

Kimlun Corporation Berhad
[Registration No.: 200901023978 (867077-X)]
Unaudited Condensed Consolidated Statement of Comprehensive Income
For the 4th Quarter Ended 31 December 2024

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31/12/2024 RM'000	Preceding Year Quarter 31/12/2023 RM'000	Current Year To Date 31/12/2024 RM'000	Preceding Year To Date 31/12/2023 RM'000
Revenue	396,212	263,886	1,207,413	852,568
Cost of sales	(359,558)	(244,093)	(1,108,939)	(790,986)
Gross profit	36,654	19,793	98,474	61,582
Other operating income	4,113	5,359	51,247	8,370
Selling and administrative expenses	(14,179)	(10,833)	(57,126)	(38,184)
Finance costs	(7,847)	(4,119)	(25,440)	(15,570)
Share of gain/(loss) of joint ventures	637	(1,306)	644	(3,143)
Share of loss of associate company	(330)	-	(330)	-
Profit before tax	19,048	8,894	67,469	13,055
Income tax expense	(3,418)	(2,280)	(17,617)	(6,177)
Profit net of tax	15,630	6,614	49,852	6,878
Other comprehensive (loss)/income	(15)	(17)	41	(74)
Total comprehensive income for the period	15,615	6,597	49,893	6,804
Profit/(loss) attributable to :				
Owners of the Company	15,708	6,653	50,315	7,055
Non-controlling interests	(78)	(39)	(463)	(177)
	15,630	6,614	49,852	6,878
Profit Per Share (Sen)				
- Basic (2)	4.45	1.88	14.24	2.00
- Diluted (2)	4.45	1.88	14.24	2.00
Total comprehensive income/(loss) attributable to :				
Owners of the Company	15,693	6,636	50,356	6,981
Non-controlling interests	(78)	(39)	(463)	(177)
	15,615	6,597	49,893	6,804

Notes:

(1) The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying notes attached to the interim financial statements.

(2) Please refer to Note B11 for details.

Kimlun Corporation Berhad
[Registration No.: 200901023978 (867077-X)]
Unaudited Condensed Consolidated Statements of Financial Position
As at 31 December 2024

	Unaudited As at 31/12/2024 RM'000	Audited As at 31/12/2023 RM'000
Assets		
Non- current assets		
Property, plant and equipment	267,088	159,610
Right-of-use asset	7,112	5,168
Land held for property development	360,917	308,771
Investment properties	126	133
Other investments	75	75
Investment in associate company	160	-
Investment in joint ventures	2,118	12,493
Deferred tax assets	5,278	15,599
Goodwill	16	-
	<u>642,890</u>	<u>501,849</u>
Current assets		
Properties held for sale	47,992	14,125
Property development costs	292,745	171,858
Inventories	66,658	59,753
Trade and other receivables	562,081	409,919
Prepayment	12,224	22,701
Contract assets	386,087	282,197
Current tax assets	-	711
Cash and bank balances	69,668	63,256
	<u>1,437,455</u>	<u>1,024,520</u>
TOTAL ASSETS	<u><u>2,080,345</u></u>	<u><u>1,526,369</u></u>
EQUITY AND LIABILITIES		
Current liabilities		
Loans and borrowings	421,406	217,433
Lease liability	3,860	2,528
Trade and other payables	528,226	337,367
Contract liabilities	48,833	20,016
Current tax liabilities	1,807	-
Provisions	15,000	9,980
	<u>1,019,132</u>	<u>587,324</u>
Net current assets	<u>418,323</u>	<u>437,196</u>
Non-current liabilities		
Loans and borrowings	250,130	195,941
Other payables	20,658	-
Lease liabilities	3,442	2,737
	<u>274,230</u>	<u>198,678</u>
TOTAL LIABILITIES	<u>1,293,362</u>	<u>786,002</u>
Net assets	<u>786,983</u>	<u>740,367</u>
Equity		
Share capital	290,145	255,944
Treasury shares	(24)	(24)
Other reserves	(677)	33,476
Retained earnings	471,227	424,447
Equity attributable to owners of the Company	<u>760,671</u>	<u>713,843</u>
Non-controlling interests	26,312	26,524
Total equity	<u>786,983</u>	<u>740,367</u>
TOTAL EQUITY AND LIABILITIES	<u><u>2,080,345</u></u>	<u><u>1,526,369</u></u>
Net Assets Per Share Attributable to owners of the Company (RM)	2.15	2.02

Notes:

(1) The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying notes attached to the interim financial statements.

Kimlun Corporation Berhad
[Registration No.: 200901023978 (867077-X)]
Unaudited Condensed Consolidated Statement of Changes in Equity
As at 31 December 2024

	Attributable to owners of the Company							Total Equity
	<----- Non-distributable ----->				Distributable	Sub-Total	Non-controlling interest (NCI)	
	Share capital	Treasury shares	Warrants reserve	Foreign currency translation reserve	Retained earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
YTD ended December 2024								
Balance At 1/1/2024	255,944	(24)	34,194	(718)	424,446	713,842	26,524	740,366
Total comprehensive income for the period	-	-	-	41	50,315	50,356	(463)	49,893
Transactions with owner								
Conversion of warrants	9	-	(2)	-	-	7	-	7
Expiry of warrants	34,192	-	(34,192)	-	-	-	-	-
Acquisition of non-controlling interest	-	-	-	-	-	-	39	39
Disposal of subsidiary	-	-	-	-	-	-	211	211
NCI's share of fair value adjustment of assets	-	-	-	-	-	-	1	1
Dividend (as detailed in Note B10)	-	-	-	-	(3,534)	(3,534)	-	(3,534)
At 31/12/2024	290,145	(24)	-	(677)	471,227	760,671	26,312	786,983
YTD ended 31 December 2023								
Balance At 1/1/2023	255,944	(24)	34,194	(700)	420,982	710,396	14,894	725,290
Total comprehensive income for the period	-	-	-	(74)	7,055	6,981	(177)	6,804
Transactions with owner								
Acquisition of non-controlling interest	-	-	-	-	-	-	11,807	11,807
Dividend (as detailed in Note B10)	-	-	-	-	(3,535)	(3,535)	-	(3,535)
Reduction on reserve upon strike off of subsidiary	-	-	-	56	(56)	-	-	-
At 31/12/2023	255,944	(24)	34,194	(718)	424,446	713,842	26,524	740,366

(1) The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying notes attached to the interim financial statements

Kimlun Corporation Berhad
[Registration No.: 200901023978 (867077-X)]
Unaudited Condensed Consolidated Statement of Cash Flow
For The Period Ended 31 December 2024

	Current Year To Date 31/12/2024 RM'000	Preceding Year To Date 31/12/2023 RM'000
Operating activities		
Profit before tax	67,469	13,055
Adjustment for :		
Investment expenses written off	1	-
Loss on disposal of a subsidiary	277	-
Gain on modification of financial liabilities	(1,007)	-
Gain on remeasurement of equity investment	(908)	-
Reversal of allowance for impairment on trade receivables	(43,575)	(498)
Write back on property development value	(1,500)	(3,900)
Bad debts recovered	(678)	(90)
Bad debts written off	-	14
Unrealised foreign exchange loss/(gain)	14,287	(8,721)
Depreciation	27,689	21,596
Depreciation of right-of-use assets	3,820	3,056
Depreciation of investment properties	7	6
Amortisation of quarry development expenditure	172	-
Provision/(Reversal of provision) for defect liabilities costs	5,020	(1,561)
Gain on disposal of property, plant and equipment	(515)	(906)
Loss on disposal of properties held for sale	455	-
Gain on derecognition of right-of-use assets	(41)	(3)
Fixed asset written off	87	1,493
Interest expenses	25,440	15,570
Interest income	(2,705)	(1,872)
Share of loss of associate company	330	-
Share of (gain)/loss of joint ventures	(644)	3,143
Operating cash flows before changes in working capital	93,481	40,382
Changes in working capital		
Property development costs	(75,357)	3,294
Inventories	1,071	7,696
Receivables	(99,186)	21,206
Other current assets	(95,447)	(65,095)
Payables	149,627	107,327
Other current liabilities	31,559	2,493
Cash flows generated from operations	5,748	117,303
Interest paid	(32,366)	(22,584)
Tax paid	(4,619)	(8,027)
Interest received	2,884	2,572
Net cash flows (used in)/from operating activities	(28,353)	89,264
Investing activities		
Purchase of property, plant and equipment	(90,710)	(32,966)
Land held for development	(45,545)	(143,927)
Net cash outflow on acquisition of a subsidiary	(11,086)	-
Net cash disposed on sale of a subsidiary	(144)	-
Proceeds from disposal of property, plant & equipment	809	3,856
Proceeds from disposal of properties held for sale	2,100	-
Incidental expenses on disposal of property held for sale	(155)	-
Investment in associate company	(490)	-
Net cash flows used in investing activities	(145,221)	(173,037)
Financing activities		
Dividends paid on ordinary shares	(3,534)	(3,534)
Proceeds from conversion of warrants	6	-
Proceeds from loans and borrowings	203,867	94,788
Proceeds from issuance of shares by a subsidiary to non-controlling interests	-	3
Advance from a corporate shareholder of a subsidiary	1,998	881
Advance to associate company	(6,027)	-
Advance/(Repayment to) from joint ventures	650	(7,290)
Repayment to hire purchase creditors	(15,080)	(10,782)
Repayment of lease liabilities	(3,686)	(3,056)
(Placement)/Uplift of fixed deposit with licensed banks	(1,153)	7,343
Net cash flows generated from financing activities	177,041	78,353
Net increase/(decrease) in cash and cash equivalents	3,467	(5,420)
Effects of exchange rate changes on cash and cash equivalents	(4,271)	3,790
Cash and cash equivalents at beginning of financial period	58,715	60,345
Cash and cash equivalents at end of financial period	57,911	58,715
Cash and cash equivalents at end of the financial period comprise the following:		
Cash and bank balances	69,668	63,256
Less: Pledge of fixed deposit with licensed banks	(5,694)	(4,541)
Bank overdrafts (included within short term borrowings)	(6,063)	-
	57,911	58,715

Notes:

(1) The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying notes attached to the interim financial statements

KIMLUN CORPORATION BERHAD (867077-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2024

NOTES TO THE REPORT

PART A – EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting and Appendix 9B Part A of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). It contains condensed combined financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group. The interim combined financial report and notes thereon do not include all the information required for a full set of financial statements prepared in accordance with MFRSs.

The interim financial report should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2023 (“FY2023 AFS”).

A2. Changes in accounting policies

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the Group’s FY2023 AFS except for the adoption of the following amendments to MFRS that are mandatory for annual financial periods beginning on or after 1 January 2024:

Amendments to MFRS 101: Disclosure of Accounting Policies
Amendments to MFRS 108: Definition of Accounting Estimates
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The directors are of the opinion that the Standards and Amendments above would not have any material impact on the financial statements in the year of initial adoption.

A3. Auditor's report on preceding annual financial statements

There was no qualification to the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2023.

A4. Seasonal or Cyclical Factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factor.

A5. Items of Unusual Nature

There were no material unusual items affecting the assets, liabilities, equity, net income or cash flow during the financial year-to-date.

A6. Material Changes in Estimates

There were no changes in estimates of amounts reported in prior financial years that have had a material effect in the financial year-to-date.

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A7. Changes in Debt and Equity Securities

Save as disclosed below, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial year-to-date;

- (a) Issuance of 4,000 new ordinary shares in the Company for cash arose from the exercise of 4,000 units of the 2014/2024 warrants issued by the Company, at the exercise price of RM1.68 per warrant. The remaining unexercised 2014/2024 warrants have lapsed on 12 March 2024, and ceased to be exercisable thereafter.
- (b) redemption of 2 tranches of Islamic commercial papers (“ICP”) with nominal value of RM12.86 million;
- (c) issuance of 5 tranches of ICP with aggregate nominal value of RM60.31 million. The tenure of the ICPs ranges from 5 months to 12 months

A8. Dividend Paid

The final single-tier dividend of 1.0 sen per share in respect of the financial year ended 31 December 2023 was paid on 25 July 2024.

A9. Valuation of property, plant and equipment

There was no valuation of property, plant and equipment in the current financial quarter.

A10. Capital commitments

Capital commitment for property, plant and equipment not provided for as at 31 December 2024 are as follows:

	RM'000
Approved and contracted for	<u>19,145</u>

The capital commitment is mainly for the purchase of heavy machinery and tunnel forms to meet the needs of construction projects, and expansion of manufacturing plant.

A11. Property, Plant and Equipment

The Group acquired property, plant and equipment (“PPE”) amounting to RM132.58 million during the financial year-to-date, mainly for the purchase of heavy machinery and tunnel forms to meet the needs of construction projects, and expansion of the manufacturing plant.

A12. Material events subsequent to the end of period reported

There were no material events subsequent to the end of the current financial quarter up to 20 February 2025, being the latest practicable date (“LPD”), which is not earlier than 7 days from the date of issuance of this quarterly report, that have not been reflected in this quarterly report.

A13. Changes in composition of the group

Save as disclosed below, there were no changes in the composition of the Group during the current financial year up to the LPD:

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- (i) The Group increased its shareholding in its joint venture company, Posh Atlantic Sdn Bhd (“PASB”), from 51% to 100% by acquisition of all the shares held by the other shareholder of PASB (“Shares Acquisition”). After the Shares Acquisition, PASB and its subsidiaries (collectively “PASB Group”) became indirect wholly owned subsidiaries of the Company;
- (ii) PASB disposed an inactive subsidiary, Rex Series Sdn Bhd;
- (iii) Kimlun Land Sdn Bhd (“KLLSB”), a wholly owned subsidiary of the Company, acquired 70% of the issued ordinary shares of Bonus Focus Development Sdn Bhd (“BFDSB”) at a total consideration of RM105,000, after which BFDSB became an indirect subsidiary of the Company; and
- (iv) Kii Amber Sdn Bhd (“KIASB”), a wholly owned subsidiary of the Company, subscribed for 490,000 ordinary shares in Astaka Kimlun Sdn Bhd (“AKSB”) (“Subscription of AKSB Shares”) at a total consideration of RM490,000, after which AKSB became an indirect 49% owned associate company of the Company.

A14. Contingent liabilities or contingent assets

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

A15. Significant Related Party Transactions

There was no significant related party transaction during the current quarter under review.

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2024

A16. Segmental Information

The Group is organized into the following operating segments:-

- a) Construction;
- b) Manufacturing and trading of building materials;
- c) Property development; and
- c) investment

The segment revenue and results for the financial period ended 31 December 2024:

	Construction	Manufacturing & Trading	Property Development	Investment	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE						
External sales	998,764	200,065	8,565	19	0	1,207,413
Inter-segment sales	105,713	79,359	0	9,938	(195,010))	0
Total revenue	<u>1,104,477</u>	<u>279,424</u>	<u>8,565</u>	<u>9,957</u>	<u>(195,010)</u>	<u>1,207,413</u>
RESULTS						
Gross profit/(loss)	62,909	56,520	-124	9,957	(30,788)	98,474
Other operating income						51,247
Selling and administrative expenses						(57,126)
Finance costs						(25,440)
Share of profit of joint ventures						644
Share of loss of associate company						(330)
Profit before tax						<u>67,469</u>
Income tax expense						<u>(17,617)</u>
Profit net of tax						<u>49,852</u>
Segment Assets	1,200,624	464,206	738,783	433,766	(757,034)	2,080,345
Segment Liabilities	796,090	218,388	540,255	129,197	(390,568)	1,293,362

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2024

The segment revenue and results for the financial period ended 31 December 2023:

REVENUE	Construction RM'000	Manufacturing & Trading RM'000	Property Development RM'000	Investment RM'000	Elimination RM'000	Consolidated RM'000
External sales	638,547	190,198	23,809	14	0	852,568
Inter-segment sales	41,157	59,801	0	8,893	(109,851)	0
Total revenue	679,704	249,999	23,809	8,907	(109,851)	852,568
RESULTS						
Gross profit/(loss)	25,056	37,013	3,982	8,907	(13,376)	61,582
Other operating income						8,370
Selling and administrative expenses						(38,184)
Finance costs						(15,570)
Share of loss of a joint ventures						(3,143)
(Loss) before tax						13,055
Income tax credit						(6,177)
(Loss) net of tax						6,878
Segment Assets	799,591	373,329	542,441	434,761	(623,753)	1,526,369
Segment Liabilities	455,466	147,913	328,900	128,269	(274,546)	786,002

KIMLUN CORPORATION BERHAD (867077-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2024

PART B – ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)

	Individual Quarter (Quarter 4)		Changes		Cumulative Period		Changes		Preceding Quarter 30/9/2024 RM'000	Current quarter compared to preceding quarter	
	Current Year Quarter 31/12/2024 RM'000	Preceding Year Quarter 31/12/2023 RM'000	Amount RM'000	%	Current Year To Date 31/12/2024 RM'000	Preceding Year To Date 31/12/2023 RM'000	Amount RM'000	%		Amount RM'000	%
Revenue											
Construction	344,506	227,854	116,652	51.2%	1,104,477	679,704	424,773	62.5%	304,003	40,503	13.3%
Manufacturing & Trading	92,448	64,245	28,203	43.9%	279,424	249,999	29,425	11.8%	67,220	25,228	37.5%
Property Development	4,682	6,570	(1,888)	-28.7%	8,565	23,809	(15,244)	-64.0%	360	4,322	1200.6%
Investment	1,527	1,500	27	1.8%	9,957	8,907	1,050	11.8%	5,496	(3,969)	-72.2%
Elimination	(46,951)	(36,283)	(10,668)	29.4%	(195,010)	(109,851)	(85,159)	77.5%	(53,213)	6,262	-11.8%
Consolidated revenue	396,212	263,886	132,326	50.1%	1,207,413	852,568	354,845	41.6%	323,866	72,346	22.3%
Gross profit/(loss) ("GP")											
Construction	23,292	10,788	12,504	115.9%	62,909	25,056	37,853	151.1%	18,963	4,329	22.8%
Manufacturing & Trading	19,218	10,547	8,671	82.2%	56,520	37,013	19,507	52.7%	15,012	4,206	28.0%
Property Development	17	1,099	(1,082)	-98.5%	(124)	3,982	(4,106)	-103.1%	30	(13)	-43.3%
Investment	1,527	1,500	27	1.8%	9,957	8,907	1,050	11.8%	5,496	(3,969)	-72.2%
Elimination	(7,400)	(4,141)	(3,259)	78.7%	(30,788)	(13,376)	(17,412)	130.2%	(11,998)	4,598	-38.3%

KIMLUN CORPORATION BERHAD (867077-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2024

	Individual Quarter (Quarter 4)		Changes		Cumulative Period		Changes		Preceding Quarter 30/9/2024 RM'000	Current quarter compared to preceding quarter	
	Current Year Quarter 31/12/2024 RM'000	Preceding Year Quarter 31/12/2023 RM'000	Amount RM'000	%	Current Year To Date 31/12/2024 RM'000	Preceding Year To Date 31/12/2023 RM'000	Amount RM'000	%		Amount RM'000	%
Consolidated GP	36,654	19,793	16,861	85.2%	98,474	61,582	36,892	59.9%	27,503	9,151	33.3%
GP margin											
Construction	6.8%	4.7%			5.7%	3.7%			6.2%		
Manufacturing & Trading	20.8%	16.4%			20.2%	14.8%			22.3%		
Property Development	0.4%	16.7%			-1.4%	16.7%			8.3%		
Investment	100.0%	100.0%			100.0%	100.0%			100.0%		
Consolidated GP margin	9.3%	7.5%			8.2%	7.2%			8.5%		
Other income	4,113	5,359	(1,246)	-23.3%	51,247	8,370	42,877	512.3%	1,599	2,514	157.2%
Selling & administrative expenses	(14,179)	(10,833)	(3,346)	30.9%	(57,126)	(38,184)	(18,942)	49.6%	(18,149)	3,970	-21.9%
Finance costs	(7,847)	(4,119)	(3,728)	90.5%	(25,440)	(15,570)	(9,870)	63.4%	(6,384)	(1,463)	22.9%
Share of profit/(loss) of joint ventures	637	(1,306)	1,943	-148.8%	644	(3,143)	3,787	120.5%	105	532	506.7%
Share of (loss) of associate company	(330)	-	(330)	#DIV/0!	(330)	-	(330)	#DIV/0!	-	(330)	#DIV/0!
Profit/(loss) before tax	19,048	8,894	10,154	114.2%	67,469	13,055	54,414	-416.8%	4,674	14,374	307.5%
Profit/(loss) net of tax	15,630	6,614	9,016	136.3%	49,852	6,878	42,974	624.8%	2,710	12,920	476.8%

KIMLUN CORPORATION BERHAD (867077-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2024

NOTES TO REPORT

PART B – ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)

B1. Operating Segments Review

- (a) Quarter 4 Financial Year Ending 31 December (“FY”) 2024 (“current quarter”) vs Quarter 4 FY2023

Consolidated revenue of RM396.21 million for the current quarter was RM132.32 million (50.1%) higher compared to RM263.89 million recorded in Quarter 4 FY2023. Consolidated gross profit (“GP”) of RM36.65 million for the current quarter was RM16.86 million (85.2%) higher compared to RM19.79 million recorded in Quarter 4 FY2023.

Other income of RM4.11 million for the current quarter was RM1.25 million (23.3%) lower against Quarter 4 FY2023.

Selling and administrative (“S&A”) expenses of RM14.18 million for the current quarter was RM3.35 million (30.9%) higher compared to Quarter 4 FY2023.

Finance costs of RM7.85 million for the current quarter were RM3.73 million (90.5%) higher compared to Quarter 4 FY2023.

Share of profit of joint ventures was RM0.64 million for the current quarter, against share of loss of RM1.31 million of Quarter 4 FY2023.

Due to the variances stated above, the Group recorded a higher profit before tax (“PBT”) of RM19.05 million for the current quarter against RM8.89 million of Quarter 4 FY2023. Profit net of tax (“PAT”) of RM15.63 million was recorded in the current quarter, against RM6.61 million in Quarter 4 FY2023.

- (b) Year to date FY2024 (“YTD 2024”) compared to year to date FY2023 (“YTD 2023”)

Consolidated revenue of RM1.207 billion for YTD 2024 was RM354.43 million (41.6%) higher compared to RM852.57 million recorded in YTD 2023. Consolidated GP of RM98.47 million for YTD 2024 was RM36.89 million (59.9%) higher compared to RM61.58 million recorded in YTD 2023.

Other income of RM51.25 million for YTD 2024 was multifold higher compared to RM8.37 million of YTD 2023.

S&A expenses of RM57.13 million for YTD 2024 were RM18.94 million (49.6%) higher compared to YTD 2023.

Finance costs of RM25.44 million for YTD 2024 were RM9.87 million (63.4%) higher compared to YTD 2023.

Share of profit of joint ventures was RM0.64 million for YTD 2024, against share of loss of joint ventures of RM3.14 million of YTD 2023.

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Due to the variances stated above, the Group recorded a higher PBT of RM67.47 million for YTD 2024 against RM13.06 million of YTD 2023. PAT was accordingly higher at RM49.85 million for YTD 2024.

(c) Performance review

For the current quarter and YTD 2024, the increase in the consolidated revenue was attributable to the increase in external sales revenue (“external revenue”) generated by the construction and manufacturing and trading (‘M&T’) divisions.

The construction division’s external revenue increased from RM207.58 million in Quarter 4 FY2023 to RM321.21 million in the current quarter, and from RM638.55 million in YTD 2023 to RM998.76 million in YTD 2024. The improvement in the division’s external revenue was mainly attributable to revenue contribution from new projects secured in FY2023 and FY2024, and higher revenue arose from the acceleration of construction progress of the Sarawak-Sabah Link Road Construction Project (Lawas-Long Lopeng Junction) (“SSLR Project”).

The M&T division’s external revenue increased from RM49.73 million in Quarter 4 FY2023 to RM70.31 million in the current quarter, and from RM190.20 million in YTD 2023 to RM200.07 million in YTD 2024. The improvement in the division’s external revenue was mainly attributable to some of the larger size new orders began contributing revenue in late of second quarter of 2024.

The property development (“PD”) division recorded a lower revenue in the current quarter and YTD 2024 as one of its on-going development project was at tail end.

The improvement in the consolidated GP in the current quarter and YTD 2024 was attributable to higher GP generated by the construction and M&T divisions on the back of higher revenue and better GP margin on economic of scale from higher level of operation.

Other income was lower in current quarter mainly due to lower reversal of impairment loss on land held for property development (“LHPD”) compared to Quarter 4 FY2023. Conversely, other income was multifold higher in YTD 2024 due to the full reversal of allowance of impairment on trade receivable and contract asset aggregating RM43.52 million in relation to a hospital project, as the amount had been collected.

S&A expenses were higher in the current quarter and YTD 2024 mainly due to the followings:

- (i) Higher human resources costs, in line with higher scope of operation;
- (ii) foreign exchange loss resulted from the strengthening of Ringgit Malaysia against Singapore Dollar during the period, details as below:

	Current Quarter	Quarter 4 FY2023	Variance	YTD 2024	YTD 2023	Variance
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Foreign exchange (gains)/loss	446	(799)	1,245	8,239	(4,140)	12,379

Finance costs were higher in the current quarter and YTD 2024 mainly due to higher utilization of bank facilities to finance larger scope of operation, and finance costs incurred by PASB Group.

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The improvement in shares of result of joint ventures was mainly due to PASB Group ceased to be a joint venture company of the Group.

(d) Group Cash Flow Review

RM28.35 million net cash was used in operating activities, in line with working capital requirements of larger scale of operation and preliminary costs of new projects. RM145.22 million net cash was used in investing activities, mainly for the acquisition of PPE, LHPD and shares in PASB. RM177.04 million net cash was generated from financing activities, mainly attributable to drawdown of bank facilities and issuance of ICP for working capital requirements and acquisition of PPE and LHPD.

B2. Material Changes In The Quarterly Results Compared To The Results Of The Preceding Quarter

Consolidated revenue recorded in the current quarter was RM72.35 million (22.3%) higher compared to the preceding quarter mainly attributable to higher external revenue generated by the construction division and M&T division, supported by the acceleration of construction progress of projects in hand and production of precast products for new sales orders.

On the back of higher revenue achieved and improved GP margin in the current quarter, consolidated GP was RM9.15 million (33.3%) higher.

Other income was higher in current quarter mainly due to reversal of impairment loss LHD. S&A expenses were lower in the current quarter due to lower foreign exchange loss during the current quarter. Finance costs were higher in the current quarter mainly due to higher utilization of bank facilities to finance larger scope of operation.

On overall PBT and PAT were higher in current quarter.

B3. Prospects For 2025

The Group has an estimated construction and manufacturing balance order book of approximately RM3.11 billion and RM0.31 billion respectively as at 31 December 2024, contributed by numerous construction contracts and supply contracts. The balance order book provides a good earnings visibility to the Group and is expected to keep the Group busy for the next 2 to 3 years.

Our on-going projects and sales orders comprises contracts secured from, amongst other, Samling Resources Sdn Bhd, Eco World Development Group Berhad group, UEM Sunrise Bhd Group, S P Setia Bhd Group and China Communications Construction Company Ltd. Our on-going projects and sales orders include the following:

- (a) the SSRL Project for a contract sum of RM0.78 billion. The estimated completion period of the project is year 2026;
- (b) Design and build project for 1 block of service apartment and amenities in Johor for a contract sum of RM98.85 million. The estimated completion period of the project is year 2026; and
- (c) Few sales orders for the supply of IBS components and tunnel lining segments ("TLS") to Singapore MRT project. The estimated completion period of these sales orders is year 2026.

The Board is optimistic that the construction sector of Malaysia and Singapore will continue to be vibrant in 2025, thus offer order book replenishment prospects.

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Malaysia Construction Sector

The Group expects some tender opportunities from the following public sector projects in 2024:

Highway projects in East Malaysia;

Road upgrading works in Johor;

Penang LRT projects; and

Affordable housing projects

Further, the Group's construction arm will undertake construction works for in-house property developments projects as detailed in the ensuing section of this report. Meanwhile, the Group will be selective and remain cautious in the bidding of other private sector projects, to mitigate credit risks.

Singapore Construction Sector

The Building and Construction Authority (BCA) projects the total construction demand, i.e. the value of construction contracts to be awarded, to range between S\$47 billion and S\$53 billion in nominal terms in 2025.

The strong demand is underpinned by the expected award of contracts for several large-scale developments, such as Changi Airport Terminal 5 (T5) and the expansion of the Marina Bay Sands Integrated Resort, alongside public housing development and upgrading works. Other contributors include high-specification industrial buildings, educational developments, healthcare facilities, Mechanical and Engineering contracts for the Thomson-East Coast Line Extension (TEL) and Cross Island Line (CRL), and infrastructure works for the Woodlands Checkpoint extension and the Tuas Port.

Over the medium-term, BCA expects the total construction demand to reach an average of between S\$39 billion and S\$46 billion per year from 2026 to 2029.

Our subsidiary SPC Industries Sdn Bhd ("SPC") has very strong track record in the supply of precast components including TLS, concrete rail sleepers and jacking pipes to large public sector infrastructure projects in Singapore including Singapore MRT projects, Deep Tunnel Sewerage System Phase 2 and Singapore Power's underground cable tunnel.

Further, SPC has been a frequent supplier of IBS components to various projects in Singapore.

With its strong track record in Singapore, SPC is well positioned to compete for further potential sales orders from Singapore.

Property Development Division

The Group's began the sales of a service apartment development project in Masai, Johor, namely Pinegate Residency Phase 1, with estimated GDV of approximately RM300 million, in January 2025. Further, AKSB is expected to launch a service apartment development project in Johor Bahru, Johor, namely Arden Residence, with estimated GDV of approximately RM800 million, in the first half of 2025.

The developments are expected to contribute positively to the Group's profit.

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B4. Profit Forecast And Profit Estimate

The Group did not issue any profit forecast or profit estimate previously in any public document.

B5. Profit Before Tax

The following items have been included in arriving at profit before tax:

	Current Quarter 3 months ended 31.12.2024 RM'000	Cumulative Quarter 12 months ended 31.12.2024 RM'000
(a) interest income	519	2,705
(b) other income including investment Income	3,597	48,438
(c) interest expense	7,847	25,440
(d) depreciation and amortization	9,996	31,688
(e) provision for and write off of receivables	0	0
(f) provision for and write off of inventories	0	0
(g) (gain) or loss on disposal of quoted or unquoted investments or properties	(67)	(60)
(h) impairment of assets	0	0
(i) foreign exchange (gain) or loss	446	8,239
(j) gain or loss on derivatives	0	0
(k) exceptional items	0	0

B6. Taxation

	Current Quarter 3 months ended 31.12.2024 RM'000	Cumulative Quarter 12 months ended 31.12.2024 RM'000
In respect of the current period		
- Income tax	52	6,900
- Deferred tax	4,349	11,543
	<u>4,401</u>	<u>18,443</u>
In respect of prior year		
- Income tax	(24)	177
- Deferred tax	(959)	(1,003)
	<u>3,418</u>	<u>17,617</u>

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The effective tax rate for current quarter was lower than the statutory rate applicable to the Group ("Statutory Tax Rate") due to the recognition of reinvestment allowance during the current quarter. The effective tax rate for YTD 2024 was higher than the Statutory Tax Rate as certain expenses were disallowed for tax deduction under tax regulations, and potential deferred tax benefits on unutilized tax losses and unabsorbed capital allowances were not recognised on prudent basis.

B7. Status of Corporate Proposals

- (a) On 12 July 2024, the Company's subsidiary, KIASB entered into a legally binding term sheet ("Term Sheet") with Astaka Capital Sdn Bhd ("ACSB"), Astaka Padu Sdn Bhd ("APSB") and Seaview Holdings Sdn Bhd ("SHSB") (collectively, the "Parties"), of which KIASB and ACSB shall establish a joint venture ("JVCo") for the purpose of jointly developing an identified parcel of land measuring approximately 1.662 acres in area ("Project Land") (to be subdivided from a master freehold land in Johor Bahru, Johor, ("Master Land")) into a residential serviced apartment ("Project").

The provisions of the Term Sheet are intended to be used as basis for the Parties to enter into the definitive agreements ("Definitive Agreements") as follows:

- (i) a subscription and shareholders' agreement between KIASB and ACSB for the incorporation of the JVCo and the development of the Project Land into a residential serviced apartment, pursuant to the Project ("Proposed Joint Venture"); and
- (ii) a sale and purchase agreement between the JVCo, APSB and SHSB for the sale and purchase of the Project Land by the JVCo from APSB (as registered proprietor of the Master Land) and SHSB (as beneficial owner of the Master Land) ("Proposed Acquisition").

Pursuant to the Term Sheet, AKSB was incorporated to be the JVCo.

The relevant parties to the Definitive Agreements have entered into the Definitive Agreements on 13 November 2024 and KIASB has completed its Subscription of AKSB Shares.

On 13 November 2024, the Company announced that the Company is proposing the provision of financial assistance amounting up to RM303.3 million to AKSB to acquire the Project Land and to implement the Project ("Proposed Provision of Financial Assistance").

As the quantum of the Proposed Provision of Financial Assistance exceeds 5% of the net tangible assets of the Group based on its latest audited consolidated financial statements for the financial year ended 31 December 2023, the Company sought its shareholders' approval for the Proposed Provision of Financial Assistance in the general meeting held on 13 January 2025, during which the shareholders approved the resolution on the Proposed Provision of Financial Assistance.

- (b) At the Annual General Meeting held on 4 June 2024 ("15th AGM"), the shareholders approved the declaration of a final single tier dividend of RM0.01 per ordinary share in respect of the financial year ended 31 December 2023 ("FYE 2023 Final Dividend"). The FYE 2023 Final Dividend was paid on 25 July 2024.

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B8. Group Borrowings and Debts Securities

The Group's borrowings and debts securities as at 31 December 2024 are as follows:

	Interest rate per annum YTD 2024	As at 31.12.2024 RM'000	As at 31.12.2023 RM'000
Long term borrowings			
<u>Secured:</u>			
Hire purchase creditors	1.88% to 3.61%	35,762	16,792
Term loans	5.07% to 6.67%	184,368	124,149
<u>Unsecured:</u>			
IMTN	5.06%	30,000	55,000
		250,130	195,941
Short term borrowings			
<u>Secured:</u>			
Bank overdraft	5.80% to 7.89%	6,063	-
Hire purchase creditors	1.88% to 3.61%	16,775	8,959
Bankers' acceptance	4.28% to 5.02%	81,891	80,431
Invoice financing	4.09% to 7.45%	198,241	61,080
Term loans and revolving credits	5.07% to 6.67%	33,126	34,103
<u>Unsecured:</u>			
IMTN and ICP	4.87% to 5.25%	85,310	32,860
		421,406	217,433

The borrowings are denominated in the following currencies:

	As at 31.12.2024 RM'000	As at 31.12.2023 RM'000
Long term borrowings		
Ringgit Malaysia	250,130	195,941
Short term borrowings		
Ringgit Malaysia	413,419	216,607
Singapore Dollar	7,987	826
	421,406	217,433

All borrowings, other than hire purchase financing, IMTN and ICP which are based on fixed interest rate, are based on floating interest rate.

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B9. Material Litigation

There was no material litigation as at the LPD.

B10. Dividends

(a) The FYE 2023 Final Dividend was approved by the Shareholders at the 15th AGM, as detailed in Note B7(b).

(b) The Board of Directors recommend the payment of a final single-tier dividend of 2 sen per share in respect of the financial year ended 31 December 2024 which is subject to the approval of the shareholders at the forthcoming Annual General Meeting.

(c) Dividend declared during the previous year's corresponding period:

A final single-tier dividend of RM0.01 per share in respect of the financial year ended 31 December 2022.

B11. Earnings/(Loss) Per Share ("ELPS")

	Current Quarter Ended		Year to-Date Ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Profit/(loss) attributable to owners of the Company (RM'000)	15,708	6,653	50,315	7,055
Weighted average number of ordinary shares in issue ('000)	353,363	353,358	353,362	353,358
Assumed shares issued from the exercise of warrants ('000)	0	0	0	0
Adjusted weighted average number of ordinary shares in issue ('000)	353,363	353,358	353,362	353,358
Basic earnings/(loss) per share ("BELPS") (Sen)	4.45	1.88	14.24	2.00
Diluted earnings/(loss) per share ("DELPS") (Sen)	4.45	1.88	14.24	2.00

BELPS is calculated by dividing the loss or profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period.

DELPS is calculated by dividing the loss or profit attributable to owners of the Company by the adjusted weighted average number of ordinary shares in issue during the financial period.