



Building Homes for Generations

COUNTRY VIEW BERHAD 198101012190 (78320-K)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 NOVEMBER 2020

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 30 NOVEMBER 2020

The figures have not been audited.

	3 MONTHS ENDED		12 MONTHS ENDED	
	30.11.2020 RM'000	30.11.2019 RM'000	30.11.2020 RM'000	30.11.2019 RM'000
Revenue	21,151	36,202	90,221	162,737
Cost of sales	(12,706)	(25,734)	(59,774)	(113,137)
Gross profit	<u>8,445</u>	<u>10,468</u>	<u>30,447</u>	<u>49,600</u>
Other income	591	5,938	14,255	13,171
Marketing and promotion expenses	(590)	(908)	(2,751)	(3,694)
Administrative expenses	(4,481)	(6,046)	(20,410)	(22,496)
Finance costs	(479)	(437)	(1,949)	(2,689)
Profit before tax	<u>3,486</u>	<u>9,015</u>	<u>19,592</u>	<u>33,892</u>
Tax expense	(1,294)	(2,690)	(6,343)	(9,021)
Profit for the period	<u>2,192</u>	<u>6,325</u>	<u>13,249</u>	<u>24,871</u>
Other comprehensive income (net of tax)	-	-	-	-
Total comprehensive income for the period	<u><u>2,192</u></u>	<u><u>6,325</u></u>	<u><u>13,249</u></u>	<u><u>24,871</u></u>
Profit attributable to :				
Owners of the parent	<u><u>2,192</u></u>	<u><u>6,325</u></u>	<u><u>13,249</u></u>	<u><u>24,871</u></u>
Total comprehensive income attributable to :				
Owners of the parent	<u><u>2,192</u></u>	<u><u>6,325</u></u>	<u><u>13,249</u></u>	<u><u>24,871</u></u>
Basic earnings per ordinary share (sen)	<u><u>2.19</u></u>	<u><u>6.33</u></u>	<u><u>13.25</u></u>	<u><u>24.87</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 2019 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		12 MONTHS ENDED	
	30.11.2020	30.11.2019	30.11.2020	30.11.2019
	RM'000	RM'000	RM'000	RM'000
Fair value gain on investment properties	(279)	(5,341)	(12,569)	(10,273)
Interest income	(127)	(297)	(578)	(1,315)
Other income	(184)	(300)	(1,107)	(1,463)
Interest expenses	479	437	1,949	2,689
Depreciation and amortisation	370	354	1,706	1,329
Impairment loss on investment properties	304		2,304	-
Gain on disposal of property, plant and equipment	-	-	(1)	(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
30 NOVEMBER 2020**

	(Unaudited) As At End Of Current Quarter 30.11.2020 RM'000	(Audited) As At Financial Year End 30.11.2019 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,961	3,544
Right-of-use assets	2,011	-
Investment properties	49,247	40,077
Inventories	437,848	412,289
Deferred tax assets	821	726
	491,888	456,636
Current assets		
Inventories	146,094	176,248
Trade and other receivables	19,298	20,841
Contract assets	6,254	26,681
Current tax assets	7	-
Cash and bank balances	14,185	13,450
	185,838	237,220
TOTAL ASSETS	677,726	693,856
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	100,124	100,124
Retained earnings	311,617	306,368
Total equity	411,741	406,492
Non-current liabilities		
Borrowings	189,963	152,992
Lease liabilities	1,245	-
	191,208	152,992
Current liabilities		
Trade and other payables	39,465	70,907
Contract liabilities	374	374
Borrowings	32,143	60,316
Lease liabilities	774	-
Current tax liabilities	2,021	2,775
	74,777	134,372
Total liabilities	265,985	287,364
TOTAL EQUITY AND LIABILITIES	677,726	693,856
Net assets per share attributable to owners of the parent (RM)	4.12	4.06

(The Condensed Consolidated Statement Of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 November 2019 and the accompanying explanatory notes attached to this interim financial report)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 30 NOVEMBER 2020

The figures have not been audited.

	Current Year-To- Date 30.11.2020 RM'000	Current Year-To- Date 30.11.2019 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	19,592	33,892
Adjustments for :-		
Net fair value (gain)/loss on investment properties	(12,569)	(10,272)
Depreciation and amortisation	1,706	1,329
(Gain)/Loss on disposal of:		
- property, plant and equipment	(1)	(120)
- investment properties	2,281	1,100
Interest income	(578)	(1,315)
Interest expense	1,949	2,689
Operating profit before changes in working capital	<u>12,380</u>	<u>27,303</u>
Changes in working capital :		
Inventories	21,822	27,716
Trade and other receivables	1,833	23,774
Contract assets/contract liabilities	20,427	(17,143)
Lease liabilities	1,380	-
Trade and other payables	(31,441)	11,150
Cash generated from operations	<u>26,401</u>	<u>72,800</u>
Tax paid	(7,200)	(11,885)
Tax refunded	1	534
Net cash generated from operating activities	<u>19,202</u>	<u>61,449</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	288	1,164
Right-of-use assets	(1,748)	-
Additions to inventories - land held for property development	(25,559)	(26,432)
Proceeds from disposal of :	-	-
- property, plant and equipment	40	120
- investment properties	9,450	24,400
Purchase of property, plant and equipment	(295)	(1,596)
Net cash used in investing activities	<u>(17,824)</u>	<u>(2,344)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of borrowings	42,000	-
Interest paid	(1,949)	(2,689)
Repayment of borrowings	(33,572)	(91,750)
Repayment of finance lease creditors	(599)	(668)
Dividend paid	(8,000)	(3,000)
Net cash generated from/(used in) financing activities	<u>(2,120)</u>	<u>(98,107)</u>
Net increase/(decrease) in cash and cash equivalents	(742)	(39,002)
Cash and cash equivalents at beginning of year	6,838	45,840
Cash and cash equivalents at end of year	6,096	6,838

(The Condensed Consolidated Statement Of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 November 2019 and the accompanying explanatory notes attached to this interim financial report)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER ENDED 30 NOVEMBER 2020

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 2019	100,124	-	306,368	406,492
Profit for the financial period	-	-	13,249	13,249
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	-	-	13,249	13,249
Transaction with owners				
Dividend paid	-	-	(8,000)	(8,000)
Total transaction with owners	-	-	(8,000)	(8,000)
As at 30 November 2020	100,124	-	311,617	411,741
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	-	-	24,871	24,871
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	-	-	24,871	24,871
Transaction with owners				
Dividend paid	-	-	(3,000)	(3,000)
Total transaction with owners	-	-	(3,000)	(3,000)
As at 30 November 2019	100,124	-	306,368	406,492

(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 2019 and the accompanying explanatory notes attached to this interim financial report)

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 NOVEMBER 2020

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 2019. 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 2019.

A2. Changes in Accounting Policies

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 2019, except for the following MFRS, amendments/improvements to MFRSs, IC Interpretations and Amendments to Interpretations which are relevant and effective for annual periods beginning on or after 1 January 2019:

Effective for annual financial period beginning on or after 1 January 2019

MFRS 16 <i>Leases</i>	1 January 2019
IC Interpretation 23 <i>Uncertainty over Income Tax Treatments</i>	1 January 2019
Amendments to MFRS 128 <i>Long-term Interests In Associates and Joint Ventures</i>	1 January 2019
Amendments to MFRS 9 <i>Prepayment Features with Negative Compensation</i>	1 January 2019
Amendments to MFRS 3 <i>Annual Improvements to MFRS Standards 2015 – 2017 Cycle</i>	1 January 2019
Amendment to MFRS 11 <i>Annual Improvements to MFRS Standards 2015-2017 Cycle</i>	1 January 2019
Amendment to MFRS 112 <i>Annual Improvements to MFRS Standards 2015-2017 Cycle</i>	1 January 2019
Amendment to MFRS 123 <i>Annual Improvements to MFRS Standards 2015-2017 Cycle</i>	1 January 2019
Amendment to MFRS 119 <i>Plan Amendment, Curtailment or Settlement</i>	1 January 2019

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 for the adoption of MFRS 16 as discussed below : -

A2. Changes in Accounting Policies (continued)MFRS 16 – Leases

MFRS 16 supersedes MFRS 117, *Leases*, IC Interpretation 4, *Determining whether an Arrangement contains a Lease*, IC Interpretation 115, *Operating Leases - Incentives* and IC Interpretation 127, *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognize most leases on the financial statements

Lessor accounting under MFRS 16 is substantially unchanged from MFRS 117. Lessors would continue to classify leases as either operating or finance leases using similar principles as in MFRS 117. Therefore, MFRS 16 does not have a material impact for leases for which the Group is the lessor.

The Group applied MFRS 16 using the modified retrospective approach, under which the Company has chosen to measure the right-of-use asset equal to the lease liability at 1 December 2019. Accordingly, the comparative information presented is not restated.

On adoption of MFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as “operating leases” under the principles of MFRS 117. These liabilities were measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate of the Group as of 1 December 2019.

For leases previously classified as finance leases, the Group recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability respectively at the date of initial application. The measurement principles of MFRS 16 are only applied after that date. Consequently, reclassifications from certain property, plant and equipment, leasehold land and finance lease liability that had been included in borrowings have been made to right-of-use assets and lease liabilities respectively on the date of initial application.

In applying MFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- (a) Applying a single discount rate to a portfolio of leases with reasonably similar characteristics;
- (b) Relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review - there were no onerous contracts as at 1 January 2019;
- (c) Accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 and do not contain a purchase option as short-term leases;
- (d) Excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application; and

A2. Changes in Accounting Policies (continued)

MFRS 16 – Leases (continued)

- (e) Using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The table below shows the impact of changes to the condensed consolidated statement of financial position of the Group resulting from the adoption of MFRS 16 as at 1 December 2019:

GROUP	As at 30-Nov-19 RM'000	adoption of MFRS 16 RM'000	As at 01-Dec-19 RM'000
Non-current assets			
Property, plant and equipment	3,544	(1,188)	2,356
Right-Of-Use Assets	-	2,673	2,673
Non-current liabilities			
Borrowings	152,992	(515)	152,477
Lease liabilities	-	1,650	1,650
Current liabilities			
Borrowings	60,316	(592)	59,724
Lease liabilities	-	942	942

Other than the recognition of right-of-use assets and lease liabilities in the statement of financial position, the impact on the Group's financial performance upon adoption of MFRS 16 in the current financial period is as follows:

(i) Consolidated Statement of Comprehensive Income

Expenses which had included operating lease rentals within adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA") are now replaced by interest expense on lease liabilities (included within "finance costs") and amortisation of right-of-use assets (included within "depreciation and amortisation"); and

(ii) Consolidated Statement of Cash Flows

Operating lease rental outflows previously recorded within "net cash flow from operating activities" are now classified as "net cash flow from financing activities" for repayment of lease liabilities.

A3. Audit Report Of Preceding Annual Financial Statements

The auditor's report for the financial statements for the year ended 30 November 2019 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

On 24 August 2020, a final single tier dividend of 5 sen per ordinary share amounting to RM5,000,000 was paid in respect of financial year ended 30 November 2019.

On 1 December 2020, a first interim single tier dividend of 3 sen per ordinary share amounting to RM3,000,000 was paid in respect of financial year ended 30 November 2020.

A9. Segmental Information

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

12 months year ended 30 November 2020	Property Development RM'000	Investment Holding RM'000	Others RM'000	Total RM'000
Total revenue	89,856	6,024	776	96,656
Inter-segment revenue	-	(6,024)	(411)	(6,435)
Revenue from external customers	89,856	-	365	90,221
Interest Income	573	2	3	578
Finance costs	(1,251)	(698)	-	(1,949)
	(678)	(696)	3	(1,371)
Inter-segment income	-	-	-	-
Inter-segment finance	-	-	-	-
Net finance expense	(678)	(696)	3	(1,371)
Depreciation and amortisation	1,471	235	-	1,706
Segment profit before income tax	20,403	5,152	(12)	25,543
Taxation	(6,343)	-	-	(6,343)
Segment profit after income tax	14,060	5,152	(12)	19,200

A9. Segmental Information (continued)

12 months year ended 30 November 2019	Property Development RM'000	Investment Holding RM'000	Others RM'000	Total RM'000
Total revenue	162,421	1,702	782	164,905
Inter-segment revenue	-	(1,702)	(466)	(2,168)
Revenue from external customers	162,421	-	316	162,737
Interest Income	620	693	2	1,315
Finance costs	(1,748)	(941)	-	(2,689)
	(1,128)	(248)	2	(1,374)
Inter-segment income	-	-	-	-
Inter-segment finance	-	-	-	-
Net finance expenses	(1,128)	(248)	2	(1,374)
Depreciation and amortisation	1,293	36	-	1,329
Segment profit before income tax	34,868	693	(108)	35,453
Taxation	(8,993)	(28)	-	(9,021)
Segment profit after income tax	25,875	665	(108)	26,432

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

	30.11.2020 RM'000	30.11.2019 RM'000
Profit for the financial period		
Total profit for the reportable segment	25,543	35,453
Elimination of inter-segment profits	(5,951)	(1,561)
Profit before tax	19,592	33,892
Taxation	(6,343)	(9,021)
Profit for the financial period	13,249	24,871

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

Additional investment properties of the Group were recognised in the current financial quarter and are measured at fair value. The recognition of the said investment properties at fair value resulted in an additional fair value gain of RM279,000 for the current quarter and RM12.6 million for the financial year to date. The Group also recognised an impairment loss of RM2.3 million for the financial year to date on the investment properties that were recognised previously.

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

Other than as disclosed below, there were no changes in the composition of the Group for the current financial year to date.

i) On 17 November 2020, Country View Equities Sdn Bhd [Registration No. 199701029291 (444790-T)], a wholly owned subsidiary had commenced a Member's Voluntary Winding-Up pursuant to Section 439(1)(b) of the Companies Act 2016.

ii) On 18 November 2020, applications to strike off the following wholly owned subsidiaries were submitted to the Companies Commission of Malaysia pursuant to Section 550 of the Companies Act 2016 : -

- a) Country View Avenue Sdn. Bhd. [Registration No.: 200501022428 (704558-W)]
- b) Country View Ventures Sdn. Bhd. [Registration No.: 199701029289 (444788-X)]
- c) Country View Construction Sdn. Bhd. [Registration No.: 200001023283 (525891-K)]

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			12 MONTHS ENDED		
	30.11.2020 RM'000	30.11.2019 RM'000	Changes %	30.11.2020 RM'000	30.11.2019 RM'000	Changes %
Revenue	21,151	36,202	(42)	90,221	162,737	(45)
Gross profit	8,445	10,468	(19)	30,447	49,600	(39)
Profit before interest and tax	3,965	9,452	(58)	21,541	36,581	(41)
Profit before tax	3,486	9,015	(61)	19,592	33,892	(42)
Profit after tax	2,192	6,325	(65)	13,249	24,871	(47)
Profit attributable to :						
Owners of the parent	2,192	6,325	(65)	13,249	24,871	(47)

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

The Group registered a revenue and profit before tax of RM21.15 million and RM3.49 million respectively for the current quarter under review as compared to the revenue and profit before tax of RM36.20 million and RM9.02 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 decreased by 42% and 61% respectively as compared to the preceding year corresponding quarter. Revenue and profit before tax had declined mainly due to a lower number of properties that were sold together with lower contributions from work done on the 3 Storey Cluster houses under the Winter Sonata series and the affordable homes under the Rumah Mampu Milik Johor (RMMJ) scheme as the said properties had been completed with Certificate of Completion and Compliance (“CCC”) in the current financial year.

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 RM90.22 million and RM19.59 million respectively as compared to the revenue and profit before tax of RM162.74 million and RM33.89 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 decreased by 45% and 42% respectively in the current financial year to date as compared to the preceding year corresponding period after taking into account the effects of the Covid-19 pandemic. Revenue and profit before tax for the current financial year to date had declined mainly due to a lower number of properties that were sold together with lower contributions from work done on the properties under development as construction activities were halted during the Movement Control Order (MCO) and the 3 Storey Cluster houses under the Winter Sonata series and the affordable homes under the Rumah Mampu Milik Johor (RMMJ) scheme were completed with CCC during the year. The profit before tax for the current year to date was also affected by the impairment loss on investment properties of RM2.3 million. The revenue and profit before tax for the preceding year corresponding period was also higher due to the effects of the adoption of the new MFRS framework.

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

	Current Year Quarter 30.11.2020 RM'000	Immediate Preceding Quarter 31.08.2020 RM'000	Changes %
Revenue	21,151	24,354	(13)
Gross profit	8,445	7,000	21
Profit before interest and tax	3,965	5,729	(31)
Profit before tax	3,486	5,330	(35)
Profit after tax	2,192	3,451	(36)
Profit attributable to owners of the parent	2,192	3,451	(36)

For the fourth quarter ended 30 November 2020, the Group recorded a revenue and profit before tax of RM21.15 million and RM3.49 million respectively as compared to the revenue and gross profit of RM24.35 million and RM5.33 million respectively in the immediate preceding quarter.

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

Revenue decreased by 13% mainly due to a lower number of properties that were sold. However, gross profit increased by 21% as more units of 3 storey shop offices that yielded a higher profit margin were sold in the current quarter. Profit before tax for the current quarter decreased by 35% mainly due to lower fair value gain recognised on the investment properties of the Group for the current quarter.

B3. Prospects Commentary

The financial year 2020 had brought with it the Covid-19 global pandemic which has had a serious adverse impact on global economic growth and activity. This unprecedented pandemic continues to cast uncertainties for the business environment. Domestically, the various Movement Control Orders (MCOs) that were imposed has seriously affected economic activities across all sectors including the property sector. Market conditions remain tough and challenging as we head into the new financial year. The Group remains cautious and vigilant in view of the impact and challenges arising from the Covid-19 global pandemic and the various MCOs put in place on top of the existing continued stringent lending requirements by the financial institutions, the intense competition among developers and weak market sentiments.

The Group expects its revenue and performance for the coming financial year ending 30 November 2021 to be derived from the three storey cluster houses, three storey terrace houses (superlink XL), three storey shop offices, One Sentral Serviced Residence, the affordable homes under the Rumah Mampu Milik Johor (RMMJ) and Perumahan Komuniti Johor (PKJ) schemes and the three storey semi detached houses at *Taman Nusa Sentral*, Iskandar Puteri.

The Group is planning to launch the upcoming development in *Aurora Sentral* with the first phase of the development comprising of double storey resort link villas under the name *Aurora Resort Villas (ARV)* as well as the further phase of the affordable homes under the Rumah Mampu Milik Johor (RMMJ) scheme in Taman Nusa Sentral which is also expected to contribute to the revenue and performance for the coming financial year ending 30 November 2021.

The Group notes and welcomes the stimulus measures announced for the property sector such as the re-introduction of the Home Ownership Campaign (HOC) with waiver of stamp duties on instruments of transfers and loan agreements for residential properties priced between RM300,000 and RM2.5 million, the exemption of Real Property Gains Tax (RPGT) for individuals, limited to disposal of three units of residential homes per person and the lifting of the 70% maximum Loan to Value Ratio for the financing on the third residential property priced RM600,000 and above.

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		12 MONTHS ENDED	
	30.11.2020 RM'000	30.11.2019 RM'000	30.11.2020	30.11.2019
Current taxation	1,137	2,669	6,242	8,750
Under provision for prior year	196	1	196	217
Deferred taxation	(39)	20	(95)	54
	<u>1,294</u>	<u>2,690</u>	<u>6,343</u>	<u>9,021</u>

The Group's effective tax rate for the current 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.
- (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 30 November 2020 and 30 November 2019 are as follows:-

As at 30 November 2020

	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total Borrowings RM'000
<i>Secured</i>			
Bank overdraft	8,089	-	8,089
Revolving credits	-	22,000	22,000
Term loans	24,054	167,963	192,017
	<u>32,143</u>	<u>189,963</u>	<u>222,106</u>
Lease liabilities owing to financial institutions	774	1,245	2,019
	<u>32,917</u>	<u>191,208</u>	<u>224,125</u>

As at 30 November 2019

	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total Borrowings RM'000
<i>Secured</i>			
Bank overdraft	6,612	-	6,612
Revolving credits	13,249	-	13,249
Term loans	39,863	152,477	192,340
Lease liabilities owing to financial institutions	592	515	1,107
	<u>60,316</u>	<u>152,992</u>	<u>213,308</u>

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

	As at 30.11.2020 %	As at 30.11.2019 %
Floating interest rate	5.29	7.06
Fixed interest rate	4.45	4.64

The long term borrowings and total borrowings for the Group increased as at 30 November 2020 due to drawdown of new loans obtained whilst the short term borrowings had reduced with our repayment on the loans.

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 20 January 2021, being a date not earlier than 7 days from the date of issue of the quarterly report.

B12. Dividend

	Current Year To Date 30.11.2020 RM'000	Preceding Year Corresponding Period 30.11.2019 RM'000
Final single tier dividend of 5 sen per ordinary share for the financial year ended 30 November 2019, approved on 23 July 2020 and paid on 24 August 2020.	5,000	-
First interim single tier dividend of 3 sen per ordinary share for the financial year ended 30 November 2020, declared on 23 October 2020 and paid on 1 December 2020.	3,000	-
First interim single tier dividend of 3 sen per ordinary share for the financial year ended 30 November 2019, declared on 25 October 2019 and paid on 25 November 2019.	-	3,000
	8,000	3,000

B13. Earnings Per Share

	3 MONTHS ENDED		12 MONTHS ENDED	
	30.11.20 RM'000	30.11.19 RM'000	30.11.20 RM'000	30.11.19 RM'000
Basic/Diluted earnings per share				
Profit for the period attributable to owners of the parent	2,192	6,325	13,249	24,871
Weighted number of ordinary shares in issue	100,000	100,000	100,000	100,000
Basic earnings per share (sen)	2.19	6.33	13.25	24.87

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.