

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER (Q1)		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	31.03.2024 RM'000	31.03.2023 RM'000	31.03.2024 RM'000	31.03.2023 RM'000
Revenue	3,190	13,860	3,190	13,860
Direct operating costs	(1,832)	(12,319)	(1,832)	(12,319)
Gross profit	1,358	1,541	1,358	1,541
Other income	427	4,017	427	4,017
Administrative expenses	(1,728)	(1,706)	(1,728)	(1,706)
Other expenses	(5)	(21)	(5)	(21)
Operating profit	52	3,831	52	3,831
Finance income	632	1,232	632	1,232
Finance costs	(340)	(658)	(340)	(658)
Impairment loss on interest in an associate	(91)	-	(91)	-
Share of results of associates	(90)	(1,284)	(90)	(1,284)
Profit before tax	163	3,121	163	3,121
Tax expense	(39)	(165)	(39)	(165)
Profit for the period	124	2,956	124	2,956
Profit attributable to:				
Owners of the Company	203	3,364	203	3,364
Non-controlling interests	(79)	(408)	(79)	(408)
Profit for the period	124	2,956	124	2,956

The 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 this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER (Q1)		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	31.03.2024 RM'000	31.03.2023 RM'000	31.03.2024 RM'000	31.03.2023 RM'000
Profit for the period	124	2,956	124	2,956
<i>Other comprehensive income/(loss) that may be reclassified subsequently to profit or loss</i>				
Exchange differences on translation of foreign operations	1,324	(25)	1,324	(25)
Other comprehensive income/(loss) for the period	1,324	(25)	1,324	(25)
Total comprehensive income for the period, net of tax	1,448	2,931	1,448	2,931
Total comprehensive income attributable to:				
Owners of the Company	1,276	3,344	1,276	3,344
Non-controlling interests	172	(413)	172	(413)
	1,448	2,931	1,448	2,931
Basic/Diluted earnings per share attributable to owners of the Company (sen)	0.1	1.8	0.1	1.8

The Condensed Consolidated Statement of Other 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 this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 31.03.2024 RM'000	AS AT 31.12.2023 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	141,878	142,296
Intangible assets	1,784	1,817
Interest in associates	47,977	47,288
Other investment	2,265	270
	<u>193,904</u>	<u>191,671</u>
Current assets		
Inventories	367	851
Receivables	1,542	9,841
Contract assets	324	9
Tax assets	187	327
Deposits, cash & bank balances	65,593	60,305
	<u>68,013</u>	<u>71,333</u>
TOTAL ASSETS	<u><u>261,917</u></u>	<u><u>263,004</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	225,671	225,671
Reserves	4,523	3,247
Treasury shares	(4,797)	(4,797)
	<u>225,397</u>	<u>224,121</u>
Non-controlling interests	<u>9,669</u>	<u>9,497</u>
Total equity	<u>235,066</u>	<u>233,618</u>
Non-current liabilities		
Term loans	16,958	18,502
Deferred tax liabilities	2,326	2,334
	<u>19,284</u>	<u>20,836</u>
Current liabilities		
Payables	3,343	3,253
Contract liabilities	-	317
Term loans	4,224	4,837
Tax liabilities	-	143
	<u>7,567</u>	<u>8,550</u>
Total liabilities	<u>26,851</u>	<u>29,386</u>
TOTAL EQUITY AND LIABILITIES	<u><u>261,917</u></u>	<u><u>263,004</u></u>
Net assets per share attributable to owners of the Company (RM)	<u><u>1.19</u></u>	<u><u>1.19</u></u>

The 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.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<-----Non-Distributable----->					<-----Distributable----->		Equity attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Revaluation reserve RM'000	Foreign exchange translation reserve RM'000	Fair value reserve RM'000	Other reserve RM'000	Treasury shares RM'000	Accumulated losses RM'000			
At 1 January 2024	225,671	15,489	(1,991)	-	9,876	(4,797)	(20,127)	224,121	9,497	233,618
Profit/(Loss) for the period	-	-	-	-	-	-	203	203	(79)	124
Other comprehensive income	-	-	1,073	-	-	-	-	1,073	251	1,324
Total comprehensive income for the period	-	-	1,073	-	-	-	203	1,276	172	1,448
As 31 March 2024	225,671	15,489	(918)	-	9,876	(4,797)	(19,924)	225,397	9,669	235,066
At 1 January 2023	225,671	15,489	(2,549)	30	9,876	(4,797)	(20,325)	223,395	9,233	232,628
Profit/(Loss) for the period	-	-	-	-	-	-	3,364	3,364	(408)	2,956
Other comprehensive loss	-	-	(20)	-	-	-	-	(20)	(5)	(25)
Total comprehensive income/(loss) for the period	-	-	(20)	-	-	-	3,364	3,344	(413)	2,931
As 31 March 2023	225,671	15,489	(2,569)	30	9,876	(4,797)	(16,961)	226,739	8,820	235,559

The 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.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	3 months ended	
	31.03.2024	31.03.2023
	RM'000	RM'000
Operating Activities		
Profit before tax	163	3,121
Adjustments for :-		
Depreciation and amortisation	1,070	1,107
Interest expense	340	658
Interest income	(632)	(1,232)
Fair value loss on unit trust	5	-
Impairment loss on interest in an associate	91	-
Share of results of associates	90	1,284
Unrealised (gain)/loss on foreign exchange	(6)	21
Operating profit before working capital changes	<u>1,121</u>	<u>4,959</u>
Changes in working capital :-		
Inventories	484	-
Contract assets	(315)	(7)
Contract liabilities	(317)	-
Receivables	8,298	(14,628)
Payables	57	3,197
Net cash generated from/(used in) operations	<u>9,328</u>	<u>(6,479)</u>
Interest paid	(340)	(658)
Tax paid	(49)	(100)
Net cash from/(used in) operating activities	<u>8,939</u>	<u>(7,237)</u>
Investing Activities		
Placement of other investment	(2,000)	-
Cash received from a third party receivable	-	3,964
Interest received	632	601
Purchase of property, plant and equipment	(619)	(304)
Placement of deposits with licensed banks	(11,259)	(440)
Net cash (used in)/ from investing activities	<u>(13,246)</u>	<u>3,821</u>
Financing Activity		
Repayments of term loans	(2,157)	(1,201)
Net cash used in financing activity	<u>(2,157)</u>	<u>(1,201)</u>
Net decrease in cash and cash equivalents	(6,464)	(4,617)
Effects of exchange rate changes on cash and cash equivalents	493	(64)
Cash and cash equivalents at the beginning of the period	33,791	43,172
Cash and cash equivalents at the end of the period	<u>27,820</u>	<u>38,491</u>
Cash and cash equivalents comprise the following:-		
Deposits with licensed banks	58,562	62,753
Cash & bank balances	7,031	26,786
	<u>65,593</u>	<u>89,539</u>
Less : Deposits with maturity period more than 3 months	(34,371)	(47,752)
Deposits pledged to a financial institution	(3,402)	(3,296)
Cash and cash equivalents at the end of the period	<u>27,820</u>	<u>38,491</u>

The 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 STATEMENTS

A. Explanatory Notes Pursuant To Malaysian Financial Reporting Standards (MFRS) 134

A.1 Accounting Policies

This condensed consolidated interim financial statements (Condensed Report) is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This Condensed Report should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 December 2023.

The accounting policies and methods of computation adopted in this Condensed Report are consistent with those adopted in the Group's annual audited financial statements for the financial year ended 31 December 2023 except for the following:

The new MFRS and amendments/improvements to MFRSs effective for financial periods beginning on or after 1 January 2024:

Amendments to MFRS 7	Financial Instruments: Disclosures
Amendments to MFRS 16	Leases
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 107	Statements of Cash Flows

The above pronouncements are either not relevant or do not have any material impact on the interim financial statements of the Group upon their initial application. The Group has adopted the relevant standards from 1 January 2024 with practical expedients permitted under the standards.

The Group have not adopted the following new MFRS and amendments/improvements to MFRSs that have been issued but yet to be effective:

		Effective for annual periods beginning on or after
Amendments to MFRS 10	Consolidated Financial Statements	Deferred
Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rate	1 January 2025
Amendments to MFRS 128	Investments in Associate and Joint Ventures	Deferred

The directors expect that the adoption of the new MFRS and amendments/improvements to MFRSs above will not have any impact on the interim financial report in the year of initial application.

A.2 Qualification of Preceding Annual Financial Statements

The auditors report of the preceding annual financial statements was without qualification.

A.3 Seasonal or Cyclical Factors

The business operations of the Group were not materially affected by any seasonal or cyclical factors.

A.4 Unusual Material Event

There were no material unusual events affecting assets, liabilities, equity, net income or cash flows during the current financial quarter under review.

A.5 Material Changes in Estimates

There were no significant changes in estimates of amounts reported which would have a material effect in the current financial quarter under review.

A.6 Debts and Equity Securities

During the current financial quarter, the Company had not repurchased any ordinary shares of its issued share capital from the open market. As at 31 March 2024, a total of 6,125,175 treasury shares were held by the Company. The repurchased shares are held as treasury shares in accordance with the requirements of Section 127 of the Companies Act, 2016.

Apart from the above, there were no other issuance or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale/repurchase of treasury shares during the current financial year-to-date.

A.7 Dividend Paid

There was no dividend paid during the current financial quarter under review.

A.8 Operating Segments

The principal activity of the Group is engaging in solar energy and related businesses in Malaysia. As such, segmental reporting by business segment is deemed not necessary. Accordingly, the information regarding its financial position and results is represented by the financial statements as a whole.

The Group operates predominantly in Malaysia and hence, no geographical segment is presented.

A.9 Valuations of Property, Plant and Equipment

There were no valuation of property, plant and equipment of the Group during the current financial quarter under review.

A.10 Material Subsequent Events

There were no material events subsequent to the current financial quarter under review.

A.11 Changes in The Composition of the Group

There were no changes in the composition of the Group during the current financial quarter under review.

A.12 Contingent Liabilities and Contingent Assets

As at the end of the reporting quarter, corporate guarantees given by the Company to financial institutions for banking facilities granted to a subsidiary amounted to RM21.2 million.

Apart from the above, there were no other contingent liabilities and contingent assets since the last annual reporting date.

A.13 Capital Commitment

As at the end of the reporting quarter, the Group has capital commitments totaling RM1.2 million in respect of acquisition of solar systems.

B. Explanatory Notes As Per Bursa Malaysia - Listing Requirements Chapter 9.22 of Part K

B.1 Review of Performance

For the current financial quarter under review, the Group posted revenue of RM3.2 million which was 77.0% lower than the revenue of RM13.9 million for the corresponding quarter in the preceding year. The higher revenue in the corresponding quarter in the preceding year was mainly contributed by procurement of Solar PV module.

The Group posted a pre-tax profit of RM0.2 million for the current quarter as compared to the pre-tax profit for the corresponding quarter in the preceding year of RM3.1 million. The decrease in pre-tax profit of RM2.9 million for the current quarter was mainly attributable to the decrease in other income of RM3.6 million and finance income of RM0.6 million. This was offsetting against the decrease in share of losses of RM1.2 million from investment in associate listed on Singapore Exchange (SGX) in the current quarter.

B.2 Comparison With Immediate Preceding Quarter's Results

	Current quarter ended 31.03.2024 RM'000	Immediate preceding quarter ended 31.12.2023 RM'000
Revenue	<u>3,190</u>	<u>3,898</u>
Profit before tax	<u>163</u>	<u>1,708</u>

For the current quarter, the Group recorded revenue of RM3.2 million which was 18.2% lower than RM3.9 million in the preceding quarter. The lower revenue was mainly due to lesser rooftop projects and others related projects during current quarter under review.

The current quarter pre-tax profit of RM0.2 million as compared to the immediate preceding quarter pre-tax profit of RM1.7 million. The decrease in pre-tax profit of RM1.5 million for the current quarter was mainly attributable to the reversal of impairment loss on interest in an associate listed on Singapore Exchange (SGX) amounted to RM2.8 million in the preceding quarter. This was offsetting against the decrease in direct operation costs of RM1.3 million in the current quarter.

B.3 Prospects

With ILB Group's proven track record in implementing and operating solar projects coupled with the improved cashflow, we are well positioned to scale up our solar businesses to generate higher sustainable earnings for ILB Group.

With the continuing encouragement from the Malaysian Government through initiatives and proactive measures, ILB Group sees great potential and vast opportunities in this growing renewable energy industry.

Moving forward, ILB Group will continue to participate in all related programmes initiated by the government.

In addition, ILB Group will enhance our market presence in providing Rooftop Solar Power System to commercial and industrial market.

B.4 Variance of Actual Profit from Forecast Profit

Not applicable as there was no profit forecast issued.

B.5 Tax Expense

	INDIVIDUAL QUARTER (Q1)		CUMULATIVE QUARTER	
	Current year quarter 31.03.2024 RM'000	Preceding year corresponding quarter 31.03.2023 RM'000	Current year to date 31.03.2024 RM'000	Preceding year corresponding period 31.03.2023 RM'000
Tax expense comprises :-				
Current income tax				
- Current income tax charge	47	173	47	173
Deferred tax				
- Reversal of temporary differences	(8)	(8)	(8)	(8)
Tax expense for the financial period	<u>39</u>	<u>165</u>	<u>39</u>	<u>165</u>

The Group's effective tax rate for the current year quarter and current year to date under review are lower than the statutory income tax rate of 24% mainly due to utilisation of unabsorbed capital allowances brought forward and tax incentives enjoyed by some of the Malaysian subsidiaries.

B.6 Status of Corporate Proposals

There was no corporate proposal announced but not completed during the current quarter and financial year-to-date.

B.7 Group Borrowings and Debt Securities

	As at 31.03.2024					
	Long term borrowings		Short term borrowings		Total borrowings	
	Foreign denomination RM'000	RM denomination RM'000	Foreign denomination RM'000	RM denomination RM'000	Foreign denomination RM'000	RM denomination RM'000
Secured :-						
Term loans						
- RM	-	16,958	-	4,224	-	21,182
	-	16,958	-	4,224	-	21,182

	As at 31.03.2023					
	Long term borrowings		Short term borrowings		Total borrowings	
	Foreign denomination RM'000	RM denomination RM'000	Foreign denomination RM'000	RM denomination RM'000	Foreign denomination RM'000	RM denomination RM'000
Secured :-						
Term loans						
- HKD	-	-	19,695	-	19,695	-
- RM	-	22,130	-	4,820	-	26,950
	-	22,130	19,695	4,820	19,695	26,950

B.8 Financial Instruments

a. Derivatives

There were no outstanding derivatives (including instruments designated as hedging instruments) in the current financial quarter under review.

b. Gains/(Losses) arising from fair value changes in financial liabilities

There were no gain/(loss) arising from the fair value changes in financial liabilities in the current financial quarter under review.

B.9 Material Litigation

As at the date of this announcement, there were no material litigations since the last annual reporting date.

B.10 Dividend

No dividend is payable as at the end of the financial quarter.

B.11 Earnings Per Share ("EPS")

	INDIVIDUAL QUARTER (Q1)		CUMULATIVE QUARTER	
	Current year quarter 31.03.2024 RM'000	Preceding year corresponding quarter 31.03.2023 RM'000	Current year to date 31.03.2024 RM'000	Preceding year corresponding period 31.03.2023 RM'000
Profit attributable to owners of the Company (RM'000)	203	3,364	203	3,364
Weighted average number of ordinary shares for basic earnings per share (unit)	188,900	188,900	188,900	188,900
Basic earnings per share attributable to owners of the Company (sen)	<u>0.1</u>	<u>1.8</u>	<u>0.1</u>	<u>1.8</u>

The diluted earnings per share of the Company for the current quarter are same as the basic earnings per share of the Group as the Company has no dilutive potential ordinary shares.

B.12 Profit before tax

The following items have been charged/(credited) in arriving at profit before tax:-

	INDIVIDUAL QUARTER (Q1)		CUMULATIVE QUARTER	
	Current year quarter 31.03.2024 RM'000	Preceding year corresponding quarter 31.03.2023 RM'000	Current year to date 31.03.2024 RM'000	Preceding year corresponding period 31.03.2023 RM'000
Depreciation and amortisation	1,070	1,107	1,070	1,107
Interest expense	340	658	340	658
Interest income	(632)	(1,232)	(632)	(1,232)
Fair value loss on unit trust	5	-	5	-
Impairment loss on interest in an associate	91	-	91	-
Loss/(Gain) on foreign exchange	-	(237)	-	(237)
- realised	-	(237)	-	(237)
- unrealised	<u>(6)</u>	<u>21</u>	<u>(6)</u>	<u>21</u>

By Order of the Board

Ching Chun Keong
Company Secretary

Selangor
28 May 2024