

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2022**

(The figures have not been audited)

	Note	Individual Quarter 30 September 2022 RM'000	Cumulative Period 30 September 2022 RM'000
Revenue		92,973	162,431
Cost of sales		(84,629)	(143,528)
Gross Profit		8,344	18,903
Other income		3,186	7,866
Finance income		107	263
Gain on liquidation of a subsidiary company		-	176
Administrative and selling expenses		(8,578)	(21,921)
		3,059	5,287
Finance costs		(1,134)	(3,420)
Share of results of associate companies		1,999	4,829
Share of results of joint venture company		566	1,433
Profit before taxation		4,490	8,129
Taxation		(1,702)	(2,597)
Profit after taxation		2,788	5,532
Other comprehensive loss			
Exchange translation differences		-	(176)
Total comprehensive income for the financial period		2,788	5,356

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2022 (CONT'D)**
(The figures have not been audited)

	Note	Individual Quarter 30 September 2022 RM'000	Cumulative Period 30 September 2022 RM'000
PROFIT AFTER TAX ATTRIBUTABLE TO:			
Owners of the Company		2,551	3,921
Non-controlling interests		237	1,611
		2,788	5,532
TOTAL COMPREHENSIVE INCOME			
Owners of the Company		2,551	3,745
Non-controlling interests		237	1,611
		2,788	5,356
Earnings per share attributable to owners of the Company:			
Basic (sen)	B9	0.57	0.88
Diluted (sen)	B9	0.54	0.84

Notes:

There is no comparative for the financial quarter/period ended 30 September 2022 due to the change in the financial year end from 31 March to 31 December as stated in Note A3 of Explanatory Notes to the Unaudited Interim Financial Report. The Unaudited Condensed Consolidated Statement of Comprehensive Income for the financial quarter/period ended 30 September 2022 is not comparable with the individual and cumulative quarter previously reported.

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial period ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022**
(The figures have not been audited)

	As At 30 September 2022 RM'000	(Audited) As At 31 December 2021 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	47,398	40,865
Right-of-use assets	7,850	3,448
Investment properties	31,610	31,610
Goodwill on consolidation	3,459	3,459
Investment in associate companies	52,450	47,625
Investment in joint venture company	2,679	1,590
Other investment	70	70
Inventories	62,511	159,540
Trade receivables	2,638	3,186
TOTAL NON-CURRENT ASSETS	210,665	291,393
CURRENT ASSETS		
Inventories	228,565	19,274
Contract assets	40,376	19,288
Trade receivables	103,119	131,554
Other receivables	59,013	50,661
Tax recoverable	2,970	11
Fixed deposits with licensed banks	22,326	12,505
Cash and bank balances	36,974	21,341
	493,343	254,634
Asset classified as held for sale	2,308	-
TOTAL CURRENT ASSETS	495,651	254,634
TOTAL ASSETS	706,316	546,027
EQUITY AND LIABILITIES		
EQUITY		
Share capital	132,850	124,480
Treasury shares	(255)	(255)
Foreign currency translation reserve	-	176
Revaluation reserve	14,159	14,284
Capital reserve	(28)	(28)
Warrant reserve	2,045	3,988
Retained earnings	55,236	51,190
Equity attributable to owners of the parent	204,007	193,835
Non-controlling interest	30,561	20,613
TOTAL EQUITY	234,568	214,448

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022 (CONT'D)**
(The figures have not been audited)

	As At 30 September 2022 RM'000	(Audited) As At 31 December 2021 RM'000
NON-CURRENT LIABILITIES		
Contract liabilities	14	25
Trade payables	13,226	6,681
Bank borrowings	190,294	108,764
Lease liabilities	2,599	1,289
Deferred tax liabilities	4,135	3,833
TOTAL NON-CURRENT LIABILITIES	<u>210,268</u>	<u>120,592</u>
CURRENT LIABILITIES		
Contract liabilities	12	14
Trade payables	100,721	57,199
Other payables	73,840	61,920
Amount due to a director	7,020	-
Amount due to holding company	4,815	9,501
Amount due to related companies	4,342	274
Bank borrowings	68,484	79,903
Lease liabilities	1,876	1,004
Current tax liabilities	370	1,172
TOTAL CURRENT LIABILITIES	<u>261,480</u>	<u>210,987</u>
TOTAL LIABILITIES	<u>471,748</u>	<u>331,579</u>
TOTAL EQUITY AND LIABILITIES	<u>706,316</u>	<u>546,027</u>
NET ASSET PER SHARE (RM)	0.53	0.49

Notes:

- (1) *The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial period ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial report.*
- (2) *Net asset per share for the current quarter/period and comparative financial period is calculated based on the total equity divided by the weighted average number of ordinary shares in issue for the quarter and comparative financial period.*

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2022**

(The figures have not been audited)

	-----Attributable to Owners of the Company-----									
	-----Non-Distributable-----						Distributable			
	Share Capital RM'000	Treasury Shares RM'000	Warrant Reserve RM'000	Foreign Currency Translation Reserve RM'000	Capital Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
At 1 January 2022	124,480	(255)	3,988	176	(28)	14,284	51,190	193,835	20,613	214,448
Profit for the financial period	-	-	-	-	-	-	3,921	3,921	1,611	5,532
Foreign currency translation reserve	-	-	-	(176)	-	-	-	(176)	-	(176)
Total comprehensive income for the financial period	-	-	-	(176)	-	-	3,921	3,745	1,611	5,356
Realisation of revaluation surplus	-	-	-	-	-	(125)	125	-	-	-
Transactions with owners:										
Exercise of warrants	8,370	-	(1,943)	-	-	-	-	6,427	-	6,427
Acquisition of equity interest of non-controlling interests	-	-	-	-	-	-	-	-	7,112	7,112
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	1,225	1,225
Total transactions with owners of the Company	8,370	-	(1,943)	-	-	-	-	6,427	8,337	14,764
At 30 September 2022	132,850	(255)	2,045	-	(28)	14,159	55,236	204,007	30,561	234,568

Notes:

There is no comparative for the financial quarter/period ended 30 September 2022 due to the change of financial year end from 31 March to 31 December as stated in Note A3 of Explanatory Notes to the Unaudited Interim Financial Report. The Unaudited Condensed Consolidated Statement of Changes in Equity for the financial period ended 30 September 2022 is not comparable with the cumulative period previously reported.

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial period ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2022**
(The figures have not been audited)

	Cumulative Period 30 September 2022 RM'000
Cash Flows From Operating Activities	
Profit before taxation	8,129
Adjustments for :	
Depreciation of property, plant and equipment	1,388
Depreciation of right-of-use assets	1,231
Gain on disposal of property, plant and equipment	(440)
Interest expense	3,420
Interest income	(263)
Gain on bargain purchase	(2,752)
Gain on liquidation of a subsidiary company	(176)
Reversal of impairment loss on trade receivables	(1,196)
Share of results of associate company	(4,829)
Share of results of joint venture company	(1,433)
Unrealised gain on foreign exchange	(930)
Operating profit before changes in working capital	2,149
Changes in working capital:	
Inventories	(114,570)
Trade receivables	46,254
Other receivables	(5,080)
Trade payables	36,433
Other payables	1,846
Contract assets	2,766
Contract liabilities	(13)
Cash generated from/(used in) operations	(30,215)
Interest paid	(3,420)
Tax refund	3
Tax paid	(5,792)
Net cash flows from operating activities	(39,424)

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2022 (CONT'D)**
(The figures have not been audited)

	Cumulative Period 30 September 2022 RM'000
Cash Flows From Investing Activities	
Capital contribution by non-controlling interests	1,225
Interest received	263
Net cash outflow from acquisition of subsidiary companies	(1,353)
Acquisition of property, plant and equipment	(4,347)
Acquisition of right-of-use assets	(16)
Proceeds from disposal of property, plant and equipment	443
Net cash flows used in investing activities	<u>(3,785)</u>
Cash Flows From Financing Activities	
Repayment to holding company	(4,686)
Advance from related companies	4,068
Advance from a director	7,020
Drawdown of term loans	83,000
Increase in fixed deposits pledged as security values	(7,510)
Payment of lease liabilities	(1,326)
Net changes in banker's acceptances, revolving credit and trust receipts	(26,557)
Repayment of term loans	(2,395)
Proceeds from exercise of warrants	6,427
Net cash flows from financing activities	<u>58,041</u>
Net increase in cash and cash equivalents	14,832
Effects of changes in exchange rates	3
Cash and cash equivalents at beginning of the financial period	16,480
Cash and cash equivalents at end of the financial period	<u>31,315</u>

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2022 (CONT'D)***(The figures have not been audited)***Cumulative Period
30 September 2022
RM'000**

Analysis of cash and cash equivalents:-

Cash and bank balances	36,974
Fixed deposits with licensed banks	22,326
Bank overdrafts	(6,945)
	<hr/>
	52,355
Less: Fixed deposits pledged with licensed banks	(21,040)
	<hr/>
	31,315
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Notes:

There is no comparative for the financial quarter/period ended 30 September 2022 due to the change of financial year end from 31 March to 31 December as stated in Note A3 of Explanatory Notes to the Unaudited Interim Financial Report. The Unaudited Condensed Consolidated Statement of Cash Flows for the financial period ended 30 September 2022 is not comparable with the cumulative period previously reported.

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial period ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial report.

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NOTES TO THE INTERIM FINANCIAL REPORT- THIRD QUARTER ENDED 30 SEPTEMBER 2022

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2022

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) No. 134- Interim Financial Reporting and paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements (“Listing Requirements”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial period ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial report.

The accounting policies adopted in the interim financial statements are consistent with those adopted in the audited financial statements for the financial period ended 31 December 2021, except for the adoption of standards and interpretations that are mandatory for the Group for the financial year beginning 1 January 2022:-

Amendments 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	
- Amendment to MFRS 1	
- Amendment to MFRS 9	
- Amendment to MFRS 16	
- Amendment to MFRS 141	

The Group has not applied the following standards, amendments and interpretations under the MFRS framework that have been issued by the Malaysia Accounting Standards Boards as they have yet to be effective for the Group:

	Effective dates for financial period beginning on and after
MFRSs and IC Interpretations (Including The Consequential Amendments)	
MFRS 17 – Insurance Contracts	1 January 2023
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 2023
Amendments to MFRS 101 – Disclosure of Accounting Policies	1 January 2023
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
Amendments to MFRS 10 and MFRS 128 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2022 (CONT'D)

A2. Auditors' report of preceding annual audited financial statements

The auditors' report on the preceding year's audited financial statements of the Company and of the Group was not subject to any qualification.

A3. Change of financial year end

As announced on 6 September 2021, the Group changed its financial year end from 31 March to 31 December. Due to the change, the Unaudited Condensed Consolidated Statement of Comprehensive Income, Unaudited Condensed Consolidated Statement of Changes in Equity and Unaudited Condensed Consolidated Statement of Cash Flows for the financial period ended 30 September 2022 are not comparable with the individual and cumulative quarter previously reported.

A4. Seasonal or cyclical factors

The businesses of the Group were not affected by seasonal or cyclical factors during the current financial quarter and financial period to-date.

A5. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter and financial period to-date.

A6. Material changes in estimates

There were no material changes in estimates used in reporting the current financial quarter and financial period-to-date as compared to the audited financial statements of the Group for the financial period ended 31 December 2021.

A7. Debt and equity securities

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities except for the following: -

During the financial period to-date, there was an issuance of 32,133,900 new ordinary shares pursuant to the conversion of Warrants 2013/2023 at an exercise price of RM0.20 per ordinary share for a total cash consideration of RM6,426,780.

During the financial period to-date, none of the treasury shares is distributed as share dividends to the shareholders.

As of 30 September 2022, the number of treasury shares held was 700,000 ordinary shares.

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2022 (CONT'D)

A8. Dividend

No dividend was declared or paid in the current financial quarter and financial period to-date.

A9. Segmental Reporting

9 months ended 30 September 2022 (Current Financial Period)

	Commercial vehicles and bodyworks RM'000	Property development RM'000	Rental and fleet management services RM'000	Construction RM'000	Holding Company RM'000	Consolidated RM'000
Revenue	59,192	1,449	2,173	99,610	7	162,431
Results						
Segment results	3,482	(5,618)	677	8,404	(1,658)	5,287
Finance costs	(311)	(1,754)	(22)	(608)	(725)	(3,420)
Share of results of associate companies	-	4,365	-	464	-	4,829
Share of results of joint venture company	-	-	-	1,433	-	1,433
Profit/(Loss) before tax	3,171	(3,007)	655	9,693	(2,383)	8,129
Income tax expense						(2,597)
Profit for the financial period						5,532

A10. Valuation of property, plant and equipment

The Group has not carried out any valuation on its property, plant and equipment in the current financial quarter and financial period to-date.

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2022 (CONT'D)
A11. Valuation of investment properties

The Group has not carried out any valuation on its investment properties in the current financial quarter and financial period to-date.

A12. Capital commitments

There were no outstanding capital commitments as of the date of this quarterly report, except for the followings:-

	Unaudited	Audited
	30 September 2022	31 December 2021
	RM'000	RM'000
Approved and contracted for:		
- acquisition of land held for property development	50,223	50,223
- acquisition of property, plant and equipment	883	-
Contracted and subject to shareholders' approvals:		
- acquisition of land held for property development	-	85,000
	<u>51,106</u>	<u>135,223</u>

A13. Changes in the composition of the Group

There were no changes in the composition of the Group during the current financial quarter and financial period to-date, except for the followings:-

- (i) Boon Koon Vehicles Pte. Ltd. ("BKVPL"), a wholly-owned subsidiary of the Company was struck off from the register on 7 February 2022.
- (ii) On 12 August 2022, Chin Hin Construction Sdn. Bhd., a wholly-owned subsidiary of the Company acquired 1,500,000 ordinary shares in Makna Setia Sdn. Bhd. ("Makna Setia"), representing 60% equity interest in Makna Setia for a total consideration of RM7.92 million, satisfied by cash.

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2022 (CONT'D)
A14. Contingent liabilities and contingent assets

There were no contingent assets as of the date of this interim financial report. Contingent liabilities of the Group were as follows: -

	Unaudited	Audited
	30 September 2022	31 December 2021
Unsecured	RM'000	RM'000
Guarantees given to third parties in respect of trade & contracts	145,916	66,527
Guarantees given to financial institutions for borrowings	223,630	171,188

A15. Significant subsequent events

There were no significant events subsequent to the end of the quarter under review.

A16. Related party transactions

Our Group's transactions with companies in which our directors or substantial shareholders have an interest for the current financial quarter and financial period to-date were as follows: -

	Individual Quarter	Cumulative Quarter
	30 September 2022	30 September 2022
	RM'000	RM'000
Rental expense paid/payables	67	176
Rental income received/receivables	-	6
Purchase of goods	4,354	7,504
Progress billing receivables	2,019	4,341
Project management fee received/receivables	169	1,473
Road tax and insurance paid	15	83

These transactions have been entered into in the normal course of business.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS**B1. Review of performance**

Analysis of performance of the respective business segments are as follows:-

	Unaudited Individual Quarter 30 September 2022 RM'000	Unaudited Individual Quarter 30 June 2022 RM'000	Unaudited Cumulative Quarter 30 September 2022 RM'000
Revenue			
(a) Commercial vehicles and bodyworks	29,221	11,770	59,192
(b) Property development	170	1,279	1,449
(c) Rental and fleet management services	701	717	2,173
(d) Construction	66,077	22,081	102,806
(e) Others segment	169	171	511
	96,338	36,018	166,131
Less : Elimination	(3,365)	(167)	(3,700)
Total	92,973	35,851	162,431
Profit before taxation			
(a) Commercial vehicles and bodyworks	1,315	760	2,712
(b) Property development	(927)	(1,150)	(3,008)
(c) Rental and fleet management services	167	138	670
(d) Construction	4,830	1,793	10,037
(e) Others segment	(554)	(629)	(1,946)
	4,831	912	8,465
Less : Elimination	(341)	22	(336)
Total	4,490	934	8,129

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B1. Review of performance (Cont'd)

Comparison with the preceding quarter

- (a) For the commercial vehicles and bodyworks segment, revenue for the current quarter was RM29.22 million compared to RM11.77 million in the preceding quarter. This was due to higher demand for rebuilt commercial vehicles in the current quarter. Correspondingly, profit before taxation ("PBT") in the current quarter increased to RM1.31 million compared to RM0.76 million in the preceding quarter.
- (b) For the property development segment, revenue for the current quarter was RM0.17 million compared to RM1.28 in the preceding quarter, mainly due to lower project management fees charged to the related party. The loss before tax ("LBT") decreased to RM0.9 million compared to LBT of RM1.15 million in the preceding quarter. There was no development revenue due to the completion of the existing project and the new project has yet to launch.
- (c) For the rental and fleet management services segment, revenue for the current quarter was recorded at RM0.70 million compared to RM0.72 million in the preceding quarter. Correspondingly, PBT in the current quarter reduced marginally to RM0.17 million compared to RM0.14 million in the preceding quarter.
- (d) For the construction segment, revenue for the current quarter increased to RM66.08 million compared to RM22.08 million in the preceding quarter. This was mainly due to the higher work progress. Correspondingly, PBT increased to RM4.83 million compared to RM1.79 million in the preceding quarter.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B2. Prospects

After enduring the painful pandemic impact for two years, Malaysia transitioned into an endemic phase in April 2022. Following the country's international borders reopening, we are confident that the economic environment will return to a more vibrant state.

(i) Commercial vehicles and bodyworks

The commercial vehicles market remains challenging given the weakening Malaysian Ringgit against other major currencies, which pressures the profit margin. The effect of the weakening Ringgit has become more pronounced in recent years. The division will continue to enhance productivity excellence with cost optimization to minimize the negative impact on its profitability. The demand for light/big truck models and prime movers remains strong for the logistics and food delivery business. Moving forward, the division is strengthening its marketing efforts for the food truck model and passenger van for the tourism industry to increase its market share.

(ii) Property development and construction

The property development division has intensified its marketing effort to drive sales for the "8th & Stellar" joint development project, which comprises mixed residential and commercial lots in Sri Petaling. The project has recorded sales of 96% as of 30 September 2022. The division has embarked on a landbank accumulation strategy, especially in the Klang Valley, in anticipation of a positive market recovery in 2022. Aggressive properties launching will be in the pipeline soon.

The construction division expects gradual improvement in contract flows as Malaysia embraces endemicity with private-sector opportunities and roll-outs of public projects like the Johor Bahru-Singapore Rapid Transit System, East Coast Rail Link, and Mass Rapid Transit Line 3 to keep the tap running in 2022. The division's outstanding order book currently stands at RM1.07 billion, and it is expected to improve with the resumption of construction activities. The recent acquisition of Makna Setia Sdn Bhd will enable the division to diversify further and tap into infrastructure projects.

Barring any unforeseen circumstances, the Group remains optimistic about the long-term prospects. The Group will reposition itself to cope with the challenges and remain vigilant for new opportunities.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**B3. Profit forecast and profit guarantee**

There is no profit forecast and profit guarantee provided by the Group and as such, this disclosure requirement is not applicable.

B4. Taxation

	Individual Quarter 30 September 2022 RM'000	Cumulative Quarter 30 June 2022 RM'000
Income tax expense		
- Current financial period	(1,602)	(2,295)
Deferred tax		
- Current financial period	(100)	(302)
	<u>(1,702)</u>	<u>(2,597)</u>

The Group's effective tax rate for the period to-date was higher than the statutory tax rate mainly due to business losses of some subsidiaries and certain expenses not deductible for tax purposes.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B5. Status of corporate proposals

Saved as disclosed below, there were no other corporate proposals that the Company had announced and are pending completion as of to date:

(a) Proposed acquisition of a parcel of land from SMD Real Estate Sdn Bhd (“Proposed Acquisition 1”)

On 8 February 2021, the Company announced that Boon Koon Capital Sdn Bhd (“BKC”), a wholly-owned subsidiary of the Company, entered into a conditional sale and purchase agreement (“SPA 1”) with SMD Real Estate Sdn Bhd to purchase a parcel of land identified as HSD 52600, PT No 65618, Bandar Cyberjaya, Daerah Sepang, Negeri Selangor for cash consideration of RM50,223,329.60.

On 6 December 2021, the parties agreed to extend the conditional period of the SPA 1 to 5 June 2022. On 3 June 2022, the parties agreed to further extend the conditional period to 6 March 2023. This is to enable BKC to procure the necessary funding to finance the Proposed Acquisition 1.

(b) Multiple Proposals

On 25 August 2022, the Company announced to propose to undertake the followings:-

(i) Proposed Acquisition of Quaver Sdn Bhd (“Quaver”)

BKG Development Sdn Bhd, a wholly-owned subsidiary of the Company on 25 August 2022 entered into a share sale agreement with Aera Property Group Sdn Bhd to acquire 11,500,000 ordinary shares in Quaver, representing 100% equity interest in Quaver, for cash consideration of RM1.25 million;

(ii) Proposed Acquisition of Kayangan Kemas Sdn Bhd (“Kayangan”)

CHGP, on 25 August 2022 entered into a share sale agreement with Chan Kin Keong to acquire 3,000,000 ordinary shares in Kayangan, representing 30% equity interest in Kayangan for a cash consideration of RM16.70 million;

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B5. Status of corporate proposals (Cont'd)

(b) Multiple Proposals (Cont'd)

(iii) Proposed Related Party Project

Kayangan, on 25 August 2022 received a letter of award from Ace Logistic Sdn Bhd for the design, construction and completion of a proposed single-storey factory with 3-storey office and hostel at Mukim Labu, Bandar Baru Enstek, Negeri Sembilan for a contract sum of RM57.09 million; and

(iv) Proposed Private Placement

CHGP proposed to undertake a private placement of up to 15% of its issued ordinary shares.

The Proposed Acquisition of Quaver and Proposed Related Party Project are deemed related party transactions pursuant to Paragraph 10.08 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Proposed Private Placement is subject to and conditional upon the approvals from Bursa Securities for the listing of and quotation for the Placement Shares on the Main Market of Bursa Securities.

The Proposed Acquisition of Quaver, Proposed Acquisition of Kayangan and Proposed Related Party Project are subject to the following:

- (i) Approval from CHGP's shareholders at an extraordinary general meeting ("EGM") to be convened; and
- (ii) Approval/consent from any other relevant parties, if required.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**B6. Borrowings**

The Group's borrowings are all secured and denominated in Ringgit Malaysia, details are as follows: -

	As at	(Audited)
	30 September 2022	As at
	RM'000	31 December 2021
		RM'000
Banker's acceptances	26,292	11,000
Bills discounting facility	1,987	-
Promissory note	175	-
Revolving credits	25,000	60,000
Term loans	193,803	112,290
Trust receipts	4,576	516
Bank overdrafts	6,945	4,861
Total bank borrowings	258,778	188,667

Total bank borrowings comprises:-**Current:**

Banker's acceptances	26,292	11,000
Bills discounting facility	1,987	-
Promissory note	175	-
Revolving credits	25,000	60,000
Term loans	3,509	3,526
Trust receipts	4,576	516
Bank overdrafts	6,945	4,861
	68,484	79,903

Non-current:

Term loans	190,294	108,764
	258,778	188,667

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**B7. Lease liabilities**

The Group's lease liabilities are denominated in Ringgit Malaysia, details are as follows: -

	As at	(Audited)
	30 September 2022	As at
	RM'000	31 December 2021
		RM'000
Present value of minimum lease payments:-		
Repayable within twelve months	1,876	1,004
Repayables after twelve months	2,599	1,289
	<u>4,475</u>	<u>2,293</u>

B8. Material litigation

There was no material litigation during the current financial quarter and financial period to-date.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**B9. Earnings per share****Basic earnings per ordinary share**

The basic earnings per share is calculated based on the Group's profit attributable to equity holders of the Company divided by the weighted average number of ordinary shares as follows:

	Individual Quarter 30 September 2022	Cumulative Quarter 30 September 2022
Profit for the period attributable to the owners of the Company (RM'000)	2,551	3,921
Number of ordinary shares in issues as at 1 January ('000)	440,394	440,394
Effect of ordinary share issued during the financial period ('000)	4,437	4,437
Effect of treasury shares held ('000)	(700)	(700)
	<u>444,131</u>	<u>444,131</u>
Basic earnings per share (sen)	<u>0.57</u>	<u>0.88</u>

Diluted earnings per ordinary share

The diluted earnings per share is calculated based on the Group's profit attributable to equity holders of the Company divided by the weighted average number of ordinary shares in issue, adjusted for the dilutive effects of warrants as follows:

	Individual Quarter 30 September 2022	Cumulative Quarter 30 September 2022
Profit for the period attributable to the owners of the Company (RM'000)	2,551	3,921
Weighted average number of ordinary shares as above ('000)	444,131	444,131
Adjustment for assumed conversion of warrants ('000)	24,353	24,353
Weighted average number of ordinary shares ('000)	<u>468,484</u>	<u>468,484</u>
Diluted earnings per share (sen)	<u>0.54</u>	<u>0.84</u>

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**B10. Disclosure on selected expense/income items as required by the Listing Requirements**

Included in profit before tax comprised the following expense/(income) items:

	Individual Quarter 30 September 2022 RM'000	Cumulative Quarter 30 September 2022 RM'000
Profit before taxation is arrived at after charging/(crediting):-		
Audit remuneration		
- Current year	13	118
Depreciation of property, plant and equipment	629	1,388
Depreciation of right-of-use assets	512	1,231
Directors' fee	44	122
Directors' remuneration	-	-
- Salary, EPF and Socso	227	1,018
- Other emoluments	2	9
Interest expense	1,134	3,420
Rental expenses	41	158
Unrealised gain on foreign exchange	22	(930)
Interest income	(107)	(263)
Gain on liquidation of a subsidiary company	-	(176)
Gain on disposal of property, plant and equipment	(317)	(440)
Realised gain on foreign exchange	834	723
Rental income	-	(6)
Reversal of impairment loss on trade receivables	(3)	(1,196)
Share of results of associate companies	(1,999)	(4,829)
Share of results of joint venture company	(565)	(1,433)

BY ORDER OF THE BOARD

22 November 2022