

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 were no issuances, cancellations, repurchases, resale or repayment of debt and/or equity securities during the financial year-to-date under review save as follows:

- (a) private placement of 155,024,000 new ordinary shares in the Company at the issue price of RM0.0836 to RM0.1341 each.
- (b) Exercised of ESOS of 141,000,000 new ordinary shares in the Company at the issue price of RM0.1186 to RM0.1441 each.

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 and construction materials

	Project management services		Property investment holding		Trading in building materials		Total	
	30.06.21 RM'000	30.06.20 RM'000	30.06.21 RM'000	30.06.20 RM'000	30.06.21 RM'000	30.06.20 RM'000	30.06.21 RM'000	30.06.20 RM'000
Revenue	-	1,059	583	1,102	11,573	555	12,156	2,716
Loss before tax	(5,965)	(8,455)	(3,098)	(2,488)	408	28	(8,655)	(10,915)

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.

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 2021

For the current financial quarter ended 30 June 2021, the Group achieved unaudited revenue of RM3.22million which is higher than the revenue of RM0.83million recorded in the previous period corresponding quarter. The increase in revenue is mainly due to the higher income generated from trading in building and construction materials.

B2. Material changes in loss 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 RM28.51million which is higher than loss after tax RM10.20million recorded in the previous period corresponding quarter. The increase in losses is mainly due to losses from letting of investment properties due to COVID-19, allowance for impairment loss and income tax expenses under provision in prior years.

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 ended 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 30.06.21 RM'000	Preceding Period Quarter 30.06.20 RM'000	Current Period To Date 30.06.21 RM'000	Preceding Period To Date 30.06.20 RM'000
Loss before tax is arrived at after charging / (crediting) :				
Allowance for impairment loss	7,769	7,327	7,769	8,827
Amortisation and Depreciation	1,209	1,150	2,095	1,792
Bad debts written off	11	-	11	-
Loss on disposal of investment properties	-	-	-	840
Loss on disposal of property, plant and equipment	8	82	8	82
Finance costs	8	5	20	56
Gain on disposal of property, plant and equipment	(26)	-	(26)	-
Gain on disposal of investment properties	(10)	-	(10)	-

B6. Income tax expense

	Individual Quarter Current Period Quarter 30.06.21 RM'000	Cumulative Quarter Current Period To Date 30.06.21 RM'000
Under provision in prior years	19,000	19,003

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. No provision tax provided for current quarter due to unutilised tax losses brought forward.

B7. Status of corporate proposals announced

There were no corporate proposals outstanding at the date of this report.

B8. Bank borrowings

The Group has no bank borrowings as at the end of the current financial quarter.

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B9. Dividends

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

B10. Earnings per share ("EPS")

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.06.21	30.06.20	30.06.21	30.06.20
Basic earnings per share				
Loss attributable to equity holders of the Company for the period (RM'000)	(28,505)	(10,203)	(27,658)	(11,084)
Weighted average number of ordinary shares in issue ('000)	546,514	250,490	546,514	250,490
Basic earnings per share (sen)	(5.22)	(4.07)	(5.06)	(4.42)
Diluted earnings per share (sen)	*	*	*	*

* The diluted earnings per share for the year ended 30 June 2021 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 September 2021.

BY ORDER OF THE BOARD

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

Date: 30 September 2021