



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2020**

|   | Individual Quarter<br>3 months ended                            |   | Cumulative Quarter<br>3 months ended                            |   |
|---|---|---|---|---|
|   | Unaudited<br>Current<br>year<br>Quarter<br>30/09/2020<br>RM'000 | Unaudited<br>Preceding<br>period<br>Quarter<br>30/09/2019<br>RM'000 | Unaudited<br>Current<br>year to<br>date<br>30/09/2020<br>RM'000 | Unaudited<br>Preceding<br>period to<br>date<br>RM'000<br>** |
| <b>CONTINUING OPERATIONS</b>  |   |   |   |   |
| Revenue   | 667   | 4,121   | 667   | -   |
| Cost of sales   | (761)   | (1,064)   | (761)   | -   |
| <b>Gross (loss)/profit</b>  | <b>(94)</b>   | <b>3,057</b>  | <b>(94)</b>   | <b>-</b>  |
| Other income  | 123   | 337   | 123   | -   |
| Administrative expenses   | (1,625)   | (2,109)   | (1,625)   | -   |
| Distribution expenses   | -   | (21)  | -   | -   |
| Other expenses  | -   | (82)  | -   | -   |
| Finance cost  | (476)   | (1,144)   | (476)   | -   |
| <b>Profit/(Loss) before tax</b>   | <b>(2,072)</b>  | <b>38</b>   | <b>(2,072)</b>  | <b>-</b>  |
| Taxation  | -   | (8)   | -   | -   |
| <b>Net profit / (loss) for the period from<br/>continuing operation</b> | <b>(2,072)</b>  | <b>30</b>   | <b>(2,072)</b>  | <b>-</b>  |
| <b>Year/period</b>  |   |   |   |   |
| Profit/(loss) for the financial year attributable to:                   |   |   |   |   |
| Owner of the parent   |   |   |   |   |
| - From continuing operations  | (2,072)   | 30  | (2,072)   | -   |
| <b>Net profit / (loss) for the period</b>                               | <b>(2,072)</b>  | <b>30</b>   | <b>(2,072)</b>  | <b>-</b>  |
| <b>Earning/loss per share</b>   |   |   |   |   |
| Basic (sen)   | (0.35)  | 0.01  |   |   |
| Diluted EPS (sen)   | (0.35)  | 0.01  |   |   |

The above condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020 and the accompanying explanatory notes attached to these interim financial statements.

\*\* The financial year end of the Group has been changed from 31 December to 30 June. As such, there will be no comparative financial information available for the financial period ended 30 September 2020.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2020**

|  | Unaudited As at<br>30/09/2020<br>RM'000 | Audited as at<br>30/06/2020<br>RM'000 |
|--|---|---------------------------------------|
| <b>NON-CURRENT ASSETS</b>  |   |                                       |
| Property, plant and equipment  | 9,732                                   | 5,817                                 |
| Inventories  | 55,476                                  | 55,476                                |
| Investment properties  | 94,124                                  | 94,124                                |
| Right of use asset   | 10,634                                  | 14,915                                |
| <b>Total non-current asset</b>   | <b>169,966</b>                          | <b>170,332</b>                        |
| <b>CURRENT ASSETS</b>  |   |                                       |
| Inventories  | 38,989                                  | 38,989                                |
| Trade receivables  | 3,070                                   | 8,847                                 |
| Other receivables  | 6,436                                   | 7,182                                 |
| Contract assets  | 118                                     | 118                                   |
| Tax recoverable  | 31                                      | 31                                    |
| Cash & bank balances   | 732                                     | 806                                   |
| <b>Total current asset</b>   | <b>49,376</b>                           | <b>55,973</b>                         |
| <b>TOTAL ASSETS</b>  | <b>219,342</b>                          | <b>226,305</b>                        |
| <b>EQUITY</b>  |   |                                       |
| Share capital  | 265,058                                 | 265,058                               |
| Treasury shares  | (5,843)                                 | (5,843)                               |
| Warrant reserves   | 8,889                                   | 8,889                                 |
| Accumulated losses   | (144,187)                               | (142,115)                             |
| <b>Total shareholders' equity</b>  | <b>123,917</b>                          | <b>125,989</b>                        |
| <b>TOTAL EQUITY</b>  | <b>123,917</b>                          | <b>125,989</b>                        |
| <b>NON-CURRENT LIABILITIES</b>   |   |                                       |
| Lease liabilities  | 88                                      | 90                                    |
| Other payable  | 19,537                                  | 18,219                                |
| Bank borrowings  | 3,549                                   | 3,396                                 |
| Deferred taxation  | 4,064                                   | 4,064                                 |
| <b>Total non-current liabilities</b>   | <b>27,238</b>                           | <b>25,769</b>                         |
| <b>CURRENT LIABILITIES</b>   |   |                                       |
| Trade payables   | 7,098                                   | 7,014                                 |
| Other payables   | 25,289                                  | 31,320                                |
| Provisions   | 3,356                                   | 3,566                                 |
| Lease liability  | 98                                      | 120                                   |
| Bank borrowings  | 27,514                                  | 27,695                                |
| Tax payable  | 4,832                                   | 4,832                                 |
| <b>Total current liabilities</b>   | <b>68,187</b>                           | <b>74,547</b>                         |
| <b>TOTAL LIABILITIES</b>   | <b>95,425</b>                           | <b>100,316</b>                        |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <b>219,342</b>                          | <b>226,305</b>                        |
| <b>NET ASSETS PER SHARE ATTRIBUTABLE TO EQUITY<br/>HOLDERS OF THE COMPANY (RM)</b> | <b>0.20</b>                             | <b>0.22</b>                           |

The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020 and the accompanying explanatory notes attached to these interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2020**

|   | <----- Attributable to equity holders of the Company -----> |                              |                              |                                 |                           |
|---|---|------------------------------|------------------------------|---------------------------------|---------------------------|
|   | <-----None-distributable----->                              |                              |                              |                                 |                           |
|   | Share<br>Capital<br>RM'000                                  | Treasury<br>Shares<br>RM'000 | Warrant<br>Reserve<br>RM'000 | Accumulated<br>Losses<br>RM'000 | Total<br>Equity<br>RM'000 |
| <b>Unaudited</b>                                    |   |                              |                              |                                 |                           |
| 1 July 2020   | 265,058   | (5,843)                      | 8,889                        | (142,115)                       | 125,989                   |
| Effect of adopting MFRS16                           | -   | -                            | -                            | -                               | -                         |
|   | 265,058   | (5,843)                      | 8,889                        | (142,115)                       | 125,989                   |
| Total comprehensive (loss) for the financial period | -   | -                            | -                            | (2,072)                         | (2,072)                   |
| <b>Transaction with owners:</b>                     |   |                              |                              |                                 |                           |
| Issuance of ordinary shares                         | -   | -                            | -                            | -                               | -                         |
| <b>At 30 September 2020</b>                         | <b>265,058</b>  | <b>(5,843)</b>               | <b>8,889</b>                 | <b>(144,187)</b>                | <b>123,917</b>            |
|   | Share<br>Capital<br>RM'000                                  | Treasury<br>Shares<br>RM'000 | Warrant<br>Reserve<br>RM'000 | Accumulated<br>Losses<br>RM'000 | Total<br>Equity<br>RM'000 |
| <b>Audited</b>                                      |   |                              |                              |                                 |                           |
| At 1 January 2019, as previously reported           | 258,186   | (5,843)                      | 8,889                        | (143,078)                       | 118,154                   |
| Effect of adopting MFRS16                           | -   | -                            | -                            | (5)                             | (5)                       |
|   | 258,186   | (5,843)                      | 8,889                        | (143,083)                       | 118,149                   |
| Total comprehensive income for the financial period | -   | -                            | -                            | 968                             | 968                       |
| <b>Transaction with owners:</b>                     |   |                              |                              |                                 |                           |
| Issuance of ordinary shares                         | 6,872   | -                            | -                            | -                               | 6,872                     |
| <b>At 30 June 2020</b>                              | <b>265,058</b>  | <b>(5,843)</b>               | <b>8,889</b>                 | <b>(142,115)</b>                | <b>125,989</b>            |

The above condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020 and the accompanying explanatory notes attached to these interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2020**

|  | <b>Unaudited<br/>Current year<br/>to date<br/>3 months<br/>30/09/2020<br/>RM'000</b> | <b>Audited<br/>Preceding period<br/>to date<br/>18 months<br/>30/06/2020<br/>RM'000</b> |
|--|--|---|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>             |  |   |
| Profit/(Loss) before tax                               | (2,072)  | 971   |
| Adjustment for:  |  |   |
| Amortisation of right - of use assets                  | 16   | 1,880   |
| Depreciation of Property, plant and equipment          | 350  | 561   |
| Impairment losses on:                                  |  |   |
| - trade receivables                                    | -  | 48  |
| - other receivables                                    | -  | 959   |
| Interest expense                                       | 476  | 4,187   |
| Gain on disposal of subsidiary company                 | -  | (2,669)   |
| Interest income  | 1  | (7)   |
| Reversal on impairment losses on trade receivables     | -  | (108)   |
| Reversal on impairment losses on:                      |  |   |
| - other receivables                                    | -  | (36)  |
| - deposit  | -  | (21)  |
| Operating cash flows before changes in working capital | <u>(1,229)</u>   | <u>5,765</u>  |
| Changes in working capital:                            |  |   |
| Inventories  | -  | (4,638)   |
| Trade receivables                                      | 5,777  | 947   |
| Other receivables                                      | 745  | 574   |
| Trade payables   | 84   | (3,308)   |
| Other payables   | (6,241)  | 611   |
| Amount due to related party                            | 1,319  | 4,540   |
| Cash generated/(used in) from operating activities     | <u>455</u>   | <u>4,491</u>  |
| Interest received                                      | (1)  | 7   |
| Interest paid  | (475)  | (4,187)   |
| Tax paid   | -  | (34)  |
| <b>Net cash generated/(used in) from operations</b>    | <u>(21)</u>  | <u>277</u>  |

The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020 and the accompanying explanatory notes attached to these interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2020 (CONT'D)**

|   | Unaudited<br>Current year<br>to date<br>3 months<br>30/09/2020<br>RM'000 | Audited<br>Preceding period<br>to date<br>18 months<br>30/06/2020<br>RM'000 |
|---|--|---|
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                                      |  |   |
| Purchase of property, plant and equipment                                       | -  | (230)   |
| Proceeds from disposal of subsidiary company, net of cash disposed              | -  | (1,046)   |
| <b>Net cash used in investing activities</b>                                    | <u>-</u>   | <u>(1,276)</u>  |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                                      |  |   |
| Repayment of term loans   | (290)  | (6,818)   |
| Repayment of finance lease liabilities  | (25)   | (207)   |
| Proceeds from issuance of shares  | -  | 6,872   |
| <b>Net cash used in financing activities</b>                                    | <u>(315)</u>   | <u>(153)</u>  |
| <b>Net decrease in cash and cash equivalents</b>                                | (336)  | (1,152)   |
| <b>Cash and cash equivalents at the beginning of financial period/year</b>      | (12,905)   | (11,753)  |
| <b>Cash and cash equivalents at the end of financial period/year</b>            | <u>(13,241)</u>  | <u>(12,905)</u>   |
| <b>Cash and cash equivalents at the end of financial period/year comprises:</b> |  |   |
| Cash and bank balances  | 732  | 806   |
| Bank overdraft  | (13,973)   | (13,711)  |
|   | <u>(13,241)</u>  | <u>(12,905)</u>   |

The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020 and the accompanying explanatory notes attached to these interim financial statements.

## PART A – EXPLANATORY NOTES

### 1. Basis of Preparation

The interim financial should be read in conjunction with the audited financial statement of the Group for the 18 months financial period ended 30 June 2020 which were prepared under the Malaysian Financial Reporting Standards (“MFRS”) and amendments to standards to be applied by all Entities Other Than Private Entities.

These interim financial statements of the Group are not audited and have been prepared in accordance with the requirements of MFRS 134 – *interim financial reporting* and the applicable disclosure provisions of the MAIN Market Listing Requirements of Bursa Malaysia Securities Berhad.

The explanatory notes attached to the interim financial statements provide and explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial period ended 30 June 2020.

The financial statements of the Group have been prepared under the historical cost convention unless otherwise indicated in this significant accounting policies below.

#### Adoption of new and amended standards

During the financial period, the Group have adopted the following new standards and amendments to standards and interpretation issued by the Malaysian Accounting Standards Board (“MASB”) that are mandatory for current financial period:

|                        |  |
|------------------------|--|
| MFRS 16                | Leases   |
| IC Interpretation 23   | Uncertainty over Income Tax Treatments               |
| Amendments to MFRS 9   | Prepayments Features with Negative Compensation      |
| Amendments to MFRS 119 | Plan Amendments, Curtailment or Settlement           |
| Amendments to MFRS 128 | Long-term interests in Associates and Joint Ventures |
| Amendments to MFRS 15  | Clarification to MFRS 15                             |
| Amendments to MFRS 140 | Transfer of Investment Property                      |
| Annual Improvement to  | Amendments to MFRS 3                                 |
|                        | Amendments to MFRS 11                                |
|                        | Amendments to MFRS 112                               |
|                        | Amendments to MFRS 123                               |

The adoption of new standards and amendments to standards and interpretation did not have any significant impact on the financial statements of the Group.



## **PART A – EXPLANATORY NOTES**

### **2. Auditors' report in respect of preceding annual financial statements**

The auditors' report on the financial statements for the financial period ended 30 June 2020 was not qualified.

### **3. Seasonal or Cyclical Factors**

The Group's operations were not significantly affected by any unusual seasonal or cyclical factors

### **4. Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the quarter and three months ended 30 September 2020.

### **5. Changes in Estimates**

There were no changes in estimates that have had a material effect during the quarter and three months ended 30 September 2020.

### **6. Changes in Debt and Equity Security**

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities during the quarter and three months ended 30 September 2020.

### **7. Dividends paid**

No dividend has been paid during the quarter and three months ended 30 September 2020.

**PART A – EXPLANATORY NOTES**
**8. Segment Reporting**

Segmental information for the financial period ended 30 June 2020 is presented in respect of the Group's business segment.

|                                      | Cumulative<br>quarter<br>3 months<br>30/09/2020<br>Property<br>development<br>RM'000 | Cumulative<br>quarter<br>3 months<br>30/09/2020<br>Construction<br>RM'000 | Cumulative<br>quarter<br>3 months<br>30/09/2020<br>Property<br>Investment<br>RM'000 | Cumulative<br>quarter<br>3 months<br>30/09/2020<br>Others<br>RM'000 | Cumulative<br>quarter<br>3 months<br>30/09/2020<br>Consolidated<br>RM'000 |
|--------------------------------------|--|---|---|---|---|
| <b>Revenue</b>                       |  |   |   |   |   |
| External Customer                    | -  | -   | 575   | 92  | <b>667</b>  |
| Inter segment                        | -  | -   | -   | -   | -   |
| <b>Total revenue</b>                 | -  | -   | 575   | 92  | <b>667</b>  |
| <b>Results</b>                       |  |   |   |   |   |
| Segment results                      | (417)  | (6)   | (179)   | (995)   | <b>(1,597)</b>  |
| Interest income                      | -  | -   | 1   | -   | <b>1</b>  |
| Finance costs                        | (366)  | (1)   | -   | (109)   | <b>(476)</b>  |
| <b>Loss before tax</b>               |  |   |   |   | <b>(2,072)</b>  |
| Taxation                             |  |   |   |   | -   |
| <b>Loss for the financial period</b> |  |   |   |   | <b>(2,072)</b>  |



**PART A – EXPLANATORY NOTES**
**8. Segment Reporting (cont'd)**

|  | Cumulative<br>quarter<br>Preceding period<br>** | Cumulative<br>quarter<br>Preceding period<br>** | Cumulative<br>quarter<br>Preceding period<br>** | Cumulative<br>quarter<br>Preceding period<br>** | Cumulative<br>quarter<br>Preceding period<br>** |
|--|---|---|---|---|---|
|  | Property<br>development<br>RM'000               | Construction<br>RM'000                          | Property<br>Investment<br>RM'000                | Others<br>RM'000                                | Consolidated<br>RM'000                          |
| <b>Revenue</b>                         |   |   |   |   |   |
| External Customer                      | -   | -   | -   | -   | -   |
| Inter segment                          | -   | -   | -   | -   | -   |
| <b>Total revenue</b>                   | -   | -   | -   | -   | -   |
| <b>Results</b>                         |   |   |   |   |   |
| Segment results                        | -   | -   | -   | -   | -   |
| Interest income                        | -   | -   | -   | -   | -   |
| Finance costs                          | -   | -   | -   | -   | -   |
| <b>(Loss)/Profit before tax</b>        |   |   |   |   | -   |
| Taxation                               |   |   |   |   | -   |
| <b>Profit for the financial period</b> |   |   |   |   | -   |

\*\* The financial year end of the Group has been changed from 31 December to 30 June. As such, there will be no comparative financial information available for the financial period ended 30 September 2020.



**PART A – EXPLANATORY NOTES**

**9. Related party transaction**

There were no related party transaction during the quarter and three months ended 30 September 2020.

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

There were no changes in the composition of the Group during the quarter and three months ended 30 September 2020 and up to the date of this Interim Financial Report.

**11. Changes in contingent liabilities and contingent assets**

There were no changes in contingent liabilities/ contingent assets since the last annual balance sheet date as at 30 June 2020.

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**1. Review of Performance**

For the current quarter under review, the Group posted loss before tax of RM2.07 million on the back of revenue of RM0.67 million. The revenue mainly derived from property investment arm of RM0.58 million, followed by revenue from plantation of RM0.07 million and revenue from carpark of RM0.02 million.

|   | Individual Period                               |   | Changes (%) | Cumulative Period  |  | Changes (%) |
|---|---|---|-------------|--|--|-------------|
|   | Current year<br>Quarter<br>30/09/2020<br>RM'000 | Preceding period<br>Quarter<br>30/09/2019<br>RM'000 | %           | Current year to date<br>3 months<br>30/09/2020<br>RM'000 | Preceding period to date<br>**<br>RM'000 | %           |
| Revenue   | 667   | 4,121   | -84%        | 667  | -  | -           |
| Operating Profit/(Loss)   | (1,719)   | 927   | 285%        | (1,719)  | -  | -           |
| Profit/(Loss) Before Interest and Tax                                       | (1,596)   | 1,182   | 235%        | (1,596)  | -  | -           |
| Profit/(Loss) Before Tax  | (2,072)   | 38  | 5590%       | (2,072)  | -  | -           |
| Profit/(Loss) After Tax   | (2,072)   | 30  | 7124%       | (2,072)  | -  | -           |
| Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent Company | (2,072)   | 30  | 7124%       | (2,072)  | -  | -           |

\*\* The financial year end of the Group has been changed from 31 December to 30 June. As such, there will be no comparative financial information available for the financial period ended 30 September 2020.

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**2. Material Changes in Loss Before Taxation for the Current Quarter as compared with the Immediate Preceding Quarter**

The Group recorded a Loss before tax of RM2.07 million in the current quarter as compared to a Profit before tax of RM4.24 million in the immediate preceding quarter.

|   | <b>Current<br/>year<br/>Quarter<br/>3 months<br/>30/09/2020<br/>RM'000</b> | <b>Immediate<br/>preceding<br/>Quarter<br/>3 months<br/>30/06/2020<br/>RM'000</b> | <b>Changes<br/>(%)</b> |
|---|--|---|------------------------|
| Revenue   | 667  | 6,952   | -90%                   |
| Operating (Loss)/Profit   | (1,719)  | 5,903   | -129%                  |
| (Loss)/Profit Before Interest and Tax                               | (1,596)  | 4,957   | -132%                  |
| (Loss)/Profit Before Tax  | (2,072)  | 4,248   | -149%                  |
| (Loss)/Profit After Tax   | (2,072)  | 4,248   | -149%                  |
| (Loss)/Profit Attributable to Ordinary Equity Holders of the Parent | (2,072)  | 4,248   | -149%                  |

Current year quarter for the three months incurred losses of RM2.07 million were mainly due to the admin overhead and financial cost at approximately RM0.7 million per month as compared to preceding quarter the Group achieved profit which was mainly attribute by selling of an inventories under the property investment arm.

**3. Prospects**

With the uncertainties still lingering from the global pandemic Covid 19 and the situation made worst currently with the surge of the third wave and the movement control restriction by the enforcement of the CMCO until the end of the year, the overall economy outlook is challenging.

The prospect for the year will continue to be very uncertain and until the movement control restriction can be removed and the vaccine becomes available, the global and domestic economy recovery will be slow.



**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD**

**4. Profit forecast and profit guarantee**

The Group has not announced or disclosed any profit forecast or profit guarantee in any public documents

**5. Taxation**

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (2019: 24%) of the estimated assessable profit for the financial period.

Taxation is computed after taking into consideration of the available capital allowance and adjusted business losses carried forward from previous years to set off against taxable profit. Hence, there is no provision of taxation for the current quarter.

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**
**6. Group Borrowings and Debt Securities**

The borrowings of the Group compared to preceding year corresponding period were as follows:-

|                  | <b>As at 30 September 2020</b> |                              |                                    |
|------------------|--------------------------------|------------------------------|------------------------------------|
|                  | <b>Long Term<br/>RM'000</b>    | <b>Short Term<br/>RM'000</b> | <b>Total Borrowings<br/>RM'000</b> |
| <b>Secured</b>   |                                |                              |                                    |
| - Hire purchase  | (88)                           | (98)                         | (186)                              |
| - Bank overdraft | -                              | (13,973)                     | (13,973)                           |
| - Term loans     | (3,549)                        | (13,541)                     | (17,090)                           |
| <b>Total</b>     | <b>(3,637)</b>                 | <b>(27,612)</b>              | <b>(31,249)</b>                    |
|                  |                                |                              |                                    |

|                  | <b>As at 30 June 2020</b>   |                              |                                    |
|------------------|-----------------------------|------------------------------|------------------------------------|
|                  | <b>Long Term<br/>RM'000</b> | <b>Short Term<br/>RM'000</b> | <b>Total Borrowings<br/>RM'000</b> |
| <b>Secured</b>   |                             |                              |                                    |
| - Hire purchase  | (90)                        | (120)                        | (210)                              |
| - Bank overdraft | -                           | (13,711)                     | (13,711)                           |
| - Term loans     | (3,395)                     | (13,984)                     | (17,379)                           |
| <b>Total</b>     | <b>(3,485)</b>              | <b>(27,815)</b>              | <b>(31,300)</b>                    |
|                  |                             |                              |                                    |

None of the Group borrowings is denominated in foreign currency.



**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD**

**7. Material litigation**

**(a) Class action initiated by 137 owners of the Arc @ Cyberjaya**

On 4 October 2017, a class action was initiated by 137 owners of The Arc@Cyberjaya (the “137 Owners”) against the Group’s wholly owned subsidiary and the Arc@Cyberjaya developer Maju Puncakbumi Sdn. Bhd. (“MPSB”) claiming for the breach of contract in relation to the Guaranteed Rental Return (“GRR”) Option Agreements they signed with MPSB. On 9 November 2017, the decision was fixed and the Shah Alam High Court has allowed the Plaintiff’s summary judgment application.

The owners are claiming for the following:

- (i) RM3,971,736 being the outstanding rental up till May 2017;
- (ii) 8% interest on the outstanding rentals;
- (iii) Agreed liquidated damages as stated in the agreement (Unexpired Terms);
- (iv) General damages, and/or aggravated damages, as well as exemplary damages;
- (v) 5% interest from the judgement till the full payment date;
- (vi) Cost
- (vii) Vacant possession of the unit; and
- (viii) Any relief deemed fit by the Honorable Court,

On 9 November 2017, the Shah Alam High Court allowed the Plaintiff’s summary judgment application. MPSB’s solicitors filed a Notice of Appeal to the Court of Appeal on 23 November 2017. On 13 February 2018, the Court granted a stay of execution of the judgment until the disposal of the appeal. The Court of Appeal dismissed the appeal on 21 May 2018.

MPSB subsequently filed for an Extension of Time to file for Leave to Appeal and Leave Application to the Federal Court. On 4 December 2018, the application of MPSB for the Extension of Time and Leave Application was allowed by the Federal Court. MPSB is required to file the Notice of Appeal by 18 December 2018.



**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD**

**7. Material litigation (cont'd)**

**(a) Class action initiated by 137 owners of the Arc @ Cyberjaya (cont'd)**

Notwithstanding the above, a settlement was been reached between the parties in respect of items (i), (ii), (iv), part of (v) relating to exemplary damages of RM10, (vi) and (vii) of the Judgment dated 9 November 2017. MPSB has paid RM 3,200,000 in three tranches of RM1,200,000, RM1,000,000 and RM 1,000,000 respectively to the Plaintiff's solicitors, Messrs Quah & Yeap. In respect of final payment of the Judgment Sum above, MPSB forwarded Three (3) post-dated cheques each amounting to RM500,000.00 dated 27 May 2019, 27 Jun 2019 and 27 July 2019 respectively. The latter two payments were revised to monthly instalments of RM 50,000 which MPSB will continue to service until the total outstanding is fully paid.

Meanwhile, due to the imposition of the Movement Control Order (MCO) effective from 18 March 2020, the hearing of the appeal at Federal Court was postponed to 22 September 2020 for case management and 20 October 2020 for hearing. The Court later adjourned the matter to 20 October 2020 for case management and 19 November 2020 for hearing. At the hearing on 19 November 2020, the Court dismissed the appeal with costs of RM 50,000, opining that the issue of the Respondents mitigating damages would be academic since there was no evidence that the Respondents were given back vacant possession of their premises at the point of termination of the tenancy agreements.

The Group has accounted for the outstanding rentals amounting to RM3,972,000 and the 8% interest on the outstanding rentals.





**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD**

**7. Material litigation (cont'd)**

**(b) Class action initiated by 55 owners of the Arc @ Cyberjaya**

On 23 January 2018, Maju Puncakbumi Sdn Bhd (“MPSB”), a wholly owned subsidiary of the Group and developer of the Arc@Cyberjaya was served with a Shah Alam High Court Writ of Summons and Statement of Claim dated 19 January 2018 by Lim Pei Pei and Chen Yun Loy representing 55 owners of The Arc @ Cyberjaya (“The Owners”) against MPSB claiming for the breach of contract in relation to the GRR Option Agreement.

The Plaintiffs were claiming for:

- (i) RM1,816,179.35 being the outstanding rentals up till July 2017;
- (ii) 8% interest on the outstanding rentals or such other rate of interest as this Honorable Court deems just on the outstanding rentals as stated in para (a) above;
- (iii) Cost; and
- (iv) Any other relief that deemed fit by the Honorable Court.

After full trial, the Court had on 26 October 2018 allowed the Plaintiff’s claim with interest of 5% per annum from the date of judgement and with costs of RM30,000. The Court has also allowed MPSB to set off in the sum of RM295,181, reducing the Plaintiffs’ claim to the sum of RM1,520,998.

MPSB had on 23 November 2018 filed a Notice of Appeal to the Court of Appeal against the decision of the High Court on 26 October 2018 in allowing the Plaintiff’s claim. Nevertheless, both parties have reached a settlement on 23 January 2019 that MPSB shall forward on or before 30 January 2019 three (3) post-dated cheques for the total sum of RM1,583,892 in the following manner:

- (i) A cheque for the sum of RM250,000 dated 30 January 2019;
- (ii) A cheque for the sum of RM250,000 dated 28 February 2019; and
- (iii) A cheque for the sum of RM1,083,892 dated 15 April 2019.

All of the above post-dated cheques had been served to Messrs Quah & Yeap’s office on 30 January 2019.



**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD**

**7. Material litigation (cont'd)**

**(b) Class action initiated by 55 owners of the Arc @ Cyberjaya (cont'd)**

At MPSB's request, the Plaintiffs agreed to revised the payment of the final cheque (item (iii) above) into two payments of RM 200,000 each and the balance in instalments of RM 50,000 each, which MPSB shall continue to service until the full sum is repaid.

The Group has accounted for the outstanding rentals amounting to RM1,816,000 except for the 8% interest on the outstanding rentals.

**(c) Class action initiated by 22 owners of the Arc @ Cyberjaya**

Maju Puncakbumi Sdn Bhd ("MPSB"), a wholly owned subsidiary of the Group and developer of the Arc@Cyberjaya was served with a Shah Alam High Court Writ of Summons and Statement of Claim dated 6 March 2019, which was received on 18 March 2019, by Richard Tan Loke Yew representing 22 owners of The Arc @ Cyberjaya ("The Owners") against MPSB claiming for the breach of contract for the sum of RM765,888 only in relation to the GRR Option Agreement.

The Plaintiffs were claiming for:

- (i) RM765,888 only being the outstanding rentals up till July 2017;
- (ii) 5% interest on the outstanding rentals as stated in paragraph (i) above;
- (iii) Cost; and
- (iv) Any other relief that deemed fit by the Honorable Court.

MPSB entered appearance to defend the suit. Case Management was scheduled on 13 June 2019.

Trial that was fixed on 18 September 2019 proceeded with the main Plaintiff taking the stand. The date for Continued Hearing on 12 November 2019 was vacated by the Court, as the judge was unavailable. The continued trial of the matter was then fixed for 26 March 2020.



**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF  
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**7. Material litigation (cont'd)**

**(c) Class action initiated by 22 owners of the Arc @ Cyberjaya (cont'd)**

Due to the imposition of the Movement Control Order (MCO) effective from 18 March 2020, the Trial was postponed. The matter was then fixed for case management on 18 June 2020 whereupon the matter was fixed for continued trial on 12 August 2020.

The Court then vacated the trial date on 12 August 2020 at the request of the Plaintiffs and fixed a fresh date on 8 October 2020. The trial proceeded on 8 October 2020 with the lead Plaintiff as witness. The Court then adjourned the matter to 8 and 14 December 2020 for continued Trial.

**(d) Litigation with PR1MA Corporation Malaysia**

Maju Puncakbumi Sdn Bhd (“MPSB”), a wholly owned subsidiary of the Group and registered proprietor of all that land held under HSD 61545 LTPT47 Bandar Pekan Tanjong Kling Sek. II, Daerah Melaka Tengah, Melaka (“the Land”) entered into a Master En-Bloc Purchase Agreement with PR1MA Corporation Malaysia (“PR1MA”) to develop the PR1MA Homes on part of the Land. PR1MA terminated the said Agreement by way of Notice of Termination dated 20 December 2017.

MPSB initiated a Writ in the Shah Alam High Court on 25 April 2018 to claim the sum of RM 109 million together with the damages to be assessed, interest and costs from PR1MA. The Writ was served to PR1MA on 16 May 2018. Both parties were directed to complete pleadings by end of August 2018.

The matter was then fixed for Case Management where the parties must comply with the Pre-Trial directions and later adjourned for Case Management to 9 July 2019 for parties to complete the filing of Common Bundle of Documents. Further, the Court fixed the matter for Trial on 7, 8, 13, 14 and 15 August 2019 at 9.00 a.m.

Trial dates fixed in August 2019 were vacated by the Court and rescheduled on 14, 19, 20, 21, 25, 26 and 27 November 2019. Further, the Court has also directed the parties to undergo Mediation.



**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF  
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**7. Material litigation (cont'd)**

**(d) Litigation with PR1MA Corporation Malaysia (cont'd)**

Separately, MPSB also claimed for RM864,885.91 from PR1MA under the Construction Industry Payment and Adjudication Act 2012 (CIPAA). The Notice of Adjudication pursuant to Section 8 of CIPAA was registered with Asian International Arbitration Centre on 3 December 2018. The Adjudication Claim was issued on 22 March 2019 after which PR1MA issued their Adjudication response on 5 April 2019.

On 24 June 2019, the Adjudicator issued his decision ordering PR1MA to pay MPSB the entire claim amount together with interest at the rate of 5% calculated on RM 728,605.08 from 29.12.2017 until full payment thereof, and on RM 87,325.03 from 16.02.2018 until full payment thereof, Adjudication Cost of RM40,000.00 only, Adjudicator Fees and Expenses of RM17,437.76 and AIAC fees of RM3,654.40 only.

Consequently, MPSB applied to the High Court for an order to enforce the Adjudication Decision. PR1MA has also filed applications to stay and set aside the Adjudication Decision. Subsequently, PR1MA through their solicitors forwarded a proposal for settlement of the Adjudicator's Decision in respect of the claim amount and costs only, which MPSB accepted on 29 October 2019. Pending receipt of payment as well as ongoing Mediation proceedings in respect of the Shah Alam High Court suit, the parties agreed to postpone the hearing of their respective applications before the High Court.

On 26 November 2019, PR1MA made payment amounting to RM 915,431.99, consisting of RM 864,885.91 being payment of the adjudicated claim, and costs of RM 50,546.08, in full settlement of the CIPAA claim.

All the previous trial dates fixed by the Court for the main suit were vacated. The main suit and the parties' respective applications in respect of the CIPAA award were adjourned to 11 February 2020 and 12 February 2020 respectively for case management.

On 13 December 2019, representatives MPSB and PR1MA met at PR1MA's office for a settlement discussion. MPSB verbally presented PR1MA with two options for the global settlement of all litigation between the parties.



**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF  
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**7. Material litigation (cont'd)**

**(d) Litigation with PR1MA Corporation Malaysia (cont'd)**

On 26 February 2020, the parties' representatives met at PR1MA's office and reached a global settlement of all matters between them in the following terms:-

As full and final settlement of all claims, disputes, differences and issues whatsoever and howsoever which have arisen between the Parties, the Parties agreed to the following:-

- (a) PR1MA shall pay the sum of RM6,500,000.00 to MPSB by 3 March 2021 or a reduced sum of RM5,200,000.00 if PR1MA is able to pay the same by 3 July 2020;
- (b) Concurrent with the payment in item (a), PR1MA shall transfer the ownership without any encumbrance in respect of a piece of land held under HSD 81099, Lot PT49, Bandar Pekan Tanjong Kling Sek. II, Daerah Melaka Tengah, Melaka ("Land") to MPSB;
- (c) Items (a) and (b) above are subject to the approval being obtained by PR1MA under Section 47 of the Perumahan Rakyat 1Malaysia Act 2012 and the execution of a binding Settlement Agreement between the Parties within 14 days from the receipt of the said approval;
- (d) Upon the execution of a binding Settlement Agreement between the Parties, both Parties shall as soon as practicable record consent judgment upon the salient terms of the Settlement Agreement in Shah Alam High Court Civil Suit No: BA-22NCvC-204-04/2018, and shall take steps to withdraw all proceedings, including the following without liberty to file afresh and with no order as to costs:-
  - (i) Shah Alam High Court Originating Summons No: BA-24C-88-08/2019; and
  - (ii) Shah Alam High Court Originating Summons No: BA-24C-91-09/2019.

A non-binding Heads of Terms dated 21 May 2020 ("HOT") incorporating the above was signed by both parties.



**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF  
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**7. Material litigation (cont'd)**

**(d) Litigation with PR1MA Corporation Malaysia (cont'd)**

Pending the resolution of all the foregoing matters, the main suit between the parties was adjourned to 29 July 2020 and the CIPAA enforcement/execution applications was adjourned to 7 July 2020.

On 11 August 2020, the approval under Section 47 of the Perumahan Rakyat 1Malaysia Act 2012 was obtained and on 21 August 2020, MPSB and PR1MA executed a Settlement Agreement which incorporated the terms of the HOT except that the cash compensation was agreed to be revised to RM 6,200,000. Following the execution of the Settlement Agreement, all litigation between the parties have been withdrawn as of 10 September 2020.

**8. Derivatives financial instrument**

As at 30 September 2020, there were no outstanding foreign currency forward contracts.

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**9. Additional disclosures pursuant to para 16, part A, Appendix 9B of Bursa Malaysia Securities Berhad Listing Requirements**

|                                       | Current<br>year quarter<br>to date<br>30/09/2020<br>RM'000 | Preceding<br>period<br>to date<br>RM'000<br>** |
|---------------------------------------|--|--|
| Interest income                       | 1  | -  |
| Interest expenses                     | (476)  | -  |
| Amortisation of right - of use assets | (16)   | -  |
| Depreciation                          | (350)  | -  |

Other than the item above which have been included in profit or loss, there were no impairment of assets or exceptional item which may have an effect on the results for the current financial period ended 30 September 2020.

\*\* The financial year end of the Group has been changed from 31 December to 30 June. As such, there will be no comparative financial information available for the financial period ended 30 September 2020.

**10. Dividend proposed**

No dividend has been declared or recommended for payment for the quarter and three months ended 30 September 2020.

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**
**11. Earning per share**

The basic and diluted earnings per share have been calculated based on the consolidated net profit/(loss) attributable to equity holders of the parent for the interim for financial period and the weighted average number of ordinary shares outstanding during the period as follows:-

**i. Basic earnings per share**

|  | Individual Quarter |             | Cumulative Quarter |                |
|--|--------------------|-------------|--------------------|----------------|
|  | 3 months ended     |             | 3 months ended     |                |
|  | Current            | Preceding   | Current            | Preceding      |
|  | year               | year        | year to date       | period to date |
|  | Quarter            | Quarter     | 3 months           | **             |
|  | 30/09/2020         | 30/09/2019  | 30/09/2020         |                |
|  | RM'000             | RM'000      | RM'000             | RM'000         |
| <b>Profit/(Loss) attributable to equity holders of the Company</b> | (2,072)            | 30          | (2,072)            | -              |
| <b>Weighted average number of ordinary shares in issue</b>         | 589,154            | 492,555     | 589,154            |                |
| <b>Basic earnings per share (sen)</b>                              | <u>(0.35)</u>      | <u>0.01</u> | <u>(0.35)</u>      | <u>-</u>       |

\*\* The financial year end of the Group has been changed from 31 December to 30 June. As such, there will be no comparative financial information available for the financial period ended 30 September 2020.

**ii. Diluted earnings per share**

The diluted earnings per ordinary shares are equals to the basic earnings per share because the outstanding warrants are anti-dilutive





**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD**

**12. Off balance sheet financial instruments**

During the financial period under review, the Group did not enter into any contracts involving off balance sheet financial instruments.

**13. Authorisation for issue**

The interim financial statement were authorised for issue by the Board of Directors in accordance with a resolution of the Directors.

**BY ORDER OF THE BOARD**

**DATO' YAP TING HAU**

Chief Executive Officer

Kuala Lumpur

30 November 2020