

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER
ENDED 31 AUGUST 2019

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 31 AUGUST 2019

The figures have not been audited.

	INDIVIDUAL QUARTER		9 MONTHS ENDED	
	Current Year Quarter 31.08.2019 RM'000	Preceding Year Corresponding Quarter 31.08.2018 RM'000 RESTATED	Current Year To Date 31.08.2019 RM'000	Preceding Year Corresponding Period 31.08.2018 RM'000 RESTATED
Revenue	42,078	30,504	126,535	87,493
Cost of sales	(28,008)	(19,431)	(87,403)	(57,230)
Gross profit	14,070	11,073	39,132	30,263
Other income	1,953	2,070	7,233	15,550
Marketing and promotion expenses	(566)	(978)	(2,786)	(2,699)
Administrative expenses	(6,489)	(4,342)	(16,450)	(18,046)
Finance costs	(587)	(221)	(2,252)	(2,253)
Profit before tax	8,381	7,602	24,877	22,815
Tax expense	(2,507)	(1,881)	(6,331)	(6,472)
Profit for the period	5,874	5,721	18,546	16,343
Other comprehensive income (net of tax)	-	-	-	-
Total comprehensive income for the period	5,874	5,721	18,546	16,343
Profit attributable to :				
Owners of the parent	5,874	5,721	18,546	16,343
Total comprehensive income attributable to :				
Owners of the parent	5,874	5,721	18,546	16,343
Basic earnings per ordinary share (sen)	5.87	5.72	18.55	16.34

(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:

	INDIVIDUAL QUARTER		9 MONTHS ENDED	
	Current Year Quarter 31.08.2019 RM'000	Preceding Year Corresponding Quarter 31.08.2018 RM'000	Current Year To Date 31.08.2019 RM'000	Preceding Year Corresponding Period 31.08.2018 RM'000
Fair value gain on investment properties	(1,309)	(1,402)	(4,932)	(14,007)
Interest income	(309)	(354)	(1,018)	(595)
Other income	(335)	(314)	(1,163)	(948)
Interest expenses	587	221	2,252	2,253
Depreciation	340	304	975	962
Gain on disposal of property, plant and equipment	-	-	(120)	-

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 31 AUGUST 2019

	(Unaudited) As At End Of Current Quarter 31.08.2019 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	3,058	2,937	3,790
Investment properties	38,215	50,545	52,867
Inventories - land held for property development	408,220	385,857	54,221
Deferred tax assets	746	780	646
	450,239	440,119	111,524
Current assets			
Inventories - properties under development	102,431	106,912	116,645
Inventories - completed properties	88,700	101,812	117,811
Trade and other receivables	32,223	46,664	61,398
Contract assets	29,480	7,338	6,582
Current tax assets	8	2,024	898
Cash and bank balances	44,276	54,744	7,908
	297,118	319,494	311,242
Non-current assets held for sale	-	-	28,962
TOTAL ASSETS	747,357	759,613	451,728
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	100,124	100,124	100,124
Reserve	303,043	284,497	213,012
Total equity	403,167	384,621	313,136
Non-current liabilities			
Borrowings	189,732	231,890	53,445
	189,732	231,890	53,445
Current liabilities			
Provision for liabilities	374	374	374
Contract liabilities	9,015	-	-
Trade and other payables	68,974	59,757	58,365
Borrowings	74,832	75,788	26,408
Current tax liabilities	1,263	7,183	-
	154,458	143,102	85,147
Total liabilities	344,190	374,992	138,592
TOTAL EQUITY AND LIABILITIES	747,357	759,613	451,728
Net assets per share attributable to owners of the parent (RM)	4.03	3.85	3.13

(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 THIRD QUARTER ENDED 31 AUGUST 2019

The figures have not been audited.

	Current Year-To- Date 31.08.2019 RM'000	Preceding Corresponding Period 31.08.2018 RM'000 RESTATED
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	24,877	22,815
Adjustments for :-		
Net fair value gain on investment properties	(8,582)	(14,007)
Depreciation of property, plant and equipment	975	962
Loss on disposal of investment properties	4,450	-
Gain on disposal of property, plant and equipment	(120)	-
Interest income	(1,018)	(595)
Interest expense	2,252	2,253
Operating profit before changes in working capital	<u>22,834</u>	<u>11,428</u>
Changes in working capital :		
Inventories - properties under development	4,482	17,709
Inventories - completed properties	11,024	(959)
Trade and other receivables	14,555	(68,726)
Contract assets/contract liabilities	(13,128)	(2,592)
Trade and other payables	9,217	48,071
Cash generated from operations	<u>48,984</u>	<u>4,931</u>
Tax paid	(10,734)	(8,809)
Tax refunded	534	-
Net cash from/(used in) operating activities	<u>38,784</u>	<u>(3,878)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	903	365
Proceeds from disposal of investment properties	18,550	-
Additions to inventories - land held for property development	(22,363)	(31)
Proceeds from disposal of property, plant and equipment	120	-
Purchase of property, plant and equipment	(756)	(55)
Net cash (used in)/from investing activities	<u>(3,546)</u>	<u>279</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of borrowings	-	22,893
Interest paid	(2,252)	(2,253)
Repayment of borrowings	(43,014)	(9,582)
Repayment of finance lease creditors	(492)	(504)
Net (cash used in)/from financing activities	<u>(45,758)</u>	<u>10,554</u>
Net (decrease)/increase in cash and cash equivalents	(10,520)	6,955
Cash and cash equivalents at beginning of year	45,840	1,055
Cash and cash equivalents at end of period	<u>35,320</u>	<u>8,010</u>

(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 THIRD QUARTER ENDED 31 AUGUST 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 from adoption of MFRS framework	-	-	(5,567)	(5,567)
As at 1 December 2018	100,124	-	284,497	384,621
Profit for the financial period	-	-	18,546	18,546
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	-	-	18,546	18,546
Transaction with owners				
Dividend paid	-	-	-	-
Total transaction with owners	-	-	-	-
As at 31 August 2019	100,124	-	303,043	403,167
RESTATED				
As at 1 December 2017	100,124	-	224,550	324,674
Effects from adoption of MFRS framework	-	-	(11,538)	(11,538)
As at 1 December 2017	100,124	-	213,012	313,136
Profit for the financial period	-	-	16,343	16,343
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	-	-	16,343	16,343
Transaction with owners				
Dividend paid	-	-	-	-
Total transaction with owners	-	-	-	-
As at 31 August 2018	100,124	-	229,355	329,479

(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 THIRD QUARTER ENDED 31 AUGUST 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	2,868	50,545
Inventories - land held for property development	385,857	-	385,857
Deferred tax assets	780	-	780
	437,251	2,868	440,119
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	-	7,338	7,338
Current tax assets	267	1,757	2,024
Cash and bank balances	54,744	-	54,744
	327,966	(8,472)	319,494
TOTAL ASSETS	765,217	(5,604)	759,613
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	100,124	-	100,124
Reserve	290,064	(5,567)	284,497
Total equity	390,188	(5,567)	384,621
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	(5,604)	759,613

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 MFRSSs are as follows (continued) :

Consolidated Statement of Profit or Loss And Other Comprehensive Income for 3 months ended 31 August 2018	As previously reported (Under FRSSs) RM'000	Effect of MFRS adjustments RM'000	As restated (Under MFRSSs) RM'000
Revenue	43,257	(12,753)	30,504
Cost of sales	(23,530)	4,099	(19,431)
Gross profit	19,727	(8,654)	11,073
Other income	2,070	-	2,070
Marketing and promotion expenses	(2,289)	1,311	(978)
Administrative expenses	(4,342)	-	(4,342)
Finance costs	(221)	-	(221)
Profit before tax	14,945	(7,343)	7,602
Tax expense	(3,643)	1,762	(1,881)
Profit for the period	11,302	(5,581)	5,721
Other comprehensive income (net of tax)	-	-	-
Total comprehensive income for the period	11,302	(5,581)	5,721
Total comprehensive income attributable to :			
Owners of the parent	11,302	(5,581)	5,721
Basic earnings per ordinary share (sen)	11.30		5.72

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 9 months ended 31 August 2018	As previously reported (Under FRSS) RM'000	Effect of MFRS adjustments RM'000	As restated (Under MFRSS) RM'000
Revenue	94,267	(6,774)	87,493
Cost of sales	(58,131)	901	(57,230)
Gross profit	36,136	(5,873)	30,263
Other income	15,550		15,550
Marketing and promotion expenses	(5,762)	3,063	(2,699)
Administrative expenses	(18,046)	-	(18,046)
Finance costs	(2,253)		(2,253)
Profit before tax	25,625	(2,810)	22,815
Tax expense	(7,146)	674	(6,472)
Profit for the period	18,479	(2,136)	16,343
Other comprehensive income (net of tax)	-		-
Total comprehensive income for the period	18,479	(2,136)	16,343
Total comprehensive income attributable to :			
Owners of the parent	18,479	(2,136)	16,343
Basic earnings per ordinary share (sen)	18.48		16.34

There is no material impact on the consolidated statement of cash flows for the 9 months ended 31 August 2019. The reclassification on adoption of the MFRS framework in the consolidated statement of cash flows for the 6 months ended 31 August 2019 is as follows :-

Consolidated Statement of Cash Flows for 9 months ended 31 August 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	14,238	(2,810)	11,428
Change in working capital	(9,338)	2,841	(6,497)
Cash flows from investing activities	310	(31)	279

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: -

9 months period ended 31 August 2019	Property	Investment	Others	Total
	Development	Holding		
	RM'000	RM'000	RM'000	RM'000
Total revenue	126,301	-	590	126,891
Inter-segment revenue	-	-	(356)	(356)
Revenue from external customers	126,301	-	234	126,535
Interest Income	509	507	2	1,018
Finance costs	(1,548)	(704)	-	(2,252)
	(1,039)	(197)	2	(1,234)
Inter-segment income	-	-	-	-
Inter-segment finance	-	-	-	-
Net finance expense	(1,039)	(197)	2	(1,234)
Depreciation	948	27	-	975
Segment profit before income tax	25,493	(784)	(72)	24,637
Taxation	(6,331)	-	-	(6,331)
Segment profit after income tax	19,162	(784)	(72)	18,306

A9. Segmental Information (continued)

9 months period ended 31 August 2018 RESTATED	Property Development RM'000	Investment Holding RM'000	Others RM'000	Total RM'000
Total revenue	87,336	5,020	505	92,861
Inter-segment revenue	-	(5,020)	(348)	(5,368)
Revenue from external customers	87,336	-	157	87,493
Interest Income	459	185	-	644
Finance costs	(1,590)	(713)	-	(2,303)
	(1,131)	(528)	-	(1,659)
Inter-segment income	-	(50)	-	(50)
Inter-segment finance	50	-	-	50
Net finance expenses	(1,081)	(578)	-	(1,659)
Depreciation	920	42	-	962
Segment profit before income tax	25,486	2,433	(209)	27,710
Taxation	(6,472)	-	-	(6,472)
Segment profit after income tax	19,014	2,433	(209)	21,238

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

Profit for the financial period	31.08.2019 RM'000	31.08.2018 RM'000
Total profit for the reportable segment	24,637	27,710
Elimination of inter-segment profits	240	(4,895)
Profit before tax	24,877	22,815
Taxation	(6,331)	(6,472)
Profit for the financial period	18,546	16,343

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

	31.08.2019	31.08.2018
	RM'000	RM'000
Capital expenditure in respect of purchase of land held for property development:		
Contracted but not provided	-	217,000
	<u> </u>	<u> </u>

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			CUMULATIVE QUARTER		
	31.08.2019 RM'000	31.08.2018 RM'000	Changes %	31.08.2019 RM'000	31.08.2018 RM'000	Changes %
	RESTATED			RESTATED		
Revenue	42,078	30,504	38	126,535	87,493	45
Gross profit	14,070	11,073	27	39,132	30,263	29
Profit before interest and tax	8,968	7,823	15	27,129	25,068	8
Profit before tax	8,381	7,602	10	24,877	22,815	9
Profit after tax	5,874	5,721	3	18,546	16,343	13
Profit attributable to :						
Owners of the parent	5,874	5,721	3	18,546	16,343	13

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

The Group registered a revenue and profit before tax of RM42.08 million and RM8.4 million respectively for the current quarter under review as compared to the revenue and profit before tax of RM30.5 million and RM7.6 million respectively in the preceding year corresponding quarter.

The revenue and profit before tax were mainly derived from the property development division.

Revenue and profit before tax increased by 38% and 10% respectively. Revenue and profit was higher in the current quarter due to the contribution from sales and progress of works on its ongoing Winter Sonata three storey cluster houses and the affordable homes under the Rumah Mampu Milik Johor (RMMJ) scheme.

b. Performance of the current financial year to date against the corresponding preceding financial year to date

For the current financial year to date, the Group recorded a revenue and profit before tax of RM126.5 million and RM24.9 million respectively as compared to the revenue and profit before tax of RM87.5 million and RM22.8 million respectively in the corresponding preceding year period.

The revenue and profit before tax were mainly derived from the property development division.

Revenue and profit before tax increased by 45% and 9% respectively in the current financial year to date as compared to the preceding year corresponding period. Revenue and profit was higher due to an overall higher number of properties that was sold and the contribution from sales of the completed three storey shop offices together with the sales and progress of works on the ongoing Winter Sonata three storey cluster houses and the affordable homes under the Rumah Mampu Milik Johor (RMMJ) scheme.

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

	Current Year Quarter 31.08.2019 RM'000	Immediate Preceding Quarter 31.05.2019 RM'000	Changes %
Revenue	42,078	33,706	25
Gross profit	14,070	9,014	56
Profit before interest and tax	8,968	7,066	27
Profit before tax	8,381	6,293	33
Profit after tax	5,874	4,710	25
Profit attributable to owners of the Company	5,874	4,710	25

For the third quarter ended 31 August 2019, the Group recorded a revenue and profit before tax of RM42.1 million and RM8.4 million respectively as compared to the revenue and profit before tax of RM33.7 million and RM6.3 million respectively in the immediate preceding quarter.

Revenue and profit before tax increased by 25% and 33% respectively in the current quarter due to an overall higher number of properties that was sold and the contribution from sales of the completed three storey shop offices together with the sales and progress of works on the ongoing Winter Sonata three storey cluster houses and the affordable homes under the RMMJ scheme.

B3. Prospects Commentary

The Group notes the various measures under Budget 2020 that was just announced by the Government to stimulate the economy and in particular, measures to address the issues affecting the sluggish property market. As the effects of such measures will take time to be realized, 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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year To Date	Preceding Year Corresponding Period	Current Year To Date	Preceding Year Corresponding Period
	31.08.2019	31.08.2018	31.08.2019	31.08.2018
Current taxation	2,272	1,993	6,081	6,456
Under provision for prior year	216	62	216	62
Deferred taxation	19	(174)	34	(46)
	<u>2,507</u>	<u>1,881</u>	<u>6,331</u>	<u>6,472</u>

The Group's effective tax rate for the quarter and financial year-to-date is higher than the statutory tax rate principally due to certain expenses that are not 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.

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

(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 31 August 2019 and 31 August 2018 are as follows:-

As at 31 August 2019	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total Borrowings RM'000
<i>Secured</i>			
Bank overdraft	8,956	-	8,956
Revolving credits	15,122	-	15,122
Term loans	50,074	189,129	239,203
Finance lease creditors	680	603	1,283
	<u>74,832</u>	<u>189,732</u>	<u>264,564</u>

As at 31 August 2018	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total Borrowings RM'000
<i>Secured</i>			
Bank overdraft	4,410	-	4,410
Revolving credits	17,000	4,684	21,684
Term loans	3,272	59,515	62,787
Finance lease creditors	619	968	1,587
	<u>25,301</u>	<u>65,167</u>	<u>90,468</u>

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

	As at 31.08.2019 %	As at 31.08.2018 %
Floating interest rate	7.06	6.93
Fixed interest rate	4.67	4.81

B9. Group Borrowings (continued)

The term loans for the Group as at 31 August 2019 as compared to 31 August 2018 had increased as the Group had in November 2018, 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 October 2019, being a date not earlier than 7 days from the date of issue of the quarterly report.

B12. Dividend

	Current Year To Date	Preceding Year Corresponding Period
	31.08.2019	31.08.2018
	RM'000	RM'000
First interim single tier dividend of 5 sen per ordinary share for the financial year ended 30 November 2018, declared on 26 October 2018 was paid on 22 November 2018		5,000
First interim single tier dividend of 3 sen per ordinary share for the financial year ending 30 November 2019, declared on 25 October 2019 and payable on 25 November 2019, in respect of deposited securities based on the record of depositors as at 11 November 2019		
	<u>3,000</u>	-
	<u>3,000</u>	<u>5,000</u>

B13. Earnings Per Share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.08.2019 RM'000	Preceding Year Corresponding Quarter 31.08.2018 RM'000 RESTATED	Current Year To Date 31.08.2019 RM'000	Preceding Year Corresponding Period 31.08.2018 RM'000 RESTATED
Basic/Diluted earnings per share				
Profit for the period attributable to owners of the parent	5,874	5,721	18,546	16,343
Weighted number of ordinary shares in issue	100,000	100,000	100,000	100,000
Basic earnings per share (sen)	5.87	5.72	18.55	16.34

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.