

Unaudited Interim Financial Report
For The Financial Period Ended 30 September 2020

A. EXPLANATORY NOTES PURSUANT TO MFRS 134: INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting and Paragraph 9.22 of Bursa Malaysia Securities Berhad (“Bursa Securities”) Listing Requirements. This interim financial report does not include all the information required for a full set of annual audited financial statements, and should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial period ended 30 June 2020, which have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards.

The Group has adopted all applicable accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (“MASB”) except for those which are not yet effective. The initial adoption of the accounting standards, amendments and interpretations that are effective in the current financial period does not have any significant impact on the Group’s financial statements.

As of 1 January 2020, the Group have adopted the following revised MFRSs and amendments to MFRSs that have been issued by the MASB.

MFRSs / Amendments / Interpretations

Amendments to MFRS 3, Business Combinations (Definition of a Business)

Amendments to MFRS 7, Financial Instruments (Disclosure – Interest Rate Benchmark Reform)

Amendments to MFRS 9, Financial Instruments

Amendments to MFRS 101, Presentation of Financial Statements (Definition of Material)

Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors (Definition of Material)

Amendments to MFRS 139, Financial Instruments (Recognition and Measurement)

A2. Auditors’ report on preceding annual financial statements

The auditors’ report on the preceding annual financial statements of the Group for the financial period ended 30 June 2020 was not subject to any qualification.

A3. Seasonal or cyclical factors

The business operations of the Group for the current financial quarter were not significantly affected by seasonal or cyclical factors.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial quarter.

A5. Changes in estimates

There were no changes in estimates of the amounts reported that have a material effect on the current financial quarter’s results.

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A6. Issuances, cancellations, repurchases, resale and repayment of debt and equity securities

There is no issues, repurchases, and repayments of debts and equity securities of the Group during the current financial quarter and period except for:-

- (a) private placement of 12,000,000 new ordinary shares in the Company at the issue price of RM0.0836 each listing on 9 July 2020.
- (b) private placement of 13,048,000 new ordinary shares in the Company at the issue price of RM0.1039 each listing on 30 July 2020.

A7. Dividends paid

No dividends have been paid during the current financial quarter.

A8. Segmental information

Segmental information is presented in respect of the Group's business segments. The Group's business for the current financial period comprises the following main segments:

- (a) Project management services,
- (b) Property investment holding including letting of properties and provision of supports services, and
- (c) Trading in building materials

	Project management services		Property investment holding		Trading in building materials		Total	
	30.09.20 RM'000	30.09.19 RM'000	30.09.20 RM'000	30.09.19 RM'000	30.09.20 RM'000	30.09.19 RM'000	30.09.20 RM'000	30.09.19 RM'000
Revenue	-	1,255	204	271	1,109	-	1,313	1,526
(Loss)/Profit before tax	-	614	(244)	(27)	(101)	-	(345)	587

A9. Valuation of property, plant and equipment and investment properties

The property, plant and equipment and investment properties of the Group have not been revalued during the current financial quarter.

A10. Material events subsequent to the balance sheet date

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

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A11. Changes in the composition of the Group

There were no changes in the composition of the Group for the current financial quarter and financial year-to-date under review.

A12. Changes in contingent assets or contingent liabilities

There were no contingent assets or contingent liabilities as at the end of the current financial quarter.

A13. Capital commitments

There were no material capital commitments as at the end of the current financial quarter.

B. ADDITIONAL INFORMATION PURSUANT TO BURSA SECURITIES LISTING REQUIREMENTS

B1. Review of the Group's results for the current financial quarter ended 30 June 2020

For the current financial quarter ended 30 September 2020, the Group achieved unaudited revenue of RM1.31million which is slightly lower than the revenue of RM1.53million recorded in the previous period corresponding quarter. The decrease in revenue is mainly due to the no income generated from the property management services.

B2. Material changes in profit after tax for the current financial quarter compared to the immediate preceding quarter

The loss after tax of the Group for the current financial quarter was approximately RM0.35million which was lower than profit after tax RM0.36million recorded in the previous period corresponding quarter. The decrease in profit after tax was mainly attributed to no income generated from the property management services and lower income generated from property investment holding due to Covid-19 pandemic.

B3. Current year prospect

Barring unforeseen circumstances, the Board of Directors anticipates that the financial performance of the Group will remain challenging for the financial year ending 30 June 2021.

B4. Profit forecast / Profit guarantee

There was no profit forecast or profit guarantee in respect of the current financial year.

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B5. Loss before tax

	Individual Quarter		Cumulative Quarter	
	Current Period Quarter 30.09.20 RM'000	Preceding Period Quarter 30.09.19 RM'000	Current Period To Date 30.09.20 RM'000	Preceding Period To Date 30.09.19 RM'000
(Loss) / Profit before tax is arrived at after charging:				
Allowance for impairment loss	-	115	-	115
Depreciation charge	490	326	490	326
Finance costs	1	10	1	10

B6. Income tax expense

	Individual Quarter Current Period Quarter 30.09.20 RM'000	Cumulative Quarter Current Period To Date 30.09.20 RM'000
Current tax expense	3	3

The effective tax rate of the Group is higher than the statutory tax rate principally attributed to the losses incurred by certain companies in the Group.

B7. Status of corporate proposals announced

On 14 October 2020, the Company proposes to undertake the private placement of up to 82,661,000 new ordinary shares in the Company, representing 30% of the total number of issued shares of the Company, to independent third-party investor(s) to be identified later at an issue price to be determined later.

On 2 November 2020, Bursa Securities had, vide its letter dated 2 November 2020, approved the listing and quotation of up to 82,661,000 Placement Shares to be issued pursuant to the Private Placement.

B8. Bank borrowings

The Group's borrowings as at 30 September 2020 was as follows:

	Secured RM'000
Lease liabilities (Secured)	45

B9. Dividends

No dividends have been declared by the Company during the current financial quarter.

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B10. Earnings per share (“EPS”)

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.09.20	30.09.19	30.09.20	30.09.19
Basic earnings per share				
(Loss)/Profit attributable to equity holders of the Company for the period (RM'000)	(348)	356	(348)	356
Weighted average number of ordinary shares in issue ('000)	275,538	250,490	275,538	250,490
Basic earnings per share (sen)	(0.13)	0.14	(0.13)	0.14
Diluted earnings per share (sen)	*	*	*	*

* The diluted earnings per share for the period ended 30 September 2020 is the same as the basic earnings per share as the effect of anti-dilutive potential shares is ignored in calculating diluted earnings per ordinary share in accordance with MFRS 133, Earnings Per Share.

B11. Authorisation for issue

This interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 November 2020.

BY ORDER OF THE BOARD

LIM CHOO TAN
LS 0008888
CHEW SIEW CHENG
MAICSA 7019191
Company Secretaries
Penang

Date: 30 November 2020