



GABUNGAN AQRs BERHAD

201001028608 (912527-A)
(Incorporated in Malaysia)

**Interim Financial Statements
For the Fourth Quarter ended
31 December 2023**

CONTENT



| | | |
|--|-------|--------|
| Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income | _____ | 1 |
| Unaudited Condensed Consolidated Statements of Financial Position | _____ | 2 |
| Unaudited Condensed Consolidated Statements of Changes in Equity | _____ | 3 |
| Unaudited Condensed Consolidated Statements of Cash Flows | _____ | 4 |
| Explanatory notes in compliance with Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting | _____ | 5 - 18 |

20 February 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|--|--|--|--|
| | CURRENT YEAR QUARTER 31 December 2023 RM'000 | PRECEDING YEAR QUARTER 31 December 2022 RM'000 | CURRENT YEAR TO DATE 31 December 2023 RM'000 | PRECEDING YEAR TO DATE 31 December 2022 RM'000 |
| Revenue | 71,508 | 105,295 | 309,088 | 337,771 |
| Cost of sales | (59,859) | (87,731) | (258,757) | (276,724) |
| Gross profit | 11,649 | 17,564 | 50,331 | 61,047 |
| Other income | 1,871 | 3,122 | 8,033 | 6,356 |
| Operating costs | (6,523) | (13,292) | (28,078) | (35,944) |
| Finance cost | (2,922) | (3,290) | (11,446) | (8,989) |
| Share of profit/(loss) of an associate | 269 | 221 | 903 | 541 |
| Share of profit/(loss) of a joint venture | 50 | (569) | 817 | (158) |
| Profit before tax | 4,394 | 3,756 | 20,560 | 22,853 |
| Tax expense | (1,184) | 1,167 | (6,907) | (2,713) |
| Profit for the financial period | 3,210 | 4,923 | 13,653 | 20,140 |
| Other comprehensive income, net of tax | - | - | - | - |
| Total comprehensive income for the financial period | 3,210 | 4,923 | 13,653 | 20,140 |
| Attributable to: | | | | |
| Owners of the parent | 3,230 | 5,056 | 13,734 | 20,229 |
| Non-controlling interests | (20) | (134) | (81) | (90) |
| | 3,210 | 4,923 | 13,653 | 20,140 |
| Earnings per ordinary share attributable to equity holders of the Company (sen) : | | | | |
| - Basic | 0.60 | 0.94 | 2.53 | 3.73 |
| - Diluted | 0.60 | 0.76 | 2.53 | 3.06 |

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying notes.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

| | (UNAUDITED) AS AT 31 December 2023 RM'000 | (AUDITED) AS AT 31 December 2022 RM'000 |
|--|--|--|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 20,545 | 25,505 |
| Investment properties | 29,944 | 31,002 |
| Investment in a joint venture | 1,099 | 882 |
| Investment in an associate | 4,821 | 4,153 |
| Deferred tax assets | 3,149 | 3,206 |
| Intangible assets | 27,355 | 27,355 |
| | 86,913 | 92,103 |
| Current assets | | |
| Inventories | 301,108 | 318,950 |
| Trade and other receivables | 158,564 | 142,120 |
| Contract assets | 568,658 | 660,229 |
| Other investment | 711 | 1,389 |
| Current tax assets | 234 | 522 |
| Short term funds | 174 | 168 |
| Cash and bank balances | 124,757 | 150,165 |
| | 1,154,206 | 1,273,543 |
| TOTAL ASSETS | 1,241,119 | 1,365,646 |
| EQUITY AND LIABILITIES | | |
| Equity attributable to owners of the parent | | |
| Share capital | 355,613 | 355,613 |
| Treasury shares | (1,427) | (1,427) |
| Retained earnings | 159,307 | 145,573 |
| | 513,493 | 499,759 |
| Non-controlling interests | 1,732 | 1,813 |
| TOTAL EQUITY | 515,225 | 501,572 |
| Non-current liabilities | | |
| Borrowings | 4,334 | 408 |
| Lease liabilities | 463 | 1,171 |
| Deferred tax liabilities | 1,631 | 1,971 |
| | 6,428 | 3,550 |
| Current liabilities | | |
| Trade and other payables | 420,176 | 519,172 |
| Contract liabilities | 31,197 | 37,044 |
| Borrowings | 178,388 | 264,031 |
| ICP/IMTN Programme | 84,635 | 38,628 |
| Lease liabilities | 709 | 1,213 |
| Current tax liabilities | 4,361 | 436 |
| | 719,466 | 860,524 |
| TOTAL LIABILITIES | 725,894 | 864,074 |
| TOTAL EQUITY AND LIABILITIES | 1,241,119 | 1,365,646 |
| Net assets per share attributable to owners of the parent (RM) | 0.95 | 0.92 |

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying notes.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

| | -----ATTRIBUTABLE TO OWNERS OF THE PARENT----- | | | | | |
|--|--|-----------------|-------------------|---------|---------------------------|--------------|
| | -----Non-distributable----- | | Distributable | Total | Non-controlling-interests | Total equity |
| | Share capital | Treasury shares | Retained earnings | | | |
| RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | |
| Balance as at 1 January 2023 | 355,613 | (1,427) | 145,573 | 499,759 | 1,813 | 501,572 |
| Profit for the financial period / Total comprehensive income for the period | - | - | 13,734 | 13,734 | (81) | 13,653 |
| | - | - | 13,734 | 13,734 | (81) | 13,653 |
| Balance as at 31 December 2023 | 355,613 | (1,427) | 159,307 | 513,493 | 1,732 | 515,225 |

| | -----ATTRIBUTABLE TO OWNERS OF THE PARENT----- | | | | | |
|--|--|-----------------|-------------------|---------|---------------------------|--------------|
| | -----Non-distributable----- | | Distributable | Total | Non-controlling-interests | Total equity |
| | Share capital | Treasury shares | Retained earnings | | | |
| RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | |
| Balance as at 1 January 2022 as previously stated | 355,613 | (1,427) | 126,863 | 481,049 | 2,108 | 483,157 |
| Prior year adjustment | - | - | (1,389) | (1,389) | - | (1,389) |
| Balance as at 1 January 2022 as restated | 355,613 | (1,427) | 125,474 | 479,660 | 2,108 | 481,768 |
| Profit for the financial period / Total comprehensive income for the period | - | - | 20,229 | 20,229 | (90) | 20,139 |
| Share capital reduction in a subsidiary | - | - | - | - | (235) | (235) |
| Dividend paid to non-controlling interests | - | - | - | - | (95) | (95) |
| Acquisition of additional equity interest in a subsidiary | - | - | (129) | (129) | 124 | (5) |
| | - | - | 20,100 | 20,100 | (295) | 19,804 |
| Balance as at 31 December 2022 | 355,613 | (1,427) | 145,573 | 499,759 | 1,813 | 501,572 |

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying notes.

20 February 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

| | Current Period Ended 31 December 2023 RM'000 | Preceding Period Ended 31 December 2022 RM'000 |
|--|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before tax | 20,560 | 22,853 |
| Adjustments for : | | |
| Depreciation of property, plant and equipment | 5,946 | 7,175 |
| Fair value loss/(gain) on: | | |
| - Other investment | 679 | (1,069) |
| Reversal of impairment losses of trade and other receivables | (3,965) | (1,388) |
| Gain on disposal of investment properties | (264) | - |
| Loss on disposal of property, plant and equipment | 10 | - |
| Gain on lease modification | - | (7) |
| Impairment losses on: | | |
| - Trade and other receivable | 1,180 | 5,645 |
| Interest expense | 11,447 | 8,989 |
| Interest income | (2,990) | (2,779) |
| Bad debt written off | - | 5 |
| Property, plant and equipment written off | - | 1 |
| Unrealised gain on foreign exchange | - | (16) |
| Share of profit of an associate | (903) | (541) |
| Share of profit of a joint venture | (817) | 158 |
| Operating profit before changes in working capital | 30,883 | 39,026 |
| Changes in working capital: | | |
| Inventories | 17,842 | (1,715) |
| Trade and other receivables | 77,912 | (36,780) |
| Trade and other payables | (103,755) | (21,810) |
| Cash generated from/(used in) operating activities | 22,882 | (21,279) |
| Interest paid | (9,743) | (8,989) |
| Interest received | 2,990 | 2,779 |
| Tax paid | (2,732) | (1,646) |
| Tax refunded | 48 | 7 |
| Net cash generated from / (used in) operating activities | 13,445 | (29,128) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Acquisition of subsidiary: | | |
| - Subsidiary for cash, net of cash acquired | - | (5) |
| Dividend received from associate | 235 | 49 |
| Dividend received from joint venture | 600 | - |
| Purchase of property, plant and equipment | (866) | (3,943) |
| Proceeds from disposals of property, plant and equipment | 18 | - |
| Withdrawals of fixed deposits pledged | 27,789 | 9,118 |
| Reduction in share capital of non-controlling interest of a subsidiary | - | (235) |
| Net cash generated from investing activities | 27,776 | 4,984 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Dividend paid to non-controlling interest of a subsidiary | - | (94) |
| Repayment of lease liabilities | (1,420) | (1,665) |
| Drawdowns of term loans | 10,701 | 60,089 |
| Repayments of term loans | (84,065) | (83,162) |
| Drawdowns of revolving credits | 20,000 | 10,000 |
| Repayment of revolving credits | (400) | (10,300) |
| Drawdown of ICP/IMTN programme | 46,008 | 38,601 |
| Net cash (used in)/generated from financing activities | (9,176) | 13,469 |
| NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS | 32,045 | (10,675) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD | (172,536) | (161,861) |
| CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD | (140,491) | (172,536) |

Cash and cash equivalents at the end of the financial period comprise the following:

| | As at 31 December 2023 RM'000 | As at 31 December 2022 RM'000 |
|---|--|--|
| Cash and bank balances | 16,047 | 13,666 |
| Fixed deposits with licensed banks | 108,710 | 136,499 |
| Short term funds | 174 | 168 |
| | 124,931 | 150,333 |
| Less : Bank overdrafts included in borrowings | (71,267) | (88,025) |
| Trade line with facilities included in borrowings | (85,445) | (98,345) |
| Fixed deposits pledged | (108,710) | (136,499) |
| Total cash and cash equivalents | (140,491) | (172,536) |