

META BRIGHT GROUP BERHAD ("MBRIGHT")
(formerly known as Eastland Equity Bhd ("EASTLND"))
Registration No: 200001013359 (515965-A)
Incorporated in Malaysia

**INTERIM REPORT - UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS AT 31 DECEMBER 2022**

	As at 31.12.2022 RM <u>Unaudited</u>	As at 30.06.2022 RM <u>Audited</u>
ASSETS		
Non-Current Assets		
Property, plant and equipment	81,786,561	78,827,725
Investment properties	62,593,700	62,593,700
Other investments	1,603,532	1,628,935
Financing receivables	11,211	15,240
Total Non-Current Assets	<u>145,995,004</u>	<u>143,065,600</u>
Current Assets		
Inventories - Property development cost	45,127,057	44,587,653
Inventories - Completed properties and others	41,930,522	17,774,002
Trade and other receivables	10,641,583	3,925,937
Contract assets	2,267,251	2,335,034
Financing receivables	713,163	39,588
Deposits placed with licensed banks	10,513,841	5,173,296
Cash and bank balances	14,408,663	27,065,159
Total Current Assets	<u>125,602,080</u>	<u>100,900,669</u>
TOTAL ASSETS	<u>271,597,084</u>	<u>243,966,269</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	140,353,769	181,667,731
Reserves	48,199,358	(20,086,547)
Total Equity	<u>188,553,126</u>	<u>161,581,184</u>
Non-Current Liabilities		
Lease payables	305,326	94,073
Term loans	19,988,011	19,988,010
Trade payables	2,931,716	2,800,009
Deferred tax liabilities	5,900,034	5,900,034
Total Non-Current Liabilities	<u>29,125,087</u>	<u>28,782,126</u>
Current Liabilities		
Trade and other payables	20,669,637	24,234,403
Contract liabilities	23,244,074	25,124,355
Provisions for liabilities	1,812,000	1,812,000
Lease payables	195,184	90,858
Term loans	2,082,749	1,692,745
Bank overdraft	5,915,227	648,598
Total Current Liabilities	<u>53,918,871</u>	<u>53,602,959</u>
Total Liabilities	<u>83,043,957</u>	<u>82,385,085</u>
TOTAL EQUITY AND LIABILITIES	<u>271,597,084</u>	<u>243,966,269</u>
Net asset per share (sen)	10	19

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 2022 and the accompanying explanatory notes attached to the interim financial statements.

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INTERIM REPORT - UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2022

	Individual Period		Cumulative Period	
	Current quarter 31.12.2022 Unaudited RM	Preceding year corresponding quarter 31.12.2021 Unaudited RM	6 months ended 31.12.2022 Unaudited RM	6 months ended 31.12.2021 Unaudited RM
<u>Continuing Operations</u>				
Revenue	7,959,379	6,541,401	16,628,185	10,460,544
Expenses excluding finance cost	(8,557,367)	(6,630,910)	(15,898,668)	(11,609,860)
Other operating income	<u>2,127,890</u>	<u>660,629</u>	<u>2,267,383</u>	<u>667,785</u>
Profit/(loss) from operations	1,529,902	571,120	2,996,901	(481,531)
Finance cost	(407,999)	(910,840)	(799,555)	(1,880,504)
Profit/(loss) before taxation	<u>1,121,903</u>	<u>(339,720)</u>	<u>2,197,346</u>	<u>(2,362,035)</u>
Income tax	-	-	-	-
Net profit/(loss) for the period	<u>1,121,903</u>	<u>(339,720)</u>	<u>2,197,346</u>	<u>(2,362,035)</u>
Other comprehensive profit/(loss), net of tax	<u>(11,147)</u>	<u>4,554</u>	<u>(25,403)</u>	<u>(51,611)</u>
Total comprehensive profit/(loss) for the period	<u><u>1,110,755</u></u>	<u><u>(335,166)</u></u>	<u><u>2,171,943</u></u>	<u><u>(2,413,646)</u></u>
Earnings per ordinary share attributable to equity holders of the Company (sen)				
Basic profit/(loss) per share	<u><u>0.06</u></u>	<u><u>(0.08)</u></u>	<u><u>0.12</u></u>	<u><u>(0.58)</u></u>
Diluted	<u><u>0.06</u></u>	<u><u>-</u></u>	<u><u>0.11</u></u>	<u><u>-</u></u>

Notes:

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

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INTERIM REPORT - UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2022

	<u>Non-distributable</u>				Fair Value Reserve of Financial Assets at FVOCI RM	<u>Distributable</u>	Total RM
	Share Capital RM	Capital Reserve RM	Warrants Reserve RM	Revaluation RM		Retained Profits/ (Accumulated Losses) RM	
At 30 June 2021	133,877,051	110,238,037	-	-	1,215,001	(174,077,275)	71,252,814
Issue of ordinary share	48,994,458	-	37,970,746	-	-	-	86,965,204
Share issuance expenses	(1,203,778)	-	-	-	-	-	(1,203,778)
Total comprehensive profit	-	-	-	-	-	4,074,512	4,074,512
Other comprehensive income/ (loss)	-	-	-	540,183	(47,751)	-	492,432
At 30 June 2022	181,667,731	110,238,037	37,970,746	540,183	1,167,250	(170,002,763)	161,581,184
Issue of ordinary share	24,800,000	-	-	-	-	-	24,800,000
Capital reduction	(66,113,962)	(110,238,037)	-	-	-	176,351,999	-
Total comprehensive profit	-	-	-	-	-	2,197,346	2,197,346
Other comprehensive loss	-	-	-	-	(25,403)	-	(25,403)
At 31 December 2022	140,353,769	-	37,970,746	540,183	1,141,847	8,546,582	188,553,126

Notes:

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

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INTERIM REPORT - UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022

	Current period to date ended 31.12.2022 RM	Current period to date ended 31.12.2021 RM
	Unaudited	Unaudited
CASH FLOWS USED IN OPERATING ACTIVITIES		
Profit/(loss) before income tax expense for the period	2,197,346	(2,362,034)
Adjustments for:		
Finance income	(213,721)	(81,789)
Finance cost	799,555	1,880,504
Depreciation of property, plant and equipment	1,551,991	1,440,174
Operating profit before working capital changes	4,335,170	876,855
 (Increase)/decrease in:		
Financing receivables	(669,546)	(51,664)
Inventories - Property development cost	(539,403)	(8,929,279)
Inventories - Completed properties and others	(24,156,520)	5,175
Trade and other receivables	(6,715,646)	(1,409,646)
Trade and other payables	(3,433,056)	10,731,086
Contract assets	67,783	-
Contract liabilities	(1,880,281)	-
Net cash flows (used in)/generated from operation	(32,991,499)	1,222,527
Interest paid	(49,581)	-
Net cash flows (used in)/from operating activities	(33,041,081)	1,222,527
 CASH FLOWS USED IN INVESTING ACTIVITIES		
Additions to property, plant and equipment	(4,510,829)	(632,494)
Interest received	213,721	81,789
Change in pledged deposits	(4,340,545)	(123,035)
Net cash flows used In investing activities	(8,637,653)	(673,740)
 CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in share capital	24,800,000	6,868,283
Increase in term loans due to rescheduling/moratorium	390,005	1,103,706
Interest paid	(749,974)	(1,547,878)
Payment of hire-purchase payables	315,577	28,133
Net cash flows generated from financing activities	24,755,609	6,452,244
 NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(16,923,125)	7,001,031
 CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	26,416,561	(5,640,836)
 CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	9,493,436	1,360,195
 CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD COMPRISE THE FOLLOWING:		
Cash and bank balances	14,158,257	8,477,606
Housing Development Account	250,406	248,819
Deposits placed with licensed banks	10,513,841	4,433,749
Bank overdrafts	(5,915,227)	(7,366,230)
	19,007,277	5,793,944
Less : Deposits pledged with licensed bank	(9,513,841)	(4,433,749)
	9,493,436	1,360,195

Notes:

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

**META BRIGHT GROUP BERHAD (“MBRIGHT”)
INTERIM REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2022**

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 2022, 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 2022. 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 2022.

A2 Audit qualifications

The auditors’ report on the audited annual financial statements for the financial year ended 30 June 2022 was not subject to any qualification.

Key Audit Matters (“KAM”) highlighted by the auditors were investment properties and property, plant and equipment; inventories and revenue and corresponding costs recognition for property development activities. Details of the KAM are provided in the audited financial statements for the financial year ended 30 June 2022.

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, save for the 20% share issuance of 389,469,246 new ordinary shares disclosed as subsequent material event in note A11 and note B5(d).

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	Others RM'000	Total RM'000
Revenue	1,442	58	12,695	-	2,433	-	16,628
Results							
Segment profit/(loss)	(129)	58	3,355	(2,313)	1,823	(11)	2,783
Interest income	-	-	41	84	89	-	214
Finance cost	-	-	(2)	-	(798)	-	(800)
Profit before taxation							2,197
Income tax expense							-
Profit for the period							2,197
Other comprehensive loss, net of tax							(25)
Total comprehensive profit for the period							<u>2,172</u>

A10 Carrying amount of revalued assets

The carrying value of land and building is based on the valuation incorporated in the audited financial statements for the financial year ended 30 June 2022.

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, other than the 20% share issuance of 389,469,246 new ordinary shares as disclosed in note B5(d).

A12 Changes in contingent liabilities and contingent assets

There were no known material contingent liabilities and contingent assets of the Group since the 2022 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
Approved and contracted for:	<u>7,920</u>
Approved and not contracted for:	<u>778</u>

ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1 Review of performance

Financial review for current quarter compared to preceding year's corresponding quarter and current period and preceding year corresponding period :

	Individual Period		Changes (%)	Cumulative Period		Changes (%)
	Current Quarter	Preceding Year Corresponding Quarter		Current Year To-Date	Preceding Year Corresponding Period	
	31 Dec 2022 (RM '000)	31 Dec 2021 (RM '000)		31 Dec 2022 (RM '000)	31 Dec 2021 (RM '000)	
Revenue	7,959	6,541	22	16,628	10,460	59
Operating Profit/(loss)	1,530	572	167	2,997	(481)	724
Profit/(Loss) Before Interest and Tax	1,530	572	167	2,997	(481)	724
Profit/(Loss) Before Tax	1,122	(340)	430	2,197	(2,362)	193
Profit/(Loss) After Tax	1,122	(340)	430	2,197	(2,362)	193
Other Comprehensive Profit/(Loss), Net of Tax	(11)	5	(345)	(25)	(52)	51
Profit/(Loss) Attributable to Ordinary Equity Holders of the Company	1,111	(335)	432	2,172	(2,414)	190

The Group recorded a revenue of RM7.96 million for the current quarter, an increase of RM1.42 million compared to the revenue of RM6.54 million in the previous year's corresponding quarter. The increase was mainly attributed to the increase in :

- accrued project revenue from the Property Development segment,
- guaranteed rental from acquired properties,
- F&B revenue from the Hotel, and
- accrued interest from the Leasing & Financing segment.

B2 Comparison with preceding quarter result

Financial review for the current quarter compared with the immediate preceding quarter:

	Individual Period		Changes (%)
	Current Quarter	Immediate Preceding Quarter	
	31 Dec 2022 (RM '000)	30 Sep 2022 (RM '000)	
Revenue	7,959	8,669	(8)
Operating Profit	1,530	1,467	4
Profit Before Interest and Tax	1,530	1,467	4
Profit Before Tax	1,122	1,075	4
Profit After Tax	1,122	1,075	4
Other Comprehensive Loss, Net of Tax	(11)	(14)	22
Profit Attributable to Ordinary Equity Holders of the Company	1,111	1,061	5

The Group recorded a profit before tax of RM1.12 million and RM1.07 million for the current and previous quarter respectively. Compared to the previous quarter, despite a decrease in revenue of RM0.7 million mainly from Hotel and Property Development segments, there is a slight increase in profit in the current quarter mainly attributed to a write back of accounts payables of RM1.9 million.

B3 Group prospects

For the current financial year, the Board is committed to further improve our Hotel building and facilities to remain competitive. On property development segment, the Board has been continuously identifying 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 and will evaluate all options available to the Group at the material time before launching any particular projects.

While the Group will remain focused on its core business, it will continue to seek and explore non-property related business opportunities that would contribute positively towards the Group's financial performance. The Group will remain cautious when looking out for business opportunities in the face of current challenging business environment.

B4 Variance of profit forecast and profit guarantee

Not applicable.

B5 Corporate proposal

(a) Private Placement

On 6 November 2019, the company successfully completed a private placement of 29,480,000 new ordinary shares at issue price of RM0.0841 per share which raised RM2,479,268. The utilisation of the proceeds raised is as follows: -

Purpose	Proposed utilisation of proceeds RM'000	Actual utilisation RM'000	Balance to be utilised RM'000	Utilisation Timeframe
Repayment of bank borrowings	772	772	-	
Working capital	327	327	-	
Property development activities	1,280	507	773	Within 12 months
Expenses related to Private Placement	100	100	-	
	<u>2,479</u>	<u>1,706</u>	<u>773</u>	

(b) Private Placements

The company successfully completed the following funds raising exercises on:

- 15 June 2021 - 10% private placement of 32,428,157 new ordinary shares at issue price of RM0.1233 per share;
- 13 August 2021 - 20% share issuance of 64,856,312 new ordinary shares at issue price of RM0.1059 per share;

which raised a total of RM10,866,675. The utilisation of the proceeds raised is as follows:

Purpose	10% private placement RM'000	20% share issuance RM'000	Proposed utilisation of proceeds RM'000	Actual utilisation RM'000	Balance to be utilised RM'000	Utilisation timeframe
Repayment of bank borrowings	2,487	1,504	3,991	3,991	-	
Working capital	1,416	1,189	2,605	2,605	-	
Property development activities	-	4,000	4,000	3,774	226	Within 12 months
Expenses related to private placement	95	175	270	270	-	
	<u>3,998</u>	<u>6,868</u>	<u>10,866</u>	<u>10,641</u>	<u>226</u>	-

(c) Rights Issue with Warrants

On 18 February 2022, the company is completed rights issue of 1,144,241,731 new ordinary shares on the basis of 19 rights shares for every 7 existing Eastland shares held together with 782,901,982 free warrants issued price of RM0.07 per rights share (“Rights Issue with Warrants”) which raised RM80,096,921. The utilisation of the proceeds raised is as follows:

Details of Utilisation	Proposed utilisation of proceeds	Actual utilisation	Balance to be utilised	Utilisation timeframe
	RM'000	RM'000	RM'000	
Repayment of bank borrowings	40,000	40,000	-	
Repayment of advances owing to LCK	12,440	12,440	-	
Repayment of advances owing to Datuk Melvinyeo	2,420	2,420	-	
Payment of Damai Consideration	8,000	8,000	-	
General working capital	2,537	2,537	-	
Business opportunities	14,000	10,975	3,025	Within 24 months
Estimated expenses for the Rights Issue with Warrants	700	700	-	
	<u>80,097</u>	<u>77,072</u>	<u>3,025</u>	

(d) Share Issuance

The company successfully completed the following fund raising exercise on:

9 February 2023 - 20% share issuance of 389,469,246 new ordinary shares at issue price of RM0.1125 per share which raised RM43,815,290.18. The utilisation of the proceeds raised is as follows: -

Details of Utilisation	Proposed utilisation of proceeds	Actual utilisation	Balance to be utilised	Utilisation timeframe
	RM'000	RM'000	RM'000	
Business development for Energy Related Business	18,600	-	18,600	Within 12 months
Refurbishment of The Grand Renai Hotel	10,000	-	10,000	Within 12 months
Other business opportunities	10,000	-	10,000	Within 12 months
General working capital	4,815	-	4,815	Within 12 months
Estimated expenses for the Proposed Shares Issuance	400	202	198	Within 2 months
	<u>43,815</u>	<u>202</u>	<u>43,613</u>	

B6 Taxation

	3 months Quarter ended		Cumulative to date	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	RM'000	RM'000	RM'000	RM'000
Current income tax:				
- Income tax	-	-	-	-
- Deferred tax	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

B7 Group borrowings and debts securities

The Group borrowings, all denominated in Ringgit Malaysia, as at 31 December 2022 are as follows: -

	31/12/2022		30/06/2022	
	Current RM'000	Non-current RM'000	Current RM'000	Non-current RM'000
Secured				
Hire-purchase payables	195	305	91	94
Term Loan	2,083	19,988	1,693	19,988
Bank overdraft	5,915	-	649	-
	<u>8,193</u>	<u>20,293</u>	<u>2,433</u>	<u>20,082</u>

B8 Changes in material litigation

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

B9 Dividend

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

B10 Earnings per share

	3 months ended		Cumulative to date	
	31-Dec-22 RM'000	31-Dec-21 RM'000	31-Dec-22 RM'000	31-Dec-21 RM'000
Net profit/ (loss) attributable to equity holders of the Company				
- from continuing operation	<u>1,122</u>	<u>(340)</u>	<u>2,197</u>	<u>(2,362)</u>
	<u>1,122</u>	<u>(340)</u>	<u>2,197</u>	<u>(2,362)</u>
Number of ordinary share in issue ('000)	1,947,346	421,566	1,947,346	421,566
Weighted average number of ordinary share in issue ("000)	1,947,346	421,566	1,866,477	406,409
Profit/ (loss) per share (sen)				
Basic, profit from				
- continuing operations	<u>0.06</u>	<u>(0.08)</u>	<u>0.12</u>	<u>(0.58)</u>
Basic, profit/(loss) for the period	<u>0.06</u>	<u>(0.08)</u>	<u>0.12</u>	<u>(0.58)</u>
Diluted	<u>0.06</u>	<u>-</u>	<u>0.11</u>	<u>-</u>

B11 Profit for the period

	Current Quarter RM'000	Cumulative to date RM'000
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This is arrived at after (charging)/crediting:

Interest income	113	214
Interest expense	(408)	(800)
Depreciation and amortization	<u>(784)</u>	<u>(1,552)</u>

Other disclosure items pursuant to Appendix 9B, Part A(16) of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.