

**SIGNATURE****Signature International Berhad**

(200601034359) (754118-K)

(Incorporated In Malaysia)

INTERIM FINANCIAL REPORT 31 MARCH 2024

The Board of Directors of Signature International Berhad (“SIB” or “the Company”) is pleased to announce the following unaudited consolidated results of SIB and its subsidiaries (collectively known as “the Group”) for the period ended 31 March 2024.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2024 (UNAUDITED)**

	Individual Period		Cumulative Period	
	Current Period	Preceding Period	Current	Preceding
	Quarter	Corresponding	Year-to-date	Year-to-date
	Ended	Quarter Ended	Year-to-date	Year-to-date
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
	RM'000	RM'000	RM'000	RM'000
Revenue	150,477	88,560	150,477	88,560
Operating expenses	(133,888)	(87,380)	(133,888)	(87,380)
Other operating income	1,703	2,208	1,703	2,208
Profit from operations	18,292	3,388	18,292	3,388
Finance costs	(5,254)	(3,606)	(5,254)	(3,606)
Share of profit of equity accounted associates	241	4,151	241	4,151
Profit before taxation	13,279	3,933	13,279	3,933
Tax expense	(4,145)	(1,268)	(4,145)	(1,268)
Profit after taxation	9,134	2,665	9,134	2,665
Other Comprehensive Income, net of Tax				
Foreign currency translation	1,021	182	1,021	182
Total Comprehensive Income for the Period	10,155	2,847	10,155	2,847

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2024 (UNAUDITED) (CONT'D)**

	Individual Period		Cumulative Period	
	Current Period Quarter Ended 31 Mar 2024 RM'000	Preceding Period Corresponding Quarter Ended 31 Mar 2023 RM'000	Current Period 31 Mar 2024 RM'000	Preceding Period 31 Mar 2023 RM'000
Profit after taxation attributable to:-				
- Equity holders of the parent	5,275	2,164	5,275	2,164
- Non-controlling interest	3,859	501	3,859	501
	<u>9,134</u>	<u>2,665</u>	<u>9,134</u>	<u>2,665</u>
Total Comprehensive Income attributable to: -				
- Equity holders of the parent	6,296	2,346	6,296	2,346
- Non-controlling interest	3,859	501	3,859	501
	<u>10,155</u>	<u>2,847</u>	<u>10,155</u>	<u>2,847</u>
Earnings per share (sen)				
- Basic	<u>0.8</u>	<u>0.7</u>	<u>1.0</u>	<u>0.7</u>
- Diluted	<u>0.8</u>	<u>0.7</u>	<u>1.0</u>	<u>0.7</u>

Notes:

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024**

	UNAUDITED	AUDITED
	As at	As at
	31 Mar 2024	31 Dec 2023
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	83,189	81,868
Investment in associate	196,950	196,709
Right-of -use assets	41,702	42,421
Goodwill arising from Consolidation	84,054	84,054
Investment properties	53,177	53,053
Deferred tax asset	602	653
Other financial asset	1,680	1,669
	<u>461,354</u>	<u>460,427</u>
Current Assets		
Inventories	41,424	35,004
Amount owing by contract customers	129,371	136,181
Trade receivables	111,599	102,013
Other receivables ,deposits and prepayment	29,416	50,658
Tax recoverable	2,293	3,634
Short-term investments - quoted shares	53,056	39,975
Short-term investments - unit trust funds	27	2,985
Fixed deposit with licensed banks	4,521	73,092
Cash and bank balances	166,099	94,724
	<u>537,806</u>	<u>538,266</u>
TOTAL ASSETS	<u>999,160</u>	<u>998,693</u>

Notes:

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024 (CONT'D)**

	UNAUDITED	AUDITED
	As at	As at
	31 Mar 2024	31 Dec 2023
	RM'000	RM'000
EQUITY AND LIABILITIES		
Equity		
Share capital	160,723	160,723
Reserves	200,360	194,389
Shareholders' equity	361,083	355,112
Non-controlling interest	62,567	58,708
TOTAL EQUITY	423,650	413,820
Non-Current Liabilities		
Lease liabilities	16,007	16,013
Term loans	174,242	185,020
Deferred taxation	1,887	1,973
Other payables	10,849	10,130
	202,985	213,136
Current Liabilities		
Payables	141,421	159,532
Amount owing to contract customers	63,794	57,346
Provision for taxation	20,225	18,896
Lease liabilities	9,512	10,061
Term loan	94,870	91,004
Banker's acceptance	37,223	28,842
Bank overdraft	5,480	6,056
Deferred Consideration Payable	-	-
	372,525	371,737
TOTAL LIABILITIES	575,510	584,873
TOTAL EQUITY AND LIABILITIES	999,160	998,693
Net assets per ordinary share attributable to ordinary equity holders of the Company (RM)	0.66	0.65

Notes:

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.



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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2024 (UNAUDITED)**

	← Attributable to equity holders of the parent →							Total Equity RM'000
	← Non Distributable Reserves →			Distributable				
	Share Capital RM'000	Treasury Shares RM'000	Merger Deficit RM'000	Exchange Translation Reserve RM'000	Retained Profits RM'000	Attributable To owners of The Company RM'000	Non- controlling interests RM'000	
Balance at 1 Jan 2024	160,723	(4,931)	(28,123)	840	226,603	355,112	58,708	413,820
Profit after taxation for the financial year	-	-	-	-	5,275	5,275	3,859	9,134
Other comprehensive income for the financial year, net of tax; - foreign exchange translation	-	-	-	1,021	-	1,021	-	1,021
Total comprehensive income for the financial year	-	-	-	1,021	5,275	6,296	3,859	10,155
Contribution by and distribution to owners of the Company	-	-	-	-	-	-	-	-
Dividend by the subsidiaries to non-controlling interests	-	-	-	-	(325)	(325)	-	(325)
	-	-	-	-	(325)	(325)	-	(325)
At 31 March 2024	160,723	(4,931)	(28,123)	1,861	231,553	361,083	62,567	423,650

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.



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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2024 (UNAUDITED) (CONT'D)**

	← Attributable to equity holders of the parent →							
	← Non Distributable Reserves →			Distributable				
	Share Capital RM'000	Treasury Shares RM'000	Merger Deficit RM'000	Exchange Translation Reserve RM'000	Retained Profits RM'000	Attributable To owners of The Company RM'000	Non- controlling interests RM'000	Total Equity RM'000
Balance at 1 Jan 2023	101,323	(4,931)	(28,123)	-	177,093	243,756	8,120	251,876
Profit after taxation for the financial year	-	-	-	-	2,164	2,164	501	2,665
Other comprehensive income for the financial year, net of tax; - foreign exchange translation	-	-	-	182	-	182	-	182
Total comprehensive income for the financial year	-	-	-	182	2,164	2,346	501	2,847
At 31 March 2023	101,323	(4,931)	(28,123)	182	179,257	246,102	8,621	254,723

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.



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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2024 (UNAUDITED)**

	Cumulative Period 31 Mar 2024 RM'000	Preceding Period 31 Mar 2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	13,279	3,933
Adjustments:		
Depreciation of:		
- Property and equipment	2,525	1,041
- Right-of-use assets	2,642	611
Dividend income	-	-
Fair value loss/(gain) on other investments	148	(1,432)
Gain on lease modification	-	-
Interest expense - Others	4,203	3,060
Interest expense - Lease liabilities	320	250
Interest income	(362)	(93)
Income from short-term investments	(14)	4
Gain on disposal of property, plant and equipment	(1)	(66)
Share of net profits of equity accounted associates	(241)	(4,151)
Unrealised gain on foreign exchange	-	(100)
Changes in working capital	22,499	3,057
Inventories	(6,143)	4
Receivables	11,521	(8,728)
Amount due from/(to) contract customers	13,258	4,455
Payables	(17,392)	(9,215)
Cash used in operations	23,743	(10,427)
Interest received	362	93
Interest paid	(4,523)	(3,310)
Income tax paid	(1,511)	(3,142)
Net cash from/(used in) operating activities	18,071	(16,786)

Notes:

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.



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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE PERIOD ENDED 31 MARCH 2024 (UNAUDITED) (CONT'D)**

	Cumulative Period Ended 31 Mar 2024 RM'000	Preceding Period Ended 31 Mar 2023 RM'000
CASH FLOWS USED IN INVESTING ACTIVITIES		
Acquisition of an associate	-	
Addition of:		
- Other investments	(23,142)	(13,980)
- Subsidiaries		
with maturity more than 3 months	(37)	
Income from short term investment	14	(4)
Proceeds from disposal of:		
- Property, plant and equipment	15	94
- Other investments	8,310	17,698
- Purchases of property, plant and equipment	(4,094)	(4,783)
Net cash used in investing activities	(18,934)	(975)
CASH FLOWS (USED IN) / FROM FINANCING ACTIVITIES		
Dividend paid to non-controlling interest	(325)	-
Increase in cash and bank balances pledged with licensed bank	(28)	-
Increase in fixed deposits pledged with licensed bank	(966)	(181)
Withdrawal of fixed deposit	-	902
Net drawdown of bills payable	-	32,178
Repayment of lease liabilities	(2,483)	(618)
Repayment of term loans	1,469	(28,365)
Net cash (used in) / from financing activities	(2,333)	3,916
Effects of exchange rate changes on cash and cash equivalents	983	211
NET (DECREASED) / INCREASED IN CASH AND CASH EQUIVALENTS	(3,196)	(13,845)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	158,135	24,692
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	155,922	11,058

Notes:

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.



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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2024 (UNAUDITED) (CONT'D)**

	Cumulative Current Period Ended 31 Mar 2024 RM'000	Preceding Period Ended 31 Mar 2023 RM'000
Cash and cash equivalents comprise of:		
Short-term investments	27	1,124
Fixed deposit with licensed banks	4,521	3,796
Cash and bank balances	166,099	19,811
Bank overdraft	(5,480)	(9,877)
	<u>165,167</u>	<u>14,854</u>
Less: Fixed deposits with maturity more than three months	(393)	-
Less: Cash & bank balance pledged to licensed banks	(4,724)	-
Less: Fixed deposits pledged to licensed banks	(4,128)	(3,796)
	<u>155,922</u>	<u>11,058</u>

Notes:

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.



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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 (“MFRS 134”)

1. Basis of Preparation

The financial statements of the Group are prepared under the historical cost convention and modified to include other basis of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

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

2. Significant Accounting Policies

The accounting policies 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 December 2023 except for the adoption of the following new MFRSs, amendments to MFRSs and IC Interpretations that are effective for financial statements effective from 1 January 2024, as disclosed below:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)		Effective Date
Amendments to MFRS 16	Lease Liability in a Sale and Lease Back	1 January 2024
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101	Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) did not have any material impact on the Group’s financial statements.



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3. Comments about Seasonal or Cyclical Factors

The business operations of the Group are not significantly affected by seasonal or cyclical factors other than the retail / non-project sector which is affected by the festive years in Malaysia.

4. Items of an Unusual Nature

The results of the operations of the Group and of the Company during the financial year-to-date were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

5. Changes in Estimates

There were no estimates announced during the current quarter.

6. Changes in Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale or repayments of debt and equity securities for the current quarter under review.

7. Dividend Paid

No dividends were paid during the quarter under review.



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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

8. Segmental Information

The Group	Design Manufacture and Retail Of Kitchen And Wardrobe Systems (Signature brand) RM'000	Design Manufacture and Retail Of Kitchen And Wardrobe Systems (Corten brand) RM'000	Interior fit-out works RM'000	Others RM'000	Eliminations RM'000	The Group RM'000
Result for 3 months Year ended 31 March 2024						
REVENUE:						
External revenue	51,892	52,213	46,338	34	-	150,477
Inter-segment revenue	9,824	-	414	1,981	(12,219)	-
Total revenue	61,716	52,213	46,752	2,015	(12,219)	150,477
RESULTS						
Segment results	3,949	8,621	6,038	(316)	-	18,292
Finance costs	(234)	(282)	(473)	(4,265)	-	(5,254)
Share of results in associates				241		241
Profit/(Loss) from ordinary activities before taxation	3,715	8,339	5,565	(4,340)	-	13,279
Income tax expense						(4,145)
Profit from ordinary activities after taxation						9,134
Non-controlling interest						(3,859)
Net profit attributable to equity holders of the Company						5,275

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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

8. Segmental Information (Cont'd)

The Group	Design	Manufacture	Manufacture	Interior fit-out works	Others	Eliminations	The Group
	Manufacture and Retail Of Kitchen And Wardrobe Systems	Of Glass and Aluminium Products	Of Glass and Aluminium Products				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Result for 3 months							
Quarter ended 31 March 2023							
REVENUE:							
External revenue	25,624	18,341	44,561	34	-	-	88,560
Inter-segment revenue	6,383	1,499	597	1,484	(9,963)	-	-
Total revenue	32,007	19,840	45,158	1,518	(9,963)	-	88,560
RESULTS							
Segment results	1,579	(1,021)	2,687	489	(346)	-	3,388
Finance costs	(114)	(245)	(476)	(2,910)	139	-	(3,606)
Share of results in associates	-	-	-	4,151	-	-	4,151
Profit from ordinary activities before taxation	1,465	(1,266)	2,211	1,730	(207)	-	3,933
Income tax expense	-	-	-	-	-	-	(1,268)
Profit from ordinary activities after taxation	-	-	-	-	-	-	2,665
Non-controlling interest	-	-	-	-	-	-	(501)
Net profit attributable to equity holders of the Company	-	-	-	-	-	-	2,164

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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

8. Segmental Information (Cont'd)

	Design Manufacture and Retail Of Kitchen And Wardrobe Systems (Signature brand) RM'000	Design Manufacture and Retail Of Kitchen And Wardrobe Systems (Corten brand) RM'000	Interior fit-out works RM'000	Others RM'000	Eliminations RM'000	The Group RM'000
The Group Assets and Liabilities As at 31 Mar 2024						
OTHER INFORMATION						
Segment assets	265,293	289,440	132,202	517,818	(208,489)	996,264
Unallocated assets						2,896
						<u>999,160</u>
Segment liabilities	126,967	103,869	87,075	334,190	(98,703)	553,398
Unallocated liabilities						22,112
						<u>575,510</u>
The Group Assets and Liabilities As at 31 March 2023						
OTHER INFORMATION						
Segment assets	242,583	90,736	105,443	358,047	(181,969)	614,840
Unallocated assets						2,379
						<u>617,219</u>
Segment liabilities	106,890	76,600	80,533.00	232,878	(136,281)	360,620
Unallocated liabilities						1,876
						<u>362,496</u>



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9. Property and Equipment Valuation

There were no changes in the valuations of the Property and Equipment since the last audited financial statements. Upon transition to MFRS, the Group used the previous revaluation at or before the date of transition as deemed cost for property and equipment.

10. Profit before taxation

Profit before taxation is arrived at after charging / (crediting): -

	Individual Period		Cumulative Period	
	Current Year Quarter Ended 31 Mar 2024 RM'000	Preceding Year Corresponding Quarter Ended 31 Mar 2023 RM'000	Current Year 31 Mar 2024 RM'000	Preceding Year 31 Mar 2023 RM'000
Profit before taxation is arrived at after charging :-				
Interest expense - Others	4,203	3,060	4,203	3,060
Interest expense - Lease liabilities	320	250	320	250
Depreciation and amortisation				
- Property & equipment	2,525	1,041	2,525	1,041
- Right-of -use assets	2,642	611	2,642	611
Loss on foreign exchange - realised	509	16	509	16
Loss/(Gain) on foreign exchange - unrealised	3	(100)	3	(100)
Interest Income	(362)	(93)	(362)	(93)
(Income)/Loss from short term investment	(14)	4	(14)	4
Rental Income	319	(258)	319	(258)
Fair value loss/(gain) on other investment	148	(1,432)	148	(1,432)
Gain on disposal of plant and equipment	(1)	(66)	(1)	(66)

11. Material Events Subsequent to the end of the Current Quarter

There were no material events subsequent to the end of the interim financial results for the quarter ended 31 March 2024.



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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

12. Changes in the Composition of the Group

a. Incorporation of a new subsidiary and an associate

On 11 March 2024, Zig Zag Builders (M) Sdn Bhd (“ZZBSB”), a 50.1%-owned subsidiary of the Company had subscribed 2 ordinary shares in Zig Zag Engineering Sdn Bhd (“ZZESB”), representing 100% of the total issued share capital of ZZESB. Consequently, ZZESB became a 50.1%-owned subsidiary of the Company.

On 1 April 2024, Fabriano Sdn Bhd (“FSB”), a wholly-owned of the Company had subscribed 40,000 ordinary shares in Signature Living Philippines Inc. (“SLPI”), representing 40% of the total issued share capital of SLPI. Consequently, SLPI became a 40%-owned associate of FSB.

13. Changes in Contingent Assets or Contingent Liabilities

As at 31 March 2024, corporate guarantees extended to licensed banks for credit facilities granted to the subsidiaries are as follows: -

	Company	
	Current Period	Preceding Period
	As At	As At
	31 Mar 2024	31 Dec 2023
	RM'000	RM'000
Corporate guarantee given to licensed banks for credit facilities granted to the subsidiaries	39,909	36,327
	<u>39,909</u>	<u>36,327</u>



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14. Capital Commitments

Capital commitments for the purchase of investment properties not provided for in the interim financial statements are as follows:

	Company	
	Current Period	Preceding Period
	As At	As At
	31 Mar 2024	31 Dec 2023
	RM'000	RM'000
Approved and contracted for:-		
Purchase of property and equipment	<u>527</u>	<u>750</u>
	<u>527</u>	<u>750</u>
Contracted but not provided for		
Purchase of investment properties	<u>1,234</u>	<u>1,354</u>
Total capital commitments	<u>1,760</u>	<u>2,104</u>



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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD.

15. Review of Performance

- Current Quarter 3 months ended 31 March 2024

A summary of the financial results is set out below: -

	Individual/Cumulative Period	
	Current Period Quarter Ended 31 Mar 2024 RM'000	Preceding Period Corresponding Quarter Ended 31 Mar 2023 RM'000
Revenue (External revenue)		
Design, Manufacture and Retail of Kitchen and Wardrobe Systems - Signature brand	51,892	25,624
Design, Manufacture and Retail of Kitchen and Wardrobe Systems - Corten brand	52,213	-
Manufacture of Glass and Aluminium Products	-	18,341
Interior fit-out works	46,338	44,561
Others	34	34
	150,477	88,560
Profit Before Taxation		
Design, Manufacture and Retail of Kitchen and Wardrobe Systems - Signature brand	3,715	1,465
Design, Manufacture and Retail of Kitchen and Wardrobe Systems - Corten brand	8,339	-
Manufacture of Glass and Aluminium Products	-	(1,266)
Interior fit-out works	5,565	2,211
Others	(4,340)	1,730
Eliminations	-	(207)
	13,279	3,933

The Group recorded a revenue of RM150.5 million in the current quarter under review. The revenue for the current quarter is mainly contributed from Kitchen and Wardrobe systems segment - Corten brand, followed by Kitchen and Wardrobe systems segment – Signature brand and Interior fit-out works segment.



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15. Review of Performance (Cont'd)

- Current Quarter 3 months ended 31 March 2024

Kitchen and Wardrobe Systems – Signature brand

This segment recorded a revenue of RM51.9 million in the current quarter under review. This is mainly derived from project revenue.

This segment reported profit before taxation of RM3.7 million in the current quarter. This is mainly due to higher profit margin from project revenue.

Kitchen and Wardrobe Systems – Corten brand

This segment recorded a revenue of RM52.2 million in the current quarter under review. This is mainly derived from project revenue.

This segment reported profit before taxation of RM8.3 million in the current quarter. This is mainly due to niche market and thus higher profit margin from project revenue.

Interior Fit-Out Works Segment

This segment recorded revenue of RM46.3 million and profit before tax of RM5.6 million for the current quarter.

Others Segment

The Others Segment inclusive of investment holding company, properties investment company, and dormant companies. The main source of revenue for the reporting quarter represents management fee charged by holding company. The loss before tax in the current quarter is mainly due to the fair value loss on short-term investment.



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16. Commentary on Prospects and Target

We anticipate encountering persistent challenges as we navigate ongoing uncertainties primarily stemming from macroeconomic instability, including escalating inflation and elevated interest rates for the financial year 2024.

The Group remains steadfast in its commitment to improve the efficiency and value of our project deliveries through key focus areas. We view the project segment as pivotal in restructuring our business through vertical integration, empowering our talent pool and partners with greater autonomy to leverage Signature's extensive capabilities and expertise.

Our strategy and transformation roadmap entails ongoing improvements and adaptations, in line with our corporate ethos encapsulated in the company's tagline "Beyond Vision" and "Infinite Synergies". At Signature, this means pioneering living space solutions and surpassing customer expectations worldwide, while nurturing cooperative relationships for comprehensive success. We aim not only to lead the kitchen industry but also to redefine the concept of complete home living solutions. Moreover, our aspirations extend beyond this scope.

We have been receiving new orders that replenish our existing order book while we continue to recognise revenue from our backlog cases. As at 31 March 2024, the Group order book stood at RM218 million for Kitchen and Wardrobe System (Signature brand), RM538 million for Kitchen and Wardrobe System (Corten brand), and RM480 million for interior fit-out works. We are optimistic that the Group's revenue and profit will improve in next financial year based on the large number of order book on hand.

17. Variance between Actual Results and Forecast Results

The Group did not issue any profit forecast or profit guarantee in respect of the current quarter under review.

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18. Taxation

	Individual / Cumulative Period	
	Current Period Quarter Ended 31 Mar 2024 RM'000	Preceding Period Corresponding Quarter Ended 31 Mar 2023 RM'000
Current Tax Expense		
- Current Period	4,145	1,268
Total Income Tax Expense	4,145	1,268

The Group's effective tax rate for the quarter and year to-date was lower than the statutory tax rate of 24% as contributions from foreign subsidiaries subject lower charge income tax rate.

19. Status of Corporate Proposals

There were no corporate proposals announced during the current quarter under review.

20. Status of utilisation of proceeds raised from corporate proposals:-

	Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended Timeframe for Utilisation	Explanations (before "if the deviation is 5% or more")
Disposal of 3 pieces of vacant freehold lands located at Bandar Enstek					
i)	Repayment of bank borrowings	10,558	10,558	within 6 months	-
ii)	Working capital to purchase raw materials	27,520	27,520	within 24 months	-
iii)	Purchase plant and machinery	14,943	14,943	within 36 months	-
iv)	Expenses for the disposal exercise	1,546	1,546	within 3 months	-
		54,567	54,567		



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21. Derivative financial instruments

As at 31 March 2024, the Group has not entered into forward foreign exchange contracts and therefore has no outstanding balance under forward foreign exchange contracts.

22. Trade Receivables

	As at 31 Mar 2024 RM'000	As at 31 Dec 2023 RM'000
Trade Receivables	126,510	117,032
Less: Allowance for Impairment	<u>(14,911)</u>	<u>(15,019)</u>
	<u>111,599</u>	<u>102,013</u>

	Gross Amount RM'000	Lifetime Loss Allowance RM'000	Carrying Amount RM'000
Not past due	78,316	-	78,316
Past due:			
- less than 3 months	4,949	-	4,949
- 3 to 6 months	12,886	-	12,886
- over 6 months	30,359	(14,911)	15,448
	<u>126,510</u>	<u>(14,911)</u>	<u>111,599</u>

The Group believes that no additional impairment allowance is necessary in respect of trade receivables that are past due but not impaired because these are companies with good collection track record and no recent history of default.

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23. Borrowings and Debt Securities

The Group's borrowings are as follows:

	Cumulative Period	
	As at 31 Mar 2024	As at 31 Dec 2023
Non-current Secured	RM'000	RM'000
Revolving credit	30,000	30,000
Term loans	144,242	155,020
	<u>174,242</u>	<u>185,020</u>
Current Secured		
Bank overdraft	5,480	6,056
Bankers' acceptance	37,223	28,842
Revolving credit	53,000	48,000
Term loans	41,870	43,004
	<u>137,573</u>	<u>125,902</u>
	<u>311,815</u>	<u>310,922</u>

24. Material Litigation

There was no material litigation against the Group as at the reporting date.

25. Proposed Dividend

The Board recommends an interim single-tier dividend of 4.0 sen per ordinary share amounting to approximately RM25.39 million for the financial year ending 31 December 2024.

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26. Earnings per Share

(i) Basic EPS

	Individual Period		Cumulative Period	
	Current Period	Preceding Period	Current	Preceding
	Quarter Ended	Corresponding Quarter Ended	Period	Period
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
	RM'000	RM'000	RM'000	RM'000
BASIC EARNINGS PER SHARE				
Profit for the year attributable to ordinary equity holders of the Company	5,275	2,164	5,275	2,164
Weighted average number of ordinary shares in issue ('000)	634,693	289,847	634,693	289,847
Basic Earnings per Share (sen)	0.8	0.7	0.8	0.7

(ii) Diluted EPS

	Individual Period		Cumulative Period	
	Current Period	Preceding Period	Current	Preceding
	Quarter Ended	Corresponding Quarter Ended	Period	Period
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
	RM'000	RM'000	RM'000	RM'000
DILUTED EARNINGS PER SHARE				
Profit for the year attributable to ordinary equity holders of the Company	5,275	2,164	5,275	2,164
Weighted average number of ordinary shares for diluted earnings per share ('000)	634,693	289,847	634,693	289,847
Diluted Earnings per Share (sen)	0.8	0.7	0.8	0.7

27. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the preceding audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2023 were not subject to any qualification.

28. Authorisation for issue

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Board on 28 May 2024.