

PARAMOUNT CORPORATION BERHAD

Interim Financial Report for the period ended 31 March 2022

The figures are unaudited

**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR PERIOD ENDED 31 MARCH 2022**

	3 Months Ended 31 March		3 Months Ended 31 March	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Revenue	168,097	151,809	168,097	151,809
Operating profit	19,965	17,009	19,965	17,009
Interest expense	(6,286)	(5,918)	(6,286)	(5,918)
Interest income	640	387	640	387
Share of profit/(loss) of associates & joint venture	290	(657)	290	(657)
Profit before tax	14,609	10,821	14,609	10,821
Taxation	(3,890)	(4,018)	(3,890)	(4,018)
Profit for the period	10,719	6,803	10,719	6,803
Profit attributable to:				
Ordinary equity holders of the Company	5,024	2,297	5,024	2,297
Non-controlling interest	(15)	(97)	(15)	(97)
Holder of private debt securities of the Company	5,710	4,603	5,710	4,603
	10,719	6,803	10,719	6,803
Earnings per share ("EPS") attributable to Ordinary equity holders of the Company (sen):				
Basic EPS	0.81	0.37	0.81	0.37
Diluted EPS	0.80	0.36	0.80	0.36

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2021.

PARAMOUNT CORPORATION BERHAD

Interim Financial Report for the period ended 31 March 2022

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR PERIOD ENDED 31 MARCH 2022**

	3 Months Ended		3 Months Ended	
	31 March		31 March	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Profit for the period	10,719	6,803	10,719	6,803
Other comprehensive income/(loss)	(502)	(2,870)	(502)	(2,870)
Total comprehensive income for the period	10,217	3,933	10,217	3,933
Total comprehensive income/(loss) attributable to:				
Ordinary equity holders of the Company	4,522	(573)	4,522	(573)
Non-controlling interest	(15)	(97)	(15)	(97)
Holder of private debt securities of the Company	5,710	4,603	5,710	4,603
	10,217	3,933	10,217	3,933

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2021.

PARAMOUNT CORPORATION BERHAD

Interim Financial Report for the period ended 31 March 2022

The figures are unaudited

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022**

	As at 31/3/2022	As at 31/12/2021
	RM'000	RM'000
Non-current assets		
Property, plant and equipment	126,847	128,520
Right-of-use asset	10,255	11,096
Inventories - land held for property development	742,972	735,623
Investment properties	517,414	516,081
Investment in associates	199,254	199,076
Other investments	9,810	3,124
Other receivables	7,701	7,701
Deferred tax assets	44,024	46,353
	1,658,277	1,647,574
Current assets		
Inventories - property development costs	256,427	283,484
Inventories - completed properties and other inventories	68,354	71,969
Contract cost assets	117,190	124,395
Trade receivables	85,512	211,239
Other receivables	49,509	42,506
Other current assets	6,798	8,762
Contract assets	400,295	372,154
Tax recoverable	13,534	12,164
Cash and bank balances	197,252	178,359
	1,194,871	1,305,032
Total assets	2,853,148	2,952,606
Current liabilities		
Borrowings	174,000	266,845
Lease liabilities	5,138	5,014
Trade payables	156,636	167,569
Other payables	89,369	104,920
Tax payable	2,374	1,405
Contract liabilities	126	136
	427,643	545,889
Net current assets	767,228	759,143

PARAMOUNT CORPORATION BERHAD

Interim Financial Report for the period ended 31 March 2022

The figures are unaudited

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022**

	As at 31/3/2022	As at 31/12/2021
	RM'000	RM'000
Non-current liabilities		
Borrowings	713,346	696,255
Lease liabilities	9,016	10,386
Deferred tax liabilities	8,116	9,556
	730,478	716,197
Total liabilities	1,158,121	1,262,086
Equity		
Share capital	334,299	330,834
Reserves	1,111,185	1,110,128
Equity attributable to ordinary equity holders of the Company	1,445,484	1,440,962
Private debt securities	248,707	248,707
Non-controlling interests	836	851
Total equity	1,695,027	1,690,520
Total equity and liabilities	2,853,148	2,952,606
Net assets (NA) per share (RM)	2.32	2.33

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2021.

PARAMOUNT CORPORATION BERHAD

Interim Financial Report for the period ended 31 March 2022

The figures are unaudited

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR PERIOD ENDED 31 MARCH 2022**

	<-----Non Distributable----->				Distributable Retained Earnings RM'000	Non- controlling interests RM'000	Private debt securities RM'000	Total Equity RM'000
	Share Capital RM'000	Employee Share Reserve# RM'000	Fair value Reserve RM'000	Translation Reserve RM'000				
As at 1 January 2022	330,834	6,252	(4,792)	(410)	1,109,078	851	248,707	1,690,520
Total comprehensive income	-	-	(814)	312	5,024	(15)	5,710	10,217
Transactions with owners								
Vesting of LTIP shares	3,465	(3,465)	-	-	-	-	-	-
Private debt securities distribution	-	-	-	-	-	-	(5,710)	(5,710)
Total transactions with owners	3,465	(3,465)	-	-	-	-	(5,710)	(5,710)
As at 31 March 2022	334,299	2,787	(5,606)	(98)	1,114,102	836	248,707	1,695,027

PARAMOUNT CORPORATION BERHAD

Interim Financial Report for the period ended 31 March 2022

The figures are unaudited

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR PERIOD ENDED 31 MARCH 2022**

	<-----Non Distributable----->				Distributable Retained Earnings RM'000	Non- controlling interests RM'000	Private debt securities RM'000	Total Equity RM'000
	Share Capital RM'000	Employee Share Reserve# RM'000	Fair value Reserve RM'000	Translation Reserve RM'000				
As at 1 January 2021	324,909	8,789	76	(145)	1,096,024	948	248,707	1,679,308
Total comprehensive income	-	-	(2,645)	(225)	2,297	(97)	4,603	3,933
Transactions with owners								
Vesting of LTIP shares	5,925	(5,925)	-	-	-	-	-	-
Private debt securities distribution	-	-	-	-	-	-	(4,603)	(4,603)
Total transactions with owners	5,925	(5,925)	-	-	-	-	(4,603)	(4,603)
As at 31 March 2021	330,834	2,864	(2,569)	(370)	1,098,321	851	248,707	1,678,638

- This represents reserve relating to fair valuation of restricted shares and performance shares under the long term incentive plan ("LTIP")

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2021.

PARAMOUNT CORPORATION BERHAD

Interim Financial Report for the period ended 31 March 2022

The figures are unaudited

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR PERIOD ENDED 31 MARCH 2022**

	3 Months Ended	
	31/3/2022 RM'000	31/3/2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	14,609	10,821
Adjustment for:		
Non-cash items	5,238	4,671
Non-operating items	5,235	6,251
Operating profit before working capital changes	25,082	21,743
Decrease in receivables	99,923	60,935
Decrease in inventories	30,611	19,722
Decrease in payables	(26,062)	(51,149)
Cash generated from operations	129,554	51,251
Taxes paid	(3,399)	(10,774)
Interest paid	(8,069)	(8,461)
Net cash generated from operating activities	118,086	32,016
CASH FLOWS FROM INVESTING ACTIVITIES		
Movement in land held for development	(5,736)	(7,095)
Purchase of property, plant and equipment	(607)	(754)
Purchase of unquoted investment	(7,500)	-
Purchase of investment properties	(3,127)	(1,440)
Proceeds from disposal of property, plant and equipment	11	2
Interest received	640	387
Net cash used in investing activities	(16,319)	(8,900)

PARAMOUNT CORPORATION BERHAD

Interim Financial Report for the period ended 31 March 2022

The figures are unaudited

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR PERIOD ENDED 31 MARCH 2022**

	3 Months Ended	
	31/3/2022	31/3/2021
	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of borrowings	6,728	42,562
PDS distribution	(5,710)	(4,603)
Withdrawal in banks restricted for use	(2,969)	(6,373)
Repayment of borrowings	(48,728)	(93,858)
Lease payments	(1,411)	(1,273)
Net cash used in financing activities	(52,090)	(63,545)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	49,677	(40,429)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	123,324	176,100
CASH AND CASH EQUIVALENTS AT END OF PERIOD	173,001	135,671
	31/3/2022	31/3/2021
	RM'000	RM'000
Cash and cash equivalents comprise:		
Cash and bank balances	151,305	142,999
Fixed deposits	45,947	21,736
Cash and bank balances	197,252	164,735
Cash and bank balances restricted for use	(22,329)	(18,970)
Fixed deposits maturing more than 3 months	(94)	(94)
Bank overdrafts	(1,828)	(10,000)
	173,001	135,671
Cash and bank balances held in HDA accounts	101,400	99,127

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2021.

PARAMOUNT CORPORATION BERHAD
Interim Financial Report for the period ended 31 March 2022

The figures are unaudited

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134

A1. Basis of preparation

The interim financial statements 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 the Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2021. The explanatory notes attached to the interim financial statements 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 year ended 31 December 2021.

A2. Changes in accounting policies

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted for the audited annual financial statements for the financial year ended 31 December 2021.

A3. Audit report qualification

The audit report for the financial year ended 31 December 2021 was not subject to any qualification.

A4. Seasonal or cyclical factors

The operations of the Group were not materially affected by any factor of a seasonal or cyclical nature.

A5. Exceptional or unusual items

There were no items of an exceptional or unusual nature that have affected the assets, liabilities, equity, net income or cash flows of the Group during the current quarter and financial year to date.

A6. Changes in estimates of amounts reported previously

There were no significant changes in estimates in prior periods that have materially affected the current quarter and financial year to date results.

A7. Debt and equity securities

Save for items disclosed below, there were no other issuance, cancellation, repurchases, resale and repayments of debt and equity securities for the current quarter and financial year to date.

Employee share scheme

On 21 March 2022, the Company issued 2,728,100 shares to its eligible employees pursuant to the vesting of the Restricted Share Incentive Plan ("RS Award") and Performance-based Incentive Plan ("PS Award") of the Long Term Incentive Plan ("LTIP"). The details of the vested shares are as below:

	LTIP	Grant date	Vesting	No. of shares
(b)	2019 RS Award	13 March 2019	Third	799,100
(c)	2020 RS Award	13 March 2020	Second	821,700
(d)	2019 PS Award	13 March 2019	Final	1,107,300
				<u>2,728,100</u>

A8. Dividends paid

There was no dividend paid during the current quarter and financial year to date.

A9. Profit before tax

The following items have been included in arriving at profit before tax:

	3 months ended 31 March		3 months ended 31 March	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Depreciation of:				
- Property, plant and equipment	2,265	1,515	2,265	1,515
- Right-of-use asset	839	1,016	839	1,016
- Investment properties	2,129	2,134	2,129	2,134
Interest expense on:				
- Borrowings	6,121	4,971	6,121	4,971
- Lease liabilities	165	947	165	947
Additions/(reversal) of allowance for impairment of receivables	(10)	6	(10)	6
(Gain)/loss on disposal of:				
- Property, plant and equipment	(1)	(2)	(1)	(2)
Net foreign exchange (gain)/loss	(109)	65	(109)	65
Net derivative (gain)/loss:				
Forward foreign exchange contract	97	141	97	141

Save for the items disclosed in the Income Statement and the note above, other items pursuant to Appendix 9B Note16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

A10. Segment reporting for the current financial year to date

<u>Analysis by Business Segment</u>	3 months ended 31 March Revenue		3 months ended 31 March Profit/(loss) before tax	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Property	163,954	149,612	20,656	15,087
Coworking	2,201	1,399	(269)	(1,141)
Investment & others	18,697	21,651	(3,233)	(1,706)
	<u>184,852</u>	<u>172,662</u>	<u>17,154</u>	<u>12,240</u>
Inter-segment elimination	(16,755)	(20,853)	(2,545)	(1,419)
Total - continuing	<u>168,097</u>	<u>151,809</u>	<u>14,609</u>	<u>10,821</u>

A11. Carrying amount of revalued assets

The valuations of property, plant and equipment and investment properties have been brought forward without amendments from the financial statements for the financial year ended 31 December 2021.

A12. Subsequent events

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

A13. Changes in composition of the Group

There was no change in composition of the Group since the last annual reporting date.

A14. Changes in contingent assets and contingent liabilities

There were no contingent assets or contingent liabilities of the Group since the last annual reporting date.

A15. Commitments

The amount of commitments not provided for in the interim financial statements as at 31 March 2022 were as follows:

	RM'000
Approved and contracted for:-	
Payment under DRA (Note: B6(i))	113,000
Land held for property development	92,419
Investment properties	60,233
	<u>265,652</u>

A16. Capital expenditure

The major additions and disposals to the property, plant and equipment during the current quarter and financial year to date were as follows:

	Current Quarter RM'000	Financial Year-to-date RM'000
Property, plant and equipment	607	607

A17. Related party transactions

	Financial Year-to-date RM'000
Sale and purchase of goods & services	
Rental charges and license fees paid to Damansara Uptown One Sdn Bhd, Damansara Uptown Seven Sdn Bhd, Damansara Uptown Retail Centre Sdn Bhd and Damansara Uptown Car Parks Sdn Bhd, companies in which a brother of the late Dato' Teo Chiang Quan has interest	517
Rental income received from UOW Malaysia KDU University College Sdn Bhd and UOW Malaysia KDU University College (PG) Sdn Bhd, associated companies of the Company	788
Sale of property to Mr. Chee Siew Pin, Chief Executive Officer of the Company's property division and his spouse	688
Rental income received from Peoplender Sdn Bhd, a company in which Mr. Chew Sun Teong and Mr. Benjamin Teo Jong Hian have interest	32
Rental charges paid to Mr Chew Sun Teong, a director of the Company	12
	<u>2,037</u>

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

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of performance

	1Q2022 RM'000	1Q2021 RM'000	Var. %		3M2022 RM'000	3M2021 RM'000	Var. %
Revenue	168,097	151,809	11%		168,097	151,809	11%
Operating profit	19,965	17,009	17%		19,965	17,009	17%
Profit before interest & tax	20,255	16,352	24%		20,255	16,352	24%
Profit before tax	14,609	10,821	35%		14,609	10,821	35%
Profit for the period	10,719	6,803	58%		10,719	6,803	58%
Profit attributable to ordinary equity holders of the Company	5,024	2,297	119%		5,024	2,297	119%

1Q2022 vs 1Q2021

For 1Q2022, the Group achieved a revenue of RM168.1 million (1Q2021: RM151.8 million) and a profit before tax (PBT) of RM14.6 million (1Q2021: RM10.8 million), which were 11% and 35% respectively higher than the same period last year. Hence, the Group's profit attributable to ordinary equity holders of the Company was also higher at RM5 million (1Q2021: RM2.3 million). The Group's improved financial performance in 1Q2022 was mainly attributable to the higher profit contribution from the property division but was dampened by the higher loss before tax (LBT) reported by the investment and others division. Among factors that have contributed to the higher LBT was the depreciation expense and finance cost in respect of the Mercure Kuala Lumpur Glenmarie Hotel, which had its soft opening in November last year.

Property Division

For 1Q2022, the property division achieved a revenue of RM163.9 million, which was 10% higher than that of the same period last year of RM149.6 million on the back of a larger base of ongoing development projects. The top three revenue contributors in 1Q2022 were ATWATER development in Selangor, Sejati Lakeside development in Selangor, and Bukit Banyan development in Kedah. In line with the higher revenue coupled with the realisation of cost savings of certain completed and near completed projects, the property division recorded a PBT of RM20.7 million which was 37% higher compared to RM15.1 million in 1Q2021.

The property division's sales in 1Q2022 was RM155 million, which was 15% lower compared to RM182 million for the corresponding period last year, mainly due to fewer property launches and after the Home Ownership Campaign ended on 31 December 2021. The sales status and unbilled sales of the property division are as follows:

Projects	Location	For period ended 31/3/2022			As at 31/3/2022
		Launched units	Units sold**	Sales value RM'M	Unbilled sales RM'M
Central region	Klang Valley	0	116	105	858
Northern region	Kedah, Penang	34	88	50	272
Total		34	204	155	1,130

** - Includes sales of units launched in prior years

Coworking Division

The coworking division revenue for 1Q2022 was RM2.2 million, 57% higher than the same period last year (1Q2021: RM1.4 million), mainly attributed to the higher contributions from Tropicana Gardens outlet and Scalable Malaysia, a one-stop workspace solution provider that specialises in sourcing, building construction, project management, built-in furniture, office interior design, smart office design & more. On the back of the higher revenue, the coworking division recorded a lower LBT of RM0.3 million compared to a LBT of RM1.1 million in 1Q2021.

B2. Material changes in Profit Before Tax for the quarter reported on as compared with the immediate preceding quarter

	1Q2022 RM'000	4Q2021 RM'000	Var. %
Revenue	168,097	317,335	-47%
Operating profit	19,965	46,496	-57%
Profit before interest & tax	20,255	48,444	-58%
Profit before tax	14,609	42,921	-66%

The Group's PBT for 1Q2022 of RM14.6 million was 66% lower than RM42.9 million achieved in the preceding quarter. The 4Q2021 financial results included RM11 million profit from the disposal of a parcel of commercial land at Sekitar26 development, RM7.9 million gains recognised in the consolidation exercise of a subsidiary, and RM4.6 million from the asset impairment loss recorded by the coworking business.

B3. Prospects

The Malaysian economy registered a positive growth of 5.0% in the first quarter of 2022 (4Q 2021: 3.6%). This was mainly supported by improving domestic demand as economic activity continued to normalise with the easing of containment measures. The domestic economy is expected to improve further this year, with growth projected at 5.3% to 6.3% underpinned by stronger domestic demand, continued expansion in external demand, and further improvement in the labour market. Nevertheless, risks to Malaysia's growth momentum remain. These include a weaker-than-expected global growth, further escalation of geopolitical conflicts, worsening supply chain disruptions, adverse developments surrounding COVID-19 and heightened financial market volatility.

(Source: Press Release from Bank Negara Malaysia on the Economic and Financial Developments in Malaysia in the First Quarter of 2022)

With the domestic growth on a firmer footing, Bank Negara Malaysia has increased the Overnight Policy Rate (OPR) by 25 basis points on 11 May 2022 to 2.00% to support a sustainable economic growth. Over the course of the COVID-19 crisis, the OPR was reduced by a cumulative 125 basis points to the historic low of 1.75% to provide support to the economy. However, the unprecedented conditions that necessitated such actions have since abated.

The continued recovery of the economy coupled with the low interest rate environment is expected to bode well for the property market in 2022. Additionally, the abolishment of the real property gains tax for disposals from year six onwards are expected to help invigorate the property market. Nevertheless, headwinds for the property sector such as uncertainties arising from adverse developments surrounding COVID-19, aggressive interest rate hike, rising cost of living and lower income spending power, escalating prices of building materials and the shortage of construction workers could dampen its recovery.

(a) Property Division

While plans are underway to launch new products in six projects (including new phases of existing projects) over the remaining nine months of the year with an estimated gross development value of RM1.3 billion, the timing of which shall depend on amongst others, the prevailing market conditions and securing all the necessary authority approvals. Among the new projects lined up are the Arinna Kemuning Utama smart homes in Shah Alam, The Atera, a transit-oriented development project in Petaling Jaya situated next to the Asia Jaya Light Rail Transit Station and the Sejati Lakeside 2 landed homes in Cyberjaya.

B3. Prospects (cont'd)

The Group's unbilled sales of RM1.1 billion as at 31 March 2022 will provide some visibility on the Group's cashflow in the near term, the pace at which this can be converted into billings would depend largely on the construction progress of the projects. As at 31 March 2022, the Group had 500.7 acres of undeveloped land as detailed below.

Projects	Location	No. of projects	Original land size (Acres)	Undeveloped (Acres)
Central region	Klang Valley	5	920.7	156.2
Northern region	Kedah, Penang	4	760.0	344.5
Total		9	1,680.7	500.7

(b) Coworking Division

Coworking is well positioned to meet the needs of organisations that wish to mitigate risks arising from current uncertainties as it provides organisations the flexibility to scale up or scale down their workspace requirements depending on their business needs and market conditions. As for those organisations that wish to reintegrate employees back to their offices, Scalable Malaysia can help design, build, manage, and operate people-centric workspaces to bring out the best in its customers' workforce.

Despite Malaysia being in the transition phase to endemic, the Group anticipates 2022 to be a challenging year given the headwinds faced by the property sector weighing on the Group's financial performance. Notwithstanding the external circumstances, the Group continues to maintain its strong financial resilience and optimise its operations to navigate through these uncertain times while continuing to invest for long term business sustainability.

B4. Profit forecast or profit guarantee

There were no profit forecast or profit guarantee for the current quarter and financial year to date.

B5. Taxation

The taxation charge included the following:

	Current Quarter	Financial Year-to-date
	RM'000	RM'000
Income tax	3,966	3,966
Deferred tax	(76)	(76)
	<u>3,890</u>	<u>3,890</u>

The effective tax rate for the current quarter and financial year to date was higher than the statutory income tax rate in Malaysia due to the losses of certain subsidiaries that were not available for full set off against taxable profits of other subsidiaries and certain expenses which were not deductible for tax purposes.

B6. Corporate proposal

Save for the proposal disclosed below, there were no corporate proposals announced but not completed as at 23 May 2022.

- (i) On 22 December 2017, the Group entered into a Development Rights Agreement ("DRA") with Kumpulan Hartanah Selangor Berhad (KHSB) to accept the rights granted by KHSB to the proposed development of two (2) contiguous parcels of leasehold commercial land measuring approximately 9.662 acres in total area situated in Section 14, Bandar Petaling Jaya, District of Petaling, State of Selangor Darul Ehsan. The fulfilment date of the Second Phase Conditions Precedent has been determined as 12 September 2022, being six months from the date of receipt of the amended Planning Permission/Development Order by the Group.
- (ii) On 1 September 2021, Utropolis Sdn. Bhd. ("USB"), a wholly-owned subsidiary of the Company, has entered into a Sale and Purchase Agreement (SPA) with Makmur Asiamaju Sdn. Bhd. for the proposed acquisition of a piece of freehold residential land measuring approximately 13.25 hectares (equivalent to 32.74 acres) in Mukim Dengkil, Daerah Sepang, Negeri Selangor at a total cash consideration of RM102,687,696. As at 23 May 2022, the SPA is pending completion.

B7. Borrowings and debt securities

The Group's borrowings and debt securities as at 31 March 2022 and 31 March 2021 were as follows:

	31/3/2022	31/3/2021
	RM'000	RM'000
<u>Short-term borrowings</u>		
Bank overdraft - Secured	1,670	0
Bank overdraft - Unsecured	158	10,000
Revolving credit - Secured	29,200	20,000
Revolving credit - Unsecured	80,000	39,200
Current portion of long term loans - Secured	62,972	52,460
Total short-term borrowings	<u>174,000</u>	<u>121,660</u>
<u>Long-term borrowings (Secured)</u>		
Term loans	355,176	372,669
Medium Term Notes (MTN)	293,090	292,875
Sukuk Murabahah	65,080	110,241
Total long-term borrowings	<u>713,346</u>	<u>775,785</u>
Total borrowings	<u>887,346</u>	<u>897,445</u>

The weighted average interest rates at the end of the reporting period were as follows:

Floating interest rate	3.53%	3.99%
Fixed interest rate	N/A	N/A

There were no bank borrowings denominated in foreign currencies as at the reporting date.

B8. Derivative financial instrument

The outstanding forward foreign exchange contracts as at 31 March 2022 were as follows:

	Contract amount	Net Fair value Assets/ (Liabilities)
	THB'000	RM'000
Forward foreign exchange contract*		
- More than 3 years	138,830	722

* The above contracts were entered into as hedges for investment denominated in foreign currency and to limit the exposure to potential changes in foreign exchange rates with respect to the Group's foreign currency

B9. Fair value gain/(loss)

	Current Quarter RM'000	Financial Year-to-date RM'000
Forward foreign exchange contract	(137)	(137)

Basis of fair value measurement: The differences between contracted rates and the market forward rates

Reason for loss: The exchange rate has moved against the Group from the last measurement date.

B10. Changes in material litigation

As at 23 May 2022, there were no changes in material litigation since the last annual reporting date of 31 December 2021.

B11. Dividends payable

The Board does not recommend the payment of any dividend for the current financial quarter ended 31 March 2022.

B12. Earnings per share

(a) Basic EPS

Basic EPS is calculated by dividing the profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Current Quarter	Financial Year-to-date
Profit attributable to equity holders of the Company (RM'000)	5,024	5,024
Weighted average number of ordinary shares ('000)	620,108	620,108
Basic EPS (sen)	<u>0.81</u>	<u>0.81</u>

(b) Diluted EPS

Profit attributable to equity holders of the Company (RM'000)	<u>5,024</u>	<u>5,024</u>
Weighted average number of ordinary shares ('000)	620,108	620,108
Effect of dilution ('000)	<u>11,259</u>	<u>11,259</u>
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	<u>631,367</u>	<u>631,367</u>
Diluted EPS (sen)	<u>0.80</u>	<u>0.80</u>