

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

	Individual Quarter			Cumulative Quarter		
	30.9.2023 RM '000	30.9.2022 RM '000	Changes %	30.9.2023 RM '000	30.9.2022 RM '000	Changes %
Revenue	138,595	92,973	49%	435,770	162,431	>100%
Cost of sales	(126,079)	(84,629)	49%	(381,303)	(143,528)	>100%
Gross profit	<u>12,516</u>	<u>8,344</u>	50%	<u>54,467</u>	<u>18,903</u>	>100%
Other income	1,185	3,293	-64%	2,573	8,305	-69%
Administrative expenses	(9,319)	(7,988)	17%	(31,364)	(20,160)	56%
Other operating expenses	(2,091)	(590)	>100%	(4,158)	(1,761)	>100%
Fair value (loss)/gain on other investment	(230)	-	-100%	2,476	-	100%
Operating profit	<u>2,061</u>	<u>3,059</u>	-33%	<u>23,994</u>	<u>5,287</u>	>100%
Finance costs	(3,016)	(1,134)	>100%	(6,361)	(3,420)	86%
Share of results of associate companies	(470)	1,999	<-100%	(313)	4,829	<-100%
Share of results of joint venture company	4,727	566	>100%	12,804	1,433	>100%
Profit before tax	<u>3,302</u>	<u>4,490</u>	-26%	<u>30,124</u>	<u>8,129</u>	>100%
Income tax expense	(2,154)	(1,702)	27%	(7,858)	(2,597)	>100%
Profit after tax	<u>1,148</u>	<u>2,788</u>	-59%	<u>22,266</u>	<u>5,532</u>	>100%
Other comprehensive income	-	-		-	(176)	-100%
Total comprehensive income for the financial period	<u>1,148</u>	<u>2,788</u>	-59%	<u>22,266</u>	<u>5,356</u>	>100%

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONT'D)**

	Individual Quarter			Cumulative Quarter		
	30.9.2023	30.9.2022	Changes	30.9.2023	30.9.2022	Changes
	RM '000	RM '000	%	RM '000	RM '000	%
Profit after tax attributable to:						
Owners of the parent	1,104	2,551	-57%	20,610	3,921	>100%
Non-controlling interests	44	237	-82%	1,656	1,611	3%
	<u>1,148</u>	<u>2,788</u>	-59%	<u>22,266</u>	<u>5,532</u>	>100%
Total comprehensive income:						
Owners of the parent	1,104	2,551	-57%	20,610	3,745	>100%
Non-controlling interests	44	237	-82%	1,656	1,611	3%
	<u>1,148</u>	<u>2,788</u>	-59%	<u>22,266</u>	<u>5,356</u>	>100%
Earnings per share in sen						
- Basic	<u>0.22</u>	<u>0.57</u>	-62%	<u>4.03</u>	<u>0.88</u>	>100%
- Diluted	<u>0.22</u>	<u>0.54</u>	-60%	<u>4.03</u>	<u>0.84</u>	>100%

Notes:

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2022 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 2023**

	As at 30.9.2023 RM '000	As at 31.12.2022 (Audited) RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	63,083	52,471
Right-of-use assets	7,116	6,504
Investment properties	31,610	31,610
Goodwill on consolidation	3,953	3,459
Investment in associate companies	1,232	1,540
Investment in joint venture company	70,183	57,391
Other investment	35	70
Inventories	65,496	63,267
Trade receivables	15,773	15,278
Deferred tax assets	816	816
	259,297	232,406
Current assets		
Inventories	341,251	230,212
Contract assets	176,581	90,450
Trade receivables	68,212	96,494
Other receivables	65,485	42,875
Amount due from joint venture	2,358	-
Other investment	47,179	-
Tax recoverable	1,689	2,661
Fixed deposits with licensed banks	29,880	21,875
Cash and bank balances	49,454	58,400
	782,089	542,967
Asset classified as held for sale	-	1,223
	782,089	544,190
TOTAL ASSETS	1,041,386	776,596
EQUITY AND LIABILITIES		
Equity		
Share capital	183,777	134,813
Treasury shares	(255)	(255)
Reserves	97,480	76,454
	281,002	211,012
Non-controlling interests	12,006	31,975
Total equity	293,008	242,987

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023 (CONT'D)**

	As at 30.9.2023 RM '000	As at 31.12.2022 (Audited) RM '000
Non-current liabilities		
Trade payables	11,503	6,606
Bank borrowings	249,152	188,821
Lease liabilities	3,700	2,334
Deferred tax liabilities	6,990	5,369
	271,345	203,130
Current liabilities		
Contract liabilities	-	34
Trade payables	126,906	144,133
Other payables	145,094	102,905
Amount due to a director	61,891	7,020
Amount due to holding company	26,286	4,834
Amount due to related companies	10,528	3,875
Borrowings	103,135	64,663
Lease liabilities	1,289	2,026
Taxation	1,904	989
	477,033	330,479
Total liabilities	748,378	533,609
TOTAL EQUITY AND LIABILITIES	1,041,386	776,596
Net Asset Per Share (RM)	0.57	0.55

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 year ended 31 December 2022 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.*

CHIN HIN GROUP PROPERTY BERHAD [Registration No: 200101017677 (553434-U)]
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

	Non-Distributable						Distributable		Non-controlling Interests RM' 000	Total Equity RM' 000	
	Share Capital RM' 000	Treasury Shares RM' 000	Warrant Reserve RM' 000	Foreign Currency		Capital Reserve RM' 000	Revaluation Reserve RM' 000	Retained Profits RM' 000			Total RM' 000
				Translation Reserve RM' 000	Reserve						
Opening balance at 1 Jan 2022	124,480	(255)	3,988	176	(28)	14,284	51,190	193,835	20,613	214,448	
Total comprehensive income for the period	-	-	-	-	-	-	3,921	3,921	1,611	5,532	
Foreign currency translation reserve	-	-	-	(176)	-	-	-	(176)	-	(176)	
Realisation of revaluation surplus	-	-	-	-	-	(125)	125	-	-	-	
Exercise warrant	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	
Closing balance at 30 Sept 2022	132,850	(255)	2,045	-	(28)	14,159	55,236	204,007	30,561	234,568	
Opening balance at 1 Jan 2023	134,813	(255)	1,589	-	(28)	15,912	58,981	211,012	31,975	242,987	
Total comprehensive income for the period	-	-	-	-	-	-	20,610	20,610	1,656	22,266	
Realisation of revaluation surplus	-	-	-	-	-	(162)	162	-	-	-	
Exercise warrant	6,720	-	(1,560)	-	-	-	-	5,160	-	5,160	
Lapsed of warrants	-	-	(29)	-	-	-	29	-	-	-	
Private placement	42,244	-	-	-	-	-	-	42,244	-	42,244	
Acquisition of equity interest of NCI	-	-	-	-	-	-	4,465	4,465	(21,165)	(16,700)	
Striking off/Winding up of subsidiaries	-	-	-	161	-	-	(411)	(250)	(249)	(499)	
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	(2,239)	(2,239)	(211)	(2,450)	
Closing balance at 30 Sept 2023	183,777	(255)	-	161	(28)	15,750	81,597	281,002	12,006	293,008	

Notes

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 year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

	9 months ended	
	30.9.2023 RM '000	30.9.2022 RM '000
Operating activities		
Profit before taxation	30,124	8,129
Adjustments for:		
Depreciation and amortisation	4,271	2,619
Fair value gain on equity instrument	(2,476)	-
Reversal of impairment loss on trade receivables	(403)	(1,196)
Interest expense	6,362	3,420
Impairment loss on trade receivables	2,042	-
Gain on disposal of property, plant and equipment	(55)	(440)
Gain on disposal of asset held for sale	(34)	-
Gain on lease modification	(11)	-
Unrealised gain on foreign exchange	(359)	(930)
Share of results in associates	313	(4,829)
Share of results in joint ventures	(12,804)	(1,433)
Interest income	(457)	(263)
Gain on bargain purchase	-	(2,752)
Gain on liquidation of a subsidiary company	(562)	(176)
Total adjustments	(4,173)	(5,980)
Operating cash flows before changes in working capital	25,951	2,149
Changes in working capital:		
Inventories	(39,521)	(114,570)
Receivables	7,678	41,174
Payables	28,772	38,279
Contact asset/ liabilities	(74,426)	2,753
Total changes in working capital	(77,497)	(32,364)
Cash (used in)/ from operations	(51,546)	(30,215)
Interest received	457	263
Interest paid	(6,362)	(3,420)
Tax paid	(4,342)	(5,792)
Tax refund	-	3
Net cash flows used in operating activities	(61,793)	(39,161)
Investing activities		
Acquisition of a subsidiary	(1,118)	(1,353)
Changes in subsidiary's ownership interests	(19,150)	-
Capital contribution by non-controlling interests	-	1,225
Proceeds from disposal of property, plant and equipment	1,390	443
Purchase of other investment	(44,769)	-
Purchase of property, plant and equipment	(12,260)	(4,347)
Purchase of right-of-use assets	(43)	(16)
Net cash flows used in investing activities	(75,950)	(4,048)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONT'D)**

	9 months ended	
	30.9.2023 RM '000	30.9.2022 RM '000
Financing activities		
Advance from a director	53,911	7,020
Advance from/ (Repayment to) holding company	21,451	(4,686)
(Repayment to)/ Advance from related companies	(32,722)	4,068
Increase in fixed deposits pledged	(2,974)	(7,510)
Proceeds from exercise of warrants	5,159	6,427
Proceeds from private placement	42,244	-
Drawdown of term loan	15,965	83,000
Repayment of term loan	(5,698)	(2,395)
Repayment of lease liabilities	(1,687)	(1,326)
Net changes in banker's acceptances, revolving credit and bank facilities	33,277	(26,557)
Net cash flows from financing activities	128,926	58,041
Net (decrease)/ increase in cash and cash equivalents	(8,817)	14,832
Effect on exchange rate changes on cash and cash equivalents	-	3
Cash and cash equivalents as at 1 January	54,524	16,480
Cash and cash equivalents as at 30 September	45,707	31,315
Cash and cash equivalents :		
Cash and bank balances	49,454	36,974
Fixed deposits with licensed banks	29,778	22,326
Bank overdrafts	(9,677)	(6,945)
	69,555	52,355
Less : Fixed deposits pledged	(23,848)	(21,040)
	45,707	31,315

Notes :

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2022 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 2023
A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2023
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 year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant accounting policies

The accounting policies adopted in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2022, except for the adoption of standards and interpretations that are mandatory for the Group for the financial year beginning 1 January 2023:-

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 101	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 112	International Tax Reform – Pillar Two Model Rules

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:

MFRSs AND IC Interpretations (Including The Consequential Amendments)		Effective dates for financial period beginning on and after
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current	1 January 2024
Amendments to MFRS 101	Non-current Liabilities with Covenant	1 January 2024
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

A3. Auditors' report

The auditor's report on the preceding annual financial statements was not subject to any audit qualification.

A4. Seasonal and cyclical factors

The results for the current quarter under review were not materially affected by seasonal or cyclical factors.

A5. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review.

A6. Changes in estimates

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

A7. Equity and debt securities

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities for the current quarter under review.

During the current financial period, none of the treasury shares were distributed as share dividend to the shareholders. As at 30 September 2023, the number of treasury shares held was 700,000 ordinary shares.

A8. Dividend paid

No dividend has been paid during the current quarter under review.

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A9. Segment information
9 months ended 30 September 2023 (Current Financial Period)

	Property development RM'000	Construction RM'000	Commercial vehicles and fleet management RM'000	Others segment RM'000	Elimination RM'000	Consolidated RM'000
Revenue	31,935	373,238	58,464	507	(28,374)	435,770
Results						
Segment results	(5,767)	24,292	7,083	2,148	(3,762)	23,994
Finance costs	(4,963)	(837)	(745)	(1,307)	1,491	(6,361)
Share of results of associate companies	-	(313)	-	-	-	(313)
Share of results of joint venture company	12,612	192	-	-	-	12,804
Profit before tax	1,882	23,334	6,338	841	(2,271)	30,124
Income tax expense						(7,858)
Profit for the financial period						22,266

9 months ended 30 September 2022 (Previous Financial Period)

	Property development RM'000	Construction RM'000	Commercial vehicles and fleet management RM'000	Others segment RM'000	Elimination RM'000	Consolidated RM'000
Revenue	1,449	102,806	61,365	511	(3,700)	162,431
Results						
Segment results	(4,586)	8,787	3,820	(1,095)	(1,639)	5,287
Finance costs	(2,786)	(649)	(439)	(849)	1,303	(3,420)
Share of results of associate companies	4,365	464	-	-	-	4,829
Share of results of joint venture company	-	1,433	-	-	-	1,433
(Loss)/ Profit before tax	(3,007)	10,035	3,381	(1,944)	(336)	8,129
Income tax expense						(2,597)
Profit for the financial period						5,532

A10. Valuation of Property, Plant & Equipment and Investment Properties

The Group adopts the fair value model for its investment properties. There is no significant and indicative change in value of the said investment properties since the last balance sheet date ended 31 December 2022.

A11. Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter ended 30 September 2023 except for the followings :

- a) On 25 August 2022, the Company entered into a share sale agreement with Chan Kin Keong to acquire 3,000,000 ordinary shares in Kayangan Kemas Sdn Bhd (“Kayangan”), representing 30% equity interest in Kayangan for a cash consideration of RM16.70 million.

On 1 January 2023, the proposed acquisition is deemed completed as the Company had fulfilled all its payment obligation under the share sale agreement and obtained control of Kayangan. In accordance with MFRS 3 Business Combinations, the Company’s stake in Kayangan is now deemed as 95%.

On 11 August 2023, the Company announced that the Acquisition of Kayangan is completed.

- b) BK Sepadu Sdn. Bhd. (“BK Sepadu”) is a 62.5% owned subsidiary of Boon Koon Vehicles Industries Sdn Bhd, which in turn a wholly-owned subsidiary of the Company, the Board of Directors of CHGP wishes to inform that the Liquidator of BK Sepadu had on 17 July 2023 convened its Final Meeting to conclude the members’ voluntary winding-up.

The Liquidator of BK Sepadu had on 17 July 2023 lodged the Return By Liquidator Relating To Final Meeting pursuant to Section 459(3) of the Companies Act 2016 [“Notice Section 459(3)”] with the Companies Commission of Malaysia (“CCM”) and the Official Receiver.

Pursuant to Section 459(5) of the Companies Act 2016, BK Sepadu shall be dissolved on the expiration of three (3) months after the lodgement of Notice Section 459(3) with CCM and the Official Receiver.

- c) On 28 July 2023, BKG Development Sdn Bhd (“BKGD”), a wholly-owned subsidiary of the company entered into a share sale agreement with Atlantic Blue Holdings Sdn Bhd to acquire 2,450,000 ordinary shares in BK Alliance Sdn Bhd (“BKA”), representing 49% equity interest in BKA for a purchase consideration of RM2.45 million.

On 30 August 2023, the proposed acquisition is completed as BKGD had fulfilled the term and conditions under share sale agreement and obtained 100% control of BKA. BKA is a wholly-owned subsidiary of BKGD.

A12. Contingent Assets and Liabilities

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

	As at	
	30.9.2023	30.9.2022
	RM'000	RM'000
Unsecured		
- Guarantees given to third parties in respect of trade & contracts	10,146	145,916
- Guarantees given to financial institutions for borrowings	360,800	223,630
	370,946	369,546

A13. Capital commitment

	As at	
	30.9.2023	30.9.2022
	RM'000	RM'000
Approved and contracted for:		
- Acquisition of land held for property development	-	50,223
- Acquisition of property, plant and equipment	184	883
	184	51,106

A14. 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 year to date were as follows:

	Current quarter 3 months ended		Cumulative quarter 9 months ended	
	30.9.2023	30.9.2022	30.9.2023	30.9.2022
	RM'000	RM'000	RM'000	RM'000
Progress billing receivables	11,313	2,019	46,212	4,341
Purchase of goods	8,865	4,354	29,881	7,504
Rental paid/ payable	159	67	316	176
Road tax and insurance paid	4	15	82	83
Project management fee received/ receivables	-	169	165	1,473
Construction cost incurred	7,815	-	7,815	-
Rental income received/ receivables	-	-	-	6
	28,156	6,624	84,471	13,583

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

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1. Review of performance

Review of performance against the previous year corresponding period

During the current quarter, the Group recorded a revenue of RM138.6 million ended 30 September 2023 as compared to a revenue of RM93.0 million in the preceding year quarter ended 30 September 2022. The increases in revenue were mainly due to higher contribution from property division and higher work progress of the construction projects. Profit before tax decreased to RM3.3 million compared to a profit before tax of RM4.5 million in the preceding year's corresponding quarter mainly due to lower profit margin of projects and higher project operating costs arising from the escalation of raw material prices and higher labour costs.

For the current year to date, the Group recorded a revenue of RM435.8 million and profit before tax of RM30.1 million as compared to a revenue of RM162.4 million and profit before tax of RM8.1 million in the preceding year corresponding period. The performance for this financial period was mainly contributed by several major on-going construction projects.

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B1. Review of performance (cont'd)

Tabulated below are the various divisional contributions:

	Individual Quarter		Cumulative Period	
	30 Sept 2023	30 Sept 2022	30 Sept 2023	30 Sept 2022
	RM '000	RM '000	RM '000	RM '000
Revenue				
(a) Property development	15,340	170	31,935	1,449
(b) Construction	116,525	66,077	373,238	102,806
(c) Commercial vehicles and fleet management	22,971	29,922	58,464	61,365
(d) Others segment	169	169	507	511
	<u>155,005</u>	<u>96,338</u>	<u>464,144</u>	<u>166,131</u>
Less : Elimination	(16,410)	(3,365)	(28,374)	(3,700)
Total	<u>138,595</u>	<u>92,973</u>	<u>435,770</u>	<u>162,431</u>
Profit before taxation				
(a) Property development	(3,381)	(2,945)	(10,730)	(7,372)
(b) Construction	3,062	4,282	23,455	8,138
(c) Commercial vehicles and fleet management	2,507	1,481	6,338	3,381
(d) Others segment	(383)	(552)	841	(1,944)
	<u>1,805</u>	<u>2,266</u>	<u>19,904</u>	<u>2,203</u>
Less : Elimination	(2,760)	(341)	(2,271)	(336)
	(955)	1,925	17,633	1,867
Share of results of associates	(470)	1,999	(313)	4,829
Share of results of joint venture company	<u>4,727</u>	<u>566</u>	<u>12,804</u>	<u>1,433</u>
Total	<u>3,302</u>	<u>4,490</u>	<u>30,124</u>	<u>8,129</u>

B1. Review of performance (cont'd)**Property development**

Revenue for the current quarter increased to RM15.3 million compared to RM0.2 million in the preceding year's corresponding quarter, mainly due to higher sales and progress billings from on-going development projects such as Quaver and Ayanna. Correspondingly, loss before tax increased to RM3.4 million compared to RM3.0 million in the preceding year's corresponding quarter, mainly due to higher marketing cost and finance cost incurred which are still in the initial stages for new launch projects such as Ayanna, Avantro and Solarvest Tower.

Revenue for the current year to date increased to RM31.9 million compared to RM1.5 million in the preceding year to date mainly contributed by the newly acquired Quaver project and new launch of Ayanna project. Loss before tax increased to RM10.7 million compared to RM7.4 million in the preceding year to date mainly due to higher marketing cost, finance cost and staff cost incurred in the current year.

Construction

In the current quarter, revenue increased to RM116.5 million compared to RM66.1 million in the preceding year's corresponding quarter was mainly due to higher work progress for the on-going projects. However, profit before tax decreased to RM3.1 million compared to RM4.3 million in the preceding year's corresponding quarter mainly due to lower profit margin on certain on-going projects in current quarter due to higher project operating cost arising from escalation of raw material prices and higher labour costs.

Revenue for the current year to date increased to RM373.2 million compared to RM102.8 million in the preceding year to date. Correspondingly, profit before tax increased to RM23.5 million compared to RM8.1 million in the preceding year to date. The financial performance in the current year to date was higher due to higher progress billings from some on-going construction projects.

Commercial vehicles and fleet management

For the current quarter, revenue decreased to RM23.0 million compared to RM29.9 million in the preceding year's corresponding quarter was due to lower demand for rebuilt commercial vehicles in the current quarter. Profit before tax increased to RM2.5 million compared to RM1.5 million in the preceding year's corresponding quarter due to profit margin increase from the value added of product and cost efficiency in reducing production costs in the current quarter.

Revenue for the current year to date decreased to RM58.5 million compared to RM61.4 million in the preceding year to date. Profit before tax increased to RM6.3 million compared to RM3.4 million in the preceding year to date, mainly due to decrease in the operating cost in the reducing production costs.

B2. Financial review for current quarter compared with immediate preceding quarter

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

	Current Quarter 30 Sept 2023 RM '000	Immediate Preceding Quarter 30 June 2023 RM '000
Revenue		
(a) Property development	15,340	12,965
(b) Construction	116,525	135,724
(c) Commercial vehicles and fleet management	22,971	19,071
(d) Others segment	169	169
	155,005	167,929
Less : Elimination	(16,410)	(9,187)
Total	138,595	158,742
Profit before taxation		
(a) Property development	(3,381)	(3,882)
(b) Construction	3,062	8,416
(c) Commercial vehicles and fleet management	2,507	1,799
(d) Others segment	(383)	(2,276)
	1,805	4,057
Less : Elimination	(2,760)	(422)
	(955)	3,635
Share of results of associates	(470)	(267)
Share of results of joint venture company	4,727	5,756
Total	3,302	9,124

Material changes in the current quarter's result compared to the preceding quarter

The Group's revenue decreased to RM138.6 million in the current quarter compared to RM158.7 million in the preceding quarter mainly due to lower work progress for on-going construction projects in the current quarter. Profit before tax decreased to RM3.3 million compared to RM9.1 million in the preceding quarter. The decrease in profit before tax was mainly due to lower profit margin on certain on-going projects in the current quarter.

B3. Commentary on prospects

For our *property development segment*, the Group is preparing to launch two (2) new property development projects, Avantro Residences at Bandar Kinrara with an estimate Gross Development Value (“GDV”) of RM517.3 million and a commercial development, the Solarvest Tower at KL Gateway with an estimated GDV of RM234.8 million in the 4Q of FY2023. As at 30 September 2023, the Division has unbilled sales of RM528.4 million in total mainly from its amount on-going property development projects namely 8th & Stellar, Quaver Residence and Ayanna Resort Residences.

Our *construction segment* is expecting a gradual improvement in contract flows especially new launch of project such as Ayanna Resort Residence, Avantro Residences and Solarvest Tower. As at 30 September 2023, the construction segment’s outstanding order book was at RM1.1 billion. The replenishment of its order book will depend on the roll-out of infrastructure projects by the Malaysian government and private construction projects. The segment will continue to bid for construction projects to replenish its current order book.

The market for *commercial vehicles* is anticipated to experience continuous challenges. In addition, the weakening of the Malaysia Ringgit against other major currencies placed pressure on the profit margin of this segment. Nevertheless, the Group anticipate strong demand for light/ big truck models and prime movers from the logistics and food delivery businesses. The Group will continue to explore for more option available and expanding its sales and marketing for the Cergas Van which was targeted for the Tourism & Commercial Industry.

The Group will continue to seek opportunities to expand the Group’s revenue and ensure the on-going projects are completed on time. The Group will continue to exercise prudence in its business dealings and manage operational efficiency to achieve sustainable growth of business in the long term and create value for shareholders.

B4. Profit forecast

Not applicable as there was no profit forecast published.

B5. Disclosure on selected expenses/ income items as required by the Listing Requirements

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

	Current quarter		Cumulative quarter	
	3 months ended		9 months ended	
	30.9.2023	30.9.2022	30.9.2023	30.9.2022
	RM '000	RM '000	RM '000	RM '000
Gain on disposal of plant and equipment	-	317	55	440
Reversal of impairment loss on trade receivables	136	3	403	1,196
Fair value (loss)/ gain on equity instrument	(230)	-	2,476	-
Interest income	165	107	457	263
Interest expense	(3,016)	(1,134)	(6,362)	(3,420)
Depreciation and amortisation	(1,356)	(1,141)	(4,271)	(2,619)
Unrealised gain/ (loss) foreign exchange	24	(22)	359	930
Share of results of associates companies	(470)	1,999	(313)	4,829
Share of results of joint venture company	4,727	565	12,804	1,433

B6. Income tax expense

Taxation is provided at the prevailing statutory rate based on the operating profit for the quarter as follows:

	Current quarter		Cumulative quarter	
	3 months ended		9 months ended	
	30.9.2023	30.9.2022	30.9.2023	30.9.2022
	RM '000	RM '000	RM '000	RM '000
Current tax:				
-Malaysian income tax	(2,154)	(1,602)	(7,858)	(2,295)
Deferred tax				
- relating to origination and reversal of temporary differences	-	(100)	-	(302)
Total income tax expense	(2,154)	(1,702)	(7,858)	(2,597)

The effective tax rate for the financial period ended 30 September 2023 is higher than the statutory tax rate due to certain expenses not deductible for tax purposes.

B7. Corporate proposal

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.

On 8 August 2023, the Company announced that the conditional period for the SPA has lapsed and the SPA is of no further effect. As such, the transaction is deemed aborted.

(b) 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.

On 1 January 2023, the proposed acquisition is deemed completed as the Company had fulfilled all its payment obligation under the share sale agreement and obtained control of Kayangan. In accordance with MFRS 3 Business Combinations, the Company’s stake in Kayangan is now deemed as 95%.

On 11 August 2023, the Company announced that the Acquisition of Kayangan is completed.

(c) Joint Development Agreement

On 3 May 2023, Stellar Platinum Sdn Bhd (“SPSB”), a wholly-owned subsidiary of the Company entered into a Joint Development Agreement (“Agreement”) with Ivory Meadows Sdn Bhd (“IMSB”) for a proposed development of serviced residence located in Bandar Tanjong Pinang, Daerah Timor Laut, Negeri Penang known as “Crown Penang”, with an estimated gross development value of RM475 million. The said Joint Development Agreement is subject to condition precedents to be met by 5 November 2023.

On 18 September 2023, M&A Securities on behalf of the Board announced that SPSB and IMSB had mutually agreed to extend the conditional period of the JDA for a further period of 3 months from 3 November 2023 and expiring on 3 February 2024.

Approval from CHGP’s shareholders for the proposed development was obtained at an extraordinary general meeting (“EGM”) convened on 16 October 2023 and pending fulfillment of the conditions precedent.

B7. Corporate proposal (cont'd)
(d) Proposed Private Placement

CHGP proposed to undertake a private placement of up to 20% of its issued ordinary shares.

On 3 November 2023, Bursa Securities approved the listing and quotation of up to 110,066,000 new CHGP Shares to be issued pursuant to the Private Placement.

The EGM will be held on 22 November 2023 to approve the Proposed Private Placement.

B8. Borrowings

The total borrowings incurred by the Group and outstanding as at end of the current quarter are as follows:

	30.9.2023	As at	30.9.2022
	RM '000		RM '000
Short term borrowings - Secured:			
Banker's acceptances	18,661		26,292
Revolving credits	20,000		25,000
Term loans	4,205		3,509
Bill discounting facilities	1,608		1,987
Invoice financing	29,306		-
Margin facilities	19,678		-
Bank overdrafts	9,677		6,945
Trust receipts	-		4,576
Promissory note	-		175
	103,135		68,484
Long term borrowings - Secured:			
Term loans	249,152		190,294
Total borrowings - Secured:			
Banker's acceptances	18,661		26,292
Revolving credits	20,000		25,000
Term loans	253,357		193,803
Bill discounting facilities	1,608		1,987
Invoice financing	29,306		-
Margin facilities	19,678		-
Bank overdrafts	9,677		6,945
Trust receipts	-		4,576
Promissory note	-		175
	352,287		258,778

B9. Lease liabilities

	As at	
	30.9.2023	30.9.2022
	RM '000	RM '000
Present value of minimum lease payments:-		
- Repayable within twelve months	1,289	1,876
- Repayable after twelve months	3,700	2,599
	4,989	4,475

B10. Disclosure of derivatives

The Group did not enter into any derivative contract and accordingly, there were no outstanding derivatives (including financial instruments designated as hedging instruments) as at 30 September 2023.

B11. Changes in material litigation

There are no pending material litigations as at the date of this report.

B12. Earnings per share

a) Basic

	Current quarter		Cumulative quarter	
	3 months ended		9 months ended	
	30.9.2023	30.9.2022	30.9.2023	30.9.2022
Profit attributable to the owners of the Company (RM'000)	1,104	2,551	20,610	3,921
Weighted average number of ordinary shares in issue ('000)	511,596	444,131	511,596	444,131
Basic earnings per share (sen)	0.22	0.57	4.03	0.88

B12. Earnings per share (cont'd)

b) Diluted

	Current quarter		Cumulative quarter	
	3 months ended	3 months ended	9 months ended	9 months ended
	30.9.2023	30.9.2022	30.9.2023	30.9.2022
Profit attributable to the owners of the Company (RM'000)	1,104	2,551	20,610	3,921
Weighted average number of ordinary shares as above ('000)	511,596	444,131	511,596	444,131
Adjustment for assumed conversion of warrants ('000)	294	24,353	294	24,353
Weighted average number of ordinary shares ('000)	511,890	468,484	511,890	468,484
Diluted earnings per share (sen)	0.22	0.54	4.03	0.84