

**SBC CORPORATION BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2024**

|  | <b>AS AT CURRENT<br/>FINANCIAL YEAR ENDED<br/>30 JUNE 2024<br/>RM'000<br/>(unaudited)</b> | <b>AS AT PRECEDING<br/>FINANCIAL YEAR ENDED<br/>31 MARCH 2024<br/>RM'000<br/>(audited)</b> |
|--|---|--|
| <b>ASSETS</b>                                |   |  |
| <b>NON-CURRENT ASSETS</b>                    |   |  |
| Investment in associates                     | 111,604   | 111,716  |
| Investment in joint ventures                 | -   | -  |
| Property, plant and equipment                | 5,332   | 5,254  |
| Investment properties                        | 73,917  | 73,951   |
| Right-of-use asset                           | 2,096   | 2,169  |
| Inventories                                  | 125,431   | 124,002  |
| Goodwill                                     | 9,495   | 9,495  |
| Deferred tax assets                          | 320   | 3,299  |
| Other assets                                 | 954   | 972  |
|  | <b>329,149</b>  | <b>330,858</b>   |
| <b>CURRENT ASSETS</b>                        |   |  |
| Inventories                                  | 140,721   | 145,800  |
| Receivables                                  | 74,070  | 80,717   |
| Contract assets                              | 1,710   | 1,710  |
| Amount owing by associates                   | 3,366   | 3,366  |
| Amount owing by a joint venture              | 4,018   | 4,100  |
| Current tax assets                           | 2,194   | 3,966  |
| Fixed deposits with licensed banks           | 2,368   | 2,352  |
| Cash and bank balances                       | 6,204   | 8,696  |
|  | <b>234,651</b>  | <b>250,707</b>   |
| <b>TOTAL ASSETS</b>                          | <b>563,800</b>  | <b>581,565</b>   |
| <b>EQUITY AND LIABILITIES</b>                |   |  |
| <b>EQUITY</b>                                |   |  |
| Share capital                                | 251,800   | 251,800  |
| Treasury shares                              | (51)  | (51)   |
| Reserves                                     | 159,035   | 162,282  |
| Equity attributable to owners of the company | 410,784   | 414,031  |
| Non-controlling interests                    | (5,083)   | (5,288)  |
| <b>TOTAL EQUITY</b>                          | <b>405,701</b>  | <b>408,743</b>   |
| <b>NON-CURRENT LIABILITIES</b>               |   |  |
| Deferred tax liabilities                     | 1,500   | 1,500  |
| Long-term borrowings                         | 62,270  | 64,324   |
| Lease liability                              | 1,960   | 2,020  |
|  | <b>65,730</b>   | <b>67,844</b>  |
| <b>CURRENT LIABILITIES</b>                   |   |  |
| Payables                                     | 37,447  | 49,086   |
| Short-term borrowings                        | 28,550  | 29,636   |
| Bank overdrafts                              | 23,510  | 19,211   |
| Lease liability                              | 244   | 244  |
| Current tax liabilities                      | 2,618   | 6,801  |
|  | <b>92,369</b>   | <b>104,978</b>   |
| <b>TOTAL LIABILITIES</b>                     | <b>158,099</b>  | <b>172,822</b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b>          | <b>563,800</b>  | <b>581,565</b>   |
| <b>Net assets per share (sen)</b>            | <b>159</b>  | <b>160</b>   |

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2024)*

**SBC CORPORATION BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 30 JUNE 2024**

|  | INDIVIDUAL QUARTER  |  | CUMULATIVE QUARTER   |   |
|--|---|--|--|---|
|  | CURRENT YEAR<br>QUARTER<br>30 JUNE 2024<br>RM'000<br><i>(unaudited)</i> | PRECEDING YEAR<br>CORRESPONDING<br>QUARTER<br>30 JUNE 2023<br>RM'000<br><i>(unaudited)</i> | CURRENT YEAR<br>PERIOD<br>30 JUNE 2024<br>RM'000<br><i>(unaudited)</i> | PRECEDING YEAR<br>CORRESPONDING<br>PERIOD<br>30 JUNE 2023<br>RM'000<br><i>(unaudited)</i> |
| <b>Continuing Operations</b>                                   |   |  |  |   |
| Revenue  | 8,143   | 3,272  | 8,143  | 3,272   |
| Cost of sales  | (6,488)   | (1,707)  | (6,488)  | (1,707)   |
| <b>Gross profit</b>  | <b>1,655</b>  | <b>1,565</b>   | <b>1,655</b>   | <b>1,565</b>  |
| Operating expenses   | (2,936)   | (2,768)  | (2,936)  | (2,768)   |
| Depreciation and amortisation                                  | (569)   | (431)  | (569)  | (431)   |
| Other income   | 1,681   | 1,021  | 1,681  | 1,021   |
| Interest income  | 86  | 64   | 86   | 64  |
| Finance costs  | (1,974)   | (1,638)  | (1,974)  | (1,638)   |
| Share of results in associates                                 | (112)   | 130  | (112)  | 130   |
| Share of results in joint ventures                             | -   | (26)   | -  | (26)  |
| <b>Loss before taxation</b>                                    | <b>(2,169)</b>  | <b>(2,083)</b>   | <b>(2,169)</b>   | <b>(2,083)</b>  |
| Income tax expense   | (873)   | (185)  | (873)  | (185)   |
| <b>Loss after taxation</b>                                     | <b>(3,042)</b>  | <b>(2,268)</b>   | <b>(3,042)</b>   | <b>(2,268)</b>  |
| Other comprehensive income                                     | -   | -  | -  | -   |
| <b>Total comprehensive expenses</b>                            | <b>(3,042)</b>  | <b>(2,268)</b>   | <b>(3,042)</b>   | <b>(2,268)</b>  |
| <b>Total comprehensive (expenses)/income attributable to:-</b> |   |  |  |   |
| Owners of the Group  | (3,247)   | (2,075)  | (3,247)  | (2,075)   |
| Non-controlling interests                                      | 205   | (193)  | 205  | (193)   |
|  | <b>(3,042)</b>  | <b>(2,268)</b>   | <b>(3,042)</b>   | <b>(2,268)</b>  |
| <b>Earnings/(Loss) per share (sen)</b>                         |   |  |  |   |
| Basic loss per share (sen)                                     | (1.26)  | (0.80)   | (1.26)   | (0.80)  |
| Diluted loss per share (sen)                                   | (1.26)  | (0.80)   | (1.26)   | (0.80)  |

*(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2024)*

SBC CORPORATION BERHAD  
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 30 JUNE 2024

|  | Attributable to Owners of the Group |                              |  | Non-controlling<br>Interests<br>RM'000 | Total<br>Equity<br>RM'000 |                 |
|--|-------------------------------------|------------------------------|--|--|---------------------------|-----------------|
|  | Share Capital<br>Capital<br>RM'000  | Treasury<br>Shares<br>RM'000 | Distributable<br>Retained<br>Profits<br>RM'000 |  |                           | Total<br>RM'000 |
| Balance as at 1 April 2023                       | 251,800                             | (51)                         | 161,985  | 413,734                                | (6,303)                   | 407,431         |
| Total comprehensive income                       |                                     |                              | 297  | 297                                    | 1,015                     | 1,312           |
| Balance as at 31 March 2024<br><i>(audited)</i>  | 251,800                             | (51)                         | 162,282  | 414,031                                | (5,288)                   | 408,743         |
| Total comprehensive (expenses)/income            | -                                   | -                            | (3,247)  | (3,247)                                | 205                       | (3,042)         |
| Balance as at 30 June 2024<br><i>(unaudited)</i> | 251,800                             | (51)                         | 159,035  | 410,784                                | (5,083)                   | 405,701         |

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2024)*

**SBC CORPORATION BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED 30 JUNE 2024**

|   | <b>3 months ended<br/>30 JUNE 2024<br/>RM'000<br/>(unaudited)</b> | <b>3 months ended<br/>30 JUNE 2023<br/>RM'000<br/>(unaudited)</b> |
|---|---|---|
| <b>CASH FLOWS FOR OPERATING ACTIVITIES</b>                        |   |   |
| <b>Loss before taxation</b>                                       | <b>(2,169)</b>  | <b>(2,083)</b>  |
| Adjustments for:-   |   |   |
| Depreciation of property, plant and equipment                     | 569   | 431   |
| Gain on disposal of investment properties                         | (68)  | -   |
| Interest expense  | 1,974   | 1,638   |
| Interest income   | (86)  | (64)  |
| Share of results in associates                                    | 112   | (130)   |
| Share of results in joint ventures                                | -   | 26  |
| <b>OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES</b>     | <b>332</b>  | <b>(182)</b>  |
| Decrease in inventories   | 3,309   | 627   |
| Net increase in contract assets                                   | -   | (197)   |
| Decrease/(Increase) in receivables                                | 6,795   | (226)   |
| Decrease in payables  | (11,675)  | (791)   |
| <b>CASH FOR OPERATIONS</b>  | <b>(1,239)</b>  | <b>(769)</b>  |
| Interest paid   | (1,900)   | (1,601)   |
| Net income tax paid   | (305)   | (1,478)   |
| <b>NET CASH FOR OPERATING ACTIVITIES</b>                          | <b>(3,444)</b>  | <b>(3,848)</b>  |
| <b>CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES</b>                 |   |   |
| Interest received   | 70  | 9   |
| Dividend received from associates                                 | -   | 750   |
| Purchase of property, plant and equipment                         | (180)   | (3)   |
| <b>NET CASH (FOR)/FROM INVESTING ACTIVITIES</b>                   | <b>(110)</b>  | <b>756</b>  |
| <b>CASH FLOWS FOR FINANCING ACTIVITIES</b>                        |   |   |
| Net drawdown of borrowings  | (3,237)   | (1,362)   |
| <b>NET CASH FOR FINANCING ACTIVITIES</b>                          | <b>(3,237)</b>  | <b>(1,362)</b>  |
| <b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>                  | <b>(6,791)</b>  | <b>(4,454)</b>  |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b> | <b>(10,315)</b>   | <b>(15,607)</b>   |
| <b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>       | <b>(17,106)</b>   | <b>(20,061)</b>   |

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2024)*

A1) Accounting Policies and Methods of Computation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: “Interim Financial Reporting” and paragraph 9.22 of the Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2024. 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 performance of the group since the financial year ended 31 March 2024.

A2) Status of Qualification of Preceding Financial Statements

The financial statements of the Group for the financial year ended 31 March 2024 was not qualified.

A3) Seasonality or Cyclicity of Operations

There were no seasonal factors directly affecting the operations of the Group, except for economic cyclical factors which will have an impact on the property and construction sectors.

A4) Unusual Events

There were no unusual events recorded during the financial period under review.

A5) Changes in Estimates

There were no changes in estimates since the financial year ended 31 March 2024.

A6) Issuance and Repayment of Debt and Equity Instruments

There were no issuance or repayment of debt and equity securities, share cancellation and resale of treasury shares for the quarter under review. As at 30 June 2024, the number of treasury shares held in hand are 58,900 shares.

A7) Dividend Paid

There was no dividend paid during the financial period under review.

SBC CORPORATION BERHAD  
NOTES TO INTERIM FINANCIAL REPORT

A8) Segmental Reporting

Business Segments:-

|                      | Revenue<br>RM'000 | Loss Before<br>Tax<br>RM'000 | Assets<br>Employed<br>RM'000 | Liabilities<br>Incurred<br>RM'000 |
|----------------------|-------------------|------------------------------|------------------------------|-----------------------------------|
| Construction         | -                 | (844)                        | 85,926                       | 41,945                            |
| Property Development | 6,572             | (1,551)                      | 441,584                      | 179,892                           |
| Investment           | 1,837             | (300)                        | 398,463                      | 111,208                           |
| Less : Inter-segment | (266)             | 526                          | (362,173)                    | (174,946)                         |
| Group                | <u>8,143</u>      | <u>(2,169)</u>               | <u>563,800</u>               | <u>158,099</u>                    |

A9) Material Subsequent Events

There was no material event subsequent to the end of the financial period under review.

A10) Changes in Corporate Structure

There was no change in corporate structure to the end of the financial period under review.

A11) Contingent Liabilities / Assets

There were no material contingent liabilities for the Group as at the date of this announcement.

B1) Performance Review

The Group recorded revenue of RM8.14 million for the period ended 30 June 2024 compared to the preceding year corresponding period of RM3.27 million. The Group recorded a loss before tax of RM2.17 million for the period compared to the preceding year corresponding period loss before tax of RM2.08 million. The loss before tax during the period was due to the timing between the completion of earlier projects and commencement of new projects, supplemented by sales of completed inventories.

Financial review for current quarter and financial year-to-date:

|  | Individual Quarter                           |  |             | Cumulative Quarter                           |   |             |
|--|--|--|-------------|--|---|-------------|
|  | Current Year Quarter<br>30/06/2024<br>RM'000 | Preceding Year Corresponding Quarter<br>30/06/2023<br>RM'000 | Changes (%) | Current Year To-date<br>30/06/2024<br>RM'000 | Preceding Year Corresponding Period<br>30/06/2023<br>RM'000 | Changes (%) |
| Revenue  | 8,143  | 3,272  | > 100%      | 8,143  | 3,272   | > 100%      |
| Operating Profit   | 1,655  | 1,565  | 6%          | 1,655  | 1,565   | 6%          |
| Loss Before Interest and Tax                               | (195)  | (445)  | 56%         | (195)  | (445)   | 56%         |
| Loss Before Tax  | (2,169)                                      | (2,083)  | (4%)        | (2,169)                                      | (2,083)   | (4%)        |
| Loss After Tax   | (3,042)                                      | (2,268)  | (34%)       | (3,042)                                      | (2,268)   | (34%)       |
| Loss Attributable to Ordinary Equity Holders of the Parent | (3,247)                                      | (2,075)  | (56%)       | (3,247)                                      | (2,075)   | (56%)       |

B2) Comparison of profit before tax for the quarter with the immediate preceding quarter

The Group recorded a loss before tax of RM2.17 million for the current quarter as compared to the profit before tax for the preceding quarter of RM3.50 million. The loss before tax was due to the timing between the completion of earlier projects and commencement of new projects.

|   | Current Quarter<br>30/06/2024<br>RM'000 | Immediate<br>Preceding<br>Quarter<br>31/03/2024<br>RM'000 | Changes (%) |
|---|---|---|-------------|
| Revenue   | 8,143                                   | 30,083  | (73%)       |
| Operating Profit  | 1,655                                   | 12,085  | (86%)       |
| (Loss)/Profit Before Interest<br>and Tax                                  | (195)                                   | 5,827   | > (100%)    |
| (Loss)/Profit Before Tax  | (2,169)                                 | 3,495   | > (100%)    |
| (Loss)/Profit After Tax   | (3,042)                                 | 1,904   | > (100%)    |
| (Loss)/Profit Attributable to<br>Ordinary Equity Holders of the<br>Parent | (3,247)                                 | 1,647   | > (100%)    |

B3) Business Prospects

The lacklustre global economy and targeted government measures continue to create economic uncertainties and new challenges, but the Board of Directors remains optimistic given the project's strategic prime location, coupled with ongoing support from end-financiers and project financiers. The Group reckons the balance JQ Central GDV of RM100 million can be achieved when the market sentiment returns within one-to-two years' time.

The Group launched the next phase of JQ waterfront known as Q Suites with an estimated GDV of RM250 million, and anticipates construction works to begin by end-2024. In Kuala Lumpur, planning for Kiara East next phase with estimated GDV of RM300 million is progressing well and the Group anticipates to launch by mid-2025.

The Group continues to focus on re-designing products to suit new market preferences following Covid-19, resulting in delay in commencement of new projects by at least 6 to 9 months. Meanwhile the Group continues to focus on sale of stock of completed projects and to source decent returns for the investment segment and anticipates the assets employed and liabilities incurred to grow in the coming years.



B3) Business Prospects (cont'd)

The breakdown by segment is as follows:-

|                             | Current Year<br>To-date<br>30/06/2024<br>RM'000 | Preceding Year<br>Corresponding<br>Period<br>30/06/2023<br>RM'000 | Changes (%)      |
|-----------------------------|---|---|------------------|
| <b>Revenue</b>              |   |   |                  |
| Construction                | -   | -   | -                |
| Property Development        | 6,572   | 2,767   | > 100%           |
| Investment                  | 1,837   | 1,908   | (4%)             |
| Less : Inter-segment        | (266)   | (1,403)   | 81%              |
|                             | <u>8,143</u>                                    | <u>3,272</u>  | <u>&gt; 100%</u> |
| <b>Loss Before Tax</b>      |   |   |                  |
| Construction                | (844)   | (597)   | (41%)            |
| Property Development        | (1,551)   | (611)   | > (100%)         |
| Investment                  | (300)   | (400)   | 25%              |
| Less : Inter-segment        | 526   | (475)   | > 100%           |
|                             | <u>(2,169)</u>                                  | <u>(2,083)</u>  | <u>(4%)</u>      |
| <b>Assets Employed</b>      |   |   |                  |
| Construction                | 85,926  | 76,880  | 12%              |
| Property Development        | 441,584   | 467,328   | (6%)             |
| Investment                  | 398,463   | 399,934   | -                |
| Less : Inter-segment        | (362,173)                                       | (354,562)   | (2%)             |
|                             | <u>563,800</u>                                  | <u>589,580</u>  | <u>(4%)</u>      |
| <b>Liabilities Incurred</b> |   |   |                  |
| Construction                | 41,945  | 33,809  | 24%              |
| Property Development        | 179,892   | 208,586   | (14%)            |
| Investment                  | 111,208   | 111,133   | -                |
| Less : Inter-segment        | (174,946)                                       | (175,406)   | -                |
|                             | <u>158,099</u>                                  | <u>178,122</u>  | <u>(11%)</u>     |

B4) Review on Profit Forecast

Not applicable as no profit forecast was published.

SBC CORPORATION BERHAD  
NOTES TO INTERIM FINANCIAL REPORT

B5) Taxation

|                    | Current Year<br>Quarter<br>30/06/2024<br>RM'000 | Preceding Year<br>Corresponding<br>Quarter<br>30/06/2023<br>RM'000 | Current Year<br>To-date<br>30/06/2024<br>RM'000 | Preceding Year<br>Corresponding<br>Period<br>30/06/2023<br>RM'000 |
|--------------------|---|--|---|---|
| Income tax expense | 873   | 185  | 873   | 185   |

The effective tax rate for the period is higher than the statutory tax rate of 24% largely due to certain expenses incurred deemed non-tax deductible and group deferred tax expense.

B6) Status of Corporate Proposals

On 12 July 2024, the Company announced that it proposed to seek a renewal of authority from shareholders of the Company for the purchase of its own ordinary shares on Bursa Malaysia Securities Bhd of not more than ten percent (10%) of the issued and paid-up share capital of the Company (“Proposed Shares Buy-Back Renewal”) at the forthcoming Annual General Meeting.

B7) Details of Group Borrowings and Debt Securities:-

| As at 1 <sup>st</sup> Quarter Financial Year Ended 2025 |  |   |   |
|---|--|---|---|
|   | Long-Term<br>RM denomination<br>RM'000 | Short-Term<br>RM denomination<br>RM'000 | Total Borrowings<br>RM denomination<br>RM'000 |
| <b><u>Secured</u></b>                                   |  |   |   |
| Bank overdrafts   | -                                      | 23,510                                  | 23,510  |
| Bankers' acceptance                                     | -                                      | -                                       | -   |
| Revolving loan  | -                                      | 17,000                                  | 17,000  |
| Term loans  | 62,270                                 | 11,550                                  | 73,820  |
| Total   | 62,270                                 | 52,060                                  | 114,330                                       |

| As at 1 <sup>st</sup> Quarter Financial Year Ended 2024 |  |   |   |
|---|--|---|---|
|   | Long-Term<br>RM denomination<br>RM'000 | Short-Term<br>RM denomination<br>RM'000 | Total Borrowings<br>RM denomination<br>RM'000 |
| <b><u>Secured</u></b>                                   |  |   |   |
| Bank overdrafts   | -                                      | 23,470                                  | 23,470  |
| Bankers' acceptance                                     | -                                      | -                                       | -   |
| Revolving loan  | -                                      | 15,000                                  | 15,000  |
| Term loans  | 40,519                                 | 15,249                                  | 55,768  |
| Total   | 40,519                                 | 53,719                                  | 94,238  |

Changes to the borrowings level mainly due to retiring of old borrowings, followed by drawdown of new borrowings during the period.

B8) Derivatives

There were no derivatives entered into by the Group for the financial period under review.

B9) Gains or Losses arising from Fair Value Changes of Financial Liabilities

There were no gains or losses recognized for changes in the fair values of these liabilities for the financial period under review.

B10) Material Litigation

There were no pending material litigations for the financial period under review.

B11) Dividend

Not applicable.

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NOTES TO INTERIM FINANCIAL REPORT

B12) Earnings per ordinary share

Basic earnings per share (“EPS”) is derived by dividing the profit after tax attributable to owners of the Parent by weighted average number of 258,070,153 (1<sup>st</sup> quarter 2024: 258,070,153) ordinary shares of the Company in issue during the financial period under review, excluding treasury shares of 58,900 units held by the Company:-

|   | Current Year<br>Quarter<br>30/06/2024<br>RM’000 | Current Year<br>To-date<br>30/06/2024<br>RM’000 |
|---|---|---|
| Loss Attributable to Ordinary Equity Holders<br>of the Parent | (3,247)   | (3,247)   |
| Basic loss per share (sen)                                    | (1.26)  | (1.26)  |
| Diluted loss per share (sen)                                  | (1.26)  | (1.26)  |

B13) Loss before tax

Loss before tax is arrived at after charging/(crediting) the following items:-

|   | Current Year<br>Quarter<br>30/06/2024<br>RM’000 | Current Year<br>To-date<br>30/06/2024<br>RM’000 |
|---|---|---|
| (a) Interest income   | (86)  | (86)  |
| (b) Other income including investment income                      | (1,681)   | (1,681)   |
| (c) Interest expense  | 1,974   | 1,974   |
| (d) Depreciation and amortisation                                 | 569   | 569   |
| (e) Provision for and write-off of receivables                    | -   | -   |
| (f) Provision for and write-off of inventories                    | -   | -   |
| (g) (Gain)/loss on disposal of quoted and<br>unquoted investments | -   | -   |
| (h) Impairment of assets  | -   | -   |
| (i) Foreign exchange (gain)/loss                                  | -   | -   |
| (j) (Gain)/loss on derivatives                                    | -   | -   |
| (k) Exceptional items   | -   | -   |