

INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2024

	Individual Quarter				Cumulative Quarter			
	3 Months Ended		Changes		6 Months Ended		Changes	
	30/06/24	30/06/23			30/06/24	30/06/23		
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	51,870	56,430	(4,560)	-8%	129,944	94,669	35,275	37%
Cost of sales	(34,450)	(39,965)	5,515	-14%	(96,858)	(64,359)	(32,499)	50%
Gross profit	17,420	16,465	955	6%	33,086	30,310	2,776	9%
Other income	472	1,160	(688)	-59%	956	2,626	(1,670)	-64%
Operating expenses	(13,269)	(11,928)	(1,341)	11%	(24,741)	(23,731)	(1,010)	4%
Profit/(Loss) from operations	4,623	5,697	(1,074)	-19%	9,301	9,205	96	1%
Finance costs	(662)	(695)	33	-5%	(1,184)	(1,634)	450	-28%
Share of results of joint venture and associates, net of tax	1,090	131	959	732%	1,578	335	1,243	371%
Profit/(Loss) before taxation	5,051	5,133	(82)	-2%	9,695	7,906	1,789	23%
Taxation	(2,284)	(2,133)	(151)	7%	(4,807)	(2,839)	(1,968)	69%
Profit/(Loss) for the period	2,767	3,000	(233)	-8%	4,888	5,067	(179)	-4%
Other comprehensive income, net of tax items that will not be reclassified subsequently to profit or loss:	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	2,767	3,000	(233)	-8%	4,888	5,067	(179)	-4%
Profit/(Loss) attributable to:								
Owners of the Company	2,843	3,005	(162)	-5%	5,025	5,076	(51)	-1%
Non-controlling interests	(76)	(5)	(71)	1420%	(137)	(9)	(128)	1422%
Profit/(Loss) for the period	2,767	3,000	(233)	-8%	4,888	5,067	(179)	-4%
Total comprehensive income/(loss) attributable to:								
Owners of the Company	2,843	3,005	(162)	-5%	5,025	5,076	(51)	-1%
Non-controlling interests	(76)	(5)	(71)	1420%	(137)	(9)	(128)	1422%
Total comprehensive income/(loss) for the period	2,767	3,000	(233)	-8%	4,888	5,067	(179)	-4%
Earnings/(Loss) per share attributable to Owners of the Company (sen):								
-Basic	0.68	0.74	(0.06)	-8%	1.20	1.29	(0.09)	-7%
-Diluted	0.67	0.72	(0.05)	-7%	1.18	1.26	(0.08)	-6%
Net assets per share (RM)					0.91	0.89	0.02	2%

Notes:

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.

Citaglobal Berhad
[Registration No: 200401027590 (666098-X)]

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION AS AT 30 JUNE 2024**

	Unaudited	Audited
	30/06/24	31/12/23
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	94,496	90,370
Intangible assets	148,068	147,222
Investment in joint venture and associates	30,959	5,181
Club memberships	155	155
Other receivable	955	642
Total non-current assets	<u>274,633</u>	<u>243,570</u>
Current assets		
Inventories	52,392	37,858
Trade and other receivables	117,791	105,920
Prepayments	6,743	2,448
Contract assets	129,094	88,164
Tax recoverable	235	-
Short term deposits, cash and bank balances	55,482	61,143
Total current assets	<u>361,737</u>	<u>295,533</u>
TOTAL ASSETS	<u>636,370</u>	<u>539,103</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	549,443	549,348
Irredeemable convertible preference shares ("ICPS")	1,116	1,211
Reserves	<u>(171,046)</u>	<u>(176,071)</u>
	379,513	374,488
Non-controlling interests	<u>(213)</u>	<u>(76)</u>
Total equity	<u>379,300</u>	<u>374,412</u>
Non-current liabilities		
Borrowings	23,468	24,126
Deferred tax liabilities	5,618	5,570
Total non-current liabilities	<u>29,086</u>	<u>29,696</u>
Current liabilities		
Trade and other payables	145,046	95,747
Contract liabilities	1,699	660
Borrowings	81,176	38,340
Provision for liabilities	63	63
Tax payable	-	185
Total current liabilities	<u>227,984</u>	<u>134,995</u>
TOTAL EQUITY AND LIABILITIES	<u>636,370</u>	<u>539,103</u>
Net assets per share attributable to the owners of the Company (RM)	<u>0.91</u>	<u>0.90</u>

Notes:

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2024

<----- Attributable to Owners of the Company ----->

	Share Capital RM'000	ICPS RM'000	Warrant Reserve RM'000	Revaluation Reserve RM'000	Accumulated Losses RM'000	Sub-Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
6 months ended 30 June 2024								
At 1 January 2024	549,348	1,211	9,559	18,842	(204,472)	374,488	(76)	374,412
Total comprehensive income/(loss) for the period	-	-	-	-	5,025	5,025	(137)	4,888
Changes in revaluation reserve	-	-	-	(107)	107	-	-	-
Conversion of ICPS to ordinary shares	95	(95)	-	-	-	-	-	-
At 30 June 2024	549,443	1,116	9,559	18,735	(199,340)	379,513	(213)	379,300

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2024 (CONT'D)

	<----- Attributable to Owners of the Company ----->							
Share Capital RM'000	ICPS RM'000	Warrant Reserve RM'000	Revaluation Reserve RM'000	Accumulated Losses RM'000	Sub-Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000	
<u>6 months ended 30 June 2023</u>								
Restated balance at 1 January 2023	497,985	2,885	9,888	19,055	(212,269)	317,544	(276)	317,268
Total comprehensive income/(loss) for the period	-	-	-	-	5,076	5,076	(9)	5,067
Changes in ownership interests in a subsidiary	-	-	-	-	(1,724)	(1,724)	356	(1,368)
Changes in revaluation reserve	-	-	-	(107)	107	-	-	-
Conversion of warrants	328	-	(328)	-	328	328	-	328
Conversion of ICPS to ordinary shares	1,560	(1,560)	-	-	-	-	-	-
Issuance of shares pursuant to the private placement	49,031	-	-	-	-	49,031	-	49,031
At 30 June 2023	548,904	1,325	9,560	18,948	(208,482)	370,255	71	370,326

Note:

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2024

6 Months Ended	
30/06/24	30/06/23
RM'000	RM'000

Cash Flows From Operating Activities

Profit/(Loss) before taxation	9,695	7,906
Adjustments for non-cash items	4,465	3,673
	<u>14,160</u>	<u>11,579</u>
Changes in working capital		
Net change in assets	(31,489)	12,657
Net change in liabilities	(2,747)	(35,044)
	<u>(20,076)</u>	<u>(10,808)</u>
Interest paid	(1,184)	(1,634)
Interest received	512	800
Dividend received	1,000	-
Net taxes paid	(5,179)	(960)
Net Operating Cash Flows	<u>(24,927)</u>	<u>(12,602)</u>

Cash Flows From Investing Activities

Purchase of shares from non-controlling interests	-	(1,368)
Acquisition of an indirect subsidiary, net of cash acquired	(1,000)	-
Investment in an associate	(14,000)	-
Deposits pledged to licensed banks	(651)	(611)
Purchase of plant and equipment	(6,019)	(3,304)
Proceeds from disposal of plant and equipment	161	314
Net Investing Cash Flows	<u>(21,509)</u>	<u>(4,969)</u>

Citaglobal Berhad**[Registration No: 200401027590 (666098-X)]****UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2024 (CONT'D)**

	6 Months Ended	
	30/06/24	30/06/23
	RM'000	RM'000
Cash Flows From Financing Activities		
Net proceeds from private placement	-	49,031
Proceeds from conversion of warrants	-	339
New drawdown of term loan	17,733	1,873
Repayment of lease liabilities	(1,296)	(863)
Drawdown/(Repayment) of bank borrowings	21,604	(11,047)
Net Financing Cash Flows	38,041	39,333
Net change in cash and cash equivalents	(8,395)	21,762
Cash and cash equivalents at beginning of the financial period	52,976	70,610
Effect of the exchange rate fluctuations	3	7
Cash and cash equivalents at end of the financial period	44,584	92,379

Notes:

- (i) Short term deposits, cash and bank balances

Cash on hand and at banks	46,063	22,976
Deposits with licensed banks	9,419	79,223
Cash and bank balances	55,482	102,199
Less: Bank overdrafts	(5,525)	(5,754)
Less: Deposits pledged to licensed banks	(5,373)	(4,066)
Cash and cash equivalents	44,584	92,379

- (ii) The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.

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Notes To The Interim Financial Report For The Second Quarter Ended 30 June 2024 (Unaudited)

Part A – Explanatory Notes Pursuant to MFRS 134

1 Basis of Preparation

The interim financial statements have been prepared in accordance with the reporting requirements outlined in the Malaysian Financial Reporting Standard (“MFRS”) No. 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), and Chapter 9 (Paragraph 9.22) of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2023. The explanatory notes attached to the financial statements provide an explanation of events and transactions that are significant to the understanding of changes in the financial position and performance of the Group.

2 Accounting Policies

The significant accounting policies and methods of computation adopted by Citaglobal Berhad ("Citaglobal") in the condensed interim financial statements are consistent with those adopted in the audited consolidated financial statements of Citaglobal for the financial year ended 31 December 2023.

The Group and the Company have adopted the following amendments to MFRSs for the current financial year:

Amendments to MFRSs

MFRS 7	Financial Instruments: Disclosures
MFRS 16	Leases
MFRS 101	Presentation of Financial Statements
MFRS 107	Statements of Cash Flows

The adoption of the above amendments to MFRSs did not have any significant effect on the financial statements of the Group and the Company and did not result in significant changes to the Group's and the Company's existing accounting policies.

The Group and the Company have not adopted the following amendments to MFRSs that have been issued, but yet to be effective:

Amendments to MFRSs

MFRS 10	Consolidated Financial Statements	Effective for financial periods beginning on or after
MFRS 121	The Effects of Changes in Foreign Exchange Rates	Deferred
MFRS 128	Investments in Associates and Joint Ventures	1 January 2025
		Deferred

The Group and the Company plan to adopt the above applicable amendments to MFRSs when they become effective.

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Notes To The Interim Financial Report
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3 Auditors' Report on Preceding Audited Financial Statements

The auditors' report on the preceding year's audited financial statements was not subject to any qualification.

4 Seasonal or Cyclical Factors

The business operations of the Group were not materially affected by seasonal or cyclical factors during the current quarter under review.

5 Unusual Significant Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter under review and/or financial year to date.

6 Changes in Accounting Estimates

There were no changes in accounting estimates that have a material impact on the current quarter and financial year to date results.

7 Changes in Debts and Equity Securities

During the current quarter under review, 69,020 ICPS have been converted to ordinary shares of Citaglobal Berhad with no additional cash payments to the Company.

The above new ordinary shares issued ranked pari-passu in all respects with the existing ordinary shares of the Company.

8 Dividends Paid

There was no dividend paid during the current quarter under review.

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Notes To The Interim Financial Report
For The Second Quarter Ended 30 June 2024
(Unaudited)

9 Segmental Reporting

The Group is principally engaged in the business of Energy, Civil Engineering and Construction, Property and Manufacturing.

Revenue

	Total	Elimination	External
	RM'000	RM'000	RM'000
Energy	3,845	(521)	3,324
Civil Engineering and Construction	126,391	(48,858)	77,533
Property	16,746	-	16,746
Manufacturing	19,016	-	19,016
Others	17,798	(4,473)	13,325
Total	<u>183,796</u>	<u>(53,852)</u>	<u>129,944</u>

Results

Energy	RM'000
	(4,404)
Civil Engineering and Construction	18,280
Property	688
Manufacturing	489
Others	(1,693)
Add/(Less): elimination	<u>(4,059)</u>
Profit/(Loss) from operations	9,301
Finance cost	(1,184)
Share of results of joint venture and associates, net of tax	1,578
Taxation	<u>(4,807)</u>
Profit/(Loss) for the second quarter	<u>4,888</u>

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Notes To The Interim Financial Report
For The Second Quarter Ended 30 June 2024
(Unaudited)

9 Segmental Reporting (cont'd)

Assets and Liabilities

	Segment
	<u>Assets</u>
	RM'000
Energy	55,336
Civil Engineering and Construction	256,008
Property	112,757
Manufacturing	81,287
Others	495,627
Add/(Less): elimination	(364,645)
Total	<u>636,370</u>

	Segment
	<u>Liabilities</u>
	RM'000
Energy	52,512
Civil Engineering and Construction	207,830
Property	73,751
Manufacturing	19,560
Others	121,258
Add/(Less): elimination	(217,841)
Total	<u>257,070</u>

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Notes To The Interim Financial Report
For The Second Quarter Ended 30 June 2024
(Unaudited)

10 Profit/(Loss) Before Taxation

	3 Months Ended	6 Months Ended
	30/06/24	30/06/24
	RM'000	RM'000
Profit/(Loss) before taxation is arrived at after charging/(crediting):		
Amortisation of intangible assets	75	154
Depreciation for property, plant and equipment	1,285	2,530
Depreciation for rights-of-use assets	713	1,422
Gain on disposal of plant and equipment	(159)	(159)
Gain on lease modification	(3)	(3)
Impairment loss on receivables	170	1,120
Interest expense	662	1,184
Interest income	(210)	(512)
Share of results of joint venture and associates, net of tax	(1,090)	(1,578)
Unrealised (gain)/loss on foreign exchange	(1)	6
Write-down in value of inventories	301	301
	<u>301</u>	<u>301</u>

11 Valuation Of Property

There was no valuation of property, plant and equipment of the Group during the quarter under review.

12 Material Subsequent Event

There is no material subsequent event up to the date of this report.

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Notes To The Interim Financial Report
For The Second Quarter Ended 30 June 2024
(Unaudited)

13 Changes In The Composition Of The Group

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

14 Changes In Contingent Liabilities And Assets

The contingent liabilities as at 30 June 2024 were as follows:

	Group	
	30/06/24	31/12/23
	RM'000	RM'000
Guarantees in favour of third parties	<u>35,684</u>	<u>45,870</u>

15 Capital Commitments

The capital commitments as at 30 June 2024 were as follows:

	RM'000
(a) Contracted and not provided for	1,343
(b) Authorised and not contracted for	<u>-</u>
	<u>1,343</u>

Analysed as follows:

Network facilities - Telecommunication towers	<u>1,343</u>
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Citaglobal Berhad**[Registration No: 200401027590 (666098-X)]****Notes To The Interim Financial Report
For The Second Quarter Ended 30 June 2024
(Unaudited)****PART B – ADDITIONAL INFORMATION REQUIRED UNDER THE BURSA MALAYSIA
SECURITIES BERHAD’S LISTING REQUIREMENTS****1 Review Of Performance**Current Year Quarter against Preceding Year Corresponding Quarter

	Individual Quarter			
	3 Months Ended		Changes	
	30/06/24	30/06/23		
	RM'000	RM'000		
Revenue	51,870	56,430	(4,560)	-8%
Profit/(Loss) before taxation	5,051	5,133	(82)	-2%

The Group registered a lower revenue of RM51.9 million in the current quarter compared to RM56.4 million in the preceding year corresponding quarter. The decrease in revenue of RM4.5 million was mainly due to the lower revenue of RM8.5 million from the Energy segment, followed by RM0.3 million from the Manufacturing segment. However, this was offset by the higher revenues of RM4.2 million and RM0.1 million from the Civil Engineering and Construction ("CEC") and Property segments, respectively.

The Group registered a marginally lower profit before taxation of RM5.0 million in the current quarter compared to RM5.1 million in the preceding year corresponding quarter. The slight decrease in profit before taxation of RM0.1 million was due to the lower result of RM2.5 million from the Energy segment. This was offset by the stronger results of RM0.8 million, RM0.6 million, RM0.1 million and RM0.9 million from the Manufacturing, CEC, Property and remaining segments, respectively. The stronger result from the remaining segments was mainly due to the higher share of results from associates.

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Notes To The Interim Financial Report For The Second Quarter Ended 30 June 2024 (Unaudited)

1 Review Of Performance (cont'd)

Current Year-To-Date against Preceding Year Corresponding Year-To-Date

	Cumulative Quarter			
	6 Months Ended		Changes	
	30/06/24	30/06/23		
	RM'000	RM'000	RM'000	%
Revenue	129,944	94,669	35,275	37%
Profit/(Loss) before taxation	9,695	7,906	1,789	23%

The Group registered a higher revenue of RM130.0 million in the current year-to-date compared to RM94.7 million in the preceding year corresponding year-to-date. The increase in revenue of RM35.3 million was due to the higher revenues of RM35.0 million, RM12.5 million and RM0.4 million from the CEC, Property and Manufacturing segments, respectively. This was offset by the lower revenue of RM12.4 million from the Energy segment, followed by RM0.2 million from the remaining segments.

The Group registered a higher profit before taxation of RM9.7 million in the current year-to-date compared to RM7.9 million in the preceding year corresponding year-to-date. The increase in profit before taxation of RM1.8 million was due to the stronger results of RM2.6 million, RM1.4 million, RM0.7 million and RM0.6 million from the CEC, Manufacturing, Property and remaining segments, respectively. This was offset by the lower result of RM3.5 million from the Energy segment.

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Notes To The Interim Financial Report For The Second Quarter Ended 30 June 2024 (Unaudited)

2 Variation Of Results Against Preceding Quarter

	3 Months Ended	
	30/06/24	31/03/24
	RM'000	RM'000
Revenue	51,870	78,074
Profit/(Loss) before taxation	5,051	4,644

The Group registered a lower revenue of RM51.9 million in this quarter compared to RM78.1 million in the preceding quarter. The decrease in revenue of RM26.2 million was due to the lower revenues of RM22.1 million, RM8.8 million, and RM0.8 million from the CEC, Property and Manufacturing segments, respectively. This was offset by the higher revenues of RM0.8 and RM4.7 million from the Energy and remaining segments, respectively.

The current quarter registered a profit before taxation of RM5.0 million compared to RM4.6 million in the preceding quarter. The higher profit before taxation of RM0.4 million in the current quarter was due to the stronger results of RM0.5 million, RM0.1 million and RM1.9 million from the Energy, Property and remaining segments, respectively. This was offset by the lower result of RM2.1 million from the CEC segment. The stronger result in the remaining segments were mainly contributed by the Telecommunications division and share of results of associates.

3 Prospects

Outlook

The business segments of the Group are Energy, Civil Engineering and Construction ("CEC"), Property and Manufacturing. The Group is embarking on various opportunities to improve the contributions for the Energy and CEC segments by instituting several initiatives including acquisition growth and is actively tendering for projects to further strengthen the financial performance of the Group.

As at 30 June 2024, the Group has a total outstanding order book of RM1.2 billion whilst the Group's property segment has an estimated remaining gross development value of RM485 million.

The Group is in a transition phase to focus on renewable energy and telecommunication sectors which will contribute positively to the Group.

The performance outlook of the Group will also depend on the award of contracts arising from the memorandum of understanding collaborations and tender participations by the Group from time to time.

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Notes To The Interim Financial Report
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4 Variance Between Actual Profit And Forecast Profit

There is no profit forecast issued by the Group for the current financial year.

5 Taxation

Breakdown of taxation is as follow:

	3 Months Ended 30/06/24 RM'000	6 Months Ended 30/06/24 RM'000
Current taxation	2,275	4,759
Movement in deferred taxation	9	48
	<u>2,284</u>	<u>4,807</u>

The effective tax rates for the current quarter and year-to-date were higher than the statutory tax rate due to losses incurred by the Company and certain direct and indirect subsidiaries of the Group.

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Notes To The Interim Financial Report
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6 Status Of Corporate Proposal

(a) Irredeemable Convertible Preference Shares

On 10 May 2021, the Company completed the listing and quotation of 511,665,197 Irredeemable Convertible Preference Shares, 63,958,049 free detachable warrants ("Warrants B") and 51,800,538 additional Warrants 2014/2024 ("Warrants A") on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") raising gross proceeds of RM56.28 million.

On 8 September 2021, the Company announced to Bursa Securities the variation of utilisation proceeds of RM14 million from future projects to an existing project in line with the current business needs of the Group. The variation is not subject to approval of any authorities or shareholders of the Company as the variation is less than 25% of the total proceeds raised from the rights issue pursuant to Paragraph 8.22 of the Listing Requirements. The utilisation of proceeds status as at 30 June 2024 is as set out below:

Purpose	Proposed utilisation RM'000	Variation/ Transfer from/(to) RM'000	Revised proposed utilisation RM'000	Actual utilisation RM'000	Balance RM'000	Expected time frame for utilisation of proceeds
Funding for future construction and/or project/business financing activities	54,883	(13,954)	40,929	(40,929)	-	Within 36 months
Working capital	700	-	700	(700)	-	Within 12 months
Estimated expenses*	700	(46)	654	(654)	-	Within 1 month
Existing project	-	14,000	14,000	(14,000)	-	Within 6 months
Total	56,283	-	56,283	(56,283)	-	

* The surplus from Estimated expenses has been adjusted against the portion earmarked for funding for future construction and/or project/business financing activities of our Group.

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Notes To The Interim Financial Report
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(Unaudited)

6 Status Of Corporate Proposal (cont'd)

(b) Private Placement

On 17 April 2023, the Company announced to Bursa Securities its intention to undertake a placement of 37,956,885 Placement Shares, representing 10% of the total number of issued Citaglobal Shares at a subscription price of RM1.32 per Placement Share.

On 3 May 2023, the Company completed the listing and quotation of 37,956,885 Placement Shares on the Main Market of Bursa Securities raising gross proceeds of RM50.10 million. The utilisation of proceeds status as at 30 June 2024 is as set out below:

Purpose	Proposed utilisation RM'000	Variation/ Transfer from/(to) RM'000	Revised proposed utilisation RM'000	Actual utilisation RM'000	Balance RM'000	Expected time frame for utilisation of proceeds
Investment/ Expansion in the existing businesses	33,000	-	33,000	(33,000)	-	Within 12 months
Working capital	15,873	158	16,031	(16,031)	-	Within 12 months
Estimated expenses*	1,230	(158)	1,072	(1,072)	-	Within 2 months
Total	50,103	-	50,103	(50,103)	-	

* The surplus from Estimated expenses has been adjusted against the portion earmarked for working capital of the Group.

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(Unaudited)

7 Borrowings And Debts Securities

The Group's borrowings were as follows:

	As at	
	30/06/24	30/06/23
	RM'000	RM'000
Non-current		
<u>Secured</u>		
Floating rate bank loan	2,353	3,989
Hire purchase liabilities	690	808
Term Loans	12,604	9,913
<u>Unsecured</u>		
Lease liabilities	7,705	1,284
Term Loan	116	157
	<u>23,468</u>	<u>16,151</u>
Current		
<u>Secured</u>		
Bridge financing facilities	16,982	-
Floating rate bank loan	1,621	1,455
Hire purchase liabilities	362	442
Term Loans	1,252	1,642
Trade financing	25,809	6,077
<u>Unsecured</u>		
Bank overdrafts	5,525	5,754
Lease liabilities	3,004	1,770
Term Loan	57	60
Trade financing	26,564	19,067
	<u>81,176</u>	<u>36,267</u>
Total	<u>104,644</u>	<u>52,418</u>

8 Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk as at the date of this report.

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9 Material Litigation

As at the date of this announcement, there are no other material litigations against or taken by the Group other than the following:

(a) Notice Of Adjudication Under The Construction Industry Payment & Adjudication Act 2012 By Proweld Engineering Sdn Bhd Against Citaglobal Energy Sdn Bhd

On 27 July 2022, the Company via its wholly-owned subsidiary Citaglobal Energy Sdn Bhd ("Citaglobal Energy") was served with a Notice of Adjudication dated 20 July 2022 by Proweld Engineering Sdn Bhd ("PESB") under Section 5 of the Construction Industry Payment & Adjudication Act 2012 ("CIPAA") in an amount of RM5,258,026.08 which Citaglobal Energy received via A.R. Post on 27 July 2022.

PESB is claiming for work and/or services in relation to the piping and mechanical works for M2020 ASPAC KANCIL PROJECT (Work order no. REQ: MSOG-M2020-M57-0008) located at Lot No. 197 II & 197 III Darul Ehsan, Jalan Pelabuhan Klang Utara, 42000, Port Klang, Selangor Darul Ehsan.

Citaglobal Energy was on 5 December 2022 notified by its appointed solicitors that the Adjudicator had on the same date determined and delivered the Adjudication Decisions as follows:

- (i) The claimed amount being RM5,258,026.08 was duly adjudicated and the amount adjudicated to be payable by Citaglobal Energy to PESB is RM1,062,676.18.
- (ii) Pursuant to CIPAA subsection 25(o), Citaglobal Energy shall pay to PESB interest on the adjudicated amount, calculated at 5% per annum up to 13 June 2022 amounting to RM44,882.03.
- (iii) Pursuant to CIPAA subsection 25(o), Citaglobal Energy shall pay to PESB interest on the adjudicated amount, calculated at 5% per annum from 5 December 2022 and continuing until the adjudicated amount is completely paid.
- (iv) Pursuant to CIPAA subsection 18(1), and in accordance with the principle that costs follow the event, Citaglobal Energy shall pay to PESB the costs of the adjudication proceeding, including the Adjudicator's fees and expenses and the Asian International Arbitration Centre (AIAC)'s fees and expenses in the total amount of RM81,289.00.
- (v) The above amounts shall be paid by Citaglobal Energy to PESB on or before 14 December 2022.

On the advice of the solicitors for Citaglobal Energy, on 20 January 2023, Citaglobal Energy had through its solicitors filed an application before the High Court of Shah Alam (Suit No.: BA-24C-9-01/2023) to apply for an Order that the Adjudication Decision dated 5 December 2022 be set aside and/or declared null and ("Setting Aside Application") on the grounds that the Adjudication Decision is wrong and defective and the Adjudicator has acted contrary to and in conflict with natural justice. The costs of these proceedings are to be borne by PESB. No payments pursuant to the Adjudication Decision has been made by Citaglobal Energy to PESB. Citaglobal Energy shall pay the adjudicated award sum to PESB's solicitors account to be held by said solicitors as stakeholders as a condition to the Stay of Execution granted by the High Court of Shah Alam on 6 November 2023 pending disposal of the Appeal to the Court of Appeal.

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9 Material Litigation (cont'd)

On 24 February 2023, Citaglobal Energy was served with an Originating Summons filed in the High Court of Shah Alam (Suit No.: BA-24C-16-02/2023) by PESB to register the Adjudication Decision dated 5 December 2022.

The Setting Aside Application by Citaglobal Energy was dismissed by the High Court. Citaglobal Energy appealed the said decision to the Court of Appeal which was subsequently dismissed by the Court of Appeal. Citaglobal Energy then filed for leave to appeal at the Federal Court on 7 August 2024.

The above case is not expected to have any material financial and operational impacts on the Group for the financial year ending 31 December 2024.

(b) Citaglobal Berhad (Citaglobal or the Company) Writ of Summons and Statement of Claim Served to UMD Energy Sdn Bhd in The High Court in Kuala Lumpur bearing Suit No. WA-22NCC-299-05/2023

The Company via Citaglobal Energy Sdn Bhd, a wholly-owned subsidiary of the Company had on 24 May 2023 served a Writ of Summons and Statement of Claim to UMD Energy Sdn Bhd (“UMD”) (“Defendant”) in the High Court of Kuala Lumpur via Suit No. WA-22NCC-299-05/2023 (“Writ”).

The Plaintiff’s claim against the Defendant pertains to the alleged payment default in relation to the promise of the Defendant to pay the Plaintiff the sum of RM1,556,228.01 being the profit sharing due and payable to the Plaintiff following the closure and discontinuance of the project known as Provision of Engineering, Procurement, Constructions, Installation and Commissioning (EPCIC) of PM309 Gas Ledang Redev Segment 2 Development Project (“the project”). The Plaintiff and the Defendant were executing the said project as a consortium. The project had been discontinued by the Client, Petronas Carigali Sdn. Bhd. Pursuant to the discontinuance of the project and payments received from the Client, the Defendant had promised to pay the Plaintiff vide a letter dated 14 November 2022 the sum of RM1,556,228.01 in 4 installments commencing 31 March 2023. The Defendant had failed to make payment.

Pursuant to the Writ, the Plaintiff has claimed from the Defendant the following:

- (i) The sum of RM1,556,228.01; and
- (ii) Interest at the rate of 5% per annum from the date of filing of the suit until full payment of the judgment sum.

The aforesaid Writ is not expected to have any material financial and operational impacts on the Group for the financial year ending 31 December 2024.

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9 Material Litigation (cont'd)

(c) Writ and Statement of Claim Served by UMD Energy Sdn Bhd in The High Court in Kuala Lumpur bearing Suit No. WA-22NCC-411-06/2023

The Company via Citaglobal Energy Sdn Bhd (“Defendant”), a wholly-owned subsidiary of the Company had on 20 June 2023 received a Writ and Statement of Claim from UMD Energy Sdn Bhd (“UMD”) (“Plaintiff”) in the High Court of Kuala Lumpur (“Court”) via Suit No. WA-22NCC-411-06/2023 (“Writ”).

Pursuant to the Writ, the Plaintiff claimed the following reliefs against the Defendant:

- (i) A declaration that the Defendant is not entitled to charge the admin fees of RM1,169,129.42 from the Plaintiff;
- (ii) A declaration that the Defendant is not entitled to charge the interest of RM3,588,518.72 from the Plaintiff as the Defendant is not a licensed money lender;
- (iii) Defendant is to return RM3,500,673.87 to the Plaintiff within 7 days from the judgement date;
- (iv) Interest at the rate of 5% per annum from the date of filing of the suit until full payment of the judgement sum;
- (v) Costs on a solicitor-client basis; and/or
- (vi) Any further and/or other relief which the Court deems fit and reasonable.

Nevertheless, the Company is of the opinion that it has a good defence to the suit and the aforesaid Writ is not expected to have material financial and operational impact on the Company for the financial year ending 31 December 2024.

Further announcements on the material developments of the above litigations will be made to Bursa Malaysia Securities Berhad from time to time.

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10 Dividend

No dividend has been declared during the current quarter under review.

11 Earnings/(Loss) Per Share

	3 Months Ended 30/06/24	6 Months Ended 30/06/24
<u>Basic</u>		
Profit/(Loss) attributable to owners of the Company (RM'000)	2,843	5,025
Weighted average number of ordinary shares for basic earnings per share ('000)	417,995	417,946
Earnings/(Loss) per ordinary share (sen)	0.68	1.20
<u>Diluted</u>		
Profit/(Loss) attributable to owners of the Company (RM'000)	2,843	5,025
Weighted average number of ordinary shares for basic earnings per share ('000)	417,995	417,946
Effect of dilution due to convertible securities ('000)	6,250	6,818
Adjusted weighted average number of ordinary shares applicable to diluted earnings per share ('000)	424,245	424,764
Earnings/(Loss) per ordinary share (sen)	0.67	1.18

13 Approval For The Release Of Quarterly Results

The quarterly financial results have been approved for release by the Board of Directors.