

**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE 4TH QUARTER ENDED 30 JUNE 2023**

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 30/06/2023	Preceding Year Corresponding Quarter 30/06/2022	Changes	Current Year To Date 30/06/2023	Preceding Year Corresponding Period 30/06/2022	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
<b>Revenue</b>	72,835	69,413	5	224,056	190,165	18
Cost of Sales	(65,050)	(55,170)	18	(192,514)	(156,961)	23
<b>Gross Profit</b>	<b>7,785</b>	<b>14,243</b>	<b>-45</b>	<b>31,542</b>	<b>33,204</b>	<b>-5</b>
Other Income	4,426	376		7,095	1,977	
Interest Income	493	548		1,068	1,893	
Operating Expenses	(35,204)	(6,443)		(55,987)	(26,422)	
Finance Costs	(950)	(428)		(2,185)	(1,054)	
Share of results of associates	4,439	604		7,747	5,693	
<b>(Loss)/Profit Before Tax</b>	<b>(19,011)</b>	<b>8,900</b>	<b>-314</b>	<b>(10,720)</b>	<b>15,291</b>	<b>-170</b>
Tax Expenses	(1,220)	(1,236)		(5,919)	(4,888)	
<b>(Loss)/Profit for the period</b>	<b>(20,231)</b>	<b>7,664</b>	<b>-364</b>	<b>(16,639)</b>	<b>10,403</b>	<b>-260</b>
(Loss)/Profit attributable to :						
Owners of the Company	(19,375)	6,563	-395	(14,448)	8,984	-261
Non-controlling interest	(856)	1,101	-178	(2,191)	1,419	-254
	<b>(20,231)</b>	<b>7,664</b>	<b>-364</b>	<b>(16,639)</b>	<b>10,403</b>	<b>-260</b>
Weighted average no. of shares ('000)	741,613	741,613		741,613	623,768	
<b>(Loss)/Earnings per share attributable to Owners of the Company ( sen )</b>						
- Basic	<b>(2.61)</b>	<b>0.88</b>		<b>(1.95)</b>	<b>1.44</b>	
- Diluted	<b>(1.74)</b>	<b>0.59</b>		<b>(1.30)</b>	<b>1.44</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 4TH QUARTER ENDED 30 JUNE 2023**

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 30/06/2023	Preceding Year Corresponding Quarter 30/06/2022	Changes	Current Year To Date 30/06/2023	Preceding Year Corresponding Period 30/06/2022	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
<b>(Loss)/Profit for the period</b>	(20,231)	7,664	-364	(16,639)	10,403	-260
<b>Other comprehensive income/(loss) :</b>						
Net gain on other investment						
- Loss on fair value changes	(1,179)	(4,322)		(589)	(4,090)	
Foreign currency translation						
- (Loss)/Gain on currency translation	(2)	2		(1)	2	
Share of expenses of equity accounted associates	350	386		(414)	(7)	
<b>Total Comprehensive (loss)/income</b>	<b>(21,062)</b>	<b>3,730</b>	<b>-665</b>	<b>(17,643)</b>	<b>6,308</b>	<b>-380</b>
<b>Total comprehensive (loss)/income attributable to :</b>						
Owners of the Company	(20,205)	2,628	-869	(15,451)	4,889	-416
Non-controlling interest	(857)	1,102	-178	(2,192)	1,419	-254
	<b>(21,062)</b>	<b>3,730</b>	<b>-665</b>	<b>(17,643)</b>	<b>6,308</b>	<b>-380</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 JUNE 2023**

	(Unaudited)	(Audited)
	<b>Financial Year Ended 30/06/2023</b>	<b>Financial Year Ended 30/06/2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	28,902	28,219
Right-of-use assets	1,269	707
Investment properties	44,798	45,103
Investment securities	10,020	10,610
Investment in associates	22,852	20,318
Intangible assets	369	348
Bearer plant	4,078	1,650
Inventories	13,711	13,711
Other receivables & prepayments	46,464	10,979
Goodwill	7	7
	<b>172,470</b>	<b>131,652</b>
<b>Current assets</b>		
Inventories	82,642	66,340
Trade receivables	97,936	71,012
Other receivables	29,402	24,431
Contract Assets	31,630	69,204
Tax recoverable	10,229	8,526
Amount due from associates	31,270	39,275
Short-term investments	57,147	101,608
Fixed deposits with licensed banks	17,879	9,397
Cash and bank balances	77,557	39,851
	<b>435,692</b>	<b>429,644</b>
<b>TOTAL ASSETS</b>	<b>608,162</b>	<b>561,296</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	221,534	221,534
Treasury shares	(1,655)	(1,655)
Warrant reserves	9,535	9,535
Other reserves	1,110	1,110
Fair value reserves	4,109	4,698
Foreign currency translation reserves	(1,371)	(957)
Retained profits	133,895	155,759
Equity attributable to owners of the Company	<b>367,157</b>	<b>390,024</b>
Non-Controlling interests	15,220	12,328
<b>TOTAL EQUITY</b>	<b>382,377</b>	<b>402,352</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	7,573	8,263
Loans and borrowings	14,798	3,639
	<b>22,371</b>	<b>11,902</b>
<b>Current liabilities</b>		
Loans and borrowings	65,232	70,760
Trade payables	52,030	40,632
Other payables	19,241	23,216
Contract liabilities	64,291	7,750
Amount owing to associates	-	28
Amount owing to related parties	118	-
Provision of taxation	2,502	4,656
	<b>203,414</b>	<b>147,042</b>
<b>TOTAL LIABILITIES</b>	<b>225,785</b>	<b>158,944</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>608,162</b>	<b>561,296</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>0.4951</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 4TH QUARTER ENDED 30 JUNE 2023**

	<b>Financial Year Ended 30/06/2023</b>	<b>Financial Year Ended 30/06/2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss)/Profit before taxation	(10,720)	15,291
Adjustment for :		
Amortisation of intangible assets	(21)	34
COVID-19 related rent concessions received	-	(28)
Depreciation on property, plant and equipment	5,689	12,285
Depreciation on right-of-use assets	739	624
(Gain) / Loss on disposal of property, plant and equipment	(3,023)	(133)
Loss on derecognised of right-of-use assets	13	-
Impairment loss on contract assets	28,188	-
Reversal of impairment loss on trade receivables	-	(13)
Impairment of trade receivables	299	-
Interest income	(1,068)	(1,515)
Dividend income	(258)	-
Finance costs	2,185	1,075
Share of results of associates	(7,747)	(5,693)
Loss on foreign exchange rate	395	-
Unrealise (gain) / loss on foreign exchange differences	(222)	888
Write off of property, plant and equipment	4	6
<b>Operating profit before working capital changes</b>	<b>14,453</b>	<b>22,821</b>
Change in working capital		
(Increase)/Decrease in inventories	(46,149)	35,911
(Increase)/Decrease in receivables	(31,734)	(20,423)
(Decrease)/Increase in payables	(2,961)	4,445
Decrease/(Increase) in contract assets/liabilities	68,552	(52,526)
<b>Cash generated from / (used in) operations</b>	<b>2,161</b>	<b>(9,772)</b>
Taxes paid	(10,467)	(1,720)
Interest paid	(2,142)	(43)
Interest received	40	1,037
<b>Net cash flow used in operating activities</b>	<b>(10,408)</b>	<b>(10,498)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest received	1,029	478
Dividend received	258	-
Dividend received from associates	4,800	-
Net cash outflow for acquisition of associates	-	(3)
Proceeds from non-controlling interest	5,084	-
Proceeds from disposal of property, plant and equipment	3,837	189
Proceeds from disposal of other investment	-	8,230
Additional of right-of-use assets	(1,313)	(1,256)
Purchase of property, plant and equipment	(7,654)	(3,802)
Purchase of Club Membership	-	(167)
Repayment from related parties	119	-
Repayment/(Advance) from associates	7,804	(8,374)
<b>Net cash generated from / (used in) investing activities</b>	<b>13,964</b>	<b>(4,705)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance cost paid	(43)	(1,032)
Dividends paid on ordinary shares	(7,416)	(7,417)
Dividend paid by subsidiary to non controlling interest	-	(1,714)
Net proceed from issuance of rights issue	-	36,766
Drawdown/(Repayment) of lease liabilities	581	(595)
Repayment of hire purchase	(664)	(3,160)
Drawdown of loan and borrowings	5,714	23,431
<b>Net cash (used in) / generated from financing activities</b>	<b>(1,828)</b>	<b>46,279</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>1,728</b>	<b>31,076</b>
Effect of exchange rate changes on cash and cash equivalents	(1)	3
<b>CASH AND BANK BALANCES AS AT 1 JULY</b>	<b>150,856</b>	<b>119,777</b>
<b>CASH AND BANK BALANCES AS AT 30 JUNE</b>	<b>152,583</b>	<b>150,856</b>
Less Fixed deposit under lien	(17,879)	(9,397)
<b>CASH AND CASH EQUIVALENTS AS AT 30 JUNE</b>	<b>134,704</b>	<b>141,459</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 4TH QUARTER ENDED 30 JUNE 2023**

	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>	221,534	(1,655)	1,110	9,535	4,698	(957)	155,759	390,024	12,328	402,352
<b>Total comprehensive loss for the year</b>	-	-	-	-	(589)	(414)	(14,448)	(15,451)	(2,192)	(17,643)
<b>Transactions with owners</b>										
Dividends	-	-	-	-	-	-	(7,416)	(7,416)	-	(7,416)
Additional acquisition of subsidiaries	-	-	-	-	-	-	-	-	5,084	5,084
<b>As at 30 June 2023</b>	<b>221,534</b>	<b>(1,655)</b>	<b>1,110</b>	<b>9,535</b>	<b>4,109</b>	<b>(1,371)</b>	<b>133,895</b>	<b>367,157</b>	<b>15,220</b>	<b>382,377</b>
<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>	-	-	-	-	(4,090)	(5)	8,984	4,889	1,419	6,308
<b>Transactions with owners</b>										
Dividends	-	-	-	-	-	-	(7,417)	(7,417)	-	(7,417)
Interest by a subsidiary	-	-	-	-	-	-	-	-	(1,714)	(1,714)
Issue of ordinary shares:										
- pursuant to rights issued	27,231	-	-	-	-	-	-	27,231	-	27,231
Issue of warrants	-	-	-	9,535	-	-	-	9,535	-	9,535
Disposal of quoted investment	-	-	-	-	(5,296)	-	5,296	-	-	-
<b>As at 30 June 2022</b>	<b>221,534</b>	<b>(1,655)</b>	<b>1,110</b>	<b>9,535</b>	<b>4,698</b>	<b>(957)</b>	<b>155,759</b>	<b>390,024</b>	<b>12,328</b>	<b>402,352</b>

(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)**

Amendments to MFRS 3: Reference to the Conceptual Framework

Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use

Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract

Annual Improvements to MFRS Standards 2018 – 2020

The adoption of the above accounting standard and interpretations (including the consequential amendments) have no material impact on the Group’s financial statements.

#### **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 2023:-

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 17 Insurance Contracts	1 January 2023
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 2024
Amendment to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendment to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendment to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
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 112: International Tax Reform –Pillar Two Model Rules	1 January 2023

The adoption of the above accounting standards and interpretations (including the consequential amendments) is expected to have no material impact on the financial statements of the Group upon their initial application.

- 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 Group’s business operations were not affected by any significant seasonal or cyclical factors during the current quarter under review.
- A5**    **Unusual items**  
There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter under review because of their nature, size, or incidence.
- A6**    **Changes in estimates**  
There were no material changes in estimates that have had any material effect on the results for the current quarter under review.

**A7 Significant related party transactions**

There were no significant related party transactions during the current quarter 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 current quarter under review.

The details of shares held as treasury shares for the financial period ended 30 June 2023 are as follow:

	Number of Treasury shares	Total Considerations RM
Balance as at 31 March 2023	3,075,764	1,654,910
Repurchased during the quarter	-	-
Balance as at 30 June 2023	3,075,764	1,654,910

The shares purchased are being held as treasury shares in accordance with Section 127 (6) 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 financial year ended 30 June 2022.

**A11 Segmental reporting**

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

12 months ended 30.06.23	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			Other RM'000
<b>Revenue</b>										
External Sales	146,167	2,354	68,994	3,471	1,166	282	-	94	1,528	224,056
Inter-segment sales	36,031	-	-	13,069	-	33,982	-	-	(83,082)	-
Total revenue	182,198	2,354	68,994	16,540	1,166	34,264	-	94	(81,554)	224,056
<b>Results</b>										
Profit/(Loss) from operation	(25,135)	(1,748)	10,819	(131)	(281)	31,873	(439)	(760)	(30,480)	(16,282)
Finance costs	(1,827)	(211)	(891)	(133)	(21)	(331)	(102)	(14)	1,345	(2,185)
Share of results in associates	-	5,352	2,395	-	-	-	-	-	-	7,747
Profit/(Loss) before tax	(26,962)	3,393	12,323	(264)	(302)	31,542	(541)	(774)	(29,135)	(10,720)
<b>Total assets</b>										
Segment assets/ Consolidated total assets	222,662	69,604	233,442	8,736	490	524,364	5,201	166	(456,503)	608,162



## A11 Segmental reporting (Cont'n)

12 months ended 30.06.22	← 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	Other RM'000		
<b>Revenue</b>										
External Sales	117,998	15,096	54,391	482	957	1,241	-	-	-	190,165
Inter-segment sales	3,873	-	-	13,434	-	5,482	3	-	(22,792)	-
Total revenue	121,871	15,096	54,391	13,916	957	6,723	3	-	(22,792)	190,165
<b>Results</b>										
Profit/(Loss) from operation	1,577	4,700	3,050	(525)	(227)	2,541	(386)	-	(78)	10,652
Finance costs	(944)	(3)	(624)	(66)	(33)	(353)	(17)	-	986	(1,054)
Share of results in associates	-	4,512	1,181	-	-	-	-	-	-	5,693
Profit/(Loss) before tax	633	9,209	3,607	(591)	(260)	2,188	(403)	-	908	15,291
<b>Total assets</b>										
Segment assets/ Consolidated total assets	216,423	30,283	171,194	9,715	627	510,036	2,693	-	(380,074)	560,897

## A12 Events subsequent to the balance sheet date

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

## A13 Changes in composition of the Group

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

## A14 Capital commitments

The outstanding commitments in respect of capital expenditure at the quarter under review provided for in the financial statements are as follows:

### Property, Plant & Equipment

30 June 2023  
RM'000

Approved and contracted for  
- Denominated in RM

860,029

## A15 Changes in contingent liabilities

	The Group		The Company	
	As at 30.06.23 RM'000	As at 30.06.22 RM'000	As at 30.06.23 RM'000	As at 30.06.22 RM'000
Performance and tender bond granted to contract customers	16,806	17,363	-	-

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

### B1 Review of performance

	Individual Period (4th quarter)			Cumulative Period		
	Current Year Quarter 30/06/2023 (RM'000)	Preceding Year Corresponding Quarter 30/06/2022 (RM'000)	Changes (%)	Current Year To-date 30/06/2023 (RM'000)	Preceding Year Corresponding Period 30/06/2022 (RM'000)	Changes (%)
Revenue	72,835	69,413	5	224,056	190,165	18
Profit/(loss) from operation	(22,499)	8,724	(358)	(16,282)	10,652	(253)
Profit/(loss) before interest and tax	(18,061)	9,328	(294)	(8,535)	16,345	(152)
Profit/(loss) before tax	(19,011)	8,900	(314)	(10,720)	15,291	(170)
Profit/(loss) after tax	(20,231)	7,664	(364)	(16,639)	10,403	(260)
Profit/(loss) attributable to Owners of the Company	(19,375)	6,563	(395)	(14,448)	8,984	(261)

The Group recorded revenue of RM72.84 million and loss before tax of RM19.01 million in the current quarter, compared to revenue of RM69.41 million and profit before tax of RM8.90 million in the preceding year corresponding quarter. The higher revenue was mainly attributed from the Property Development segment, while the loss before tax was contributed from the Construction segment.

Detailed analysis of the performance for the respective operating business segments for the period ended 30 June 2023 are as follow:

	Revenue			Profit / (Loss) before tax		
	Current Year Quarter 30/06/2023 (RM'000)	Preceding Year Corresponding Quarter 30/06/2022 (RM'000)	Changes (RM'000)	Current Year Quarter 30/06/2023 (RM'000)	Preceding Year Corresponding Quarter 30/06/2022 (RM'000)	Changes (RM'000)
<b><u>Segment</u></b>						
Construction	39,528	55,449	(15,921)	(28,430)	4,950	(33,380)
Logging & timber trading	-	8,211	(8,211)	3,463	3,744	(281)
Property development	34,168	4,451	29,717	7,987	1,502	6,485
Trading	1,896	114	1,782	(68)	1	(69)
Logistic	448	274	174	(47)	(129)	* NM
Investment holding #	(3,205)	914	(4,119)	(1,837)	(971)	* NM
Plantation	-	-	-	(72)	(197)	* NM
Other	-	-	-	(7)	-	(7)
Total	72,835	69,413		(19,011)	8,900	

# Investment Holding segment reported a negative revenue due to the consolidation adjustment made to the dividend received from the Group's associate company in the Logging and Timber Trading segment.

\* NM = Non-meaningful

#### Construction Segment

Construction segment reported revenue of RM39.53 million and loss before tax of RM28.43 million in the current quarter, compared to revenue of RM55.45 million and profit before tax of RM4.95 million in the preceding year corresponding quarter.

Lower revenue was registered in the current quarter mainly due to higher revenue and profit recognised on additional construction work performed on a project in the preceding year corresponding quarter but not recurring in the current quarter. The loss

before tax in the current quarter primarily arises from a one-off impairment loss on contract assets for a completed project, following a recent discussion with the client on the claims submitted. In view of this, the Group has taken a prudent decision to impair the long outstanding contract assets in accordance with the approved accounting standard (Malaysian Financial Reporting Standards 9: Financial Instruments) for the current quarter.

#### Logging and Timber Trading Segment

Logging and Timber Trading segment reported no revenue and profit before tax of RM3.46 million in the current quarter, compared to revenue of RM8.21 million and profit before tax of RM3.74 million in the preceding year corresponding quarter.

The segment registered no revenue in the current quarter, as the Group has just started its production activities and sales anticipate to come in the coming quarters. Profit before tax for the current quarter remained relatively the same as the preceding year corresponding quarter, and it arises from the contribution of profit from the Group's associate company.

#### Property Development Segment

Property Development segment reported revenue of RM34.17 million and profit before tax of RM7.99 million in the current quarter, compared to revenue of RM4.45 million and profit before tax of RM1.50 million in the preceding year corresponding quarter.

The surge in revenue and profit before tax in the current quarter were mainly contributed from Vierra Residence @ Kinrara development project which continue to record increased level of development work progress.

#### Trading Segments

Trading segment reported revenue of RM1.90 million and loss before tax of RM0.07 million in the current quarter, compared to revenue of RM0.11 million and profit before tax of approximately RM1,000 in the preceding year corresponding quarter.

The segment registered higher revenue in the current quarter predominantly due to higher purchase of construction material from external contractors for their projects apart from the Group's on-going projects in the Construction segment. The higher loss before tax in the current quarter was due to higher operating expenses.

#### Logistic Segment

Logistic segment reported revenue of RM0.45 million and loss before tax of RM0.047 million in the current quarter, compared to revenue of RM0.27 million and loss before tax of RM0.13 million in the preceding year corresponding quarter.

Higher revenue and lower loss before tax in the current quarter were primarily due to higher revenue contribution from other customers apart from existing customers in the Logging & Timber Trading segment.

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

	<b>Current Year Quarter 30/06/2023 (RM'000)</b>	<b>Immediate Preceding Quarter 31/03/2023 (RM'000)</b>	<b>Changes (%)</b>
Revenue	72,835	46,660	56
Profit/(loss) from operation	(22,499)	2,173	(1135)
Profit/(loss) before interest and tax	(18,061)	3,754	(581)
Profit/(loss) before tax	(19,011)	3,298	(676)
Profit/(loss) after tax	(20,231)	1,378	(1568)
Profit/(loss) attributable to Owners of the Company	(19,375)	1,909	(1115)

In the current quarter ended 30 June 2023, the Group posted revenue of RM72.84 million and loss before tax of RM19.01 million, which is an increase of 56% and decrease of 676% respectively from the immediate preceding quarter ended 31 March 2023.

The increase in revenue for the current quarter was mainly due to the higher activities in the Construction and Property Development segments. The loss before tax in the current quarter primarily arises from a one-off impairment loss on long outstanding contract asset for a completed project in the Construction segment.

## **B3** Current year prospects

In Bank Negara Malaysia's (BNM) latest quarterly report, the economy expanded moderately in the second quarter of 2023 at 2.9% (Q1 2023: 5.6%). This was weighed mainly by slower external demand. Domestic demand remained the key driver of growth and was supported by private consumption and investment. Given the challenging global environment, it is anticipated that the Malaysian economy will experience growth in 2023 and is projected to expand close to the lower end of between 4.0% to 5.0%. Growth for the year will continue to be supported by domestic demand amid improving employment and income alongside the implementation of long-term projects.

The construction sector continued to expand in the second quarter of 2023, rising by 8.1% to record RM32.4 billion in the latest report by Department of Statistics Malaysia. The increment was supported continuously by double-digit growth in the civil engineering segment with 10.4% in second quarter as compared to 17.2% in the first quarter. The private sector remained as the main spurs to the growth in this quarter, with an increase of 17.3% as compared to 10.6% in the first quarter 2023. The value of work done by the private sector amounted to RM20.4 billion (63.1%) of the total construction work done value.

The Construction division of the Group will maintain its focus on ongoing projects, including Duta Park Residences project and its own property development projects in the affordable housing segment. The Group has won a combined construction contracts worth RM594.1 million from March to July 2023 and consist of high-rise residential, affordable apartments, retail complex, service apartments and the redevelopment of military facilities. These contracts are expected to contribute positively to the future earnings and net assets per share of the Group from the financial year ending 30 June 2023 and beyond. The Group currently holds an order book valued at approximately RM923 million, which includes RM230 million related to internal development

projects. Furthermore, the Group is actively pursuing new construction opportunities in both the private and government sectors, with a total value of RM6.9 billion through tendering processes.

The Group remains committed to its strategic, long-term growth plan for its Property Development segment in Malaysia. Vierra Residence @Kinrara, designed around the concept of "Residensi Wilayah Keluarga Malaysia" (RUMAWIP), was introduced in 2022 and has already been fully sold in the second half of 2023. Notably, this development earned the GreenRE Silver Certification (Provisional) in the Residential Building and Landed Home category and was honored with the Best Value High-Rise Development Category at the Property Guru Asia Awards in collaboration with iProperty. The Group is progressing with its latest development project, Desa Green, situated in Kuala Krai, Kelantan. The first phase, comprising single-storey terrace and single-storey semi-detached houses, was made available to potential buyers in the second quarter of 2023.

In June 2023, the Group signed a memorandum of understanding (MOU) with Penang Development Corporation (PDC) to undertake the development of a medical city and mixed-use development hub in Bandar Cassia, Batu Kawan, Seberang Perai Selatan. Tentatively named 'Medi-City Bandar Cassia,' this proposed development will occupy a 230-acre parcel of land. Among its key commitments, Fajarbaru will collaborate on outlining the business model, development timeline, funding needs, and the anticipated gross development value.

In Australia, the Group's property development named The Wilds in Northcote, Melbourne, is poised to set a new standard in Environmentally Sustainable Design principles. It is slated to become the first carbon-neutral detached housing development in inner Melbourne, with all houses powered entirely by electricity and featuring solar panel arrays. Additionally, the Group has expanded its property development portfolio with a new project in Fitzroy, Melbourne, currently undergoing approval processes with relevant authorities and scheduled for launch in 2024.

Within the Logging and Timber Trading segment of the Group, we have approximately 22,989 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 diversified its operations into the plantation sector and envisions the potential for favorable long-term returns in this area. The Group had entered into plantation activities, encompassing reforestation, fruit crop cultivation, and the planting of eucalyptus trees on approximately 600 acres of land situated in Jerantut, Pahang. Furthermore, the Group is committed to exploring various avenues to pinpoint suitable enterprises or engage in strategic acquisitions, actively seeking opportunities within the plantation sector.

Looking ahead, the Group remains committed to its key segments: Construction, Property Development, Logging and Timber Trading, and Plantation, all geared towards ensuring consistent revenue growth. Within the Construction segment, the Group will persist in actively pursuing high-rise buildings, infrastructure and railway construction projects. Leveraging our state-of-the-art trackwork machinery, expertise, and a proven track record of completing railway projects on schedule, we are well-

positioned to competitively bid for such opportunities. In the Malaysian property sector, the Group is poised to expand its property development activities in the Klang Valley, contingent upon prevailing market conditions. The Group is resolute in its efforts to explore additional business prospects, harnessing its strengths to generate sustainable revenue from both existing and new businesses.

Barring any unforeseen circumstances, the Group holds a positive outlook to achieve satisfactory performance for the financial year ending 30 June 2024.

**B4 Profit forecast**

Not applicable as there was no profit forecast issued.

**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 30/06/2023 RM'000	3 months ended 30/06/2022 RM'000	12 months ended 30/06/2023 RM'000	12 months ended 30/06/2022 RM'000
Current period's provision	1,910	1,236	2,501	5,716
Under / (Over) provision for the prior years	-	-	1,512	(828)
	1,910	1,236	4,013	4,888
Tax paid for the prior years	-	-	2,596	-
Deferred taxation	(690)	-	(690)	-
Under / (Over) provision for the prior years	-	-	-	-
	1,220	1,236	5,919	4,888

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 June 2023 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 but not completed as at the current quarter under review.

**B9 Status of Utilisation of Proceeds**

Status of Utilisation of Proceeds as at 30 June 2023

	<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	(10,000)	-	Within 24 months
Business expansion and/ or future viable investment for logging & timber trading, and plantation segments	15,000	(15,000)	-	Within 24 months
Working capital requirements	1,481	(1,481)	-	Within 6 months
Defrayment of estimated expenses	600	(600)	-	Upon completion
	<u>37,081</u>	<u>(37,081)</u>	<u>-</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 June 2023</b>		<b>30 June 2022</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	1,293	12,300	2,513	1,293
Lease liabilities	341	964	576	148
Hire purchase	1,128	1,534	1,938	2,198
Invoice Finance	1,765	-	4,013	-
Revolving Credit	45,000	-	44,740	-
Promissory Note	15,705	-	3,635	-
	<u>65,232</u>	<u>14,798</u>	<u>70,760</u>	<u>3,639</u>

**B11 Off balance sheet financial instruments**

The Group does not have any financial instrument with off balance sheet risk as at 30 June 2023.

**B12 Trade receivables**

The age analysis of trade receivables is as follow :

	<b>Current Quarter Ended 30/06/2023 RM'000</b>
Not past due	75,227
Past due:	
- less than 3 months	18,235
- 3 to 6 months	165
- over 6 months	482
- more than 1 year	3,826
	<hr/> <b>97,936</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 the reporting date 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, 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, among others, that the Respondent shall pay to the Claimant within 14 days from 23 February 2021 the sum of RM10,000,000.00.

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 were dismissed. No appeal has been filed by the Respondent.

On 31 October 2022, the Claimant engaged solicitors in Singapore to enforce the Final Award against the Respondent in Singapore. The order was served on the Respondent on 10 November 2022.



On 30 June 2023, the Respondent was declared a bankrupt by the High Court of Singapore because of his failure to honour the debt due to the Claimant under the Final Award.

**B14 Dividend**

No dividend has been declared for the fourth quarter ended 30 June 2023.

**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 30/06/2023 RM'000	3 months Ended 30/06/2022 RM' 000	12 months Ended 30/06/2023 RM000	12 months Ended 30/06/2022 RM'000
Net (loss)/profit attributable to Owners of the Company	(19,375)	6,563	(14,448)	8,984
Weighted Average Number of shares at the end of the period ('000)	741,613	741,613	741,613	623,768
Adjusted number of ordinary shares in issue and issuable ('000)	1,112,420	1,112,420	1,112,420	994,575
<b>Basic earnings per share (sen)</b>	(2.61)	0.88	(1.95)	1.44
<b>Diluted earnings per share (sen)</b>	(1.74)	0.59	(1.30)	1.44

**B16**    **Profit before taxation**

	Current Year Quarter 30/06/2023 RM'000 Unaudited	Current Year To-date 30/06/2023 RM'000 Unaudited
Profit before tax is arrived at after charging/(crediting):-		
Interest income	(493)	(1,068)
Dividend income	(72)	(172)
Depreciation	1,286	5,689
Interest expense	938	2,142
Impairment loss on contract assets	28,188	28,188
Impairment of trade receivables	299	299
(Gain)/Loss on disposal of property, plant & equipment	(2,997)	(3,023)
(Gain)/Loss on foreign exchange	(365)	395
Unrealised (gain)/loss on foreign exchange	(1,445)	(1,198)
Unrealised (gain)/loss on investment fund	(52)	(1,034)

**B17**    **Authorisation for issue**

The Board of Directors authorised the issue of this unaudited interim financial report on 30 August 2023.

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

Tan Sri Dato' Sri Chan Kong Choy  
Executive Chairman

Kuala Lumpur  
30 August 2023