



**Interim Financial Report on  
Unaudited Consolidated Results for the  
Quarter Ended**

**30 June 2024**

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# KUB MALAYSIA BERHAD

(Company No. 196501000205 (6022-D))  
(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS FOR THE QUARTER ENDED 30 JUNE 2024

The Board of Directors hereby announce the unaudited financial results of the Group for the financial period ended 30 June 2024.

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER 30/6/2024 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/6/2023 RM'000	% + / (-)	CURRENT YEAR TO DATE 30/6/2024 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/6/2023 RM'000	% + / (-)
<b>CONTINUING OPERATIONS</b>						
Revenue	157,286	104,883	50%	550,327	488,889	13%
Cost of sales and operating expenses	(155,410)	(100,451)		(538,530)	(479,594)	
Other income	10,370	5,958		24,843	22,774	
Other expenses	(1,103)	(1,114)		(4,485)	(4,401)	
<b>Results from operating activities</b>	<b>11,143</b>	<b>9,276</b>	20%	<b>32,155</b>	<b>27,668</b>	16%
Finance income	3,452	3,267		13,915	8,302	
Finance costs	(323)	(26)		(647)	(160)	
Share of profit of associate	-	-		-	3,069	
<b>Profit before tax</b>	<b>14,272</b>	<b>12,517</b>	14%	<b>45,423</b>	<b>38,879</b>	17%
Zakat	(74)	(435)		(641)	(435)	
Income tax expense	(5,862)	(1,855)		(10,281)	(4,569)	
<b>Profit for the period from continuing operations</b>	<b>8,336</b>	<b>10,227</b>	(18%)	<b>34,501</b>	<b>33,875</b>	2%
<b>DISCONTINUED OPERATIONS</b>						
Profit for the period from discontinued operations	988	-		1,274	-	
<b>Profit for the period</b>	<b>9,324</b>	<b>10,227</b>	(9%)	<b>35,775</b>	<b>33,875</b>	6%
<b>Profit attributable to :</b>						
Owners of the Company						
- continuing operations	8,289	10,121		34,449	33,811	
- discontinued operations	988	-		1,274	-	
	9,277	10,121	(8%)	35,723	33,811	6%
Non-controlling interests	47	106		52	64	
	<b>9,324</b>	<b>10,227</b>	(9%)	<b>35,775</b>	<b>33,875</b>	6%
<b>Earnings per share attributable to owners of the Company (sen) :</b>						
Basic	1.67	1.82		6.42	6.08	
Diluted	1.23	-		4.73	-	

The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Group's Annual Audited Financial Statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.

# KUB MALAYSIA BERHAD

(Company No. 196501000205 (6022-D))  
(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS FOR THE QUARTER ENDED 30 JUNE 2024

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER 30/6/2024 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/6/2023 RM'000		CURRENT YEAR TO DATE 30/6/2024 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/6/2023 RM'000	
<b>Profit for the period</b>	9,324	10,227	(9%)	35,775	33,875	6%
Other comprehensive (loss)/gain that will not reclassified subsequently to profit or loss:						
Net fair value changes in quoted share at fair value through other comprehensive income (FVTOCI)	(504)	73	(790%)	794	(1,731)	146%
<b>Total comprehensive income for the period, net of tax</b>	<b>8,820</b>	<b>10,300</b>	<b>(14%)</b>	<b>36,569</b>	<b>32,144</b>	<b>14%</b>
<b>Total comprehensive income attributable to :</b>						
Owners of the Company						
- continuing operations	7,785	10,194		35,243	32,080	
- discontinued operations	988	-		1,274	-	
	8,773	10,194		36,517	32,080	14%
Non-controlling interests	47	106		52	64	
	<b>8,820</b>	<b>10,300</b>	<b>(14%)</b>	<b>36,569</b>	<b>32,144</b>	<b>14%</b>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.

# KUB MALAYSIA BERHAD

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(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS FOR THE QUARTER ENDED 30 JUNE 2024

### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT END OF CURRENT QUARTER 30/6/2024 RM'000	AS AT PRECEDING FINANCIAL YEAR END 30/6/2023 RM'000
<b>Assets</b>		
Property, plant and equipment	131,305	97,883
Investment properties	27,011	11,067
Right-of-use assets	2,125	1,723
Finance lease receivables	651	712
Other investments	5,936	67,126
Intangible assets	42,842	-
<b>Total non-current assets</b>	<b>209,870</b>	<b>178,511</b>
Inventories	26,419	3,441
Trade and other receivables	74,755	52,260
Contract assets	-	266
Finance lease receivables	60	245
Tax recoverable	1,221	1,355
Derivative financial assets	59	33
Cash, bank balances and deposits	412,413	405,568
<b>Total current assets</b>	<b>514,927</b>	<b>463,168</b>
Assets classified as held for sale	129,960	5,857
<b>Total Assets</b>	<b>854,757</b>	<b>647,536</b>
<b>Equity</b>		
Share capital	229,135	228,863
Redeemable Convertible Preference Shares ("RCPS")	117,163	-
Reserves	35,953	36,723
Retained earnings	272,020	251,459
<b>Total equity attributable to owners of the Company</b>	<b>654,271</b>	<b>517,045</b>
Non-controlling interests	(13,657)	(14,743)
<b>Total equity</b>	<b>640,614</b>	<b>502,302</b>
<b>Liabilities</b>		
Borrowings	1,121	-
Lease liabilities	954	181
Other payables	31,966	34,379
Deferred tax liabilities	24,199	10,860
<b>Total non-current liabilities</b>	<b>58,240</b>	<b>45,420</b>
Trade and other payables	77,568	57,252
Lease liabilities	671	1,114
Borrowings	53,794	41,114
Provision for tax	2,192	334
<b>Total current liabilities</b>	<b>134,225</b>	<b>99,814</b>
Liabilities associated with assets classified as held for sale	21,678	-
<b>Total liabilities</b>	<b>214,143</b>	<b>145,234</b>
<b>Total equity and liabilities</b>	<b>854,757</b>	<b>647,536</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>1.17</b>	<b>0.93</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.



# KUB MALAYSIA BERHAD

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(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS FOR THE QUARTER ENDED 30 JUNE 2024

### CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	CUMULATIVE CURRENT YEAR TO DATE 30/6/2024 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/6/2023 RM'000
Profit before taxation		
- continuing operations	45,423	38,879
- discontinued operations	1,533	-
	<u>46,956</u>	<u>38,879</u>
Adjustments for :		
Depreciation of property, plant and equipment	14,940	12,228
Depreciation of right-of-use assets	1,392	1,195
Depreciation of investment properties	582	624
Investment property written off	-	225
Allowance for impairment on receivables	156	223
Gain on fair value changes in investment in unquoted shares	(9,333)	(13,302)
Loss on fair value changes in biological assets	66	-
Gain on fair value changes of derivative instruments	(59)	(33)
Property, plant and equipment written off	153	93
Receivables written off	82	-
Unrealised gain on foreign exchange	-	24
Gain on disposal of property, plant and equipment	(140)	(344)
Gain on disposal of non-current assets held for sale	(3,919)	(910)
Reversal of allowance for impairment on receivables	(416)	(3,205)
Reversal of provision for liquidated ascertained damages	-	(1,293)
Finance income	(14,206)	(8,302)
Finance costs	647	160
Forfeiture of cylinder deposits payable	(4,804)	-
Dividend income	(352)	(176)
Share of results of associate	-	(3,069)
Operating profit before working capital changes	<u>31,745</u>	<u>23,017</u>
Changes in working capital:		
Inventories	(12,100)	2,302
Trade and other payables	18,609	(15,235)
Trade and other receivables	20,416	29,816
Contract assets	266	2,509
	<u>58,936</u>	<u>42,409</u>
Finance costs - lease liabilities	(59)	(90)
Zakat paid	(641)	(435)
Net tax paid	(9,044)	(3,377)
<b>Net cash generated from operating activities</b>	<u><b>49,192</b></u>	<u><b>38,507</b></u>
Acquisition of property, plant and equipment	(9,226)	(14,781)
Additions to investment properties	(22)	-
Acquisition of subsidiaries, net of cash acquired	(12,396)	-
Finance income received	14,206	8,302
Dividends received	352	176
Net proceeds from disposal of property, plant and equipment	379	362
Net proceeds from disposal of assets classified as held for sale	9,776	3,621
<b>Net cash generated from/(used in) investing activities</b>	<u><b>3,069</b></u>	<u><b>(2,320)</b></u>

# KUB MALAYSIA BERHAD

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(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS FOR THE QUARTER ENDED 30 JUNE 2024

### CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D)

	CUMULATIVE CURRENT YEAR TO DATE 30/6/2024 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/6/2023 RM'000
Net repayment of short term borrowings	(31,906)	(12,900)
Decrease of deposits pledged with licensed banks	15,532	494
Finance costs paid	(588)	(70)
Dividend paid	(11,129)	(8,347)
Repayment of lease liabilities	(1,317)	(1,209)
Repayment of hire purchase	(74)	(23)
Repayment of term loans	(402)	-
<b>Net cash used in financing activities</b>	<b>(29,884)</b>	<b>(22,055)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>22,377</b>	<b>14,132</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>385,721</b>	<b>371,589</b>
<b>Cash and cash equivalents at end of year</b>	<b>408,098</b>	<b>385,721</b>

Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise the following :

Cash and bank balances	16,097	28,812
Deposits with licensed banks	396,316	376,756
Cash, bank balances and deposits	412,413	405,568
Deposits pledged with licensed banks	(4,315)	(19,847)
	<b>408,098</b>	<b>385,721</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.

# KUB MALAYSIA BERHAD

(Company No. 196501000205 (6022-D))

(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS FOR THE QUARTER ENDED 30 JUNE 2024

### EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

#### 1. Basis of preparation and accounting policies

The interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134 *Interim Financial Reporting* and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the Group's audited financial statements for the year ended 30 June 2023.

The accounting policies and methods of computation adopted by the Group for the interim financial statements are consistent with those adopted for the audited financial statements for the year ended 30 June 2023, except for the adoption of the following amendments to MFRSs:

Amendments to MFRS 101	Presentation of Financial Statements - Disclosure of Accounting Policies
Amendments 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

The adoption of the above did not result in significant impact on the interim financial results of the Group upon their initial application.

#### New MFRSs that have been issued but not yet effective

The standards and amendments that are issued but not yet effective up to the date of this interim report are disclosed below:

		Effective for financial periods beginning on or after
Amendments to MFRS 16	Leases - Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101	Presentation of Financial Statements - Classification of liabilities as current or non-current - Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7	Statements of Cash Flows - Supplier Finance Arrangements	1 January 2024

#### 2. Seasonal or cyclical nature of operations

The operations of the Group are not materially affected by any seasonal or cyclical events.



**EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134**

**3. Items of unusual nature, size or incidence**

The Group's assets and liabilities for the current financial year were notably affected by the acquisition of subsidiaries as disclosed in Note 6 below.

The Group has further assessed the fair value of investment in KUB Sepadu Sdn Bhd ("KUBS") as at 29 February 2024 prior to the classification of KUBS as a subsidiary. Based on the assessment, the Group recognised a fair value gain of RM9.1 million in previous quarter, reflecting an increase in KUBS's recoverable assets.

The Group, at the same time, has reclassified the financial results of KUBS as discontinued operations and its assets/liabilities as held for sale, in line with the Group's intention to divest the subsidiary.

Save as disclosed above, there were no other unusual items affecting assets, liabilities, equity, net income or cashflows during the financial period under review.

**4. Changes in estimates**

There were no significant changes in estimates of amounts reported in the previous quarters and financial years that have had a material effect on the financial statements of the financial period under review.

**5. Debt and equity securities**

During the year, the Company issued :

- (i) 199,035,059 new redeemable convertible preference shares ("RCPS") at an issue price of RM0.60 each to JAG Capital Holdings Sdn Bhd at the completion date as consideration for the acquisition of CCB.
- (ii) additional 795,272 RCPS through an unconditional mandatory take-over offer pursuant to Rules on Takeovers, Mergers and Compulsory Acquisitions of the Securities Commission Malaysia.
- (iii) 452,896 new ordinary shares pursuant to the conversion of RCPS on the basis of 1 RCPS for 1 new ordinary share at conversion price of at RM0.60.

Save as disclosed above, there were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the financial period under review.

**6. Changes in the composition of the Group**

**(i) Acquisition of a subsidiary, Central Cables Berhad**

On 28 February 2024, the Group completed the acquisition of 86.65% equity interest in Central Cables Berhad ("CCB") from the majority shareholder, JAG Capital Holdings Sdn Bhd via the issuance of 199,035,059 new redeemable convertible preference shares ("RCPS") at an issue price of RM0.60 per RCPS.

Details of net cash outflow arising from the acquisition are as follows :

	<b>RM'000</b>
Fair value of net assets acquired	115,374
Goodwill (provisional)	19,449
Non-controlling interests	(15,402)
<b>Purchase consideration</b>	<b>119,421</b>
<u>Net cash inflow arising from acquisition of CCB</u>	
Purchase consideration settled in cash and cash equivalents	-
Cash and cash equivalents acquired	39,388
<b>Net cash inflows on acquisition</b>	<b>39,388</b>

The fair value of net assets and goodwill in the above acquisition are provisionally determined and will be adjusted, where applicable, upon completion of the purchase price allocation as allowed under MFRS 3.

**INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS  
FOR THE QUARTER ENDED 30 JUNE 2024**

**EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134**

**(ii) Re-consolidation and acquisition of non-controlling interests of a subsidiary, KUB Sepadu Sdn Bhd ("KUBS")**

In the previous financial year, the Group had classified the investment in KUBS as a financial asset measured at fair value through profit or loss ("FVTPL") following the loss of the Group's significant influence over KUBS on 16 November 2022.

On 1 March 2024, as part of a settlement arrangement as disclosed in Note 24(a), KUB Agro Holdings Sdn Bhd, a wholly-owned subsidiary of the Company had entered into a Share Sale and Purchase Agreement for the purchase of 2,600,000 ordinary shares in KUBS representing the remaining 40% equity interest in KUBS from the non-controlling parties ie. Medan Sepadu Sdn Bhd and Lembaga Amanah Kebajikan Kaum Melanau Sarawak for a total cash consideration of RM60,000,000.

The Group has now resumed control over KUBS and re-consolidated the financial results from 1 March 2024.

Details of net cash outflow arising from the acquisition are as follows :

	<b>RM'000</b>
Fair value of net assets acquired	109,858
Goodwill (provisional)	21,513
<b>Purchase consideration</b>	<b><u>131,371</u></b>
<u>Net cash outflow arising from acquisition of KUBS</u>	
Purchase consideration settled in cash and cash equivalents	60,000
Cash and cash equivalents acquired	<u>(26,136)</u>
<b>Net cash outflows on acquisition</b>	<b><u>33,864</u></b>

The fair value of net assets and goodwill in the above acquisition are provisionally determined and will be adjusted, where applicable, upon completion of the purchase price allocation as allowed under MFRS 3.

**(iii) Striking-off of a subsidiary**

During the current year under review, a dormant subsidiary namely Perbiba Sdn Bhd had been struck off pursuant to section 550 of the Companies Act 2016 and ceased to be the subsidiary of the Group. The striking off has no impact to the Group's financial results in the current financial year.

**(iv) Members Voluntary Winding-Up**

A dormant subsidiary of the Group, KUB Microelectronics Sdn Bhd had been dissolved by way of member's voluntary winding up in the current period and accordingly was not consolidated as at 30 June 2024. This resulted in a gain of RM1.6 million upon deconsolidation.

Save as disclosed above, there were no other changes in the composition of the Group for the financial period under review.

**7. Dividends paid**

The first and final single tier dividend of 2.0 sen per ordinary share amounting to RM11.1 million in respect of the financial year ended 30 June 2023 was paid on 5 October 2023.

**8. Changes in contingent liabilities**

There were no contingent liabilities of the Group as at the end of the financial period under review.

**INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS  
FOR THE QUARTER ENDED 30 JUNE 2024**

**EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134**

**9 Capital commitments**

The capital expenditures that have not been provided for in the interim financial report are as follows :

	As at 30/6/2024 RM'000	As at 30/6/2023 RM'000
Property, plant and equipment		
Approved and contracted for	2,377	5,030
Approved but not contracted for	<u>23,626</u>	<u>6,953</u>
	<u><u>26,003</u></u>	<u><u>11,983</u></u>

**10 Subsequent events**

Save as disclosed in Note 22, there were no other items, transactions or events of a material and unusual nature which have arisen since 30 June 2024 that have not been reflected in the financial statements for the financial period under review.

**11 Significant related party transactions**

Save as disclosed in Note 6(i) there were no other significant related party transactions reported in the financial period under review.

**INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS  
FOR THE QUARTER ENDED 30 JUNE 2024**

**EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134**

**12. Segmental reporting**

The Group's primary format for reporting segmental information is business segments based on the Group's management and internal reporting structure which are organised into several divisions i.e. importation, bottling, marketing and distribution of Liquefied Petroleum Gas ("LPG"), manufacturing of cables and wires, and engineering civil works in the power sectors ("Power") and Others. Others includes the business related to infrastructure solutions, supply, maintenance and ancillary services in information, communications and technology (ICT), property management services for several properties owned by the Group and investment holding.

Segment information for the current financial year ended 30 June 2024 is as follows:

	<b>Continuing operations</b>				<b>Total</b>	<b>Discontinued operations*</b>	<b>Total</b>
	<b>LPG</b>	<b>Power</b>	<b>Others</b>	<b>Eliminations</b>			
<i>in RM'000</i>							
<b>Revenue</b>							
External sales	488,612	54,879	6,836	-	550,327	6,092	556,419
Inter-segment sales/revenue	-	-	13,095	(13,095)	-	-	-
<b>Total revenue</b>	<b>488,612</b>	<b>54,879</b>	<b>19,931</b>	<b>(13,095)</b>	<b>550,327</b>	<b>6,092</b>	<b>556,419</b>
<b>Results</b>							
Profit /(Loss) from operating activities	21,871	3,163	(13,237)	-	11,797	1,339	13,136
Net other (expenses)/income	2,884	4,001	13,473	-	20,358	(97)	20,261
Finance income	2,550	570	10,795	-	13,915	291	14,206
Finance costs	(90)	(533)	(24)	-	(647)	-	(647)
<b>Profit before tax</b>	<b>27,215</b>	<b>7,201</b>	<b>11,007</b>	<b>-</b>	<b>45,423</b>	<b>1,533</b>	<b>46,956</b>
Zakat	(641)	-	-	-	(641)	-	(641)
Income tax expense	(7,117)	(2,546)	(618)	-	(10,281)	(259)	(10,540)
<b>Profit for the period</b>	<b>19,457</b>	<b>4,655</b>	<b>10,389</b>	<b>-</b>	<b>34,501</b>	<b>1,274</b>	<b>35,775</b>

All of the Group's revenue are derived from Malaysia.

\* Discontinued operations refer to financial results of KUB Sepadu Sdn Bhd following the Group's intention to divest the subsidiary.

**INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS  
FOR THE QUARTER ENDED 30 JUNE 2024**

**12. Segmental reporting (cont'd)**

Segmental information for the year ended 30 June 2023 is as follows:

<i>in RM'000</i>	<u>LPG</u>	<u>Power</u>	<u>Others</u>	<u>Eliminations</u>	<u>Total</u>
<b>Revenue</b>					
External sales	472,761	334	15,794	-	488,889
Inter-segment sales/revenue	-	-	17,864	(17,864)	-
<b>Total revenue</b>	<b>472,761</b>	<b>334</b>	<b>33,658</b>	<b>(17,864)</b>	<b>488,889</b>
<b>Results</b>					
Profit/(Loss) from operating activities	20,416	(94)	(11,027)	-	9,295
Net other (expenses)/income	(2,074)	4,263	16,184	-	18,373
Finance income	1,556	121	6,625	-	8,302
Finance costs	(136)	-	(24)	-	(160)
Share of results of associate	-	-	3,069	-	3,069
<b>Profit before tax</b>	<b>19,762</b>	<b>4,290</b>	<b>14,827</b>	<b>-</b>	<b>38,879</b>
Zakat	(435)	-	-	-	(435)
Income tax expense	(4,558)	4	(15)	-	(4,569)
<b>Profit for the period</b>	<b>14,769</b>	<b>4,294</b>	<b>14,812</b>	<b>-</b>	<b>33,875</b>

All of the Group's revenue are derived from Malaysia.

**INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS  
FOR THE QUARTER ENDED 30 JUNE 2024**

**12. Segmental reporting (cont'd)**

Segmental assets and liabilities as at 30 June 2024 as compared with the last annual financial statements:

<b>As at 30 June 2024</b>	<b>LPG</b>	<b>Power</b>	<b>Others</b>	<b>Total</b>
<i>in RM'000</i>				
<b>Assets</b>				
Segment assets	214,076	197,536	313,185	724,797
Assets classified as held for sale	-	-	129,960	129,960
<b>Total Assets</b>	<b>214,076</b>	<b>197,536</b>	<b>443,145</b>	<b>854,757</b>
<b>Liabilities</b>				
Segment liabilities	121,292	60,658	10,515	192,465
Liabilities associated with assets classified as held for sale	-	-	21,678	21,678
<b>Total Liabilities</b>	<b>121,292</b>	<b>60,658</b>	<b>32,193</b>	<b>214,143</b>
<b>As at 30 June 2023</b>	<b>LPG</b>	<b>Power</b>	<b>Others</b>	<b>Total</b>
<i>in RM'000</i>				
<b>Assets</b>				
Segment assets	202,094	6,110	433,475	641,679
Non-current assets held for sale	-	-	5,857	5,857
<b>Total Assets</b>	<b>202,094</b>	<b>6,110</b>	<b>439,332</b>	<b>647,536</b>
<b>Liabilities</b>				
Segment liabilities	125,295	426	19,513	145,234

**EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**13. Group's Financial Performance Review and Segmental Analysis**

**Continuing Operations**

For the financial year ended 30 June 2024, the Group registered revenue of RM550.3 million and a profit after tax ("PAT") of RM35.8 million as compared to a top line of RM488.9 million and a PAT of RM33.9 million in the corresponding period last year.

The Group's revenue and PAT increased by 13% or RM61.4 million and 6% or RM1.9 million respectively compared to previous financial year attributable to contribution from the newly acquired subsidiary namely Central Cables Berhad ("CCB") as well as the encouraging performance from the LPG division combined with several exceptional items including the gain on fair value of investment in KUB Sepadu Sdn Bhd ("KUBS") of RM9.1 million and gain from disposal of assets amounting to RM3.9 million.

The segmental performance review by divisions for the year under review are as follows:

**LPG Division** : The division recorded an increase in revenue of 3% or RM15.9 million, driven by a 6% rise in sales volume despite a lower average LPG contract price ("CP"). The overall PAT surged to RM19.5 million, marking a 32% increase or RM4.7 million from the previous financial year, on the back of higher sales volume and reduction in LPG costs.

**Power** : The division's revenue and PAT of RM54.9 million and RM4.7 million respectively for the current financial year were primarily contributed by the newly acquired subsidiary, CCB.

**Others** : The division's revenue represents the contribution from the ICT business, property management services and investment holdings. A significant reduction in revenue of RM8.9 million was largely due to the expiration of several ICT equipment and maintenance services contracts at the end of the previous financial year. The PAT, however, was contributed by the gain on fair value of investment in KUBS amounting to RM9.1 million and disposal of assets located at Ara Damansara and Kota Bharu totalling RM3.9 million.

Included in the division's previous year's PAT of RM14.8 million were share of profit from KUBS (formerly an associated company) of RM3.3 million and a gain on fair value of investment in KUBS amounting to RM13.4 million upon its initial recognition as financial assets (under Other Investments).

**Discontinued operations**

Included in discontinued operations is a contribution from KUBS, an oil palm plantation in Sarawak, over which the Group resumed control on 29 February 2024.

**14. Profit for the period for the current quarter compared to the immediate preceding quarter**

	Individual Quarter 3 months ended		
	30/6/2024	31/3/2024	%
	RM'000	RM'000	+ / (-)
<u>Continuing operations</u>			
Revenue	157,286	145,400	8.2
<b>Results</b>			
Profit from operating activities	1,876	3,357	(44.1)
Net other income	9,267	9,388	
Finance income	3,452	3,510	
Finance costs	(323)	(274)	
<b>Profit before tax</b>	<b>14,272</b>	<b>15,981</b>	(10.7)
Zakat and income tax expense	(5,936)	(1,991)	
<b>Profit for the period from continuing operations</b>	<b>8,336</b>	<b>13,990</b>	(40.4)
Profit from discontinued operations	988	286	
<b>Profit for the period</b>	<b>9,324</b>	<b>14,276</b>	(34.7)

The Group's revenue for the current quarter rose by 8% or RM11.9 million, compared to the immediate preceding quarter, largely due to increased contributions from CCB (Power), which was acquired on 28 February 2024. Meanwhile, the revenue from the LPG division remained consistent with the preceding quarter.

Despite the higher revenue, PAT for the current quarter was 35% lower due to higher administrative and tax expenses, driven by an increase in taxable other income during the current quarter. Included in the preceding quarter, there was a gain on fair value of investment in KUBS amounting to RM9.1 million. Excluding the gain, the PAT in the preceding quarter would have been lower at RM5.2 million.

**EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**15. Prospects**

The Group foresees economic uncertainty, market volatility and inflationary pressures to remain as issues going into FY 2025.

Notwithstanding this, the Group is optimistic that we would remain resilient following the recent acquisition of CCB and deliver more sustainable growth in both our top and bottom-line going forward.

For the LPG division, the Group anticipates a challenging performance due to intense competition and rising input costs, which will persistently pressure operating margins. However, to address these challenges, we will continue to implement various initiatives to enhance sales and marketing efforts, aiming to increase market share.

During the current financial year, the Group has resumed full control over its oil palm business in Mukah, Sarawak held by KUBS following the setting aside of the Winding-Up Order and the subsequent acquisition of the remaining 40% stake in KUBS as announced in March 2024. Pursuant to this, a review was conducted to evaluate the strategic positioning of the Agro division within the Group, and as a result, the Group had decided to monetise the value of its plantation estates through disposal of its 70% shares in KUBS. The Group will then be able to allocate the proceeds arising from the Proposed Disposal for its other core businesses and future business opportunities as and when they arise.

Overall, the Group will continue to maintain a cautious stance on the overall market and industry outlook, while remaining flexible in executing strategic plans in expanding our existing business and identifying new business opportunities as and when they arise.

**16. Profit forecast/profit guarantee**

The Group has neither made any profit forecast nor issued any profit guarantee during the financial year under review.

**17. Audit Report of preceding annual financial statements**

The auditors have expressed an unqualified opinion on the Group's statutory financial statements for the year ended 30 June 2023.

**18. Notes to the profit/(loss) before tax**

	Current Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	30/6/2024	30/6/2023	30/6/2024	30/6/2023
	RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived after crediting/(charging) :				
Finance income	3,452	3,267	13,915	8,302
Other income including investment income	9,920	559	11,006	4,906
Finance costs	(323)	(26)	(647)	(160)
Depreciation	(5,206)	(3,614)	(16,914)	(14,047)
Reversal of impairment on receivables (net)	205	(62)	260	2,982
Assets written off	(106)	(77)	(235)	(318)
Gain on disposal of property, plant and equipment	7	146	140	344
Gain on disposal of assets held for sale	(6)	-	3,919	910
Gain on fair value recognition of other investment	9,333	5,089	9,333	13,302
Foreign exchange (loss)/gain				
- realised	(57)	(25)	(33)	(24)
- unrealised	26	(29)	59	33

Save as disclosed above, other items as required to be disclosed under Appendix 9B, Part A (16) of the Bursa Listing Requirements are not applicable.

**19. Gains or losses arising from fair value changes of financial liabilities**

There were no material gains or losses arising from changes on the fair values of financial liabilities for the current quarter under review.



**INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS  
FOR THE QUARTER ENDED 30 JUNE 2024**

**EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENTS OF BURSA  
MALAYSIA SECURITIES BERHAD**

**20. Tax**

	Current Quarter 3 months ended		Cumulative Quarter 12 months ended	
	30/6/2024 RM'000	30/6/2023 RM'000	30/6/2024 RM'000	30/6/2023 RM'000
Malaysian income tax:				
Current tax	5,820	1,581	10,179	4,185
Under provision in prior year	(5)	(75)	55	35
	<u>5,815</u>	<u>1,506</u>	<u>10,234</u>	<u>4,220</u>
Deferred tax:				
Current	47	409	47	409
Under provision in prior year	-	(60)	-	(60)
	<u>47</u>	<u>349</u>	<u>47</u>	<u>349</u>
	<u>5,862</u>	<u>1,855</u>	<u>10,281</u>	<u>4,569</u>

The effective tax rate for the current financial period under review was lower than the statutory tax rate as certain gain or income is disregarded in determining the taxable income and certain entities are utilising the unabsorbed tax losses.

**21. Group borrowings and debt securities**

<i>in RM'000</i>	As at 30 June 2024		
	Long Term	Short Term	Total Borrowings
<b>Secured</b>			
Bankers acceptances	-	30,402	30,402
Invoice financing	-	22,000	22,000
Term loan	982	1,242	2,224
Hire purchase payables	139	150	289
	<u>1,121</u>	<u>53,794</u>	<u>54,915</u>
<i>in RM'000</i>	As at 30 June 2023		
	Long Term	Short Term	Total Borrowings
<b>Secured</b>			
Invoice financing	-	41,100	41,100
Hire purchase payables	-	14	14
	<u>-</u>	<u>41,114</u>	<u>41,114</u>

**22. Status of corporate proposals**

On 26 August 2024, KUB Agro Holdings Sdn Bhd, a wholly-owned subsidiary of KUB Ekuiti Sdn Bhd, which in turn is a wholly-owned subsidiary of the Company, had entered into a share purchase agreement with Sinong Pelita Enterprise Sdn Bhd ("SPESB") for the disposal of 70% equity interest comprising 4,550,000 ordinary shares in KUB Sepadu Sdn Bhd to SPESB for a cash consideration of RM103,365,526 ("Proposed Disposal").

The Proposed Disposal is expected to be completed by the second quarter of 2025.

Save as disclosed above, there were no other corporate proposals announced by the Group but have yet to be completed.

**23. Dividend Declared**

On 29 August 2024, the Board of Directors approved and declared a first and final dividend of 3.5 sen per ordinary share and per RCPS in respect of the financial year ended 30 June 2024 amounting to approximately RM26,470,326.

The final dividend is payable on 14 October 2024 to shareholders whose names appear in the Record of Depositors at the close of business on 30 September 2024.

**EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENTS OF BURSA  
MALAYSIA SECURITIES BERHAD**

**24. Material litigation**

Save as disclosed below, there were no other material litigation matters involving the Company and/or its subsidiaries as at the latest practicable date of this quarterly report.

**(a) KUB Sepadu Sdn Bhd and the minority shareholders, Medan Sepadu Sdn Bhd and Lembaga Amanah Kebajikan Kaum Melanau Sarawak ("Minority Shareholders")**

The parties amicably reached a full and final settlement on the disputes, claims and issues between themselves which originally resulted in the filing of the winding up petition. As the disputes between parties no longer existed, the Winding-Up Order was set aside by consent between parties by way of a Consent Order being granted and recorded by the Court of Appeal on 29 February 2024.

**(b) Claim by Lembaga Kemajuan Johor Tenggara ("KEJORA") against KUB Malaysia Berhad (the "Company"), KUB Realty Sdn Bhd ("KUB Realty") and KUB Agro Holdings Sdn Bhd ("KUBAH") (hereinafter referred to as "KUB Group") in relation to disposal of two (2) oil palm estates in Kluang, Johor (said "Lands") to Beradin Plantation Sdn Bhd ("BPSD")**

On 24 February 2023, KEJORA filed a claim in the High Court of Malaya at Johor Bahru against the KUB Group and BPSD. The claim was served on the KUB Group on 2 March 2023 and KUB Group had entered appearance on 6 March 2023.

Based on the action filed, KEJORA alleges that it has proprietary interest over the Lands which were purportedly leased by KEJORA as lessor to Koperasi Usaha Bersatu Malaysia Berhad ("Koperasi") as lessee for 95 years. In this regard, KEJORA claims that the Lands had been wrongfully transferred to KUB Realty by Koperasi and that it remains entitled to the Lands as the original lawful registered proprietor of the Lands.

KEJORA is now seeking, *inter alia*, to set aside the registrations and/or transfer of title to the Lands into the name of KUB Realty on 18 December 1997 and subsequently from KUB Realty to KUBAH on 3 August 1999, and finally from KUBAH to BPSB on 15 April 2021 respectively.

KUB Group vigorously disputed KEJORA's allegations. At all materials times, the KUB Group and BPSB had acted on the advice of qualified and established firms of advocates & solicitors. Further, all necessary approvals for the transfers related to the Lands were obtained from the relevant authorities carried out in accordance with all the relevant rules and regulations.

In this regard, all the transactions of the transfers were done bona fide with valuable consideration. The KUB Group had therefore filed a defence to KEJORA's Writ and Statement of Claim on 1 May 2023. The status of the proceedings are as follows:

Parties have consented to allow KEJORA's Application to Amend its Statement of Claim on the condition that KUB Group be allowed to file a fresh Defence and Counterclaim.

Parties have exhausted all pleadings and are in midst of preparing Pre-Trial papers; a Notice for Directions requesting, *inter alia*, for trial dates to be fixed and the regularization of all documents and/or matters was filed on 08 June 2024 [Enclosure 79].

Directions pertaining to Enclosure 79 have not been confirmed by Court.

The next case management is fixed on **8 October 2024**.

The KUB Group has taken legal advice. Based on the transaction history of the actual version of events, we have been advised that the likelihood of KEJORA succeeding in its claim is remote.

**EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENTS OF BURSA  
MALAYSIA SECURITIES BERHAD**

**25. Earnings per share**

**(a) Basic earnings per share**

The basic earnings per share is calculated by dividing the profit for the year attributable to ordinary owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>30/6/2024 RM'000</b>	<b>30/6/2023 RM'000</b>	<b>30/6/2024 RM'000</b>	<b>30/6/2023 RM'000</b>
Earnings for the period attributable to owners of the Company				
- From continuing operations	8,289	10,121	34,449	33,811
- From discontinued operations	988	-	1,274	-
	9,277	10,121	35,723	33,811
Weighted average number of ordinary shares ('000)	556,502	556,465	556,502	556,465
Basic earnings per share				
- From continuing operations	1.49	1.82	6.19	6.08
- From discontinued operations	0.18	-	0.23	-
	1.67	1.82	6.42	6.08

**(b) Diluted earnings per share**

The diluted earnings per share is calculated by dividing the profit for the year attributable to ordinary owners of the Company by the weighted average number of ordinary shares in issue during the financial year, adjusted for the effects of dilutive potential ordinary shares.

	<b>3 months ended</b>	<b>12 months ended</b>
	<b>30/6/2024 RM'000</b>	<b>30/6/2024 RM'000</b>
Earnings for the period attributable to owners of the Company		
- From continuing operations	8,289	34,449
- From discontinued operations	988	1,274
	9,277	35,723
Weighted average number of ordinary shares ('000)	556,502	556,502
Effect of dilution from the full conversion of the remaining RCPS in issue :		
- redeemable convertible preference shares	199,377	199,377
Weighted average number of ordinary shares in issue or issuable ('000)	755,879	755,879
Diluted earnings per share		
- From continuing operations	1.10	4.56
- From discontinued operations	0.13	0.17
	1.23	4.73

By Order of the Board

**Azleen Abdullah**  
**Norita Misra**  
Company Secretaries

29 Aug 2024