

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER
ENDED 28 FEBRUARY 2019**

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2019

The figures have not been audited.

	3 MONTHS ENDED	
	28.02.2019 RM'000	28.02.2018 RM'000 RESTATED
Revenue	54,768	39,821
Cost of sales	(34,703)	(21,899)
Gross profit	<u>20,065</u>	<u>17,922</u>
Other income	824	6,628
Marketing and promotion expenses	(4,942)	(3,734)
Administrative expenses	(4,652)	(8,510)
Finance costs	(892)	(1,094)
Profit before tax	<u>10,403</u>	<u>11,212</u>
Tax expense	(2,289)	(3,009)
Profit for the period	<u>8,114</u>	<u>8,203</u>
Other comprehensive income (net of tax)	-	-
Total comprehensive income for the period	<u><u>8,114</u></u>	<u><u>8,203</u></u>
Profit attributable to :		
Owners of the parent	<u><u>8,114</u></u>	<u><u>8,203</u></u>
Total comprehensive income attributable to :		
Owners of the parent	<u><u>8,114</u></u>	<u><u>8,203</u></u>
Basic earnings per ordinary share (sen)	<u><u>8.11</u></u>	<u><u>8.20</u></u>

(The Condensed Consolidated Statement of Profit Or Loss And Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 November 2018 and the accompanying explanatory notes attached to this interim financial report)

NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Total comprehensive income for the period is arrived at after charging/(crediting) the following items:

	3 MONTHS ENDED	
	28.02.2019	28.02.2018
	RM'000	RM'000
Fair value gain on investment properties	-	(6,163)
Interest income	(272)	(144)
Other income	(492)	(321)
Interest expenses	892	1,094
Depreciation	307	328
Gain on disposal of property, plant and equipment	(60)	-
	_____	_____

Save as disclosed above and in the Condensed Consolidated Statement of Profit Or Loss And Other Comprehensive Income, the other items required by Bursa Malaysia Securities Berhad Main Market Listing Requirements, Chapter 9, Appendix 9B are not applicable to the Group.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2019

	(Unaudited) As At End Of Current Quarter 28.02.2019 RM'000	(Unaudited) As At Financial Year End 30.11.2018 RM'000 RESTATED	(Unaudited) As At 01.12.2017 RM'000 RESTATED
ASSETS			
Non-current assets			
Property, plant and equipment	3,085	2,937	3,790
Investment properties	44,877	48,145	52,867
Inventories - land held for property development	399,132	385,857	54,221
Deferred tax assets	787	780	646
	<u>447,881</u>	<u>437,719</u>	<u>111,524</u>
Current assets			
Inventories - properties under development	116,088	106,912	116,645
Inventories - completed properties	89,574	101,812	117,811
Trade and other receivables	42,545	46,664	61,398
Contract assets	31,052	9,538	6,582
Current tax assets	545	2,072	898
Cash and bank balances	30,296	54,744	7,908
	<u>310,100</u>	<u>321,742</u>	<u>311,242</u>
Non-current assets held for sale	-	-	28,962
TOTAL ASSETS	<u><u>757,981</u></u>	<u><u>759,461</u></u>	<u><u>451,728</u></u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	100,124	100,124	100,124
Reserve	292,459	284,345	213,012
Total equity	<u>392,583</u>	<u>384,469</u>	<u>313,136</u>
Non-current liabilities			
Borrowings	192,491	231,890	53,445
	<u>192,491</u>	<u>231,890</u>	<u>53,445</u>
Current liabilities			
Provision for liabilities	374	374	374
Trade and other payables	59,786	59,757	58,365
Borrowings	108,547	75,788	26,408
Current tax liabilities	4,200	7,183	-
	<u>172,907</u>	<u>143,102</u>	<u>85,147</u>
Total liabilities	<u>365,398</u>	<u>374,992</u>	<u>138,592</u>
TOTAL EQUITY AND LIABILITIES	<u><u>757,981</u></u>	<u><u>759,461</u></u>	<u><u>451,728</u></u>
Net assets per share attributable to owners of the parent (RM)	<u>3.93</u>	<u>3.84</u>	<u>3.13</u>

(The Condensed Consolidated Statement Of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 November 2018 and the accompanying explanatory notes attached to this interim financial report)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2019

The figures have not been audited.

	Current Year-To- Date 28.02.2019 RM'000	Preceding Corresponding Period 28.02.2018 RM'000 RESTATED
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	10,403	11,212
Adjustments for :-		
Fair value gain on investment properties	-	(6,163)
Depreciation of property, plant and equipment	307	328
Gain on disposal of property, plant and equipment	(60)	-
Interest income	(272)	(144)
Interest expense	892	1,094
Operating profit before changes in working capital	11,270	6,327
Changes in working capital :		
Inventories - properties under development	(9,176)	1,605
Inventories - completed properties	15,506	2,515
Trade and other receivables	4,173	7,614
Contract assets	(21,515)	(19,715)
Trade and other payables	29	26,393
Cash generated from operations	287	24,739
Tax paid	(4,039)	(1,973)
Tax refunded	287	-
Net cash (used in)/from operating activities	(3,465)	22,766
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	218	83
Additions to inventories - land held for property development	(13,275)	-
Proceeds from disposal of property, plant and equipment	60	-
Purchase of property, plant and equipment	(114)	(7)
Net cash (used in)/from investing activities	(13,111)	76
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of borrowings	-	373
Interest paid	(892)	(1,094)
Repayment of borrowings	(6,131)	(561)
Repayment of finance lease creditors	(153)	(192)
Net cash used in financing activities	(7,176)	(1,474)
Net (decrease)/increase in cash and cash equivalents	(23,752)	21,368
Cash and cash equivalents at beginning of year	45,840	1,055
Cash and cash equivalents at end of period	22,088	22,423

(The Condensed Consolidated Statement Of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 November 2018 and the accompanying explanatory notes attached to this interim financial report)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2019

The figures have not been audited.

	Share capital RM'000	Share premium RM'000	<u>Distributable</u> Retained earnings RM'000	Total equity RM'000
As at 1 December 2018	100,124	-	290,064	390,188
Effects of adoption of the MFRS framework			(5,719)	(5,719)
As at 1 December 2018	100,124	-	284,345	384,469
Profit for the financial period	-	-	8,114	8,114
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	-	-	8,114	8,114
Transaction with owners				
Dividend paid	-	-	-	-
Total transaction with owners	-	-	-	-
As at 28 February 2019	100,124	-	292,459	392,583
As at 1 December 2017	100,124	-	224,550	324,674
Effects of adoption of the MFRS framework			(11,539)	(11,539)
As at 1 December 2017 (restated)	100,124	-	213,011	313,135
Profit for the financial period	-	-	8,203	8,203
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	-	-	8,203	8,203
Transaction with owners				
Dividend paid	-	-	-	-
Total transaction with owners	-	-	-	-
As at 28 February 2018	100,124	-	221,214	321,338

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 November 2018 and the accompanying explanatory notes attached to this interim financial report)

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2019

A1. Basis of Preparation

The unaudited interim financial report has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 : *Interim Financial Reporting* and Paragraph 9.22 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The unaudited interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 30 November 2018. The explanatory notes attached to the unaudited interim financial report provide an 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 year ended 30 November 2018.

A2. Changes in Accounting Policies

For the periods up to and including the year ended 30 November 2018, the Group prepared its financial statements in accordance with the Financial Reporting Standards (“FRS”). The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 30 November 2018, except for the effects arising from the transition from FRSs to MFRSs, which are disclosed below.

The interim financial report of the Group for the period ended 28 February 2018 is prepared in accordance with MFRS Framework, including MFRS 1 “First-time Adoption of Malaysian Financial Reporting Standards”.

In adopting the MFRS framework, the Group has applied the following MFRS and amendments/improvements to MFRSs which are relevant and effective for annual periods beginning on or after 1 January 2018:

Effective for annual financial period beginning on or after 1 January 2018

Amendments to MFRS 1 <i>Annual Improvements to MFRS Standards 2014 – 2016 Cycle</i>	1 January 2018
MFRS 15 <i>Revenue from Contracts with Customers</i>	1 January 2018
Clarification to MFRS 15	1 January 2018
MFRS 9 <i>Financial Instruments (IFRS as issued by IASB in July 2014)</i>	1 January 2018
Amendments to MFRS 2 <i>Classification and Measurement of Share-based Payment Transactions</i>	1 January 2018
Amendment to MFRS 128 <i>Annual Improvements to MFRS Standards 2014-2016 Cycle</i>	1 January 2018
IC Interpretation 22 <i>Foreign Currency Transactions and Advance Consideration</i>	1 January 2018

A2. Changes in Accounting Policies (continued)

Effective for annual financial period beginning on or after 1 January 2018

Amendments to MFRS 140 *Transfers of Investment Property*

1 January 2018

The adoption of the MFRSs framework did not have any material financial impact to the Group's financial position, financial performance and cash flows except as disclosed on pages 8, 9 and 10 below. A brief discussion of the significant standards under the MFRSs framework is summarised below.

MFRS 3 – Business Combinations

MFRS 1 provides the option to apply MFRS 3 Business Combinations, prospectively from the date of transition. This provides relief from full retrospective application of MFRS 3 which would require restatement of all business combinations prior to the date of transition. The Group has opted to apply MFRS 3 prospectively.

MFRS 9 – Financial Instruments

MFRS 9 replaces MFRS 139, *Financial Instruments: Recognition and Measurement* and introduces new requirements for the classification and measurement of financial assets and liabilities, impairment of financial assets and on hedge accounting.

MFRS 9 introduces an approach for the classification and measurement of financial assets which is driven by cash flow characteristics and the business model in which the asset is held. The Group has classified its financial assets as financial assets measured at amortised cost.

MFRS 9 introduces a new expected credit loss (“ECL”) model for impairment that replaces the incurred loss impairment model used in FRS 139. The ECL model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised. Based on an assessment, the Group has not identified any significant impact arising from adopting this model.

The Group has applied MFRS 9 from 1 December 2018, and has availed itself of the exemptions permitted under MFRS 1. Accordingly, the comparative figures have not been restated.

MFRS 15 – Revenue from Contracts with Customers

The core principle of MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Upon the adoption of MFRS 15, the Group conducted an assessment of its existing contracts with customers and identified, among others, the following changes to its existing accounting principles:

A2. Changes in Accounting Policies (continued)

MFRS 15 – Revenue from Contracts with Customers (continued)

a) Determining the transaction price

In determining the transaction price, the Group assesses the estimated transaction price after considering the effects of variable consideration, constraining estimates of variable consideration and is based on the most likely amount, which is not reversible in the future.

b) Timing of recognition for the sales of properties

Revenue from property development is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Control of the asset may transfer over time or at a point in time. For properties sold in accordance with the Housing Development (Control and Licensing) Act 1966 (“HDA”), control of the asset is transferred over time as the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Therefore, revenue from sale of properties under HDA, without a secured financing arrangement is recognised when it is probable that the Group will collect the consideration of the sale of the property to which it is entitled. Sales of properties that are not governed under HDA, will be assessed on a contract by contract basis, to establish the Group’s enforceable right to payment for performance completed to date.

The measure of the progress towards complete satisfaction of the performance obligation is based on the Group’s efforts or inputs to the satisfaction of the performance obligation (i.e. by reference to the development costs incurred to date to the estimated total development costs).

c) Classification of land held for property development and property development costs

Upon withdrawal of FRS 201 “Property Development Activities”, land held for property development and property development costs are reclassified as inventories as these assets are in the process of production for sale. These inventories are carried at the lower of cost or net realisable value in accordance with MFRS 102 *Inventories*

A2. Changes in Accounting Policies (continued)

d) Presentation of contract assets and contract liabilities

MFRS 15 requires separate presentation of contract assets and contract liabilities in the statement of financial position. This results in some reclassifications as of 1 December 2018, which are currently included in other statement of financial position line items. Contract assets identified are mainly the right to consideration for goods or services transferred to the customers. In the case of property development and construction contracts, contract assets are the excess of cumulative revenue earned over cumulative billings to-date and contract liabilities are the obligations to transfer goods or services to the customers for which the Group or the Company has received the consideration or has billed the customers.

With the adoption of MFRS 15, revenue is recognised by reference to each distinct performance obligation in the contracts with customers. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or service promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time. The Group has applied this standard retrospectively.

A2. Changes in Accounting Policies (continued)

The effects of the transition from FRSs to MFRSs are as follows:

Consolidated Statement of Financial Position as at 30 November 2018	As previously reported (Under FRSs) RM'000	Effect of MFRS adjustments RM'000	As restated (Under MFRSs) RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	2,937	-	2,937
Investment properties	47,677	468	48,145
Inventories - land held for property development	385,857	-	385,857
Deferred tax assets	780	-	780
	437,251	468	437,719
Current assets			
Inventories - properties under development	103,681	3,231	106,912
Inventories - completed properties	92,956	8,856	101,812
Trade and other receivables	76,318	(29,654)	46,664
Contract assets	-	9,538	9,538
Current tax assets	267	1,805	2,072
Cash and bank balances	54,744	-	54,744
	327,966	(6,224)	321,742
TOTAL ASSETS	765,217	(5,756)	759,461
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	100,124	-	100,124
Reserve	290,064	(5,719)	284,345
Total equity	390,188	(5,719)	384,469
Non-current liability			
Borrowings	231,890	-	231,890
	231,890	-	231,890
Current liabilities			
Provision for liabilities	374	-	374
Trade and other payables	59,794	(37)	59,757
Borrowings	75,788	-	75,788
Current tax liabilities	7,183	-	7,183
	143,139	(37)	143,102
Total liabilities	375,029	(37)	374,992
TOTAL EQUITY AND LIABILITIES	765,217	(5,756)	759,461

A2. Changes in Accounting Policies (continued)

The effects of the transition from FRSS to MFRSS are as follows (continued) :

Consolidated Statement of Financial Position as at 1 December 2017	As previously reported (Under FRSS) RM'000	Effect of MFRS adjustments RM'000	As restated (Under MFRSS) RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	3,790	-	3,790
Investment properties	52,867	-	52,867
Inventories - land held for property development	54,221	-	54,221
Deferred tax assets	646	-	646
	111,524	-	111,524
Current assets			
Inventories - properties under development	104,878	11,767	116,645
Inventories - completed properties	108,038	9,773	117,811
Trade and other receivables	105,030	(43,632)	61,398
Contract assets	-	6,582	6,582
Current tax assets	12	886	898
Cash and bank balances	7,908	-	7,908
	325,866	(14,624)	311,242
Non-current assets held for sale	28,962	-	28,962
TOTAL ASSETS	466,352	(14,624)	451,728
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	100,124	-	100,124
Reserve	224,550	(11,538)	213,012
Total equity	324,674	(11,538)	313,136
Non-current liability			
Borrowings	53,445	-	53,445
	53,445	-	53,445
Current liabilities			
Provision for liabilities	374	-	374
Trade and other payables	58,692	(327)	58,365
Borrowings	26,408	-	26,408
Current tax liabilities	2,759	(2,759)	-
	88,233	(3,086)	85,147
Total liabilities	141,678	(3,086)	138,592
TOTAL EQUITY AND LIABILITIES	466,352	(14,624)	451,728

A2. Changes in Accounting Policies (continued)

The effects of the transition from FRSS to MFRSS are as follows (continued) :

Consolidated Statement of Profit or Loss And Other Comprehensive Income for 3 months ended 28 February 2018	As previously reported (Under FRSS) RM'000	Effect of MFRS adjustments RM'000	As restated (Under MFRSS) RM'000
Revenue	29,446	10,375	39,821
Cost of sales	(19,286)	(2,613)	(21,899)
Gross profit	10,160	7,762	17,922
Other income	6,628		6,628
Marketing and promotion expenses	(1,901)	(1,833)	(3,734)
Administrative expenses	(8,510)	-	(8,510)
Finance costs	(1,094)		(1,094)
Profit before tax	5,283	5,929	11,212
Tax expense	(1,586)	(1,423)	(3,009)
Profit for the period	3,697	4,506	8,203
Other comprehensive income (net of tax)	-		-
Total comprehensive income for the period	3,697	4,506	8,203
Total comprehensive income attributable to :			
Owners of the parent	3,697	4,506	8,203
Basic earnings per ordinary share (sen)	3.70		8.20

There is no material impact on the consolidated statement of cash flows for the 3 months ended 28 February 2018. The reclassification on adoption of the MFRS framework in the consolidated statement of cash flows for the 3 months ended 28 February 2018 is as follows : -

Consolidated Statement of Cash Flows for 3 months ended 28 February 2018	As previously reported (Under FRSS) RM'000	Effect of MFRS adjustments RM'000	As restated (Under MFRSS) RM'000
Operating profit before changes in working capital	398	5,929	6,327
Changes in working capital	24,341	(5,929)	18,412

A3. Audit Report Of Preceding Annual Financial Statements

The auditor's report for the financial statements for the year ended 30 November 2018 was not subject to any qualification.

A4. Seasonality or Cyclicity of Operations

The operations of the Group were not substantially affected by any seasonal or cyclical factors.

A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items for the current financial year to date.

A6. Material Changes in Estimates

There were no material changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years that give rise to a material effect in the current interim period.

A7. Changes in Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial year to date.

A8. Dividends Paid

There were no payments of dividend during the current quarter and financial year to date.

A9. Segmental Information

The segment analysis for the current financial year to date is set out below: -

3 months period ended 28 February 2019	Property	Investment	Others	Total
	Development	Holding		
	RM'000	RM'000	RM'000	RM'000
Total revenue	54,697	-	183	54,880
Inter-segment revenue	-	-	(112)	(112)
Revenue from external customers	54,697	-	71	54,768
Interest Income	67	205	-	272
Finance costs	(663)	(229)	-	(892)
	(596)	(24)	-	(620)
Inter-segment income	-	-	-	-
Inter-segment finance	-	-	-	-
Net finance expense	(596)	(24)	-	(620)
Depreciation	298	9	-	307
Segment profit before income tax	9,871	389	(49)	10,211
Taxation	(2,289)	-	-	(2,289)
Segment profit after income tax	7,582	389	(49)	7,922

A9. Segmental Information (continued)

3 months period ended 28 February 2018 RESTATED	Property Development RM'000	Investment Holding RM'000	Others RM'000	Total RM'000
Total revenue	39,784	-	158	39,942
Inter-segment revenue	-	-	(121)	(121)
Revenue from external customers	39,784	-	37	39,821
Interest Income	74	120	-	194
Finance costs	(945)	(199)	-	(1,144)
	(871)	(79)	-	(950)
Inter-segment income	-	(50)	-	(50)
Inter-segment finance	50	-	-	50
Net finance expenses	(821)	(129)	-	(950)
Depreciation	304	24	-	328
Segment profit before income tax	12,244	(940)	(150)	11,154
Taxation	(3,009)	-	-	(3,009)
Segment profit after income tax	9,235	(940)	(150)	8,145

Reconciliation of reportable segment profit or loss to the Group's corresponding amounts are as follows :-

Profit for the financial period	28.02.2019 RM'000	28.02.2018 RM'000
Total profit for the reportable segment	10,211	11,154
Elimination of inter-segment profits	192	58
Profit before tax	10,403	11,212
Taxation	(2,289)	(3,009)
Profit for the financial period	8,114	8,203

Segmental reporting by geographical locations has not been presented as all the activities of the Group's operations are carried out in Malaysia only.

A10. Valuation of Property, Plant and Equipment

The valuations of the Group's property, plant and equipment have been brought forward without amendment from the latest audited annual financial statements.

A11. Material Events Subsequent to the end of the Interim Period

There are no material events subsequent to the end of the financial quarter under review.

A12. Changes in Composition of the Group

There were no changes in the composition of the Group for the current financial year to date.

A13. Changes in Contingent Assets or Contingent Liabilities

There were no contingent assets and contingent liabilities since the last annual reporting date.

A14. Commitments

There are no outstanding capital commitments as at the date of this report.

A15. Significant Related Party Transactions

There were no related party transactions for the current financial year to date.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)

B1. Review of Performance

	3 MONTHS ENDED		Changes %
	28.02.2019 RM'000	28.02.2018 RM'000	
		RESTATED	
Revenue	54,768	39,821	38
Gross profit	20,065	17,922	12
Profit before interest and tax	11,295	12,306	(8)
Profit before tax	10,403	11,212	(7)
Profit after tax	8,114	8,203	(1)
Profit attributable to :			
Owners of the parent	8,114	8,203	(1)

a. Performance of the current quarter against the preceding year corresponding quarter

The Group registered a revenue and profit before tax of RM54.8 million and RM10.4 million respectively for the current quarter under review as compared to the restated revenue and profit before tax of RM39.8 million and RM11.2 million respectively in the preceding year corresponding quarter.

The revenue and profit before tax were mainly derived from the property development division. The Group achieved a higher number of properties sold for the current quarter of which the affordable homes under the Rumah Mampu Milik Johor (RMMJ) scheme constituted a significant portion of the sales.

Revenue increased by 38% whilst profit before tax decreased by 7%. Revenue was higher in the current quarter due to the higher number of properties sold and the effects of the adoption of the new MFRS framework. Profit before tax was lower in this current quarter as there was no fair value gain recorded in the current quarter as compared to a fair value gain of RM6.2 million recognised in the preceding year corresponding quarter.

B2. Material Changes in the Quarterly Results for the Current Quarter as compared with the Immediate Preceding Quarter

	Current Year Quarter 28.02.2019 RM'000	Immediate Preceding Quarter 30.11.2018 RM'000 RESTATED	Changes %
Revenue	54,768	157,088	(65)
Gross profit	20,065	100,638	(80)
Profit before interest and tax	11,295	73,943	(85)
Profit before tax	10,403	72,819	(86)
Profit after tax	8,114	57,855	(86)
Profit attributable to owners of the Company	8,114	57,855	(86)

For the first quarter ended 28 February 2019, the Group recorded a revenue and profit before tax of RM54.8 million and RM10.4 million respectively as compared to the restated revenue and gross profit of RM157.1 million and RM72.8 million respectively in the immediate preceding quarter.

Revenue and profit before tax for the current quarter is lower as the contribution derived from the completion of the disposal of the lands in Kulim, Kedah was taken up in the immediate preceding quarter.

B3. Prospects Commentary

The Group remains cautious in view of the continued stringent lending requirements by the financial institutions, the intense competition among developers and weak market sentiments.

The Group expects its revenue and profit for the current financial year to be driven by the three storey cluster houses, three storey terrace houses (superlink XL), three storey shop offices, One Sentral Serviced Residence and its affordable homes under the Rumah Mampu Milik Johor (RMMJ) and Perumahan Komuniti Johor (PKJ) schemes at *Taman Nusa Sentral*, Iskandar Puteri. The Group is also planning to launch 48 units of the 3 storey semi detached houses in the current financial year.

B4. Variance of Actual Profit from Forecast Profit

Not applicable as there was no profit forecast published by the Group.

B5. Taxation

	3 MONTHS ENDED	
	28.02.2019	28.02.2018
	RM'000	RM'000
		RESTATED
Current taxation	2,296	2,920
Deferred taxation	(7)	89
	2,289	3,009

The Group's effective tax rate for the quarter is lower than the statutory tax rate principally due to certain expenses that are deductible for tax purposes.

B6. Sale of Unquoted Investments and/or Properties

There were no sales of unquoted investments and/or properties for the current quarter and financial year-to-date not in the ordinary course of the Group's business.

B7. Purchase/Disposal of Quoted Securities other than Securities in Existing Subsidiaries and Associated Companies

- (a) There were no purchases or disposal of quoted securities for the current quarter and financial year to date.
- (b) There were no investments in quoted securities for the current quarter and financial year to date.

B8. Status of Corporate Proposals

There were no outstanding corporate proposals for the current quarter and financial year to date.

B9. Group Borrowings

The Group's borrowings (all denominated in Malaysian currency) as at 28 February 2019 and 28 February 2018 are as follows:-

As at 28 February 2019	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total Borrowings RM'000
<i>Secured</i>			
Bank overdraft	8,208	-	8,208
Revolving credits	17,000	-	17,000
Term loans	82,649	191,560	274,209
Finance lease creditors	690	931	1,621
	108,547	192,491	301,038

As at 28 February 2018

	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total Borrowings RM'000
<i>Secured</i>			
Bank overdraft	-	-	-
Revolving credits	17,000	-	17,000
Term loans	1,273	52,700	53,973
Finance lease creditors	577	1,070	1,647
	18,850	53,770	72,620

The weighted average interest rate at the end of the reporting period are as follows:

	As at 28.02.2019 %	As at 28.02.2018 %
Floating interest rate	7.03	7.03
Fixed interest rate	4.71	4.85

The term loans for the Group increased as at 28 February 2019 as the Group had utilized RM217 million of its term loan facility as balance payment for the acquisition of a piece of land located in Mukim Pulai, District of Johor Bahru, State of Johor, measuring 163.9205 acres for a total cash consideration of RM310 million.

There were no bank borrowings denominated in foreign currencies as at the reporting date.

B10. Derivative Financial Instruments

There were no outstanding derivative financial instruments for the current quarter and financial year-to-date.

B11. Changes in Material Litigation

There is no pending material litigation since the last audited annual reporting date up to 19th April 2019, being a date not earlier than 7 days from the date of issue of the quarterly report.

B12. Dividend

There were no payments of dividend during the current quarter and financial year to date.

B13. Earnings Per Share

	3 MONTHS ENDED	
	28.02.2019 RM'000	28.02.2018 RM'000 RESTATED
Basic/Diluted earnings per share		
Profit for the period attributable to owners of the parent	8,114	8,203
Weighted number of ordinary shares in issue	100,000	100,000
Basic earnings per share (sen)	8.11	8.20

The diluted earnings per share of the Group are the same as the basic earnings per ordinary share of the Group as the Company has no dilutive ordinary shares.