



**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2021 (Unaudited)**

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 31.12.2021 RM'000	Comparative quarter ended 31.12.2020 RM'000	Current nine months ended 31.12.2021 RM'000	Comparative nine months ended 31.12.2020 RM'000
Revenue	23,379	36,524	83,785	165,529
Cost of sales	(12,145)	(23,369)	(33,358)	(91,695)
Gross profit	11,234	13,155	50,427	73,834
Other income	21,685	20,705	35,832	32,376
Administrative expenses	(11,222)	(10,702)	(37,437)	(32,985)
Selling and marketing expenses	(976)	(798)	(2,001)	(2,502)
Other expenses	(4,643)	(5,661)	(27,587)	(22,788)
Operating profit	16,078	16,699	19,234	47,935
Finance costs	(5,327)	(7,929)	(21,259)	(25,354)
Share of results of joint ventures	(2,084)	654	(3,409)	(192)
Profit/(loss) before tax	8,667	9,424	(5,434)	22,389
Income tax expense	(596)	(8,395)	(7,027)	(20,162)
<b>Profit/(loss) for the period</b>	<b>8,071</b>	<b>1,029</b>	<b>(12,461)</b>	<b>2,227</b>
<b>Other comprehensive expense to be reclassified to profit or loss in subsequent periods (net of tax):</b>				
Foreign currency translation	(303)	(2,699)	3,186	(3,314)
Recycled foreign currency translation to profit or loss	-	-	1,385	-
<b>Other comprehensive (loss)/ income for the period</b>	<b>(303)</b>	<b>(2,699)</b>	<b>4,571</b>	<b>(3,314)</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>7,768</b>	<b>(1,670)</b>	<b>(7,890)</b>	<b>(1,087)</b>
<b>Profit/(loss) attributable to:</b>				
Owners of the parent	7,825	832	(15,263)	1,953
Non-controlling interests	246	197	2,802	274
<b>Total comprehensive income/(loss) attributable to:</b>	<b>8,071</b>	<b>1,029</b>	<b>(12,461)</b>	<b>2,227</b>
<b>Profit/(loss) attributable to:</b>				
Owners of the parent	7,522	(1,867)	(10,692)	(1,361)
Non-controlling interests	246	197	2,802	274
<b>Total comprehensive income/(loss) attributable to:</b>	<b>7,768</b>	<b>(1,670)</b>	<b>(7,890)</b>	<b>(1,087)</b>
Earnings/(loss) per share attributable to owners of the parent:				
Basic (sen)	0.54	0.06	(1.06)	0.14
Diluted (sen)	0.54	0.06	(1.06)	0.14

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021 (Unaudited)**

	<b>AS AT 31.12.2021 RM'000</b>	<b>AS AT 31.03.2021 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	234,377	241,371
Right-of-use assets	3,899	4,546
Inventories	1,829,066	1,721,776
Investment properties	357,821	358,239
Intangible assets	38	62
Investment in joint ventures	118,282	121,784
Other investments	-	8,966
Deferred tax assets	30,146	23,971
Trade and other receivables	2,093	2,078
	<u>2,575,722</u>	<u>2,482,793</u>
<b>Current assets</b>		
Inventories	426,500	433,597
Trade and other receivables	49,817	194,310
Prepayments	4,442	9,381
Tax recoverable	3,286	3,232
Contract assets	964	964
Contract cost assets	18,446	21,517
Cash and bank balances	165,809	469,298
	<u>669,264</u>	<u>1,132,299</u>
<b>TOTAL ASSETS</b>	<u>3,244,986</u>	<u>3,615,092</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Loans and borrowings	67,436	143,372
Provisions	-	2,300
Trade and other payables	106,947	287,597
Lease liabilities	6,428	15,417
Contract liabilities	171,231	200,558
Provision for retirement benefits	25	15
Income tax payable	5,982	3,123
	<u>358,049</u>	<u>652,382</u>
<b>Net current assets</b>	<u>311,215</u>	<u>479,917</u>



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021 (Unaudited)**

	<b>AS AT 31.12.2021 RM'000</b>	<b>AS AT 31.03.2021 RM'000 (Audited)</b>
<b>EQUITY AND LIABILITIES (CONT'D)</b>		
<b>Non-current liabilities</b>		
Loans and borrowings	1,062,162	1,123,277
Provisions	1,185	1,185
Trade and other payables	17,107	10,571
Contract liabilities	18,404	18,103
Lease liabilities	38,770	52,853
Provision for retirement benefits	493	466
Deferred tax liabilities	40,704	39,839
	<u>1,178,825</u>	<u>1,246,294</u>
<b>TOTAL LIABILITIES</b>	<u>1,536,874</u>	<u>1,898,676</u>
<b>Net assets</b>	<u>1,708,112</u>	<u>1,716,416</u>
<b>Equity attributable to owners of the parent</b>		
Share capital	1,535,185	1,521,802
Treasury shares	(28,160)	(28,160)
Reserves	165,168	175,137
	<u>1,672,193</u>	<u>1,668,779</u>
<b>Non-controlling interests</b>	<u>35,919</u>	<u>47,637</u>
<b>Total Equity</b>	<u>1,708,112</u>	<u>1,716,416</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>3,244,986</u>	<u>3,615,092</u>
<b>Net assets per share attributable to owners of the parent (RM) - Based on number of shares net of treasury shares</b>		
	<u>1.15</u>	<u>1.17</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (Unaudited)**

	Attributable to owners of the parent							Non-controlling Interests RM'000	Total Equity RM'000
	<----- Non-Distributable ----->			Distributable					
	Share Capital RM'000	Treasury Shares RM'000	Foreign Currency Translation Reserve RM'000	Other Reserve RM'000	Retained Profits RM'000	Total RM'000			
<b>Financial period ended 31 December 2021</b>									
<b>At 1 April 2021</b>	1,521,802	(28,160)	(17,055)	106	192,086	1,668,779	47,637	1,716,416	
Loss for the financial period	-	-	-	-	(15,263)	(15,263)	2,802	(12,461)	
Other comprehensive income	-	-	3,186	-	-	3,186	-	3,186	
Total comprehensive income/(loss) for the financial period	-	-	3,186	-	(15,263)	(12,077)	2,802	(9,275)	
<b>Transactions with owners</b>									
Winding up of subsidiary	-	-	1,385	-	-	1,385	-	1,385	
Acquisition of remaining equity interest in a subsidiary	13,383	-	-	-	723	14,106	(14,520)	(414)	
Total transactions with owners	13,383	-	1,385	-	723	15,491	(14,520)	971	
<b>At 31 December 2021</b>	1,535,185	(28,160)	(12,484)	106	177,546	1,672,193	35,919	1,708,112	

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (Unaudited)**

	Attributable to owners of the parent							Total Equity RM'000
	<----- Non-Distributable ----->			Distributable				
	Share Capital RM'000	Treasury Shares RM'000	Foreign Currency Translation Reserve RM'000	Other Reserve RM'000	Retained Profits RM'000	Total RM'000	Non- controlling Interests RM'000	
<b>Financial period ended 31 December 2020</b>								
<b>At 1 April 2020</b>	1,521,802	(28,160)	(4,426)	1,026	277,220	1,767,462	45,121	1,812,583
Profit for the financial period	-	-	-	-	1,953	1,953	274	2,227
Other comprehensive loss	-	-	(3,314)	-	-	(3,314)	-	(3,314)
Total comprehensive (loss)/income for the financial period	-	-	(3,314)	-	1,953	(1,361)	274	(1,087)
<b>Transactions with owners</b>								
Winding up of subsidiaries	-	-	-	(920)	920	-	-	-
Dividend on ordinary shares	-	-	-	-	(14,313)	(14,313)	-	(14,313)
Total transactions with owners	-	-	-	(920)	(13,393)	(14,313)	-	(14,313)
<b>At 31 December 2020</b>	1,521,802	(28,160)	(7,740)	106	265,780	1,751,788	45,395	1,797,183

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 2021 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (Unaudited)**

	<b>Period ended 31.12.2021 RM'000</b>	<b>Period ended 31.12.2020 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss)/profit before tax	(5,434)	22,389
Adjustments for:-		
Allowances for expected credit losses on:		
- trade receivables	865	412
Amortisation of intangible assets	10	13
Depreciation of right-of-use assets	647	4,259
Depreciation of property, plant and equipment	13,657	12,561
Net gain on modification of lease liabilities	(9,318)	-
Waiver of rental	(11,798)	-
Inventories written off	-	156
Interest expense	21,079	24,379
Property, plant and equipment written off	12	166
Gain on disposal of property, plant and equipment	(193)	(16)
Unrealised loss/(gain) on foreign exchange	9,397	(18,280)
Unwinding of discounts - net	(853)	222
Net fair value gain on other investments at fair value through profit or loss	(8,518)	(3,148)
Interest income	(3,322)	(5,529)
Share of results of joint ventures	3,409	192
Provision for retirement benefits	51	51
Operating profit before changes in working capital	<u>9,691</u>	<u>37,827</u>
Changes in working capital:-		
Inventories	(80,748)	5,010
Receivables	137,557	13,199
Payables	(205,479)	(45,154)
Contract cost assets	<u>3,071</u>	<u>1,520</u>
Cash flows (used in)/from operations	(135,908)	12,402
Interest received	4,991	3,774
Interest paid	(37,673)	(35,271)
Income taxes paid	(9,656)	(16,128)
Retirement benefits paid	(14)	(17)
<b>NET CASH FLOWS USED IN OPERATING ACTIVITIES</b>	<u>(178,260)</u>	<u>(35,240)</u>



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (Unaudited)**

	<b>Period ended 31.12.2021 RM'000</b>	<b>Period ended 31.12.2020 RM'000</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(6,757)	(680)
Purchase of intangible assets	-	(34)
Purchase of investment properties:		
- additions	-	(21)
- subsequent expenditure	(911)	(12,493)
Proceeds from disposal of property, plant and equipment	233	17
Proceeds from disposal of other investments	17,484	-
Dividends from joint ventures	-	12,750
<b>NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>10,049</b>	<b>(461)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of borrowings	328,693	265,832
Repayment of borrowings	(441,917)	(153,725)
Repayment of obligations under finance lease	(323)	(391)
Repayment of lease liabilities	(5,016)	(764)
(Placement)/Withdrawal of deposits with licensed banks	(1,680)	6,665
Dividend paid	-	(14,313)
<b>NET CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES</b>	<b>(120,243)</b>	<b>103,304</b>
Effects of exchange rate changes	3,186	(3,314)
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(285,268)</b>	<b>64,289</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL YEAR</b>	<b>435,281</b>	<b>236,687</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL PERIOD</b>	<b>150,013</b>	<b>300,976</b>

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

Cash and bank balances	165,809	331,914
Bank overdrafts	-	(17,995)
Less: Restricted cash and bank balances	(15,796)	(12,943)
	<b>150,013</b>	<b>300,976</b>

**The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2021 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 2021 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 2021.

### 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 2021, 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 2021, as disclosed below:

<b>Adoption of MFRSs and Amendments to MFRSs</b>		<b>Effective for annual periods beginning on or after</b>
MFRS 16	: Covid-19 - Related Rent Concessions (Amendments to MFRS 16)	1 June 2020
MFRS 4	: Extension of the Temporary Exemption from Applying MFRS 9 (Amendments to MFRS 4)	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
MFRS 16	: Covid-19 - Related Rent Concessions beyond 30 June 2021 (Amendments to MFRS 16)	1 April 2021

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

<b>Standards issued but not yet effective</b>		<b>Effective for annual periods beginning on or after</b>
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 17	: Amendments to MFRS 17	1 January 2023
MFRS 17 and MFRS 9	: Comparative Information (Amendments to MFRS 17)	1 January 2023
MFRS 101	: Disclosure of Accounting Policies (Amendments to MFRS 101)	1 January 2023
MFRS 108	: Definition of Accounting Estimates (Amendments to MFRS 108)	1 January 2023
MFRS 101	: Classification of Liabilities as Current or Non-current (Amendments to MFRS 101)	1 January 2023
MFRS 112	: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112)	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 2022. 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 2021 was not subject to any qualification.

**4. Seasonality or cyclicity 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 31 December 2021.

**6. Changes in estimates**

There were no material changes in estimates that have had a material effect in the financial period ended 31 December 2021.

**7. Debt and equity securities**

Save as disclosed below, there were no issuance, cancellation, repurchases, resale and repayments of debt and equity securities in the Company during the financial period ended 31 December 2021:

**a) Ordinary Shares**

On 29 November 2021, the Company issued 19,796,958 ordinary shares ("The Shares") at RM0.676 each pursuant to the acquisition of the remaining 10% equity interest in Permaijana Ribu (M) Sdn Bhd by Bridgecrest Resources Sdn Bhd, an indirect wholly-owned subsidiary of the Company. The Shares were listed and quoted on the Main Market of Bursa Securities on 30 November 2021.

**8. Dividends paid**

No dividend was paid during the current financial period.

**9. Segmental information by business segment**

<u>Period ended</u>	<u>Investments</u>			<u>Elimination</u>	<u>Total</u>
<u>31 December 2021</u>	<u>Properties</u>	<u>Hospitality</u>	<u>and others</u>		
<b>RM'000</b>					
<b>REVENUE</b>					
External sales	65,832	16,599	1,354	-	83,785
Inter-segment sales	1,383	-	169,041	(170,424)	-
Total revenue	<u>67,215</u>	<u>16,599</u>	<u>170,395</u>		<u>83,785</u>
<b>RESULTS</b>					
Segment results	30,603	10,824	(16,567)	(5,626)	19,234
Share of results of joint ventures	(3,409)	-	-	-	(3,409)
Finance cost					<u>(21,259)</u>
Loss before tax					<u>(5,434)</u>



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

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

<u>Period ended</u> <u>31 December 2020</u> RM'000	Properties	Hospitality	Investments and others	Elimination	Total
<b>REVENUE</b>					
External sales	150,797	13,198	1,534	-	165,529
Inter-segment sales	521	-	28,022	(28,543)	-
Total revenue	<u>151,318</u>	<u>13,198</u>	<u>29,556</u>		<u>165,529</u>
<b>RESULTS</b>					
Segment results	68,134	(27,383)	7,644	(460)	47,935
Share of results of joint ventures	(192)	-	-	-	(192)
Finance cost					(25,354)
Profit before tax					<u>22,389</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 RM65.8 million in the financial period ended 31 December 2021 as compared to RM150.8 million in the previous financial period ended 31 December 2020, representing a decrease of RM85.0 million or 56.3%. The decreased revenue was mainly due to a sale of land of RM55.0 million in the previous financial period and lower sales of completed properties during the current financial period.

Joint venture ("JV") projects namely The Mews, Conlay and Avira Garden Terraces contributed a total revenue of RM30.7 million in the financial period ended 31 December 2021 as compared to revenue of RM39.2 million achieved in the previous financial period ended 31 December 2020, representing a reduction of RM8.5 million or 21.7%.

After incorporating revenue recognised from JV projects, the Group's properties segment recorded an adjusted revenue of RM96.5 million in the financial period ended 31 December 2021 as compared to an adjusted revenue of RM190.0 million in the financial period ended 31 December 2020.

The properties segment recorded operating profit of RM30.6 million for the current financial period as compared to operating profit of RM68.1 million in the financial period ended 31 December 2020. This represented a decrease of RM37.5 million mainly due to one-off profits from sale of land parcel in the previous financial period.

(ii) **Hospitality**

The hospitality segment recorded revenue of RM16.6 million for the financial period ended 31 December 2021 as compared to RM13.2 million. This marked an increase of RM3.4 million or 25.8%. The increase in revenue was mainly due to higher revenue generated as the interstate travel ban have been lifted for local tourists.

The segment recorded an operating profit of RM10.8 million in the financial period ended 31 December 2021 as compared to an operating loss of RM27.4 million in the financial period ended 31 December 2020. The operating profit in the current period was mainly due to the recognition of gain on lease modification of RM9.3 million and waiver of rental of RM11.8 million in the current financial period.



**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)**

**(iii) Investments and others**

The investments and others segment recorded an operating loss of RM16.6 million for the financial period ended 31 December 2021 as compared to operating profit of RM7.6 million in the financial period ended 31 December 2020, an increase of RM24.2 million. The current financial period loss was affected by the unrealised foreign exchange loss of RM9.4 million as compared to unrealised foreign exchange gain of RM18.3 million in the previous financial period.

**10. Valuation of investment properties**

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

During the current financial period, there were no changes on the fair value in the investment properties.

**11. Material subsequent events**

As at 16 February 2022 (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 31 December 2021.

**12. Changes in composition of the Group**

On 22 June 2021, E&O Property (Singapore) Pte Ltd, an indirect wholly-owned subsidiary of E&O, was dissolved after expiration of three months from the date of lodgement of the Return by Liquidator relating to the Final Meeting with the Accounting and Corporate Regulatory Authority.

**13. Contingent Liabilities**

There were no contingent liabilities as at 16 February 2022 (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:

	<b>RM'000</b>
Corporate guarantees issued by the Company for banking facilities granted to subsidiaries	<u>1,106,287</u>

**14. Capital Commitments**

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

	<b>As at 31.12.2021 RM'000</b>	<b>As at 31.03.2021 RM'000</b>
<b>Capital expenditure</b>		
Approved and contracted for		
Land reclamation and infrastructure development	579,804	274,205
Property, plant and equipment	-	810
	<hr/>	<hr/>
Approved but not contracted for		
Property, plant and equipment	1,292	1,832
	<hr/>	<hr/>



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

**15. Significant Related Party Transactions**

Recurrent related party transactions conducted during the current financial period ended 31 December 2021 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 RM83.8 million for the financial period ended 31 December 2021 as compared to RM165.5 million recorded in the financial period ended 31 December 2020. This represented a decrease of RM81.7 million or 49.4%. The decrease in revenue was mainly attributed to the properties segment which registered a decrease of RM85.0 million mainly due to a sale of land parcel of RM55.0 million in the previous financial period and lower sales of completed properties during the current financial period.

The Group posted loss before tax of RM5.4 million for the financial period ended 31 December 2021 as compared to profit before tax of RM22.4 million in the financial period ended 31 December 2020. This represented a difference of RM27.8 million or 124.3%. The results in the current financial period were adversely affected by the drop in the revenue and the unrealised foreign exchange loss of RM9.4 million as compared to the unrealised foreign exchange gain of RM18.3 million in the previous financial period. However, this was mitigated by the recognition of gain on lease modification of RM9.3 million and waiver of rental of RM11.8 million in the hospitality segment.

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**

	<b>Current quarter ended 31.12.2021 RM'000</b>	<b>Immediate preceding quarter ended 30.09.2021 RM'000</b>	<b>Difference RM'000</b>
Revenue	23,379	33,876	(10,497)
Gross profit	11,234	21,207	(9,973)
Operating profit/(loss)	16,078	(550)	16,628
Profit/(Loss) before tax	8,667	(8,614)	17,281

The Group recorded revenue of RM23.3 million and profit before tax of RM8.7 million for the current financial quarter ended 31 December 2021 as compared to revenue of RM33.8 million and loss before tax of RM8.6 million in the previous quarter. Profit before tax in the current quarter was mainly due to gain on lease modification and waiver of rental recognised in the current financial quarter.

**3. Group's prospects**

The recent sharp increase in COVID-19 infection rate could delay the government's decision to open the international borders for tourist visitations. This in turn would be negative for the hospitality division and projects in locations which are favoured by foreign purchasers. However, domestic demand for properties in Penang continues to be encouraging. We expect improved interest in our upcoming launches.



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

**4. Variance in profit forecast/profit guarantee**

The Group did not issue any profit forecast/profit guarantee for the current financial period ended 31 December 2021.

**5. Taxation**

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 31.12.2021 RM'000	Comparative quarter ended 31.12.2020 RM'000	Current nine months ended 31.12.2021 RM'000	Comparative nine months ended 31.12.2020 RM'000
Malaysian income tax				
- current	3,528	452	12,153	14,466
- in respect of prior years	184	8,593	184	8,593
- deferred tax	(3,116)	(650)	(5,310)	(2,897)
	<u>596</u>	<u>8,395</u>	<u>7,027</u>	<u>20,162</u>

The effective tax rate of the Group for the current financial period ended 31 December 2021 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 31.12.2021 RM'000	Comparative quarter ended 31.12.2020 RM'000	Current nine months ended 31.12.2021 RM'000	Comparative nine months ended 31.12.2020 RM'000
Interest income	742	1,904	3,322	5,529
Net of allowance for expected credit losses on receivables	(85)	(70)	(865)	(412)
Inventories written off	-	-	-	(156)
Interest expense	(5,282)	(7,887)	(21,079)	(24,379)
Depreciation and amortisation	(5,224)	(5,600)	(14,314)	(16,833)
Property, plant and equipment written off	(10)	-	(12)	(166)
Unrealised gain/(loss) on foreign exchange	854	14,152	(9,397)	18,280
Net gain on disposal of property, plant and equipment	148	16	193	16
Unwinding of discounts - net	731	(54)	853	(222)
Fair value gain on other investments	-	1,522	8,518	3,148
	<u>-</u>	<u>1,522</u>	<u>8,518</u>	<u>3,148</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 16 February 2022.
- b) Utilisation of proceeds from the First Tranche of RM1.3 billion Sukuk Murabahah as at 16 February 2022.

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

	<b>Proposed utilisation RM'000</b>	<b>Utilised to date RM'000</b>	<b>Deviations* RM'000</b>	<b>Balance to be utilised RM'000</b>	<b>Estimated Timeframe for utilisation</b>
Loan repayment, development cost, infrastructure costs on STP2A, working capital	750,000	427,100	4,307	327,207	Within 42 months
Reclamation cost of STP 2B & 2C, working capital	200,000	20,000	-	180,000	Within 42 months
Repayment of intercompany amount	170,000	170,000	-	-	Within 12 months
Payment of land premium	180,000	175,693	(4,307)	-	Within 12 months
	<u>1,300,000</u>	<u>792,793</u>	<u>-</u>	<u>507,207</u>	

\* All the payment of land premium have been fully paid. The balance of RM4.307 million will be utilised for infrastructure costs on STP2A.

**8. Group Borrowings**

- a) The Group borrowings were as follows:-

	<b>As at 31.12.2021 RM'000</b>	<b>As at 31.03.2021 RM'000</b>
Short Term - Secured		
- Bank overdraft	-	19,901
- Revolving credit	40,000	99,613
- Term loan	27,153	23,442
- Obligations under finance leases	283	416
	<u>67,436</u>	<u>143,372</u>
Long Term - Secured		
- Revolving credit	50,000	129,353
- Term loan	231,668	449,025
- Obligations under finance leases	296	486
- Sukuk Murabahah	780,198	544,413
	<u>1,062,162</u>	<u>1,123,277</u>
	<u>1,129,598</u>	<u>1,266,649</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)	1,180	556
Long Term Term Loan - Secured Denominated in Pound Sterling (£'000)	12,413	27,752
	<u>13,593</u>	<u>28,308</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 16 February 2022, save for the following:

- i) On 18 February 2021, E&O was served with a Notice of Arbitration by solicitors representing The Synod of the Diocese of West Malaysia ("The Synod") notifying the commencement of arbitration proceedings against E&O under the auspices of the Asian International Arbitration Centre in Kuala Lumpur.

On 9 December 2021, the The Synod and E&O agreed to settle the dispute between them. The principal terms of the settlement include the withdrawal of the notice of termination by E&O, and the continuation of the lease upon modified terms with the E&O Group to resume the serviced apartments business at the "St. Mary Residences", located at Jalan Tengah, Off Jalan Sultan Ismail, Kuala Lumpur. The Synod has proceeded to terminate the arbitration proceedings unconditionally with costs thereof to be equally shared between The Synod and E&O.

**10. Dividend**

The Board of Directors do not recommend any dividend for the financial period ended 31 December 2021.

**11. Earnings/(Loss) Per Share**

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 31.12.2021	Comparative quarter ended 31.12.2020	Current nine months ended 31.12.2021	Comparative nine months ended 31.12.2020
<b>Basic earnings/(loss) per share</b>				
Profit/(loss) attributable to owners of the parent (RM'000)	7,825	832	(15,263)	1,953
Weighted average number of ordinary shares in issue (unit '000)	1,444,547	1,432,149	1,435,748	1,431,349
Basic earnings/(loss) per share for the period (sen)	0.54	0.06	(1.06)	0.14

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

BY ORDER OF THE BOARD

Wong Yah Yee  
Company Secretary

Kuala Lumpur  
23 February 2022