

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 28 FEBRUARY 2023**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER (28-02-2023) RM'000	PRECEDING YEAR CORRESPONDING QUARTER (28-02-2022) RM'000	CURRENT YEAR TODATE (28-02-2023) RM'000	PRECEDING YEAR CORRESPONDING PERIOD (28-02-2022) RM'000
Revenue	9,139	86,715	18,822	116,805
Operating expenses	(9,157)	(76,081)	(19,931)	(102,788)
Other operating income	85	1,629	218	1,713
(Loss) / Profit from operations	67	12,263	(890)	15,730
Finance costs	(3,614)	(2,315)	(7,012)	(4,298)
(Loss) / Profit after finance cost	(3,547)	9,949	(7,903)	11,432
Share of results of an associate	-	-	-	-
Share of results of a joint venture	(120)	(2)	(121)	(7)
(Loss) / Profit before tax from continuing operations	(3,667)	9,946	(8,024)	11,425
Taxation	(88)	(3,778)	(179)	(4,558)
(Loss) / Profit from continuing operations, net of tax	(3,756)	6,168	(8,203)	6,867
DISCONTINUED OPERATIONS :				
Loss from discontinued operation, net of tax	(834)	(2,543)	(2,251)	(2,902)
Other comprehensive income/(loss), net of tax item that may be reclassified subsequently to profit or loss	-	-	-	-
Total comprehensive (loss) / income	(4,589)	3,625	(10,454)	3,965
(Loss) / Profit attributable to:				
Owners of the Company	(4,206)	4,143	(9,804)	4,239
Non-controlling interests	(383)	(518)	(650)	(274)
	(4,589)	3,625	(10,454)	3,965
Total comprehensive (loss)/income attributable to:				
Owners of the Company	(4,206)	4,143	(9,804)	4,239
Non-controlling interests	(383)	(518)	(650)	(274)
	(4,589)	3,625	(10,454)	3,965
Earnings/(loss) per share attributable to owners of the Company (sen) :-				
Basic earnings per share :				
(Loss)/Profit from continuing operations	(3.11)	5.65	(7.01)	6.04
Loss from discontinued operations	(0.64)	(1.96)	(1.72)	(2.27)
	(3.74)	3.69	(8.72)	3.77

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 August 2022 and the accompanying explanatory notes attached.)

PLB ENGINEERING BERHAD
(Company Number : 418224 - X)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2023

(The figures have not been audited)

	UNAUDITED AS AT END OF CURRENT QUARTER 28-02-2023 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR END 31-08-2022 RM'000
ASSETS		
<u>Non-Current assets</u>		
Property, plant and equipment	87,630	90,252
Right-of-use asset	5,165	5,319
Investment properties	16,769	18,234
Inventories properties	61,044	61,036
Investment in a joint venture	371	492
Other investments	3	3
Deferred tax assets	604	591
Trade and other receivables	8,545	13,072
	<u>180,130</u>	<u>188,998</u>
<u>Current assets</u>		
Inventory properties	113,798	115,208
Contract assets	14,451	7,819
Contract cost	7,041	12,635
Trade receivables	12,032	22,012
Other receivables, deposits and prepayments	23,442	21,583
Tax recoverable	582	426
Fixed deposits with licensed banks	5,247	4,843
Cash and bank balances	11,346	10,184
	<u>187,938</u>	<u>194,710</u>
Non-current assets held for sale	58,000	58,000
	<u>245,938</u>	<u>252,710</u>
TOTAL ASSETS	<u>426,068</u>	<u>441,709</u>
EQUITY AND LIABILITIES		
Equity attributable to owner of the Company		
Share Capital	112,395	112,395
Retained Profits / (Accumulated losses)	(2,986)	6,818
Shareholders' fund	109,409	119,213
Non-controlling interests	(13,993)	(13,343)
Total equity	<u>95,416</u>	<u>105,870</u>
<u>Non-current liabilities</u>		
Bank borrowings	145,378	146,208
Lease Liability	5,269	5,374
Deferred tax liabilities	1,361	1,360
Trade payables	8,595	9,269
	<u>160,603</u>	<u>162,211</u>
<u>Current liabilities</u>		
Trade payables	16,336	20,009
Other payables and accruals	51,908	52,358
Bank borrowings	98,329	96,246
Lease Liability	221	228
Provision for taxation	3,256	4,787
	<u>170,050</u>	<u>173,628</u>
Total liabilities	<u>330,653</u>	<u>335,839</u>
TOTAL EQUITY AND LIABILITIES	<u>426,068</u>	<u>441,709</u>
Net tangible assets per share (RM)	0.97	1.06

(The Condensed Consolidated of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 August 2022 and the accompanying explanatory notes attached.)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 28 FEBRUARY 2023

(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
6 months period end 28 February 2023					
Balance at 1 September 2022	112,395	6,818	119,213	(13,343)	105,870
Total comprehensive loss for the period	-	(9,804)	(9,804)	(650)	(10,454)
Balance at 28 February 2023	112,395	(2,986)	109,409	(13,993)	95,416
6 months period end 28 February 2022					
Balance at 1 September 2021	112,395	18,918	131,313	(2,194)	129,118
Total comprehensive income for the period	-	4,239	4,239	(274)	3,965
Balance at 28 February 2022	112,395	23,157	135,552	(2,468)	133,083

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 August 2022 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 28 FEBRUARY 2023

(The figures have not been audited)

	6 months ended 28-02-2023 RM'000	6 months ended 28-02-2022 RM'000
Cash Flows From Operating Activities		
(Loss) / Profit before tax from continuing operations	(8,024)	11,425
Loss before tax from discontinued operation	(2,246)	(2,899)
(Loss) / Profit before taxation	<u>(10,270)</u>	<u>8,526</u>
Adjustment for :-		
Non-cash items - operating	3,093	5,843
Non-operating items - investing	1,346	1,106
Non-operating items - financing	7,304	4,581
Operating profit before working capital changes	<u>1,473</u>	<u>20,057</u>
Net Change in current assets	6,252	(209)
Net Change in current liabilities	(1,856)	15,964
Net Change in non-current assets	4,519	(1,292)
Net Change in non-current liabilities	(674)	2,645
Cash provided from operations	<u>9,714</u>	<u>37,165</u>
Interest income	55	49
Interest paid	(7,304)	(4,581)
Income tax paid	(1,883)	(1,153)
Income tax refunded	-	208
Net cash provided from operating activities	<u>582</u>	<u>31,688</u>
Cash Flows From Investing Activities		
(Placement)/Withdrawal of fixed deposits	(384)	1,587
Purchase of property, plant & equipment	(48)	(1,755)
Proceeds from disposal of property, plant & equipment	6	1
Net cash used in from investing activities	<u>(426)</u>	<u>(167)</u>
Cash Flows From Financing Activities		
Repayment of bank borrowings	(95)	(26,341)
Net cash used in from financing activities	<u>(95)</u>	<u>(26,341)</u>
Net increase in Cash	61	5,180
Cash And Cash Equivalentents At Beginning	(711)	4,432
Cash And Cash Equivalentents At End	<u>650</u>	<u>9,612</u>

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 31 August 2022 and the accompanying explanatory notes attached.)

Quarterly report on consolidated results for the period ended 28 February 2023

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 2022. 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 2022.

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 2022, 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 2022, as disclosed below:

Adoption of MFRSs and Amendments to MFRSs

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 periods 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 17 Insurance Contracts: Initial Application of MFRS 17 and MFRS 9 - Comparative Information
Amendments to MFRS 101 Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current
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

Quarterly report on consolidated results for the period ended 28 February 2023

Effective for annual periods beginning on or after 1 January 2024

Amendments to MFRS 16 Leases: Lease Liability in a Sale and Leaseback

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 28 February 2023

A8. Segmental analysis

Current period ended 28 February 2023	-----Continuing operations-----								Discontinued operations		Consolidated
	Investment Holding	Trading	Property Letting	Construction	Property Development	Renewable Energy	Others (Note 2)	Total Continuing Operations	Waste Management	Elimination	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>											
External sales	-	2,312	328	831	9,108	6,241	2	18,822	(23)	-	18,799
Inter-segment sales	2,012	955	246	7,557	-	-	-	10,770	-	(10,770)	
Total revenue	<u>2,012</u>	<u>3,267</u>	<u>574</u>	<u>8,388</u>	<u>9,108</u>	<u>6,241</u>	<u>2</u>	<u>29,592</u>	<u>(23)</u>	<u>(10,770)</u>	<u>18,799</u>
Segment results	(113)	100	302	(2,079)	(1,391)	2,078	(44)	(1,147)	(1,995)	30	(3,112)
Unallocated income (Note 1)											267
Loss from operations											(2,845)
Finance costs								(7,012)	(292)	-	(7,304)
Share of result of a joint venture								(121)	-	-	(121)
Loss before taxation											<u>(10,270)</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 and advisory services.

Quarterly report on consolidated results for the period ended 28 February 2023

	----- Continuing operations-----							Discontinued		Elimination	Consolidated
	Investment Holding	Trading	Property Letting	Construction	Property Development	Renewable Energy	Others	Total continued operations	operations		
									Waste Management		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
Assets											
Segment assets	16,699	1,970	13,100	33,482	194,739	109,349	353	369,692	38,226	-	407,918
Investment in a Joint venture	-	-	-	-	371	-	-	371	-	-	371
Deferred tax asset	-	-	-	24	580	-	-	604	-	-	604
Tax recoverable	-	-	13	475	81	-	-	569	13	-	582
Fixed deposits with licensed banks	-	-	-	46	617	3,053	-	3,716	1,531	-	5,247
Cash and bank balances	(7)	-	2	6,082	1,908	2,973	2	10,960	385	-	11,346
Total assets	16,692	1,970	13,115	40,109	198,296	115,375	355	385,912	40,155	-	426,068
Liabilities											
Segment liabilities	6,815	2,507	193	27,556	30,378	8,072	40	75,562	6,767	-	82,329
Borrowings	-	3,910	-	51,466	89,552	88,839	-	233,767	9,940	-	243,707
Provision for taxation	279	-	7	910	2,040	20	-	3,256	-	-	3,256
Deferred tax liabilities	-	-	-	48	7	1,306	-	1,361	-	-	1,361
Total liabilities	7,094	6,417	200	79,980	121,977	98,237	40	313,945	16,707	-	330,653

Quarterly report on consolidated results for the period ended 28 February 2023

Current period ended 28 February 2022	Continuing operations								Discontinued operations		Consolidated
	Investment Holding	Trading	Property Letting	Construction	Property Development	Renewable Energy	Others (Note 4)	Total Continuing Operations	Waste Management	Elimination	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue											
External sales	-	784	312	10,801	98,170	6,707	55	30,090	8,576	-	125,404
Inter-segment sales	6,393	3,126	246	7,223	-	-	-	4,848	-	(16,988)	-
Total revenue	6,393	3,910	558	18,024	98,170	6,707	55	34,938	8,576	(16,988)	125,404
Segment results	174	70	331	(3,698)	9,942	2,523	(20)	2,956	(2,643)	4,696	11,375
Unallocated income (Note 3)											1,740
Profit from operations											13,115
Finance costs								(4,298)	(283)	-	(4,581)
Share of result of a joint venture								(7)	-	-	(7)
Profit before taxation											8,527

Note:

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

Quarterly report on consolidated results for the period ended 28 February 2023

	----- Continuing operations-----							Discontinued operations		Consolidated	
	Investment Holding	Trading	Property Letting	Construction	Property Development	Renewable Energy	Others	Total continued operations	Waste Management	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000
Assets											
Segment assets	13,955	1,426	13,372	59,956	233,961	114,948	460	438,078	73,592	-	511,670
Investment in a Joint venture	-	-	-	-	498	-	-	498	-	-	498
Deferred tax asset	-	-	-	704	1,876	-	-	2,580	-	-	2,580
Tax recoverable	-	-	5	443	30	-	-	478	26	-	504
Fixed deposits with licensed banks	-	-	-	45	217	2,996	-	3,258	153	-	3,411
Cash and bank balances	3	-	11	2,281	8,220	3,075	-	13,590	2,183	-	15,773
Total assets	13,958	1,426	13,388	63,429	244,802	121,019	460	458,482	75,954	-	534,436
Liabilities											
Segment liabilities	8,208	9,103	192	62,020	55,450	8,334	61	143,368	12,025	-	155,393
Borrowings	-	2,231	-	60,166	69,396	94,196	-	225,989	10,811	-	236,800
Provision for taxation	459	-	9	1,605	3,944	24	-	6,041	-	-	6,041
Deferred tax liabilities	-	-	-	421	1,758	939	-	3,118	-	-	3,118
Total liabilities	8,667	11,334	201	124,212	130,548	103,493	61	378,516	22,836	-	401,352

Quarterly report on consolidated results for the period ended 28 February 2023

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 14 April 2023 (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 28/02/2023 RM'000
Unsecured:	
Corporate guarantees issued to financial institutions for banking facilities granted to certain subsidiaries	218,492
Performance guarantees issued to third parties for performance by certain subsidiaries	303

A13. Capital commitments

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

**As at 28/02/2023
RM'000**

Land reclamation
- Authorised and contracted for

19,217

Quarterly report on consolidated results for the period ended 28 February 2023

A14. Related party transactions

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

As at 28/02/2023
RM'000

Progress billing from related party
- KH Base Engineering Sdn Bhd

4,482

Related party

Relationship

KH-Base Engineering
Sdn. Bhd.

: A company in which persons connected to certain directors of the Company, have substantial financial interests.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Quarterly report on consolidated results for the period ended 28 February 2023

B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of performance

	Current Year To date 28.02.2023 RM'000	Preceding Year Corresponding Period 28.02.2022 RM'000
Revenue	18,799	125,404
- Continuing operations	18,822	116,805
- Discontinued operations	(23)	8,599
Consolidated (loss)/profit before taxation	(10,270)	8,526
- Continuing operations	(8,024)	11,425
- Discontinued operations	(2,246)	(2,899)

For the period ended 28 February 2023, the Group recorded revenue of RM18.80 million and loss before taxation of RM 10.27 million as compared to revenue of RM125.40 million and profit before tax of RM8.53 million in the preceding year corresponding period.

The Group recorded lower revenue mainly due to completion of The Stone affordable housing scheme in preceding year. Losses before taxation for the current year to date recorded mainly due to finance costs of RM 7.01 million and losses from discontinued operations of RM 2.25 million.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Quarterly report on consolidated results for the period ended 28 February 2023

B2. Variation of results against immediate preceding quarter

	Current Quarter	Preceding Quarter
	28.02.2023	30.11.2022
	RM'000	RM'000
Revenue	9,116	9,683
- Continuing operations	9,139	9,683
- Discontinued operations	(23)	-
Consolidated loss before taxation	(4,495)	(5,775)
- Continuing operations	(3,667)	(4,357)
- Discontinued operations	(828)	(1,418)

The lower revenue and losses before taxation for the current quarter mainly due to the above per para B1.

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 Simpang Ampat-Seberang Perai Tengah, Penang Island and Sungai Petani-Kedah is expected to contribute to the Group turnover with the unbilled sales of RM40.13 million over the year. PLB will continue to focus on securing contracts from existing established clients and new reputable customers.

For Property Development segment, The Dew which comprises 281 units of 1,000 square feet affordable housing scheme achieved 36.94% physical completion and 63% of sales with Sale and Purchase Agreement signed at unbilled sales of RM63.06 million todate.

B4. Comparison with profit forecast

Not applicable.

Quarterly report on consolidated results for the period ended 28 February 2023

B5. Notes to the statement of comprehensive income

	Current Quarter 28/02/2023 RM'000	Cumulative Quarter 28/02/2023 RM'000
Profit for the period is arrived at after (crediting)/charging:		
-Interest income	(30)	(55)
-Interest expense	3,758	7,304
-Depreciation and amortization	1,421	2,841
-(Gain)/loss on fair value adjustment	(97)	(150)
-(Gain)/loss on disposal of properties	89	89

B6. Tax expense

	Current Quarter 28/02/2023 RM'000	Cumulative Quarter 28/02/2023 RM'000
Malaysian income tax: Based on results for the period		
- Current taxation	(53)	(160)
- Deferred taxation	(4)	12
- RPGT	(36)	(36)
	<u>(93)</u>	<u>(184)</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.

Quarterly report on consolidated results for the period ended 28 February 2023

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 28 February 2023 were as follows: -

	RM'000
Share quoted in Malaysia: -	
Balance at 01/09/2022	3
Fair value adjustment	<u>-</u>
Balance at 28/02/2023	<u>3</u>
At Market Value of quoted shares in Malaysia	<u>3</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,

Quarterly report on consolidated results for the period ended 28 February 2023

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.

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.

The Penang Development Corporation has accorded PLB the Extension of Time until 05 June 2023.

With the Extension of Time accorded, the master layout plan was submitted to Town and Country Planning Department (JBPD) and has obtained approval on 10 November 2022.

Subsequently, submissions for all relevant authority approvals including the Environmental Impact Assessment (EIA) approval are underway.

Quarterly report on consolidated results for the period ended 28 February 2023

B10. Group borrowings and debt securities

As at 28/02/2023	Group 28/02/2023 RM'000	Secured 28/02/2023 RM'000	S/Term 28/02/2023 RM'000	L/Term 28/02/2023 RM'000
Banker's acceptance	31,080	31,080	31,080	-
Bank overdraft	13,527	13,527	13,527	-
Hire purchases	235	235	191	44
Revolving credits	15,600	15,600	5,950	9,650
Term loans	183,266	183,266	47,581	135,684
Total	243,708	243,708	98,330	145,378

As at 28/02/2022	Group 28/02/2022 RM'000	Secured 28/02/2022 RM'000	S/Term 28/02/2022 RM'000	L/Term 28/02/2022 RM'000
Banker's acceptance	33,047	33,047	33,047	-
Invoice financing	1,055	1,055	1,055	-
Bank overdraft	6,314	6,314	6,314	-
Hire purchases	328	328	147	180
Revolving credits	6,400	6,400	6,400	-
Term loans	189,656	189,656	41,475	148,181
Total	236,800	236,800	88,439	148,361

11. Derivative financial instruments

The Group does not have any financial instruments with off-balance sheet risk as at 28 February 2023.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Quarterly report on consolidated results for the period ended 28 February 2023

B12. Realised and unrealised profit/(loss) disclosure

The retained profits of the Group as at 28 February 2023 and 31 August 2022 are analyzed as follows:

	As at 28/02/2023 RM'000	As at 31/08/2022 RM'000
Total (losses)/retained profits of the Company and its subsidiaries:		
-Realised	(38,295)	3,749
-Unrealised	-	(1,360)
	<hr/>	<hr/>
	(38,295)	72,346
Total share of retained profits from jointly controlled entities:		
-Realised	371	311
	<hr/>	<hr/>
	(37,924)	2,700
Less: Consolidation adjustments	34,938	4,118
	<hr/>	<hr/>
Total retained profits as per Consolidated Statement of Financial Position	2,986	6,818
	<hr/>	<hr/>

B13. Changes in material litigation

During the financial quarter ended 28 February 2023, 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 28 February 2023.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Quarterly report on consolidated results for the period ended 28 February 2023

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 28/02/2023 RM'000	Preceding year correspondig 28/02/2022 RM'000	Current year to date 28/02/2023 RM'000	Preceding year corresponding 28/02/2022 RM'000
Net earnings/(loss) to owners of the parent				
-Continuing operations	(3,492)	6,342	(7,875)	6,786
-Discontinued operation	(714)	(2,199)	(1,929)	(2,547)
	<u>(4,206)</u>	<u>4,143</u>	<u>(9,804)</u>	<u>4,239</u>
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)				
-Continuing operations	(3.11)	5.65	(7.01)	6.04
-Discontinued operation	(0.64)	(1.96)	(1.72)	(2.27)
	<u>(3.74)</u>	<u>3.69</u>	<u>(8.72)</u>	<u>3.77</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: 27 April 2023