

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 2ND QUARTER ENDED 31 DECEMBER 2022

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 31/12/2022	Preceding Year Corresponding Quarter 31/12/2021	Changes	Current Year To Date 31/12/2022	Preceding Year Corresponding Period 31/12/2021	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	67,874	56,417	20	104,561	78,297	34
Cost of Sales	(60,770)	(45,614)	33	(88,014)	(62,227)	41
Gross Profit	7,104	10,803	-34	16,547	16,070	3
Other Income	955	286		1,697	512	
Interest Income	184	401		339	792	
Operating Expenses	(7,504)	(7,031)		(14,538)	(13,877)	
Finance Costs	(285)	(154)		(779)	(338)	
Share of results of associates	(237)	1,664		1,727	2,866	
Profit/(Loss) Before Tax	217	5,969	-96	4,993	6,025	-17
Tax Expenses	(2,631)	(1,671)		(2,780)	(2,490)	
Profit/(Loss) for the period	(2,414)	4,298	-156	2,213	3,535	-37
Profit/(Loss) attributable to :						
Owners of the Company	(1,782)	4,447	-140	3,017	2,802	8
Non-controlling interest	(632)	(149)	324	(804)	733	-210
	(2,414)	4,298	-156	2,213	3,535	-37
Weighted average no. of shares ('000)	741,613	644,881		741,613	507,844	
(Loss)/Earnings per share attributable to Owners of the Company (sen)						
- Basic	(0.24)	0.69		0.41	0.55	
- Diluted	(0.16)	0.44		0.27	0.32	

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

**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 2ND QUARTER ENDED 31 DECEMBER 2022**

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 31/12/2022	Preceding Year Corresponding Quarter 31/12/2021	Changes	Current Year To Date 31/12/2022	Preceding Year Corresponding Period 31/12/2021	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Profit/(Loss) for the period	(2,414)	4,298	-156	2,213	3,535	-37
Other comprehensive income/(loss) :						
Net gain on other investment						
- Gain/(loss) on fair value changes	786	(982)		196	822	
Foreign currency translation						
- Gain/(loss) on currency translation	-	(87)		-	(320)	
Share of expenses of equity accounted associates	(443)	-		(463)	-	
Total Comprehensive income/(loss)	(2,071)	3,229	-164	1,946	4,037	-52
Total comprehensive income/(loss) attributable to :						
Owners of the Company	(1,439)	3,383	-143	2,750	3,309	-17
Non-controlling interest	(632)	(154)	311	(804)	728	-210
	(2,071)	3,229	-164	1,946	4,037	-52

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

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

	(Unaudited)	(Audited)
	As At End of Current Quarter 31/12/2022	Financial Year Ended 30/06/2022
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	28,988	28,219
Right-of-use assets	675	707
Investment properties	45,069	45,103
Investment securities	10,806	10,610
Investment in associates	21,582	20,318
Intangible assets	297	348
Bearer plant	2,918	1,650
Inventories	13,711	13,711
Other receivables & prepayments	18,950	10,979
Goodwill	7	7
	143,003	131,652
Current assets		
Inventories	77,007	66,340
Trade receivables	76,158	106,351
Other receivables	23,789	25,039
Contract Assets	30,990	35,890
Tax recoverable	7,035	8,526
Amount due from associates	10,771	39,275
Short-term investments	116,896	101,608
Fixed deposits with licensed banks	6,907	9,397
Cash and bank balances	73,880	39,851
	423,433	432,277
TOTAL ASSETS	566,436	563,929
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	221,534	221,534
Treasury shares	(1,655)	(1,655)
Warrant reserves	9,535	9,535
Other reserves	1,110	1,110
Fair value reserves	4,894	4,698
Foreign currency translation reserves	(1,420)	(957)
Retained profits	151,360	155,759
Equity attributable to owners of the Company	385,358	390,024
Non-Controlling interests	11,524	12,328
TOTAL EQUITY	396,882	402,352
Non-current liabilities		
Deferred tax liabilities	8,263	8,263
Loans and borrowings	3,479	3,639
	11,742	11,902
Current liabilities		
Loans and borrowings	56,550	70,761
Trade payables	46,235	38,360
Other payables	25,463	35,870
Contract liabilities	25,224	-
Amount owing to associates	-	28
Amount owing to related parties	2,700	-
Provision of taxation	1,640	4,656
	157,812	149,675
TOTAL LIABILITIES	169,554	161,577
TOTAL EQUITY AND LIABILITIES	566,436	563,929
Net assets per share attributable to owners of the Company (RM)	0.5196	0.5259
No. of Shares issued (net of treasury shares)	741,613,384	741,613,384

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

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 2ND QUARTER ENDED 31 DECEMBER 2022**

	End of Current Quarter 31/12/2022	End of Preceding Corresponding Quarter 31/12/2021
	RM'000	RM'000
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit/(Loss) before taxation	4,993	6,025
Adjustment for :		
Amortisation of intangible assets	50	1
Depreciation on property, plant and equipment	3,032	5,675
Depreciation on right-of-use assets	296	1,032
(Gain) / Loss on disposal of property, plant and equipment	(26)	(82)
Reversal of impairment loss on trade receivables	-	(13)
Interest income	(339)	(792)
Dividend income	(232)	(264)
Finance costs	779	338
Share of results of associates	(1,727)	(2,866)
Unrealise (gain) / loss on foreign exchange differences	173	806
Write off of property, plant and equipment	3	-
Operating profit before working capital changes	7,002	9,860
Change in working capital		
(Increase)/Decrease in inventories	(11,901)	16,018
(Increase)/Decrease in receivables	23,443	(26,993)
Increase/(Decrease) in payables	(1,771)	(4,509)
Decrease/(Increase) in contract assets/liabilities	30,125	(4,175)
Cash generated from / (used in) operations	46,898	(9,799)
Taxes credit / (paid)	(4,305)	141
Interest paid	(758)	(338)
Interest received	42	455
Net cash flow (used in)/ generated from operating activities	41,877	(9,541)
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Interest received	298	337
Dividend received	232	264
Proceeds from disposal of property, plant and equipment	62	138
Proceeds from disposal of other investment	-	8,230
Additional of right-of-use assets	(264)	(209)
Purchase of property, plant and equipment	(3,840)	(2,868)
Repayment/(Advance) from related parties	2,700	-
Repayment/(Advance) to associates	27,570	-
Net cash generated from / (used in) investing activities	26,758	5,892
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Finance cost paid	(21)	-
Dividends paid on ordinary shares	(7,416)	(7,416)
Net proceed from issuance of rights issue	-	15,779
Proceeds from exercise of warrants	-	21,302
Repayment of lease liabilities	(33)	-
Repayment of hire purchase	(398)	(1,634)
(Repayment)/Drawdown of loan and borrowings	(13,940)	11,937
Net cash generated from / (used in) financing activities	(21,808)	39,968
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	46,827	36,319
Effect of exchange rate changes on cash and cash equivalents	-	(1)
CASH AND BANK BALANCES AS AT 1 JULY	150,856	119,776
CASH AND BANK BALANCES AS AT 31 DECEMBER	197,683	156,094
Less :Fixed deposit under lien	(6,907)	(10,216)
CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER	190,776	145,878

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

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 2ND QUARTER ENDED 31 DECEMBER 2022

	Share Capital (RM'000)	Treasury Shares (RM'000)	Other reserve (RM'000)	Warrant reserve (RM'000)	Fair value reserve (RM'000)	Foreign exchange translation reserve (RM'000)	Retained profits (RM'000)	Attributable to Owners of the Company (RM'000)	Non-Controlling Interests (RM'000)	Total Equity (RM'000)
As at 1 July 2022	221,534	(1,655)	1,110	9,535	4,698	(957)	155,759	390,024	12,328	402,352
Total comprehensive income/(loss) for the year	-	-	-	-	196	(463)	3,017	2,750	(804)	1,946
Transactions with owners										
Dividends	-	-	-	-	-	-	(7,416)	(7,416)	-	(7,416)
As at 31 December 2022	221,534	(1,655)	1,110	9,535	4,894	(1,420)	151,360	385,358	11,524	396,882
As at 1 July 2021	194,303	(1,655)	1,110	-	14,084	(952)	148,896	355,786	12,623	368,409
Total comprehensive income/(loss) for the year	-	-	-	-	822	(315)	8,984	9,491	728	10,219
Transactions with owners										
Dividends	-	-	-	-	-	-	(7,416)	(7,416)	-	(7,416)
Issue of ordinary shares:	-	-	-	-	-	-	-	-	-	-
- pursuant to rights issued	15,779	-	-	-	-	-	-	15,779	-	15,779
Issue of warrants	-	-	-	9,535	-	-	-	9,535	-	9,535
Disposal of quoted investment	-	-	-	-	(5,296)	-	5,296	-	-	-
As at 31 December 2021	210,082	(1,655)	1,110	9,535	9,610	(1,267)	155,760	383,175	13,351	396,526

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

Notes to the Interim Financial Report

A1 Basis of preparation

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

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022. These explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2022.

A2 Changes of accounting policies

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

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

Amendments to MFRS 3: Reference to the Conceptual Framework

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

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

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

Annual Improvements to MFRS Standards 2018 – 2020

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

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

The Group has not applied in advance the following accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year ending 30 June 2023:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Lease Liability in a Sales and Leaseback	1 January 2024
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9 –Comparative Information	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendment to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendment to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

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

A3 Audit Report of Preceding Annual Financial Statements

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

A4 Seasonal or cyclical factors

The Group's business operations were not affected by any significant seasonal or cyclical factors during the current quarter under review.

A5 Unusual items

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

A6 Changes in estimates

There were no material changes in estimates that have had any material effect on the results for the current quarter under review.

A7 Significant related party transactions

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

A8 Movement in debt and equity securities

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

The details of shares held as treasury shares for the financial period ended 31 December 2022 are as follow:

	Number of Treasury shares	Total Considerations RM
Balance as at 30 September 2022	3,075,764	1,654,910
Repurchased during the quarter	-	-
Balance as at 31 December 2022	3,075,764	1,654,910

The shares purchased are being held as treasury shares in accordance with Section 127 (6) of the Companies Act, 2016.

A9 Dividend paid

An interim single-tier dividend of 1 sen per ordinary share amounting to RM7,416,133.84 in respect of the financial year ending 30 June 2023 was paid on 28 December 2022.

A10 Carrying Amount of revalued property, plant and equipment

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

A11 Segmental reporting

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

	Before Group's Eliminations							Adjustment and Eliminations	Total
6 months ended 31.12.22	Construction RM'000	Logging and timber trading RM'000	Property development RM'000	Trading RM'000	Logistic RM'000	Investment holding RM'000	Plantation RM'000	Other RM'000	RM'000
Revenue									
External Sales	78,222	2,354	12,422	1,362	464	3,458.34	-	42	104,561
Inter-segment sales	12,152	-	-	6,994	-	43,023	-	-	-
Total revenue	90,375	2,354	12,422	8,357	464	46,481	-	42	104,561
Results									
Profit/(Loss) from operation	1,167	(794)	493	(160)	(178)	44,018	(235)	(614)	4,045
Finance costs	(702)	(0)	(342)	(53)	(11)	(279)	(43)	(3)	(779)
Share of results in associates	-	(388)	2,115	-	-	-	-	-	1,727
Profit/(Loss) before tax	464	(1,182)	2,267	(213)	(190)	43,738	(278)	(617)	4,993
Total assets									
Segment assets/ Consolidated total assets	212,922	39,658	178,137	9,605	379	525,758	3,965	419	566,436

6 months ended 31.12.21	Before Group's Eliminations								Adjustment and Eliminations RM'000	Total RM'000
	Construction RM'000	Logging and timber trading RM'000	Property development RM'000	Trading RM'000	Logistic RM'000	Investment holding RM'000	Plantation RM'000	Other RM'000		
Revenue										
External Sales	35,608	6,885	34,792	244	478	290	-	-	-	78,297
Inter-segment sales	-	-	-	5,486	-	1,886	3	-	(7,375)	-
Total revenue	35,608	6,885	34,792	5,730	478	2,176	3	-	(7,375)	78,297
Results										
Profit/(Loss) from operation	(3,712)	2,385	4,023	(395)	(47)	(331)	(98)	-	1,672	3,497
Finance costs	(300)	(2)	(193)	(18)	(18)	(110)	(7)	-	310	(338)
Share of results in associates	-	1,683	1,183	-	-	-	-	-	-	2,866
Profit/(Loss) before tax	(4,012)	4,066	5,013	(413)	(65)	(441)	(105)	-	1,982	6,025
Total assets										
Segment assets/ Consolidated total assets	196,111	32,021	165,261	8,369	675	499,275	568	-	(366,767)	535,513

A12 Events subsequent to the balance sheet date

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

A13 Changes in composition of the Group

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

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

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

A14 Capital commitments

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

A15 Changes in contingent liabilities

	The Group		The Company	
	As at 31.12.22	As at 30.06.22	As at 31.12.22	As at 30.06.22
	RM'000	RM'000	RM'000	RM'000
Performance and tender bond granted to contract customers	16,119	17,363	-	-

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

B1 Review of performance

	Individual Period (2nd quarter)			Cumulative Period		
	Current Year Quarter 31/12/2022 (RM'000)	Preceding Year Corresponding Quarter 31/12/2021 (RM'000)	Changes (%)	Current Year To-date 31/12/2022 (RM'000)	Preceding Year Corresponding Period 31/12/2021 (RM'000)	Changes (%)
Revenue	67,874	56,417	20	104,561	78,297	34
Profit/(loss) from operation	739	4,458	83	4,045	3,496	(16)
Profit/(loss) before interest and tax	502	6,123	(92)	5,772	6,363	(9)
Profit/(loss) before tax	217	5,969	(96)	4,993	6,025	(17)
Profit/(loss) after tax	(2,414)	4,298	156	2,213	3,535	37
Profit/(loss) attributable to Owners of the Company	(1,782)	4,447	140	3,017	2,802	(8)

The Group recorded a revenue of RM67.87 million in the current quarter as compared to RM56.42 million in the preceding year corresponding quarter. The Group's profit before tax decrease to RM0.22 million as compared to RM5.97 million in the preceding year corresponding quarter. The higher revenue was mainly attributed from the Construction and Investment Holding segments while the decrease in profit before tax was across all the segments.

Detailed analysis of the performance for the respective operating business segments for the period ended 31 December 2022 are as follow:

	Revenue			Profit / (Loss) before tax		
	Current Year Quarter 31/12/2022 (RM'000)	Preceding Year Corresponding Quarter 31/12/2021 (RM'000)	Changes (RM'000)	Current Year Quarter 31/12/2022 (RM'000)	Preceding Year Corresponding Quarter 31/12/2021 (RM'000)	Changes (RM'000)
<u>Segment</u>						
Construction	50,146	23,748	26,398	(3,566)	(2,293)	NM
Logging & timber trading	-	885	(885)	(1,102)	1,096	(2,198)
Property development	14,868	31,152	(16,284)	5,375	7,655	(2,280)
Trading	989	166	823	(16)	(85)	NM
Logistic	195	271	(76)	(206)	(86)	NM
Investment holding	1,634	195	1,439	465	(248)	713
Plantation	-	-	-	(119)	(70)	NM
Other	42	-	42	(614)	-	NM
Total	67,874	56,417		217	5,969	

* NM = Non-meaningful

Construction Segment

In the current quarter, the segment recorded a higher revenue of RM50.15 million as compared to RM23.75 million in the preceding year corresponding quarter. There is a higher loss before tax of RM3.57 million in the current quarter as compared to a loss before tax of RM2.29 million in the preceding year corresponding quarter. The increase in revenue was mainly contributed from higher work progress as Duta Park project. In comparison, the preceding year corresponding quarter activities were also affected by the Recovery Movement Control Order. The higher loss before tax was mainly due to higher operating expenses in the current quarter. Furthermore, there was an other

income in the preceding year corresponding quarter which was not repeated in the current quarter.

Logging and Timber Trading Segment

The Logging and Timber Trading segment recorded no revenue for the current quarter as compared to a revenue of RM0.89 million in the preceding year corresponding quarter. There is a loss before tax of RM1.10 million in the current quarter as compared to a profit before tax of RM1.10 million in the preceding year corresponding quarter.

The segment recorded no revenue in the current quarter as there was no approved working block to work on. However, the Group has just obtained the permit for a new working block resume production in due course. The loss before tax in the current quarter was mainly due to its fixed operating cost.

Property Development Segment

The Property Development segment recorded a revenue of RM14.87 million in the current quarter as compared to a revenue of RM31.15 million in the preceding year corresponding quarter. The profit before tax was RM5.38 million as compared to profit before tax of RM7.65 million in the preceding year corresponding quarter.

The decrease in revenue and profit before tax for the current quarter were due to the recognition of revenue for Vierra Residence @ Kinrara is still at its early stage of work progress, whereas the sold units of this development has already achieve approximately 82%. In addition, the revenue for Rica Residence @ Sentul has been fully recognized as at the immediate preceding quarter.

Trading and Logistic Segments

The Trading segment registered a revenue of RM0.99 million as compared to RM0.17 million in the preceding year corresponding quarter. The segment recorded a loss before tax of RM0.02 million as compared to a loss before tax of RM0.08 million in the preceding year corresponding quarter. The higher revenue and lower loss before tax in the current quarter were due to higher purchase of construction materials for the Group's on-going projects in the Construction segment.

The Logistic segment registered a revenue of RM0.19 million in the current quarter as compared to a revenue of RM0.27 million in the preceding year corresponding quarter. The segment recorded a loss before tax of RM0.21 million in the current quarter as compared to a loss before tax of RM0.09 million in the preceding year corresponding quarter. The lower revenue and higher loss before tax were in correspondence to the lesser activities in the Logging and Timber Trading segment.

B2 Variation of result against preceding quarter

	Current Year Quarter 31/12/2022 (RM'000)	Immediate Preceding Quarter 30/09/2022 (RM'000)	Changes (%)
Revenue	67,874	36,687	85
Profit/(loss) from operation	739	3,306	(78)
Profit/(loss) before interest and tax	502	5,269	(90)
Profit/(loss) before tax	217	4,776	(95)
Profit/(loss) after tax	(2,414)	4,628	(152)
Profit/(loss) attributable to Owners of the Company	(1,782)	4,800	(137)

In the current quarter ended 31 December 2022, the Group registered a higher revenue of RM67.87 million and a lower profit before tax of RM0.22 million as compared to a revenue of RM36.69 million and a profit before tax of RM4.78 million in the preceding quarter ended 30 September 2022.

The increase in revenue for the current quarter was mainly due to the higher activities in the Group's Construction and Property Development segments. The profit before tax in the current quarter was comparatively low due to reversal of Provision of Liquidated Ascertained Damages of RM4.45 million for the Shaw Parade project in the immediate preceding quarter.

B3 Current year prospects

The Malaysian economy registered a growth of 7.0% in the fourth quarter of 2022 compared to 14.2% in the third quarter, bringing 2022's full-year GDP growth to 8.7%, according to Bank Negara Malaysia's (BNM) latest report. The Malaysian economy is expected to expand at a more moderate pace in 2023, amid a challenging external environment with growth to be driven by domestic demand, supported by the continued recovery in labour market and the realisation of multi-year investment projects as mentioned in the report by BNM.

The construction sector maintained a growth of 10.1% in the fourth quarter 2022 as compared to 15.3% in the third quarter. The performance was contributed by civil engineering and non-residential subsectors were lifted by continued progress of large infrastructure, commercial and industrial projects. The Group's construction segment will continue to focus on its current projects such as Duta Park project and its own property development projects in the affordable housing segment. With a current order book of approximately RM419 million (including RM253.0 million of internal project), the Group will continue to actively pursue opportunities to bid for new construction jobs. The Group is also tendering for new construction jobs in the private and government sectors amounting to RM5.2 billion.

The Group will continue to remain focused on the planned developments of its property projects in Malaysia as part of its long-term growth strategy for its property development division. The Group has a property development named Vierra Residence Kinrara based on the concept of "Residensi Wilayah Keluarga Malaysia" (RUMAWIP). The development was launched in 2022 and the sold units had achieved approximately 82%. Vierra Residence Kinrara was awarded the GreenRE Silver Certification (Provisional) under the Residential Building and Landed Home category and was also awarded the Best Value High-Rise Development Category of Property Guru Asia Awards in partnership with iProperty. The Group will be developing its latest

project named Desa Green located in Kelantan and the first phase is scheduled for launch in the second quarter of 2023. Desa Green is an integrated township with a land area of approximately 23.37 acre with the first phase consisting of single storey terrace and single storey semi-detached houses. In Australia, the Group's third property development The Wilds located in Northcote, Melbourne, is set to be a benchmark in Environmentally Sustainable Design principles and will become the first carbon-neutral detached housing development in inner Melbourne, with all houses 100 per cent electric and incorporating a solar panel array. The Group has also ventured into a new property development at Fitzroy, Melbourne and is currently applying for approval from the relevant authorities and is scheduled to launch in 2024.

In the Group's Logging and Timber Trading segment, we have approximately 14,366 acres of working block through our subsidiaries and associate company and this will continue to contribute to the Group's earnings in the future.

The Group expanded its business into the plantation segment and foresee that this segment may generate good returns in the long term. The Group has ventured into plantation operations to carry out reforestation fruit crops cultivation and plantation such as eucalyptus trees with approximately 600 acres of land located in Jerantut, Pahang. The Group will continue to explore options to identify suitable businesses or strategic acquisition and seek opportunities in the plantation segment.

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

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

B4 Profit forecast

Not applicable as there was no profit forecast issued.

B5 Profit guarantee

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

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

B6 Income tax

Income tax includes:

	Individual Quarter		Cumulative Quarter	
	3 months ended 31/12/2022 RM'000	3 months ended 31/12/2021 RM'000	6 months ended 31/12/2022 RM'000	6 months ended 31/12/2021 RM'000
Current period's provision	35	1,671	184	2,490
Under / (Over) provision for the prior years	-	-	-	-
	35	1,671	184	2,490
Tax paid for the prior years	2,596	-	2,596	-
Deferred taxation	-	-	-	-
Under / (Over) provision for the prior years	-	-	-	-
	2,631	1,671	2,780	2,490

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

B7 Purchase or disposal of quoted securities

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

Investment in quoted shares as at 31 December 2022 were as follows :

	RM'000
At cost	5,912
At market value - Shares	10,806

B8 Status of corporate proposals announced

There were no corporate proposal announced but not completed as at the current quarter under review.

B9 Status of Utilisation of Proceeds

Status of Utilisation of Proceeds as at 31 December 2022

	Proposed Utilisation RM'000	Actual Utilisation RM'000	Unutilised Proceeds RM'000	Timeframe For The Utilisation Of Proceeds
<u>Rights Issue of 370,806,692 Shares</u>				
Funding for existing and/ or future construction projects	10,000	(10,000)	-	Within 18 months
Funding for future property development projects	10,000	(9,870)	130	Within 24 months
Business expansion and/ or future viable investment for logging & timber trading, and plantation segments	15,000	(12,170)	2,830	Within 24 months
Working capital requirements	1,481	(1,481)	-	Within 6 months
Defrayment of estimated expenses	600	(600)	-	Upon completion
	37,081	(34,121)	2,960	

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

B10 Borrowings

The tenure of the Group borrowings classified as follows:-

	31 December 2022		31 December 2021	
	Short term RM'000	Long term RM'000	Short term RM'000	Long term RM'000
<u>Secured</u>				
Term loan	1,257	1,293	2,586	-
Lease liabilities	305	386	2,692	380
Hire purchase	1,280	1,800	-	-
Invoice Finance	3,011	-	3,359	-
Revolving Credit	40,000	-	45,000	-
Bills Discounting	4,574	-	5,788	-
Promissory Note	6,123	-	1,311	-
	56,550	3,479	60,736	380

B11 Off balance sheet financial instruments

The Group does not have any financial instrument with off balance sheet risk as at 31 December 2022.

B12 Trade receivables

The age analysis of trade receivables is as follow :

	Current Quarter Ended 31/12/2022 RM'000
Not past due	64,534
Past due:	
- less than 3 months	-
- 3 to 6 months	4,198
- over 6 months	3,301
- more than 1 year	4,125
	76,158

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

B13 Material litigation

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

a) Fajarbaru Builder Sdn. Bhd. ("Claimant") vs Tan Wee Meng ("Respondent")

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

Pursuant to the Final Award in the matter of an Arbitration dated 30 December 2020, the Arbitrator has awarded and declared, among others, that the Respondent shall pay to the Claimant within 14 days from 23 February 2021 the sum of RM10,000,000.00.

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

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

On 31 October 2022, the Claimant has engaged solicitors in Singapore to enforce the Final Award against the Respondent in Singapore. The order was served on the Respondent on 10 November 2022. Efforts are now being made to ensure recovery, to the best extent possible, of the amount due under the Final Award.

B14 Dividend

No dividend has been declared for the second quarter ended 31 December 2022.

B15 Earnings per share

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

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

	Individual Quarter		Cumulative Quarter	
	3 months Ended 31/12/2022 RM'000	3 months Ended 31/12/2021 RM' 000	6 months Ended 31/12/2022 RM000	6 months Ended 31/12/2021 RM'000
Net (loss)/profit attributable to Owners of the Company	(1,782)	4,447	3,017	2,802
Weighted Average Number of shares at the end of the period ('000)	741,613	644,881	741,613	507,844
Adjusted number of ordinary shares in issue and issuable ('000)	1,112,420	1,015,688	1,112,420	878,651
Basic earnings per share (sen)	(0.24)	0.69	0.41	0.55
Diluted earnings per share (sen)	(0.16)	0.44	0.27	0.32

B16 Profit before taxation

	Current Year Quarter 31/12/2022 RM'000 Unaudited	Current Year To-date 31/12/2022 RM'000 Unaudited
Profit before tax is arrived at after charging/(crediting):-		
Interest income	(184)	(339)
Dividend income	237	(72)
Depreciation	1,583	3,328
Interest expense	275	758
(Gain)/Loss on disposal of property, plant & equipment	(27)	(26)
Unrealised (gain)/loss on foreign exchange	(47)	173
Unrealised (gain)/loss on investment fund	(50)	(569)

N/A – Not Applicable

B17 Authorisation for issue

The Board of Directors authorised the issue of this unaudited interim financial report on 23 February 2023.

By Order of the Board
Fajarbaru Builder Group Bhd

Tan Sri Dato' Sri Chan Kong Choy
Executive Chairman

Kuala Lumpur
23 February 2023