

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 AUGUST 2023

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 31 AUGUST 2023

The figures have not been audited.

	3 MONTHS ENDED		9 MONTHS ENDED	
	31.08.2023 RM'000	31.08.2022 RM'000	31.08.2023 RM'000	31.08.2022 RM'000
Revenue	28,139	29,716	76,051	56,649
Cost of sales	(16,934)	(20,136)	(44,554)	(38,871)
Gross profit	<u>11,205</u>	<u>9,580</u>	<u>31,497</u>	<u>17,778</u>
Other income	93	353	698	4,461
Marketing and promotion expenses	(1,152)	(472)	(1,928)	(1,375)
Administrative expenses	(5,643)	(6,669)	(18,103)	(15,489)
Finance costs	(1,810)	(1,053)	(4,209)	(2,454)
Profit before tax	<u>2,693</u>	<u>1,739</u>	<u>7,955</u>	<u>2,921</u>
Tax expense	(1,090)	(762)	(3,216)	(885)
Profit for the period	<u>1,603</u>	<u>977</u>	<u>4,739</u>	<u>2,036</u>
Other comprehensive income (net of tax)	-	-	-	-
Total comprehensive income for the period	<u><u>1,603</u></u>	<u><u>977</u></u>	<u><u>4,739</u></u>	<u><u>2,036</u></u>
Profit attributable to :				
Owners of the parent	<u><u>1,603</u></u>	<u><u>977</u></u>	<u><u>4,739</u></u>	<u><u>2,036</u></u>
Total comprehensive income attributable to :				
Owners of the parent	<u><u>1,603</u></u>	<u><u>977</u></u>	<u><u>4,739</u></u>	<u><u>2,036</u></u>
Basic earnings per ordinary share (sen)	<u><u>1.60</u></u>	<u><u>0.98</u></u>	<u><u>4.74</u></u>	<u><u>2.04</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 charging/(crediting) the following items:

	3 MONTHS ENDED		9 MONTHS ENDED	
	31.08.2023	31.08.2022	31.08.2023	31.08.2022
	RM'000	RM'000	RM'000	RM'000
Interest income	(33)	(9)	(91)	(95)
Net fair value gain on investment properties	-	28	-	(3,464)
Other income	(60)	(371)	(473)	(901)
Gain on disposal of property, plant and equipment	-	(1)	(134)	(1)
Depreciation and amortisation	307	297	886	965
Impairment loss on investment properties	-	203	-	203
Interest expense	1,810	1,053	4,209	2,454
Loss on disposal of investment properties	(10)	863	1,079	863

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 2023**

The figures have not been audited.

	(Unaudited) As At Financial Period End 31.08.2023 RM'000	(Audited) As At Financial Year End 30.11.2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,246	1,488
Right-of-use assets	1,335	1,331
Investment properties	20,908	43,618
Inventories - land held for property development	54,713	54,650
Deferred tax assets	861	859
	<u>79,063</u>	<u>101,946</u>
Current assets		
Inventories	532,353	520,469
Trade and other receivables	13,971	9,759
Contract assets	49,064	36,825
Current tax assets	9	1,121
Cash and bank balances	8,337	7,166
	<u>603,734</u>	<u>575,340</u>
	<u>682,797</u>	<u>677,286</u>
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	100,124	100,124
Reserve	309,725	311,986
Total equity	<u>409,849</u>	<u>412,110</u>
Non-current liabilities		
Borrowings	148,007	172,313
Lease liabilities	410	322
	<u>148,417</u>	<u>172,635</u>
Current liabilities		
Trade and other payables	51,964	54,864
Borrowings	71,446	36,875
Lease liabilities	502	800
Current tax liabilities	619	2
	<u>124,531</u>	<u>92,541</u>
Total liabilities	<u>272,948</u>	<u>265,176</u>
TOTAL EQUITY AND LIABILITIES	<u>682,797</u>	<u>677,286</u>
Net assets per share attributable to owners of the parent (RM)	<u>4.10</u>	<u>4.12</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 2022 and the accompanying explanatory notes attached to this interim financial report)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THIRD QUARTER ENDED 31 AUGUST 2023

The figures have not been audited.

	Current Period-To- Date 31.08.2023 RM'000	Preceding Corresponding Period 31.08.2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	7,955	2,921
Adjustments for :-		
Depreciation/amortisation of :		
- property, plant and equipment	329	356
- right-of-use assets	557	609
(Gain)/Loss on disposal of:		
- property, plant and equipment	(134)	(1)
- investment properties	1,079	863
Interest income	(91)	(95)
Interest expense	4,209	2,454
Net fair value gain on investment properties	-	(4,138)
Operating profit before changes in working capital	<u>13,904</u>	<u>2,969</u>
Changes in working capital :		
Inventories	(12,804)	(469)
Trade and other receivables	(4,212)	(13,535)
Contract assets/contract liabilities	(12,239)	(22,760)
Trade and other payables	(2,901)	2,780
Cash used in operations	<u>(18,252)</u>	<u>(31,015)</u>
Tax paid	(1,492)	(1,660)
Tax refunded	3	8
Net cash used in operating activities	<u>(19,741)</u>	<u>(32,667)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to inventories - land held for property development	(63)	-
Interest received	91	95
Proceeds from disposal of:		
- property, plant and equipment	134	1
- investment properties	22,550	16,490
Purchase of :		
- property, plant and equipment	(87)	(300)
- Right-of-use assets	(79)	-
Net cash from investing activities	<u>22,546</u>	<u>16,286</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of borrowings	38,600	14,975
Interest paid	(4,171)	(2,405)
Repayment of borrowings	(33,258)	(8,147)
Repayment of lease liabilities	(728)	(714)
Dividend paid	(7,000)	(3,000)
Net cash (used in)/from financing activities	<u>(6,557)</u>	<u>709</u>
Net decrease in cash and cash equivalents	(3,752)	(15,672)
Cash and cash equivalents at beginning of period	(5,016)	8,417
Cash and cash equivalents at end of period	<u>(8,768)</u>	<u>(7,255)</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 THIRD QUARTER ENDED 31 AUGUST 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	-	4,739	4,739
Other comprehensive income, net of tax	-	-	-
Total comprehensive income	-	4,739	4,739
Transaction with owners			
Dividend paid	-	(7,000)	(7,000)
Total transaction with owners	-	(7,000)	(7,000)
As at 31 August 2023	100,124	309,725	409,849
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

(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 THIRD QUARTER ENDED 31 AUGUST 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.

On 17 August 2023, a first interim single tier dividend of 3 sen per ordinary share amounting to RM3,000,000 was paid in respect of financial year ending 30 November 2023.

A9. Segmental Information

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

9 months period ended 31 August 2023	Property Development RM'000	Investment Holding RM'000	Others RM'000	Total RM'000
Total revenue	75,830	-	401	76,231
Inter-segment revenue	-	-	(180)	(180)
Revenue from external customers	75,830	-	221	76,051
Interest Income	89	-	2	91
Finance costs	(4,116)	(93)	-	(4,209)
	(4,027)	(93)	2	(4,118)
Inter-segment income	-	-	-	-
Inter-segment finance	-	-	-	-
Net finance expense	(4,027)	(93)	2	(4,118)
Depreciation	785	101	-	886
Segment profit before income tax	8,683	(724)	(131)	7,828
Taxation	(3,216)	-	-	(3,216)
Segment profit after income tax	5,467	(724)	(131)	4,612

A9. Segmental Information (continued)

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 expenses	(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

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

	31.08.2023 RM'000	31.08.2022 RM'000
Profit for the financial period		
Total profit for the reportable segment	7,828	3,094
Elimination of inter-segment profits	127	(173)
Profit before tax	7,955	2,921
Taxation	(3,216)	(885)
Profit for the financial period	4,739	2,036

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			9 MONTHS ENDED		
	31.08.2023 RM'000	31.08.2022 RM'000	Changes %	31.08.2023 RM'000	31.08.2022 RM'000	Changes %
Revenue	28,139	29,716	(5)	76,051	56,649	34
Gross profit	11,205	9,580	17	31,497	17,778	77
Profit before interest and tax	4,503	2,792	61	12,164	5,375	126
Profit before tax	2,693	1,739	55	7,955	2,921	172
Profit after tax	1,603	977	64	4,739	2,036	133
Profit attributable to :						
Owners of the parent	1,603	977	64	4,739	2,036	133

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

The Group registered a revenue and profit before tax of RM28.1 million and RM2.7 million respectively for the current quarter under review as compared to the revenue and profit before tax of RM29.7 million and RM1.7 million respectively in the preceding year corresponding quarter.

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

Revenue decreased by 5% whilst profit before tax increased by 55% as compared to the preceding year corresponding quarter. Profit before tax for the current year quarter had increased mainly arising from the adjustment in the selling prices of the bumi units and the progress of work on Phase 1 of the *Aurora Resort Villas (ARVs)* at *Aurora Sentral* that had been sold together with the contribution from the sales of Phase 2 of the ARVs.

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 RM76.1 million and RM8.0 million respectively as compared to the revenue and profit before tax of RM56.6 million and RM2.9 million respectively in the corresponding preceding year period.

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

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

Revenue and profit before tax increased by 34% and 172% respectively in the current financial year to date as compared to the preceding year corresponding period. The revenue and profit before tax for the current financial year to date had increased mainly arising from the adjustment in the selling prices of the bumi units and the progress of work on Phase 1 of the ARVs at *Aurora Sentral* that had been sold together with the contribution from the sales of Phase 2 of the ARVs as well as the sale 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 31.08.2023 RM'000	Immediate Preceding Quarter 31.05.2023 RM'000	Changes %
Revenue	28,139	23,259	21
Gross profit	11,205	10,360	8
Profit before interest and tax	4,503	4,178	8
Profit before tax	2,693	2,988	(10)
Profit after tax	1,603	2,026	(21)
Profit attributable to owners of the parent	1,603	2,026	(21)

For the third quarter ended 31 August 2023, the Group recorded a revenue and profit before tax of RM28.1 million and RM2.7 million respectively as compared to the revenue and profit before tax of RM23.3 million and RM3.0 million respectively in the immediate preceding quarter.

The revenue for the current year quarter had increased by 21% whilst profit before tax for the current year quarter declined by 10% as compared to the immediate preceding quarter. The profit before tax for the current year quarter had declined mainly due to the increase in marketing and promotion expenses and finance costs.

B3. Prospects Commentary

Our Group remains vigilant of the challenges and opportunities for the financial year 2023 (FY2023). Downside risks and uncertainties from the Israel-Hamas war, the prolonged Russia-Ukraine war, the elevated prices of commodities and materials, tight labour supply, high inflation, high interest rates and the softening of the global economy due to recessionary risks are to be tackled. Meanwhile, we will capitalise on the demand for properties post pandemic following from the launches of the first and second phases of our exclusive ARVs which were well received.

The Group had launched the second phase of the ARVs in *Aurora Sentral* in May 2023 which garnered encouraging sales from the public.

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 ARVs in *Aurora Sentral*, Iskandar Puteri, Johor.

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	
	31.08.2023	31.08.2022	31.08.2023	31.08.2022
	RM'000	RM'000	RM'000	RM'000
Current taxation	1,105	789	3,218	789
Under provision for prior year	-	-	-	-
Deferred taxation	(15)	(27)	(2)	96
	<u>1,090</u>	<u>762</u>	<u>3,216</u>	<u>885</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 borrowings of the Group (all denominated in Malaysian currency) as at 31 August 2023 and 31 August 2022 are as follows:-

As at 31 August 2023

	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total Borrowings RM'000
<i>Secured</i>			
Bank overdraft	17,105	-	17,105
Revolving credits	5,000	47,007	52,007
Term loans	49,341	101,000	150,341
	<u>71,446</u>	<u>148,007</u>	<u>219,453</u>

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
	<u>26,162</u>	<u>189,481</u>	<u>215,643</u>

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

	As at 31.08.2023 %	As at 31.08.2022 %
Floating interest rate	6.60	6.03
Fixed interest rate	4.82	4.61

B9. Group Borrowings (continued)

The total borrowings for the Group had increased slightly as at 31 August 2023 due to drawdown and utilisation of certain 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 18 October 2023, being a date not earlier than 7 days from the date of issue of the quarterly report.

B12. Dividend

	Current Year To Date 31.08.2023 RM'000	Preceding Year Corresponding Period 31.08.2022 RM'000
Second interim single tier dividend of 1.5 sen per ordinary share for the financial year ending 30 November 2023, declared on 24 October 2023 and payable on 20 November 2023, in respect of deposited securities based on the record of depositors as at 8 November 2023.	1,500	
First interim single tier dividend of 3 sen per ordinary share for the financial year ending 30 November 2023, declared on 25 July 2023 and paid on 17 August 2023.	3,000	
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	-
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
	8,500	6,000

B13. Earnings Per Share

	3 MONTHS ENDED		9 MONTHS ENDED	
	31.08.23 RM'000	31.08.22 RM'000	31.08.23 RM'000	31.08.22 RM'000
Basic/Diluted earnings per share				
Profit for the period attributable to owners of the parent	<u>1,603</u>	<u>977</u>	<u>4,739</u>	<u>2,036</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>1.60</u>	<u>0.98</u>	<u>4.74</u>	<u>2.04</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.