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**Rimbaco Group Global Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1953)**

**INTERIM RESULTS ANNOUNCEMENT  
FOR THE SIX MONTHS ENDED 30 APRIL 2025**

**INTERIM RESULTS**

The board (the “**Board**”) of directors (the “**Directors**”) of Rimbaco Group Global Limited (the “**Company**”) hereby announces the unaudited interim consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 30 April 2025 (“**1H2025**”), together with the comparative unaudited figures for the six months ended 30 April 2024 (“**1H2024**”) and certain comparative figures as at the end of the last audited financial year ended 31 October 2024. All amounts set out in this announcement are presented in Malaysian Ringgit (“**RM**”) unless otherwise indicated.

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the six months ended 30 April 2025*

		<b>6 months ended 30 April</b>	
		<b>2025</b>	2024
<i>NOTES</i>		<i>RM'000</i>	<i>RM'000</i>
		<b>(unaudited)</b>	<b>(unaudited)</b>
Revenue	4	<b>121,335</b>	125,691
Cost of services		<u><b>(115,062)</b></u>	<u>(127,892)</u>
Gross profit/(loss)		<b>6,273</b>	(2,201)
Other income, gain and loss	5	<b>2,126</b>	2,305
Share of results of an associate		<b>110</b>	14
Administrative and other expenses		<b>(3,864)</b>	(3,429)
Finance costs	6	<u><b>(137)</b></u>	<u>(2)</u>
Profit/(loss) before tax	7	<b>4,508</b>	(3,313)
Income tax expense	8	<u><b>(1,345)</b></u>	<u>–</u>
Profit/(loss) for the period attributable to owners of the Company		<u><b>3,163</b></u>	<u>(3,313)</u>
Other comprehensive expenses			
<i>Item that will not be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of financial statements from functional currency to presentation currency		<u><b>(14)</b></u>	<u>(8)</u>
Other comprehensive expense for the period, net of income tax		<u><b>(14)</b></u>	<u>(8)</u>
Total comprehensive income/(expense) for the period attributable to owners of the Company		<u><b>3,149</b></u>	<u>(3,321)</u>
Earnings/(loss) per share in RM ( <i>cents</i> )			
– Basic and diluted	9	<u><b>0.25</b></u>	<u>(0.26)</u>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 April 2025

		As at	
	NOTES	30 April 2025 RM'000 (unaudited)	31 October 2024 RM'000 (audited)
<b>Non-current assets</b>			
Property, plant and equipment		28,429	20,601
Investment properties		4,550	5,275
Right-of-use assets		655	655
Interest in an associate		1,486	1,423
Other non-current asset		68	68
Deferred tax assets		3,616	3,616
		<u>38,804</u>	<u>31,638</u>
<b>Current assets</b>			
Trade and other receivables	10	70,212	99,691
Contract assets	11	72,037	82,228
Tax recoverable		4,687	4,739
Restricted bank deposits		19,519	11,390
Bank balances and cash		43,242	62,794
		<u>209,697</u>	<u>260,842</u>
<b>Current liabilities</b>			
Trade, bills and other payables	12	88,074	136,777
Contract liabilities	11	4,191	2,554
Tax payables		–	62
Lease liabilities		357	357
Provisions	13	–	–
		<u>92,622</u>	<u>139,750</u>
<b>Net current assets</b>		<u>117,075</u>	<u>121,092</u>
<b>Total assets less current liabilities</b>		<u>155,879</u>	<u>152,730</u>

		<b>As at</b>	
		<b>30 April 2025</b>	31 October 2024
	<i>NOTES</i>	<b>RM'000</b>	<b>RM'000</b>
		<b>(unaudited)</b>	<b>(audited)</b>
<b>Non-current liabilities</b>			
Lease liabilities		<b>305</b>	305
Deferred tax liabilities		<b>1,002</b>	1,002
		<u><b>1,307</b></u>	<u>1,307</u>
<b>Net assets</b>		<u><b>154,572</b></u>	<u>151,423</u>
<b>Capital and reserves</b>			
Share capital	14	<b>7,033</b>	7,033
Reserves		<b>147,539</b>	144,390
		<u><b>154,572</b></u>	<u>151,423</u>
<b>Total equity</b>		<u><b>154,572</b></u>	<u>151,423</u>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*For the six months ended 30 April 2025*

## 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 28 February 2019 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 28 April 2020 (the “**Listing Date**”). The Company’s ultimate holding company and immediate holding company are both RBC Venture Limited, a company incorporated in the British Virgin Islands (the “**BVI**”) which is ultimately owned by Mr. Low Seah Sun, Ms. Seah Peet Hwah, Mr. Cheang Wye Keong and Mr. Lau Ah Cheng (collectively referred as the “**Controlling Shareholders**”).

The address of the Company’s registered office is Winward 3, Regatta Office Park, PO Box 1350, Grand Cayman, KY1-1108 Cayman Islands and the address of the Company’s principal place of business is 309–E, 1st Floor, Silver Square, Perak Road, 10150 Penang, Malaysia. The Company has established its place of business in Hong Kong at Suite 2702, 27/F., Shui On Centre, 6–8 Harbour Road, Wanchai, Hong Kong.

## 2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the International Accounting Standard (“**IAS**”) 34 Interim Financial Reporting issued by the International Accounting Standards Board (the “**IASB**”) and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”). The condensed consolidated financial statements should be read in conjunction with the annual audited consolidated financial statements for the year ended 31 October 2024 as set out in the 2024 annual report.

The functional currency of the Company is Hong Kong dollars (“**HK\$**”), which is different from the functional currency of the subsidiaries and the presentation currency, Malaysia Ringgit (“**RM**”). As the Company and its subsidiaries (collectively referred to as the “**Group**”) mainly operate in Malaysia, the directors of the Company consider that it is appropriate to present the consolidated financial statements in RM.

The Company acts as an investment holding company and the principal activity of its subsidiaries (together with the Company referred to as the “**Group**”) is principally engaged in the provision of general contractor services in Malaysia.

## 3. APPLICATION OF NEW AND REVISED IFRS

For the purpose of preparing and presenting the condensed consolidated financial statements for the six months ended 30 April 2025, the Group has consistently applied all the new and amendments to IFRSs, which include IFRSs, International Accounting Standards, amendments and interpretations issued by the IASB, and the IFRS Interpretations Committee of the IASB throughout the period.

The Group has not yet adopted any new and amendments to IFRSs that have been issued but are not yet effective. The Group is in the process of assessing the impact of the adoption of such new and amendments to IFRSs on the Group’s results and financial position.

#### 4. REVENUE AND SEGMENT INFORMATION

Revenue represents revenue arising on provision of building construction services for the period.

The Group determines its operating segments based on the reports reviewed by the chief operating decision maker (the “CODM”), being the executive directors of the Group for the purposes of resources allocation and assessment of segment performance focuses on types of services delivered or provided. For management purpose, the Group operates in one business unit based on the services provided, and its sole operating segment is the provision of building construction services. The CODM monitors the revenue, results, assets and liabilities of its business unit as a whole and regularly reviews financial information prepared in accordance with the accounting policies which conform with IFRSs and consistently presented in this announcement, and without further discrete financial information. Accordingly, no analysis of segment information other than entity-wide information is presented.

An analysis of the Group’s revenue during the period is as follows:

	6 months ended 30 April	
	2025	2024
	RM’000	RM’000
	(unaudited)	(unaudited)
Revenue from contracts with customers recognised over time and disaggregated by types of building construction projects:		
Factory projects	73,266	71,599
Institutional, commercial and/or residential projects	14,326	21,317
Infrastructure project	29,746	31,653
Others	3,997	1,122
	<u>121,335</u>	<u>125,691</u>

#### 5. OTHER INCOME, GAIN AND LOSS

	6 months ended 30 April	
	2025	2024
	RM’000	RM’000
	(unaudited)	(unaudited)
Bank interest income	684	1,306
Rental income	289	41
Gain on disposal of property, plant and equipment	253	223
Gain on disposal of investment property	267	–
Others	633	735
	<u>2,126</u>	<u>2,305</u>

## 6. FINANCE COSTS

	6 months ended 30 April	
	2025	2024
	RM'000	RM'000
	(unaudited)	(unaudited)
Interest on:		
Bank borrowings and bank overdraft	137	2
	<u>137</u>	<u>2</u>

## 7. PROFIT/LOSS BEFORE TAX

	6 months ended 30 April	
	2025	2024
	RM'000	RM'000
	(unaudited)	(unaudited)
Profit before tax has been arrived at after charging:		
Directors' emolument	994	959
Other staff costs:		
Salaries, wages and other allowances	5,063	4,657
Retirement benefit scheme contributions, excluding those of directors	520	447
Total staff costs	<u>6,577</u>	<u>6,063</u>
Depreciation of property, plant and equipment	1,608	972
Depreciation of investment properties	77	35

## 8. INCOME TAX EXPENSE

	6 months ended 30 April	
	2025	2024
	RM'000	RM'000
	(unaudited)	(unaudited)
Income tax charge comprises:		
Malaysia Corporate Income Tax		
– current period	<u>1,345</u>	<u>–</u>

Malaysian Corporate Income Tax is calculated at the statutory tax rate on the estimated assessable profit for the periods.

## 9. EARNINGS/(LOSS) PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	6 months ended 30 April	
	2025 RM'000 (unaudited)	2024 RM'000 (unaudited)
<b>Earnings/(loss)</b>		
Profit/(loss) for the period attributable to owners of the Company for the purpose of basic and diluted earnings per share	<u>3,163</u>	<u>(3,313)</u>
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic earnings per share (in thousand)	<u>1,260,000</u>	<u>1,260,000</u>

The diluted earnings per share is equal to the basic earnings per share as there were no dilutive potential ordinary shares outstanding during the periods.

## 10. TRADE AND OTHER RECEIVABLES

	As at	
	30 April 2025 RM'000 (unaudited)	31 October 2024 RM'000 (audited)
Trade receivables from contracts with customers	43,622	90,405
Less: Allowance for doubtful debts/credit losses	<u>(4,730)</u>	<u>(4,730)</u>
Trade receivables, net ( <i>note i</i> )	<u>38,892</u>	<u>85,675</u>
Other receivables, deposits and prepayments		
– Other receivables	29,619	11,580
– Rental and other deposits	593	550
– Prepayments	<u>1,803</u>	<u>2,581</u>
	32,015	14,711
Less: Loss allowance on other receivables	<u>(695)</u>	<u>(695)</u>
Other receivables, deposits and prepayments, net	<u>31,320</u>	<u>14,016</u>
Total trade and other receivables	<u>70,212</u>	<u>99,691</u>

*Note:*

- (i) The Group allows an average credit period of no longer than 60 days to most of its customers. The Group may at its discretion grant a longer credit period to specific customers on a case-by-case basis.

The following is an aged analysis of the Group's trade receivables based on the date of billing documents at the end of each reporting period:

	As at	
	30 April 2025 RM'000 (unaudited)	31 October 2024 RM'000 (audited)
Within 30 days	10,477	62,329
31–60 days	16,482	12,964
61–90 days	7,044	408
Over 90 days	4,889	9,974
	<u>38,892</u>	<u>85,675</u>

## 11. CONTRACT ASSETS

### (a) Contract Assets

	As at	
	30 April 2025 RM'000 (unaudited)	31 October 2024 RM'000 (audited)
Analysed as current:		
Unbilled revenue of construction contracts	37,725	46,348
Retention receivables of construction contracts	36,174	37,742
	<u>73,899</u>	<u>84,090</u>
Less: allowance on contract assets	(1,862)	(1,862)
	<u>72,037</u>	<u>82,228</u>

#### Notes:

- (i) Unbilled revenue included in contract assets represents the Group's right to receive consideration for work completed but not yet billed because the rights are conditional upon the satisfaction by the customers on the construction work completed by the Group and the work pending for the certification by the customers. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the time the Group obtains the certification of the completed construction work from the customers.
- (ii) Retention receivables included in contract assets represents the Group's right to receive consideration for work performed and not yet billed because the rights are conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the expiry date of the period for the provision of assurance by the Group on the service quality of the construction work performed by the Group.

The retention receivables of the construction contracts to be settled based on the date of completion of construction projects/expiry of the defect liability period, at end of each reporting period are as follow:

	As at	
	30 April 2025 RM'000 (unaudited)	31 October 2024 RM'000 (audited)
Retention receivables of construction contracts		
Due within one year	1,585	11,457
Due more than one year, but not exceeding two years	12,295	22,894
Due more than two years, but not exceeding five years	22,294	3,391
	<u>36,174</u>	<u>37,742</u>

(b) **Contract Liabilities**

	As at	
	30 April 2025 RM'000 (unaudited)	31 October 2024 RM'000 (audited)
Advances from customers of construction contracts	<u>4,191</u>	<u>2,554</u>

When the Group receives a deposit before the construction work commences, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the relevant contract exceeds the amount of the deposit.

The increase in contract liabilities as at 30 April 2025 was mainly due to unbilled revenue for building construction services.

Revenue from construction contracts recognised during 1H2025 that was included in the contract liabilities at the beginning of the year is approximately RM2,554,000.

**12. TRADE, BILLS AND OTHER PAYABLES**

	As at	
	30 April 2025 RM'000 (unaudited)	31 October 2024 RM'000 (audited)
Trade and bills payables ( <i>note i</i> )	52,849	90,822
Retention payables	33,861	41,392
Accruals	1,223	3,974
Other payables	141	589
	<u>88,074</u>	<u>136,777</u>

Note:

- (i) The normal credit period granted is ranged from 30 to 60 days. The Group has financial risk management measures in place to ensure that all payables are settled within the credit time frame.

The following is an aged analysis of the trade and bills payables presented based on invoice date/ bills issued date at the end of the reporting period.

	As at	
	30 April 2025 RM'000 (unaudited)	31 October 2024 RM'000 (audited)
Within 30 days	17,262	47,474
31–60 days	11,982	19,326
61–90 days	5,842	6,677
Over 90 days	17,763	17,345
	<b>52,849</b>	<b>90,822</b>

### 13. PROVISIONS

#### Provision for onerous contracts

	As at	
	30 April 2025 RM'000 (unaudited)	31 October 2024 RM'000 (audited)
As at 31 October 2023 & 1 November 2024	–	1,403
Additional for the Period	–	(1,403)
	<b>–</b>	<b>–</b>

### 14. SHARE CAPITAL

	Number of shares	Amount HK\$	Amount RM'000
Ordinary shares of HK\$0.01 each			
<b>Authorised</b>			
At 31 October 2023 and 2024 (audited)/ 30 April 2025 (unaudited)	<b>10,000,000,000</b>	<b>100,000,000</b>	<b>N/A</b>
<b>Issued and fully paid</b>			
At 31 October 2023 and 2024 (audited)/ 30 April 2025 (unaudited)	<b>1,260,000,000</b>	<b>12,600,000</b>	<b>7,033</b>

Note: All shares issued rank *pari passu* with the existing shares in all respects.

## 15. CONTINGENT LIABILITIES

### (a) Performance bonds

	As at	
	30 April 2025 <i>RM'000</i> (unaudited)	31 October 2024 <i>RM'000</i> (audited)
Performance bonds for construction contracts in favour of customers	<u>16,729</u>	<u>16,802</u>

The above performance bonds were given by banks in favour of some of Group's customers as security for the due performance and observance of the Group's obligations under the contracts entered into between the Group and its customers. If the Group fails to provide satisfactory performance to its customers to whom performance bonds have been given, such customers may demand the banks to pay to them the sum or sums stipulated in such demand. The Group will then become liable to compensate such banks accordingly. The performance bonds will be released upon completion of the contract work for the relevant customers. As at 30 April 2025, certain of the Group's performance bonds were guaranteed by the Company.

### (b) Completion guarantee

	As at	
	30 April 2025 <i>RM'000</i> (unaudited)	31 October 2024 <i>RM'000</i> (audited)
Completion guarantee for construction contract in favour of customers	<u>12,865</u>	<u>12,865</u>

As at 30 April 2025, the Group had undertaken to complete the construction contract within the stipulated completion period or any approved extension of time in accordance with the letter of award. If the Group fails to complete the construction contract with its customer to whom the completion guarantee has been given, such customer may demand the Group to pay to them the sum or sums stipulated in such demand.

## MANAGEMENT DISCUSSION AND ANALYSIS

The board (the “**Board**”) of directors (the “**Directors**”) of Rimbaco Group Global Limited (the “**Company**”) hereby announces the unaudited interim consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 30 April 2025 (“**1H2025**”), together with the comparative unaudited figures for the six months ended 30 April 2024 (“**1H2024**”) and certain comparative figures as at the end of the last audited financial year ended 31 October 2024. All amounts set out in this report are presented in Malaysian Ringgit (“**RM**”) unless otherwise indicated.

### BUSINESS REVIEW

The Group is mainly involved in the building construction industry in Malaysia through its wholly-owned subsidiary, Rimbaco Sdn Bhd. (“**Rimbaco**”). Rimbaco is a Malaysia-based building construction contractor focusing on the provision of building construction services for (i) factories, including low-rise processing facilities and manufacturing plants; (ii) institutional, commercial and/or residential buildings such as private hospitals, hotels, shopping malls, high-rise residential buildings and commercial/residential complex; and (iii) infrastructure works. Rimbaco also undertakes small-scale ancillary construction works, including but not limited to renovation works, repair works and electrical works.

During 1H2025, the Group completed 1 factory project with an aggregate contract sum of approximately RM84.9 million.

The following table sets out details of the projects completed by the Group during 1H2025:

No.	Name	Description of works	Completion date	Original/Revised Contract sum (RM'000)
1	construction of one Block 2-storey Logistics building	Factory	30 April 2025	84,934
				<hr/>
				<u>84,934</u>

As at 30 April 2025, the Group had 3 building construction projects in progress with an aggregate contract sum of approximately RM553.0 million of which 1 was factory project, 1 was institutional project, and 1 was infrastructure project.

The following table sets out the building construction projects which remained ongoing as at 30 April 2025:

<b>No.</b>	<b>Description of works</b>	<b>Approximate Contract Sum (RM'000)</b>
1	Factory Project	186,457
2	Institutional Project	115,700
3	Infrastructure Project	<u>250,864</u>
		<u><u>553,021</u></u>

During 1H2025, the Group submitted 4 tenders for factory projects, 1 tender for institutional project and 1 tender for commercial project. The group was awarded 1 factory contract with an aggregate contract sum of approximately RM186.5 million.

## **OUTLOOK**

According to International Monetary Fund, after a prolonged and unprecedented series of shocks, the global economy appeared to have stabilized, with steady yet underwhelming growth rates. However, the landscape has changed as governments around the world reorder policy priorities and uncertainties have climbed to new highs, reflecting effective tariff rates at levels not seen in a century and a highly unpredictable environment.

Intensifying downside risks dominate the outlook, amid escalating trade tensions and financial market adjustments. Divergent and swiftly changing policy positions or deteriorating sentiment could lead to even tighter global financial conditions. Ratcheting up a trade war and heightened trade policy uncertainty may further hinder both short-term and long-term growth prospects. Scaling back international cooperation could jeopardize progress toward a more resilient global economy.

Domestically, Central Bank of Malaysia projects the Malaysian economy to grow by 4.5% to 5.5% this year driven by sustained domestic demand anchored on private consumption, private sector investments as well as the continued progress of public sector infrastructure projects and the adjustments to civil service wages.

## FINANCIAL REVIEW

### Revenue

The Group's revenue decreased by approximately RM4.4 million, or 3.5%, from approximately RM125.7 million for 1H2024 to approximately RM121.3 million for 1H2025. Such decrease was mainly due to the number of projects ongoing has decreased as compared to 1H2024 and new factory project awarded in 1H2025 still in the early stage of construction.

	6 months ended 30 April			
	2025		2024	
	Revenue (RM'000)	% of total revenue	Revenue (RM'000)	% of total revenue
Factory projects	73,266	60.4	71,599	57.0
Institutional, commercial and/or residential projects	14,326	11.8	21,317	17.0
Infrastructure project	29,746	24.5	31,653	25.2
Others	3,997	3.3	1,122	0.8
	<b>121,335</b>	<b>100.0</b>	<b>125,691</b>	<b>100.0</b>

During 1H2025, the revenue attributable to factories and institutional, commercial and/or residential buildings amounted to approximately RM73.3 million and approximately RM14.3 million (1H2024: approximately RM71.6 million and approximately RM21.3 million), respectively, representing approximately 60.4% and 11.8% (1H2024: approximately 57.0% and 17.0%), of the total revenue of the Group.

As at 30 April 2025, the Group had an outstanding order book of approximately RM357.4 million (31 October 2024: approximately RM278.9 million).

### Gross Profit/(Loss) and Gross Profit Margin

The Group recorded a gross profit of approximately RM6.3 million for 1H2025 as compared to the gross loss of approximately RM2.2 million for 1H2024. The Group recorded an increase in gross profit margin from gross loss of approximately 1.8% for 1H2024 to gross profit of 5.2% for 1H2025. The turnaround was mainly due to substantial descope of a sizeable factory project and lower profit margin for certain new projects in 1H2024 and profit contributed by a factory project in 1H2025.

### **Other Income, Gain and Loss**

The Group's other income, gain and loss decreased from approximately RM2.3 million for 1H2024 to approximately RM2.1 million for 1H2025 which was mainly due to decrease in fixed deposit interest rate.

### **Administrative and Other Expenses**

The Group's administrative and other expenses increased by approximately RM0.5 million or 11.76% from approximately RM3.4 million for 1H2024 to approximately RM3.9 million for 1H2025 which was mainly due to project staffs salary charge back to administrative expenses due to projects completed.

### **Finance Costs**

The Group's finance costs increased by approximately RM135,000 from approximately RM2,000 for 1H2024 to approximately RM137,000 for 1H2025 which was mainly due to increase in bank borrowings.

### **Income Tax Expense**

The Group's income tax expense increased by approximately RM1.3 million or 100% from approximately nil for 1H2024 to RM1.3 million for 1H2025 due to increase of taxable profit.

### **Profit/Loss Attributable to the Owners of the Company**

As a result of the foregoing, the Group reported profit attributable to owners of the Company of approximately RM3.2 million for 1H2025 (1H2024: loss of approximately RM3.3 million), representing an increase of approximately RM6.5 million or 196.9% as compared with 1H2024.

## **LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE**

Gearing ratio of the Group (calculated by dividing the total debts (lease liabilities) by total equity and multiplied by 100%) remained the same for approximately 0.0% as at 31 October 2024 and 30 April 2025.

During 1H2025, the Group maintained a healthy liquidity position with working capital being financed through cash generated from operations. As at 30 April 2025, the Group's bank balances and cash was approximately RM43.2 million (31 October 2024: approximately RM62.8 million) and the Group's restricted bank deposits were approximately RM19.5 million (31 October 2024: approximately RM11.4 million). The Directors consider the level of cash balances to be reasonable, which would enable the Company to maintain its liquidity position in settling the progress payments on time to subcontractors and enhance its position as main contractor's competitiveness.

As at 30 April 2025, the current ratio of the Group was approximately 2.2 times (31 October 2024: approximately 1.9 times).

The Group's principal use of cash is mainly for payments to suppliers, subcontractors and working capital need.

### **Capital Structure**

As at 30 April 2025, the capital structure of the Group consisted of equity of approximately RM154.6 million (31 October 2024: approximately RM151.4 million) and bank borrowings of nil (31 October 2024: nil) as more particularly described in the paragraph headed "Borrowings" below.

### **Borrowings**

As at 30 April 2025, the Group did not have any outstanding bank borrowings and the unutilised facility for bank overdraft amounted to approximately RM500,000 (31 October 2024: approximately RM500,000).

The Directors confirmed that the Group had neither experienced any difficulties in obtaining or repaying its bank borrowings, nor breached any major covenant or restriction of the Group's facilities up to the date of this report. There are no material covenants related to the Group's outstanding debts that would materially limit its ability to undertake additional debt or equity financing.

### **Net Current Assets**

The Group's net current assets decreased by approximately RM4.9 million, or 4.1%, from approximately RM121.1 million as at 31 October 2024 to approximately RM116.2 million as at 30 April 2025, which was a combined effect of the decrease in trade and other receivables of approximately RM29.5 million, decrease in contract assets of approximately RM10.2 million, increase in restricted bank deposit of approximately RM8.1 million, decrease in bank balance and cash approximately RM19.6 million, decrease in trade and other bill payables approximately RM48.7 million and increase in contract liabilities approximately RM1.6 million. The Board regularly reviews the maturity analysis of the Group's contractual liabilities and concludes that there is no liquidity issue that may cast significant doubt on the Company's ability to continue as a going concern.

## **Capital Expenditures**

The Group's capital expenditures principally consisted of expenditures on acquisitions of property, plant and equipment related to operations, which were funded by the Group's internal resources and finance lease arrangement.

During 1H2025, the Group made a material capital expenditures of approximately RM0.77 million to acquire 1 Unit Terrain Crane and the Group expects to fund its planned capital expenditures principally through net proceeds from listing.

## **MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

There was no acquisition or disposal of subsidiaries, associates or joint ventures during 1H2025. There was no future plan for material investments or capital assets as at 30 April 2025.

## **SIGNIFICANT EVENT DURING 1H2025**

The Group did not have any significant event during 1H2025.

## **SIGNIFICANT INVESTMENT HELD**

The Group did not hold any significant investment (except for its subsidiaries) during 1H2025.

## **CONTINGENT LIABILITY**

Save as disclosed in note 15 to the condensed consolidated financial statements, the Group had no contingent liabilities as at 30 April 2025.

## **CREDIT RISK**

### **Trade receivables and contract assets**

The Group's credit risk is primarily attributable to trade receivables and contract assets. The Group's exposure to credit risk is influenced mainly by the characteristics of each and every individual customer, therefore significant concentrations of credit risk primarily arise when the Group had significant exposure to individual customers. As at 30 April 2025, approximately 14.1% (31 October 2024: 24.8%) of the total gross trade receivables and contract assets was due from the Group's largest customer and approximately 41.5% (31 October 2024: 73.9%) of the total gross trade receivables and contract assets were due from the Group's top five customers.

Individual credit evaluations are based on the provision of matrix and taking into account the monthly ageing in the past 3 years, in which the loss rate is determined by the probability of default, loss given rate, forward-looking factor and existing market conditions.

In general, the Group also consider the past settlement trend of the customer and assess the customer's financial ability to pay and external credit rating, where applicable.

## **PLEDGE OF ASSETS**

As at 30 April 2025, restricted bank deposits of approximately RM19.5 million (31 October 2024: approximately RM11.4 million) have been pledged to banks as security for banking facilities granted to the Group with approximately RM16.7 million (31 October 2024: approximately RM16.8 million) related to Group's performance bond.

For contracts awarded, the Group's customers may require performance bonds, the amounts of which are generally 5% of the original contract sum, in favour of them to guarantee the completion of work and such performance bonds are generally released after the issuance of Certificate of Practical Completion or completion of the defect liability period.

## **CAPITAL COMMITMENTS**

As at 30 April 2025, the Group did not have any capital commitments (31 October 2024: Nil).

## **FOREIGN EXCHANGE EXPOSURE**

The functional currency of the Group's operation, asset and liabilities are denominated in RM. Therefore, the Group is not exposed to significant foreign exchange risk and has not employed any financial instrument for hedging.

## **TREASURY POLICIES**

The Group's financing and treasury activities are centrally managed and controlled at the corporate level. Bank borrowing of the Group are all denominated in RM and have been arranged on a floating-rate basis. It is the Group's policy not to enter into derivative transactions for speculative purposes.

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 30 April 2025, the Group's workforce stood at 111 employees, 88 were Malaysian workers and 23 were foreign workers as compared with 127 employees as at 30 April 2024, of which 96 were Malaysian workers and 31 were foreign workers as at 30 April 2024.

Total staff costs (excluded directors' emoluments) increased by approximately RM0.5 million from approximately RM5.0 million for 1H2024 to approximately RM5.5 million for 1H2025, which was mainly due to payment of incentive to project staff for completed project in 1H2025.

The Group believes that on-going and continuous development of its employees is critical to its success. The Group provides its employees with tailored training programmes that are designed to upgrade their skills and knowledge and to prepare them for the next step in their career path within our Group. The Group entered into separate labour contracts with each of its employees in accordance with the applicable labour laws of Malaysia. The remuneration offered to employees generally includes salaries and bonuses. In general, the Group determines salaries of its employees based on each employee's qualification, position and performance.

The Group has adopted a share option scheme which became effective on 28 April 2020 to enable the Board to grant share options to eligible participants giving them an opportunity to have a personal stake in the Company.

## **USE OF PROCEEDS**

On 28 April 2020, the issued shares of the Company were listed on the Main Board of the Stock Exchange. A total of 315,000,000 ordinary shares were issued to the public at a price of HK\$0.40 per share for net proceeds of approximately HK\$73.5 million (approximately RM38.7 million) (Note 1) after the deduction of related listing expenses. These proceeds were utilised in accordance with the proposed allocation set out in the prospectus of the Company dated 14 April 2020 (the "**Prospectus**"). As disclosed in the Company's supplemental announcement dated 31 March 2023 (the "**Announcement**"), after due and careful consideration of the business environment and development needs of the Group at that time, the Board had resolved to change the proposed use of the unutilised net proceeds. As at 31 October 2024, the amount of the net proceeds which remained unutilised amounted to approximately HK\$3.3 million, out of which HK\$1.4 million for the acquisition of machinery and equipment has been fully utilised as at 30 April 2025. Approximately HK\$0.5 million for the acquisition of land and construct a warehouse is expected to be utilised before 31 October 2025 as the construction work for the warehouse is still in progress. The remaining approximately HK\$1.4 million for setting up branch office in Kuala Lumpur still cannot be utilised as at the date of this report. As at the end of FY2024, the amount of the net proceeds which remained unutilised have been deposited in licensed banks.

After COVID-19 pandemic, the Group's original business plan to set up branch office in Kuala Lumpur to expand our geographic coverage in West Malaysia cannot be implemented due to (i) fewer projects available in the central region and (ii) the Group's strategy to concentrate in the northern region whereby the Group's reputation has been well-established.

To enable the Group to better utilise its financial resources, the Board has resolved to further change the use of the unutilised proceeds in the amount of approximately HK\$1.4 million to strengthening capital base for potential building projects. The Board considers that the change in the use of proceeds and the treatment of unutilised proceeds are fair and reasonable, and would meet the business strategy of the Group more efficiently and enhance the flexibility in financial management of the Company. The Board is of the view that the reallocation is in line with the business plan of the Group and will not adversely affect the operation and business of the Group and is in the best interests of the Company and the shareholders of the Company as a whole. Based on feasibility study and the current market condition, the Board is of the view that reallocating the unutilised net proceeds to strengthening capital base for potential building projects will allow the Group to deploy its financial resources more efficiently and to make better use of this fund. After reallocation, the net proceeds to strengthening capital base for potential building projects has been fully utilised as at 30 April 2025.

*Note 1:* The net proceeds allocated for each specific use have been adjusted proportionally in the manner as stated in the Prospectus due to the difference between the estimated net proceeds and the actual net proceeds received.

Set out below are details of the allocation of the net proceeds, and the unutilised amount of the net proceeds during 1H2025:

Business Strategies	Approximate planned percentage of total amount	Approximate planned use of net proceeds HK\$'000	Approximate unutilised net proceeds as at 31 October 2023 HK\$'000	Approximate amount utilised during FY2024 HK\$'000	Approximate unutilised net proceeds as at 31 October 2024 HK\$'000	Revised allocation of the unutilised net proceeds HK\$'000	Approximate amount utilised during 1H2025 HK\$'000	Approximate unutilised net proceeds as at 30 April 2025 HK\$'000	Expected timeline for utilising the unutilised net proceeds
Strengthening capital base for potential building projects	39.4%	28,924	9,648	9,648	-	1,450	1,450	-	-
Acquisition of machinery & equipment	31.2%	22,972	14,840	13,478	1,362	Remain unchanged	1,362	-	-
Acquisition of land and construct a warehouse	6.5%	4,781	1,628	1,132	496	Remain unchanged	-	496	On or before 31 October 2025
Collateral for banking facilities and funding for sinking fund	6.1%	4,512	-	-	-	-	-	-	-
Expansion of workforce to support business expansion	5.3%	3,892	-	-	-	-	-	-	-
Set up branch office in Kuala Lumpur	1.9%	1,450	1,450	-	1,450	-	-	-	-
Working capital and other general corporate purpose	9.6%	6,981	-	-	-	-	-	-	-
<b>Total</b>	<b>100%</b>	<b>73,512</b>	<b>27,566</b>	<b>24,258</b>	<b>3,308</b>	<b>3,308</b>	<b>2,812</b>	<b>496</b>	

As at the end of 1H2025, the amount of the net proceeds which remained unutilised amounted to approximately HK\$0.5 million and have been deposited in licensed banks. As per the date of this report, the Company intended to utilise the unutilised proceeds on or before end of year 2025, and may be subject to change based on the market conditions.

## **COMPETING BUSINESS**

During 1H2025, none of the Controlling Shareholders of the Company and their respective close associates had any interests in a business, apart from the business of the Group, which competes or may compete with the business of the Group or has any other conflict of interest with the Group which would be required to be disclosed under Rule 8.10 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

## **PURCHASE, REDEMPTION OR SALE OF THE LISTED SECURITIES OF THE COMPANY**

Neither the Company, nor any of its subsidiaries has purchased, redeemed or sold any of the Company’s listed shares during 1H2025.

## **SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules. Following specific enquiries to all the Directors, each of them has confirmed that they have complied with the Required Standard of Dealings during 1H2025.

## **CORPORATE GOVERNANCE PRACTICES**

The Company maintains a high standard of corporate governance practices. The Directors believe that long-term sustainable prosperity as opposed to short-term rewards shall serve as the Company’s corporate governance objective. The Board does not take risks to make short-term gains at the expense of the long-term objectives. The Company has adopted the code provisions set out in the Corporate Governance Code to the Appendix C1 (the “**CG Code**”) to the Listing Rules. The Company has complied with all the CG Code provisions during 1H2025.

## **PRE-EMPTIVE RIGHTS**

There are no provisions for pre-emptive rights under the Company’s articles of association, or the laws of the Cayman Islands, which would oblige the Company to offer new Shares on a pro rata basis to existing shareholders of the Company.

## **INTERIM DIVIDEND**

The Board does not recommend the payment of an interim dividend for 1H2025 (1H2024: Nil).

## **AUDIT COMMITTEE**

The Company established an audit committee (the “**Audit Committee**”) on 31 March 2020, with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C.4 and paragraph D.3 of part 2 of the CG Code. The Audit Committee is chaired by Mr. Wong Chi Wai, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules, and has two other members, namely Mr. Ng Kok Seng and Ms. Yeo Chew Yen Mary. The unaudited consolidated results of the Group for 1H2025 have been reviewed by the Audit Committee, who is of the opinion that such statements comply with the applicable accounting standards, the Stock Exchange and legal requirements, and that adequate disclosures have been made.

By order of the Board  
**Rimbaco Group Global Limited**  
**Low Seah Sun**  
*Chairman*

Malaysia, 26 June 2025

*As at the date of this announcement, the executive Directors are Mr. Low Seah Sun, Mr. Low Wui Linn, Ms. Seah Peet Hwah, Mr. Cheang Wye Keong and Mr. Lau Ah Cheng, the non-executive Director is Mr. Tong Kai Tak and the independent non-executive Directors are Mr. Ng Kok Seng, Mr. Wong Chi Wai and Ms. Yeo Chew Yen Mary.*