

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FORTH QUARTER ENDED 31 AUG 2023**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
	QUARTER (31-08-2023) RM'000	CORRESPONDING QUARTER (31-08-2022) RM'000	TODATE (31-08-2023) RM'000	CORRESPONDING PERIOD (31-08-2022) RM'000
Revenue	12,715	11,972	44,808	170,719
Operating expenses	(17,195)	(4,940)	(49,704)	(142,516)
Other operating income	6,037	4,301	6,395	5,100
Profit from operations	1,557	11,334	1,499	33,303
Finance costs	(3,465)	(7,472)	(14,660)	(14,505)
(Loss) / Profit after finance cost	(1,908)	3,861	(13,161)	18,798
Share of results of an associate	-	-	-	-
Share of results of a joint venture	(1)	(3)	(126)	(13)
(Loss) / Profit before tax from continuing operations	(1,909)	3,858	(13,286)	18,785
Taxation	(408)	(1,451)	(1,303)	(7,290)
(Loss) / Profit from continuing operations, net of tax	(2,317)	2,407	(14,589)	11,495
DISCONTINUED OPERATIONS :				
Loss from discontinued operation, net of tax	(10,861)	(32,238)	(13,375)	(34,743)
Other comprehensive income/(loss), net of tax item that may be reclassified subsequently to profit or loss	-	-	-	-
Total comprehensive loss	(13,178)	(29,831)	(27,965)	(23,248)
Loss attributable to:				
Owners of the Company	(11,972)	(18,727)	(26,265)	(12,099)
Non-controlling interests	(1,206)	(11,104)	(1,699)	(11,149)
	(13,178)	(29,831)	(27,965)	(23,248)
Total comprehensive loss attributable to:				
Owners of the Company	(11,972)	(18,727)	(26,265)	(12,099)
Non-controlling interests	(1,206)	(11,104)	(1,699)	(11,149)
	(13,178)	(29,831)	(27,965)	(23,248)
Earnings/(loss) per share attributable to owners of the Company (sen) :-				
Basic earnings per share :-				
(Loss)/Profit from continuing operations	(2.37)	10.23	(13.17)	18.04
Loss from discontinued operations	(8.28)	(26.89)	(10.20)	(28.81)
	(10.65)	(16.66)	(23.37)	(10.77)

(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 31 AUG 2023

(The figures have not been audited)

	UNAUDITED AS AT END OF CURRENT QUARTER 31-08-2023 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR END 31-08-2022 RM'000
ASSETS		
<u>Non-Current assets</u>		
Property, plant and equipment	85,004	90,252
Right-of-use asset	5,011	5,319
Investment properties	15,351	18,234
Inventories properties	151,427	61,036
Investment in a joint venture	366	492
Other investments	3	3
Deferred tax assets	1,264	591
Trade and other receivables	821	13,072
	<u>259,246</u>	<u>188,998</u>
<u>Current assets</u>		
Inventory properties	41,474	115,208
Contract assets	7,662	7,819
Contract cost	8,493	12,635
Trade receivables	29,783	22,012
Other receivables, deposits and prepayments	15,467	21,583
Tax recoverable	69	426
Fixed deposits with licensed banks	7,346	4,843
Cash and bank balances	6,842	10,184
	<u>117,135</u>	<u>194,710</u>
Non-current assets held for sale	49,411	58,000
	<u>166,546</u>	<u>252,710</u>
TOTAL ASSETS	<u><u>425,792</u></u>	<u><u>441,709</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owner of the Company		
Share Capital	112,395	112,395
(Accumulated losses) / Retained Profits	(19,447)	6,818
Shareholders' fund	92,948	119,213
Non-controlling interests	(15,043)	(13,343)
Total equity	<u>77,905</u>	<u>105,870</u>
<u>Non-current liabilities</u>		
Bank borrowings	130,013	146,208
Lease Liability	5,137	5,374
Deferred tax liabilities	1,748	1,360
Trade payables	1,252	9,269
	<u>138,151</u>	<u>162,211</u>
<u>Current liabilities</u>		
Contract liabilities	4,636	-
Trade payables	32,415	20,009
Other payables and accruals	67,222	52,358
Bank borrowings	101,866	96,246
Lease Liability	238	228
Provision for taxation	3,360	4,787
	<u>209,736</u>	<u>173,628</u>
Total liabilities	<u>347,887</u>	<u>335,839</u>
TOTAL EQUITY AND LIABILITIES	<u><u>425,792</u></u>	<u><u>441,709</u></u>
Net tangible assets per share (RM)	0.83	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 31 AUG 2023

(The figures have not been audited)

	← Attributable to owners of the Company →				→	
	Share Capital	Distributable	Total	Non-controlling Interest		Total Equity
		Retained Profits / (Accumulated losses)				
	RM'000	RM'000	RM'000	RM'000	RM'000	
12 months period end 31 Aug 2023						
Balance at 1 September 2022	112,395	6,818	119,213	(13,343)	105,870	
Total comprehensive loss for the period	-	(26,265)	(26,265)	(1,699)	(27,965)	
Balance at 31 Aug 2023	112,395	(19,447)	92,948	(15,042)	77,905	
12 months period end 31 Aug 2022						
Balance at 1 September 2021	112,395	18,918	131,313	(2,194)	129,118	
Total comprehensive income for the period	-	(12,099)	(12,099)	(11,149)	(23,248)	
Balance at 31 Aug 2022	112,395	6,819	119,214	(13,343)	105,870	

(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 31 AUG 2023

(The figures have not been audited)

	12 months ended 31-08-2023 RM'000	12 months ended 31-08-2022 RM'000
Cash Flows From Operating Activities		
(Loss)/Profit before tax from continuing operations	(13,286)	18,785
Loss before tax from discontinued operation	(13,372)	(34,743)
Loss before taxation	(26,659)	(15,958)
Adjustment for :-		
Non-cash items - operating	6,156	37,527
Non-operating items - investing	2,517	(1,709)
Non-operating items - financing	15,249	11,790
Operating (loss)/profit before working capital changes	(2,737)	31,650
Net Change in current assets	76,423	41,986
Net Change in current liabilities	31,906	(46,323)
Net Change in non-current assets	(69,550)	8,255
Net Change in non-current liabilities	(8,017)	(2,517)
Cash provided from operations	28,025	33,051
Interest income	139	88
Interest paid	(15,249)	(11,790)
Income tax paid	(2,661)	(4,003)
Income tax refunded	-	23
Net cash provided from operating activities	10,254	17,369
Cash Flows From Investing Activities		
(Placement)/Withdrawal of fixed deposits	(3,859)	155
Purchase of property, plant & equipment	(73)	(700)
Proceeds from disposal of property, plant & equipment	10	4,459
Net cash (used in) / provided from investing activities	(3,922)	3,914
Cash Flows From Financing Activities		
Repayment of bank borrowings	(10,934)	(27,773)
Net cash used in from financing activities	(10,934)	(27,773)
Net decrease in Cash	(4,603)	(6,490)
Cash And Cash Equivalents At Beginning	(711)	4,432
Cash And Cash Equivalents At End	(5,314)	(2,058)

(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 31 August 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 31 August 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 31 August 2023

A8. Segmental analysis

Current period ended 31 August 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	-	4,083	656	9,114	17,423	13,528	4	44,808	-	-	44,808
Inter-segment sales	3,792	6,340	492	31,958	-	-	1	42,583	-	(42,583)	
Total revenue	3,792	10,423	1,148	41,072	17,423	13,528	5	87,391	-	(42,583)	44,808
Segment results	(13,874)	235	624	3,960	279	5,268	(145)	(3,653)	(12,825)	(1,253)	(17,731)
Unallocated income (Note 1)											6,447
Loss from operations											(11,284)
Finance costs								(14,660)	(589)	-	(15,249)
Share of result of a joint venture								(126)	-	-	(126)
Loss before taxation											(26,659)

Note:

1. Unallocated income mainly represents scrap sales, wages subsidy programme, late payment income, rental of building & machinery, land and factory, reversal impairment losses for land held for development land.
2. Other segment represents sales from brick making and advisory services.

Quarterly report on consolidated results for the period ended 31 August 2023

	----- Continuing operations-----							Discontinued	operations		
	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	10,769	617	12,827	36,071	213,002	105,032	351	378,669	31,236	-	409,905
Investment in a Joint venture	-	-	-	-	366	-	-	366	-	-	366
Deferred tax asset	-	-	-	24	1,240	-	-	1,264	-	-	1,264
Tax recoverable	-	-	-	64	-	-	-	64	5	-	69
Fixed deposits with licensed banks	-	-	-	3,547	595	3,049	-	7,191	156	-	7,346
Cash and bank balances	5	-	3	904	1,607	3,282	2	5,803	1,039	-	6,842
Total assets	10,774	617	12,831	40,610	216,810	111,363	353	393,357	32,435	-	425,792
Liabilities											
Segment liabilities	13,371	2,963	229	39,804	37,610	6,152	97	100,226	10,674	-	110,900
Borrowings	-	1,006	-	48,969	86,266	86,142	-	222,383	9,496	-	231,879
Provision for taxation	100	-	5	590	2,657	8	-	3,360	-	-	3,360
Deferred tax liabilities	-	-	-	689	(259)	1,318	-	1,748	-	-	1,748
Total liabilities	13,471	3,969	234	90,053	126,274	93,620	97	327,718	20,170	-	347,887

Quarterly report on consolidated results for the period ended 31 August 2023

Current period ended 31 August 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
<u>Revenue</u>											
External sales	-	1,631	646	26,127	129,055	13,165	94	170,718	18,539	-	189,257
Inter-segment sales	13,925	7,205	492	22,439	-	-	-	44,061	-	(44,061)	-
Total revenue	13,925	8,836	1,138	48,566	129,055	13,165	94	214,779	18,539	(44,061)	189,257
Segment results	338	154	524	119	16,184	4,971	(43)	22,247	(34,154)	5,957	(5,950)
Unallocated income (Note 3)											5,099
Loss from operations								(14,505)	(589)	-	(850)
Finance costs											(15,095)
Share of result of a joint venture								(13)	-	-	(13)
Loss before taxation											(15,958)

Note:

- Unallocated income mainly represents gain on disposal of property, plant & equipment, forex exchange, forfeited deposit, scrap sales, wages subsidy programme, late payment income, rental of building & machinery, land and factory.
- Other segment represents sales from brick making.

Quarterly report on consolidated results for the period ended 31 August 2023

	----- Continuing operations-----							Discontinued operations			
	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	15,927	1,092	19,732	31,402	201,025	93,688	38	362,904	62,269	-	425,173
Investment in a Joint venture	-	-	-	-	492	-	-	492	-	-	492
Deferred tax asset	-	-	-	577	14	-	-	591	-	-	591
Tax recoverable	-	-	11	354	49	-	-	414	13	-	426
Fixed deposits with licensed banks	-	-	-	45	262	3,024	-	3,331	1,511	-	4,843
Cash and bank balances	15	-	-	2,676	3,778	3,322	-	9,791	393	-	10,184
Total assets	15,942	1,092	19,743	35,054	205,620	100,034	38	377,523	64,186	-	441,709
Liabilities											
Segment liabilities	6,213	2,654	214	28,058	15,352	24,033	20	76,544	10,694	-	87,238
Borrowings	-	-	-	56,622	83,990	91,464	-	232,076	10,378	-	242,454
Provision for taxation	425	-	-	1,077	3,283	2	-	4,787	-	-	4,787
Deferred tax liabilities	-	-	-	54	-	1,306	-	1,360	-	-	1,360
Total liabilities	6,638	2,654	214	85,811	102,625	116,805	20	314,767	21,072	-	335,839

Quarterly report on consolidated results for the period ended 31 August 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 23 October 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 31/08/2023 RM'000
Unsecured:	
Corporate guarantees issued to financial institutions for banking facilities granted to certain subsidiaries	210,572
Corporate guarantees issued to financial institutions for banker guarantee facilities granted to certain subsidiaries for contract bond in favour of third parties	3,164
Performance guarantees issued to third parties for performance by certain subsidiaries	5,668

A13. Capital commitments

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

	As at 31/08/2023 RM'000
Land reclamation	
- Authorised and contracted for	12,726

Quarterly report on consolidated results for the period ended 31 August 2023

A14. Related party transactions

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

		As at 31/08/2023
		RM'000
Progress billing from related party		
- KH Base Engineering Sdn Bhd		6,070
		<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.

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Quarterly report on consolidated results for the period ended 31 August 2023

B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of performance

	Current Year To date 31.08.2023 RM'000	Preceding Year Corresponding Period 31.08.2022 RM'000
Revenue	44,808	189,257
- Continuing operations	44,808	170,718
- Discontinued operations	-	18,539
Consolidated loss before taxation	(26,659)	(15,958)
- Continuing operations	(13,286)	18,785
- Discontinued operations	(13,372)	(34,743)

For the period ended 31 August 2023, the Group recorded revenue of RM44.81 million and loss before taxation of RM 26.66 million as compared to revenue of RM189.26 million and loss before tax of RM15.96 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 losses from discontinued operations of RM 13.37 million and impairment losses on jelutong project expenses of RM 12.91 million.

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Quarterly report on consolidated results for the period ended 31 August 2023

B2. Variation of results against immediate preceding quarter

	Current Quarter	Preceding Quarter
	31.08.2023	31.05.2023
	RM'000	RM'000
Revenue	12,715	13,272
- Continuing operations	12,715	13,270
- Discontinued operations	-	2
Consolidated losses before taxation	(12,770)	(3,618)
- Continuing operations	(1,909)	(3,357)
- Discontinued operations	(10,861)	(261)

The losses before taxation for the current quarter mainly derived from the discontinued operations. It is due to impairment of assets held for sales of RM8.59 million.

B3. Prospects

The Company's outlook is tied to the construction and property development sector. PLB Group will continue exploring opportunities to secure external construction projects with recurring income to sustain earnings. The Group has been awarded new external construction projects which amounts to RM44.64 million during FY 2023. The current on-going external construction projects which is located at Simpang Ampat-Seberang Perai Tengah, Penang Island and Padang Meha-Kulim Kedah is expected to contribute to the Group turnover with the unbilled sales of RM32.65 million over the year.

The Group's property development sector continued to record encouraging performance for the affordable housing schemes in Paya Terubong. The Dew which comprises 281 units of 1,000 square feet affordable housing scheme achieved 30% physical completion and 69% of sales with Sale and Purchase Agreement signed at unbilled sales of RM59.95 million to date.

B4. Comparison with profit forecast

Not applicable.

Quarterly report on consolidated results for the period ended 31 August 2023

B5. Notes to the statement of comprehensive income

	Current Quarter 31/08/2023 RM'000	Cumulative Quarter 31/08/2023 RM'000
Profit for the period is arrived at after (crediting)/charging:		
-Interest income	(45)	(139)
-Interest expense	3,619	15,249
-Depreciation and amortization	1,395	5,653
-Written off of inventories	55	55
-Written off PPE	7	7
-Impairment of assets / investments	17,720	17,720
-(Gain)/loss on fair value adjustment	(262)	(445)
-(Gain)/loss on disposal of properties	57	143

B6. Tax expense

	Current Quarter 31/08/2023 RM'000	Cumulative Quarter 31/08/2023 RM'000
Malaysian income tax: Based on results for the period		
- Current taxation	(208)	(566)
- Deferred taxation	(263)	(269)
	(471)	(835)
Over/(under) provision in prior years		
- Current taxation	1,158	663
- Deferred taxation	(568)	(568)
	119	(740)
- RPGT	(523)	(566)
	(404)	(1,306)

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.

Quarterly report on consolidated results for the period ended 31 August 2023

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 August 2023 were as follows: -

	RM'000
Share quoted in Malaysia: -	
Balance at 01/09/2022	3
Fair value adjustment	<u>-</u>
Balance at 31/08/2023	<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.

Quarterly report on consolidated results for the period ended 31 August 2023

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.

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.

Quarterly report on consolidated results for the period ended 31 August 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.

B10. Group borrowings and debt securities

As at 31/08/2023	Group 31/08/2023 RM'000	Secured 31/08/2023 RM'000	S/Term 31/08/2023 RM'000	L/Term 31/08/2023 RM'000
Banker's acceptance	28,232	28,232	28,232	-
Invoice financing	634	634	634	-
Bank overdraft	12,312	12,312	12,312	-
Hire purchases	171	171	131	40
Revolving credits	16,240	16,240	16,240	-
Term loans	174,290	174,290	44,317	129,973
Total	231,879	231,879	101,866	130,013

As at 31/08/2022	Group 31/08/2022 RM'000	Secured 31/08/2022 RM'000	S/Term 31/08/2022 RM'000	L/Term 31/08/2022 RM'000
Banker's acceptance	27,172	27,172	27,172	-
Invoice financing	882	882	882	-
Bank overdraft	12,407	12,407	12,407	-
Hire purchases	297	297	126	171
Revolving credits	21,800	21,800	21,800	-
Term loans	179,897	179,897	33,860	146,037
Total	242,455	242,455	96,247	146,208

11. Derivative financial instruments

The Group does not have any financial instruments with off-balance sheet risk as at 31 August 2023.

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Quarterly report on consolidated results for the period ended 31 August 2023

B12. Realised and unrealised profit/(loss) disclosure

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

	As at 31/08/2023 RM'000	As at 31/08/2022 RM'000
Total (losses)/retained profits of the Company and its subsidiaries:		
-Realised	(53,109)	3,749
-Unrealised	-	(1,360)
	<hr/>	<hr/>
	(53,109)	2,389
Total share of retained profits from jointly controlled entities:		
-Realised	366	311
	<hr/>	<hr/>
	(52,742)	2,700
Less: Consolidation adjustments	33,295	4,118
	<hr/>	<hr/>
Total (accumulated losses)/retained profits as per Consolidated Statement of Financial Position	(19,447)	6,818
	<hr/>	<hr/>

B13. Changes in material litigation

During the financial quarter ended 31 August 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 31 August 2023.

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Quarterly report on consolidated results for the period ended 31 August 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 31/08/2023 RM'000	Preceding year corresponding 31/08/2022 RM'000	Current year to date 31/08/2023 RM'000	Preceding year corresponding 31/08/2022 RM'000
Net earnings/(loss) to owners of the parent				
-Continuing operations	(2,317)	2,407	(14,589)	11,495
-Discontinued operation	(10,861)	(32,238)	(13,375)	(34,743)
	<u>(13,178)</u>	<u>(29,831)</u>	<u>(27,965)</u>	<u>(23,248)</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	(2.37)	10.23	(13.17)	18.04
-Discontinued operation	(8.28)	(26.89)	(10.20)	(28.81)
	<u>(10.65)</u>	<u>(16.66)</u>	<u>(23.37)</u>	<u>(10.77)</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: 31 October 2023