



INGENIEUR
INGENIEUR GUDANG BERHAD

INGENIEUR GUDANG BERHAD

(formerly known as Dynaciate Group Berhad)

Registration No. 200601012544 (732294-W)

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2023

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 28 FEBRUARY 2023

	As at 28-Feb-23 Unaudited RM'000	As at 30-Nov-22 Audited RM'000
Assets		
Non-current assets		
Property, plant and equipment	3,629	3,886
Investment properties	154,515	132,348
Intangible assets	8,164	156
Total non-current assets	<u>166,308</u>	<u>136,390</u>
Current assets		
Trade and other receivables	13,121	14,465
Contract assets	550	2,803
Tax recoverable	64	45
Deposits, cash and bank balances	9,726	2,556
	<u>23,461</u>	<u>19,869</u>
Asset classified as held for sale	24,287	101,587
Total current assets	<u>47,748</u>	<u>121,456</u>
Total assets	<u>214,056</u>	<u>257,846</u>
Equity		
Share capital	119,734	115,229
Reserves	(8,742)	(12,743)
Total equity attributable to owners of the Company	<u>110,992</u>	<u>102,486</u>
Non-controlling interests	6,000	6,000
Total equity	<u>116,992</u>	<u>108,486</u>
Liabilities		
Non-current liabilities		
Deferred tax liabilities	857	857
Loans and borrowings	19,279	27,423
Total non-current liabilities	<u>20,136</u>	<u>28,280</u>
Current liabilities		
Trade and other payables	65,746	76,055
Contract liabilities	1,482	2,945
Current tax liabilities	99	99
Loans and borrowings	9,601	41,981
Total current liabilities	<u>76,928</u>	<u>121,080</u>
Total liabilities	<u>97,064</u>	<u>149,360</u>
Total equity and liabilities	<u>214,056</u>	<u>257,846</u>
Net assets per ordinary share attributable to owners of the Company (sen)	10.70	8.11

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 2022 with the accompanying explanatory notes attached to the financial statements.

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 PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2023

	Individual period		Cumulative period	
	Current period- quarter-ended 28-Feb-23 RM'000	Preceding year corresponding quarter ended 28-Feb-22 RM'000	Current year-to- date 28-Feb-23 RM'000	Preceding year corresponding year ended 28-Feb-22 RM'000
Revenue	8,366	863	8,366	863
Cost of sales	(5,462)	(93)	(5,462)	(93)
Gross profit	2,904	770	2,904	770
Other income	2,707	156	2,707	156
Administrative expenses	(982)	(611)	(982)	(611)
Other operating expenses	(258)	(509)	(258)	(509)
Results from operating activities	4,371	(194)	4,371	(194)
Finance income	76	9	76	9
Finance costs	(446)	(270)	(446)	(270)
Net finance costs	(370)	(261)	(370)	(261)
Operating profit/(loss)	4,001	(455)	4,001	(455)
Share of loss of associate, net of tax	-	(32)	-	(32)
Profit/(Loss) before tax	4,001	(487)	4,001	(487)
Income tax expense	-	-	-	-
Net profit/(loss) after taxation/Total comprehensive income for the financial period	4,001	(487)	4,001	(487)
Profit/(Loss) after taxation attributable to:				
Owners of the Company	4,001	(487)	4,001	(487)
Non-controlling interests	-	-	-	-
	4,001	(487)	4,001	(487)
Total comprehensive income/(loss) attributable to:				
Owners of the Company	4,001	(487)	4,001	(487)
Non-controlling interests	-	-	-	-
	4,001	(487)	4,001	(487)
Earnings/(Loss) per ordinary share (sen):				
Basic	0.39	(0.07)	0.39	(0.07)
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 2022 with the accompanying explanatory notes attached to the financial statements.

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 CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2023

	<----- Attributable to owners of the Company ----->						
	<----- Non-distributable ----->			Distributable (Accumulated			
	Share capital RM'000	Capital reserve RM'000	Warrants reserve RM'000	losses)/ Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total Equity RM'000
At 1 December 2022	115,229	(11,847)	13,718	(14,614)	102,486	6,000	108,486
Profit for the period	-	-	-	4,001	4,001	-	4,001
Issuance of ordinary shares pursuant to private placement	4,505	-	-	-	4,505	-	4,505
Transactions with owners of the Company	4,505	-	-	-	4,505	-	4,505
At 28 February 2023	119,734	(11,847)	13,718	(10,613)	110,992	6,000	116,992
At 1 December 2021	92,348	(11,369)	13,718	(33,882)	60,815	6,000	66,815
Profit for the financial year	-	-	-	19,268	19,268	-	19,268
Issuance of ordinary shares pursuant to acquisition of subsidiaries	17,295	-	-	-	17,295	-	17,295
Issuance of ordinary shares pursuant to debt settlement	4,500	-	-	-	4,500	-	4,500
Issuance of ordinary shares pursuant to conversion of ICPSs	1,086	(478)	-	-	608	-	608
Transactions with owners of the Company	22,881	(478)	-	-	22,403	-	22,403
At 30 November 2022	115,229	(11,847)	13,718	(14,614)	102,486	6,000	108,486

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 2022 with the accompanying explanatory notes attached to the financial statements.

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 CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2023

	Current period- to-date 28-Feb-23 RM'000	Preceding year corresponding period ended 28-Feb-22 RM'000
Cash flows from operating activities		
Profit/(Loss) before tax	4,001	(487)
Adjustments for:		
Depreciation on property, plant and equipment	257	509
Gain on disposal of assets held for sale	(2,630)	-
Interest expense	446	270
Interest income	(76)	(9)
Share of loss of equity accounted associate	-	32
Operating profit before working capital changes	<u>1,998</u>	<u>315</u>
Changes in working capital:		
Increase in trade and other receivables	(11,328)	(5,265)
Decrease/(Increase) in contract assets	2,253	(212)
Increase/(Decrease) in trade and other payables	19,704	(2,415)
(Decrease)/Increase in contract liabilities	(1,463)	2,468
Cash generated from/(used in) operations	<u>11,164</u>	<u>(5,109)</u>
Income taxes paid	(19)	-
Net cash generated from/(used in) operating activities	<u>11,145</u>	<u>(5,109)</u>
Cash flows from investing activities		
Acquisition of subsidiaries, net of cash acquired	(7,997)	1
Acquisition of investment properties	(20,956)	(18,000)
Interest received	73	8
Placement of fixed deposits	-	(405)
Proceeds from disposal of assets held for sale	61,418	-
Net cash generated from/(used in) investing activities	<u>32,538</u>	<u>(18,396)</u>
Cash flows from financing activities		
Interest paid	(446)	(270)
(Repayment)/Drawdown of other borrowings and term loan, net	(40,454)	21,080
Proceeds from issuance of ordinary shares pursuant to private placement	4,505	-
Repayment of finance lease liabilities	(70)	(26)
Net cash (used in)/generated from financing activities	<u>(36,465)</u>	<u>20,784</u>
Net increase/(decrease) in cash and cash equivalents	7,218	(2,721)
Cash and cash equivalents as at beginning of financial period	<u>2,146</u>	<u>7,091</u>
Cash and cash equivalents as at end of financial period	<u>9,364</u>	<u>4,370</u>
Cash and cash equivalents comprise of:-		
Cash and bank balances	9,303	4,363
Short term deposits with licensed banks	423	413
Deposits, cash and bank balances	9,726	4,776
Less: Deposits with more than three months maturity	(413)	(406)
Cash and cash equivalents	<u>9,364</u>	<u>4,370</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 2022 with the accompanying explanatory notes attached to the financial statements.

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 FIRST QUARTER ENDED 28 FEBRUARY 2023

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 2022. 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 2022.

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 periods beginning on or after 1 January 2022

- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- 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*

Annual Improvement to MFRS Standards 2018 – 2020

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

- MFRS 17 and Amendments to MFRS 17, *Insurance Contracts and Amendments to MFRS 17 Insurance Contract*
- Amendments to MFRS 17, *Initial Application of MFRS 17 and MFRS 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 1 January 2024

- Amendments to MFRS 16, Leases – Lease liability in a Sale and Leaseback
- Amendments to MFRS 101, Presentation of Financial Statements – Non – current Liabilities with Covenants

Deferred to a date determined by MASB

- 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 2022 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 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 year ended 28 February 2023:

1. On 8 December 2022, the Company had issued 49,396,600 ordinary shares at an issue price of RM0.0912 per share pursuant to the 40% Private Placement.

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 year ended 28.02.2023	Construction RM'000	Property investment & others RM'000	The Group RM'000
External revenue	7,578	788	8,366
Results			
Profit before following adjustments:	1,740	258	1,998
Gain on disposal of assets held for sale	-	2,630	2,630
Interest income	36	40	76
Depreciation of property, plant and equipment	(256)	(1)	(257)
Segment results	1,520	2,927	4,447
Finance costs			(446)
Taxation			-
Profit after taxation			4,001
As at 28.02.2023			
Assets			
Segment assets	48,698	171,578	220,276
Unallocated assets			64
Consolidated total assets			220,340
Liabilities			
Segment liabilities	37,167	66,082	103,249
Unallocated liabilities			99
Consolidated total liabilities			103,348

A9. Significant events during the financial period and subsequent events

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

1. 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 (“**40% Private Placement**”). 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 Extraordinary General Meeting (“**EGM**”) approved the placement exercise.

On 25 November 2022, the Company had submitted an application to Bursa Securities seeking its approval for an extension of time from 14 December 2022 to 13 June 2023 for the Company to complete the implementation of the 40% Private Placement. Bursa Securities had vide its letter dated 6 December 2022, resolved to grant the Company an extension of time until 13 June 2023 to complete the implementation of the 40% Private Placement.

On 8 December 2022, the first tranche of the private placement of 49,396,600 ordinary shares had been allotted to a placee (“**Tranche 1 Private Placement**”).

2. 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 (“**Disposal of Penang Factory**”). On 14 December 2022, the Disposal of Penang Factory has been completed.

A10. Changes in composition of the Group during the financial year ending 28 February 2023

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

1. On 8 February 2023, a subsidiary of the Company, MGudang Holdings Sdn Bhd (“**MHSB**”), entered into a Share Sales Agreement (“**SSA**”) with Soon Boon Fei to acquire 100% equity interest of 1 ordinary share in Deluxe Mission Sdn Bhd for a total cash consideration of RM8,000,000. The SSA was completed on 16 February 2023. MHSB is involve in investment holding.

A11. Contingent liabilities

As at 28 February 2023, the Company has issued corporate guarantees for banking facilities granted to subsidiaries of which RM8.44 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 28.02.2023 RM'000	As at 28.02.2022 RM'000
Approved and contracted for		
– Investment properties	22,856	6,569

A13. Significant related party transactions

The summary for the significant related party transactions during the financial period under review is as follows:

	Individual quarter ended		Cumulative period ended	
	28.02.2023 RM'000	28.02.2022 RM'000	28.02.2023 RM'000	28.02.2022 RM'000
<u>Transactions with a substantial shareholder</u>				
1 Rental income	623	-	623	-
2 Progress billings	1,498	-	1,498	-

A14. Changes in fair value of financial assets and liabilities, transfer 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. Status of corporate proposals and utilisation of proceeds

(a) Disposal of Penang Factory

As disclosed in Note A9 (2), on 5 September 2022, the Company obtained its shareholders approval for the Disposal of Penang Factory. As at the financial year ended 28 February 2023, a total sum of RM80.00 million had been received from the purchaser. The summary of the utilisation of the proceeds are as follows:

As at 28.02.2023	Intended timeframe for utilisation	Actual proceeds received (RM'000)	Actual proceeds utilised (RM'000)	Balance proceeds unutilised (RM'000)
Property business	Within 36 months	57,400	52,047	5,353 ⁽¹⁾
Repayment of bank borrowings	Within 6 months	9,400	9,400	-
General working capital	Within 24 months	13,000	11,334	1,666 ⁽¹⁾
Defray estimated expenses	Within 3 months	200	200	-
	Total	80,000	72,981	7,019

⁽¹⁾ The balance of the proceeds unutilised are placed as deposits in licensed financial institution.

- The utilisation of the proceeds as disclosed above should be read in conjunction with the Circular of the Company dated 19 August 2022.

(b) 40% Private Placement

Further to Note A9 (1), the 40% Private Placement is yet to be completed as at 28 February 2023. The utilisation of the Tranche 1 Private Placement up to 28 February 2023 is as follows:

As at 28.02.2023	Intended timeframe for utilisation	Proposed utilisation (RM'000)	Actual utilisation (RM'000)	Balance (RM'000)
Capital expenditure of				
MGSB Group	Within 6 months	-	-	-
Construction of warehouse	Within 24 months	-	-	-
Balance Purchase consideration for Senawang Land	Within 4 months	4,155	4,155	-
Balance Purchase consideration for Serendah Land	Within 24 months	-	-	-
Balance Purchase consideration for Nilai Property	Within 24 months	-	-	-
Working capital	Within 24 months	-	-	-
Defray estimated expenses	Within 1 month	350	152	198
	Total	4,505	4,307	198

- *The utilisation of the proceeds as disclosed above should be read in conjunction with the Circular of the Company dated 4 July 2022.*

(c) Disposals of Johor and Pahang Premises

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 ("**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 ("**Pahang Premises Disposal**").

On 16 November 2022, the Company obtained its shareholders approval for the Johor Premises Disposal and Pahang Premises Disposal. As at the quarter year ended 28 February 2023, the said disposals have yet to be completed and no proceeds had been received from this corporate proposal.

(d) Acquisition of Puncak Alam

On 1 August 2022, the Company announced that its wholly-owned subsidiary, Magnitude Resources Sdn. Bhd. (“**MRSB**”) had, on even date, entered into the sale and purchase agreement with Yuwang Development Sdn. Bhd. and Global Bloom for the 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 (“**Puncak Alam Acquisition**”).

On 16 November 2022, the shareholders of the Company had at the EGM approved the Puncak Alam Acquisition. The said acquisition is pending completion as at the date of this report.

A16. Fair value of financial instruments

As at 28.02.2023	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 loans	-	-	(28,655)	(28,655)	(28,655)
Finance lease liabilities	-	-	(225)	(225)	(225)
Amount due to companies in which certain directors of a subsidiary have a substantial financial interest	-	-	(12,302)	(12,302)	(12,302)
	-	-	(41,182)	(41,182)	(41,182)

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 30.11.2022: 3.52% to 4.75% 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			
	28.02.23	28.02.22	Changes		28.02.23	28.02.22	Changes	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue								
- Construction	7,578	53	7,525	14198%	7,578	53	7,525	14198%
- Property Investment & Others	788	810	(22)	-3%	788	810	(22)	-3%
	8,366	863	7,503	869%	8,366	863	7,503	869%
Profit/(Loss) before taxation								
- Construction	1,407	(789)	2,196	278%	1,407	(789)	2,196	278%
- Property Investment & Others	2,594	302	2,292	750%	2,594	302	2,292	750%
	4,001	(487)	4,488	922%	4,001	(487)	4,488	922%

The Group posted revenue of RM8.37 million and profit before tax (“PBT”) of RM4.00 million for the first quarter ended 28 February 2023 (“Q1FY2023”) as compared to revenue of RM0.86 million and loss before tax (“LBT”) of RM0.49 million for the first quarter ended 28 February 2022 (“Q1FY2022”).

The Group posted higher revenue compared to Q1FY2022 mainly due to increase work progress and new projects secured in construction segment during the financial period. PBT of RM1.41 million recorded during the quarter from the construction segment was mainly due to higher gross profit generated from the existing projects on hand. On the other hand, property investment segment recorded revenue of RM0.79 million and PBT of RM2.59 million. The increase of PBT is due to gain on disposal of Penang factory during the quarter under reviewed.

B2. Variation of results against preceding quarter

	Current quarter ended 28.02.23 RM'000	Immediate preceeding quarter ended 30.11.22 RM'000	Changes	
			RM'000	%
Revenue				
- Construction	7,578	5,110	2,468	48%
- Property Investment & Others	788	2,171	(1,383)	-64%
	8,366	7,281	1,085	15%
Profit before taxation				
- Construction	1,407	726	681	94%
- Property Investment & Others	2,594	2,261	333	15%
	4,001	2,987	1,014	34%

The Group reported revenue and PBT of RM8.37 million and RM4.00 million respectively in Q1FY2023 as compared with revenue of RM7.28 million and PBT of RM2.99 million reported in the preceding quarter ended 30 November 2022 (“Q4FY2022”). The Group’s revenue has improved by RM1.09 million compared to Q4FY2022 mainly due to higher construction revenue recognised during the current quarter under review. Revenue from the property investment segment dropped by RM1.38 million as the rental income stream from Penang factory had ceased upon the disposal of Penang factory in the quarter. PBT for overall also improved in view of lower finance costs incurred during the quarter as the Group has pared down the borrowings during the quarter.

The property investment and other segment posted a PBT of RM4.00 million for the quarter review. The increase in PBT is mainly due to better performance in the construction segment and gain on disposal of Penang factory recognised in the quarter.

B3. Prospects

The outlook of Malaysian economy expected to progress moderately in Year 2023 after a strong rebound last year. With the continued improvement of the economy, the Board is of the view that manufacturing sector when reflecting to the current market climate will continue to grow. The construction segment will continue to bid for new contracts to improve our order book and revenue, as well as execution on the projects to ensure timely delivery and completion for current on-going projects. The property investment segment will see a lower rental revenue in this financial year, in view that the Penang factory had been disposed in the current quarter ended 28 February 2023, while several of our properties are still under construction. Given the moderation of the economy, the Group is cautiously optimistic in registering positive growth for the current financial year.

B4. Variance between actual and forecast profit

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

B5. Income tax expense

	Individual quarter ended		Cumulative year ended	
	28.02.2023	28.02.2022	28.02.2023	28.02.2022
	RM'000	RM'000	RM'000	RM'000
The income tax expense consist of:				
- Current tax	-	-	-	-
- Deferred tax	-	-	-	-
Income tax	-	-	-	-

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

	Individual quarter ended		Cumulative period ended	
	28.02.2023	28.02.2022	28.02.2023	28.02.2022
	RM'000	RM'000	RM'000	RM'000
<u>After charging/(crediting):</u>				
Depreciation on property, plant and equipment	257	509	257	509
Interest expense	446	270	446	270
Share of loss of equity accounted associate	-	32	-	32
Gain on disposal of assets held for sale	(2,630)	-	(2,630)	-
Interest income	(76)	(9)	(76)	(9)

B7. Corporate proposals

Save as disclosed in Note A9 and A15, 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 28 February 2023 are as follows:

	Current Secured	Non-current Secured	Total
	RM'000	RM'000	RM'000
Term loans	9,457	19,198	28,655
Finance lease liabilities	144	81	225
Total	9,601	19,279	28,880

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 ended 28 February 2023.

B11. Earnings per ordinary share

(a) Basic

The basic earnings per share of the Group is calculated by dividing the earnings 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	
	28.02.2023	28.02.2022	28.02.2023	28.02.2022
Profit/(Loss) attributable to owners of the Company (RM'000)	4,001	(487)	4,001	(487)
Weighted average number ordinary shares ('000)	1,033,310	744,204	1,033,310	744,204
Basic earnings/(loss) per share (sen)	0.39	(0.07)	0.39	(0.07)

(b) Diluted

The diluted earnings per share of the Group is calculated from the profit 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 per share of the Group were not presented as the effect of the assumed conversion of ICPS on the earnings 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 27 April 2023.