



**MPHB CAPITAL BERHAD**  
**201201025763 (1010253-W)**  
**(Incorporated in Malaysia)**

**INTERIM FINANCIAL STATEMENT**  
**FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2023**  
**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

	3 months ended			12 months ended		
	31.12.2023	31.12.2022	Changes	31.12.2023	31.12.2022	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
	Unaudited	Unaudited		Unaudited	Audited	
<b>Continuing operations</b>						
Revenue	11,211	13,856	(19.1)	39,217	66,240	(40.8)
Cost of sales	(5,781)	(5,415)	6.8	(20,091)	(18,933)	6.1
Gross profit	5,430	8,441	(35.7)	19,126	47,307	(59.6)
Other income	13,836	7,956	73.9	38,530	16,221	>100.0
Administrative expenses	(1,557)	(1,567)	(0.6)	(6,445)	(6,830)	(5.6)
Other expenses	(8,238)	(3,427)	140.4	(21,508)	(36,299)	(40.7)
<b>Operating profit</b>	<b>9,471</b>	<b>11,403</b>	<b>(16.9)</b>	<b>29,703</b>	<b>20,399</b>	<b>45.6</b>
Finance costs	(48)	(20)	140.0	(86)	(114)	(24.6)
<b>Profit before tax from continuing operations</b>	<b>9,423</b>	<b>11,383</b>	<b>(17.2)</b>	<b>29,617</b>	<b>20,285</b>	<b>46.0</b>
Income tax expense	(334)	(3,679)	(90.9)	(4,897)	(5,423)	(9.7)
<b>Profit for the period/year, representing total comprehensive income for the period/year from continuing operations</b>	<b>9,089</b>	<b>7,704</b>	<b>18.0</b>	<b>24,720</b>	<b>14,862</b>	<b>66.3</b>
<b>Discontinued operation</b>						
Profit for the period/year, representing total comprehensive income for the period/year from discontinued operation	-	-	-	-	188,334	>(100.0)
<b>Profit for the period/year, representing total comprehensive income for the period/year</b>	<b>9,089</b>	<b>7,704</b>	<b>18.0</b>	<b>24,720</b>	<b>203,196</b>	<b>(87.8)</b>
<b>Profit for the period/year, representing total comprehensive income attributable to:</b>						
Owners of the Company:						
- Continuing operations	9,007	7,660	17.6	24,296	14,624	66.1
- Discontinued operation	-	-	-	-	185,406	>(100.0)
	9,007	7,660	17.6	24,296	200,030	(87.9)
Non-controlling interests:						
- Continuing operations	82	44	86.4	424	238	78.2
- Discontinued operation	-	-	-	-	2,928	>(100.0)
	82	44	86.4	424	3,166	(86.6)
	<b>9,089</b>	<b>7,704</b>	<b>18.0</b>	<b>24,720</b>	<b>203,196</b>	<b>(87.8)</b>
<b>Basic earnings per share attributable to owners of the Company (sen per share) from:</b>						
- Continuing operations	1.3	1.0		3.5	2.0	
- Discontinued operation	-	-		-	26.0	
	<b>1.3</b>	<b>1.0</b>		<b>3.5</b>	<b>28.0</b>	

The above condensed consolidated statement of profit or loss should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to these interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER**

	<b>As at</b>	<b>As at</b>
	<b>31.12.2023</b>	<b>31.12.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>Unaudited</b>	<b>Audited</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	58,661	55,569
Right-of-use ("ROU") assets	2,242	290
Investment properties	771,937	781,722
Investment securities	5,108	4,942
Intangible assets	22,320	22,320
Receivables	22,500	22,500
Deferred tax assets	12,128	11,069
Tax recoverable	16,698	16,698
	<b>911,594</b>	<b>915,110</b>
<b>Current assets</b>		
Investment securities	582,534	472,167
Inventories	139	234
Receivables	149,537	162,937
Tax recoverable	963	656
Cash and bank balances	96,606	212,978
	<b>829,779</b>	<b>848,972</b>
<b>Total assets</b>	<b>1,741,373</b>	<b>1,764,082</b>
<b>Equity and liabilities</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	725,091	725,091
Treasury shares	(12,601)	(2,878)
Capital reserve	403	403
Merger deficit	(28,464)	(28,464)
Retained earnings	1,019,780	1,028,713
	<b>1,704,209</b>	<b>1,722,865</b>
Non-controlling interests	6,374	5,960
<b>Total equity</b>	<b>1,710,583</b>	<b>1,728,825</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	7,611	7,948
Lease liabilities	1,886	-
	<b>9,497</b>	<b>7,948</b>
<b>Current liabilities</b>		
Lease liabilities	388	319
Payables	20,292	24,343
Tax payable	613	2,647
	<b>21,293</b>	<b>27,309</b>
<b>Total liabilities</b>	<b>30,790</b>	<b>35,257</b>
<b>Total equity and liabilities</b>	<b>1,741,373</b>	<b>1,764,082</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>2.4</b>	<b>2.4</b>

The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to these interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2023

I-----Attributable to owners of the Company-----I

	I--Non-distributable--I				Distributable		Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Capital reserve RM'000	Merger deficit RM'000	Retained earnings RM'000	Total RM'000		
<b>At 1 January 2023</b>	725,091	(2,878)	403	(28,464)	1,028,713	1,722,865	5,960	1,728,825
Profit for the period, representing total comprehensive income for the year	-	-	-	-	24,296	24,296	424	24,720
Dividend paid	-	-	-	-	(35,103)	(35,103)	-	(35,103)
Arising from increase in equity interest in a subsidiary	-	-	-	-	5	5	(10)	(5)
Arising from partial disposal of equity interest in a subsidiary	-	-	-	-	1,869	1,869	-	1,869
Capital reduction and repayment	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	(9,723)	-	-	-	(9,723)	-	(9,723)
<b>At 31 December 2023</b>	<b>725,091</b>	<b>(12,601)</b>	<b>403</b>	<b>(28,464)</b>	<b>1,019,780</b>	<b>1,704,209</b>	<b>6,374</b>	<b>1,710,583</b>
<b>At 1 January 2022</b>	1,011,091	-	41,903	(28,464)	864,397	1,888,927	646,158	2,535,085
Profit for the period representing total comprehensive income for the year	-	-	-	-	200,030	200,030	3,166	203,196
Dividend paid	-	-	-	-	(35,750)	(35,750)	-	(35,750)
Arising from changes in equity interest in subsidiaries	-	-	-	-	36	36	5,641	5,677
Arising from disposal of equity interests in a subsidiary	-	-	(41,500)	-	-	(41,500)	(649,005)	(690,505)
Capital reduction and repayment	(286,000)	-	-	-	-	(286,000)	-	(286,000)
Purchase of treasury shares	-	(2,878)	-	-	-	(2,878)	-	(2,878)
<b>At 31 December 2022</b>	<b>725,091</b>	<b>(2,878)</b>	<b>403</b>	<b>(28,464)</b>	<b>1,028,713</b>	<b>1,722,865</b>	<b>5,960</b>	<b>1,728,825</b>

The above 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 explanatory notes attached to these interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2023

	12 months ended	
	31.12.2023 RM'000 Unaudited	31.12.2022 RM'000 Audited
<b>OPERATING ACTIVITIES</b>		
Profit before tax from continuing operations	29,617	20,285
Profit before tax from discontinued operation	-	189,098
Profit before tax	<u>29,617</u>	<u>209,383</u>
Adjustments for:		
Amortisation of intangible assets	-	3,945
Bad debts recovered	-	(10)
Depreciation of property, plant and equipment	3,377	4,152
Depreciation of ROU assets	507	1,839
Depreciation of investment properties	1,706	1,795
Dividend income on shares and unit trusts	(1,446)	(1,679)
Gain on disposal of property, plant and equipment	(2)	(66)
Gain on disposal of a subsidiary	-	(179,432)
Interest income	(40,527)	(67,406)
Interest expense on revolving credit	-	82
Interest expense on lease liabilities	74	183
Net (gain)/loss arising from fair value changes in financial assets at FVTPL	(5,132)	24,017
Property, plant and equipment written off	1	1
Reversal of allowance for expected credit losses ("ECL") on insurance receivables	-	(552)
Allowance for ECL on trade receivables	-	20
Allowance for ECL on other receivables	-	2
Accretion income on loans and advances arising from a moratorium	(2,004)	(1,748)
Modification loss on loans and advances	2,407	1,603
Realised loss from financial assets at FVTPL	153	38,871
<b>Operating cash (outflow)/inflow before working capital changes</b>	<u>(11,269)</u>	<u>35,000</u>
Changes in working capital:		
Inventories	95	(120)
Receivables	23,340	(145,278)
Reinsurance assets	-	(13,218)
Insurance contract liabilities	-	82,354
Payables	(4,051)	(138,199)
<b>Cash flows generated from/(used in) operations</b>	<u>8,115</u>	<u>(179,461)</u>
Income tax paid	(8,634)	(12,462)
<b>Net cash flows generated from/(used in) operating activities</b>	<u>(519)</u>	<u>(191,923)</u>
<b>INVESTING ACTIVITIES</b>		
Proceeds from disposal of:		
- property, plant and equipment	3	66
- investment securities	115,000	856,167
- investment property	-	2,500
Purchase of:		
- additional shares in a subsidiary	(5)	(18)
- intangible assets	-	(2,685)
- property, plant and equipment	(6,471)	(3,695)
- investment securities	(220,554)	(417,784)
Net cash outflow arising from disposal of a subsidiary	-	(86,066)
Net dividend received from shares and unit trusts	1,446	1,679
Interest received	40,132	66,172
Net movement in fixed deposits with licensed banks	126,000	(4,789)
<b>Net cash flows (used in)/generated from investing activities</b>	<u>55,551</u>	<u>411,547</u>
<b>FINANCING ACTIVITIES</b>		
Purchase of treasury shares	(9,723)	(2,878)
Repayment of borrowing	-	(3,000)
Interest expense paid	-	(82)
Dividend paid	(35,103)	(35,750)
Capital reduction and repayment	-	(286,000)
Payment of principal portion of lease liabilities	(578)	(1,956)
<b>Net cash flows used in financing activities</b>	<u>(45,404)</u>	<u>(329,666)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<u>9,628</u>	<u>(110,042)</u>
<b>Cash and cash equivalents at beginning of year</b>	<u>62,978</u>	<u>173,020</u>
<b>Cash and cash equivalents at end of year</b>	<u><b>72,606</b></u>	<u><b>62,978</b></u>
<b>Cash and cash equivalents comprise:</b>		
Short-term deposits with licensed banks, cash at banks and cash on hand	96,606	212,978
Short-term deposits with licensed banks with original maturity of more than 3 months	(24,000)	(150,000)
	<u><b>72,606</b></u>	<u><b>62,978</b></u>

The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to these interim financial statements.

## **A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134**

### **A1 Basis of Preparation**

The unaudited interim financial statements have been prepared in accordance with MFRS 134 *Interim Financial Reporting*, International Accounting Standard (“IAS”) 34 *Interim Financial Reporting*, paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the requirements of the Companies Act, 2016 in Malaysia, where applicable.

The unaudited interim financial statements have also been prepared on a historical cost basis, except for those financial instruments which are measured in accordance with MFRS 9 *Financial Instruments*. In prior year, insurance contract liabilities of MPI Generali Insuran Berhad (“MPI Generali”), the insurance subsidiary of the Group up to 30 August 2022, have been measured in accordance with the valuation methods specified in the Risk-Based Capital Framework for insurers issued by Bank Negara Malaysia (“BNM”).

The unaudited interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2022. The explanatory notes provide explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2022.

### **A2 Significant Accounting Policies**

#### **A2.1 Adoption of Amendments to Standards**

The accounting standards adopted in the preparation of the unaudited interim financial statements are consistent with those adopted in the preparation of the Group's audited financial statements for the financial year ended 31 December 2022, except for the following which were adopted at the beginning of the current financial year. These pronouncements are either not relevant or do not have any material impact on the Group's financial statements for the current financial year.

Amendment 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 and International Tax reform – Pillar Two Model Rules*

#### **A2.2 Standards Issued but not yet effective**

As at the date of authorisation of this unaudited interim financial statement, the following Standards and amendments to Standards have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective.

##### **Effective for financial periods beginning on or after 1 January 2024**

Amendment to MFRS 16 Leases – *Lease Liability in a Sale and Leaseback*

Amendments to MFRS 101 Presentation of Financial Statements – *Non-current Liabilities with Covenants*

Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosure – *Supplier Finance Arrangements*

##### **Effective for financial periods beginning on or after 1 January 2025**

Amendments to MFRS 121 The Effects of Changes in Foreign Rates – *Lack of Exchangeability*

##### **Effective date of these Amendments to Standards has been deferred, and yet to be announced**

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*

These pronouncements are expected to have no material impact to the financial statements of the Group upon their initial application.

### A3 Seasonal or Cyclical Factors

The performance of the Group is not affected by any seasonal or cyclical factors but is generally dependent on the prevailing economic environment.

### A4 Unusual Items Due To Their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and year ended 31 December 2023.

### A5 Significant Estimates and Changes in Estimates

There were no changes in estimates that have had any material effect during the current quarter and year ended 31 December 2023.

### A6 Debt and Equity Securities

There were no issuances, repurchases and repayments of debt and equity securities during the current quarter and year ended 31 December 2023 except for repurchase of own shares.

During the financial year, the Company repurchased 9,809,500 (31 December 2022: 3,136,700) of its issued ordinary shares from the open market at an average price of RM0.99 per share for total consideration of RM9,722,287 (31 December 2022: RM2,878,000). The shares bought back are held retained as treasury shares of the Company.

As at 31 December 2023, the number of outstanding shares in issue with voting rights was 702,053,800 ordinary shares (31 December 2022: 711,863,300).

### A7 Dividends Paid

The following dividends were paid during the current and previous financial years ended:

Interim dividend	31.12.2023	31.12.2022
Dividend per share (single-tier)	5.0 sen	5.0 sen
For the financial year ended	31 December 2023	31 December 2022
Declared on	18 May 2023	30 August 2022
Date paid	20 June 2023	28 September 2022
Number of ordinary shares on which dividend was paid ('000)	702,054	715,000
Net dividend paid (RM'000)	35,103	35,750

### A8 Segmental Information

	3 months ended		Changes %	12 months ended		Changes %
	31.12.2023 RM'000	31.12.2022 RM'000		31.12.2023 RM'000	31.12.2022 RM'000	
<b>Segmental Revenue</b>						
<b>Continuing operations</b>						
Credit	3,125	3,360	(7.0)	13,315	14,349	(7.2)
Investments	8,086	10,496	(23.0)	25,902	51,891	(50.1)
	<u>11,211</u>	<u>13,856</u>	(19.1)	<u>39,217</u>	<u>66,240</u>	(40.8)
<b>Discontinued operation</b>						
Insurance	-	-	-	-	343,771	(100.0)
<b>Total</b>	<u>11,211</u>	<u>13,856</u>	(19.1)	<u>39,217</u>	<u>410,011</u>	(90.4)

On 22 June 2021, Multi-Purpose Capital Holdings Sdn Bhd ("MPCHB"), a wholly-owned subsidiary of the Company, submitted an application to BNM to seek the approval of the Minister of Finance of Malaysia pursuant to Section of 89 of the Financial Services Act, 2013 relating to the disposal of its 51% equity interest in its insurance subsidiary, MPI Generali to Generali Asia N.V.

On 30 August 2022, the disposal has been completed and MPI Generali ceased to be a subsidiary.

**A8 Segmental Information (cont'd.)**

	3 months ended			12 months ended		
	31.12.2023	31.12.2022	Changes	31.12.2023	31.12.2022	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
<b>Segmental Results</b>						
<b>Continuing operations</b>						
Credit	10,765	9,887	8.9	41,487	16,557	>100.0
Investments	(1,342)	1,496	>(100.0)	(11,870)	3,728	>(100.0)
Profit before tax	9,423	11,383	(17.2)	29,617	20,285	46.0
Income tax expense	(334)	(3,679)	(90.9)	(4,897)	(5,423)	(9.7)
Profit for the period/year, representing total comprehensive income for the period/year from continuing operations	9,089	7,704	18.0	24,720	14,862	66.3
<b>Discontinued operation</b>						
Profit before tax	-	-	-	-	189,098	(100.0)
Income tax expense	-	-	-	-	(764)	(100.0)
Profit for the period/year, representing total comprehensive income for the period/year from discontinued operation	-	-	-	-	188,334	(100.0)
<b>Profit for the period/year, representing total comprehensive income for the period/year</b>	<b>9,089</b>	<b>7,704</b>	<b>18.0</b>	<b>24,720</b>	<b>203,196</b>	<b>(87.8)</b>

The results of MPI Generali for the previous corresponding year are presented below:

	3 months ended			12 months ended		
	31.12.2023	31.12.2022	Changes	31.12.2023	31.12.2022	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	-	-	-	-	343,771	(100.0)
Cost of sales	-	-	-	-	(211,382)	(100.0)
Gross profit	-	-	-	-	132,389	(100.0)
Other income	-	-	-	-	260,577	(100.0)
Administrative expenses	-	-	-	-	(53,084)	(100.0)
Depreciation and amortisation	-	-	-	-	(6,767)	(100.0)
Other expenses	-	-	-	-	(143,866)	(100.0)
<b>Operating profit</b>	-	-	-	-	189,249	(100.0)
Interest expenses on lease liabilities	-	-	-	-	(151)	(100.0)
<b>Profit before tax from discontinued operation</b>	-	-	-	-	189,098	(100.0)
Income tax expense	-	-	-	-	(764)	(100.0)
<b>Profit for the period, representing total comprehensive income for the year from discontinued operation</b>	-	-	-	-	188,334	(100.0)

**Assets and Liabilities as at 31 December 2023**

	Assets	Liabilities
	RM'000	RM'000
Credit	822,931	2,273
Investments	918,442	28,517
	<u>1,741,373</u>	<u>30,790</u>

**A8 Segmental Information (cont'd.)****Assets and Liabilities as at 31 December 2022**

	<b>Assets</b>	<b>Liabilities</b>
	<b>RM'000</b>	<b>RM'000</b>
Credit	879,523	3,404
Investments	884,559	31,853
	<u>1,764,082</u>	<u>35,257</u>

As at 31 December 2023, the status of utilisation of proceeds raised from the Disposal are as follows:

<b>Purpose</b>	<b>Gross Proceeds</b>	<b>Actual Utilisation</b>	<b>Balance</b>	<b>Deviation</b>	<b>Expected utilisation timeframe from completion date</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
Distribution to entitled shareholders					
- Proposed Capital Reduction and Repayment	286,000	286,000	-	-	Within 6 months
- Dividend	35,750	35,750	-	-	Within 6 months
Expansion of property business	160,802	9,944	150,858	-	Within 36 months
Working capital	37,000	21,377	15,623	-	Within 24 months
Repayment of bank borrowings	500	500	-	-	Within 6 months
Estimated expenses	2,007	1,179	828 *	-	Within 6 months
	<u>522,059</u>	<u>354,750</u>	<u>167,309</u>		

\* As disclosed in Circular to shareholders dated 28 June 2022 in relation to the Disposal, any excess from the proceeds allocated for the estimated expenses will be adjusted to the proceeds allocated for working capital purposes.

**A9 Other Income**

	<b>3 months ended</b>			<b>12 months ended</b>		
	<b>31.12.2023</b>	<b>31.12.2022</b>	<b>Changes</b>	<b>31.12.2023</b>	<b>31.12.2022</b>	<b>Changes</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
<b>Continuing operations</b>						
Interest income	7,095	6,691	6.0	28,975	12,745	>100.0
Rental income from properties	112	54	>100.0	349	215	62.3
Net gain arising from fair value changes in financial assets at FVTPL	2,677	-	100.0	5,132	-	100.0
Gain on disposal of property, plant and equipment	1	43	(97.7)	2	63	(95.0)
Realised gain from financial assets at FVTPL	-	203	(100.0)	18	205	>(100.0)
Accretion income on loans and advances arising from a moratorium	2,004	14	100.0	2,004	1,748	14.6
Reversal of ECL on trade receivables	1,068	841	27.0	1,068	852	25.4
Others	879	110	>100.0	982	393	>100.0
<b>Total</b>	<u>13,836</u>	<u>7,956</u>	73.9	<u>38,530</u>	<u>16,221</u>	>100.0
<b>Discontinued operation</b>						
Interest income	-	-	-	-	41,940	(100.0)
Dividend income on shares and unit trusts	-	-	-	-	327	(100.0)
Fee and commission income	-	-	-	-	42,524	(100.0)
Gain on disposal of a subsidiary	-	-	-	-	179,432	(100.0)
Gain on disposal of property and equipment	-	-	-	-	3	(100.0)
Service income earned from Malaysian Motor Insurance Pool	-	-	-	-	572	(100.0)
Rental income from properties	-	-	-	-	130	(100.0)
Reversal of ECL on insurance receivables	-	-	-	-	552	(100.0)
Bad Debts recovered	-	-	-	-	10	(100.0)
Realised gain from financial assets at FVTPL	-	-	-	-	145	(100.0)
Others	-	-	-	-	1,050	(100.0)
<b>Total</b>	<u>-</u>	<u>-</u>	-	<u>-</u>	<u>266,685</u>	(100.0)



## A10 Financial Instruments

### (i) Classification

The following table analyses the financial assets and financial liabilities of the Group in the condensed consolidated statement of financial position by the classes and categories of financial instruments to which they are assigned by their measurement basis.

	As at 31.12.2023 RM'000	As at 31.12.2022 RM'000
<b>Assets</b>		
<b>Financial assets at FVTPL</b>		
Investment securities:		
- quoted shares	25,633	29,594
- unquoted shares	5,108	4,942
- unquoted unit trust funds	556,901	442,573
	<b>587,642</b>	<b>477,109</b>
<b>Financial assets at amortised cost</b>		
Receivables	172,037	185,293
Cash and bank balances	96,606	212,978
	<b>268,643</b>	<b>398,271</b>
<b>Liabilities</b>		
<b>Liabilities at amortised cost</b>		
Lease liabilities	2,274	319
Payables	17,607	18,040
<b>Total financial liabilities</b>	<b>19,881</b>	<b>18,359</b>

### (ii) Fair Values

#### (a) Financial instruments that are carried at fair value

The table below analyses those financial instruments carried at fair value by their valuation methods and non-financial assets which are carried at cost in the statements of financial position, but for which fair values are disclosed. The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) of identical assets in active markets

Level 2: Inputs other than at quoted prices included within Level 1 that are observable for the assets, either directly (prices) or indirectly (derived from prices)

Level 3: Inputs for the assets that are not based on observable market data (unobservable inputs)

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<b>As at 31 December 2023</b>				
<b>Current</b>				
Financial assets at FVTPL	25,633	556,901	-	582,534
Loans and advances	-	-	112,491	112,491
<b>Non-current</b>				
Financial assets at FVTPL	-	-	5,108	5,108
Loans and advances	-	-	22,500	22,500
	<b>25,633</b>	<b>556,901</b>	<b>140,099</b>	<b>722,633</b>
<b>As at 31 December 2022</b>				
<b>Current</b>				
Financial assets at FVTPL	29,594	442,573	-	472,167
Loans and advances	-	-	108,975	108,975
<b>Non-current</b>				
Financial assets at FVTPL	-	-	4,942	4,942
Loans and advances	-	-	22,500	22,500
	<b>29,594</b>	<b>442,573</b>	<b>136,417</b>	<b>608,584</b>

**A10 Financial Instruments (cont'd.)****(ii) Fair Values (cont'd.)****(b) Financial instruments that are not carried at fair value**

The carrying amounts of financial assets and financial liabilities at amortised cost are reasonable approximation of their fair values due to their short-term nature.

**A11 Related Party Disclosures**

	3 months ended		12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
<b>Continuing operations</b>				
<u>Affiliated companies:</u>				
Dividend received	201	201	1,107	1,007
Management fee receivables	171	184	528	653
Professional fees payable	(13)	(106)	(78)	(144)
IT management fees paid/payable	(19)	(32)	(78)	(91)
<b>Discontinued operation</b>				
<u>Affiliated companies:</u>				
Gross insurance premium received	-	-	-	1,320
Insurance commission paid	-	-	-	(1)
Claims paid	-	-	-	(274)

The above transactions are entered into in the normal course of business based on negotiated and mutually agreed terms.

Affiliated companies during the financial year refer to the following:

- MWE Properties Sdn. Bhd., incorporated in Malaysia, which is a company in which a Director has a substantial financial interest.
- Metra Management Sdn. Bhd., incorporated in Malaysia, which is a company in which a Director has a substantial financial interest.
- Magnum Berhad, incorporated in Malaysia, which is a company in which a Director has a substantial financial interest.

**A12 Contingent Liabilities**

As at 28 February 2024, the Board is not aware of any material contingent liabilities which have become enforceable or are likely to become enforceable which will affect the ability of the Company or any of its subsidiaries to meet its obligations as and when they fall due.

**A13 Event After The Reporting Period**

There was no material event subsequent to the current quarter and year ended 31 December 2023.

**A14 Significant Event During The Financial Period**

There was no significant event during the current quarter and year ended 31 December 2023.

**A15 Changes in Composition of The Group**

There were no changes in the composition of the Group during the current quarter and year ended 31 December 2023.

**A16 Capital Commitment**

There was no capital commitment during the current quarter and year ended 31 December 2023.

**A17 Operating Lease Arrangements****The Group as lessor**

The future aggregate minimum lease payments receivable under operating leases contracted for but not recognised as receivables are as follows:

	<b>As at 31.12.2023 RM'000</b>	<b>As at 31.12.2022 RM'000</b>
Not later than 1 year	4,994	2,503
Later than 1 year and not later than 5 years	<u>1,848</u>	<u>1,811</u>
	<b><u>6,842</u></b>	<b><u>4,314</u></b>

## B NOTES REQUIRED UNDER THE LISTING REQUIREMENTS OF BURSA SECURITIES

### B1 Review of Performance of The Group

	3 months ended			12 months ended		
	31.12.2023	31.12.2022	Changes	31.12.2023	31.12.2022	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
<b>Continuing operations</b>						
Revenue	11,211	13,856	(19.1)	39,217	66,240	(40.8)
Operating profit	9,471	11,403	(16.9)	29,703	20,399	45.6
Profit before tax	9,423	11,383	(17.2)	29,617	20,285	46.0
Profit for the period/year, representing total comprehensive profit for the period/year	9,089	7,704	18.0	24,720	14,862	66.3
Profit, total comprehensive profit attributable to owners of the Company	9,007	7,660	17.6	24,296	14,624	66.1
<b>Discontinued operation</b>						
Revenue	-	-	-	-	343,771	(100.0)
Operating profit	-	-	-	-	189,249	(100.0)
Profit before tax	-	-	-	-	189,098	(100.0)
Profit for the period/year, representing total comprehensive income for the period/year	-	-	-	-	188,334	(100.0)
Profit, total comprehensive income attributable to owners of the Company	-	-	-	-	185,406	(100.0)

#### **4Q2023 vs 4Q2022**

The Group posted revenue of RM11.2 million in 4Q2023, a decrease of 19.1% compared to the revenue of RM13.9 million achieved in 4Q2022 due to lower revenue recognition from an ongoing Joint Venture Arrangement (“JVA”) between Tibanis Sdn Bhd, a wholly owned subsidiary and Pinggir Mentari Sdn Bhd.

Profit before tax (“PBT”) for 4Q2023 at RM9.5 million, was lower by 16.9% lower compared to RM11.4 million achieved in 4Q2022.

#### **Credit**

In 4Q2023, Credit segment reported revenue of RM3.1 million which was slightly lower than revenue of RM3.4 million in 4Q2022.

The Credit segment reported higher PBT of RM10.8 million compared to RM9.9 million in 4Q2022, mainly due to higher accretion income for the 4Q2023.

#### **Investments**

The revenue of the Investments Segment was lower at RM8.1 million in 4Q2023 compared to revenue of RM10.5 million reported in 4Q2022 due to lower revenue recognition from an ongoing JVA.

In tandem with lower revenue, it recorded LBT of RM1.3 million in 4Q2023 which was RM2.8 million lower than PBT of RM1.5 million posted in 4Q2022.

#### **12M2023 vs 12M2022**

The Group reported revenue of RM39.2 million in 12M2023, a decrease of 40.8% compared to the revenue of RM66.2 million achieved in 12M2022 due to revenue recognition from the JVA of RM28.6 million in 12M2022.

The Group reported PBT of RM29.6 million in 12M2023, an improvement of 46.0% from RM20.3 million in 12M2022, mainly due to fair value gain from its financial assets at FVTPL in 12M2023 compared to fair value loss from its financial assets at FVTPL in 12M2022 as well as higher interest income of RM29.0 million in 12M2023 (12M2022:RM12.7 million).

**B2 Material Change in Performance of the current quarter compared with the immediate preceding quarter**

	3 months ended		Changes %
	31.12.2023 RM'000	30.09.2023 RM'000	
Revenue	11,211	10,001	12.1
Operating profit	9,471	3,164	>100
Profit before tax	9,423	3,141	>100
Profit for the period/year, representing total comprehensive income for the period/year	9,089	1,221	>100
Profit for the period/year, total comprehensive income attributable to owners of the Company	9,007	1,098	>100

**4Q2023 vs 3Q2023**

In 4Q2023, the Group achieved revenue of RM11.2 million, which was 12.1% higher than revenue of RM10.0 million posted in 3Q2023 due to better returns from the hotel operations.

PBT achieved at RM9.4 million was RM6.3 million higher than RM3.1 million recorded in 3Q2023 as the cost of land for affordable housing was accounted for in 3Q2023.

**B3 Group's Prospects**

Growth is projected to pick up slightly to 4.3 percent in 2024, supported by resilient private consumption and investment and a rebound in public spending. (International Monetary Fund)

**Credit**

The Credit segment will continue to finance reputable niche clients with low-risk exposure.

**Investments**

The Group maintains its policy to conserve and safeguard its resources whilst evaluating viable options to create long term sustainable value to generate optimum returns. The Group evaluates and considers viable joint venture arrangements with niche reputable partners or outright disposal.

**B4 Profit Forecast and Profit Guarantee**

There was no profit forecast or profit guarantee issued by the Company and the Group.

**B5 Income Tax Expense**

	3 months ended		12 months ended	
	31.12.2023 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
<b>Continuing operations</b>				
Income tax expense	1,730	4,351	6,293	6,095
Deferred tax	(1,396)	(672)	(1,396)	(672)
	<u>334</u>	<u>3,679</u>	<u>4,897</u>	<u>5,423</u>
<b>Discontinued operation</b>				
Income tax expense	-	-	-	1,717
Deferred tax	-	-	-	(953)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>764</u>

**B5 Income Tax Expense (cont'd.)**

Income tax is calculated at the Malaysian statutory rate of 24% (2022: 24%) of the estimated assessable profit for the current and previous corresponding periods.

The effective tax rate for the Group for the current quarter and year were lower than the statutory rate due to non-taxable income.

The effective tax rate for the Group for the previous corresponding period and year were higher than the statutory rate due to certain expenses were not deductible for tax purposes.

**B6 Profit Before Tax**

Included in the profit before tax are the following items:

	3 months ended		12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
<b>Continuing operations</b>				
Depreciation of property, plant and equipment	1,330	716	3,377	2,619
Depreciation of ROU assets	114	175	507	639
Depreciation of investment properties	427	427	1,706	1,706
Service fees & storage fees	(2)	26	79	103
Net (gain)/loss arising from fair value changes in financial assets at FVTPL	-	-	-	17,909
Interest expense on revolving credit	-	14	-	82
Interest expense on lease liabilities	36	6	74	32
Realised (gain)/loss from financial assets at FVTPL	-	-	171	-
Allowance for ECL on trade receivables	-	20	-	20
Allowance for ECL on other receivables	-	2	-	2
Modification loss on loans and advances	2,407	1,603	2,407	1,603
Property and equipment written off	1	-	1	-
<b>Discontinued operation</b>				
Amortisation of intangible assets	-	-	-	3,945
Depreciation of property, plant and equipment	-	-	-	1,533
Depreciation of ROU assets	-	-	-	1,200
Depreciation of investment properties	-	-	-	89
Service fees & storage fees	-	-	-	465
Net loss arising from fair value changes in financial assets at FVTPL	-	-	-	6,108
Interest expense on lease liabilities	-	-	-	151
Realised loss on financial assets at FVTPL	-	-	-	39,076
Property and equipment written off	-	-	-	1

**B7 Receivables**

	As at 31.12.2023 RM'000	As at 31.12.2022 RM'000
Trade receivables	149,819	146,047
Less: allowance for ECL	(14,085)	(14,085)
Total trade receivables	<u>135,734</u>	<u>131,962</u>
Other receivables	36,446	53,618
Less: allowance for ECL	(143)	(143)
Total other receivables	<u>36,303</u>	<u>53,475</u>
<b>Total receivables</b>	<b><u>172,037</u></b>	<b><u>185,437</u></b>

## **B8 Corporate Proposals Non-Compliance (Property)**

Pursuant to the listing of the Company, the Group undertakes to rectify the following non-compliances as at 30 September 2023. As at current date, the non-compliances are as follows:

I) The condition imposed on the land title

Syarikat Perniagaan Selangor Sdn. Bhd. (“SPSSB”) is the registered proprietor of a land held under PM 345, Lot 13501, Mukim Hulu Kelang, District of Gombak, State of Selangor Darul Ehsan. This land can only be used for guards’ and keepers’ quarters. However, a Tenaga Nasional Berhad (“TNB”) sub-station and network pumping station has been erected on the said land. Despite numerous efforts over time, SPSSB has not been successful in resolving the impasse between TNB and the Gombak land office. The management of SPSSB is now exploring other options including an application to the local authorities for change of land use; and

II) The undetermined status of the certificate of fitness for occupation

The Group was unable to determine the status of the certificate of fitness for occupation to the buildings erected on GRN 28274, Lot 643 and GRN 9036, Lot 1199, Sekyen 67, Town of Kuala Lumpur, District and State of Wilayah Persekutuan Kuala Lumpur, properties registered under Mulpha Kluang Maritime Carriers Sdn. Bhd.

The buildings situated on GRN 28274, Lot 643 and GRN 9036, Lot 1199, remained unoccupied.

## **B9 Material Litigation**

(i) **Legal suit filed by ISM Sendirian Berhad - Kuala Lumpur High Court Civil Suit No. WA-22NCC-68-02/2016 [consolidated with Civil Suit no. WA-22NCC-69-02/2016, WA-22NCC-70-02/2016, WA-22NCC-71-02/2016 and WA-22NCC-72-02/2016]**

ISM Sendirian Berhad (“ISM or the Plaintiff”) had filed five suits against the Company and its subsidiaries, namely, Queensway Nominees (Asing) Sdn. Bhd., Queensway Nominees (Tempatan) Sdn. Bhd., West-Jaya Sdn. Bhd., Mulpha Kluang Maritime Carrier Sdn. Bhd. and Leisure Dotcom Sdn. Bhd. (“the subsidiaries”), as well as its respective directors (collectively referred to hereinafter as “the Defendants”), alleging minority shareholders’ oppression under Section 181 of the Companies Act 1965. ISM is a minority shareholder of the subsidiaries.

In the five suits, the Plaintiff seeks damages, both general and punitive against the Defendants, several declarations regarding the manner in which the affairs of the Company and its subsidiaries are conducted, several injunctions to restrain the conduct of the Company with regards to the subsidiaries as well as an order that ISM’s shares in the subsidiaries are to be purchased by the Defendants at a value to be fixed by an independent auditor and valuer.

In response, the Defendants contended that the Plaintiff is in breach of the joint venture arrangement between the parties in failing to fulfil its financial obligations under the same. Hence, the Defendants have filed a Defense and Counterclaim (in each suit) against the Plaintiff for losses and damages suffered by the Defendants due to the Plaintiff’s breach of the joint venture arrangement.

On 21 June 2019, the High Court allowed the Plaintiff’s claim premised on minority shareholders’ oppression under Section 181 of the Companies Act 1965.

The High Court has made the following orders:

1. The Company (as the majority shareholder) is to buy out the Plaintiff’s 30% shares in the subsidiaries;
2. The buyout price is to be determined by an independent firm of accountants by taking into account the value of the land owned by the subsidiaries as determined by a licensed valuer;
3. The identities of the firm of accountants and the valuers are to be determined by agreement between the parties within 30 days from 21 June 2019 or if no agreement by the parties, the High Court will make the appointment based on nominations by the 2 parties;
4. ISM and the Company to mutually execute the terms and engagement of the accountant and valuer and shall equally bear the costs of the accountant and valuer;

**B9 Material Litigation (cont'd.)**

5. Interest on the buyout sum will accrue at the rate of 5% per annum from the date expiring 7 days from the final determination of the buyout price by the independent accountant until full payment;
6. Nominal damages in the sum of RM10,000.00 to be paid to the Plaintiff with interest of 5% per annum to be calculated from 22 June 2019 to the date of full and final settlement;
7. Costs of RM100,000.00 to be paid to the Plaintiff, subject to payment of allocator;
8. Both parties are given liberty to apply; and
9. The Plaintiff's claim for punitive and exemplary damages and the Defendants' counterclaim are dismissed.

On 28 June 2019, the Defendants have appealed to the Court of Appeal against the judgement made by the High Court on 21 June 2019. On 18 July 2019, the Plaintiff has appealed to the Court of Appeal against certain parts of the judgement made by the High Court on 21 June 2019 (collectively referred to hereinafter as "the Appeals").

The Defendants have filed to the High Court for a stay of the execution of the High Court's judgement dated 21 June 2019 ("Judgement") and all the proceedings relating thereto pending the disposal of the Appeals. On 13 September 2019, the High Court ordered by consent of the parties ("Consent Order") that the execution of the Judgment and all the proceedings relating thereto be stayed pending the disposal of both the Appeals before the Court of Appeal. The Appeals were partially heard by the Court of Appeal on 21 November 2023, 30 January 2024 and will be continued on 4 March 2024 and 6 March 2024.

**B10 Dividend**

The Board of Directors does not recommend the payment of dividend for the quarter under review.

**B11 Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31 December 2022 was not qualified.

**B12 Earnings Per Share**

	3 months ended		12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Profit for the period/year attributable to owners of the Company from:				
- Continuing operations	9,007	7,660	24,296	14,624
- Discontinued operation	-	-	-	185,406
	<u>9,007</u>	<u>7,660</u>	<u>24,296</u>	<u>200,030</u>
Number of ordinary shares in issue				
- weighted average	<u>702,488</u>	<u>714,767</u>	<u>702,488</u>	<u>714,767</u>
Basic and diluted earnings per share (sen) from:				
- Continuing operations	1.3	1.0	3.5	2.0
- Discontinued operation	-	-	-	26.0
	<u>1.3</u>	<u>1.0</u>	<u>3.5</u>	<u>28.0</u>

**By Order Of The Board**  
**Ng Sook Yee**  
**Company Secretary**  
**28 February 2024**