



INTERIM FINANCIAL STATEMENTS

*- For The Quarter and Year-to-date Ended
30th June 2024 -*

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024
RM'000

	Note	30.06.2024 Unaudited	31.12.2023 Audited
Assets			
Property, plant and equipment	12	86,621	86,849
Investment properties		101,428	101,428
Quarry development expenditure		2,769	2,379
Investment in joint venture		125	125
Inventories		249,519	245,267
Deferred tax assets		7,145	7,530
Trade and other receivables		98,925	103,258
Total non-current assets		<u>546,532</u>	<u>546,836</u>
Inventories		38,736	29,436
Contract assets		54,856	55,180
Contract costs		357	413
Trade and other receivables		104,372	89,321
Current tax assets		194	110
Other investments		784	1,045
Short term investments		7,258	3,516
Cash and cash equivalents		47,744	73,328
Total current assets		<u>254,301</u>	<u>252,349</u>
Total assets		<u><u>800,833</u></u>	<u><u>799,185</u></u>
Equity			
Share capital		331,020	331,020
Retained earnings		156,204	155,324
Equity attributable to owners of the Company		<u>487,224</u>	<u>486,344</u>
Non-controlling interests		(302)	(302)
Total equity		<u>486,922</u>	<u>486,042</u>
Liabilities			
Trade and other payables		12,436	11,072
Deferred tax liabilities		4,572	4,572
Loans and borrowings	23	29,153	31,085
Lease liabilities		21,250	20,988
Total non-current liabilities		<u>67,411</u>	<u>67,717</u>
Trade and other payables		150,108	148,777
Contract Liabilities		1,338	1,338
Loans and borrowings	23	91,063	88,917
Current tax liabilities		3,002	5,405
Lease liabilities		989	989
Total current liabilities		<u>246,500</u>	<u>245,426</u>
Total liabilities		<u>313,911</u>	<u>313,143</u>
Total equity and liabilities		<u><u>800,833</u></u>	<u><u>799,185</u></u>

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



**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2024
RM'000**

	Note	3 months ended 30-Jun		6 months ended 30-Jun	
		2024	2023	2024	2023
Continuing Operations					
Revenue		78,113	43,215	129,391	81,530
Cost of sales		(68,836)	(37,603)	(112,075)	(74,156)
Gross profit		<u>9,277</u>	<u>5,612</u>	<u>17,316</u>	<u>7,374</u>
Selling & Marketing expenses		(1,420)	(116)	(2,092)	(144)
Administrative expenses		(7,918)	(8,695)	(16,061)	(17,558)
Other operating income		2,738	880	5,227	1,843
Other operating expenses		92	-	92	-
Profit/(Loss) from operating activities		<u>2,769</u>	<u>(2,319)</u>	<u>4,482</u>	<u>(8,485)</u>
Finance cost		<u>(1,722)</u>	<u>(1,086)</u>	<u>(3,154)</u>	<u>(2,442)</u>
Profit/(Loss) before taxation	10	<u>1,047</u>	<u>(3,405)</u>	<u>1,328</u>	<u>(10,927)</u>
Tax expense	21	(448)	-	(448)	-
Profit/(Loss) and total comprehensive expenses for the period		<u><u>599</u></u>	<u><u>(3,405)</u></u>	<u><u>880</u></u>	<u><u>(10,927)</u></u>
Profit/(Loss) and total comprehensive expenses for the period attributable to :					
Owners of the Company		599	(3,405)	880	(10,927)
Non-controlling interests		-	-	-	-
Profit/(Loss) and total comprehensive expenses for the period		<u><u>599</u></u>	<u><u>(3,405)</u></u>	<u><u>880</u></u>	<u><u>(10,927)</u></u>
Basic earning/(loss) per ordinary share (sen)	26	0.20	(1.12)	0.29	(3.60)

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



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2024**
RM'000

	<i>Non-distributable</i>	<i>Distributable</i>	Total	Non-controlling interests	Total equity
	Share capital	Retained earnings			
As at 31 December 2022 / 1 January 2023	331,020	144,073	475,093	(61)	475,032
Total comprehensive income	-	12,655	12,655	(241)	12,414
Dividend paid	-	(1,404)	(1,404)	-	(1,404)
As at 31 December 2023	331,020	155,324	486,344	(302)	486,042
As at 1 January 2024	331,020	155,324	486,344	(302)	486,042
Total comprehensive income	-	880	880	-	880
Dividend paid	-	-	-	-	-
As at 30 June 2024	331,020	156,204	487,224	(302)	486,922

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



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2024
RM'000**

	Cumulative Quarter	
	Current Year-to-date ended 30-Jun-24	Preceding Year-to-date ended 30-Jun-23
Cash flows from operating activities		
Profit/(Loss) before taxation	1,328	(10,927)
Adjustments for:		
Non-cash items	4,462	4,664
Non-operating items	(1,807)	1,262
Operating profit/(loss) before working capital changes	3,983	(5,001)
Changes in working capital:		
Contract assets	324	3,510
Contract costs	56	176
Contract liabilities	-	(2,868)
Trade and other receivables	(10,718)	(15,152)
Inventories	(13,552)	(9,140)
Trade and other payables	2,695	13,507
Cash used in operations	(17,212)	(14,968)
Interest paid	(3,154)	(2,442)
Tax paid	(2,550)	(2,257)
Net cash used in operating activities	(22,916)	(19,667)
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,242)	(3,478)
Purchase of other investments	-	(2,043)
Proceeds from disposal of:		
- Plant and equipment	4	6
- Other investments	261	361
Additions of quarry development expenditure	(390)	(580)
Interest received	5,227	1,843
Net cash generated from/(used in) investing activities	860	(3,891)
Cash flows from financing activities		
Dividends paid to shareholders of the Company	-	-
Drawdown/(Repayment) of term loan	4,223	(10,505)
Movements of other borrowings, net	(1,860)	(1,603)
Addition/(Repayment) of hire purchase	448	(700)
Placement of short term investments	(3,742)	(7,355)
Net cash used in financing activities	(931)	(20,163)
Net decrease in cash and cash equivalents	(22,987)	(43,721)
Cash and cash equivalents at beginning of the period	60,708	69,067
Cash and cash equivalents at end of the period	37,721	25,346
Cash and cash equivalents comprise of the followings:		
Cash and cash equivalents	47,744	37,807
Less: Bank overdrafts	(10,023)	(12,461)
	37,721	25,346

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



EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2024

Part A – Explanatory Notes Pursuant to MFRS 134

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134; Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Berhad (“Bursa”).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2023. These explanatory notes attached to the 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.

Interim financial statements other than for financial instruments have been prepared under the historical cost convention. Financial instruments have been fair valued in accordance with MFRS 9 Financial Instruments: Recognition and Measurement.

2. Significant Accounting Policies

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the financial year ended 31 December 2023 except for the adoption of the following new/revised MFRSs and Amendments to MFRSs:

MFRSs, interpretations and amendments effective for annual 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 and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2025

- Amendment to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*



MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- 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 adoption of the above MFRSs does not have significant financial impact on the Group.

3. Auditors' Report on Preceding Annual Financial Statements

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

4. 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 year to-date.

5. Changes in Estimates

The preparation of the interim financial statements in conformity with Malaysian Financial Reporting Standards ("MFRSs") requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognized in the financial statements.

6. Seasonal or Cyclical Factors

The Group's products and services are generally dependent on the Malaysian economy, government policies and weather conditions (on the construction activities).



7. Dividends Paid

There was no dividend declared and paid during the quarter under review.

8. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resales and repayments of equity securities except for repayment of debt in the current quarter.



9. Segmental Information

RM'000	Property Development	Engineering, Construction and Quarry	Leisure	Other reportable segments	Total reportable segments	Elimination	Combined
6 months ended 30 June 2024							
Revenue							
External sales	17,404	109,441	2,202	344	129,391	-	129,391
Inter-segment sales	135	1,327	-	5,828		(7,290)	-
Total revenue	17,539	110,768	2,202	6,172	136,681	(7,290)	129,391
Segment profit/(loss)	(2,212)	5,079	(461)	(1,163)	1,242	85	1,328
6 months ended 30 June 2023							
Revenue							
External sales	13,824	65,180	2,255	271	81,530	-	81,530
Inter-segment sales	135	7	4	5,829	5,975	(5,975)	-
Total revenue	13,959	65,187	2,259	6,100	87,505	(5,975)	81,530
Segment profit/(loss)	(4,619)	(4,596)	(494)	(1,270)	(10,979)	52	(10,927)



10. Profit before tax

Profit before tax is arrived at :

RM'000	3 months ended 30 June		6 months ended 30 June	
	2024	2023	2024	2023
<i>After charging :</i>				
Depreciation of property, plant and equipment	2,045	1,629	4,462	4,664
Expenses relating to short-term leases	114	87	276	194
Expenses relating to leases of low-value assets	148	-	227	-
Royalties and tributes	172	207	324	394
<i>and after crediting :</i>				
Rental income	268	265	536	529
(Loss)/Gain on disposal of plant and equipment	(13)	(1)	4	9
Interest income	1,362	317	2,804	513
Government grants (wages subsidies)	-	-	-	-
Net loss on impairment of financial instruments of financial instruments and contract assets Financial assets at amortised cost - Trade receivables	92	20	92	60

11. Changes in Composition of the Group

There were no changes in the composition of the Group during the current quarter ended 30 June 2024.

12. Property, Plant and Equipment

The Group acquired property, plant and equipment worth RM4,242,000 during the quarter under review.

There was no impairment loss on property, plant and equipment during the current quarter period.



13. Capital Commitments

The amount of commitments for the purchase of property, plant & equipment not provided for in the interim financial statements as at 30 June 2024 are as follows:

	<u>RM'000</u>
Approved and contracted for	<u>730,399</u>

14. Changes in Contingent Liabilities

As of 30 June 2024, the Group does not have any material contingent liability.

15. Material Subsequent Events to the Reporting Period

There were no material events subsequent to the end of the quarter under review up to the date of this report that have not been reflected in the interim financial statements.

16. Significant Related Party Transactions

	6 months ended 30.06.2024 RM'000
Rental of quarry land to ultimate holding corporation	58
Tributes charged by the ultimate holding corporation	324
Estate agency fee charged by a related company, Kumpulan Ladang-Ladang Perbadanan Kedah Sdn. Bhd.	-
Revenue from oil palm from related company, Kumpulan Ladang-Ladang Perbadanan Kedah Sdn. Bhd.	258
Property management paid to a related company, Darulaman Asset Sdn. Bhd	12
Insurance paid to a related company, KSDC Insurance Brokers Sdn. Bhd.	198
	850

All related parties' transactions had been entered into in the normal course of business and were carried out on normal commercial terms.



Part B – Explanatory Notes Pursuant to Chapter 9, Appendix 9B of the Listing Requirements of Bursa Malaysia Berhad

17. Performance Review

Current financial year to date against previous year corresponding period

The Group has demonstrated a revenue growth of 59% for the current financial year of RM129.4 million compared to RM81.5 million in the same period last year. This increase has resulted in a profit before tax of RM1.3 million, an improvement from RM10.9 million loss before tax reported during the corresponding period of last year. This progress is primarily attributable to Engineering, Construction, and Quarry Division.

The Engineering, Construction, and Quarry Division recorded an increase in revenue, of RM109.4 million compared to RM65.2 million in the previous year's equivalent period. This growth is driven by ongoing construction projects, roadworks, and quarry product sales. Furthermore, the Division has achieved a profit before tax of RM5.1 million for the 6 month period, a substantial turnaround from the RM6.6 million loss before tax recorded in the same period last year.

Similarly, the Property Division has also reported an increase in revenue this year, of RM17.4 million compared to RM13.8 million in prior year's corresponding period. This rise in revenue has led to a reduced loss before tax of RM2.2 million, an improvement from the RM4.6 million loss before tax incurred in the same period last year. The decrease in loss before tax is largely due to income from completed Joint Venture projects.

Current quarter vs previous year corresponding quarter

The Group achieved a notable revenue increase to RM78.1 million, compared to RM43.2 million for the same period last year. The Group also posted a profit before tax of RM1.0 million this quarter, a significant recovery from the RM3.4 million loss before tax recorded in the corresponding quarter of the previous year.

The Engineering, Construction, and Quarry Division reported a substantial revenue increase of RM66.4 million this quarter, up from RM35.4 million in the same period last year. This rise is primarily due to contributions from ongoing construction projects, roadworks, and quarry product sales. Additionally, the Division recorded a profit before tax of RM3.2 million for the current quarter, a marked improvement from RM0.1 million profit before tax reported in the equivalent quarter last year.

Meanwhile, the Property Division experienced revenue growth of RM10.5 million for the current quarter, compared to RM6.8 million in the same quarter last year. However, the Division reported a loss before tax of RM0.8 million for the current quarter, as compared to RM2.3 million loss before tax incurred in the corresponding period of previous year.



18. Variation of Results against Preceding Quarter

RM'000	Current quarter ended 30 June 2024	Preceding quarter ended 31 March 2024
Revenue	78,112	51,278
Profit Before Taxation	1,046	281

The Group registered higher revenue and profit before tax compared to the preceding quarter, mainly contributed by the Engineering, Construction and Quarry division.

19. Prospects for the current financial year

Malaysia's economy grew by 5.9 percent in the second quarter of 2024. This growth is fueled by both domestic and export activities, with a positive outlook for the rest of the year.

Similarly, Kedah has attracted substantial direct investments from both local and foreign investors. In the first quarter of 2024, Kedah secured RM31.3 billion out of Malaysia's total approved investments of RM83.7 billion, the highest among all states. The availability of extensive tracts of developable land positions the state as a prime investment destination.

The Group has remained dedicated to ongoing infrastructure development to support the influx of investment in Kedah. Upon completion, the Pelubang Water Treatment project will boost water distribution in Northern Kedah. State road maintenance will enhance interstate connectivity, and the Irrigation System Development Project is crucial for supporting the state's role as Malaysia's "rice bowl." These projects are progressing as planned.

The Engineering, Construction, and Quarry (ECQ) Division has increased its production capacity through its two quarries to support Kedah's overall development. With a solid track record in road maintenance and infrastructure projects such as water treatment plants and building constructions, the division will continue to play a significant role in Kedah's growth.

In South of Kedah, particularly Bandar Bahru and Kulim districts, there are substantial potential for the property division to enhance its earnings. The current project in Serdang, Aman Perdana Phase One is nearing completion, while Phase Two is underway and expected to complete in 2024. The property division has also launched a new development in Pendang and continuing projects in Bandar Darulaman, Jitra, Aman Nusa, Langkawi, and Darulaman Saujana, Hosba.



The Group's Leisure Division continues to host activities and events to boost visitor numbers at Darulaman Park, Darulaman Golf, and Darulaman Sanctuary in Langkawi. Recently, the leisure division successfully organized the BDB Jitra Duathlon 2024 in Jitra and the BDB Climb 2024, where climbers and outdoor enthusiasts competed in a 5km race and ascended 4,287 steps to reach the peak of Gunung Raya in Langkawi respectively.

The Group remains optimistic for the current financial year and beyond.

20. Variance from Profit Forecast or Profit Guarantee

Not applicable for the financial period ended 30 June 2024.

21. Income Tax Expense

RM'000	6 Months Ended 30 June	
	2024	2023
Continuing Operations		
In respect of current financial year:		
- Current tax	448	-
- Deferred tax	-	-
In respect of prior financial years:		
- Current tax	-	-
- Deferred tax	-	-
Tax expenses	-	-

Income tax expenses for the quarter and year ended under review were provided for profitable companies within the Group.

22. Status of Corporate Proposals

There was no outstanding corporate proposal during the quarter under review.



23. Group borrowings and Debt Securities

Total loans and borrowings as at 31 June 2024 were as follows:

RM'000	Short Term	Long Term	Total
Term loans	14,057	25,583	39,640
Bankers' Acceptance	4,477	-	4,477
Hire Purchase	2,506	3,570	6,076
Revolving Credit	60,000	-	60,000
Bank overdraft	10,023	-	10,023
TOTAL	91,063	29,153	120,216

24. Material Litigation

On June 6, 2024, BDB Darulaman Golf Resort Berhad, BDB Land Sdn Bhd, and Bina Darulaman Berhad were served with a Writ of Summons by Mohd Nazli bin Ahmad Mahyadin, represented by his attorneys Messrs Nashitoh Kassim & Associates.

The plaintiff is pursuing legal action against the three defendants, alleging the three defendants of disrupting his use and enjoyment of his property and caused personal harm to him and his family. The plaintiff seeks RM7,000,000 in damages, including general, special, exemplary, and aggravated damages.

25. Dividends Payable

No dividend in respect of the current financial year under review has been declared during the quarter under review.

26. Earnings Per Share

a. Basic earnings per share

The basic earnings/(loss) per share were calculated by dividing the Group's net profit/(loss) attributable to ordinary shareholders by the number of ordinary shares in issue as follows:

RM'000	6 months ended 30.06.2024	6 months ended 30.06.2023
Profit/(Loss) attributable to owners of the Company	880	(10,927)
Number of ordinary shares in issue	303,855	303,855
Basic earnings/(loss) per share (sen)	0.29	(3.60)



b. Diluted earnings per share

Not applicable.

27. Authorization for Issue

The Interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors on 26 August 2024.