

**CRESCENDO CORPORATION BERHAD**

199501030544 (359750-D)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

|  | INDIVIDUAL QUARTER                           |  | CUMULATIVE QUARTER                           |   |
|--|--|--|--|---|
|  | CURRENT YEAR QUARTER<br>31.10.2022<br>RM'000 | PRECEDING YEAR CORRESPONDING QUARTER<br>31.10.2021<br>RM'000 | CURRENT YEAR TO-DATE<br>31.10.2022<br>RM'000 | PRECEDING YEAR CORRESPONDING PERIOD<br>31.10.2021<br>RM'000 |
| Revenue  | 51,264                                       | 51,641   | 176,444                                      | 162,554   |
| Cost of sales  | (35,850)                                     | (31,084)   | (110,776)                                    | (105,110)   |
| <b>Gross profit</b>  | 15,414                                       | 20,557   | 65,668                                       | 57,444  |
| Other income   | 3,421  | 1,400  | 10,743                                       | 7,343   |
| Administration expenses  | (8,443)                                      | (8,642)  | (25,124)                                     | (24,562)  |
| Finance costs  | (2,940)                                      | (4,803)  | (8,997)                                      | (11,227)  |
| <b>Profit before tax</b>   | 7,452  | 8,512  | 42,290                                       | 28,998  |
| Tax expenses   | (2,448)                                      | (3,759)  | (12,577)                                     | (10,499)  |
| <b>Profit for the period</b>                                       | 5,004  | 4,753  | 29,713                                       | 18,499  |
| <b>Other comprehensive income, net of tax</b>                      |  |  |  |   |
| Net movement on cash flow hedges                                   | 106  | (10,616)   | 372  | (8,483)   |
| Tax relating to cash flow hedges                                   | (26)   | 2,548  | (89)   | 2,036   |
| <b>Total other comprehensive income for the period, net of tax</b> | 80   | (8,068)  | 283  | (6,447)   |
| <b>Total comprehensive income for the period</b>                   | 5,084  | (3,315)  | 29,996                                       | 12,052  |
| <b>Profit attributable to:</b>                                     |  |  |  |   |
| Owners of the Company  | 4,856  | 4,342  | 28,162                                       | 16,978  |
| Non-controlling interests  | 148  | 411  | 1,551  | 1,521   |
|  | 5,004  | 4,753  | 29,713                                       | 18,499  |
| <b>Total comprehensive income attributable to:</b>                 |  |  |  |   |
| Owners of the Company  | 4,936  | (3,727)  | 28,445                                       | 10,525  |
| Non-controlling interests  | 148  | 412  | 1,551  | 1,527   |
|  | 5,084  | (3,315)  | 29,996                                       | 12,052  |
| <b>Earnings per share attributable to owners of the Company:</b>   |  |  |  |   |
| Basic (sen)  | 1.74   | 1.55   | 10.08  | 6.08  |

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the financial year ended 31 January 2022 and the accompanying explanatory notes attached to the interim financial statements.

**CRESCENDO CORPORATION BERHAD**

199501030544 (359750-D)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

|   | <b>AS AT<br/>31.10.2022<br/>RM'000</b> | <b>AS AT<br/>31.1.2022<br/>RM'000</b> |
|---|--|---------------------------------------|
| <b>ASSETS</b>                                       |  |                                       |
| <b>Non-current assets</b>                           |  |                                       |
| Property, plant and equipment                       | 131,352                                | 156,799                               |
| Right-of-use assets                                 | 4,160                                  | 4,398                                 |
| Bearer plants                                       | 4,872                                  | 5,082                                 |
| Investment properties                               | 279,473                                | 275,485                               |
| Inventories   | 634,237                                | 606,386                               |
| Deferred tax assets                                 | 38,846                                 | 36,689                                |
|   | <u>1,092,940</u>                       | <u>1,084,839</u>                      |
| <b>Current assets</b>                               |  |                                       |
| Inventories   | 126,295                                | 141,895                               |
| Receivables   | 56,855                                 | 56,733                                |
| Contract assets                                     | 3,344                                  | 5,843                                 |
| Prepaid operating expenditure                       | 12,136                                 | 11,821                                |
| Tax recoverable                                     | 2,939                                  | 3,760                                 |
| Short term funds                                    | 993                                    | 3,472                                 |
| Cash and bank balances                              | 106,145                                | 107,555                               |
|   | <u>308,707</u>                         | <u>331,079</u>                        |
| <b>TOTAL ASSETS</b>                                 | <u>1,401,647</u>                       | <u>1,415,918</u>                      |
| <b>EQUITY AND LIABILITIES</b>                       |  |                                       |
| <b>Equity attributable to owners of the Company</b> |  |                                       |
| Share capital                                       | 299,572                                | 299,572                               |
| Treasury shares                                     | (3,115)                                | (3,115)                               |
| Other reserves                                      | (15)                                   | (298)                                 |
| Retained earnings                                   | 636,261                                | 622,070                               |
|   | <u>932,703</u>                         | <u>918,229</u>                        |
| <b>Non-controlling interests</b>                    | <u>52,691</u>                          | <u>52,598</u>                         |
| <b>Total equity</b>                                 | <u>985,394</u>                         | <u>970,827</u>                        |
| <b>Non-current liabilities</b>                      |  |                                       |
| Loans and borrowings                                | 222,071                                | 269,212                               |
| Deferred tax liabilities                            | 31,682                                 | 32,267                                |
| Derivative financial liabilities                    | 20                                     | 392                                   |
|   | <u>253,773</u>                         | <u>301,871</u>                        |
| <b>Current liabilities</b>                          |  |                                       |
| Trade and other payables                            | 65,474                                 | 65,091                                |
| Contract liabilities                                | 12,507                                 | 13,267                                |
| Loans and borrowings                                | 69,861                                 | 62,516                                |
| Tax payable   | 6,255                                  | 2,346                                 |
| Dividend payable                                    | 8,383                                  | -                                     |
|   | <u>162,480</u>                         | <u>143,220</u>                        |
| <b>Total liabilities</b>                            | <u>416,253</u>                         | <u>445,091</u>                        |
| <b>TOTAL EQUITY AND LIABILITIES</b>                 | <u>1,401,647</u>                       | <u>1,415,918</u>                      |
| Net assets per share (RM)                           | <u>3.34</u>                            | <u>3.29</u>                           |

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the financial year ended 31 January 2022 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

|  | ← Attributable to owners of the Company → |                 |                         |                          |                             |                           | Non-Controlling Interests<br>RM'000 |
|--|---|-----------------|-------------------------|--------------------------|-----------------------------|---------------------------|-------------------------------------|
|  | ← Non-distributable →                     |                 | ← Distributable →       |                          |                             |                           |                                     |
|  | Total Equity<br>RM'000                    | Total<br>RM'000 | Share Capital<br>RM'000 | Other Reserves<br>RM'000 | Retained Earnings<br>RM'000 | Treasury Shares<br>RM'000 |                                     |
| <b>9 months ended 31 October 2022</b>      |   |                 |                         |                          |                             |                           |                                     |
| <b>Balance as at 1 February 2022</b>       | 970,827                                   | 918,229         | 299,572                 | (298)                    | 622,070                     | (3,115)                   | 52,598                              |
| <b>Total comprehensive income</b>          | 29,996                                    | 28,445          | -                       | 283                      | 28,162                      | -                         | 1,551                               |
| <b>Transactions with owners</b>            |   |                 |                         |                          |                             |                           |                                     |
| Dividend paid to non-controlling interests | (1,458)                                   | -               | -                       | -                        | -                           | -                         | (1,458)                             |
| Dividends                                  | (13,971)                                  | (13,971)        | -                       | -                        | (13,971)                    | -                         | -                                   |
| Total transactions with owners             | (15,429)                                  | (13,971)        | -                       | -                        | (13,971)                    | -                         | (1,458)                             |
| <b>Balance as at 31 October 2022</b>       | <b>985,394</b>                            | <b>932,703</b>  | <b>299,572</b>          | <b>(15)</b>              | <b>636,261</b>              | <b>(3,115)</b>            | <b>52,691</b>                       |
| <b>9 months ended 31 October 2021</b>      |   |                 |                         |                          |                             |                           |                                     |
| <b>Balance as at 1 February 2021</b>       | 965,957                                   | 914,279         | 299,572                 | 6,526                    | 611,296                     | (3,115)                   | 51,678                              |
| <b>Total comprehensive income</b>          | 12,052                                    | 10,525          | -                       | (6,453)                  | 16,978                      | -                         | 1,527                               |
| <b>Realisation of capital reserve</b>      | -   | -               | -                       | (426)                    | 426                         | -                         | -                                   |
| <b>Transactions with owners</b>            |   |                 |                         |                          |                             |                           |                                     |
| Dividend paid to non-controlling interests | (1,543)                                   | -               | -                       | -                        | -                           | -                         | (1,543)                             |
| Dividends                                  | (11,176)                                  | (11,176)        | -                       | -                        | (11,176)                    | -                         | -                                   |
| Total transactions with owners             | (12,719)                                  | (11,176)        | -                       | -                        | (11,176)                    | -                         | (1,543)                             |
| <b>Balance as at 31 October 2021</b>       | <b>965,290</b>                            | <b>913,628</b>  | <b>299,572</b>          | <b>(353)</b>             | <b>617,524</b>              | <b>(3,115)</b>            | <b>51,662</b>                       |

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the financial year ended 31 January 2022 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

|  | <b>9 MONTHS ENDED</b> |                   |
|--|-----------------------|-------------------|
|  | <b>31.10.2022</b>     | <b>31.10.2021</b> |
|  | <b>RM'000</b>         | <b>RM'000</b>     |
| <b>Cash flows from operating activities</b>  |                       |                   |
| Cash received from customers   | 185,823               | 162,536           |
| Cash paid to suppliers and employees   | (114,906)             | (105,351)         |
| Cash generated from operations   | <u>70,917</u>         | <u>57,185</u>     |
| Deposit interest received  | 1,356                 | 541               |
| Interest paid  | (9,396)               | (12,135)          |
| Tax paid   | (10,678)              | (5,286)           |
| Net cash from operating activities   | <u>52,199</u>         | <u>40,305</u>     |
| <b>Cash flows from investing activities</b>  |                       |                   |
| Acquisition of bearer plants, right-of-use assets, investment properties and property, plant and equipment | (9,347)               | (2,921)           |
| Capital realisation from other investment  | -                     | 1,794             |
| Pledge of time deposits  | (28)                  | (4)               |
| Net withdrawal from short term funds   | 2,500                 | -                 |
| Proceeds from disposal of property, plant and equipment  | 79                    | 453               |
| Net cash used in investing activities  | <u>(6,796)</u>        | <u>(678)</u>      |
| <b>Cash flows from financing activities</b>  |                       |                   |
| Proceeds from loans and borrowings   | -                     | 200,000           |
| Repayment of loans and borrowings  | (41,841)              | (168,847)         |
| Dividend paid  | (5,588)               | (11,176)          |
| Dividend paid to non-controlling interests   | (1,458)               | (1,543)           |
| Net cash (used in)/from financing activities   | <u>(48,887)</u>       | <u>18,434</u>     |
| <b>Net (decrease)/increase in cash and cash equivalents</b>  | (3,484)               | 58,061            |
| <b>Cash and cash equivalents at the beginning of the financial period</b>                                  | 102,014               | 44,396            |
| <b>Cash and cash equivalents at the end of the financial period</b>  | <u>98,530</u>         | <u>102,457</u>    |
| <b>Cash and cash equivalents at the end of the financial period</b>  |                       |                   |
| Deposits with licensed banks and other financial institution   | 69,817                | 72,073            |
| Cash and bank balances   | 36,328                | 31,009            |
| Bank overdrafts  | (4,990)               | -                 |
|  | <u>101,155</u>        | <u>103,082</u>    |
| Time deposits pledged  | (2,625)               | (625)             |
|  | <u>98,530</u>         | <u>102,457</u>    |

The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the financial year ended 31 January 2022 and the accompanying explanatory notes attached to the interim financial statements.

## **PART A - EXPLANATORY NOTES**

### **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 issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 January 2022. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 January 2022.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those of the annual financial statements for the year ended 31 January 2022 except for the adoption of the following new and amended MFRSs and Issues Committee ("IC") Interpretations relevant to the current operations of the Group:

#### Annual Improvements to MFRS Standards 2018-2020

|                        |  |
|------------------------|--|
| Amendments to MFRS 3   | Reference to the Conceptual Framework                      |
| Amendments to MFRS 116 | Property, Plant and Equipment-Proceeds before Intended Use |
| Amendments to MFRS 137 | Onerous Contracts-Cost of Fulfilling a Contract            |

The Group has not elected for early adoption of the following new and amended MFRSs relevant to the current operations of the Group, which were issued but not yet effective:

|                                   |   | Effective for<br>financial periods<br>beginning on or after |
|-----------------------------------|---|---|
| Amendments to MFRS 101            | Classification of Liabilities as Current or Non-current                               | 1 Jan 2023  |
| Amendments to MFRS 101            | Disclosure of Accounting Policies   | 1 Jan 2023  |
| Amendments to MFRS 108            | Definition of Accounting Estimates  | 1 Jan 2023  |
| Amendments to MFRS 112            | Deferred Tax related to Assets and Liabilities arising from a Single Transaction      | 1 Jan 2023  |
| Amendments to MFRS 16             | Lease Liability in a Sale and Leaseback   | 1 Jan 2024  |
| Amendments to MFRS 101            | Non-current Liabilities with Covenants  | 1 Jan 2024  |
| Amendments to MFRS 10 and MFRS128 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Deferred  |

These new and amended MFRSs are not expected to have any significant impact on the financial statements of the Group upon their initial application.

### **A2 Audit qualification**

The auditor's report of the preceding annual financial statements of the Group did not contain any qualification.

### **A3 Seasonal or cyclical factors**

There were no significant seasonal factors affecting the operations of the Group. However, the economic cyclical factors will have an impact on property development and construction sector.

### **A4 Unusual items**

There were no unusual items that have material effects on the assets, liabilities, equity, net income or cash flows for the current financial year-to-date.

### **A5 Material changes in estimates**

There were no changes in estimates that have had a material effect in the current quarter results.

**A6 Debt and equity securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the nine months ended 31 October 2022.

**A7 Dividends paid**

The dividend paid during the nine months ended 31 October 2022 was a final single tier dividend of 2 sen per ordinary share in respect of financial year 2022, paid on 29 August 2022.

**A8 Segmental information**

| Major segments by activity:-          | <u>Revenue</u>  |                | <u>Results</u>  |                 |
|---------------------------------------|-----------------|----------------|-----------------|-----------------|
|                                       | 9 months ended  |                | 9 months ended  |                 |
|                                       | 31.10.2022      | 31.10.2021     | 31.10.2022      | 31.10.2021      |
|                                       | RM'000          | RM'000         | RM'000          | RM'000          |
| Property development and construction | 109,989         | 99,512         | 44,041          | 35,885          |
| Manufacturing and trading             | 41,408          | 32,716         | 3,427           | 3,713           |
| Property investment                   | 7,642           | 6,279          | 5,190           | 3,173           |
| Services and others                   | 33,063          | 31,774         | 12,189          | 10,995          |
|                                       | <u>192,102</u>  | <u>170,281</u> | <u>64,847</u>   | <u>53,766</u>   |
| Inter-segment eliminations            | <u>(15,658)</u> | <u>(7,727)</u> | <u>(11,365)</u> | <u>(11,364)</u> |
|                                       | <u>176,444</u>  | <u>162,554</u> | <u>53,482</u>   | <u>42,402</u>   |
| Unallocated expenses                  |                 |                | (2,195)         | (2,177)         |
| Finance costs                         |                 |                | <u>(8,997)</u>  | <u>(11,227)</u> |
|                                       |                 |                | <u>42,290</u>   | <u>28,998</u>   |

**A9 Valuation of non-current assets**

The valuations of property, plant and equipment and investment properties stated in the previous annual financial statements have been brought forward without amendment.

**A10 Material subsequent events**

As at 22 December 2022, there were no subsequent material events that have not been reflected in the financial statements for the current financial period.

**A11 Changes in the composition of the Group**

There were no changes in the composition of the Group for the current financial period including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring or discontinuing of operations.

**A12 Contingent liabilities**

The contingent liabilities of the Group as at 22 December 2022 which comprise Bankers' guarantees issued by financial institutions in favour of third parties are as follows:-

|           |              |
|-----------|--------------|
| Secured   | RM'000       |
|           | 3,863        |
| Unsecured | -            |
|           | <u>3,863</u> |

**PART B - ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES**

**B1 Financial review for current quarter and financial year to date**

|  | Individual Quarter |            |         | Cumulative Quarter |            |         |
|--|--------------------|------------|---------|--------------------|------------|---------|
|  | Current            | Preceding  | Changes | Current            | Preceding  | Changes |
|  | Year               | Year       |         | Year               | Year       |         |
| Quarter  | Corresponding      | Quarter    | To-date | Corresponding      | Period     |         |
|  | 31.10.2022         | 31.10.2021 | %       | 31.10.2022         | 31.10.2021 | %       |
|  | RM'000             | RM'000     |         | RM'000             | RM'000     |         |
| Revenue  | 51,264             | 51,641     | -1%     | 176,444            | 162,554    | 9%      |
| Earnings before interest, tax, depreciation and amortisation | 12,537             | 15,532     | -19%    | 57,849             | 46,842     | 23%     |
| Profit before interest and tax                               | 10,392             | 13,315     | -22%    | 51,287             | 40,225     | 28%     |
| Profit before tax  | 7,452              | 8,512      | -12%    | 42,290             | 28,998     | 46%     |
| Profit after tax   | 5,004              | 4,753      | 5%      | 29,713             | 18,499     | 61%     |
| Profit attributable to owners of the Company                 | 4,856              | 4,342      | 12%     | 28,162             | 16,978     | 66%     |

The Profit before tax ("PBT") for the current quarter ended 31 October 2022 decreased marginally by RM1 million as compared to the corresponding period in last financial year was mainly due to change of properties sales mix with a higher proportion of residential property sales and higher construction cost.

The increases in the Group's revenue and PBT for the nine months ended 31 October 2022 as compared to the corresponding period in last financial year were mainly contributed by higher sales in properties. The profit margin was improved by a sales of high margin commercial property in the first quarter of FY2023.

Performance analysis of the Group's operating segments are as follows:

|                                       | Revenue          |               |                    |                |
|---------------------------------------|------------------|---------------|--------------------|----------------|
|                                       | Quarter ended    |               | Year-to-date ended |                |
|                                       | 31.10.2022       | 31.10.2021    | 31.10.2022         | 31.10.2021     |
|                                       | RM'000           | RM'000        | RM'000             | RM'000         |
| Property development and construction | 32,587           | 30,592        | 109,989            | 99,512         |
| Manufacturing and trading             | 12,103           | 12,268        | 41,408             | 32,716         |
| Property investment                   | 2,590            | 1,842         | 7,642              | 6,279          |
| Services and others                   | 10,675           | 9,062         | 33,063             | 31,774         |
|                                       | <u>57,955</u>    | <u>53,764</u> | <u>192,102</u>     | <u>170,281</u> |
|                                       | Operating profit |               |                    |                |
|                                       | Quarter ended    |               | Year-to-date ended |                |
|                                       | 31.10.2022       | 31.10.2021    | 31.10.2022         | 31.10.2021     |
|                                       | RM'000           | RM'000        | RM'000             | RM'000         |
| Property development and construction | 9,341            | 13,308        | 44,041             | 35,885         |
| Manufacturing and trading             | 355              | 1,821         | 3,427              | 3,713          |
| Property investment                   | 1,767            | 586           | 5,190              | 3,173          |
| Services and others                   | 3,934            | 2,366         | 12,189             | 10,995         |
|                                       | <u>15,397</u>    | <u>18,081</u> | <u>64,847</u>      | <u>53,766</u>  |

Property development and construction operation

Despite increase of revenue of 7% for current quarter, the operating profit decreased by 30% as compared to the corresponding period in last financial year was mainly due to change of properties sales mix with a higher proportion of residential property as compared to other property products, which have a higher profit margin, and higher construction cost.

The increases in revenue and operating profit for the financial year-to-date were mainly contributed by higher sales in properties. The profit margin was improved by a sale of high margin commercial property in the first quarter of FY2023.

The property development and construction division remains as the major contributor to the Group's revenue and profit.

Manufacturing and trading operation

The operating profit for the current quarter decreased by RM1.5 million as compared to the corresponding period in last year mainly due to lower profit margin as a result of higher material cost.

The increase in revenue for the financial year-to-date as compared to the corresponding period in last year was mainly contributed by higher demand for concrete products from Singapore this year with the re-opening of all business sector and international border.

Property investment operation

The revenue and operating profit increased for the current quarter and the financial year-to-date as there were rental deductions granted to tenants during various Movement Control Order ("MCO") periods in last financial year.

Services and others

The increases in revenue and operating profits for the current quarter and the financial year-to-date were mainly contributed by higher revenue from international school as compared to the corresponding periods in last year which were affected by COVID-19 pandemic. The recruitment of foreign student by our school and college have been improved with the re-opening of international border as compared to last year.

**B2 Financial review for current quarter compared with immediate preceding quarter**

|  | Current<br>Quarter<br>31.10.2022<br>RM'000 | Immediate<br>Preceding<br>Quarter<br>31.7.2022<br>RM'000 | Changes<br>% |
|--|--|--|--------------|
| Revenue  | 51,264                                     | 65,337   | -22%         |
| Earnings before interest, tax, depreciation and amortisation | 12,537                                     | 20,071   | -38%         |
| Profit before interest and tax                               | 10,392                                     | 17,860   | -42%         |
| Profit before tax  | 7,452                                      | 14,837   | -50%         |
| Profit after tax   | 5,004                                      | 10,472   | -52%         |
| Profit attributable to owners of the Company                 | 4,856                                      | 10,105   | -52%         |

For the current quarter ended 31 October 2022, the revenue and profit before tax decreased by RM14 million and RM7 million respectively as compared to the immediate preceding quarter mainly due to lower property sales and lower profit margin caused by change in sales mix with a higher proportion of residential property which has a lower profit margin as compared to other property products.

**B3 Group's Prospect**

The property market continues to remain challenging in the short and medium-term as a result of rising cost of construction resulting from fluctuations in building materials cost, raising inflation and the uptrend in interest rate. However, the re-opening of all economic sectors and international border and the improvement in the labour market are beneficial to the property market. The Malaysia economy registered a stronger growth in Gross Domestic Product of 14.2% in the third quarter of 2022 as compared to the second quarter of 8.9% reflecting stronger domestic demand and income conditions. The reduction of Real Property Gains Tax rate for disposal made by individuals in the 6th year onwards from 5% to 0% is also expected to support a recovery in the property sector.

The Group will continue to monitor the market situation and adopt a prudent and cautious approach for its new property launches.



As at 31 October 2022, the Group's land bank is as follows:

| <u>Location</u>                | <u>Type of development</u> | <u>Acres</u> |
|--------------------------------|----------------------------|--------------|
| Bandar Cemerlang               |                            |              |
| - Tebrau, Johor Bahru          | Mixed development          | 766          |
| - Kota Tinggi                  | Mixed development          | 526          |
| Taman Perindustrian Cemerlang  | Industrial                 | 36           |
| Taman Desa Cemerlang           | Residential & commercial   | 60           |
| Taman Dato' Chellam            | Residential & commercial   | 9            |
| Nusa Cemerlang Industrial Park | Industrial                 | 202          |
| Tanjung Senibong               | Residential & commercial   | 217          |
| Ambok                          | Resort / Mixed development | 794          |
| Others                         | Residential                | 5            |
|                                |                            | 2,615        |

The Group has launched 8 units of detached and semi-detached factories at Taman Perindustrian Cemerlang with GDV of RM58 million during the current quarter ended 31 October 2022. In our effort to continue developing landed properties and to align the evolving market trends and demand, we will launch 115 units of mid to high-end market landed residential properties at Bandar Cemerlang and 258 units of affordable housing at Taman Dato' Chellam with a total GDV of RM146 million within the next one year.

As the property market is foreseen to regain its momentum with the opening up of all economic sectors, we believe the demand for landed properties in strategic growth area with good infrastructure and connectivity will improve further. Based on the unbilled revenue from the total committed property sales of RM87 million as at 22 December 2022, the Group is expected to perform satisfactorily in the financial year ending 31 January 2023.

**B4 Variance of actual profit from forecast profit and shortfall in profit guarantee**

This is not applicable.

**B5 Tax**

|  | Current<br>Quarter<br>Ended<br>31.10.2022<br>RM'000 | Financial<br>Year-to-date<br>Ended<br>31.10.2022<br>RM'000 |
|--|---|--|
| Current tax  |   |  |
| Current year   | 2,750   | 15,408   |
| Deferred tax:  |   |  |
| Relating to origination and reversal of temporary difference | (300)   | (2,817)  |
| Prior years  | (2)   | (14)   |
|  | 2,448   | 12,577   |

The effective tax rates for the current quarter and the current financial year-to-date were higher than the statutory tax rate mainly due to certain expenses which are not deductible for tax purposes.

**B6 Status of corporate proposals**

There were no corporate proposals announced but not completed as at 22 December 2022.

**B7 Group borrowings and debt securities**

(a) The Group loans and borrowings as at 31 October 2022 and 31 October 2021 were as follows:

|                   | <u>As at 31 October 2022</u> |                      |                 |
|-------------------|------------------------------|----------------------|-----------------|
|                   | Long term<br>RM'000          | Short term<br>RM'000 | Total<br>RM'000 |
| Secured:          |                              |                      |                 |
| Bank overdrafts   | -                            | 4,990                | 4,990           |
| Revolving credit  | -                            | 4,000                | 4,000           |
| Medium Term Notes | 200,000                      | -                    | 200,000         |
| Term Loans        | 22,071                       | 60,871               | 82,942          |
|                   | <u>222,071</u>               | <u>69,861</u>        | <u>291,932</u>  |
|                   |                              |                      |                 |
|                   | <u>As at 31 October 2021</u> |                      |                 |
|                   | Long term<br>RM'000          | Short term<br>RM'000 | Total<br>RM'000 |
| Secured:          |                              |                      |                 |
| Medium Term Notes | 200,000                      | -                    | 200,000         |
| Term Loans        | 82,943                       | 53,272               | 136,215         |
|                   | <u>282,943</u>               | <u>53,272</u>        | <u>336,215</u>  |

(b) The decrease in loans and borrowings is mainly due to repayment.

(c) As at 31 October 2022, the weighted average interest rate of loan and borrowings ranged from 3.7% to 7.3% (31.10.2021: 3.6% to 4.4%) and after taking into account the effect of interest rate swap, approximately 61% (31.10.2021: 56%) of the loans and borrowings are at fixed rate of interest.

(d) The interest capitalised in the land held for property development and property development costs for the current financial period ended 31 October 2022 is RM245,000.

**B8 Derivatives**

(a) The Group outstanding derivatives as at 31 October 2022 are as follows:

| Type of Derivatives | Notional<br>value<br>RM'000 | Fair value<br>RM'000 |
|---------------------|-----------------------------|----------------------|
|                     | Interest rate swap ("IRS")  | <u>17,490</u>        |

(i) The Group entered into IRS agreement that is designated as a cash flow hedge to reduce the Group's exposure to adverse fluctuations in interest rates on underlying debt instrument.

(ii) There is no changes on the information disclosed in related to risk, cash requirements, financial risk management and related accounting policy associated with the derivatives since the end of the previous financial year.

(b) Fair value changes of financial liabilities

|  | Current<br>Quarter<br>Ended<br>31.10.2022<br>RM'000    | Financial<br>Year-to-date<br>Ended<br>31.10.2022<br>RM'000 |
|--|--|--|
|  | Fair value gain / (loss)<br>Interest rate swap ("IRS") | <u>106</u>   |

(i) The fair value is calculated by reference to the difference between fixed and floating interest rates.

(ii) The gain was due to the floating interest rate has moved favourably for the Group from the last measurement date.

**B9 Material litigation**

As at 22 December 2022, there is no material litigation against the Group.

**B10 Dividend**

(a) No dividend has been declared or proposed for the current financial quarter ended 31 October 2022.

(b) Total dividend for the current financial year : 3 sen single tier per share.

**B11 Earnings per share ("EPS")**

Basic earnings per share amounts are calculated by dividing profit for the period/year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period/year, excluding treasury shares held by the Company.

|  | Current<br>Quarter<br>Ended<br>31.10.2022 | Financial<br>Year-to-date<br>Ended<br>31.10.2022 |
|--|---|--|
| Profit net of tax attributable to owners of the Company (RM'000) | <u>4,856</u>                              | <u>28,162</u>                                    |
| Weighted average number of ordinary shares in issue ('000)       | <u>279,419</u>                            | <u>279,419</u>                                   |
| Basic earnings per share (Sen)                                   | <u>1.74</u>                               | <u>10.08</u>                                     |

**B12 Notes to the statement of comprehensive income**

|  | Current<br>Quarter<br>Ended<br>31.10.2022<br>RM'000 | Financial<br>Year-to-date<br>Ended<br>31.10.2022<br>RM'000 |
|--|---|--|
| (a) Interest income  | 555   | 1,431  |
| (b) Other income including investment income                                   | 2,697   | 8,998  |
| (c) Interest expenses  | (2,940)   | (8,997)  |
| (d) Depreciation and amortisation  | (2,145)   | (6,562)  |
| (e) (Provision for and write off) / write back of receivables                  | (0)   | 6  |
| (f) (Provision for and write off) / write back of inventories                  | 32  | (35)   |
| (g) Gain or (loss) on disposal of quoted or unquoted investments or properties | 14  | 22   |
| (h) Impairment of assets   | -   | -  |
| (i) Foreign exchange gain or (loss)  | 156   | 280  |
| (j) Gain or (loss) on derivatives  | 106   | 372  |
| (k) Exceptional items  | -   | -  |