

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2020 (Unaudited)**

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 30.09.2020 RM'000	Comparative quarter ended 30.09.2019 RM'000	Current six months ended 30.09.2020 RM'000	Comparative six months ended 30.09.2019 RM'000
Revenue	58,893	136,828	129,005	271,416
Cost of sales	(36,323)	(85,137)	(68,326)	(167,302)
Gross profit	22,570	51,691	60,679	104,114
Other income	7,858	8,000	11,671	17,266
Administrative expenses	(11,551)	(24,555)	(22,283)	(36,283)
Selling and marketing expenses	(631)	(1,263)	(1,704)	(2,625)
Other expenses	(433)	(19,347)	(17,127)	(35,833)
Operating profit	17,813	14,526	31,236	46,639
Finance costs	(8,734)	(14,723)	(17,425)	(32,772)
Share of results of joint ventures	(135)	(2,615)	(846)	(4,231)
Profit/(loss) before tax	8,944	(2,812)	12,965	9,636
Income tax expense	(4,251)	(9,860)	(11,767)	(19,064)
Profit/(loss) for the period	4,693	(12,672)	1,198	(9,428)
Other comprehensive (expense)/income to be reclassified to profit or loss in subsequent periods (net of tax):				
Foreign currency translation	(1,606)	211	(615)	378
Other comprehensive (expense)/income for the period	(1,606)	211	(615)	378
Total comprehensive income/ (expense) for the period	3,087	(12,461)	583	(9,050)
Profit/(loss) attributable to:				
Owners of the parent	4,449	(12,366)	1,121	(10,666)
Non-controlling interests	244	(306)	77	1,238
	4,693	(12,672)	1,198	(9,428)
Total comprehensive income/ (expense) attributable to:				
Owners of the parent	2,843	(12,155)	506	(10,288)
Non-controlling interests	244	(306)	77	1,238
	3,087	(12,461)	583	(9,050)
Earnings/(loss) per share attributable to owners of the parent:				
Basic (sen)	0.31	(0.86)	0.08	(0.74)
Diluted (sen)	0.31	(0.86)	0.08	(0.74)

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2020 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020 (Unaudited)**

	AS AT 30.09.2020 RM'000	AS AT 31.03.2020 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	246,760	254,941
Right-of-use assets	36,759	39,599
Inventories	1,514,526	1,487,588
Investment properties	385,994	375,086
Intangible assets	43	18
Investment in joint ventures	134,830	143,499
Other investments	5,115	3,489
Deferred tax assets	19,289	17,736
Trade and other receivables	1,731	9,476
	<u>2,345,047</u>	<u>2,331,432</u>
Current assets		
Inventories	531,179	552,346
Trade and other receivables	121,067	115,515
Prepayments	10,586	12,886
Tax recoverable	4,049	6,951
Contract cost assets	24,095	24,946
Cash and bank balances	330,832	296,430
	<u>1,021,808</u>	<u>1,009,074</u>
Non current assets classified as held for sale	<u>27,299</u>	<u>45,468</u>
	<u>1,049,107</u>	<u>1,054,542</u>
TOTAL ASSETS	<u>3,394,154</u>	<u>3,385,974</u>
EQUITY AND LIABILITIES		
Current liabilities		
Loans and borrowings	68,249	301,684
Provisions	5,039	5,039
Trade and other payables	154,114	151,998
Lease liabilities	6,336	5,546
Contract liabilities	243,443	246,713
Provision for retirement benefits	-	32
Income tax payable	5,857	3,159
	<u>483,038</u>	<u>714,171</u>
Net current assets	<u>566,069</u>	<u>340,371</u>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020 (Unaudited)**

	AS AT 30.09.2020 RM'000	AS AT 31.03.2020 RM'000 (Audited)
EQUITY AND LIABILITIES (CONT'D)		
Non-current liabilities		
Loans and borrowings	1,008,211	742,577
Provisions	374	374
Trade and other payables	9,411	18,022
Lease liabilities	53,515	56,858
Provision for retirement benefits	460	403
Deferred tax liabilities	40,292	40,986
	<u>1,112,263</u>	<u>859,220</u>
TOTAL LIABILITIES	<u>1,595,301</u>	<u>1,573,391</u>
Net assets	<u>1,798,853</u>	<u>1,812,583</u>
Equity attributable to owners of the parent		
Share capital	1,521,802	1,521,802
Treasury shares	(28,160)	(28,160)
Reserves	260,013	273,820
	<u>1,753,655</u>	<u>1,767,462</u>
Non-controlling interests	45,198	45,121
Total Equity	<u>1,798,853</u>	<u>1,812,583</u>
TOTAL EQUITY AND LIABILITIES	<u>3,394,154</u>	<u>3,385,974</u>
Net assets per share attributable to owners of the parent (RM)	<u>1.23</u>	<u>1.23</u>

Based on number of shares net of treasury shares

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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (Unaudited)**

	Attributable to owners of the parent							Total Equity RM'000
	Share Capital RM'000	<----- Non-Distributable ----->			Distributable		Non- controlling Interests RM'000	
Treasury Shares RM'000		Foreign Currency Translation Reserve RM'000	Other Reserve RM'000	Retained Profits RM'000	Total RM'000			
Financial period ended 30 September 2020								
At 1 April 2020	1,521,802	(28,160)	(4,426)	1,026	277,220	1,767,462	45,121	1,812,583
Profit for the financial period	-	-	-	-	1,121	1,121	77	1,198
Other comprehensive expense	-	-	(615)	-	-	(615)	-	(615)
Total comprehensive (expense)/income for the financial period	-	-	(615)	-	1,121	506	77	583
Transactions with owners								
Dividend on ordinary shares	-	-	-	-	(14,313)	(14,313)	-	(14,313)
Total transactions with owners	-	-	-	-	(14,313)	(14,313)	-	(14,313)
At 30 September 2020	1,521,802	(28,160)	(5,041)	1,026	264,028	1,753,655	45,198	1,798,853

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019 (Unaudited)**

	Attributable to owners of the parent							Total Equity RM'000
	Share Capital RM'000	<----- Non-Distributable ----->			Distributable		Non- controlling Interests RM'000	
Treasury Shares RM'000		Foreign Currency Translation Reserve RM'000	Other Reserve RM'000	Retained Profits RM'000	Total RM'000			
Financial period ended 30 September 2019								
At 1 April 2019	1,521,789	(27,719)	(3,661)	1,026	516,139	2,007,574	41,517	2,049,091
(Loss)/profit for the financial period	-	-	-	-	(10,666)	(10,666)	1,238	(9,428)
Other comprehensive income	-	-	378	-	-	378	-	378
Total comprehensive income/(expense) for the financial period	-	-	378	-	(10,666)	(10,288)	1,238	(9,050)
Transactions with owners								
Issue of ordinary shares:								
- pursuant to warrants exercised	13	-	-	-	-	13	-	13
Dividend on ordinary shares	-	-	-	-	(42,977)	(42,977)	-	(42,977)
Total transactions with owners	13	-	-	-	(42,977)	(42,964)	-	(42,964)
At 30 September 2019	1,521,802	(27,719)	(3,283)	1,026	462,496	1,954,322	42,755	1,997,077

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2020 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (Unaudited)**

	Period ended 30.09.2020 RM'000	Period ended 30.09.2019 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	12,965	9,636
Adjustments for:-		
Allowances for expected credit losses on:		
- trade receivables	342	372
Amortisation of intangible assets	9	43
Depreciation of right-of-use assets	2,840	4,674
Depreciation of property, plant and equipment	8,384	6,308
Inventories written off	156	-
Interest expense	16,492	32,640
Property, plant and equipment written off	166	1
Net loss on disposal of property, plant and equipment	-	17
Unrealised (gain)/loss on foreign exchange	(4,128)	16,277
Unwinding of discounts - net	168	(304)
Net fair value (gain)/loss on other investments at fair value through profit or loss	(1,626)	98
Interest income	(3,625)	(14,730)
Dividend income	-	(6)
Share of results of joint ventures	846	4,231
Provision for retirement benefits	33	23
Operating profit before changes in working capital	<u>33,022</u>	<u>59,280</u>
Changes in working capital:-		
Inventories	20,478	6,428
Receivables	10,284	(929)
Payables	(11,817)	(89,568)
Contract cost assets	851	5,498
Cash flows from/(used in) operations	52,818	(19,291)
Interest received	2,199	12,658
Interest paid	(23,997)	(29,673)
Income taxes paid	(8,468)	(22,616)
Retirement benefits paid	(8)	-
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	<u>22,544</u>	<u>(58,922)</u>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (Unaudited)**

	Period ended 30.09.2020 RM'000	Period ended 30.09.2019 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(366)	(23,286)
Purchase of intangible assets	(34)	-
Purchase of investment properties:		
- subsequent expenditure	(10,224)	(788)
Proceeds from disposal of property, plant and equipment	1	88
Dividends from joint ventures	7,650	4,634
Other dividends received	-	6
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(2,973)	(19,346)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of ordinary shares	-	13
Drawdown of borrowings	210,832	122,947
Repayment of borrowings	(153,261)	(274,260)
Repayment of obligations under finance lease	(273)	(286)
Repayment of lease liabilities	(4,710)	(5,362)
Withdrawal/(placement) of deposits with licensed banks	2,790	(1,353)
Dividend paid	(14,313)	(42,977)
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES	41,065	(201,278)
Effects of exchange rate changes	(615)	378
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	60,021	(279,168)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL YEAR	236,687	815,073
CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL PERIOD	296,708	535,905

For the purpose of statement of cash flows, cash and cash equivalents comprise the following:-

Cash and bank balances	330,832	580,912
Bank overdrafts	(17,306)	(25,554)
Less: Restricted cash and bank balances	(16,818)	(19,453)
	296,708	535,905

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

A. Explanatory Notes Pursuant to MFRS 134

1. Basis of preparation

The interim financial statements have been prepared on the historical cost convention except for investment properties and quoted shares in other investments which have been stated at fair value.

This interim financial report is unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2020 and the explanatory notes. These explanatory notes provide an explanation of the 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 March 2020.

2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 March 2020, except for the adoption of the following new MFRSs and Amendments to MFRSs which are applicable for the Group's financial period beginning 1 April 2020, as disclosed below:

Adoption of MFRSs and Amendments to MFRSs

	Effective for annual periods beginning on or after
Revised Conceptual Framework for Financial Reporting	1 January 2020
MFRS 3 : Definition of a Business (Amendments to MFRS 3)	1 January 2020
MFRS 101 : Definition of Material (Amendments to MFRS 101)	1 January 2020
MFRS 108 : Definition of Material (Amendments to MFRS 108)	1 January 2020
MFRS 7, MFRS 9 and MFRS 139 : Interest Rate Benchmark Reform (Amendments to MFRS 7, MFRS 9 and MFRS 139)	1 January 2020

Adoption of the above standards do not have any significant effect on the financial performance and position of the Group.

Standards issued but not yet effective

	Effective for annual periods beginning on or after
MFRS 16 : Covid-19 - Related Rent Concessions (Amendments to MFRS 16)	1 June 2020
MFRS 4, MFRS 7, MFRS 9, MFRS 16 and MFRS 139 : Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 4, MFRS 7, MFRS 9, MFRS 16 and MFRS 139)	1 January 2021
Annual Improvements to MFRSs 2018- 2020	1 January 2022
MFRS 3 : Reference to the Conceptual Framework (Amendments to MFRS 3)	1 January 2022
MFRS 116 : Proceeds before Intended Use (Amendments to MFRS 116)	1 January 2022
MFRS 137 : Cost of Fulfilling a Contract (Amendments to MFRS 137)	1 January 2022
MFRS 17 : Insurance Contracts	1 January 2023
MFRS 101 : Classification of Liabilities as Current or Non-current (Amendments to MFRS 101)	1 January 2023
MFRS 10 and MFRS 128 : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred



A. Explanatory Notes Pursuant to MFRS 134 (cont'd)

2. Changes in Accounting Policies (cont'd)

At the date of authorisation of these interim financial reports, the above MFRSs and Amendment to MFRSs were issued but not yet effective and have not been applied by the Group for the financial year ending 31 March 2021. The Group expects that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

3. Auditors' report on preceding audited financial statements

The auditors' report for the annual financial statements of the Group for the financial year ended 31 March 2020 was not subject to any qualification.

4. Seasonality or cyclical nature of operations

The business of the Group is not affected in any material way by seasonal or cyclical factors or influence, apart from the general economic conditions in which it operates.

5. Exceptional or unusual items

There were no unusual items during the financial period ended 30 September 2020.

6. Changes in estimates

There were no material changes in estimates that have had a material effect in the financial period ended 30 September 2020.

7. Debt and equity securities

There were no issuance, cancellation, repurchases, resale and repayments of debt and equity securities in the Company during the financial period ended 30 September 2020.

8. Dividends paid

On 29 June 2020, the Board of Directors had approved a first and final single-tier dividend of 1.0 sen per share in respect of the financial year ended 31 March 2020 to shareholders whose names appeared in the record of the depositors at book closure date on 8 September 2020. Total dividend amounting to RM14,313,489 was paid on 28 September 2020.

A. Explanatory Notes Pursuant to MFRS 134 (cont'd)

9. Segmental information by business segment

<u>Period ended</u> 30 September 2020 RM'000	Properties	Hospitality	Investments and others	Elimination	Total
REVENUE					
External sales	119,439	8,483	1,083	-	129,005
Inter-segment sales	367	-	54,568	(54,935)	-
Total revenue	<u>119,806</u>	<u>8,483</u>	<u>55,651</u>		<u>129,005</u>
RESULTS					
Segment results	56,727	(20,337)	(5,187)	33	31,236
Share of results of joint ventures	(846)	-	-	-	(846)
Finance cost					<u>(17,425)</u>
Profit before tax					<u>12,965</u>

<u>Period ended</u> 30 September 2019 RM'000	Properties	Hospitality	Investments and others	Elimination	Total
REVENUE					
External sales	240,412	28,927	2,077	-	271,416
Inter-segment sales	364	-	151,170	(151,534)	-
Total revenue	<u>240,776</u>	<u>28,927</u>	<u>153,247</u>		<u>271,416</u>
RESULTS					
Segment results	79,189	(4,494)	120,934	(148,990)	46,639
Share of results of joint ventures	(4,231)	-	-	-	(4,231)
Finance cost					<u>(32,772)</u>
Profit before tax					<u>9,636</u>

For management purposes, the Group is organised into business units based on their products and services, and has three reportable operating segments as follows:

- (i) Properties - development and investment in residential and commercial properties
- (ii) Hospitality - management and operation of hotel and serviced apartments
- (iii) Investments and others

Segment performance for the current financial period as compared to the previous period's corresponding financial period

(i) **Properties**

The properties segment recorded revenue of RM119.4 million in the financial period ended 30 September 2020 as compared to RM240.4 million in the previous financial period ended 30 September 2019, representing a decrease of RM121.0 million or 50.3%. The decreased revenue was mainly due to lower revenue recognition from the land reclamation in STP2A and lower sales of completed properties in STP1.

The joint venture ("JV") projects namely, The Mews, Conlay and Avira Garden Terraces, contributed a total revenue of RM29.5 million in the financial period ended 30 September 2020 as compared to revenue RM30.2 million achieved in the previous financial period ended 30 September 2019, representing a reduction of RM0.7 million or 2.3%.



A. Explanatory Notes Pursuant to MFRS 134 (cont'd)

9. Segmental information by business segment (cont'd)

Segment performance for the current financial period as compared to the previous period's corresponding financial period (cont'd)

(i) Properties (cont'd)

After incorporating revenue recognised from JV projects, the Group's properties segment recorded an adjusted revenue of RM148.9 million in the financial period ended 30 September 2020 as compared to an adjusted revenue of RM270.6 million in the financial period ended 30 September 2019.

The properties segment recorded operating profit of RM56.7 million for the current financial period as compared to RM79.2 million in the financial period ended 30 September 2019. This represented a decrease of RM22.5 million or 28.4%.

The nation-wide Covid-19 Movement Control Order ("MCO") imposed from 18 March 2020 and subsequently the Conditional Movement Control Orders ("CMCO") have adversely affected the progress of works at STP2A and take-up rate of property sales in the current financial period.

(ii) Hospitality

The hospitality segment recorded revenue of RM8.5 million for the financial period ended 30 September 2020 as compared to RM28.9 million in the financial period ended 30 September 2019. This marked a decrease of RM20.4 million or 70.7% mainly due to the Covid-19 pandemic that severely impacted the tourism, travel and hospitality industries. Highly restricted travel and quarantine conditions imposed upon entry for international tourists and limitations of adhering to physical distancing standard operating procedures had resulted in low occupancies in E&O Hotel and E&O Residences. The Group ceased operations of E&O Residences on 18 September 2020.

The segment incurred an operating loss of RM20.3 million in the financial period ended 30 September 2020 as compared to a loss of RM4.5 million in the financial period ended 30 September 2019. The E&O Hotel was temporarily closed during the Covid-19 MCO period and resumed operations in mid May 2020. Lower revenue resulted in increased operating losses of RM15.8 million in the current financial period.

(iii) Investments and others

The investments and others segment recorded an operating loss of RM5.2 million for the financial period ended 30 September 2020 as compared to profit of RM120.9 million in the financial period ended 30 September 2019, a decrease of RM126.1 million or 104.3%. The operating profit in previous corresponding financial period was mainly due to dividend received from the subsidiaries which amounted to approximately RM150.0 million. The dividend income was eliminated on the Group basis.



A. Explanatory Notes Pursuant to MFRS 134 (cont'd)

10. Valuation of investment properties

The Group adopts the fair value model for its investment properties.

There is no significant and indicative change in value of the investment properties from the last financial year end.

11. Material subsequent events

As at 23 November 2020 (the latest practicable date which is not earlier than 7 days from the issue of this quarterly report), there were no material subsequent events at the end of the financial period ended 30 September 2020.

12. Changes in composition of the Group

On 9 April 2020, E&O Management Services Sdn. Bhd., an indirect wholly-owned subsidiary of Eastern & Oriental Berhad, was dissolved after expiration of three months from the date of lodgement of the Return by Liquidator relating to the Final Meeting with the Companies Commission of Malaysia.

13. Contingent Liabilities

There were no contingent liabilities as at 23 November 2020 (the latest practicable date which is not earlier than 7 days from the issue of this quarterly report), except for the Company which has issued corporate guarantees to banks and financial institutions for banking facilities granted to certain subsidiaries as follows:

	RM'000
Corporate guarantees issued by the Company for banking facilities granted to subsidiaries	<u>981,817</u>

14. Capital Commitments

Capital commitments of the Group in respect of capital expenditure are as follows:

	As at 30.09.2020 RM'000	As at 31.03.2020 RM'000
Capital expenditure		
Approved and contracted for		
Land reclamation	99,679	368,449
Investment property	4,443	13,700
Property, plant and equipment	-	2,871
	<u> </u>	<u> </u>
Approved but not contracted for		
Property, plant and equipment	2,089	2,119
	<u> </u>	<u> </u>

15. Significant Related Party Transactions

Recurrent related party transactions conducted during the current financial period ended 30 September 2020 are in accordance with the shareholders' mandate obtained at the last Annual General Meeting of the Company.



B. Explanatory Notes required by the Bursa Malaysia's Listing Requirements

1. Review of performance

The Group achieved revenue of RM129.0 million for the financial period ended 30 September 2020 as compared to RM271.4 million recorded in the financial period ended 30 September 2019. This represented a decrease of RM142.4 million or 52.4%. The decrease in revenue was mainly attributed to the properties segment which registered a decrease of RM121.0 million and the hospitality segment also registered lower revenue with a decrease of RM20.4 million. The decrease in revenue was mainly attributed to the imposition of the MCO and CMCO which restricted business activities during these periods.

The Group posted profit before tax of RM12.9 million for the financial period ended 30 September 2020 as compared to RM9.6 million in the financial period ended 30 September 2019. This represented an increase in profit before tax of RM3.3 million or 34.5%. The increase in the current financial period was mainly due to lower operating costs incurred and the strengthening of the Sterling Pound against Ringgit.

Further explanatory comments on the performance of each of the Group's business segments are provided in Note A9.

2. Variation of results against preceding quarter

	Current quarter ended 30.09.2020 RM'000	Immediate preceding quarter ended 30.06.2020 RM'000	Variance RM'000
Revenue	58,893	70,112	(11,219)
Gross profit	22,570	38,109	(15,539)
Operating profit	17,813	13,423	4,390
Profit/(loss) before tax	8,944	(3,495)	12,439

The Group recorded revenue of RM58.9 million and profit before tax of RM8.9 million for the current financial quarter ended 30 September 2020 as compared to revenue of RM70.1 million and loss before tax of RM3.5 million in the previous quarter. Lower revenue was mainly due to the MCO and CMCO periods which had imposed restrictions on business activities in the current quarter. Profit before tax in the current quarter was mainly due to strengthening of the Sterling Pound whereby the Group recorded a foreign exchange gain of RM10.0 million.

3. Group's prospects

The performance of the property development division and hotel division in the beginning of the quarter were on the path to recovery. However, the market has become more challenging and is filled with uncertainties due to the resurgence in the number of infections and the impositions of various movement control restrictions.

The Group is not expected to make a strong recovery until the pandemic eases and movement control restrictions, both locally and internationally, are relaxed.

4. Variance in profit forecast/profit guarantee

The Group did not issue any profit forecast/profit guarantee for the current financial period ended 30 September 2020.

B. Explanatory Notes required by the Bursa Malaysia's Listing Requirements (cont'd)

5. Taxation

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 30.09.2020 RM'000	Comparative quarter ended 30.09.2019 RM'000	Current six months ended 30.09.2020 RM'000	Comparative six months ended 30.09.2019 RM'000
Malaysian income tax				
- current	4,850	15,642	14,014	25,331
Deferred tax	(599)	(5,782)	(2,247)	(6,267)
	<u>4,251</u>	<u>9,860</u>	<u>11,767</u>	<u>19,064</u>

The effective tax rate of the Group for the current financial period ended 30 September 2020 under review is higher than the statutory rate of 24% mainly due to certain expenses of the Group that are not deductible for tax purposes.

6. Additional disclosures

Included in the condensed consolidated statements of comprehensive income for the year are the following:

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 30.09.2020 RM'000	Comparative quarter ended 30.09.2019 RM'000	Current six months ended 30.09.2020 RM'000	Comparative six months ended 30.09.2019 RM'000
Interest income	2,164	6,642	3,625	14,730
Net of allowance for expected credit losses on receivables	(176)	(167)	(342)	(372)
Inventories written off	(156)	-	(156)	-
Interest expense	(8,041)	(16,167)	(16,492)	(32,640)
Depreciation and amortisation	(5,613)	(5,534)	(11,233)	(11,025)
Property, plant and equipment written off	(159)	-	(166)	(1)
Unrealised gain/(loss) on foreign exchange	9,984	(9,325)	4,128	(16,277)
Net loss on disposal of property, plant and equipment	-	(14)	-	(17)
Loss from fair value adjustment of investment properties	-	159	-	-
Unwinding of discounts - net	(656)	517	(168)	304
Fair value gain/(loss) on other investments	<u>426</u>	<u>48</u>	<u>1,626</u>	<u>(98)</u>

B. Explanatory Notes required by the Bursa Malaysia's Listing Requirements (cont'd)

7. Status of Corporate Proposals

- a) There were no corporate proposal announced but not completed as at 23 November 2020.
- b) Utilisation of proceeds from the First Tranche of RM1.3 billion Sukuk Murabahah as at 23 November 2020.

On 10 March 2020, the Sukuk Murabahah was successfully issued. The cash proceeds from the Sukuk Murabahah were partially utilised as follows:

	Proposed utilisation RM'000	Utilised to date RM'000	Balance to be utilised RM'000	Estimated Timeframe for utilisation
Loan repayment, development cost, infrastructure costs on STP2A, working capital	750,000	309,100	440,900	Within 42 months
Reclamation cost of STP 2B & 2C, working capital	200,000	-	200,000	Within 42 months
Repayment of intercompany amount	170,000	170,000	-	Within 12 months
Payment of land premium	180,000	-	180,000	Within 12 months
	<u>1,300,000</u>	<u>479,100</u>	<u>820,900</u>	

8. Group Borrowings

- a) The Group borrowings were as follows:-

	As at 30.09.2020 RM'000	As at 30.09.2019 RM'000
Short Term - Secured		
- Bank overdraft	17,306	25,554
- Revolving credit	29,982	114,983
- Term loan	20,509	120,660
- Obligations under finance leases	452	552
	<u>68,249</u>	<u>261,749</u>
Short Term - Unsecured - RCMTNs	-	343,355
	<u>68,249</u>	<u>605,104</u>
Long Term - Secured		
- Revolving credit	139,791	54,793
- Term loan	399,143	611,080
- Obligations under finance leases	682	939
- Sukuk Murabahah	468,595	-
	<u>1,008,211</u>	<u>666,812</u>

- b) All the borrowings above were denominated in Ringgit Malaysia, except for the following:-

Short Term Term Loan - Secured Denominated in Pound Sterling (£'000)	2,778
Long Term Term Loan - Secured Denominated in Pound Sterling (£'000)	17,222
	<u>20,000</u>



B. Explanatory Notes required by the Bursa Malaysia's Listing Requirements (cont'd)

9. Material Litigation

There were no material litigation which affect the financial position or business of the Group as at 23 November 2020.

10. Dividend

The Board of Directors do not recommend any interim dividend for the financial period ended 30 September 2020.

11. Earnings/(loss) Per Share

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 30.09.2020	Comparative quarter ended 30.09.2019	Current six months ended 30.09.2020	Comparative six months ended 30.09.2019
Basic earnings/(loss) per share				
Profit/(loss) attributable to owners of the parent (RM'000)	4,449	(12,366)	1,121	(10,666)
Weighted average number of ordinary shares in issue (unit '000)	1,431,349	1,432,549	1,431,349	1,432,547
Basic earnings/(loss) per share for the year (sen)	0.31	(0.86)	0.08	(0.74)

The Group has no potential ordinary shares in issue as at reporting date and therefore the diluted earnings per share is the same as basic earnings per share.

BY ORDER OF THE BOARD

Wong Yah Yee
Company Secretary

Kuala Lumpur
30 November 2020