



**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022 (Unaudited)**

| | Individual Quarter | | Cumulative Quarter | |
|-------------------------------------------------------------------------------------------------------------|--------------------------------------------|------------------------------------------------|------------------------------------------------|----------------------------------------------------|
| | Current quarter ended 31.12.2022 RM'000 | Comparative quarter ended 31.12.2021 RM'000 | Current nine months ended 31.12.2022 RM'000 | Comparative nine months ended 31.12.2021 RM'000 |
| Revenue | 81,200 | 23,379 | 252,770 | 83,785 |
| Cost of sales | (40,091) | (12,145) | (125,901) | (33,358) |
| Gross profit | 41,109 | 11,234 | 126,869 | 50,427 |
| Other income | 1,982 | 21,685 | 6,358 | 35,832 |
| Administrative expenses | (10,285) | (11,222) | (25,653) | (37,437) |
| Selling and marketing expenses | (853) | (976) | (2,211) | (2,001) |
| Other expenses | 10,083 | (4,643) | (43,816) | (27,587) |
| Operating profit | 42,036 | 16,078 | 61,547 | 19,234 |
| Finance costs | (7,794) | (5,327) | (18,115) | (21,259) |
| Share of results of joint ventures | (1,746) | (2,084) | (462) | (3,409) |
| Profit/(loss) before tax | 32,496 | 8,667 | 42,970 | (5,434) |
| Income tax expense | (1,035) | (596) | (7,975) | (7,027) |
| Profit/(loss) for the period | 31,461 | 8,071 | 34,995 | (12,461) |
| Other comprehensive expense to be reclassified to profit or loss in subsequent periods (net of tax): | | | | |
| Foreign currency translation | (3,652) | (303) | 6,190 | 3,186 |
| Recycled foreign currency translation to profit or loss | - | - | - | 1,385 |
| Other comprehensive (loss)/income for the period | (3,652) | (303) | 6,190 | 4,571 |
| Total comprehensive income/(loss) for the period | 27,809 | 7,768 | 41,185 | (7,890) |
| Profit/(loss) attributable to: | | | | |
| Owners of the parent | 30,087 | 7,825 | 28,454 | (15,263) |
| Non-controlling interests | 1,374 | 246 | 6,541 | 2,802 |
| Total comprehensive income/(loss) attributable to: | | | | |
| Owners of the parent | 26,435 | 7,522 | 34,644 | (10,692) |
| Non-controlling interests | 1,374 | 246 | 6,541 | 2,802 |
| | 27,809 | 7,768 | 41,185 | (7,890) |
| Profit/(Loss) per share attributable to owners of the parent: | | | | |
| Basic (sen) | 2.07 | 0.54 | 1.96 | (1.06) |
| Diluted (sen) | 2.07 | 0.54 | 1.96 | (1.06) |

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022(Unaudited)**

| | AS AT 31.12.2022 RM'000 | AS AT 31.03.2022 RM'000 (Audited) |
|-----------------------------------|----------------------------------------|------------------------------------------------------|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 220,609 | 231,711 |
| Right-of-use assets | 24,912 | 28,684 |
| Inventories | 1,935,227 | 1,812,500 |
| Investment properties | 429,128 | 435,254 |
| Intangible assets | 30 | 35 |
| Investment in joint ventures | 116,107 | 120,386 |
| Deferred tax assets | 45,458 | 27,433 |
| Trade and other receivables | 1,887 | 2,176 |
| | <u>2,773,358</u> | <u>2,658,179</u> |
| Current assets | | |
| Inventories | 460,084 | 458,404 |
| Trade and other receivables | 36,851 | 60,693 |
| Prepayments | 5,203 | 6,113 |
| Tax recoverable | 4,485 | 3,387 |
| Contract assets | 326 | 2,321 |
| Contract cost assets | 43,898 | 26,945 |
| Cash and bank balances | 186,305 | 137,991 |
| | <u>737,152</u> | <u>695,854</u> |
| TOTAL ASSETS | <u>3,510,510</u> | <u>3,354,033</u> |
| EQUITY AND LIABILITIES | | |
| Current liabilities | | |
| Loans and borrowings | 126,898 | 76,414 |
| Trade and other payables | 136,584 | 93,622 |
| Contract liabilities | 126,825 | 158,895 |
| Lease liabilities | 6,877 | 6,575 |
| Provision for retirement benefits | 26 | 26 |
| Income tax payable | 314 | 835 |
| | <u>397,524</u> | <u>336,367</u> |
| Net current assets | <u>339,628</u> | <u>359,487</u> |



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022(Unaudited)**

| | AS AT 31.12.2022 RM'000 | AS AT 31.03.2022 RM'000 (Audited) |
|--------------------------------------------------------------------------------------------------------------------------|----------------------------------------|------------------------------------------------------|
| EQUITY AND LIABILITIES (CONT'D) | | |
| Non-current liabilities | | |
| Loans and borrowings | 1,160,752 | 1,106,957 |
| Provisions | 1,124 | 1,124 |
| Trade and other payables | 27,726 | 20,712 |
| Contract liabilities | 17,222 | 18,548 |
| Lease liabilities | 32,054 | 37,306 |
| Provision for retirement benefits | 541 | 504 |
| Deferred tax liabilities | 41,598 | 41,731 |
| | <u>1,281,017</u> | <u>1,226,882</u> |
| TOTAL LIABILITIES | <u>1,678,541</u> | <u>1,563,249</u> |
| Net assets | <u>1,831,969</u> | <u>1,790,784</u> |
| Equity attributable to owners of the parent | | |
| Share capital | 1,535,185 | 1,535,185 |
| Treasury shares | (28,160) | (28,160) |
| Reserves | 281,227 | 246,583 |
| | <u>1,788,252</u> | <u>1,753,608</u> |
| Non-controlling interests | <u>43,717</u> | <u>37,176</u> |
| Total Equity | <u>1,831,969</u> | <u>1,790,784</u> |
| TOTAL EQUITY AND LIABILITIES | <u>3,510,510</u> | <u>3,354,033</u> |
| Net assets per share attributable to owners of the parent (RM) - Based on number of shares net of treasury shares | | |
| | <u>1.23</u> | <u>1.21</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 2022 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 2022 (Unaudited)**

| | Attributable to owners of the parent | | | | | | | Non-controlling Interests RM'000 | Total Equity RM'000 |
|-----------------------------------------------------|--------------------------------------|------------------------------|---------------------------------------------------------|----------------------------|-------------------------------|-----------------|--------|----------------------------------------|---------------------------|
| | 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 | | | |
| Financial period ended 31 December 2022 | | | | | | | | | |
| At 1 April 2022 | 1,535,185 | (28,160) | (10,092) | 106 | 256,569 | 1,753,608 | 37,176 | 1,790,784 | |
| Profit for the financial period | - | - | - | - | 28,454 | 28,454 | 6,541 | 34,995 | |
| Other comprehensive income | - | - | 6,190 | - | - | 6,190 | - | 6,190 | |
| Total comprehensive income for the financial period | - | - | 6,190 | - | 28,454 | 34,644 | 6,541 | 41,185 | |
| At 31 December 2022 | 1,535,185 | (28,160) | (3,902) | 106 | 285,023 | 1,788,252 | 43,717 | 1,831,969 | |

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

| | 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 | |
| Financial period ended 31 December 2021 | | | | | | | | |
| At 1 April 2021 | 1,521,802 | (28,160) | (17,055) | 106 | 192,086 | 1,668,779 | 47,637 | 1,716,416 |
| (Loss)/profit for the financial period | - | - | - | - | (15,263) | (15,263) | 2,802 | (12,461) |
| Other comprehensive income | - | - | 4,571 | - | - | 4,571 | - | 4,571 |
| Total comprehensive income/(loss) for the financial period | - | - | 4,571 | - | (15,263) | (10,692) | 2,802 | (7,890) |
| Transactions with owners | | | | | | | | |
| Acquisition of remaining equity interest in a subsidiary | 13,383 | - | - | - | 723 | 14,106 | (14,520) | (414) |
| Total transactions with owners | 13,383 | - | - | - | 723 | 14,106 | (14,520) | (414) |
| At 31 December 2021 | 1,535,185 | (28,160) | (12,484) | 106 | 177,546 | 1,672,193 | 35,919 | 1,708,112 |

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 2022 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022 (Unaudited)**

| | Period ended 31.12.2022 RM'000 | Period ended 31.12.2021 RM'000 |
|----------------------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit/(loss) before tax | 42,970 | (5,434) |
| Adjustments for:- | | |
| Allowances for expected credit losses on: | | |
| - trade receivables | - | 865 |
| Amortisation of intangible assets | 5 | 10 |
| Depreciation of right-of-use assets | 3,772 | 647 |
| Depreciation of property, plant and equipment | 12,963 | 13,657 |
| Bad debts written off | 20 | - |
| Reversal of impairment loss on lease liabilities | - | (21,116) |
| Interest expense | 18,097 | 21,079 |
| Property, plant and equipment written off | 48 | 12 |
| Reversal of expected credit losses on: | | |
| - trade receivables | (409) | - |
| Net gain on disposal of property, plant and equipment | (143) | (193) |
| Unrealised loss on foreign exchange | 26,715 | 9,397 |
| Unwinding of discounts - net | (1,027) | (853) |
| Net fair value gain on other investments at fair value through profit or loss | - | (8,518) |
| Interest income | (2,355) | (3,322) |
| Share of results of joint ventures | 462 | 3,409 |
| Provision for retirement benefits | 51 | 51 |
| Operating profit before changes in working capital | <u>101,169</u> | <u>9,691</u> |
| Changes in working capital:- | | |
| Inventories | (151,582) | (80,748) |
| Receivables | (2,424) | 137,557 |
| Payables | 22,421 | (205,479) |
| Contract cost assets | <u>34,610</u> | <u>3,071</u> |
| Cash flows from/(used in) operations | 4,194 | (135,908) |
| Interest received | 5,691 | 4,991 |
| Interest paid | (37,834) | (37,673) |
| Income taxes refunded | 2,570 | - |
| Income taxes paid | (30,549) | (9,656) |
| Retirement benefits paid | (14) | (14) |
| NET CASH FLOWS USED IN OPERATING ACTIVITIES | <u>(55,942)</u> | <u>(178,260)</u> |



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022 (Unaudited)**

| | Period ended 31.12.2022 RM'000 | Period ended 31.12.2021 RM'000 |
|---------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (2,165) | (6,757) |
| Purchase of investment properties: | | |
| - subsequent expenditure | (450) | (911) |
| Proceeds from disposal of property, plant and equipment | 221 | 233 |
| Proceeds from disposal of other investments | - | 17,484 |
| Dividends from joint ventures | 510 | - |
| Distribution from joint ventures | 2,550 | - |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | 666 | 10,049 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Drawdown of borrowings | 174,680 | 328,693 |
| Repayment of borrowings | (71,215) | (441,917) |
| Repayment of obligations under finance lease | (35) | (323) |
| Repayment of lease liabilities | (6,030) | (5,016) |
| Placement of deposits with licensed banks | (18,228) | (1,680) |
| NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES | 79,172 | (120,243) |
| Effects of exchange rate changes | 6,190 | 3,186 |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | 30,086 | (285,268) |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL YEAR | 121,849 | 435,281 |
| CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL PERIOD | 151,935 | 150,013 |

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

| | | |
|-----------------------------------------|----------------|----------------|
| Cash and bank balances | 186,305 | 165,809 |
| Less: Restricted cash and bank balances | (34,370) | (15,796) |
| | 151,935 | 150,013 |

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2022 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 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 2022 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 2022.

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 2022, 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 2022, as disclosed below:

| Adoption of MFRSs and Amendments to MFRSs | Effective for annual periods beginning on or after |
|-----------------------------------------------------------------------|-----------------------------------------------------------|
| 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 |

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 101 : Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies (Amendments to MFRS 101) | 1 January 2023 |
| MFRS 17 : Insurance Contracts | 1 January 2023 |
| MFRS 17 : Amendments to MFRS 17 | 1 January 2023 |
| MFRS 17 : Initial Application of MFRS 17 and MFRS 9 - Comparative Information (Amendments to MFRS 17) | 1 January 2023 |
| MFRS 108 : Definition of Accounting Estimates (Amendments to MFRS 108) | 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 16 : Lease Liability in a Sale and Leaseback (Amendments to MFRS 16) | 1 January 2024 |
| MFRS 101 : Non-current Liabilities with Covenants (Amendments to MFRS 101) | 1 January 2024 |
| MFRS 10 and MFRS 128 : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Deferred |

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 2023. 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.

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

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 2022 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 2022.

6. Changes in estimates

There were no material changes in estimates that have had a material effect in the financial period ended 31 December 2022.

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 31 December 2022.

8. Dividends paid

No dividend was paid during the current financial period.

9. Segmental information by business segment

| <u>Period ended</u> <u>31 December 2022</u> RM'000 | Properties | Hospitality | Investments and others | Elimination | Total |
|----------------------------------------------------------|----------------|---------------|---------------------------|-------------|-----------------|
| REVENUE | | | | | |
| External sales | 182,415 | 67,269 | 3,086 | - | 252,770 |
| Inter-segment sales | 1,268 | - | 35,351 | (36,619) | - |
| Total revenue | <u>183,683</u> | <u>67,269</u> | <u>38,437</u> | | <u>252,770</u> |
| RESULTS | | | | | |
| Segment results | 70,881 | 17,037 | 8,280 | (34,651) | 61,547 |
| Share of results of joint ventures | (462) | - | - | - | (462) |
| Finance cost | | | | | <u>(18,115)</u> |
| Profit before tax | | | | | <u>42,970</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 2021</u> RM'000 | Properties | Hospitality | Investments and others | Elimination | Total |
|----------------------------------------------------------|---------------|---------------|---------------------------|-------------|-----------------|
| REVENUE | | | | | |
| 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> |
| RESULTS | | | | | |
| Segment results | 30,603 | 10,824 | 144,683 | (166,876) | 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> |

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 - sales, 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 RM182.4 million in the financial period ended 31 December 2022 as compared to RM65.8 million in the previous financial period ended 31 December 2021, representing an increase of RM116.6 million or 177.2%. The increased revenue was mainly due to higher revenue recognition from the land reclamation of STP2A and the on-going project, The Meg in the current financial period.

Joint venture ("JV") projects namely Conlay, The Peak and Avira Garden Terraces contributed a total revenue of RM68.9 million in the financial period ended 31 December 2022 as compared to revenue of RM30.7 million achieved in the previous financial period ended 31 December 2021, representing an increased of RM38.2 million or 124.4%.

After incorporating revenue recognised from JV projects, the Group's properties segment recorded an aggregate revenue of RM251.3 million in the financial period ended 31 December 2022 as compared to an aggregate revenue of RM96.5 million in the financial period ended 31 December 2021.

The properties segment recorded operating profit of RM70.9 million for the current financial period as compared to operating profit of RM30.6 million in the financial period ended 31 December 2021. This represented an increase of RM40.3 million mainly due to higher revenue recognised.



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)

(ii) Hospitality

The hospitality segment recorded revenue of RM67.3 million for the financial period ended 31 December 2022 as compared to RM16.6 million in the financial period ended 31 December 2021. This marked an increase of RM50.7 million or 305.4%. The increase in revenue mainly due to the higher occupancy rate and average room rate during the current financial period. In addition, E&O Residences was re-opened in January 2022.

The segment recorded an operating profit of RM17.0 million in the financial period ended 31 December 2022 as compared to a profit of RM10.8 million in the financial period ended 31 December 2021. The improvement in operating profit in the current financial period was in line with the higher revenue generated.

(iii) Investments and others

The investments and others segment recorded an operating profit of RM8.3 million for the financial period ended 31 December 2022 as compared to operating profit of RM144.7 million in the financial period ended 31 December 2021, a decrease of RM136.4 million. The operating profit in the previous financial period was mainly due to the dividend received from the subsidiaries which amounted to approximately RM161.3 million as compared to a lower dividend of RM26.0 million in the current financial period. The dividend income was eliminated on the Group basis.

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 15 February 2023 (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 2022.

12. Changes in composition of the Group

On 20 April 2022, Junjung Angkasa Sdn Bhd, a indirect wholly-owned subsidiary of E&O, had been voluntarily struck off from Companies Commission of Malaysia pursuant to Section 308 of Companies Act, 1965.

Oriental Light Properties Limited ("OLP") was incorporated in England and Wales on 26 October 2022. The issued share capital of OLP of one (1) ordinary share of GBP 1 was issued to Eastern & Oriental PLC, a wholly-owned subsidiary of the Group.

13. Contingent Liabilities

There were no contingent liabilities as at 15 February 2023 (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>1,359,615</u> |



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

14. Capital Commitments

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

| | As at 31.12.2022 RM'000 | As at 31.03.2022 RM'000 |
|-------------------------------------------------|-------------------------------|-------------------------------|
| Capital expenditure | | |
| Approved and contracted for | | |
| Land reclamation and infrastructure development | 460,086 | 547,926 |
| Approved but not contracted for | | |
| Property, plant and equipment | 198 | 451 |

15. Significant Related Party Transactions

Recurrent related party transactions conducted during the current financial period ended 31 December 2022 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 RM252.8 million for the financial period ended 31 December 2022 as compared to RM83.8 million recorded in the financial period ended 31 December 2021. This represented an increase of RM169.0 million or 201.7%. The increase in revenue was mainly attributed to the properties segment which registered an increase of RM116.6 million and the hospitality segment which registered an increase of RM50.7 million.

The Group posted profit before tax of RM43.0 million for the financial period ended 31 December 2022 as compared to loss before tax of RM5.4 million in the financial period ended 31 December 2021. This represented an increased of RM48.4 million. The improvement in results in the current financial period was mainly due to higher revenue recognition from properties and hospitality segments, lower finance cost and lower loss from share of results of joint ventures. However, the results were dampened by the unrealised foreign exchange loss of RM26.7 million as compared to unrealised foreign exchange loss of RM9.4 million in the previous corresponding financial period.

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 31.12.2022 RM'000 | Immediate preceding quarter ended 30.09.2022 RM'000 | Difference RM'000 |
|-------------------|-----------------------------------------------------|--------------------------------------------------------------------|----------------------|
| Revenue | 81,200 | 95,020 | (13,820) |
| Gross profit | 41,109 | 46,625 | (5,516) |
| Operating profit | 42,036 | 12,461 | 29,575 |
| Profit before tax | 32,496 | 7,300 | 25,196 |



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

2. Variation of results against preceding quarter (cont'd)

The Group recorded revenue of RM81.2 million and profit before tax of RM32.5 million for the current financial quarter ended 31 December 2022 as compared to revenue of RM95.0 million and profit before tax of RM7.3 million in the previous quarter. Higher revenue in the previous quarter was mainly due to higher revenue recognition from the land reclamation and the on-going project, The Meg. However in the current quarter, higher profit before tax was recorded mainly due to the favourable unrealised foreign exchange gain of RM16.0 million in the current quarter.

3. Group's prospects

The Meg which comprise 1,020 apartments and 14 shop units is more than 95% sold since we started selling this project in January 2022. We are excited with our upcoming launches given the strategic location and well accepted product offerings. While Penang will form the bulk of our future launches, the hospitality segment is enjoying historical high occupancy rate and average room rate on the back of continued strong recovery in tourism and business travel.

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 2022.

5. Taxation

| | Individual Quarter | | Cumulative Quarter | |
|-----------------------------|----------------------------------|--------------------------------------|--------------------------------------|------------------------------------------|
| | Current quarter ended 31.12.2022 | Comparative quarter ended 31.12.2021 | Current nine months ended 31.12.2022 | Comparative nine months ended 31.12.2021 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Malaysian income tax | | | | |
| - current | 10,915 | 3,528 | 37,253 | 12,153 |
| - in respect of prior years | (8,909) | 184 | (11,121) | 184 |
| Deferred tax | (971) | (3,116) | (18,157) | (5,310) |
| | <u>1,035</u> | <u>596</u> | <u>7,975</u> | <u>7,027</u> |

The effective tax rate of the Group for the current financial period ended 31 December 2022 under review is lower than the statutory rate of 24% mainly due to certain income of the Group not subject to income tax.

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

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 31.12.2022 RM'000 | Comparative quarter ended 31.12.2021 RM'000 | Current nine months ended 31.12.2022 RM'000 | Comparative nine months ended 31.12.2021 RM'000 |
| Interest income | 991 | 742 | 2,355 | 3,322 |
| Net of allowance for expected credit losses on receivables | 219 | (85) | 409 | (865) |
| Interest expense | (7,791) | (5,282) | (18,097) | (21,079) |
| Depreciation and amortisation | (5,626) | (5,224) | (16,740) | (14,314) |
| Bad debts written off | - | - | (20) | - |
| Property, plant and equipment written off | - | (10) | (48) | (12) |
| Unrealised gain/(loss) on foreign exchange | 15,977 | 854 | (26,715) | (9,397) |
| Net gain on disposal of property, plant and equipment | 13 | 148 | 143 | 193 |
| Unwinding of discounts - net | (7) | 731 | 1,027 | 853 |
| Fair value gain on other investments | - | - | - | 8,518 |

7. Status of Corporate Proposals

- a) Corporate proposal announced but not completed as at 15 February 2023.

On 23 February 2022, the Company proposed to undertake a proposed renounceable rights issue of up to RM362,786,470 in nominal value of 5-year 3.80% irredeemable convertible unsecured loan stocks ("ICULS") at 100% of their nominal value of RM0.50 each on the basis of 1 ICULS for every 2 existing ordinary shares in the Company held on an entitlement date to be determined later ("Initial Proposed Rights Issue of ICULS").

On 20 June 2022, the Securities Commission Malaysia ("SC") granted its approval under Section 214(1) of the Capital Markets & Services Act 2007 for the issuance of the ICULS pursuant to the Initial Proposed Rights Issue of ICULS, subject to the compliance with the standard conditions and continuing obligations as stipulated in the SC's Guidelines on the Issuance of Corporate Bonds and Sukuk to Retail Investors.

On 15 August 2022, after further deliberation, the Board has resolved to revise certain key terms of the Initial Proposed Rights Issue of ICULS ("Revisions"). Pursuant to the Revisions, the Proposed Rights Issue of ICULS entails a renounceable rights issue of up to 1,088,359,412 5-year 3.80% ICULS on the basis of 3 ICULS for every 4 existing shares held on the entitlement date. The issue price and conversion price of the ICULS will be determined at a later date.

The SC had, vide its letter dated 23 September 2022, granted its approval for the Revisions.

On 11 November 2022, the listing application in relation to the Proposed Rights Issue of ICULS had been approved by Bursa Securities subject to certain conditions. The shareholders of the Company have approved the Rights Issue of ICULS at the Extraordinary General Meeting held on 5 January 2023.

On 11 January 2023, the Board announced the following:

- (i) the Issue Price and nominal value of the ICULS have been fixed at RM0.235 per ICULS; and
- (ii) the Conversion Price of the ICULS has been fixed at RM0.235 per ICULS.

On 31 January 2023, AmInvestment Bank had, on behalf of the Board, announced the Entitlement Date has been fixed at 5.00 p.m. on 20 February 2023 together with the other relevant important dates pertaining to the Rights Issue of ICULS.

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

7. Status of Corporate Proposals (cont'd)

- b) Utilisation of proceeds from the First Tranche of RM1.3 billion Sukuk Murabahah as at 15 February 2023.

The cash proceeds from the Sukuk Murabahah were utilised as follows:

| | Proposed utilisation RM'000 | Utilised to date RM'000 | Deviations* RM'000 | Balance to be utilised RM'000 | Estimated Timeframe for utilisation from March 2020 |
|----------------------------------------------------------------------------------|----------------------------------------|------------------------------------|-------------------------------|------------------------------------------|------------------------------------------------------------|
| Loan repayment, development cost, infrastructure costs on STP2A, working capital | 750,000 | 569,100 | 4,307* | 185,207 | Within 42 months |
| Reclamation cost of STP 2B & 2C, working capital | 200,000 | 39,000 | - | 161,000 | Within 42 months |
| Repayment of intercompany amount | 170,000 | 170,000 | - | - | |
| Payment of land premium | 180,000 | 175,693 | (4,307)* | - | |
| | <u>1,300,000</u> | <u>953,793</u> | <u>-</u> | <u>346,207</u> | |

* All 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:-

| | As at 31.12.2022 RM'000 | As at 31.03.2022 RM'000 |
|------------------------------------|----------------------------------------|----------------------------------------|
| Short Term - Secured | | |
| - Revolving credit | 63,000 | 40,000 |
| - Term loan | 63,850 | 36,368 |
| - Obligations under finance leases | 48 | 46 |
| | <u>126,898</u> | <u>76,414</u> |
| Long Term - Secured | | |
| - Revolving credit | 50,000 | 50,000 |
| - Term loan | 165,502 | 221,068 |
| - Obligations under finance leases | 46 | 82 |
| - Sukuk Murabahah | 945,204 | 835,807 |
| | <u>1,160,752</u> | <u>1,106,957</u> |
| | <u>1,287,650</u> | <u>1,183,371</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) | 6,644 | 2,847 |
| Long Term Term Loan - Secured Denominated in Pound Sterling (£'000) | 5,834 | 10,768 |
| | <u>12,478</u> | <u>13,615</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 15 February 2023.

10. Dividend

The Board of Directors do not recommend any dividend for the financial period ended 31 December 2022.

11. Profit/(Loss) Per Share

| | Individual Quarter | | Cumulative Quarter | |
|--------------------------------------------------------------------|-------------------------------------------|-----------------------------------------------|-----------------------------------------------|---------------------------------------------------|
| | Current quarter ended 31.12.2022 | Comparative quarter ended 31.12.2021 | Current nine months ended 31.12.2022 | Comparative nine months ended 31.12.2021 |
| Basic profit/(loss) per share | | | | |
| Profit/(Loss) attributable to owners of the parent (RM'000) | 30,087 | 7,825 | 28,454 | (15,263) |
| Weighted average number of ordinary shares in issue (unit '000) | 1,451,146 | 1,444,547 | 1,451,146 | 1,435,748 |
| Basic profit/(loss) per share for the period (sen) | 2.07 | 0.54 | 1.96 | (1.06) |

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

BY ORDER OF THE BOARD

Chow Wai Sum
Company Secretary

Kuala Lumpur
22 February 2023