

QUARTERLY REPORT

This is a quarterly report on consolidated results for the period ended 30 September 2024

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2024

	Note	INDIVIDUAL QUARTER			CUMULATIVE		
		CURRENT YEAR QUARTER 30-Sep-24 RM '000	PRECEDING YEAR QUARTER 30-Sep-23 RM '000	Changes (%)	CURRENT YEAR TO DATE 30-Sep-24 RM '000	PRECEDING YEAR TO DATE 30-Sep-23 RM '000	Changes (%)
Revenue		27,236	33,196	-18%	67,626	101,248	-33%
Cost of sale and direct operating expenses		(22,427)	(24,735)		(61,470)	(78,552)	
Gross profit		4,809	8,461	-43%	6,156	22,696	-73%
Other operating income, net	B5	2,367	3,548		8,593	9,620	
Unrealised foreign exchange gain/(loss)		13,823	(3,366)		10,615	(13,501)	
Administrative expenses		(2,390)	(2,539)		(10,639)	(7,812)	
		18,609	6,104		14,725	11,003	
Interest expense on bank borrowings		(12)	(12)		(41)	(47)	
Interest expense on lease liabilities		(6)	(9)		(21)	(458)	
Reclassification from equity on liquidation of subsidiaries, being cumulative currency translation differences previously recognised in other comprehensive income		(7,482)	-		(7,482)	-	
Profit before tax	B5	11,109	6,083	83%	7,181	10,498	-32%
Income tax expense	B6	(99)	(1,096)		(1,958)	(1,687)	
Profit for the period		11,010	4,987	121%	5,223	8,811	-41%
Attributable to:							
Equity holders of the parent		11,031	4,987		6,470	8,811	
Non-controlling interest		(21)	-		(1,247)	-	
		11,010	4,987		5,223	8,811	
Earnings per share (sen)							
- Basic	B13	1.11	0.50		0.65	0.88	

The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for the year ended 31 December 2023.

**QUARTERLY REPORT**

This is a quarterly report on consolidated results for the period ended 30 September 2024

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

	INDIVIDUAL QUARTER		CUMULATIVE	
	CURRENT YEAR QUARTER 30-Sep-24 RM '000	PRECEDING YEAR QUARTER 30-Sep-23 RM '000	CURRENT YEAR TO DATE 30-Sep-24 RM '000	PRECEDING YEAR TO DATE 30-Sep-23 RM '000
Profit for the period	11,010	4,987	5,223	8,811
Other comprehensive income:				
<u>Items that will be reclassified to profit or loss</u>				
Currency translation differences	(41,343)	4,841	(29,860)	24,931
Realisation of cumulative currency translation differences on liquidation of subsidiaries reclassified to profit and loss	7,482	-	7,482	-
Total comprehensive (loss)/income for the period	<u>(22,851)</u>	<u>9,828</u>	<u>(17,155)</u>	<u>33,742</u>
Total comprehensive (loss)/income attributable to:				
Equity holders of the parent	(22,830)	9,828	(15,908)	33,742
Non-controlling interest	<u>(21)</u>	<u>-</u>	<u>(1,247)</u>	<u>-</u>
Equity holders of the parent	<u>(22,851)</u>	<u>9,828</u>	<u>(17,155)</u>	<u>33,742</u>

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for the year ended 31 December 2023.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024**

		UNAUDITED	AUDITED
		AS AT	AS AT
		END OF	PRECEDING
		CURRENT	FINANCIAL
		QUARTER	YEAR END
	Note	30-Sep-24	31-Dec-23
		RM '000	RM '000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets		159	134
Goodwill		60,192	60,192
Property, plant and equipment		277,494	119,711
Investment properties		5,119	5,544
Right-of-use assets		413	644
		<u>343,377</u>	<u>186,225</u>
<b>Current assets</b>			
Inventories		7,227	7,937
Receivables and other current assets		16,874	31,561
Short term deposits and investments		135,336	165,549
Cash and bank balances		157,748	145,657
		<u>317,185</u>	<u>350,704</u>
<b>TOTAL ASSETS</b>		<u>660,562</u>	<u>536,929</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital		63,791	63,791
Treasury share		(5,697)	-
Foreign currency translation reserve		36,705	59,954
Retained earnings		405,904	398,563
		<u>500,703</u>	<u>522,308</u>
Non-controlling interest		2,753	-
<b>Total equity</b>		<u>503,456</u>	<u>522,308</u>
<b>Non-current liabilities</b>			
Borrowings	B8	<b>132,214</b>	615
Lease liabilities	B9	90	309
Deferred tax liabilities		39	39
		<u>132,343</u>	<u>963</u>
<b>Current liabilities</b>			
Payables and other current liabilities		21,422	10,318
Contract liabilities		2,799	2,330
Borrowings	B8	<b>199</b>	187
Lease liabilities	B9	292	322
Provision for taxation		51	501
		<u>24,763</u>	<u>13,658</u>
<b>Total liabilities</b>		<u>157,106</u>	<u>14,621</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>660,562</u>	<u>536,929</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for the year ended 31 December 2023.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2024

	Attributable to Equity Holders of the Parent						Total equity RM '000
	Share capital RM '000	Treasury share RM '000	Foreign currency translation reserve RM '000	Retained earnings RM '000	Total RM '000	Non-controlling interest RM '000	
<b><u>9 MONTHS ENDED 30 SEPTEMBER 2023</u></b>							
<b>At 1 January 2023</b>	338,791	-	67,511	80,750	487,052	-	487,052
Total comprehensive income for the period	-	-	24,931	8,811	33,742	-	33,742
Capital reduction pursuant to Section 116 of the Companies Act 2016	(275,000)	-	-	275,000	-	-	-
<b>At 30 September 2023</b>	<b>63,791</b>	<b>-</b>	<b>92,442</b>	<b>364,561</b>	<b>520,794</b>	<b>-</b>	<b>520,794</b>
<b><u>9 MONTHS ENDED 30 SEPTEMBER 2024</u></b>							
<b>At 1 January 2024</b>	63,791	-	59,954	398,563	522,308	-	522,308
Total comprehensive income/(loss) for the period	-	-	(22,378)	6,470	(15,908)	(1,247)	(17,155)
Share buy-back exercise	-	(5,697)	-	-	(5,697)	-	(5,697)
Changes in ownership interests in a subsidiary	-	-	-	-	-	4,000	4,000
Transfer of currency translation reserve	-	-	(871)	871	-	-	-
<b>At 30 September 2024</b>	<b>63,791</b>	<b>(5,697)</b>	<b>36,705</b>	<b>405,904</b>	<b>500,703</b>	<b>2,753</b>	<b>503,456</b>

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for the year ended 31 December 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

	CUMULATIVE	
	CURRENT	PRECEDING
	YEAR	YEAR
	30-Sep-24	30-Sep-23
	RM '000	RM '000
<b>Cash Flow From Operating Activities</b>		
Profit before tax	7,181	10,498
Adjustments for:		
Depreciation & amortisation	4,677	16,958
Unrealised foreign exchange (gain)/loss	(10,615)	13,501
Interest income	(8,705)	(4,929)
Interest costs	62	505
Lease modification	-	1,701
Loss on disposal of property, plant and equipment	2	-
Realisation of currency translation reserved reclassified from equity	7,482	-
Operating profit before working capital changes	84	38,234
Working capital changes:		
Inventories	519	(199)
Receivables and other current assets	13,799	(15,197)
Contract assets	596	280
Payables and other liabilities	(975)	(12,814)
Contract liabilities	468	(682)
Cash generated from operating activities	14,491	9,622
Tax paid, net of tax refund	(2,419)	(2,298)
Net cash generated from operating activities	12,072	7,324
<b>Cash Flows From Investing Activities</b>		
Purchase of property, plant and equipment	(169,969)	(75)
Interest received	8,705	4,929
Proceeds from disposal of property, plant and equipment	-	15
Subscription of subsidiary's share capital by non-controlling interest	4,000	-
Acquisition of a subsidiary, net of cash acquired	-	(63,433)
Net cash used in investing activities	(157,264)	(58,564)
<b>Cash Flows From Financing Activities</b>		
Dividends paid to shareholders	-	(100,000)
Interest paid	(62)	(505)
Drawdown of borrowings	131,750	-
Repayment of borrowings	(139)	(113)
Payment of principal portion of lease liabilities	(248)	(32,777)
Advance from non-controlling interest	12,740	-
Purchase of treasury shares	(5,697)	-
Net cash generated from/(used in) financing activities	138,344	(133,395)
<b>Net change in cash and cash equivalents</b>	(6,848)	(184,635)
<b>Effects of foreign exchange rate changes</b>	(11,274)	(2,660)
<b>Cash and cash equivalents at the beginning of the period</b>	311,206	379,299
<b>Cash and cash equivalents at the end of the period</b>	293,084	192,004
Cash and cash equivalents comprise:		
Short term deposits	135,336	162,561
Cash and bank balances	157,748	29,443
	293,084	192,004

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for the year ended 31 December 2023.

## NOTES TO THE FINANCIAL REPORT

### A1. BASIS OF PREPARATION

The interim financial statements have been prepared under the historical cost basis, except for investment securities and derivative financial instruments which are stated at fair value.

The interim financial statements are unaudited and have been prepared in accordance with the MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. This interim financial report also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board. This interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2023.

The significant accounting policies and methods of computation adopted in the preparation of this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2023, except for the adoption of the following amendments to Malaysian Financial Reporting Standards ("MFRS"):

Description	Effective for annual periods beginning on or after
MFRS 16: Lease Liability in a Sale and Leaseback (Amendments to MFRS 16 Leases)	1 January 2024
MFRS 101: Classification of Liabilities as Current or Non-current (Amendments to MFRS 101 Presentation of Financial Statements)	1 January 2024
MFRS 101: Presentation of Financial Statements - Non-current Liabilities with Covenants (Amendments to MFRS 101 Presentation of Financial Statements)	1 January 2024
MFRS 107: Statement of Cash Flows and Financial Instruments: Disclosure - Supplier Finance Arrangements (Amendment to MFRS 107)	1 January 2024

The adoption of these amendments to MFRSs did not result in significant changes in the accounting policies of the Group and had no significant effect on the financial performance or position of the Group.

#### Standards and Amendments in Issue But Not Yet Effective

At the date of authorisation for issue of these financial statements, the new MFRS and amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group are as listed below:

Description	Effective for annual periods beginning on or after
MFRS 121 The Effects of Changes in Foreign Exchange Rates - <i>Lack of Exchangeability</i> (Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates)	1 January 2025
MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> (Amendments to MFRS 10 and MFRS 128)	Deferred

The Directors expect that the adoption of the above standards, amendments and interpretations will have no material impact on the financial statements in the period of initial applications.

### A2. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The financial statements for the year ended 31 December 2023 were not qualified.

### A3. SEASONAL OR CYCLICAL FACTORS

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

### A4. NATURE AND AMOUNT OF UNUSUAL ITEMS

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence for the current quarter.

### A5. CHANGES IN ESTIMATES

There were no changes to the estimates of amounts reported in prior financial years that may have a material effect in the current quarter.

### A6. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuance and repayment of debt and equity securities, share buy-backs, or share cancellation for the year up to the date of this announcement, save for the following:

During the period, the Company has bought back 18,248,100 of its own shares for a total cash consideration of RM5,697,219. The highest and lowest prices per share purchased were RM0.295 and RM0.330, respectively.

Subsequent to the reporting period, the Company further bought back 22,051,900 of its own shares for a total cash consideration of RM7,222,920. The highest and lowest prices per share purchased were RM0.320 and RM0.330, respectively.

**A7. DIVIDENDS PAID**

No dividend has been paid for the current quarter ended 30 September 2024.

**A8. SEGMENT REPORT**

For management purposes, the Group's operating businesses are organised according to products and services, namely ship owning and ship operating of a bulk carrier ("Shipping Bulkers"), shelving & storage solution, warehousing and investment holding and other segments. Inter-segment transactions and pricing arrangements, where applicable, are determined on a commercial basis. The results by segments for the 9 month period ended 30 September 2024 and the corresponding period last year are as follows:

	Shipping Bulkers RM '000	Shelving & storage solution RM '000	Warehousing RM '000	Investment holding & others RM '000	Elimination RM '000	Group RM '000
<b>9 months ended 30 September 2024</b>						
<b>Revenue</b>						
Group	27,170	40,456	-	602	(602)	67,626
Inter-segment	-	-	-	(602)	602	-
External revenue	27,170	40,456	-	-	-	67,626
<b>Results</b>						
Segment results	3,348	4,664	(3,217)	5,912	-	10,707
Depreciation & amortisation	(4,217)	(306)	(7)	(147)	-	(4,677)
Bad debts written off	-	-	-	(10)	-	(10)
Interest income	4,642	138	106	3,847	(28)	8,705
Interest costs	-	(90)	-	-	28	(62)
Loss on liquidation of a subsidiary	-	-	-	(7,482)	-	(7,482)
Taxation	217	(1,476)	-	(699)	-	(1,958)
Profit/(loss) for the period	3,990	2,930	(3,118)	1,421	-	5,223
Segment assets	120,397	21,964	171,040	407,738	(60,577)	660,562
Segment liabilities	17,107	2,905	164,202	33,469	(60,577)	157,106
<b>Other information</b>						
Addition of property, plant and equipment	2,018	72	167,148	649	-	169,887
Addition of intangible asset	-	-	82	-	-	82
<b>9 months ended 30 September 2023</b>						
<b>Revenue</b>						
Group	61,647	39,601	-	585	(585)	101,248
Inter-segment	-	-	-	(585)	585	-
External revenue	61,647	39,601	-	-	-	101,248
<b>Results</b>						
Segment results	32,614	5,489	-	(15,048)	-	23,055
Depreciation & amortisation	(16,730)	(180)	-	(48)	-	(16,958)
Bad debts written off	-	(23)	-	-	-	(23)
Interest income	468	91	-	4,412	(42)	4,929
Interest costs	(446)	(101)	-	-	42	(505)
Taxation	(36)	(1,123)	-	(528)	-	(1,687)
Profit/(loss) for the period	15,870	4,153	-	(11,212)	-	8,811
Segment assets	271,313	22,028	-	811,357	(565,908)	538,790
Segment liabilities	583,799	8,074	-	(7,969)	(565,908)	17,996
<b>Other information</b>						
Addition of property, plant and equipment	-	10	-	65	-	75

**A9. VALUATION OF SHIPS, PROPERTY AND EQUIPMENT**

The property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

**A10. SIGNIFICANT AND SUBSEQUENT EVENTS**

(a) On 27 March 2024, the Company proposed to undertake the following:

- i. Proposed share buy-back authority of up to 10% of the total number of issued shares of the Company ("Proposed Share Buy-Back Authority"); and
- ii. Proposed exemption under subparagraph 4.15(1) of the Rules on Take-Overs, Mergers and Compulsory Acquisition issued by the Securities Commission Malaysia ("SC") to Dato' Goh Cheng Huat and person(s) acting in concert with him from the obligation to undertake a mandatory take-over offer for all the remaining ordinary shares in the Company not already owned by them arising from the purchase by the Company of its own shares pursuant to the Proposed Share Buy-Back Authority ("Proposed Exemption").

The Company obtained approval from the Shareholders at the Extraordinary General Meeting held on 26 June 2024.

On 18 July 2024, the SC approved the application in relation to the Proposed Exemption under subparagraph 4.15(1) of the Rules.

Please refer to note A6 for share buy-back for the period.

**A11. CHANGES IN THE COMPOSITION OF THE GROUP**

On 8 January 2024 the Company subscribed for additional 59,999 new ordinary shares in a subsidiary, MBC Logistic Hub Sdn Bhd. ("MBCLH") while Golden Valley Ventures Sdn. Bhd. ("GVVSB"), a Company in which Dato' Goh Cheng Huat has substantial financial interest subscribed for 40,000 new ordinary shares in MBCLH. Consequently, MBCLH became a 60%-owned subsidiary of the Company.

On 25 March 2024 the company further subscribed for additional 5,940,000 new ordinary shares in MBCLH while GVVSB subscribed for 3,960,000 new ordinary shares in MBCLH.

Three wholly owned subsidiaries (Madu Shipping Pte Ltd, Molek Shipping Pte Ltd, Sejahtera Shipping Pte Ltd), previously under Member's Voluntary Winding-up, were fully dissolved in current quarter.

**A12. CONTINGENT LIABILITIES**

There were no contingent liabilities since 31 December 2023 to the date of this report.

**A13. CAPITAL COMMITMENTS**

	RM '000
Authorised and contracted for:	
- Vacant freehold industrial land	8,250
Authorised but not contracted for:	
- Estimated gross development cost of freehold industrial land	163,163

**A14. RELATED PARTY TRANSACTIONS**

Transactions with companies in which certain directors or directors of a subsidiary are deemed to have substantial financial interests:

	Current financial year-to-date RM'000
Purchase of steel product	29,228
Rental of office and warehouse	189
Shared services cost	274
Purchase of an industrial land	156,750

All related party transactions had been entered into in the normal course of business and on commercial terms.

**B1. REVIEW OF PERFORMANCE**

For the quarter

The Group reported lower revenue of RM27.236 million (Q3 2023: RM33.196 million) and lower gross profit of RM4.980 million (Q3 2023: RM8.461 million).

Revenue and gross profit from Shipping Bulkers segment declined to RM11.200 million and RM2.695 million respectively in current quarter, from RM18.591 million and RM5.377 million respectively in Q3 2024, mainly due to lower hire days on account of a smaller fleet size following the disposal of Alam Kekal and a 16% decrease in average charter rates.

Revenue contributed by Shelving & Storage Solution segment increased from RM14.605 million in Q3 2023 to RM16.306 million in Q3 2024, while gross profit drop from RM3.301 million in Q3 2023 to RM2.363 million in Q3 2024 due to lower gross profit margin.

The Group had an unrealised foreign exchange gain of RM13.823 million (Q3 2023: foreign exchange loss of RM 3.366 million) mainly arising from the translation of RM denominated cash balances to USD which is the functional currency of the Group following the strengthening of RM against USD during the period.

A loss of RM7.482 million was recorded due to the liquidation of subsidiaries, resulting from the reclassification of cumulative foreign exchange differences related to these foreign subsidiaries. These exchange differences, previously recognized in other comprehensive income and accumulated in the foreign currency translation reserve, were transferred from equity to the income statement upon the subsidiaries' liquidation.

After taking into consideration results attributable for non-controlling interest, The Group's profit before tax for the current quarter was RM11.010 million, compared to a profit before tax of RM4.987 million in the corresponding quarter of the preceding year. Excluding effect from foreign exchange gain/loss and liquidation of subsidiaries, the Group's profit before tax was RM5.335 million, a decrease compared to RM7.609 million in the corresponding quarter of the preceding year.



**B1. REVIEW OF PERFORMANCE (CONT'D)**For year to date

The Group reported lower revenue of RM67.626 million (YTD September 2023: RM101.248 million) and lower gross profit of RM6.156 million (YTD September 2023: RM22.696 million).

Revenue from Shipping Bulkiers segment declined from RM61.647 million in YTD September 2023 to RM27.170 million in YTD September 2024 mainly due to lower hire days in YTD September 2024 on account of a smaller fleet size and drydock offhire days of 26.84 days, drydock costs of RM3.434 million and a 23% decrease in average charter rates compared to YTD September 2023.

Revenue contributed by Shelving & Storage Solution segment increased slightly from RM39.601 million in YTD September 2023 to RM40.456 million in YTD September 2024, while gross profit declined slightly from RM7.066 million in YTD September 2023 to RM6.944 million in YTD September 2024.

Expenses incurred for Warehousing segment mainly include loan documentation fee of RM2.725 million for a loan facility obtained to finance the acquisition of industrial land and the development costs of the warehouse on the said land.

The Group had an unrealised foreign exchange gain of RM10.615 million (YTD September 2023: foreign exchange loss of RM 13.501 million) mainly arising from the translation of RM denominated cash balances to USD which is the functional currency of the Group following the strengthening of RM against USD during the period.

After taking into consideration results attributable to non-controlling interest, the Group reported a profit for the period of RM5.223 million in YTD September 2024 compared to a profit of RM8.811 million in YTD September 2023.

**B2. COMPARISON WITH PRECEDING QUARTER'S RESULTS**

	Individual Quarter		Variance RM '000	Variance %
	Q3 FY2024 RM '000	Q2 FY2024 RM '000		
Revenue	27,236	16,727	10,509	63%
Cost of sales and voyage expenses	(22,427)	(18,185)	(4,242)	
<b>Gross (loss)/profit</b>	<b>4,809</b>	<b>(1,458)</b>	<b>6,267</b>	*
Loss on liquidation of subsidiaries	(7,482)	0	(7,482)	
	(2,673)	(1,458)	(1,215)	
Other operating income, net	2,367	2,887	(520)	
Unrealised foreign exchange gain	13,823	362	13,461	
Administrative expenses	(2,390)	(3,934)	1,544	
	11,127	(2,143)	13,270	
Interest expense on bank borrowings	(12)	(14)	2	
Interest expense on lease liabilities	(6)	(7)	1	
Loss before taxation	11,109	(2,164)	13,273	*
Income tax expense	(99)	(1,154)	1,055	
Loss for the period	11,010	(3,318)	14,328	*
<u>Attributable to:</u>				
Equity holders of the parent	11,031	(3,285)	14,316	*
Non-controlling interest	(21)	(33)	12	-36%

Revenue for the Group in Q3 2024 was RM27.236 million, an increase of RM10.509 million compared to Q2 2024's revenue of RM16.727 million. The Group's result turn into a profit of RM4.809 million as compared to Q2 2024's gross loss of RM1.458 million.

Revenue contribution from Shipping Bulkiers Segment increased from RM5.124 million in Q2 2024 to RM11.200 million in Q3 2024 due to increased number of hire days (Q3 2024: 92 days vs Q2 2024: 64.16 days) and increase of charter rates (Q3 2024: USD13,457/day vs Q2 2024: USD7,833/day). Alam Kuasa was having a scheduled drydock in Q2 2024.

Revenue and gross profit contributed by Shelving & Storage Solution Segment increased by 38% and 4% respectively. Revenue improved from RM11.603 million in Q2 2024 to RM16.036 million in Q3 2024, while gross profit improved from RM2.276 million in Q2 2024 to RM2.363 million in Q3 2024.

In Q3 2024, the Group's unrealised foreign exchange gain increased from RM0.362 million in Q2 2024 to RM13.823 million in Q3 2024, arising from the translation of RM denominated cash balances to USD which is the functional currency as RM strengthened significantly during the period.

The Group reported a profit before tax of RM11.109 million in Q3 2024, compared to the profit before tax of RM2.164 million in Q2 2024.

**B3. PROSPECTS**a) Shipping Bulkiers Segment

Revenue and profit from the shipping bulkiers segment with only one vessel remaining, Alam Kuasa, is expected to improve in second half of 2024 after the completion of the drydocking. Alam Kuasa is under long-term contract at fixed rate subject to bunker price adjustments and will not be affected by open market charter rate volatility.

**B3. PROSPECTS (CONT'D)****b) Shelving and Storage Solutions Segment**Industrial Segment

Demand for industrial storage remains strong, with both local and export markets showing growth, especially in the heavy-duty sector. Demand from third-party logistics companies has improved, and export sales have increased since Q3 2024. The Group continues to develop new product types to expand its market reach.

Retail Segment

The retail market for gondola and boltless shelving has improved. Stable pricing and supply has boosted distributor confidence in restocking. Additionally, the Group successfully secured several contracts, and demand for gondola shelving is expected to stay strong into 2025.

**c) Warehousing Segment**

No revenue is expected from the warehouse segment which will be in the pre-operating and construction phase in 2024. While financing cost will be capitalised during the construction phase, the 2024 results will be affected by loan documentation fee and pre-operating expenses.

**B4. VARIANCE OF PROFIT FORECAST AND PROFIT GUARANTEE**

There were no profit forecast or profit guarantee for the period under review.

**B5. NOTES TO CONDENSED CONSOLIDATED INCOME STATEMENT**

	Current quarter RM'000	Preceding quarter RM'000	Current financial year-to-date RM'000	Preceding financial year-to-date RM'000
<u>Other operating income, net</u>				
Interest income	2,975	1,673	8,705	4,929
Realised foreign exchange gain/(loss)	(567)	1,840	(397)	4,658
Loss on disposal of property, plant and equipment	-	-	(2)	-
Write back of payables	-	15	281	15
Other (expenses)/income, net	(41)	20	6	18
	<u>2,367</u>	<u>3,548</u>	<u>8,593</u>	<u>9,620</u>
<u>Other significant expenses</u>				
Depreciation & amortisation	(1,572)	(2,917)	(4,677)	(16,958)
Expenses incidental to loan documentation	-	-	(2,725)	-

**B6. TAXATION**

	Current quarter RM'000	Preceding quarter RM'000	Current financial year-to-date RM'000	Preceding financial year-to-date RM'000
Income tax expense				
-current period	(78)	837	1,501	1,419
-prior year	177	259	457	268
	<u>99</u>	<u>1,096</u>	<u>1,958</u>	<u>1,687</u>

The shipping income of the Group that is derived from the operations of sea-going Malaysian registered ships and Singapore registered ships for the current and prior periods are exempted from income tax under Income Tax (Exemption for Malaysian Ship) Order 2024, Income Tax (Exemption) (No.7) Order 2022 and Section 13A of the Singapore Income Tax Act as the case may be. The income tax expense for the Group is attributable to shelving and storage solution segment and interest income.

**B7. STATUS OF CORPORATE PROPOSALS**

On 24 January 2024, the Group, through its 60% owned subsidiary, MBCLH, had completed the purchase of an industrial land by paying RM156.750 million to the vendor, Kapar Land Sdn Bhd, save for 5% retention sum to be paid within three business days upon fulfilment of the vendor's upgrading works pursuant to the Sales and Purchase Agreement.

Except as disclosed above and in Note A10, there was no other corporate proposal announced but not completed at the date of this report.

**B8. BORROWINGS**

The Group's borrowings are as follows:

Currency	Non-current	Interest rate per annum ("p.a.")	As at 30-Sep-24 RM '000	As at 31-Dec-23 RM '000
RM	Secured	floating rate at 1.50%p.a. above Bank's Cost of Funds	131,750	-
RM	Secured	fixed at 4.00%p.a.	464	615
			<u>132,214</u>	<u>615</u>
Currency	Current	Interest rate per annum		
RM	Secured	fixed at 4.00%p.a.	199	187
			<u>199</u>	<u>187</u>
Total borrowings			<u>132,413</u>	<u>802</u>

Loan interest of RM2,185,000 had been capitalised under property, plant and equipment as warehouse construction work-in-progress.

**B9. LEASE LIABILITIES**

The Group's lease liabilities are as follows:

		As at 30-Sep-24 RM '000	As at 31-Dec-23 RM '000
<u>Currency</u>	<u>Non-current</u>		
RM	Secured	90	142
	Unsecured	-	167
		<u>90</u>	<u>309</u>
<u>Currency</u>	<u>Current</u>		
RM	Secured	72	94
	Unsecured	220	228
		<u>292</u>	<u>322</u>
Total lease liabilities		<u>382</u>	<u>631</u>

Lease liabilities mainly represent future obligations to make lease payments for the right to use of motor vehicles and warehouse rental.

**B10. UTILISATION OF PROCEEDS RAISED FROM DISPOSAL OF ALAM KEKAL**

The disposal of Alam Kekal was completed on 16 October 2023 and the status of utilisation of proceeds raised from the exercise as at 30 September 2024 is as follows:

<u>Purpose</u>	<u>Proposed Utilisation RM Mil</u>	<u>Actual Utilisation RM Mil</u>	<u>Balance RM Mil</u>	<u>Intended Timeframe for Utilisation <sup>(1)</sup></u>	<u>Deviation RM Mil</u>	<u>%</u>
(i) Future business expansion	122.5	(100.3)	22.2	Within 24 months	-	0%
(ii) Working capital	12.3	(12.3)	-	Within 12 months	-	0%
(iii) Estimated expenses for the disposal of Alam Kekal	2.8	(2.8)	-	Immediate	-	0%
Total	<u>137.6</u>	<u>(115.4)</u>	<u>22.2</u>		<u>-</u>	

Note:

<sup>(1)</sup> The intended timeframe for utilisation is from the date of completion of the disposal.

**B11. MATERIAL LITIGATION**

The Group does not have any material litigation which would materially and adversely affect the financial position of the Group.

**B12. DIVIDENDS**

On 22 November 2024, the Board declared a first single tier interim dividend of 1.6 sen per ordinary share for the current financial year ending 31 December 2024, payable on 18 December 2024 to shareholders registered at the closed business on 10 December 2024.

**B13. EARNINGS PER SHARE**

The basic earnings per share of the Group is calculated by dividing the profit attributable to equity holders of the parent by the number of ordinary shares in issue.

	CURRENT YEAR QUARTER 30-Sep-24	PRECEDING YEAR QUARTER 30-Sep-23	CURRENT YEAR TO DATE 30-Sep-24	PRECEDING YEAR TO DATE 30-Sep-23
Profit attributable to equity holders of the parent (RM'000)	11,031	4,987	6,470	8,811
Weighted average number of ordinary shares in issue ('000)	995,685	1,000,000	998,551	1,000,000
Earnings per share attributable to equity holders of the parent (sen)	<u>1.11</u>	<u>0.50</u>	<u>0.65</u>	<u>0.88</u>

Dated 22 November 2024