

Interim Financial Report for the three months ended 31 March 2022

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Note:

A1 to A11 are explanatory notes in accordance with MFRS134.

B1 to B13 are explanatory notes in accordance with paragraph 9.22 of the Bursa Malaysia Securities Berhad's Listing Requirements.

Condensed Consolidated Income Statements

(The figures have not been audited)

	Current Year Quarter 31.03.2022 RM' 000	Current Year Quarter 31.03.2021 RM' 000	Current Year- To-Date 31.03.2022 RM' 000	Current Year- To-Date 31.03.2021 RM' 000
Revenue	288,191	234,621	288,191	234,621
Cost of sales	(128,760)	(124,808)	(128,760)	(124,808)
Gross profit	159,431	109,813	159,431	109,813
Other operating income	5,330	5,964	5,330	5,964
Administrative expenses	(33,407)	(57,218)	(33,407)	(57,218)
Other operating expenses	(14,243)	(2,479)	(14,243)	(2,479)
Profit from operations	117,111	56,080	117,111	56,080
Finance income	8,196	6,163	8,196	6,163
Finance costs	(38,428)	(37,429)	(38,428)	(37,429)
Share of after-tax results of associates and joint venture	17,224	(6,934)	17,224	(6,934)
Profit before tax	104,103	17,880	104,103	17,880
Less tax:				
Company and subsidiaries	(19,008)	(10,907)	(19,008)	(10,907)
Profit for the period	85,095	6,973	85,095	6,973
Attributable to:				
Equity holders of the Company	42,723	(7,957)	42,723	(7,957)
Non-controlling interests	42,372	14,930	42,372	14,930
	85,095	6,973	85,095	6,973
Earnings/(Loss) per share (sen)				
- basic	4.73	(0.90)	4.73	(0.90)
- diluted ^{Note 1}	4.55	(0.90)	4.55	(0.90)

Note 1: The diluted earnings per share for the previous quarter were anti-dilutive; accordingly diluted earnings per share were presented as same as basic earnings per share.

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.

Condensed Consolidated Statements of Comprehensive Income

(The figures have not been audited)

	Current Year Quarter 31.03.2022 RM' 000	Preceding Year Quarter 31.03.2021 RM' 000	Current Year- To-Date 31.03.2022 RM' 000	Preceding Year- To-Date 31.03.2021 RM' 000
Profit for the financial period	85,095	6,973	85,095	6,973
Other comprehensive income/(loss):				
Currency translation differences				
- equity holders	8,373	23,976	8,373	23,976
- non-controlling interests	2	5	2	5
Share of other comprehensive income/ (loss) of associates and joint ventures	(5,657)	8,986	(5,657)	8,986
Items that may subsequently be reclassified to profit or loss	2,718	32,967	2,718	32,967
Items that will not be subsequently be reclassified to profit or loss:				
Net change in financial assets at fair value through other comprehensive income	7,269	5,973	7,269	5,973
Total comprehensive income for the financial period	<u>95,082</u>	<u>45,913</u>	<u>95,082</u>	<u>45,913</u>
Total comprehensive income for the financial period attributable to:				
Equity holders of the Company	52,708	30,978	52,708	30,978
Non-controlling interests	<u>42,374</u>	<u>14,935</u>	<u>42,374</u>	<u>14,935</u>
Total comprehensive income for the financial period	<u>95,082</u>	<u>45,913</u>	<u>95,082</u>	<u>45,913</u>

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.

Condensed Consolidated Statements of Financial Position
(The figures have not been audited)

	31.03.2022 RM '000	<i>Audited</i> 31.12.2021 RM '000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	1,511,803	1,506,761
Inventories	445,120	442,956
Investment properties	3,985,281	4,003,156
Intangible assets	5,269	5,393
Associates and joint ventures	501,637	490,582
Financial assets at fair value through other comprehensive income	75,628	68,360
Concession receivables	120,239	120,062
Deferred tax assets	40,715	41,058
Receivables	239,831	243,913
Deposits, cash and bank balances	15,983	45,084
	<u>6,941,506</u>	<u>6,967,325</u>
CURRENT ASSETS		
Inventories	544,740	536,220
Concession receivables	5,356	5,289
Amounts owing by associates and joint ventures	3,461	182
Receivables and contract assets	197,062	186,267
Tax recoverable	32,107	28,818
Cash held under Housing Development Accounts	950	12,707
Deposits, cash and bank balances	1,292,180	1,381,122
	<u>2,075,856</u>	<u>2,150,605</u>
TOTAL ASSETS	<u><u>9,017,362</u></u>	<u><u>9,117,930</u></u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		
Share capital	1,394,025	1,393,859
Treasury shares	(5,200)	(3,310)
Redeemable Convertible Cumulative Preference Shares	96,503	96,626
Other reserves	42,018	32,033
Retained earnings	2,317,953	2,321,788
	<u>3,845,299</u>	<u>3,840,996</u>
Non-controlling interests	273,308	281,463
TOTAL EQUITY	<u><u>4,118,607</u></u>	<u><u>4,122,459</u></u>
LIABILITIES		
NON-CURRENT LIABILITIES		
Payables and contract liabilities	17,832	17,833
Deferred tax liabilities	141,021	138,129
Redeemable Convertible Cumulative Preference Shares	10,598	13,210
Interest bearing bank borrowings	2,710,283	2,705,792
	<u>2,879,734</u>	<u>2,874,964</u>
CURRENT LIABILITIES		
Payables and contract liabilities	572,710	643,945
Amounts owing to associates	4	4
Current tax liabilities	28,945	37,271
Redeemable Convertible Cumulative Preference Shares	4,719	4,703
Interest bearing bank borrowings	1,412,643	1,434,584
	<u>2,019,021</u>	<u>2,120,507</u>
TOTAL LIABILITIES	<u><u>4,898,755</u></u>	<u><u>4,995,471</u></u>
TOTAL EQUITY AND LIABILITIES	<u><u>9,017,362</u></u>	<u><u>9,117,930</u></u>

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.

Condensed Consolidated Statement of Changes in Equity for the three months ended 31 March 2022

(The figures have not been audited)

	Attributable to equity holders					Total RM '000	Non-controlling Interests	Total Equity RM '000
	Share Capital RM '000	Treasury Shares RM '000	Redeemable Convertible Cumulative Preference Shares RM '000	Other reserves RM '000	Retained earnings RM '000		RM '000	
At 1 January 2022	1,393,859	(3,310)	96,626	32,033	2,321,788	3,840,996	281,463	4,122,459
Total comprehensive income for the period	-	-	-	9,985	42,723	52,708	42,374	95,082
Conversion of Redeemable Convertible Cumulative Preference Shares to ordinary shares	166	-	(123)	-	(23)	20	-	20
Share buy-back	-	(1,890)	-	-	-	(1,890)	-	(1,890)
Capital reduction	-	-	-	-	-	-	(10,236)	(10,236)
Dividend paid to ordinary shareholders	-	-	-	-	(45,181)	(45,181)	-	(45,181)
Dividend paid to non-controlling interests	-	-	-	-	-	-	(41,647)	(41,647)
Changes in ownership interests in subsidiaries that do not result in a loss of control	-	-	-	-	(1,354)	(1,354)	1,354	-
Total transactions with equity holders	166	(1,890)	(123)	-	(46,558)	(48,405)	(50,529)	(98,934)
At 31 March 2022	1,394,025	(5,200)	96,503	42,018	2,317,953	3,845,299	273,308	4,118,607

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.

Condensed Consolidated Statement of Changes in Equity for the three months ended 31 March 2021

(The figures have not been audited)

	Attributable to equity holders					Total	Non-controlling	Total
	Share Capital	Treasury Shares	Redeemable Convertible Cumulative Preference Shares	Other reserves	Retained earnings		Interests	
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
At 1 January 2021	1,338,596	(17,660)	137,686	32,941	2,120,197	3,611,760	62,047	3,673,807
Total comprehensive income for the period	-	-	-	38,935	(7,957)	30,978	14,935	45,913
Conversion of Redeemable Convertible Cumulative Preference Shares to ordinary shares	7	-	(5)	-	(1)	1	-	1
Dividend paid to non-controlling interests	-	-	-	-	-	-	(22,049)	(22,049)
Changes in ownership interests in subsidiaries that do not result in a loss of control	-	-	-	-	(2,741)	(2,741)	2,741	-
Total transactions with equity holders	7	-	(5)	-	(2,742)	(2,740)	(19,308)	(22,048)
At 31 March 2021	1,338,603	(17,660)	137,681	71,876	2,109,498	3,639,998	57,674	3,697,672

Condensed Consolidated Cash Flow Statements
(The figures have not been audited)

	31.03.2022 RM '000	31.03.2021 RM '000
Operating activities		
Receipts from customers	296,236	255,318
Payments to contractors, suppliers and employees	(245,912)	(232,208)
Cash flow generated from operations	50,324	23,110
Interests paid	(42,607)	(41,592)
Income taxes paid	(27,388)	(17,290)
Net cash used in operating activities	(19,671)	(35,772)
Investing activities		
Additions to property, plant and equipment, investment properties and land held for property development	(4,886)	(21,346)
Additional investments in associates	-	(887)
Deposit held with trustee	(221)	(134)
Net (advance to)/repayment from associates and joint ventures	(3,282)	15,414
Dividend received from investments	6,037	-
Dividend received from associates	210	-
Movements in Fixed Deposits with maturity more than 3 months	6,620	-
Interest received	8,196	6,163
Net cash generated from/(used in) investing activities	12,674	(790)
Financing activities		
Dividend paid to holders of RCCPS	(2,796)	(3,984)
Dividend paid to ordinary shareholders	(45,181)	-
Dividend paid to non-controlling interests	(48,851)	(34,649)
Purchase of treasury shares	(1,890)	-
Net (repayments)/receipt of bank borrowings	(13,053)	17,116
Net cash used in financing activities	(111,771)	(21,517)
Net increase in cash and cash equivalents	(118,768)	(58,079)
Currency translation differences	(4,633)	575
Cash and cash equivalents at 1 January	1,031,182	741,383
Cash and cash equivalents at 31 March	907,781	683,879
Add: Restricted cash and deposits pledged with licensed bank	74,920	61,426
Add: Fixed deposits with maturity of more than 3 months	326,412	-
As per statement of financial position	1,309,113	745,305

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.

PART A - Explanatory notes pursuant to MFRS 134

A1 Accounting Policies and Methods of Computation

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134 – "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board and paragraph 9.22 together with Part A, Appendix 9B of Bursa Malaysia Securities Berhad ("Bursa Securities") Listing Requirements, and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021.

These condensed consolidated interim financial statements have been prepared based on accounting policies and methods of computation which are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2021 except for the adoption of the following amendments to MFRSs that are applicable for the current financial year:

(Effective for annual periods beginning on or after 1 January 2022)

•	Amendments to MFRS 3	Reference to Conceptual Framework
•	Amendments to MFRS 101	Classification of liabilities as current or non-current
•	Amendments to MFRS 112	Deferred tax related to assets and liabilities arising from a single transaction
•	Amendments to MFRS 137	Onerous contract-cost of fulfilling a contract

The adoption of the above amendments to MFRSs did not have any material impact on the financial statements of the Group.

A2 Seasonality or cyclicity

The Group's operations were not materially affected by seasonal or cyclical factors other than as disclosed elsewhere in this Report.

A3 Significant unusual items

There were no significant unusual items that affect the assets, liabilities, equity, net income or cash flows other than as disclosed elsewhere in these Notes.

A4 Material changes in estimates

Not applicable.

A5 Capital Management, Issuances, Repurchases and Repayment of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities, share buy backs and share cancellations for the current financial year, except as follows:

a. Ordinary Shares

Date	No. of Ordinary Shares	Remarks
As at 31 December 2021	905,350,813	Including 1,428,132 treasury shares
Issued in March 2022	76,612	Conversion of RCCPS into ordinary shares
As at 31 March 2022	905,427,425	

The number of ordinary shares as at the date of this report is 905,427,425.

b. Redeemable Convertible Cumulative Preference Shares ("RCCPS")

Date	No. of RCCPS	Remarks
As at 31 December 2021	39,649,320	
March 2022	(76,612)	Conversion of RCCPS into ordinary shares
As at 31 March 2022	39,572,708	
Redemption on 11 April 2022	(39,572,708)	Redemption at RM3.28 per RCCPS
As at 30 May 2022	-	

On 11 March 2022, a Notice was sent to all RCCPS Holders giving notice that pursuant to the terms of RCCPS, the Company has elected to, and will make early full redemption of all the outstanding RCCPS on 11 April 2022. On 11 April 2022, all outstanding RCCPS were redeemed.

The number of RCCPS as at the date of this report is NIL.

c. Treasury Shares

Date	No. of treasury shares	Lowest Price RM	Highest Price RM	Cost RM
As at 31 December 2021	1,428,132			3,310,108
Purchased in January 2022	211,900	1.93	1.95	414,028
Purchased in February 2022	59,100	1.92	1.98	117,130
Purchased in March 2022	613,900	2.00	2.34	1,358,775
As at 31 March 2022	2,313,032			5,200,041
Purchased in April 2022	336,000	2.28	2.33	783,239
Purchased in May 2022	130,400	2.25	2.33	302,767
As at 30 May 2022	2,779,432			6,286,047

The number of treasury shares held as at the date of this report is 2,779,432 ordinary shares at an average cost of RM2.26 per ordinary share.

A6 Dividends paid

An Interim Dividend of 4.3% per annum (based on the issue price of RM3.28 per RCCPS) for the six months period from and including 2 September 2021 up to and including 1 March 2022 was paid on 18 March 2022.

A Second Interim Dividend of 5.0 sen per ordinary share by way of cash for the financial year ended 31 December 2021 was paid on 18 March 2022.

An Interim Dividend of 4.3% per annum (based on the issue price of RM3.28 per RCCPS) for the period from and including 2 March 2022 up to and including 11 April 2022 was paid on 11 April 2022.

A7 Segment Reporting

Business segments	Property investment - retail RM '000	Property investment - commercial RM '000	Hotel RM '000	Property development RM '000	Construction RM '000	Others RM '000	Group RM '000
3 months to 31 March 2022							
Revenue							
Total revenue	190,746	48,415	21,717	12,029	6,223	59,264	338,394
Intersegment revenue	(21,695)	(2,434)	(224)	-	(6,223)	(19,627)	(50,203)
External revenue	<u>169,051</u>	<u>45,981</u>	<u>21,493</u>	<u>12,029</u>	<u>-</u>	<u>39,637</u>	<u>288,191</u>
Results							
Segment results (external)	119,955	16,991	(8,031)	15,274	(802)	(12,857)	130,530
Unallocated expense							(13,419)
Profit from operations							117,111
Finance income							8,196
Finance costs							(38,428)
Share of after-tax results of associates and joint ventures	-	(264)	16,575	745	-	168	17,224
Profit before tax							104,103
Tax expense							(19,008)
Profit for the period							<u>85,095</u>
Attributable to:							
Equity holders of the Company							42,723
Non-controlling interests							<u>42,372</u>
							<u>85,095</u>

Unallocated expenses are head-office general administrative expenses that arise at the Group level and relate to the Group as a whole.

A7 Segment Reporting

Business segments	Property investment - retail RM '000	Property investment - commercial RM '000	Hotel RM '000	Property development RM '000	Construction RM '000	Others RM '000	Group RM '000
3 months to 31 March 2021							
Revenue							
Total revenue	136,232	47,533	10,319	28,468	13,146	72,623	308,321
Intersegment revenue	(15,776)	(5,101)	(41)	-	(13,146)	(39,636)	(73,700)
External revenue	<u>120,456</u>	<u>42,432</u>	<u>10,278</u>	<u>28,468</u>	<u>-</u>	<u>32,987</u>	<u>234,621</u>
Results							
Segment results (external)	52,934	15,596	(16,080)	19,541	(1,107)	(194)	70,690
Unallocated expense							(14,610)
Profit from operations							56,080
Finance income							6,163
Finance costs							(37,429)
Share of after-tax results of associates and joint ventures	-	(43)	(8,810)	1,911	-	8	(6,934)
Profit before tax							17,880
Tax expense							(10,907)
Profit for the period							<u>6,973</u>
Attributable to:							
Equity holders of the Company							(7,957)
Non-controlling interests							<u>14,930</u>
							<u>6,973</u>

Unallocated expenses relate to head-office general administrative expenses that arise at the Group level and relate to the Group as a whole.

A8 Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the interim period up to the date of this report.

A9 Changes in the composition of the Group

There were no changes in the composition of the Group from the date of the last report up to the date of this report other than as follows:

On 17 February 2022, the Board of Directors announced to Bursa Securities that pursuant to the announcement on 23 December 2020 pertaining to the commencement of members' voluntary winding-up of the Group's wholly-owned and inactive subsidiaries ie. Riraiance Enterprise Sdn Bhd and Silver Sanctuary Sdn Bhd, the Liquidator had convened the final meetings of these subsidiaries on 16 February 2022 and has lodged the Returns by Liquidator with the Companies Commission of Malaysia and the Official Receiver on 17 February 2022. These subsidiaries will be dissolved on the expiration of 3 months after the lodgement date.

On 10 May 2022, the Board of Directors announced to Bursa Securities that pursuant to the announcement on 23 December 2020 pertaining to the commencement of members' voluntary winding-up of the Group's wholly-owned and inactive subsidiary ie. Multistock Sdn Bhd, the Liquidator had convened the final meeting of this subsidiary on 9 May 2022 and has lodged the Returns by Liquidator with the Companies Commission of Malaysia and the Official Receiver on 10 May 2022. This subsidiary will be dissolved on the expiration of 3 months thereafter.

A10 Capital commitment

Capital expenditure not provided for in the financial statements were as follows:

	Group	
	31 March 2022 RM'000	31 December 2021 RM'000
Approved and contracted for:		
Property, plant and equipment	14,933	20,636
Investment properties	49,235	33,148
	<hr/> 64,168 <hr/>	<hr/> 53,784 <hr/>

A11 Fair value of financial instruments

There were no contingent liabilities or contingent assets since 31 December 2021.

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

The following table presents the Group's financial assets as at 31 March 2022 that are measured at fair value:

	Level 1 RM '000	Level 2 RM '000	Level 3 RM '000	Total RM '000
Financial assets at fair value through other comprehensive income:				
- Equity securities	-	-	75,628	75,628
Total	-	-	75,628	75,628

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the financial year ended 31 December 2021.

B1 Review of performance

	3 months to 31.03.2022 RM' 000	3 months to 31.03.2021 RM' 000	Variance %
Revenue	288,191	234,621	23%
Profit from operations	117,111	56,080	109%
Profit before interest and tax	142,531	55,309	158%
Profit before tax	104,103	17,880	482%
Profit after tax	85,095	6,973	1120%
Profit/(Loss) attributable to ordinary equity holders	42,723	(7,957)	637%

When comparing three months ended 31 March 2022 with three months ended 31 March 2021:

- i) Group revenue increased by 23% due to higher contributions from the Property Investment – Retail, Property Investment – Commercial, Hotel and Investment divisions.
- ii) Group pre-tax profit increased by more than 100% to RM104.1 million compared to pre-tax profit of RM17.9 million for the corresponding period last year due mainly to higher contributions from the Property Investment – Retail, Property Investment – Commercial and Hotel divisions.

Property Investment – Retail

For the 3 months ended 31 March 2022, IGB REIT reported total gross revenue and net property income of RM133.8 million (1Q2021: RM99.4 million) and RM107.7 million (1Q2021: RM62.4 million) respectively, an increase of about 35% and 73% respectively.

The Mall, Mid Valley Southkey, Johor Bahru contributed revenue of RM38.0 million (1Q2021: RM24.8 million) to the Property Investment-Retail division and recorded pre-tax profit of RM6.2 million (1Q2021: Loss RM10.3 million) after accounting for depreciation of RM9.4 million and finance cost of RM8.9 million.

B1 Review of performance (continued)

Property Investment – Commercial

For the 3 months ended 31 March 2022, Property Investment – Commercial division contributed gross revenue of RM46.0 million and pre-tax profit of RM16.7 million (1Q2021: RM42.4 million and RM15.6 million respectively) an increase of about 8% and 7% respectively.

Average occupancy rates as at 31 March 2022 for the Group's commercial buildings were 71% with average rental rates at RM6.31 per sq. ft.

Property Development

Revenue from the Property Development division of about RM12.0 million was derived mainly from sales of completed condominium units at "Stonor 3". The Group currently does not have any property development projects under construction.

Hotel

Revenue contributed by the Hotel division for the 3 months to 31 March 2022 increased by more than 100% to RM21.5 million from RM10.3 million for the 3 months to 31 March 2021. Average occupancy rates across all hotels in the Group remain low during the first quarter of 2022 due to travel restrictions under the MCO imposed by the Government but this is expected to improve after 1 May 2022 when most of these restrictions are either relaxed or removed.

B2 Comparison with immediate preceding quarter

	3 months to 31.03.2022 RM' 000	3 months to 31.12.2021 RM' 000	Variance %
Revenue	288,191	300,445	-4%
Profit from operations	117,111	329,853	-64%
Profit before interest and tax	142,531	341,429	-58%
Profit before tax	104,103	297,917	-65%
Profit after tax	85,095	271,920	-69%
Profit attributable to ordinary equity holders	42,723	233,766	-82%

When comparing three months ended 31 March 2022 with the preceding three months ended 31 December 2021:

- i) Group revenue decreased by 4% to RM288.2 million from RM300.4 million in the preceding quarter due to lower contributions from Property Development and Hotel divisions.
- ii) Group pre-tax profit decreased by 65% to RM104.1 million from RM297.9 million in the immediate preceding quarter. Group pre-tax profit in the immediate preceding quarter included a one-off gain of approximately RM193.4 million from the disposal of a joint venture company.

B3 Prospects for 2022

On 8 March 2022, the Malaysian Government had announced that the country will enter the "Transition to Endemic" phase of Covid-19 on 1 April 2022 with all restrictions on business operating hours removed and relaxation of Covid-19 rules and standard operating procedures (SOPs). Most travel restrictions were also relaxed with effect from 1 May 2022. The Board expects that these moves will have a positive effect on the local economy and in particular the Group's retail and hospitality divisions.

Barring unforeseen circumstances, the Board is cautiously optimistic that the Group's results from operations for the financial year 2022 will be better than 2021.

B4 Profit forecast/profit guarantee

The Group did not issue any profit forecast or profit guarantee.

B5 Tax

	Current year quarter ended 31.03.2022 RM '000	Cumulative current Year-To-Date ended 31.03.2022 RM '000
Malaysian income tax		
- Company and subsidiaries	15,719	15,719
Transferred from deferred tax	3,174	3,174
	18,893	18,893
Overseas tax		
- Company and subsidiaries	115	115
	19,008	19,008

The effective tax rate of the Group for the current quarter and current year-to-date was lower than the statutory tax rate as certain income were not taxable for tax purposes.

B6 Corporate proposals

Establishment and Listing of IGB Commercial Real Estate Investment Trust

Disclosure pursuant to Clause 4(3) of the Circular dated 13 April 2021 – Use of Proceeds

Purpose	Actual Utilisation RM '000	Intended timeframe for utilisation
Total proceeds	1,212,536	
Utilisation:		
Repayment of bank borrowings	(344,074)	Completed
Disposal proceeds attributable to minority shareholders of TT Realty, GTower SB and Hampshire Properties	(53,313)	Completed
Defray expenses relating to the establishment of IGB Commercial REIT and the Proposals	(2,048)	Completed
Repayment of bank borrowings (approved by the Board on 26 November 2021)	(486,200)	Completed
Redemption of RCCPS on 11 April 2022	(129,798)	Completed
Balance of remaining proceeds	197,103	By September 2023

Interest income generated for the quarter ended 31 March 2022 was RM1,395,000.

The balance of the remaining proceeds will continue to be placed in interest-bearing deposits accounts and/or short-term money market instrument(s) with financial institutions.

B7 Group borrowings and debt securities

Group borrowings as at 31 March 2022 were as follows:

	31 March 2022					
	Long term		Short term		TOTAL	
	Foreign denomination '000	RM denomination '000	Foreign denomination '000	RM denomination '000	Foreign denomination '000	RM denomination '000
Secured						
Term Loan - RM	-	59,288	-	-	-	59,288
Term Loan - RMB	2,869	1,902	10,000	6,630	12,869	8,532
Revolving credit - RM	-	803,500	-	91,522	-	895,022
Revolving credit - USD	-	-	5,000	21,063	5,000	21,063
Medium Term Notes - RM	-	1,845,593	-	1,201,325	-	3,046,918
Unsecured						
Revolving credit - RM	-	-	-	92,103	-	92,103
		2,710,283		1,412,643		4,122,926

B8 Material litigation

As at the date of this report, there are no pending material litigation which exceeds 5% of the net assets of the Group.

B9 Proposed dividend

During this quarter, no dividend is declared or proposed in respect of the financial year ending 31 December 2022.

B10 Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to ordinary equity holders by the weighted average number of ordinary shares in issue during the financial period.

		Current Year Quarter ended 31.03.2022	Preceding Year Quarter ended 31.03.2021	Current Year-To-Date ended 31.03.2022	Preceding Year-To-Date ended 31.03.2021
Net Profit/(Loss) for the period	RM '000	<u>42,723</u>	<u>(7,957)</u>	<u>42,723</u>	<u>(7,957)</u>
Weighted average number of ordinary shares in issue	'000	<u>903,637</u>	<u>881,517</u>	<u>903,637</u>	<u>881,517</u>
Basic earnings/(loss) per share	sen	<u><u>4.73</u></u>	<u><u>(0.90)</u></u>	<u><u>4.73</u></u>	<u><u>(0.90)</u></u>

B10 Earnings per share (continued)

(b) Diluted earnings per share

Diluted earnings per share is calculated by dividing the net profit attributable to ordinary equity holders by the weighted average number of ordinary shares in issue adjusted to assume conversion of all dilutive potential ordinary shares. The Group has dilutive potential ordinary shares from maximum conversion of RCCPS.

		Current Year Quarter ended 31.03.2022	Preceding Year Quarter ended 31.03.2021	Current Year-To-Date ended 31.03.2022	Preceding Year-To-Date ended 31.03.2021
Net Profit/(Loss) for the period	RM '000	42,723	(7,957)	42,723	(7,957)
Add: Interest saved on RCCPS as a result of conversion	RM '000	219	409	219	409
Less: Tax relief thereon	RM '000	(35)	(94)	(35)	(94)
Adjusted Net Profit/(Loss)	RM '000	42,907	(7,642)	42,907	(7,642)
Weighted average number of ordinary shares in issue	'000	903,637	881,517	903,637	881,517
Adjustment for potential dilution on maximum conversion of RCCPS	'000	39,599	56,496	39,599	56,496
	'000	943,236	938,013	943,236	938,013
Diluted earnings/(loss) per share	sen	4.55	(0.81)	4.55	(0.81)

B11 Notes to Statements of Comprehensive Income

	Current Year Quarter ended 31.03.2022 RM '000	Cumulative Current Year-To-Date ended 31.03.2022 RM '000
(a) Interest income	8,196	8,196
(b) Other income including investment income	5,330	5,330
(c) Interest expense	(38,428)	(38,428)
(d) Depreciation and amortisation	(35,311)	(35,311)
(e) Foreign exchange loss	(12,309)	(12,309)

B12 Audit Report Qualification

The audit report of the Group's annual financial statements for the year ended 31 December 2021 did not contain any qualification.

B13 Authorisation for issue

This Interim Financial Report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 May 2022.