income/ (expense) attributable to:				
Owners of the Company	18,451	(1,579)	16,897	(3,976)
Non-controlling interests	-	-	-	-
	<u><u>18,451</u></u>	<u><u>(1,579)</u></u>	<u><u>16,897</u></u>	<u><u>(3,976)</u></u>
Earnings/(Loss) per ordinary share (sen):				
Basic	2.07	(0.24)	1.93	(0.62)
Diluted	N/A	N/A	N/A	N/A

The unaudited Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 November 2021 with the accompanying explanatory notes attached to the financial statements.

INGENIEUR GUDANG BERHAD (formerly known as DYNACIATE GROUP BERHAD) Registration No.: 200601012544 (732294-W)
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CONDENSED INTERIM FINANCIAL STATEMENT
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2022

	<----- Attributable to owners of the Company ----->						
	<----- Non-distributable ----->			Distributable (Accumulated losses)/ Retained profits RM'000	Total RM'000	Non- controlling interests RM'000	Total Equity RM'000
	Share capital RM'000	Capital reserve RM'000	Warrant reserve RM'000				
At 1 December 2021	92,348	(11,369)	13,718	(33,882)	60,815	6,000	66,815
Profit for the financial year	-	-	-	16,897	16,897	-	16,897
Issuance of shares pursuant to acquisition of MGudang Sdn Bhd	17,295	-	-	-	17,295	-	17,295
Issuance of shares pursuant to debt settlement	4,500	-	-	-	4,500	-	4,500
Issuance of shares pursuant to conversion of ICPSs	1,070	(473)	-	-	597	-	597
Transactions with owners of the Company	22,865	(473)	-	-	22,392	-	22,392
At 31 August 2022	115,213	(11,842)	13,718	(16,985)	100,104	6,000	106,104
At 1 December 2020	76,696	(10,833)	13,718	(46,487)	33,094	6,000	39,094
Profit for the financial year	-	-	-	12,605	12,605	-	12,605
Issuance of ordinary shares pursuant to private placement	14,392	-	-	-	14,392	-	14,392
Issuance of ordinary shares pursuant to conversion of ICPSs	1,260	(536)	-	-	724	-	724
Transactions with owners of the Company	15,652	(536)	-	-	15,116	-	15,116
At 30 November 2021	92,348	(11,369)	13,718	(33,882)	60,815	6,000	66,815

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 November 2021 with the accompanying explanatory notes attached to the financial statements.

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**CONDENSED INTERIM FINANCIAL STATEMENT
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2022**

	Current period- to-date 31-Aug-22 RM'000	Preceding year corresponding period ended 31-Aug-21 RM'000
Cash flows from operating activities		
Profit/(Loss) before tax	15,224	(3,974)
Adjustments for:		
Bargain purchase from acquisition of subsidiaries	(151)	-
Depreciation on property, plant and equipment	1,346	1,381
Depreciation on right-of-use assets	-	160
Fair value gain on investment properties	(17,300)	-
Gain on disposal of property, plant and equipment	(73)	-
Interest expense	1,558	460
Interest income	(17)	(8)
Reversal of impairment of contract assets	-	(1,070)
Share of loss of equity accounted associate	32	9
Operating profit/(loss) before working capital changes	<u>619</u>	<u>(3,042)</u>
Changes in working capital:		
Increase in trade and other receivables	(4,010)	(1,854)
(Increase)/Decrease in contract assets	(509)	15,737
Decrease in trade and other payables	(143)	(6,323)
(Decrease)/Increase in contract liabilities	(904)	991
Cash generated from operations	<u>(4,947)</u>	<u>5,509</u>
Income taxes paid	(69)	(27)
Income taxes refunded	-	32
Net cash (used in)/generated from operating activities	<u>(5,016)</u>	<u>5,514</u>
Cash flows from investing activities		
Acquisition of subsidiaries, net of cash acquired	(484)	-
Acquisition of an associate	-	(6,700)
Acquisition of property, plant and equipment	(17)	(4)
Acquisition of investment properties	(53,876)	(382)
Interest received	13	8
Placement of fixed deposit	(405)	-
Net cash used in investing activities	<u>(54,769)</u>	<u>(7,078)</u>
Cash flows from financing activities		
Interest paid	(1,462)	(91)
Repayment of banker acceptances, net of drawdown	(806)	(3,644)
Drawdown of term loan, net of repayment	55,948	-
Proceeds from issuance of ordinary shares pursuant to conversion of ICPS	596	549
Proceeds from issuance of ordinary shares pursuant to private placement	-	8,170
Repayment of finance lease liabilities	(281)	(1,051)
Net cash generated from financing activities	<u>53,995</u>	<u>3,933</u>
Net (decrease)/increase in cash and cash equivalents	(5,790)	2,369
Cash and cash equivalents as at beginning of financial period	<u>7,091</u>	<u>2,234</u>
Cash and cash equivalents as at end of financial period	<u><u>1,301</u></u>	<u><u>4,603</u></u>
Cash and cash equivalents comprise of:-		
Cash and bank balances	1,292	3,096
Short term deposits with licensed banks	418	1,507
Deposits, cash and bank balances	<u>1,710</u>	<u>4,603</u>
Less: Deposits with more than three months maturity	(409)	-
Cash and cash equivalents	<u><u>1,301</u></u>	<u><u>4,603</u></u>

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 November 2021 with the accompanying explanatory notes attached to the financial statements.

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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 AUGUST 2022

PART A: SELECTED EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD (“MFRS”) 134 INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with MFRS 134, Interim Financial Reporting in Malaysia and with IAS34, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 November 2021. These 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 financial year ended 30 November 2021.

The following are accounting standard and amendments of MFRSs that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group.

MFRSs, interpretations and amendments effective for annual period beginning on or after 1 January 2021

- Amendment to MFRS 9, *Financial Instruments*
- MFRS 139, *Financial Instruments: Recognition and Measurement*
- MFRS 7, *Financial Instruments: Disclosures*
- MFRS 4, *Insurance Contracts*
- MFRS 16, *Leases – Interest Rate Benchmark Reform – Phase 2*

MFRSs, interpretations and amendments effective for annual period beginning on or after 1 April 2021

- Amendment to MFRS 16, *Leases – Covid-19-Related Rent Concessions beyond 30 June 2021*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018-2020)*
- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provision, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*
- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018-2020)*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- Amendments to MFRS 4, *Insurance Contracts – Extension of the Temporary Exemption from Applying MFRS 9*
- MFRS 17 and Amendments to MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Initial Application of MFRS 17 and FRS 9 – Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group plans to apply the abovementioned amendments, where applicable, in the respective financial years when the above amendments become effective.

A2. Qualification of financial statements

The auditor's report on the audited financial statements for the financial year ended 30 November 2021 was not qualified.

A3. Seasonal and cyclical factors

The business operations of the Group are not subject to seasonal or cyclical factors.

A4. Exceptional and extraordinary items

There were no items affecting assets, liabilities, equity, net income or cash flows that are exceptional or extraordinary due to their nature, size or incidence affecting the interim financial report.

A5. Changes in accounting estimates

There were no changes in estimates that had a material effect on the current financial period-to-date results.

A6. Debt and Equity Securities

Save as disclosed below, there were no issuance, cancellation, repurchases, resale and repayments of debts and equity securities during the financial period ended 31 August 2022.

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Notes to the Unaudited Interim Financial Report for the third quarter ended 31 August 2022

(Cont'd)

1. On 4 April 2022, the Company completed the proposed acquisition of MGudang Sdn. Bhd. (“MGSB”) from MMAG Holdings Berhad (“MMAG”) and proposed settlement of amount owing by MGSB to MMAG with the issuance and listing of 180,157,290 ordinary shares and 46,875,000 ordinary shares at an issue price of RM0.096 each to MMAG respectively; and
2. The Company issued 16,497,500 new ordinary shares at RM0.12 per ordinary shares arising from the conversion of 23,060,000 Irredeemable Convertible Preference Shares (“ICPSs”).

A7. Dividend Paid

No dividend was paid by the Company in the current financial period.

A8. Segmental information

The reportable segments of the Group are:

Property investment and others	Includes rental of investment properties
Construction	Includes construction, civil and mechanical engineering, architectural steel fabrication and installation works

The Group operates principally in Malaysia.

The Group’s business is operated entirely within Malaysia and as such, no segment information based on geographical location is presented.

Financial period ended 31.08.2022	Construction RM'000	Property investment & others RM'000	The Group RM'000
External revenue	2,752	2,942	5,693
Results			
Profit before following adjustments:	729	40	769
Fair value gain on investment properties	-	17,300	17,300
Gain on disposal of plant and equipment	73	-	73
Interest income	2	15	17
Depreciation of property, plant and equipment	(1,342)	(4)	(1,346)
Share of loss of associate, net of tax	-	(32)	(32)
Segment results	(538)	17,319	16,781
Finance costs			(1,558)
Taxation			1,674
Profit after taxation			16,897

Financial period ended 31.08.2022	Construction RM'000	Property investment & others RM'000	The Group RM'000
As at 31.08.2022			
<u>Assets</u>			
Segment assets	42,687	198,633	241,320
Unallocated assets			<u>39</u>
Consolidated total assets			<u>241,359</u>
<u>Liabilities</u>			
Segment liabilities	47,366	87,782	135,148
Unallocated liabilities			<u>107</u>
Consolidated total liabilities			<u>135,255</u>

A9. Significant events during the financial period and subsequent events

Save as disclosed below, there were no significant events subsequent to the end of the interim period under review:

- On 1 March 2022, the Board announced that the Company proposes to undertake the private placement of up to 467,585,600 ordinary shares in IGB. Subsequently, on 29 April 2022, the Company announced the revision of the numbers of shares to be issued under the private placement to up to 465,560,600 ordinary shares in IGB. Bursa Securities had granted its approval via letter dated 14 June 2022 for the listing of and quotation for the said placement shares on the Main Market of Bursa Securities. On 26 July 2022, shareholders of IGB had at the Company's EGM approved the placement exercise.
- On 18 April 2022, the Company announced that its wholly owned subsidiary, Magnitude Resources Sdn. Bhd. ("MRSB") had on 18 April 2022, entered into a sale and purchase agreement with Grand Century Construction Sdn. Bhd. for the proposed acquisition of all that piece of vacant freehold commercial land held under Geran 267432 Lot 60031, Pekan Seremban Jaya, Daerah Seremban, State of Negeri Sembilan with an area measuring approximately 4.913 acres for total consideration of RM13 million ("**Proposed Acquisition of Senawang Land**"). The Proposed Acquisition of Senawang Land was completed on 17 July 2022.

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Notes to the Unaudited Interim Financial Report for the third quarter ended 31 August 2022

(Cont'd)

3. On 7 June 2022, The Company announced that its wholly owned subsidiary, Ingenieur EPCM Sdn. Bhd. (formerly known as Dynaciate SPI Sdn. Bhd.) (“**IESB**”) had, on even date, entered into the conditional sale and purchase agreement with MTrustee Berhad, as the trustee of CapitaLand Malaysia Trust for the disposal of the freehold land held under GM448, Lot 1628 and GM450, Lot 1630, both in Mukim 12, Tempat Ladang Valdor, Daerah Seberang Perai Selatan, Negeri Pulau Pinang together with the buildings erected thereon for the disposal consideration of RM80 million (“**Proposed Disposal of Penang Factory**”). On 5 September 2022, the Company obtained its shareholders approval for the Proposed Disposal of Penang Factory. On 6 September 2022, both parties mutually agreed that the Conditions Precedent have been fulfilled and become unconditional on even date.
4. On 14 June 2022, the Board announced that MRSB had entered into a sale and purchase agreement with Powernet Industries Sdn. Bhd. (“**PISB**”) for the proposed acquisition of all that piece of freehold industrial land held under Lot 10231, GM7196, Mukim of Bentong, District of Bentong, Pahang Darul Makmur with an area measuring approximately 23,550 square metres together with buildings erected thereon (including fixtures and fittings) for total cash consideration of RM12.0 million (“**Proposed Bentong Acquisition**”). The Proposed Bentong Acquisition was completed on 17 June 2022.
5. On 21 June 2022, the Board announced that MRSB had entered into a conditional sale and purchase agreement with Sime Darby Property (Nilai) Sdn. Bhd. for the acquisition of all that piece of freehold industrial land with a single storey detached factory with a two-storey office building identified as H.S (D) 252503, PT 33999 within Mukim Setul, District of Seremban, State of Negeri Sembilan measuring approximately 7,689.62 square metres in area for total cash consideration of RM15.0 million (“**Nilai Land Acquisition**”). The said acquisition is pending completion as at the date of this report.
6. On 26 July 2022, the Company obtained its shareholders approval for the proposed change of name of the Company from Dynaciate Group Berhad to Ingenieur Gudang Berhad. On 1st August 2022, the Company announced that it has changed its name to Ingenieur Gudang Berhad with effect from 27 July 2022, being the date of the Notice of Registration in Change of Name of Company issued by Companies Commission of Malaysia.
7. On 29 July 2022, the Board announced that its wholly owned subsidiary MGudang Properties Sdn. Bhd. (formerly known as Hong Seng Energy Sdn Bhd) had entered into a conditional sale and purchase agreement with Paradise Boulevard Sdn. Bhd. for the proposed acquisition of 149 units of retail and commercial complex in the development known as Pandan Safari Lagoon Shopping Complex and Water Theme Park, erected on the leasehold land held under Master Title Pajakan Mukim 3918, Lot 45614 Seksyen 15, Pandan Perdana, Bandar Ampang, Daerah Hulu Langat, Negeri Selangor for a total cash consideration of RM9,070,000 (“**Pandan Safari Shopping Complex Acquisition**”). On 29 September 2022, both parties had mutually agreed to extend the duration for PBSB to obtain the Developer’s Confirmation Letter by another three (3) months from 29 September 2022. The said acquisition is pending for completion as at the date of this report.

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Notes to the Unaudited Interim Financial Report for the third quarter ended 31 August 2022

(Cont'd)

8. On 1 August 2022, the Company announced that its wholly-owned subsidiary, MRSB had, on even date, entered into the sale and purchase agreement with Yuwang Development Sdn. Bhd. and Global Bloom for the proposed acquisition of a leasehold industrial land held under Master Title H.S. (D) 5721, PT 10557, Mukim Ijok, Daerah Kuala Selangor, Negeri Selangor, measuring in area 9.32 acre for total cash consideration of RM30.45 million (**“Proposed Puncak Alam Acquisition”**).
9. On 4 August 2022, the Company announced that its wholly-owned subsidiary, IESB had, on even date, entered into the sale and purchase agreement with Dynaciate Engineering Sdn. Bhd. for the disposal of:
 - (i) a piece of leasehold industrial land held under HS(D) 516674 PT 216212 in Mukim Plentong, Daerah Johor Bahru, Negeri Johor together with buildings erected thereon for a cash consideration of RM16.6 million (**“Proposed Johor Premises Disposal”**); and
 - (ii) a piece of leasehold industrial land held under HS(D) 46891 PT 20054 in Mukim Sungai Karang, Daerah Kuantan, Negeri Pahang together with buildings erected thereon for a cash consideration of RM9.4 million (**“Proposed Pahang Premises Disposal”**).

A10. Changes in composition of the Group during the financial year ending 30 November 2022

Save as disclosed below, there were no other changes in the composition of the Group.

1. On 30 December 2021, the Company entered into a Share Sales Agreement (“SSA”) with Dato Seri Teoh Hai Hin to acquire 100% equity interest of 2 ordinary shares in Hong Seng Energy Sdn. Bhd. (“HSESB”) (currently known as MGudang Properties Sdn Bhd) at cash consideration of RM2.00. The SSA was completed on 4 January 2022. HSESB is involve in property investment for the purpose of generating rental income.
2. On 4 April 2022, the Company has completed the proposed acquisition of MGudang Sdn. Bhd. from MMAG Holdings Berhad upon issuance and allotment of 180,157,290 new IGB shares and on even date, IGB has owned 100% of MGudang Sdn Bhd.
3. On 13 June 2022, the Company has incorporated a wholly owned subsidiary, MGudang Holdings Sdn. Bhd. with an initial paid-up capital of RM100.00.

A11. Contingent liabilities

As at 31 August 2022, the Company has issued corporate guarantees for banking facilities granted to subsidiaries of which RM8.99 million were utilised. Additionally, the Company has also issued corporate guarantees totalling RM2.00 million in favour of suppliers of a subsidiary, of which RM0.11 million were utilised.

A12. Capital commitment

	As at 31.08.2022
	RM'000
Approved and contracted for	
– Investment properties	24,531

A13. Significant related party transactions

There were no significant related party transactions during the financial period under review.

A14. Changes in fair value of financial assets and liabilities, transfers and classification

There have been no significant changes in the business or economic circumstances that could affect the fair value of the Group's financial assets and financial liabilities in the current financial period under review.

A15. Fair value of financial instruments

As at 31.08.2022	Fair value of financial instruments not carried at fair value				Carrying Amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	RM'000
<u>Financial liabilities</u>					
Term loan	-	-	(38,749)	(38,749)	(38,749)
Finance lease liabilities	-	-	(352)	(352)	(352)
Other borrowings	-	-	(35,321)	(35,321)	(35,321)
Amount due to companies in which certain Director of a subsidiary have a substantial financial interest	-	-	(12,108)	(12,108)	(12,108)
	-	-	(86,530)	(86,530)	(86,530)

The fair values above are for disclosure purposes and have been determined by the relevant cash flows using interest rates for similar instruments ranging from 3.52% to 4.75% (As at 30.11.2021: 3.27% to 4.25% per annum) per annum at the end of the reporting period.

PART B: OTHER INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD MAIN MARKET LISTING REQUIREMENTS

B1. Review of performance

	Individual Quarter				Cumulative Period			
	31.08.22 RM'000	31.08.21 RM'000	Changes RM'000	%	31.08.22 RM'000	31.08.21 RM'000	Changes RM'000	%
Revenue								
- Construction	1,874	240	1,634	681%	2,752	12,514	(9,762)	-78%
- Property Investment & Others	1,186	260	926	356%	2,941	260	2,681	1031%
	3,060	500	2,560	512%	5,693	12,774	(7,081)	-55%
Profit/(Loss) before taxation								
- Construction	687	(1,200)	1,887	157%	(1,042)	(2,586)	1,544	60%
- Property Investment & Others	16,086	(380)	16,466	4333%	16,266	(1,388)	17,654	1272%
	16,773	(1,580)	18,353	1162%	15,224	(3,974)	19,198	483%

The Group posted revenue of RM3.06 million and profit before tax (“PBT”) of RM16.77 million for the third quarter ended 31 August 2022 (“Q3FY2022”) as compared to revenue of RM0.50 million and loss before tax (“LBT”) of RM1.58 million for the third quarter ended 31 August 2021 (“Q3FY2021”).

The Group posted higher revenue compared to Q3FY2021 mainly due to progress in construction segment in the third quarter of this financial year. PBT of RM0.69 million recorded during the quarter from the construction segment was mainly due to higher gross profit generated from the completions of the projects on hand. On the other hand, property investment segment continues to generate stable revenue of RM1.19 million during the current quarter under review. Property investment segment recorded PBT of RM16.09 million during the current quarter compared to Q3FY2021 mainly due to recognition of fair value gain of investment properties.

On year-to-date basis, the Group posted revenue and PBT of RM5.69 million and RM15.22 million respectively as compared to revenue of RM12.78 million and LBT of RM3.97 million recorded in the 9-month financial period ended 31 August 2021.

B2. Variation of results against preceding quarter

	Current quarter ended 31.08.22 RM'000	Immediate preceeding quarter ended 31.05.22 RM'000	Changes	
			RM'000	%
Revenue				
- Construction	1,874	825	1,049	127%
- Property Investment & Others	1,186	945	241	26%
	3,060	1,770	1,290	73%
Profit/(Loss) before taxation				
- Construction	687	(940)	1,627	173%
- Property Investment & Others	16,086	(122)	16,208	13285%
	16,773	(1,062)	17,835	1679%

INGENIEUR GUDANG BERHAD (formerly known as DYNACIATE GROUP BERHAD)

Registration No. 200601012544 (732294-W)

(Incorporated in Malaysia)

Notes to the Unaudited Interim Financial Report for the third quarter ended 31 August 2022

(Cont'd)

The Group reported revenue and PBT of RM3.06 million and RM16.77 million respectively as compared with revenue of RM1.77 million and LBT of RM1.06 million reported in the immediate preceding quarter ended 31 May 2022 (“Q2FY2022”). Group revenue has improved approximately RM1.29 million compared to Q2FY2021 mainly due to higher construction revenue recognised during the current quarter under review.

Rental income generated from investment properties & others segment has been pivotal in contributing to consolidated revenue during the quarter under review. The property investment and other segment posted PBT of RM17.84 million mainly due to fair value gain recognised on investment property during the quarter.

B3. Prospects

The Board is of the view that manufacturing sector when reflecting to the current market climate will continue to grow. The Group’s continued investment in the industrial and commercial warehousing facilitation amongst the mid-term recalibration and construction planning activities will best position the Group, both strategically and operationally. The Group also saw piling up progress in its construction segment, and looking forward to narrowing the losses and aiming to achieving profits by scaling up the order books given our current targeted key construction customers.

B4. Variance between actual profit and forecast profit

The Group has not issued any profit forecast or profit guarantee.

B5. Income tax expense

	Individual quarter ended		Cumulative period ended	
	31.08.2021	31.08.2020	31.08.2021	31.08.2020
	RM'000	RM'000	RM'000	RM'000
The income tax (expense)/ income consist of:				
- Current tax expense	(110)	1	(115)	(2)
- Deferred tax income	1,788	-	1,788	-
Income tax	1,678	1	1,673	(2)

B6. Notes to the statement of profit or loss and other comprehensive income

	Current quarter ended 31.08.2022 RM'000	Current period- to- date ended RM'000
Interest income	(1)	(17)
Bargain purchase from acquisition of subsidiaries	(151)	(151)
Fair value gain on investment properties	(17,300)	(17,300)
Gain on disposal of plant and equipment	-	(73)
Depreciation on property, plant and equipment	373	1,346
Interest expense	785	1,558
Share of loss of associate	-	32

B7. Corporate proposals

Save as disclosed in Note A9, there were no other corporate proposal pending for completion as at the date of this report.

B8. Group's borrowings

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

	Current Secured RM'000	Non-current Secured RM'000	Total RM'000
Term loans	10,910	27,839	38,749
Finance lease liabilities	285	67	352
Other borrowings	35,321	-	35,321
Total	46,516	27,906	74,422

The above borrowings are denominated in Ringgit Malaysia.

B9. Material litigation

The Group was not engaged in any material litigation during the current financial quarter.

B10. Proposed dividend

The Board did not recommend any dividend for the current quarter and period ended 31 August 2022.

B11. Earnings per ordinary share

(a) Basic

The basic earnings/(loss) per share of the Group is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the reporting period.

	Individual Financial Quarter Ended		Cumulative Financial Period Ended	
	31.08.2022	31.08.2021	31.08.2022	31.08.2021
Profit/(Loss) attributable to owners of the Company (RM'000)	18,451	(1,579)	16,897	(3,976)
Weighted average number ordinary shares ('000)	985,300	671,902	874,053	643,728
Basic earnings/(loss) per share (sen)	2.07	(0.24)	1.93	(0.62)

(b) Diluted

The diluted earnings/(loss) per share of the Group is calculated from the profit/(loss) attributable to owners of the Company divided by weighted average number of shares outstanding after adjustment for the effects of all dilutive potential ordinary shares during the financial year.

The diluted earnings/(loss) per share of the Group were not presented as the effect of the assumed conversion of ICPS on the loss per ordinary share is anti-dilutive. The effect of the assumed exercise of Warrants has not been considered as the exercise price of the Warrants is higher than the average market price of the Company's shares.

This report is dated 26 October 2022.