



LFE CORPORATION BERHAD
(Company No: 200201011680(579343-A))

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

	Individual Quarter		Cumulative Quarters	
	Current Quarter Ended 31 Dec 2022 RM'000	Preceding year Corresponding Quarter Ended 31 Dec 2021 RM'000	Current Year To Date 31 Dec 2022 RM'000	Preceding Year Corresponding Period 31 Dec 2021 RM'000
Revenue	26,969	14,177	73,227	32,875
Cost of sales	(23,460)	(10,374)	(65,651)	(26,230)
Gross Profit	3,509	3,803	7,576	6,645
Other operating income	1,080	854	1,332	857
Interest income	195	-	195	-
Administrative expenses	(1,967)	(1,670)	(5,796)	(4,678)
Other operating expenses	(156)	(13,610)	(156)	(13,767)
Finance costs	(13)	(99)	(23)	(133)
Share of results of joint ventures	-	(1,751)	-	(1,770)
Profit/(Loss) before taxation	2,648	(12,473)	3,128	(12,846)
Taxation	(1,308)	(1,274)	(1,244)	(1,274)
Profit/(Loss) for the period	1,340	(13,747)	1,884	(14,120)
Other comprehensive income :				
Item that may be reclassified subsequently to profit or loss				
- Currency translation differences of foreign operations	(71)	(237)	60	948
Total comprehensive income/(loss)for the period	1,269	(13,984)	1,944	(13,172)
Net Profit/(Loss) attributable to :				
Owners of the Company	475	(14,741)	462	(16,107)
Non- controlling interest	865	994	1,422	1,987
	1,340	(13,747)	1,884	(14,120)
Total comprehensive income/(loss) attributable to :				
Owners of the Company	404	(14,978)	522	(15,159)
Non- controlling interest	865	994	1,422	1,987
	1,269	(13,984)	1,944	(13,172)
Earning/(loss) per share attributable to owners of the Company (sen)	Sen	Sen	Sen	Sen
- Basic	0.06	(2.42)	0.06	(2.64)
- Diluted (Note B12)	N/A	N/A	N/A	N/A

Note : N/A denotes as Not Applicable

(The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial period ended 31 December 2021)

LFE CORPORATION BERHAD
(Company No: 200201011680(579343-A))

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 31 DECEMBER 2022

	At Current Financial Year Ended 31 Dec 2022 Unaudited (RM'000)	At Previous Financial Year Ended 31 Dec 2021 Audited (RM'000)
ASSETS		
Non-Current Assets		
Property, plant and equipment	315	447
Goodwill	23,184	23,184
Investment in Joint Ventures	1,230	1,168
	24,729	24,799
Current Assets		
Contract Assets	14,819	1,660
Property development cost	25,440	352
Trade receivables	20,868	17,587
Other receivables	9,374	16,080
Tax recoverable	256	-
Fixed deposits placed with licensed banks	12,768	9,686
Cash and bank balances	12,109	22,571
	95,634	67,936
TOTAL ASSETS	120,363	92,735
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share Capital	107,712	107,712
Reserves	(39,510)	(40,032)
Non-controlling interest	7,694	6,272
	75,896	73,952
Non- Current Liabilities		
Lease liabilities	127	228
Deferred Tax Liabilities	12	8
	139	236
Current Liabilities		
Contract liabilities	3,513	48
Trade payables	33,062	9,465
Other payables	5,636	5,279
Amount owing to a non-controlling interest	1,950	2,400
Lease liabilities	90	110
Provision for taxation	77	1,245
	44,328	18,547
Total Liabilities	44,467	18,783
TOTAL EQUITY AND LIABILITIES	120,363	92,735
Net assets per share (RM)	0.09	0.09

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial period ended 31 December 2021)

LFE CORPORATION BERHAD
(Company No: 200201011680(579343-A))

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

	← Attributable to Owners of the Company →						Total equity (RM'000)
	← Non-distributable reserve →						
	Share capital (RM'000)	Capital Reserves (RM'000)	Exchange translation reserve (RM'000)	Accumulated losses (RM'000)	Total (RM'000)	Non-controlling interest (RM'000)	
(Unaudited)							
As at 1 January 2022	107,712	17,568	3,769	(61,369)	67,680	6,272	73,952
Profit for the financial period	-	-	-	462	462	1,422	1,884
Other comprehensive income	-	-	60	-	60	-	60
Total comprehensive income for the period	-	-	60	462	522	1,422	1,944
As at 31 December 2022	107,712	17,568	3,829	(60,907)	68,202	7,694	75,896

	← Attributable to Owners of the Company →						Total equity (RM'000)
	← Non-distributable reserve →						
	Share capital (RM'000)	Capital Reserves (RM'000)	Exchange translation reserve (RM'000)	Accumulated losses (RM'000)	Total (RM'000)	Non-controlling interest (RM'000)	
(Audited)							
As at 1 January 2021	61,917	17,568	2,821	(45,262)	37,044	-	37,044
New share issue:							
- Rights issue	39,245	-	-	-	39,245	-	39,245
- Private placement to acquire a subsidiary company	6,550	-	-	-	6,550	-	6,550
Incorporation of a subsidiary company	-	-	-	-	-	100	100
Acquisition of a subsidiary company	-	-	-	-	-	4,185	4,185
(Loss)/Profit for the financial period	-	-	-	(16,107)	(16,107)	1,987	(14,120)
Other comprehensive income	-	-	948	-	948	-	948
Total comprehensive income/(loss) for the period	-	-	948	(16,107)	(15,159)	1,987	(13,172)
As at 31 December 2021	107,712	17,568	3,769	(61,369)	67,680	6,272	73,952

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial period ended 31 December 2021)

LFE CORPORATION BERHAD
(Company No: 200201011680(579343-A))

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

	Current Financial Year Ended 31 Dec 2022 (RM'000)	Previous Financial Year Ended 31 Dec. 2021 (RM'000)
Cash Flows for Operating Activities		
Profit/(Loss) before taxation	3,128	(12,846)
Adjustments for :		
Non-cash items	247	1,864
Non-operating items	(172)	13,009
Operating profit before working capital changes	3,203	2,027
Changes in working capital		
Net change in current assets	(31,359)	7,302
Net change in current liabilities	23,504	(8,887)
Cash (used in)/generated from operations	(4,652)	442
Interest received	195	40
Interest paid	(23)	(133)
Tax paid	(2,664)	(1,756)
Net cash used in operating activities	(7,144)	(1,407)
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(115)	(11)
Acquisition of a subsidiary	-	(20,918)
Distributed from Joint Venture	-	18,823
Net cash used in investing activities	(115)	(2,106)
Cash Flows From Financing Activities		
Proceeds from issuance of share capital	-	39,245
Proceeds from issuance of shares to non-controlling interest	-	100
Repayment of bank borrowings	-	(5,115)
Repayment of lease liabilities	(121)	(54)
Net cash (used in)/generated from financing activities	(121)	34,176
Net (decrease)/ increase in cash and cash equivalents	(7,380)	30,663
Cash & cash equivalents at the beginning of year	32,257	1,594
Cash & cash equivalents at the end of period	24,877	32,257

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial period ended 31 December 2021)

LFE CORPORATION BERHAD
(Company No: 200201011680(579343-A))
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

A EXPLANATORY NOTES AS PER MFRS 134

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (MFRS) 134 : Interim Financial Reporting issued by Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad. These interim financial statements also comply with International Accounting Standard ("IAS") 34, Interim Financial Reporting issued by the International Accounting Standard Board ("IASB").

The interim financial statements should be read in conjunction with the most recent audited financial statements of the Group for the financial year ended 31 December 2021. These explanatory notes attached to the interim financial statements 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 31 December 2021.

A2 Accounting Policies

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2021 except for the adoption of the following new MFRSs, amendments to MFRSs and IC interpretations that are effective for the Group's financial year beginning on or after 1 January 2022, as disclosed below:

Annual periods beginning on / after 1 January 2022

Amendment to MFRS 3	Business Combinations: Reference to Conceptual Framework
Amendment to MFRS 116	Property, Plant and Equipment - Proceed before intended use
Amendment to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract

The adoption of these new MFRSs, amendments to published standards and IC interpretations did not have any material impact on the interim financial report of the Group.

A3 Seasonality or cyclical factors

For the period under review, the business operations of the Group were not significantly affected by any seasonal or cyclical factors.

A4 Unusual and extraordinary items

There were no unusual items affecting assets, liabilities, equity, net income and cash flows during the current period and financial period-to-date under review.

A5 Changes in accounting estimates

There were no changes in estimates of amounts reported in the prior financial year that have a material effect in the current period and financial period-to-date results.

A6 Debts and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the financial period-to-date.

A7 Dividends paid

No dividend was paid for the current period and financial period-to-date under review.

A8 Segmental reporting

12 months period ended 31 Dec 2022	Construction / Electrical / & mechanical RM'000	Property Development RM'000	Investment Holding RM'000	Consolidated RM'000
REVENUE				
External Sales				
Malaysia	68,348	4,879	-	73,227
Overseas	-	-	-	-
Total revenue	68,348	4,879	-	73,227
RESULTS				
Operating profit/(loss)	3,277	306	(432)	3,151
Interest expense	(23)		-	(23)
Profit/(Loss) before tax	3,254	306	(432)	3,128
Income tax expense	(1,164)	(80)	-	(1,244)
Net Profit/(Loss) for the period	2,090	226	(432)	1,884

A9 Carrying amount of revalued assets

This is not applicable.

A10 Material events subsequent to balance sheet date of previous audit report

There are no material events subsequent to the end of the period under review that have not been reflected in the interim financial report.

A11 Changes in the composition of the Group

There were no changes in the compositions of the Group during the period and financial period under review.

A12 Capital commitments

There were no capital commitments for the period and financial period under review.

A13 Changes in contingent liabilities and contingent assets

There were no material changes in contingent liabilities of the Company and the Group since the date of the last financial statements.

A14 Significant Related party transactions

There were no related party transactions conducted during the financial period under review.

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS

B1 Review of performance

The Group recorded total revenue of RM27 million for the current quarter as compared to RM14 million for the corresponding period of the preceding year.

The Group recorded profit after tax ("PAT") of RM1.34 million for the current quarter as compared to loss after tax ("LAT") of RM13.75 million for the corresponding period of the preceding year.

The increase in revenue for the current quarter compared to the corresponding period of the preceding year can be attributed to the successful progress of both the Aman Laut Project and the Gurun East Phase 2 Project. Specifically, the Aman Laut project generated revenue of RM10 million while the Gurun Project contributed RM6.32 million in revenue during the current quarter

B2 Comparison between the current quarter and immediate preceding quarter

The Group recorded revenue and PAT of RM27 million and RM1.34 million respectively for the current quarter as compared to revenue of RM15 million and PAT of RM0.713 million for the immediate preceding quarter ended 30 Sept 2022.

The significant increase in the Group's revenue and profit after tax ("PAT") can be attributed to the higher revenue generated from the Aman Laut Project and the Gurun Project. This is primarily due to the efficient management of subcontractors and a stable supplier chain that has led to accelerated progress of both projects.

B3 Future prospects

In the years 2021 and 2022, the Group entered into a joint venture development agreement with the landowner to develop terrace houses in Kedah. This collaboration offers LFE the chance to swiftly establish itself in the property development sector. The property development division has consistently made a favorable impact on the Group's revenue and profit. The Group will actively seek out suitable land for collaboration to launch additional property development projects.

B4 Variance of actual profit from forecasted profit and shortfall in profit guarantee.

This is not applicable.

B5 Taxation

The tax liability incurred relates to the current tax provision made by two subsidiaries. There are no tax liabilities for other subsidiaries in the current quarter/year because there are sufficient accumulated tax losses from previous years to cover the current tax liabilities.

B6 Sale of unquoted investments and properties

There were no sales of any unquoted investments and / or properties during the current quarter under review.

B7 Status of corporate proposals announced

There was no other corporate proposals announced but not completed as at the date of the announcement of this quarterly report.

B8 Borrowings and debt securities

Details of the Group's borrowings as at 31 Dec 2022 are as follows:

	31.12.2022 RM'000	31.12.2021 RM'000
Finance Lease Liabilities		
Long Term	127	228
Short Term	90	110
Total	<u>217</u>	<u>338</u>

All the borrowings are in Malaysian currency.

B9 Off balance sheet financial instruments

As at the reporting date, the Group does not have any off balance sheet financial instruments.

B10 Changes in material litigation

The Group was not engaged in any material litigation which is likely to give rise to proceedings which may materially and adversely affect the financial position or the business operations of the Group.

B11 Dividend payable

No interim dividend has been recommended for the current quarter under review.

B12 Earnings per share**(a) Basic earnings per share**

The basic earnings per share has been calculated by dividing the Group's net profit for the period by the weighted average number of shares in issue.

	Current quarter ended 31.12.2022	Cumulative period for 12 months ended 31.12.2022
Net Profit attributable to Owners of the Company ('000)	475	462
Weighted average number of shares ('000)	801,351	801,351
Basic Earning per share (sen)	0.06	0.06

(b) Diluted earnings per share

The diluted earnings per share is equal to basic earnings per shares as the Group does not have any potential dilutive ordinary shares as at the financial period to date.

B14 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 23/02/2022.