

**MAXIM GLOBAL BERHAD [Reg No. 196801000620 (8184-W)]**

(formerly known as Tadmax Resources Berhad)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2020**

(The figures have not been audited)

	4th Quarter ended		Financial year ended	
	31-12-2020 RM'000	31-12-2019 RM'000	31-12-2020 RM'000	31-12-2019 RM'000
<b>Continuing Operations</b>				
Revenue	150,904	83,358	389,940	279,380
Cost of sales	(106,306)	(54,016)	(289,576)	(211,238)
Gross profit	44,598	29,342	100,364	68,142
Other operating income	4,550	226	5,003	643
Operating expenses	(21,598)	(13,918)	(53,022)	(33,851)
Gain on disposal of subsidiary/associated companies	17,531	-	58,155	-
Impairment loss on timber concession and land rights	(169,357)	-	(169,357)	-
<b>Operating (loss)/profit</b>	<b>(124,276)</b>	<b>15,650</b>	<b>(58,857)</b>	<b>34,934</b>
Finance income	746	190	1,306	452
Finance costs	(815)	(154)	(1,352)	(289)
Share of net results of an associated company	(322)	-	(322)	-
<b>(Loss)/Profit before taxation</b>	<b>(124,667)</b>	<b>15,686</b>	<b>(59,225)</b>	<b>35,097</b>
Taxation	(11,223)	(4,541)	(21,989)	(10,846)
<b>Net (loss)/profit from continuing operations</b>	<b>(135,890)</b>	<b>11,145</b>	<b>(81,214)</b>	<b>24,251</b>
<b>Discontinuing operations</b>	<b>(59)</b>	<b>-</b>	<b>(1,803)</b>	<b>-</b>
<b>Net (loss)/profit for the period</b>	<b>(135,949)</b>	<b>11,145</b>	<b>(83,017)</b>	<b>24,251</b>
<b>Other comprehensive (loss)/income, net of tax</b>				
<b>Items that will be reclassified subsequently to profit or loss, net of tax</b>				
- Foreign currency translation	(189)	12	250	(185)
<b>Total comprehensive (loss)/profit for the period</b>	<b>(136,138)</b>	<b>11,157</b>	<b>(82,767)</b>	<b>24,066</b>
<b>Net (loss)/profit attributable to:</b>				
Owners of the Company	(135,823)	11,783	(82,755)	25,015
Non-controlling interests	(126)	(638)	(262)	(764)
	<b>(135,949)</b>	<b>11,145</b>	<b>(83,017)</b>	<b>24,251</b>
<b>Total comprehensive (loss)/profit attributable to:</b>				
Owners of the Company	(136,012)	11,795	(82,505)	24,830
Non-controlling interests	(126)	(638)	(262)	(764)
	<b>(136,138)</b>	<b>11,157</b>	<b>(82,767)</b>	<b>24,066</b>
Basic (loss)/earnings per ordinary share (sen)				
- from continuing operations	(12.52)	1.50	(9.42)	3.19
- from discontinuing operations	(0.01)	-	(0.21)	-
	<b>(12.53)</b>	<b>1.50</b>	<b>(9.63)</b>	<b>3.19</b>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.)

**MAXIM GLOBAL BERHAD [Reg No. 196801000620 (8184-W)]**  
(formerly known as Tadmax Resources Berhad)  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2020**

	<b>(UNAUDITED)</b>	<b>(AUDITED)</b>
	<b>As At End Of Current Quarter 31/12/2020 RM'000</b>	<b>As At Preceding Financial Year End 31/12/2019 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	12,910	178,532
Other investments	77	50
Timber concession rights	-	210,000
Inventories - property development costs	48,854	7,560
Deferred tax assets	279	278
Other receivables	51,002	4,479
	113,122	400,899
<b>Current assets</b>		
Inventories - completed properties	-	346
Inventories - property development costs	223,471	66,750
Trade receivables	22,816	34,148
Contract assets	310,138	51,673
Other receivables, deposits and prepayments	63,325	34,769
Other investments	91,728	2
Tax recoverable	3,300	17
Deposits with licensed financial institutions	1,317	8,497
Cash and bank balances	20,946	27,150
	737,041	223,352
<b>TOTAL ASSETS</b>	<b>850,163</b>	<b>624,251</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to Owners of the Company</b>		
Share capital	452,510	337,510
Share option reserve	528	469
Treasury shares	(155)	(155)
Reserves:		
- Translation reserve	1,533	1,283
- Revaluation reserve	-	56,611
(Accumulated losses)/Retained earnings	(25,823)	321
<b>Shareholders' funds</b>	428,593	396,039
Non-controlling interests	2,249	26,748
<b>TOTAL EQUITY</b>	430,842	422,787

**MAXIM GLOBAL BERHAD [Reg No. 196801000620 (8184-W)]**  
 (formerly known as Tadmax Resources Berhad)  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2020 - continued**

	<b>(UNAUDITED)</b>	<b>(AUDITED)</b>
	<b>As At End Of Current Quarter 31/12/2020 RM'000</b>	<b>As At Preceding Financial Year End 31/12/2019 RM'000</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	36,617	89,405
Lease liabilities	58	170
Bank borrowings	33,509	22,283
	70,184	111,858
<b>Current liabilities</b>		
Trade payables	95,260	56,597
Other payables, deposits and accruals	233,156	21,960
Contract liabilities	2,081	-
Amount due to directors	14,731	2,621
Lease liabilities	195	123
Bank borrowings	450	733
Tax payable	3,264	7,572
	349,137	89,606
<b>TOTAL LIABILITIES</b>	419,321	201,464
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>850,163</b>	<b>624,251</b>
	-	
<b>Net assets per share attributable to ordinary equity holders of the Company (sen)</b>	<b>34.2</b>	<b>50.6</b>

Note: Net assets per share is calculated based on total assets minus total liabilities divided by the total number of ordinary shares in issue.

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.)

**MAXIM GLOBAL BERHAD [Reg No. 196801000620 (8184-W)]**  
 (formerly known as Tadmax Resources Berhad)  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**  
 (The figures have not been audited)

	←----- Attributable to owners of the Company -----→					Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Share Option Reserve RM'000	Other Reserves RM'000	Distributable Retained Earnings / (Accumulated Losses) RM'000			
<b><u>12 months ended 31 December 2020</u></b>								
As at 1 January 2020	337,510	(155)	469	57,894	321	396,039	26,748	422,787
Total comprehensive loss for the financial year	-	-	-	-	(82,755)	(82,755)	(262)	(83,017)
Realisation of revaluation reserve	-	-	-	(56,611)	56,611	-	-	-
Employees' share option scheme	-	-	59	-	-	59	-	59
Non-controlling interests share of net assets of subsidiaries acquired by the Group	-	-	-	-	-	-	1,849	1,849
Issuance of shares pursuant to acquisition a subsidiary	115,000	-	-	-	-	115,000	-	115,000
Subscription of shares by non-controlling interests	-	-	-	-	-	-	500	500
Impairment loss on timber concession and land rights	-	-	-	-	-	-	(26,586)	(26,586)
Exchange differences on translation of foreign entities	-	-	-	250	-	250	-	250
As at 31 December 2020	452,510	(155)	528	1,533	(25,823)	428,593	2,249	430,842
<b><u>12 months ended 31 December 2019</u></b>								
As at 1 January 2019	337,510	(155)	410	58,079	(24,694)	371,150	27,512	398,662
Total comprehensive profit/(loss) for the financial year	-	-	-	-	25,015	25,015	(764)	24,251
Employees' share option scheme	-	-	59	-	-	59	-	59
Exchange differences on translation of foreign entities	-	-	-	(185)	-	(185)	-	(185)
As at 31 December 2019	337,510	(155)	469	57,894	321	396,039	26,748	422,787

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.)

**MAXIM GLOBAL BERHAD [Reg No. 196801000620 (8184-W)]**  
 (formerly known as Tadmax Resources Berhad)  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**  
 (The figures have not been audited)

	Financial year ended	
	31-12-2020 RM'000	31-12-2019 RM'000
<b>OPERATING ACTIVITIES</b>		
(Loss)/Profit before tax from continuing operations	(59,225)	35,097
Loss from discontinued operation	(1,803)	-
(Loss)/Profit before taxation	(61,028)	35,097
<u>Adjustments for:-</u>		
Goodwill written off	18,401	3
Impairment loss on other receivable	10,960	-
Depreciation		
- Continuing operations	3,050	4,800
- Discontinued operation	1,014	-
Impairment loss on timber concession and land rights	169,357	8,000
Gain on disposal of subsidiary companies	(31,398)	-
Gain on disposal of an associated company	(26,757)	-
Unrealised gain on other investment	(27)	-
Allowance for expected credit losses on trade receivables	6	18
Allowance for expected credit losses on receivables no longer required	-	(93)
Finance costs		
-Continuing operations	1,352	289
- Discontinued operation	161	-
Finance income		
-Continuing operations	(1,306)	(452)
- Discontinued operation	(3)	-
Loss on recognition of fair value of financial asset	2,574	-
Share options granted under ESOS	59	59
(Gain)/Loss on disposal of property, plant and equipment	(249)	2
Property, plant and equipment written off	6	4
Impairment loss on property, plant and equipment	-	76
Share of results of an associated company	322	-
Operating profit before working capital changes	86,494	47,803
<u>Changes in working capital:</u>		
Inventories	346	556
Contract assets/(liabilities)	(142,969)	25,848
Inventories - property development costs	18,387	30,228
Receivables	17,702	(18,904)
Payables	28,157	19,180
Net cash from operations	8,117	104,711
Finance income received	1,212	452
Finance costs paid	(952)	(3,579)
Tax paid (net)	(23,654)	(12,467)
<b>Net cash (used in)/from operating activities</b>	<b>(15,277)</b>	<b>89,117</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (Note 1)	(6,678)	(3,466)
Acquisition of subsidiary companies, net of cash and cash equivalents (Note 2)	(5,304)	-
Other investments	(63,167)	3,671
Proceeds from disposal of subsidiary companies, net of cash and cash equivalents (Note 3)	57,319	-
Proceeds from disposal of property, plant and equipment	459	74
Proceeds from disposal of an associated company	10,952	-
Deposits pledged as security	-	196
<b>Net cash (used in)/from investing activities</b>	<b>(6,419)</b>	<b>475</b>
<b>FINANCING ACTIVITIES</b>		
(Repayment to)/Advances from Directors	(2,621)	1,947
Drawn down of bank borrowings	29,318	71,313
Repayment of bank borrowings	(18,376)	(134,956)
Repayment of lease liabilities	(268)	(372)
<b>Net cash from/(used in) financing activities</b>	<b>8,053</b>	<b>(62,068)</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(13,643)</b>	<b>27,524</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>259</b>	<b>(193)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<b>34,350</b>	<b>7,019</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<b>20,966</b>	<b>34,350</b>

**MAXIM GLOBAL BERHAD [Reg No. 196801000620 (8184-W)]**  
 (formerly known as Tadmax Resources Berhad)  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 - continued**  
 (The figures have not been audited)

Cash and cash equivalents at the end of the financial year comprise the following:

	Financial year ended	
	31-12-2020	31-12-2019
	RM'000	RM'000
<b>Cash and cash equivalents at the end of the financial year comprise the following:</b>		
Deposits with licensed financial institutions	1,317	8,497
Cash and bank balances	20,946	27,150
	<u>22,263</u>	<u>35,647</u>
Less: Deposits with licensed banks pledged as security for banking facilities	(1,297)	(1,297)
	<u><b>20,966</b></u>	<u><b>34,350</b></u>

**NOTE 1 - PURCHASE OF PROPERTY, PLANT AND EQUIPMENT**

During the financial year, the Group acquired property, plant and equipment with an aggregate cost of RM7,009,000 of which RM331,000 was acquired under hire purchase arrangements by the Group. Cash payment made by the Group for the acquisition of property, plant and equipment amounted to RM6,678,000.

**NOTE 2 - ACQUISITION OF SUBSIDIARY COMPANIES**

(a) The fair value of the identifiable assets and liabilities arising from the acquisition of subsidiary companies are as follows:

	RM'000
Property, plant & equipment	90
Inventories - Property development costs	132,703
Trade receivables	15,716
Contract assets	113,413
Other investments	28,559
Other receivables, deposits and prepayments	11,982
Deposits with licensed financial institution	20
Cash and bank balances	15,434
Trade payables	(37,542)
Other payables, deposits and accruals	(206,854)
Amount due to directors	(14,731)
Tax payable	(3,622)
Fair value of net assets	55,168
Less : Non-controlling interests	(1,849)
Group's share of net assets	53,319
Premium on acquisition	64,038
Goodwill on acquisition	18,401
Total cost of acquisition	<u>135,758</u>

(b) The effects of the acquisition on cash flows are as follows:

Total consideration for equity interest acquired	135,758
Less: Non cash consideration	(115,000)
Less: Cash and cash equivalents of subsidiary companies acquired	(15,454)
Net cash inflow on acquisition of subsidiary companies, net of cash and cash equivalents	<u>5,304</u>

**NOTE 3 - DISPOSAL OF SUBSIDIARY COMPANIES**

(a) The fair value of the identifiable assets and liabilities arising from the disposal of subsidiary companies are as follows:

	RM'000
Property, plant & equipment	117,183
Other receivables	35
Cash and bank balances	942
Other payables	(22,193)
Lease liabilities	(102)
Deferred tax liabilities	(12,104)
Fair value of net assets	83,761
Less : 40% interests retained under investment in associate	(33,518)
Fair value of net assets disposed	50,243
Gain on disposal of subsidiary companies	31,398
Tax and expenses incurred on disposal	21,559
Total consideration on disposal	<u>103,200</u>

(b) Total consideration on disposal settled by :-

Cash	79,820
Deferred payment (payable by May 2021)	23,380
	<u>103,200</u>

(c) Cash consideration received

Less : Tax and expenses incurred on disposal	(21,559)
Less: Cash and cash equivalents of subsidiary companies disposed	(942)
Proceeds from disposal of subsidiary companies	<u>57,319</u>

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.)

**Notes to the Condensed Consolidated Interim Financial Statements**  
**For the financial quarter ended 31 December 2020**

**1. Basis of Preparation and Accounting Policies**

The interim financial statements have been prepared under the historical cost convention, except for the valuation of timber concession rights and certain property, plant & equipment that are stated at fair value.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysia Financial Reporting Standards (“MFRSs”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 December 2019.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2019, except for the mandatory adoption of the new MFRSs, amendments or improvements to MFRSs and New IC interpretations (“IC Int.”) that have been issued by the Malaysian Accounting Standards Board (“MASB”) which take effects on and/or after 1 January 2020.

The adoption of the new standards, amendments or improvements to MFRSs and new IC Int. is not expected to have significant impact on the financial statements of the Group upon their initial application.

**2. Auditors’ Report on Preceding Annual Financial Statements**

The auditors’ report of the annual financial statements of the Group for the financial year ended 31 December 2019 was not subject to any qualification.

**3. Seasonal or Cyclical Factors**

The business of the Group was not affected by any significant seasonal or cyclical factors during the quarter under review.

**4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the financial quarter under review, save for a one-off impairment of RM169.4 million on its assets held in Boven Digoel, Papua, Republic of Indonesia.

**5. Material Changes in Estimates**

There were no significant changes made in the estimates of amounts reported in prior financial years.

## 6. Changes in Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during current quarter under review except for the issuance and allotment of 469,387,755 new ordinary shares, all at issue price of RM0.245 each on 3 November 2020 pursuant to the acquisition of 100% equity interest in Majestic Maxim Sdn. Bhd. The above newly issued shares were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on 4 November 2020. With the foregoing allotment and issuance of shares, the issued share capital of the Company since 3 November 2020 comprised 1,253,149,147 ordinary shares (inclusive of 474,300 treasury shares), equivalent to RM452,509,683.

## 7. Dividends Paid

There was no dividend paid during the current quarter ended 31 December 2020 (31 December 2019: RM Nil).

## 8. Segmental Reporting

The segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. Segmental information is presented in respect of the Group's business segment as follow:

	Current Quarter 3 months ended				Cumulative Quarter 12 months ended			
	31/12/2020		31/12/2019		31/12/2020		31/12/2019	
	Revenue RM'000	Profit/(Loss) Taxation RM'000	Revenue RM'000	Profit/(Loss) Taxation RM'000	Revenue RM'000	Profit/(Loss) Taxation RM'000	Revenue RM'000	Profit/(Loss) Taxation RM'000
<b>Continuing Operations</b>								
• Property	150,874	42,182	81,715	25,388	389,636	89,968	268,379	52,536
• Industrial supplies	30	(22)	1,643	9	304	(211)	11,001	(40)
• Energy	-	-	-	(513)	-	-	-	(2,338)
• Investment holding	-	3,520	-	(713)	-	22,917	-	(5,087)
• Others	-	(169,956)	-	(8,521)	-	(171,531)	-	(10,137)
	<b>150,904</b>	<b>(124,276)</b>	<b>83,358</b>	<b>15,650</b>	<b>389,940</b>	<b>(58,857)</b>	<b>279,380</b>	<b>34,934</b>
Finance income	-	746	-	190	-	1,306	-	452
Finance costs	-	(815)	-	(154)	-	(1,352)	-	(289)
Share of results in an associate	-	(322)	-	-	-	(322)	-	-
	<b>150,904</b>	<b>(124,667)</b>	<b>83,358</b>	<b>15,686</b>	<b>389,940</b>	<b>(59,225)</b>	<b>279,380</b>	<b>35,097</b>
<b>Discontinuing Operations</b>								
• Energy	-	(59)	-	-	-	(1,803)	-	-
	<b>150,904</b>	<b>(124,726)</b>	<b>83,358</b>	<b>15,686</b>	<b>389,940</b>	<b>(61,028)</b>	<b>279,380</b>	<b>35,097</b>

## 9. Carrying Amount of Revalued Assets

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the financial year ended 31 December 2019.



## **10. Subsequent Material Events**

There were no material events subsequent to the end of the current financial quarter under review to the date of announcement which were likely to substantially affect the results and the operations of the Group.

## **11. Changes in Composition of the Group**

With the completion of the acquisition of Majestic Maxim Sdn. Bhd. on 4 November 2020, it had become a wholly owned subsidiary of the Company.

On 11 November 2020, the Company acquired two ordinary shares in Blue Ocean Maxim Sdn Bhd (“Blue Ocean Maxim”) for a purchase consideration of RM2 in cash, resulting in Blue Ocean Maxim becoming a wholly owned subsidiary of the Company. Subsequent to the financial quarter ended 31 December 2020, Blue Ocean Maxim became a 70% owned subsidiary of the Company following the subscription and allotment of 30% equity interest to Lembaran Pertama Sdn Bhd, a non-related company.

On 27 November 2020, the Company had entered into a share sale agreement (“SSA 1”) with Worldwide Holdings Berhad (“WHB”) to dispose off the remainder 40% equity interest in Pulau Indah Power Plant Sdn. Bhd. (“PIPP”) held by the Company as an associated company for a total consideration of RM70,000,000. On 8 December 2020, the SSA 1 was duly completed, resulting in PIPP ceasing to be an associate of the Company.

Further, the Company had on 27 November 2020 entered into a share sale agreement (“SSA 2”) with WHB to dispose off 100% equity interest in Tadmax PMC Sdn. Bhd. (“TPMC”) for a total consideration of RM3,000,000. On 8 December 2020, the SSA 2 was duly completed, resulting in TPMC ceasing to be a subsidiary of the Company.

Save for the above, there were no changes in the composition of the Group for the current financial quarter under review.

## **12. Changes in Contingent Liabilities and Contingent Assets**

There were no contingent liabilities or contingent assets since 31 December 2019 till the date of announcement of this quarterly report.

## **13. Capital and Other Commitments**

There are no material authorised capital and other commitments not provided for in the interim financial statements as at 31 December 2020 except as below:-

	RM'000
Other commitments to purchase Inventories – property development costs	
- Authorised and contracted for	70,201

The above other commitments are in respect of the acquisition of a piece of leasehold land located in Alam Damai, Cheras by Bendera Juara Maxim Sdn. Bhd. (formerly known as Bendera Juara Sdn. Bhd.) and another piece of leasehold land located at Taman Desa Aman, Cheras by Builtamont Maxim Sdn. Bhd. (formerly known as Builtamont Development Sdn. Bhd.), of which both the sale purchase agreements are pending completion as at the end of the current financial quarter under review.

#### 14. Significant Related Party Transactions

There are no significant related party transactions in the current quarter under review.

#### Additional Explanatory Notes in compliance with Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

#### 15. Review of Performance

The performance of the Group by operating segments are analysed below:

in RM'000	Current Quarter		Inc/(Dec) %	Preceding Quarter	Inc/(Dec) %	Cumulative Quarter		Inc/(Dec) %
	31/12/2020	31/12/2019				31/12/2020	31/12/2019	
<b>Revenue</b>				<b>30/9/2020</b>				
• Property	150,874	81,715	85%	103,869	45%	389,636	268,379	45%
• Industrial								
supplies	30	1,643	-98%	61	-51%	304	11,001	-97%
	<b>150,904</b>	<b>83,358</b>	81%	<b>103,930</b>	45%	<b>389,940</b>	<b>279,380</b>	40%
<b>Profit/(Loss) before tax</b>								
<b>Continuing Operations</b>								
• Property	42,182	25,388	66%	21,207	99%	89,968	52,536	71%
• Industrial								
supplies	(22)	9	-344%	(82)	-73%	(211)	(40)	428%
• Energy	-	(513)	-100%	(595)	-100%	-	(2,338)	-100%
• Investment holding	3,520	(713)	-594%	21,002	-83%	22,917	(5,087)	-551%
• Others	(169,956)	(8,521)	1895%	(522)	32459%	(171,531)	(10,137)	1592%
	<b>(124,276)</b>	<b>15,650</b>	-894%	<b>41,010</b>	-403%	<b>(58,857)</b>	<b>34,934</b>	-268%
Finance income	746	190	293%	288	159%	1,306	452	189%
Finance costs	(815)	(154)	429%	(184)	343%	(1,352)	(289)	368%
Share of results in an associate	(322)	-		-		(322)	-	-100%
	<b>(124,667)</b>	<b>15,686</b>	-895%	<b>41,114</b>	-403%	<b>(59,225)</b>	<b>35,097</b>	-269%
<b>Discontinuing Operations</b>								
• Energy	(59)	-	-100%	-	-100%	(1,803)	-	-100%
	<b>(124,726)</b>	<b>15,686</b>	-895%	<b>41,114</b>	-403%	<b>(61,028)</b>	<b>35,097</b>	-274%

#### Review on Performance – Current Quarter compared to Corresponding Quarter

##### a) Overall Review of Group performance

#### **MAXIM'S RESULTS FOR 4<sup>TH</sup> QUARTER 2019 IMPACTED BY A ONE-OFF IMPAIRMENT CHARGE OF RM169.4 MILLION ON ITS ASSETS IN PAPUA, REPUBLIC OF INDONESIA**

The Group's revenue grew by 81% to register at RM150.9 million vis-à-vis the preceding corresponding quarter, mainly derived from the Property business segment which was in turn directly attributed to the additional revenue recognised of RM49.2 million under newly acquired subsidiary, Majestic Maxim Sdn. Bhd. which is located at Alam Damai, Cheras. Revenue of RM59.4

million was contributed by Mizumi Residences condominium project in Taman Metropolitan, Kepong, based on the percentage completion achieved of 8.3% vis-à-vis the preceding year corresponding quarter at 8.6% and higher sales achievement of 98.8% (2019: 94.1%) as at the end of quarter under review. Meanwhile, the affordable homes, Residensi Metro Kepong project in Taman Metropolitan, Kepong, launched since October 2019, contributed revenue at RM35.1 million in the current quarter under review. As for the Group's Ganggarak Permai project in Labuan FT, the revenue recognition from both phases 3 and 4 which have commenced since 4th Quarter 2018 have reported a lower revenue at RM7.2 million in current quarter vis-à-vis RM9.0 million in the preceding year corresponding quarter. Meanwhile, Industrial supplies saw a significant decline due mainly to the closure of the Group's ready-mixed concrete plant located in Labuan FT in November 2019.

The strong revenue performance of Mizumi Residences and aided by newly acquired subsidiary, Majestic Maxim Sdn. Bhd., both supported the property segment registering profit before tax contribution of RM42.2 million. In addition, investment holding segment contributed profit before tax of RM3.5 million, mainly a result of a one-off gain of RM17.5 million arising from the disposal of the remaining 40% equity interests in an associated company, Pulau Indah Power Plant Sdn. Bhd. along with a wholly-owned subsidiary, Tadmax PMC Sdn Bhd, set-off by impairment of debt under other receivable of RM10.96 million.

However, with the one-off impairment of the Group's assets held in the Boven Digoel, Papua, Republic of Indonesia amounting to RM169.4 million, the Group recorded a loss before interest and tax for the current quarter of RM124.2 million vis-à-vis a profit of RM15.7 million in the preceding year corresponding quarter.

The Group has decided to fully impair its assets (comprising timber concession rights and land with cultivation rights) where the net carrying value is RM169.4 million, held in the Republic of Indonesia in view of the operational challenges faced by the Group in the last couple of years. Earlier attempts to undertake timber felling and oil palm plantation did not materialise as applications for licenses were met with much challenges. There were attempts to revoke the licenses by the local authority in the district of Papua, Republic of Indonesia (which were not conveyed to the Group) and upon subsequent knowledge, the Group had secured legal opinions and initiated legal action by referring the matter to the Ministry of Law and Human Rights (under the Federal Government of the Republic of Indonesia) who issued a decision that the said revocation was unlawful and invalid (as was issued beyond their legal jurisdiction and in violation of MAXIM Group's rights) and confirmed that MAXIM Group has the legal rights over the assets.

Attempts to get all relevant parties to adhere to and implement the decision of the Ministry of Law and Human Rights (Republic of Indonesia) did not result in any progress and were made much more difficult with the COVID-19 pandemic. The COVID-19 has also prevented the Group from making trips to the Republic of Indonesia to liaise with the relevant authorities with a view to safeguard the Group's assets.

As the Group is uncertain of the status of its assets in Papua, Republic of Indonesia, it has decided to impair in full the mentioned assets whilst at the same time continuing to undertake the necessary action to safeguard the rights of the Group over its assets. This includes taking the appropriate and available legal recourse, the progress of which is severely impacted by COVID-19 and with uncertainty of the time required before final decision (including any appeals) be meted by the Courts of the Republic of Indonesia. The necessary announcements will be released to Bursa Malaysia upon any material development.

**b) Segmental Review**

• **Property**

This business segment has in the current financial quarter under review added a new property development project, namely Residensi Majestic Maxim, located in Alam Damai, Cheras, Kuala Lumpur, following the completion of the acquisition of Majestic Maxim Sdn. Bhd. with effect from 4 November 2020. This project adds to the existing three property development projects, namely, Ganggarak Permai in Ganggarak, Labuan FT and Mizumi Residences with Residensi Metro Kepong, both in Taman Metropolitan, Kepong, Kuala Lumpur. The summary of performance and progress are as below:-

	<u>Ganggarak Labuan</u>	<u>Taman Metropolitan, Kepong</u>		<u>Alam Damai, Cheras</u>
Name of projects	Ganggarak Permai	Mizumi Residences	Residensi Metro Kepong	Residensi Majestic Maxim
Net property sales ('000)	RM73,575	RM676,123	RM279,894	RM789,650
Unbilled sales ('000)	RM11,613	RM45,742	RM208,111	RM269,588
Percentage completion (year-to-date)	Phase 3 – 82.5% (December 2019: 47.5%)  Phase 4 – 91.1% (December 2019 : 69.1%)	93.2% (December 2019: 58.9%)	25.7% (December 2019: 6.1%)	65.9% (December 2019: Not applicable as project company acquired in November 2020)
Operating (loss)/profit for the quarter ('000)	(RM1,357) 2019: RM216	RM40,347 2019: RM25,256		RM3,484 2019: Not applicable

Residensi Majestic Maxim, a high-rise mixed development comprising an 8-storey commercial podium with retail/office space, commercial space and car park and 4 blocks of 37-storey service apartments in Alam Damai, Cheras, Kuala Lumpur with total estimated gross development value of RM986 million. The Group started to account for all the remaining revenue and profits from this project since 4 November 2020 along with all the cash flows generated from it. As at the end of the quarter under review, the project has achieved percentage completion of 65.9% with almost all the available 2,136 units of service apartment and 43 units of shop lot having been sold and/or booked.

Phases 3 and 4 of Ganggarak Permai recorded a loss of RM1.357 million for the quarter under review (vis-à-vis operating profit of RM0.216 million in the preceding year corresponding quarter), mainly due to the unbudgeted upward revision in authorities' contribution cost and handover cost. As a result of COVID-19 pandemic, the delivery of vacant possession for Phases 3 and 4 are expected to be delayed but with introduction by the Malaysian Government of the temporary measures to reduce the impact of COVID-19 (known as the COVID Bill), the period from 18 March 2020 to 31 August 2020 shall be excluded from the calculation of the time for delivery of vacant possession. This relief enables the Group to deliver the vacant possession targeted in 2<sup>nd</sup> quarter 2021, delivery in time pursuant to the sales and purchase agreements with house purchasers.

Mizumi Residences continued with its strong performance with its steady development progress and was the main contributor of the Group's earnings for the quarter under review. Currently, the total sold and booked units totals 99.9% of the total available units. In relation to the physical progress of the project, all the three blocks D, E and F have achieved 100% completion of the tower structures. During the quarter under review, the project recorded a slightly lower percentage completion of 8.31% vis-à-vis the preceding year corresponding quarter at 8.56%, cushioned by higher sales achievement at 98.8% as at the end of the quarter under review vis-a-vis the preceding year corresponding quarter at 94.1%. The Movement Control Order has invariably delayed the earlier planned date of delivery of vacant possession sometime end of the current financial year to

now targeted at end of the 1st quarter of 2021 and is still well within the delivery period to end-purchasers.

Meanwhile, Residensi Metro Kepong, an affordable housing project, registered a satisfactory take-up rate where the total sold and booked units totals approximately 98.8% out of total available 1,520 units. The development of this project has attained completion of the piling and pilecap works and the construction of the main building works has commenced since June 2020. The project has achieved percentage of completion at 25.7% as at the end of the quarter under review whilst current quarter attained 12.1% (2019: 6.1%). The delivery of vacant possession is envisaged sometime in second half of financial year 2022.

- **Energy**

With the complete divestment of the companies within this Energy business segment, the Group will cease accounting for the results with effect from 8 December 2020, the completion date of the disposal of the entities in the Energy business segment. The current quarter under review saw a marginal recognition of loss of RM59,000 and the recognition of share of losses in an associate of RM322,000, representing the Group's share of operating expenses incurred.

### **Review on Performance - Current Quarter compared to Preceding Quarter**

The Group's revenue for the current quarter registered at RM150.9 million or 45% higher than the preceding quarter mainly due to contribution from Residensi Majestic Maxim, a project under a newly acquired subsidiary, Majestic Maxim Sdn. Bhd., with revenue posted at RM49.2 million. Whilst, on-going Mizumi Residences and Residensi Metro Kepong reported revenue at RM59.4 million and RM35.1 million respectively (vis-à-vis RM75.7 million and RM19.9 million respectively in the preceding quarter). This higher revenue was the main driver for the Group's Property business segment to record a 99% jump in profit before tax and interest to RM42.2 million.

As reported in the above Overall Review, the current quarter's investment holding segment contributed profit before tax of RM3.5 million, mainly a result of a one-off gain of RM17.5 million arising from the disposal of the remaining 40% equity interests in an associated company, Pulau Indah Power Plant Sdn. Bhd. ("PIPP") along with a wholly-owned subsidiary, Tadmax PMC Sdn. Bhd., set-off by impairment of debt under other receivable of RM10.96 million. Current quarter also recognized a one-off impairment of the Group's assets held in the Boven Digoel, Papua, Republic of Indonesia amounting to RM169.4 million vis-à-vis the preceding quarter reporting a one-off gain of RM40.6 million arising from the disposal of 60% equity interest in a subsidiary, PIPP, set-off by goodwill written off of RM18.4 million arising from the acquisition of 100% and 55% equity interest in Ribu Permata Development Sdn. Bhd. and Builtamont Maxim Sdn. Bhd. respectively.

Consequently, the Group recorded a loss before interest and tax (including discontinued business) for the current quarter of RM124.7 million vis-à-vis a profit of RM41.1 million in the preceding quarter.

## **16. Prospects**

The completion of the disposal of the two subsidiary companies in the Energy business segment paved the way for the MAXIM Group to focus on its core activity of Property Development and Construction. The disposal of the companies in the Energy business segment enables MAXIM to monetise its investments by recording a total net gain on disposal of RM58.2 million and enhance Group cash flow (net of expenses of RM31.6 million) by RM141.6 million. Whilst a sum of RM23.4 million and RM49.0 million are only receivable in May 2021 and December 2023 respectively, the proceeds from disposal will provide additional working capital for the Group's existing and future projects as well as for the Group's future investments in other complementary businesses and/or assets of Property Development and Construction business segment.

To-date, MAXIM has progressed much by inking a few acquisitions of land bank at strategic locations with potential growth to further strengthen the Group's foothold in the Property Development and Construction activities and with a view to generate long-term sustainable income. The current financial year under review saw the completion of the acquisition of a leasehold land in Alam Damai (measuring 3.24 acres) whilst in the forthcoming financial year 2021, the Group expects the completion of the acquisition of three pieces of leasehold lands located at Alam Damai, Cheras, Kuala Lumpur (measuring 5.73 acres), another at Taman Desa Aman, Cheras, Kuala Lumpur (measuring 2.60 acres) and the third land at Bandar Sri Permaisuri, Kuala Lumpur (measuring 6.06 acres). The Group targets to launch the development of at least one of these newly acquire development land in forthcoming financial year 2021.

Despite the present COVID-19 pandemic and slowdown in the residential property market, the Group's Property Development business segment is moving forward cautiously. The well-received and advanced stages of all its existing launched projects, namely, Mizumi Residences in Taman Metropolitan, Kepong, Residensi Majestic Maxim in Alam Damai, Cheras, Kuala Lumpur and Ganggarak Permai in Labuan FT will provide good earning visibility of the Group's performance for the forthcoming financial year 2021 except for Mizumi Residences which is scheduled for completion in the first quarter of year 2021, leaving behind a remainder percentage completion of approximately 6.8% to be recognized (from percentage completion of 93.2% as at 31 December 2020).

However, the Group's affordable housing project in Taman Metropolitan, Kepong, Residensi Metro Kepong will contribute revenue to the Group for at least until second half of year 2022 but profit contribution will not be significant in view of the nature of the development.

As for Residensi Majestic Maxim, though it will contribute to the profitability of the Group for the forthcoming financial year 2021 until delivery of vacant possession envisaged in March 2022, where the Group will be entitled to all the remaining revenue and profits (remaining post-tax profits of approximately RM90 million) from this project from the completion date of acquisition of this project (where the percentage completion was 59.4%) but the profits are subjected to adjustment for the amortisation of property development cost at group level arising from the acquisition totalling approximately RM64.0 million, hence resulting in a net profit contribution of approximately RM26 million over the remaining periods. However, the Group will enjoy all the cash flows to be generated from this project.

On the back of a challenging business conditions in the property sector, the Group endeavours to partly address this by undertaking the development of mid-range and affordable homes within strategic locations in the Klang Valley and the Board believes this will remain the favourite in the medium-term, driven by fundamental market dynamics and supported by low interest rate regime. Among others, the Group will ensure the quality of its products, timely delivery of its commitments and well-thought-out pricing and products.

## **17. Disclosure of COVID-19 Related Impacts**

Unavoidably, the Group's business operations will be affected by the movement control order ("MCO") implemented since March 2020 followed by recovery MCO during the 2<sup>nd</sup> quarter 2020 and conditional MCO from 14 October 2020, subsequently has again imposed the MCO and conditional MCO from 11 January 2021 (collectively referred to as "MCOs"). The impact was the disruption to the progress of the Group's property development activities. With economic activities allowed since the 2<sup>nd</sup> half of year 2020, the Group managed to register respectable percentages of completion of its property development activities. The MCOs are expected to have minimal effect on the overall Group earnings (on the basis that almost all the available units having been sold and/or booked coupled with the advance stage of completion) as any deferred recognition of earning will be recognized in the subsequent quarters.

Further, the Group does not expect any material variation to its property development expenditures on the on-going development contracts. Meanwhile, the Group has met and is envisaged to meet all its short-term debt obligations and operating expenditures during this unprecedented period supported by the advanced stages of completion and high take-up rates of all its existing property development projects and respectable net cash inflows from the Group's existing property development projects. On this premise, the Group is expected to have sufficient working capital and is confident to sustain its business operation despite the effects of COVID-19.

Further, the divestment of the Group's entire interest in the Energy business segment has further eliminated all associated impacts of COVID-19 of this disposed business on the Group.

The Management has assessed the overall impact of the situation on the Group's operations and financial performance, and it was concluded that no material effects were envisaged on the unaudited consolidated income statements for the quarter under review except as provided and disclosed herein. Likewise, the Group has also assessed on its financial position and concluded that no material impairment to its assets, inventories or receivables are expected except as provided and disclosed herein.

For the forthcoming financial year 2021, the Management is unable to reliably estimate the financial impact of COVID-19 on the Group's financial results as the pandemic has yet to run its full course, hence the current situation is still fluid. In any event, the Management shall continuously assess the impact of COVID-19 to the Group's operations as well as the financial position from time to time.

The Group believes that the staff is the most valuable asset to the Group. The health and safety measurement of the staff are always the priority matter to be handled. In this respect, the Group is fully committed to comply with all the government's Standard Operating Procedures as imposed and as amended from time to time.

## **18. Profit Forecast and Profit Guarantee**

There is no profit forecast and profit guarantee that is applicable to the Group.

**19. Taxation**

Taxation comprises the following:

	Current Quarter (3 months ended)		Cumulative Quarter (12 months ended)	
	31/12/2020 RM'000	31/12/2019 RM'000	31/12/2020 RM'000	31/12/2019 RM'000
Current tax:				
Malaysian income tax	(3,048)	10,946	11,888	20,804
Under/(Over) provision of Malaysian income tax in prior financial years	541	(3,015)	553	(3,015)
	(2,507)	7,931	12,441	17,789
Deferred tax	13,730	(3,390)	9,548	(6,943)
Total taxation	11,223	4,541	21,989	10,846

Included in the income tax figure for the quarter ended 31 December 2020 are the net adjustment for deferred tax charges in respect of depreciation of property, plant and equipment, fair value adjustment to inventories - property development costs and other temporary timing difference.

**20. Corporate Proposals**Status of Corporate Proposals Announced(A) Letter of Award for the Development of 1,000MW – 1,200MW Combined Cycle Gas Turbine Power Plant in Pulau Indah

On 27 November 2020, the Company announced that it had on 27 November 2020 entered into a Share Sale Agreement (“SSA1”) with Worldwide Holdings Berhad to dispose off 40% equity interest or equivalent to 20,000,000 ordinary shares of Pulau Indah Power Plant Sdn Bhd (“PIPP”) (“Sale Shares of PIPP”), a 40% associated company of MAXIM, for a total disposal consideration of RM70,000,000 to be satisfied entirely in cash.

On the same date, the Company had also entered into another Share Sale Agreement (“SSA2”) with Worldwide Holdings Berhad to dispose off the entire 100% equity interest or equivalent to 1,000,000 ordinary shares of Tadmax PMC Sdn Bhd (“TPMC”), a wholly-owned subsidiary company of MAXIM, for a total disposal consideration of RM3,000,000 to be satisfied entirely in cash. TPMC is a project management company that provides project management services to PIPP in the development of the Project.

Prior to entering into the SSA1, the Company has on 26 November 2020 received from the Energy Commission of Malaysia a letter dated 26 November 2020 informing that the Government of Malaysia vide the Ministry of Water, Land and Natural Resources had granted its approval on 25 November 2020 among others, on the Sale Shares of PIPP.

The SSA1 and SSA2 were duly completed on 8 December 2020.



*(B) Proposed Acquisition of 100% Equity Interest in Majestic Maxim Sdn Bhd*

On 4 June 2020, the Company entered into a conditional sale of shares agreement with Maxim Holdings Sdn. Bhd. (“**Maxim Holdings**”) for the proposed acquisition of 100% equity interest in Majestic Maxim Sdn. Bhd. by the Company from Maxim Holdings for a consideration of RM115,000,000 to be satisfied entirely via the issuance of 469,387,755 new ordinary shares (“**Consideration Shares**”) in the Company at an issue price of RM0.245 per share of the Company (“**Proposed Acquisition**”).

In conjunction with the Proposed Acquisition, Maxim Holdings, being the offeror, and the persons acting in concert with intend to seek an exemption from the Securities Commission Malaysia under Paragraph 4.08(1)(a) of the Rules on Take-Overs, Mergers and Compulsory Acquisitions from the obligation to undertake a mandatory take-over offer to acquire the remaining Company’s shares not already owned by them upon the completion of the Proposed Acquisition (“**Proposed Exemption**”).

The Proposed Acquisition and Proposed Exemption are subject to the approval of the Company’s shareholders, approval of Bursa Malaysia Securities Berhad for the listing of and quotation for the Consideration Shares and approval of the Securities Commission for the Proposed Exemption. At an Extraordinary General Meeting of the Company held on 16 October 2020, the requisite approvals were obtained whilst the Securities Commission had on 26 October 2020 approved the application in relation to the Proposed Exemption submitted on behalf of Maxim Holdings and its persons acting in concert.

This was followed by the completion of the Proposed Acquisition on 4 November 2020 and resulting in Majestic Maxim Sdn. Bhd. being a wholly-owned subsidiary of the Company and as such, the Company will be entitled to all the remaining revenue and profits from the development project hereinafter and all the cash flows generated from it.

(C) Status of Utilisation of Proceeds arising from Disposal of 100% Equity Interest in PIPP and TPMC

Utilisation of gross proceeds raised from the disposal of 100% equity interest in Pulau Indah Power Plant Sdn Bhd (“**PIPP**”) and Tadmax PMC Sdn Bhd (“**TPMC**”) up to 31 December 2020 is set out below:-

<u>Details of Utilisation</u>	Total (RM'000)	Actual Utilisation to 31 December 2020 (RM'000)	Balance (RM'000)	Timeframe for utilisation
1) Payment on the unfinanced portion of the purchase price of Alam Damai Land 1	9,000	8,849	151	Within 3 months
2) Payment on the unfinanced portion of the purchase price of Alam Damai Land 2	11,450	10,462	988	Within 3 months
3) Payment on the unfinanced portion of the purchase price, development charges and development cost of land in Taman Desa Aman, Cheras, Kuala Lumpur	11,000	-	11,000	Within 12 months
4) Future investment in other complementary businesses and/or assets (Note 1)	113,000	20,525	92,475	-
5) Working capital purposes	8,450	2,167	6,283	Within 24 months
6) Estimated expenses in relation to the Proposal	20,300	12,725	7,575	Within 1 month
	<u>173,200</u>	<u>54,728</u>	<u>118,472</u>	

Note 1 - To note that a sum of RM23.38 million will be received by 28 May 2021 whilst another sum of RM49.0 million will be received by 31 December 2023.

**21. Group Borrowings and Debts Securities**

Group borrowings are as follows:-

	<b>As at 31/12/2020 RM'000</b>	<b>As at 31/12/2019 RM'000</b>
(a) Current borrowings – secured		
Term loans	450	733
Lease liabilities	195	123
	<u>645</u>	<u>856</u>
(b) Non-current borrowings – secured		
Term loans	33,509	22,283
Lease liabilities	58	170
	<u>33,567</u>	<u>22,453</u>

All the Group borrowings are denominated in Malaysian currency and are secured. Term loans increased by RM10.9 million as compared to the preceding year corresponding quarter due to term loan drawdown of RM29.3 million to finance the acquisition of a piece of leasehold land by the Company's wholly owned subsidiary, Mizumi Development Sdn Bhd, set off by the full settlement of the term loans for the Group's Residensi Metro Kepong property development project in Taman Metropolitan, Kepong. The above loans bear interest rate ranged from 3.65% - 5.82% per annum.

Bank borrowings are expected to increase further in the following quarter with the progress of development of the Group's Residensi Metro Kepong project which have commenced the construction of the main building works since March 2020. Further, the Company's 70% owned subsidiary, Bendera Juara Maxim Sdn Bhd (formerly known as Bendera Juara Sdn Bhd) has inked to acquire a piece of leasehold land, measuring 23,170 sq meter (approximately 5.73 acres) located at Alam Damai, Cheras, Kuala Lumpur for a total purchase consideration of RM64,844,000. The purchase of the aforesaid land will be partly funded by a banking facility of RM51,875,200. This banking facility has been drawn down in the 1<sup>st</sup> quarter of year 2021.

## 22. Trade Receivables

The Trade Receivables and corresponding ageing of the Group as at 31 December 2020 are as follow:-

	Total RM'000		
Trade receivables	22,885		
Less : Allowance for Expected Credit Losses	(69)		
	<u>22,816</u>		
			As at 31/12/2019
	RM'000	%	RM'000
Neither past due nor impaired	13,913	61.0%	24,954
Past due 31 to 60 days not impaired	3,720	16.3%	5,763
Past due 61 to 90 days not impaired	1,586	7.0%	908
Past due > 91 days not impaired	3,597	15.8%	2,517
Past due > 91 days impaired	-	0.0%	6
	<u>22,816</u>	<u>100%</u>	<u>34,148</u>

Trade receivables decreased by 33% vis-à-vis the sum of RM34.15 million as at 31 December 2019 despite consolidated the trade receivables of RM12.1 million by a new acquired subsidiary, Majestic Maxim Sdn. Bhd.. This was mainly due to a combination of better collection, lower progress billing issued to end-purchasers towards the end of the quarter under review amounting to RM9.3 million vis-à-vis RM15.6 million as at 31 December 2019 and reduced retention sum of RM4.7 million included in the trade receivables vis-à-vis RM8.1 million as at 31 December 2019. This retention sum is held and will be released in due time pursuant to the Housing Development (Control and Licensing) Act 1966.

There are no trade receivables from related parties and there is no major customer from the trade receivables.

The trade receivables (except for the retention sums and house buyers) are non-interest bearing and are generally ranged from 30 to 60 days term. However, to house buyers, the normal credit terms is 30 (2019: 30) calendar days and interest is charged on overdue accounts at 10% (2019: 10%) per annum on a daily basis. The Group undertakes regular review of the recoverability of trade receivables and the allowance for expected credit losses are sufficient at the end of the reporting quarter under review.

**23. Financial Instruments****(a) Derivatives**

There were no outstanding derivatives as at 31 December 2020.

**(b) Gain/(Loss) arising from fair value changes in financial assets and liabilities**

There is no gain/(loss) arising from fair value changes in financial assets and liabilities during the quarter ended 31 December 2020 except for the loss on recognition of fair value of financial asset amounting to RM2,574,000 during the quarter under review.

**24. Material Litigation**

There was no other material litigation pending as at 19 February 2021 (being the latest practicable date which shall not be earlier than 7 days from the date of issue of this quarterly report).

**25. Dividend Payable**

No interim ordinary dividend has been declared for the financial period ended 31 December 2020 (31 December 2019: RM Nil).

**26. Earnings Per Share**

## a) Basic Earnings Per Share

	<b>Current Quarter 31/12/2020</b>	<b>Cumulative Quarter 31/12/2020</b>
Loss for the financial period attributable to equity holders of the Company (RM'000)	<u>(135,823)</u>	<u>(82,755)</u>
Weighted average number of ordinary shares in issue ('000)	<u>1,084,308</u>	<u>858,953</u>
Basic loss per share (sen)	<u>(12.53)</u>	<u>(9.63)</u>

**27. Additional Disclosures for Loss for the Financial Period**

	<b>Current Quarter 31/12/2020 RM'000</b>	<b>Cumulative Quarter 31/12/2020 RM'000</b>
<i>Loss for the financial period is arrived at after crediting:-</i>		
Finance income	746	1,306
Rental income	7	78
(Over recognition of gain)/Gain on disposal of subsidiary companies	(9,226)	31,398
Gain on disposal of an associated company	26,757	26,757
Unrealised gain on other investment	27	27
Gain on disposal of property, plant and equipment	66	249
<i>and after charging:-</i>		
Finance costs	815	1,352
Goodwill written off	3	18,401
Rental of property	32	183
Rental of equipment	3	12
Depreciation of property, plant and equipment	680	4,064
Allowance for expected credit losses on trade receivables	6	6
Impairment loss on timber concession and land rights	169,357	169,357
Impairment loss on other receivable	10,960	10,960
Loss on recognition of fair value of financial asset	2,574	2,574
Property, plant and equipment written off	6	6

Other than the above, there was no provision for and write-off of receivables, provision for and write-off of inventories, gain or loss on disposal of quoted or unquoted investments or properties, gain or loss on derivatives, and exceptional items included in the results for the current quarter and financial year ended 31 December 2020.

**28. Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 25 February 2021.

END