

META BRIGHT GROUP BERHAD ("MBRIGHT")

Registration No: 200001013359 (515965-A)

Incorporated in Malaysia

**INTERIM REPORT - UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS AT 30 SEPTEMBER 2024**

	As at 30.09.2024 RM'000	As at 30.06.2024 RM'000
	Unaudited	Audited
ASSETS		
<u>Non-Current Assets</u>		
Property, plant and equipment	208,022	207,771
Investment properties	113,584	113,139
Inventories	702	702
Investment in associates company	1,402	1,358
Investment in joint venture	999	5
Other investments	1,749	1,920
Total Non-Current Assets	326,458	324,895
<u>Current Assets</u>		
Inventories	71,193	71,834
Tax assets	1,660	718
Financing receivables	2,036	3,420
Trade and other receivables	61,053	54,526
Contract assets	2,506	1,940
Contract costs	129	51
Deposits placed with licensed banks	13,831	13,520
Cash and bank balances	35,331	34,528
Total Current Assets	187,739	180,537
TOTAL ASSETS	514,197	505,432
EQUITY		
Equity attributable to equity holders of the Company		
Share capital	213,898	210,443
Other reserves	34,811	36,589
Retained earnings	29,986	25,681
	278,695	272,712
Non-controlling interests	12,909	12,123
Total Equity	291,604	284,835
LIABILITIES		
<u>Non-Current Liabilities</u>		
Loans and borrowings	64,237	70,048
Deferred tax liabilities	15,314	15,314
Trade and other payables	2,421	2,657
Total Non-Current Liabilities	81,972	88,019
<u>Current Liabilities</u>		
Loans and borrowings	74,119	68,984
Provisions for liabilities	1,920	1,812
Trade and other payables	41,761	41,007
Tax liabilities	2,572	406
Contract liabilities	20,250	20,371
Total Current Liabilities	140,622	132,579
Total Liabilities	222,594	220,597
TOTAL EQUITY AND LIABILITIES	514,197	505,432
Net asset per share (sen)	11	12

Notes:

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

META BRIGHT GROUP BERHAD ("MBRIGHT")

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INTERIM REPORT - UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2024

	FIRST QUARTER ENDED		FINANCIAL PERIOD ENDED	
	30 SEP 2024 RM'000	30 SEP 2023 RM'000	30 SEP 2024 RM'000	30 SEP 2023 RM'000
	Unaudited	Unaudited	Unaudited	Unaudited
Revenue	58,694	10,431	58,694	10,431
Operating Expenses	(55,909)	(10,057)	(55,909)	(10,057)
Other operating income	6,233	361	6,233	361
Profit from operations	9,018	735	9,018	735
Finance income	316	266	316	266
Finance costs	(2,123)	(517)	(2,123)	(517)
Share of results of associate	45	-	45	-
Share of results of joint venture	(5)	-	(5)	-
Profit before taxation	7,251	484	7,251	484
Taxation	(2,212)	-	(2,212)	-
Profit for the financial period	5,039	484	5,039	484
Profit attributable to:				
Owners of the Company	4,305	484	4,305	484
Non-controlling interests	734	-	734	-
Profit for the financial period	5,039	484	5,039	484
Other comprehensive expenses	(522)	(113)	(522)	(113)
Fair value on equity instrument designated at fair value	(171)	(38)	(171)	(38)
Foreign currency translation differences for foreign operations	(351)	(75)	(351)	(75)
Total comprehensive income for the period	4,517	371	4,517	371
Total comprehensive income attributable to:				
Owners of the Company	3,783	371	3,783	371
Non-controlling interests	734	-	734	-
Total comprehensive income for the period	4,517	371	4,517	371
Earnings per ordinary share attributable to equity holders of the Company (sen)				
Basic profit per share	0.17	0.02	0.17	0.02
Diluted	0.15	0.02	0.15	0.02

Notes:

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

META BRIGHT GROUP BERHAD ("MBRIGHT")

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**INTERIM REPORT - UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

	← Attributable to Owners of the Company →							Non-controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Warrants Reserve RM'000	Revaluation Reserve RM'000	Fair Value Reserve of Financial Assets RM'000	Foreign Currency Translation RM'000	Retained Earnings RM'000	Total RM'000		
At 1 July 2024	210,443	34,569	540	1,460	19	25,681	272,712	12,123	284,835
Profit for the financial period	-	-	-	-	-	4,305	4,305	734	5,039
Other comprehensive income, net of tax	-	-	-	(171)	(351)	-	(522)	-	(522)
Total comprehensive (loss)/income for the financial period	-	-	-	(171)	(351)	4,305	3,783	734	4,517
Capital contribution from non-controlling interest	-	-	-	-	-	-	-	52	52
Exercise of warrants	3,455	(1,255)	-	-	-	-	2,200	-	2,200
At 30 September 2024	213,898	33,314	540	1,289	(332)	29,986	278,695	12,909	291,604

Notes:

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

META BRIGHT GROUP BERHAD ("MBRIGHT")

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**INTERIM REPORT - UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

	Current period to date ended 30.09.2024 RM'000 <u>Unaudited</u>	Current period to date ended 30.09.2023 RM'000 <u>Unaudited</u>
CASH FLOWS USED IN OPERATING ACTIVITIES		
Profit before income tax expense for the period	7,251	484
Adjustments for:		
- property, plant and equipment	(58)	-
Finance income	(316)	(266)
Finance cost	2,123	517
Fair value adjustment on payable measured at amortised cost	30	-
Impairment loss on :		
- trade receivables	942	-
Reversal of impairment losses :		
- financing receivables	(137)	-
Loss on foreign exchange - unrealised	(2,233)	-
Depreciation of property, plant and equipment	4,529	1,170
Share of results of associate	(45)	-
Share of results of joint venture	5	-
Operating profit before working capital changes	<u>12,091</u>	<u>1,905</u>
(Increase)/decrease in:		
Financing receivables	1,522	1,383
Inventories	641	(768)
Trade and other receivables	(7,820)	(15,877)
Trade and other payables	489	7,479
Provision for liabilities	108	-
Contract assets	(567)	171
Contract cost	(77)	-
Contract liabilities	(120)	(821)
Net cash flows generated from / (used in) operation	<u>6,267</u>	<u>(6,528)</u>
Interest paid	(99)	(5)
Interest received	316	266
Income tax paid	(988)	(23)
Net cash flows generated from/ (used in) operating activities	<u>5,496</u>	<u>(6,290)</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,534)	(3,558)
Proceed from disposal of property, plant & equipment	60	-
Purchase of investment properties	(444)	-
Investment in joint venture	(1,000)	-
Issuance of share capital to non-controlling interests of a subsidiary company	52	-
Proceed from disposal of other investment	-	2
Land premium on inventories	-	(202)
Change in pledged deposits	(311)	-
Net cash flows used in investing activities	<u>(3,177)</u>	<u>(3,758)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issuance of shares		
- conversion of warrants	2,200	2,395
Repayment of term loans	(2,269)	(1,964)
Interest paid	(2,024)	(512)
Drawdown of term loans	758	-
Net drawdown on short term borrowing	2,641	-
Addition/(payment) of hire-purchase payables	(1,449)	8
Repayment of lease liabilities	(369)	(34)
Net cash flows used in financing activities	<u>(512)</u>	<u>(107)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,807	(10,155)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	<u>24,074</u>	<u>33,555</u>
Effects of exchange rate changes on cash and cash equivalents	(638)	-
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>25,243</u>	<u>23,400</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD COMPRISE THE FOLLOWING:		
Cash and bank balances	35,076	30,906
Housing Development Account	255	250
Deposits placed with licensed banks	13,831	10,601
Bank overdrafts	<u>(11,281)</u>	<u>(8,771)</u>
	37,881	32,986
Less : Deposits pledged with licensed bank	<u>(12,638)</u>	<u>(9,586)</u>
	<u>25,243</u>	<u>23,400</u>

Notes:

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

**META BRIGHT GROUP BERHAD (“MBRIGHT”)
INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2024**

EXPLANATORY NOTES

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements of Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group’s annual audited financial statements for the financial year ended 30 June 2024, which have been prepared in accordance with the MFRS and the Companies Act 2016.

These explanatory notes provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2024. The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2024.

A2 Audit qualifications

The auditors’ report on the audited annual financial statements for the financial year ended 30 June 2024 was not subject to any qualification.

Key Audit Matters (“KAM”) highlighted by the auditors were business combination, investment properties; property, plant and equipment; inventories, revenue and corresponding costs recognition for property development activities and investment in subsidiaries. Details of the KAM are provided in the audited financial statements for the financial year ended 30 June 2024.

A3 Seasonality or cyclicity of operation

For the financial period under review, the operations of the Group are not subject to material seasonal or cyclical fluctuations except for the Hospitality segment.

A4 Changes in the composition of the Group

For the financial period under review, there were no material changes in the composition of the Group.

A5 Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows because of their nature, size or incidence during the financial period under review.

A6 Changes in estimates

There were no material changes in estimates in the current quarter results.

A7 Debt and equity securities

There were no issuance, repurchase and repayment of debt and equity securities for the financial period under review except for the following:-

During the financial period to-date, there was an issuance of 25,882,452 new ordinary shares pursuant to the conversion of Warrants 2022/2032 at an exercise price of RM0.085 per ordinary share for a total cash consideration of RM2,200,008.

A8 Dividends paid

There was no dividend paid for the financial period under review.

A9 Segmental reporting

The Group's segmental report for the financial year to date is as follows:

	Investment properties RM'000	Leasing & financing RM'000	Hospitality RM'000	Investment holding RM'000	Property development RM'000	Energy related RM'000	Building materials business RM'000	Total RM'000
Revenue	1,041	2,487	6,663	-	131	446	47,926	58,694
Results								
Segment profit/(loss)	112	3,819	1,386	(1,443)	585	168	4,391	9,018
Interest income	4	1	2	72	36	4	197	316
Finance cost	-	(415)	(1)	(83)	(480)	(9)	(1,134)	(2,123)
Share of results of associate	-	-	-	-	-	-	45	45
Share of results of joint venture	-	-	-	-	-	(5)	-	(5)
Profit/(loss) before taxation	116	3,405	1,387	(1,455)	142	157	3,499	7,251
Income tax expense	-	(326)	(323)	-	(720)	-	(843)	(2,212)
Profit/(loss) net of tax	116	3,079	1,063	(1,455)	(578)	157	2,656	5,039

A10 Carrying amount of revalued assets

The carrying value of land and building is based on the valuation performed during financial year ended 30 June 2024.

A11 Subsequent material event

There were no material events subsequent to the end of the period that have not been reflected in the financial statements for the period.

A12 Changes in contingent liabilities and contingent assets

There were no known material contingent liabilities and contingent assets of the Group since the 2024 annual report.

A13 Capital Commitments

For the financial year to-date, the Group had approved and contracted for the following capital commitments.

Property, Plant and Equipment	RM'000
<hr/>	
Approved and contracted for :	19,651
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Approved and not contracted for :	400
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ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1 Review of performance

Financial year-to-date and current quarter performance

	First Quarter Ended 30 Sep 2024 RM'000	First Quarter Ended 30 Sep 2023 RM'000	Changes (%)
Revenue	58,694	10,431	463%
Profit from operations	9,018	1,001	801%
Profit Before Interest and Tax	9,334	1,001	832%
Share of results of associate	45	-	N/A
Share of results of joint venture	(5)	-	N/A
Profit Before Tax	7,251	484	1398%
Profit After Tax	5,039	484	941%
Other Comprehensive Loss, Net of Tax	(522)	(113)	362%
Total comprehensive income attributable to :			
Owners of the Company	3,783	371	920%
Non-controlling interests	734	-	N/A
Total comprehensive income for the period	4,517	371	1118%

The Group recorded a stronger revenue of RM58.694 million for the current quarter, representing an increase of RM48.263 million compared to the revenue of RM10.431 million in the previous year's corresponding quarter. The increase was attributed to the following:

1. Building materials business
The building materials business segment recorded revenue of RM47.926 million from the newly acquired subsidiary.
2. Leasing & financing
The leasing and financing segment contributed RM2.487 million which was higher by RM2.170 million compared with previous year same quarter. The higher revenue was due to the higher rental income from leasing of vehicles and equipment in Australia.
3. Hospitality
The hospitality segment recorded a revenue of RM6.663 million which was higher by RM0.343 million. This was driven by rental of convention centre and increased room sale.
4. Property development
The property development segment recorded a lower revenue of RM0.131 million compared to RM2.854 million in previous year same quarter. The lower revenue was due to lower accrued project revenue for Damai Suites project and the disposal of 2 shoplots in Bandar Tun Razak in previous year same quarter.
5. Energy related
The energy related segment generated higher revenue of RM0.446 million in this quarter which was higher by RM0.220 million compared with previous year same quarter. The higher revenue is generated from completed energy project.
6. Investment Properties
The investment properties contributed RM1.041 million in this quarter which was higher by RM0.326 million compared to previous year same quarter. The higher revenue was primarily attributed to the rental from the shops at Jengka, Pahang which has been transferred and reclassified as investment properties from inventory.

B2 Comparison with preceding quarter result

Financial review for the current quarter compared to the immediate preceding quarter: -

	First Quarter Ended 30 Sep 2024 RM'000	Fourth Quarter Ended 30 June 2024 RM'000	Changes (%)
Revenue	58,694	48,563	21%
Profit from operations	9,018	10,884	-17%
Profit Before Interest and Tax	9,334	11,441	-18%
Share of results of associate	45	114	-61%
Share of results of joint venture	(5)	-	N/A
Profit Before Tax	7,251	9,372	-23%
Profit After Tax	5,039	8,221	-39%
Other Comprehensive (Loss)/Profit, Net of Tax	(522)	57	-1016%
Total comprehensive income attributable to :			
Owners of the Company	3,783	8,364	-55%
Non-controlling interests	734	(86)	953%
Total comprehensive income for the period	4,517	8,278	-45%

The profit before tax stood at RM7.251 million and RM9.372 million for the current and preceding quarter respectively. The lower profit was mainly due to the following:

1. Building materials business
The building materials contributed higher profit in this quarter due to higher revenue.
2. Leasing & financing
The leasing and financing segment contributed higher profit in this quarter mainly due to unrealised gain on foreign exchange.
3. Hospitality
The hospitality segment contributed lower profit in this quarter due to previous quarter's recognition of fair value gain on Properties, Plant & Equipment.
4. Property development
The property development segment's higher profit in this quarter is derived from the Bandar Tasek Raja project in Kelantan.
5. Energy related
The energy related segment contributed higher profit in this quarter due to impairment losses on asset in previous quarter.
6. Investment properties
The investment properties contributed lower profit due to the recognition of fair value gain on revaluation of investment properties in previous quarter.
7. Investment holding
There was a non-recurring gain on bargain purchase of a subsidiary at previous quarter.

B3 Group prospects

For the current financial year, the Board is committed to further improve the Hotel building and facilities to remain competitive in the Hospitality segment. In terms of the Property Development segment, while the Board will continuously identify new opportunities for development projects to provide the Group with new income streams, the Board will continue to adopt a cautious approach for the Group's property development projects i.e. to evaluate all options available to the Group at the material time before launching any particular projects.

The Group is seeking to expand its core businesses in the Energy Related, Equipment Leasing and Building Materials businesses.

Barring any unforeseen circumstances and premised on the outlook of the Energy Related, Equipment Leasing and Building Materials businesses as disclosed in the respective circulars to shareholders, the Group is optimistic that the growth prospect of these industries will contribute positively to the financial performance of the Group. Nevertheless, the Group will remain cautious in conducting the business amidst the current challenging business environment.

There have been no material developments regarding the Memorandum of Understanding (MOU) with ChemPartner Pharmatech Co., Ltd announced on 27 May 2024 to explore business opportunities for creating a new pharmaceutical and biotechnology hub in Malaysia. The Group is currently in the midst of identifying suitable land(s) for such project with the partners.

Additionally, there have been no material developments regarding the MOU with Koperasi Kakitangan Istana Pahang Berhad (KKIPB), announced on 30 May 2023 to explore potential joint ventures in renewable energy and energy efficiency projects ("proposed JV"). In a follow up announcement, on 28 August 2023, the Group updated that it has received the letter of no objection from Majlis Ugama Islam dan Adat Resam Melayu Pahang with regards to the proposed JV.

B4 Variance of profit forecast and profit guarantee

Not applicable.

B5 Corporate proposal

(a) Shares Issuance

The Company successfully completed the following fund raising exercise:

9 February 2023 - 20% share issuance of 389,469,246 new ordinary shares at issue price of RM0.1125 per share which raised RM43,815,290. The utilisation of the proceeds raised is as follows: -

Details of Utilisation	Proposed utilisation of proceeds RM'000	Actual utilisation as at 11.11.2024 RM'000	Balance to be utilised RM'000	Estimated timeframe for the utilisation ("Initial Estimated Timeframe")	Revised timeframe for the utilisation
Business development for Energy Related Business	18,600	13,496	5,104	Within 12 months	Additional 18 months from the Initial Estimated Timeframe
Refurbishment of Renai Hotel	10,000	10,000	-	Within 12 months	N/A
Other business opportunities	10,000	10,000	-	Within 12 months	N/A
General working capital	4,815	4,815	-	Within 12 months	N/A
Estimated expenses for the Proposed Shares Issuance	400	400	-	Within 2 months	N/A
	43,815	38,711	5,104		

B6 Taxation

	First Quarter Ended 30 Sep 2024 RM'000	First Quarter Ended 30 Sep 2023 RM'000	Financial Period Ended 30 Sep 2024 RM'000	Financial Period Ended 30 Sep 2023 RM'000
Tax expense				
Income tax				
-current year	(2,212)	-	(2,212)	-
Deferred tax				
-current year	-	-	-	-
-prior year	-	-	-	-
	(2,212)	-	(2,212)	-

B7 Group borrowings and debts securities

The Group borrowings, all denominated in Ringgit Malaysia as follows: -

	As at 30 Sep 2024		As at 30 June 2024	
	Current RM'000	Non-current RM'000	Current RM'000	Non-current RM'000
Secured				
Bank overdraft	11,281	-	11,647	-
Hire purchase payables	5,380	13,224	5,335	11,469
Lease liabilities	1,470	4,001	1,511	4,329
Term Loan	12,056	47,012	9,200	54,250
Revolving credit	5,057	-	5,130	-
Banker acceptance	38,875	-	36,161	-
	74,119	64,237	68,984	70,048

B8 Changes in material litigation

There were no material litigations for the financial period under review.

B9 Dividend

The board does not propose any dividend to be paid for the financial period under review.

B10 Earnings per share

	Financial Period Ended 30 Sep 2024	Financial Period Ended 30 Sep 2023
Profit attributable to owner of the Company (RM'000)	4,305	484
Weighted average number of ordinary shares in issue ('000)	2,519,303	2,350,005
Basic profit per share (sen)	0.17	0.02
Diluted (sen)	0.15	0.02

B11 Notes to the Statement of Comprehensive Income

	First Quarter Ended 30 Sep 2024 RM'000	Financial Period Ended 30 Sep 2024 RM'000
This is arrived at after (charging)/crediting:		
Interest income	316	316
Interest expense	(2,123)	(2,123)
Depreciation and amortization	(4,529)	(4,529)
Impairment losses on receivables	(942)	(942)
Net foreign exchange gain- (unrealised)	2,233	2,233