

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 31 MAY 2022

(The figures have not been audited)

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|--|---|--|--|---|
| | CURRENT YEAR QUARTER (31-05-2022) RM'000 | PRECEDING YEAR CORRESPONDING QUARTER (31-05-2021) RM'000 | CURRENT YEAR TODATE (31-05-2022) RM'000 | PRECEDING YEAR CORRESPONDING PERIOD (31-05-2021) RM'000 |
| Revenue | 33,321 | 41,274 | 158,726 | 152,569 |
| Operating expenses | (25,640) | (39,532) | (139,670) | (140,489) |
| Other operating income | (893) | (662) | 847 | 1,574 |
| Profit from operations | 6,789 | 1,080 | 19,903 | 13,654 |
| Finance costs | (2,890) | (1,850) | (7,471) | (6,183) |
| Profit/(loss) after finance cost | 3,899 | (770) | 12,433 | 7,471 |
| Share of results of an associate | - | - | - | (3) |
| Share of results of a joint venture | (3) | (14) | (10) | (21) |
| Profit/(loss) before taxation | 3,896 | (784) | 12,423 | 7,447 |
| Taxation | (1,279) | (576) | (5,840) | (3,675) |
| Profit/(loss) for the period | 2,617 | (1,360) | 6,583 | 3,771 |
| Total comprehensive income/(loss) | 2,617 | (1,360) | 6,583 | 3,771 |
| Profit/(loss) attributable to: | | | | |
| Owners of the Company | 2,388 | (1,836) | 6,628 | 2,320 |
| Non-controlling interests | 229 | 476 | (45) | 1,451 |
| | 2,617 | (1,360) | 6,583 | 3,771 |
| Total comprehensive income/(loss) attributable to: | | | | |
| Owners of the Company | 2,388 | (1,836) | 6,628 | 2,320 |
| Non-controlling interests | 229 | 476 | (45) | 1,451 |
| | 2,617 | (1,360) | 6,583 | 3,771 |
| Earnings/(loss) per share attributable to owners of the Company:- | | | | |
| Basic(sen) | 3.18 | (1.63) | 8.83 | 2.06 |

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 August 2020 and the accompanying explanatory notes attached.)

PLB ENGINEERING BERHAD
(Company Number : 418224 - X)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2022

(The figures have not been audited)

| | UNAUDITED AS AT END OF CURRENT QUARTER 31-05-2022 RM'000 | RESTATED AUDITED AS AT PRECEDING FINANCIAL YEAR END 31-08-2021 RM'000 |
|--|---|---|
| ASSETS | | |
| <u>Non-Current assets</u> | | |
| Property, plant and equipment | 182,288 | 188,635 |
| Right-of-use asset | 5,396 | 5,627 |
| Investment properties | 18,328 | 19,908 |
| Inventories properties | 57,310 | 56,528 |
| Investment in a joint venture | 495 | 505 |
| Other investments | 4 | 5 |
| Deferred tax assets | 1,519 | 2,281 |
| Trade and other receivables | 1,962 | 7,132 |
| | <u>267,302</u> | <u>280,620</u> |
| <u>Current assets</u> | | |
| Inventory properties | 141,020 | 175,233 |
| Contract assets | 12,434 | 18,234 |
| Trade receivables | 40,946 | 31,560 |
| Other receivables, deposits and prepayments | 30,102 | 12,570 |
| Tax recoverable | 502 | 399 |
| Fixed deposits with licensed banks | 4,775 | 4,995 |
| Cash and bank balances | 9,353 | 15,812 |
| | <u>239,133</u> | <u>258,803</u> |
| TOTAL ASSETS | <u><u>506,435</u></u> | <u><u>539,423</u></u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to owner of the Company | | |
| Share Capital | 112,395 | 112,395 |
| Retained Profits | 25,545 | 18,918 |
| Shareholders' fund | 137,940 | 131,313 |
| Non-controlling interests | (2,239) | (2,194) |
| Total equity | <u>135,701</u> | <u>129,118</u> |
| <u>Non-current liabilities</u> | | |
| Bank borrowings | 174,329 | 150,492 |
| Lease Liability | 5,430 | 5,603 |
| Deferred tax liabilities | 2,109 | 1,710 |
| Trade payables | 14,172 | 11,045 |
| | <u>196,040</u> | <u>168,850</u> |
| <u>Current liabilities</u> | | |
| Contract liabilities | 23,663 | 28,386 |
| Trade payables | 23,044 | 57,904 |
| Other payables and accruals | 46,497 | 33,735 |
| Bank borrowings | 78,400 | 118,506 |
| Lease Liability | 228 | 219 |
| Provision for taxation | 2,864 | 2,705 |
| | <u>174,695</u> | <u>241,455</u> |
| Total liabilities | <u>370,734</u> | <u>410,305</u> |
| TOTAL EQUITY AND LIABILITIES | <u><u>506,435</u></u> | <u><u>539,423</u></u> |
| Net tangible assets per share (RM) | 1.23 | 1.17 |

(The Condensed Consolidated of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 August 2020 and the accompanying explanatory notes attached.)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MAY 2022

(The figures have not been audited)

| | ← | Attributable to owners of the Company | | | → |
|--|------------------|---------------------------------------|----------------|-----------------------------|-----------------|
| | Share Capital | Distributable Retained Profits | Total | Non-controlling Interest | Total Equity |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| 9 months period end 31 May 2022 | | | | | |
| Balance at 1 September 2021 | 112,395 | 18,918 | 131,313 | (2,194) | 129,118 |
| Total comprehensive income for the period | - | 6,628 | 6,628 | (45) | 6,583 |
| Balance at 31 May 2022 | 112,395 | 25,546 | 137,941 | (2,239) | 135,701 |
| 9 months period end 31 May 2021 | | | | | |
| Balance at 1 September 2020 | 112,395 | 33,757 | 146,152 | (8,186) | 137,966 |
| Effect of adopting MFRS 123 | - | (6,036) | (6,036) | - | (6,036) |
| As Restated balance as at 1 September 2020 | 112,395 | 27,721 | 140,116 | (8,186) | 131,930 |
| Total comprehensive income for the period | - | 2,320 | 2,320 | 1,451 | 3,771 |
| Balance at 31 May 2021 | 112,395 | 30,041 | 142,436 | (6,735) | 135,701 |

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 August 2020 and the accompanying explanatory notes attached.)

PLB ENGINEERING BERHAD
(Company Number : 418224 - X)

(Indirect method)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 31 MAY 2022

(The figures have not been audited)

| | 9 months ended 31-05-2022 RM'000 | 9 months ended 31-05-2021 RM'000 |
|---|---|---|
| Cash Flows From Operating Activities | | |
| Profit before taxation | 12,423 | 7,447 |
| Adjustment for :- | | |
| Non-cash items - operating | 8,753 | 7,326 |
| Non-operating items - investing | 1,214 | 2,827 |
| Non-operating items - financing | 7,471 | 6,183 |
| Operating profit before working capital changes | <u>29,860</u> | <u>23,783</u> |
| Net Change in current assets | 13,137 | 34,292 |
| Net Change in current liabilities | (26,821) | 13,811 |
| Net Change in non-current assets | 4,388 | (12,000) |
| Net Change in non-current liabilities | 3,126 | 778 |
| Cash provided from operations | <u>23,690</u> | <u>60,663</u> |
| Interest income | 65 | 219 |
| Interest paid | (7,471) | (6,183) |
| Income tax paid | (4,832) | (4,374) |
| Income tax refunded | 208 | - |
| Net cash provided from operating activities | <u>11,661</u> | <u>50,325</u> |
| Cash Flows From Investing Activities | | |
| Withdrawal of fixed deposits | 1,573 | 5,259 |
| Purchase of property, plant & equipment | (1,723) | (12,437) |
| Proceeds from disposal of property, plant & equipment | 3 | - |
| Net cash used in investing activities | <u>(147)</u> | <u>(7,178)</u> |
| Cash Flows From Financing Activities | | |
| Repayment of bank borrowings | <u>(14,226)</u> | <u>(29,813)</u> |
| Net cash used in from financing activities | <u>(14,226)</u> | <u>(29,813)</u> |
| Net (decrease)/increase in Cash | (2,712) | 13,334 |
| Cash And Cash Equivalents At Beginning | 4,432 | (6,376) |
| Cash And Cash Equivalents At End | <u>1,720</u> | <u>6,958</u> |

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 31 August 2020 and the accompanying explanatory notes attached.)

Quarterly report on consolidated results for the period ended 31 May 2022

A NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for year ended 31 August 2021. These explanatory notes attached to the interim financial statements 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 31 August 2021.

Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 August 2021, except for the adoption of the following new Malaysian Financial Reporting Standards (“MFRS”) and Amendments to MFRSs which are applicable for the Group's financial period beginning 1 September 2021, as disclosed below:

Adoption of MFRSs and Amendments to MFRSs

Effective for annual period beginning on or after 1 January 2021

Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement, MFRS 7 Financial Instruments: Disclosures, MFRS 4 Insurance Contracts and MFRS 16 Leases: Interest Rate Benchmark Reform – Phase 2

Effective for annual period beginning on or after 1 April 2021

Amendment to MFRS 16 Leases: Covid-19 – Related Rent Concessions beyond 30 June 2021

Effective for annual period beginning on or after 1 January 2022

Amendments to MFRS 3 Business Combination: Reference to the Conceptual Framework

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

Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract

Annual Improvements to MFRS Standards 2018 – 2020

Effective for annual period beginning on or after 1 January 2023

MFRS 17 Insurance Contracts

Amendments to MFRS 4 Insurance Contracts – Extension of the Temporary Exemption from Applying MFRS 9

Amendments to MFRS 17 Insurance Contracts

Amendments to MFRS 101 Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current

Quarterly report on consolidated results for the period ended 31 May 2022

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

Effective date yet to be confirmed

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The initial application of the above standards is not expected to have any material impacts to the financial statements of the Group and of the Company upon adoption.

A2. Audit qualification

There was no qualification on the report of the auditors on the annual financial statements of the Company for the immediate preceding financial year.

A3. Seasonal or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors during the financial period under review apart from unfavorable weather conditions, increase in cost of construction materials or festival seasons.

A4. Item of unusual nature

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group that are unusual due to their nature, size or incidence for the financial period under review.

A5. Changes in estimates

There were no significant changes in the estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years.

A6. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities during the financial period under review.

A7. Dividends paid

There was no dividend proposed during the quarter under review.

Quarterly report on consolidated results for the period ended 31 May 2022

A8. Segmental analysis

| Current period ended 31 May 2022 | Investment Holding | Trading | Property Letting | Construction | Property Development | Waste Management | Renewable Energy | Others (Note 2) | Elimination | Consolidated |
|------------------------------------|--------------------|--------------|------------------|---------------|----------------------|------------------|------------------|-----------------|-----------------|----------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | | | | | | | | | | |
| External sales | - | 817 | 472 | 14,211 | 117,552 | 15,538 | 10,127 | 9 | - | 158,726 |
| Inter-segment sales | 7,262 | 5,840 | 369 | 7,265 | - | - | - | - | (20,736) | - |
| Total revenue | <u>7,262</u> | <u>6,657</u> | <u>841</u> | <u>21,476</u> | <u>117,552</u> | <u>15,538</u> | <u>10,127</u> | <u>9</u> | <u>(20,736)</u> | <u>158,726</u> |
| Segment results | 67 | 114 | 419 | (518) | 11,872 | (2,852) | 3,993 | (27) | 4,952 | 19,056 |
| Unallocated income (Note 1) | | | | | | | | | | 847 |
| Profit from operations | | | | | | | | | | 19,903 |
| Finance costs | | | | | | | | | | (7,471) |
| Share of result of a joint venture | | | | | | | | | | (10) |
| Profit before taxation | | | | | | | | | | <u>12,423</u> |

Note:

1. Unallocated income mainly represents, scrap sales, wages subsidy programme, late payment income, rental of building & machinery, land and factory.
2. Other segment represents sales from brick making.

Quarterly report on consolidated results for the period ended 31 May 2022

| | Investment Holding | Trading | Property Letting | Construction | Property Development | Waste Management | Renewable Energy | Others | Elimination | Consolidated |
|------------------------------------|--------------------|--------------|------------------|----------------|----------------------|------------------|------------------|-----------|-------------|----------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | | RM'000 |
| Assets | | | | | | | | | | |
| Segment assets | 15,277 | 975 | 13,309 | 57,792 | 213,431 | 75,320 | 113,651 | 38 | - | 489,793 |
| Investment in a Joint venture | - | - | - | - | 495 | - | - | - | - | 495 |
| Deferred tax asset | - | - | - | 704 | 815 | - | - | - | - | 1,519 |
| Tax recoverable | - | - | 7 | 446 | 20 | 29 | - | - | - | 501 |
| Fixed deposits with licensed banks | - | - | - | 45 | 217 | 1,503 | 3,010 | - | - | 4,775 |
| Cash and bank balances | 14 | - | 11 | 2,395 | 2,982 | 394 | 3,556 | - | - | 9,352 |
| Total assets | 15,291 | 975 | 13,327 | 61,382 | 217,960 | 77,246 | 120,217 | 38 | - | 506,435 |
| Liabilities | | | | | | | | | | |
| Segment liabilities | 5,546 | 2,621 | 193 | 49,442 | 34,768 | 12,121 | 8,320 | 23 | - | 113,033 |
| Borrowings | - | 1,206 | - | 56,671 | 91,442 | 10,594 | 92,815 | - | - | 252,728 |
| Provision for taxation | 492 | - | 8 | 756 | 1,597 | - | 10 | - | - | 2,864 |
| Deferred tax liabilities | - | - | - | 418 | 752 | - | 939 | - | - | 2,109 |
| Total liabilities | 6,038 | 3,827 | 201 | 107,287 | 128,559 | 22,715 | 102,084 | 23 | - | 370,734 |

Quarterly report on consolidated results for the period ended 31 May 2022

| Current period ended 31 May 2021 | Investment Holding | Trading | Property Letting | Construction | Property Development | Waste Management | Renewable Energy | Others (Note 2) | Elimination | Consolidated |
|------------------------------------|--------------------|---------|------------------|--------------|----------------------|------------------|------------------|-----------------|-------------|--------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | | | | | | | | | | |
| External sales | - | 2,193 | 505 | 14,686 | 110,420 | 14,294 | 10,466 | 5 | - | 152,569 |
| Inter-segment sales | 3,909 | 9,846 | 418 | 69,924 | - | - | - | 94 | (84,191) | - |
| Total revenue | 3,909 | 12,039 | 923 | 84,610 | 110,420 | 14,294 | 10,466 | 99 | (84,191) | 152,569 |
| Segment results | 122 | 155 | 397 | 2,522 | 5,784 | 533 | 4,178 | 35 | 1,647 | 12,080 |
| Unallocated income (Note 1) | | | | | | | | | | 1,574 |
| Profit from operations | | | | | | | | | | 13,654 |
| Finance costs | | | | | | | | | | (6,183) |
| Share of result of an Associate | | | | | | | | | | (3) |
| Share of result of a joint venture | | | | | | | | | | (21) |
| Profit before taxation | | | | | | | | | | 7,447 |

Note:

1. Unallocated income mainly represents fixed deposit interest income, scrap sales, wages subsidy programme, gain on fair value adjustment on retention sum, gain on forex exchange, rental of building & machinery, land and factory.
2. Other segment represents sales from brick making.

Quarterly report on consolidated results for the period ended 31 May 2022

| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
|------------------------------------|--------------|---------------|---------------|----------------|----------------|---------------|----------------|-----------|----------|----------------|
| Assets | | | | | | | | | | |
| Segment assets | 8,622 | 1,271 | 13,707 | 82,845 | 215,960 | 72,185 | 118,021 | 10 | - | 512,620 |
| Investment in an associate | 234 | - | - | - | - | - | - | - | - | 234 |
| Investment in a Joint venture | - | - | - | - | 515 | - | - | - | - | 515 |
| Deferred tax asset | - | - | - | 1,905 | 2,530 | - | - | - | - | 4,435 |
| Tax recoverable | - | - | - | 630 | 168 | 124 | - | - | - | 923 |
| Fixed deposits with licensed banks | - | - | - | 1,946 | 213 | 150 | 2,956 | - | - | 5,265 |
| Cash and bank balances | 4 | - | 25 | 4,094 | 9,733 | 1,489 | 3,056 | - | - | 18,401 |
| Total assets | 8,860 | 1,271 | 13,732 | 91,420 | 229,120 | 73,948 | 124,033 | 10 | - | 542,393 |
| Liabilities | | | | | | | | | | |
| Segment liabilities | 5,491 | 10,576 | 187 | 67,597 | 25,951 | 11,236 | 8,364 | 22 | - | 129,425 |
| Borrowings | - | 1,140 | - | 43,841 | 124,902 | 6,013 | 98,180 | - | - | 274,076 |
| Provision for taxation | 316 | - | 23 | 1,310 | (20) | - | 14 | - | - | 1,643 |
| Deferred tax liabilities | - | - | - | 504 | 574 | - | 470 | - | - | 1,548 |
| Total liabilities | 5,807 | 11,716 | 210 | 113,252 | 151,407 | 17,249 | 107,028 | 22 | - | 406,692 |

Quarterly report on consolidated results for the period ended 31 May 2022

A9. Valuations of property, plant and equipment

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

A10. Subsequent material event

There were no material events subsequent to the reporting period up to 19 July 2022 (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) that have been reflected in the financial statements for the quarter under review.

A11. Change in composition of the Group

There were no changes in the composition of the Group for the current quarter and financial period to-date.

A12. Contingent liabilities

Company

| | As at 31/05/2022 RM'000 |
|--|--|
| Unsecured: | |
| Corporate guarantees issued to financial institutions for banking facilities granted to certain subsidiaries | 206,656 |
| Corporate guarantees issued to financial institutions for banker guarantee facilities granted to certain subsidiaries for contract bond in favour of third parties | 2,000 |
| Performance guarantees issued to third parties for performance by certain subsidiaries | 5,327 |

Quarterly report on consolidated results for the period ended 31 May 2022

A13. Capital commitments

Capital expenditure not provided for in the financial statements is as follows:

| | As at 31/05/2022 |
|---------------------------------|-------------------------|
| | RM'000 |
| Land reclamation | |
| - Authorised and contracted for | 20,643 |
| | <hr/> |

A14. Related party transactions

The Group's related party transaction in the current financial year to date are as follows: -

| | As at 31/05/2022 |
|-------------------------------------|-------------------------|
| | RM'000 |
| Progress billing from related party | |
| - KH Base Engineering Sdn Bhd | 302 |
| | <hr/> |

| Related party | Relationship |
|-------------------------------|---|
| KH-Base Engineering Sdn. Bhd. | : A company in which persons connected to certain directors of the Company, have substantial financial interests. |

Quarterly report on consolidated results for the period ended 31 May 2022

B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of performance

| | Current Year To date 31.05.2022 RM'000 | Preceding Year Corresponding Period 31.05.2021 RM'000 |
|-------------------------------------|---|--|
| Revenue | 158,726 | 152,569 |
| Consolidated profit before taxation | 12,423 | 7,447 |

For the period ended 31 May 2022, the Group recorded revenue of RM158.73 million and profit before tax of RM12.42 million compared to revenue of RM152.57 million and profit before tax of RM7.45 million respectively in the preceding year corresponding period.

The Group recorded higher revenue and profit before taxation for the current year to date compared to preceding year corresponding period. This is mainly due to contribution from property development sector.

B2. Variation of results against immediate preceding quarter

| | Current Quarter 31.05.2022 RM'000 | Preceding Quarter 28.02.2022 RM'000 |
|-------------------------------------|--|--|
| Revenue | 33,321 | 91,100 |
| Consolidated profit before taxation | 3,896 | 7,406 |

The Group recorded lower revenue and profit before taxation for the current quarter This is mainly due to lower stage of completion for the property development projects for the current quarter.

Quarterly report on consolidated results for the period ended 31 May 2022

B3. Prospects

The Group shall continue to develop its major business segments which are construction and property development sector.

For Construction segment, the current on-going external construction projects which is located at Penang and Sungai Petani-Kedah is expected to contribute to the Group turnover with the unbilled sales of RM5.9 million during the year. PLB will continue to focus on securing contracts from existing established clients and new reputable customers.

In Oct 2021, another affordable housing scheme, The Dew was launched. It comprises 281 units of 1,000 square feet residential units. To date, we have achieved 30% physical completion and 40% of sales with unbilled sales of RM26 million.

B4. Comparison with profit forecast

Not applicable.

B5. Notes to the statement of comprehensive income

| | Current Quarter 31/05/2022 RM'000 | Cumulative Quarter 31/05/2022 RM'000 |
|---|--|---|
| Profit for the period is arrived at after (crediting)/charging: | | |
| -Interest income | (17) | (65) |
| -Interest expense | 2,780 | 7,119 |
| -Depreciation and amortization | 2,791 | 8,390 |
| -(Gain)/loss on fair value adjustment | 122 | 363 |
| -Foreign exchange (gain)/loss | - | (385) |
| -(Gain)/loss on disposal of quoted investment | 1 | 1 |
| -(Gain)/loss on disposal of properties | 457 | 458 |

Quarterly report on consolidated results for the period ended 31 May 2022

B6. Tax expense

| | Current Quarter 31/05/2022 RM'000 | Cumulative Quarter 31/05/2022 RM'000 |
|--|---|--|
| Malaysian income tax: Based on results for the period | | |
| - Current taxation | (1,227) | (4,680) |
| - Deferred taxation | (52) | (1,160) |
| | <u>(1,279)</u> | <u>(5,840)</u> |

The effective tax rate of the Group for the cumulative quarter-to-date is higher than the statutory income tax rate. This is due to unabsorbed tax losses and tax allowances brought forward are not available to set off against taxable profits of other subsidiaries and certain expenses which are not deductible for tax purpose.

B7. Sale of unquoted investments and properties

There was no sale of unquoted investments and/or properties outside the ordinary course of the Group's business for the current quarter and financial year-to-date.

B8. Quoted securities

(a) There were no purchases or disposals of quoted securities for the current financial quarter and year-to-date.

(b) Investments in quoted securities as at 31 May 2022 were as follows: -

| | RM'000 |
|--|------------|
| Share quoted in Malaysia: - | |
| Balance at 01/09/2021 | 5 |
| Fair value adjustment | <u>(1)</u> |
| Balance at 31/05/2022 | <u>4</u> |
| At Market Value of quoted shares in Malaysia | <u>4</u> |

B9. Status of corporate proposals

There are no corporate proposals that have been announced by the Company but not completed as at to-date save for the following:

On 21 February 2020, the Board of Directors of PLB ("Board") announced that the Company entered into a conditional joint development agreement with the Government of the State of Penang and the Penang Development Corporation ("PDC") to undertake the following ("Proposed Joint Development"):

- (i) the safe rehabilitation of the existing dumpsite for the disposal of various types of waste on the land measuring approximately 84 acres located in Jelutong, Penang along Lebuhraya Tun Dr Lim Chong Eu and the additional area in excess of the existing area to be rehabilitated by PLB as required and approved by the relevant authorities ("Rehabilitation Works") and to secure the perimeters for the purpose of PLB carrying out and completing the Rehabilitation Works;
- (ii) the construction and operation of a new integrated recycling centre to be located on a site to be procured and acquired by PLB or its nominated subsidiary, for receiving, sorting and recovery of construction and demolition waste, green waste and excavation waste only, and the preparation thereof for reuse or recycling; and
- (iii) the development comprising residential, commercial and tourism developments/projects to be constructed on PLB's entitled land as described in the announcement.

Further, the Board announced that the Company had on 20 March 2020 entered into a Memorandum of Understanding with China Railway Engineering Corporation (M) Sdn Bhd ("CRECM") to establish a basis of co-operation and collaboration for the engineering, procurement and construction work for the Rehabilitation Works under the Project ("MOU"). Pursuant to the MOU, CRECM will receive 90% of PLB's entitled land as settlement for services rendered to the Company, namely for undertaking, management, implementation and construction of the Rehabilitation Works ("Proposed EPCC Settlement").

On 19 October 2020, the Company had applied to PDC for an extension of time of up to four (4) months to, amongst others, fulfil the conditions precedent of the JDA. The conditions precedent are as follows:

- (i) the Company obtained approvals from all relevant authorities including Environmental Impact Assessment, Traffic Impact Assessment and Social Impact Assessment for the Rehabilitation Works, not later than eighteen (18) months from the date of the JDA;
- (ii) the Company obtained the approval of its shareholders in an EGM to be convened not later than nine (9) months from the date of the JDA.

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Subsequent to above, the Company had appointed Henry Butcher Malaysia (Penang) Sdn Bhd, an independent registered valuer, to conduct a valuation on PLB's entitled land.

On 13 January 2021, the Board announced that the Company had on 24 December 2020 submitted an application to Bursa Securities to seek for an extension of time to submit the draft circular in relation to the Proposals i.e. by 2 February 2021 ("Extension of Time") to comply with Paragraph 9.33(1)(a) of the Listing Requirements. Bursa Securities had, vide its letter dated 12 January 2021, resolved to grant PLB the Extension of Time.

The Shareholders of the Company had through its Extraordinary General Meeting held on 8 March 2021 approved the following proposals:

- (i) Proposed Joint Development for the implementation and completion of the rehabilitation works, new integrated recycling centre and development under the JDA; and
- (ii) Proposed Settlement of services rendered by CRECM, namely undertaking management, implementation and construction of the rehabilitation works, via CRECM's entitlement.

On 27 December 2021, the Board announced that the MOU has lapsed and the Board of Directors is currently identifying potential funders.

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B10. Group borrowings and debt securities

| As at 31/05/2022 | Foreign Currency USD'000 | Group 31/05/2022 RM'000 | Secured 31/05/2022 RM'000 | Unsecured 31/05/2022 RM'000 | S/Term 31/05/2022 RM'000 | L/Term 31/05/2022 RM'000 |
|---------------------|--------------------------------|-------------------------------|---------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| Banker's acceptance | N/A | 30,628 | 30,628 | - | 30,628 | - |
| Invoice financing | N/A | 559 | 559 | - | 559 | - |
| Bank overdraft | N/A | 9,136 | 9,136 | - | 9,136 | - |
| Hire purchases | N/A | 327 | 327 | - | 175 | 152 |
| Revolving credits | N/A | 22,300 | - | 22,300 | 22,300 | - |
| Term loans | N/A | 189,779 | 189,779 | - | 15,602 | 174,177 |
| Total | N/A | 252,729 | 230,429 | 22,300 | 78,400 | 174,329 |

| As at 31/05/2021 | Foreign Currency USD'000 | Group 31/05/2021 RM'000 | Secured 31/05/2021 RM'000 | Unsecured 31/05/2021 RM'000 | S/Term 31/05/2021 RM'000 | L/Term 31/05/2021 RM'000 |
|---------------------|--------------------------------|-------------------------------|---------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| Banker's acceptance | N/A | 45,275 | 45,275 | - | 45,275 | - |
| Invoice financing | N/A | - | - | - | - | - |
| Bank overdraft | N/A | 11,443 | 11,443 | - | 11,443 | - |
| Hire purchases | N/A | 413 | 413 | - | 176 | 237 |
| Revolving credits | N/A | 26,432 | - | 26,432 | 14,713 | 11,719 |
| Term loans | N/A | 149,597 | 149,597 | - | 21,065 | 128,532 |
| Term loan * | 9,909 | 40,916 | 40,916 | - | 25,049 | 15,867 |
| Total | 9,909 | 274,076 | 247,644 | 26,432 | 117,720 | 156,355 |

Note:

* - Converted at exchange rate of 4.129 as at 31 May 2021.

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B11. Derivative financial instruments

The Group does not have any financial instruments with off-balance sheet risk as at 31 May 2022.

B12. Realised and unrealised profit/(loss) disclosure

The retained profits of the Group as at 31 May 2022 and 31 August 2021 are analyzed as follows:

| | As at 31/05/2022 RM'000 | As at 31/08/2021 RM'000 |
|--|--|--|
| Total retained profits of the Company and its subsidiaries: | | |
| -Realised | 66,102 | 74,056 |
| -Unrealised | (2,109) | (1,710) |
| | <hr/> 63,993 | <hr/> 72,346 |
| Total share of retained profits from associates: | | |
| -Realised | - | 369 |
| | <hr/> 63,993 | <hr/> 72,715 |
| Total share of retained profits from jointly controlled entities: | | |
| -Realised | 314 | 505 |
| | <hr/> 64,307 | <hr/> 73,219 |
| Less: Consolidation adjustments | (38,762) | (54,302) |
| Total retained profits as per Consolidated Statement of Financial Position | <hr/> <hr/> 25,545 | <hr/> <hr/> 18,918 |

B13. Changes in material litigation

During the financial quarter ended 31 May 2022, there were no material litigation that have been announced by the Company

B14. Dividend

No interim dividend has been declared by the Board for the financial quarter ended 31 May 2022.

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B15. Earnings/(loss) per share

Basic earnings/(loss) per share

The basic earnings per share of the Group is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the financial period.

| | Individual quarter | | Cumulative quarter | |
|---|--|--|--|--|
| | Current year quarter 31/05/2022 RM'000 | Preceding year corresponding 31/05/2021 RM'000 | Current year to date 31/05/2022 RM'000 | Preceding year corresponding 31/05/2021 RM'000 |
| Net earnings/(loss) to owners of the parent | 2,388 | (1,836) | 6,628 | 2,320 |
| Basic earnings/(loss) per share | | | | |
| Weighted average number of ordinary shares | 112,395 | 112,395 | 112,395 | 112,395 |
| Basic earnings/(loss) per ordinary shares (sen) | <u>3.18</u> | <u>(1.63)</u> | <u>8.83</u> | <u>2.06</u> |

Diluted earnings/(loss) per ordinary share

There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the current quarter and financial period-to-date.

B16. Authorisation for issue

These financial statements were authorised for issue by the Board of Directors of the Group.

Date: 28 July 2022