

**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2022**

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 30/09/2022	Preceding Year Corresponding Quarter 30/09/2021	Changes	Current Year To Date 30/09/2022	Preceding Year Corresponding Period 30/09/2021	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
<b>Revenue</b>	36,687	21,880	68	36,687	21,880	68
Cost of Sales	(27,244)	(16,613)	64	(27,244)	(16,613)	64
<b>Gross Profit</b>	<b>9,443</b>	<b>5,267</b>	<b>79</b>	<b>9,443</b>	<b>5,267</b>	<b>79</b>
Other Income	742	226		742	226	
Interest Income	155	391		155	391	
Operating Expenses	(7,034)	(6,846)		(7,034)	(6,846)	
Finance Costs	(494)	(184)		(494)	(184)	
Share of results of associates	1,964	1,202		1,964	1,202	
<b>Profit/(Loss) Before Tax</b>	<b>4,776</b>	<b>56</b>	<b>8428</b>	<b>4,776</b>	<b>56</b>	<b>8428</b>
Tax Expenses	(148)	(819)		(148)	(819)	
<b>Profit/(Loss) for the period</b>	<b>4,628</b>	<b>(763)</b>	<b>707</b>	<b>4,628</b>	<b>(763)</b>	<b>707</b>
Profit/(Loss) attributable to :						
Owners of the Company	4,800	(1,645)	392	4,800	(1,645)	392
Non-controlling interest	(172)	882	-119	(172)	882	-119
	<b>4,628</b>	<b>(763)</b>	<b>707</b>	<b>4,628</b>	<b>(763)</b>	<b>707</b>
Weighted average no. of shares ('000)	741,613	370,807		741,613	370,807	
<b>(Loss)/Earnings per share attributable to Owners of the Company ( sen )</b>						
- Basic	<b>0.65</b>	<b>(0.44)</b>		<b>0.65</b>	<b>(0.44)</b>	
- Diluted	<b>0.43</b>	<b>(0.44)</b>		<b>0.43</b>	<b>(0.44)</b>	

(The unaudited Consolidated Statement of Profit or Loss And Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements)

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2022

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 30/09/2022	Preceding Year Corresponding Quarter 30/09/2021	Changes	Current Year To Date 30/09/2022	Preceding Year Corresponding Period 30/09/2021	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
<b>Profit/(Loss) for the period</b>	4,628	(763)	707	4,628	(763)	707
<b>Other comprehensive income/(loss) :</b>						
Net gain on other investment						
- Gain/(loss) on fair value changes	(589)	1,804		(589)	1,804	
Foreign currency translation						
- Gain/(loss) on currency translation	-	-		-	-	
Share of expenses of equity accounted associates	(21)	(232)		(21)	(232)	
<b>Total Comprehensive income/(loss)</b>	<b>4,018</b>	<b>809</b>	<b>397</b>	<b>4,018</b>	<b>809</b>	<b>397</b>
<b>Total comprehensive income/(loss) attributable to :</b>						
Owners of the Company	4,190	(73)	5840	4,190	(73)	5840
Non-controlling interest	(172)	882	-119	(172)	882	-119
	<b>4,018</b>	<b>809</b>	<b>397</b>	<b>4,018</b>	<b>809</b>	<b>397</b>

(The unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements)

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2022**

	(Unaudited)	(Audited)
	As At End of Current Quarter 30/09/2022  RM'000	Financial Year Ended 30/06/2022  RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	28,257	28,219
Right-of-use assets	561	707
Investment properties	44,995	45,103
Investment securities	10,020	10,610
Investment in associates	22,261	20,318
Intangible assets	323	348
Bearer plant	2,027	1,650
Trade receivables	13,711	13,711
Other receivables & prepayments	17,729	10,979
Goodwill	7	7
	139,891	131,652
<b>Current assets</b>		
Inventories	71,075	66,340
Trade receivables	59,251	106,351
Other receivables	25,699	25,039
Contract Assets	47,843	35,890
Tax recoverable	6,400	8,526
Amount due from associates	39,054	39,275
Short-term investments	152,060	101,608
Fixed deposits with licensed banks	6,870	9,397
Cash and bank balances	33,686	39,851
	441,938	432,277
<b>TOTAL ASSETS</b>	<b>581,829</b>	<b>563,929</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	209,768	209,768
Treasury shares	(1,655)	(1,655)
Warrant reserves	21,302	21,302
Other reserves	1,110	1,110
Fair value reserves	4,109	4,698
Foreign currency translation reserves	(974)	(953)
Retained profits	160,560	155,760
Equity attributable to owners of the Company	394,220	390,030
Non-Controlling interests	12,150	12,322
<b>TOTAL EQUITY</b>	<b>406,370</b>	<b>402,352</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	8,263	8,263
Loans and borrowings	2,395	3,639
	10,658	11,902
<b>Current liabilities</b>		
Loans and borrowings	74,195	70,761
Trade payables	29,857	38,360
Other payables	58,669	35,870
Amount owing to associates	1	28
Amount owing to related parties	1,125	-
Provision of taxation	954	4,656
	164,801	149,675
<b>TOTAL LIABILITIES</b>	<b>175,459</b>	<b>161,577</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>581,829</b>	<b>563,929</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>0.5316</b>	<b>0.5259</b>
<b>No. of Shares issued (net of treasury shares)</b>	<b>741,613,384</b>	<b>741,613,384</b>

(The unaudited Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements)

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2022**

	End of Current Quarter 30/09/2022	End of Preceding Corresponding Quarter 30/09/2021
	RM'000	RM'000
<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
Profit/(Loss) before taxation	4,776	56
Adjustment for :		
Amortisation of intangible assets	25	-
Depreciation on property, plant and equipment	1,599	2,814
Depreciation on right-of-use assets	146	537
(Gain) / Loss on disposal of property, plant and equipment	(1)	-
Reversal of impairment loss on trade receivables	-	(5)
Interest income	(156)	(391)
Dividend income	(212)	(88)
Finance costs	494	184
Share of results of associates	(1,964)	(1,202)
Unrealise (gain) / loss on foreign exchange differences	220	927
<b>Operating profit before working capital changes</b>	<b>4,927</b>	<b>2,832</b>
Change in working capital		
(Increase)/Decrease in inventories	(5,004)	341
(Increase)/Decrease in receivables	39,663	2,041
Increase/(Decrease) in payables	14,296	(7,029)
Decrease/(Increase) in contract assets/liabilities	(11,952)	(3,037)
<b>Cash generated from / (used in) operations</b>	<b>41,930</b>	<b>(4,852)</b>
Taxes credit / (paid)	(1,724)	(859)
Interest paid	(483)	(184)
Interest received	50	223
<b>Net cash flow (used in)/ generated from operating activities</b>	<b>39,773</b>	<b>(5,672)</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Interest received	106	169
Dividend received	212	88
Proceeds from disposal of property, plant and equipment	1	-
Proceeds from disposal of other investment	-	8,230
Purchase of property, plant and equipment	(1,637)	(1,032)
Repayment/(Advance) from related parties	1,125	-
<b>Net cash generated from / (used in) investing activities</b>	<b>(193)</b>	<b>7,455</b>
<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Finance cost paid	(11)	-
Proceeds from hire purchase	130	-
Repayment of lease liabilities	(821)	(915)
(Repayment)/Drawdown of loan and borrowings	2,882	(163)
<b>Net cash generated from / (used in) financing activities</b>	<b>2,180</b>	<b>(1,078)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>41,760</b>	<b>705</b>
Effect of exchange rate changes on cash and cash equivalents	-	-
<b>CASH AND BANK BALANCES AS AT 1 JULY</b>	<b>150,856</b>	<b>119,776</b>
<b>CASH AND BANK BALANCES AS AT 30 SEPTEMBER</b>	<b>192,616</b>	<b>120,481</b>
Less : Fixed deposit under lien	(6,870)	(10,184)
<b>CASH AND CASH EQUIVALENTS AS AT 30 SEPTEMBER</b>	<b>185,746</b>	<b>110,297</b>

(The unaudited Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements)

**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2022**

	Share Capital (RM'000)	Treasury Shares (RM'000)	Other reserve (RM'000)	Warrant reserve (RM'000)	Fair value reserve (RM'000)	Foreign exchange translation reserve (RM'000)	Retained profit (RM'000)	Attributable to Owners of the Company (RM'000)	Non-Controlling Interest (RM'000)	Total Equity (RM'000)
<b>As at 1 July 2022</b>	209,768	(1,655)	1,110	21,302	4,698	(953)	155,760	390,030	12,322	402,352
<b>Total comprehensive income/(loss) for the year</b>	-	-	-	-	(589)	(21)	4,800	4,190	(172)	4,018
<b>Transactions with owners</b>										
<b>As at 30 September 2022</b>	209,768	(1,655)	1,110	21,302	4,109	(974)	160,560	394,220	12,150	406,370
<b>As at 1 July 2021</b>	194,303	(1,655)	1,110	-	14,084	(952)	148,896	355,786	12,623	368,409
<b>Total comprehensive income/(loss) for the year</b>	-	-	-	-	1,804	(232)	(1,645)	(73)	882	809
<b>Transactions with owners</b>										
Disposal of quoted investment	-	-	-	-	(5,296)	-	5,296	-	-	-
<b>As at 30 September 2021</b>	194,303	(1,655)	1,110	-	10,592	(1,184)	152,547	355,713	13,505	369,218

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements)

## Notes to the Interim Financial Report

### **A1 Basis of preparation**

The unaudited interim financial report has been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board and paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022. These explanatory notes attached to the interim financial report 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 30 June 2022.

### **A2 Changes of accounting policies**

The significant accounting policies, methods of computation and basis of consolidation adopted are consistent with those of the most recent audited financial statements for the year ended 30 June 2022, except for the adoption of the following Amendments to MFRSs and IFRIC Agenda Decision that are effective for the Group from 1 July 2022:

#### **MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

Amendment to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021

Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2

The initial application of the above new or revised standards is not expected to have any significant impact on the results and financial position of the Group and the Company.

#### **A2.1 Amendments to MFRSs and IC Interpretations were issued but not yet effective and have not been applied by the Group:**

The Group has not applied in advance the following accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year ended 30 June 2022:-

#### **MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

	<b>Effective Date</b>
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022

Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16 : Lease Liability in a Sales and Leaseback	1 January 2024
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 : Initial Application of MFRS 17 and MFRS 9 –Comparative Information	1 January 2023
Amendments to MFRS 101 : Classification of Liabilities as Current or Non-current	1 January 2023
Amendment to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022

The Group will apply the above MFRSs, Amendments/Improvements to MFRSs and IC Interpretations that are applicable once they become effective. The adoption of the above MFRSs, Amendments/Improvements to MFRSs and IC Interpretations is not expected to have any material impact on the financial statements of the Group.

**A3 Audit Report of Preceding Annual Financial Statements**

The audit report of the Group’s annual financial statements for the year ended 30 June 2022 was not subject to any qualification.

**A4 Seasonal or cyclical factors**

The operations of the Group are not subject to seasonality / cyclicity of operations.

**A5 Unusual items**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period under review because of their nature, size, or incidence.

**A6 Changes in estimates**

Not applicable.

**A7 Significant related party transactions**

There were no significant related party transactions during the financial period under review.

**A8 Movement in debt and equity securities**

There were no other issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the quarter under review.

The details of shares held as treasury shares for the period ended 30 September 2022 are as follow:

	<b>Number of Treasury shares</b>	<b>Total Considerations RM</b>
Balance as at 30 June 2022	3,075,764	1,654,910
Repurchased during the quarter	-	-
Balance as at 30 September 2022	3,075,764	1,654,910

The shares purchased are being held as treasury shares in accordance with Section 127 (16) of the Companies Act, 2016.

**A9 Dividend paid**

There were no dividend paid during the current quarter.

**A10 Carrying Amount of revalued property, plant and equipment**

The valuation of property, plant and equipment has been brought forward without amendment from the financial statement for the year ended 30 June 2022.



## A11 Segmental reporting

The segmental information of the Group analysed by activities is as follows:-

3 months ended 30.09.22	Before Group's Eliminations							Adjustment and Eliminations RM'000	Total RM'000
	Construction RM'000	Logging and timber trading RM'000	Property development RM'000	Trading RM'000	Logistic RM'000	Investment holding RM'000	Plantation RM'000		
<b>Revenue</b>									
External Sales	28,076	2,354	3,526	373	269	1,825	-	264	36,687
Inter-segment sales	2,019	-	-	3,437	-	943	-	(6,399)	-
Total revenue	30,095	2,354	3,526	3,810	269	2,768	-	(6,135)	36,687
<b>Results</b>									
Profit/(Loss) from operation	3,051	(1)	(1,056)	(92)	(61)	1,757	(116)	(176)	3,306
Finance costs	(456)	(0)	(160)	(27)	(6)	(176)	(20)	351	(494)
Share of results in associates	-	(15)	1,979	-	-	-	-	-	1,964
Profit/(Loss) before tax	2,595	(16)	763	(119)	(67)	1,581	(136)	175	4,776
<b>Total assets</b>									
Segment assets/ Consolidated total assets	229,203	36,722	201,694	9,337	509	513,352	3,073	(412,061)	581,829

  

3 months ended 30.09.21	Before Group's Eliminations							Adjustment and Eliminations RM'000	Total RM'000
	Construction RM'000	Logging and timber trading RM'000	Property development RM'000	Trading RM'000	Logistic RM'000	Investment holding RM'000	Plantation RM'000		
<b>Revenue</b>									
External Sales	11,859	6,000	3,640	78	207	96	-	-	21,880
Inter-segment sales	-	-	-	2,654	-	847	3	(3,504)	-
Total revenue	11,859	6,000	3,640	2,732	207	943	3	(3,504)	21,880
<b>Results</b>									
Profit/(Loss) from operation	(1,972)	2,593	(447)	(180)	(21)	(942)	(29)	36	(962)
Finance costs	(163)	(1)	(90)	(11)	(8)	(55)	(3)	147	(184)
Share of results in associates	-	436	766	-	-	-	-	-	1,202
Profit/(Loss) before tax	(2,135)	3,028	229	(191)	(29)	(997)	(32)	183	56
<b>Total assets</b>									
Segment assets/ Consolidated total assets	187,625	33,633	170,921	7,300	822	470,792	715	(381,530)	490,278

## A12 Events subsequent to the balance sheet date

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

## A13 Changes in composition of the Group

There were no changes in the composition of the Group for the current financial quarter under review except as follows;-

- On 4 October 2022, the Company incorporated a wholly owned subsidiary company, FB Event Sdn. Bhd. The shares capital and the number of issued shares of FB Event Sdn. Bhd. is RM100.00 comprising 100 ordinary shares.

The intended principal activity of FB Event Sdn. Bhd. is event management.

## A14 Capital commitments

There were no capital commitments as at the end of the current quarter.

**A15 Changes in contingent liabilities**

	The Group		The Company	
	As at 30.09.22	As at 30.06.22	As at 30.09.22	As at 30.06.22
	RM'000	RM'000	RM'000	RM'000
Performance and tender bond granted to contract customers	16,313	16,363	-	-

## B Bursa Securities Listing Requirements (Part A of Appendix 9B)

### B1 Review of performance

	Individual Period (1st quarter)			Cumulative Period		
	Current Year	Preceding Year Corresponding	Changes (%)	Current Year	Preceding Year Corresponding	Changes (%)
	Quarter 30/09/2022 (RM'000)	Quarter 30/09/2021 (RM'000)		To-date 30/09/2022 (RM'000)	Period 30/09/2021 (RM'000)	
Revenue	36,687	21,880	68	36,687	21,880	68
Profit/(loss) from operation	3,306	(962)	444	3,306	(962)	444
Profit/(loss) before interest and tax	5,269	240	2096	5,269	240	2095
Profit/(loss) before tax	4,776	56	8428	4,776	56	8428
Profit/(loss) after tax	4,628	(763)	707	4,628	(763)	707
Profit/(loss) attributable to Owners of the Company	4,800	(1,645)	392	4,800	(1,645)	392

In the current quarter, the Group recorded a revenue of RM36.69 million as compared to a revenue of RM21.88 million in the preceding year corresponding quarter. The increased revenue was from across all of the Group's business segments except for the Logging and Timber Trading segment. The Group's profit before tax was RM4.78 million in the current quarter as compared to RM0.06 million in the preceding year corresponding quarter.

The increase in revenue was mainly contributed by the increase of work progress of Duta Park Project in the Construction segment. In comparison, for the preceding year corresponding quarter activities were affected as a result of the Full Movement Control Order which has hampered business operations. The increase in profit before tax for the current quarter was mainly contributed from the Construction and Property Development segments.

Detailed analysis of the performance for the respective operating business segments for the period ended 30 September 2022 are as follow:

<u>Segment</u>	Revenue			Profit / (Loss) before tax		
	Current Year	Preceding Year Corresponding	Changes	Current Year	Preceding Year Corresponding	Changes
	Quarter 30/09/2022 (RM'000)	Quarter 30/09/2021 (RM'000)	(RM'000)	Quarter 30/09/2022 (RM'000)	Quarter 30/09/2021 (RM'000)	(RM'000)
Construction	28,076	11,859	16,217	1,876	(2,767)	4,643
Logging & timber trading	2,354	6,000	(3,646)	48	3,099	(3,051)
Property development	3,790	3,640	150	2,114	1,289	825
Trading	373	78	295	(38)	(131)	NM
Logistic	269	207	62	(152)	(71)	NM
Investment holding	1,825	96	1,729	1,044	(1,327)	2,371
Plantation	-	-	-	(116)	(36)	NM
Total	36,687	21,880		4,776	56	

\* NM = Non-meaningful

#### Construction Segment

The segment recorded a higher revenue of RM28.08 million in the current quarter as compared to a revenue of RM11.86 million in the preceding year corresponding quarter.

The profit before tax for the current quarter was RM1.88 million as compared to a loss before tax of RM2.77 million in the preceding year corresponding quarter.

The increase in revenue was mainly contributed from higher work progress for Duta Park project. The profit before tax in current quarter was mainly due to the reversal of Provision of Liquidated Ascertained Damages of RM4.45 million for Shaw Parade project, which was accrued in the prior financial years as a result of settlement of dispute.

#### Logging and Timber Trading Segment

The Logging and Timber Trading segment recorded a revenue of RM2.35 million for the current quarter in comparison to a revenue of RM6.00 million in the preceding year corresponding quarter. The profit before tax in the current quarter was RM0.05 million as compared to RM3.10 million in the preceding year corresponding quarter.

The decrease in revenue for the current quarter was mainly due to the end of the logging activities that leads to lesser production and sales on existing approved block, and the Group is in the midst of obtaining permit for a new working block. The decrease in profit before tax for the current quarter was mainly due to lesser contribution of profit as resulted by the distribution of dividend from the Group's associate company.

#### Property Development Segment

The Property Development segment recorded a higher revenue of RM3.80 million in the current quarter as compared to a revenue of RM3.64 million in the preceding year corresponding quarter. The profit before tax was RM2.11 million in the current quarter as compared to a profit before tax of RM1.29 million in the preceding year corresponding quarter, an increase of RM0.83 million.

The marginal increase in revenue for the current quarter was due to our new development, Vierra Residence @ Kinrara, has started to contribute revenue to the segment. The increase in profit before tax for the current quarter was mainly due to profit contributed from the Group's associate company in Australia.

#### Trading and Logistic Segments

The Trading segment registered a revenue of RM0.37 million in the current quarter as compared to RM0.08 million in the preceding year corresponding quarter. The segment recorded a lower loss before tax of RM0.04 million as compared to a loss before tax of RM0.13 million in the preceding year corresponding quarter. The higher revenue and lower loss before tax in the current quarter was due to higher purchase of construction materials for the Group's on-going projects in the Construction segment.

The Logistic segment registered a revenue of RM0.27 million in the current quarter as compared to a revenue of RM0.21 million in the preceding year corresponding quarter. The segment recorded a higher loss before tax of RM0.15 million in the current quarter as compared to a loss before tax of RM0.07 million in the preceding year corresponding quarter. The increase in revenue was in correspondence with the increase in Logging and Timber Trading segment activities from the Group's associate company. The higher loss before tax was resulted by the higher maintenance cost incurred in the current quarter.

## **B2** Variation of result against preceding quarter

	<b>Current Year Quarter 30/09/2022 (RM'000)</b>	<b>Immediate Preceding Quarter 30/06/2022 (RM'000)</b>	<b>Changes (%)</b>
Revenue	36,687	69,413	(47)
Profit/(loss) from operation	3,306	8,725	(62)
Profit/(loss) before interest and tax	5,269	9,328	(44)
Profit/(loss) before tax	4,776	8,900	(46)
Profit/(loss) after tax	4,628	7,664	(40)
Profit/(loss) attributable to Owners of the Company	4,800	6,563	(27)

In the current quarter ended 30 September 2022, the Group registered a lower revenue of RM36.69 million and a lower profit before tax of RM4.78 million as compared to a revenue of RM69.41 million and a profit before tax of RM8.90 million in the preceding quarter ended 30 June 2022.

The lower revenue was mainly due to lesser contribution from the Construction segment and the end of the logging activities that lead to lesser production and sales on existing approved block in the Logging and Timber Trading segment. In addition to that, the lower profit before tax was due to lesser contribution of profit from the Group's associated company as resulted by the distribution of dividend during the current quarter.

## **B3** Current year prospects

In Bank Negara's latest quarterly report, the Malaysian economy registered a strong growth of 14.2% in the third quarter of 2022 as compared to 8.9% in the second quarter. Overall, the economy expanded by 9.3% in the first three quarters of 2022. Moving forward, the country's economic growth will be supported by continued expansion in domestic demand which will remain the key driver of growth.

The construction sector recorded a higher growth of 15.3% in the third quarter as compared to a growth of 2.4% in the second quarter 2022 as all subsectors recorded improvements in activities. The Group's construction segment will continue to focus on its current projects such as Duta Park Residences as well as its own property development projects in the affordable housing segment. The Group has an order book of approximately RM480 million and will proactively pursue opportunities to bid for new construction jobs in both private and government projects. Some of the tender projects that the Group is participating in are the Mass Rapid Transit Line 3 (MRT 3) project and Rapid Transit System Link (RTS Link) project between Johor Bahru and Singapore. The Group's tender for new construction projects currently amounts to RM5.5 billion in the private and government sectors.

The Group remains focused on the planned developments of its property projects in Malaysia as part of the long-term growth objective for its property development division. Vierra Residence, located in Kinrara is based on the affordable housing concept of "Residensi Wilayah Keluarga Malaysia" (RUMAWIP) and was launched in the second quarter of 2022. Vierra Residence will continue to generate sales for the remaining of 2022. The development was awarded the GreenRE Silver Certification (Provisional) under the Residential Building and Landed Home category with green features incorporated into the design such as naturally ventilated common area, solar

panel to generate electricity from the renewable solar energy and rainwater harvesting system. Vierra Residence was also awarded the Best Value High-Rise Development Category of Property Guru Asia Awards in partnership with iProperty. In Kelantan, the Group will develop its latest development named Desa Green with the first phase scheduled for launch in the first quarter of 2023, consisting of single storey terrace and single storey semi-detached houses, Desa Green is an integrated township with a land area of approximately 23.37 acres. The Group's third property development in Australia, The Wilds located in Northcote, Melbourne, is set to be a benchmark in Environmentally Sustainable Design principles and will become the first carbon-neutral detached housing development in inner Melbourne, with all houses 100 per cent electric and incorporating a solar panel array. The Group has also ventured into a new property development at Fitzroy, Melbourne and is currently applying for approval from the relevant authorities and is scheduled to launch in 2024.

In the Group's Logging and Timber Trading segment, we have approximately 15,443 acres of working block through our subsidiaries and associate company and this will continue to contribute to the Group's earnings in the future.

The Group has expanded its business into the plantation segment and envisage that this segment may generate good returns in the long term. The Group has ventured into an operation to carry fruit crops cultivation and plantation project with approximately 600 acres of land located in Jerantut. We will continue to explore options to identify suitable businesses or strategic acquisition and will continue to seek opportunities in this segment.

Moving forward, the Group will continue its focus on Construction, Property Development, Logging and Timber Trading and Plantation segments to ensure sustained revenue. The Group will persistently bid for prospective infrastructure and rail construction projects and with our state-of-the-art trackwork machineries and expertise, as well as having excellent track record in completing railway projects on time, we are in a good position to bid for such jobs. In the Malaysian property segment, the Group is on the lookout to expand its property development footprints in the Klang Valley depending on market conditions. The Group endeavour to explore more business opportunities and capitalise our strengths to generate sustainable revenue from its existing or new businesses.

Barring any unforeseen circumstances, the Group is optimistic about the Group's ability to continue to achieve satisfactory performance for the financial year ending 30 June 2023.

**B4**    **Profit forecast**  
Not applicable.

**B5 Profit guarantee**

Claim by the Company against Cashrep Holdings Sdn. Bhd. (“Cashrep”) and Cita Jati Sdn. Bhd. (“Cita Jati”) based on Profit Guarantee Agreement.

On 23 November 2006 and 11 April 2007, the Company has obtained Winding-Up Orders from the Court against Cita Jati and Cashrep respectively. The Official Receiver from the Jabatan Insolvency, Wilayah Persekutuan was appointed as liquidator for both companies.

**B6 Income tax**

Income tax includes:

	Individual Quarter		Cumulative Quarter	
	3 months ended 30/09/2022 RM'000	3 months ended 30/09/2021 RM'000	3 months ended 30/09/2022 RM'000	3 months ended 30/09/2021 RM'000
Current period's provision	148	819	148	819
Under / (Over) provision for the prior years	-	-	-	-
	148	819	148	819
Deferred taxation	-	-	-	-
Under / (Over) provision for the prior years	-	-	-	-
	148	819	148	819

Taxation is computed after taking into consideration the available capital allowances and the adjusted business losses carried forward from previous years to set off against taxable profit.

**B7 Purchase or disposal of quoted securities**

There were no purchase or disposal of quoted securities in Malaysia during current quarter under review.

Investment in quoted shares as at 30 September 2022 were as follows :

	<b>RM'000</b>
At cost	5,912
At market value - Shares	10,020

**B8 Status of corporate proposals announced**

There were no corporate proposal announced during the financial period to date.

**B9 Status of Utilisation of Proceeds**

Status of Utilisation of Proceeds as at 30 September 2022

	<b>Proposed Utilisation RM'000</b>	<b>Actual Utilisation RM'000</b>	<b>Unutilised Proceeds RM'000</b>	<b>Timeframe For The Utilisation Of Proceeds</b>
<b><u>Rights Issue of 370,806,692 Shares</u></b>				
Funding for existing and/ or future construction projects	10,000	(10,000)	-	Within 18 months
Funding for future property development projects	10,000	(8,692)	1,308	Within 24 months
Business expansion and/ or future viable investment for logging & timber trading, and plantation segments	15,000	(8,030)	6,970	Within 24 months
Working capital requirements	1,481	-	1,481	Within 6 months
Defrayment of estimated expenses	600	(545)	55	Upon completion
	<u>37,081</u>	<u>(27,267)</u>	<u>9,814</u>	

*\* The proceeds for working capital will be utilised to finance the day-to-day operations of the Group's existing business segments.*

**B10 Borrowings**

The tenure of the Group borrowings classified as follows:-

	<b>30 September 2022</b>		<b>30 September 2021</b>	
	<b>Short term RM'000</b>	<b>Long term RM'000</b>	<b>Short term RM'000</b>	<b>Long term RM'000</b>
<b><u>Secured</u></b>				
Term loan	2,514	664	-	-
Lease liabilities	2,438	1,730	3,023	979
Invoice Finance	3,001	-	944	-
Revolving Credit	43,968	-	45,000	-
Promissory Note	22,274	-	-	-
	<u>74,195</u>	<u>2,395</u>	<u>48,967</u>	<u>979</u>

**B11 Off balance sheet financial instruments**

The Group does not have any financial instrument with off balance sheet risk as at 30 September 2022.



**B12 Trade receivables**

The age analysis of trade receivables is as follow :

	<b>Current Quarter Ended 30/09/2022 RM'000</b>
Not past due	52,623
Past due:	
- less than 3 months	-
- 3 to 6 months	479
- over 6 months	2,024
- more than 1 year	4,125
	<hr/> <b>59,251</b> <hr/>

The Group is satisfied that recovery of the amount is possible, therefore there is no impairment for past due trade receivables.

**B13 Material litigation**

There were no any other proceeding, pending or threatened litigation or any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of the Group as at 30 June 2022 except as disclosed in the following:-

a) **Fajarbaru Builder Sdn. Bhd. (“Claimant”) vs Tan Wee Meng (“Respondent”)**

The Claimant issued a Notice of Arbitration dated 1 November 2019 against the Respondent for a sum of RM10,000,000.00 ("**the Claim**") pursuant to a Director's Guarantee dated 8 August 2017 given by the Respondent in favour of the Claimant, whereby the Respondent irrevocably and unconditionally undertook to immediately pay on demand to the Claimant any amount due and owing by TYL Land & Development Sdn Bhd ("**TYL Land**"), up to the maximum guarantee amount of RM10,000,000.00, in respect of the whole of the obligations of TYL Land in relation to the Podium Block works of L'Marq Semenyih Project carried out by the Claimant.

Pursuant to the Final Award in the matter of an Arbitration dated 30 December 2020, the Arbitrator has awarded and declared that: -

1. the Respondent shall pay to the Claimant within 14 days from 23 February 2021:
  - 
  - a. the sum of RM10,000,000.00; and
  - b. the amount awarded in item 1(a) above or in the event of part payment by the due date, the outstanding balance thereof shall be subject to the addition of simple interest at 5% per annum from the date of this award to the date of payment; and

2. the Respondent shall pay and/or reimburse all the legal costs and expenses, the Arbitrator's fees and the Asian International Arbitration Centre (AIAC) booking fees to the Claimant.

As the Final Award is in favour of the Claimant, our Board is of the view that the outcome is in favour of the Claimant and that there is no exposure of liability to the Claimant save for the legal costs and expenses incurred by the Claimant in the arbitration proceedings.

On 23 April 2021, the Claimant had successfully enforced the Arbitration Award against the Respondent pursuant to Section 38 of the Arbitration Act 2005, by way of an ex-parte Originating Summons ("**Enforcement Order**").

On 28 October 2021, the Respondent's setting aside applications have been dismissed. No appeal has been filed by the Respondent.

The Claimant will be engaging solicitors in Singapore to enforce the Final Award against the Respondent in Singapore.

**b) Fajarbaru Builder Sdn. Bhd. ("Claimant") vs Shaw Plaza Sdn. Bhd. ("Respondent")**

On 12 March 2019, the Claimant issued a Notice of Arbitration on the Respondent. On 19 April 2019, the Claimant and the Respondent agreed to refer their disputes and differences to Arbitration.

The disputes and differences between the parties arose from the Mutual Termination Agreement dated 25 May 2015 ("**MTA**") relating to the Shaw Parade Project.

Based on the latest report submitted by the quantum expert appointed by the Claimant, the assessed value of the final account to be in the sum of RM36,730,059.96. Upon taking account the payment received by Claimant, there is a sum of RM11,178,726.19 due and owing to the Claimant.

The Claimant also has a prolongation claim against the Respondent in the sum of RM7,740,464.94.

The Respondent's counter-claim against the Claimant is the sum of RM9,179,842.03.

Our Board is of the view that the Claimant has a reasonable chance of success against the Respondent.

The maximum exposure of liability to the Claimant is RM9,179,842.03 plus the legal costs and expenses incurred by both parties i.e the Claimant and the Respondent in the arbitration proceedings in the event that the Claimant's claims are dismissed in totality and the Respondent's counter-claims are allowed.

The arbitration's Hearing dates were scheduled to commence from 22 to 30 August 2022.

On 17 August 2022, the Respondent has offered a sum of RM8,500,000.00 as full and final settlement in respect of the disputes and differences between parties arising from the Shaw Parade Project.

The Respondent's offer was accepted by the Claimant.

Subsequently on 18 August 2022, parties have informed the Tribunal of the settlement reached between parties. In view of the said settlement, the Tribunal has vacated the Hearing dates fixed and is awaiting further updates from the parties in respect to the termination of the arbitration proceedings.

On 27 September 2022, the Respondent had delivered the cheque for the sum of RM8,500,000.00 as full and final settlement in respect of the disputes and differences between parties arising from the Shaw Parade Project.

#### **B14 Dividend**

An interim single-tier dividend of 1.0 sen per ordinary share be declared in respect of the financial year ending 30 June 2023.

The interim dividend will be paid on 28 December 2022 to the shareholders whose name appear in the Record of Depositors of the Company on 12 December 2022.

#### **B15 Earnings per share**

The **basic earnings per share** is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issued at the end of the period.

The **diluted earnings per share** is calculated by dividing the net profit attributable to equity holders of the Company for the current individual quarter and the current cumulative quarter by the adjusted weighted average number of ordinary shares in issue during the current individual quarter and the current cumulative quarter plus the weighted average number of ordinary shares which deemed to be issued on conversion of warrants and ESOS into ordinary shares.

	Individual Quarter		Cumulative Quarter	
	3 months Ended 30/09/2022 RM'000	3 months Ended 30/09/2021 RM' 000	3 months Ended 30/09/2022 RM000	3 months Ended 30/09/2021 RM'000
Net (loss)/profit attributable to Owners of the Company	4,800	(1,645)	4,800	(1,645)
Weighted Average Number of shares at the end of the period ('000)	741,613	370,807	741,613	370,807
Adjusted number of ordinary shares in issue and issuable ('000)	1,112,420	370,807	1,112,420	370,807
<b>Basic earnings per share (sen)</b>	0.65	(0.44)	0.65	(0.44)
<b>Diluted earnings per share (sen)</b>	0.43	(0.44)	0.43	(0.44)

**B16 Profit before taxation**

	Current Year Quarter 30/09/2022 RM'000 Unaudited	Current Year To-date 30/09/2022 RM'000 Unaudited
Profit before tax is arrived at after charging/(crediting):-		
Interest income	(155)	(155)
Dividend income	(309)	(309)
Depreciation	1,745	1,745
Interest expense	483	483
(Gain)/Loss on disposal of property, plant & equipment	1	1
Unrealised (gain)/loss on foreign exchange	220	220
Unrealised (gain)/loss on investment fund	(519)	(519)

N/A – Not Applicable

**B17 Authorisation for issue**

The Board of Directors authorised the issue of this unaudited interim financial report on 23 November 2022.

By Order of the Board  
**Fajarbaru Builder Group Bhd**

Tan Sri Dato' Sri Chan Kong Choy  
Executive Chairman

Kuala Lumpur  
23 November 2022