

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2022**

	Note	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		Individual Quarter	Individual Quarter	Cumulative Quarter	Cumulative Quarter
		Current Quarter 31 Mar 2022 RM'000	Preceding Year Quarter 31 Mar 2021 RM'000	Current Year To Date 31 Mar 2022 RM'000	Preceding Year To Date 31 Mar 2021 RM'000
Revenue	11	18,245	13,166	18,245	13,166
Cost of sales		(6,629)	(9,407)	(6,629)	(9,407)
Gross profit		11,616	3,759	11,616	3,759
Other income		1,210	1,411	1,210	1,411
Other expenses		(11,924)	(7,298)	(11,924)	(7,298)
Share of results of associates		771	(2,920)	771	(2,920)
Profit/(Loss) before taxation	21	1,673	(5,048)	1,673	(5,048)
Taxation	16	(217)	529	(217)	529
Profit/(Loss)/Total comprehensive income/(loss) for the financial period		1,456	(4,519)	1,456	(4,519)
Profit/(Loss)/Total comprehensive income/(loss) attributable to:					
Owners of the parent		1,435	(4,535)	1,435	(4,535)
Non-controlling interests		21	16	21	16
		1,456	(4,519)	1,456	(4,519)
Earnings/(loss) per share ("EPS")					
attributable to owners of the parent		sen	sen	sen	sen
Basic	20	0.13	(0.41)	0.13	(0.41)
Fully diluted	20	0.08	(0.41)	0.08	(0.41)

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

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2022**

	(Unaudited) As at 31 Mar 2022	(Audited) As at 31 Dec 2021
Note	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	240,788	232,775
Investment properties	557,457	554,004
Investments in associates	232,069	231,298
Intangible assets	91	85
Deferred tax assets	13,766	13,141
	<u>1,044,171</u>	<u>1,031,303</u>
Current assets		
Inventories	756,855	769,852
Trade and other receivables	59,910	57,467
Current tax assets	7,786	7,356
Short-term deposits with licensed financial institution	3,213	2,028
Cash and bank balances	18,423	21,304
Assets classified as held-for-sale	17,566	17,566
	<u>863,753</u>	<u>875,573</u>
TOTAL ASSETS	11 <u>1,907,924</u>	<u>1,906,876</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	646,686	646,686
Reserves	359,995	358,560
Equity component - RCCPS	122,001	122,001
Equity component - RCULS	14,547	14,547
	<u>1,143,229</u>	<u>1,141,794</u>
Non-controlling interests	270	249
TOTAL EQUITY	<u>1,143,499</u>	<u>1,142,043</u>
Non-current liabilities		
Deferred tax liabilities	10,652	10,652
Trade and other payables	-	50,763
Lease liabilities	-	11
Bank borrowings	81,555	79,102
	<u>92,207</u>	<u>140,528</u>
Current liabilities		
Liability component - RCCPS	6,635	6,557
Liability component - RCULS	201,380	203,749
Trade and other payables	428,522	378,225
Current tax liabilities	-	122
Hire purchase liability	33	52
Lease liabilities	812	1,267
Bank borrowings	34,836	34,333
	<u>672,218</u>	<u>624,305</u>
TOTAL LIABILITIES	11 <u>764,425</u>	<u>764,833</u>
TOTAL EQUITY AND LIABILITIES	<u>1,907,924</u>	<u>1,906,876</u>
Net assets per share attributable to owners of the parent (RM)	<u>1.01</u>	<u>1.00</u>

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2022**

	----- Attributable to owners of the parent -----							Total equity
	Share capital	Treasury shares	Equity component RCULS	Equity component RCCPS	Retained earnings	Total	Non-controlling interests	
(Unaudited)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2021	643,248	(1,342)	14,547	125,107	397,241	1,178,801	194	1,178,995
Total comprehensive income for the financial period	-	-	-	-	(4,535)	(4,535)	16	(4,519)
Transactions with owners:								
Conversion of RCCPS during the financial period	14	-	-	(12)	-	2	-	2
Disposal of treasury shares	-	1,342	-	-	794	2,136	-	2,136
	14	1,342	-	(12)	794	2,138	-	2,138
Balance as at 31 March 2021	643,262	-	14,547	125,095	393,500	1,176,404	210	1,176,614
(Unaudited)								
Balance as at 1 January 2022	646,686	-	14,547	122,001	358,560	1,141,794	249	1,142,043
Total comprehensive income for the financial period	-	-	-	-	1,435	1,435	21	1,456
Balance as at 31 March 2022	646,686	-	14,547	122,001	359,995	1,143,229	270	1,143,499

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying notes.

I-Berhad Company No. 196701000055 (7029-H)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2022

	(Unaudited) Period ended 31 Mar 2022	(Unaudited) Period ended 31 Mar 2021
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	1,673	(5,048)
Adjustments for:		
Non-cash/operating items	(293)	4,014
Operating profit/(loss) before working capital changes	1,380	(1,034)
Net changes in current assets	17,226	5,801
Net changes in current liabilities	(2,740)	(44,400)
Cash generated from/(used in) operations	15,866	(39,633)
Tax paid	(1,396)	(2,357)
Tax refunded	2	5
Net cash generated from/(used in) operating activities	14,472	(41,985)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(9,461)	(6,902)
Development costs incurred for investment properties	(3,787)	(116)
Purchase of intangible assets	(16)	(14)
Placement in short-term deposits with licensed financial institutions	(1,230)	(3,006)
Interest received	108	422
Net cash used in investing activities	(14,386)	(9,616)
CASH FLOWS FROM FINANCING ACTIVITIES		
RCULS coupons paid	(5,094)	(5,039)
Finance lease interest paid	(20)	(20)
Proceeds from disposal of treasury shares	-	2,136
Proceeds from bank borrowing	4,509	46,903
Repayment of bank borrowing	(1,562)	(1,562)
Interest payment on bank borrowing	(846)	(384)
Net cash (used in)/generated from financing activities	(3,013)	42,034
Net decrease in cash and cash equivalents	(2,927)	(9,567)
Cash and cash equivalents at beginning of financial period	9,347	23,091
Cash and cash equivalents at end of financial period	6,420	13,524
Cash and cash equivalents comprise:		
Cash and bank balances	3,575	2,115
Deposits with licensed banks/financial institutions	14,848	23,237
Deposits pledged as bank guarantee	(39)	(39)
Deposits with licensed financial institution with maturity period more than 3 months	(11,964)	(11,789)
Total	6,420	13,524

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying notes.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
31 MARCH 2022 - UNAUDITED

Part A – Explanatory Notes Pursuant to MFRS 134

1 Basis of preparation

The unaudited interim financial report has been prepared in accordance with MFRS 134: Interim Financial Reporting and Chapter 9, Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad. The significant accounting policies and method of computation adopted by the Group in this quarterly report are consistent with those in the annual financial statements for the year ended 31 December 2021.

The Group has not adopted the following standards that have been issued and not yet effective:

1 January 2023

Amendments to MFRS 101	'Disclosure of Accounting Policies'
Amendments to MFRS 101	'Classification of Liabilities as Current or Non-current'
Amendments to MFRS 108	'Definition of Accounting Estimates'
Amendments to MFRS 112	'Deferred Tax related to Assets and Liabilities arising from a Single Transaction'

2 Seasonal or cyclical factors

The Group's results were not materially impacted by any seasonal or cyclical factors apart from the Leisure segment as both the Leisure Park@i-City and Best Western i-City receive more visitors during weekends, school holidays and festive seasons.

3 Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter ended 31 March 2022.

4 Material changes in estimates

There were no material changes in estimates that have material effect as at financial quarter ended 31 March 2022.

5 Debt and equity securities

There were no cancellations, repurchases, resale, repayments and issuance of debt and equity securities, in the current quarter.

6 Dividend paid

There was no dividend payment in the current quarter.

7 Material events subsequent to the end of interim period

Other than as disclosed in Note 22, there is no material event subsequent to the end of the financial period.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
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8 Changes in composition of the Group

There was no change in the composition of the Group as at 31 March 2022.

9 Capital commitments

	As at 31.03.2022
	RM'000
Approved and contracted for, analysed as follows:	
Leisure	30,627
Investment properties	1,688
	<u>32,315</u>

10 Significant related party transactions

There was no significant related party transaction during the current quarter.

11 Segmental information- By business segments

Financial period ended 31 March 2022	Property Development RM'000	Property Investment RM'000	Leisure RM'000	Others RM'000	Consolidated RM'000
Revenue					
Total revenue	5,326	4,002	9,435	1,237	20,000
Inter-segment revenue	(552)	(759)	(157)	(287)	(1,755)
External revenue	<u>4,774</u>	<u>3,243</u>	<u>9,278</u>	<u>950</u>	<u>18,245</u>
Results					
Segment results	(2,157)	(76)	3,308	(281)	794
Interest income	104	0	0	4	108
Share of results of associates	-	771	-	-	771
(Loss)/Profit before taxation	<u>(2,053)</u>	<u>695</u>	<u>3,308</u>	<u>(277)</u>	<u>1,673</u>
Taxation					(217)
Profit for the financial period					<u>1,456</u>

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11 Segmental information- By business segments (cont'd)

	Property Development RM'000	Property Investment RM'000	Leisure RM'000	Others RM'000	Consolidated RM'000
As at 31 March 2022					
Assets					
Segment assets	830,140	578,483	239,072	6,608	1,654,303
Tax recoverable	-	-	-	-	7,786
Deferred tax assets	-	-	-	-	13,766
Investment in associates	-	-	-	-	232,069
Total assets					<u>1,907,924</u>
Liabilities					
Segment liabilities	572,887	67,463	73,417	40,006	753,773
Deferred tax liabilities	-	-	-	-	10,652
Total liabilities					<u>764,425</u>
Financial period ended 31 March 2021					
Revenue					
Total revenue	7,026	2,736	3,468	769	13,999
Inter-segment revenue	(99)	(552)	(56)	(126)	(833)
External revenue	<u>6,927</u>	<u>2,184</u>	<u>3,412</u>	<u>643</u>	<u>13,166</u>
Results					
Segment results	(822)	(522)	(478)	(728)	(2,550)
Interest income	100	-	-	322	422
Share of results of associates	-	(2,920)	-	-	(2,920)
Loss before taxation	<u>(722)</u>	<u>(3,442)</u>	<u>(478)</u>	<u>(406)</u>	<u>(5,048)</u>
Taxation					529
Loss for the financial period					<u>(4,519)</u>
As at 31 March 2021					
Assets					
Segment assets	852,329	637,404	212,312	16,945	1,718,990
Tax recoverable	-	-	-	-	2,347
Deferred tax assets	-	-	-	-	17,458
Investment in associates	-	-	-	-	215,162
Total assets					<u>1,953,957</u>
Liabilities					
Segment liabilities	710,763	15,821	1,620	44,466	772,670
Current tax liabilities	-	-	-	-	578
Deferred tax liabilities	-	-	-	-	4,096
Total liabilities					<u>777,344</u>

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Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia and other directives

12 Auditors’ Report on preceding Annual Financial Statements

The auditors’ report on the financial statements for the financial year ended 31 December 2021 was not qualified.

13 Review of performance – Current financial quarter ended 31 March 2022 by segment

	Year to date/ Three months ended		Change %
	31.03.2022 RM'000	31.03.2021 RM'000	
Revenue			
Property Development	4,774	6,927	(31)
Property Investment	3,243	2,184	48
Leisure	9,278	3,412	>100
Others	950	643	48
	18,245	13,166	
Profit/(Loss) before taxation			
Property Development	(2,053)	(722)	(>100)
Property Investment	695	(3,442)	>100
Leisure	3,308	(478)	>100
Others	(277)	(406)	32
	1,673	(5,048)	

For the current financial quarter ended 31 March 2022 (“Q1 2022”), the Group posted higher revenue of RM18.2 million and profit before tax of RM1.7 million as compared to the revenue and loss before tax of RM13.2 million and RM5.0 million respectively for the corresponding financial quarter ended 31 March 2021 (“Q1 2021”).

a) Property development

The revenue of this quarter came mainly from the recognition of the sales of the latest development, BeCentral whereas segment loss was contributed by the finance cost. The lower revenue for Q1 2022 was due to early stage of development for BeCentral.

b) Property investment

The property investment segment results was mainly from the share of results of an associate. The higher revenue for Q1 2022 is due to higher occupancy rate achieved for corporate office tower, Mercu Maybank.

c) Leisure

The leisure segment of the Group continue to record higher revenue and profit as compared to the corresponding financial quarter as a result of favorable consumer confidence and sentiment. It is also because of the school holidays and festive seasons during the quarter.

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14 Comment on material changes in loss before taxation of the current quarter compared with the preceding quarter

	Current Quarter 31.03.2022 RM'000	Preceding Quarter 31.12.2021 RM'000	Changes %
Revenue	18,245	28,583	(36)
Share of results of associates	771	22,173	(97)
Profit before tax	1,673	4,455	(62)

The Group registered lower revenue of RM18.2 million and profit before tax of RM1.7 million for the current quarter as compared to revenue of RM28.6 million and profit before tax of RM4.5 million for the preceding quarter. The higher revenue in the preceding quarter was primarily due to the recognition of revenue from completion of Hill10 and contribution from leisure theme park whereas the profit before tax was mainly contributed from leisure theme park and share of results of an associate.

15 Commentary on prospects

As the country moves towards endemicity of COVID-19, the nation has witnessed encouraging momentum of recovery along with the rest of the world following the resumption of economic activities in different sectors. The growth of the economy further spurred by different catalysts such as borders reopening to international travelers, relaxation of traveling restrictions and standard operating procedures, and coupled with the government's active effort in encouraging consumer spending and continued expansion in the local market where the society learns to embrace endemic as the new normal.

The property market is expected to experience progressive recovery as consumers rebuild their finances to commit to spending on large capital items. The Group is optimistic and looking forward to expecting continuous healthy demand and improvement in the property market, as the economic market begins to regain momentum, the Group will continue to focus on monetizing its inventories and new product launches will be phased according to prevailing market sentiments.

The Group remains focus on enhancing and extracting full value from its development in i-City Golden Triangle (i-City GT) as a master-planned ultrapopolis to offer new business and investment opportunities to both foreign and local investors as well as improving contribution from its other core businesses. This is demonstrated by Malayan Banking Bhd (Maybank) setting up its permanent alternate office at the 33-storey Mercu Maybank at Finance Avenue in i-City. Mercu Maybank corporate tower is i-City's first Grade A, Green Building Index-rated (GBI) smart corporate tower, spanning 320,000sq ft, which includes artificial intelligence technology, dedicated internet access powered by a 400G high-availability network, and a private cloud. The inclusion of Maybank at Finance Avenue in i-City will act as a catalyst for the Group, in which the Finance Avenue will be home to financial institutions, fintech companies, multinational corporations, and technology companies.

DoubleTree by Hilton Hotel is expected to open in the 3rd quarter of 2022, the 300-room property will redefine meetings, incentives, conferencing and exhibitions (MICE) experiences which will further boost the vibrancy of i-City's Finance Avenue and the surrounding.

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15 Commentary on prospects (cont'd)

The Finance Avenue in i-City comprises BeCentral residences, Mercu Maybank, DoubleTree by Hilton Hotel, Hill10, International Convention Centre, premium offices and retail suites, and along with other existing developments such as Central i-City Mall, Best Western i-City Hotel, Residential Towers, Data Centre and Leisure Theme Park (with anticipated inclusion of Metaverse experience), the Group is confident that i-City will be elevated to greater heights by introducing new ways for its community to live, play and work. Moreover, BeCentral, being the Group's latest luxury residence being built next to both DoubleTree by Hilton Hotel and Central i-City Shopping Mall with an estimated GDV of RM0.7billion, shall be the next catalyst in forming the perfect launch pad for elevating the Group to experience unprecedented growth and to witness greater heights in the coming future.

Additionally, with regards to the Group's digitalization agenda, we are leveraging our cutting-edge technologies for us to tap into Metaverse and being the first to adopt such new technology in Malaysia to further strengthen our competitive positioning in the market by aligning our blueprint to global Metaverse movements. The continuous adoption of technologies will bring together smart city, smart home, and end-user technology services to create better value and smart community conveniences for people who live, work, as well as visit in i-City.

The Group is confident that Finance Avenue in i-City together with the digital transformation effort will be the next catalyst in elevating i-City to another level in the near future. The continuous adoption of technologies will bring together the Next Generation AI Smart City to create better value and smart community conveniences for people who live, work, as well as visit in i-City.

As it stands, the group is gradually building back its unbilled sales following Malaysia's move to endemicity from the Covid-19 pandemic and the group's unbilled sales as at 31 March 2022 stood at RM50.9 million as compared to RM39.3 million as at 31 December 2021.

16 Taxation

	31.03.2022	Year to date/ Three months ended 31.03.2021
	RM'000	RM'000
Taxation		
- Income tax	842	335
- Deferred tax	(625)	(864)
Total	<u>217</u>	<u>(529)</u>

The effective tax rate for the current quarter is lower than the statutory income tax rate mainly due to share of profit of an associate is net of tax.

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17 Group borrowings and debt securities

As at 31 March 2022, the Group borrowings and debt securities are as follows:

As at 31 March 2022	Non-current RM'000	Repayable within one year RM'000
Unsecured		
Redeemable Convertible Unsecured Loan Stocks ("RCULS")	-	201,380
Redeemable Cumulative Convertible Preference Shares ("RCCPS")	-	6,635
Bank borrowings	81,555	34,836
	<u>81,555</u>	<u>242,851</u>
As at 31 March 2021	Non-current RM'000	Repayable within one year RM'000
Unsecured		
Redeemable Convertible Unsecured Loan Stocks ("RCULS")	190,342	10,050
Redeemable Cumulative Convertible Preference Shares ("RCCPS")	6,262	7,018
Bank borrowings	61,971	31,616
	<u>258,575</u>	<u>48,684</u>

On 12 May 2022, the Group has proposed variation of the terms of the RCULS ("Proposed RCULS Variation"). For further details of the Proposed RCULS Variation, please refer to Note 22.

18 Material litigation

The Group is not engaged in any material litigation as at 23 May 2022, the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

19 Dividend

No interim dividend has been recommended during the quarter ended 31 March 2022.

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20 Earnings per share

(i) Basic Earnings/(Loss) per Share

	Year to date/ Three months ended	
	31.03.2022	31.03.2021
Profit/(Loss) attributable to owners of the parent (RM'000)	1,435	(4,535)
Weighted average number of ordinary shares in issue ('000)	1,136,863	1,118,591
Basic earnings/(loss) per share (sen)	0.13	(0.41)

(ii) Diluted Earnings/(Loss) per Share

	Year to date/ Three months ended	
	31.03.2022	31.03.2021
Profit/(Loss) attributable to owners of the parent (RM'000)	1,435	(4,535)
After tax effects of interest	47	-
Weighted average number of ordinary shares in issue ('000)	1,136,863	1,118,591
Effects of dilution ('000)	720,437	-
Diluted earnings/(loss) per share (sen)	0.08	(0.41)

21 Note to consolidated statements of comprehensive income

	Year to date/ Three months ended	
	31.03.2022	31.03.2021
	RM'000	RM'000
Profit/(Loss) before taxation for the financial period is arrived at after crediting:		
Interest income	108	422
Other income	1,102	989
and charging:		
Depreciation of property, plant and equipment	1,334	1,373
Depreciation of right-of-use assets	114	133
Amortisation of intangible assets	10	8

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22 Status of Corporate Proposals

Proposed RCULS Variation and Proposed Amendments to the Deed Polls	
12 May 2022	<p>Company proposes to undertake the following:-</p> <p>(a) proposed variation to the terms of the following redeemable convertible unsecured loan stocks ("RCULS"):-</p> <p>(i) RM132 million 2014/2022 RCULS-A which was issued to Sumuracres Sdn Bhd ("Sumuracres") on 27 August 2014 ("RCULS-A"); and</p> <p>(ii) RM69 million 2014/2022 RCULS-B which was issued to Sumurwang Sdn Bhd ("Sumurwang") on 27 August 2014 ("RCULS-B"),</p> <p>(collectively referred to as "Proposed RCULS Variation");</p> <p>The Proposed RCULS Variation include the following:</p> <p>(i) to extend the tenure of the RCULS-A and RCULS-B for an additional 5 years to 27 August 2027; and</p> <p>(ii) that both RCULS-A and RCULS-B shall have a coupon rate of 3% per annum for the first 3 years of RCULS extension (ie. year 9 to year 11) and 5% per annum for the remaining 2 years of RCULS extension (ie. year 12 to year 13).</p> <p>(b) proposed amendments to the initial deed polls constituting the RCULS-A and RCULS-B both dated 18 August 2014 ("Deed Polls 2014") as varied and amended by the Supplemental Deed Polls constituting the RCULS-A and RCULS-B both dated 16 August 2019, as a consequence of the Proposed RCULS Variation ("Proposed Amendments to the Deed Polls"),</p>
By August 2022	Estimated completion of the Proposed RCULS Variation and Proposed Amendments to the Deed Polls.

23 Authorisation for issue

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 May 2022.