

PESONA METRO HOLDINGS BERHAD (Registration No. 201101029741)(957876-T)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited) Current Year Quarter 31.12.2023 RM'000	(Audited) Preceding Year Quarter 31.12.2022 RM'000	(Unaudited) Current Year To Date 31.12.2023 RM'000	(Audited) Preceding Year To Date 31.12.2022 RM'000
Revenue	138,682	70,340	515,414	368,265
Cost of sales	(128,252)	(64,969)	(475,686)	(338,367)
Gross profit	10,430	5,371	39,728	29,898
Other operating income	401	1,151	1,687	2,449
Selling and administrative expenses	(4,728)	(6,947)	(18,140)	(27,835)
Profit from operations	6,103	(425)	23,275	4,512
Finance costs	(2,662)	(2,146)	(8,917)	(8,063)
Profit before tax	3,441	(2,571)	14,358	(3,551)
Income tax expense	(638)	93	(1,969)	572
Profit for the year	2,803	(2,478)	12,389	(2,979)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	2,803	(2,478)	12,389	(2,979)
Total comprehensive income attributable to:				
• Owners of the parent	2,071	(3,329)	9,506	(6,436)
• Non-controlling interests	732	851	2,883	3,457
Earnings per share (Sen)				
• Basic	0.30	(0.48)	1.37	(0.93)
• Diluted	NA	NA	NA	NA

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

PESONA METRO HOLDINGS BERHAD (Registration No. 201101029741)(957876-T)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	(Unaudited) 31.12.2023	(Audited) 31.12.2022
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	47,028	52,538
Investment properties	10,280	9,504
Intangible assets	42,716	45,823
Financial receivables	121,416	125,369
Trade receivables	40,524	47,147
	<u>261,964</u>	<u>280,381</u>
Current assets		
Trade and other receivables	319,432	204,526
Contract assets	12,686	15,715
Tax recoverable	1,213	5,601
Deposits with licensed financial institutions	34,238	39,320
Cash and bank balances	24,665	24,006
	<u>392,234</u>	<u>289,168</u>
TOTAL ASSETS	<u>654,198</u>	<u>569,549</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	194,031	194,031
Reverse acquisition reserve	(91,000)	(91,000)
Retained earnings	53,817	44,311
Total equity attributable to owners of the parent	<u>156,848</u>	<u>147,342</u>
Non-controlling interests	24,364	21,481
	<u>181,212</u>	<u>168,823</u>
Non-current liabilities		
Borrowings	90,629	105,740
Leases	98	1,583
Trade payables	18,729	31,123
Deferred tax liabilities	10,252	10,998
	<u>119,708</u>	<u>149,444</u>
Current liabilities		
Trade and other payables	268,423	174,540
Contract liabilities	12,235	19,421
Borrowings	70,164	52,303
Leases	1,458	5,018
Tax payables	998	-
	<u>353,278</u>	<u>251,282</u>
TOTAL LIABILITIES	<u>472,986</u>	<u>400,726</u>
TOTAL EQUITY AND LIABILITIES	<u>654,198</u>	<u>569,549</u>
Net assets per share attributable to owners of the parent (Sen)	<u>22.57</u>	<u>21.20</u>

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

PESONA METRO HOLDINGS BERHAD (Registration No. 201101029741)(957876-T)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2023**

	ATTRIBUTABLE TO OWNERS OF THE PARENT				
	<u>Non-distributable</u>		<u>Distributable</u>		
	Share capital	Reverse acquisition reserve	Retained earnings	Non-controlling interests	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2023	194,031	(91,000)	44,311	21,481	168,823
Total comprehensive income for the year	-	-	9,506	2,883	12,389
As at 31 December 2023	194,031	(91,000)	53,817	24,364	181,212
As at 1 January 2022	194,031	(91,000)	50,747	18,024	171,802
Total comprehensive income for the year	-	-	(6,436)	3,457	(2,979)
As at 31 December 2022	194,031	(91,000)	44,311	21,481	168,823

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.

PESONA METRO HOLDINGS BERHAD (Registration No. 201101029741)(957876-T)

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023**

	(Unaudited) Current Year to date 31.12.2023 RM'000	(Audited) Preceding Year to date 31.12.2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	14,358	(3,551)
Adjustments for:-		
• Amortisation and depreciation	14,620	14,622
• Interest expenses	8,917	8,063
• Other non-cash operating items	(1,846)	(2,034)
Operating profit before working capital changes	36,049	17,100
Changes in inventories	-	650
Changes in trade and other receivables	(104,630)	103,233
Changes in trade and other payables	81,497	(52,463)
Changes in contract assets/liabilities	(4,156)	(20,493)
Cash generated from operations	8,760	48,027
Interest received	1,838	936
Interest paid	(8,895)	(8,104)
Tax (paid)/refund	2,671	(925)
Net cash generated from operating activities	4,374	39,934
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(7,500)	(4,452)
Proceeds from disposal of property, plant and equipment	1,029	664
Net cash arising from disposal of subsidiaries	-	(180)
Net cash used in investing activities	(6,471)	(3,968)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Sukuk	(15,000)	(10,000)
Net change in lease liabilities	(5,045)	(9,290)
Net change in bank borrowings	17,719	(6,300)
Changes in deposits pledged with financial institutions	(3,608)	(4,349)
Net cash used in financing activities	(5,934)	(29,939)
Net change in cash and cash equivalents	(8,031)	6,027
Cash and cash equivalents at the beginning of year	25,844	19,810
Effect of exchange translation difference on cash and cash equivalents	-	7
Cash and cash equivalents at the end of year	17,813	25,844
Cash and cash equivalents comprise of the following:		
• Deposits with licensed financial institutions	34,238	39,320
• Cash and bank balances	24,665	24,006
• Bank overdraft	-	-
	58,903	63,326
Less: Deposits pledged and restricted cash and bank balances	(41,090)	(37,482)
	17,813	25,844

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

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A1. 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 Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements.

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

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 Company and its subsidiaries ("The Group") since the financial year ended 31 December 2022.

A2. Changes in Accounting Policies

The Group has adopted the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia for the accounting period beginning 1 January 2023.

A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report of the Group's annual financial statements for the financial year ended 31 December 2022 was not qualified.

A4. Seasonal or Cyclical Factors

The business operations of the Group are not significantly affected by any seasonal or cyclical factors.

A5. Unusual Items

There were no other unusual items affecting assets, liabilities, equity, net income or cash flows in the financial quarter under review.

A6. Changes in Estimates

There was no change in estimates of amounts reported in prior interim periods that had a material effect in the current reporting quarter.

PESONA METRO HOLDINGS BERHAD (Registration No. 201101029741)(957876-T)

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A7. Changes in Debt and Equity Securities

There were no changes in debt and equity securities during the quarter under review.

A8. Dividend Paid

No dividend has been paid during the quarter under review.

A9. Segmental Reporting

The Group’s segmental report for the financial year ended 31 December 2023 is as follows:-

	Investment holding	Construction	Concessionaire asset and maintenance	Elimination	Total
	RM’000	RM’000	RM’000	RM’000	RM’000
Revenue					
External sales	-	491,538	23,876	-	515,414
Inter-segment sales	-	1,160	9,563	(10,723)	-
Total revenue	-	492,698	33,439	(10,723)	515,414
Interest income	1	285	1,552	-	1,838
Interest expense	-	(3,376)	(11,599)	6,058	(8,917)
Amortisation and depreciation	-	(11,511)	(2)	(3,107)	(14,620)
Impairment of assets	-	-	-	-	-
Results					
Profit/(Loss) from operations	(904)	6,519	26,806	(9,146)	23,275
Finance costs	-	(3,376)	(11,599)	6,058	(8,917)
Profit/(Loss) before tax	(904)	3,143	15,207	(3,088)	14,358
Income tax expense	-	(145)	(2,569)	745	(1,969)
Profit/(Loss) after tax	(904)	2,998	12,638	(2,343)	12,389

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A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A9. Segmental Reporting (Continued)

The Group’s segmental report for the financial year ended 31 December 2022 is as follows:-

	Investment holding	Construction	Manufacturing	Concessionaire asset and maintenance	Elimination	Total
	RM’000	RM’000	RM’000	RM’000	RM’000	RM’000
Revenue						
External sales	-	341,784	2,518	23,963	-	368,265
Inter-segment sales	-	1,583	-	7,675	(9,258)	-
Total revenue	-	343,367	2,518	31,638	(9,258)	368,265
Interest income	-	470	-	466	-	936
Interest expense	-	(2,079)	-	(10,263)	(4,278)	(8,063)
Amortisation and depreciation	-	(11,361)	(152)	(2)	(3,107)	(14,622)
Impairment of assets	-	-	-	-	-	-
Results						
Profit/(Loss) from operations	(648)	(12,558)	(849)	25,049	(6,482)	4,512
Finance costs	-	(2,079)	-	(10,263)	(4,279)	(8,063)
Profit/(Loss) before tax	(648)	(14,637)	(849)	14,786	(2,203)	(3,551)
Income tax expense	-	268	-	(324)	628	572
Profit/(Loss) after tax	(648)	(14,369)	(849)	14,462	(1,575)	(2,979)

A10. Valuation of Property, Plant and Equipment

The Group’s property, plant and equipment are stated at cost. There is no policy of regular revaluation of its property, plant and equipment as at the end of the financial period under review.

A11. Material Events Subsequent to the End of the Interim Period

There were no other material events subsequent to the end of the interim period.

A12. Changes in Composition of the Group

There have been no changes in composition of the Group.

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A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A.13 Capital Commitments

There were no capital commitments approved and contracted for during the quarter under review.

A14. Changes in Contingent Liabilities

As at
31.12.2023
RM'000

Bank guarantees issued by licensed banks in respect of construction projects

131,321

A15. Significant Related Party Transactions

The significant related party transactions during the quarter under review in which directors of the Company have substantial financial interest are as follows:-

	Current Year Quarter 31.12.2023 RM'000	Current Year To date 31.12.2023 RM'000
Provision of construction works to a company in which directors have substantial financial interest	-	<u>30,114</u>

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 AND PART A OF APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES

B1. Review of Performance

Current Year Quarter:

The Group achieved a revenue of RM139 million for the quarter under review. The revenue increased substantially by RM68 million or 97% as compared to the same quarter last year. The increase is mainly due to higher progress billings from the on-going projects.

In line with higher revenue and lower operating expenses, the Group registered a profit before tax of RM3.4 million for the quarter under review.

Current Year To Date:

The Group achieved a revenue of RM515 million for the year ended 31 December 2023. The revenue is substantially contributed by the construction division. The revenue increased by RM147 million or 40% as compared to the same period last year. In line with higher revenue and lower operating expenses, the Group registered a profit before tax of RM14.4 million for the year ended 31 December 2023 as compared to a loss before tax of RM3.6 million last year.

B2. Comparison with Immediate Preceding Quarter's Results

	Current Quarter	Preceding Quarter	Variance	
	31.12.2023	30.9.2023	RM'000	%
Revenue	138,682	155,382	(16,700)	(11%)
Profit before tax	3,441	4,346	(905)	(21)

The revenue decreased by 11% due mainly to the completion of 2 construction projects in the preceding quarters. In line with the decrease in revenue, the Group generated lower profit before tax of RM3.4 million, 21% lower than the preceding quarter.

B3. Prospects for the Financial Year ending 31 December 2024

As at 31 December 2023, the Group has an outstanding order book of RM2.0 billion, comprising 8 ongoing projects. These projects are expected to contribute construction revenue for the financial year ending 31 December 2024. In addition, the concessionaire and maintenance income will provide consistent contribution for the financial year ending 31 December 2024.

Accordingly, barring any unforeseen circumstances, the Group expects to achieve a satisfactory performance for the financial year ending 31 December 2024.

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B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 AND PART A OF APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES

B4. Financial Forecast

There was no financial forecast announced in relation to the financial quarter under review.

B5. Taxation

	Current Year Quarter 31.12.2023 RM'000	Current Year To date 31.12.2023 RM'000
Current year tax	825	2,717
Under/(Over) provision in prior year	(1)	(2)
Deferred tax	(186)	(746)
	<u>638</u>	<u>1,969</u>

The effective tax rate is lower than the statutory tax rate due to the utilization of unabsorbed business losses carried forward.

B6. Note to the Statement of Comprehensive Income

The note to the statement of comprehensive income is arrived at after charging or crediting the following items:

	Current Year Quarter 31.12.2023 RM'000	Current Year To date 31.12.2023 RM'000
Interest income	(512)	(1,838)
Other income	(27)	(419)
Interest expense	2,662	8,917
Amortisation and depreciation	3,653	14,620
Impairment of assets	-	-
Loss/(Gain) on disposal of property, plant and equipment	-	(299)

B7. Status of Corporate Proposal

There is no pending corporate proposal during the quarter under review.

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B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 AND PART A OF APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES

B8. Group's Borrowings and Debt Securities

The Group's borrowings as at 31 December 2023 were as follows:-

	As at 31.12.2023 RM'000
Long term borrowings	
Secured:	
• Islamic Medium-Term Notes ("Sukuk")	90,000
• Leases and Term Loan	727
	<u>90,727</u>
Short term borrowings	
Secured:	
• Islamic Medium-Term Notes ("Sukuk")	15,000
• Revolving Credit and Contract financing	55,164
• Leases	1,458
	<u>71,622</u>

B9. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk.

B10. Material Litigation

During the quarter under review, neither the Group nor the Company involves in any material litigation.

B11. Dividend

No dividend has been proposed during the quarter under review.

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B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 AND PART A OF APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES

B12. Earnings per Share

	Current Year Quarter 31.12.2023	Current Year To date 31.12.2023
Profit for the period attributable to owners (RM'000)	2,071	9,506
Number of shares:		
Weighted average number of ordinary shares in issue for basic earnings per share ('000)	694,987	694,987
Basic earnings per share (Sen)	0.30	1.37

B13. Realised and unrealised earnings or losses disclosure

	As at 31.12.2023 RM'000
Total retained earnings for the Group:	
• Realised	62,233
• Unrealised	(8,416)
	<u>53,817</u>

B14. Authorisation for Issue

This interim financial report was authorized for issuance by the Board of Directors of the Company on 28 February 2024.