

Unaudited Interim Financial Report
For The Financial Period Ended 31 March 2022

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 year ended 30 June 2021, 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 year ended 30 June 2021 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 28,695,104 new ordinary shares in the Company at the issue price of RM0.0734 to RM0.1194 each.
- (b) Exercised of ESOS of 24,236,040 new ordinary shares in the Company at the issue price of RM0.1082 to RM0.1332 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 materials

	Project management services		Property investment holding		Trading in building materials		Total	
	31.03.22 RM'000	31.03.21 RM'000	31.03.22 RM'000	31.03.21 RM'000	31.03.22 RM'000	31.03.21 RM'000	31.03.22 RM'000	31.03.21 RM'000
Revenue	-	-	701	502	10,051	8,433	10,752	8,935
Profit before tax	-	-	(884)	(350)	2,164	1,200	1,280	850

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 31 March 2022

For the current financial quarter ended 31 March 2022, the Group achieved unaudited revenue of RM4.00million which is lower than the revenue of RM4.25million recorded in the previous period corresponding quarter. The decrease in revenue is mainly due to the lower income generated from trading in building, steel and construction materials.

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

The profit after tax of the Group for the current financial quarter was approximately RM0.25million which is lower than profit after tax RM0.65million recorded in the previous period corresponding quarter. The decrease in profit is mainly due to the lower profit margin generated from trading in building, steel and construction materials.

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 2022.

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. Profit before tax

	Individual Quarter		Cumulative Quarter	
	Current Period Quarter 31.03.22 RM'000	Preceding Period Quarter 31.03.21 RM'000	Current Period To Date 31.03.22 RM'000	Preceding Period To Date 31.03.21 RM'000
Profit before tax is arrived at after charging / (crediting) :				
Amortisation and Depreciation charge	488	351	1,467	886
Finance costs	-	3	-	12
Gain on disposal of investment properties	-	(11)	-	(11)
Gain on disposal of property, plant and equipment	(49)	-	(49)	-

B6. Income tax expense

	Individual Quarter Current Period Quarter 31.03.22 RM'000	Cumulative Quarter Current Period To Date 31.03.22 RM'000
Current tax expense	-	-

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

On 25 February 2022, the Company proposes to undertake the private placement of up to 56,700,000 new ordinary shares in the Company, representing 10% 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 16 March 2022, Bursa Securities had, vide its letter dated 16 March 2022, approved the listing and quotation of up to 56,700,000 Placement Shares to be issued to the Private Placement.

B8. Bank borrowings

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

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	
	31.03.22	31.03.21	31.03.22	31.03.21
Basic earnings per share				
Profit attributable to equity holders of the Company for the period (RM'000)	253	652	1,280	847
Weighted average number of ordinary shares in issue ('000)	582,000	436,199	582,000	436,199
Basic earnings per share (sen)	0.04	0.15	0.22	0.19
Diluted earnings per share (sen)	0.04	0.15	0.22	0.19

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 31 May 2022.

BY ORDER OF THE BOARD

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

Date: 31 May 2022