



# **INTERIM FINANCIAL STATEMENTS**

*- For The Quarter and Year Ended  
31<sup>st</sup> December 2023 -*

## **TABLE OF CONTENTS**

	<b>Pages</b>
<i>Condensed consolidated statement of financial position</i>	<i>1</i>
<i>Condensed consolidated statement of comprehensive income</i>	<i>2</i>
<i>Condensed consolidated statement of changes in equity</i>	<i>3</i>
<i>Condensed consolidated statement of cash flow</i>	<i>4</i>
<i>Explanatory notes pursuant to MFRS 134</i>	<i>5-10</i>
<i>Explanatory notes pursuant to Chapter 9, Appendix 9B of the Listing Requirements of Bursa Malaysia Berhad</i>	<i>11-15</i>



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023  
RM'000**

	Note	31.12.2023	31.12.2022
<b>Assets</b>			
Property, plant and equipment	12	74,993	70,990
Right-of-use asset		10,871	-
Investment properties		101,113	98,507
Quarry development expenditure		2,379	905
Investment in joint venture		125	125
Inventories		245,267	289,265
Deferred tax assets		6,920	4,920
Trade and other receivables		100,695	54,915
<b>Total non-current assets</b>		<u>542,363</u>	<u>519,627</u>
Inventories		26,859	27,839
Contract assets		47,615	32,737
Contract costs		413	1,673
Trade and other receivables		93,502	50,083
Current tax assets		-	-
Other investments		1,045	1,322
Short term investments		4,269	3,868
Cash and cash equivalents		72,575	79,980
Assets classified as held for sale		3,503	-
<b>Total current assets</b>		<u>249,781</u>	<u>197,502</u>
<b>Total assets</b>		<u><u>792,144</u></u>	<u><u>717,129</u></u>
<b>Equity</b>			
Share capital		331,020	331,020
Retained earnings		155,343	144,073
<b>Equity attributable to owners of the Company</b>		<u>486,363</u>	<u>475,093</u>
Non-controlling interests		(301)	(61)
<b>Total equity</b>		<u>486,062</u>	<u>475,032</u>
<b>Liabilities</b>			
Trade and other payables		11,072	192
Deferred tax liabilities		4,010	214
Loans and borrowings	23	33,862	36,490
Lease liabilities		21,977	21,227
<b>Total non-current liabilities</b>		<u>70,921</u>	<u>58,123</u>
Trade and other payables		142,540	113,244
Contract Liabilities		1,563	11,756
Loans and borrowings	23	86,139	55,027
Current tax liabilities		4,919	3,947
<b>Total current liabilities</b>		<u>235,161</u>	<u>183,974</u>
<b>Total liabilities</b>		<u>306,082</u>	<u>242,097</u>
<b>Total equity and liabilities</b>		<u><u>792,144</u></u>	<u><u>717,129</u></u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2023  
RM'000**

	Note	3 months ended 31-Dec		12 months ended 31-Dec	
		2023	2022	2023	2022
<b>Continuing Operations</b>					
Revenue		134,123	92,444	316,118	231,370
Cost of sales		(104,322)	(67,560)	(263,016)	(183,228)
<b>Gross profit</b>		<u>29,801</u>	<u>24,884</u>	<u>53,102</u>	<u>48,142</u>
Selling & Marketing expenses		(462)	(1,106)	(590)	(3,862)
Administrative expenses		(14,417)	(10,939)	(41,629)	(32,708)
Other operating income		6,648	2,672	9,296	4,695
Other operating expenses		(125)	(190)	(175)	(437)
<b>Profit from operating activities</b>		<u>21,445</u>	<u>15,321</u>	<u>20,004</u>	<u>15,830</u>
<b>Finance cost</b>		(1,780)	(2,886)	(5,824)	(6,786)
<b>Profit before taxation</b>	10	<u>19,665</u>	<u>12,435</u>	<u>14,181</u>	<u>9,044</u>
Tax expense	21	(1,295)	(3,127)	(1,753)	(3,485)
<b>Profit and total comprehensive income for the period</b>		<u><u>18,370</u></u>	<u><u>9,308</u></u>	<u><u>12,428</u></u>	<u><u>5,559</u></u>
<b>Profit and total comprehensive income for the period attributable to :</b>					
Owners of the Company		18,610	9,346	12,668	5,597
Non-controlling interests		(240)	(38)	(240)	(38)
<b>Profit and total comprehensive income for the period</b>		<u><u>18,370</u></u>	<u><u>9,308</u></u>	<u><u>12,428</u></u>	<u><u>5,559</u></u>
<b>Basic earning per ordinary share (sen)</b>	26	6.05	3.06	4.17	1.84

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2023**  
RM'000

	<i>Non-distributable</i>	<i>Distributable</i>	<b>Total</b>	<b>Non-controlling interests</b>	<b>Total equity</b>
	<b>Share capital</b>	<b>Retained earnings</b>			
<b>As at 1 January 2022</b>	331,020	140,755	471,775	(23)	471,752
<b>Total comprehensive income</b>	-	5,597	5,597	(38)	5,559
<b>Dividend paid</b>	-	(2,279)	(2,279)	-	(2,279)
<b>As at 31 December 2022</b>	<u>331,020</u>	<u>144,073</u>	<u>475,093</u>	<u>(61)</u>	<u>475,032</u>
<b>As at 1 January 2023</b>	331,020	144,073	475,093	(61)	475,032
<b>Total comprehensive income</b>	-	12,668	12,668	(240)	12,428
<b>Dividend paid</b>	-	(1,398)	(1,398)	-	(1,398)
<b>As at 31 December 2023</b>	<u>331,020</u>	<u>155,343</u>	<u>486,363</u>	<u>(301)</u>	<u>486,062</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2023  
RM'000**

	Cumulative Quarter	
	Current Year-to-date ended 31-Dec-23	Preceding Year-to-date ended 31-Dec-22
<b>Cash flows from operating activities</b>		
Profit before taxation	14,181	9,044
Adjustments for:		
Non-cash items	6,798	4,821
Non-operating items	5,019	3,629
Operating profit before working capital changes	25,998	17,494
Changes in working capital:		
Contract assets	(14,878)	(1,743)
Contract costs	1,260	195
Contract liabilities	(10,193)	11,078
Trade and other receivables	(89,199)	(16,870)
Inventories	41,475	25,475
Trade and other payables	40,176	(4,253)
<b>Cash (used in)/generated from operations</b>	(5,361)	31,376
Interest paid	(5,824)	(6,786)
Tax refund/(paid)	1,015	(3,346)
<b>Net cash (used in)/generated from operating activities</b>	(10,170)	21,244
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(11,395)	(3,910)
Investment in joint venture	-	(125)
Proceeds from disposal of :		
- Plant and equipment	813	520
- Other investments	277	1,134
- Investment in associate	-	5,949
Additions of quarry development expenditure	(1,474)	(905)
Additions of investment properties	(2,606)	-
Additions of right-of-use asset	(10,871)	-
Interest received	1,336	1,007
<b>Net cash (used in)/from investing activities</b>	(23,920)	3,670
<b>Cash flows from financing activities</b>		
Dividends paid to shareholders of the Company	(1,398)	(2,279)
(Repayment)/Drawdown of term loan	(13,610)	1,494
Movements of other borrowings, net	39,475	(16,276)
Drawdown/(Repayment) of hire purchase	912	(1,263)
(Placement)/Withdrawal of short term investments	(401)	6,043
<b>Net cash from/(used in) financing activities</b>	24,978	(12,281)
<b>Net (decrease)/increase in cash and cash equivalents</b>	(9,112)	12,633
<b>Cash and cash equivalents at beginning of the period</b>	69,067	56,434
<b>Cash and cash equivalents at end of the period</b>	59,955	69,067
<b>Cash and cash equivalents comprise of the followings:</b>		
Cash and cash equivalents	72,575	79,980
Less: Bank overdrafts	(12,620)	(10,913)
	59,955	69,067

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.



## EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2023

### Part A – Explanatory Notes Pursuant to MFRS 134

#### 1. Basis of Preparation

The 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 the Bursa Malaysia Berhad (“Bursa”).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2022. 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 financial year ended 31 December 2022.

Interim financial statements other than for financial instruments have been prepared under the historical cost convention. Financial instruments have been fair valued in accordance with MFRS 9 Financial Instruments: Recognition and Measurement.

#### 2. Significant Accounting Policies

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the financial year ended 31 December 2022 except for the adoption of the following new/revised MFRSs and Amendments to MFRSs:

*MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023*

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*



*MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2024*

- Amendment to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendment to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*

*MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed*

- Amendments to MFRS 10, *Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The adoption of the above MFRSs does not have significant financial impact on the Group.

### **3. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the year ended 31 December 2022 was not subject to any qualification.

### **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 current quarter and year to-date.

### **5. Changes in Estimates**

The preparation of the interim financial statements in conformity with Malaysian Financial Reporting Standards ("MFRSs") requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognized in the financial statements.



## **6. Seasonal or Cyclical Factors**

The Group's products and services are generally dependent on the Malaysian economy, government policies and weather conditions (on the construction activities).

## **7. Dividends Paid**

A first and final dividend of 0.46 sen per share on 303,855,000 ordinary shares in respect of the financial year ended 31 December 2022 has been declared on 12 April 2023 and paid on 18 July 2023.

## **8. Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resales and repayments of equity securities except for repayment of debt in the current quarter.



## 9. Segmental Information

RM'000	Property Development	Engineering, Construction and Quarry	Leisure	Other reportable segments	Total reportable segments	Elimination	Combined
<b>12 months ended 31 December 2023</b>							
<b>Revenue</b>							
External sales	122,050	188,847	4,570	651	316,118	-	316,118
Inter-segment sales	288	-	4	11,657	11,949	(11,949)	-
<b>Total revenue</b>	<b>122,338</b>	<b>188,847</b>	<b>4,574</b>	<b>12,308</b>	<b>328,067</b>	<b>(11,949)</b>	<b>316,118</b>
<b>Segment profit/(loss)</b>	<b>21,732</b>	<b>(1,198)</b>	<b>(2,050)</b>	<b>(3,639)</b>	<b>14,845</b>	<b>(664)</b>	<b>14,181</b>
<b>12 months ended 31 December 2022</b>							
<b>Revenue</b>							
External sales	90,145	126,650	3,035	11,540	231,370	-	231,370
Inter-segment sales	264	431	618	19,466	20,779	(20,779)	-
<b>Total revenue</b>	<b>90,409</b>	<b>127,081</b>	<b>3,653</b>	<b>31,006</b>	<b>252,149</b>	<b>(20,779)</b>	<b>231,370</b>
<b>Segment profit/(loss)</b>	<b>9,338</b>	<b>(1,512)</b>	<b>(3,548)</b>	<b>4,858</b>	<b>9,136</b>	<b>(92)</b>	<b>9,044</b>



## 10. Profit before tax

Profit before tax is arrived at :

RM'000	3 months ended 31 December		12 months ended 31 December	
	2023	2022	2023	2022
<b><i>After charging :</i></b>				
Depreciation of property, plant and equipment	1,623	1,650	6,903	6,321
Expenses relating to short-term leases	94	137	341	144
Expenses relating to leases of low-value assets	-	109	-	109
Royalties and tributes	365	335	875	1,355
<b><i>and after crediting :</i></b>				
Rental income	248	776	1,079	870
Gain on disposal of plant and equipment	138	67	219	117
Interest Income	402	637	2,811	1,007
Government grants (wages subsidies)	-	95	-	95
Net loss on impairment of financial instruments of financial instruments and contract assets Financial assets at amortised cost - Trade receivables	890	91	890	118

## 11. Changes in Composition of the Group

There were no changes in the composition of the Group during the current quarter ended 31 December 2023.

## 12. Property, Plant and Equipment

The Group acquired property, plant and equipment worth RM6,486,000 during the quarter under review.

There was no impairment loss on property, plant and equipment during the current quarter period.



### 13. Capital Commitments

The amount of commitments for the purchase of property, plant & equipment not provided for in the interim financial statements as at 31 December 2023 are as follows:

	<b>RM'000</b>
Approved and contracted for	1,625

### 14. Changes in Contingent Liabilities

As of 31 December 2023, the Group does not have any material contingent liability.

### 15. Material Subsequent Events to the Reporting Period

There were no material events subsequent to the end of the quarter under review up to the date of this report that have not been reflected in the interim financial statements.

### 16. Significant Related Party Transactions

	<b>12 months ended 31.12.2023 RM'000</b>
Rental of quarry land to ultimate holding corporation	108
Tributes charged by the ultimate holding corporation	485
Estate agency fee charged by a related company, Kumpulan Ladang-Ladang Perbadanan Kedah Sdn. Bhd.	-
Revenue from oil palm from related company, Kumpulan Ladang-Ladang Perbadanan Kedah Sdn. Bhd.	651
Property management paid to a related company, Darulaman Asset Sdn. Bhd	32
Insurance paid to a related company, KSDC Insurance Brokers Sdn. Bhd.	1,531
	<b>2,807</b>

All related parties' transactions had been entered into in the normal course of business and were carried out on normal commercial terms.



## Part B – Explanatory Notes Pursuant to Chapter 9, Appendix 9B of the Listing Requirements of Bursa Malaysia Berhad

### 17. Performance Review

#### **Current financial year to date against previous year corresponding period**

The Group recorded commendable performance for the current financial year of 2023. The revenue increased by 37% from RM231.4 million in 2022 to RM316.1 million in the current financial year of 2023. Similarly, The Group's profit before tax increased by 58% from RM9.0 million in 2022 to RM14.2 million in 2023.

The Engineering, Construction, and Quarry (ECQ) Division has reported a notable increase in revenue, with RM188.8 million in the current year compared to RM126.7 million in 2022. The progress of the Water Treatment Pelubang Project and revenue generated from sales of quarry products are the main contributors to this growth. The Quarry Business Unit notably in Bukit Perak and Langkawi contributed higher profit for the year due to heightened infrastructure projects in the Northern Region. This however was mitigated by lower net margins of other Engineering and construction projects. As a result, the ECQ Division posted a lower loss before tax of RM1.2 million compared to RM1.5 million in 2022.

The Property Division has recorded an increase in revenue for the current year, with RM122.1 million compared to the RM90.0 million achieved in the previous year. The division recorded a profit before tax of RM21.7 million for the current financial year compared to the RM9.3 million profit before tax recorded during the preceding of financial year. Higher revenue and profit before tax are due from the completion of joint venture agreements in Kubang Pasu and Sungai Petani, Kedah.

#### **Current quarter vs previous year corresponding quarter**

The Group posted higher revenue of RM134.1 million for the fourth quarter ended 31 December 2023, compared to RM94.1 million achieved in the same corresponding period of last year. The Group recorded a higher profit before tax of RM19.7 million for the current quarter compared to RM12.4 million in the previous year's corresponding quarter.

The Property Division posted higher revenue of RM58.6 million compared to RM54.7 million in the same quarter last year. The Division also posted a profit before tax of RM16.6 million for the current quarter compared to the profit before tax of RM10.8 million in the previous year's corresponding period.

The Engineering, Construction and Quarry Division posted higher revenue of RM74.1 million in the current quarter of 2023 compared to RM38.0 million in the same corresponding quarter of last year due to the contribution from the existing construction



projects. Furthermore, the Division posted a profit before tax of RM5.8 million in the current quarter compared to a profit before tax of RM2.2 million in the same period last year.

## 18. Variation of Results against Preceding Quarter

RM'000	Current quarter ended 31 December 2023	Preceding quarter ended 30 September 2023
Revenue	134,143	100,465
Profit Before Taxation	19,667	5,442

The Group registered higher revenue and profit before tax due to the improvements made by the construction activities and the completion of initiatives from the Property Division.

## 19. Prospects for the next financial year

Malaysia Gross Domestic Product (GDP) grew by 3.7% in 2023 and is expected to grow by 4% in 2024. This growth augurs well with the planned development in the Northern Region especially in the States of Penang, Kedah and Perlis. The implementation of the new National Energy Transition Roadmap (NETR), New Industrial Master Plan 2030 (NIMP 2030) and the Mid Term Review of the Twelfth Malaysia Plan (MTR of the Twelfth Plan) add more momentum to the economic growth especially in Northern Region. The private sector expenditure remains as the main contributor in driving economic activities owing to stronger domestic demand. Private investment is poised to accelerate further driven by an improved business environment in line with positive response towards Government's strategies and measures in attracting high-tech and high-value investments via the NETR and NIMP 2030.

In line with the Federal development plans, the State of Kedah will continue to strive towards the vision of "Kedah Sejahtera dan Berdaya Huni". This remained the State's target in implementing the Kedah Development Plan 2035 (PPK 2035).

The Group will continue to focus on the State of Kedah and support current infrastructure projects, including Pelubang Water Treatment, Irrigation System Development Project, State Road Maintenance Project, and other infrastructure projects. These projects are progressing as planned.

The Engineering Construction and Quarry (ECQ) Division operates two quarries in Langkawi and Pendang, Kedah. The Quarry in Pendang recently received a 5-star rating from Jabatan Mineral & Geosains Malaysia (JMG), the first granite quarry in Kedah to achieve the Green Status. The division will continue to expand its operation and support other related industries in the Northern part of Malaysia.



The Group also supports the State's aspiration to provide affordable homes. The Group's Property division remained focused on developing new affordable townships namely Darulaman Saujana in Hosba and Aman Nusa in Langkawi. This new development will add to the existing affordable homes project the division is undertaking in Darulaman Lagenda, Sungai Petani Kedah. The Property Division also continues to further develop and expand the prestigious Bandar Darulaman township being the satellite city to Alor Setar whilst exploring other areas notably in Sik, Pendang and Bandar Baru with other Government Agencies in providing Affordable Homes and creation of new townships.

The Group's Leisure division was reactivated in the middle of 2022 to rejuvenate the potential of Darulaman Park, Jitra, and Darulaman Sanctuary in Langkawi's post-pandemic era. The recently launched Visit Kedah 2025 by the State will add more activities in Darulaman Park, Darulaman Sanctuary, and other tourist destinations in Kedah. The Group also announced a collaboration with Enfiniti Escapes (M) Sdn Bhd to develop forest chalets and other eco-tourism-concepts developments at Darulaman Sanctuary, Langkawi Kedah.

The Group has embarked on a Sustainability Business Strategy in exploring Bamboo plantation and cultivation as a sustainable and renewable resource for green fuel production and environmental conservation. The recent signing of memorandum of understanding (MoU) with Shanghai Youzhu Industry Co Ltd to establish comprehensive industrial waste management solutions, minimize environmental impacts, promote sustainable practices, and ensure compliance with regulatory standards. The collaboration is strategically aligned with the Kedah Development Plan 2035 (PPK 2035) under the Environment Theme, Thrust 6 - Environmental Sustainability, and is an integral component of BDB's New Strategic Business Plan. This plant is expected to serve the States of Penang, Kedah and Perlis.

The expansion initiatives into new business streams and markets will ensure the sustainability of the Group's earnings in years to come.

## **20. Variance from Profit Forecast or Profit Guarantee**

Not applicable for the financial period ended 31 December 2023.



## 21. Income Tax Expense

RM'000	12 Months Ended 31 December	
	2023	2022
Continuing Operations		
In respect of current financial year:		
- Current tax	2,521	3,813
- Deferred tax	(2,059)	(981)
In respect of prior financial years:		
- Current tax	1,291	1,021
- Deferred tax	-	(368)
Tax expenses	1,753	3,485

Income tax expenses for the quarter and year ended under review were provided for profitable companies within the Group.

## 22. Status of Corporate Proposals

There was no outstanding corporate proposal during the quarter under review.

## 23. Group borrowings and Debt Securities

Total loans and borrowings as at 31 December 2023 were as follows:

RM'000	Short Term	Long Term	Total
Term loans	4,985	30,433	35,418
Bankers' Acceptance	5,337	-	5,337
Hire Purchase	2,197	3,429	5,626
Revolving Credit	61,000	-	61,000
Bank overdraft	12,620	-	12,620
<b>TOTAL</b>	<b>86,139</b>	<b>33,862</b>	<b>120,001</b>



## 24. Material Litigation

There has been no pending material litigation since the last annual balance sheet date of 31 December 2022.

## 25. Dividends Payable

Except stated in note 7, no dividend in respect of the current financial year under review has been declared during the quarter under review.

## 26. Earnings Per Share

### a. Basic earnings per share

The basic earnings per share were calculated by dividing the Group's net profit attributable to ordinary shareholders by the number of ordinary shares in issue as follows:

RM'000	12 months ended 31.12.2023	12 months ended 31.12.2022
Profit attributable to owners of the Company	12,668	5,597
Number of ordinary shares in issue	303,855	303,855
Basic earnings per share (sen)	4.17	1.84

### b. Diluted earnings per share

Not applicable.

## 27. Authorization for Issue

The Interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors on 26 February 2024.