

**MAXIM GLOBAL BERHAD [Reg No. 196801000620 (8184-W)]**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2021**

(The figures have not been audited)

|   | 4th Quarter ended    |                      | Financial year ended |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | 31-12-2021<br>RM'000 | 31-12-2020<br>RM'000 | 31-12-2021<br>RM'000 | 31-12-2020<br>RM'000 |
| <b>Continuing Operations</b>  |                      |                      |                      |                      |
| Revenue   | 57,706               | 150,904              | 363,607              | 389,940              |
| Cost of sales   | <u>(52,309)</u>      | <u>(106,306)</u>     | <u>(323,911)</u>     | <u>(289,576)</u>     |
| Gross profit  | 5,397                | 44,598               | 39,696               | 100,364              |
| Other operating income  | 276                  | 4,550                | 13,705               | 5,003                |
| Gain on disposal of subsidiaries/ an associate                                    | -                    | 17,531               | -                    | 58,155               |
| Operating expenses  | (4,019)              | (21,597)             | (16,601)             | (53,021)             |
| Impairment loss on timber concession and land use rights                          | -                    | (169,357)            | -                    | (169,357)            |
| <b>Operating profit/(loss)</b>  | <u>1,654</u>         | <u>(124,275)</u>     | <u>36,800</u>        | <u>(58,856)</u>      |
| Finance income  | 555                  | 746                  | 1,916                | 1,306                |
| Finance costs   | (137)                | (815)                | (669)                | (1,352)              |
| Share of loss of an associate, net of tax   | -                    | (322)                | -                    | (322)                |
| <b>Profit/(Loss) before taxation</b>  | <u>2,072</u>         | <u>(124,666)</u>     | <u>38,047</u>        | <u>(59,224)</u>      |
| Taxation  | (547)                | (11,223)             | (10,568)             | (21,989)             |
| <b>Net profit/(loss) from continuing operations</b>                               | <u>1,525</u>         | <u>(135,889)</u>     | <u>27,479</u>        | <u>(81,213)</u>      |
| <b>Net loss from discontinued operations</b>                                      | -                    | (59)                 | -                    | (1,803)              |
| <b>Net profit/(loss) for the financial period</b>                                 | <u>1,525</u>         | <u>(135,948)</u>     | <u>27,479</u>        | <u>(83,016)</u>      |
| <b>Other comprehensive income/(loss), net of tax</b>                              |                      |                      |                      |                      |
| <b>Items that will be reclassified subsequently to profit or loss, net of tax</b> |                      |                      |                      |                      |
| - Foreign currency translation  | (43)                 | (189)                | (201)                | 250                  |
| <b>Total comprehensive income/(loss) for the financial period</b>                 | <u>1,482</u>         | <u>(136,137)</u>     | <u>27,278</u>        | <u>(82,766)</u>      |
| <b>Net profit/(loss) attributable to :</b>  |                      |                      |                      |                      |
| Owners of the Company   | 1,591                | (135,822)            | 28,140               | (82,754)             |
| Non-controlling interests   | <u>(66)</u>          | <u>(126)</u>         | <u>(661)</u>         | <u>(262)</u>         |
|   | <u>1,525</u>         | <u>(135,948)</u>     | <u>27,479</u>        | <u>(83,016)</u>      |
| <b>Total comprehensive income/(loss) attributable to :</b>                        |                      |                      |                      |                      |
| Owners of the Company   | 1,548                | (136,011)            | 27,939               | (82,504)             |
| Non-controlling interests   | <u>(66)</u>          | <u>(126)</u>         | <u>(661)</u>         | <u>(262)</u>         |
|   | <u>1,482</u>         | <u>(136,137)</u>     | <u>27,278</u>        | <u>(82,766)</u>      |
| Basic earnings/(loss) per ordinary share (sen)                                    |                      |                      |                      |                      |
| - from continuing operations  | 0.13                 | (12.52)              | 2.25                 | (9.42)               |
| - from discontinued operations  | -                    | (0.01)               | -                    | (0.21)               |
|   | <u>0.13</u>          | <u>(12.53)</u>       | <u>2.25</u>          | <u>(9.63)</u>        |

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.)

**MAXIM GLOBAL BERHAD [Reg No. 196801000620 (8184-W)]**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021**

|   | <b>(UNAUDITED)</b> | <b>(AUDITED)</b>  |
|---|--------------------|-------------------|
|   | <b>As At</b>       | <b>As At</b>      |
|   | <b>Financial</b>   | <b>Financial</b>  |
|   | <b>Year Ended</b>  | <b>Year Ended</b> |
|   | <b>31-12-2021</b>  | <b>31-12-2020</b> |
|   | <b>RM'000</b>      | <b>RM'000</b>     |
| <b>ASSETS</b>                                       |                    |                   |
| <b>Non-current assets</b>                           |                    |                   |
| Property, plant and equipment                       | 12,268             | 12,910            |
| Other investments                                   | 77                 | 77                |
| Inventories - property development costs            | 7,992              | 48,855            |
| Deferred tax assets                                 | 287                | 279               |
| Other receivables                                   | 52,015             | 51,002            |
|   | 72,639             | 113,123           |
| <b>Current assets</b>                               |                    |                   |
| Inventories - completed properties                  | 292                | -                 |
| Inventories - property development costs            | 362,652            | 222,792           |
| Trade receivables                                   | 43,770             | 22,505            |
| Contract assets                                     | 237,721            | 310,138           |
| Other receivables, deposits and prepayments         | 9,997              | 64,004            |
| Other investments                                   | 113,071            | 91,728            |
| Tax recoverable                                     | 4,651              | 3,299             |
| Deposits with licensed banks                        | 82                 | 1,317             |
| Cash and bank balances                              | 39,491             | 20,946            |
|   | 811,727            | 736,729           |
| <b>TOTAL ASSETS</b>                                 | <b>884,366</b>     | <b>849,852</b>    |
| <b>EQUITY AND LIABILITIES</b>                       |                    |                   |
| <b>Equity attributable to Owners of the Company</b> |                    |                   |
| Share capital                                       | 452,510            | 452,510           |
| Share option reserve                                | 586                | 528               |
| Treasury shares                                     | (155)              | (155)             |
| Reserves:   |                    |                   |
| - Translation reserve                               | 1,332              | 1,533             |
| Accumulated losses                                  | (10,209)           | (25,822)          |
| <b>Shareholders' funds</b>                          | 444,064            | 428,594           |
| Non-controlling interests                           | 2,350              | 2,249             |
| <b>TOTAL EQUITY</b>                                 | 446,414            | 430,843           |

**MAXIM GLOBAL BERHAD [Reg No. 196801000620 (8184-W)]**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021 - continued**

|  | <b>(UNAUDITED)</b> | <b>(AUDITED)</b>  |
|--|--------------------|-------------------|
|  | <b>As At</b>       | <b>As At</b>      |
|  | <b>Financial</b>   | <b>Financial</b>  |
|  | <b>Year Ended</b>  | <b>Year Ended</b> |
|  | <b>31-12-2021</b>  | <b>31-12-2020</b> |
|  | <b>RM'000</b>      | <b>RM'000</b>     |
| <b>Non-current liabilities</b>   |                    |                   |
| Other payables   | 17,373             | -                 |
| Deferred tax liabilities   | 10,561             | 36,617            |
| Lease liabilities  | 11                 | 58                |
| Bank borrowings  | 126,275            | 33,509            |
|  | 154,220            | 70,184            |
| <b>Current liabilities</b>   |                    |                   |
| Trade payables   | 85,608             | 99,680            |
| Other payables, deposits and accruals  | 178,132            | 230,506           |
| Amount due to directors  | 8,378              | 14,731            |
| Lease liabilities  | 100                | 195               |
| Bank borrowings  | 466                | 449               |
| Tax payable  | 11,048             | 3,264             |
|  | 283,732            | 348,825           |
| <b>TOTAL LIABILITIES</b>   | 437,952            | 419,009           |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <b>884,366</b>     | <b>849,852</b>    |
|  | -                  | -                 |
| <b>Net assets per share attributable<br/>to ordinary equity holders of the Company (sen)</b> | 35.4               | 34.2              |

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 2020 and the accompanying explanatory notes attached to the interim financial statements.)

**MAXIM GLOBAL BERHAD [Reg No. 196801000620 (8184-W)]**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**  
(The figures have not been audited)

|   | ←----- Attributable to owners of the Company -----→ |                              |                                   |                             |   | Total<br>RM'000 | Non-controlling<br>Interests<br>RM'000 | Total<br>Equity<br>RM'000 |
|---|---|------------------------------|-----------------------------------|-----------------------------|---|-----------------|--|---------------------------|
|   | Share<br>Capital<br>RM'000                          | Treasury<br>Shares<br>RM'000 | Share Option<br>Reserve<br>RM'000 | Other<br>Reserves<br>RM'000 | Distributable<br>Retained Earnings<br>/ (Accumulated<br>Losses)<br>RM'000 |                 |  |                           |
| <b><u>12 months ended 31 December 2021</u></b>                                      |   |                              |                                   |                             |   |                 |  |                           |
| As at 1 January 2021  | 452,510   | (155)                        | 528                               | 1,533                       | (25,822)  | 428,594         | 2,249                                  | 430,843                   |
| Total comprehensive income/(loss) for the financial year                            | -   | -                            | -                                 | -                           | 28,140  | 28,140          | (661)                                  | 27,479                    |
| Employees' share option scheme  | -   | -                            | 58                                | -                           | -   | 58              | -                                      | 58                        |
| Subscription of shares by non-controlling interests                                 | -   | -                            | -                                 | -                           | -   | -               | 762                                    | 762                       |
| Dividend paid   | -   | -                            | -                                 | -                           | (12,527)  | (12,527)        | -                                      | (12,527)                  |
| Exchange differences on translation of foreign entities                             | -   | -                            | -                                 | (201)                       | -   | (201)           | -                                      | (201)                     |
| As at 31 December 2021  | 452,510   | (155)                        | 586                               | 1,332                       | (10,209)  | 444,064         | 2,350                                  | 446,414                   |
| <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                                     | -   | -                            | -                                 | -                           | (82,754)  | (82,754)        | (262)                                  | (83,016)                  |
| Realisation of revaluation reserve  | -   | -                            | -                                 | (56,611)                    | 56,611  | -               | -                                      | -                         |
| Non-controlling interests share of net assets of subsidiaries acquired by the Group | -   | -                            | -                                 | -                           | -   | -               | 1,849                                  | 1,849                     |
| Employees' share option scheme  | -   | -                            | 59                                | -                           | -   | 59              | -                                      | 59                        |
| Issuance of shares pursuant to acquisition of a subsidiary                          | 115,000   | -                            | -                                 | -                           | -   | 115,000         | -                                      | 115,000                   |
| Subscription of shares by non-controlling interests                                 | -   | -                            | -                                 | -                           | -   | -               | 500                                    | 500                       |
| Impairment loss on timber concession and land use 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                       | (25,822)  | 428,594         | 2,249                                  | 430,843                   |

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.)

**MAXIM GLOBAL BERHAD [Reg No. 196801000620 (8184-W)]**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**  
(The figures have not been audited)

|  | <b>Financial year ended</b> |                   |
|--|-----------------------------|-------------------|
|  | <b>31-12-2021</b>           | <b>31-12-2020</b> |
|  | <b>RM'000</b>               | <b>RM'000</b>     |
|  |                             | (RESTATED)        |
| <b>OPERATING ACTIVITIES</b>  |                             |                   |
| Profit/(Loss) before tax from continuing operations                              | 38,047                      | (59,224)          |
| Loss from discontinued operations  | -                           | (1,923)           |
| Profit/(Loss) before taxation  | 38,047                      | (61,147)          |
| <u>Adjustments for:-</u>   |                             |                   |
| Goodwill written off   | -                           | 18,401            |
| Deposit written off  | -                           | 10,960            |
| Depreciation   | 666                         | 4,064             |
| Impairment loss on timber concession and land use rights                         | -                           | 169,357           |
| Impairment of property, plant and equipment                                      | 3                           | -                 |
| Gain on disposal of subsidiaries   | -                           | (31,398)          |
| Gain on disposal of an associate   | -                           | (26,756)          |
| Unrealised gain on other investment  | -                           | (27)              |
| Allowance for expected credit losses on trade receivables                        | -                           | 6                 |
| Finance cost   | 669                         | 1,513             |
| Finance income   | (1,916)                     | (1,309)           |
| Gain on dilution of interests in subsidiary companies                            | (6)                         | -                 |
| (Gain)/Loss on unwinding discount on other receivable                            | (913)                       | 2,574             |
| Share options granted under ESOS   | 58                          | 59                |
| Gain on disposal of property, plant and equipment                                | (76)                        | (249)             |
| Property, plant and equipment written off  | 65                          | 7                 |
| Unrealised (gain)/loss on foreign exchange                                       | (137)                       | 67                |
| Share of loss of an associate  | -                           | 322               |
| Operating profit before working capital changes                                  | 36,460                      | 86,444            |
| <u>Changes in working capital:</u>   |                             |                   |
| Inventories  | (292)                       | 346               |
| Contract assets/(liabilities)  | 70,671                      | (142,969)         |
| Inventories - property development costs   | (92,774)                    | 18,385            |
| Receivables  | 32,879                      | 17,755            |
| Payables   | (47,327)                    | 28,157            |
| Net cash (used in)/generated from operations                                     | (383)                       | 8,118             |
| Finance income received  | 1,816                       | 1,212             |
| Finance cost paid  | (6,892)                     | (952)             |
| Tax paid (net)   | (30,190)                    | (23,654)          |
| <b>Net cash used in operating activities</b>                                     | <b>(35,649)</b>             | <b>(15,276)</b>   |
| <b>INVESTING ACTIVITIES</b>  |                             |                   |
| Acquisition of property, plant and equipment                                     | (98)                        | (6,695)           |
| Acquisition of subsidiary companies, net of cash and cash equivalents            | -                           | 23,255            |
| Proceeds from disposal of subsidiary companies, net of cash and cash equivalents | -                           | 57,319            |
| Proceeds from disposal of property, plant and equipment                          | 82                          | 459               |
| Proceeds from disposal of an associate   | -                           | 10,952            |
| Withdrawal/(Placement) of deposits pledged with licensed banks                   | 1,235                       | (20)              |
| <b>Net cash from investing activities</b>  | <b>1,219</b>                | <b>85,270</b>     |
| <b>FINANCING ACTIVITIES</b>  |                             |                   |
| Repayment to Directors   | (6,353)                     | (2,621)           |
| Dividend paid  | (12,527)                    | -                 |
| Drawn down of bank borrowings  | 158,348                     | 29,318            |
| Repayment of bank borrowings   | (65,565)                    | (18,376)          |
| Repayment of lease liabilities   | (143)                       | (252)             |
| Issuance of shares to non-controlling interests                                  | 767                         | -                 |
| <b>Net cash from financing activities</b>  | <b>74,527</b>               | <b>8,069</b>      |

**MAXIM GLOBAL BERHAD [Reg No. 196801000620 (8184-W)]**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 - continued**

(The figures have not been audited)

|   | <b>Financial year ended</b> |                   |
|---|-----------------------------|-------------------|
|   | <b>31-12-2021</b>           | <b>31-12-2020</b> |
|   | <b>RM'000</b>               | <b>RM'000</b>     |
|   |                             | (RESTATED)        |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>                    | 40,097                      | 78,063            |
| <b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>                      | (209)                       | 259               |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b> | 112,674                     | 34,352            |
| <b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>       | <b>152,562</b>              | <b>112,674</b>    |

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

|   |                |                |
|---|----------------|----------------|
| Deposits with licensed banks  | 82             | 1,317          |
| Other investments   | 113,071        | 91,728         |
| Cash and bank balances  | 39,491         | 20,946         |
|   | 152,644        | 113,991        |
| Less: Deposits with licensed banks pledged as security for banking facilities | (82)           | (1,317)        |
|   | <b>152,562</b> | <b>112,674</b> |
|   | -              | -              |

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2020 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 2021**

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

The interim financial statements have been prepared under the historical cost convention.

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 2020.

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 2020, 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 2021.

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 2020 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 financial 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.

**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.

## 7. Dividends Paid

A first interim single-tier dividend of 1.0 sen per ordinary shares for financial year ended 31 December 2021, amounting to RM12,526,748.47 was paid on 12 November 2021.

## 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 follows:

| Business Activity                | Current Quarter<br>3 months ended |  |                   |  | Cumulative Quarter<br>12 months ended |  |                   |  |
|----------------------------------|-----------------------------------|--|-------------------|--|---------------------------------------|--|-------------------|--|
|                                  | 31/12/2021                        |  | 31/12/2020        |  | 31/12/2021                            |  | 31/12/2020        |  |
|                                  | Revenue<br>RM'000                 | Profit(Loss)<br>Before<br>Taxation<br>RM'000 | Revenue<br>RM'000 | Profit(Loss)<br>Before<br>Taxation<br>RM'000 | Revenue<br>RM'000                     | Profit(Loss)<br>Before<br>Taxation<br>RM'000 | Revenue<br>RM'000 | Profit(Loss)<br>Before<br>Taxation<br>RM'000 |
| <b>Continuing Operations</b>     |                                   |  |                   |  |                                       |  |                   |  |
| • Property                       | 57,706                            | 2,547  | 150,874           | 42,182                                       | 363,599                               | 27,428                                       | 389,636           | 89,968                                       |
| • Industrial supplies            | -                                 | (25)   | 30                | (21)   | 8                                     | (111)  | 304               | (210)  |
| • Investment holding             | -                                 | (837)  | -                 | 3,520  | -                                     | 9,615  | -                 | 22,917                                       |
| • Others                         | -                                 | (31)   | -                 | (169,956)                                    | -                                     | (132)  | -                 | (171,531)                                    |
|                                  | <b>57,706</b>                     | <b>1,654</b>                                 | <b>150,904</b>    | <b>(124,275)</b>                             | <b>363,607</b>                        | <b>36,800</b>                                | <b>389,940</b>    | <b>(58,856)</b>                              |
| Finance income                   | -                                 | 555  | -                 | 746  | -                                     | 1,916  | -                 | 1,306  |
| Finance costs                    | -                                 | (137)  | -                 | (815)  | -                                     | (669)  | -                 | (1,352)                                      |
| Share of results of an associate | -                                 | -  | -                 | (322)  | -                                     | -  | -                 | (322)  |
|                                  | <b>57,706</b>                     | <b>2,072</b>                                 | <b>150,904</b>    | <b>(124,666)</b>                             | <b>363,607</b>                        | <b>38,047</b>                                | <b>389,940</b>    | <b>(59,224)</b>                              |
| <b>Discontinued Operations</b>   |                                   |  |                   |  |                                       |  |                   |  |
| • Energy                         | -                                 | -  | -                 | (179)  | -                                     | -  | -                 | (1,923)                                      |
|                                  | <b>57,706</b>                     | <b>2,072</b>                                 | <b>150,904</b>    | <b>(124,845)</b>                             | <b>363,607</b>                        | <b>38,047</b>                                | <b>389,940</b>    | <b>(61,147)</b>                              |

## 9. Carrying Amount of Revalued Assets

There were no valuations of property, plant and equipment brought forward from the preceding financial year financial statements. The property, plant and equipment are stated at their historical cost less accumulated depreciation and impairment loss as at end of the current financial quarter under review.

## 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**

There were no changes in the composition of the Group during the current financial quarter under review.

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

There were no material contingent liabilities or contingent assets as at end of the current financial quarter under review 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 end of the current financial quarter under review except as below:-

|  | RM'000 |
|--|--------|
| Inventories – property development costs |        |
| - Leasehold land, at cost                | 11,796 |

The above other commitment is in respect of the acquisition of a piece of leasehold land located at Prima Setapak, Kuala Lumpur by the Company's 51% owned subsidiary, Prominent Maxim Sdn Bhd (formerly known as Tadmax Builders (Labuan) Sdn Bhd), of which the sale purchase agreement is 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)<br>% | Preceding Quarter | Inc/(Dec)<br>% | Cumulative Quarter |                 | Inc/(Dec)<br>% |
|----------------------------------|-----------------|------------------|----------------|-------------------|----------------|--------------------|-----------------|----------------|
|                                  | 31/12/2021      | 31/12/2020       |                |                   |                | 31/12/2021         | 31/12/2020      |                |
| <b>Revenue</b>                   |                 |                  |                |                   |                |                    |                 |                |
| • Property                       | 57,706          | 150,874          | -62%           | 71,072            | -19%           | 363,539            | 389,636         | -7%            |
| • Industrial supplies            | -               | 30               | 0%             | -                 | 0%             | 8                  | 304             | -97%           |
|                                  | <b>57,706</b>   | <b>150,904</b>   | <b>-62%</b>    | <b>71,072</b>     | <b>-19%</b>    | <b>363,607</b>     | <b>389,940</b>  | <b>-7%</b>     |
| <b>Profit/(Loss) before tax</b>  |                 |                  |                |                   |                |                    |                 |                |
| <b>Continuing Operations</b>     |                 |                  |                |                   |                |                    |                 |                |
| • Property                       | 2,547           | 42,182           | -94%           | 4,341             | -41%           | 27,428             | 89,968          | -70%           |
| • Industrial supplies            | (25)            | (21)             | 19%            | (20)              | 25%            | (111)              | (210)           | -47%           |
| • Investment holding             | (837)           | 3,520            | -124%          | 1,807             | -146%          | 9,615              | 22,917          | -58%           |
| • Others                         | (31)            | (169,956)        | -100%          | (32)              | -3%            | (132)              | (171,531)       | -100%          |
|                                  | <b>1,654</b>    | <b>(124,275)</b> | <b>-101%</b>   | <b>6,096</b>      | <b>-73%</b>    | <b>36,800</b>      | <b>(58,856)</b> | <b>-163%</b>   |
| Finance income                   | 555             | 746              | -26%           | 398               | 39%            | 1,916              | 1,306           | 47%            |
| Finance costs                    | (137)           | (815)            | -83%           | (254)             | -46%           | (669)              | (1,352)         | -51%           |
| Share of results of an associate | -               | (322)            | 0%             | -                 | -              | -                  | (322)           | -100%          |
|                                  | <b>2,072</b>    | <b>(124,666)</b> | <b>-102%</b>   | <b>6,240</b>      | <b>-67%</b>    | <b>38,047</b>      | <b>(59,224)</b> | <b>-164%</b>   |
| <b>Discontinued Operations</b>   |                 |                  |                |                   |                |                    |                 |                |
| • Energy                         | -               | (179)            | -100%          | -                 | 0%             | -                  | (1,923)         | -100%          |
|                                  | <b>2,072</b>    | <b>(124,845)</b> | <b>-102%</b>   | <b>6,240</b>      | <b>-67%</b>    | <b>38,047</b>      | <b>(61,147)</b> | <b>-162%</b>   |

**Review on Performance – Current Quarter compared to Preceding Year Corresponding Quarter**

**a) Overall Review of Group's performance**

The delivery of vacant possession of Mizumi Residences located at Taman Metropolitan, Kepong to its end-purchasers in September 2021 also saw the end of both, revenue and profit recognition from Mizumi Residences during the quarter under review vis-a-vis its maiden contribution to both revenue and profit since June 2017.

The foregoing was the main contributor towards the Group's reduced revenue by 62% to register at RM57.7 million vis-à-vis the preceding year corresponding quarter of RM150.9 million. Further, the strict compliance with standard operating procedures due to COVID-19 outbreak had invariably affected the development progress of the other ongoing property development projects, namely Residensi Majestic Maxim (a mixed development project), Residensi Metro Kepong (an affordable homes project) and lastly Ganggarak Permai (another mixed development project). Meanwhile, no contribution from industrial supplies due to the closure of the Group's ready-mixed concrete plant located in Labuan FT since November 2019 and the trading of building materials was affected by the competitiveness of the business and the reduced economic activities during the COVID-19 outbreak.

On the back of the lower revenue, on overall basis, the Group achieved a lower profit before interest and tax from continuing operations for the current quarter of RM1.7 million vis-à-vis profit before interest and tax from continuing operations of RM27.6 million which excludes the gain on disposal of associated company of RM17.5 million and impairment loss on timber concession and land use rights of RM169.4 million reported in the preceding year corresponding quarter. The preceding year corresponding quarter result was affected by the one-off impairment of the Group's asset held in the Boven Digoel, Papua, Republic of Indonesia amounting RM169.4 million, set-off by the one-off gain of RM17.5 million, arising from the disposal of associated company, Pulau Indah Power Plant Sdn Bhd along with a wholly-owned subsidiary, Tadmax PMC Sdn Bhd.

## b) Segmental Review

- **Property**

This business segment presently comprised four property development projects, namely, Ganggarak Permai in Ganggarak, Labuan FT, Mizumi Residences and Residensi Metro Kepong, both in Taman Metropolitan, Kepong, Kuala Lumpur and Residensi Majestic Maxim, in Alam Damai, Cheras, Kuala Lumpur. The summary of performance and progress are as below:-

|  | <u>Ganggarak, Labuan FT</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   | RM683,752                         | RM298,202                       | RM793,151                       |
| Unbilled sales ('000)                          | RM984  | RM0                               | RM94,910                        | RM104,998                       |
| Percentage completion (cumulative)             | Phase 3 – 98.9%<br>(December 2020: 82.5%)<br><br>Phase 4 – 97.7%<br>(December 2020: 91.1%) | 100.0%<br>(December 2020: 93.2%)  | 68.5%<br>(December 2020: 25.7%) | 86.8%<br>(December 2020: 65.9%) |
| Operating (loss)/profit for the quarter ('000) | (RM130)<br>2020: (RM1,357)   | (180)<br>2020: RM40,347           |                                 | RM3,071<br>2020: RM3,484        |

**Ganggarak Permai's** phases 3 and 4, both recorded a marginal operating loss of RM0.1 million for the quarter under review due to the nature of development of affordable housing vis-à-vis operating loss of RM1.4 million in the preceding year corresponding quarter. The preceding year corresponding quarter loss was mainly attributable to unbudgeted upwards revision in contribution to authorities. The project is physically completed since the middle of the current year under review and is presently awaiting for the issuance of certificate of completion and compliance ("CCC"). The CCC is now envisaged in the first quarter of financial year 2022.

The completion of **Mizumi Residences** (handed over of vacant possession to end purchasers in September 2021) was the main factor of the sharp decline in profitability whereby an operating loss of RM0.2 million was recorded vis-à-vis operation profit of RM40.3 million in the preceding year corresponding quarter (with minimal contribution from Residensi Metro Kepong due to its nature of development of affordable housing).

**Residensi Metro Kepong** registered a 100% take-up rate for all its 1,520 units of apartment. Further, the project has achieved a cumulative percentage of completion at 68.5% as at the end of the quarter under review whilst current quarter attained lower percentage of completion at 6.4% vis-à-vis Q4 2020 at 12.2%. The delivery of vacant possession is envisaged sometime in first quarter of financial year 2023.

Meanwhile, **Residensi Majestic Maxim**, a high-rise mixed development comprising an 8-storey commercial podium with retail/office units, commercial space and car park and 4 blocks of 37-storey service apartments located in Alam Damai, Cheras, Kuala Lumpur has also progressed slower than expected in view of strict compliance with standard operating procedures due to COVID-19 outbreak. As at the end of the quarter under review, the project has achieved cumulative percentage of completion at 86.8% with all the available 2,136 units of service apartments and 53 units of shop lots having been sold and/or booked. The quarter under review saw the percentage of completion registering at 4.4% (Q4 2020: 6.4%) and after the adjustment made for the amortisation of property development cost at Group level amounting to RM7.9 million, the project reported an operating profit of RM3.1 million. The delivery of vacant possession is envisaged in second quarter of financial year 2022.

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

The Group's revenue for the current quarter under review registered at RM57.7 million or 19% lower than the preceding quarter mainly due to no revenue posted by Mizumi Residences in the current quarter under review vis-à-vis the preceding quarter of RM12.8 million. The above was the main contributor towards the Group's lower profit before interest and tax at RM1.7 million (vis-à-vis RM6.1 million in the preceding quarter), a decline of 73%.

#### **16. Prospects**

With the full opening of the domestic economy in the fourth quarter of 2021, the Malaysian economy is hoping to resume its pre-pandemic growth trajectory by 2022 and this will invariably spur the property sector. Further supported by the Malaysian Budget 2022 announced on 29 October 2021 by the Minister of Finance with total allocation of RM332.1 billion (the highest allocation thus far) which focused on driving economic recovery, rebuilding national resilience and catalysing reforms,

Against the above backdrop and the challenging residential property market, the Group's Property Development & Construction business segment is moving forward cautiously but yet optimistic. The well-received and advanced stages of completion of its existing project, namely, Residensi Majestic Maxim in Alam Damai, Cheras, Kuala Lumpur will provide good earning visibility of the Group's performance. However, this contribution is expected to end by first half of forthcoming financial year 2022 with the envisaged delivery of vacant possession by then and its profit contribution will be mitigated by the adjustment for the amortisation of property development cost at group level arising from the acquisition. However, the Group will enjoy all the cash flows arising from Residensi Majestic Maxim.

Meanwhile, Ganggarak Permai, which is physically completed since the middle of the current year under review, is scheduled for delivery of vacant possession in the first quarter of the forthcoming financial year 2022, leaving behind a small percentage completion to be recognised for Phases 3 and 4 of Ganggarak Permai.

Residensi Metro Kepong, the Group's affordable housing project located in Taman Metropolitan, Kepong will contribute revenue to the Group at least until first quarter of financial year 2023 but profit contribution will not be significant in view of its nature of affordable home development.

With the successful replenishment of the Group's land bank at strategic locations in the last few years, the Group targets to launch the development of at least one of these newly acquired development land in the forthcoming financial year 2022. This envisaged launch will bridge the gap of the profit contributions from the duly completed property development project during the financial year under review, Mizumi Residences and the next to be completed property development projects in the forthcoming financial year 2022, Ganggarak Permai and Residensi Majestic Maxim.

Meanwhile, the Group remains in a good position post COVID-19 movement controls with the backing of a respectable and healthy financial position cum liquidity, aided by the completion of Mizumi Residences during the financial year under review. The health and safety of the Group's employees are always a priority and the Group is pleased to informed that all its employees are fully vaccinated and the Group is committed to continue in exercising vigilance and adaptability with regards to COVID-19 and its impact. The COVID-19 outbreak ushered in new norms and transform how the Group works and conducts its businesses.

The Group has assessed the overall impact of the COVID-19 outbreak on the Group's operations and financial performance and maintained its earlier conclusion that no material effects were envisaged on the unaudited consolidated statement of comprehensive income and financial position for the financial year under review.

On the back of 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 Group believes this will remain the favourite in the medium-term. Further, driven by fundamental market dynamics, supported by low interest rate regime, the abundant market liquidity, Government's various stimulus packages introduced and coupled with almost all adults in the country are fully vaccinated, will pave the way for the recovery in the economic activities and consumer confidence, both expected to spur the demand for properties in moving forward.

#### 17. Profit Forecast and Profit Guarantee

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

#### 18. Taxation

Taxation comprises the following:

|   | Current Quarter<br>(3 months ended) |                      | Cumulative Quarter<br>(12 months ended) |                      |
|---|-------------------------------------|----------------------|---|----------------------|
|   | 31/12/2021<br>RM'000                | 31/12/2020<br>RM'000 | 31/12/2021<br>RM'000                    | 31/12/2020<br>RM'000 |
| Malaysian income tax:                         |                                     |                      |   |                      |
| - Current tax                                 | 19,494                              | (3,048)              | 32,982                                  | 11,888               |
| - Under provision in<br>prior financial years | 123                                 | 541                  | 3,641                                   | 553                  |
|   | <u>19,617</u>                       | <u>(2,507)</u>       | <u>36,623</u>                           | <u>12,441</u>        |
| Deferred tax                                  | (19,070)                            | 13,730               | (26,055)                                | 9,548                |
| Total taxation                                | <u>547</u>                          | <u>11,223</u>        | <u>10,568</u>                           | <u>21,989</u>        |

Included in the income tax figure for the financial quarter under review is 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.

## 19. Corporate Proposals

### Status of Corporate Proposals Announced

#### (A) 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 end of the current financial quarter under review (both disposal completed in September/December 2020) is set out below:-

| <u>Details of Utilisation</u>   | Total<br>(RM'000) | Actual  | Balance<br>(RM'000) | Timeframe for<br>utilisation |
|---|-------------------|---|---------------------|------------------------------|
|   |                   | Utilisation to<br>31 December<br>2021<br>(RM'000) |                     |                              |
| 1) Payment on the unfinanced portion of the purchase price of Alam Damai Land 1   | 9,000             | 9,000   | -                   | Within 3 months              |
| 2) Payment on the unfinanced portion of the purchase price of Alam Damai Land 2   | 11,450            | 11,450  | -                   | 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            | 8,361   | 2,639               | Within 12 months             |
| 4) Future investment in other complementary businesses and/or assets (Note 1)   | 113,000           | 31,252  | 81,748              | -                            |
| 5) Working capital purposes   | 8,450             | 5,806   | 2,644               | Within 24 months             |
| 6) Estimated expenses in relation to the Proposal   | 20,300            | 20,300  | -                   | Within 1 month               |
|   | <u>173,200</u>    | <u>86,169</u>                                     | <u>87,031</u>       |                              |

Note 1 - A sum of RM49.0 million will be received by 31 December 2023.

## 20. Group Borrowings and Debts Securities

Group borrowings are as follows:-

|                                      | <b>As at<br/>31/12/2021<br/>RM'000</b> | <b>As at<br/>31/12/2020<br/>RM'000</b> |
|--------------------------------------|--|--|
| (a) Current borrowings – secured     |  |  |
| Term loan                            | 466                                    | 449                                    |
| Lease liabilities                    | 100                                    | 195                                    |
|                                      | <u>566</u>                             | <u>644</u>                             |
| (b) Non-current borrowings – secured |  |  |
| Term loans                           | 126,275                                | 33,509                                 |
| Lease liabilities                    | 11                                     | 58                                     |
|                                      | <u>126,286</u>                         | <u>33,567</u>                          |

All the Group’s borrowings are denominated in Malaysian currency and are secured. Term loans increased significantly by RM92.8 million as compared to the preceding year corresponding quarter mainly due to three term loans facility drawdown totalling of RM122.6 million to part finance the

acquisition of three pieces of leasehold land by the Company's subsidiaries and an additional RM35.8 million being drawdown to finance the Group's Residensi Metro Kepong property development project in Taman Metropolitan, Kepong, set off by the repayment vide collection from progress billings. During the quarter under review also saw the retirement/repayment of a term loan facility of RM29.3 million. The above loans bear interest rates ranged from 3.65% - 5.82% per annum.

Bank borrowings are expected to increase further as the Company's 51% owned subsidiary company, Prominent Maxim Sdn Bhd (formerly known as Tadmax Builders (Labuan) Sdn Bhd) had entered into a sale and purchase agreement to acquire a piece of leasehold land, measuring 9,775 sq meter (approximately 2.415 acres) located at Prima Setapak, Kuala Lumpur for a total purchase consideration of RM25,700,000. The purchase of the aforesaid land is expected to be partly funded by a banking facility of RM20.6 million. The banking facility is expected to be drawn down in the second half of the forthcoming financial year 2022.

## 21. Trade Receivables

The trade receivables and corresponding ageing of the Group as at end of the current financial quarter under review are as follows:-

|   | As at 31/12/2021<br>RM'000 | As at<br>31/12/2020<br>RM'000 |                            |
|---|----------------------------|-------------------------------|----------------------------|
| Trade receivables                           | 43,838                     | 22,573                        |                            |
| Less : Allowance for Expected Credit Losses | (68)                       | (68)                          |                            |
|   | <u>43,770</u>              | <u>22,505</u>                 |                            |
|   | As at 31/12/2021<br>RM'000 | %                             | As at 31/12/2020<br>RM'000 |
| Neither past due nor impaired               | 40,749                     | 93.0%                         | 13,909                     |
| Past due 31 to 60 days not impaired         | 1,018                      | 2.3%                          | 3,719                      |
| Past due 61 to 90 days not impaired         | 49                         | 0.1%                          | 1,586                      |
| Past due > 91 days not impaired             | 1,954                      | 4.5%                          | 3,291                      |
| Past due > 91 days impaired                 | 68                         | 0.2%                          | 68                         |
|   | <u>43,838</u>              | <u>100%</u>                   | <u>22,573</u>              |

Trade receivables increased significantly by 94% vis-à-vis the sum of RM22.6 million as at 31 December 2020 mainly due to the inclusion of retention sums held under stakeholder account of RM37.0 million (2020: RM4.7 million) which will be released in due time pursuant to the Housing Development (Control and Licensing) Act 1966.

Excluding the retention sums, the trade receivables are lower at RM6.7 million vis-a-vis the preceding year ended sum of RM17.8 million. The much higher preceding year ended sum of RM17.8 million was due to the higher progress billing issued to end-purchasers in December 2020 of RM16.0 million vis-à-vis RM3.2 million in December 2021.

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, for house buyers, the normal credit terms is 30 (2020: 30) calendar days and interest is charged on overdue accounts at 10% (2020: 10%) per annum on a daily basis. The Group undertakes periodic review of the recoverability of trade receivables and

the allowance for expected credit losses are sufficient as at the end of the reporting quarter under review.

## 22. Financial Instruments

### (a) Derivatives

There were no outstanding derivatives as at 31 December 2021.

### (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 2021 except as disclosed herein.

## 23. Material Litigation

There was no other material litigation pending as at 18 February 2022 (being the latest practicable date which shall not be earlier than 7 days from the date of issue of this quarterly report) except as below:-

With reference to the Company's announcement of 12 October 2021, two of the Group's 90% owned subsidiary companies incorporated in the Republic of Indonesia, PT Trimegah Karya Utama and PT Manunggal Sukses Mandiri had filed applications for Judicial Review (known as "Judicial Review Petition" or "Peninjauan Kembali") to the Supreme Court of the Republic of Indonesia for direction/hearing of the Injunction Requests petition.

In relation to this application for Judicial Review Petition, the Group does not expect any material financial impact to the Group's earnings of the current financial year nor any impact on the Group's core operational business of Property Development & Construction.

## 24. Dividend

(a) No dividend has been declared or proposed for the current financial quarter under review.

(b) Total dividend for the current financial year under review: single-tier dividend of 1.0 sen per ordinary share (31 December 2020: Nil).

## 25. Earnings Per Share

### a) Basic Earnings Per Share

|  | <b>Current<br/>Quarter<br/>31/12/2021</b> | <b>Cumulative<br/>Quarter<br/>31/12/2021</b> |
|--|---|--|
| Net Profit for the financial period attributable to equity holders of the Company (RM'000) | <u>1,591</u>                              | <u>28,140</u>                                |
| Weighted average number of ordinary shares issued (Unit'000)                               | <u>1,252,675</u>                          | <u>1,252,675</u>                             |
| Basic earnings per ordinary share (sen)  | <u>0.13</u>                               | <u>2.25</u>                                  |



**26. Additional Disclosures for Profit for the Financial Period**

|   | <b>Current<br/>Quarter<br/>31/12/2021<br/>RM'000</b> | <b>Cumulative<br/>Quarter<br/>31/12/2021<br/>RM'000</b> |
|---|--|---|
| <i>Profit for the financial period is arrived at after crediting: -</i> |  |   |
| Finance income  | 555  | 1,916   |
| Rental income   | 7  | 28  |
| Gain on dilution of interests in subsidiary companies                   | -  | 6   |
| Gain on unwinding discount of other receivable                          | 212  | 913   |
| Gain on disposal of property, plant and equipment                       | 69   | 76  |
| Unrealised gain on foreign exchange                                     | 137  | 137   |
|   | <hr/>  | <hr/>   |
| <i>and after charging: -</i>  |  |   |
| Finance costs   | 137  | 669   |
| Impairment of property, plant and equipment                             | 3  | 3   |
| Rental of premises  | 36   | 185   |
| Rental of equipment   | 23   | 29  |
| Depreciation of property, plant and equipment                           | 150  | 666   |
| Property, plant and equipment written off                               | 65   | 65  |
|   | <hr/>  | <hr/>   |

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 financial quarter under review.

**27. 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 24 February 2022.

END