



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the quarter and year ended 31 December 2022

(The figures have not been audited)

	Note	Current Quarter 3 months ended 31 December		Cumulative Quarter 12 months ended 31 December	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue		82,448	96,001	272,027	273,370
Cost of sales		(51,713)	(69,954)	(183,936)	(193,718)
Gross profit		30,735	26,047	88,091	79,652
Other income		5,250	1,766	6,513	2,612
Administrative expenses		(10,932)	(9,565)	(35,293)	(28,652)
Selling and marketing expenses		(1,883)	(3,593)	(6,064)	(10,909)
Finance costs		(2,609)	(2,096)	(9,325)	(9,192)
Share of results in associate		(397)	(932)	(397)	(932)
Profit before tax	21	20,164	11,627	43,525	32,579
Income tax expense	24	(6,145)	(2,202)	(12,431)	(8,846)
Profit for the period		14,019	9,425	31,094	23,733
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		14,019	9,425	31,094	23,733
Profit for the period attributable to :					
Owners of the parent		14,029	9,939	30,411	23,487
Non-controlling interests		(10)	(514)	683	246
		14,019	9,425	31,094	23,733
Total comprehensive income attributable to :					
Owners of the parent		14,029	9,939	30,411	23,487
Non-controlling interests		(10)	(514)	683	246
		14,019	9,425	31,094	23,733



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (contd.)

For the quarter and year ended 31 December 2022

(The figures have not been audited)

Earnings Per Share
attributable to owners of
the parent:

Basic, for profit for the period (Sen)	29	2.57	1.82	5.57	4.30
Diluted, for profit for the period (Sen)	29	2.57	1.82	5.57	4.30

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2022 and 31 December 2021

	Note	Unaudited As at 31 December 2022 RM'000	Audited As at 31 December 2021 RM'000
ASSETS			
Property, plant & equipment		72,585	61,777
Intangible asset		4,272	4,770
Investment in an associate		2,414	1,831
Investment in joint venture		300	300
Inventories		51,440	44,145
Completed investment properties		122,300	118,300
Trade and other receivables	16	1,536	8,246
Deferred tax assets		8,584	10,965
Total non-current assets		263,431	250,334
Inventories		351,577	304,310
Trade and other receivables	16	39,963	52,073
Other current assets		76,720	109,405
Cash and bank balances		60,586	58,995
Total current assets		528,846	524,783
TOTAL ASSETS		792,277	775,117
Equity attributable to owners of the parent			
Share capital		271,832	271,832
Retained earnings		180,342	160,852
		452,174	432,684
Non-controlling interests		9,790	9,207
Total Equity		461,964	441,891
LIABILITIES			
Loans and borrowings	25	78,379	91,175
Trade and other payables	17	13,287	10,000
Total non-current liabilities		91,666	101,175
Loans and borrowings	25	132,923	115,952
Trade and other payables	17	99,013	108,827
Other current liabilities		5,253	6,229
Income tax payable		1,458	1,043
Total current liabilities		238,647	232,051
Total liabilities		330,313	333,226
TOTAL EQUITY AND LIABILITIES		792,277	775,117

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2022
(The figures have not been audited)

	<i>Non-distributable</i> Share capital RM'000	<i>Attributable to owners of the parent</i> <i>Distributable</i> Retained earnings RM'000	Non-Controlling interests RM'000	Total equity RM'000
At 1 January 2021	248,203	147,298	15,281	410,782
Total comprehensive income	-	23,487	246	23,733
Acquisition of non-controlling interest	-	(5)	(21)	(26)
Dividend on ordinary shares	-	(9,928)	-	(9,928)
Dividend paid to non-controlling interest	-	-	(6,300)	(6,300)
Interests in a subsidiary donated to a foundation	-	-	1	1
Issuance of ordinary shares	23,629	-	-	23,629
At 31 December 2021	<u>271,832</u> =====	<u>160,852</u> =====	<u>9,207</u> =====	<u>441,891</u> =====
At 1 January 2022	271,832	160,852	9,207	441,891
Total comprehensive income	-	30,411	683	31,094
Interests in a subsidiary donated to a foundation	-	-	1,470	1,470
Contribution by non-controlling interest	-	-	30	30
Dividend paid to non-controlling interest	-	-	(1,600)	(1,600)
Dividend on ordinary shares	-	(10,921)	-	(10,921)
At 31 December 2022	<u>271,832</u> =====	<u>180,342</u> =====	<u>9,790</u> =====	<u>461,964</u> =====

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2022

(The figures have not been audited)

	12 months ended 31 December	
	2022	2021
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	43,525	32,579
Adjustments for:		
Amortisation of intangible asset	498	498
Depreciation of property, plant and equipment	5,164	6,035
Dividend income	(46)	(16)
Fair value gain on investment properties	(4,000)	(256)
Gain from disposal of property, plant and equipment	(726)	(20)
Impairment on receivables	67	-
Loss on disposal of shares in a subsidiary to a charitable trust	1,470	1
Interest expense	9,325	9,192
Interest income	(520)	(304)
Property, plant and equipment written off	-	1
Receivables written off	346	-
Reversal of impairment of trade receivables	(85)	(109)
Reversal of accruals of projects	-	(1,246)
Share of results in associates	397	932
Operating profit before working capital changes	55,415	47,287
Changes in working capital:		
Deposit pledged for bank borrowings	(4)	(25)
Inventories	(47,267)	36,330
Land held for development	(7,295)	988
Receivables	18,492	(23,888)
Other current assets	33,539	3,879
Payables	(6,534)	(7,833)
Other current liabilities	321	5,239
Cash generated from operations	46,667	61,977
Interest paid	(9,325)	(9,192)
Interest received	520	304
Taxes paid	(11,233)	(13,725)
Taxes refunded	744	632
Net cash generated from operating activities	27,373	39,996
CASH FLOWS FROM INVESTING ACTIVITIES		
Deposit with maturity more than three months	(136)	(3,918)
Dividend received	46	16
Expenditure incurred on investment properties under construction	-	(1,648)
Net cash inflow on incorporation of subsidiary	30	-
Proceeds from disposal of property, plant and equipment	767	20
Purchase of property, plant and equipment	(15,192)	(7,529)
Subscription of shares in associate	(980)	(980)
Subscription of shares in joint venture	-	(300)
Net cash used in investing activities	(15,465)	(14,339)



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (contd.)

For the year ended 31 December 2022
(The figures have not been audited)

	12 months ended 31 December	
	2022	2021
	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Acquisition of non-controlling interest	-	(26)
Dividends on ordinary shares	(10,921)	(9,928)
Dividends paid to non-controlling interest	(1,600)	(6,300)
Proceeds from issuance of ordinary shares	-	23,629
Proceeds from loans and borrowings	34,328	71,392
Repayment of finance leases	(1,643)	(2,279)
Repayment of lease liabilities	(247)	(189)
Repayment of loans and borrowings	(30,374)	(105,233)
Net cash used in financing activities	(10,457)	(28,934)
Net increase/(decrease) in cash and cash equivalents	1,451	(3,277)
Cash and cash equivalents at beginning of financial year	50,494	53,771
Cash and cash equivalents at end of financial year	51,945	50,494

Cash and cash equivalents at the end of the financial year comprised the following:

	As at 31 December	
	2022	2021
	RM'000	RM'000
Cash and bank balances	60,586	58,995
Less:		
Deposits with maturity more than 3 months	(8,248)	(8,112)
Deposits pledged for bank borrowings	(393)	(389)
Cash and cash equivalents	51,945	50,494

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

1. Basis of Preparation

These condensed consolidated interim financial statements have been prepared on a historical basis except as disclosed in the accounting policies.

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2021. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2021.

2. Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year except as disclosed below:

On 1 January 2022, the Group adopted the applicable new and amended MFRSs mandatory for annual financial periods beginning on or after 1 January 2022.

- Amendment 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 Cycle

The adoption of the above Amendments to MFRSs did not result in any significant changes in the accounting policies and presentation of the financial results of the Group.

3. Comments about Seasonal or Cyclical Factors

The Group's performance was not materially affected by any seasonal or cyclical factors for the quarter under review.

4. Unusual Items Due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the quarter ended 31 December 2022.

5. Significant Estimates and Changes in Estimates

There were no changes in estimates that have had any material effect on the quarter ended 31 December 2022.



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

6. Property, Plant and Equipment

Acquisition and Disposals

During the year ended 31 December 2022, the Group acquired property, plant and equipment with an aggregate cost of RM1,761,000 by means of finance lease (year ended 31 December 2021: RM122,000). The cash outflow on acquisition of property, plant and equipment amounted to RM15,191,919 during the year ended 31 December 2022 (year ended 31 December 2021: RM7,528,840).

There were disposal of property, plant and equipment at RM767,300 during the year ended 31 December 2022 (year ended 31 December 2021: RM20,281).

7. Debt and Equity Securities

There were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the year ended 31 December 2022.

8. Dividend Payable

On 16 February 2023, the Board of Directors have approved an interim single-tier dividend of 2.00 sen per ordinary share for the financial year ended 31 December 2022. The dividend is payable on 13 March 2023 to the shareholders whose name appear in the Register of Depositors on 3 March 2023.



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

9. Segmental Information

Geographical segment

No geographical segment analysis has been presented as the Group's business interest is predominantly located in Malaysia.

Business segment

The Group is principally engaged in property development, property holding and management, construction works and quarry operation. Revenue and profit generated from landscaping works is insignificant compared to the Group's overall revenue and profit.

Results for 3 months ended 31 December 2022 (4Q2022) and 3 months ended 31 December 2021 (4Q2021) are as follows:

	Property development activities		Property holding & management		Construction works		Quarry operation		Elimination		Per consolidated financial statements	
	4Q2022	4Q2021	4Q2022	4Q2021	4Q2022	4Q2021	4Q2022	4Q2021	4Q2022	4Q2021	4Q2022	4Q2021
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue:												
External customers	64,145	56,077	1,992	1,881	8,995	32,141	7,316	5,902	-	-	82,448	96,001
Inter-segment	-	-	-	-	38,802	21,860	-	-	(38,802)	(21,860)	-	-
Total revenue	64,145	56,077	1,992	1,881	47,757	54,001	7,316	5,902	(38,802)	(21,860)	82,448	96,001
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
Segment profit/(loss)	7,662	6,950	816	1,183	1,047	2,885	809	23	9,830	586	20,164	11,627
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

9. Segmental Information (contd.)

Segment profit is reconciled to profit before tax presented in the condensed consolidated statement of comprehensive income as follows:

	4Q2022	4Q2021
	RM'000	RM'000
Segment profit	23,170	14,655
Finance costs	(2,609)	(2,096)
Share of results in associate	(397)	(932)
	<hr/>	<hr/>
Profit before tax	20,164	11,627
	=====	=====

Results for 12 months ended 31 December 2022 (12M2022) and 12 months ended 31 December 2021 (12M2021) are as follows:

	Property development activities		Property holding & management		Construction works		Quarry operation		Elimination		Per consolidated financial statements	
	12M2022	12M2021	12M2022	12M2021	12M2022	12M2021	12M2022	12M2021	12M2022	12M2021	12M2022	12M2021
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue:												
External customers	195,331	180,276	8,245	8,202	45,313	62,586	23,138	22,306	-	-	272,027	273,370
Inter-segment	-	-	-	-	126,819	61,892	-	-	(126,819)	(61,892)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue	195,331	180,276	8,245	8,202	172,132	124,478	23,138	22,306	(126,819)	(61,892)	272,027	273,370
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
 Segment profit/(loss)	 26,638	 27,374	 4,575	 4,930	 125	 (2,761)	 1,756	 1,273	 10,431	 1,763	 43,525	 32,579
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

9. Segmental Information (contd.)

Segment profit is reconciled to profit before tax presented in the condensed consolidated statement of comprehensive income as follows:

	12M2022	12M2021
	RM'000	RM'000
Segment profit	53,247	42,703
Finance costs	(9,325)	(9,192)
Share of results in associate	(397)	(932)
	<hr/>	<hr/>
Profit before tax	43,525	32,579
	=====	=====

10. Event After the Reporting Period

The Board of Directors of Ibraco Berhad ("IBRACO") had placed Ibraco Plantation Sdn Bhd ("IPSB"), its wholly-owned subsidiary, under member's voluntary winding-up pursuant to Section 439(1)(b) of the Companies Act 2016. The Notice of Resolution pursuant to Section 439(2)(a) of the Companies Act 2016 of IPSB was lodged with the Companies Commission of Malaysia on 2 February 2023.

11. Changes in Composition of the Group

On 16 December 2022, the Company via its wholly owned subsidiary, Ibraco Construction Sdn Bhd ("ICSB") incorporated a joint venture company, Ibraco KPP Concrete Sdn Bhd ("IKPPSB") with an initial paid-up capital of RM100,000.00 represented by 100,000 ordinary shares. IKPPSB's initial paid-up capital of RM100,000 of which 70% of the shares were subscribed by ICSB and the balance of 30% by Kamunting Premix Plant Sdn. Bhd, ("KPP"). The intended principal activity of IKPPSB is to operate and sales of ready-mix concrete.

There were no other changes in the composition of the Group during the current quarter ended 31 December 2022.

12. Changes in Contingent Liabilities and Contingent Assets

Contingent Liabilities

Unsecured:

	Unaudited	Audited
	31 December	31 December
	2022	2021
	RM'000	RM'000
Corporate guarantees to financial institutions in respect of banking facilities granted to subsidiary companies	250,661	156,918

There were no contingent assets since the last annual statement of financial position as at 31 December 2021 till the end of the financial period.



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

13. Capital Commitments

	As at 31 December	
	2022	2021
	RM'000	RM'000
Approved and contracted for:		
Investment properties	109	153
Property, plant and equipment	16,974	13,929
Total	17,083	14,082

14. Directors and Key Management Personnel Compensation

The total compensation inclusive of all benefits and perquisites paid to Directors of the Group and other members of key management during the quarter under review were as follows:

	3 months ended 31 December	
	2022	2021
	RM'000	RM'000
Directors	920	421
Key management personnel	1,029	786

15. Related Party Transactions

The related party transactions are as follows:

	Note	Transaction value		Balance	
		3 months ended		Outstanding	
		31 December		as at 31	
		2022	2021	2022	2021
		RM'000	RM'000	RM'000	RM'000
Sharifah Deborah Sophia Ibrahim	(a)				
Sales of townhouses at The NorthBank, Alyvia Residence	*	-	-	137	137
Liu Tow Hua	(b)				
Sales of townhouse at The NorthBank, Alyvia Residence	*	-	-	438	-
Liu Sze Wei	(c)				
Sales of townhouse at The NorthBank, Alyvia Residence	*	-	-	63	-
Hiap Ghee Seng Sdn Bhd	(d)				
Rental expense on premises		37	37	-	-
Heng Say Properties (Sarawak) Sdn Bhd	(e)				
Purchase of land	*	-	-	6,502	-
Ho Bee Contractor & Engineering Sdn Bhd	(f)				
Quarry operation		-	1,317	-	504



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

15. Related Party Transactions (contd.)

Notes

- * These outstanding balances are not yet due for payment in accordance to the terms and conditions of the Sale & Purchase Agreement.
- (a) Sharifah Deborah Sophia Ibrahim is a major shareholder and Director of the Company.
- (b) Liu Tow Hua is a Director of the Company.
- (c) Liu Sze Wei is a person connected to a Director of the Company.
- (d) Hiap Ghee Seng Sdn Bhd is a company connected to a Director of the Company who is also a major shareholder of the Company.
- (e) Heng Say Properties (Sarawak) Sdn Bhd is a company connected to a Director of the Company who is also a major shareholder of the Company.
- (f) Ho Bee Contractor & Engineering Sdn Bhd is a company connected to a Director of the Company.

The Directors are of the opinion that the related party transactions and balances described above were carried out in the ordinary course of business and on mutually agreed terms.

16. Trade and Other Receivables

	Unaudited 31 December 2022 RM'000	Audited 31 December 2021 RM'000
Current		
Trade receivables		
Third parties	22,326	37,484
Less: Allowance for impairment	(573)	(658)
Trade receivables, net	21,753	36,826
Other receivables		
Third parties	14,725	11,735
Deposits	3,658	3,618
	18,383	15,353
Less: Allowance for impairment – third parties	(173)	(106)
Other receivables, net	18,210	15,247
Total trade and other receivables	39,963	52,073
Non-Current		
Trade receivables		
Third parties	1,536	175
Other receivables		
Third parties	-	8,071
Total trade and other receivables	1,536	8,246
Total trade and other receivables (current and non-current)	41,499	60,319



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

16. Trade and Other Receivables (contd.)

Ageing analysis of trade receivables

	Unaudited 31 December 2022 RM'000	Audited 31 December 2021 RM'000
Current		
Neither past due nor impaired	16,786	5,066
1 to 119 days past due but not impaired	2,929	31,041
More than 120 days but not impaired	2,038	719
Impaired	573	658
Total trade receivables	22,326	37,484
Non-current		
Neither past due nor impaired	1,536	175
Total trade receivables (current and non-current)	23,862	37,659

Trade receivables are non-interest bearing and are generally on 14 to 30 day terms. Other credit terms are assessed and approved on a case-by-case basis. The Group has trade receivables amounting to RM4.97 million that are past due at the reporting date but not impaired. Due to the good credit standing of trade receivables, the Group believes that generally no further allowance for impairment is necessary in respect of trade receivables that are past due.

17. Trade and Other Payables

	Unaudited 31 December 2022 RM'000	Audited 31 December 2021 RM'000
Current		
Trade and other payables	46,835	60,650
Provision for projects	52,178	48,177
Total trade and other payables	99,013	108,827
Non-Current		
Trade payables	13,287	10,000
Total trade and other payables (current and non-current)	112,300	118,827



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

Review of Performance

18. Current Financial Quarter (4Q2022) Vs Corresponding Financial Quarter (4Q2021)

	Current Quarter 3 months ended 31 December		Changes	
	2022	2021	RM'000	%
	RM'000	RM'000		
Revenue	82,448	96,001	(13,553)	(14)
Operating profit	30,735	26,047	4,688	18
Profit before interest and tax	22,773	13,723	9,050	66
Profit before tax	20,164	11,627	8,537	73
Profit after tax	14,019	9,425	4,594	49
Profit for the period attributable to owners of the parent	14,029	9,939	4,090	41

The Group's revenue for 4Q2022 decreased by 14% to RM82.45 million from RM96.00 million in 4Q2021. During this reporting quarter, the Group's revenue was primarily recognised from the sales of apartment suites at ContiNew, Kuala Lumpur, The NorthBank Avona Residence and Renna Residence, sales of condominiums at The Park Residence, sales of townhouses at The NorthBank Alyvia Residence, sales of apartments at Stutong Heights, sales of 3-storey shop offices at The NorthBank Business Exchange Phase 2, Tabuan Tranquility Phase 3 Stage 2 and Bintulu Town Square, sales of semi-detached house at the NorthBank Crestwood Estates, sales of vacant lots at Tabuan Tranquility Phase 4, sales of Small Office Home Office ("SOHO") Commercial at Bintulu Town Square, construction of NR4 – Northern Regional for Sarawak Water Supply Grid Programme – Stressed Area project, Sarawak, construction of building works and temporary facility works for the Sarawak Methanol Project, quarry operation and rental income from investment properties.

Whilst, the Group's revenue for 4Q2021 was mainly recognised from the sales of apartment suites and commercial lots at ContiNew, Kuala Lumpur, sales of apartment suite at The NorthBank Avona, sales of 3-storey shop offices at Tabuan Tranquility Phase 3 Stage 2 and at The NorthBank Business Exchange Phase 2, sales of townhouses at The NorthBank Alyvia, sales of condominiums at the Park Residence, sales of apartments at Stutong Heights, sales of vacant lots at Tabuan Tranquility Phase 2, construction of building works and temporary facility works for the Methanol Project Sarawak and construction of NR4 – Northern Regional for Sarawak Water Supply Grid Programme – Stressed Area project, Sarawak, quarry operation and rental income from investment properties.

Other income increased to RM5.25 million in 4Q2022 as compared to RM1.77 million in 4Q2021. Other income comprised of fair value gain on investment properties, rental income earned from unsold properties, dividend income and interest income earned from short term placement with licensed banks, reversal of impairment of trade receivables, gain from disposal of property, plant and equipment, tender documents fee and administrative charges for sub-sales and re-financing.

Administrative expenses increased to RM10.93 million from RM9.57 million in 4Q2021. The increase was mainly due to the increase of staff costs in 4Q2022. Other components of the administrative expenses have not varied much compared to those incurred during 4Q2021.



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

19. Current 12-month financial period (12M2022) Vs corresponding 12-month financial period (12M2021)

	Cumulative Quarter 12 months ended 31 December			
	2022	2021	Changes	
	RM'000	RM'000	RM'000	%
Revenue	272,027	273,370	(1,343)	(0)
Operating profit	88,091	79,652	8,439	11
Profit before interest and tax	52,850	41,771	11,079	27
Profit before tax	43,525	32,579	10,946	34
Profit after tax	31,094	23,733	7,361	31
Profit for the period attributable to owners of the parent	30,411	23,487	6,924	29

The Group's profit before tax for 12M2022 increased by 34% to RM43.53 million compared to profit before tax of RM32.58 million recorded in 12M2021.

The Group's revenue for 12M2022 decreased by 0.5% to RM272.03 million from RM273.37 million in 12M2021. The property development segment remains the main contributor of the Group's revenue. During the current financial period, the Group's revenue was primarily recognised from the sales of apartment suites at ContiNew, Kuala Lumpur, The NorthBank Avona Residence and Renna Residence, sales of condominiums at The Park Residence, sales of townhouses at The NorthBank Alyvia Residence, sales of apartments at Stutong Heights, sales of 3-storey shop offices at The NorthBank Business Exchange Phase 2, Tabuan Tranquility Phase 3 Stage 2 and Bintulu Town Square, sales of semi-detached house at the NorthBank Crestwood Estates, sales of vacant lots at Tabuan Tranquility Phase 4, sales of Small Office Home Office ("SOHO") Commercial at Tabuan Tranquility Phase 3 and Bintulu Town Square, construction of NR4 – Northern Regional for Sarawak Water Supply Grid Programme – Stressed Area project, Sarawak, construction of building works and temporary facility works for the Sarawak Methanol Project, quarry operation and rental income from investment properties.

Whilst, the Group's revenue for 12M2021 was mainly recognised from the sales of apartment suites and commercial lots at ContiNew, Kuala Lumpur, sales of apartment suites at The NorthBank Avona, sales of 3-storey shop offices at The NorthBank Business Exchange Phase 1 & 2, Tabuan Tranquility Phase 3 Stage 2 and Bintulu Town Square, sales of SOHO commercial at Bintulu Town Square, sales of residential houses at The NorthBank Nova 72 and townhouses at The NorthBank Alyvia, sales of condominiums at The Park Residence, sales of apartments at Stutong Heights, sales of vacant lots at Tabuan Tranquility Phase 2 and 5, construction of the new Airport at Mukah and construction of NR4 – Northern Regional for Sarawak Water Supply Grid Programme – Stressed Area project, Sarawak, construction of building works and temporary facility works for the Methanol Project Sarawak, quarry operation and rental income from investment properties.

Other income increased from RM2.61 million to RM6.51 million in 12M2022. This other income comprised of fair value gain on investment properties, rental income earned from unsold properties, dividend income and interest income earned from short term placement with licensed banks, reversal of impairment of trade receivables, gain from disposal of property, plant and equipment, tender documents fee and administrative charges for sub-sales and re-financing.

Administrative expenses increased to RM35.29 million compared to RM28.65 million in 12M2021. The increase was mainly due to the increase of staff costs, professional fees and charity donation including the interests in a subsidiary donated to a foundation in 12M2022. Other components of the administrative expenses have not varied much compared to those incurred during the corresponding period.



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

20. Comparison with Immediate Preceding Quarter's Results

	Current Quarter 3 months ended 31 December 2022 RM'000	Immediate Preceding Quarter 3 months ended 30 September 2022 RM'000	Changes	
			RM'000	%
Revenue	82,448	61,796	20,652	33
Operating profit	30,735	18,743	11,992	64
Profit before interest and tax	22,773	10,661	12,112	114
Profit before tax	20,164	8,460	11,704	138
Profit after tax	14,019	6,752	7,267	108
Profit for the period attributable to owners of the parent	14,029	6,617	7,412	112

The Group recorded a profit before tax of RM20.16 million compared to a profit before tax of RM8.46 million recorded in the immediate preceding quarter ended 30 September 2022.

The Group's revenue for the current financial quarter ended 31 December 2022 increased to RM82.45 million from RM61.80 million in the immediate preceding quarter ended 30 September 2022. Apart from the recognition of revenue from sales of 3-storey shop offices at Tabuan Tranquility Phase 3 Stage 2, sales of SOHO Commercial at Bintulu Town Square, sales of vacant lots at Tabuan Tranquility Phase 4 and construction of temporary facilities works for the Sarawak Methanol Project in current quarter, the revenue source for both financial quarters are similar, i.e. recognition from on-going development and completed projects namely, sales of apartment suites at ContiNew, Kuala Lumpur, The NorthBank Avona Residence and Renna Residence, sales of townhouses at The NorthBank Alyvia Residence, sales of semi-detached house at the NorthBank Crestwood Estates, sales of apartments at Stutong Heights, sales of 3-storey shop offices at The NorthBank Business Exchange Phase 2 and Bintulu Town Square, sales of condominium at The Park Residence, construction of NR4 – Northern Regional for Sarawak Water Supply Grid Programme – Stressed Area project, Sarawak, construction of building works for the Sarawak Methanol Project, quarry operation and rental income from investment properties.

Other income increased from RM0.48 million in the immediate preceding quarter to RM5.25 million in this reporting quarter. Other income comprised of fair value gain on investment properties, rental income earned from unsold properties, dividend income and interest income earned from short term placement with licensed banks, reversal of impairment of trade receivables, gain from disposal of property, plant and equipment, tender documents fee and administrative charges for sub-sales and re-financing.

Administrative expenses increased from RM7.33 million in the immediate preceding quarter ended 30 September 2022 to RM10.93 million in this current financial quarter. The increase was mainly due to increase in staff costs and professional fees. Other components of the administrative expenses have not varied much compared to those incurred during the immediate preceding quarter.



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

21. Profit Before Tax

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

	3 months ended		12 months ended	
	31 December		31 December	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Amortisation of intangible asset	125	125	498	498
Depreciation of property, plant and equipment	1,287	1,528	5,164	6,035
Dividend income	(19)	(6)	(46)	(16)
Fair value gain from investment properties	(4,000)	(21)	(4,000)	(256)
Gain from disposal of property, plant and equipment	(526)	-	(726)	(20)
Loss on disposal of shares in a subsidiary to a charitable trust	-	-	1,470	1
Impairment on receivables	413	-	413	-
Interest expenses	2,609	2,096	9,325	9,192
Interest income	(205)	(98)	(520)	(304)
Other income	(483)	(1,622)	(1,136)	(1,907)
Reversal of impairment of trade receivables	(17)	(19)	(85)	(109)

22. Group's Prospects

The principal activity of the Group is realty development and construction. In this respect, the performance of the Group is highly impacted by movements in raw material costs and labour costs, as well as demand of our properties which have been satisfactory to-date. Contracts for construction works are awarded on lump sum basis to minimise the risks of labour and raw material price fluctuations.

The Group is faced with rising cost of doing business and slowdown of economy resulting from the current coronavirus (COVID-19) pandemic and other major global events. We are mindful of the duration of time needed to contain the COVID-19 pandemic and subsequent economic recoveries. The uncertainties in the economic recoveries, concerns over employment and tightening of end financing for buyers have impacted our operations. In addition, the consistently high construction costs resulting from the surge in primary commodities such as crude oil, steel bar, copper, and aluminium raise a concern in our earning prospect. Despite all these, the Group is confident to sustain these events and projected that the financial results would be satisfactory in the coming quarters as the Group have RM170.80 million unbilled sales and outstanding order book of RM255.04 million as at 31 December 2022.

The Group plans to launch projects mainly comprising residential and commercial properties in 2023 and future years. The Group monitors the market demand for our products and adopts a prudent approach with respect to any new projects. The NorthBank would be our main focus for the next few years. This integrated development sits on a 123-acre land, located right opposite the Tabuan Tranquility project. Combining the popularity of landed residences with the growing trend of high-rise developments, and complemented with commercial components, The NorthBank offers purchasers with choices of various type of residences built within a walking distance to commercials, office units, social clubhouse, educational institution and Medical Specialist Centre.



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

22. Group's Prospects (contd.)

We have successfully launched another commercial development comprising 3-storey shop and 8-storey commercial centre at The NorthBank which attracted a very encouraging response. Other on-going projects at The NorthBank include Avona Residence comprising two blocks of 12-storey service apartment, Alyvia Residence with 102 units of townhouse, Renna Residence offering 296 units of service apartment, 36 units of semi-detached house at Crestwood Estates and shop office development. With the continuous branding effort created for the Northbank and the normalisation of the economy vibrant and social activities, we are confident to achieve satisfactory take up rate of these launches and future launches.

On the construction sector, the Group has been awarded the temporary facility and building works for the Sarawak Methanol Project by Samsung Engineering (Malaysia) Sdn Bhd and the New Operator Residence 2 located at Bakun by Bakun Hydro Power Generation Sdn Bhd. In addition, the Group has entered into contracts for the construction works for the implementation of affordable housing project at Matang Land District, Kuching, and various development activities at Muara Tuang Land District, Kuching. These construction contracts are expected to contribute positively to the Group's financial performance.

The Group has been actively tendering for the Government's construction and infrastructure projects to strengthen the Group's source of income amidst the current property market sentiment.

Apart from its main activities of realty development and construction, the Group operates a quarry at Pulau Salak which commenced production in July 2020 after the completion of its upgrading works. The plant, producing aggregates of granites, has an annual capacity of 600,000 MT. The quarry operation would be further expanded with the granting of a new quarry licence for quarry reserve located at Gunung Sinmajau.

23. Actual Profit against Forecast Profit and Profit Guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax and non-controlling interests and forecast profit after tax and non-controlling interests and for the shortfall in profit guarantee are not applicable.

24. Income Tax Expense

	3 months ended		12 months ended	
	31 December		31 December	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Current income tax:				
- Malaysian income tax	5,231	2,459	10,102	11,452
- Under / (Over)provision in respect of previous years	1	(1,939)	(52)	(1,981)
	<u>5,232</u>	<u>520</u>	<u>10,050</u>	<u>9,471</u>
Deferred tax	913	1,682	2,381	(625)
Total income tax expense	<u><u>6,145</u></u>	<u><u>2,202</u></u>	<u><u>12,431</u></u>	<u><u>8,846</u></u>

Income tax is calculated at the Malaysian statutory tax rate of 24% (2021: 24%) of the estimated assessable profit for the period.

The effective tax rate of the Group for the current financial quarter are higher than the statutory tax rate mainly due to certain expenses that are not tax deductible.



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

25. Loans and Borrowings

	Unaudited As at 31 December 2021 RM'000	Audited As at 31 December 2021 RM'000
Short term borrowings		
Secured: Finance lease liabilities	816	1,849
Revolving credits	113,600	95,907
Term loans	18,507	18,196
	132,923	115,952
Long term borrowings		
Secured: Finance lease liabilities	1,978	724
Term loans	76,401	90,451
	78,379	91,175
Total loans and borrowings	211,302	207,127

All the above loans and borrowings are from domestic Malaysian sources and are denominated in Ringgit Malaysia.

The Group did not issue any debt securities.

The Group total loans and borrowings for the current financial period as at 31 December 2022 has increased by RM4.18 million as compared to the amount reported in the Audit Financial Statement as at 31 December 2021. This increase is primarily arising from the Group's acquisition of a development rights over a piece of land at Muara Tuang Land District.

26. Corporate Exercise

Status of corporate exercise

On 13 October 2021, the Company has completed Private Placement of up to 10% of the total number of issued shares in the Company, i.e. 49,640,565 new ordinary shares at RM0.4760 per placement share. Arising from this, the Company's issued and paid up share capital has increased to RM271,831,735, comprising 546,046,217 ordinary shares.

Status of utilisation of proceeds

The gross proceeds from the issuance of 49,640,565 ordinary shares at RM0.4760 per share of approximately RM23.63 million have been/shall be utilised in the following manner:

Purpose of utilisation	Proceeds RM'000	Deviation RM'000	Utilisation RM'000	Balance RM'000	Expected time frame for utilisation upon receipt	Explanation of utilisation
To finance development of Renna Residence	18,000	-	(15,455)	2,545	Within 24 months	For contractors' and consultants' payment.
Working capital requirements	5,430	92	(5,522)	-	Within 12 months	For staff costs, selling and marketing expenses, statutory payment, etc.
Expenses in relation to the Private Placement	200	(92)	(108)	-	Immediate	Professional fee paid in relation to the Private Placement
	23,630	-	(21,085)	2,545		



IBRACO BERHAD
[197101000730(011286-P)]
(Incorporated in Malaysia)

27. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at 17 February 2023, the latest practicable date which is not earlier than 7 days from the date of this quarterly report.

28. Changes in Material Litigation

There was no known material litigation as at 17 February 2023.

29. Earnings Per Share

(a) Basic

	3 months ended 31 December		12 months ended 31 December	
	2022	2021	2022	2021
Profit attributable to owners of the parent (RM'000)	14,029	9,939	30,411	23,487
Weighted average number of ordinary shares in issue ('000)	546,046	546,046	546,046	546,046
Basic earnings per share (sen)	2.57	1.82	5.57	4.30

(b) Diluted

There are no dilutive potential ordinary shares. As such, the diluted earnings per share of the Group is equal to basic earnings per share.

30. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2021 was not qualified.

31. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 24 February 2023.