

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	(UNAUDITED) 30.6.2023 RM' 000	(RESTATED) 1.7.2022 RM' 000	(AUDITED) 30.6.2022 RM' 000
ASSETS			
Non-current assets			
Property, plant and equipment	16,398	18,563	17,642
Right-of-use assets	7,776	8,528	9,449
Land held for property development	551	-	-
Other investments	-	-	-
Goodwill on consolidation	-	-	-
	24,725	27,091	27,091
Current assets			
Inventories	8,344	4,524	4,524
Trade and other receivables	6,167	6,873	6,873
Contract assets	1,730	4,131	4,131
Prepayments	205	122	122
Tax recoverable	322	383	383
Investment securities	7,641	3,108	3,108
Cash and short-term deposits	6,939	9,731	9,731
	31,348	28,872	28,872
TOTAL ASSETS	56,073	55,963	55,963
EQUITY AND LIABILITIES			
Equity attributable to owners of the			
Share capital	57,620	57,620	57,620
Accumulated losses	(17,088)	(19,724)	(19,724)
Total equity	40,532	37,896	37,896
Non-current liabilities			
Lease liabilities	1,441	1,939	2,326
Loans and borrowings	529	387	-
Deferred tax liabilities	2,029	2,786	2,786
	3,999	5,112	5,112
Current liabilities			
Trade and other payables	10,361	11,350	11,350
Loans and borrowings	574	1,300	1,099
Lease liabilities	601	299	500
Tax liability	6	6	6
	11,542	12,955	12,955
TOTAL LIABILITIES	15,541	18,067	18,067
TOTAL EQUITY AND LIABILITIES	56,073	55,963	55,963
Net assets per share attributable to owners of the Company (RM)	0.64	0.60	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.

B. I. G. INDUSTRIES BERHAD
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UNAUDITED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER AND YEAR ENDED 30 JUNE 2023

	Quarter Ended			Year-To-Date Ended		
	30.6.2023	30.6.2022	Changes	30.6.2023	30.6.2022	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	9,038	9,789	(7.67)	37,228	39,733	(6.30)
Other income	288	662	(56.50)	1,523	3,450	(55.86)
Changes in inventories	(551)	(1,722)	(68.00)	(2,860)	(8,834)	(67.63)
Inventories purchased and raw materials consumed	(3,067)	(3,404)	(9.90)	(13,766)	(13,008)	5.83
Carriage outwards	-	-	0.00	-	(1)	(100.00)
Employees benefits expense	(1,773)	(1,638)	8.24	(7,348)	(7,025)	4.60
Depreciation of property, plant, equipment and right-of-use assets	(707)	(752)	(5.98)	(2,745)	(2,926)	(6.19)
Administrative and other expenses	(1,946)	(1,793)	8.53	(8,611)	(6,544)	31.59
Impairment losses on financial instruments	(241)	(556)	(56.65)	(460)	(734)	(37.33)
Total expenses	(8,285)	(9,865)	(16.02)	(35,790)	(39,072)	(8.40)
Operating profit	1,041	586	77.65	2,961	4,111	(27.97)
Finance costs	(68)	(113)	(39.82)	(314)	(182)	72.53
Profit before taxation	973	473	105.71	2,647	3,929	(32.63)
Income tax income/(expense)	353	(118)	(399.15)	(11)	(233)	(95.28)
Profit for the period, representing total comprehensive income for the period	1,326	355	273.52	2,636	3,696	(28.68)
Profit, representing total comprehensive income attributable to:						
- Owner of the Company	1,326	355	273.52	2,636	3,696	(28.68)
Earnings per share attributable to owner of the Company						
(sen per share):						
- Basic	2.09	0.61		4.15	6.35	
- 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.

B. I. G. INDUSTRIES BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	-----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	-	2,636	2,636
At 30 June 2023	<u>57,620</u>	<u>(17,088)</u>	<u>40,532</u>
At 1 July 2021	49,685	(23,420)	26,265
Total comprehensive profit for the period	-	3,696	3,696
Issuance of shares	7,935	-	7,935
At 30 June 2022	<u>57,620</u>	<u>(19,724)</u>	<u>37,896</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.

B. I. G. INDUSTRIES BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Year-To-Date Ended	
	30.6.2023	30.6.2022
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before taxation	2,647	3,929
Adjustments for :		
Impairment loss on:		
- property, plant and equipment	460	88
- trade receivables	-	368
Reversal of impairment loss on:		
- property, plant and equipment	(155)	-
- trade receivables	(155)	(260)
Depreciation for property, plant and equipment	2,383	2,307
Depreciation for right-of-use assets	362	619
Interest income	(78)	(68)
Interest expenses	314	182
Interest income on receivables	-	(45)
Dividend income	(16)	-
Written off on:		
- property, plant and equipment	426	124
- trade receivables	31	221
- other receivables	219	-
- inventories	197	11
Gain on disposal of property, plant and equipment	(316)	(635)
Gain on disposal of right-of-use assets	(57)	(55)
Gain on disposal of a subsidiary	-	(1,406)
Unrealised gain on investment securities	(209)	-
Unrealised gain on foreign exchange ("i")	-	-
Operating profit before working capital changes	6,053	5,380
Changes in Working Capital:		
Inventories	(4,016)	3,222
Receivables	610	(87)
Contract assets	2,401	(3,284)
Prepayments	(82)	106
Payables	(1,046)	(3,959)
Net cash generated from operations	3,920	1,378
Interest paid	(41)	(35)
Interest received	-	45
Tax paid, net of refund	(708)	(694)
Net cash from operating activities	3,171	694

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023
(Cont....)

	Year-To-Date Ended	
	30.6.2023	30.6.2022
	RM'000	RM'000
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant & equipment	(608)	(939)
Purchase of right-of-use assets	(49)	(263)
Proceeds from disposal of property, plant & equipment	426	804
Proceeds from disposal of right-of-use assets	157	92
Proceeds from disposal of a subsidiary, net of cash disposed	-	998
Additions to land held for property development	(46)	-
Net change in investment securities	(4,324)	(3,100)
Interest income received	78	68
Dividend income	16	-
Net cash used in investing activities	<u>(4,350)</u>	<u>(2,340)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Interest paid	(273)	(147)
Proceeds from issuance of ordinary shares	-	7,935
Net withdrawal of short-terms deposits pledged and restricted cash	932	(443)
Net (repayment)/drawdown of short term borrowings	(765)	184
Net repayment of:		
- lease liabilities	(309)	(1,183)
- loan and borrowings	(266)	(325)
Net cash (used in)/from financing activities	<u>(681)</u>	<u>6,021</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,860)	4,375
CASH AND CASH EQUIVALENTS		
AT THE BEGINNING OF THE FINANCIAL YEAR	7,847	3,472
Effects of exchange rate changes on cash and cash equivalents ("i")	-	-
CASH AND CASH EQUIVALENTS		
AT THE END OF THE FINANCIAL YEAR	<u><u>5,987</u></u>	<u><u>7,847</u></u>
Analysis of cash and cash equivalents:		
Cash and bank balances	5,987	7,801
Short-term deposits placed with licensed banks	952	1,930
	<u>6,939</u>	<u>9,731</u>
Less: Short-term deposits held as security value	<u>(952)</u>	<u>(1,884)</u>
	<u><u>5,987</u></u>	<u><u>7,847</u></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 Jun --- (Individual Quarter)					
	2023 RM'000	2022 RM'000	Changes %	2023 RM'000	2022 RM'000	Changes %
Gas	5,975	5,425	10.14	340	99	243.43
Concrete	1,585	1,590	(0.31)	(321)	(336)	4.46
Property	1,478	2,774	(46.72)	932	645	44.50
Others	-	-	0.00	22	65	(66.15)
Total	9,038	9,789	(7.67)	973	473	105.71

SEGMENT	Revenue			Profit/(Loss) before tax		
	--- 12 months ended 30 Jun --- (Cumulative Quarter)					
	2023 RM'000	2022 RM'000	Changes %	2023 RM'000	2022 RM'000	Changes %
Gas	24,175	22,178	9.00	1,568	973	61.15
Concrete	8,196	6,250	31.14	(157)	(754)	79.18
Property	4,857	11,305	(57.04)	1,551	2,543	(39.01)
Others	-	-	0.00	(315)	1,167	(126.99)
Total	37,228	39,733	(6.30)	2,647	3,929	(32.63)

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

Capital expenditure of the Group approved and contracted but not provided for as at 30 June 2023 in relation to property, plant and equipment amounted to RM0.407 million.

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 entities.

The related party transactions of the Group are as follows:

	Individual Quarter		Cumulative Quarter	
	3 months ended 30.6.2023 RM'000	3 months ended 30.6.2022 RM'000	12 months ended 30.6.2023 RM'000	12 months ended 30.6.2022 RM'000
Transactions with related parties				
Rental expenses paid/payable to: - Halaman Seri Sdn. Bhd.	34	34	136	136
Project management services paid/payable to: - Seristana Sdn Bhd (Suasana Melalin)	24	-	100	-
Project management services paid/payable to: - Seristana Sdn Bhd (Kidurong Industrial Park)	-	-	-	-
Project management services paid/payable to: - Seristana Sdn Bhd (Samalaju Industrial Park)	-	-	-	-
Provision of consultancy services paid/payable to: - Chng Ping Teong	60	-	176	-

All the Related Party Transactions were entered into in 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 RM9.038 million, a decrease of 7.67% as compared to RM9.789 million recorded for the preceding year corresponding quarter. The Gas Division recorded a higher revenue by RM0.550 million while the Concrete and Property Divisions recorded a lower revenue by RM0.005 million and RM1.296 million respectively.

For the current financial year, the Group recorded a revenue of RM37.228 million, a decrease of 6.30% as compared to RM39.733 million recorded for the preceding financial year. The Gas and Concrete Divisions recorded a higher revenue by RM1.997 million and RM1.946 million respectively. The Property Division recorded a lower revenue by RM6.448 million.

For the current quarter under review, the Group recorded a profit before tax of RM0.973 million, an increase of 105.71% as compared to a profit before tax of RM0.473 million recorded for the preceding year corresponding quarter. The Gas and Property Divisions recorded a higher profit before tax by RM0.241 million and RM0.287 million respectively. The Concrete Division recorded a lower loss before tax by RM0.015 million.

For the current financial year, the Group recorded a profit before tax of RM2.647 million, a decrease of 32.63% as compared to RM3.929 million recorded for the preceding financial year. The Gas Division recorded a higher profit before tax by RM0.595 million while the Concrete Division recorded a lower loss before tax of RM0.597 million. The Property Division recorded a lower profit before tax by RM0.992 million due to lower revenue recognition from the Phase II of Suasana Melalin project, Sabah.

Besides the divisions performance above, the Group recorded a loss before tax of RM0.315 million as compared to profit before tax of RM1.167 million recorded in the preceding financial year due to the one-off gain from the disposal of a wholly-owned subsidiary during the preceding corresponding year.

- **Gas Division**

During the current quarter under review, the Gas Division recorded a revenue of RM5.975 million, an increase of 10.14% as compared to RM5.425 million for the preceding year corresponding quarter. The cylinder and liquefied gases recorded a higher revenue of RM0.161 million and RM0.474 million respectively. However, the other gases recorded a lower revenue of RM0.086 million.

For the current financial year, the Gas Division recorded a higher revenue of RM24.175 million, an increase of 9.00% as compared to RM22.178 million recorded for the preceding financial year. The higher revenue was contributed by cylinder and liquefied gases by RM2.103 million and RM0.145 million respectively. The other gases recorded a lower revenue of RM0.251 million.

For the current quarter under review, the Gas Division recorded a profit before tax of RM0.340 million, an increase of 243.43% as compared to a profit before tax of RM0.099 million for the preceding year corresponding quarter. For the current financial year, the Gas Division recorded a higher profit before tax by RM0.595 million mainly due to the higher sales of cylinder and liquefied gases.

- **Concrete Division**

During the current quarter under review, the Concrete Division recorded a revenue of RM1.585 million, a decrease of 0.31% as compared to a revenue of RM1.590 million for the preceding year corresponding quarter. For the current financial year, the Concrete Division recorded a revenue of RM8.196 million, an increase of 31.14% as compared to a revenue of RM6.250 million recorded for the preceding financial year.

For the current quarter under review, the Concrete Division recorded a loss before tax of RM0.321 million, a decrease of 4.46% as compared to a loss before tax of RM0.336 million for the preceding year corresponding quarter. For the current financial year, the Concrete Division recorded a loss before tax of RM0.157 million, a decrease of 79.18% as compared to a loss before tax of RM0.754 million for the preceding financial year. The better performance was due to securing of new customers.

- **Property Division**

For the current quarter under review, the Property Division recorded a revenue of RM1.478 million, a decrease of 46.72% as compared to a revenue of RM2.774 million for the preceding year corresponding quarter. For the current financial year, the Property Division recorded a revenue of RM4.857 million, a decrease of 57.04% as compared to RM11.305 million recorded in the preceding financial year. The lower revenue was due to lower revenue recognition from its Phase II Suasana Melalin project, Sabah.

For the current quarter under review, the Property Division reported a profit before tax of RM0.932 million, an increase of 44.50% as compared to a profit before tax of RM0.645 million for the preceding year corresponding quarter. For the current financial year, the Property Division recorded a profit before tax of RM1.551 million, a decrease of 39.01% as compared to RM2.543 million recorded in the preceding financial year. The lower profit before tax was due to the lower revenue from Phase II Suasana Melalin project, Sabah.

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

Group Results	Current Quarter ended 30.6.2023	Preceding Quarter ended 31.3.2023	Changes
	(RM'000)	(RM'000)	%
Revenue	9,038	9,220	(1.97)
Profit Before Tax	973	219	344.29

Revenue for the current quarter under review was RM9.038 million as compared to RM9.220 million for the preceding quarter. For the current quarter, the revenue for the Gas and Property Divisions increased by RM0.714 million and RM0.155 million respectively. The Gas Division contributed higher sales of liquefied gas. However, the Concrete Division recorded a lower revenue of RM1.051 million.

The Group reported a profit before tax of RM0.973 million as compared to a profit before tax of RM0.219 million for the preceding quarter ended 31 March 2023. The higher profit before tax was mainly contributed by the Property and Gas Divisions.

B3. Comment on Prospects

Bank Negara Malaysia announced that Malaysia registered a growth of 2.9% for the second quarter of 2023, which is below market expectation of 3.3% mainly weighed down by the external demand and global slowdown. The Malaysian economy is expected to expand at a moderate pace in the second half of 2023 supported by domestic demand despite the challenges pose globally. The Group anticipates that the business environment to remain challenging in second half of 2023 and will gradually improve in early 2024.

Moving forward, the Group is committed to drive sustainable growth through enhancing cost management practices, continue to monitor the economic growth and take appropriate measures and strategies to mitigate business risks and seek opportunities to grow its business.

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 30.6.2023 (RM'000)	Preceding Year Quarter 30.6.2022 (RM'000)	Changes %	Current Year To date 30.6.2023 (RM'000)	Preceding Year To date 30.6.2022 (RM'000)	Changes %
Taxation comprises:						
Current tax	(78)	(128)	(39.06)	(768)	(454)	69.16
Deferred tax	431	10	4,210.00	757	221	242.53
Total	353	(118)	(399.15)	(11)	(233)	(95.28)

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 have sufficient capital allowances and trading losses to offset taxable profits.

B7. Corporate Proposals

Except for the following, there was no other corporate proposal as at 24 August 2023:

The Company had on 13 June 2023 announced that B.I.G. Industrial Gas Sdn. Bhd., a wholly-owned subsidiary, has entered into a sale and purchase agreement with SJ Holdings Sdn. Bhd. (“Purchaser”) for the disposal of Lot 198507 Mukim of Plentong, District of Johor Bahru, Johor Darul Ta’zim (“Property”) for a cash consideration of RM4,500,000 (Ringgit Malaysia Four Million Five Hundred Thousand) only.

The above disposal is subject to the consent of Pentadbiran Tanah Johor on the transfer of the Property to the Purchaser.

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 24 August 2023 is as follows:

Purpose	Proposed Utilisation	Actual Utilisation	% utilised	Timeframe for Utilisation
	RM'000	RM'000		
Funding of property development	2,000	2,000	100.00%	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	7,935	100.00%	

B9. Borrowings

a) Short Term Borrowings

	30 June 2023			30 June 2022		
	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 revolving credits	334	-	334	1,099	-	1,099
H.P. Liabilities	240	-	240	201	-	201
Total	574	-	574	1,300	-	1,300

b) Long Term Borrowings

	30 June 2023			30 June 2022		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
H.P. Liabilities	529	-	529	387	-	387
Total	529	-	529	387	-	387

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 30.6.2023	Preceding Year Ended 30.6.2022	Current Year To-Date 30.6.2023	Preceding Year To-Date 30.6.2022
a) Basic				
Profit net of tax, attributable to Equity Holders of the Company (RM'000)	1,326	355	2,636	3,696
Weighted average number of ordinary shares, in issue ('000)	63,482	58,177	63,482	58,177
Basic earnings per share (sen)	2.09	0.61	4.15	6.35

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 August 2023