

B. I. G. INDUSTRIES BERHAD
Registration No. 199001003718 (195285-D)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022

	(UNAUDITED) 30.9.2022 RM' 000	(AUDITED) 30.6.2022 RM' 000
ASSETS		
Non-current assets		
Property, plant and equipment	17,283	17,642
Right-of-use assets	9,886	9,449
Other investments	-	-
Goodwill on consolidation	-	-
	27,169	27,091
Current assets		
Inventories	5,186	4,524
Trade and other receivables	6,798	6,873
Contract assets	4,273	4,131
Prepayments	251	122
Tax recoverable	326	383
Investment securities	4,559	3,108
Cash and short-term deposits	7,784	9,731
	29,177	28,872
TOTAL ASSETS	56,346	55,963
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	57,620	57,620
Accumulated losses	(18,989)	(19,724)
Total equity	38,631	37,896
Non-current liabilities		
Lease liabilities	2,775	2,326
Deferred tax liabilities	2,772	2,786
	5,547	5,112
Current liabilities		
Trade and other payables	11,066	11,350
Loans and borrowings	551	1,099
Lease liabilities	545	500
Tax liability	6	6
	12,168	12,955
TOTAL LIABILITIES	17,715	18,067
TOTAL EQUITY AND LIABILITIES	56,346	55,963
Net assets per share attributable to owners of the Company (RM)	0.61	0.60

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2022

	Quarter Ended			Year-To-Date Ended		
	30.9.2022 RM'000	30.9.2021 RM'000	Changes %	30.9.2022 RM'000	30.9.2021 RM'000	Changes %
Revenue	9,420	9,421	(0.01)	9,420	9,421	(0.01)
Other income	380	404	(5.94)	380	404	(5.94)
Changes in inventories	(876)	(1,683)	(47.95)	(876)	(1,683)	(47.95)
Inventories purchased and raw materials consumed	(3,078)	(3,481)	(11.58)	(3,078)	(3,481)	(11.58)
Carriage outwards	-	(1)	(100.00)	-	(1)	(100.00)
Employees benefits expense	(1,745)	(1,621)	7.65	(1,745)	(1,621)	7.65
Depreciation of property, plant, equipment and right-of-use assets	(751)	(731)	2.74	(751)	(731)	2.74
Administrative and other expenses	(2,103)	(1,404)	49.79	(2,103)	(1,404)	49.79
Impairment losses on financial instruments	(219)	(18)	1,116.67	(219)	(18)	1,116.67
Total expenses	(8,772)	(8,939)	(1.87)	(8,772)	(8,939)	(1.87)
Operating profit	1,028	886	16.03	1,028	886	16.03
Finance costs	(79)	(26)	203.85	(79)	(26)	203.85
Profit before taxation	949	860	10.35	949	860	10.35
Income tax income/(expense)	(214)	(92)	132.61	(214)	(92)	132.61
Profit for the period, representing total comprehensive income for the period	735	768	(4.30)	735	768	(4.30)
Profit, representing total comprehensive income attributable to:						
- Owner of the Company	735	768	(4.30)	735	768	(4.30)
Earnings per share attributable to owner of the Company (sen per share):						
- Basic	1.16	1.45		1.16	1.45	
- Diluted	NA	NA		NA	NA	

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2022

	-----Attributable to owners of the Company-----		
	Share Capital RM'000	Accumulated losses RM'000	Total RM'000
At 1 July 2022	57,620	(19,724)	37,896
Total comprehensive profit for the period	-	735	735
At 30 September 2022	<u>57,620</u>	<u>(18,989)</u>	<u>38,631</u>
At 1 July 2021	49,685	(23,420)	26,265
Total comprehensive profit for the period	-	768	768
At 30 September 2021	<u>49,685</u>	<u>(22,652)</u>	<u>27,033</u>

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2022

	Year-To-Date Ended	
	30.9.2022	30.9.2021
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before taxation	949	860
Adjustments for :		
Impairment loss on:		
- trade receivables	-	18
Reversal of impairment loss on:		
- trade receivables	(38)	-
Depreciation for property, plant and equipment	565	586
Depreciation for right-of-use assets	186	145
Interest income	(11)	(1)
Interest expenses	79	26
Written off on:		
- property, plant and equipment	5	9
- trade receivables	2	-
Gain on disposal of property, plant and equipment	(122)	(205)
Gain on disposal of right-of-use assets	(55)	-
Unrealised gain on foreign exchange ("i")	-	-
	1,560	1,438
Operating profit before working capital changes		
Changes in Working Capital:		
Inventories	(662)	(880)
Receivables	110	631
Contract assets	(142)	-
Prepayments	(129)	-
Payables	(275)	(545)
	462	644
Net cash generated from operations		
Interest paid	(6)	(10)
Interest received	11	1
Tax paid, net of refund	(172)	(108)
	295	527
Net cash from operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant & equipment	(245)	(97)
Purchase of right-of-use assets	(50)	-
Proceeds from disposal of property, plant & equipment	156	306
Proceeds from disposal of right-of-use assets	100	-
Net change in investment securities	(1,451)	-
	(1,490)	209
Net cash flows (used in)/from investing activities		

Remarks:

"i" figures less than thousand

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2022
(Cont....)

	Year-To-Date Ended	
	30.9.2022	30.9.2021
	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES:		
Interest paid	(73)	(16)
Net change of short-terms deposits pledged and restricted cash	-	(264)
Net change of short term borrowings	(548)	255
Net repayment of:		
- lease liabilities	(131)	(130)
Net cash flows from/(used in) financing activities	<u>(752)</u>	<u>(155)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,947)	581
CASH AND CASH EQUIVALENTS AT 1 JULY	7,847	2,732
Effects of exchange rate changes on cash and cash equivalents ("i")	-	-
CASH AND CASH EQUIVALENTS		
AT 30 SEPTEMBER	<u>5,900</u>	<u>3,313</u>
Analysis of cash and cash equivalents:		
Cash and bank balances	5,900	3,313
Bank overdrafts	-	-
	<u>5,900</u>	<u>3,313</u>

Remarks:

"i" figures less than thousand

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

PART A –EXPLANATORY NOTES PURSUANT TO FRS134

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of the Malaysian Financial Reporting Standards (“MFRS”) No.134, “*Interim Financial Reporting*” and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022. These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2022.

A2. Changes in Accounting Policies

The accounting policies adopted in the preparation of the interim Financial Report are consistent with those used in the preparation of the Group’s audited financial statements for the financial year ended 30 June 2022 except for the adoption of the pronouncement that became effective from 1 January 2023.

		Effective for periods beginning on or after
<hr/>		
<u>New MFRS</u>		
MFRS 17	Insurance Contracts	1 January 2023
<u>Amendments/Improvements to MFRSs</u>		
MFRS 101	Presentation of Financial Statements	1 January 2023
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Error	1 January 2023
MFRS 112	Income Taxes	1 January 2023

The adoption of the above Amendments/Improvements to MFRSs did not have any significant effect on the financial statements of the Group and did not result in significant changes to the Group’s existing accounting policies.

A3. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements of the Company and its subsidiaries for the financial year ended 30 June 2022 were not subject to any qualification.

A4. Comments about Seasonal or Cyclical Factors

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

A5. Unusual Items due to their Nature, Size or Incidence

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

A6. Changes in Estimates

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and year-to-date under review.

A7. Debts and Equity Securities

There were no debt and equity securities issued, cancelled, repurchased, resold or repaid during the current quarter under review.

A8. Dividends Paid

There was no dividend paid for the quarter under review.

A9. Segmental Information

SEGMENT	Revenue			Profit/(Loss) before tax		
	--- 3 months ended 30 Sep --- (Individual Quarter)					
	2022 RM'000	2021 RM'000	Changes %	2022 RM'000	2021 RM'000	Changes %
Gas	6,904	5,455	26.56	1,088	587	85.35
Concrete	1,683	1,640	2.62	(70)	(99)	29.29
Property	833	2,326	(64.19)	117	443	(73.59)
Others	-	-	0.00	(186)	(71)	(161.97)
Total	9,420	9,421	(0.01)	949	860	10.35

SEGMENT	Revenue			Profit/(Loss) before tax		
	--- 3 months ended 30 Sep --- (Cumulative Quarter)					
	2022 RM'000	2021 RM'000	Changes %	2022 RM'000	2021 RM'000	Changes %
Gas	6,904	5,455	26.56	1,088	587	85.35
Concrete	1,683	1,640	2.62	(70)	(99)	29.29
Property	833	2,326	(64.19)	117	443	(73.59)
Others	-	-	-	(186)	(71)	(161.97)
Total	9,420	9,421	(0.01)	949	860	10.35

A10. Carrying Amount of Revalued Assets

The valuation of property, plant and equipment was brought forward without amendment from the previous annual financial statements.

A11. Material Subsequent Events

There are no material subsequent event as at the date of this report.

A12. Changes in Composition of the Group

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

A13. Changes in Contingent Liabilities and Contingent Assets

There are no material changes in the contingent liabilities or contingent assets since the last balance sheet date.

A14. Capital Commitments

There is no capital expenditure of the Group approved and contracted but not provided for as at 30 September 2022 in relation to property, plant and equipment.

A15. Related Parties

For the purposes of these interim financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

The related party transactions of the Group are as follows:

	Individual Quarter		Cumulative Quarter	
	3 months ended 30.9.2022	3 months ended 30.9.2021	3 months ended 30.9.2022	3 months ended 30.9.2021
	RM'000	RM'000	RM'000	RM'000
Transactions with related company				
Rental expenses paid/payable to:				
- Halaman Seri Sdn. Bhd.	34	34	34	34
Project management services paid to:				
- Seristana Sdn Bhd	22	-	22	-

All the Related Party Transactions had been entered into the ordinary course of business on normal commercial terms.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Performance Review

For the quarter under review, the Group recorded a revenue of RM9.420 million as compared to RM9.421 million recorded for the preceding year corresponding quarter. Compare with preceding corresponding quarter, the Gas and Concrete Divisions recorded a higher revenue of RM1.449 million and RM0.043 million respectively. The Property Division recorded a lower revenue by RM1.493 million.

For the current quarter under review, the Group recorded a profit before tax of RM0.949 million as compared to a profit before tax of RM0.860 million recorded for the preceding year corresponding quarter. The Gas Division recorded a higher profit by RM0.501 million. The performance for the Concrete Division remained poor but with lower loss before tax by RM0.029 million as compared to preceding year corresponding quarter. The Property Division recorded a lower profit by RM0.326 million mainly caused by lower revenue. The Group level reported a total loss of RM0.186 million, of which RM0.111 million was from the impairment loss on other receivable.

- **Gas Division**

During the current quarter under review, the Gas Division recorded a revenue of RM6.904 million as compared to RM5.455 million for the preceding year corresponding quarter. Both the cylinder and liquefied gases reported a higher revenue of RM1.198 million and RM0.251 million respectively.

For the current quarter under review, the Gas Division recorded a profit before tax of RM1.088 million as compared to a profit before tax of RM0.587 million for the preceding year corresponding quarter. The higher profit before tax was attributable to higher revenue.

- **Concrete Division**

During the current quarter under review, the Concrete Division registered a revenue of RM1.683 million as compared to a revenue of RM1.640 million for the preceding year corresponding quarter. However, the construction industry still remains slow.

For the current quarter under review, the Concrete Division reported a loss before tax of RM0.070 million as compared to a loss before tax of RM0.099 million for the preceding year corresponding quarter.

- **Property Division**

For the current quarter under review, the Property Division recorded a revenue of RM0.833 million as compared to a revenue of RM2.326 million for the preceding year corresponding quarter. The lower revenue is due to the progress of the construction of the Phase I of Suasana Melalin which is almost completed.

For the current quarter under review, the Property Division reported a profit before tax of RM0.117 million as compared to a profit before tax of RM0.443 million for the preceding year corresponding quarter. The lower profit before tax was due to lower revenue.

B2. Comparison of Material Change with Preceding Quarter's Results

Group Results	Current Quarter ended 30.9.2022	Preceding Quarter ended 30.6.2022	Changes
	(RM'000)	(RM'000)	%
Revenue	9,420	9,772	(3.60)
Profit Before Tax	949	817	16.16

Revenue for the current quarter under review was RM9.420 million as compared to RM9.772 million for the preceding quarter. The Gas and Concrete Divisions recorded a higher revenue of RM1.479 million and RM0.109 million respectively. The Property Division recorded a lower revenue of RM1.940 million due to the progress of construction of Phase I Suasana Melalin which is almost completed.

The Group reported a profit before tax of RM0.949 million as compared to a profit before tax of RM0.817 million for the preceding quarter ended 30 June 2022. The higher profit before tax was mainly contributed by the Gas Division.

B3. Comment on Prospects

The Board expects the market condition to remain challenging given the continued pressure from the rising inflation rate, the cost of materials and labor that impact profitability.

The Group will be vigilant in addressing the challenges moving forward to improve its performance by taking appropriate measures and strategies to mitigate the business risks and to enhance operational efficiencies.

B4. Statement of the Board of Directors' Opinion on Achievement of Forecast or Target

The disclosure requirement is not applicable for the current quarter.

B5. Profit Forecast

The Company has not provided any profit forecast in any public document.

B6. Taxation

	Current Year Quarter 30.9.2022	Preceding Year Quarter 30.9.2021	Changes	Current Year To date 30.9.2022	Preceding Year To date 30.9.2021	Changes
	(RM'000)	(RM'000)	%	(RM'000)	(RM'000)	%
Taxation comprises:						
Current tax	(228)	(144)	58.33	(228)	(144)	58.33
Deferred tax	14	52	(73.08)	14	52	(73.08)
Total	(214)	(92)	132.61	(214)	(92)	132.61

The Group's effective tax rate for the current quarter under review is lower than the statutory rate as certain wholly-owned subsidiaries of the Company has sufficient capital allowances and trading losses to offset taxable profits.

B7. Corporate Proposals

There was no corporate proposal announced and not completed as at 30 September 2022.

B8. Status of Utilisation of Proceeds

On 31 December 2021, the Group completed a private placement involving 10,580,284 new ordinary shares of the company, raising a total of RM7.935 million.

The status of utilisation of proceeds as at 23 November 2022 is as follows:

Purpose	Proposed Utilisation	Actual Utilisation	% utilised	Timeframe for Utilisation
	RM'000	RM'000		
Funding of property development	2,000	990	49.50%	30-Dec-23
Working Capital	5,865	5,865	100.00%	30-Dec-23
Estimated expenses in relation to the Proposed Private Placement	70	70	100.00%	30-Dec-21
Total	7,935	6,925	87.27%	

B9. Borrowings

a) Short Term Borrowings

	30 September 2022			30 September 2021		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Letter of credit, bankers' acceptance and revolving credits	551	-	551	1,170	-	1,170
Total	551	-	551	1,170	-	1,170

b) Long Term Borrowings

There was no long term borrowing as at 30 September 2022.

None of the Group's borrowings as at the financial year ended are denominated in foreign currencies.

B10. Changes in Material Litigations

There was no material litigation against the Group as at the date of this report.

B11. Dividend Payable

No interim ordinary dividend has been recommended for the quarter under review.

B12. Earnings Per Share

	Current Quarter Ended 30.9.2022	Preceding Year Ended 30.9.2021	Current Year To-Date 30.9.2022	Preceding Year To-Date 30.9.2021
a) Basic Profit net of tax, attributable to Equity Holders of the Company (RM'000)	735	768	735	768
Weighted average number of ordinary shares, in issue ('000)	63,482	52,901	63,482	52,901
Basic earnings per share (sen)	1.16	1.45	1.16	1.45

The diluted earnings per share is not presented as the Company has no dilutive potential ordinary shares in issue as at the end of the reporting period.

By the order of the Board

Choong Wye Lin
Executive Director

24 November 2022