



CENTRAL GLOBAL BERHAD

# **CENTRAL GLOBAL BERHAD**

Company No. 201801036114 (1298143-T)  
(Incorporated in Malaysia)

**Unaudited condensed consolidated  
interim financial statements for the  
quarter and year ended**

**30 September 2024**

# CENTRAL GLOBAL BERHAD

[Company No: 20181036114 (1298143-T)]  
(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED INCOME STATEMENT

### QUARTERLY REPORT ON THE RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD QUARTER 30.09.2024 RM'000	PRECEDING PERIOD CORRESPONDING QUARTER 30.09.2023 RM'000	CURRENT PERIOD TO DATE 30.09.2024 RM'000	PRECEDING PERIOD CORRESPONDING PERIOD 30.09.2023 RM'000
Revenue	34,201	62,242	95,947	173,177
Cost of Sales	(29,198)	(54,651)	(82,891)	(148,277)
<b>Gross Profit</b>	<b>5,003</b>	<b>7,591</b>	<b>13,056</b>	<b>24,900</b>
Other Income	91	222	313	603
Selling and Distribution Expenses	(878)	(1,141)	(2,723)	(3,214)
Administrative Expenses	(3,961)	(2,929)	(8,689)	(10,655)
<b>Profit from operations</b>	<b>255</b>	<b>3,743</b>	<b>1,957</b>	<b>11,634</b>
Finance Costs	(194)	(558)	(584)	(797)
<b>Profit before tax</b>	<b>61</b>	<b>3,185</b>	<b>1,373</b>	<b>10,837</b>
Income tax expense	12	(1,360)	(950)	(3,972)
<b>Profit for the period</b>	<b>73</b>	<b>1,825</b>	<b>423</b>	<b>6,865</b>
<b>Attributable to :</b>				
Equity holders of the Company	73	246	423	2,686
Non-controlling interests	-	1,579	-	4,179
<b>Profit for the period</b>	<b>73</b>	<b>1,825</b>	<b>423</b>	<b>6,865</b>
Basic earnings per share (sen):	0.01	0.16	0.07	1.79
Diluted	0.01	0.14	0.06	1.62

The accompanying notes form an integral part of, and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2023.

# CENTRAL GLOBAL BERHAD

[Company No: 20181036114 (1298143-T)]  
(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

### QUARTERLY REPORT ON THE RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD QUARTER 30.09.2024 RM'000	PRECEDING PERIOD CORRESPONDING QUARTER 30.09.2023 RM'000	CURRENT PERIOD TO DATE 30.09.2024 RM'000	PRECEDING PERIOD CORRESPONDING PERIOD 30.09.2023 RM'000
Profit for the period	<u>73</u>	<u>1,825</u>	<u>423</u>	<u>6,865</u>
Other comprehensive (loss)/income:				
Foreign currency translation differences for foreign subsidiary	<u>(146)</u>	<u>(1)</u>	<u>(136)</u>	<u>77</u>
Total comprehensive (loss)/income for the period, net of tax	<u>(73)</u>	<u>1,824</u>	<u>287</u>	<u>6,942</u>
Total comprehensive (loss)/income for the period attributable to:				
Equity holders of the Company	(73)	245	287	2,763
Non-controlling interests	-	1,579	-	4,179
	<u>(73)</u>	<u>1,824</u>	<u>287</u>	<u>6,942</u>

The accompanying notes form an integral part of, and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2023.

# CENTRAL GLOBAL BERHAD

[Company No: 20181036114 (1298143-T)]

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

(The figures have not been audited)

	UNAUDITED	AUDITED
	30.09.2024	31.12.2023
	RM'000	RM'000
<b>Non Current Assets</b>		
Property, plant and equipment	40,284	26,843
Right-of-use assets	3,904	1,489
Investment properties	522	560
Goodwill on consolidation	21,145	21,145
	<u>65,855</u>	<u>50,037</u>
<b>Current Assets</b>		
Inventories	8,039	12,804
Contract assets	10,317	475
Trade receivables	101,339	150,762
Other receivables	12,994	13,335
Current tax assets	855	1,046
Short-term investment	43	36
Fixed deposits with licensed banks	4,556	3,776
Cash and bank balances	3,678	4,856
	<u>141,821</u>	<u>187,090</u>
<b>Current Liabilities</b>		
Trade payables	39,494	79,734
Other payables	10,907	4,834
Current tax liabilities	11,001	11,086
Contract liabilities	(1,607)	18,126
Lease liabilities	659	245
Loans and borrowings	10,683	9,198
	<u>71,137</u>	<u>123,223</u>
<b>Net Current Assets</b>	70,684	63,867
	<u>136,539</u>	<u>113,904</u>
<b>Financed by:</b>		
Share capital	159,755	149,498
Translation reserves	336	472
Share grant reserve	-	189
Accumulated losses	(63,805)	(64,228)
	<u>96,286</u>	<u>85,931</u>
<b>Non Current Liabilities</b>		
Deferred tax liabilities	929	1,309
Lease liabilities	376	58
Loans and borrowings	38,948	26,606
	<u>40,253</u>	<u>27,973</u>
	<u>136,539</u>	<u>113,904</u>
<b>Net assets per share (sen)</b>	0.13	0.48

# CENTRAL GLOBAL BERHAD

[Company No: 20181036114 (1298143-T)]

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY QUARTERLY REPORT ON THE RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024

(The figures have not been audited)

<-----Attributable to Equity Holders of the Company----->

	Non-Distributable		Distributable		Total Equity RM'000
	Share capital RM'000	Foreign Currency Translation Reserve RM'000	Share Grant Reserve RM'000	Accumulated Losses RM'000	
<b>Balance as at 1 January 2024</b>	149,498	472	189	(64,228)	85,931
Total comprehensive income for the period	-	(136)	-	423	287
Transactions with owners:					
Issuance of ordinary shares	10,257	-	-	-	10,257
Reversal of issuance of shares pursuant to shares grant scheme	-	-	(189)	-	(189)
<b>Balance as at 30 September 2024</b>	<u>159,755</u>	<u>336</u>	<u>-</u>	<u>(63,805)</u>	<u>96,286</u>

# CENTRAL GLOBAL BERHAD

[Company No: 20181036114 (1298143-T)]

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D) QUARTERLY REPORT ON THE RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

(The figures have not been audited)

	<-----Attributable to Equity Holders of the Company----->					Total Equity RM'000
	Non-Distributable	Foreign Currency Translation Reserve RM'000	Accumulated losses RM'000	Distributable Total RM'000	Non-controlling interests RM'000	
	Share capital RM'000					
<b>Balance as at 1 January 2023</b>	100,112	389	(8,496)	92,005	7,955	99,960
Total comprehensive income for the period	-	77	2,686	2,763	4,179	6,942
Transactions with owners:						
Issuance of ordinary shares	14,172	-	-	14,172	-	14,172
Issuance of shares pursuant to shares grant scheme	3,536	-	-	3,536	-	3,536
<b>Balance as at 30 September 2023</b>	<u>117,820</u>	<u>466</u>	<u>(5,810)</u>	<u>112,476</u>	<u>12,134</u>	<u>124,610</u>

The accompanying notes form an integral part of, and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2023.

# CENTRAL GLOBAL BERHAD

[Company No: 20181036114 (1298143-T)]

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

### QUARTERLY REPORT ON THE RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024

(The figures have not been audited)

	UNAUDITED CURRENT PERIOD TO DATE 30.09.2024 RM'000	UNAUDITED FOR THE PERIOD ENDED 30.09.2023 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	1,373	10,837
Adjustments for:		
Depreciation on property, plant and equipment	1,819	1,208
Depreciation on investment property	38	13
Depreciation on right-of-use assets	301	165
Gain on disposal of property, plant & equipment	(20)	(348)
Fair value gain on marketable securities	(7)	(9)
Finance costs	584	797
Interest income	(32)	(42)
Unrealised foreign exchange loss/(gain)	5	(34)
Shares grant scheme expense	-	3,536
Reversal of impairment on inventory	1	57
Reversal of shares grant reserve	(189)	-
Operating profit before working capital changes	3,873	16,177
Changes in working capital:		
Inventories	4,765	6,211
Trade and other receivables	37,360	(24,527)
Other current assets	7	(48,228)
Trade and other payables	(46,002)	48,772
Cash Generated From/(Used In) Operations	3	(1,595)
Retirement benefit paid	-	(1,296)
Interest received	32	42
Income tax paid	(2,549)	(2,714)
<b>Net Cash Used In Operating Activities</b>	(2,514)	(5,563)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(18,504)	(26,300)
Purchase of investment property / land for development	-	(678)
Purchase of right-of-use assets	(2,716)	27
Proceeds from disposal of property, plant and equipment	223	643
Increase in pledged deposits placed with licensed banks	(780)	(137)
<b>Net Cash Used In Investing Activities</b>	(21,777)	(26,445)

# CENTRAL GLOBAL BERHAD

[Company No: 20181036114 (1298143-T)]

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT (CONT'D) QUARTERLY REPORT ON THE RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024

(The figures have not been audited)

	UNAUDITED CURRENT PERIOD TO DATE 30.09.2024 RM'000	UNAUDITED FOR THE PERIOD ENDED 30.09.2023 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of loans and borrowings	(803)	(2,110)
Proceeds from loans and borrowings	14,380	22,469
Proceeds from issuance of shares	10,256	14,172
Interest paid	(584)	(797)
<b>Net Cash Generated From Financing Activities</b>	<b>23,249</b>	<b>33,734</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,042)</b>	<b>1,726</b>
Effect of exchange rate fluctuations on cash held	(136)	77
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>4,856</b>	<b>6,114</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>3,678</b>	<b>7,917</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>		
Cash and bank balances	3,831	8,087
Fixed deposits with licenced banks	4,556	1,868
Bank overdraft	(153)	(170)
	8,234	9,785
Less: Deposits pledged	(4,556)	(1,868)
	3,678	7,917

The accompanying notes form an integral part of, and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2023.



## CENTRAL GLOBAL BERHAD

[Company No: 201801036114 (1298143-T)]  
(Incorporated in Malaysia)

### A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING

#### A1 Basis of Preparation

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and Malaysia Financial Reporting Standards (MFRS) 134, Interim Financial Reporting in Malaysia and also comply with IAS 34, Interim Financial Reporting issued by the International Accounting Standards Board.

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

#### Change in Financial Year End

The Company had on 30 September 2024, announced the change of its financial year end from 31 December 2024 to 30 June 2025. The next financial period will commence from 1 January 2024 to 30 June 2025, covering a period of 18 months. Thereafter, the subsequent financial year shall end on 30 June annually.

#### A2 Material Accounting Policy Information

The accounting principles and policies adopted in preparing these interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 December 2023, except for the adoption of the following amendments or improvements to MFRSs that are mandatory for the current financial year.

##### Effective for financial periods beginning on or after 1 January 2024

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

Amendments to MFRS 101 Presentation of Financial Statements – Non-current Liabilities with Covenants

Amendments to MFRS 101 Presentation of Financial Statements – Classification of Liabilities as Current or Non – Current

Amendments to MFRS 107 & MFRS 7 – Statement of Cash Flows – Supplier Finance Agreement

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

At the date of authorisation of these interim financial statements, the following amendments to MFRSs were issued but not yet effective and have not been applied by the Group:

##### Effective for financial periods beginning on or after 1 January 2025

Amendments to MFRS 121 - The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability

##### Effective date of these amendments to standards has been deferred, and yet to be announced

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.

The above pronouncements are either not relevant or do not have any material impact on the Group’s financial statements.

**A3 Seasonal or Cyclical Factors**

The Group's interim operations were not subject to any seasonal or cyclical factors.

**A4 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence in the quarter under review.

**A5 Changes in Estimates, Significant Accounting Estimates and Judgements**

There were no changes in the nature and estimates of amounts reported which have a material effect on the results in the quarter under review.

**A6 Debt and Equity Securities**

There were no significant issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter under review except as disclosed in Notes B7 and B8.

**A7 Dividends Paid**

There was no dividend paid during the quarter ended 30 September 2024.

**A8 Segment Information**

The Group's primary business segments is principally engaged in construction and manufacturing and trading of self-adhesive tapes and labels.

The segmental reporting of the Group's result for the financial period-to-date is as follows:

Business Segment	Manufacturing & Trading		Construction		Total	
	30.09.2024 RM'000	30.09.2023 RM'000	30.09.2024 RM'000	30.09.2023 RM'000	30.09.2024 RM'000	30.09.2023 RM'000
Revenue	28,141	38,033	67,806	135,144	95,947	173,177
Segment Results	(3,269)	(5,189)	7,440	21,022	4,171	15,833
Unallocated Results					(2,214)	(4,199)
Profit from Operations					1,957	11,634
Finance Costs					(584)	(797)
Profit Before Tax					1,373	10,837
Income Tax Expense					(950)	(3,972)
Profit After Tax					423	6,865
Geographical Segment	Revenue					
	30.09.2024 RM'000	30.09.2023 RM'000				
Malaysia	83,510	155,944				
Foreign Countries	12,437	17,233				
Consolidated	95,947	173,177				

**A9 Valuation of Property, Plant and Equipment and Investment Properties**

There were no valuations of property, plant and equipment, and investment properties during the quarter under review ended 30 September 2024.

**A10 Goodwill on Consolidation**

	<b>As At 30.09.2024 RM'000</b>	<b>As At 31.12.2023 RM'000</b>
<b>Cost</b>		
As at 1 January	21,594	21,594
Acquisition of a subsidiary	-	-
As at 30 September 2024 / 31 December 2023	<u>21,594</u>	<u>21,594</u>
<b>Accumulated impairment loss</b>		
As at 1 January	449	449
Impairment loss	-	-
As at 30 September 2024 / 31 December 2023	<u>449</u>	<u>449</u>
<b>Carrying amount</b>		
As at 30 September 2024 / 31 December 2023	<u>21,145</u>	<u>21,145</u>

**A11 Contract Assets / (Liabilities)**

	<b>As At 30.09.2024 RM'000</b>	<b>As At 31.12.2023 RM'000</b>
Contract assets relating to construction contracts	10,317	19,121
Less : Impairment loss	-	(18,646)
	<u>10,317</u>	<u>475</u>
Contract liabilities relating to construction contracts	1,607	(18,126)
Total contract liabilities	<u>1,607</u>	<u>(18,126)</u>
Net amount	<u>11,924</u>	<u>(17,651)</u>

**A12 Subsequent Events**

Save for Note B7, there were no material events subsequent to the current financial quarter ended 30 September 2024 up to the date of this report which is likely to substantially affect the results of the operations of the Group.

**A13 Changes in the Composition of the Group**

There were no changes in the composition of the Group for the quarter under review.

#### A14 Contingent Assets and Contingent Liabilities

As at 30 September 2024, the Company provides corporate guarantees up to a total amount of RM71.45 million to licensed banks for banking facilities granted to certain subsidiaries. Consequently, the Company is contingently liable for the amount of banking facilities utilised by these subsidiaries totalling RM46.17 million as at 30 September 2024.

As at 30 September 2024, the Company also provides corporate guarantees up to a total amount of RM6.68 million to third parties for supply of goods and services for certain subsidiaries. Consequently, the Company is contingently liable for the amount owing by these subsidiaries to the third parties totalling RM1.95 million as at 30 September 2024.

There were no material contingent assets as at the date of this report.

#### A15 Capital Commitments

	<b>As At 30.09.2024 RM'000</b>	<b>As At 31.12.2023 RM'000</b>
Contracted and not provided for:		
- Property, plant and equipment	20,202	3,163
- Right-of-use assets	-	1,489
	<u>20,202</u>	<u>4,652</u>

#### A16 Related Party Transactions

The related party transactions of the Group have been entered into in the normal course of business. Listed below are the transactions with related parties of the Group during the current financial period and preceding corresponding period.

	<b>Individual Quarter Current Period Quarter 30.09.2024 RM'000</b>	<b>Preceding Period Corresponding Quarter 30.06.2024 RM'000</b>
Engagement of services in which a director has an interest		
- Rental expense	<u>39</u>	<u>39</u>

## **B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE MAIN MARKET**

### **B1 Review of Performance**

#### **Current Period Quarter versus Preceding Period Corresponding Quarter**

Overall, the Group achieved revenue of RM34.20 million for the quarter ended 30 September 2024 ("Q3 2024"), a decrease of 45.05% from RM62.24 million recorded in the quarter ended 30 September 2023 ("Q3 2023"), mainly due to the lower work progress in the current ongoing project especially on the Lahad Datu Fasa 1 Menaik Taraf Sistem Bekalan Air Project ("Lahad Datu Fasa 1") and the non-recognition of the revenue for the Gerbang Bukit Kecil Project and Sungai Pinang Project since Q4 2023 due to the on-going litigations with the customers in the Construction Segment. In addition, lower local and export sales in the Manufacturing & Trading Segment are caused by the disruption of materials and spare parts for machines, resulting in lower production. Therefore, the Group recorded a lower profit before tax of RM0.06 million in Q3 2024 compared to profit before tax of RM3.19 million recorded in Q3 2023.

In Q3 2024, the Group continued to see improvement in its cost rationalisation and cost containment measures, re-alignment and re-organisation of the Group's structure including streamlining of the operational workflow and processes to achieve better operational efficiency, as well as re-visiting the pricing structure and re-negotiating with key suppliers on key cost supplies.

#### **(i) Manufacturing & Trading Segment**

The revenue of RM7.95 million in the Manufacturing & Trading Segment in Q3 2024 was lower than the revenue of RM14.35 million recorded in Q3 2023. The decrease is attributable to the lower local and export sales. In addition, the disruption in the supply of raw materials and spare parts for machines resulted in lower production. However, the Group recorded a lower loss before tax of RM1.42 million in Q3 2024 compared to a loss before tax of RM2.42 million in Q3 2023 due to the improvement in its cost rationalisation and cost containment measures.

#### **(ii) Construction Segment**

The revenue in the Construction Segment for Q3 2024 recorded a decrease from RM47.89 million in Q3 2023 to RM26.25 million in Q3 2024, mainly caused by lower work progress in the current ongoing project especially on the Lahad Datu Fasa 1 project and the non-recognition of the revenue for the Gerbang Bukit Kecil Project and Sungai Pinang project since Q4 2023 due to the on-going litigations with the customers. However, the decrease was softened by the progress on the Gum Gum Project. Therefore, the Construction Segment recorded a profit before tax of RM2.30 million in Q3 2024 compared to profit before tax of RM7.31 million recorded in Q3 2023.

## B1 Review of Performance (Cont'd)

### Current Period-to-Date versus Preceding Period-to-Date

The Group achieved revenue of RM95.95 million for the financial period ended 30 September 2024 ("YTD Q3 2024"), a decrease of 44.60% from RM173.18 million recorded in the financial period ended 30 September 2023 ("YTD Q3 2023") mainly due to the lower work progress in the current ongoing project especially on the Lahad Datu Fasa 1, the Gum Gum Project and the non-recognition of the revenue for the Gerbang Bukit Kecil Project and Sungai Pinang Project since Q4 2023 due to the on-going litigations with the customers in the Construction Segment. In addition, lower local and export sales in the Manufacturing & Trading Segments are caused by the continued weakness in demand and intense market competition.

#### (i) Manufacturing & Trading Segment

The revenue of RM28.14 million in the Manufacturing & Trading Segment for YTD Q3 2024 was lower than the revenue of RM38.03 million recorded in YTD Q3 2023. The decrease is mainly attributable to the continued weakness in demand and intense market competition. In addition, the disruption in the supply of raw materials and spare parts for machines also resulted in lower production. However, the Group recorded a lower loss before tax of RM3.27 million in YTD Q3 2024 compared to a loss before tax of RM5.19 million in YTD Q3 2023 which is attributable to the cost rationalisation and cost containment measures, re-alignment and re-organisation by the Group.

#### (ii) Construction Segment

The revenue in the Construction Segment for YTD Q3 2024 recorded a decrease from RM135.14 million in YTD Q3 2023 to RM67.81 million in YTD Q3 2024, mainly caused by the non-recognition of the revenue for the Gerbang Bukit Kecil Project and Sungai Pinang Project since Q4 2023 due to the on-going litigations with the customers and the lower work progress in the current ongoing project especially on the Lahad Datu Fasa 1 and the Gum Gum Project. Therefore, the Construction Segment recorded a profit before tax of RM7.44 million in YTD Q3 2024 from a profit before tax of RM21.02 million recorded in YTD Q3 2023.

## B2 Variation of Results Against Preceding Quarter

	<b>Current Period Quarter 30.09.2024 Q3 2024 RM'000</b>	<b>Preceding Period Corresponding Quarter 30.06.2024 Q2 2024 RM'000</b>
Revenue	34,201	33,229
Profit before tax	<u>61</u>	<u>784</u>

For Q3 2024, the Group has recorded revenue of RM34.20 million, an increase of 2.92% from RM33.23 million recorded in the quarter ended 30 June 2024 ("Q2 2024"). The increase is mainly due to the higher work progress in the current ongoing projects, especially on the Gum Gum project.

The Group recorded a profit before tax of RM0.06 million for Q3 2024, a decrease of 92.31% from a profit before tax of RM0.78 million recorded in the preceding Q2 2024. The decrease is mainly due to the higher administrative expenses recorded in Q3 2024.

### **B3 Prospects**

The prospects for each of the operating segment is illustrated as below:

#### **(i) Manufacturing & Trading Segment**

The ever-intense competition in the tape and adhesive products has continued to adversely affect the Group's Manufacturing & Trading Segment resulting in decreased sales and eroded profit margins.

Plant efficiency in terms of cost and quality will continue to be the Group's focus as a means to maintain and improve competitiveness. With the new masking tape coater production line expected to commence production in Q5 2024, there will be an expected cost efficiency with a greater volume of production and lower wastages.

#### **(ii) Construction Segment**

The Group will continue to accelerate the work progress on its ongoing projects, namely the Lahad Datu Fasa 1 Project, Gum Gum Project and Bekalan Air Luar Bandar Project. In addition, the Group was awarded a new contract amounting to approximately RM616.38 million during the current quarter. Barring unforeseen circumstances, the Group expects the said new contract to contribute positively to its earnings.

In addition, the Group has continued to rigorously pursue the outstanding debts from the Gerbang Bukit Kecil Project and Sungai Pinang Project, and will continue to maintain its prudent management strategies and to manage its cost efficiencies while consolidating its market position and reinforcing its competitive edge to seize any opportunities that will arise.

As at 30 September 2024, the current secured unbilled order book of the Group's Construction Segment is approximately RM729.49 million.

### **B4 Profit Forecast**

Not applicable.

**B5 Income Tax Expenses**

	Individual Quarter		Cumulative Quarter	
	Current Period Quarter 30.09.2024 RM'000	Preceding Period Corresponding Quarter 30.09.2023 RM'000	Current Period To-date 30.09.2024 RM'000	Preceding Period Corresponding Period 30.09.2023 RM'000
Malaysian income tax	279	1,751	1,330	3,965
Deferred tax expenses/(income)	(291)	(391)	(380)	7
	<u>(12)</u>	<u>1,360</u>	<u>950</u>	<u>3,972</u>

The Group's effective tax rate for the quarter under review is at -19.67% which is lower than the statutory income tax rate mainly due to the over provision in prior quarters.

**B6 Sale of Unquoted Investments and Properties**

There were no major disposals of unquoted investments and properties during the quarter under review.

**B7 Status of Corporate Proposals**

The status of a corporate proposal announced by the Company but not completed as at 22 November 2024 being the latest practicable date not earlier than 7 days from the date of issue of this quarterly report ("LPD") are summarised below:

**(i) Long Term Incentive Scheme ("LTIS")**

On 21 March 2022, the Company announced that the effective date for the implementation of LTIS is 21 March 2022, being the date on which CGB is in full compliance with relevant requirements of the Listing Requirements of Bursa Securities.

On 29 December 2022, the Company announced that 7,487,264 ordinary shares ("Shares") of the Company are to be awarded under the Company's share grant scheme ("SGS").

Pursuant to By-law 42.6 as per stipulated in the LTIS, the Group has opted to cancel the remaining 148,639 Shares that were granted via the SGS due to failure/ refusal to accept the said granted shares by the eligible persons.

Subsequently, the following SGS have been granted and issued up to the LPD:-

Effective Grant Date	No. of Ordinary Shares Granted	Listing Date	No. of Shares Issued	Issue Price (RM)	Awardee
18-Jan-23	697,859	27-Jan-23	412,706	0.9635	Employees
		18-Apr-23	76,427		
		22-Jun-23	142,787		
11-Apr-23	945,340	18-Apr-23	945,340	1.1085	Director
15-Jun-23	333,170	22-Jun-23	333,170	1.4434	Director
30-Jun-23	1,000,000	27-Jul-23	917,300	1.5240	Employees
<b>Total</b>	<b>2,976,369</b>		<b>2,827,730</b>		
<b><i>A total of 148,639 Shares granted via the SGS has been cancelled on 28 June 2024.</i></b>					



## B7 Status of Corporate Proposals (cont'd)

### (ii) Free Warrants A and Private Placement

On 8 April 2022, the Company announced multiple proposals as follows :

- (a) Issue of free warrants up to 65,403,155 free warrants on the basis of 1 warrant for every 2 existing ordinary shares ("Shares") in the Company ("Warrants A"); and
- (b) Private placement of up to 39,241,800 new Shares of the Company, representing not more than 30% of the enlarged total issued share capital of the Company:-

(collectively as "Multiple Proposals A").

On 29 July 2022, the Company announced that the issue of Warrants A has been completed with 62,391,724 Warrants A issued and listed on the Main Market of Bursa Securities.

On 23 November 2022, the Company has sought approval from Bursa Securities for the extension of time until 31 May 2023 to complete the private placement. On 8 May 2023, the Company has decided not to proceed with the private placement and hence, the private placement is deemed completed on the same day.

Subsequent to the issuance of Warrants A on 29 July 2022, the following Warrants A were exercised during the relevant periods at a conversion price of RM0.80 per Share up to 7 March 2024 (prior to the date of the adjustment of the Warrant A exercise price on 8 March 2024):-

<b>Period</b>	<b>No. of Warrants A Exercised ('000)</b>	<b>RM'000</b>
Financial year ended 31 December 2022	10,954	8,763
Financial year ended 31 December 2023	25,056	20,045
1 January 2024 to 7 March 2024	3,675	2,940
<b>Total</b>	<b>39,685</b>	<b>31,748</b>

After the completion of the share split exercise on 8 March 2024 as detailed in Note B7 (iii) below, the conversion price of the outstanding Warrants A was adjusted from RM0.80 per Share to RM0.20 per Share.

The following Warrants A were exercised at a conversion price of RM0.20 per Share from 8 March 2024 up to the LPD:-

<b>Period</b>	<b>No. of Warrants A Exercised ('000)</b>	<b>RM'000</b>
Financial quarter ended 31 March 2024 (from 8 March 2024 to 31 March 2024)	9,936	1,987
Financial quarter ended 30 June 2024	5,027	1,005
Financial quarter ended 30 September 2024	2,103	421
1 October 2024 to 22 November 2024	6,521	1,304
<b>Total</b>	<b>23,587</b>	<b>4,717</b>

## B7 Status of Corporate Proposals (cont'd)

### (iii) Share Split and Free Warrants B

On 8 December 2023, the Company announced multiple proposals as follows:

- (a) A share split involving the subdivision of every 1 existing Share in the Company into 4 subdivided Shares ("Split Shares"); and
- (b) Issue of free warrants up to 275,165,870 free warrants on the basis of 1 free warrant for every 3 Split Shares in the Company ("Warrant B"):-

(collectively as "Multiple Proposals B").

The total issued share capital comprising 183,518,885 Shares was subdivided into 734,075,540 Split Shares on 8 March 2024. The 734,075,540 Split Shares were listed and quoted on the Main Market of Bursa Securities on 11 March 2024.

The issuance of Warrants B was completed with 244,691,418 Warrants B listed on the Main Market of Bursa Securities on 15 March 2024.

Subsequent to the issuance of Warrants B on 15 March 2024, the following Warrants B were exercised during the relevant periods up to the LPD at a conversion price of RM0.75 per Share:

Period	No. of Warrants B Exercised ('000)	RM'000
Financial quarter ended 31 March 2024	3,410	2,558
Financial quarter ended 30 September 2024	1,755	1,316
Financial quarter ended 30 September 2024	40	30
1 October 2024 to 22 November 2024	-	-
<b>Total</b>	<b>5,205</b>	<b>3,904</b>

## B8 Group's Borrowings and Debt Securities

The Group's borrowings are as follows:

	Payable Within 12 Months RM'000	Payable After 12 Months RM'000	Total Outstanding RM'000
<b><u>Secured borrowings</u></b>			
Trade facilities	4,615	-	4,615
Hire purchases	2,043	4,070	6,113
Bank overdraft	153	-	153
Term loan	3,872	34,878	38,750
	<u>10,683</u>	<u>38,948</u>	<u>49,631</u>

The secured bank borrowings and other facilities are secured by way of :-

- (a) corporate guarantee by the Company;
- (b) a debenture over all assets of a subsidiary;
- (c) a pledge on the Company and subsidiaries' fixed deposits;
- (d) facilities agreement as principal instrument;
- (e) deed of assignment of contract proceeds;
- (f) machineries; and
- (g) motor vehicles.

## B9 Material Litigation

Save for the following, there were no material litigation involving the Group since the last financial period ended 31 December 2023 and up to the LPD:-

(i) **Mahkamah Tinggi Pulau Pinang Writ No.: WA-22NCC-15-03/ 2023 Trade Empire Sdn. Bhd. ("Plaintiff") vs Proventus Bina Sdn. Bhd. & Kong Teck Fong ("Defendants")**

Proventus Bina Sdn. Bhd., a wholly-owned subsidiary of CIC Construction Sdn. Bhd. which in turn is a wholly-owned subsidiary of the Company ("PBSB"), had on 5 April 2023 been served a Writ of Summon and Statement of Claim dated 29 March 2023 by Trade Empire Sdn. Bhd. ("Plaintiff"). The Plaintiff is claiming for the principal sum of RM1.18 million, late payment interests of RM1.16 million and subsequent late payment interest until full and final settlement. The Plaintiff's claim was in relation to the materials and leasing services allegedly provided to PBSB.

PBSB had on 15 May 2023 filed a defence and a counterclaim against the Plaintiff to which the Penang High Court had directed the Plaintiff to enter their reply and defence by 6 June 2023.

PBSB had on 23 May 2023 filed an application to rope in Aspen Vision Builders Sdn Bhd as a third party ("Aspen" or "Third Party") to the said proceedings to which the Penang High Court granted via its direction dated 23 June 2023. PBSB had also on 23 May 2023 filed an application to transfer the said proceedings from the Penang High Court to the Kuala Lumpur High Court.

On 1 August 2023, amidst the hearing and at the request of Aspen, the Honourable High Court Judge decided to defer his decision to another date, as he was of the view that the Third Party should be served with the cause papers for the application for transfer, since they have been brought in by PBSB and fixed the matter for e-review on 7 August 2023, thereby allowing the Third Party's legal representative(s) to seek instructions from their client on whether to contest or not to contest the matter to transfer.

The Court has ordered for this suit to be transferred from Penang High Court to the Kuala Lumpur High Court. The legal suit number has since been altered from PA-22NCC-15-03/ 2023 to WA-22NCC-684-09/ 2023.

PBSB shall proceed to provide material updates where and when necessary.

(ii) **Mahkamah Tinggi Kuala Lumpur Saman Pemula No.: WA-24NCC-378-07/2023 Aspen Vision Builders Sdn. Bhd. ("Aspen" or "Plaintiff") vs PBSB ("Defendant")**

Aspen has filed in an originating summon and notice of application on 12 July 2023 for an Injunction to restrain PBSB from filing and presenting the winding-up petition pursuant to Section 466 Notice dated 16 June 2023 for an amount of RM1.69 million.

PBSB shall proceed to provide material updates where and when necessary.

**B9 Material Litigation (cont'd)**

**(iii) Mahkamah Tinggi Malaya Di Georgetown Dalam Negeri Pulau Pinang, Malaysia Guaman  
Sivil No.: PA-22C-7-09/ 2023 PBSB ("Plaintiff") vs Tang Kae Shih ("Defendant")**

PBSB or Plaintiff had served a Writ of Summon and Statement of Claim dated 20 September 2023 to Tang Kae Shih ("Defendant"). The Plaintiff is claiming for the principal sum of RM7.23 million and subsequent late payment interest of 10% until the date of full and final settlement.

The Plaintiff's claim was in relation to the following project ("Gerbang Bukit Kecil Project"):

- a) Pursuant to a "Letter of Award" (Ref. No.: SESB/ Montage/LA/013) dated 13 January 2020 ("LOA"), Simbol Era Sdn Bhd ("Main Contractor") has appointed the Plaintiff to perform the work envisaged under and/or arising from the LOA ("Works") in relation to the: -

"Cadangan Untuk Mendirikan 1 Blok Pangsapuri 34 Tingkat Yang Mengandungi:

- (i) 24 Tingkat Pangsapuri - 282 Unit (Tingkat 10 - 33)
- (ii) 1 Tingkat Kemudahan Masyarakat - Podium (Tingkat 9)
- (iii) 1 Tingkat Lif Lobi (Tingkat G)
- (iv) 8 Tingkat Tempat Letak Kenderaan (Tingkat 1 - Tingkat 8)

Di atas Lot 542, 543 dan 544, Gerbang Bukit Kecil 2, Mukim 12, Daerah Barat Daya, Pulau Pinang Untuk Tetuan Prisma Bumiraya Sdn Bhd."

- (b) Pursuant to a Personal Guarantee dated 28 April 2021 which has been executed by the Defendant, the Defendant has among others, irrevocably and unconditionally undertaken to pay the Plaintiff (as principal debtor and not merely as surety) for any debt due and payable by the Main Contractor to the Plaintiff for the Works performed by the Plaintiff in relation to the project.

On 20 March 2024, PBSB had obtained a summary judgment against the Defendant for the following:-

- (i) Principal sum of RM7,225,590.93;
- (ii) Interest at rate of 10% per annum on the amount of RM7,225,590.93 calculated from the due dates specified in the table below, until the date of full and final payment; and
- (iii) Costs in the sum of RM8,000.00.

PBSB shall proceed to provide material updates where and when necessary.

**(iv) Commencement of Adjudication Proceeding Pursuant to the Construction Industry Payment and Adjudication Act 2012 ("CIPAA 2012") by PBSB ("Claimant") against Simbol Era Sdn. Bhd. ("Respondent")**

PBSB had commenced an adjudication proceeding pursuant to CIPAA 2012 against Respondent on 25 September 2023. The Claimant is claiming for the principal sum of RM7.41 million and RM0.91 million, being the total interest as at 28 August 2023; including interest, at the rate of 5% per annum calculated on the sum of RM7.41 million (being the Outstanding Certified But Unpaid Sums), from 29 August 2023 until full and final payment.

PBSB claims against the Respondent in respect of a payment dispute arisen between PBSB and the Respondent in relation to the main building works carried out by PBSB for the Respondent concerning the Gerbang Bukit Kecil Project as disclosed in the material litigation in Note B9(iii) above.

Claimant had on 7 September 2023 served a payment claim amounting to RM7.41 million (plus interest and costs) ("Payment Claim") to the Respondent. However, there was no reply to the Payment Claim from the Respondent. Pursuant to Section 6 of the CIPAA 2012, the Respondent is deemed to have disputed the entire Payment Claim.

In this respect, the Claimant had referred the aforesaid payment dispute arising from the Payment Claim to adjudication pursuant to Sections 7 of the CIPAA 2012. On 8 January 2024, PBSB received the adjudication decision ("Adjudication Decision") from the Adjudicator who had decided in favour of the Claimant.

PBSB shall proceed to take the necessary steps in due course to enforce the said Adjudication Decision.

**(v) Mahkamah Tinggi Malaya Di Georgetown No.: PA-24C-7-04/2024 - Application for the enforcement of the Adjudication Decision for Adjudication Proceeding pursuant to Construction Industry Payment and Adjudication Act 2012 ("CIPAA 2012") against Prisma Bumiraya Sdn. Bhd. ("Respondent") by Proventus Bina Sdn. Bhd. ("Claimant") pursuant to Section 28 of the CIPAA 2012**

PBSB had on 30 April 2024 filed an Originating Summons at Georgetown's Penang High Court seeking an order to enforce the adjudication decision as if it is a judgment of court under Section 28 of CIPAA 2012 and the case management for the application was held on 14 May 2024 via e-review.

The matter is still in the Court and PBSB shall provide all material updates when available.

**(vi) Mahkamah Tinggi Malaya Di Georgetown Originating Summons No.: PA-24C-8-04/ 2024 - Application for the Enforcement of the Adjudication Decision for Adjudication Proceeding Pursuant to the CIPAA 2012 Against Jonah Bina Sdn. Bhd. ("Respondent") by PBSB ("Claimant") pursuant to Section 28 of the CIPAA 2012**

PBSB had on 30 April 2024 filed an Originating Summons at the Georgetown's Penang High Court seeking for an order to enforce the adjudication decision as if it is a judgement of court pursuant to Section 28 of CIPAA 2012.

PBSB shall proceed to provide material updates where and when necessary.

**B10 Proposed Dividends**

No dividend has been declared or paid for the current quarter under review.

**B11 Earnings Per Share****Basic Earnings Per Share**

	Individual Quarter		Cumulative Quarter	
	Current Period Quarter 30.09.2024 RM'000	Preceding Period Corresponding Quarter 30.09.2023 RM'000	Current Period To-date 30.09.2024 RM'000	Preceding Period Corresponding Period 30.09.2023 RM'000
Net profit for the period attributable to ordinary equity holders of the Company (RM'000)	73	246	423	2,686
<b>Basic</b>				
Weighted average number of Shares in issue ('000)	755,608	157,435	611,799	149,964
Basic earnings per Share (sen)	0.01	0.16	0.07	1.79
<b>Diluted</b>				
Weighted average number of Shares in issue ('000)	755,608	157,435	611,799	149,964
Effect of dilution ('000)	113,271	21,714	146,336	16,254
Adjusted weighted average number of Shares in issue ('000)	868,879	179,149	758,135	166,218
Diluted earnings per Share (sen)	0.01	0.14	0.06	1.62

**B12 Additional Disclosure As Per Appendix 9B, Part A, Note 16 of Listing Requirements of Bursa Securities**

	Individual Quarter		Cumulative Quarter	
	Current Period Quarter 30.09.2024 RM'000	Preceding Period Corresponding Quarter 30.09.2023 RM'000	Current Period To-date 30.09.2024 RM'000	Preceding Period Corresponding Period 30.09.2023 RM'000
The following amounts have been included in arriving at profit before tax:				
Auditors' remuneration	170	85	256	196
Depreciation on property, plant and equipment	1,125	423	1,819	1,208
Depreciation on investment property	26	5	38	13
Depreciation on right-of-use assets	270	44	301	165
Finance costs	194	558	584	797
Foreign exchange loss	5	-	5	-
Share grant scheme expenses	-	1,398	-	3,536
Reversal of impairment loss on inventories	-	57	1	57
Rental expense:				
- Land and building	91	117	168	278
- Equipment	70	67	108	180
	<hr/>	<hr/>	<hr/>	<hr/>
and after crediting:				
Interest income	22	13	32	42
Rental income	-	158	19	233
Unrealised foreign exchange gains	-	34	-	34
Reversal of share grant scheme expenses	-	-	189	-
Gain on appreciation of market value of marketable securities	7	-	7	9
Gain on disposal of property, plant and equipment	-	348	20	348
	<hr/>	<hr/>	<hr/>	<hr/>

**B13 Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31 December 2023 was unqualified.

**B14 Authorisation for Issue**

The quarterly financial statements for the period ended 30 September 2024 and accompanying notes were authorised for issue by the Board of Directors.