

Quarterly Financial Report For The Financial Period Ended 31 March 2021
(The figures have not been audited)

Condensed Consolidated Statement of Profit or Loss

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/21	31/03/20	31/03/21	31/03/20
	RM'000	RM'000	RM'000	RM'000
		RESTATED		RESTATED
Revenue	578,952	401,432	1,829,966	1,505,876
Cost of sales	(276,597)	(207,541)	(878,447)	(698,915)
Gross profit	302,355	193,891	951,519	806,961
Other operating income	14,767	12,355	43,374	41,117
Marketing and selling expenses	(10,267)	(11,999)	(32,213)	(38,396)
Administration expenses	(36,512)	(42,385)	(114,633)	(114,403)
Other operating expenses	(62,276)	(31,037)	(128,732)	(97,930)
Operating profit	208,067	120,825	719,315	597,349
Share of result of an associate	35,457	(483)	34,371	286
Share of results of joint ventures	30,092	28,946	75,264	134,721
Profit before interest and taxation	273,616	149,288	828,950	732,356
Interest income	8,179	12,450	24,730	40,101
Interest expenses	(78)	(31)	(132)	(53)
Net foreign currency translation (loss)/gain on:				
- foreign denominated borrowings	(2,295)	(10,547)	41,361	(38,297)
- foreign denominated deposits	1,992	(282)	(1,215)	699
Profit before taxation	281,414	150,878	893,694	734,806
Taxation	(102,483)	(67,316)	(349,805)	(271,841)
Profit for the period	178,931	83,562	543,889	462,965
Attributable to:				
Owners of the Company	178,753	82,360	541,837	460,631
Non-controlling interests	178	1,202	2,052	2,334
	178,931	83,562	543,889	462,965
Earnings per share for profit attributable to owners of the Company (sen)				
Basic	3.25	1.50	9.84	8.37
Diluted	3.25	1.50	9.84	8.37

(The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to this quarterly financial report.)

Quarterly Financial Report For The Financial Period Ended 31 March 2021
(The figures have not been audited)

Condensed Consolidated Statement of Other Comprehensive Income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/21	31/03/20	31/03/21	31/03/20
	RM'000	RM'000 RESTATED	RM'000	RM'000 RESTATED
Profit for the period	178,931	83,562	543,889	462,965
Other comprehensive income/(loss) that will be reclassified subsequently to profit or loss, net of tax				
Exchange differences on translation of foreign operations, net of tax	110,022	34,630	80,276	(49,147)
Net change in cash flow hedge reserve	49,611	(95,711)	79,138	(109,233)
Other comprehensive income/(loss) for the period, net of tax	159,633	(61,081)	159,414	(158,380)
Total comprehensive income for the period	338,564	22,481	703,303	304,585
Total comprehensive income attributable to:				
Owners of the Company	338,295	21,324	701,226	302,318
Non-controlling interests	269	1,157	2,077	2,267
	338,564	22,481	703,303	304,585

(The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to this quarterly financial report.)



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IOI PROPERTIES GROUP BERHAD 201301005964 (1035807-A)

(Incorporated in Malaysia)

Quarterly Financial Report For The Financial Period Ended 31 March 2021

(The figures have not been audited)

Condensed Consolidated Statement of Financial Position

	As at 31/03/21 RM'000	As at 30/06/20 RM'000 Restated	As at 01/07/19 RM'000 Restated
ASSETS			
Non-current assets			
Property, plant and equipment	1,533,596	1,421,979	1,322,774
Land held for property development	5,061,878	4,847,658	4,642,164
Investment properties	14,753,985	14,334,703	13,672,410
Goodwill on consolidation	11,472	11,472	11,472
Investment in an associate	50,947	109,523	99,313
Interests in joint ventures	4,420,299	4,379,375	4,866,946
Deferred tax assets	210,594	187,280	169,504
	26,042,771	25,291,990	24,784,583
Current assets			
Property development costs	2,954,527	3,129,002	3,501,634
Inventories	2,074,529	2,133,507	1,958,753
Trade and other receivables	416,915	392,487	357,910
Contract assets	181,068	220,259	216,591
Amount due from a joint venture	29,137	481	560
Current tax assets	48,173	44,126	59,305
Short term funds	53,004	80,588	41
Deposits with financial institutions	368,363	479,891	455,086
Cash and bank balances	1,087,118	911,506	1,121,758
	7,212,834	7,391,847	7,671,638
TOTAL ASSETS	33,255,605	32,683,837	32,456,221



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Quarterly Financial Report For The Financial Period Ended 31 March 2021

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Condensed Consolidated Statement of Financial Position (Continued)

	As at 31/03/21 RM'000	As at 30/06/20 RM'000 Restated	As at 01/07/19 RM'000 Restated
EQUITY AND LIABILITIES			
EQUITY			
Share capital	18,514,233	18,514,233	18,514,233
Other reserves	(210,891)	(370,280)	(228,093)
Retained earnings	9,537,662	9,078,417	8,727,107
Reorganisation debit balance	(8,440,152)	(8,440,152)	(8,440,152)
Equity attributable to equity holders of the Company	19,400,852	18,782,218	18,573,095
Non-controlling interests	157,731	155,401	157,420
Total equity	19,558,583	18,937,619	18,730,515
Non-current liabilities			
Borrowings	10,038,620	9,713,761	10,150,209
Lease liabilities	1,047	2,037	684
Derivative financial liabilities	61,573	128,764	43,514
Trade and other payables	37,297	30,704	29,709
Deferred tax liabilities	1,142,007	1,036,162	799,548
	11,280,544	10,911,428	11,023,664
Current liabilities			
Borrowings	975,988	1,181,415	1,176,252
Lease liabilities	1,641	1,453	1,010
Derivative financial liabilities	77,740	90,527	14,167
Trade and other payables	931,226	1,076,055	1,025,111
Contract liabilities	273,733	348,096	341,508
Current tax liabilities	156,150	137,244	143,994
	2,416,478	2,834,790	2,702,042
Total liabilities	13,697,022	13,746,218	13,725,706
TOTAL EQUITY AND LIABILITIES	33,255,605	32,683,837	32,456,221
 Net assets per share attributable to owners of the Company (RM)	 3.52	 3.41	 3.37

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to this quarterly financial report.)



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Quarterly Financial Report For The Financial Period Ended 31 March 2021

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Condensed Consolidated Statement of Cash Flows

	9 Months Ended 31/03/21 RM'000	9 Months Ended 31/03/20 RM'000 Restated
Operating Activities		
Profit before taxation	893,694	734,806
Adjustments for:		
Depreciation and amortisation	31,758	30,919
Interest income	(24,730)	(40,101)
Share of result of an associate	(34,371)	(286)
Share of results of joint ventures	(75,264)	(134,721)
Foreign currency translation (gain)/loss	(40,146)	19,236
Other non-cash items	3,616	1,024
Operating profit before working capital changes	754,557	610,877
Decrease in inventories	240,301	240,300
Decrease/(Increase) in receivables and other assets	130,057	(76,463)
Decrease in payables and other liabilities	(223,569)	(78,148)
Cash generated from operations	901,346	696,566
Tax paid	(277,168)	(173,440)
Tax refunded	2,337	18,083
Net cash inflow from operating activities	626,515	541,209
Investing Activities		
Redemption of cumulative redeemable preference shares of an associate	47,838	-
Dividend received from an associate	45,109	9,412
Repayments from joint ventures	23,099	588,450
Interest received	20,628	33,049
Deposit received from disposal of a subsidiary	7,902	-
Proceeds from disposal of investment properties	1,092	-
Proceeds from disposal of property, plant and equipment	214	273
Additions to land held for property development	(46,552)	(57,565)
Additions to property, plant and equipment	(120,972)	(140,870)
Additions to investment properties	(307,798)	(372,492)
Net cash (outflow)/inflow from investing activities	(329,440)	60,257
Financing Activities		
Drawdown of borrowings	592,529	1,200,598
Proceeds from issuance of redeemable preference shares to non-controlling interests in a subsidiary	15,750	-
Payment of lease liabilities	(816)	(1,698)
Dividend paid to non-controlling interests	(5,406)	(5,914)
Banking facilities fees paid	(5,481)	(9,020)
Acquisition of additional shares from non-controlling interests	(10,091)	(16)
Dividend paid	(82,592)	(165,184)
Interest paid	(270,371)	(304,542)
Repayment of borrowings	(524,967)	(1,632,724)
Net cash outflow from financing activities	(291,445)	(918,500)
Net increase/(decrease) in cash and cash equivalents	5,630	(317,034)
Cash and cash equivalents at beginning of financial period	1,471,985	1,576,885
Effect of exchange rate changes	30,870	4,992
Cash and cash equivalents at end of financial period	1,508,485	1,264,843

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to this quarterly financial report.)



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Quarterly Financial Report For The Financial Period Ended 31 March 2021
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Condensed Consolidated Statement of Changes in Equity
(RM'000)

	Share capital	Foreign currency translation reserve	Other reserves Cash flow hedge reserve	Share-based payment reserve	Reorganisation debit balance	Retained earnings	Total equity attributable to owners of the Company	Non-controlling interests	Total equity
As at 1 July 2020	18,514,233	(155,085)	(212,312)	-	(8,440,152)	9,288,389	18,995,073	156,875	19,151,948
Effects on adoption of IFRIC Agenda Decision	-	(2,883)	-	-	-	(209,972)	(212,855)	(1,474)	(214,329)
As at 1 July 2020 (restated)	18,514,233	(157,968)	(212,312)	-	(8,440,152)	9,078,417	18,782,218	155,401	18,937,619
Profit for the financial period	-	-	-	-	-	541,837	541,837	2,052	543,889
Exchange differences on translation of foreign operations, net of tax	-	80,258	-	-	-	-	80,258	18	80,276
Net change in cash flow hedge reserve	-	-	79,131	-	-	-	79,131	7	79,138
Total comprehensive income	-	80,258	79,131	-	-	541,837	701,226	2,077	703,303
Transactions with owners									
Issuance of preference shares to non-controlling interests in a subsidiary	-	-	-	-	-	-	-	15,750	15,750
Changes in equity interests in a subsidiary	-	-	-	-	-	-	-	(10,091)	(10,091)
Dividend paid	-	-	-	-	-	(82,592)	(82,592)	(5,406)	(87,998)
As at 31 March 2021	18,514,233	(77,710)	(133,181)	-	(8,440,152)	9,537,662	19,400,852	157,731	19,558,583
As at 1 July 2019	18,514,233	(186,259)	(51,217)	11,775	(8,440,152)	8,986,081	18,834,461	159,122	18,993,583
Effects on adoption of IFRIC Agenda Decision	-	(2,392)	-	-	-	(258,974)	(261,366)	(1,702)	(263,068)
As at 1 July 2019 (restated)	18,514,233	(188,651)	(51,217)	11,775	(8,440,152)	8,727,107	18,573,095	157,420	18,730,515
Profit for the financial period	-	-	-	-	-	460,631	460,631	2,334	462,965
Exchange differences on translation of foreign operations, net of tax	-	(49,080)	-	-	-	-	(49,080)	(67)	(49,147)
Net change in cash flow hedge reserve	-	-	(109,233)	-	-	-	(109,233)	-	(109,233)
Total comprehensive income	-	(49,080)	(109,233)	-	-	460,631	302,318	2,267	304,585
Transactions with owners									
Changes in equity interests in a subsidiary	-	-	-	-	-	24	24	(40)	(16)
Dividend paid	-	-	-	-	-	(165,184)	(165,184)	(5,914)	(171,098)
As at 31 March 2020	18,514,233	(237,731)	(160,450)	11,775	(8,440,152)	9,022,578	18,710,253	153,733	18,863,986

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020 and the accompanying notes attached to this quarterly financial report.)



Quarterly Financial Report For The Financial Period Ended 31 March 2021

(The figures have not been audited)

Explanatory Notes

a) Basis of Preparation

The quarterly financial report of the IOIPG Group is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134 "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020. Those explanatory notes attached to this quarterly 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 June 2020.

b) 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 June 2020, except for the adoption of the following new MFRSSs, Amendments to MFRS and IC Interpretations that are effective for the Group.

Title

Amendments to References to the Conceptual Framework in MFRS Standards
Amendments to MFRS 3 Definition of a Business
Amendments to MFRS 9, MFRS 139 and MFRS 7 Interest Rate Benchmark Reform
Amendments to MFRS 16 Covid-19-Related Rent Concessions
Amendments to MFRS 101 and MFRS 108 Definition of Material

The adoption of these amendments to MFRSSs do not have any significant financial impact on the financial statements of the Group for the current quarter.

IFRIC Agenda Decision on MFRS 123 Borrowing Costs

In March 2019, the IFRS Interpretations Committee ('IFRIC') published an Agenda Decision on borrowing costs confirming, receivables, contract assets and inventories for which revenue is recognised over time are non-qualification assets. On 20 March 2019, the Malaysian Accounting Standard Board announced that an entity shall apply the change in accounting policy as a result of this Agenda Decision to financial statements of annual periods beginning on or after 1 July 2020.

The Group has adopted the IFRIC Agenda Decision retrospectively in its financial position as at 1 July 2019 and throughout all comparative interim periods presented, as if these policies had always been in effect. Comparative information in this interim financial statements have been restated to give effect to the above changes.



Quarterly Financial Report For The Financial Period Ended 31 March 2021

(The figures have not been audited)

Explanatory Notes

b) Changes in Accounting Policies (Continued)

As a result, the following comparatives in the interim financial report have been restated.

i. Impact on condensed consolidated statement of financial position as at 1 July 2019 (date of transition):

	As previously reported 01/07/19 RM'000	Effect on adoption of IFRIC Agenda Decision RM'000	Restated 01/07/19 RM'000
Assets			
Interests in joint ventures	5,012,119	(145,173)	4,866,946
Deferred tax assets	133,854	35,650	169,504
Property development costs	3,567,548	(65,914)	3,501,634
Inventories	2,047,991	(89,238)	1,958,753
Liabilities			
Deferred tax liabilities	801,155	(1,607)	799,548
Equity			
Other reserves	(225,701)	(2,392)	(228,093)
Retained earnings	8,986,081	(258,974)	8,727,107
Non-controlling interests	159,122	(1,702)	157,420

ii. Impact on condensed consolidated statement of financial position as at 30 June 2020:

	As previously reported 30/06/20 RM'000	Effect on adoption of IFRIC Agenda Decision RM'000	Restated 30/06/20 RM'000
Assets			
Interests in joint ventures	4,476,409	(97,034)	4,379,375
Deferred tax assets	152,114	35,166	187,280
Property development costs	3,172,133	(43,131)	3,129,002
Inventories	2,244,444	(110,937)	2,133,507
Liabilities			
Deferred tax liabilities	1,037,769	(1,607)	1,036,162
Equity			
Other reserves	(367,397)	(2,883)	(370,280)
Retained earnings	9,288,389	(209,972)	9,078,417
Non-controlling interests	156,875	(1,474)	155,401



Quarterly Financial Report For The Financial Period Ended 31 March 2021

(The figures have not been audited)

Explanatory Notes

b) Changes in Accounting Policies (Continued)

iii. Impact on condensed consolidated income statement for the 9 months period ended 31 March 2020:

	As previously reported 31/03/20 RM'000	Effect on adoption of IFRIC Agenda Decision RM'000	Restated 31/03/20 RM'000
Cost of sales	(712,997)	14,082	(698,915)
Share of results of joint ventures	95,236	39,485	134,721
Taxation	(271,368)	(473)	(271,841)
Non-controlling interests	2,127	207	2,334
Net impact on profit or loss attributable to owners of the Company	407,744	52,887	460,631

iv. Impact on condensed consolidated statement of comprehensive income for the 9 months period ended 31 March 2020:

	As previously reported 31/03/20 RM'000	Effect on adoption of IFRIC Agenda Decision RM'000	Restated 31/03/20 RM'000
Other comprehensive loss that will be reclassified subsequently to profit or loss, net of tax			
Exchange differences on translation of foreign operations, net of tax	(49,306)	159	(49,147)
Net impact on total comprehensive income attributable to:			
Owners of the Company	249,270	53,048	302,318
Non-controlling interests	2,062	205	2,267
	251,332	53,253	304,585

v. Impact on condensed consolidated statement of cash flows for the 9 months period ended 31 March 2020 and the impact on basic EPS:

There is no material impact on the consolidated statement of cash flows for the 9 months period ended 31 March 2020. The impact on basic EPS is as follows:

	Increase
Earnings per share for profit attributable to owners of the Company:	
- Basic (sen)	0.96

**Quarterly Financial Report For The Financial Period Ended 31 March 2021**

(The figures have not been audited)

Explanatory Notes**c) Seasonal or Cyclical Factors**

There were no significant seasonal or cyclical factors that affect the business of the Group for the quarter under review.

d) Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income and cash flows for the quarter under review.

e) Material Changes in Estimates of Amounts Reported

There were no material changes in estimates of amounts reported in prior financial year that have a material effect in the current financial quarter.

f) Details of Changes in Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale or repayment of debt and/or equity securities, share buy-back, share cancellation, shares held as treasury shares and/or resale of treasury shares for the current financial period ended 31 March 2021.

g) Dividend Paid

	CURRENT YEAR TO DATE RM'000	PRECEDING YEAR CORRESPONDING PERIOD RM'000
Interim single tier dividend of 1.5 sen per ordinary share in respect of financial year ended 30 June 2020, paid on 23 October 2020	82,592	-
Interim single tier dividend of 3.0 sen per ordinary share in respect of financial year ended 30 June 2019, paid on 27 September 2019	-	165,184
	82,592	165,184

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(The figures have not been audited)

Explanatory Notes**h) Segment Revenue & Results**

(RM'000)	Property Development	Property Investment	Hospitality & Leisure	Other Operations	Elimination	Consolidated
i) <u>3 Months Ended 31/03/21</u>						
REVENUE						
External	485,209	72,405	19,092	2,246	-	578,952
Inter-segment	-	902	(1)	29,848	(30,749)	-
Total revenue	<u>485,209</u>	<u>73,307</u>	<u>19,091</u>	<u>32,094</u>	<u>(30,749)</u>	<u>578,952</u>
RESULT						
Segment operating profit/(loss)	182,311	32,893	(7,518)	381	-	208,067
Share of result of an associate	35,457	-	-	-	-	35,457
Share of results of joint ventures	25,758	11,940	(7,606)	-	-	30,092
Segment results	<u>243,526</u>	<u>44,833</u>	<u>(15,124)</u>	<u>381</u>	<u>-</u>	<u>273,616</u>
Interest income						8,179
Interest expenses						(78)
Net foreign currency translation (loss)/gain on:						
- foreign denominated borrowings						(2,295)
- foreign denominated deposits						1,992
Profit before taxation						<u>281,414</u>
Taxation						<u>(102,483)</u>
Profit for the period						<u>178,931</u>

3 Months Ended 31/03/20**Restated****REVENUE**

External	284,100	80,854	35,446	1,032	-	401,432
Inter-segment	42,589	1,065	8	23,237	(66,899)	-
Total revenue	<u>326,689</u>	<u>81,919</u>	<u>35,454</u>	<u>24,269</u>	<u>(66,899)</u>	<u>401,432</u>

RESULT

Segment operating profit/(loss)	85,645	40,109	(5,022)	93	-	120,825
Share of result of an associate	(483)	-	-	-	-	(483)
Share of results of joint ventures	29,735	9,314	(10,103)	-	-	28,946
Segment results	<u>114,897</u>	<u>49,423</u>	<u>(15,125)</u>	<u>93</u>	<u>-</u>	<u>149,288</u>
Interest income						12,450
Interest expenses						(31)
Net foreign currency translation loss on:						
- foreign denominated borrowings						(10,547)
- foreign denominated deposits						(282)
Profit before taxation						<u>150,878</u>
Taxation						<u>(67,316)</u>
Profit for the period						<u>83,562</u>

Other operations consist mainly of project and building services management and other activities unrelated to any of the abovementioned major operation segments.



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Quarterly Financial Report For The Financial Period Ended 31 March 2021

(The figures have not been audited)

Explanatory Notes

h) Segment Revenue & Results (Continued)

(RM'000)	Property Development	Property Investment	Hospitality & Leisure	Other Operations	Elimination	Consolidated
ii) <u>9 Months Ended 31/03/21</u>						
REVENUE						
External	1,529,827	229,211	64,633	6,295	-	1,829,966
Inter-segment	-	2,994	-	92,766	(95,760)	-
Total revenue	<u>1,529,827</u>	<u>232,205</u>	<u>64,633</u>	<u>99,061</u>	<u>(95,760)</u>	<u>1,829,966</u>
RESULT						
Segment operating profit/(loss)	623,992	111,233	(18,501)	2,591	-	719,315
Share of result of an associate	34,371	-	-	-	-	34,371
Share of results of joint ventures	63,172	34,598	(22,506)	-	-	75,264
Segment results	<u>721,535</u>	<u>145,831</u>	<u>(41,007)</u>	<u>2,591</u>	<u>-</u>	<u>828,950</u>
Interest income						24,730
Interest expenses						(132)
Net foreign currency translation gain/(loss) on:						
- foreign denominated borrowings						41,361
- foreign denominated deposits						(1,215)
Profit before taxation						<u>893,694</u>
Taxation						<u>(349,805)</u>
Profit for the period						<u><u>543,889</u></u>

9 Months Ended 31/03/20

Restated

REVENUE						
External	1,093,882	266,431	140,240	5,323	-	1,505,876
Inter-segment	58,589	3,198	163	65,366	(127,316)	-
Total revenue	<u>1,152,471</u>	<u>269,629</u>	<u>140,403</u>	<u>70,689</u>	<u>(127,316)</u>	<u>1,505,876</u>
RESULT						
Segment operating profit	438,037	147,944	9,728	1,640	-	597,349
Share of result of an associate	286	-	-	-	-	286
Share of results of joint ventures	113,179	27,908	(6,366)	-	-	134,721
Segment results	<u>551,502</u>	<u>175,852</u>	<u>3,362</u>	<u>1,640</u>	<u>-</u>	<u>732,356</u>
Interest income						40,101
Interest expenses						(53)
Net foreign currency translation (loss)/gain on:						
- foreign denominated borrowings						(38,297)
- foreign denominated deposits						699
Profit before taxation						<u>734,806</u>
Taxation						<u>(271,841)</u>
Profit for the period						<u><u>462,965</u></u>

Other operations consist mainly of project and building services management and other activities unrelated to any of the abovementioned major operation segments.

**Quarterly Financial Report For The Financial Period Ended 31 March 2021**

(The figures have not been audited)

Explanatory Notes**i) Material Events Subsequent to the End of Financial Period**

There were no material events subsequent to the end of the financial period.

j) Changes in the Composition of the Group

On 5 January 2021, the Company had incorporated a wholly-owned subsidiary, namely Premier Landmark Limited (“PLL”). PLL was incorporated in Hong Kong as a private limited company under the Companies Ordinance (Chapter 622) with share capital of HK\$2 divided into 2 ordinary shares. PLL’s intended principal activity is investment holding.

On 19 January 2021, the Company had incorporated a wholly-owned subsidiary, namely Boulevard View Pte Ltd (“BVPL”). BVPL was incorporated in Singapore as a private limited company under the Companies Act, (Cap.50) with share capital of S\$2 divided into 2 ordinary shares. BVPL’s intended principal activity is investment holding.

IOI (Xiamen) Business Management Co Ltd, an indirect subsidiary of the Company, had on 18 March 2021 incorporated a wholly-owned subsidiary known as Xiamen Palm City Sports Technology Co. Ltd (“XPCST”) in Xiamen, the People’s Republic of China with a total registered capital of RMB10 million, XPCST’s intended principal activity is leisure and entertainment activities.

k) Contingent Liabilities

There were no material contingent liabilities for the Group as at 31 March 2021.

l) Capital Commitments

Capital commitments not provided for in the quarterly financial report as at the end of the financial period are as follows:

Contracted	RM'000
Additions of land held for property development	81,359
Additions of property, plant and equipment	258,731
Additions of investment properties	1,583,567
	<u>1,923,657</u>

**Quarterly Financial Report For The Financial Period Ended 31 March 2021**

(The figures have not been audited)

Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**1) Review of Group's Performance****(a) Performance of the current year quarter against the preceding year corresponding quarter**

The Group recorded revenue and operating profit of RM579.0 million and RM208.1 million for the current year quarter, which is RM177.6 million or 44% and RM87.3 million or 72% respectively higher than the preceding year corresponding quarter. The increase in revenue and operating profit is mainly attributable to better performance from the property development segment. As for profit before taxation ("PBT"), the Group recorded RM281.7 million for the current quarter, which is RM120.0 million or 74% higher than the preceding year corresponding quarter of RM161.7 million (both quarters excluding net foreign currency translation difference on foreign denominated borrowings and deposits). The increase is mainly due to higher operating profit contributed by the property development segment and higher share of associate's profit arising from the sale of land.

Property Development

The property development segment recorded revenue and operating profit of RM485.2 million and RM182.3 million respectively in the current year quarter. The recorded result is higher than the preceding year corresponding quarter by RM201.1 million or 71% and RM96.7 million or 113% respectively. Better financial performance in the current year quarter is mainly attributable to higher sales contribution from both Malaysia and People's Republic of China ("PRC") operations, as well as advance progress work from on-going residential development in PRC.

Property Investment

Revenue and operating profit of RM72.4 million and RM32.9 million for the current year quarter are RM8.5 million or 11% and RM7.2 million or 18% lower than the preceding year corresponding quarter. This is mainly due to rental relief assistance extended to tenants as a result of the reinstatement of Movement Control Order ("MCO") by the Malaysian government since 13 January 2021.

Hospitality and Leisure

Revenue decreased by 46% from RM35.4 million to RM19.1 million and operating loss increased from RM5.0 million to RM7.5 million. Lower financial performance in the current year quarter is mainly due to loss of revenue arising from reinstatement of MCO.

(b) Performance of the current year to date against the preceding year corresponding period

The Group recorded revenue of RM1.8 billion, which is RM324.1 million or 22% higher than the preceding year corresponding period. This is mainly due to higher contribution from Klang Valley and PRC operations. The Group's PBT of RM853.5 million (after excluding net foreign currency translation gain on foreign denominated borrowings and deposits) in the current year to date, which is RM81.1 million or 10% higher than the preceding year corresponding period of RM772.4 million (after excluding net foreign currency translation loss on foreign denominated borrowings and deposits). The Group recorded a higher PBT due to better performance from property development segment, despite a lower performance from both property investment, hospitality and leisure segments as a result of COVID-19 pandemic as well as a lower share of profit from joint ventures due to lower sale of South Beach Residences.

2) Material Change in Profit Before Taxation ("PBT") for the Current Quarter as Compared with the Immediate Preceding Quarter

The Group recorded PBT of RM281.7 million (excluding foreign currency translation loss on foreign denominated borrowings and deposit) for the current quarter, which is RM32.4 million or 13% higher than the immediate preceding quarter of RM249.3 million (excluding foreign currency translation gain on foreign denominated borrowings and deposits). PBT is slightly higher in the current quarter is mainly due to higher share of profit from the sale of land by an associate.



Quarterly Financial Report For The Financial Period Ended 31 March 2021

(The figures have not been audited)

Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements

3) Prospects

Global business environment remains challenging and uncertain in light of the unabating COVID-19 pandemic and persistent geopolitical tensions. The reinstatement of Movement Control Order 3.0 (MCO 3.0) by the Malaysian Government due to the recent spike in number of COVID-19 cases continues to curtail the resumption of economic activities and disrupt the momentum of the property market recovery in Malaysia.

For our property development segment in Malaysia, our dynamic sales and marketing campaign received favourable response and contributed strongly to the Q3 FY2021 sales performance with profit to be registered in the coming quarters. The Group will continue with its aggressive campaign and leverage on the Home Ownership Campaign under the National Economy Recovery Plan (PENJANA) to drive sales of our mid-priced range products in tandem with market demands as these products remain well sought-after in our existing townships.

In Mainland China, the residential developments in IOI Palm City, Xiamen will continue to contribute to the Group's financial performance in the coming quarters. Meanwhile, IOI Palm City Mall, Xiamen has secured high level of occupancy and the mall business is expected to commence by 3rd quarter 2021.

In Singapore, the pace of construction progress of Central Boulevard Towers has picked up speed. However, looking ahead we expect further uncertainties due to the measures taken by the Government of Singapore to contain the recent wave of the COVID-19 pandemic. Meanwhile, we have commenced leasing activities and are receiving strong response from the market.

The recovery of the property investment and hospitality segments in Malaysia has been dampened by the reinstatement of MCO. However, the retail and office segments will continue to adopt active and pragmatic tenant retention strategies to maintain occupancy rates and to support our tenants as business partners. The Group will also leverage on its customer loyalty program and adopt digital innovation to enhance customer experience to maintain its market share in the retail segment.

Overall, we expect the operating environment to remain challenging and uncertain. Nonetheless, the Group will continue with its prudent and professional management approach to ensure the delivery of satisfactory performance in the coming quarters whilst improving its market position and strengthening its competitive edge to seize any opportunities which may emerge.

4) Achievability of Forecast Results

Not applicable.

5) Variance of Actual Profit from Forecast Results or Profit Guarantee

Not applicable.

**Quarterly Financial Report For The Financial Period Ended 31 March 2021**

(The figures have not been audited)

Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**6) Taxation**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR	PRECEDING YEAR	CURRENT	PRECEDING YEAR
	QUARTER	CORRESPONDING	YEAR TO	CORRESPONDING
	QUARTER	QUARTER	DATE	PERIOD
	RM'000	RM'000	RM'000	RM'000
		RESTATED		RESTATED

The tax expense comprises the following:

Current taxation	227,753	67,827	285,451	186,161
Deferred taxation	(125,270)	(511)	64,354	85,680
	<u>102,483</u>	<u>67,316</u>	<u>349,805</u>	<u>271,841</u>

The effective tax rate of the Group for the current year quarter is 36%. The higher effective tax rate is mainly due to higher tax rate in the People's Republic of China.

7) Corporate Proposal

There were no outstanding corporate proposal for the current quarter under review.

8) Group Borrowings and Debt Securities

Group borrowings and debt securities as at 31 March 2021 are as follows:

	As at 31/03/21	As at 30/06/20
	RM'000	RM'000
a) Short term borrowings		
Unsecured		
Denominated in RM	79,345	180,499
Denominated in USD (USD67 million) (2020: USD90 million)	275,952	384,664
Denominated in SGD (SGD200 million) (2020: SGD200 million)	616,900	615,040
Denominated in RMB (RMB6 million) (2020: RMB2 million)	3,791	1,212
	<u>975,988</u>	<u>1,181,415</u>
b) Long term borrowings		
Unsecured		
Denominated in RM	2,502,017	2,296,602
Denominated in USD (Nil) (2020: USD67 million)	-	285,155
Denominated in SGD (SGD2,032 million) (2020: SGD2,032 million)	6,251,175	6,225,890
Denominated in RMB (RMB2,044 million) (2020: RMB1,506 million)	1,285,428	906,114
	<u>10,038,620</u>	<u>9,713,761</u>
Total borrowings	<u>11,014,608</u>	<u>10,895,176</u>

**Quarterly Financial Report For The Financial Period Ended 31 March 2021**

(The figures have not been audited)

Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**9) Derivative Financial Instruments**

(i) Details of derivative financial instrument outstanding as at 31 March 2021 are as follows:

Type of derivative	Fair value liabilities RM'000
Cash flow hedge derivative	
Interest rate swap	
<i>SGD denominated borrowing (RM5,003 million)*:</i>	
- less than one year	(74,472)
- one year to three years	(61,573)
	(136,045)
<i>USD denominated borrowing (RM277 million)*:</i>	
- less than one year	(3,268)
Total interest rate swap	(139,313)

* represents notional amounts throughout the facility periods.

The above derivatives were entered to hedge its long term floating rate borrowings that are denominated in foreign currency to fixed interest rate in order to minimise the exposure to the volatility of the interest rate.

The Group's derivative financial instrument is subject to market and credit risk as follows:

(a) Market risk

Market risk on derivative is the potential fluctuation in the value of this contract arising from the change in price of the underlying items such as interest rates or other indices. The market risk to the Group is mitigated as the Group's USD and SGD floating interest rate borrowings to fixed interest rate borrowings to serve as a cash flow hedge for the Group's interest settlement for the foreign currency borrowings obtained.

(b) Credit risk

Credit risk exposure arises from the possibility that a counter-party may be unable to meet the terms of a contract in which the Group and or the Bank has entered into. There is minimal credit risk to the Group as the swap was entered into with reputable financial institution which is governed by appropriate policies and procedures.

(ii) Cash requirement of the derivatives

There is no cash requirement for these derivatives other than the repayment obligation for the underlying bank borrowings.

(iii) Related accounting policies

There have been no changes since the end of the previous financial year ended 30 June 2020 in respect of the accounting policies.

**Quarterly Financial Report For The Financial Period Ended 31 March 2021**

(The figures have not been audited)

Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**10) Fair Value Changes of Financial Assets**

As at 31 March 2021, the Group has recognised derivative financial liabilities of RM139.3 million in respect of interest rate swap, with the corresponding fair value gain of RM79.1 million in the cash flow hedge reserve for the current financial period under review.

The fair value gain is mainly due to the floating interest rate has moved favourably for the Group from the last measurement date.

The fair value of the abovementioned derivatives is calculated based on the present value of estimated cash flow using an appropriate market-based yield curve.

11) Notes to the Condensed Consolidated Statement of Comprehensive Income

Profit for the period has been arrived after (crediting)/charging:

	CURRENT YEAR QUARTER RM'000	CURRENT YEAR TO DATE RM'000
Interest income	(8,179)	(24,730)
Interest expenses	78	132
Impairment losses on receivables written back	(183)	(597)
Net gain on foreign currency translation differences	821	(39,656)
Depreciation and amortisation	11,002	31,758
Impairment losses on receivables	1,735	3,441
Property, plant and equipment written off	3	7
Bad debts written off	562	595

Other than as per disclosed above, the Group does not have other material items that recognised as profit/loss in the consolidated statement of profit or loss and statement of other comprehensive income.

12) Material Litigation

There is no pending material litigation as at the date of this announcement.

13) Dividends

No dividend has been declared by the Board for the financial quarter ended 31 March 2021.

**Quarterly Financial Report For The Financial Period Ended 31 March 2021**

(The figures have not been audited)

Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**14) Earnings Per Share**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	RM'000	RM'000 RESTATED	RM'000	RM'000 RESTATED
a) Basic earnings per share				
Net profit for the period	178,753	82,360	541,837	460,631
Weighted average number of ordinary shares in issue ('000)	5,506,145	5,506,145	5,506,145	5,506,145
Basic earnings per share (sen)	3.25	1.50	9.84	8.37

b) Diluted earnings per share

The Group has no dilution in its EPS for the financial under review as there are no dilutive potential ordinary shares.

15) Audit Qualification

The audit report on the Group's preceding year's financial statements is not qualified.

By Order of the Board

Chee Ban Tuck
Company SecretaryPutrajaya
27 May 2021