

## INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2022

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2022**

The figures have not been audited.

	3 MONTHS ENDED	
	28.02.2022	28.02.2021
	RM'000	RM'000
Revenue	12,363	18,673
Cost of sales	(8,645)	(12,550)
Gross profit	<u>3,718</u>	<u>6,123</u>
Other income	2,672	3,266
Marketing and promotion expenses	(613)	(535)
Administrative expenses	(4,436)	(4,868)
Finance costs	(642)	(532)
Profit before tax	<u>699</u>	<u>3,454</u>
Tax expense	(74)	(1,037)
Profit for the period	<u>625</u>	<u>2,417</u>
Other comprehensive income (net of tax)	-	-
Total comprehensive income for the period	<u><u>625</u></u>	<u><u>2,417</u></u>
Profit attributable to :		
Owners of the parent	<u><u>625</u></u>	<u><u>2,417</u></u>
Total comprehensive income attributable to :		
Owners of the parent	<u><u>625</u></u>	<u><u>2,417</u></u>
Basic earnings per ordinary share (sen)	<u><u>0.63</u></u>	<u><u>2.42</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 2021 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	
	28.02.2022	28.02.2021
	RM'000	RM'000
Fair value gain on investment properties	(2,411)	(3,000)
Interest income	(27)	(40)
Other income	(234)	(189)
Interest expenses	642	532
Depreciation and amortisation	345	385
Gain on disposal of property, plant and equipment	-	(37)

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 2022**

	(Unaudited) As At End Of Financial Year 28.02.2022 RM'000	(Audited) As At Financial Year End 30.11.2021 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,758	1,652
Right-of-use assets	1,501	1,721
Investment properties	57,723	54,684
Inventories - land held for property development	468,399	461,511
Deferred tax assets	872	946
	<u>530,253</u>	<u>520,514</u>
<b>Current assets</b>		
Inventories	101,797	110,708
Trade and other receivables	16,336	16,084
Contract assets	-	-
Current tax assets	283	15
Cash and bank balances	11,632	20,317
	<u>130,048</u>	<u>147,124</u>
<b>TOTAL ASSETS</b>	<u><u>660,301</u></u>	<u><u>667,638</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	100,124	100,124
Reserve	315,573	314,948
<b>Total equity</b>	<u>415,697</u>	<u>415,072</u>
<b>Non-current liabilities</b>		
Borrowings	186,915	183,016
Lease liabilities	592	778
	<u>187,507</u>	<u>183,794</u>
<b>Current liabilities</b>		
Contract liabilities	195	30
Trade and other payables	32,095	46,583
Borrowings	23,992	21,181
Lease liabilities	815	862
Current tax liabilities	-	116
	<u>57,097</u>	<u>68,772</u>
<b>Total liabilities</b>	<u>244,604</u>	<u>252,566</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>660,301</u></u>	<u><u>667,638</u></u>
Net assets per share attributable to owners of the parent (RM)	<u>4.16</u>	<u>4.15</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 2021 and the accompanying explanatory notes attached to this interim financial report)*

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2022**

The figures have not been audited.

	<b>Current Year-To- Date 28.02.2022 RM'000</b>	<b>Preceding Corresponding Period 28.02.2021 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	699	3,454
Adjustments for :-		
Net fair value gain on investment properties	(2,411)	(2,996)
Depreciation of :		
- property, plant and equipment	125	154
- right-of-use assets	220	231
(Gain)/Loss on disposal of:		
- property, plant and equipment	-	(37)
- investment properties	-	160
Interest income	(27)	(40)
Interest expense	642	532
Operating (loss)/profit before changes in working capital	(752)	1,458
Changes in working capital :		
Inventories	8,282	6,196
Trade and other receivables	(252)	(4,714)
Contract assets/contract liabilities	165	212
Trade and other payables	(14,488)	1,787
Cash (used in)/generated from operations	(7,045)	4,939
Tax paid	(384)	(1,216)
Net cash (used in)/from operating activities	(7,429)	3,723
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	27	40
Additions to inventories - land held for property development	(6,888)	(5,862)
Proceeds from disposal of:		
- property, plant and equipment	-	37
- investment properties	-	4,240
Purchase of :		
- property, plant and equipment	(230)	(29)
- Right-of-use assets	-	(96)
Net cash used in investing activities	(7,091)	(1,670)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of borrowings	7,542	2,550
Interest paid	(623)	(506)
Repayment of borrowings	(2,717)	(14,130)
Repayment of lease liabilities	(252)	(223)
Net cash from/(used in) financing activities	3,950	(12,309)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(10,570)</b>	<b>(10,256)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>8,417</b>	<b>6,096</b>
<b>Cash and cash equivalents at end of period</b>	<b>(2,153)</b>	<b>(4,160)</b>

*The Condensed Consolidated Statement Of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 November 2021 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 2022**

The figures have not been audited.

	Share capital RM'000	<u>Distributable</u> Retained earnings RM'000	Total equity RM'000
<b>As at 1 December 2021</b>	<b>100,124</b>	<b>314,948</b>	<b>415,072</b>
Profit for the financial period	-	625	625
Other comprehensive income, net of tax	-	-	-
Total comprehensive income	-	625	625
Transaction with owners			
Dividend paid	-	-	-
Total transaction with owners	-	-	-
<b>As at 28 February 2022</b>	<b>100,124</b>	<b>315,573</b>	<b>415,697</b>
As at 1 December 2020	100,124	311,617	411,741
Effects from adoption of Agenda Decision	-	(1,283)	(1,283)
As at 1 December 2020	100,124	310,334	410,458
Profit for the financial period	-	2,417	2,417
Other comprehensive income, net of tax	-	-	-
Total comprehensive income	-	2,417	2,417
Transaction with owners			
Dividend paid	-	-	-
Total transaction with owners	-	-	-
As at 28 February 2021	100,124	312,751	412,875

*(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 2021 and the accompanying explanatory notes attached to this interim financial report)*

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2022**

**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 2021. 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 2021.

**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 2021, except for the following, amendments to MFRSs which are relevant and effective for annual periods beginning on or after 1 January 2021:

**Effective for annual financial period beginning on or after 1 January 2021**

*Interest Rate Benchmark Reform – Phase 2* (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16) 1 January 2021

The above Amendments to MFRSs are expected to have no significant impact on the financial performance and position of the Group.

**A3. Audit Report Of Preceding Annual Financial Statements**

The auditor’s report for the financial statements for the year ended 30 November 2021 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 25 March 2022, a second 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 2021.

**A9. Segmental Information**

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

3 months period ended 28 February 2022	Property Development RM'000	Investment Holding RM'000	Others RM'000	Total RM'000
Total revenue	12,180	-	240	12,420
Inter-segment revenue	-	-	(57)	(57)
<b>Revenue from external customers</b>	<b>12,180</b>	<b>-</b>	<b>183</b>	<b>12,363</b>
Interest Income	24	-	3	27
Finance costs	(612)	(30)	-	(642)
	(588)	(30)	3	(615)
Inter-segment income	-	-	-	-
Inter-segment finance	-	-	-	-
Net finance expense	(588)	(30)	3	(615)
Depreciation	290	55	-	345
<b>Segment profit before income tax</b>	<b>818</b>	<b>(53)</b>	<b>34</b>	<b>799</b>
Taxation	(74)	-	-	(74)
<b>Segment profit after income tax</b>	<b>744</b>	<b>(53)</b>	<b>34</b>	<b>725</b>



**A9. Segmental Information (continued)**

3 months period ended 28 February 2021	Property Development RM'000	Investment Holding RM'000	Others RM'000	Total RM'000
Total revenue	18,470	22	228	18,720
Inter-segment revenue	-	-	(47)	(47)
<b>Revenue from external customers</b>	<b>18,470</b>	<b>22</b>	<b>181</b>	<b>18,673</b>
Interest Income	39	-	1	40
Finance costs	(505)	(27)	-	(532)
	(466)	(27)	1	(492)
Inter-segment income	-	-	-	-
Inter-segment finance	-	-	-	-
Net finance expenses	(466)	(27)	1	(492)
Depreciation	329	56	-	385
<b>Segment profit before income tax</b>	<b>3,592</b>	<b>(163)</b>	<b>25</b>	<b>3,454</b>
Taxation	(1,037)	-	-	(1,037)
<b>Segment profit after income tax</b>	<b>2,555</b>	<b>(163)</b>	<b>25</b>	<b>2,417</b>

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

Profit for the financial period	28.02.2022 RM'000	28.02.2021 RM'000
Total profit for the reportable segment	799	3,454
Elimination of inter-segment profits	(100)	-
Profit before tax	699	3,454
Taxation	(74)	(1,037)
Profit for the financial period	625	2,417

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 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 RM2.40 million for the current quarter.

**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		
	28.02.2022 RM'000	28.02.2021 RM'000	Changes %
Revenue	12,363	18,673	(34)
Gross profit	3,718	6,123	(39)
Profit before interest and tax	1,341	3,986	(66)
Profit before tax	699	3,454	(80)
Profit after tax	625	2,417	(74)
Profit attributable to : Owners of the parent	625	2,417	(74)

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

The Group registered a revenue and profit before tax of RM12.4 million and RM0.7 million respectively for the current quarter under review as compared to the revenue and profit before tax of RM18.7 million and RM3.5 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 34% and 80% respectively as compared to the preceding year corresponding quarter. The revenue and profit before tax for the current year quarter had declined mainly due to lesser work done that was recognised as we had completed the 3 storey semi-detached houses with Certificate of Completion and Compliance (CCC) in November 2021. At the same time, a higher fair value gain recognised in the preceding year corresponding quarter also contributed to the higher profit before tax.

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

	<b>Current Year Quarter 28.02.2022 RM'000</b>	<b>Immediate Preceding Quarter 30.11.2021 RM'000</b>	<b>Changes %</b>
Revenue	12,363	8,845	40
Gross profit	3,718	2,441	52
Profit before interest and tax	1,341	1,382	(3)
Profit before tax	699	711	(2)
Profit after tax	625	726	(14)
Profit attributable to owners of the parent	625	726	(14)

For the first quarter ended 28 February 2022, the Group recorded a revenue and profit before tax of RM12.4 million and RM0.7 million respectively as compared to the revenue and profit before tax of RM8.9 million and RM0.7 million respectively in the immediate preceding quarter.

Revenue increased by 40% whilst profit before tax for the current quarter decreased by 2%. The revenue for the current quarter increased mainly due to a higher number of properties that were sold. Profit before tax declined slightly mainly due to higher expenses incurred for marketing and promotion and administrative expenses.

**B3. Prospects Commentary**

The current financial year 2022 (FY2022) is expected to remain challenging with the lingering effects of the Covid-19 global pandemic and the uncertainties resulting from the Russia-Ukraine war. The decision on the re-opening of the borders between Johor and Singapore on 1<sup>st</sup> April 2022 by the respective governments is warmly welcomed and will be beneficial for our Group.

Our Group will continue to monitor both global and local developments closely to remain proactive and vigilant in mitigating any potential impacts to the businesses of the Group.

The Group expects its revenue and performance for the financial year ending 30 November 2022 to be derived from the three storey cluster houses, three storey terrace houses (superlink XL), three storey shop offices, One Sentral Serviced Residence and the three storey semi detached houses at *Taman Nusa Sentral*, Iskandar Puteri, Johor as well as the new development of *Aurora Resort Villas (ARVs)* in *Aurora Sentral*.

**B3. Prospects Commentary (continued)**

The Group is also planning to launch the further phase of the affordable homes under the Rumah Mampu Milik Johor (RMMJ) scheme in *Taman Nusa Sentral* in FY2022 which is expected to contribute to the revenue and financial performance of the Group for FY2022.

**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	
	28.02.2022	28.02.2021
	RM'000	RM'000
Current taxation	-	878
Under provision for prior year	-	-
Deferred taxation	74	159
	74	1,037

The Group's effective tax rate for the current financial year is lower than the statutory tax rate principally due to certain income that are not taxable.

**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 2022 and 28 February 2021 are as follows:-

As at 28 February 2022	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total Borrowings RM'000
<i>Secured</i>			
Bank overdraft	13,785	-	13,785
Revolving credits	-	22,000	22,000
Term loans	10,207	164,915	175,122
	<u>23,992</u>	<u>186,915</u>	<u>210,907</u>

As at 28 February 2021	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total Borrowings RM'000
<i>Secured</i>			
Bank overdraft	15,477	-	15,477
Revolving credits	-	22,000	22,000
Term loans	22,000	158,437	180,437
	<u>37,477</u>	<u>180,437</u>	<u>217,914</u>

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

	As at 28.02.2022 %	As at 28.02.2021 %
Floating interest rate	5.37	5.35
Fixed interest rate	4.61	4.46

The total borrowings for the Group had reduced as at 28 February 2022 with our repayment on the term 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 22 April 2022, being a date not earlier than 7 days from the date of issue of the quarterly report.

### B12. Dividend

	<b>Current Year To Date 28.02.2022 RM'000</b>	Preceding Year Corresponding Period 28.02.2021 RM'000
Second interim single tier dividend of 3 sen per ordinary share for the financial year ended 30 November 2021, declared on 25 January 2022 and paid on 25 March 2022	<b>3,000</b>	-
First interim single tier dividend of 2 sen per ordinary share for the financial year ended 30 November 2021, declared on 28 April 2021 and paid on 7 July 2021	-	2,000
	<b>3,000</b>	2,000

### B13. Earnings Per Share

	<b>3 MONTHS ENDED</b>	
	<b>28.02.22 RM'000</b>	<b>28.02.21 RM'000</b>
<b>Basic/Diluted earnings per share</b>		
Profit for the period attributable to owners of the parent	<u>625</u>	<u>2,417</u>
Weighted number of ordinary shares in issue	<u>100,000</u>	<u>100,000</u>
Basic earnings per share (sen)	<u>0.63</u>	<u>2.42</u>

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.