



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
INTERIM REPORT FOR THE FOURTH QUARTER
AND FINANCIAL YEAR ENDED 30 SEPTEMBER 2023**

	(Unaudited) INDIVIDUAL QUARTER Current Year Quarter 30.09.2023 RM'000	(Unaudited) Preceding Year Corresponding Quarter 30.09.2022 RM'000	(Unaudited) CUMULATIVE QUARTER Current Year-to-Date 30.09.2023 RM'000	(audited) Preceding Year-to-Date 30.09.2022 RM'000
Revenue	312,964	259,406	1,063,796	968,126
Cost of sales	(241,880)	(199,055)	(819,124)	(673,148)
Gross profit	71,084	60,351	244,672	294,978
Other income	11,048	12,184	24,454	26,192
Sales and marketing expenses	(5,110)	(4,684)	(18,565)	(17,917)
Administrative expenses	(32,900)	(27,538)	(97,738)	(91,232)
Other expenses	(5,115)	(5,480)	(15,038)	(16,777)
Profit from operations	39,007	34,833	137,785	195,244
Share of results of associates	387	315	3,295	1,400
Interest expenses	(8,731)	(10,843)	(23,881)	(25,391)
Profit before tax	30,663	24,305	117,199	171,253
Tax expense	(10,051)	(4,713)	(35,919)	(42,506)
Profit for the year	20,612	19,592	81,280	128,747
Other comprehensive income				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Foreign exchange translation differences	(6,109)	6,002	1,746	8,653
	(6,109)	6,002	1,746	8,653
<i>Items that will not reclassified subsequently to profit or loss:</i>				
Remeasurement losses on defined benefit plans	425	1,357	(272)	1,357
Income tax relating to components of other comprehensive expense	(91)	(298)	62	(298)
	334	1,059	(210)	1,059
Other comprehensive income for the year	(5,775)	7,061	1,536	9,712
Total comprehensive income for the year	14,837	26,653	82,816	138,459
Profit attributable to:				
Owners of the parent	18,727	14,693	74,597	112,413
Non-controlling interests	1,885	4,899	6,683	16,334
	20,612	19,592	81,280	128,747
Total comprehensive income attributable to:				
Owners of the parent	13,242	21,461	76,106	121,733
Non-controlling interests	1,595	5,192	6,710	16,726
	14,837	26,653	82,816	138,459
Earnings per share				
Basic Earnings per ordinary share (sen)	3.24	2.54	12.92	19.47
Proposed/Declared Dividend per share (sen)	-	-	4.00	3.50

The condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 September 2022 and the accompanying explanatory notes attached to the interim Financial Report.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
INTERIM FINANCIAL REPORT AS AT 30 SEPTEMBER 2023

	(Unaudited) 30.09.2023	(Audited) 30.09.2022
<i>Assets</i>	RM'000	RM'000
Property, plant and equipment	381,024	395,407
Right-of-use asset	17,122	17,444
Intangible assets	68,885	62,442
Prepaid lease payments	37,758	39,334
Investment properties	375,369	367,376
Investment in associates	25,630	25,935
Other investment	756	776
Land held for property development	869,633	878,683
Deferred tax assets	24,229	31,473
Receivables, deposits and prepayments	38,724	27,296
Total Non-Current Assets	1,839,130	1,846,166
Property development costs	382,274	474,365
Inventories	111,171	151,282
Contract assets	323,492	305,449
Contract cost assets	26,617	28,237
Biological assets	6,231	5,917
Receivables, deposits and prepayments	229,041	203,463
Current tax assets	15,015	12,382
Cash, bank balances, term deposits and short-term placements	365,786	391,251
	1,459,627	1,572,346
Non-current assets classified as held for sale	-	346
Total Current Assets	1,459,627	1,572,692
TOTAL ASSETS	3,298,757	3,418,858
<i>Equity</i>		
Share capital	654,459	654,459
Treasury shares	(11,112)	(11,112)
Translation reserve	9,355	7,641
Revaluation reserve	27,359	27,359
Retained earnings	1,180,597	1,129,194
Equity attributable to owners of the parent	1,860,658	1,807,541
Non-Controlling Interests	89,596	132,803
Total Equity	1,950,254	1,940,344
<i>Liabilities</i>		
Deferred tax liabilities	50,046	53,851
Provisions	18,785	15,706
Payables and accruals	276,341	292,444
Lease liability	19,222	18,902
Loans and borrowings	74,066	102,957
Total Non-Current Liabilities	438,460	483,860
Provisions	21,904	20,587
Contract liabilities	5,498	6,071
Payables and accruals	593,418	664,152
Lease liability	461	482
Loans and borrowings	285,544	298,342
Current tax liabilities	3,218	5,020
Total Current Liabilities	910,043	994,654
Total Liabilities	1,348,503	1,478,514
TOTAL EQUITY AND LIABILITIES	3,298,757	3,418,858
Net Assets per share attributable to shareholders of the Company (RM)*	3.22	3.13

* Net assets per share is calculated by dividing the total equity attributable to owners of the parent by the number of ordinary shares in issue, net of treasury shares at the reporting date.

The condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 September 2022 and the accompanying explanatory notes attached to the interim Financial Report.



MKH BERHAD (Registration No. 197901006663 (50948-T))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
INTERIM REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 SEPTEMBER 2023

	< ----- Attributable to owners of the parent ----- >							
	< -----Non-distributable ----- >			Distributable				
Group	Share Capital RM'000	Treasury Shares RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
Financial year ended 30 September 2023								
At 1.10.2022 (audited)	654,459	(11,112)	7,641	27,359	1,129,194	1,807,541	132,803	1,940,344
Total comprehensive income for the year	-	-	1,714	-	74,392	76,106	6,710	82,816
Transactions with owners								
Changes of ownership interests in subsidiaries	-	-	-	-	108	108	(108)	-
Dividends	-	-	-	-	(23,097)	(23,097)	-	(23,097)
Dividend paid to non-controlling interests	-	-	-	-	-	-	(33,786)	(33,786)
Issuance of shares by subsidiary to non-controlling shareholder	-	-	-	-	-	-	87	87
Redeemable preference shares redeem to non-controlling shareholder	-	-	-	-	-	-	(5,250)	(5,250)
Realisation of bonus shares to non-controlling shareholder	-	-	-	-	-	-	(10,860)	(10,860)
At 30.09.2023 (unaudited)	654,459	(11,112)	9,355	27,359	1,180,597	1,860,658	89,596	1,950,254
Financial year ended 30 September 2022								
At 1.10.2021 (audited)	654,459	(11,112)	(678)	27,359	1,036,041	1,706,069	138,702	1,844,771
Total comprehensive income for the year	-	-	8,319	-	113,414	121,733	16,726	138,459
Transactions with owners								
Changes of ownership interests in subsidiaries	-	-	-	-	(51)	(51)	50	(1)
Non-controlling interests in resepect of subsidiary acquired	-	-	-	-	-	-	51	51
Disposal of subsidiaries	-	-	-	-	-	-	42	42
Dividends	-	-	-	-	(20,210)	(20,210)	-	(20,210)
Dividend paid to non-controlling shareholders	-	-	-	-	-	-	(27,893)	(27,893)
Issuance of shares by subsidiary to non-controlling shareholder	-	-	-	-	-	-	5,125	5,125
At 30.09.2022 (audited)	654,459	(11,112)	7,641	27,359	1,129,194	1,807,541	132,803	1,940,344

The condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 September 2022 and the accompanying explanatory notes attached to the interim Financial Report.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
INTERIM REPORT FOR THE FOURTH QUARTER
AND FINANCIAL YEAR ENDED 30 SEPTEMBER 2023**

	(Unaudited) 30.09.2023 RM'000	(Audited) 30.09.2022 RM'000
Cash Flows From/(Used In) Operating Activities		
Profit before tax	117,199	171,253
Adjustments for non-cash items	53,945	49,446
Operating profit before changes in working capital	171,144	220,699
Change in property development costs	61,094	55,142
Change in inventories	46,005	11,812
Change in contract assets	(18,043)	(19,955)
Change in contract cost assets	1,619	3,504
Change in receivables, deposits and prepayments	(32,589)	12,062
Change in contract liabilities	(573)	(9,302)
Change in payables and accruals	(50,633)	44,482
Cash generated from operations	178,024	318,444
Interest received	6,783	4,741
Interest paid	(19,462)	(18,723)
Tax paid	(40,951)	(64,075)
Tax refunded	4,115	1,011
Retirement benefits obligations paid	(1,655)	(1,979)
Net cash from operating activities	126,854	239,419
Cash Flows From/(Used In) Investing Activities		
Acquisition of subsidiaries, net of cash acquired	-	23
Acquisition of other investment	(158)	(889)
Acquisition of property, plant and equipment	(28,701)	(17,762)
Acquisition of non-controlling interests in subsidiaries	-	(1)
Additions to intangible assets	(6,295)	(2,176)
Additions to land held for property development	(17,303)	(73,573)
(Placement)/Withdrawal of deposits with licensed banks	(5,178)	14,144
Proceeds from disposal of other investment	143	121
Subscription of shares in associates	-	(12,049)
Proceeds from disposal of property, plant and equipment	299	260
Dividend received	56	46
Proceeds from capital reduction in an associate	3,600	-
Deposit and consideration paid for the acquisition and joint venture of development lands	-	(10,000)
Proceeds from disposal of subsidiary	-	216
Proceeds from disposal of non-current assets classified as held for sale	1,479	1,713
Net cash used in investing activities	(52,058)	(99,927)
Cash Flows From/(Used In) Financing Activities		
Dividend paid	(23,097)	(20,210)
Dividend paid to non-controlling interests	(33,785)	(27,893)
Advance from non-controlling interests	9,800	9,800
Net repayment of bank borrowings	(52,172)	(130,287)
Payments of hire purchase liabilities	(1,055)	(324)
Payments of lease liability	(575)	(563)
Proceeds from issuance of shares by a subsidiary to non-controlling shareholders	87	5,125
Realisation of bonus shares to non-controlling shareholder	(10,860)	-
Redemption of redeemable preference shares by subsidiary to non-controlling shareholders	(5,250)	-
Net cash used in financing activities	(116,907)	(164,352)
Net decrease in cash and cash equivalents	(42,111)	(24,860)
Effect of exchange rate fluctuations	2,060	2,709
Cash and cash equivalents at beginning of the year	389,960	412,111
Cash and cash equivalents at end of the year	349,909	389,960

The notes on cash and cash equivalents can be referred to paragraph B5 (ii).

The condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 September 2022 and the accompanying explanatory notes attached to the interim Financial Report.



EXPLANATORY NOTES

A1. BASIS OF PREPARATION

The quarterly financial statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 – Interim Financial Reporting and Appendix 9B of the Bursa Malaysia Securities Berhad Listing Requirements, and should be read in conjunction with MKH Berhad’s audited financial statements for the financial year ended 30 September 2022.

CHANGES IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted for the annual financial statements for the financial year ended 30 September 2022 (“Annual Report 2022”) as well as amendments to MFRSs that take effects on annual financial year commencing on or after 1 October 2022. Adoption of amendments to MFRSs are as follows:

Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 16	COVID-19 Related Rent Concessions beyond 30 June 2021
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds Before Intended Use
Amendments to MFRS 137	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to MFRSs	Annual Improvements to MFRS Standards 2018 - 2020

The adoption of the abovementioned Amendments to MFRSs did not have any significant effect on this interim financial statement of the Group.

New and revised Standards and Amendments that are issued, but not yet effective and have not been early adopted

The Group has not adopted the following new and revised Standards and Amendments that have been issued as at the date of authorisation of this interim financial statement but are not yet effective for the Group:

MFRS 17	Insurance Contracts ¹
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback ²
Amendments to MFRS 17	Insurance Contracts ¹
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information ¹
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current ²
Amendments to MFRS 101	Disclosure of Accounting Policies ¹
Amendments to MFRS 101	Non-current Liabilities with Covenants ²
Amendments to MFRS 107 and MFRS 7	Supplier Financing Arrangements ²
Amendments to MFRS 112	International Tax Reform – Pillar Two Model Rulers ³
Amendments to MFRS 108	Definition of Accounting Estimates ¹
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction ¹
Amendments to MFRS 121	Lack of Exchangeability ⁴

- ¹ Effective for annual periods beginning on or after 1 January 2023.
- ² Effective for annual periods beginning on or after 1 January 2024.
- ³ Immediately for Para 4A and 88A and effective for annual period beginnings on or after 1 January 2024 for Para 88B – 88D
- ⁴ Effective for annual periods beginning on or after 1 January 2025.
- ⁵ Effective date deferred to a date to be announced by MASB.

The directors anticipate that the abovementioned Standards and Amendments will be adopted in the annual financial statements of the Group when they become effective. The adoption of these Standards and amendments may have an impact on the financial statements of the Group in the period of initial application. However, it is not practicable to provide a reasonable estimate of these effect from the adoption of the said MFRSs and amendments to MFRSs until the Group undertake a detailed review.

A2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors have expressed an unqualified opinion on the Company's statutory financial statements for the financial year ended 30 September 2022 in their report dated 22 December 2022.

A3. SEASONAL OR CYCLICAL FACTORS

The Group's operations were not materially affected by seasonal or cyclical factors other than the general effects of the prevailing economic conditions.

A4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

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

A5. CHANGES IN ESTIMATES

There were no material changes in estimates that have had material effect in the current quarter and the financial year-to-date.

A6. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities in the current quarter and the financial year-to-date.

Treasury Shares

There is no purchase of treasury shares during the current quarter and the financial year-to-date. Total treasury shares repurchased cumulatively as at 30 September 2023 is 9,132,300 ordinary shares, representing a cumulative 1.56% of total paid up share capital in accordance with Section 127 of the Companies Act 2016. Since the end of the current quarter ended 30 September 2023, there is no repurchase of treasury share.

A7. DIVIDEND PAID

A first interim single tier dividend of 4.0 sen per ordinary share in respect of financial year ended 30 September 2022 amounting to RM23,096,635 was declared on 29 November 2022 and paid on 6 January 2023.

A8. OPERATING SEGMENTS

(a) Segment Analysis – Business Segments

Financial year ended 30 September 2023

	Property development & construction RM'000	Plantation RM'000	Hotel & property investment RM'000	Trading RM'000	Manu- facturing RM'000	Investment holding RM'000	Non-reportable segment RM'000	Eliminations RM'000	Consolidated RM'000
Revenue									
Total external revenue	587,888	337,982	32,278	100,049	2,614	-	2,985	-	1,063,796
Inter-segment revenue	(500)	14,987	3,041	1	-	159,178	-	(176,707)	-
Total segment revenue	587,388	352,969	35,319	100,050	2,614	159,178	2,985	(176,707)	1,063,796
Results									
Operating result [#]	70,238	41,499	11,402	3,417	1,873	18,230	1,368	(21,490)	126,537
Interest expense*	(30,399)	(4,858)	(1,054)	(24)	-	(12,558)	(1,721)	26,733	(23,881)
Interest income**	13,479	829	119	169	355	1,515	25	(5,243)	11,248
Share of results of associates	3,271	-	-	24	-	-	-	-	3,295
Segment result	56,589	37,470	10,467	3,586	2,228	7,187	(328)	-	117,199
Tax expense									(35,919)
Profit for the year									81,280
Assets									
Segment assets	2,150,528	508,201	422,650	46,055	35,169	14,731	56,549	-	3,233,883
Investment in associates	25,559	-	-	71		-	-	-	25,630
Deferred tax assets									24,229
Current tax assets									15,015
Total assets									3,298,757
Liabilities									
Segment liabilities	988,092	53,207	29,580	15,506	1,783	206,007	1,064	-	1,295,239
Deferred tax liabilities									50,046
Current tax liabilities									3,218
Total liabilities									1,348,503
Other segment information									
Depreciation and amortisation	1,879	34,588	2,481	13	799	104	88	-	39,952
Additions to non-current assets other than financial instruments and deferred tax assets	16,537	28,510	1,068	-	3	-	4	-	46,122
* Included inter-company interest expense	15,677	4,636	97	24	-	4,578	1,721	(26,733)	-
** Included inter-company interest income	(4,240)	-	-	-	-	(1,003)	-	5,243	-
# Included unrealised foreign exchange losses	-	494	-	-	-	2	-	-	496
# Included realised foreign exchange losses/(gains)	-	354	(1)	-	(14)	(1)	-	-	338

Note: The construction division has been combined with property development division to form a reportable segment as major part of its revenue is derived from internal property development projects.

A8. OPERATING SEGMENTS (continued)
(a) Segment Analysis – Business Segments (continued)

Financial year ended 30 September 2022

	Property development & construction RM'000	Plantation RM'000	Hotel & property investment RM'000	Trading RM'000	Manu- facturing RM'000	Investment holding RM'000	Non-reportable segment RM'000	Eliminations RM'000	Consolidated RM'000
Revenue									
Total external revenue	538,450	315,817	30,034	77,053	3,862	-	2,910	-	968,126
Inter-segment revenue	8,962	15,811	2,717	53	-	134,861	-	(162,404)	-
Total segment revenue	547,412	331,628	32,751	77,106	3,862	134,861	2,910	(162,404)	968,126
Results									
Operating result [#]	90,850	80,720	11,476	2,930	2,408	23,785	1,292	(23,813)	189,648
Interest expense*	(33,735)	(5,869)	(1,055)	(8)	-	(16,941)	(2,157)	34,374	(25,391)
Interest income**	6,206	1,771	51	51	447	7,613	18	(10,561)	5,596
Share of results of associates	1,402	-	-	(2)	-	-	-	-	1,400
Segment result	64,723	76,622	10,472	2,971	2,855	14,457	(847)	-	171,253
Tax expense									(42,506)
Profit for the year									128,747
Assets									
Segment assets	2,279,514	503,220	414,713	35,020	40,585	28,843	47,173	-	3,349,068
Investment in associates	25,888	-	-	47				-	25,935
Deferred tax assets									31,473
Current tax assets									12,382
Total assets									3,418,858
Liabilities									
Segment liabilities	1,082,099	67,823	32,269	8,211	2,657	225,461	1,123	-	1,419,643
Deferred tax liabilities									53,851
Current tax liabilities									5,020
Total liabilities									1,478,514
Other segment information									
Depreciation and amortisation	1,221	32,430	2,687	26	940	70	121		37,495
Additions to non-current assets other than financial instruments and deferred tax assets	36,125	16,112	358	14	391	-	-	-	53,000
* Included inter-company interest expense	16,960	4,625	135	8	-	10,489	2,157	(34,374)	-
** Included inter-company interest income	(3,179)	-	-	-	-	(7,382)	-	10,561	-
# Included unrealised foreign exchange gains	-	(4,741)	-	-	-	-	-	-	(4,741)
# Included realised foreign exchange losses/(gains)	-	595	(10)	-	(106)	81	-	-	560

Note: The construction division has been combined with property development division to form a reportable segment as major part of its revenue is derived from internal property development projects.

A8. OPERATING SEGMENTS (continued)
(b) Segment Analysis – Geographical Segments

	Revenue		Non-current assets	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Malaysia	723,200	648,447	1,375,163	1,371,473
The Peoples' Republic of China	2,614	3,862	13,114	20,311
Republic of Indonesia	337,982	315,817	361,514	368,902
	<u>1,063,796</u>	<u>968,126</u>	<u>1,749,791</u>	<u>1,760,686</u>

The non-current assets do not include financial instruments and deferred tax assets.

A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The valuations of property, plant and equipment have been brought forward without any amendments from the previous audited financial statements.

A10. MATERIAL EVENT SUBSEQUENT TO THE END OF THE INTERIM PERIOD

There were no material events subsequent to the end of the current quarter under review that have not been reflected in the financial statements.

A11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group in the current quarter and the financial year-to-date, except for on 7 September 2023, Srijang Indah Sdn Bhd ("SISB"), a wholly-owned subsidiary of the Company disposed off 400,000 shares representing 100% of the equity interest of Metro Emart Sdn Bhd ("MESB"), for a cash consideration of RM1/-. As a result, MESB ceased to be subsidiary of SISB and the Company.

A12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

- (a) As at 20 November 2023, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim Financial Report, the net changes in the contingent liabilities of the Company to financial institutions and suppliers for banking and trade credit facilities granted to subsidiary companies since the preceding financial year ended 30 September 2022 recorded a decrease of approximately RM4.2 million. Total credit facilities granted to subsidiaries with corporate guarantees issued by the Company to the lenders and utilised by subsidiaries as at 20 November 2023 was approximately RM647.3 million and RM342.0 million respectively.

A12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS (CONT'D)

- (b) On 11 January 2019, the recipient of KTM Komuter Station, Perbadanan Aset Keretapi (“PAK”) has issued a certificate of non-completion (“CNC”) to Srijang Kemajuan Sdn Bhd (“SKSB”), a 99.99% owned subsidiary of the Company and stating that SKSB has failed to complete the construction of KTM Komuter Station (“Construction Works”) by 10 December 2016 and therefore PAK is entitled to impose liquidated ascertained damages (“LAD”) pursuant to the Development cum Lease Agreement (“DCLA”) dated 12 October 2012 entered between PAK and SKSB. The LAD will be calculated daily at a rate of RM4,438.36 from the revised completion date on 10 December 2016 (extension of time number 1) until the completion of the Construction Works.

On 28 February 2019, SKSB has written to dispute the validity of the CNC on the grounds that SKSB had on 10 January 2017 submitted extension of time (“EOT”) number 2 of which PAK has yet to assess SKSB’s application for EOT number 2 and on the same day, SKSB submitted EOT number 3 (“EOT 3”) in view of the delay by relevant authorities in approving the change of building design and use of building materials.

On 19 August 2019, PAK granted SKSB’s EOT number 2, for a period of up to 8 January 2017 (“EOT 2”).

On 13 January 2020, SKSB has written to appeal for the EOT 2 to be extended to 30 December 2017 instead of 8 January 2017.

On 15 June 2020, SKSB submitted EOT number 4 (“EOT 4”), for period from 11 April 2020 to 1 July 2020 together with the above mentioned EOT 2 (period from 11 December 2016 to 30 December 2017) and EOT 3 (period from 31 December 2017 to 10 April 2020).

On 23 November 2021, SKSB submitted EOT number 5 (“EOT 5”), or period from 10 June 2020 to 17 October 2021 together with the above mentioned EOT 2, EOT 3 and EOT 4.

On 13 March 2023, SKSB has handed over vacant possession of the KTM Komuter Station to PAK.

On 10 November 2023, SKSB submitted EOT number 6 (“EOT 6”) to apply extension of time until 13 March 2023.

Based on legal opinion obtained, the directors of SKSB are of the opinion that SKSB’s LAD could not be estimated until and unless PAK has completed the assessment of EOT 3, EOT 4, EOT 5 and EOT 6 as the date by which SKSB is required to complete the Construction Works remains uncertain.

In view of the uncertainty, there is no revised completion date from which the LAD could be computed and PAK’s right to impose LAD pursuant to DCLA cannot be triggered. Accordingly, SKSB has not made any provision in the financial statements and only disclosed as contingent liabilities.

A13. CAPITAL COMMITMENTS

The capital commitment of the Group is as follows:

	As at 30.09.2023 RM'000
Approved, contracted but not provided for:	
- Property, plant and equipment for plantation division	10,308
Approved but not contracted and not provided for:	
- Property, plant and equipment for plantation division	21,835
	<u>32,143</u>

A14. RELATED PARTY TRANSACTIONS

There were no related party transactions in the current quarter and the financial year-to-date.

	Current Quarter 30.09.2023 RM'000	Financial Year-to-Date 30.09.2023 RM'000
Sales of development properties to:		
-Person connected to a key management personnel of the Group	<u>1,000</u>	<u>1,000</u>

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ADDITIONAL INFORMATION REQUIRED BY APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

B1. REVIEW OF PERFORMANCE OF THE GROUP FOR:

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Current	Preceding Year	Changes	Current	Preceding	Changes
	Year	Corresponding		Year-to-Date	Year-to-Date	
	Quarter	Quarter		30.09.2023	30.09.2022	
	30.09.2023	30.09.2022				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	312,964	259,406	53,558	1,063,796	968,126	95,670
Operating profit	36,795	31,750	5,045	125,944	189,649	(63,705)
Profit before interest and tax	37,182	32,065	5,117	129,239	191,049	(61,810)
Profit before tax	30,663	24,305	6,358	117,199	171,253	(54,054)
Profit after tax	20,612	19,592	1,020	81,280	128,747	(47,467)
Profit attributable to ordinary equity holders of the Parent	18,727	14,693	4,034	74,597	112,413	(37,816)

(i) Fourth quarter ended 30 September 2023

The Group recorded higher revenue and profit before tax of RM313.0 million and RM30.7 million for the current quarter as compared to the preceding year corresponding quarter of RM259.4 million and RM24.3 million mainly due to higher average selling prices of crude palm oil (“CPO”) of RM3,311 per MT with CPO sales volume of 25,953MT (preceding year corresponding quarter: RM2,804 per MT with CPO sales volume of 20,859MT) by the plantation division and higher revenue and profit recognition from ongoing projects by the property and construction division as mentioned in the following paragraph.

(ii) Financial year ended 30 September 2023 by Segments

Property and construction

Despite the higher revenue of RM587.9 million for the current year as compared to the preceding year of RM538.5 million, this division recorded lower profit before tax of RM56.6 million for the current year as compared to the preceding year of RM64.7 million mainly due absent of sale of land held for property development.

As at 30.9.2023, the Group has locked-in unbilled sales value of RM841.2 million from which attributed sales revenue and profits will be recognised progressively as their development percentage of completion progresses and were mainly contributed from the ongoing development projects namely Hill Park Shah Alam (RM50.3 million), Nexus @ Kajang Station (RM17.3 million), MIRAI Residences @ Kajang 2 Precinct 1 (RM182.7 million), Nexus @ Taman Pertama (RM84.7 million), TR2 Residence @ Jalan Tun Razak (RM363.1 million), Akina @ Kajang 2 Precinct 3 phase 1 (RM80.6 million), Kajang East Avenue 2 shops (RM42.7 million) and Akina @ Kajang 2 Precinct 3 phase 2 (RM19.8 million).

Plantation

Despite the higher revenue of RM338.0 million for the current year as compared to the preceding year of RM315.8 million, this division recorded lower profit before tax of RM37.5 million for the current year as compared to the preceding year of RM76.6 million mainly due to lower sales of palm kernel (“PK”) which resulted from lower average selling prices of RM1,589 per MT with PK sales volume of 17,603MT (preceding year: RM2,627 per MT with PK sales volume of 15,305MT) and higher average production cost. The lower sales from PK were mitigated by higher CPO sales volume of 92,607 with average selling prices of RM3,348 per MT (preceding year: CPO sales volume of 71,636MT with average prices of RM3,847 per MT) and increased operating activities, driven by favorable weather condition since March 2023.

The current year’s profit before tax included unrealised foreign exchange losses of RM0.5 million as compared to unrealised foreign exchange gains of RM4.7 million in the preceding year.

Palm oil plantation’s production key indicators:

As at 30 September 2023	Q1	Q2	Q3	Q4	Year 2023
Total land area (hectares)					18,205
Planted area (hectares)					17,009
Mature area (hectares)					17,009
Fresh Fruit Bunches produced by (MT)					
Own estates	105,446	88,933	107,645	108,206	410,230
External	5,608	4,076	6,367	7,000	23,051
	111,054	93,009	114,012	115,206	433,281
Crude Palm Oil (MT)	20,434	18,598	24,349	25,636	89,017
Palm Kernel (MT)	3,826	3,269	4,632	5,159	16,886
CPO average price RM/MT	3,394	3,445	3,252	3,311	3,348
PK average price RM/MT	1,663	1,562	1,705	1,436	1,589

⁽¹⁾ The land area has decreased by 182.8 hectares, which earmarked for transfer in the form of Hak Guna Usaha to Koperasi Perkebunan Sawit Seguntung Jaya, Puan Cepak Village. The transfer of the plantation land area was to fulfill the obligation of PT Maju Kalimantan Hadapan (“PTMKH”), a subsidiary of the Company under the Plasma Programme, whereby PTMKH is obligated to amongst others, provide the plantation facilities and assist in the management of the plantation land.

As at 30 September 2022	Q1	Q2	Q3	Q4	Year 2022
Total land area (hectares)					18,388
Planted area (hectares)					17,175
Mature area (hectares)					17,175
Fresh Fruit Bunches produced by (MT)					
Own estates	91,646	90,561	100,543	100,002	382,752
External	5,501	4,904	5,616	6,188	22,210
	97,147	95,465	106,159	106,190	404,962
Crude Palm Oil (MT)	18,315	17,716	19,709	19,202	74,942
Palm Kernel (MT)	3,913	3,815	4,254	4,263	16,245
CPO average price RM/MT	4,001	4,358	4,544	2,804	3,847
PK average price RM/MT	2,376	3,331	3,154	1,584	2,627

Hotel and property investment

Despite the higher revenue of RM32.3 million for the current year as compared to preceding year of RM30.0 million, this division maintained the profit before tax of RM10.5 million for the current year and preceding year. The current year's profit before tax included fair value gain on transfer from property, plant and equipment to investment properties of RM2.8 million and net changes in fair value loss on investment properties of RM0.9 million in the current quarter (preceding year: net changes in fair value gain on investment properties of RM2.4 million).

Trading

The division recorded increase in revenue of RM100.0 million and profit before tax of RM3.6 million for the current year as compared to the preceding year of RM77.1 million and RM3.0 million respectively due to higher product mixed of high profit margin building materials and approximately 73% of sales were mainly derived from the Group's development projects.

Manufacturing

The division recorded lower revenue of RM2.6 million and profit before tax of RM2.2 million for the current year as compared to the preceding year of RM3.9 million and RM2.9 million respectively due to slow down in furniture sales orders from existing customers following the Russia-Ukraine conflicts.

Investment holding

This division revenue and profit before tax were mainly derived from the inter-group transactions on management fee and interest billings and charging which were eliminated at the Group level.

B2. COMMENT ON MATERIAL CHANGES IN THE PROFIT BEFORE TAX OF THE CURRENT QUARTER COMPARED WITH PRECEDING QUARTER

	Current Quarter 30.09.2023 RM'000	Immediate Preceding Quarter 30.06.2023 RM'000	Changes RM'000
Revenue	312,964	273,686	39,278
Operating profit	36,795	41,508	(4,713)
Profit before interest and tax	37,182	41,537	(4,355)
Profit before tax	30,663	38,445	(7,782)
Profit after tax	20,612	24,653	(4,041)
Profit attributable to ordinary equity holders of the parent	18,727	21,635	(2,908)

The Group recorded higher revenue of RM313.0 million for the current quarter as compared to the preceding quarter of RM273.7 million but lower profit before tax of RM30.7 million for the current quarter as compared to the preceding quarter of RM38.4 million mainly due to inclusion of unrealised foreign exchange losses of RM3.0 million in the current quarter as compared to unrealised foreign exchange gains of RM6.6 million in the preceding quarter.

Excluding unrealised foreign exchange losses/gains, the Group recorded profit before tax of RM33.7 million for the current quarter as compared to the preceding quarter of RM31.8 million. The increase in profit before tax excluding unrealised foreign exchange losses/gains mainly due to inclusion of fair value gain from transfer of property, plant and equipment to investment properties of RM2.8 million and net changes in fair value loss on investment properties of RM0.9 million in the current quarter (preceding quarter: RM nil).

B3. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST AND PROFIT GUARANTEE

This is not applicable to the Group.

B4. CURRENT YEAR PROSPECTS

The Group's three (3) business segments in Malaysia comprising property development and construction, trading, hotel and property investment remained resilient amid the current challenging business environment.

Property development and construction, and trading segments:

The outlook for property development and construction, and trading segment for the financial year ending 30 September 2024 ("FY2024") is expected to expand at a more moderate pace with Bank Negara Malaysia's overnight policy rate ("OPR") remain unchanged at 3.0% since the last increase in May 2023. The Malaysian economy remained resilient with expansion in the services sector and construction activities which are expected to remain the key engine of growth heading into 2024.

As at 30.9.2023, the Group achieved take up rates for the launched development projects as follows:

- 45% for Nexus @ Taman Pertama (507 units of apartments) with GDV of approximately RM258.4 million which was launched in November 2020;
- 80% for MIRAI Residences @ Kajang 2 Precinct 1 (phase 1 & 2 totaling 1,496 units of apartments) with GDV of approximately RM471.4 million which was launched in September 2020 and in February 2021;
- 100% for Iris @ Hillpark Shah Alam (241 units of double-storey terrace) with GDV of approximately RM127.1 million which was launched in September 2021;
- 85% for TR2 Residence @ Jalan Tun Razak (Block A & B totaling 918 units of apartments) with GDV of approximately RM507.3 million which was launched in November 2021 and in June 2022; and
- 70% for Akina @ Kajang 2 Precinct 3 phase 1 (276 units double-storey terrace) with GDV of approximately RM198.5 million which was launched in September 2022.
- 92% for Kajang East Avenue 2 (32 units retail shops) with GDV of approximately RM46.3 million which was launched in March 2023.
- 15% for Akina @ Kajang 2 Precinct 3 phase 2 (171 units double-storey terrace) with GDV of approximately RM129.1 million which was launched in July 2023.

The Group's planned launches in FY2024 comprising of high rise service apartments and retail commercial shops development known as MIRAI Residences 2 @ Kajang 2 Precinct 2 (phase 1), Makhota Cheras Residences in Cheras (phase 1) and Kajang 2 Precinct 3 (RSKU), landed retail shops development known as Kajang 2 Precinct 3 (phase 4), landed residential development known as Annya @ Kajang 2 Precinct 3 (phase 3) and Kajang East Precinct 1 phase 3B (final phase) with a total estimated GDV of approximately RM640.0 million will be phased according to prevailing market sentiments.

B4. CURRENT YEAR PROSPECTS (CONT'D)

Property development and construction, and trading segments: (cont'd)

The Group will continue to leverage on its available properties from the ongoing development projects with sales value of approximately RM571.4 million and monetise its inventories totaling RM69.1 million through virtual/digital marketing, rolling out more competitive rebates and timely completion of ongoing development projects.

The Group's unbilled sales of RM841.2 million would be able to sustain this division for the next two (2) years and the above new planned transit-oriented development launches which are strategically located in Kuala Lumpur, Cheras and Kajang will further strengthen the Group's future unbilled sales.

For the trading division, approximately 73% of the sales of building materials are contributed from the Group's development projects and it will continue to supply building materials to the Group's ongoing and future development projects.

Hotel and property investment segment:

Our retail properties namely Plaza Metro Kajang and Metro Point Complex, and RHR hotel continue to record better performances through increased business activities.

Our 3-star hotel namely RHR Hotel @ Kajang features 102 guest rooms, 1 ballroom, 2 meeting rooms, and 1 cafe has achieved average occupancy rate of 57% for the current year (2022: 55%) and continue to be supported by domestic business travelers and agencies.

Plantation segment:

Our plantation segment in Indonesia recorded higher fresh fruit bunches ("FFB") of 115,206MT and oil extraction rate of 22.3% in the current quarter as compared to the preceding quarter of 114,012MT and 21.3% respectively. The composition of the FFB produced by own estates and purchased from external estates can be referred to paragraph B(ii), Plantation segment.

As with other commercial crops, prolong drier or wetter weather will result in lower crop production. The Kalimantan region in Indonesia including at our plantation has been experiencing relatively heavier rainfall resulting in lower FFB production in the first and second quarter. The weather has started normalizing since March 2023 onwards and our FFB production has also increased. Our plantation division continuously take proactive steps such as enhancing our water management system, fine tuning the harvesting Standard Operating Procedures to suit the weather, complimented with our on-going mechanisation of FFB collection and the use of software apps to track FFB evacuation from fields to the mill.

This division is exposed to foreign exchange risk on its United States Dollar ("USD") and Ringgit Malaysia ("RM") denominated loans. For the current quarter ended 30 September 2023, this division recorded unrealised foreign exchange losses of RM3.0 million as compared to the unrealised foreign exchange gains of RM6.6 million in immediate preceding quarter based on exchange rate of USD1:IDR15,526 and RM1:IDR3,300 as at 30 September 2023 due to the weakening of the Indonesia Rupiah ("IDR") against RM and USD. The exchange rates movement is analysed as below:

As at 30.9.2023, USD1: IDR15,526 and RM1: IDR3,300

As at 30.6.2023, USD1: IDR15,026 and RM1; IDR3,213

As at 31.3.2023, USD1: IDR15,062 and RM1; IDR3,407

As at 31.12.2022, USD1: IDR15,731 and RM1: IDR3,556

B4. CURRENT YEAR PROSPECTS (CONT'D)

Plantation segment: (cont'd)

The crude palm oil ("CPO") prices remain well supported due to good demand and tighter supply with current CPO price trading at approximately RM3,350/MT (net of export levy and duty) in Indonesia which augurs well for the Plantation Division. For the current quarter, the average CPO price achieved was at RM3,311 per MT as compared to the immediate preceding quarter of RM3,252 per MT. For the 1st quarter ending 31 December 2023, we are expecting an average CPO price at a range of between RM3,300 to RM3,450 per MT. We expect the CPO price to continue to be well supported as there are several international meteorological organisations that are predicting El-Nino dry weather effect by the second half of 2023 which may result in tighter global CPO supply. We will continue to focus on the estate management to further increase the production efficiencies including oil extraction rate and maximising the utilisation of the CPO mill to further capitalise on the higher CPO price.

Given the above, the Board of Directors expect the Group to achieve satisfactory results for the financial year ending 30 September 2024.

B5. (i) PROFIT BEFORE TAX FROM CONTINUING OPERATIONS

The profit before tax of the Group from continuing operations is arrived at after (charging)/crediting:

	Current Quarter 30.09.2023 RM'000	Financial year-to-date 30.09.2023 RM'000
Amortisation of prepaid lease payments	(379)	(1,524)
Amortisation of intangible assets	(295)	(590)
Depreciation of right-of-use asset	(81)	(322)
Depreciation of property, plant and equipment	(9,529)	(37,516)
Interest expenses - loan and borrowings	(4,735)	(18,823)
- lease liability	(218)	(874)
- non-controlling interests	(233)	(639)
- unwinding of discount	(3,545)	(3,545)
Other expenses		
Changes in fair value of investment properties	(893)	(893)
Impairment loss on trade receivables	(50)	(50)
Property, plant and equipment written off	(200)	(243)
Fair value loss arising from other investment	(433)	(42)
Loss on disposal of property, plant and equipment	(151)	(25)
Inventories written off	(35)	(35)
Trade receivables written off	(15)	(15)
Other receivables written off	(2)	(2)
Net gain/(loss) on foreign exchange - realised	85	(338)
Net loss on foreign exchange - unrealised	(3,014)	(496)
Other income		
Bad debts recovered	10	27
Changes in fair value of biological assets	246	288
Changes in fair value of investment properties	1,910	1,910
Interest income - bank balances, term deposits and short-term placements	2,336	6,783
- accretion of interest	4,342	4,466
Fair value gain on transfer from property, plant and equipment to investment properties	2,803	2,803
Reversal of impairment loss on:		
- Land held for property development	825	825
- Trade receivables	12	12
- Other receivables	-	6
Gain on disposal of other investment	-	8
Dividend income from other investment	46	56

(ii) CASH AND CASH EQUIVALENTS

The cash and cash equivalents at end of the year comprise of the following:

	(Unaudited) 30.09.2023 RM'000	(Audited) 30.09.2022 RM'000
Cash and bank balances	145,780	136,372
Cash held under housing development accounts	143,441	155,375
Cash held under sinking fund accounts	42	41
Deposits with licensed banks	12,852	13,098
Short term funds	63,671	86,365
Bank overdrafts	(9,408)	-
	<u>356,378</u>	<u>391,251</u>
Less: Non short term and highly liquid fixed deposits	(6,426)	-
Less: Deposits and bank balances pledged for credit facilities	(43)	(1,291)
	<u><u>349,909</u></u>	<u><u>389,960</u></u>

B6. TAX EXPENSE

The taxation of the Group from continuing operations comprises of the following: -

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2023 RM'000	Preceding Year Corresponding Quarter 30.09.2022 RM'000	Current Year-to-Date 30.09.2023 RM'000	Preceding Year-to-Date 30.09.2022 RM'000
Current tax				
- Current financial year	10,863	6,051	34,274	40,456
- Prior financial year	(65)	(121)	(1,873)	585
Deferred tax				
- Current financial year	(874)	(115)	3,096	3,640
- Prior financial year	127	(1,102)	422	(2,175)
	<u><u>10,051</u></u>	<u><u>4,713</u></u>	<u><u>35,919</u></u>	<u><u>42,506</u></u>

The effective tax rate applicable to the Group for the financial year is higher than the statutory rate of taxation as certain expenses were disallowed for tax purposes, non-recognition of certain tax benefits from unabsorbed tax losses and other temporary difference incurred prior to launch of projects.

B7. CORPORATE PROPOSALS

On 29 March 2023, the Company has proposed to list MKH Oil Palm (East Kalimantan) Berhad (“MKH Oil Palm”), a wholly-owned subsidiary of the Company, on the Main Market of Bursa Malaysia Securities Berhad “Proposed Listing”. On 30 March 2023, MKH Oil Palm has submitted an application in relation to the Proposed Listing to Securities Commission. On 12 July 2023, Securities Commission has approved the Proposed Listing under section 214(1) of the Capital Markets and Services Act 2007, subject to the terms and condition as stipulated therein. The Company has obtained approval from its shareholders on 28 November 2023 for the Proposed Listing of MKH Oil Palm on the Main Market of Bursa Malaysia Securities Berhad.

B8. GROUP BORROWINGS AND DEBT SECURITIES

The loans and borrowings (including finance lease liabilities) of the Group are as follows: -

	Long term		Short term		Total borrowings	
	Foreign currency 000	RM Equivalent RM'000	Foreign currency 000	RM Equivalent RM'000	Foreign currency 000	RM Equivalent RM'000
As at 30 September 2023						
<u>Secured</u>						
<u>Denominated in RM</u>						
Term loans	-	5,135	-	30,703	-	35,838
Bridging loans	-	4,419	-	-	-	4,419
Revolving credits	-	62,444	-	109,273	-	171,717
Bank overdraft	-	-	-	9,408	-	9,408
<u>Unsecured</u>						
<u>Denominated in USD</u>						
Term loans	-	-	500	2,360	500	2,360
<u>Denominated in RM</u>						
Revolving credits	-	-	-	133,100	-	133,100
<u>Finance lease liabilities</u>						
<u>Denominated in RM</u>	-	2,068	-	700	-	2,768
Total		74,066		285,544		359,610

	Long term		Short term		Total borrowings	
	Foreign currency 000	RM Equivalent RM'000	Foreign currency 000	RM Equivalent RM'000	Foreign currency 000	RM Equivalent RM'000
As at 30 September 2022						
<u>Secured</u>						
<u>Denominated in RM</u>						
Term loans	-	16,953	-	21,625	-	38,578
Revolving credits	-	82,444	-	108,023	-	190,467
<u>Unsecured</u>						
<u>Denominated in USD</u>						
Term loans	500	2,318	-	-	500	2,318
<u>Denominated in RM</u>						
Revolving credits	-	-	-	168,200	-	168,200
<u>Finance lease liabilities</u>						
<u>Denominated in RM</u>	-	1,242	-	494	-	1,736
Total		102,957		298,342		401,299

B9. MATERIAL LITIGATION

There was no material litigation involving the Group during the current quarter under review.

B10. DIVIDEND

The Board of Directors has approved a first interim single tier dividend of 4.0 sen per ordinary share on 29 November 2023 for the financial year ended 30 September 2023 and will be repayable on 10 January 2024 to shareholders whose name appear on the Company's Record of Depositors on 26 December 2023.

B11. EARNINGS PER SHARE ("EPS")

	Current Year Quarter 30.09.2023 (unaudited)	Preceding Year Corresponding Quarter 30.09.2022 (unaudited)	Current Year-to-Date 30.09.2023 (unaudited)	Preceding Year-to-Date 30.09.2022 (unaudited)
BASIC EPS				
Profit attributable to Owners of the parent (RM'000)	18,727	14,693	74,597	112,413
Weighted average number of ordinary shares ('000)				
At 1 October 2022/2021	586,548	586,548	586,548	586,548
Treasury shares	(9,132)	(9,132)	(9,132)	(9,132)
At 30 September 2023/2022	577,416	577,416	577,416	577,416
BASIC EPS (sen)	3.24	2.54	12.92	19.47

B12. AUTHORISATION FOR ISSUE

The interim Financial Report were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 29 November 2023.