



FAJARBARU

BUILDER GROUP BHD

199301026907 (281645-U)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE 3RD QUARTER ENDED 31 MARCH 2024**



FAJARBARU BUILDER GROUP BHD 199301026907 (281645-U)
UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE 3RD QUARTER ENDED 31 MARCH 2024

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 31/03/2024	Preceding Year Corresponding Quarter 31/03/2023	Changes	Current Year To Date 31/03/2024	Preceding Year Corresponding Period 31/03/2023	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	142,647	46,660	206	342,417	148,021	131
Cost of Sales	(106,318)	(39,450)	170	(263,924)	(127,464)	107
Gross Profit	36,329	7,210	404	78,493	20,557	282
Other Income	1,113	972		4,911	2,669	
Interest Income	417	236		1,284	575	
Operating Expenses	(9,011)	(6,245)		(27,121)	(20,783)	
Finance Costs	(741)	(456)		(2,135)	(1,235)	
Share of results of associates	1,016	1,581		1,491	6,508	
Profit/(Loss) Before Tax	29,123	3,298	783	56,923	8,291	587
Tax Expenses	(1,987)	(1,920)		(5,947)	(4,699)	
Profit/(Loss) for the period	27,136	1,378	1,869	50,976	3,592	1,319
Profit/(Loss) attributable to :						
Owners of the Company	27,188	1,909		49,182	4,927	
Non-controlling interest	(52)	(531)		1,794	(1,335)	
	27,136	1,378	1,869	50,976	3,592	1,319
Weighted average no. of shares ('000)	741,613	741,613		741,613	741,613	
Earnings/(Loss) per share attributable to Owners of the Company (sen)						
- Basic	3.67	0.26		6.63	0.66	
- Diluted	2.44	0.17		4.42	0.44	

(The unaudited Consolidated Statement of Profit or Loss And Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements)



FAJARBARU BUILDER GROUP BHD 199301026907 (281645-U)
UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE 3RD QUARTER ENDED 31 MARCH 2024

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 31/03/2024	Preceding Year Corresponding Quarter 31/03/2023	Changes	Current Year To Date 31/03/2024	Preceding Year Corresponding Period 31/03/2023	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Profit/(Loss) for the period	27,136	1,378	1,869	50,976	3,592	1,319
Other comprehensive income/(loss) :						
Net gain on other investment						
- Gain/(loss) on fair value changes	3,340	393		3,929	589	
Foreign currency translation						
- Gain/(loss) on currency translation	1	1		1	1	
Share of expenses of equity accounted associates	(990)	(301)		237	(764)	
Total Comprehensive income/(loss)	29,487	1,471	1,905	55,143	3,418	1,513
Total comprehensive income/(loss) attributable to :						
Owners of the Company	29,539	2,002		53,349	4,753	
Non-controlling interest	(52)	(531)		1,794	(1,335)	
	29,487	1,471	1,905	55,143	3,418	1,513

(The unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements)



FAJARBARU BUILDER GROUP BHD 199301026907 (281645-U)
UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	(Unaudited)	(Audited)
	Financial Year Ended 31/03/2024	Financial Year Ended 30/06/2023
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	28,384	28,902
Right-of-use assets	1,992	1,311
Investment properties	45,095	44,798
Investment securities	13,950	10,020
Investment in associates	31,376	32,609
Intangible assets	362	369
Bearer plant	5,917	4,078
Inventories	13,711	13,711
Other receivables & prepayments	57,009	46,624
Goodwill	7	7
	197,803	182,429
Current assets		
Inventories	67,060	86,085
Trade receivables	42,100	53,982
Other receivables	15,748	20,308
Contract Assets	98,468	36,887
Tax recoverable	10,171	9,376
Amount due from associates	35,132	31,294
Short-term investments	50,101	57,952
Fixed deposits with licensed banks	9,429	17,879
Cash and bank balances	82,790	76,751
	410,999	390,514
	608,802	572,943
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	221,534	221,534
Treasury shares	(1,655)	(1,655)
Warrant reserves	9,535	9,535
Other reserves	1,110	1,110
Fair value reserves	8,037	4,108
Foreign currency translation reserves	(305)	(543)
Retained profits	179,368	133,894
Equity attributable to owners of the Company	417,624	367,983
Non-Controlling interests	17,055	15,221
TOTAL EQUITY	434,679	383,204
Non-current liabilities		
Deferred tax liabilities	7,573	7,573
Loans and borrowings	11,925	14,620
	19,498	22,193
Current liabilities		
Loans and borrowings	42,560	65,452
Trade payables	79,123	52,110
Other payables	12,618	15,289
Contract liabilities	11,226	32,967
Amount owing to associates	-	80
Amount owing to related parties	3,156	-
Provision of taxation	5,942	1,648
	154,625	167,546
TOTAL LIABILITIES	174,123	189,739
TOTAL EQUITY AND LIABILITIES	608,802	572,943
Net assets per share attributable to owners of the Company (RM)	0.5631	0.4962
No. of Shares issued (net of treasury shares)	741,613,384	741,613,384

(The unaudited Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements)

FAJARBARU BUILDER GROUP BHD 199301026907 (281645-U)
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 3RD QUARTER ENDED 31 MARCH 2024

	Financial Year Ended 31/03/2024	Financial Year Ended 31/03/2023
	RM'000	RM'000
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit/(Loss) before taxation	56,923	8,291
Adjustment for :		
Amortisation of intangible assets	7	(24)
Depreciation on property, plant and equipment	3,217	4,404
Depreciation on right-of-use assets	1,015	472
(Gain) / Loss on disposal of property, plant and equipment	(407)	(26)
(Gain) / Loss on derecognised of right-of-use assets	(4)	-
Interest income	(1,284)	(575)
Dividend income	(409)	(248)
Finance costs	2,135	1,235
Share of results of associates	(1,491)	(3,308)
Unrealise (gain) / loss on foreign exchange differences	803	247
Write off of property, plant and equipment	7	3
Operating profit before working capital changes	60,512	11,231
Change in working capital		
(Increase)/Decrease in inventories	13,564	(28,230)
(Increase)/Decrease in receivables	50,029	20,749
Increase/(Decrease) in payables	20,470	(17,439)
Decrease/(Increase) in contract assets/liabilities	(119,903)	17,745
Cash generated from / (used in) operations	24,672	4,056
Taxes credit / (paid)	(2,449)	(9,564)
Interest paid	(2,103)	(1,204)
Interest received	16	37
Net cash flow (used in)/ generated from operating activities	20,136	(6,675)
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Interest received	1,268	538
Dividend received	409	248
Dividend received from associates	2,960	-
Proceeds from disposal of property, plant and equipment	407	62
Additional of right-of-use assets	(1,825)	(853)
Purchase of property, plant and equipment	(1,960)	(4,745)
Repayment/(Advance) from related parties	3,037	4,050
Repayment/(Advance) from associates	(4,095)	27,542
Net cash generated from / (used in) investing activities	201	27,291
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Finance cost paid	(32)	(31)
Dividends paid on ordinary shares	(3,708)	(7,416)
Drawdown/(Repayment) of lease liabilities	859	387
Drawdown/(Repayment) of hire purchase	(973)	(596)
Repayment of loan and borrowings	(26,202)	7,987
Net cash generated from / (used in) financing activities	(30,056)	331
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(9,719)	20,947
Effect of exchange rate changes on cash and cash equivalents	(544)	1
CASH AND CASH EQUIVALENTS AS AT 1 JULY	152,583	150,856
CASH AND CASH EQUIVALENTS AS AT 31 MARCH	142,320	171,804
Less :Fixed deposit under lien	(9,429)	(6,926)
CASH AND CASH EQUIVALENTS AS AT 31 MARCH	132,891	164,878

(The unaudited Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements)

FAJARBARU BUILDER GROUP BHD 199301026907 (281645-U)
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 3RD QUARTER ENDED 31 MARCH 2024

	Share Capital (RM'000)	Treasury Shares (RM'000)	Other reserve (RM'000)	Warrant reserve (RM'000)	Fair value reserve (RM'000)	Foreign exchange translation reserve (RM'000)	Retained profit (RM'000)	Attributable to Owners of the Company (RM'000)	Non-Controlling Interest (RM'000)	Total Equity (RM'000)
As at 1 July 2023	221,534	(1,655)	1,110	9,535	4,108	(543)	133,894	367,983	15,221	383,204
Total comprehensive income/(loss) for the year	-	-	-	-	3,929	238	49,182	53,349	1,794	55,143
Transactions with owners										
Dividends	-	-	-	-	-	-	(3,708)	(3,708)	-	(3,708)
Additional acquisition of subsidiaries	-	-	-	-	-	-	-	-	40	40
As at 31 March 2024	221,534	(1,655)	1,110	9,535	8,037	(305)	179,368	417,624	17,055	434,679
As at 1 July 2022	221,534	(1,655)	1,110	9,535	4,698	(957)	155,759	390,024	12,328	402,352
Total comprehensive income/(loss) for the year	-	-	-	-	589	(763)	4,927	4,753	(1,335)	3,418
Transactions with owners										
Dividends	-	-	-	-	-	-	(7,416)	(7,416)	-	(7,416)
As at 31 March 2023	221,534	(1,655)	1,110	9,535	5,287	(1,720)	153,270	387,361	11,442	398,803

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements)



A1 Basis of preparation

The unaudited interim financial report has been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board and paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023. These explanatory notes attached to the interim financial report 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 2023.

A2 Changes of accounting policies

The significant accounting policies, methods of computation and basis of consolidation adopted are consistent with those of the most recent audited financial statements for the year ended 30 June 2023, except for the adoption of the following Amendments to MFRSs and IFRIC Agenda Decision that are effective for the Group from 1 July 2023:

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 3: Reference to the Conceptual Framework

Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use

Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract

Annual Improvements to MFRS Standards 2018 – 2020

The adoption of the above accounting standard and interpretations (including the consequential amendments) have no material impact on the Group’s financial statements.

A2.1 Amendments to MFRSs and IC Interpretations were issued but not yet effective and have not been applied by the Group:

The Group has not applied in advance the following accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year ended 30 June 2023:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Lease Liability in a Sales and Leaseback	1 January 2024
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendment to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendment to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendment to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 112: International Tax Reform –Pillar Two Model Rules	1 January 2023
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025

The adoption of the above accounting standards and interpretations (including the consequential amendments) is expected to have no material impact on the financial statements of the Group upon their initial application.

A3 Audit Report of Preceding Annual Financial Statements

The audit report of the Group’s annual financial statements for the year ended 30 June 2023 was not subject to any qualification.

A4 Seasonal or cyclical factors

The Group’s business operations were not affected by any significant seasonal or cyclical factors during the current quarter under review.

A5 Unusual items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter under review because of their nature, size, or incidence.

A6 Changes in estimates

There were no material changes in estimates that have had any material effect on the results for the current quarter under review.

A7 Significant related party transactions

There were no significant related party transactions during the current quarter under review.

A8 Movement in debt and equity securities

There were no other issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current quarter under review.

The details of shares held as treasury shares for the financial period ended 31 March 2024 are as follow:

	Number of Treasury shares	Total Considerations RM
Balance as at 31 December 2023	3,075,764	1,654,910
Repurchased during the quarter	-	-
Balance as at 31 March 2024	3,075,764	1,654,910

The shares purchased are being held as treasury shares in accordance with Section 127 (6) of the Companies Act, 2016.

A9 Dividend paid

There were no dividend paid during the current quarter.

A10 Carrying Amount of revalued property, plant and equipment

The valuation of property, plant and equipment has been brought forward without amendment from the financial statement for the financial year ended 30 June 2023.

A11 Segmental reporting

The segmental information of the Group analysed by activities is as follows:-

	← Before Group's Eliminations →							Adjustment and Eliminations RM'000	Total RM'000	
	Construction RM'000	Logging and timber trading RM'000	Property development RM'000	Trading RM'000	Logistic RM'000	Investment holding RM'000	Plantation RM'000			Other RM'000
9 months ended 31.03.24										
Revenue										
External Sales	108,116	14,934	207,710	5,599	877	431	-	-	4,750	342,417
Inter-segment sales	112,940	-	-	51,341	-	12,445	-	-	(176,726)	-
Total revenue	221,056	14,934	207,710	56,940	877	12,876	-	-	(171,976)	342,417
Results										
Profit/(Loss) from operation	(5,960)	5,649	56,400	1,028	(39)	9,363	(360)	(13)	(8,501)	57,567
Finance costs	(1,435)	-	(1,165)	(135)	(13)	(3)	(117)	(15)	748	(2,135)
Share of results in associates	-	963	528	-	-	-	-	-	-	1,491
Profit/(Loss) before tax	(7,395)	6,612	55,763	893	(52)	9,360	(477)	(28)	(7,753)	56,923
Total assets										
Segment assets/ Consolidated total assets	158,603	24,403	224,515	32,445	231	152,813	767	7	15,018	608,802

	← Before Group's Eliminations →							Adjustment and Eliminations RM'000	Total RM'000	
	Construction RM'000	Logging and timber trading RM'000	Property development RM'000	Trading RM'000	Logistic RM'000	Investment holding RM'000	Plantation RM'000			Other RM'000
9 months ended 31.03.23										
Revenue										
External Sales	106,637	2,354	29,786	1,576	718	287	-	95	6,567	148,021
Inter-segment sales	24,820	-	-	9,840	-	43,997	-	-	(78,657)	-
Total revenue	131,457	2,354	29,786	11,416	718	44,284	-	95	(72,090)	148,021
Results										
Profit/(Loss) from operation	385	(1,025)	4,583	(288)	(271)	41,042	(370)	(749)	(40,289)	3,018
Finance costs	(1,112)	(45)	(510)	(88)	(16)	(326)	(70)	(8)	940	(1,235)
Share of results in associates	-	4,457	2,051	-	-	-	-	-	-	6,508
Profit/(Loss) before tax	(727)	3,387	6,124	(376)	(287)	40,716	(440)	(757)	(39,349)	8,291
Total assets										
Segment assets/ Consolidated total assets	207,677	51,095	182,322	8,316	333	522,425	4,724	177	(412,706)	564,363

A12 Events subsequent to the balance sheet date

There were no material events subsequent to the end of the current quarter under review that have not been reflected in the quarterly financial statements.

A13 Changes in composition of the Group

There were no material changes in the composition of the Group for the current quarter under review.

A14 Capital commitments

The outstanding commitments in respect of capital expenditure at the quarter under review provided for in the financial statements are as follows:

<u>Property, Plant & Equipment</u>	31 March 2024 RM'000
Approved and contracted for - Denominated in RM	<u>739,321</u>

A15 Changes in contingent liabilities

	The Group		The Company	
	As at 31.03.24 RM'000	As at 30.06.23 RM'000	As at 31.03.24 RM'000	As at 30.06.23 RM'000
Performance and tender bond granted to contract customers	23,749	24,314	-	-

B Bursa Securities Listing Requirements (Part A of Appendix 9B)

B1 Review of performance

	Individual Period (3rd quarter)			Cumulative Period		
	Current Year Quarter 31/03/2024 (RM'000)	Preceding Year Corresponding Quarter 31/03/2023 (RM'000)	Changes (%)	Current Year To-date 31/03/2024 (RM'000)	Preceding Year Corresponding Period 31/03/2023 (RM'000)	Changes (%)
Revenue	142,647	46,660	206	342,417	148,021	131
Profit(loss) from operation	28,848	2,173	1228	57,567	3,018	1807
Profit(loss) before interest and tax	29,864	3,754	696	59,058	9,526	520
Profit(loss) before tax	29,123	3,298	783	56,923	8,291	587
Profit(loss) after tax	27,136	1,378	1869	50,976	3,592	1319
Profit(loss) attributable to Owners of the Company	27,188	1,909	1324	49,182	4,927	898

The Group recorded revenue of RM142.65 million and profit before tax of RM29.12 million in the current quarter, compared to revenue of RM46.66 million and profit before tax of RM3.30 million in the preceding year corresponding quarter. The higher revenue was mainly contributed by Property Development and Construction segments, whereas, the profit before tax was mainly attributed by the Property Development segment.

Detailed analysis of the performance for the respective operating business segments for the period ended 31 March 2024 are as follows:

	Revenue			Profit / (Loss) before tax		
	Current Year Quarter 31/03/2024 (RM'000)	Preceding Year Corresponding Quarter 31/03/2023 (RM'000)	Changes (RM'000)	Current Year Quarter 31/03/2024 (RM'000)	Preceding Year Corresponding Quarter 31/03/2023 (RM'000)	Changes (RM'000)
<u>Segment</u>						
Construction	40,084	28,415	11,669	(3,057)	(2,755)	* NM
Logging & timber trading	1,112	-	1,112	468	1,479	(1,011)
Property development	99,048	17,695	81,353	33,398	5,570	27,828
Trading	1,991	213	1,778	(98)	(68)	* NM
Logistic	206	255	(49)	(37)	(197)	* NM
Investment holding	206	29	177	(1,364)	(468)	* NM
Plantation	-	-	-	(183)	(135)	* NM
Other	-	53	(53)	(4)	(128)	* NM
Total	142,647	46,660		29,123	3,298	

* NM = Non-meaningful

Construction Segment

Construction segment reported revenue of RM40.08 million and loss before tax of RM3.06 million in the current quarter, compared to revenue of RM28.42 million and loss before tax of RM2.76 million in the preceding year corresponding quarter.



Higher revenue registered in the current quarter was mainly due to the newly awarded projects had started to progressively contribute revenue to the segment. The loss before tax in the current quarter was mainly due to higher operating expenses as compared to preceding year corresponding quarter.

Logging and Timber Trading Segment

Logging and Timber Trading segment reported revenue of RM1.11 million and profit before tax of RM0.47 million in the current quarter, compared to no revenue and profit before tax of RM1.48 million in the preceding year corresponding quarter.

The segment registered higher revenue in the current quarter mainly due to the logging activities of the approved block, whereas there was no approved working block to work on in the preceding year corresponding quarter. The lower profit before tax in the current quarter was due to lesser contribution of profit from the Group's associate company.

Property Development Segment

Property Development segment reported revenue of RM99.05 million and profit before tax of RM33.40 million in the current quarter, compared to revenue of RM17.70 million and profit before tax of RM5.57 million in the preceding year corresponding quarter.

The surge in revenue and profit before tax in the current quarter were mainly contributed from Vierra Residence @ Kinrara development project where it showed incremental growth in the development work progress as compared to preceding year corresponding quarter.

Trading Segments

Trading segment reported revenue of RM1.99 million and loss before tax of RM0.10 million in the current quarter, compared to revenue of RM0.21 million and loss before tax of RM0.07 million in the preceding year corresponding quarter.

The increase in revenue for the current quarter was primarily attributed from higher purchase of construction materials for the Group's on-going projects in the Construction segment. The slight increase in loss before tax in the current quarter was due to higher operating expenses.

Logistic Segment

Logistic segment reported revenue of RM0.21 million and loss before tax of RM0.04 million in the current quarter, compared to revenue of RM0.26 million and loss before tax of RM0.20 million in the preceding year corresponding quarter.

The slight decrease in revenue and lower loss before tax in the current quarter was primarily attributed to the usual operations of the segment and not influence by any special events or circumstances.

B2 Variation of result against preceding quarter

	Current Year Quarter 31/03/2024 (RM'000)	Immediate Preceding Quarter 31/12/2023 (RM'000)	Changes (%)
Revenue	142,647	126,793	13
Profit/(loss) from operation	28,848	25,073	15
Profit/(loss) before interest and tax	29,864	25,013	19
Profit/(loss) before tax	29,123	24,409	19
Profit/(loss) after tax	27,136	20,883	30
Profit/(loss) attributable to Owners of the Company	27,188	19,193	42

In the current quarter ended 31 March 2024, the Group posted a revenue of RM142.65 million and profit before tax of RM29.12 million, which is an increase of 13% and 19% respectively from the immediate preceding quarter ended 31 December 2023.

The increase in revenue and profit before tax for the current quarter were mainly due to higher work progress at Vierra Residence @ Kinrara from the Property Development segment.

B3 Current year prospects

In the latest quarterly report from Bank Negara, it was announced that the Malaysian economy recorded a 3.0% expansion in the fourth quarter of 2023 (3Q 2023: 3.3%; 2Q 2023: 2.9%). The overall growth for 2023 stood at 3.7%, indicating a normalisation compared to the robust growth observed in the preceding year (2022: 8.7%). This moderation in growth can be attributed to a challenging external environment. Looking ahead to 2024, Malaysia anticipates an improvement in growth supported by resilient domestic expenditure and a rebound in external demand. Investment activity is poised to thrive with ongoing progress in multi-year projects by both private and public sectors, alongside the implementation of catalytic initiatives outlined in various national master plans.

During the fourth quarter of 2023 (4Q23), the value of work completed in Malaysia's construction sector amounted to RM34.1 billion, showing a slight increase from RM33.4 billion in the previous quarter. In the first quarter of 2024 the value of construction work recorded a notable surge of 14.2% (Q4 2023: 6.8%) on a year-on-year basis. The total value of construction work amounted to RM36.8 billion. Moving forward, the outlook for Malaysia's construction industry is expected to improve further entering the second half of 2024 with a budget allocation totaling RM180 billion earmarked for both government and private sector projects. There is an anticipated heightened level of activity within the construction sector as numerous regular open tenders and pre-qualified selected tenders are slated for announcement by the Government in the latter part of 2024.

In March 2024, our Group's Construction segment successfully secured a contract from Tanjung Nakhoda (M) Sdn Bhd ("Tanjung Nakhoda") for the construction of Johor Golf & Country Club ("JGCC"), valued at RM120.82 million. In the same month, the Group also attained a Delivery Phase (Early Works) contract from the Australian



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Department of Defence, valued at RM11.04 million. This recent achievement further bolsters our Group's involvement in the design and construct infrastructure project to redevelop military facilities at the Royal Malaysian Air Force (RMAF) Base Butterworth, Penang. Consequently, the cumulative value of contracts secured by the Group for the RMAF project now stands at RM23.34 million.

The Construction segment of the Group remains dedicated to ensuring the efficient and timely completion of our ongoing projects. These encompass a diverse range, including high-rise residential buildings, apartments, retail complexes, golf club house, and the redevelopment of military facilities. We anticipate that these projects will contribute positively to the Group's future earnings and net assets per share, starting from the financial year ending 30 June 2024, and extending thereafter. Currently, our order book stands at approximately RM1.10 billion, with RM117 million consists of internal development projects. We are actively pursuing new construction opportunities through tendering processes in both the private and government sectors, with a combined value of RM4.8 billion.

The Group reaffirms in its commitment to the strategic, long-term growth plan for its Property Development segment in Malaysia. Presently, the Group is making progress on its latest development endeavor, Desa Green, situated in Kuala Krai, Kelantan. The inaugural phase of this freehold development, known as Residensi Intan @ Desa Green, features single-story terrace houses and single-story semi-detached homes, with an estimated gross development value ("GDV") of RM69.8 million. In January 2024, the Group accepted a development offer from Perbadanan Putrajaya for the integrated development of Residensi Cemara, comprising of 480 units Residensi Madani and 320 units Residensi Wilayah located in Putrajaya with a GDV of RM192.0 million.

In Australia, The Wilds, located in Northcote, Melbourne, is positioned to establish a benchmark in Environmentally Sustainable Design principles. This development aims to be the first carbon-neutral detached housing project in inner Melbourne, where all residences will be powered exclusively by electricity and equipped with solar panel arrays. Construction for The Wilds has commenced in April 2024 and targeted for completion in the third quarter of 2025. The Group has also expanded its property development portfolio by commencing a new project in Fitzroy, Melbourne. Currently, the project is undergoing approval procedures with relevant authorities and is scheduled for launch in mid of 2025.

The focus of the Property Development segment remains steadfastly aimed at the strategic advancement of its property developments within Malaysia. The growth strategy of this segment underscores the reinforcement of its brand reputation as a property developer, bolstering sales performance, enhancing digital capabilities to elevate customer service, and optimising operational efficiency. The Group will also explore potential land holdings for future property development prospects.

Within the Logging and Timber Trading segment of the Group, we possess roughly 20,468 acres of operational blocks through our subsidiaries and associate company which are expected to sustainably contribute to the Group's earnings in the foreseeable future.

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The Group has diversified into Plantation segment, expecting promising returns. In Jerantut, Pahang, our plantation engages in diverse activities over 600 acres, including reforestation and growing fruit crops and planting of eucalyptus trees. The Group is constructing an ecofarm in Port Dickson, Negeri Sembilan, targeted to open to the public in late 2024. The first phase of the ecofarm will feature a restaurant, an animal farm, fruit plantation such as durian, banana, dragonfruit and other fruit plants as well as other activities. The Group is committed to seeking new opportunities and strategic acquisitions to strengthen our position in this sector.

Looking ahead, the Group will remain focused on its core segments: Construction, Property Development, Logging and Timber Trading, and Plantations, to ensure sustainable revenue. The Group will also adopt a cautious and vigilant approach to address external challenges, such as potential international conflicts, rising raw material costs, and anticipated uncertainties in the coming year. Despite these challenges, the Group is confident that our diverse divisions are well-prepared to seize new opportunities within our core business areas.

Barring any unforeseen circumstances, the Group anticipates achieving a favorable performance for the financial year ending on 30 June 2024.

B4 Profit forecast

Not applicable as there was no profit forecast issued.

B5 Profit guarantee

Claim by the Company against Cashrep Holdings Sdn. Bhd. (“Cashrep”) and Cita Jati Sdn. Bhd. (“Cita Jati”) based on Profit Guarantee Agreement.

On 23 November 2006 and 11 April 2007, the Company has obtained Winding-Up Orders from the Court against Cita Jati and Cashrep respectively. The Official Receiver from the Jabatan Insolvency, Wilayah Persekutuan was appointed as liquidator for both companies.

B6 Income tax

Income tax includes:

	Individual Quarter		Cumulative Quarter	
	3 months ended 31/03/2024 RM'000	3 months ended 31/03/2023 RM'000	9 months ended 31/03/2024 RM'000	9 months ended 31/03/2023 RM'000
Current period's provision	1,982	408	5,942	591
Under / (Over) provision for the prior years	5	1,512	5	1,512
	1,987	1,920	5,947	2,103
Tax paid for the prior years	-	-	-	2,596
Deferred taxation	-	-	-	-
Under / (Over) provision for the prior years	-	-	-	-
	1,987	1,920	5,947	4,699

Taxation is computed after taking into consideration the available capital allowances and the adjusted business losses carried forward from previous years to set off against taxable profit.

B7 Purchase or disposal of quoted securities

There were no purchase or disposal of quoted securities in Malaysia during current quarter under review.

Investment in quoted shares as at 31 March 2024 were as follows :

	RM'000
At cost	5,912
At market value - Shares	13,950

B8 Status of corporate proposals announced

There were no corporate proposal announced but not completed as at the current quarter under review.

B9 Borrowings

The tenure of the Group borrowings classified as follows:-

	31 March 2024		31 March 2023	
	Short term RM'000	Long term RM'000	Short term RM'000	Long term RM'000
<u>Secured</u>				
Term loan	-	8,770	1,293	12,929
Lease liabilities	341	1,732	341	771
Hire purchase	1,128	1,424	1,128	1,602
Invoice Finance	3,227	-	3,341	-
Revolving Credit	28,390	-	45,000	-
Promissory Note	9,475	-	15,773	-
	<u>42,560</u>	<u>11,925</u>	<u>66,876</u>	<u>15,302</u>



B10 **Off balance sheet financial instruments**

The Group does not have any financial instrument with off balance sheet risk as at 31 March 2024.

B11 **Trade receivables**

The age analysis of trade receivables is as follow :

	Current Quarter Ended 31/03/2024 RM'000
Not past due	27,830
Past due:	
- less than 3 months	323
- 3 to 6 months	396
- over 6 months	8,040
- more than 1 year	5,510
	<u><u>42,100</u></u>

The Group is satisfied that recovery of the amount is possible, therefore there is no impairment for past due trade receivables.

B12 **Material litigation**

There were no any other proceeding, pending or threatened litigation or any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of the Group as at the reporting date.

B13 **Dividend**

A second interim single-tier dividend of 0.5 sen per ordinary share be declared in respect of the financial year ending 30 June 2024.

The second interim dividend will be paid on 26 June 2024 to the shareholders whose name appear in the Record of Depositors of the Company on 12 June 2024.

B14 **Earnings per share**

The **basic earnings per share** is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issued at the end of the period.

The **diluted earnings per share** is calculated by dividing the net profit attributable to equity holders of the Company for the current individual quarter and the current cumulative quarter by the adjusted weighted average number of ordinary shares in issue during the current individual quarter and the current cumulative quarter plus the weighted average number of ordinary shares which deemed to be issued on conversion of warrants and ESOS into ordinary shares.

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	Individual Quarter		Cumulative Quarter	
	3 months Ended 31/03/2024 RM'000	3 months Ended 31/03/2023 RM' 000	9 months Ended 31/03/2024 RM000	9 months Ended 31/03/2023 RM'000
Net (loss)/profit attributable to Owners of the Company	27,188	1,909	49,182	4,927
Weighted Average Number of shares at the end of the period ('000)	741,613	741,613	741,613	741,613
Adjusted number of ordinary shares in issue and issuable ('000)	1,112,420	1,112,420	1,112,420	1,112,420
Basic earnings per share (sen)	3.67	0.26	6.63	0.66
Diluted earnings per share (sen)	2.44	0.17	4.42	0.44

B15 Profit before taxation

	Current Year Quarter 31/03/2024 RM'000 Unaudited	Current Year To-date 31/03/2024 RM'000 Unaudited
Profit before tax is arrived at after charging/(crediting):-		
Interest income	(417)	(1,284)
Dividend income	-	(17)
Depreciation	1,380	4,232
Interest expense	730	2,103
(Gain)/Loss on disposal of property, plant & equipment	(19)	(407)
Unrealised (gain)/loss on foreign exchange	(649)	(803)
Unrealised (gain)/loss on investment fund	(467)	(860)

B16 Authorisation for issue

The Board of Directors authorised the issue of this unaudited interim financial report on 23 May 2024.

By Order of the Board
Fajarbaru Builder Group Bhd

Tan Sri Dato' Sri Chan Kong Choy
Executive Chairman

Kuala Lumpur
23 May 2024

