

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 AUGUST 2022

Table of Contents

	Page
Condensed Consolidated Statement Of Profit Or Loss And Other Comprehensive Income	1
Notes to the Condensed Consolidated Statement Of Profit Or Loss And Other Comprehensive Income	2
Condensed Consolidated Statement Of Financial Position	3
Condensed Consolidated Statement Of Cash Flows	4
Condensed Consolidated Statement Of Changes In Equity	5
Notes To The Interim Financial Report	6 - 10
Additional Information Required by the Listing Requirements of Bursa Malaysia Securities Berhad	11 - 16

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 31 AUGUST 2022

The figures have not been audited.

	3 MONTHS ENDED		9 MONTHS ENDED	
	31.08.2022 RM'000	31.08.2021 RM'000	31.08.2022 RM'000	31.08.2021 RM'000
Revenue	29,716	18,527	56,649	59,286
Cost of sales	(20,136)	(12,551)	(38,871)	(40,436)
Gross profit	<u>9,580</u>	<u>5,976</u>	<u>17,778</u>	<u>18,850</u>
Other income	353	174	4,461	4,929
Marketing and promotion expenses	(472)	(164)	(1,375)	(906)
Administrative expenses	(6,669)	(3,423)	(15,489)	(11,734)
Finance costs	(1,053)	(678)	(2,454)	(1,857)
Profit before tax	<u>1,739</u>	<u>1,885</u>	<u>2,921</u>	<u>9,282</u>
Tax expense	(762)	(885)	(885)	(3,395)
Profit for the period	<u>977</u>	<u>1,000</u>	<u>2,036</u>	<u>5,887</u>
Other comprehensive income (net of tax)	-	-	-	-
Total comprehensive income for the period	<u><u>977</u></u>	<u><u>1,000</u></u>	<u><u>2,036</u></u>	<u><u>5,887</u></u>
Profit attributable to :				
Owners of the parent	<u><u>977</u></u>	<u><u>1,000</u></u>	<u><u>2,036</u></u>	<u><u>5,887</u></u>
Total comprehensive income attributable to :				
Owners of the parent	<u><u>977</u></u>	<u><u>1,000</u></u>	<u><u>2,036</u></u>	<u><u>5,887</u></u>
Basic earnings per ordinary share (sen)	<u><u>0.98</u></u>	<u><u>1.00</u></u>	<u><u>2.04</u></u>	<u><u>5.89</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		9 MONTHS ENDED	
	31.08.2022	31.08.2021	31.08.2022	31.08.2021
	RM'000	RM'000	RM'000	RM'000
Fair value gain on investment properties	28	-	(3,464)	(4,189)
Interest income	(9)	(18)	(95)	(142)
Other income	(371)	(156)	(901)	(561)
Interest expenses	1,053	678	2,454	1,857
Depreciation and amortisation	297	371	965	1,145
Gain on disposal of property, plant and equipment	(1)	-	(1)	(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 31 AUGUST 2022

	(Unaudited) As At End Of Financial Year 31.08.2022 RM'000	(Audited) As At Financial Year End 30.11.2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,596	1,652
Right-of-use assets	1,112	1,721
Investment properties	42,487	54,684
Inventories - land held for property development	54,592	461,511
Deferred tax assets	897	946
	<u>100,684</u>	<u>520,514</u>
Current assets		
Inventories	517,077	110,708
Trade and other receivables	29,619	16,084
Contract assets	22,730	-
Current tax assets	715	15
Cash and bank balances	9,262	20,317
	<u>579,403</u>	<u>147,124</u>
TOTAL ASSETS	<u>680,087</u>	<u>667,638</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	100,124	100,124
Reserve	313,984	314,948
Total equity	<u>414,108</u>	<u>415,072</u>
Non-current liabilities		
Borrowings	189,481	183,016
Lease liabilities	235	778
	<u>189,716</u>	<u>183,794</u>
Current liabilities		
Contract liabilities	-	30
Trade and other payables	49,363	46,583
Borrowings	26,162	21,181
Lease liabilities	738	862
Current tax liabilities	-	116
	<u>76,263</u>	<u>68,772</u>
Total liabilities	<u>265,979</u>	<u>252,566</u>
TOTAL EQUITY AND LIABILITIES	<u>680,087</u>	<u>667,638</u>
Net assets per share attributable to owners of the parent (RM)	<u>4.14</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 THIRD QUARTER ENDED 31 AUGUST 2022

The figures have not been audited.

	Current Year-To- Date 31.08.2022 RM'000	Preceding Corresponding Period 31.08.2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	2,921	9,282
Adjustments for :-		
Net fair value gain on investment properties	(3,275)	(4,384)
Depreciation of :		
- property, plant and equipment	356	450
- right-of-use assets	609	695
(Gain)/Loss on disposal of:		
- property, plant and equipment	(1)	(37)
- investment properties	-	380
Interest income	(95)	(143)
Interest expense	2,454	1,857
Operating profit before changes in working capital	<u>2,969</u>	<u>8,100</u>
Changes in working capital :		
Inventories	(469)	23,774
Trade and other receivables	(13,535)	(1,335)
Contract assets/contract liabilities	(22,760)	(10,639)
Trade and other payables	2,780	10,392
Cash (used in)/generated from operations	<u>(31,015)</u>	<u>30,292</u>
Tax paid	(1,660)	(3,383)
Tax refunded	8	-
Net cash (used in)/from operating activities	<u>(32,667)</u>	<u>26,909</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	95	143
Additions to inventories - land held for property development	-	(17,763)
Proceeds from disposal of:		
- property, plant and equipment	1	37
- investment properties	16,490	6,420
Purchase of :		
- property, plant and equipment	(300)	(72)
- Right-of-use assets	-	(106)
Net cash from/(used in) investing activities	<u>16,286</u>	<u>(11,341)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of borrowings	14,975	4,462
Interest paid	(2,405)	(1,780)
Repayment of borrowings	(8,147)	(26,780)
Repayment of lease liabilities	(714)	(738)
Dividend paid	(3,000)	(2,000)
Net cash from/(used in) financing activities	<u>709</u>	<u>(26,836)</u>
Net decrease in cash and cash equivalents	(15,672)	(11,268)
Cash and cash equivalents at beginning of year	8,417	6,096
Cash and cash equivalents at end of period	<u>(7,255)</u>	<u>(5,172)</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 2021 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 2022

The figures have not been audited.

	Share capital RM'000	<u>Distributable</u> Retained earnings RM'000	Total equity RM'000
As at 1 December 2021	100,124	314,948	415,072
Profit for the financial period	-	2,036	2,036
Other comprehensive income, net of tax	-	-	-
Total comprehensive income	-	2,036	2,036
Transaction with owners			
Dividend paid	-	(3,000)	(3,000)
Total transaction with owners	-	(3,000)	(3,000)
As at 31 August 2022	100,124	313,984	414,108
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	-	5,887	5,887
Other comprehensive income, net of tax	-	-	-
Total comprehensive income	-	5,887	5,887
Transaction with owners			
Dividend paid	-	(2,000)	(2,000)
Total transaction with owners	-	(2,000)	(2,000)
As at 31 August 2021	100,124	314,221	414,345

(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 THIRD QUARTER ENDED 31 AUGUST 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.

On 26 September 2022, 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 2022.

A9. Segmental Information

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

9 months period ended 31 August 2022	Property Development RM'000	Investment Holding RM'000	Others RM'000	Total RM'000
Total revenue	56,110	-	699	56,809
Inter-segment revenue	-	-	(160)	(160)
Revenue from external customers	56,110	-	539	56,649
Interest Income	89	-	6	95
Finance costs	(2,366)	(88)	-	(2,454)
	(2,277)	(88)	6	(2,359)
Inter-segment income	-	-	-	-
Inter-segment finance	-	-	-	-
Net finance expense	(2,277)	(88)	6	(2,359)
Depreciation	799	166	-	965
Segment profit before income tax	3,426	(406)	74	3,094
Taxation	(885)	-	-	(885)
Segment profit after income tax	2,541	(406)	74	2,209

A9. Segmental Information (continued)

9 months period ended 31 August 2021	Property Development RM'000	Investment Holding RM'000	Others RM'000	Total RM'000
Total revenue	58,896	22	537	59,455
Inter-segment revenue	-	-	(169)	(169)
Revenue from external customers	58,896	22	368	59,286
Interest Income	138	-	4	142
Finance costs	(1,764)	(93)	-	(1,857)
	(1,626)	(93)	4	(1,715)
Inter-segment income	-	-	-	-
Inter-segment finance	-	-	-	-
Net finance expenses	(1,626)	(93)	4	(1,715)
Depreciation	979	166	-	1,145
Segment profit before income tax	9,493	(317)	(47)	9,129
Taxation	(3,395)	-	-	(3,395)
Segment profit after income tax	6,098	(317)	(47)	5,734

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

	31.08.2022 RM'000	31.08.2021 RM'000
Profit for the financial period		
Total profit for the reportable segment	3,094	9,129
Elimination of inter-segment profits	(173)	153
Profit before tax	2,921	9,282
Taxation	(885)	(3,395)
Profit for the financial period	2,036	5,887

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.

The Group recognised fair value adjustments on its investment properties amounting to RM3.5 million for the financial year to date.

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			9 MONTHS ENDED		
	31.08.2022	31.08.2021	Changes	31.08.2022	31.08.2021	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	29,716	18,527	60	56,649	59,286	(4)
Gross profit	9,580	5,976	60	17,778	18,850	(6)
Profit before interest and tax	2,792	2,563	9	5,375	11,139	(52)
Profit before tax	1,739	1,885	(8)	2,921	9,282	(69)
Profit after tax	977	1,000	(2)	2,036	5,887	(65)
Profit attributable to :						
Owners of the parent	977	1,000	(2)	2,036	5,887	(65)

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

The Group registered a revenue and profit before tax of RM29.7 million and RM1.7 million respectively for the current quarter under review as compared to the revenue and profit before tax of RM18.5 million and RM1.9 million respectively in the preceding year corresponding quarter.

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

Revenue increased by 60% whilst profit before tax decreased by 8% as compared to the preceding year corresponding quarter. The revenue and profit before tax for the current year quarter were mainly derived from the sales of its new development, the *Aurora Resort Villas (ARVs)* at *Aurora Sentral*.

The revenue for the current year quarter had increased as a result of higher number of properties sold together with a higher percentage of recognition from the progress of works on the ARVs. The profit before tax for the current year quarter had decreased slightly mainly due to the increase in the administrative expenses incurred for the current year quarter. The administrative expenses for the current year quarter had increased due to the loss on disposal and impairment loss on investment properties.

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 RM56.6 million and RM2.9 million respectively as compared to the revenue and profit before tax of RM59.3 million and RM9.3 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 4% and 69% respectively in the current financial year to date as compared to the preceding year corresponding period.

There was lower revenue and profit contribution from the properties in *Taman Nusa Sentral* in the current financial year to date as compared with the preceding year corresponding period. The profit before tax for the financial year to date had also declined due to increases in the marketing and promotion expenses, administrative expenses and finance costs incurred as well as a lower fair value gain recognised on the investment properties. The administrative expenses for the current financial year to date had increased mainly due to the loss on the disposal and impairment loss on investment properties.

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

	Current Year Quarter 31.08.2022 RM'000	Immediate Preceding Quarter 31.05.2022 RM'000	Changes %
Revenue	29,716	14,570	104
Gross profit	9,580	4,480	114
Profit before interest and tax	2,792	1,242	125
Profit before tax	1,739	483	260
Profit after tax	977	434	125
Profit attributable to owners of the parent	977	434	125

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

For the third quarter ended 31 August 2022, the Group recorded a revenue and profit before tax of RM29.7 million and RM1.7 million respectively as compared to the revenue and profit before tax of RM14.6 million and RM0.4 million respectively in the immediate preceding quarter.

Revenue and profit before tax increased by 104% and 260% respectively for the current quarter. The revenue and profit before tax for the current quarter increased due to the contribution from properties that were sold under its new development, the ARVs at *Aurora Sentral* as well as from the sales of the bumi release units of properties at *Taman Nusa Sentral*.

B3. Prospects Commentary

The current financial year 2022 (FY2022) is expected to remain challenging with the lingering effects of the Covid-19 global pandemic, the uncertainties resulting from the Russia-Ukraine war, rising inflation and interest rates. The re-opening of the borders between Johor and Singapore since 1st April 2022 by the respective governments has largely been beneficial and will provide the necessary catalyst to the economy of Johor.

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 properties sold in *Taman Nusa Sentral*, Iskandar Puteri, Johor as well as the new development of *Aurora Resort Villas* (ARVs) in *Aurora Sentral*, Iskandar Puteri, Johor.

The Group is planning to launch the further phase of the affordable homes under the Rumah Mampu Milik Johor (RMMJ) scheme in *Taman Nusa Sentral* in FY2023.

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		9 MONTHS ENDED	
	31.08.2022 RM'000	31.08.2021 RM'000	31.08.2022 RM'000	31.08.2021 RM'000
Current taxation	789	876	789	2,840
Under provision for prior year	-	1	-	332
Deferred taxation	(27)	8	96	223
	<u>762</u>	<u>885</u>	<u>885</u>	<u>3,395</u>

B5. Taxation (continued)

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 31 August 2022 and 31 August 2021 are as follows:-

As at 31 August 2022	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total Borrowings RM'000
<i>Secured</i>			
Bank overdraft	16,517	-	16,517
Revolving credits	-	27,000	27,000
Term loans	9,645	162,481	172,126
	26,162	189,481	215,643

B9. Group Borrowings (continued)

As at 31 August 2021

	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total Borrowings RM'000
<i>Secured</i>			
Bank overdraft	14,278	-	14,278
Revolving credits	-	22,000	22,000
Term loans	2,000	167,700	169,700
	<u>16,278</u>	<u>189,700</u>	<u>205,978</u>

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

	As at 31.08.2022 %	As at 31.08.2021 %
Floating interest rate	6.03	5.36
Fixed interest rate	4.61	4.60

The total borrowings for the Group had increased as at 31 August 2022 due to drawdown and utilisation of the banking facilities.

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 12 October 2022, being a date not earlier than 7 days from the date of issue of the quarterly report.

B12. Dividend

	Current Year To Date 31.08.2022 RM'000	Preceding Year Corresponding Period 31.08.2021 RM'000
First interim single tier dividend of 3 sen per ordinary share for the financial year ended 30 November 2022, declared on 26 July 2022 and paid on 26 September 2022.	3,000	-
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	3,000	-
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
	6,000	2,000

B13. Earnings Per Share

	3 MONTHS ENDED		9 MONTHS ENDED	
	31.08.22 RM'000	31.08.21 RM'000	31.08.22 RM'000	31.08.21 RM'000
Basic/Diluted earnings per share				
Profit for the period attributable to owners of the parent	<u>977</u>	<u>1,000</u>	<u>2,036</u>	<u>5,887</u>
Weighted number of ordinary shares in issue	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
Basic earnings per share (sen)	<u>0.98</u>	<u>1.00</u>	<u>2.04</u>	<u>5.89</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.