

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2019**

	Unaudited As at 30 Sept 2019 RM'000	Audited As at 31 Dec 2018 RM'000
Property, plant and equipment	172,569	171,562
Investments	5,140	5,311
Investment properties	3,124	3,140
Inventories-Land held for property development	161,691	160,496
Goodwill on consolidation	27,100	27,100
Right-of-use asset	627	-
	<u>370,251</u>	<u>367,609</u>
Current assets		
Inventories-Property development costs	712	603
Inventories	68,720	77,576
Biological assets	1,134	1,365
Contract assets	19,226	25,604
Receivables	10,554	12,683
Current tax assets	843	229
Short-term investments	64,641	70,032
Deposits, cash and bank balances	38,656	23,007
	<u>204,486</u>	<u>211,099</u>
Current liabilities		
Payables	15,422	22,514
Current tax liabilities	-	1,504
Lease liability	196	-
	<u>15,618</u>	<u>24,018</u>
Net current assets	188,868	187,081
Non-current liabilities		
Deferred tax liabilities	41,316	41,571
Lease liability	442	-
	<u>41,758</u>	<u>41,571</u>
	<u>517,361</u>	<u>513,119</u>
Share capital	74,945	74,945
Reserves	442,416	438,174
Equity attributable to owners of the Company	<u>517,361</u>	<u>513,119</u>
Net Assets per share (RM)	<u>6.91</u>	<u>6.86</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30 Sep 2019 RM'000	Preceding Corresponding Quarter 30 Sep 2018 RM'000	Current Year To Date 30 Sep 2019 RM'000	Preceding Corresponding Year To Date 30 Sep 2018 RM'000
Revenue	15,347	18,118	43,701	56,991
Cost of Sales	(7,729)	(9,571)	(22,901)	(28,016)
Gross profit	7,618	8,547	20,800	28,975
Interest income	722	796	2,304	2,179
Other income	1,205	353	2,814	1,303
Depreciation and amortisation	(862)	(815)	(2,544)	(2,317)
Administration and other expenses	(4,389)	(4,339)	(12,879)	(13,406)
Finance costs	(8)	-	(26)	-
Profit before taxation	4,286	4,542	10,469	16,734
Income tax expense	(392)	(1,813)	(2,313)	(4,913)
Profit net of tax	3,894	2,729	8,156	11,821
Other comprehensive income:				
Changes in fair value of investments	(221)	48	(171)	(488)
Total comprehensive income	3,673	2,777	7,985	11,333
Profit attributable to owners of the parent	3,894	2,729	8,156	11,821
Total comprehensive income attributable to owners of the parent	3,673	2,777	7,985	11,333
Earnings per share attributable to owners of the Company	sen	sen	sen	sen
Basic / Diluted	5.20	3.65	10.90	15.79

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

	Attributable to owners of the parent					Total RM'000
	Share capital	Non-distributable		Distributable		
		Fair value reserve	Revaluation reserve	General reserve	Retained profits	
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<u>9 months period ended 30 September 2019</u>						
Balance as at 1 January 2019	74,945	5,017	25,824	250	407,083	513,119
Profit for the period	-	-	-	-	8,156	8,156
Other comprehensive loss for the period	-	(171)	-	-	-	(171)
Total comprehensive income for the period	-	(171)	-	-	8,156	7,985
Transfer within reserves	-	-	(56)	-	56	-
Dividends	-	-	-	-	(3,743)	(3,743)
Balance as at 30 Sept 2019	<u>74,945</u>	<u>4,846</u>	<u>25,768</u>	<u>250</u>	<u>411,552</u>	<u>517,361</u>

	Attributable to owners of the parent						Total RM'000
	Share capital	Non-distributable			Distributable		
		Share premium	Fair value reserve	Revaluation reserve	General reserve	Retained profits	
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<u>9 months period ended 30 September 2018</u>							
Balance as at 1 January 2018	74,853	92	6,037	25,922	250	388,528	495,682
Effect on adoption of MFRS	-	-	-	-	-	2,458	2,458
Profit for the period	-	-	-	-	-	11,821	11,821
Other comprehensive loss for the period	-	-	(488)	-	-	-	(488)
Total comprehensive income for the period	-	-	(488)	-	-	11,821	11,333
Transfer within reserves	-	-	-	(74)	-	74	-
Dividends	-	-	-	-	-	(3,743)	(3,743)
Balance as at 30 Sept 2018	<u>74,853</u>	<u>92</u>	<u>5,549</u>	<u>25,848</u>	<u>250</u>	<u>399,138</u>	<u>505,730</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

	9 Months Ended	
	Unaudited Current Year to date 30 Sep 2019 RM'000	Preceding Year to date 30 Sep 2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	10,469	16,734
Adjustments for :		
Depreciation and amortisation	2,544	2,317
Gain on disposal of property, plant and equipment	(3)	(28)
Interest expense	26	-
Fair value loss on biological assets	231	663
Dividend Income	(118)	(167)
Interest Income	(2,304)	(2,179)
Operating profit before working capital changes	<u>10,845</u>	<u>17,340</u>
Decrease in inventories and inventories-property development costs	8,747	7,668
Decrease/(Increase) in receivables	8,575	(8,426)
(Decrease)/Increase in payables	<u>(7,092)</u>	<u>4,049</u>
Cash generated from operations	21,075	20,631
Interest received	2,236	2,220
Tax paid	<u>(4,686)</u>	<u>(4,647)</u>
Net cash from operating activities	<u>18,625</u>	<u>18,204</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3,385)	(4,075)
Proceeds from disposal of property, plant and equipment	5	28
Payment for inventories-land held for property development	(1,195)	(11,339)
Withdrawal of short-term deposits	(22)	-
Dividend received from quoted equity securities in Malaysia	118	167
Net cash used in investing activities	<u>(4,479)</u>	<u>(15,219)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(3,743)	(3,743)
Repayment of lease liability	(167)	-
Net cash used in financing activities	<u>(3,910)</u>	<u>(3,743)</u>
Net increase/(decrease) in cash and cash equivalents	10,236	(758)
Cash and cash equivalents at 1 January	92,909	93,684
Cash and cash equivalents at 30 September	<u>103,145</u>	<u>92,926</u>
Cash and cash equivalents comprise :		
Short term investments - money market fund	64,641	70,449
Short term deposits	166	1,313
Cash and bank balances	<u>38,490</u>	<u>21,326</u>
	103,297	93,088
Pledged short-term deposits	<u>(152)</u>	<u>(162)</u>
Cash and cash equivalents	<u>103,145</u>	<u>92,926</u>

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying notes.

Part A – Explanatory Notes Pursuant to MFRS 134

1 Basis of preparation and Accounting Policies

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 Bursa Malaysia Securities Berhad, and should be read in conjunction with the audited financial statements for the year ended 31 December 2018. These 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 financial year ended 31 December 2018.

The accounting policies and presentation adopted by the Group for the quarterly financial statements are consistent with those adopted in the Group’s consolidated audited financial statements for the financial year ended 31 December 2018, except for the adoption of the followings new MFRS, Amendments to MFRSs, Improvements to MFRS and IC Interpretation (“Standards”) which is effective for financial period beginning on or after 1 January 2019:

Effective for financial periods beginning on or after 1 January 2019

- MFRS 16 Leases
- Amendments to MFRS 9 Financial Instruments
- Amendments to MFRS 119 Employee Benefits
- Annual Improvements to MFRS Standards 2015 – 2017 Cycle
- IC Interpretation 23 Uncertainty over Income Tax Treatments

The initial application of these Standards does not have a material impact on the Group’s financial statements except for the following:

MFRS 16 Leases

MFRS 16 requires a lessee to recognise a “right-of-use” of the underlying asset and a lease liability reflecting future lease payments for most leases. The right-of-use asset is depreciated in accordance with the principle in MFRS 116 and the lease liability is accreted over time with interest expense recognised in profit or loss. The effect arising from the adoption of MFRS 16 is disclosed as below:

	As previously reported 31 December 2018 RM'000	Adjustments RM'000	As reported under MFRS 16 Leases 1 January 2019 RM'000
Non-current assets			
Right-of-use asset	-	779	779
Current liabilities			
Lease liability	-	189	189
Non-current liabilities			
Lease liability	-	590	590

The Group has adopted MFRS 16 Leases on 1 January 2019 in accordance with the transition requirements under the Appendix C, paragraph 5(b) of MFRS 16 and therefore, comparatives are not restated. The initial application of MFRS 16 has no impact on the financial results for the current period and did not result in any adjustment to the opening retained profits as at the date of initial application.

Part A – Explanatory Notes Pursuant to MFRS 134 (Con't)

2 Seasonal or cyclical factors

The Group's results for the quarter under review were not materially impacted by any seasonal or cyclical factors apart from the plantation segment which is influenced by seasonal climatic conditions.

3 Unusual items due to their nature, size or incidence

None.

4 Changes in estimates

Not applicable.

5 Debt and equity securities

There were no issue, repurchase and repayment of debt and equity securities during the financial period.

6 Dividends paid

The first and final dividend of 5 sen per share single-tier tax exempt for the financial year ended 31 December 2018 (for financial year ended 31 Dec 2017: 5 sen per share single-tier tax exempt) amounting to RM3.74 million was paid on 10 June 2019.

7 Carrying amount of revalued assets

The valuations of property, plant and equipment and investment properties have been brought forward without amendment from the financial report for the year ended 31 December 2018.

8 Events after the interim period

There was no significant event after the end of the quarter under review.

9 Changes in composition of the Group

There was no change in the composition of the Group during the period under review.

10 Changes in contingent liabilities and contingent assets

There was no change in contingent liability or contingent asset since the end of the last financial year.

11 Capital commitments

Amounts contracted but not provided for capital expenditure as at 30 September 2019 amounted to RM1.2 million.

12 Significant Related Party Transactions

None.

Part A – Explanatory Notes Pursuant to MFRS 134 (Con’t)

13 Segmental information

Segmental information for the financial period ended 30 September 2019 is as follows:

	Property development RM'000	Plantation RM'000	Others RM'000	Consolidated RM'000
30 Sept 2019				
Revenue				
External customers	36,406	7,177	-	43,583
Dividend income	-	-	118	118
Total Revenue	<u>36,406</u>	<u>7,177</u>	<u>118</u>	<u>43,701</u>
Results				
Segment results	<u>11,980</u>	<u>899</u>	<u>(2,410)</u>	10,469
Income tax expense				<u>(2,313)</u>
Profit net of tax for the period				<u>8,156</u>
Assets				
Segment assets	<u>353,455</u>	<u>98,461</u>	<u>122,821</u>	<u>574,737</u>
Liabilities				
Segment liabilities	<u>11,757</u>	<u>1,536</u>	<u>44,083</u>	<u>57,376</u>
30 Sept 2018				
Revenue				
External customers	49,904	6,920	-	56,824
Dividend income	-	-	167	167
Total Revenue	<u>49,904</u>	<u>6,920</u>	<u>167</u>	<u>56,991</u>
Results				
Segment results	<u>19,038</u>	<u>147</u>	<u>(2,451)</u>	16,734
Income tax expense				<u>(4,913)</u>
Profit net of tax for the period				<u>11,821</u>
Assets				
Segment assets	<u>345,736</u>	<u>97,065</u>	<u>131,931</u>	<u>574,732</u>
Liabilities				
Segment liabilities	<u>22,146</u>	<u>2,394</u>	<u>44,462</u>	<u>69,002</u>

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia

14 Auditors' Report on preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2018 was not qualified.

15 Review of performance

For the current quarter under review, the Group recorded revenue of RM15.3 million and profit before tax of RM4.3 million respectively. These represent a decrease of 15.3% and 5.6% in revenue and profit before tax respectively as compared to the previous corresponding quarter.

For the current 9 months period, the Group recorded revenue of RM43.7 million and profit before tax of RM10.4 million respectively. These represent a decrease of 23.3% in revenue and a decrease of 37.4% in profit before tax as compared to the previous corresponding period.

	Current Quarter Ended 30 Sept 2019 RM'000	Corresponding Quarter Ended 30 Sept 2018 RM'000	Changes + / (-) %	Current Year to date Ended 30 Sept 2019 RM'000	Corresponding Year to date Ended 30 Sept 2018 RM'000	Changes + / (-) %
<u>Revenue</u>						
Property	12,780	16,283	-21.5%	36,406	49,904	-27.0%
Plantation	2,567	1,819	41.1%	7,177	6,920	3.7%
Others	-	16	-100.0%	118	167	-29.3%
	<u>15,347</u>	<u>18,118</u>	<u>-15.3%</u>	<u>43,701</u>	<u>56,991</u>	<u>-23.3%</u>
<u>Profit Before Tax</u>						
Property	4,357	5,701	-23.6%	11,980	19,038	-37.1%
Plantation	552	(556)	199.3%	899	147	511.6%
Others	(623)	(603)	-3.3%	(2,410)	(2,451)	1.7%
	<u>4,286</u>	<u>4,542</u>	<u>-5.6%</u>	<u>10,469</u>	<u>16,734</u>	<u>-37.4%</u>

(a) Property

3Q'19 vs 3Q'18

Revenue for the current quarter decreased by 21.5% to RM12.8 million while profit before tax decreased by 23.6% to RM4.3 million as compared to the previous corresponding quarter.

The decrease in revenue was mainly due to lower percentage of work completed for the current development but this was partially offset by higher revenue from sales of completed unit in current quarter.

Profit before tax decreased which was in line with the decline in revenue.

9M'19 vs 9M'18

Revenue for the current 9 months period decreased by 27.0% to RM36.4 million while profit before tax decreased by 37.1% to RM12.0 million as compared to the previous corresponding period.

The decrease in revenue was mainly attributed to lower percentage of work completed for the current development but this was partially offset by higher sales of completed unit in current period.

Profit before tax decreased which was in line with the decline in revenue.

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia (Con’t)

15 Review of performance (Con’t)

(b) Plantation

3Q’19 vs 3Q’18

Revenue increased by 41.1% to RM2.5 million while profit before tax increased substantially by 199.3% to RM552,000 as compared to previous corresponding quarter.

This was due to increase in fresh fruit bunches (“FFB”) harvested in current quarter but this was partially negated by lower average selling price of FFB resulted from lower price of crude palm oil as compared to previous corresponding quarter. In addition, durian planting incentive of RM300,000 received in Sept’19 had contributed to the increase in profit before tax.

9M’19 vs 9M’18

Revenue for the current 9 months period slightly increased by 3.7% to RM7.2 million while profit before tax increased substantially by 511.6% to RM899,000 as compared to the previous corresponding period.

This was due to increase in fresh fruit bunches (“FFB”) harvested in current period but this was partially negated by lower average selling price of FFB resulted from lower price of crude palm oil as compared to previous corresponding period. In addition, durian planting incentive of RM300,000 received in Sept’19 and lower loss on fair value on biological assets had contributed to the increase in profit before tax.

16 Material changes in profit before taxation vs preceding quarter

	Current Quarter Ended 30 Sept 2019 RM’000	Preceding Quarter Ended 30 June 2019 RM’000	Changes + / (-) %
Revenue	15,347	15,179	1.1%
Profit Before Taxation	4,286	2,151	99.3%

The profit before tax grew in current quarter despite constant revenue recorded was mainly attributed to a higher gross profit recorded from the sales of completed units in current quarter.

17 Commentary on prospects

For the remaining period to the end of the financial year ending 31 December 2019, the Group anticipates that the conditions of the property sector will remain challenging. We have been stepping up on our marketing efforts in response to this. During Q3 and Q4 of 2019, there was an increase in number of bookings for both EPIC Residence and Foreston. The Home Ownership Campaign (“HOC”) by the government created some positive impact towards our inventory for EPIC Residence. Additionally, the Group has been strengthening the branding through traditional and digital marketing initiatives which will help to enhance its visibility in the marketplace.

The plantation sector is expected to remain challenging. The Group will continue with its efforts to improve its yield as part of its effort in response to this.

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia (Con't)

18 Statement of board of directors' opinion as to whether the revenue or profit estimate, forecast, projection or internal targets are likely to be achieved

Not applicable. The Company has not announced or disclosed any estimates, forecasts, projections or internal targets.

19 Variance of actual profit from forecast profit or profit guarantee

Not applicable.

20 Taxation

	Current Quarter Ended 30 Sept 2019 RM'000	Current Year to date Ended 30 Sept 2019 RM'000
Malaysian income tax:		
Current tax	1,281	3,291
Deferred tax	(166)	(255)
	<u>1,115</u>	<u>3,036</u>
Overprovision of tax in prior year	(723)	(723)
	<u>392</u>	<u>2,313</u>

The effective tax rate for the current quarter/period is higher than the statutory tax rate due to deferred tax assets arising from deductible temporary differences not recognised in the Statement of Comprehensive Income.

21 Corporate proposals

(a) Status of corporate proposals
Not applicable.

(b) Status of utilisation of proceeds
Not applicable.

22 Group borrowings and debt security

There were no borrowings and debt security as at 30 September 2019. The lease liability is a liability recognised arising from the adoption of MFRS 16 Leases which is effective from 1 January 2019.

23 Changes in material litigation

There was no material litigation since the date of the last financial position as at 31 December 2018.

24 Dividends

No interim ordinary dividend has been declared for the current quarter ended 30 September 2019.

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia (Con't)

25 Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit net of tax for the year by the weighted average number of shares in issue during the year.

	Current Quarter Ended 30 Sept 2019	Current Year To Date Ended 30 Sept 2019
Profit net of tax (RM'000)	3,894	8,156
Weighted average number of ordinary shares in issue ('000)	74,853	74,853
Basic earnings per share (sen)	5.20	10.90

(b) Diluted earnings per share

Not applicable.

26 Disclosure requirements to the Statement of Comprehensive Income

	Current Quarter Ended 30 Sept 2019 RM'000	Current Year To Date Ended 30 Sept 2019 RM'000
(a) Dividend income	-	118
(b) Interest expense	8	26
(c) Provision for and write off of receivables	}	}
(d) Provision for and write off of inventories		
(e) Gain or loss on disposal of quoted or unquoted investments or properties		
(f) Impairment of assets		
(g) Foreign exchange gain or loss		
(h) Gain or loss on derivatives	Nil	Nil
(i) Exceptional items		

27 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors.

By Order of the Board

Teo Mee Hui (MAICSA 7050642)
Secretary

Kuala Lumpur
Date: 19 November 2019