



CHIN HIN GROUP BERHAD

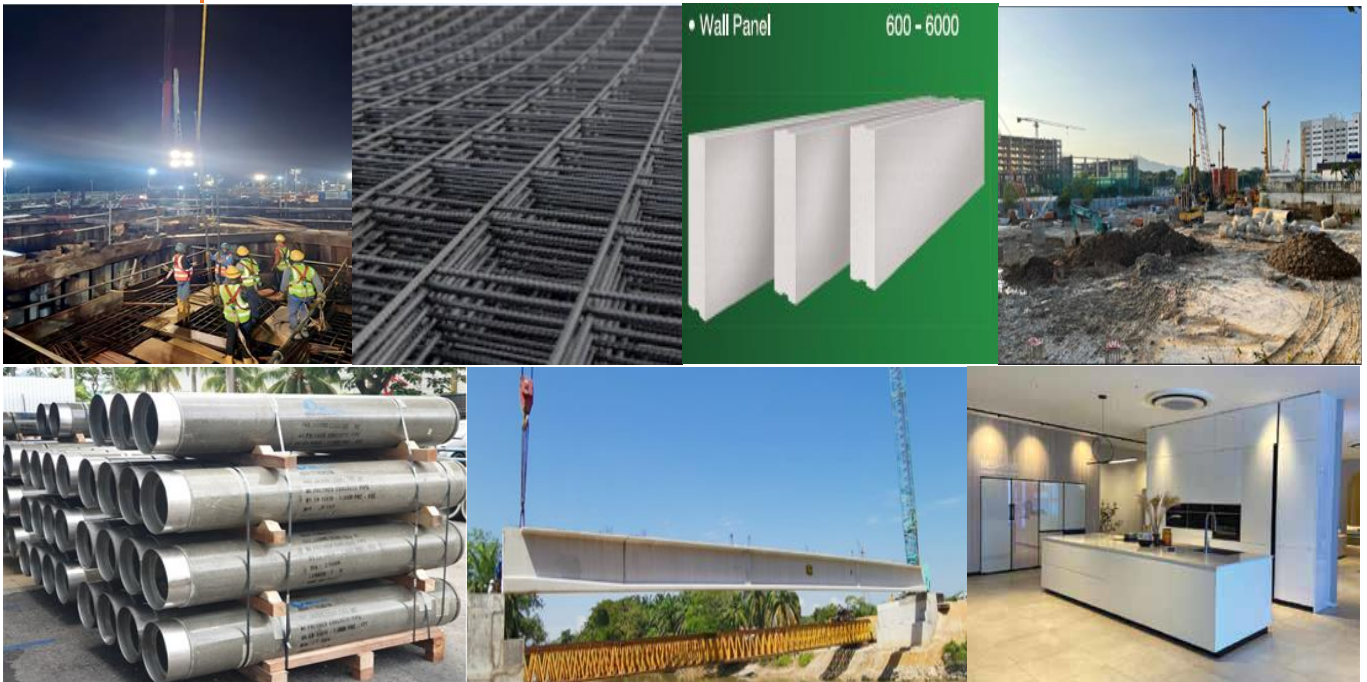
INTERIM FINANCIAL REPORT SECOND QUARTER ENDED 30TH JUNE 2024

CHIN HIN GROUP BERHAD

Registration No.:201401021421(1097507-W)
(Incorporated in Malaysia)

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2024**
(The figures have not been audited)

	Individual Quarter			Cumulative Quarter			
	Note	30 Jun 2024 RM'000	30 Jun 2023 RM'000	Changes %	30 Jun 2024 RM'000	30 Jun 2023 RM'000	Changes %
Revenue		774,012	500,571	55%	1,344,226	1,024,507	31%
Cost of sales		(653,501)	(454,175)		(1,163,438)	(929,533)	
Gross profit		120,511	46,396	160%	180,788	94,974	90%
Other operating income		22,101	2,938		27,453	5,656	
Fair value gain on other investments		12,367	1,410		24,764	9,057	
Gain on disposal of investment in subsidiary companies		-	1,111		-	1,111	
Gain/(Loss) on disposal of other investments		3,290	-		(3,290)	(1,705)	
Finance income		990	425		2,262	1,346	
Impairment loss on receivables		(1,771)	(3,623)		(3,540)	(5,795)	
Administrative expenses		(67,119)	(28,106)		(107,279)	(54,626)	
Operating profit		90,369	20,551	340%	121,158	50,018	142%
Finance costs		(18,351)	(9,807)		(32,391)	(18,389)	
Share of results of associates		2,305	13,262		4,382	22,853	
Share of results of joint ventures		438	5,756		786	8,077	
Profit before taxation		74,761	29,762	151%	93,935	62,559	50%
Taxation	B5	(12,646)	(4,864)		(18,012)	(11,267)	
Profit after taxation		62,115	24,898	149%	75,923	51,292	48%
Other comprehensive (loss)/income							
Exchange translation differences		(1,227)	449		(1,921)	631	
Total comprehensive income for the financial period		60,888	25,347		74,002	51,923	
PROFIT AFTER TAX							
ATTRIBUTABLE TO:							
Owners of the Company		42,024	21,870	92%	51,096	41,915	22%
Holders of Perpetual MTN		934	-		1,705	-	
Non-controlling interests		19,157	3,028		23,122	9,377	
		62,115	24,898		75,923	51,292	

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2024 (Cont'd)**

(The figures have not been audited)

	Individual Quarter			Cumulative Quarter		
	30 Jun 2024	30 Jun 2023	Changes	30 Jun 2024	30 Jun 2023	Changes
Note	RM'000	RM'000	%	RM'000	RM'000	%
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:						
Owners of the Company	40,797	22,319	83%	49,175	42,546	16%
Holders of Perpetual MTN	934	-		1,705	-	
Non-controlling interests	19,157	3,028		23,122	9,377	
	<u>60,888</u>	<u>25,347</u>		<u>74,002</u>	<u>51,923</u>	
Earnings per share attributable to owners of the Company (sen):						
- Basic	B11 <u>1.19</u>	<u>1.24</u>		<u>1.44</u>	<u>2.37</u>	
- Diluted	B11 <u>1.19</u>	<u>1.24</u>		<u>1.44</u>	<u>2.37</u>	

Notes:

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024**
(The figures have not been audited)

	Unaudited 30 June 2024 RM'000	Audited 31 December 2023 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	786,001	690,691
Investment properties	182,154	97,950
Investment in associates	203,012	131,620
Investment in a joint ventures	92,998	92,401
Intangible assets	2,200	-
Goodwill	238,399	34,868
Deferred tax assets	4,216	4,053
Other investments	2,035	2,035
Other financial assets	6,287	2,472
Trade receivables	29,785	53,854
Other receivables	24,587	1,857
TOTAL NON-CURRENT ASSETS	1,571,674	1,111,801
CURRENT ASSETS		
Contract assets	432,765	212,010
Inventories	794,083	681,790
Trade receivables	672,318	594,869
Other receivables	131,382	106,626
Other investments	312,790	265,858
Tax recoverable	8,634	5,926
Fixed deposits with licensed banks	52,255	37,996
Cash and bank balances	278,907	148,975
	2,683,134	2,054,050
Assets held for sale	1,794	2,615
TOTAL CURRENT ASSETS	2,684,928	2,056,665
TOTAL ASSETS	4,256,602	3,168,466
EQUITY AND LIABILITIES		
EQUITY		
Share capital	381,851	381,851
Treasury shares	(338)	(338)
Merger reserve	(142,691)	(142,691)
Foreign currency translation reserve	455	2,113
Revaluation reserve	53,244	49,007
Retained earnings	460,853	472,373
Total equity attributable to Owners of the Parent	753,374	762,315
Medium Term Note ("MTN")	50,565	30,000
Non-controlling interests	599,297	455,649
TOTAL EQUITY	1,403,236	1,247,964

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024 (Cont'd)**
(The figures have not been audited)

	Unaudited 30 June 2024 RM'000	Audited 31 December 2023 RM'000
CURRENT LIABILITIES		
Trade payables	368,955	261,536
Other payables	343,484	368,597
Contract liabilities	104,561	3,087
Amount owing to a director	193,146	96,371
Bank borrowings	817,345	640,749
Lease liabilities	14,492	8,032
Tax payable	21,760	4,565
TOTAL CURRENT LIABILITIES	1,863,743	1,382,937
NON-CURRENT LIABILITIES		
Trade payables	11,374	8,377
Other payables	11,981	882
Bank borrowings	888,890	472,562
Contract liabilities	70	43
Lease liabilities	25,330	4,810
Deferred tax liabilities	51,978	50,891
TOTAL NON-CURRENT LIABILITIES	989,623	537,565
TOTAL LIABILITIES	2,853,366	1,920,502
TOTAL EQUITY AND LIABILITIES	4,256,602	3,168,466
NET ASSET PER SHARE (RM)	0.40	0.71

Notes:

- (1) *The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.*
- (2) *Net asset per share for the current quarter and comparative financial year is calculated based on the total equity divided by the weighted average number of ordinary shares in issue for the quarter and comparative financial year.*

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2024**

(The figures have not been audited)

	<-----Attributable to owners of the parent----->									
	<----- Non-Distributable ----->					Distributable		Non-		
	Share Capital RM'000	Treasury Shares RM'000	Merger Reserve RM'000	Foreign Currency Translation Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Perpetual MTN RM'000	Controlling Interests RM'000	Total Equity RM'000
At 1 January 2024	381,851	(338)	(142,691)	2,113	49,007	472,373	762,315	30,000	455,649	1,247,964
Profit for the financial period	-	-	-	-	-	51,096	51,096	1,705	23,122	75,923
Other comprehensive loss	-	-	-	(1,658)	-	-	(1,658)	-	(263)	(1,921)
Total comprehensive (loss)/income	-	-	-	(1,658)	-	51,096	49,438	1,705	22,859	74,002
Realisation of revaluation reserve	-	-	-	-	(1,099)	1,099	-	-	-	-
Transactions with owners:										
Changes in ownership interests in subsidiaries	-	-	-	-	-	(51,834)	(51,834)	-	(61,592)	(113,426)
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	41,219	41,219
Increase stake in subsidiary companies	-	-	-	-	5,336	(11,881)	(6,545)	-	(1,852)	(8,397)
Acquisition of subsidiary companies	-	-	-	-	-	-	-	-	165,781	165,781
Issuance of perpetual MTN	-	-	-	-	-	-	-	20,000	-	20,000
Distribution to holders of Perpetual MTN	-	-	-	-	-	-	-	(1,140)	-	(1,140)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	(22,767)	(22,767)
Total transactions with owners	-	-	-	-	5,336	(63,715)	(58,379)	18,860	120,789	81,270
At 30 June 2024	381,851	(338)	(142,691)	455	53,244	460,853	753,374	50,565	599,297	1,403,236

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2024 (Cont'd)**

(The figures have not been audited)

	<-----Attributable to owners of the parent----->								
	<----- Non-Distributable ----->					Distributable		Non-	
	Share Capital RM'000	Treasury Shares RM'000	Merger Reserve RM'000	Foreign Currency Translation Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Controlling Interests RM'000	Total Equity RM'000
At 1 January 2023	381,851	(338)	(147,392)	586	7,529	324,321	566,557	103,755	670,312
Profit for the financial year	-	-	-	-	-	41,915	41,915	9,377	51,292
Other comprehensive income	-	-	-	631	-	-	631	-	631
Total comprehensive income	-	-	-	631	-	41,915	42,546	9,377	51,923
Realisation of revaluation reserve	-	-	-	-	(107)	107	-	-	-
Transactions with owners:									
Changes in ownership interests in subsidiaries	-	-	-	-	-	16,798	16,798	(34,944)	(18,146)
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	47,343	47,343
Disposal of subsidiary companies	-	-	4,700	-	-	(4,700)	-	-	-
Total transactions with owners	-	-	4,700	-	-	12,098	16,798	12,399	29,197
At 30 June 2023	381,851	(338)	(142,692)	1,217	7,422	378,441	625,901	125,531	751,432

Notes:

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2024**
(The figures have not been audited)

	Cumulative quarter	
	30 June 2024 RM'000	30 June 2023 RM'000
Cash Flows From Operating Activities		
Profit before taxation	93,935	62,559
Adjustment for:		
Bad debts written off	-	18
Depreciation of property, plant and equipment	26,597	18,752
Amortisation of intangible assets	234	-
Impairment loss on receivables	3,540	5,795
Interest expense	32,391	18,389
Interest income	(2,262)	(1,346)
Inventories written back	(416)	(75)
Gain on remeasurement of equity investments on acquisition of a group of subsidiaries	(19,912)	-
Fair value gain on other investments	(24,764)	(9,057)
Gain on disposal of assets held for sale	(185)	(34)
Gain on disposal of investment in subsidiary companies	-	(1,111)
Gain on disposal of property, plant and equipment	(100)	(132)
Loss/(Gain) on modification on lease contract	166	(5)
Loss on disposal of other investments	3,290	1,705
Property, plant and equipment written off	14	864
Reversal of impairment loss on trade and other receivables	(55)	(297)
Share of results of associates	(4,382)	(22,853)
Share of results of joint ventures	(786)	(8,077)
Unrealised loss/(gain) on foreign exchange	3	(1,094)
Operating profit before working capital changes	107,308	64,001
Changes in working capital:		
Inventories	(73,626)	(37,410)
Trade receivables	74,505	15,539
Other receivables	(21,785)	(20,156)
Contract assets/liabilities	(84,381)	(55,612)
Trade payables	22,073	(16,223)
Other payables	(70,547)	(9,807)
	(153,761)	(123,669)
Cash used in operations	(46,453)	(59,668)
Interest paid	(31,567)	(18,389)
Interest received	2,262	1,346
Tax paid	(22,655)	(4,802)
Tax refund	-	907
Net cash used in operating activities	(98,413)	(80,606)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2024 (Cont'd)**
(The figures have not been audited)

	Cumulative quarter	
	30 June 2024 RM'000	30 June 2023 RM'000
Cash Flows From Investing Activities		
Capital contribution by non-controlling interests	41,219	47,344
Purchase of property, plant and equipment	(22,497)	(13,350)
Purchase of other financial assets	(2,145)	-
Purchase of other investments	(20,624)	(71,774)
Acquisition of additional shares in an associate	(340)	-
Acquisition of subsidiary companies, net of cash	(57,763)	(1,118)
Acquisition of additional investment in subsidiaries	(121,824)	(18,147)
Proceeds from disposal of subsidiary companies	-	7,964
Proceeds from disposal of assets held for sales	2,800	1,258
Proceeds from disposal of other investments	50,773	25,083
Proceeds from disposal of property, plant and equipment	1,217	200
Net cash used in investing activities	<u>(129,184)</u>	<u>(22,540)</u>
Cash Flows From Financing Activities		
Dividend paid to non-controlling interests	(22,767)	-
Proceed from issuance of MTN	20,000	-
Amount due to a director	96,854	45,358
Drawdown of bank borrowings	203,247	15,965
Net changes on bankers' acceptance, trust receipt and revolving credits	137,578	19,768
Decrease in fixed deposits pledged	(4,542)	(1,410)
Repayment of bank borrowings	(53,906)	444
Repayment of lease liabilities	(7,234)	(930)
Distribution to holders of perpetual MTN	(1,140)	-
Net cash from financing activities	<u>368,090</u>	<u>79,195</u>
Net increase/(decrease) in cash and cash equivalents	140,493	(23,951)
Cash and cash equivalents at the beginning of the financial period	127,948	116,524
Effect of exchange translation differences on cash and cash equivalents	(1,921)	631
Cash and cash equivalents at the end of the financial period	<u>266,520</u>	<u>93,204</u>
Cash and cash equivalents at the end of the financial period comprises:		
Cash and bank balances	278,907	98,524
Bank overdrafts	(20,073)	(12,475)
Fixed deposits with licensed banks	52,255	29,632
	<u>311,089</u>	<u>115,681</u>
Less: Fixed deposits pledged to licensed banks	(44,569)	(22,477)
	<u>266,520</u>	<u>93,204</u>

Notes:

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

NOTES TO THE INTERIM FINANCIAL REPORT- SECOND QUARTER ENDED 30 JUNE 2024

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2024

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) No. 134 - Interim Financial Reporting and paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements (“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 December 2023 and the accompanying explanatory notes attached to this interim financial report.

The accounting policies adopted in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2023, except for the adoption of standards and interpretations that are mandatory for the Group for the financial year beginning 1 January 2024:

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current
Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements

The adoption of the above amendments to MFRSs do not have a material impact on the financial statements of the Group.

The Group has not applied the following standards, amendments and interpretations under MFRS framework that have been issued by the Malaysia Accounting Standards Boards as they have yet to be effective for the Group:

	Effective dates for financial period beginning on and after
MFRSs and IC Interpretations (Including the Consequential Amendments)	
Amendments to MFRS 121 – Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7 – Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
MFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 – Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2024 (CONT'D)**A2. Auditors' report of preceding annual audited financial statements**

The auditors' report on the preceding year's audited financial statements of the Company and of the Group was not subject to any qualification.

A3. Seasonal or cyclical factors

The businesses of the Group were not affected by seasonal or cyclical factors during the current financial quarter and financial period-to-date.

A4. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter and financial period-to-date.

A5. Material changes in estimates

There were no material changes in estimates used in reporting the current financial quarter and financial period-to-date as compared to the audited financial statements of the Group for the financial year ended 31 December 2023.

A6. Debt and equity securities

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities except for the following: -

On 6 May 2024, the Company increased its issued and paid-up capital from issued 1,770,163,992 to 3,540,327,984 by way of issuance of 1,770,163,992 new ordinary shares through a bonus issue on the basis of one (1) new ordinary share for one (1) existing ordinary share held in the Company.

Accordingly, the number of treasury shares increased from 750,300 ordinary shares to 1,500,600 ordinary shares. The shares repurchased are held as treasury shares in accordance with Section 127 (6) of the Companies Act 2016.

During the current financial period to-date, none of the treasury shares is distributed as share dividend to the shareholders.

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A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2024 (CONT'D)
A7. Segmental information

The Group's operating activities were derived from Thirteen (13) main business segments, namely the following:-

	Unaudited Individual quarter 30 June 2024 RM'000	Unaudited Individual quarter 30 June 2023 RM'000	Unaudited Cumulative quarter 30 June 2024 RM'000	Unaudited Cumulative quarter 30 June 2023 RM'000
Revenue				
• Investment holding and management services	3,340	2,545	6,694	4,472
• Others	1,003	416	1,303	637
<u>Building material division</u>				
• Distribution of building materials and logistics services	224,428	204,528	459,473	444,206
• Ready-mixed concrete	-	17,498	-	45,116
• Manufacturing of safety glass, door & frame and metal roofing	87,039	-	167,556	-
• Manufacturing of autoclaved aerate concrete ("AAC") and precast concrete	122,471	113,913	243,621	220,209
• Manufacturing of wire mesh	45,512	42,030	92,948	90,175
• Trading of sanitaryware and fittings	-	193	-	352
<u>Vehicle division</u>				
• Manufacturing and trading of commercial vehicles and bodyworks	18,364	19,071	29,301	35,494
<u>Kitchen and wardrobe system</u>				
• Design, manufacturing and distribution of kitchen and wardrobe system	155,030	-	155,030	-
<u>Property development and construction division</u>				
• Construction	111,900	126,705	209,563	245,084
• Property development	48,081	12,965	73,690	16,595
	817,168	539,864	1,439,179	1,102,340
Adjustments and eliminations	(43,156)	(39,293)	(94,953)	(77,833)
	774,012	500,571	1,344,226	1,024,507

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2024 (CONT'D)
A7. Segmental information (Cont'd)

The Group's operating activities were derived from Thirteen (13) main business segments, namely the following (Cont'd):-

	Unaudited Individual quarter 30 June 2024 RM'000	Unaudited Individual quarter 30 June 2023 RM'000	Unaudited Cumulative quarter 30 June 2024 RM'000	Unaudited Cumulative quarter 30 June 2023 RM'000
Profit before taxation				
• Investment holding and management services	14,402	11,153	15,225	13,337
• Others	499	70	259	(87)
<u>Building material division</u>				
• Distribution of building materials and logistics services	2,312	3,207	4,882	8,256
• Ready-mixed concrete	(7)	(1,800)	(8)	(3,387)
• Manufacturing of safety glass, door & frame and metal roofing	12,801	-	14,455	-
• Manufacturing of autoclaved aerate concrete ("AAC") and precast concrete	8,505	7,232	18,964	11,445
• Manufacturing of wire mesh	(390)	(1,880)	(86)	(1,422)
• Modular building Solutions	(353)	(465)	(799)	(848)
• Trading of sanitaryware and fittings	(2)	(432)	(17)	(649)
<u>Vehicle division</u>				
• Manufacturing and trading of commercial vehicles and bodyworks	322	1,940	1,139	4,066
<u>Kitchen and wardrobe system</u>				
• Design, manufacturing and distribution of kitchen and wardrobe system	22,117	-	22,117	-
<u>Property development and construction division</u>				
• Construction	5,681	7,750	7,804	20,972
• Property development	2,966	(3,307)	1,987	(6,775)
	68,853	23,468	85,922	44,908
Share of results of associates	2,305	13,262	4,382	22,853
Share of results of joint ventures	438	5,756	786	8,077
	71,596	42,486	91,090	75,838
Adjustments and eliminations	3,165	(12,724)	2,845	(13,279)
	74,761	29,762	93,935	62,559

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2024 (CONT'D)
A8. Dividend paid

There was no dividend paid during the current financial quarter and financial period-to-date.

A9. Valuation of property, plant and equipment

The Group has not carried out any valuation on its property, plant and equipment in the current financial quarter and financial period-to-date.

A10. Valuation of investment properties

The Group has not carried out any valuation on its investment properties in the current financial quarter and financial period to-date.

A11. Capital commitments

The capital commitments of the Group were as follows: -

	Unaudited 30 June 2024 RM'000	Audited 31 December 2023 RM'000
Authorised and contracted for:		
- acquisition of land held for property development	-	5,172
- acquisition of property, plant and equipment	10,097	2,229
- acquisition of investment properties	1,234	-
- acquisition of freehold land	40,000	-
- capital expenditure for joint developments	92,000	-
- acquisition of subsidiary companies	543	-
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A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2024 (CONT'D)**A12. Changes in the composition of the Group**

Save as disclosed in Note B6 on the Status of Corporate Proposal Announced, there were no material changes in the composition of the Group for the current financial period ended 30 June 2024, except for the following:-

- i) On 5 February 2024, the Company entered into conditional share sale agreements (“SSA”) with Teoh Hai Hin and Por Teong Eng respectively for the proposed acquisition of 30,291,700 ordinary shares in Signature International Berhad (“SIB”) (“SIB Sale Share”) in total, representing approximately 4.77% equity interest in SIB for a total cash consideration of RM25,445,028 or RM0.84 per SIB Sale Share (“SIB Acquisition”).

The SIB Acquisition was approved by the Company’s shareholders during the Extraordinary General Meeting which was held on 29 March 2024. As a result, the Company’s aggregate shareholdings in SIB along with persons acting in concert increased from approximately 28.72% to 33.49%.

Accordingly, pursuant to Section 218(2) of the Capital Markets and Services Act, 2007 and Paragraph 4.01(a) of the Rules on Take-overs, Mergers and Compulsory Acquisitions, the Company will be obliged to extend a conditional mandatory general offer for all the remaining SIB Shares not already owned by the Company at a cash offer price of RM0.84 per SIB Share.

During the financial period, the Company has further increased its stake in SIB, resulting in SIB becoming a 71.72%-owned subsidiary to the Group.

- ii) During the current financial period-to-date, Chin Hin Group Property Berhad (“CHGP”) had increased its issued and paid-up share capital from RM228,204,465 to RM269,423,665 through the issuance of 55,816,000 new ordinary shares pursuant to the Private Placement exercise.

Additionally, the Company had acquired an additional 79,876,900 ordinary shares in CHGP, which led to an increase of its total shareholdings in CHGP to 406,509,635 ordinary shares. As at 30 June 2024, the equity interest of the Company in CHGP is 61.56%;

- iii) On 27 February 2024, Ajiya Berhad (“Ajiya”) completed the acquisition of the remaining 100,000 ordinary shares, representing 10% of the total issued share capital of Ajiya Safety Glass Sdn Bhd (“ASG”) not owned by Ajiya, from Foresight Aim Sdn Bhd for cash consideration of RM9,000,000. Consequently, ASG became a wholly-owned subsidiary of Ajiya.
- iv) On 8 January 2024, BKG Development Sdn Bhd (“BKGD”), a wholly-owned subsidiary of CHGP, incorporated wholly-owned subsidiaries, Chin Hin Property (Penang) Sdn Bhd and Chin Hin Property (Melaka) Sdn Bhd with cash subscription of RM2 each respectively.
- v) On 22 January 2024, BKGD, incorporated a wholly-owned subsidiary, Chin Hin Management Sdn Bhd with cash subscription of RM2.

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2024 (CONT'D)
A12. Changes in the composition of the Group (Cont'd)

- vi) On 23 February 2024, Stellar Platinum Sdn Bhd (“SPSB”) had increased its issued and paid-up ordinary share capital from 10 to RM2,000,000 by issuance of 1,999,990 ordinary shares for a total consideration of RM1,999,990. BKGD has subscribed for an additional 1,399,993 ordinary shares in SPSB by way of debt conversion of amount due from SPSB to BKGD for total consideration of RM1,399,993. Consequently, SPSB remained as 70%-owned subsidiary of BKGD.

A13. Contingent liabilities and contingent assets

There were no contingent assets as at the date of this interim financial report. Contingent liabilities of the Group were as follows: -

Group	Unaudited 30 June 2024 RM'000	Audited 31 December 2023 RM'000
Unsecured		
Corporate guarantees by a subsidiary for credit facility granted to a joint venture company	18,150	18,150
Bank guarantee issued to third parties	158,852	163,867

A14. Material events subsequent to the end of the quarter

Save as disclosed below, there were no other material events subsequent to the end of current quarter and financial period-to-date that have not been reflected in this interim financial report:

- i) In the month of July 2024, the Company acquired additional 5,000,000 ordinary shares in CHGP for a total consideration of RM10,557,275, increasing the equity interest of the Company in CHGP to 62.31%.

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A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2024 (CONT'D)**A15. Related party transactions**

Our Group's transactions with companies in which our directors or substantial shareholders have an interest in for the financial period-to-date ended 30 June 2024 were as follows: -

	Unaudited RM'000
Transaction with companies in which the Directors or substantial shareholders have financial interest:	
-Transportation services	694
-Sales of goods	4,632
-Purchase of goods	2,407
-Construction and interior fit-out work	1,729
-Service rendered	207
-Rental received/receivables	7
-Rental paid/payables	2,053
-Insurance and road tax received	131

These transactions have been entered into in the normal course of business.

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B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1. Review of performance

Comparison with previous year corresponding period

	Unaudited Individual Quarter			Unaudited Cumulative Quarter		
	30 Jun 2024	30 Jun 2023	Changes	30 Jun 2024	30 Jun 2023	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	774,012	500,571	55%	1,344,226	1,024,507	31%
Gross Profit ("GP")	120,511	46,396	160%	180,788	94,974	90%
Profit Before Tax	74,761	29,762	151%	93,935	62,559	50%

2Q 2024 vs 2Q 2023

For the current financial quarter under review, the Group reported a revenue of RM774.01 million, recording a remarkable increase of RM273.44 million or 54.63% as compared to RM500.57 million in the preceding year corresponding quarter. The increased revenue for the current quarter was primarily driven by the consolidation of both Ajiya Berhad ("Ajiya") and Signature International Berhad ("SIB") revenue contribution coupled with the marginal improvement from the building material and property development segment. This was partially offset by reduced contributions from the construction segment as well as the ready-mixed concrete segment, following the disposal of Chin Hin Concrete (KL) Sdn Bhd in FY2023.

The building materials division delivered a commendable performance, reflecting notable enhancements across all segments. This positive trajectory was bolstered by improved market conditions and sustained export sales. The quarter saw positive revenue growth from the AAC and precast concrete product segments, largely driven by increased volumes of precast concrete pipes, MI polymer concrete pipes, and drymix solution products, compared to the same period last year.

On the other hand, revenue from the construction division decreased by RM14.81 million compared to the corresponding quarter of the previous year, primarily due to lower new orders coupled with the completion of projects. However, this decline was mitigated by increased revenue in the property development division, driven by higher sales from ongoing projects such as Quaver, Ayanna, Solarvest, and Avantro.

In line with the considerable increase in revenue, the Group's gross profit ("GP") increased by RM74.11 million, more than doubling from RM46.40 million in the corresponding quarter of 2023 to RM120.51 million in the current quarter of 2024. The gross profit margin for the current quarter increased to 15.57%, a significant improvement from 9.27% in the same quarter of the previous year. This enhancement was driven by strong contributions from both Ajiya and SIB, which substantially bolstered the Group's overall gross profit margin.

Administrative expenses increased by RM39.01 million, bringing the total to RM67.12 million primarily due to the consolidation impact of Ajiya and SIB. Despite this increase, operating profit saw a notable improvement, rising to RM90.37 million from RM20.55 million, driven by the aforementioned factors.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**B1. Review of performance (Cont'd)****Comparison with previous year corresponding period (Cont'd)****2Q 2024 vs 2Q 2023 (Cont'd)**

The Group achieved a record profitability of RM74.76 million in profit before tax ("PBT"), primarily driven by:

- Increased gross profit margin from the newly acquired subsidiaries, as previously discussed;
- A one-off gain of RM19.91 million from the remeasurement of equity investments due to the acquisition of SIB; and
- Fair value gain on other investments of RM12.37 million.

However, this was partially offset by,

- Increased finance cost resulting from higher borrowings levels and elevated interest rates;
- Lower share of results from associates following the acquisition of Ajiya and SIB, which have now become subsidiaries of the Group;
- Lower profit contributions from the Construction division due to higher administrative cost incurred; and
- Lower profit contribution from Vehicle division mainly due to lower sales for rebuilt commercial vehicles as well as provision of impairment for inventories.

6MFY24 vs 6MFY23

For the six months ended 30 June 2024 (6MFY24), the Group reported higher revenue of RM1.34 billion, reflecting a notable increase of RM319.72 million or 31.21% compared to the corresponding period in 2023 (6MFY23). This significant growth was primarily driven by the consolidation of Ajiya and SIB, as well as increased contributions from the building materials and property development divisions. However, this growth was partially offset by lower revenue from the construction segment, due to lower new orders and completion of projects, as mentioned above, and the loss of revenue from the ready-mixed concrete segment following the disposal of Chin Hin Concrete (KL) Sdn Bhd in FY2023.

Similarly, the Group recorded a profit before tax (PBT) of RM93.94 million for 6MFY24, mainly attributed to higher profit margins from newly acquired subsidiaries, coupled with a fair value gain of RM24.77 million on other investments and a gain of RM19.91 million from the remeasurement of equity investments.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B2. Comparison with immediate preceding quarter's results

CURRENT QUARTER vs. PRECEDING QUARTER

	Unaudited Individual quarter		Changes %
	30 June 2024 RM'000	31 March 2024 RM'000	
Revenue	774,012	570,214	36%
Gross Profit	120,511	60,277	100%
Operating Profit	90,369	30,789	194%
Profit Before Tax	74,761	19,174	290%
Profit After Tax	62,115	13,808	350%
Profit Attributable to Ordinary Equity Holders of the Parent	42,024	9,072	363%

For the quarter under review, the Group posted a revenue of RM774.01 million as compared to RM570.21 million in the preceding quarter, marking an increase of RM203.80 million or 35.74%. The higher revenue mainly resulted from the consolidation effect of SIB revenue contribution coupled with better performance across all segment of CHGP.

On the other hand, the building materials division experienced a decline in revenue primary due to the distribution of building materials and the manufacturing of the wire mesh segments, however, this was mitigated by increased sales revenue from Ajiya, driven by improved operational activities.

The Group reported a PBT of RM74.76 million, significantly higher by RM55.59 million as compared to RM19.17 million in the preceding quarter. The notable increase was primarily attributed to:

- Increased gross profit margin from the newly acquired subsidiary;
- A one-off gain of RM19.91 million from the remeasurement of equity investments due to the acquisition of SIB; and
- Higher gain on disposal of other investments of RM3.29 million as compared to losses of RM6.58 million in the preceding quarter.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**B3. Prospects**

The Malaysian economy expanded at a higher rate of 5.9% in the second quarter of 2024 in line with Department of Statistics Malaysia (DOSM) advance estimate and consensus median forecast projecting a Gross Domestic Product (“GDP”) +5.4% year-on-year increase. The country’s economic growth is anticipated to remain robust throughout the year, supported by resilient domestic demand amid a stable labour market, supportive income measures, and continued improvements in trade activity, bolstered by the low base effect and a gradual recovery in global manufacturing.

However, persistent fears of recession, geopolitical tensions, and manufacturing contractions may raise concerns about a potential slowdown in the global economy, which could dampen expectations for global economic growth.

Despite the challenging business environment, our building materials division remains optimistic as demand for our products is expected to stay strong in the second half of 2024. This optimism is bolstered by the anticipated growth in construction activities, driven by a budget allocation of RM180 billion for development projects from both the government and the private sector. Looking ahead, we will continue to pursue new domestic and regional projects to replenish our order books, further expand our market share, and capitalize on our strategic growth initiatives, supported by our strong presence in Singapore and other regional markets.

Ajiya, which became a subsidiary of the Group earlier this year, will remain focus on enhancing operational workflows, resource utilization, reducing waste and maintaining a lean operation. Ajiya’s Group to continue leveraging on the Group’s expertise and resources, along with synergies with our construction and property divisions, to access new markets, technologies, and opportunities. This collaboration aims to enhance competitiveness and drive growth.

In the property development segment, the Group is preparing to launch four (4) new property development projects, namely Crown Penang with an estimated Gross Development Value (“GDV”) of RM475 million, Andalan Residences with an estimated GDV of RM247 million, Botanica Hills in Rawang with an estimated GDV of RM 392 million and resort themed mixed development in Melaka with an estimated GDV of RM792 million in current financial year. As of 30 June 2024, the Division has total unbilled sales of RM726.1 million mainly from its on-going property development projects namely Quaver Residence, Ayanna Resort Residences, Avantro Residences and Solarvest Suites.

The construction sector expects a gradual improvement in contract flows and target to participate in the construction of the planned launch of the Group’s in-house property development projects. As of 30 June 2024, the construction segment’s outstanding order book was RM1.1 billion. The replenishment of its order book will depend on the roll-out of infrastructure projects by the Malaysian Government and private construction projects. The segment will continue to bid for construction projects to replenish its current order book.

The market for commercial vehicles is anticipated to experience continuous challenges. However, the Group remains cautiously optimistic about the prospect of this segment as the demand of light/big truck and prime movers are derived from logistic and transportation business. The Group is continuing to explore for more option available and expanding its sales and marketing for the Cergas Van which caters to the tourism industry, which expects to growth in the next few years. The Group is also exploring electric commercial vehicles in near future, in line with the Malaysian Government’s encouragement and incentive of green energy vehicles.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B3. Prospects (Cont'd)

In the second quarter of 2024, the Group completed the acquisition of an additional stake in SIB, a group of companies specializing in kitchen and wardrobe systems, as well as interior fit-out works. The consolidation of SIB has significantly enhanced the Group's financial performance, particularly by improving overall profit margins. As of 30 June 2024, the Group's order book stood at RM733 million for kitchen and wardrobe systems and RM422 million for interior fit-out works. The Group remains optimistic that SIB will continue to contribute positively to its financial performance in the upcoming financial years.

On 6 August 2024, the Group announced its entry into the data center sector through the proposed acquisition of a 65% interest in Critical Services Specialist Sdn Bhd (CSS) and CSS Engineering & Construction Sdn Bhd (CSE) for a consideration of RM51.50 million. This strategic investment positions Chin Hin as a leading player with distinct market advantages, offering significant synergies by leveraging the Group's industrialised building system (IBS) capabilities and other core divisions. With over 21 years of proven expertise in the engineering, procurement, construction, and commissioning (EPCC) of data centers, CSS is a pioneer in the industry, and the Group is well-prepared to capitalise on the booming growth in the data center sector.

With the contribution from the consolidation of our new subsidiaries, the Group is anticipated to perform steadily in the upcoming quarters, further strengthening our overall financial position and market presence.

B4. Estimates/Forecast

The Group has not provided any revenue or profit guidance in any public documents.

B5. Taxation

The applicable income tax rate is 24% except for the Group's subsidiary companies, PP Chin Hin Pte Ltd and MI Polymer Concrete Pipes Pte Ltd which are subject to the statutory rate of 17% based on Singapore's tax regime and Starken Philippines, Inc which is subject to the statutory rate of 30% based on Philippines's tax regime.

	Individual Quarter		Cumulative Quarter	
	Unaudited 30 June 2024 RM'000	Unaudited 30 June 2023 RM'000	Unaudited 30 June 2024 RM'000	Unaudited 30 June 2023 RM'000
Income tax expense				
- Current financial period	12,661	5,614	17,552	11,289
- Under provision in prior year	73	-	73	-
	<u>12,734</u>	<u>5,614</u>	<u>17,625</u>	<u>11,289</u>
Deferred tax				
- Current financial period	(88)	(750)	387	(22)
Total tax expense	<u>12,646</u>	<u>4,864</u>	<u>18,012</u>	<u>11,267</u>

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**B6. Status of corporate proposals**

There were no corporate proposals previously announced by the Group that remained uncompleted as at 22 August 2024, the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report, except as follows:

- (i) On 6 August 2024, the Company had entered into a SSA to acquire 65% equity interest in Critecia System Specialist Sdn Bhd (“CSS”) and CSS Engineering & Construction Sdn Bhd (“CSE”) respectively for a total consideration of RM51,510,000. The proposed acquisition will be satisfied via a combination of cash of RM26,510,000 (“Cash Consideration”) and allotment of the remaining RM25,000,000 via the issuance of 7,911,392 new ordinary shares in Chin Hin Group Berhad at an issue price of RM3.16 per share.

The Cash Consideration will be funded via a combination of internally generated funds and/or bank borrowings and are expected to be completed by the third quarter of 2024.

- (ii) On 10 January 2024, CHGP announced that Chin Hin Property (Penang) Sdn Bhd, a wholly-owned subsidiary of BKGD, which in turn is a wholly-owned subsidiary of CHGP has entered into Agreement with Ivory Glenary Sdn Bhd for the purchase of a plot of freehold land measuring approximately 1.218 acre (currently identified as Penang Times Square, Phase 4) and forming part of the land held under a master title known as Geran 172694, Lot 10024, Seksyen 10, Bandar George Town, Daerah Timur Laut, Pulau Pinang measuring approximately 4.922 hectares (approximately 12.1625 acres) in area for a total cash consideration of RM40,000,000.

The proposed acquisition is conditional upon fulfilment of conditions precedent by 31 December 2024.

- (iii) On 29 February 2024, CHGP entered into Share Sale Agreements (“SSAs”) with the Company for:
- Proposed disposal of 2 ordinary shares in Chin Hin Construction Engineering Sdn Bhd (“CHCE”), representing the entire equity interests in CHCE, to the Company for a cash consideration of RM16,500,000; and
 - Proposed disposal of 9,500,000 ordinary shares in Kayangan Kemas Sdn Bhd (“KKSB”), representing 95% equity interests in KKSB to the Company for a cash consideration of RM93,500,000.

CHGP and the Company had on 26 July 2024 agreed to extend the conditional period of the CHCE SSA and Kayangan SSA to 28 October 2024.

- (iv) On 29 February 2024, CHGP proposed to undertake a private placement of up to 20% of its ordinary shares totalling up to 132,000,000 ordinary shares.

The proposal is subject to shareholders approval.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**B6. Status of corporate proposals (Cont'd)**

- (v) On 29 February 2024, BKGD entered into a Shareholders' Agreement with Fiamma Holdings Berhad ("Fiamma") for:

- (1) Joint development with Aricia Sdn Bhd ("Aricia") (formerly known as Fiamma Properties Sdn Bhd)

Proposed subscription by BKGD of 5,833,334 new ordinary shares in Aricia representing 70% of the enlarged ordinary share capital of Aricia at an issue price of RM1.00 per share to facilitate the parties' joint development on the following lands:

- (a) all that parcel of freehold land held under Geran 25272, Lot 3240 Seksyen 92, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur measuring approximately 4,047 square metres ("s.m."); and
- (b) all that parcel of freehold land held under Geran 37713, Lot 260 Seksyen 92, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur measuring approximately 6,535.46 s.m.

("Proposed Aricia Joint Venture")

In conjunction with the Proposed Aricia Joint Venture, BKGD had on 29 February 2024 also entered into the subscription agreements with Fiamma for the proposed issuance of 1,100,000 new redeemable preference shares by BKGD to Fiamma for a total consideration of RM1.00 to facilitate the Proposed Aricia Joint Venture.

- (2) Joint development with Dawn Land Sdn Bhd ("Dawn Land") (formerly known as Fiamma Land Sdn Bhd)

Proposed subscription by BKGD of 1,166,667 new ordinary shares in Dawn Land representing 70% of the enlarged ordinary share capital of Dawn Land at an issue price of RM1.00 per share to facilitate the parties' joint development on the following lands:

- (a) all that parcel of parcel of freehold land held under Geran 9348, Lot 54 Seksyen 44, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur measuring approximately 773.936 s.m.
- (b) all that parcel I of freehold land held under Geran 27778, Lot 74 Seksyen 44, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur measuring approximately 1,456.8206 s.m.
- (c) all that parcel of freehold land held under Geran 71341, Lot 192 Seksyen 44, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur measuring approximately 3,477 s.m.

("Proposed Dawn Land Joint Venture")

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**B6. Status of corporate proposals (Cont'd)**

- (v) On 29 February 2024, BKGD entered into a Shareholders' Agreement with Fiamma Holdings Berhad ("Fiamma") for: (Cont'd)

- (2) Joint development with Dawn Land Sdn Bhd ("Dawn Land") (formerly known as Fiamma Land Sdn Bhd) (Cont'd)

In conjunction with the Proposed Dawn Land Joint Venture, BKGD had on 29 February 2024 also entered into the subscription agreements with Fiamma for the proposed issuance of 10,900,000 new redeemable preference shares by BKGD to Fiamma for a total consideration of RM1.00 to facilitate the Proposed Dawn Land Joint Venture.

The proposals are subject to shareholders approval by 28 October 2024.

- (vi) Development Agreement for Mont Kiara Land

On 24 April 2024, BKHS Capital Sdn Bhd ("BKHS"), a wholly-owned subsidiary of BKGD, which in turn is a wholly-owned subsidiary of CHGP entered into a Development Agreement ("Agreement") with Archmill Sdn Bhd and Suasas Sentosa Sdn Bhd to appoint BKHS to implement and complete the development of all that parcel of freehold land held under Geran 65422, Lot 55347, Mukim Batu, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur measuring approximately 10,790 square metres (2.67 acres) into a residential development.

The Agreement is pending the fulfilment of the condition precedents by 23 April 2025.

- (vii) Development Agreement for Segambut Land

On 24 April 2024, Chin Hin Property (Segambut) Sdn Bhd ("CHPS"), a wholly-owned subsidiary of BKGD, which in turn is a wholly-owned subsidiary of CHGP has entered into a Development Agreement ("Agreement") with New York Empire Sdn Bhd and Kar Sin Bhd to appoint CHPS to implement and complete the development of all that parcel of freehold land held under Geran Mukim 54, Lot 448, Kepong Rly Line 8th Mile, Mukim Batu, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur measuring approximately 26,253.121 square metres (6.49 acres) into a residential development.

The Agreement is pending the fulfilment of the condition precedent by 23 April 2025.

- (viii) The Company had on 10 May 2024 entered into a loan agreement with Ajiya for the acceptance of a loan of up to RM250.0 million from Ajiya ("Loan Agreement") within a period of 24 months from the date when all the conditions precedent of the Loan Agreement are fulfilled, at an interest rate of 7.5% per annum, for the estimated funding requirements of the Group.

The resolution as set out in the Notice of Extraordinary General Meeting ("EGM") has been duly passed in the EGM dated 28 June 2024 by the shareholders of Ajiya. However, the above proposal has no financial impact to the Group.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**B6. Status of corporate proposals (Cont'd)**

- (ix) Thai Ajiya Safety Glass Co., Ltd., a 99.99% owned subsidiary of Ajiya, had on 3 May 2024 entered into a Sale and Purchase Agreement (“SPA”) with Atlan (Thailand) Co., Ltd. for the disposal of all that piece of land held under Title Deed No. 154477 Land Marking No. 5325 IV2284, Land No. 1741, Survey No. 8549, measuring approximately 8.465 rai (13,544 square metres), together with a 3 storey office building and a factory erected thereon including furniture fitting, overhead crane, transformer, other facilities and improvements situated in Amata City Chonburi Industrial Estate, 700/609, Soi Amata 26 (Zone B), Amata Industrial Road, Don Hua Lo Subdistrict, Mueang Chonburi District, Chonburi Province, Thailand for a total cash consideration of 208,000,000.00 Baht (equivalent to RM26,790,659) only.

Barring any unforeseen circumstances, the disposal is expected to be completed by 4th quarter of the financial year 2024.

- (x) The Company had on 23 November 2023 entered into a Memorandum of Understanding (“MOU”) with Menteri Besar Incorporated (Perak) and Younchang Engineering and Construction (M) Sdn Bhd for the proposed collaboration relating to the planning, design and construction of fishery industrial park located at Wilayah Baroh, Mukim Hutan Melintang, Daerah Hilir Perak, Perak Darul Ridzuan.

All parties had mutually agreed to extend the period of the MOU.

- (xi) An indirect subsidiary of the Company, Green Cement Sdn Bhd had on 10 July 2024 entered into a Memorandum of Understanding (“MOU”) with University Sains Malaysia (“USM”) for the purpose to establish collaboration and explore opportunities to develop, support and enrich the research activities, educational programs and training in the fields that will be beneficial to both parties.

The MOU will remain effective for a period of 5 years from the date of MOU and it is not expected to have any material immediate effect on the earning per share, net assets per share and gearing of the Group for the financial year ended 31 December 2024.

- (xii) On 13 June 2024, BK Alliance Sdn Bhd (“BKA”), a wholly owned subsidiary of BKGD, which in turn a wholly owned subsidiary of CHGP entered into 3 conditional Sales and Purchase Agreements with Solarvest Energy Sdn Bhd, a wholly owned subsidiary of Atlantic Blue Sdn Bhd, which in turn a wholly owned subsidiary of Solarvest Holdings Berhad, for the proposed disposal of Unit 26-01, 27-01, 28-01, 29-01 and 31-01, which are part of an on-going high-rise office tower development to be known as Solarvest Tower, being constructed on a piece of leasehold land held under Pajakan Negeri 53073, Lot 481445, Kuala Lumpur with a combined built-up area of 37,793 square feet for a total cash consideration of RM48.73 million.

The agreement is pending fulfilment of condition precedents by 12 September 2024.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B6. Status of corporate proposals (Cont'd)

(xiii) On 13 August 2024, Signature Realty Sdn. Bhd. ("SRSB"), a wholly owned subsidiary of SIB, entered into a conditional Sales and Purchase Agreements with Ms Loi Foon Kion for the proposed disposal of the following properties for a total cash consideration of RM25,701,312:

- (a) A piece of vacant freehold land held under Geran 270942, Lot 61328, Bandar Baru Enstek; and
- (b) A piece of vacant freehold land held under Geran 270943, Lot 61329, Bandar Baru Enstek.

The agreement is pending fulfilment of condition precedents by 13 November 2024.

B7. Borrowings

The Group's borrowings are all secured and denominated in Ringgit Malaysia, details are as follows: -

	Unaudited As at 30 June 2024 RM'000	Audited As at 31 December 2023 RM'000
Bank overdrafts	20,073	27,145
Revolving credits	168,819	95,687
Bankers' acceptance	431,253	363,004
Invoice financing	40,502	22,375
Term loans	966,112	548,837
Margin facility	76,508	52,182
Bills discounting facility	2,968	4,081
Total bank borrowings	1,706,235	1,113,311
Total bank borrowings comprises:-		
Current:		
Bank overdraft	20,073	27,145
Revolving credits	138,819	95,687
Bankers' acceptance	431,253	363,004
Invoice financing	40,502	22,375
Term loans	107,222	76,275
Margin facility	76,508	52,182
Bills discounting facility	2,968	4,081
	817,345	640,749
Non-current:		
Term loans	858,890	472,562
Revolving credits	30,000	-
	888,890	472,562
	1,706,235	1,113,311

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)
B8. Lease liabilities

The Group's lease liabilities are denominated in Ringgit Malaysia, details are as follows: -

Lease liabilities

	Unaudited	Audited
	As at	As at
	30 June 2024	31 December 2023
	RM'000	RM'000
Present value of minimum lease payments:		
Repayable within twelve months	14,492	8,032
Repayables after twelve months	25,330	4,810
	39,822	12,842

B9. Changes in material litigation

As at a date not earlier than seven (7) days from the date of this report, there is no litigation or arbitration, which has a material effect on the financial position of the Group, and the Board is not aware of any proceedings pending or of any fact likely to give rise to any proceedings.

B10. Dividend Proposed

There was no dividend declared for the current financial quarter.

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B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)
B11. Earnings per share
Basic earnings per ordinary share

The basic earnings per share is calculated based on the Group's profit attributable to equity holders of the Company divided by the weighted average number of ordinary shares as follows:

	Unaudited Individual Quarter		Unaudited Cumulative Quarter	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Profit attributable to ordinary equity holders of the Group (RM'000)	42,024	21,870	51,096	41,915
Number of ordinary shares in issues as at 1 January ('000)	1,770,164	1,770,164	1,770,164	1,770,164
Effect of treasury shares held	(750)	(750)	(750)	(750)
Effect of bonus shares issued, net of treasury shares during the financial period ('000)	1,769,414	-	1,769,414	-
Weighted average number of ordinary shares in issue ('000)	3,538,828	1,769,414	3,538,828	1,769,414
Basic earnings per share (sen)	1.19	1.24	1.44	2.37

Diluted earnings per ordinary share

The Group and the Company have no dilution in their earnings per ordinary share as there are no dilutive potential ordinary shares. There have been no other transactions involving ordinary shares or potential ordinary shares since the end of the financial period and before the end of this quarter.

	Unaudited Individual Quarter		Unaudited Cumulative Quarter	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Profit attributable to ordinary equity holders of the Group (RM'000)	42,024	21,870	51,096	41,915
Weighted average number of ordinary shares as above	3,538,828	1,769,414	3,538,828	1,769,414
Basic/diluted earnings per share (sen)	1.19	1.24	1.44	2.37

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**B12. Disclosure on selected expense/income items as required by the Listing Requirements**

Included in profit before tax comprised the following expense/(income) items:

	Unaudited	
	As at	As at
	30 June	30 June
	2024	2023
	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting):-		
Bad debts written off	-	18
Depreciation of property, plant and equipment	26,597	18,752
Amortisation of intangible assets	234	-
Impairment loss on receivables	3,540	5,795
Inventories written back	(416)	(75)
Fair value gain on other investments	(24,764)	(9,057)
Gain on disposal of assets held for sale	(185)	(34)
Gain on disposal of investment in subsidiary companies	-	(1,111)
Gain on disposal of property, plant and equipment	(100)	(132)
Loss/(Gain) on modification on lease contract	166	(5)
Loss on disposal of other investments	3,290	1,705
Property, plant and equipment written off	14	864
Realised gain on foreign exchange	(45)	(540)
Reversal of impairment loss on trade and other receivables	(55)	(297)
Unrealised loss/(gain) on foreign exchange	3	(1,094)
	3	(1,094)

B13. Comparative figures

Comparatives figures, where applicable, have been modified to conform to the current presentation.

BY ORDER OF THE BOARD

29 August 2024