

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2023

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2023

The figures have not been audited.

	3 MONTHS ENDED	
	28.02.2023	28.02.2022
	RM'000	RM'000
Revenue	24,653	12,363
Cost of sales	(14,721)	(8,645)
Gross profit	<u>9,932</u>	<u>3,718</u>
Other income	380	2,672
Marketing and promotion expenses	(561)	(613)
Administrative expenses	(6,268)	(4,436)
Finance costs	(1,209)	(642)
Profit before tax	<u>2,274</u>	<u>699</u>
Tax expense	(1,164)	(74)
Profit for the period	<u>1,110</u>	<u>625</u>
Other comprehensive income (net of tax)	-	-
Total comprehensive income for the period	<u><u>1,110</u></u>	<u><u>625</u></u>
Profit attributable to :		
Owners of the parent	<u><u>1,110</u></u>	<u><u>625</u></u>
Total comprehensive income attributable to :		
Owners of the parent	<u><u>1,110</u></u>	<u><u>625</u></u>
Basic earnings per ordinary share (sen)	<u><u>1.11</u></u>	<u><u>0.63</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 2022 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 (crediting)/charging the following items:

	3 MONTHS ENDED	
	28.02.2023	28.02.2022
	RM'000	RM'000
Interest income	(26)	(27)
Net fair value gain on investment properties	-	(2,411)
Other income	(273)	(234)
Gain on disposal of property, plant and equipment	(81)	-
Depreciation and amortisation	286	345
Impairment loss on investment properties	90	-
Interest expense	1,209	642
Loss on disposal of investment properties	1,099	-
	<u>1,099</u>	<u>-</u>

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 2023**

The figures have not been audited.

	(Unaudited) As At Financial Period End 28.02.2023 RM'000	(Audited) As At Financial Year End 30.11.2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,423	1,488
Right-of-use assets	1,303	1,331
Investment properties	27,998	43,618
Inventories - land held for property development	54,654	54,650
Deferred tax assets	858	859
	86,236	101,946
Current assets		
Inventories	521,478	520,469
Trade and other receivables	16,759	9,759
Contract assets	38,604	36,825
Current tax assets	476	1,121
Cash and bank balances	4,053	7,166
	581,370	575,340
TOTAL ASSETS	667,606	677,286
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	100,124	100,124
Reserve	309,096	311,986
Total equity	409,220	412,110
Non-current liabilities		
Borrowings	173,206	172,313
Lease liabilities	292	322
	173,498	172,635
Current liabilities		
Trade and other payables	56,145	54,864
Borrowings	28,011	36,875
Lease liabilities	730	800
Current tax liabilities	2	2
	84,888	92,541
Total liabilities	258,386	265,176
TOTAL EQUITY AND LIABILITIES	667,606	677,286
Net assets per share attributable to owners of the parent (RM)	4.09	4.12

(The Condensed Consolidated Statement Of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 November 2022 and the accompanying explanatory notes attached to this interim financial report)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2023

The figures have not been audited.

	Current Period-To- Date 28.02.2023 RM'000	Preceding Corresponding Period 28.02.2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	2,274	699
Adjustments for :-		
Depreciation/amortisation of :		
- property, plant and equipment	110	125
- right-of-use assets	176	220
(Gain)/Loss on disposal of:		
- property, plant and equipment	(81)	-
- investment properties	1,099	-
Interest income	(26)	(27)
Interest expense	1,209	642
Net fair value gain on investment properties	-	(2,411)
Operating profit/(loss) before changes in working capital	<u>4,761</u>	<u>(752)</u>
Changes in working capital :		
Inventories	(1,837)	8,282
Trade and other receivables	(7,000)	(252)
Contract assets/contract liabilities	(1,779)	165
Trade and other payables	1,281	(14,488)
Cash used in operations	<u>(4,574)</u>	<u>(7,045)</u>
Tax paid	(518)	(384)
Net cash used in operating activities	<u>(5,092)</u>	<u>(7,429)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to inventories - land held for property development	(4)	(6,888)
Interest received	26	27
Proceeds from disposal of:		
- property, plant and equipment	81	-
- investment properties	15,350	-
Purchase of :		
- property, plant and equipment	(45)	(230)
- Right-of-use assets	(27)	-
Net cash from/(used in) investing activities	<u>15,381</u>	<u>(7,091)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of borrowings	5,366	7,542
Interest paid	(1,196)	(623)
Repayment of borrowings	(14,153)	(2,717)
Repayment of lease liabilities	(234)	(252)
Dividend paid	(4,000)	-
Net cash (used in)/from financing activities	<u>(14,217)</u>	<u>3,950</u>
Net decrease in cash and cash equivalents	(3,928)	(10,570)
Cash and cash equivalents at beginning of period	(5,016)	8,417
Cash and cash equivalents at end of period	<u>(8,944)</u>	<u>(2,153)</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 2022 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 2023

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 2022	100,124	311,986	412,110
Profit for the financial period	-	1,110	1,110
Other comprehensive income, net of tax	-	-	-
Total comprehensive income	-	1,110	1,110
Transaction with owners			
Dividend paid	-	(4,000)	(4,000)
Total transaction with owners	-	(4,000)	(4,000)
As at 28 February 2023	100,124	309,096	409,220
As at 1 December 2021	100,124	314,948	415,072
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	-	-	-
As at 28 February 2022	100,124	315,573	415,697

(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 2022 and the accompanying explanatory notes attached to this interim financial report)

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2023

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 2022. 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 2022.

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 2022, except for the following, amendments to MFRSs which are relevant and effective for annual periods beginning on or after 1 January 2022:

Effective for annual financial period beginning on or after 1 January 2022

Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022

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 2022 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 17 February 2023, a second interim single tier dividend of 4 sen per ordinary share amounting to RM4,000,000 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: -

3 months period ended 28 February 2023	Property Development RM'000	Investment Holding RM'000	Others RM'000	Total RM'000
Total revenue	24,563	-	134	24,697
Inter-segment revenue	-	-	(44)	(44)
Revenue from external customers	24,563	-	90	24,653
Interest Income	25	-	1	26
Finance costs	(1,174)	(35)	-	(1,209)
	(1,149)	(35)	1	(1,183)
Inter-segment income	-	-	-	-
Inter-segment finance	-	-	-	-
Net finance expense	(1,149)	(35)	1	(1,183)
Depreciation	262	24	-	286
Segment profit before income tax	2,580	(217)	(92)	2,271
Taxation	(1,164)	-	-	(1,164)
Segment profit after income tax	1,416	(217)	(92)	1,107

A9. Segmental Information (continued)

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)
Revenue from external customers	12,180	-	183	12,363
Interest Income	24	-	3	27
Finance costs	(612)	(30)	-	(642)
	(588)	(30)	3	(615)
Inter-segment income	-	-	-	-
Inter-segment finance	-	-	-	-
Net finance expenses	(588)	(30)	3	(615)
Depreciation	290	55	-	345
Segment profit before income tax	818	(53)	34	799
Taxation	(74)	-	-	(74)
Segment profit after income tax	744	(53)	34	725

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

	28.02.2023 RM'000	28.02.2022 RM'000
Profit for the financial period		
Total profit for the reportable segment	2,271	799
Elimination of inter-segment profits	3	(100)
Profit before tax	2,274	699
Taxation	(1,164)	(74)
Profit for the financial period	1,110	625

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.

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		
	28.02.2023 RM'000	28.02.2022 RM'000	Changes %
Revenue	24,653	12,363	99
Gross profit	9,932	3,718	167
Profit before interest and tax	3,483	1,341	160
Profit before tax	2,274	699	225
Profit after tax	1,110	625	78
Profit attributable to : Owners of the parent	1,110	625	78

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

The Group registered a revenue and profit before tax of RM24.7 million and RM2.3 million respectively for the current quarter under review as compared to the revenue and profit before tax of RM12.4 million and RM0.7 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 99% and 225% respectively as compared to the preceding year corresponding quarter. The revenue and profit before tax for the current year quarter had increased mainly due to the progress of work on the *Aurora Resort Villas (ARVs)* at *Aurora Sentral* that had been sold and the sales of a plot of undeveloped commercial land designated for petrol station at *Taman Nusa Sentral*.

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

	Current Year Quarter 28.02.2023 RM'000	Immediate Preceding Quarter 30.11.2022 RM'000	Changes %
Revenue	24,653	24,668	(0)
Gross profit	9,932	7,202	38
Profit before interest and tax	3,483	2,431	43
Profit before tax	2,274	1,211	88
Profit after tax	1,110	1,002	11
Profit attributable to owners of the parent	1,110	1,002	11

For the first quarter ended 28 February 2023, the Group recorded a revenue and profit before tax of RM24.7 million and RM2.3 million respectively as compared to the revenue and profit before tax of RM24.7 million and RM1.2 million respectively in the immediate preceding quarter.

The revenue for the current quarter remained about the same as the immediate preceding quarter. Meanwhile, profit before tax increased by 88% in the current quarter mainly derived from the progress of work on the ARVs at *Aurora Sentral* that had been sold and the sales of a plot of undeveloped commercial land designated for petrol station at *Taman Nusa Sentral*.

B3. Prospects Commentary

Our Group remains vigilant of the challenges and opportunities for the financial year 2023 (FY2023). Downside risks and uncertainties from the prolonged Russia-Ukraine war, the continued elevation in the prices of commodities and materials, the labour supply crunch, untamed inflation, rising interest rates and the softening of the global economy due to recessionary risks are to be tackled. Meanwhile, we will explore and capitalise on the demand for properties post pandemic and the success of our exclusive ARVs with carefully timed launches in this financial year.

The Group expects its revenue and performance for the financial year ending 30 November 2023 to be derived from the sales of properties in *Taman Nusa Sentral*, Iskandar Puteri, Johor as well as the ongoing development of *Aurora Resort Villas* (ARVs) in *Aurora Sentral*, Iskandar Puteri, Johor.

B3. Prospects Commentary (continued)

The Group is planning to launch the further phase of the ARVs in *Aurora Sentral* as well as 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	
	28.02.2023	28.02.2022
	RM'000	RM'000
Current taxation	1,163	-
Under provision for prior year	-	-
Deferred taxation	1	74
	1,164	74

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 28 February 2023 and 28 February 2022 are as follows:-

As at 28 February 2023	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total Borrowings RM'000
<i>Secured</i>			
Bank overdraft	12,997	-	12,997
Revolving credits	5,000	37,206	42,206
Term loans	10,014	136,000	146,014
	<u>28,011</u>	<u>173,206</u>	<u>201,217</u>

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>

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

	As at 28.02.2023 %	As at 28.02.2022 %
Floating interest rate	6.11	5.37
Fixed interest rate	4.58	4.61

The total borrowings for the Group had reduced as at 28 February 2023 due to repayment 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 21 April 2023, being a date not earlier than 7 days from the date of issue of the quarterly report.

B12. Dividend

	28.02.2023	28.02.2022
	RM'000	RM'000
Second interim single tier dividend of 4 sen per ordinary share for the financial year ended 30 November 2022, declared on 19 January 2023 and paid on 17 February 2023.	4,000	-
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
	<u>4,000</u>	<u>3,000</u>

B13. Earnings Per Share

	3 MONTHS ENDED	
	28.02.23	28.02.22
	RM'000	RM'000
Basic/Diluted earnings per share		
Profit for the period attributable to owners of the parent	<u>1,110</u>	<u>625</u>
Weighted number of ordinary shares in issue	<u>100,000</u>	<u>100,000</u>
Basic earnings per share (sen)	<u>1.11</u>	<u>0.63</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.