



LBS BINA GROUP BERHAD

Registration No: 200001015875 (518482-H)
(Incorporated in Malaysia)

Interim Financial Report

31 December 2021

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**
For the financial year ended 31 December 2021

	Note	Unaudited Individual Quarter		Unaudited Cumulative Period	
		Current Year Quarter 31.12.2021 RM'000	Preceding Year Quarter 31.12.2020 RM'000 Restated	Current Year To date 31.12.2021 RM'000	Preceding Year To date 31.12.2020 RM'000 Restated
Revenue		441,841	294,518	1,364,272	1,096,331
Cost of sales		(296,665)	(180,814)	(926,386)	(757,661)
Gross profit		145,176	113,704	437,886	338,670
Interest income		604	846	3,058	4,191
Other income		8,701	10,208	15,324	21,831
Administrative and operating expenses		(68,473)	(57,458)	(215,520)	(179,234)
Finance costs		(13,593)	(15,371)	(56,107)	(62,181)
Share of profit/(loss) of associates, net of tax		78	(10)	135	86
Profit before tax		72,493	51,919	184,776	123,363
Taxation	B5	(26,106)	(19,061)	(66,076)	(56,077)
Net profit for the financial year		46,387	32,858	118,700	67,286
Net profit for the financial year attributable to:					
Owners of the parent		35,499	20,689	95,065	44,167
Non-controlling interests		10,888	12,169	23,635	23,119
		46,387	32,858	118,700	67,286
Earnings per share attributable to owners of the parent:					
Basic (sen)	B10	1.88	0.94	5.12	2.18
Diluted (sen)	B10	1.86	0.94	5.08	2.18

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**
For the financial year ended 31 December 2021 (*cont'd*)

	Unaudited Individual Quarter		Unaudited Cumulative Period	
	Current Year Quarter 31.12.2021 RM'000	Preceding Year Quarter 31.12.2020 RM'000 Restated	Current Year To date 31.12.2021 RM'000	Preceding Year To date 31.12.2020 RM'000 Restated
Net profit for the financial year	46,387	32,858	118,700	67,286
Other comprehensive income, net of tax:				
Exchange translation differences for foreign operations	116	964	8,531	3,185
Net fair value changes of financial assets measured at fair value through other comprehensive income ("FVTOCI")	-	-	-	229
Total comprehensive income for the financial year	<u>46,503</u>	<u>33,822</u>	<u>127,231</u>	<u>70,700</u>
Total comprehensive income for the financial year attributable to:				
Owners of the parent	35,495	20,544	104,944	47,314
Non-controlling interests	11,008	13,278	22,287	23,386
	<u>46,503</u>	<u>33,822</u>	<u>127,231</u>	<u>70,700</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 31 December 2020 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2021

	Note	Unaudited 31.12.2021 RM'000	Unaudited 31.12.2020 RM'000 Restated	Unaudited 01.01.2020 RM'000 Restated
<u>ASSETS</u>				
Non-current assets				
Property, plant and equipment	A10	50,834	44,141	42,054
Right-of-use assets		373,453	307,944	309,957
Capital work-in-progress		20,820	122,833	84,801
Inventories - land held for property development		1,178,500	1,246,204	1,419,245
Investment properties		164,331	147,869	165,200
Investment in associates		2,572	2,600	2,562
Trade receivables		2,765	3,985	3,368
Other investments		568	576	50,393
Intangible assets		-	347	1,527
Goodwill on consolidation		80,486	97,955	113,166
Deferred tax assets		11,498	6,290	2,856
		1,885,827	1,980,744	2,195,129
Current assets				
Inventories - property development costs		778,276	668,811	558,619
Inventories - completed properties and others		235,698	265,340	253,881
Contract assets		609,027	545,541	388,234
Trade and other receivables		611,065	374,231	529,598
Other investments		2,000	-	9,621
Tax recoverable		7,159	5,290	4,745
Deposits, cash and bank balances		295,667	302,200	276,403
		2,538,892	2,161,413	2,021,101
Assets held for sale		148	339	4,088
		2,539,040	2,161,752	2,025,189
TOTAL ASSETS		4,424,867	4,142,496	4,220,318
<u>EQUITY AND LIABILITIES</u>				
Equity				
Share capital		819,378	819,378	817,569
Redeemable Convertible Preference Shares ("RCPS")		103,509	103,509	104,904
Reserves		409,032	387,256	374,412
Treasury shares, at cost		(3,191)	(2,685)	(10,933)
Equity attributable to owners of the parent		1,328,728	1,307,458	1,285,952
Perpetual Sukuk Musharakah ("Perpetual Sukuk")		223,000	130,000	-
Non-controlling interests		178,803	117,484	108,159
TOTAL EQUITY		1,730,531	1,554,942	1,394,111

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2021 (*cont'd*)

	Note	Unaudited 31.12.2021 RM'000	Unaudited 31.12.2020 RM'000 Restated	Unaudited 01.01.2020 RM'000 Restated
<u>LIABILITIES</u>				
Non-current liabilities				
Trade and other payables		542,476	509,866	497,286
Bank borrowings	B7	320,275	455,900	611,132
		862,751	965,766	1,108,418
Current liabilities				
Contract liabilities		17,419	31,098	53,929
Trade and other payables		1,021,506	904,919	961,413
Bank borrowings	B7	775,632	657,881	642,598
Tax payable		17,028	27,890	59,849
		1,831,585	1,621,788	1,717,789
TOTAL LIABILITIES		2,694,336	2,587,554	2,826,207
TOTAL EQUITY AND LIABILITIES		4,424,867	4,142,496	4,220,318
Net assets per share attributable to owners of the parent (RM)		0.85	0.84	0.83

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial report.

LBS BINA GROUP BERHAD (Registration No: 200001015875 (518482-H))

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 December 2021 (The figures have not been audited)

	Attributable to owners of the parent										
	Non-distributable							<-Distributable->			
	Share capital RM'000	RCPS RM'000	Treasury shares RM'000	ESOS reserve RM'000	Foreign exchange reserve RM'000	Other reserves RM'000	Retained earnings RM'000	Sub-total RM'000	Perpetual Sukuk RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1.1.2021											
- as previously reported	819,378	103,509	(2,685)	4,422	112,962	(278,261)	617,769	1,377,094	130,000	119,462	1,626,556
- effects of adopting IFRIC Agenda Decision on MFRS 123 Borrowing Costs	-	-	-	-	-	222	(69,858)	(69,636)	-	(1,978)	(71,614)
At 1.1.2021, as restated	819,378	103,509	(2,685)	4,422	112,962	(278,039)	547,911	1,307,458	130,000	117,484	1,554,942
Amount recognised directly in equity:											
Net profit for the financial year	-	-	-	-	-	-	95,065	95,065	-	23,635	118,700
Foreign exchange translation reserve	-	-	-	-	9,879	-	-	9,879	-	(1,348)	8,531
Total comprehensive income for the financial year	-	-	-	-	9,879	-	95,065	104,944	-	22,287	127,231
Transactions with owners:											
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	300	300
Changes in ownership interest in subsidiary companies	-	-	-	-	-	(46,241)	-	(46,241)	-	40,972	(5,269)
Striking off of subsidiary companies	-	-	-	-	-	768	-	768	-	(40)	728
Dividend paid to owners of parent	-	-	-	-	-	-	(22,644)	(22,644)	-	-	(22,644)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(2,200)	(2,200)
RCPS preferential dividend paid	-	-	-	-	-	-	(6,211)	(6,211)	-	-	(6,211)
Distribution to Perpetual Sukuk holders	-	-	-	-	-	-	(8,840)	(8,840)	-	-	(8,840)
Issuance of Perpetual Sukuk	-	-	-	-	-	-	-	-	93,000	-	93,000
Realisation of ESOS reserve	-	-	-	(252)	-	-	252	-	-	-	-
Shares repurchased	-	-	(506)	-	-	-	-	(506)	-	-	(506)
Total transactions with owners	-	-	(506)	(252)	-	(45,473)	(37,443)	(83,674)	93,000	39,032	48,358
At 31.12.2021	819,378	103,509	(3,191)	4,170	122,841	(323,512)	605,533	1,328,728	223,000	178,803	1,730,531

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 December 2021 (cont'd) (The figures have not been audited)

	← Attributable to owners of the parent →											
	← Non-distributable →						←-Distributable->					
	Share capital	RCPS	Treasury shares	ESOS reserve	Foreign exchange reserve	Warrants reserves	Other reserves	Retained earnings	Sub-total	Perpetual Sukuk	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1.1.2020												
- as previously reported	817,569	104,904	(10,933)	4,482	110,029	21,353	(297,820)	599,070	1,348,654	-	109,810	1,458,464
- effects of adopting IFRIC Agenda Decision on MFRS 123 Borrowing Costs	-	-	-	-	-	-	-	(62,702)	(62,702)	-	(1,651)	(64,353)
At 1.1.2020, as restated	817,569	104,904	(10,933)	4,482	110,029	21,353	(297,820)	536,368	1,285,952	-	108,159	1,394,111
Amount recognised directly in equity:												
Net profit for the financial year	-	-	-	-	-	-	-	44,167	44,167	-	23,119	67,286
Foreign exchange translation reserve	-	-	-	-	2,933	-	(15)	-	2,918	-	267	3,185
Net fair value changes of financial assets measured at FVTOCI	-	-	-	-	-	-	229	-	229	-	-	229
Transfer upon the disposal of equity investment designated at FVTOCI	-	-	-	-	-	-	184	(184)	-	-	-	-
Total comprehensive income for the financial year	-	-	-	-	2,933	-	398	43,983	47,314	-	23,386	70,700
Transactions with owners:												
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	-	38	38
Changes in ownership interest in subsidiary companies	-	-	-	-	-	-	(1,970)	-	(1,970)	-	(9,869)	(11,839)
Net changes of non-controlling interests	-	-	-	-	-	-	-	-	-	-	9	9
Disposal of a subsidiary company	-	-	-	-	-	-	-	-	-	-	(39)	(39)
Dividend paid to owners of parent	-	-	21,832	-	-	-	-	(21,832)	-	-	-	-
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(4,200)	(4,200)
RCPS preferential dividend paid	-	-	-	-	-	-	-	(6,211)	(6,211)	-	-	(6,211)
Issuance of ordinary shares:												
- Conversion of RCPS	1,395	(1,395)	-	-	-	-	-	-	-	-	-	-
- Exercise of warrants	414	-	-	-	-	-	-	-	414	-	-	414
Distribution to Perpetual Sukuk holders	-	-	-	-	-	-	-	(4,457)	(4,457)	-	-	(4,457)
Issuance of Perpetual Sukuk	-	-	-	-	-	-	-	-	-	130,000	-	130,000
Realisation of warrants B reserve	-	-	-	-	-	(21,353)	21,353	-	-	-	-	-
Realisation of ESOS reserve	-	-	-	(60)	-	-	-	60	-	-	-	-
Shares repurchased	-	-	(13,584)	-	-	-	-	-	(13,584)	-	-	(13,584)
Total transactions with owners	1,809	(1,395)	8,248	(60)	-	(21,353)	19,383	(32,440)	(25,808)	130,000	(14,061)	90,131
At 31.12.2020	819,378	103,509	(2,685)	4,422	112,962	-	(278,039)	547,911	1,307,458	130,000	117,484	1,554,942

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 2020 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial year ended 31 December 2021

	Unaudited Current Year Ended 31.12.2021 RM'000	Unaudited Preceding Year Ended 31.12.2020 RM'000 Restated
Operating Activities		
Profit before tax	184,776	123,363
Adjustments for:		
Non-cash items	76,156	25,363
Other operating items	52,914	57,902
Operating profit before changes in working capital	<u>313,846</u>	<u>206,628</u>
Changes in working capital:		
Inventories - land and property development costs	(40,430)	63,426
Inventories - completed properties and others	24,489	(15,004)
Contract assets	(63,486)	(157,308)
Contract liabilities	(13,679)	(22,831)
Receivables	(198,674)	159,532
Payables	172,929	6,627
	<u>(118,851)</u>	<u>34,442</u>
Cash generated from operations	194,995	241,070
Dividends received	153	-
Interest received	3,058	4,191
Interest paid	(52,617)	(58,133)
Tax paid	(86,180)	(98,726)
Tax refund	186	3,909
	<u>(135,400)</u>	<u>(148,759)</u>
Net cash from operating activities	<u>59,595</u>	<u>92,311</u>
Investing Activities		
Additional investment in subsidiary companies and associates	(23,500)	(10,950)
Repayment of prior years' investment in subsidiary companies	(1,057)	(14,935)
Purchase of:		
- Financial assets measured at fair value through profit or loss ("FVTPL")	(2,000)	(14,600)
- Investment properties	-	(5,945)
- Property, plant and equipment	(6,852)	(8,889)
- Right-of-use assets	(8,230)	(3,372)
Proceeds from disposal of:		
- Assets held for sale	737	4,287
- Financial assets measured at FVTPL	-	24,299
- Financial assets measured at FVTOCI	-	49,748
- Investment properties	-	25,069
- Property, plant and equipment	251	3,062
- Right-of-use assets	470	541
- Quoted shares to non-controlling interests	19,530	-
Deposits and part consideration paid for acquisition and joint venture of future development lands	(67,653)	(29,260)
Net cash outflows from disposal of a subsidiary company	-	(82)
Net cash inflows from acquisition of a subsidiary company	-	27
Capital work-in-progress incurred	(13,179)	(38,316)
Net cash used in investing activities	<u>(101,483)</u>	<u>(19,316)</u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial year ended 31 December 2021 (cont'd)

	Unaudited Current Year Ended 31.12.2021 RM'000	Unaudited Preceding Year Ended 31.12.2020 RM'000 Restated
Financing Activities		
(Increase)/Decrease in fixed deposits pledged	(1,705)	37,019
(Increase)/Decrease in cash and bank balances pledged	(14,186)	3,424
Drawdown of bank borrowings	624,663	535,339
Repayment of bank borrowings	(624,188)	(635,869)
Repayment of Sukuk	(9,202)	(4,452)
Repayment of RCPS (liability component)	-	(20,000)
Proceeds from issuance of Perpetual Sukuk	93,000	130,000
Distribution to holders of Perpetual Sukuk	(8,840)	(4,457)
Dividends paid to ordinary shareholders	(22,644)	-
Dividends paid to non-controlling interests	(2,200)	(4,200)
Dividends paid to RCPS preferential shareholders	(6,211)	(6,211)
Proceeds from exercise of warrants	-	414
Purchase of treasury shares	(506)	(13,584)
Repayment of lease liabilities	(5,619)	(9,744)
Net cash from financing activities	<u>22,362</u>	<u>7,679</u>
Net (decrease)/increase in cash and cash equivalents	(19,526)	80,674
Effects of exchange translation differences on cash and cash equivalents	1,176	(553)
Cash and cash equivalents at the beginning of the financial year	196,393	116,272
Cash and cash equivalents at the end of the financial year	<u>178,043</u>	<u>196,393</u>
Cash and cash equivalents at the end of the financial year comprises:		
Fixed deposits with licensed banks	22,302	20,620
Cash held under Housing Development Accounts	147,806	153,676
Cash and bank balances	125,559	127,904
Bank overdrafts	(75,839)	(79,913)
	<u>219,828</u>	<u>222,287</u>
Less : Fixed deposits pledged with licensed banks	(22,302)	(20,597)
Cash and bank balances pledged	(19,483)	(5,297)
	<u>178,043</u>	<u>196,393</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial report.

NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial report 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 Securities.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020. The explanatory notes attached to the 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 31 December 2020.

A2. Changes in accounting policies

Basis of accounting

The financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group have been prepared under the historical cost convention unless otherwise indicated in the significant accounting policies below.

Adoption of new and amended standards

The significant accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2020 save for the adoption of the followings:

Amendments to MFRS 9, MFRS 139, MFRS 7 MFRS 4 and MFRS 16	Interest rate Benchmark Reform - Phase 2
IFRIC Agenda Decision on MFRS 123	Borrowing Costs

The adoption of the above MFRSs does not have any material impact on the financial statements of the Group, except for IFRIC Agenda Decision on MFRS 123 Borrowing Costs, which is discussed below.

IFRIC Agenda Decision on MFRS 123 Borrowing Costs (“Agenda Decision”)

In December 2018, the Malaysian Accounting Standards Board (“MASB”) has issued for public comment six Tentative Agenda Decisions (“TAD”) published by the IFRS Interpretations Committee, including the TAD on International Accounting Standards 23 *Borrowing Costs* (“IAS 23”) relating to over time transfer of constructed goods.

The MASB observed that non-private entities in the real estate industry might need to change their accounting policy as a result of the Agenda Decision on IAS 23. In ensuring consistent application of the MFRS, which are word-for-word the IFRS Standards, the MASB has decided that an entity shall apply the change in accounting policy as a result of the Agenda Decision on IAS 23 to financial statements of annual periods beginning on or after 1 July 2020.

The Group has consistently applied the same accounting policies in its opening MFRS statement of financial position as at 1 January 2020 and throughout all comparable interim periods presented, as if these policies had always been in effect. Comparative information in these interim financial statements have been restated to give effect to the above changes.

A2. Changes in accounting policies (Cont'd)

IFRIC Agenda Decision on MFRS 123 Borrowing Costs (cont'd)

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

**Consolidated Statement of Financial Position
As at 31 December 2020**

	Audited As previously stated RM'000	Effect of adopting Agenda Decision RM'000	Unaudited As restated RM'000
<u>ASSETS</u>			
Non-Current Assets			
Property, plant and equipment	44,141	-	44,141
Right-of-use assets	307,974	(30)	307,944
Capital work-in-progress	123,133	(300)	122,833
Inventories - land held for property development	1,296,756	(50,552)	1,246,204
Investment properties	147,880	(11)	147,869
Investment in associates	2,600	-	2,600
Trade and other receivables	3,985	-	3,985
Other investments	576	-	576
Intangible asset	347	-	347
Goodwill on consolidation	97,955	-	97,955
Deferred tax assets	-	6,290	6,290
	2,025,347	(44,603)	1,980,744
Current Assets			
Inventories - property development costs	692,246	(23,435)	668,811
Inventories - completed properties and others	270,641	(5,301)	265,340
Contract assets	545,541	-	545,541
Trade and other receivables	374,218	13	374,231
Tax recoverable	5,290	-	5,290
Deposits, cash and bank balances	302,200	-	302,200
	2,190,136	(28,723)	2,161,413
Assets held for sale	339	-	339
	2,190,475	(28,723)	2,161,752
TOTAL ASSETS	4,215,822	(73,326)	4,142,496
<u>EQUITY AND LIABILITIES</u>			
Equity			
Share capital	819,378	-	819,378
Redeemable Convertible Preference Shares ("RCPS")	103,509	-	103,509
Reserves	456,892	(69,636)	387,256
Treasury shares, at cost	(2,685)	-	(2,685)
Equity attributable to owners of the parent	1,377,094	(69,636)	1,307,458
Perpetual Sukuk Musharakah ("Perpetual Sukuk")	130,000	-	130,000
Non-controlling interests	119,462	(1,978)	117,484
TOTAL EQUITY	1,626,556	(71,614)	1,554,942

A2. Changes in accounting policies (Cont'd)

IFRIC Agenda Decision on MFRS 123 Borrowing Costs (cont'd)

**Consolidated Statement of Financial Position
As at 31 December 2020 (cont'd)**

	Audited As previously stated RM'000	Effect of adopting Agenda Decision RM'000	Unaudited As restated RM'000
<u>LIABILITIES</u>			
Non-Current Liabilities			
Trade and other payables	511,450	(1,584)	509,866
Bank borrowings	455,900	-	455,900
Deferred tax liabilities	656	(656)	-
	968,006	(2,240)	965,766
Current Liabilities			
Contract liabilities	31,098	-	31,098
Trade and other payables	904,391	528	904,919
Bank borrowings	657,881	-	657,881
Tax payable	27,890	-	27,890
	1,621,260	528	1,621,788
TOTAL LIABILITIES	2,589,266	(1,712)	2,587,554
TOTAL EQUITY AND LIABILITIES	4,215,822	(73,326)	4,142,496
Net assets per share attributable to owners of the parent (RM)	0.88		0.84

A2. Changes in accounting policies (cont'd)

IFRIC Agenda Decision on MFRS 123 Borrowing Costs (cont'd)

**Consolidated Statement of Profit or Loss And Other Comprehensive Income
For the financial year ended 31 December 2020**

	Unaudited As previously stated RM'000	Effect of adopting Agenda Decision RM'000	Unaudited As restated RM'000
Revenue	1,096,331	-	1,096,331
Cost of sales	(769,361)	11,700	(757,661)
Gross profit	326,970	11,700	338,670
Interest Income	4,191	-	4,191
Other income	21,831	-	21,831
Administrative and operating expenses	(179,236)	2	(179,234)
Finance costs	(42,852)	(19,329)	(62,181)
Share of profit in associates, net of tax	86	-	86
Profit before tax	130,990	(7,627)	123,363
Taxation	(56,444)	367	(56,077)
Net profit for the financial year	74,546	(7,260)	67,286
Other comprehensive income, net of tax:			
Exchange translation differences for foreign operations	3,185	-	3,185
Net fair value changes of financial assets measured at FVTOCI	229	-	229
Total comprehensive income for the financial year	77,960	(7,260)	70,700
Total comprehensive income attributable to:			
Owners of the parent	54,469	(7,155)	47,314
Non-controlling interests	23,491	(105)	23,386
	77,960	(7,260)	70,700

There are no material differences to the Consolidated Statement of Cash Flows arising from the adoption of Agenda Decision.

A3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 31 December 2020 was not subject to any qualification.

A4. Seasonal or cyclical factors

The business operations of the Group during the financial year under review have not been materially affected by any significant seasonal or cyclical factors.

A5. Unusual items due to their nature, size or incidence

There were no unusual items affecting the assets, liabilities, equity, net income, or cash flows during the financial year under review.

A6. Material changes in estimates

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

A7. Debt and equity securities

There were no issuances, repurchases, cancellations, resale and repayments of debts and equity securities during the current financial year, save and except as follows:

(I) Under the Company

a) Shares repurchased

The Company repurchased 1,000,500 of its ordinary shares in the open market for a total consideration of RM505,555 and retained as treasury shares of the Company.

b) Perpetual Sukuk Musharakah (“Perpetual Sukuk”)

On 30 July 2021, the Company had issued the second tranche of secured unrated Perpetual Sukuk totaling RM93 million in nominal value under its existing RM700 million Perpetual Sukuk Programme.

The Perpetual Sukuk has a tenor of perpetual non-callable 5 years with an initial periodic distribution rate of 6.85% per annum.

(II) Under MGB Berhad (“MGB”), a listed subsidiary company of the Company

On 5 October 2021, a total of 90,000,000 ordinary shares have been issued by MGB pursuant to the conversion of 90,000,000 Irredeemable Convertible Preference Shares (“ICPS”) at the conversion ratio of 1 unit of ICPS to 1 new ordinary share with no cash payment.

A8. Dividend paid

(I) Ordinary shares

There was no dividend paid during the quarter under review.

(II) RCPS

During the quarter under review, dividend of 6.6 sen per RCPS in respect of the financial year ended 31 December 2021 was paid on 31 December 2021.

A9. Segmental Reporting

Year ended 31 December 2021 (unaudited)

	Property Development	Construction and Trading	Management and Investment	Motor Racing Circuit	Hotel #	Others	Consolidated
<u>Revenue</u>	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total revenue	1,302,141	582,250	511,563	21,266	1,983	18,969	2,438,172
Less: Inter-segment revenue	-	(549,342)	(511,258)	-	-	(13,300)	(1,073,900)
Revenue from external customers	1,302,141	32,908	305	21,266	1,983	5,669	1,364,272
<u>Financial Results</u>							
Segment results	219,304	56,398	4,019	3,534	(3,478)	(1,240)	278,537
Interest income	2,277	158	252	345	-	26	3,058
Finance costs	(29,036)	(4,717)	(19,227)	(1,251)	(1,709)	(167)	(56,107)
Depreciation	(6,954)	(14,997)	(5,494)	(8,796)	(2,150)	(2,109)	(40,500)
Amortisation of intangible assets	-	-	(347)	-	-	-	(347)
Share of profit/(loss) of associates, net of tax	-	141	-	-	-	(6)	135
Profit/(Loss) before tax	185,591	36,983	(20,797)	(6,168)	(7,337)	(3,496)	184,776
Taxation	(50,543)	(14,077)	(3,179)	1,693	-	30	(66,076)
Net profit/(loss) for the financial year	135,048	22,906	(23,976)	(4,475)	(7,337)	(3,466)	118,700
<u>Assets</u>							
Additions to non-current assets	161,807	6,258	4,040	853	9,997	139	183,094
Segment assets	3,445,822	200,865	373,328	216,933	80,162	146,574	4,463,684

Year ended 31 December 2020 (restated) (unaudited)

	Property Development	Construction and Trading	Management and Investment	Motor Racing Circuit	Others	Consolidated
<u>Revenue</u>	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total revenue	1,034,887	497,580	195,281	23,188	5,882	1,756,818
Less: Inter-segment revenue	-	(465,433)	(194,906)	-	(148)	(660,487)
Revenue from external customers	1,034,887	32,147	375	23,188	5,734	1,096,331
<u>Financial Results</u>						
Segment results	158,112	29,910	16,819	12,584	818	218,243
Interest income	2,941	274	720	220	36	4,191
Finance costs	(30,048)	(5,699)	(23,446)	(1,188)	(1,800)	(62,181)
Depreciation	(6,525)	(13,748)	(4,907)	(7,943)	(2,673)	(35,796)
Amortisation of intangible assets	-	-	(1,180)	-	-	(1,180)
Share of profit/(loss) of associates, net of tax	-	112	-	-	(26)	86
Profit/(Loss) before tax	124,480	10,849	(11,994)	3,673	(3,645)	123,363
Taxation	(45,734)	(7,794)	(4,121)	1,611	(39)	(56,077)
Net profit/(loss) for the financial year	78,746	3,055	(16,115)	5,284	(3,684)	67,286
<u>Assets</u>						
Additions to non-current assets	77,652	20,594	5,203	311	741	104,501
Segment assets	3,138,180	220,063	384,402	207,652	185,909	4,136,206

Hotel commenced business in February 2021

A10. Valuation of property, plant and equipment

There was no fair value adjustment to the property, plant and equipment since the last annual audited financial statements.

A11. Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter except for the followings:

- (i) On 6 December 2021, MGB subscribed for 70 ordinary shares in MGB Water Solution Sdn. Bhd. ("MGBWS") for a total cash consideration of RM70 only. Consequently, MGBWS became a 70% owned subsidiary company of MGB.
- (ii) On 28 December 2021, Juaraplex Sdn. Bhd. ("JPSB"), a wholly-owned subsidiary company of Sinaran Restu Sdn Bhd ("SRSB"), an indirect wholly-owned subsidiary company of the Company, had increased its paid-up share capital from 1,215,624 to 1,221,624 ordinary shares. SRSB has subscribed for additional 6,000 ordinary shares in JPSB by way of cash.
- (iii) On 28 December 2021, Kenderong Sdn. Bhd. ("KDSB"), a wholly-owned subsidiary company of SRSB, an indirect wholly-owned subsidiary company of the Company, had increased its paid-up share capital from 764,595 to 773,595 ordinary shares. SRSB has subscribed for additional 9,000 ordinary shares in KDSB by way of cash.
- (iv) On 28 December 2021, Keranji Bina Sdn. Bhd. ("KBSB"), a wholly-owned subsidiary company of SRSB, an indirect wholly-owned subsidiary company of the Company, had increased its paid-up share capital from 29,757 to 38,757 ordinary shares. SRSB has subscribed for additional 9,000 ordinary shares in KBSB by way of cash.
- (v) On 28 December 2021, Lingkaran Semangat Sdn. Bhd. ("LISSB"), a wholly-owned subsidiary company of SRSB, an indirect wholly-owned subsidiary company of the Company, had increased its paid-up share capital from 747,944 to 756,944 ordinary shares. SRSB has subscribed for additional 9,000 ordinary shares in LISSB by way of cash.
- (vi) On 30 December 2021, LBS Bina Holdings Sdn. Bhd. ("LBS Bina"), a wholly-owned subsidiary company of the Company, acquired 100,000 ordinary shares representing 20% equity interest in Pembangunan Primer Sdn. Bhd. ("PPSB") for a total cash consideration of RM9,000,000 only. Consequently, PPSB became a wholly-owned subsidiary company of LBS Bina.
- (vii) On 30 December 2021, LBS Bina acquired 770,000 ordinary shares representing 12.83% equity interest in Seloka Sinaran Sdn. Bhd. ("SSSB") for a total cash consideration of RM15,550,000 only. Consequently, SSSB became a wholly-owned subsidiary company of LBS Bina.
- (viii) Changes of equity interest in MGB

During the current quarter, the Company's equity interest in MGB has increased from 55.70% to 58.65% as the result of the followings:

- a) Conversion of 67,500,000 ICPS into 67,500,000 new ordinary shares with no cash payment; and
- b) Acquisition of 112,400 ordinary shares of MGB by the Company for a total cash consideration of RM84,713 only.

A11. Changes in the composition of the Group(cont'd)

There were no changes in the composition of the Group during the current quarter except for the followings (cont'd):

- (ix) The submission of the application for voluntarily striking off of subsidiary companies and associate as below:
- a) Puncak Maksimum Sdn. Bhd. (formerly known as Puncak Maksimum Berhad) and Linkway Property CO., Ltd., are wholly-owned subsidiary companies of the Company;
 - b) LBS Properties Sdn. Bhd., a wholly-owned subsidiary company of LBS Bina;
 - c) Dayang Merdeka Sdn. Bhd., a 51% owned subsidiary company of LBS Bina;
 - d) Nuevo Attraction & Destination Sdn. Bhd., a 60% owned subsidiary company of LBS Bina;
 - e) Induk Pelita Sdn. Bhd., a 81% owned subsidiary company of LBS Bina;
 - f) LBS Maju Sdn. Bhd., a 70% owned subsidiary company of LBS Bina;
 - g) Legasi Holdings Group Sdn. Bhd., a 51% owned subsidiary company of LBS Bina;
 - h) Prima Utuh Sdn Bhd., a 80% owned subsidiary company of LBS Bina;
 - i) Nilam Mewah Sdn. Bhd., a 55% owned subsidiary company of SRSB; and
 - j) Bayu Cergas Sdn. Bhd., a 40% owned associate company of LBS Bina.

These subsidiary companies and associate shall be struck off from the register of The Companies Commission of Malaysia upon publication of the Gazette pursuant to Section 551(3) of the Companies Act 2016, which is pending as at the date of the report.

A12. Material events subsequent to the end of financial year

- (i) On 3 January 2022, MGB Construction & Engineering Sdn. Bhd. ("MGBCE"), a wholly-owned subsidiary company of MGB, had entered into a Share Sales Agreement for the disposal of all the equity interest in Prisma Craft Sdn. Bhd. ("PCSB") for a total cash consideration of RM750,000 only. Consequently, PCSB has ceased to be wholly-owned subsidiary company of MGBCE.
- (ii) On 17 January 2022, Megah Solaris Sdn. Bhd. ("MSSB"), a wholly-owned subsidiary company of LBS Bina, had increased its paid-up share capital from 8,987 to 25,987 ordinary shares. LBS Bina has subscribed for additional 17,000 ordinary shares in MSSB for a total cash consideration of RM17,000 only.
- (iii) On 17 January 2022, Kalimah Jaya Sdn. Bhd. ("KJSB"), a wholly-owned subsidiary company of LBS Bina, had increased its paid-up share capital from 3 to 24,003 ordinary shares. LBS Bina has subscribed for additional 24,000 ordinary shares in KJSB for a total cash consideration of RM24,000 only.
- (iv) On 24 January 2022, Restu Bidara Sdn. Bhd. ("RBSB"), a wholly-owned subsidiary company of Pelangi Homes Sdn. Bhd. ("PHSB"), an indirect wholly-owned subsidiary company of the Company, had increased its paid-up share capital from 100 to 674,100 ordinary shares. PHSB has subscribed for additional 674,000 ordinary shares in RBSB for a total cash consideration of RM674,000 only.
- (v) On 27 January 2022, the Company has undertaken internal restructuring whereby LBS Bina, acquired 1,000 ordinary shares, representing the entire equity interest in Nuevoprime Development Sdn. Bhd., an indirect wholly-owned subsidiary company of the Company from Leapte Engineering Sdn. Bhd., an indirect subsidiary company of LBS Bina, for a total cash consideration of RM1,000.

A12. Material events subsequent to the end of financial year(cont'd)

- (vi) On 28 January 2022, the Company has undertaken internal restructuring whereby LBS Bina Holdings Sdn. Bhd. ("LBS Bina"), disposed of 10 ordinary shares, representing the entire equity interest in Maju Kambisa Sdn. Bhd., an indirect wholly-owned subsidiary company of the Company to Leaptec Engineering Sdn. Bhd., an indirect subsidiary company of LBS Bina, for a total cash consideration of RM9,903.83 only.
- (vii) On 14 February 2022, LBS Bina acquired 600,000 ordinary shares representing 6% equity interest in Kemudi Ehsan Sdn. Bhd. ("KESB") for a total cash consideration of RM9,000,000 only. Consequently, KESB became a 88% owned subsidiary company of LBS Bina.

There were no other material subsequent events as at 17 February 2022, being the latest practicable date, which shall not be earlier than 7 days from the date of issuance of this interim financial report.

A13. Capital commitments

Capital commitments not provided for in the interim financial report as at 31 December 2021 were as follows:

	Amount RM'000
Approved and contracted for:	
a) Property development land	
- Joint venture agreements	303,098
- Reclamation and development agreement	64,862
b) Constuction of property, plant and equipment ("PPE")	34,708
c) Acquisition of PPE and right-of-use assets	513
	<u>403,181</u>

A14. Changes in contingent assets or contingent liabilities

	31.12.2021 RM'000	31.12.2020 RM'000
Bank guarantees for:		
- Property development	58,209	49,823
- Construction contracts	72	3,633
- Others	17	48
	<u>58,298</u>	<u>53,504</u>

There were no contingent assets as at the date of this interim financial report.

A15. Significant related party transactions

The significant related party transactions during the current financial year were summarised as below:

	Amount RM'000
Income	
Rental income	12
Expenses	
Contractors' fees	3,172
Deposit paid	3,000
Dividends paid	13,052
Equity instrument	24,550
Legal fee	69
Lease expenses	50
Profit sharing to landowner	164
Rendering of services	1,176

The nature and relationship between the Group with related parties are as follows:

- (i) A firm or companies in which a close family member of certain Directors of the Company or subsidiary companies have financial interest;
- (ii) A firm or companies in which certain Directors of the Company or its subsidiary companies have financial interest;
- (iii) Persons who have financial interest in subsidiary companies;
- (iv) Directors and key management personnel of the Company or its subsidiary companies and their close family members;
- (v) A holding company of the Company;
- (vi) An associate of the Company; and
- (vii) A substantial shareholder of the Company or its subsidiary companies.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of Group performance

The performance of the respective operating business segments is analysed as follows:

	Individual Quarter		Changes %	Cumulative Period		Changes %
	Current Year Quarter 31.12.2021 RM'000	Preceding Year Quarter 31.12.2020 RM'000 Restated		To date 31.12.2021 RM'000	Preceding Year To date 31.12.2020 RM'000 Restated	
Revenue						
Property Development	420,338	268,536	57%	1,302,141	1,034,887	26%
Construction and Trading	186,718	167,013	12%	582,250	497,580	17%
Management and Investment	165,832	60,068	176%	511,563	195,281	162%
Motor Racing Circuit	7,531	15,853	-52%	21,266	23,188	-8%
Hotel	1,926	*	100%	1,983	*	100%
Others	14,823	1,606	823%	18,969	5,882	222%
	<u>797,168</u>	<u>513,076</u>	55%	<u>2,438,172</u>	<u>1,756,818</u>	39%
Less: Inter-segment revenue	<u>(355,327)</u>	<u>(218,558)</u>	63%	<u>(1,073,900)</u>	<u>(660,487)</u>	63%
	<u>441,841</u>	<u>294,518</u>	50%	<u>1,364,272</u>	<u>1,096,331</u>	24%
Profit/(Loss) before tax						
Property Development	66,816	40,290	66%	185,591	124,480	49%
Construction and Trading	12,551	4,425	184%	36,983	10,849	241%
Management and Investment	(3,754)	(3,149)	-19%	(20,797)	(11,994)	-73%
Motor Racing Circuit	(735)	12,754	-106%	(6,168)	3,673	-268%
Hotel	(1,003)	*	100%	(7,337)	*	100%
Others	<u>(1,382)</u>	<u>(2,401)</u>	42%	<u>(3,496)</u>	<u>(3,645)</u>	4%
	<u>72,493</u>	<u>51,919</u>	40%	<u>184,776</u>	<u>123,363</u>	50%

* Not yet commence business

For the current quarter ("4Q2021"), the Group recorded revenue of RM442 million and profit before tax ("PBT") of RM72 million as compared to revenue of RM295 million and PBT of RM52 million in the previous year corresponding quarter.

For the financial year ended 31 December 2021 ("FY2021"), the Group achieved revenue of RM1.4 billion and PBT of RM185 million as compared to revenue of RM1.1 billion and PBT of RM123 million in the financial year ended 31 December 2020 ("FY2020").

Property Development

For the FY2021, Property Development segment achieved higher revenue and PBT. The surge in both revenue and PBT were largely attributable to the sale of inventories, good take up rates and steady construction progress from our on-going development projects at KITA @ Cybersouth, Residensi Bintang Bukit Jalil, Alam Awana Industrial Park and LBS Alam Perdana.

Development projects within the Klang Valley remain as the largest revenue contributor, accounting for more than 80% of the Group's revenue for the FY2021.

B1. Review of Group performance (cont'd)

Construction and Trading

For the FY2021, Construction and Trading segment achieved revenue and PBT of RM582 million and RM37 million respectively as compared to revenue of RM498 million and PBT of RM11 million for the FY2020.

The increase in revenue and PBT were mainly due to rapid construction progress and cost savings from completed construction contracts.

The revenue and PBT were primarily contributed from in-house projects.

Management and Investment

For the FY2021, Management and Investment segment achieved revenue and loss before tax ("LBT") of RM512 million and RM21 million respectively as compared to revenue of RM195 million and LBT of RM12 million for the FY2020.

The increase in revenue was mainly arising from intra-group dividend income.

The increase in LBT was mainly due to decrease in intra group interest income and increase in administrative expenses.

Motor Racing Circuit

For the FY2021, Motor Racing Circuit segment recorded revenue of RM21 million and LBT of RM6 million as compared to revenue of RM23 million and PBT of RM4 million for the FY2020.

The increase in LBT was mainly due to one off gain arising from the write back of provision for claims in FY2020.

Hotel

Hotel commenced business in February 2021. For the FY2021, hotel operation recorded revenue and LBT of RM2 million and RM7 million respectively.

Covid-19 and subsequent MCO have impacted the hospitality business significantly.

The occupancy rate and revenue have improved as a result of the reopening of the tourism sector and interstate travel lifted in October 2021 for fully vaccinated individuals.

Others

Others segment mainly comprises retail mall, car park management, provision of finance through money lending service and treasury management service.

For the FY2021, others segment recorded revenue of RM19 million and LBT of RM3 million as compared to revenue of RM6 million and LBT of RM4 million for the FY2020.

The increase in revenue was mainly arising from intra-group interest income from treasury management service.

B2. Material changes in the quarterly results compared to the results of the immediate preceding quarter

	Current Quarter 31.12.2021 RM'000	Immediate Preceding Quarter 30.09.2021 RM'000	Changes (%)
Revenue	441,841	253,958	74%
Profit before tax ("PBT")	72,493	33,950	114%

For the 4Q2021, the Group recorded revenue of RM442 million and PBT of RM72 million as compared to revenue of RM254 million and PBT of RM34 million in the immediate preceding quarter.

The increase in PBT was mainly attributable to higher property sales and steady construction progress from on-going projects.

B3. Group's prospects for the next financial year

The Group has achieved RM1.58 billion in property sales in 2021, surpassing its RM1.2 billion sales target by 31%. The Group has also successfully handed over vacant possession of 2,570 units worth RM1.3 billion to purchasers in the same year. This is a strong performance in the midst of a lacklustre environment within the current property sector due to the various lockdowns throughout the country. Utilising the right strategy, which included in-demand product launches, attractive marketing campaigns and innovative digital initiatives, the Group managed to turn in a solid result.

Taking all these into consideration, the Group aims for RM1.6 billion property sales for the FY2022. There will be 14 new project launches totalling a gross development value ("GDV") of RM1.77 billion, consisting of 3,733 units in the Klang Valley, Johor, Pahang and Perak.

Klang Valley makes up almost 70% of the total with 2,604 units, accounting for a GDV of RM1.11 billion through KITA at Cybersouth township and Melodi Perdana at Alam Perdana township. The other new projects include Bayu Hills in Genting Highlands, and Bandar Putera Indah in Batu Pahat, Johor.

Currently the Group has 18 ongoing development projects with an estimated GDV of RM5.3 billion. As at 31 December 2021, the Group's future land bank stood at 2,744 acres which would keep the Group busy for the next 10 to 15 years. The Group has unbilled sales of RM2.3 billion, expected to provide clear earnings visibility over the next two to three years.

The Group is cautiously optimistic on the property market outlook in view of the successful rollout of Covid-19 booster vaccination, our product range in strategic locations and pricing.

B4. Profit forecast or profit guarantee

Not applicable as the Group has not issued any profit forecast or profit guarantee to the public.

B5. Taxation

The breakdown of tax expense was as follows:

	Individual Quarter		Cumulative Period	
	Current year Quarter 31.12.2021 RM'000	Preceding year Quarter 31.12.2020 RM'000 Restated	Current year To date 31.12.2021 RM'000	Preceding year To date 31.12.2020 RM'000 Restated
Current tax provision	16,852	20,426	70,857	62,668
Under/(Over) provision in prior years	2,435	(1,554)	2,435	(1,531)
Deferred tax	6,819	189	(7,216)	(5,060)
Total tax expense	<u>26,106</u>	<u>19,061</u>	<u>66,076</u>	<u>56,077</u>

The effective tax rate of the Group for the current quarter and financial year were higher than the statutory tax rate of 24% mainly due to losses of certain subsidiary companies which cannot set off against taxable profits made by other subsidiary companies, non-tax deductible expenses and non-recognition of deferred tax assets for certain temporary differences.

B6. Status of corporate proposals

The following is the status of corporate proposals that have been announced by the Company but has not been completed as at 17 February 2022, being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial report:

- (i) On 27 May 2019, MGB Berhad (“MGB”) together with PNSB Construction Sdn. Bhd. (“PCSB”) (collectively referred to as the “Consortium”), has entered into a Development Rights Agreement (“DRA”) with Must Ehsan Development Sdn. Bhd. for the development on three (3) parcels of leasehold lands all situated in Seksyen 7, Bandar Shah Alam, Daerah Petaling, Negeri Selangor.

The Conditions Precedent set in this DRA have been fulfilled. Thus, the DRA has become unconditional.

- (ii) On 24 January 2020, the Consortium together with MGB’s indirect wholly-owned subsidiary company, Idaman Living Sdn. Bhd. has entered into a DRA with Solid Benefit Sdn. Bhd. and Eco Green City Sdn. Bhd. for the proposed development on a piece of leasehold land with the total land area measuring approximately 4.882 hectares held under PN116631 Lot 120760 (previously held under HS(D) 43589 PT 54535) in Mukim Dengkil, Daerah Sepang, in the state of Selangor into affordable homes under Rumah Selangorku Idaman Scheme.

This DRA has not been completed as the Conditions Precedent therein have not been complied.

- (iii) On 24 January 2020, the Consortium together with MGB’s indirect wholly-owned subsidiary company, Idaman Aktif Sdn. Bhd. has entered into a Joint Venture Agreement with Abadi Man Nien Sdn. Bhd. for the proposed development on two (2) pieces of leasehold lands held under H.S.(M) 22704 PT 49907 measuring approximately 8,743 square meters and H.S.(M) 22705 PT49908 measuring approximately 15,769 square meters in Mukim Dengkil, Daerah Sepang, Negeri Selangor into affordable homes under Rumah Selangorku Idaman Scheme.

This Agreement has not been completed as the Conditions Precedent therein have not been complied.

B6. Status of corporate proposals (cont'd)

The following is the status of corporate proposals that have been announced by the Company but has not been completed as at 17 February 2022, being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial report: (cont'd)

- (iv) On 31 March 2021, the Company's indirect subsidiary company, Casa Inspirasi Sdn. Bhd. has entered into a Joint Venture Agreement with Majlis Daerah Cameron Highlands to develop a piece of land held under leasehold title of 99 years expiring on 29 May 2116, known as H.S.(D) 4908 PT 3288 in Mukim Tanah Rata, Daerah Cameron Highlands, Negeri Pahang, measuring approximately 51.52 acres.

This Agreement has not been completed as the Conditions Precedent therein have not been complied.

- (v) On 8 April 2021, Leaptec Engineering Sdn. Bhd. has entered into Reclamation and Development Agreement with State Government of Melaka for reclamation and development of the reclaimed land into an industry hub with port facilities measuring approximately 1,200 acres located at Tanjung Bruas, Bandar XLV, Daerah Melaka Tengah, Melaka.

This Agreement has not been completed as the Conditions Precedent therein have not been complied.

B7. Borrowings and debt securities

The Group borrowings and debt securities were as follows:

Year ended 31.12.2021

	<u>Long-term</u> RM'000	<u>Short-term</u> RM'000	<u>Total borrowings</u> RM'000
<u>Secured</u>			
Bank overdrafts	-	75,839	75,839
Lease liabilities	18,806	14,062	32,868
Bank borrowings	239,799	671,779	911,578
Sukuk	61,670	13,952	75,622
Total borrowings	<u>320,275</u>	<u>775,632</u>	<u>1,095,907</u>

B8. Material litigation

There was no material litigation as at 17 February 2022, being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial report.

B9. Dividend declared

No dividend has been declared for the quarter under review.

B10. Earnings per share (“EPS”)

Basic EPS

The basic earnings per share are calculated based on the consolidated profit for the financial year attributable to the owners of the parent and the weighted average number of ordinary shares in issue during the financial year as follows:

	Current Year to Date 31.12.2021	Preceding Year to Date 31.12.2020 Restated
Adjusted net profit attributable to ordinary equity holders (RM'000)	<u>80,014</u>	<u>33,501</u>
Weighted average number of ordinary shares in issue ('000)	<u>1,561,509</u>	<u>1,536,789</u>
Basic EPS (sen)	<u>5.12</u>	<u>2.18</u>

Diluted EPS

Diluted earnings per share are calculated based on the consolidated profit for the financial year attributable to the owners of the parent and the weighted average number of ordinary shares issued and issuable during the financial year have been adjusted for the dilutive effects of all potential ordinary shares as follows:

	Current Year to Date 31.12.2021	Preceding Year to Date 31.12.2020 Restated
Adjusted net profit attributable to ordinary equity holders (RM'000)	<u>80,014</u>	<u>33,501</u>
Adjusted weighted average number of ordinary shares in issue ('000)	<u>1,575,969</u>	<u>1,536,789</u> #
Diluted EPS (sen)	<u>5.08</u>	<u>2.18</u>

The number of shares under ESOS and RCPS were not taken into account in the computation of diluted earnings per share as the ESOS and RCPS do not have any dilutive effect on the weighted average number of ordinary shares.

B11. Notes to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Current Year Quarter 31.12.2021 RM'000	Current Year To Date 31.12.2021 RM'000
Allowance for impairment losses on:		
- Goodwill arising on consolidation	7,416	17,469
- Investment properties	398	398
- Property, plant and equipment	6	6
- Right-of-use assets	749	749
- Receivables	807	3,062
- Other investments	8	8
Amortisation of intangible assets	30	347
Bad debts written off	1,596	1,645
Deposits written off	313	313
Depreciation of:		
- Investment properties	587	2,265
- Property, plant and equipment	3,517	12,643
- Right-of-use assets	7,177	25,592
Inventories written down	-	5,157
Loss on striking off of:		
- Subsidiary companies	728	728
- Associate	12	12
Property development costs written off	12,272	12,948
Property, plant and equipment written off	30	177
Waiver of interest income	406	630
Fair value adjustment/(Reversal of fair value adjustment) on trade receivables	33	(28)
Provision/(Reversal of provision) for claims and staff economic compensation	2	(18)
Contingency sum accrued in prior years no longer required	(640)	(9,106)
Net loss/(gain) on disposal of:		
- Assets held for sale	3	(398)
- Property, plant and equipment	-	(27)
- Right-of-use assets	-	(315)
Reversal of allowance for impairment loss on receivables	(2,644)	(3,001)
Net foreign exchange (gain)/loss	(31)	5,195
Waiver of debts	(58)	(58)

By Order of the Board,

Dato' Lim Mooi Pang
Executive Director

Petaling Jaya, Selangor Darul Ehsan
24 February 2022