



MGB BERHAD

Registration No. 200201021504 (589167-W)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT 31 MARCH 2024

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
- FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

| | Individual Quarter | | Period to Date | |
|---|---|---|--|--|
| | Current Quarter Ended 31-Mar-24 (Unaudited) RM'000 | Preceding Quarter Ended 31-Mar-23 (Unaudited) RM'000 | Current Period To Date Ended 31-Mar-24 (Unaudited) RM'000 | Preceding Period To Date Ended 31-Mar-23 (Unaudited) RM'000 |
| Note | | | | |
| Revenue | 217,883 | 177,759 | 217,883 | 177,759 |
| Cost of sales | (176,085) | (145,205) | (176,085) | (145,205) |
| Gross profit | 41,798 | 32,554 | 41,798 | 32,554 |
| Interest income | 210 | 189 | 210 | 189 |
| Other income | 1,655 | 343 | 1,655 | 343 |
| Operating expenses | (21,784) | (15,742) | (21,784) | (15,742) |
| Finance costs | (1,592) | (1,278) | (1,592) | (1,278) |
| Share of profit/(loss) of associates (net of tax) | 302 | (12) | 302 | (12) |
| Profit before tax | 20,589 | 16,054 | 20,589 | 16,054 |
| Taxation | (5,476) | (3,813) | (5,476) | (3,813) |
| Profit after tax for the financial period | 15,113 | 12,241 | 15,113 | 12,241 |
| Other comprehensive income for the financial period | 116 | - | 116 | - |
| Total comprehensive income for the financial period | 15,229 | 12,241 | 15,229 | 12,241 |
| Profit for the financial period attributable to: | | | | |
| Owners of the parent | 14,202 | 12,015 | 14,202 | 12,015 |
| Non-controlling interests | 911 | 226 | 911 | 226 |
| | 15,113 | 12,241 | 15,113 | 12,241 |
| Total comprehensive income for the financial period attributable to: | | | | |
| Owners of the parent | 14,318 | 12,015 | 14,318 | 12,015 |
| Non-controlling interests | 911 | 226 | 911 | 226 |
| | 15,229 | 12,241 | 15,229 | 12,241 |
| Earnings per share attributable to owners of the parent: | | | | |
| Basic (Sen) | B10 | 2.40 | 2.03 | 2.40 |
| Diluted (Sen) | B10 | 2.40 | 2.03 | 2.40 |

The Condensed Consolidated Statement of Profit or Loss and Other 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.

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

| | Note | 31-Mar-24 (Unaudited) RM'000 | 31-Dec-23 (Audited) RM'000 |
|--|------|------------------------------------|----------------------------------|
| ASSETS | | | |
| Non-current Assets | | | |
| Property, plant and equipment ("PPE") | A9 | 30,566 | 34,059 |
| Right-of-use assets ("ROU") | A9 | 94,955 | 93,441 |
| Investment properties | | 37,006 | 37,226 |
| Investment in associates | | 487 | 485 |
| Trade receivables | | 3,039 | 3,010 |
| Goodwill on consolidation | | 254,695 | 254,695 |
| Capital work-in-progress | | 8,384 | - |
| Deferred tax assets | | 2,016 | 1,311 |
| | | 431,148 | 424,227 |
| Current Assets | | | |
| Inventories and contract costs | | 142,088 | 131,067 |
| Contract assets | | 97,402 | 52,446 |
| Trade receivables | | 28,287 | 36,953 |
| Other receivables | | 37,312 | 33,198 |
| Amounts due from related companies | | 321,674 | 389,379 |
| Amount due from an associate | | 11 | 11 |
| Tax recoverable | | 3,399 | 3,102 |
| Fixed deposits with licensed banks | | 12,189 | 7,809 |
| Cash held under Housing Development Accounts | | 16,617 | 17,036 |
| Cash and bank balances | | 46,090 | 27,799 |
| | | 705,069 | 698,800 |
| TOTAL ASSETS | | 1,136,217 | 1,123,027 |

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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.

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

| | Note | 31-Mar-24 (Unaudited) RM'000 | 31-Dec-23 (Audited) RM'000 |
|---|------|------------------------------------|----------------------------------|
| <u>EQUITY AND LIABILITIES</u> | | | |
| Equity attributable to owners of the parent: | | | |
| Share capital | | 388,186 | 388,186 |
| Asset revaluation reserve | | 4,493 | 4,493 |
| Foreign exchange reserve | | (44) | (160) |
| Other reserve | | (1,684) | (1,684) |
| Retained earnings | | 171,470 | 162,090 |
| | | 562,421 | 552,925 |
| Non-controlling interests | | 2,500 | 1,589 |
| Total Equity | | 564,921 | 554,514 |
| <u>LIABILITIES</u> | | | |
| Non-current Liabilities | | | |
| Retirement benefit obligations | | 1,622 | 913 |
| Loans and borrowings | B7 | 39,599 | 38,546 |
| Lease liabilities | B7 | 13,264 | 12,922 |
| Deferred tax liabilities | | 3,334 | 3,125 |
| | | 57,819 | 55,506 |
| Current Liabilities | | | |
| Trade payables | | 259,707 | 322,059 |
| Contract liabilities | | 92,010 | 87,671 |
| Amounts due to immediate holding company | | 13 | 13 |
| Amounts due to related companies | | 1,725 | 1,277 |
| Other payables | | 52,808 | 55,862 |
| Loans and borrowings | B7 | 91,027 | 30,137 |
| Lease liabilities | B7 | 11,569 | 12,446 |
| Tax payable | | 4,618 | 3,542 |
| | | 513,477 | 513,007 |
| Total Liabilities | | 571,296 | 568,513 |
| TOTAL EQUITY AND LIABILITIES | | 1,136,217 | 1,123,027 |
| Net assets per share attributable to owners of the parent (RM) | | 0.95 | 0.93 |

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.

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

| | <-----Attributable to owners of the parent-----> | | | | | | | |
|---------------------------------|--|---|--|----------------------------|--------------------------------|-----------------|--|---------------------------|
| | <-----Non-Distributable-----> | | | Distributable | | | | |
| | Share Capital RM'000 | Asset Revaluation Reserve RM'000 | Foreign Exchange Reserve RM'000 | Other Reserve RM'000 | Retained Earnings RM'000 | Total RM'000 | Non- Controlling Interests RM'000 | Total Equity RM'000 |
| Group | | | | | | | | |
| At 1 January 2024 | 388,186 | 4,493 | (160) | (1,684) | 162,090 | 552,925 | 1,589 | 554,514 |
| Profit for the financial period | - | - | - | - | 14,202 | 14,202 | 911 | 15,113 |
| Other comprehensive income | - | - | 116 | - | - | 116 | - | 116 |
| Transactions with owners | | | | | | | | |
| Dividends paid | - | - | - | - | (4,822) | (4,822) | - | (4,822) |
| At 31 March 2024 | 388,186 | 4,493 | (44) | (1,684) | 171,470 | 562,421 | 2,500 | 564,921 |

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
- FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023 (CONT'D)

| | <-----Attributable to owners of the parent-----> | | | | Total RM'000 | Non- Controlling Interests RM'000 | Total Equity RM'000 |
|---|--|---|----------------------------|--------------------------------|-----------------|--|---------------------------|
| | Share Capital RM'000 | Asset Revaluation Reserve RM'000 | Other Reserve RM'000 | Retained Earnings RM'000 | | | |
| Group | | | | | | | |
| At 1 January 2023 | 388,186 | 4,014 | (1,684) | 116,869 | 507,385 | (699) | 506,686 |
| Profit for the financial period, representing total comprehensive income for the financial period | - | - | - | 12,015 | 12,015 | 226 | 12,241 |
| Realisation of asset revaluation reserve | - | (38) | - | 38 | - | - | - |
| Transactions with owners | | | | | | | |
| Dividends paid | - | - | - | (1,473) | (1,473) | - | (1,473) |
| At 31 March 2023 | 388,186 | 3,976 | (1,684) | 127,449 | 517,927 | (473) | 517,454 |

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.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
- FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

| | Current Period Ended 31-Mar-24 (Unaudited) RM'000 | Preceding Period Ended 31-Mar-23 (Unaudited) RM'000 |
|---|---|---|
| Profit before tax | 20,589 | 16,054 |
| Adjustments for: | | |
| Depreciation of | | |
| - PPE | 2,106 | 1,603 |
| - investment properties | 220 | 220 |
| - ROU | 2,927 | 2,083 |
| Finance costs | 1,592 | 1,278 |
| Impairment losses on: | | |
| - trade receivables | 2 | 2 |
| Reversal of impairment losses on: | | |
| - trade receivables | (50) | - |
| - amounts due from related companies | (9) | (13) |
| Gain on disposal of PPE | (26) | (6) |
| Gain on disposal of ROU | - | (165) |
| Interest income | (210) | (189) |
| Share of (profit)/loss of associates (net of tax) | (302) | 12 |
| Unrealised loss on foreign exchange | 203 | - |
| Provision for retirement benefit obligations | 709 | - |
| Operating profit before working capital changes | 27,751 | 20,879 |
| Changes in working capital: | | |
| Inventories and contract costs | (11,021) | (6,104) |
| Trade and other receivables | 4,466 | 6,361 |
| Trade and other payables | (64,087) | (3,378) |
| Contract assets and contract liabilities | (40,616) | (11,152) |
| Amount due from/to related companies | 68,162 | 5,616 |
| Amount due from an associate | - | (26) |
| | (43,096) | (8,683) |
| Cash (used in)/generated from operations | (15,345) | 12,196 |
| Interest paid | (1,533) | (1,312) |
| Interest received | 210 | 189 |
| Income tax paid | (5,195) | (2,335) |
| | (6,518) | (3,458) |
| Net cash (used in)/generated from operating activities | (21,863) | 8,738 |

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

| | Current Period Ended 31-Mar-24 (Unaudited) RM'000 | Preceding Period Ended 31-Mar-23 (Unaudited) RM'000 |
|---|---|---|
| Cash flows used in investing activities | | |
| Purchase of PPE | (697) | (938) |
| Additions in ROU | (142) | (59) |
| Proceeds from disposal of PPE | 26 | 171 |
| Capital work-in-progress incurred | (8,019) | - |
| Dividends received from an associate | 300 | 180 |
| Net cash used in investing activities | (8,532) | (646) |
| Cash flows generated from financing activities | | |
| Drawdown of bank borrowings | 70,411 | 29,535 |
| Net placements of deposits pledged to licensed banks | (4,416) | (3,734) |
| Net bank balances pledged to licensed banks | (85) | - |
| Payment of lease liabilities | (4,477) | (3,522) |
| Repayment of bank borrowings | (8,375) | (15,498) |
| Dividends paid | (4,822) | (1,473) |
| Net cash generated from financing activities | 48,236 | 5,308 |
| Net increase in cash and cash equivalents | 17,841 | 13,400 |
| Cash and cash equivalents at the beginning of the financial period | 34,953 | 33,773 |
| Effect of exchange rate changes on cash and cash equivalents | 41 | - |
| Cash and cash equivalents at the end of the financial period | 52,835 | 47,173 |
| Cash and cash equivalents at the end of the financial period comprise: | | |
| Cash and bank balances | 46,090 | 41,374 |
| Cash held under Housing Development Accounts | 16,617 | 5,625 |
| Fixed deposits with licensed banks | 12,189 | 10,905 |
| Bank overdrafts | (9,888) | - |
| | 65,008 | 57,904 |
| Less: Cash and bank balances pledged with licensed bank | (162) | - |
| Less: Fixed deposits pledged with licensed banks | (12,011) | (10,731) |
| | 52,835 | 47,173 |

The Condensed Consolidated Statement of Cash Flows 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.

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR FINANCIAL YEAR ENDED 31 MARCH 2024

A1. Basis of Preparation

The condensed financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22, Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023. These explanatory notes attached to the condensed 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 MGB Berhad ("the Company") and all its subsidiary companies (collectively known as "the Group") since the financial year ended 31 December 2023.

Basis of Accounting

The financial information has been prepared on the historical cost convention and in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

A2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in these condensed financial statements are consistent with those adopted in the financial statements for the financial year ended 31 December 2023 except for the adoption of the following:

| | |
|--------------------------------------|--|
| Amendments to MFRS 16 | Lease Liability in Sale and Leaseback |
| Amendments to MFRS 101 | Non-current Liabilities with Covenants |
| Amendments to MFRS 107 and MFRS 7 | Supplier Finance Arrangements |

The initial application of the abovementioned new standards and amendments to standards did not have significant impacts on the financial statements of the Group and of the Company.

A2. Changes in Accounting Policies (Cont'd)

Standards issued but not yet effective

The Group has not adopted the following new standards and amendments to standards that have been issued by the Malaysian Accounting Standards Board which are not yet effective for the Group. The Group intends to adopt the below mentioned new standards and amendments to standards when they become effective.

| | <u>Effective date for financial periods beginning on or after</u> |
|------------------------------------|---|
| Amendments to MFRS 121 | Lack of Exchangeability |
| Amendments to MFRS 10 and MFRS 128 | 1 January 2025 |
| | Deferred until further notice |
| | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture |

The adoption of the abovementioned new standards and amendments to standards when they become effective are not expected to have significant impact on the financial statements of the Group and of the Company.

A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2023 was not subject to any qualification.

A4. Segmental Information

The Group's reporting segments as described below are the Group's strategic business units. Segment information is primarily presented in respect of the Group's business segment which is based on the Group's management and internal reporting structure.

The following summarised the operations in each of the Group's reportable segment:

- (i) Construction and trading – Design and build, civil engineering, general construction, piling activities, trading of construction materials and manufacturing of Industrialised Building System ("IBS") precast products.
- (ii) Property development – Development of residential and commercial properties.
- (iii) Others - Investment holding and dormant.

A4. Segmental Information (Cont'd)

31 March 2024 (Unaudited)

| | Construction and trading RM'000 | Property development RM'000 | Others RM'000 | Total segments RM'000 |
|--|--|--|--------------------------|--------------------------------------|
| Revenue | | | | |
| Total revenue | 229,490 | 87,585 | 16,074 | 333,149 |
| Less: Inter-segment revenue | (99,192) | - | (16,074) | (115,266) |
| Revenue from external customers | <u>130,298</u> | <u>87,585</u> | <u>-</u> | <u>217,883</u> |
| Results | | | | |
| Interest income | 172 | 34 | 4 | 210 |
| Finance costs | (1,129) | (237) | (226) | (1,592) |
| Depreciation | (5,123) | (124) | (6) | (5,253) |
| Share of profit of associates (net of tax) | 302 | - | - | 302 |
| Segment profit/(loss) before tax | 5,535 | 15,450 | (396) | 20,589 |
| Taxation | | | | <u>(5,476)</u> |
| Profit after tax | | | | <u>15,113</u> |
| Other non-cash items | | | | |
| Gain on disposal of PPE | (26) | - | - | (26) |
| Impairment losses on receivables (net) | (57) | - | - | (57) |
| Provision for retirement benefit obligations | 709 | - | - | 709 |
| Unrealised loss on foreign exchange | 203 | - | - | 203 |
| Assets | | | | |
| Additions to non-current assets | 3,400 | - | - | 3,400 |
| Segment assets | 620,468 | 260,465 | 255,284 | 1,136,217 |
| Liabilities | | | | |
| Segment liabilities | <u>498,323</u> | <u>48,029</u> | <u>24,944</u> | <u>571,296</u> |

A4. Segmental Information (Cont'd)

31 March 2023 (Unaudited)

| | Construction and trading RM'000 | Property development RM'000 | Others RM'000 | Total segments RM'000 |
|--|--|--|--------------------------|--------------------------------------|
| Revenue | | | | |
| Total revenue | 191,250 | 9,118 | - | 200,368 |
| Less: Inter-segment revenue | (22,609) | - | - | (22,609) |
| Revenue from external customers | <u>168,641</u> | <u>9,118</u> | <u>-</u> | <u>177,759</u> |
| Results | | | | |
| Interest income | 128 | 61 | - | 189 |
| Finance costs | (1,043) | (13) | (222) | (1,278) |
| Depreciation | (3,862) | (38) | (6) | (3,906) |
| Share of loss of associates (net of tax) | (12) | - | - | (12) |
| Segment profit/(loss) before tax | 13,399 | 3,058 | (403) | 16,054 |
| Taxation | | | | <u>(3,813)</u> |
| Profit after tax | | | | <u>12,241</u> |
| Other non-cash items | | | | |
| Impairment losses on receivables (net) | (12) | 1 | - | (11) |
| Gain on disposal of PPE | (6) | - | - | (6) |
| Gain on disposal of ROU | (165) | - | - | (165) |
| Assets | | | | |
| Additions to non-current assets | 4,844 | 15 | - | 4,859 |
| Segment assets | 537,287 | 135,359 | 255,566 | 928,212 |
| Liabilities | | | | |
| Segment liabilities | <u>359,976</u> | <u>37,274</u> | <u>13,508</u> | <u>410,758</u> |

A4. Segmental Information (Cont'd)

Segmental Performance (financial period ended 31 March 2024 against financial period ended 31 March 2023)

Construction and Trading

In the current financial period, revenue from the construction and trading segment decreased by RM38.34 million, reduce from RM168.64 million in the corresponding quarter of the preceding year to RM130.30 million. The reduced mainly due to the project Idaman BSP and Kita Mekar nearing complete with minimal progress.

The segment's Profit Before Tax ("PBT") reduced by RM7.86 million from RM13.40 million in the corresponding quarter of the preceding year to RM5.54 million for the current financial period. The declines in profit is mainly due to the higher administrative expenses and cost incurred in oversea subsidiary.

Construction and trading segment also included the manufacturing arm (precast products) which supply internally. Internal revenue of approximately RM23.06 million generated in current financial period.

Should the manufacturing and trading of precast products business contribute external revenue and profit in the future, it shall be reported separately as an individual reportable segment.

Property Development

In the current financial period, revenue from the property development segment increased significantly by RM78.46 million, rising from RM9.12 million in the corresponding quarter of the preceding year to RM87.58 million. Additionally, the segment's Profit Before Tax ("PBT") for the current quarter showed remarkable improvement, reaching RM15.45 million, compared to RM3.06 million in the same quarter of the previous year. This positive trend is attributed to higher unit sales and progress development for the Idaman Melur, Idaman Cahaya Phase 1 & Phase 2, Idaman Sari and Saujana Indah Phase 1.

Others

Loss Before Tax ("LBT") of other segment increase slightly by RM0.01 million from RM0.40 million in corresponding quarter of the preceding year to RM0.39 million in current financial period.

A5. Unusual items due to their nature, size or incidence

There were no items affecting assets, liabilities, equity, net income or cash flow that are unusual of their nature, size or incidence during the current quarter under review.

A6. Material Changes in Estimates

There were no material changes in estimates used for the preparation of the interim financial report.

A7. Seasonal or Cyclical Factors

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

A8. Dividends Paid

| | RM'000 |
|---|---------------|
| In respect of the financial year ended 31 December 2023: | |
| - First interim single-tier dividend of RM0.00815 per ordinary share, paid on 29 March 2024 | 4,822 |
| Total dividends paid as at 31 March 2024 | <u>4,822</u> |

A9. Valuation of PPE and ROU

There were no valuation of PPE and ROU carried out during the current quarter under review.

Included in the ROU are leasehold lands and buildings that are stated at revalued amount less accumulated depreciation and accumulated impairment losses.

A10. Debts and Equity Securities

There were no issue, repurchase and repayment of debt and equity securities during the financial year.

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A11. Changes in Composition of the Group

There were no other changes in the composition of the Group during the current quarter.

A12. Capital Commitments

Total capital commitments of the Group comprised of the followings:

| | As at 31-Mar-24 | As at 31-Mar-23 |
|---|----------------------------|----------------------------|
| | RM'000 | RM'000 |
| <u>Authorised and contracted for :</u> | | |
| Purchase order for | | |
| - Property, plant and equipment | 11,420 | 3,244 |

A13. Subsequent Events

On 2 May 2024, Prisma Kasturi Sdn Bhd, an indirect wholly-owned subsidiary of the Company, has changed its principal activity from hospitality to property development.

There were no subsequent events as at 9 May 2024, being the latest practicable date (“LPD”), which shall not be earlier than 7 days from the date of issuance of this interim financial report.

A14. Changes in Contingent Liabilities and Contingent Assets

(a) Contingent Liabilities

| | As at 31-Mar-24 | As at 31-Mar-23 |
|------------------------------------|----------------------------|----------------------------|
| | RM'000 | RM'000 |
| Bank guarantees issued for: | | |
| - Property Development | 13,250 | 10,143 |

(b) Contingent Assets

There were no contingent assets as at the current financial year.

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A15. Significant Related Party Transactions

The transactions with companies in which certain Directors are common directors and/or have interest or deemed interest for the current financial year were summarised as follows:

| | As at 31-Mar-24 | As at 31-Mar-23 |
|------------------------------|----------------------------|----------------------------|
| | RM'000 | RM'000 |
| Income | | |
| Progress billing issued | 124,725 | 156,268 |
| Expenses | | |
| Dividends paid | 3,583 | 1,094 |
| Rental expenses paid/payable | 51 | 48 |
| Management fee paid/payable | 95 | 95 |
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B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

B1. Review of Group Performance

| | Individual Quarter | | | | Period to Date | | | |
|--------------------------|-----------------------|-------------------------|----------|--------|------------------------------|--------------------------------|----------|--------|
| | Current Quarter Ended | Preceding Quarter Ended | Variance | | Current Period To Date Ended | Preceding Period To Date Ended | Variance | |
| | 31-Mar-24 | 31-Mar-23 | RM'000 | % | 31-Mar-24 | 31-Mar-23 | RM'000 | % |
| Revenue | 217,883 | 177,759 | 40,124 | 22.57% | 217,883 | 177,759 | 40,124 | 22.57% |
| Profit before tax | 20,589 | 16,054 | 4,535 | 28.25% | 20,589 | 16,054 | 4,535 | 28.25% |
| Profit after tax ("PAT") | 15,113 | 12,241 | 2,872 | 23.46% | 15,113 | 12,241 | 2,872 | 23.46% |

Individual Quarter and Period to Date

The Group achieved revenue of RM217.88 million in current quarter which representing RM40.12 million or 22.57% higher as compared to the corresponding quarter of the preceding year.

The movement of the revenue mainly attributable to the decrease recorded in construction segment of approximately RM38.34 million and increase in property development segment of approximately RM78.46 million.

As explained under segmental performance, construction and trading segment remains as the key driver in contributing the revenue of the Group followed by strengthen of revenue in property development segment.

The Group's total assets and total liabilities stood at RM1.14 billion and RM571.30 million respectively as at 31 March 2024. Assets of approximately RM620.47 million or 54.61% and liabilities of RM498.32 million or 87.23% were from the construction and trading segment.

B2. Variation of Results Against Immediate Preceding Quarter

| | Current Quarter Ended 31-Mar-24 | Immediate Preceding Quarter Ended 31-Dec-23 | Variance | |
|--|--|---|----------|---|
| | RM'000 | RM'000 | RM'000 | % |

| | | | | |
|---------------------------|---------|---------|----------|---------|
| Revenue | 217,883 | 305,333 | (87,450) | -28.64% |
| Profit before tax ("PBT") | 20,589 | 18,413 | 2,176 | 11.82% |
| Profit after tax ("PAT") | 15,113 | 13,082 | 2,031 | 15.53% |

Comparing the revenue in the current quarter against the immediate preceding quarter, the construction segment has recorded a decrease of approximately RM111.15 million, while the property development segment has seen an increase of approximately RM23.70 million. Lower revenue recorded in current quarter is attributed to projects near completion. Despite the decrease in revenue, PBT and PAT increased mainly due to higher profit realised in the current quarter from several projects which are targeted to be completed soon and lower staff costs.

B3. Prospects for the Year

We remain committed to the construction of affordable homes through innovation and technological advancements, as well as improving our construction process. We also targeted to secure new government projects.

With the first international order received for supplying and installing precast concrete products for 400 villas in the prestigious Roshn Alarous Project in northern Jeddah, we intend to demonstrate the fullest extent of our expertise in manufacturing and automation of processes through the supply installation of IBS precast concrete products by way of our strategic collaboration with Nordimpianti System S.R.L. and MCT Italy S.R.L..

Moving forward, the resilience of the Group underpinned by existing construction segment's orderbook of approximately RM1.23 billion and unbilled sales of RM0.74 billion from on going property development projects would contribute positively to next year earnings.

B4. Profit Forecast or Profit Guarantee

There is no profit forecast or profit guarantee issued by the Group to the public.

B5. Taxation

The effective tax rate was higher than the statutory tax rate of 24% mainly due to losses of certain subsidiaries which cannot set off against taxable profits made by other subsidiaries and non-tax deductible expenses.

| | Current Quarter 31-Mar-24 RM'000 | Current Period to Date 31-Mar-24 RM'000 |
|-----------------------|---|--|
| Income Tax: | | |
| - Current year | 5,973 | 5,973 |
| Deferred Tax: | | |
| - Current year | (497) | (497) |
| Total Taxation | 5,476 | 5,476 |

B6. Status of Corporate Proposals Announced

Saved as disclosed below, there were no corporate proposals announced that are yet to be completed as at LPD.

- (a) On 14 December 2022, the Company’s indirect wholly-owned subsidiary, Retro Court Sdn. Bhd. (“RCSB”) had entered into a Framework Agreement with Invest Energy Sdn. Bhd. (“IESB”) to collaborate with each other to explore the potential design, finance, operation, use, and/or maintenance of clean energy solutions such as green energy (including but not limited to all types of renewable energy and energy efficiency solutions such as solar, biogas, biomass and/or combined heat and power) in an industrial park known as Kerteh Terengganu Industrial Park (“KTIP”) by IESB which includes IESB’s obligation to provide a centralised utility facilities together with a centralised plant at a designated area to be determined by RCSB but in any event shall not be more than 10 acres from the entire KTIP’s development land, towards improving KTIP’s energy efficiency and environmental footprint.

This Agreement has not been completed as the Conditions Precedent therein have not been complied.

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B6. Status of Corporate Proposals Announced (Cont'd)

Saved as disclosed below, there were no corporate proposals announced that are yet to be completed as at LPD. (Cont'd)

(b) On 27 July 2023, the Company's indirect wholly-owned subsidiary, MGB International for Industry ("MII") had entered into a Joint Venture Agreement ("JVA") with SANY Alameriah Industrial ("SA"), a limited liability company incorporated at Kingdom of Saudi Arabia, to outline the obligations and responsibilities of each party to collaborate and co-operate with each other by way of a joint venture as set out below:

- (i) SA is desirous of securing Supply and Installation Contracts for a total aggregate minimum amount of Two Hundred Seventy Thousand Cubic Metres (270,000 m³) of precast concrete products within three (3) years from the Commencement Date. The Commencement Date is the date which SA and MII have fulfilled their obligations as provided in the JVA during ninety (90) working days transition period starting from the Effective Date, i.e. 27 July 2023.
- (ii) During the first year from the Commencement Date, SA needs to secure a minimum order of Ninety Thousand Cubic Metres (90,000 m³) of precast concrete products from the clients to supply and install precast concrete products ("Supply and Installation of Precast Concrete").
- (iii) SA is desirous of collaborating with MII for MII to operate SA's precast concrete factory located at Al Lith RD, Jeddah 3rd Industrial City, Jeddah, Kingdom of Saudi Arabia ("Factory") ["Operation of Factory"] for the production of precast concrete products and works to be carried out by MII pursuant to the purchase orders issued by SA to MII for the installation of precast concrete products within the Kingdom of Saudi Arabia ("Installation Works") to cater for the Supply and Installation Contract.

This Agreement has not been completed as the obligations and responsibilities of each party therein have not been fulfilled.

(c) On 6 October 2023, the Company had entered into a Letter of Intent ("LOI") with Malaysian Green Technology and Climate Change Corporation ("MGTC") and LBS Bina Group Berhad ("LBGB"), the holding company of MGB, and Midwest Green Sdn. Bhd. ("Midwest") with the objective of aiming to promote collaboration and innovative renewable energy projects in Malaysia.

The Company, MGTC, LBGB and Midwest collectively referred to as the "Parties".

The LOI serves as general framework for potential cooperation among the Parties and has no legal binding effect. The LOI shall take immediate effect with no expiry date.

Upon finalisation of the term of the collaboration by the Parties, the Parties shall enter into a definitive agreement to record their mutual terms in the Proposal Innovative Solar Farm project.

B6. Status of Corporate Proposals Announced (Cont'd)

Saved as disclosed below, there were no corporate proposals announced that are yet to be completed as at LPD. (Cont'd)

(d) On 21 October 2023, the Company had entered into a Memorandum of Understanding (“MOU”) and Non-Disclosure Agreement with Almqr Development Co. (“Almqr”), a joint-closed stock company incorporated at Kingdom of Saudi Arabia and Alameriah Real Estate Development Company (“Alameriah”), a limited liability company incorporated at Kingdom of Saudi Arabia, for the purpose to explore the cooperation and investment opportunities in Almadina Almonawara relating to the pioneering, innovative, and distinctive projects, and other projects that have a developmental and social goals, subject to terms and conditions as stipulated in the MOU.

B7. Borrowings and Debt Securities

Total borrowings of the Group comprised of the followings:

| | As at 31-Mar-24 RM'000 (Unaudited) |
|--------------------|---|
| Secured | |
| Term loans | 45,627 |
| Revolving credits | 35,000 |
| Bank overdrafts | 9,888 |
| Trade services | 40,111 |
| Lease liabilities | 24,833 |
| Total | 155,459 |
| Current | |
| Term loans | 6,028 |
| Revolving credits | 35,000 |
| Bank overdrafts | 9,888 |
| Trade services | 40,111 |
| Lease liabilities | 11,569 |
| Total | 102,596 |
| Non-current | |
| Term loans | 39,599 |
| Lease liabilities | 13,264 |
| Total | 52,863 |

All borrowings were dominated in Ringgit Malaysia (“RM”).

B8. Changes in Material Litigation

There was no material litigation as at LPD, which shall not be earlier than 7 days from the date of issuance of this interim financial report.

B9. Dividends Declared

In respect of the previous financial year ended 31 December 2023:

On 19 February 2024, the Company has declared first interim single-tier dividend of RM0.00815 per ordinary share, which has been paid on 29 March 2024 to depositors registered in the Record of Depositors on 11 March 2024.

B10. Earnings Per Share (“EPS”)

Basic EPS

The calculation of the basic earnings per share is based on the profit attributable to the owners of the parent and divided by the weighted average number of ordinary shares in issue:

| | Current Quarter Ended | | Period to Date Ended | |
|--|-----------------------|-----------|----------------------|-----------|
| | 31-Mar-24 | 31-Mar-23 | 31-Mar-24 | 31-Mar-23 |
| Profit attributable to owners of the parent (RM'000) | 14,202 | 12,015 | 14,202 | 12,015 |
| Weighted average number of ordinary shares in issue ('000) | 591,653 | 591,653 | 591,653 | 591,653 |
| Basic EPS (Sen) | 2.40 | 2.03 | 2.40 | 2.03 |

Diluted EPS

The calculation of the diluted earnings per share is based on the profit attributable to the owners of the parent and divided by the weighted average number of ordinary shares that would have been issued upon full exercise of the remaining option under warrants, adjusted for the number of such shares that would have been issued at fair value:

| | Current Quarter Ended | | Period to Date Ended | |
|--|-----------------------|-----------|----------------------|-----------|
| | 31-Mar-24 | 31-Mar-23 | 31-Mar-24 | 31-Mar-23 |
| Profit attributable to owners of the parent (RM'000) | 14,202 | 12,015 | 14,202 | 12,015 |
| Weighted average number of ordinary shares in issue ('000) | 591,653 | 591,653 | 591,653 | 591,653 |
| Diluted EPS (Sen) | 2.40 | 2.03 | 2.40 | 2.03 |

B11. Notes to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

| | Current Quarter Ended 31-Mar-24 RM'000 | Current Period To Date Ended 31-Mar-24 RM'000 |
|--|---|--|
| Interest income | (210) | (210) |
| Rental income | (88) | (88) |
| Reversal of impairment losses on receivables | (59) | (59) |
| Gain on disposal of PPE | (26) | (26) |
| Impairment losses on receivables | 2 | 2 |
| Depreciation of investment properties | 220 | 220 |
| Depreciation of PPE | 2,106 | 2,106 |
| Depreciation of ROU | 2,927 | 2,927 |
| Finance costs | 1,592 | 1,592 |
| Provision for retirement benefit obligations | 709 | 709 |
| Unrealised loss on foreign exchange | 203 | 203 |
| | | |

B12. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors on 16 May 2024.

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