



MGB BERHAD

Registration No. 200201021504 (589167-W)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT 31 DECEMBER 2024

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
- FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Individual Quarter		Year to Date		
	Current Year Quarter Ended 31-Dec-24 (Unaudited) RM'000	Preceding Year Quarter Ended 31-Dec-23 (Audited) RM'000	Current Year To Date Ended 31-Dec-24 (Unaudited) RM'000	Preceding Year To Date Ended 31-Dec-23 (Audited) RM'000	
Revenue	256,844	305,333	1,031,970	971,828	
Cost of sales	(217,524)	(262,198)	(859,753)	(823,269)	
Gross profit	39,320	43,135	172,217	148,559	
Interest income	414	(74)	1,162	824	
Other income	6,620	181	12,853	1,335	
Operating expenses	(22,568)	(23,113)	(92,411)	(75,658)	
Finance costs	(1,502)	(1,724)	(7,232)	(6,086)	
Share of profit of associates (net of tax)	42	7	555	232	
Profit before tax	22,326	18,412	87,144	69,206	
Taxation	(8,070)	(5,331)	(25,455)	(18,745)	
Profit after tax for the financial year	14,256	13,081	61,689	50,461	
Other comprehensive profit/(loss) for the financial year	(1,253)	371	(1,255)	319	
Total comprehensive income for the financial year	13,003	13,452	60,434	50,780	
Profit/(Loss) for the financial year attributable to:					
Owners of the parent	14,436	11,856	60,111	48,173	
Non-controlling interests	(180)	1,225	1,578	2,288	
	14,256	13,081	61,689	50,461	
Total comprehensive income for the financial year attributable to:					
Owners of the parent	13,183	12,227	58,856	48,492	
Non-controlling interests	(180)	1,225	1,578	2,288	
	13,003	13,452	60,434	50,780	
Earnings per share attributable to owners of the parent:					
Basic (Sen)	B10	2.44	2.00	10.16	8.14
Diluted (Sen)	B10	2.44	2.00	10.16	8.14

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
- AS AT 31 DECEMBER 2024

	Note	31-Dec-24 (Unaudited) RM'000	31-Dec-23 (Audited) RM'000
ASSETS			
Non-current Assets			
Property, plant and equipment ("PPE")	A9	84,806	34,059
Right-of-use assets ("ROU")	A9	59,105	93,441
Investment properties		36,344	37,226
Investment in associates		740	485
Trade receivables		1,610	3,010
Goodwill on consolidation		254,695	254,695
Deferred tax assets		2,422	1,311
		439,722	424,227
Current Assets			
Inventories and contract costs		75,947	131,067
Contract assets		176,912	52,446
Trade receivables		46,500	36,953
Other receivables		54,228	33,199
Amounts due from related companies		224,146	389,378
Amount due from an associate		11	11
Tax recoverable		5,509	3,102
Fixed deposits with licensed banks		12,980	7,809
Cash held under Housing Development Accounts		9,195	17,036
Cash and bank balances		78,022	27,799
		683,450	698,800
TOTAL ASSETS		1,123,172	1,123,027

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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 explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
- AS AT 31 DECEMBER 2024 (CONT'D)

	Note	31-Dec-24 (Unaudited) RM'000	31-Dec-23 (Audited) RM'000
<u>EQUITY AND LIABILITIES</u>			
Equity attributable to owners of the parent:			
Share capital		388,186	388,186
Asset revaluation reserve		4,493	4,493
Foreign currency exchange reserve		(1,415)	(160)
Other reserve		(1,684)	(1,684)
Retained earnings		212,539	162,090
		602,119	552,925
Non-controlling interests		3,167	1,589
Total Equity		605,286	554,514
<u>LIABILITIES</u>			
Non-current Liabilities			
Retirement benefit obligations		3,937	913
Loans and borrowings	B7	50,881	38,546
Lease liabilities	B7	10,145	12,922
Deferred tax liabilities		3,958	3,125
		68,921	55,506
Current Liabilities			
Trade payables		290,739	322,059
Contract liabilities		44,443	87,671
Amounts due to holding company		-	13
Amounts due to related companies		2,822	1,277
Other payables		81,077	55,862
Loans and borrowings	B7	13,851	30,137
Lease liabilities	B7	11,377	12,446
Tax payable		4,656	3,542
		448,965	513,007
Total Liabilities		517,886	568,513
TOTAL EQUITY AND LIABILITIES		1,123,172	1,123,027
Net assets per share attributable to owners of the parent (RM)		1.02	0.93

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 explanatory notes attached to the interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
- FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	<-----Attributable to owners of the parent----->							
	<-----Non-Distributable----->							
	Share Capital RM'000	Asset Revaluation Reserve RM'000	Foreign Currency Exchange Reserve RM'000	Other Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Group								
At 1 January 2024	388,186	4,493	(160)	(1,684)	162,090	552,925	1,589	554,514
Profit for the financial year	-	-	-	-	60,111	60,111	1,578	61,689
Other comprehensive income	-	-	(1,255)	-	-	(1,255)	-	(1,255)
Transactions with owners								
Dividends paid	-	-	-	-	(9,662)	(9,662)	-	(9,662)
At 31 December 2024	388,186	4,493	(1,415)	(1,684)	212,539	602,119	3,167	605,286

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
- FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

	<-----Attributable to owners of the parent----->							
	<-----Non-Distributable----->							
	Share Capital RM'000	Asset Revaluation Reserve RM'000	Foreign Currency Exchange Reserve RM'000	Other Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Group								
At 1 January 2023	388,186	4,014	-	(1,684)	116,869	507,385	(699)	506,686
Profit for the financial year	-	-	-	-	48,173	48,173	2,288	50,461
Other comprehensive income	-	479	(160)	-	-	319	-	319
Transactions with owners								
Dividends paid	-	-	-	-	(2,952)	(2,952)	-	(2,952)
At 31 December 2023	388,186	4,493	(160)	(1,684)	162,090	552,925	1,589	554,514

The Condensed Consolidated Statement 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 explanatory notes attached to the interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
- FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Current Year Ended 31-Dec-24 (Unaudited) RM'000	Preceding Year Ended 31-Dec-23 (Audited) RM'000
Profit before tax	87,144	69,206
Adjustments for:		
Depreciation of		
- PPE	8,612	7,500
- investment properties	882	882
- ROU	12,326	10,076
Finance costs	7,232	6,086
Impairment losses on:		
- trade receivables	1,586	1,364
- amounts due from related companies	-	81
Reversal of impairment losses on:		
- trade receivables	(33)	(420)
- amounts due from related companies	(103)	(3)
Gain on disposal of PPE	(3,849)	(312)
Gain on disposal of ROU	(1,452)	(165)
Interest income	(1,162)	(824)
Share of profit of associates (net of tax)	(555)	(232)
Unrealised loss on foreign exchange	505	71
Realised loss on foreign exchange	924	-
Provision for retirement benefit obligations	3,024	913
Operating profit before working capital changes	115,081	94,223
Changes in working capital:		
Inventories and contract costs	54,982	(49,807)
Trade and other receivables	(31,283)	(10,042)
Trade and other payables	(4,537)	124,237
Contract assets and contract liabilities	(167,682)	27,719
Amount due from/(to) related companies	166,880	(110,167)
Amount due to holding company	(13)	-
Amount due to an associate	-	(27)
	18,347	(18,087)
Cash generated from operations	133,428	76,136
Interest paid	(7,239)	(6,161)
Interest received	1,162	824
Income tax refund	-	1,001
Income tax paid	(27,031)	(16,595)
	(33,108)	(20,931)
Net cash generated from operating activities	100,320	55,205

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
- FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

	Current Year Ended 31-Dec-24 (Unaudited) RM'000	Preceding Year Ended 31-Dec-23 (Audited) RM'000
Cash flows (used in)/generated from investing activities		
Purchase of PPE	(5,779)	(10,284)
Additions in ROU	(1,226)	(3,323)
Proceeds from disposal of PPE	4,261	312
Proceeds from disposal of ROU	5,870	165
Capital work-in-progress incurred	(26,826)	-
Dividends received from an associate	300	180
Net cash used in investing activities	(23,400)	(12,950)
Cash flows generated from/(used in) financing activities		
Drawdown of bank borrowings	93,434	85,951
Net placements of deposits pledged to licensed banks	(4,391)	(635)
Net bank balances pledged to licensed banks	77	(77)
Payment of lease liabilities	(14,393)	(15,924)
Repayment of bank borrowings	(90,435)	(107,247)
Dividends paid	(9,662)	(2,952)
Net cash used in financing activities	(25,370)	(40,884)
Net increase in cash and cash equivalents	51,550	1,371
Cash and cash equivalents at the beginning of the financial year	34,953	33,773
Effect of exchange rate changes on cash and cash equivalents	(2,045)	(191)
Cash and cash equivalents at the end of the financial year	84,458	34,953
Cash and cash equivalents at the end of the financial year comprise:		
Cash and bank balances	78,022	27,799
Cash held under Housing Development Accounts	9,195	17,036
Fixed deposits with licensed banks	12,980	7,809
Bank overdrafts	(2,941)	(9,982)
	97,256	42,662
Less: Cash and bank balances pledged with licensed bank	-	(77)
Less: Fixed deposits pledged with licensed banks	(12,798)	(7,632)
	84,458	34,953

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR FINANCIAL YEAR ENDED 31 DECEMBER 2024

A1. Basis of Preparation

The condensed financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22, Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023. These explanatory notes attached to the condensed financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of MGB Berhad ("the Company") and all its subsidiary companies (collectively known as "the Group") since the financial year ended 31 December 2023.

Basis of Accounting

The financial information has been prepared on the historical cost convention and in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

A2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in these condensed financial statements are consistent with those adopted in the financial statements for the financial year ended 31 December 2023 except for the adoption of the following:

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements

The initial application of the abovementioned new standards and amendments to standards did not have significant impacts on the financial statements of the Group and of the Company.

A2. Changes in Accounting Policies (Cont'd)

Standards issued but not yet effective

The Group has not adopted the following new standards and amendments to standards that have been issued by the Malaysian Accounting Standards Board which are not yet effective for the Group. The Group intends to adopt the below mentioned new standards and amendments to standards when they become effective.

		Effective date for financial periods beginning on or after
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107	Annual Improvements to MFRS Accounting Standards-Volume 11	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further noticed

The adoption of the abovementioned new standards and amendments to standards when they become effective are not expected to have significant impact on the financial statements of the Group and of the Company.

A3. Auditors' Report on Preceding Annual Financial Statements

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

A4. Segmental Information

The Group's reporting segments as described below are the Group's strategic business units. Segment information is primarily presented in respect of the Group's business segment which is based on the Group's management and internal reporting structure.

The following summarised the operations in each of the Group's reportable segment:

- (i) Construction and trading – Design and build, civil engineering, general construction, piling activities, trading of construction materials, manufacturing of Industrialised Building System ("IBS") precast products and construction of residential buildings.
- (ii) Property development – Development of residential and commercial properties.
- (iii) Others - Investment holding and dormant.

A4. Segmental Information (Cont'd)

31 December 2024 (Unaudited)

	Construction and trading RM'000	Property development RM'000	Others RM'000	Total segments RM'000
Revenue				
Total revenue	957,184	483,603	39,137	1,479,924
Less: Inter-segment revenue	(408,817)	-	(39,137)	(447,954)
Revenue from external customers	548,367	483,603	-	1,031,970
Results				
Interest income	987	169	6	1,162
Finance costs	(5,316)	(1,187)	(729)	(7,232)
Depreciation	(21,171)	(624)	(25)	(21,820)
Share of profit of associates (net of tax)	555	-	-	555
Segment profit/(loss) before tax	12,805	76,642	(2,303)	87,144
Taxation				(25,455)
Profit after tax				61,689
Other non-cash items				
Gain on disposal of PPE	(3,836)	(13)	-	(3,849)
Gain on disposal of ROU	(1,452)	-	-	(1,452)
Reversal impairment losses on receivables (net)	218	1,232	-	1,450
Provision for retirement benefit obligations	3,024	-	-	3,024
Unrealised loss on foreign exchange	505	-	-	505
Realised loss on foreign exchange	924	-	-	924
Assets				
Additions to non-current assets	15,461	210	-	15,671
Segment assets	576,508	290,652	256,012	1,123,172
Liabilities				
Segment liabilities	454,271	64,188	(573)	517,886

A4. Segmental Information (Cont'd)

31 December 2023 (Audited)

	Construction and trading RM'000	Property development RM'000	Others RM'000	Total segments RM'000
Revenue				
Total revenue	1,051,577	115,592	51,549	1,218,718
Less: Inter-segment revenue	(195,341)	-	(51,549)	(246,890)
Revenue from external customers	856,236	115,592	-	971,828
Results				
Interest income	502	315	7	824
Finance costs	(4,491)	(746)	(849)	(6,086)
Depreciation	(17,665)	(768)	(25)	(18,458)
Share of profit of associates (net of tax)	232	-	-	232
Segment profit/(loss) before tax	52,491	18,576	(1,861)	69,206
Taxation				(18,745)
Profit after tax				50,461
Other non-cash items				
Gain on disposal of PPE	(312)	-	-	(312)
Gain on disposal of ROU	(165)	-	-	(165)
Impairment losses on receivables (net)	1,022	-	-	1,022
Provision for retirement benefit obligations	913	-	-	913
Unrealised loss on foreign exchange	71	-	-	71
Assets				
Additions to non-current assets	38,969	1,571	-	40,540
Segment assets	648,455	219,361	255,211	1,123,027
Liabilities				
Segment liabilities	512,162	47,551	8,800	568,513

A4. Segmental Information (Cont'd)

Segmental Performance (financial year ended 31 December 2024 against financial year ended 31 December 2023)

Construction and Trading

In the current financial year, revenue from the construction and trading segment decreased by RM307.87 million, reduce from RM856.24 million in the preceding year to RM548.37 million. Revenue reduced mainly due to the completed project such as Kita Mekar, Idaman BSP, Alam Perdana Phase 5, Alam Perdana Phase 4 and project Kita Mesra nearing complete with minimal progress.

Concurrently, segment's Profit Before Tax ("PBT") reduced by RM39.68 million from RM52.49 million in the preceding year to RM12.81 million for the current financial year.

Construction and trading segment also included the manufacturing arm (precast products) which supply internally amounted RM66.12 million and oversea sales of RM13.40 million.

Should the manufacturing and trading of precast products business contribute external revenue and profit in the future, it shall be reported separately as an individual reportable segment.

Property Development

In the current financial year, revenue from the property development segment increased significantly by RM368.01 million, rising from RM115.59 million in the preceding year to RM483.60 million. Additionally, the segment's Profit Before Tax ("PBT") for the current year showed remarkable improvement, reaching RM76.64 million, compared to RM18.58 million of the previous year. The growth was mainly contributed by the increase in progress development for the ongoing development projects of Idaman Melur, Idaman Cahaya Phase 1 & Phase 2, Idaman Sari and Saujana Indah Phase 1 and Phase 2.

Others

Loss Before Tax ("LBT") of other segment increased by RM0.44 million from RM1.86 million in the preceding year to RM2.30 million.

A5. Unusual items due to their nature, size or incidence

There were no items affecting assets, liabilities, equity, net income or cash flow that are unusual of their nature, size or incidence during the current quarter under review.

A6. Material Changes in Estimates

There were no material changes in estimates used for the preparation of the interim financial report.

A7. Seasonal or Cyclical Factors

The operations of the Group during the current financial quarter under review were not materially affected by any significant seasonal or cyclical factors.

A8. Dividends Paid

There were no dividends paid during the current quarter under review.

A9. Valuation of PPE and ROU

There were no valuation of PPE and ROU carried out during the current quarter under review.

Included in the ROU are leasehold lands and buildings that are stated at revalued amount less accumulated depreciation and accumulated impairment losses.

A10. Debts and Equity Securities

There were no issue, repurchase and repayment of debt and equity securities during the financial year.

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A11. Changes in Composition of the Group

- (a) On 18 November 2024, MGB International for Industry (“MII”), a wholly-owned subsidiary of MGB Construction Sdn. Bhd. (“MCSB”), an indirect wholly-owned subsidiary of the Company, had increased its paid-up share capital from 412,500 to 1,362,500 ordinary shares of SAR10 each share. MCSB has subscribed for an additional 950,000 ordinary shares of SAR 10 each share in MII for a total value consideration of SAR9,500,000 (approximately RM11,305,000.00) only by way of capitalization of amount due from MII.
- (b) On 17 December 2024, Prisma Kasturi Sdn. Bhd. (“PKSB”), a wholly-owned subsidiary of MGB Land Sdn. Bhd. (“MLSB”), an indirect wholly-owned subsidiary of the Company, had increased its paid-up share capital from 25,000 to 1,000,000 ordinary shares of RM1.00 each share. MLSB has subscribed for an additional 975,000 ordinary shares in PKSB for a total consideration RM 975,000.00.

Saved as disclosed above, there were no other changes in the composition of the Group during the current quarter.

A12. Capital Commitments

Total capital commitments of the Group comprised of the followings:

	As at 31-Dec-24	As at 31-Dec-23
	RM'000	RM'000
<u>Authorised and contracted for :</u>		
Purchase order for		
- Property, plant and equipment	624	11,696

A13. Subsequent Events

On 23 January 2025, MGB International for Industry (“MII”), a wholly-owned of subsidiary MGB Construction Sdn. Bhd., an indirect wholly-owned subsidiary of the Company, had subscribed 50,000 ordinary shares of SAR10 for each share, representing 50% equity interest in MGB Alameriah Contracting Company (“MALCC”), a Limited Liability Company incorporated in the Kingdom of Saudi Arabia, for a total cash consideration of SAR500,000 (approximately RM595,000.00) only. MALCC is a Joint Venture Company with Alameriah Real Estate Development, which holds 50,000 ordinary shares representing 50% equity interest in MALCC. Following this transaction, MALCC became a joint venture of the Company.

Save as disclosed above, there were no subsequent events as at 11 February 2025, being the latest practicable date (“LPD”), which shall not be earlier than 7 days from the date of issuance of this interim financial report.

A14. Changes in Contingent Liabilities and Contingent Assets

(a) Contingent Liabilities

	As at 31-Dec-24 RM'000	As at 31-Dec-23 RM'000
Bank guarantees issued for:		
- Property Development	13,159	13,358

(b) Contingent Assets

There were no contingent assets as at the current financial year.

A15. Significant Related Party Transactions

The transactions with companies in which certain Directors are common directors and/or have interest or deemed interest for the current financial year were summarised as follows:

	As at 31-Dec-24 RM'000	As at 31-Dec-23 RM'000
Income		
Progress billing issued	465,494	868,510
Expenses		
Dividends paid	7,133	2,193
Rental expenses paid/payable	197	199
Management fee paid/payable	381	381

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B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

B1. Review of Group Performance

	Individual Quarter				Year to Date			
	Current Quarter	Preceding Quarter	Variance		Current Year To Date	Preceding Year To Date	Variance	
	Ended 31-Dec-24	Ended 31-Dec-23	RM'000	%	Ended 31-Dec-24	Ended 31-Dec-23	RM'000	%
Revenue	256,844	305,333	(48,489)	-15.88%	1,031,970	971,828	60,142	6.19%
Profit before tax ("PBT")	22,326	18,412	3,914	21.26%	87,144	69,206	17,938	25.92%
Profit after tax ("PAT")	14,256	13,081	1,175	8.98%	61,689	50,461	11,228	22.25%

Individual Quarter and Year to Date

The Group achieved revenue of RM256.85 million in current quarter which representing RM48.49 million or 15.88% lower as compared to the corresponding quarter of the preceding year.

For the cumulative financial year ended 31 December 2024, group revenue rose by 6.19% to RM1.03 billion compared to last year. Concurrently, profit before taxation increased by 25.92% to RM87.14 million as compared to RM69.21 million last year.

The Group reported a decline in revenue mainly due to number of ongoing projects completed in previous quarter. Despite the lower revenue in current quarter, the Group's performance improved mainly due to other income increased.

The Group's total assets and total liabilities stood at RM1.12 billion and RM517.89 million respectively as at 31 December 2024. Assets of approximately RM576.51 million or 51.33% and liabilities of RM454.27 million or 87.72% were from the construction and trading segment.

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B2. Variation of Results Against Immediate Preceding Quarter

	Current Year Quarter Ended 31-Dec-24	Immediate Preceding Quarter Ended 30-Sep-24	Variance	
	RM'000	RM'000	RM'000	%
Revenue	256,844	289,248	(32,404)	-11.20%
Profit before tax ("PBT")	22,326	22,238	88	0.40%
Profit after tax ("PAT")	14,256	16,548	(2,292)	-13.85%

The Group's revenue witnessed a quarter-over-quarter decreased of RM32.40 million or 11.20% when compared to the immediate preceding quarter ended 30 September 2024. The reduced mainly due to the completed project namely Alam Perdana Phase 5 and Alam Perdana Phase 4 from construction segment and lower progress development of ongoing project namely Idaman Melur and Idaman Cahaya Phase 1 from property development segment for the quarter under review.

B3. Prospects for the Year

We remain committed to the construction of affordable homes through innovation and technological advancements, as well as improving our construction process. We also targeted to secure new government projects.

Moving forward, the resilience of the Group underpinned by existing construction segment's orderbook of approximately RM1.10 billion and unbilled sales of RM0.64 billion from on going property development projects would contribute positively to next year earnings.

B4. Profit Forecast or Profit Guarantee

There is no profit forecast or profit guarantee issued by the Group to the public.

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B5. Taxation

The effective tax rate was higher than the statutory tax rate of 24% mainly due to losses of certain subsidiaries which cannot set off against taxable profits made by other subsidiaries and non-tax deductible expenses.

	Current Year Quarter 31-Dec-24 RM'000	Current Year to Date 31-Dec-24 RM'000
Income Tax:		
- Current year	8,242	26,778
- Underprovision of prior year	-	(1,041)
	8,242	25,737
 Deferred Tax:		
- Current year	(172)	(282)
Total Taxation	8,070	25,455

B6. Status of Corporate Proposals Announced

Saved as disclosed below, there were no corporate proposals announced that are yet to be completed as at LPD.

(a) On 14 December 2022, the Company’s indirect wholly-owned subsidiary, Retro Court Sdn. Bhd. (“RCSB”) had entered into a Framework Agreement with Invest Energy Sdn. Bhd. (“IESB”) to collaborate with each other to explore the potential design, finance, operation, use, and/or maintenance of clean energy solutions such as green energy (including but not limited to all types of renewable energy and energy efficiency solutions such as solar, biogas, biomass and/or combined heat and power) in an industrial park known as Kerteh Terengganu Industrial Park (“KTIP”) by IESB which includes IESB’s obligation to provide a centralised utility facilities together with a centralised plant at a designated area to be determined by RCSB but in any event shall not be more than 10 acres from the entire KTIP’s development land, towards improving KTIP’s energy efficiency and environmental footprint.

This Agreement has not been completed as the Conditions Precedent therein have not been complied.

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B6. Status of Corporate Proposals Announced (Cont'd)

Saved as disclosed below, there were no corporate proposals announced that are yet to be completed as at LPD. (Cont'd)

(b) On 27 July 2023, the Company's indirect wholly-owned subsidiary, MGB International for Industry ("MII") had entered into a Joint Venture Agreement ("JVA") with SANY Alameriah Industrial ("SA"), a limited liability company incorporated at Kingdom of Saudi Arabia, to outline the obligations and responsibilities of each party to collaborate and co-operate with each other by way of a joint venture as set out below:

- (i) SA is desirous of securing Supply and Installation Contracts for a total aggregate minimum amount of Two Hundred Seventy Thousand Cubic Metres (270,000 m³) of precast concrete products within three (3) years from the Commencement Date. The Commencement Date is the date which SA and MII have fulfilled their obligations as provided in the JVA during ninety (90) working days transition period starting from the Effective Date, i.e. 27 July 2023.
- (ii) During the first year from the Commencement Date, SA needs to secure a minimum order of Ninety Thousand Cubic Metres (90,000 m³) of precast concrete products from the clients to supply and install precast concrete products ("Supply and Installation of Precast Concrete").
- (iii) SA is desirous of collaborating with MII for MII to operate SA's precast concrete factory located at Al Lith RD, Jeddah 3rd Industrial City, Jeddah, Kingdom of Saudi Arabia ("Factory") ["Operation of Factory"] for the production of precast concrete products and works to be carried out by MII pursuant to the purchase orders issued by SA to MII for the installation of precast concrete products within the Kingdom of Saudi Arabia ("Installation Works") to cater for the Supply and Installation Contract.

This Agreement has not been completed as the obligations and responsibilities of SA therein has not been fulfilled.

(c) On 6 October 2023, the Company had entered into a Letter of Intent ("LOI") with Malaysian Green Technology and Climate Change Corporation ("MGTC") and LBS Bina Group Berhad ("LBGB"), the holding company of MGB, and Midwest Green Sdn. Bhd. ("Midwest") with the objective of aiming to promote collaboration and innovative renewable energy projects in Malaysia.

The Company, MGTC, LBGB and Midwest collectively referred to as the "Parties".

The LOI serves as general framework for potential cooperation among the Parties and has no legal binding effect. The LOI shall take immediate effect with no expiry date.

Upon finalisation of the term of the collaboration by the Parties, the Parties shall enter into a definitive agreement to record their mutual terms in the Proposal Innovative Solar Farm project.

B6. Status of Corporate Proposals Announced (Cont'd)

Saved as disclosed below, there were no corporate proposals announced that are yet to be completed as at LPD. (Cont'd)

- (d) On 10 October 2024, the Company's indirect wholly-owned subsidiary, Prisma Kasturi Sdn. Bhd. ("PKSB") had entered into a Joint Venture Agreement ("JVA") with Kandis Permai Sdn. Bhd. ("KPSB") to jointly develop the four parcels of Malay Reserve Land with total area measuring approximately 38427.93 square meters (9.50 acres) identified as Lot 8394, Lot 8395, Lot 8396 and Lot 8397 located in Jalan Bukit Serdang 11/14, Mukim Petaling, Daerah Petaling Negeri Selangor ("Development Land") into residential units or any other development to be determined at the absolute discretion of the Developer in accordance with the Approved Layout Plans.

The JVA has not been completed as the Conditions Precedent therein have not been fulfilled.

- (e) On 10 October 2024, the Company's indirect wholly-owned subsidiary, Prisma Kasturi Sdn. Bhd. ("PKSB") had entered into a Joint Venture Agreement ("JVA") with Talam Transform Berhad ("TTB") to jointly develop all that parcel of land measuring approximately 16.50 acres ("Development Land") which is forming part of the master land held under H.S.(D) 146408 PT 51440 in Mukim Petaling Daerah Petaling Negeri Selangor with total area measuring approximately 245,400 square meters (60.639 acres) into a mixed development comprising of commercial units and affordable home units pursuant to affordable housing scheme implemented by the State Government of Selangor from time to time ("Affordable Homes") on the Development Land and/or such other development to be determined by the Developer in accordance with the Approved Plans including any subsequent variations therefrom or amendments thereto as have been agreed and/or approved by the relevant Government.

The JVA has not been completed as the Conditions Precedent therein have not been fulfilled.

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B7. Borrowings and Debt Securities

Total borrowings of the Group comprised of the followings:

	As at 31-Dec-24 RM'000 (Unaudited)
Secured	
Term loans	61,791
Bank overdrafts	2,941
Lease liabilities	21,522
Total	86,254
 Current	
Term loans	10,910
Bank overdrafts	2,941
Lease liabilities	11,377
Total	25,228
 Non-current	
Term loans	50,881
Lease liabilities	10,145
Total	61,026

All borrowings were dominated in Ringgit Malaysia (“RM”).

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B8. Changes in Material Litigation

There was no material litigation as at LPD, which shall not be earlier than 7 days from the date of issuance of this interim financial report.

B9. Dividends Declared

No dividend has been declared for the quarter under review.

B10. Earnings Per Share (“EPS”)

Basic EPS

The calculation of the basic earnings per share is based on the profit attributable to the owners of the parent and divided by the weighted average number of ordinary shares in issue:

	Current Year Quarter Ended		Year to Date Ended	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
Profit attributable to owners of the parent (RM'000)	14,436	11,856	60,111	48,173
Weighted average number of ordinary shares in issue ('000)	591,653	591,653	591,653	591,653
Basic EPS (Sen)	2.44	2.00	10.16	8.14

Diluted EPS

The calculation of the diluted earnings per share is based on the profit attributable to the owners of the parent and divided by the weighted average number of ordinary shares that would have been issued upon full exercise of the remaining option under warrants, adjusted for the number of such shares that would have been issued at fair value:

	Current Year Quarter Ended		Year to Date Ended	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
Profit attributable to owners of the parent (RM'000)	14,436	11,856	60,111	48,173
Weighted average number of ordinary shares in issue ('000)	591,653	591,653	591,653	591,653
Diluted EPS (Sen)	2.44	2.00	10.16	8.14

B11. Notes to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Current Year Quarter Ended 31-Dec-24 RM'000	Current Year To Date Ended 31-Dec-24 RM'000
Interest income	(414)	(1,162)
Rental income	(118)	(403)
Reversal of impairment losses on receivables	126	(136)
Gain on disposal of PPE	(69)	(3,849)
Gain on disposal of ROU	(1,282)	(1,452)
Impairment losses on receivables	1,577	1,586
Depreciation of investment properties	221	882
Depreciation of PPE	2,586	8,612
Depreciation of ROU	2,893	12,326
Finance costs	1,502	7,232
Provision for retirement benefit obligations	937	3,024
Unrealised loss on foreign exchange	(2,628)	505
Realised (gain)/loss on foreign exchange	902	924

B12. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors on 18 February 2025.

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