

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2021

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31.03.2021 RM'000	Previous year corresponding quarter 31.03.2020 RM'000	3 months ended 31.03.2021 RM'000	3 months ended 31.03.2020 RM'000
Revenue	7,537	19,174	7,537	19,174
Cost of sales	(6,822)	(18,162)	(6,822)	(18,162)
Gross profit	715	1,012	715	1,012
Other operating income	193	265	193	265
Operating expenses	(2,139)	(2,648)	(2,139)	(2,648)
Loss from operations	(1,231)	(1,371)	(1,231)	(1,371)
Finance costs	(4,519)	(5,744)	(4,519)	(5,744)
Share of results of associate	(26)	(143)	(26)	(143)
Loss before tax (Note 25)	(5,776)	(7,258)	(5,776)	(7,258)
Tax expenses (Note 19)	-	765	-	765
Loss for the period	(5,776)	(6,493)	(5,776)	(6,493)
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive loss for the period	(5,776)	(6,493)	(5,776)	(6,493)
Loss and total comprehensive loss attributable to :				
Owners of the Parent	(5,776)	(6,493)	(5,776)	(6,493)
LOSS PER SHARE (Note 30)				
Basic (sen)	(0.69)	(0.78)	(0.69)	(0.78)
Diluted (sen)	(0.69)	(0.78)	(0.69)	(0.78)

The above condensed consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to these interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION AS AT 31 MARCH 2021

	As at 31.03.2021 RM'000	Audited as at 31.12.2020 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	1,607	1,701
Available-for-sale investment	90	90
Investment in associates	2,369	2,395
Investment properties	90	90
Inventory properties - Land held	122,355	122,355
Deferred tax assets	19,879	19,879
	<u>146,390</u>	<u>146,510</u>
CURRENT ASSETS		
Inventory properties - Development properties	1,136,030	1,120,451
Inventories	67,680	68,122
Trade and other receivables	150,018	157,600
Contract assets	14,901	23,215
Prepayments	2,116	1,369
Tax recoverable	2,565	1,950
Cash and bank balances	42,053	41,720
	<u>1,415,363</u>	<u>1,414,427</u>
TOTAL ASSETS	1,561,753	1,560,937
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		
Share capital	726,946	726,946
Reserves	32,302	38,078
Shareholders' equity	<u>759,248</u>	<u>765,024</u>
NON-CURRENT LIABILITIES		
Long term borrowings	18	42
Trade and other payables	242,021	233,933
Deferred tax liabilities	96,637	96,638
	<u>338,676</u>	<u>330,613</u>
CURRENT LIABILITIES		
Short term borrowings	180,028	187,107
Trade and other payables	261,994	256,989
Contract liabilities	5,293	4,347
Provisions	5,533	5,876
Tax payable	10,981	10,981
	<u>463,829</u>	<u>465,300</u>
TOTAL LIABILITIES	802,505	795,913
TOTAL EQUITY AND LIABILITIES	1,561,753	1,560,937
Net assets per share (RM)	0.91	0.91

The above condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to these interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
 FOR THE PERIOD ENDED 31 MARCH 2021

	Share capital RM'000	Retained profits RM'000	Total equity RM'000
Opening balance at 1 January 2021	726,946	38,078	765,024
Total comprehensive loss for the year	-	(5,776)	(5,776)
Closing balance at 31 March 2021	726,946	32,302	759,248
Opening balance at 1 January 2020 (restated)	726,946	39,755	766,701
Total comprehensive loss for the year	-	(6,493)	(6,493)
Closing balance at 31 March 2020	726,946	33,262	760,208

The above condensed consolidated statements of changes in equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to these interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
 FOR THE PERIOD ENDED 31 MARCH 2021

	3 months ended 31.03.2021 RM'000	3 months ended 31.03.2020 RM'000
Operating activities		
Loss before tax	(5,776)	(7,258)
Adjustment for :		
Depreciation	526	136
Provisions	-	3,453
Transaction cost on borrowings	99	249
Interest income	(67)	(221)
Share of results of associate	26	143
Interest expenses	4,519	5,744
Operating (loss)/profit before changes in working capital	(673)	2,246
Change in trade and other receivables	15,148	(7,497)
Change in trade and other payables	9,067	(4,059)
Change in inventories	442	2,831
Change in development properties	(15,579)	26,650
Cash flows from operating activities	8,405	20,171
Interest paid	(124)	(2,504)
Taxes paid	(726)	(5,495)
Net cash from operating activities	7,555	12,172
Investing activities		
Purchase of property, plant and equipment	(4)	(9)
Interest received	67	221
Net cash from investing activities	63	212

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
 FOR THE PERIOD ENDED 31 MARCH 2021 (CONT'D)

	3 months ended 31.03.2021 RM'000	3 months ended 31.03.2020 RM'000
Financing activities		
Drawdown of borrowings	-	6,846
Repayment of borrowings	(7,165)	(26,062)
Advance from related party	-	2,500
Repayment of obligations under finance leases	(36)	(132)
Net cash (used in)/from financing activities	(7,201)	16,848
Net increase/(decrease) in cash and cash equivalents	417	(4,464)
Cash and cash equivalents at beginning of period	(7,373)	(2,788)
Cash and cash equivalents at the end of period	(6,956)	(7,252)
Cash and cash equivalents comprise:		
Cash and bank balances	3,877	426
Deposits with licensed banks	38,176	41,223
	42,053	41,649
Less: Deposits with licensed banks pledged for banking facilities	(40,543)	(40,543)
Less : Bank overdraft	(8,466)	(8,358)
	(6,956)	(7,252)

The above condensed consolidated statements of cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to these interim financial statements.

NOTES TO THE 1st QUARTER FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2021

1. BASIS OF PREPARATION

The condensed consolidated interim financial statements (“Condensed Report”) are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and has also been prepared on a historical basis.

This condensed report should be read in conjunction with the audited financial statements for the year ended 31 December 2020. These explanatory notes attached to this condensed report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2020.

2. CHANGES IN ACCOUNTING POLICIES

2.1 Changes in accounting policies arising from adoption of Standards, Amendments and IC interpretations

The accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2020 except for the adoption of the following new amendments to MFRSs:

Amendments to MFRS 16: Covid-19 – Related Rent Concessions
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 : Interest Rate Benchmark Reform – Phase 2

The adoption of the abovementioned new and amendments to MFRS do not have material impact on the financial statements of the Group upon their initial application.

2.2 Standards, amendments and interpretations issued but not yet effective

The following are new standards, amendments and interpretations that have been issued by MASB but have not been early adopted by the Group:

Annual Improvements to MFRS Standards 2018-2020
Amendments to MFRS 116 : Property, Plant and Equipment – Proceeds before Intended Use
Amendments to References to the Conceptual Framework in MFRS 3 Business Combinations
Amendments to MFRS 137 : Onerous Contracts – Cost of Fulfilling a Contract
Amendments to MFRS 101 : Classification of Liabilities as Current or Non- Current
Amendments to MFRS 101 : Disclosure of Accounting Policies
MFRS 17 Insurance Contracts
Amendments to MFRS 10 and MFRS 128 : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture



NOTES TO THE 1st QUARTER FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2021

2.CHANGES IN ACCOUNTING POLICIES (cont'd)

2.2 Standards, amendments and interpretations issued but not yet effective (cont'd)

The Group will adopt the above new standards, amendments and interpretations when they become effective in the respective financial periods. These new and amendments to MFRS and IC are not expected to have any material impact to the financial statements of the Group upon their initial application.

2.3 Significant accounting judgement and estimates

(a) Revenue recognition on sale of development properties

For the sale of residential development properties, the Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. In making assessment, the Group considered the terms of the contracts entered into with customers and the provisions of relevant laws and regulations applicable to the contracts. The Group recognises property development revenue and expenses in the statements of comprehensive income on the basis upon performance of services. The assessment of whether the Group has an enforceable right to payment for performance completed to date involves judgment in determining the enforceability of the right to payment under the legal environment of the jurisdictions where the contracts are subject to.

Significant judgment is required in determining the stage of completion, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the property development costs. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.



NOTES TO THE 1st QUARTER FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2021

2.3 Significant accounting judgement and estimates (cont'd)

(b) Revenue recognition on construction contract

The Group recognises revenue from construction activities in the statements of comprehensive income by using the stage of completion method. The stage of completion is determined by the proportion that contract costs incurred for work performed to date over the estimated total contract costs.

Significant judgment is required in determining the stage of completion, the extent of the contract costs incurred, the estimated total contract revenue and costs, as well as the recoverability of the contract. In making the judgement, the Group evaluates based on past experience, internal budgeting and by relying on the work of specialists.

Where the outcome of a construction contract cannot be reliably measured, revenue is recognised to the extent of costs incurred that it is probable will be recovered.

(c) Provision for liquidated ascertained damages ("LAD")

The Group has on-going construction projects and property development that have not been completed by the contractual deadline.

For the construction projects, the management has estimated LAD of RM7.6 million based on the revised project schedule and the terms of the contract projects. The Group has arrived at this estimation based on its prior experience with similar contracts.

For the property development projects, the management has estimated LAD of RM6.9 million based on the revised project schedule and has arrived at this estimation based on its prior experience with similar property development projects.

The management considers that these amounts will not be significantly affected by a reasonably possible change in the assumptions applied in deriving the estimated LAD.

NOTES TO THE 1st QUARTER FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2021

3. AUDITORS' REPORT OF THE PRECEDING FINANCIAL YEAR ENDED 31 DECEMBER 2020

The auditors' report on the financial statements of the Company and of the Group for the financial year ended 31 December 2020 was not subject to any qualification.

4. SEASONAL OR CYCLICAL FACTORS

The Group's business operations are not seasonal but cyclical in nature, which is dependent on the economic conditions in Malaysia.

5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the quarter and financial period under review because of their nature, size, or incidence.

6. CHANGES IN ESTIMATES

There were no changes in estimates that may have a material effect in the current quarter results.

7. DEBT AND EQUITY SECURITIES

There were no issuances and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the financial period to-date under review.

8. CAPITAL MANAGEMENT AND REPAYMENT OF DEBT

The primary objective of the Group's capital management is to ensure that it maintains a good credit rating and healthy capital ratios in order to support its business and maximise shareholders' value. The Group manages its capital structure and makes adjustments to it, in line with changes in economic conditions. In order to maintain the optimal capital structure, the Group may, from time to time, adjust dividend payments to shareholders, return capital to shareholders, issue new shares, redeem debts or sell assets to reduce debts, where necessary.

NOTES TO THE 1st QUARTER FINANCIAL REPORT
 FOR THE QUARTER ENDED 31 MARCH 2021

8. CAPITAL MANAGEMENT AND REPAYMENT OF DEBT (Cont'd)

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt comprises borrowings and trade and other payables, less cash and bank balances whereas total capital comprises the equity attributable to equity holders of the Group.

The gearing ratios as at 31 March 2021 and 31 December 2020, which are within the Group's objectives for capital management, are as follows:-

	31.03.2021 RM'000	31.12.2020 RM'000
Borrowings	180,046	187,149
Trade and other payables	504,015	490,922
Less: Cash and bank balances	<u>(42,053)</u>	<u>(41,720)</u>
Net debt	<u>642,008</u>	<u>636,351</u>
Equity	<u>759,248</u>	<u>765,024</u>
Total capital	<u>759,248</u>	<u>765,024</u>
Capital and net debt	1,401,256	1,401,375
Gearing ratio	45.8%	45.4%

The slight increase in gearing ratio from 45.4% to 45.8% is mainly due to the increase in trade and other payables.

The details of the drawdown and the repayment of bank borrowings in the current quarter and to-date are as follows:

	Current year quarter 31.03.2021 RM'000	3 months cumulative to date 31.03.2021 RM'000
a) Drawdown on new bank borrowings	-	-
b) Repayment of bank borrowings	(7,082)	(7,082)
c) Repayment of obligations under finance leases	(36)	(36)
d) Change in bank overdraft	(83)	(83)
e) Transaction costs on bank borrowings	99	99

NOTES TO THE 1st QUARTER FINANCIAL REPORT
 FOR THE QUARTER ENDED 31 MARCH 2021

9. DIVDENDS

No dividends were recommended, declared or paid during the financial period ended 31 March 2021.

10. VALUATION OF INVESTMENT PROPERTIES

An independent valuation for investment properties was carried out by Raine & Horne during the previous financial year ended 31 December 2020 and the net fair value gain arising from the valuation amounting to RM2,000 was recognised in the statements of profit or loss for the previous financial year ended 31 December 2020.

11. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD

There are no material events subsequent to the end of the current quarter that have not been reflected in the quarterly financial statements except as per disclosed in Note 22 on the completion of private placement.

12. GROUP COMPOSITION

There are no material changes in the composition of the Group during the financial quarter under review.

13. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

Except for as disclosed in Note 24 and as disclosed below, the Group has no other contingent liabilities :

	31.03.2021	31.12.2020
	RM'000	RM'000
Corporate guarantees given by the Company to financial institutions for facilities granted to subsidiaries		
- Current exposure	82,793	86,962
Performance bond issued by subsidiaries involved in construction activities	37,463	37,463

NOTES TO THE 1st QUARTER FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2021

14. OPERATING SEGMENTS

The following tables provide an analysis of the Group's revenue, results, assets and liabilities by business segments:-

As at 31 Mar 2021 RM'000	Property Development	Construction	Property Management	Elimination	Consolidated
Revenue					
Revenue	6,330	1,207	-	-	7,537
Other income	192	1	-	-	193
	6,522	1,208	-	-	7,730
RESULT					
Segment results	(489)	(365)	-	-	(854)
Unallocated corporate expenses					(377)
Share of result of associate					(26)
Finance costs					(4,519)
Loss before tax					(5,776)

As at 31 Mar 2020 RM'000	Property Development	Construction	Property Management	Elimination	Consolidated
Revenue					
Revenue	18,368	806	-	-	19,174
Other income	208	56	-	-	264
Unallocated other income	-	-	-	-	1
	18,576	862	-	-	19,439
RESULT					
Segment results	(850)	(258)	-	12	(1,096)
Unallocated corporate expenses					(275)
Share of result of associate					(143)
Finance costs					(5,744)
Loss before tax					(7,258)

NOTES TO THE 1st QUARTER FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2021

14. OPERATING SEGMENTS (cont'd)

ASSETS AND LIABILITIES

As at 31 Mar 2021 RM'000	Property Development	Construction	Property Management	Elimination	Consolidated
<u>ASSETS</u>					
Segment assets	1,474,477	306,819	-	(528,924)	1,252,372
Investment in associates					2,369
Investment properties					90
Available-for-sale investments					90
Unallocated corporate assets					306,832
Consolidated total assets					1,561,753
<u>LIABILITIES</u>					
Segment liabilities	(616,595)	(591,076)	-	508,487	(699,184)
Unallocated corporate liabilities					(103,321)
Consolidated total liabilities					(802,505)

As at 31 Mar 2020 RM'000	Property Development	Construction	Property Management	Elimination	Consolidated
<u>ASSETS</u>					
Segment assets	1,559,864	509,588	-	(539,059)	1,530,393
Investment in associates					2,395
Investment properties					498
Available-for-sale investments					90
Unallocated corporate assets					307,986
Consolidated total assets					1,841,362
<u>LIABILITIES</u>					
Segment liabilities	(684,818)	(746,968)	-	446,715	(985,071)
Unallocated corporate liabilities					(103,092)
Consolidated total liabilities					(1,088,163)

NOTES TO THE 1st QUARTER FINANCIAL REPORT
 FOR THE QUARTER ENDED 31 MARCH 2021

15. RELATED PARTY TRANSACTIONS

Significant related party transactions are as follows:

	3 months ended		3 months ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	RM'000	RM'000	RM'000	RM'000
Construction related services to a company of which certain directors of the Company have interest	16,338	20,149	16,338	20,149
Rental and maintenance related services from a company of which certain directors of the Company have interest	396	14	396	14

The directors are of the opinion that the above transactions have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

NOTES TO THE 1st QUARTER FINANCIAL REPORT
 FOR THE QUARTER ENDED 31 MARCH 2021

16. REVIEW OF PERFORMANCE

(i) Financial review for current quarter and financial period to-date

	3 months quarter ended		Changes	
	31.03.2021 (RM'000)	31.03.2020 (RM'000)	Amount (RM'000)	%
Revenue				
Property development	6,330	18,368	(12,038)	(65.54)
Constructions	1,207	806	401	49.76
	7,537	19,174	(11,637)	(60.7)
Loss before tax				
Property development	(2,414)	(3,036)	622	20.49
Constructions	(2,962)	(3,785)	822	21.72
Others	(400)	(437)	37	8.47
	(5,776)	(7,258)	1,482	20.42

Performance review for current quarter against the same quarter in the preceding year (Q1 2021 vs Q1 2020)

For the current quarter under review, the Group recorded revenue of RM7.5 million which was RM11.6 million or 60.7% lower as compared to the corresponding quarter in preceding year of RM19.2 million. Despite the drop in revenue, the Group recorded a lower loss before tax of RM5.8 million for the quarter ended 31 March 2021 as compared to a loss of RM7.3 million for the corresponding quarter ended 31 March 2020. The lower revenue was due to lower level of work and billings achieved in the current quarter whereas the higher loss before tax in the corresponding quarter ended 31 March 2020 was mainly due to provision of LAD was recorded in the corresponding quarter.

The contribution from each business segment is set out below:

Property Development

Revenue for the current quarter ended 31 March 2021 has significantly decreased by RM12.0 million to RM6.3 million as compared to the preceding quarter ended 31 March 2020 of RM18.4 million. A loss before tax of RM2.4 million was reported for the current quarter as compared to loss before tax of RM3.0 million due lower level of work and progress billings achieved.

Construction

The construction sector registered revenue of RM1.2 million for the current quarter ended 31 March 2021, an improvement of RM401,000 or 49.8% as compared to the preceding year corresponding quarter ended 31 March 2020 of RM806,000. With the improvement in revenue, a lower loss before tax of RM2.96 million was recorded in the current quarter compared to the loss before tax of RM3.79 million in the preceding year corresponding quarter ended 31 March 2020.

NOTES TO THE 1st QUARTER FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2021

16. REVIEW OF PERFORMANCE (cont'd)

(ii) Financial review for current quarter compared with immediate preceding quarter

	Current quarter	Immediate preceding quarter	Changes	
	31.03.2021 (RM'000)	31.12.2020 (RM'000)	Amount (RM'000)	%
Revenue				
Property development	6,330	15,466	(9,136)	(59.08)
Constructions	1,207	4,182	(2,975)	(71.14)
	7,537	19,648	(12,111)	(61.64)
Loss before tax				
Property development	(2,414)	(9,445)	7,031	74.45
Constructions	(2,962)	(1,473)	(1,489)	(101)
Others	(400)	(288)	(112)	(38.89)
	(5,776)	(11,206)	5,430	48.46

For the current quarter under review, the Group recorded revenue and loss before tax of RM7.5 million and RM5.8 million respectively, compared to immediate preceding quarter's revenue and loss before tax of RM19.6 million and RM11.2 million.

Lower revenue was due to lower level of work and billings achieved in the current quarter. The higher loss before tax for the immediate preceding quarter was largely due to the change in basis of cost allocation for the development sector.

17. PROSPECTS

The current financial year is expected to be extremely challenging for the Group in view of the unprecedented changes in the socio-economic largely caused by COVID-19 pandemic. Given the continuing uncertainty and the various Movement Control Order ("MCO") implemented by the Government, the local development market is negatively being affected.

The Group continues to monitor both global and local development closely as it will remain proactive and vigilant in mitigating any potential impacts to the business of the Group. The Group will maintain a prudent approach and will adapt its plans, strategies, product designs and timing for any new products' launches. The Group expects its revenue and performance for this financial year to be mainly derived from its development sector.

18. PROFIT FORECAST

The Group has not provided any profit forecast in a public document.

NOTES TO THE 1st QUARTER FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2021

19. TAXATION

	Quarter ended		3 months cumulative to date	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	RM'000	RM'000	RM'000	RM'000
Income tax	-	30	-	30
Deferred tax	-	(795)	-	(795)
	-	(765)	-	(765)

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable loss for the period.

	Current quarter	3 months cumulative to date
	31.03.2021	31.03.2021
	RM'000	RM'000
Major components of tax expenses:		
Loss before tax	(5,776)	(5,776)
Taxation at the Malaysian statutory tax rate of 24%	(1,386)	(1,386)
Adjustments:		
- Income not subject to tax	(4)	(4)
- Non - deductible expenses	1,390	1,390
	-	-

No tax charge for the current quarter as the Group is in tax loss position.

20. UNQUOTED INVESTMENTS AND PROPERTIES

There were no purchases or sales of unquoted investments and properties for the current quarter and financial period-to-date.

21. QUOTED INVESTMENTS

There were no purchases or sales of quoted securities for the current quarter and financial period-to-date.

There were no investments in quoted securities as at the end of the current quarter.

NOTES TO THE 1st QUARTER FINANCIAL REPORT
 FOR THE QUARTER ENDED 31 MARCH 2021

22. STATUS OF CORPORATE PROPOSALS

There are no other corporate proposals announced but not completed as of the reporting date except for the completion of the placement of 83.74 million new shares at the issue price of RM0.48 under Private Placement and the new shares were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on 23 April 2021.

Proposed utilisation on the private placement proceeds:

Purposes	RM'000	Estimated timeframe for use of proceeds
Payment for contractors, sub-contractors, suppliers and/or creditors	38,000	Within 3 months
General working capital	1,695	Within 3 months
Estimated expenses	500	Within 3 months
	40,195	

23. BORROWINGS AND DEBT EQUITIES

Details of the Group's borrowings (all denominated in Malaysian currency) as at 31 March 2021 are as follows:

	Current RM'000	Non current RM'000	Total RM'000
Secured			
Bridging loans – Note 1	74,327	-	74,327
Revolving credit – Note 2	100,000	-	100,000
Obligations under finance lease	135	18	153
Bank overdraft	8,466	-	8,466
Total	<u>182,928</u>	<u>18</u>	<u>182,946</u>

Note 1 : Bridging loan are for the development properties. The loans were repaid through redemption and cash.

Note 2 : Revolving credit facility is for working capital.

NOTES TO THE 1st QUARTER FINANCIAL REPORT
 FOR THE QUARTER ENDED 31 MARCH 2021

24. MATERIAL LITIGATION

Johor Bahru High Court Summons No. JA-22NCVC-149-11/2020

On 17 November 2020, the Company and its subsidiary, Tebrau Bay Constructions Sdn Bhd (“Defendants”) received a Writ of Summon and Statement of Claim filed by Tenaga Nasional Berhad (“TNB” or “the Plaintiff”) claiming RM76.56 million, various injunctions, economic loss, other damages, interests and costs to be assessed by the High Court for the alleged damages on the Johor Bahru - Singapore TNB cable link. In the claim, TNB alleged that reclamation works undertaken by the Group had trespassed on the right of way (“ROW”) of the TNB’s submarine cables.

The Group has appointed a counsel to defend the claim and on 31 January 2021, made an application to strike out the plaintiff’s suit. The Group’s defence, amongst others, is that at all material times, the reclamation works were carried out by independent contractors outside of the Plaintiff’s right of way, in accordance with plans approved by the Johor Bahru City Council. Further, the Plaintiffs have not provided any evidence of the nature, cause and specifics of the alleged damage to the submarine cables.

The Court has fixed a hearing date on 19 July 2021 to hear the Defendants’ application to amend the Statement of Defence and other applications.

The Court has also fixed a case management on 19 July 2021 in relation to the Plaintiff’s Writ, the Defendants’ striking out application and various interlocutory applications.

The Company will make further announcements on the material development of the case in due course and has accordingly disclosed the details of the Claim as a contingent liability.

25. LOSS BEFORE TAX

The following amounts have been included in arriving at loss before tax:

	Quarter ended		3 months cumulative to date	
	31.03.2021 RM’000	31.03.2020 RM’000	31.03.2021 RM’000	31.03.2020 RM’000
Depreciation	98	136	98	136
Interest income	(126)	(221)	(1,628)	(221)
Interest expenses	4,519	5,744	4,519	5,744
Provision for LAD	-	2,562	-	2,562
Share of results of associates	26	143	26	143
Other income	(67)	(44)	(67)	(44)

Other than as disclosed above, the other items as required under Appendix 9B, Part A (16) of the Bursa Malaysia Listing Requirement are not applicable.

NOTES TO THE 1st QUARTER FINANCIAL REPORT
 FOR THE QUARTER ENDED 31 MARCH 2021

26. CAPITAL COMMITMENTS

There are no material capital commitments as at the date of this report.

27. EVENTS AFTER REPORTING PERIOD

There are no material events subsequent to the end of the current quarter except as disclosed in Note 22 on the completion of the private placement.

28. DERIVATIVES

- a. There are no outstanding derivatives (including financial instruments designated as hedging instruments) for the quarter ended 31 March 2021; and
- b. The Group has not entered into any type of derivatives in the previous financial period under review.

29. DIVIDEND PAYABLE

No dividend has been declared for the financial period ended 31 March 2021 (31 December 2020 : RM Nil).

30. LOSS PER SHARE

The basic and diluted loss per share has been calculated by dividing the Group's loss for the period attributable to owners of the Company by weighted average number of shares in issue. The weighted number of shares in issue is calculated as follows:

	Quarter ended		3 months cumulative to date	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Loss for the period attributable to owners of the Company (RM'000)	(5,776)	(6,493)	(5,776)	(6,493)
Weighted average number of ordinary shares for earnings per share ('000 units)	837,389	837,389	837,389	837,389
Basic loss per share (sen)	<u>(0.69)</u>	<u>(0.78)</u>	<u>(0.69)</u>	<u>(0.78)</u>
Diluted loss per share (sen)	<u>(0.69)</u>	<u>(0.78)</u>	<u>(0.69)</u>	<u>(0.78)</u>

NOTES TO THE 1st QUARTER FINANCIAL REPORT
 FOR THE QUARTER ENDED 31 MARCH 2021

31. STATUS OF JOINT VENTURE PROJECT

Following is the status of the existing joint venture projects as at 31 March 2021 :

	Paradise Realty Sdn. Bhd.	Greenland Tebrau Sdn. Bhd. (Lot 1A)
<u>Development Status</u>		
Total land area	20.324 acres	11.013 acres
% land under development	100%	100%
% of development completed	49.96%	-
% of development not yet completed	50.04%	100%

32. 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 31 May 2021.