

Quarterly report on consolidated results for the second financial quarter ended 31 December 2024

Condensed Consolidated Statements of Comprehensive Income for the second financial quarter ended 31 December 2024

(The figures have not been audited)

	Notes	3 months ended 31st Dec 2024 RM'000	3 months ended 31st Dec 2023 RM'000	6 months ended 31st Dec 2024 RM'000	6 months ended 31st Dec 2023 RM'000
Revenue	A4	18,175	16,659	40,418	46,329
Operating Expenses		-17,914	-18,861	-37,814	-47,178
Other operating income	A5	562	331	788	477
Profit before interest and tax	A4	823	-1,871	3,392	-372
Finance costs		-22	-139	-44	-161
Profit before tax		801	(2,010)	3,348	(533)
Income tax expense	B5	-493	187	-1,543	-486
Profit for the year		308	(1,823)	1,805	(1,019)
Total comprehensive income for the year		308	-1,823	1,805	-1,019
Profit Attributable to:					
Owners of the parent		401	-1,995	2,012	(1,323)
Non - controlling interests		(93)	172	(207)	304
		308	(1,823)	1,805	(1,019)
Earnings per share attributable					
Total comprehensive income attributable to:					
Owners of the parent		401	(1,995)	2,012	(1,323)
Non - controlling interests		(93)	172	(207)	304
		308	(1,823)	1,805	(1,019)
Basic - sen		0.08	(0.58)	0.42	(0.39)

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 30th June 2024 and the accompanying explanatory notes attached to the interim financial statements.



Interim quarterly report on consolidated results for the second financial quarter ended 31st December 2024

Condensed Consolidated Statements of Financial Position as at 31st December 2024

(These figures have not been audited)

	Notes	As at 31 Dec 2024 RM RM'000	As at 30 June 2024 RM RM'000
ASSETS			
Non-current assets			
Property, plant & equipment		91,026	81,081
Right-Of-Use Asset		488	488
Inventories - Property		155,732	153,493
Investment Properties		81,215	81,215
Trade and other receivables		5,874	5,874
Deferred Tax Asset		138	138
		<u>334,473</u>	<u>322,289</u>
Current assets			
Inventories		30,679	41,529
Trade receivables		9,204	10,289
Other receivables		39,619	3,837
Short Term Investment	B6	17,410	17,529
Fixed Deposit with licensed banks		6,160	158
Contract Assets			
Contract Costs			
Current Tax Assets		1,815	2,379
Cash and bank balances		29,755	45,206
Non - Current Assets held for sale		-	3,600
		<u>134,642</u>	<u>124,527</u>
TOTAL ASSETS		<u>469,115</u>	<u>446,816</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		352,959	343,459
Other reserves		895	895
Retained profits		60,652	58,640
		<u>414,506</u>	<u>402,994</u>
Non-controlling interests		18,156	18,363
Total equity		<u>432,662</u>	<u>421,357</u>
Non-current liabilities			
Hire Purchase Creditors	B9	873	1,106
Deferred tax liabilities		4,964	4,964
		<u>5,837</u>	<u>6,070</u>
Current liabilities			
Borrowings	B9	67	393
Trade payables		6,535	10,829
Other payables		22,407	5,521
Contract Liabilities		1,104	1,716
Lease Liabilities		503	138
Current Tax Liabilities			792
		<u>30,616</u>	<u>19,389</u>
Total liabilities		<u>36,453</u>	<u>25,459</u>
TOTAL EQUITY AND LIABILITIES		<u>469,115</u>	<u>446,816</u>
Net asset per share attributable to ordinary equity holders of the parent (RM)		1.17	1.17

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 30th June 2024 and the accompanying explanatory notes attached to the interim financial statements.

Quarterly report on consolidated results for the second financial quarter ended 31 December 2024

Condensed Consolidated Statements of Cash Flow for the second financial quarter ended 31st December 2024

(The figures have not been audited)

	6 months ended As at 31 Dec 2024 RM'000	6 months ended As at 31 Dec 2023 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	3,348	(533)
Adjustments for:		
Depreciation	1,256	1,197
Changes In Share Capital	9,500	18,500
Interest expense	42	159
Operating profit before working capital changes	<u>14,146</u>	<u>19,323</u>
(Increase)/ decrease in inventories	8,610	25,989
(Increase)/ decrease in receivables	(34,808)	(7,882)
(Decrease)/ increase in payables	12,821	(1,367)
Contract Assets	-	53,332
Contract Liabilities	(612)	(400)
Cash generated from/ (used in) operations	<u>157</u>	<u>88,995</u>
Income tax paid	(1,767)	(3,346)
Interest paid	(42)	(159)
Net cash from/ (used in) operating activities	<u>(1,652)</u>	<u>85,490</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(11,207)	(20,198)
Proceeds from disposal of property, plant and equipment	3,605	1
Disposal/ (Purchase) of investment	(1)	628
Investment properties	-	(9,246)
Investment in subsidiaries	-	(12,960)
Lease Liability	364	-
Net cash from/ (used in) investing activities	<u>(7,239)</u>	<u>(41,775)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net changes in short term borrowings	(168)	(133)
Proceeds/(Repayment) of hire purchase	(232)	(61)
	<u>(400)</u>	<u>(194)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(9,291)	43,521
CASH AND CASH EQUIVALENTS AT BEGINNING	45,206	43,207
CASH AND CASH EQUIVALENTS AT END	<u>35,915</u>	<u>86,728</u>
Represented by:		
Cash and bank balances	29,755	86,574
Fixed deposits with a licenced bank	6,160	154
Bank overdrafts	-	-
	<u>35,915</u>	<u>86,728</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 30th June 2024 and the accompanying explanatory notes attached to the interim financial statements.



Quarterly report on consolidated results for the second financial quarter ended 31st December 2024

Condensed Consolidated Statement of Changes in Equity for the second financial quarter ended 31st December 2024

---- Attributable to Owners of the Parent ----

	Share capital	Other reserve	Retained profits	Total	Non Controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
12 months 1.7.2023 to 30.6.2024						
Balance at the beginning	324,959	895	46,388	372,242	27,651	399,893
Movements during the period (cumulative)	18,500	-	(2,501)	15,999	(10,459)	5,540
Net profit for the period	-	-	14,753	14,753	1,171	15,924
At 30 June 2024	<u>343,459</u>	<u>895</u>	<u>58,640</u>	<u>402,994</u>	<u>18,363</u>	<u>421,357</u>
6 months ended 31 December 2024						
As at 1 July 2024	343,459	895	58,640	402,994	18,363	421,357
Movements during the period (cumulative)	9,500	-	-	9,500	-	9,500
Net profit for the period	-	-	2,012	2,012	(207)	1,805
At 31 December 2024	<u>352,959</u>	<u>895</u>	<u>60,652</u>	<u>414,506</u>	<u>18,156</u>	<u>432,662</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statement 30 June 2024 and the accompanying explanatory notes attached to the interim financial statements.

EXPLANATORY NOTES: (AS PER MFRS 134)

A1 Basis of Preparation

The condensed consolidated interim financial statements (“Report”) are unaudited and have been prepared in accordance with applicable Malaysian Financial Reporting Standards (“MFRS”) , International Financial Reporting Standards (“IFRS”), : Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the requirements of the Companies Act 2016 in Malaysia.

The accounting policies and methods used in preparing the quarterly financial statements are consistent and should be read in conjunction with the audited financial statements for the financial year ended 30th June 2024.

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 30th June 2024.

A2 Basis of measurement

The unaudited financial statements of the Group have been prepared under the historical cost convention other than as disclosed.

The explanation and financial impacts on transition to MFRSs are disclosed below:

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.



A2.1 Adoption of Amendments/Improvement to MFRS

The accounting policies adopted by the Group and by the Company are consistent with those of the previous financial years except for the adoption of the following standard/amendments to MFRSs that are mandatory for the current financial year:

Effective for annual periods beginning on or after 1 January 2023

MFRS 17 Insurance Contracts and Amendments to 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 - Disclosure 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

Amendments to MFRS 112 Income Taxes - International Tax Reform - Pillar Two Model Rules

Initial application of the above new standard/amendments to MFRSs did not have material impact to the financial statements upon adoption, except for Amendments to MFRS 101 Presentation of Financial Statements: Disclosure of Accounting Policies.

A2.2 Standards Issued But Not Yet Effective

The following are accounting standards that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the Group and for the Company:

Effective for annual periods beginning on or after 1 January 2024

Amendments to MFRS 16 Leases: Lease Liability in a Sale and Leaseback

Amendments to MFRS 101 Presentation of Financial Statements: Non-Current Liabilities with Covenants

Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements

Effective for annual period beginning on or after 1 January 2025

Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

Effective for annual period beginning on or after 1 January 2026

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures -

Classification and Measurement of Financial Instruments

Annual Improvements to MFRS Accounting Standards - Volume 11

Effective for annual period beginning on or after 1 January 2027

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 19 Subsidiaries without Public Accountability: Disclosures



EXPLANATORY NOTES: (AS PER BURSA SECURITIES LISTING REQUIREMENT – PART A OF APPENDIX 9B)

Continue :

Effective 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 initial application of the above new standards/amendments to MFRSs is not expected to have any material impact to the financial statements of the Group and of the Company upon adoption, except for *MFRS 18 Presentation and Disclosure in Financial Statements*.

MFRS 18 introduces new requirements on presentation within the statements of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified ‘roles’ of the primary financial statements and the notes. In addition, there are consequential amendments to *MFRS 107 Statement of Cash Flows* and *MFRS 134 Interim Financial Reporting*.

The amendments will have an impact on the Group’s and on the Company’s presentation of statements of comprehensive income, statements of cash flows and additional disclosures in the notes to the financial statements but not on the measurement or recognition of any items in the Group’s and the Company’s financial statements.

The Group is currently assessing the impact of *MFRS 18* and plans to adopt the new standard on the required effective date

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with the most recent annual audited financial statements for the year ended 30th June 2024.

A3 Declaration of audit qualification

The audit report of the Company in respect of the annual financial statements for the year ended 30th June 2024 was not subject to any audit qualification.

A4 Segmental reporting

Segmental analysis for the current financial year to-date

	Revenue (RM)	Profit/(Loss) before interest and tax (RM)
Manufacturing	16,872,177	(1,231,508)
Trading	6,426,739	(350,124)
Property	15,045,577	5,124,446
Others	2,073,456	(150,087)
	-----	-----
	40,417,949	3,392,727
	=====	=====



EXPLANATORY NOTES: (AS PER BURSA SECURITIES LISTING REQUIREMENT – PART A OF APPENDIX 9B)

A5 Other operating income

	31 Dec 2024	31 Dec 2023
	RM'000	RM'000
Interest Received	223	283
Dividend Received	338	-
Gain on Sale of Fixed Asset	42	67
Gain on Foreign Exchange	-	1
Administrative Charges	7	1
Rent receivable	150	30
Other Income	3	42
Purchase Cancellation	1	46
Scrap Sales	-	3
Slitting & Servicing	-	4
Incentive	24	-
	<hr/> 788	<hr/> 477

A6 Unusual items

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size, incidence and other than notes disclosed in A13.

A7 Changes in estimates

There were no changes in estimates of amount used in our previous reporting having a material impact in the current reporting.

A8 Seasonality or cyclicity of operation

The business of the Group is generally neither non-cyclical nor seasonal except for decreased activities during the festive season.



EXPLANATORY NOTES: (AS PER BURSA SECURITIES LISTING REQUIREMENT – PART A OF APPENDIX 9B)

A9 Dividends Paid

No Dividend was paid during the financial period ended 30th June 2024

A10 Valuation of property, plant and equipment

Investment properties have been revalued to fair value according to MFRS140 for the financial year ended 30th June 2024

A11 Issuances and repayments of debts and equity securities

As at 31st Dec 2024, out of the total RM352,959,254 issued and fully paid ordinary shares 774 shares were held as treasury shares at an average purchase price of RM0.52. The share buyback transactions were financed by internally generated funds.

On 18th November 2024, a total number of 4,837,053 unexercised Warrant C 2014/2024 has been lapsed.

Save as disclosed above, there were no other issuances, cancellations, resale or repayments of debt and equity securities during the quarter ended 31st Dec 2024.

A12 Changes in the composition of the Group

There is no transaction or event of a material or unusual nature occurring between 30th June 2024 and the date of this announcement.

A13 Material events

There is no transaction or event of a material or unusual nature occurring between 30th June 2024 and the date of this announcement.



A14 Material commitments

Property, plant and equipment

- Authorized and contracted for

Group (RM'000)

2,000

B1 Review of the performance of the Company and its principal subsidiaries

3 months ended

	31 Dec 2024	31 Dec 2023
	RM'000	RM'000
Revenue	18,175	16,659
Profit / (Loss) before tax	801	-2,010

The Group generated revenue of approximately RM18.175Mil for the 2nd quarter ended 31 December 2024. Revenue increased approximately RM1.516Mil or 9.10% as compared to revenue generated for the preceding year correspond quarter of RM16.659Mil. The increased in turnover was mainly due to progress billing by Property development segment of the Marminton Homes project at Raja Uda, Butterworth and partly contributed by increase in sales volume in trading division.

The Group made profit before tax of RM0.801Mil for the 2nd quarter ended 31 December 2024 compare to loss before tax of RM-2.010Mil for the preceding year corresponding quarter. The profit was mainly contributed by Property Development segment and partly contributed by in trading segment.

The performance of the respective operating business segments of the Group for 2nd Quarter (CRQ) 31 December 2024 compared with preceding year corresponding quarter (PCQ) are analysed as follows :-

	Manufacturing	Trading	Property Development	Rental/ Others	Total
	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>
Revenue - CRQ	7,959,053	2,902,027	6,352,314	961,728	18,175,122
Revenue - PCQ	11,377,846	1,302,835	3,140,263	837,648	16,658,592
PBT - CRQ	-643,752	190,271	1,505,780	-250,998	801,302
PBT - PCQ	-909,063	-41,391	-790,045	-270,239	-2,010,738



B2 Financial review for current quarter compared with immediate preceding quarter

	Current Quarter 31 Dec 2024 RM'000	Immediate Preceding Quarter 30 Sept 2024 RM'000	Changes (Amount/ %) RM'000
Revenue	18,175	22,243	-18.29 %
Profit / (Loss) Before Interest and Tax	584	2,569	-77.27 %
Profit / (Loss) before tax	801	2,547	-68.55 %
Profit / (Loss) after tax	308	1,497	-79.43 %
Profit/(Loss) Attributable to Ordinary Equity Holders Of the parent holders of the parent	401	1,611	-75.11 %

The Group's registered revenue of RM18.175Mil for the current quarter under review as compared to RM22.243Mil in the immediate preceding quarter. Turnover decreased by RM4.068Mil or 18.29%. The decrease in revenue was mainly contributed by lower sales volume in Manufacturing, Trading segment and lower progress billing by development segment .

The Group recorded profit before tax of RM0.801Mil for current reporting quarter compared to profit before tax of RM2.547Mil for the immediate preceding quarter. The decrease in profit is mainly contributed in line with lower sales volume in manufacturing, Trading segment and lower progress billing by Property Development segment.

The Financial review of the respective operating business segments of the Group for current reporting quarter (CRQ) compared with immediate preceding quarter (IPQ) are analysed as follows:-

	Manufacturing RM	Trading RM	Property Development RM	Rental / Others RM	Total RM
Revenue - CRQ	7,959,053	2,902,027	6,352,314	961,728	18,175,122
Revenue - IPQ	8,913,124	3,524,712	8,693,263	1,111,728	22,242,827
PBT - CRQ	-643,752	190,271	1,505,780	-250,998	801,302
PBT - IPQ	-606,950	-545,219	3,603,789	96,132	2,547,752

B3 Prospects of the current financial year

The Board of Directors is of the view that local business environment for the manufacturing and trading of steel products remains challenging, with volatile steel prices, slowing global economy and external environments uncertainties, however the local economy is expected spur with the ongoing project such as the MRT3, ECRL, Penang LRT and Sabah Pan Borneo Highway.

As for the property market, the Penang Property market is expected to remain resilient, supported by strong economic fundamentals and ongoing infrastructure projects. Areas with improved connectivity and new developments such as Batu Kawan and Penang south islands, are likely to see increased interest from both local and foreign investors.

To remain resilient, the Group strives to manage operating cost efficiently and hence expects the Group's performance for the financial year ending 30 June 2025 to be positive.

B4 Variance of actual profit from forecast profit

This is not applicable to the Group.

B5 Taxation

Taxation comprises:-

	Current Year Quarter 31/12/2024	Cumulative Quarters	
		Current Year To Date 31/12/2024	Preceding Year Corresponding Period 31/12/2023
	RM'000	RM'000	RM'000
Current year expense	-	-	-
Provision of Income tax	(493)	(1,543)	(486)
	(493)	(1,543)	(486)
Current year Deferred tax provision	-	-	-
	(493)	(1,543)	(486)



B6 Other Investments

	RM 31 Dec 2024	RM 30 June 2024
Non-current		
Available for sale financial assets:		
At fair value:		
- Quoted securities in Malaysia	12,522,991	12,522,991
- Addition		
	<u>12,522,991</u>	<u>12,522,991</u>
Held-to-maturity investments		
At cost:		
- Loan stocks quoted in Malaysia	4,887,117	4,887,117
	<u>17,410,108</u>	<u>17,410,108</u>
Market value of:		
- Quoted securities	13,098,358	12,522,991
- Loan stocks	4,372,683	4,887,117
	<u>17,471,041</u>	<u>17,410,108</u>

B7 Status of corporate proposals

There is no transaction or event of a material or unusual nature occurring between 30th June 2024 and the date of this announcement.

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B8(A) Status of Utilization of Proceeds

The Company received proceeds amounting to RM97.794 million from the issuance of 1,222,426,720 Irredeemable Convertible Preference Shares (“ICPS”) at an issue price of RM0.08 per ICPS in December 2017. The proceeds have been utilized in the following manner as at 31st Dec 2024:-

Purpose	Approved utilization RM'000	Amount utilized RM'000	Balance unutilized RM'000
Purchase of new equipment/machineries	6,550	4,258	2,292
Investment in new business	30,000	30,000	-
Upgrading of building	10,000	10,000	-
Working capital	50,244	50,244	-
Expenses in relation to the Proposal (ICPS)	1,000	763	237
Total :	97,794	95,265	2,529

B8(B) Status of Utilisation of proceeds - Private Placement

Receipts	RM
1 st Tranche	3,004,898
2 nd Tranche	4,662,185
Total	7,667,083

Usage purposes	Proposed Utilisation RM'000	Amount Utilised RM'000	Balance Unutilised RM'000
Development of Sky Urban Condominium project	4,632	4,632	-
Working capital for MAYU Group	2,879	2,879	-
Expenses for the Proposed Private Placement	156	156	-
Total :	7,667	7,667	-



B9 Group borrowings and debt securities

There were no bank borrowings other than as detailed below and debt securities as at the end of the reporting period.

	As at 2 nd quarter ended Dec 2024					
	Long term		Short term		Total borrowings	
	Foreign denomination	RM denomination	Foreign denomination	RM denomination	Foreign denomination	RM denomination
Secured						
Bank Overdrafts	-	-	-	-	-	-
Bankers Acceptance	-	-	-	-	-	-
Hire Purchase	-	67,087	-	-	-	67,087
Unsecured						
Term Loan	-	-	-	-	-	-
Hire Purchase	-	873,156	-	-	-	873,156
TOTAL	-	940,243	-	-	-	940,243

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B9 Group borrowings and debt securities – cont.

	As at quarter ended Dec 2023					
	Long term		Short term		Total borrowings	
	Foreign denomination	RM denomination	Foreign denomination	RM denomination	Foreign denomination	RM denomination
Secured						
Bank Overdrafts	-	-	-	-	-	-
Bankers Acceptance	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-
Hire Purchase	-	-	-	-	-	-
Unsecured						
Term Loan	-	-	-	-	-	-
Hire Purchase	-	1,151,199	-	-	-	1,151,199
TOTAL	-	1,151,199	-	-	-	1,151,199

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B10 Dividends

The Board of Directors of the Company has not recommended any dividend for the period ended 31/12/2024

B11 Earnings per Share

(i) Basic earnings per ordinary share

The earnings per share is calculated by dividing the net profits attributable to owners of the parent of RM2,012,715 by the number of ordinary shares in issue during the current quarter after treasury shares of 482,489,874.

(ii) Diluted earnings per ordinary share

The diluted earnings per share are not presented as the assumed conversions of potential ordinary share are anti-dilutive.

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