

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2020**

	----- INDIVIDUAL QUARTER -----		----- CUMULATIVE QUARTER -----	
	Current Year Quarter 31 Mar 2020	Preceding Year Corresponding Quarter 31 Mar 2019	Current Year To-date 31 Mar 2020	Preceding Year Corresponding Period 31 Mar 2019
	RM'000	RM'000	RM'000	RM'000
Revenue	7,446	7,227	7,446	7,227
Operating expenses	(7,570)	(8,142)	(7,570)	(8,142)
Other operating income	17	29	17	29
Loss From Operations	(107)	(886)	(107)	(886)
Interest income	104	69	104	69
Interest expenses	(81)	(96)	(81)	(96)
Loss Before Tax	(84)	(913)	(84)	(913)
Taxation	(943)	(398)	(943)	(398)
Loss For The Period	(1,027)	(1,311)	(1,027)	(1,311)
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	(1,027)	(1,311)	(1,027)	(1,311)
Attributable to:				
Equity holders of the parent	(1,027)	(1,303)	(1,027)	(1,303)
Non-controlling interests	*	(8)	*	(8)
	(1,027)	(1,311)	(1,027)	(1,311)
Total Comprehensive Income / (Loss) attributable to equity holders of the parent :				
Basic Loss per share (Sen)	(0.47)	(0.65)	(0.47)	(0.65)

(*) Less than RM1,000

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the Year Ended 31 Dec 2019 and the accompanying notes attached to the Interim Financial Statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

	As at end of Current Quarter 31 Mar 2020	As at Preceding Year Ended 31 Dec 2019
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	1,629	1,194
Investment property	18,065	18,123
Land held for property development	152,007	151,627
Deferred tax assets	142	928
	171,843	171,872
CURRENT ASSETS		
Inventories	74,548	77,491
Property development expenditure	26,931	22,124
Contract assets	4,022	2,305
Trade receivables	30,306	34,207
Other receivables, deposits and prepayments	10,150	1,638
Current tax assets	104	104
Cash and cash equivalents	25,546	66,391
	171,607	204,260
TOTAL ASSETS	343,450	376,132
EQUITY AND LIABILITIES		
Equity attributable to equity holders of parent -		
Share capital	218,478	218,478
Retained earnings	73,962	74,989
	292,440	293,467
NON-CONTROLLING INTEREST	482	482
TOTAL EQUITY	292,922	293,949
NON-CURRENT LIABILITIES		
Obligation under finance leases (Long Term)	533	190
Term Loan (Long Term)	9,091	5,840
Deferred tax liabilities	9,862	9,901
	19,486	15,931
CURRENT LIABILITIES		
Trade payables	24,887	22,946
Other payables and accruals	3,968	40,476
Amount due to directors	44	-
Obligation under finance leases (Short Term)	307	233
Term Loan (Short Term)	764	745
Current tax liabilities	1,072	1,852
	31,042	66,252
TOTAL LIABILITIES	50,528	82,183
TOTAL EQUITY AND LIABILITIES	343,450	376,132
Net assets / share attributable to ordinary equity holders of the parent (RM)	1.34	1.34

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the Year Ended 31 Dec 2019 and the accompanying notes attached to the Interim Financial Statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2020**

	Share capital	Irredeem- able convertible preference shares	Warrant reserve	Retained earnings	Non - controlling interest	TOTAL EQUITY
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Current Quarter						
Balance as at 1 January 2020	218,478	-	-	74,989	482	293,949
Profit after Tax	-	-	-	(1,027)	-	(1,027)
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Loss	-	-	-	(1,027)	-	(1,027)
Transaction with owners :						
Mandatory conversion of irredeemable convertible preference shares into ordinary shares	-	-	-	-	-	-
Transfer to retained earnings upon lapse of warrants	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-
Balance as at 31 Mar 2020	218,478	-	-	73,962	482	292,922
Preceding Year's Corresponding Quarter						
Balance as at 1 January 2019	199,384	19,094	2,584	68,378	477	289,917
Profit after Tax	-	-	-	(1,303)	(8)	(1,311)
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Loss	-	-	-	(1,303)	(8)	(1,311)
Transaction with owners :						
Issue of ordinary shares from conversion of warrant	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-
Balance as at 31 Mar 2019	199,384	19,094	2,584	67,075	469	288,606

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the Year Ended 31 Dec 2019 and the accompanying notes attached to the Interim Financial Statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2020**

	Current Quarter Ended 31 Mar 2020	Preceding Year Quarter 31 Mar 2019
	RM'000	RM'000
LOSS BEFORE TAX	(84)	(913)
Depreciation on property, plant and equipment	108	102
Amortisation of investment property	58	58
Loss on disposal of property, plant and equipment - current year	-	224
Interest on obligation under finance leases	6	8
Term loan interest	75	88
Interest income	(104)	(69)
Operating Profit / (Loss) Before Working Capital Changes	59	(502)
CHANGES IN WORKING CAPITAL :		
Decrease/(Increase) in inventories	2,943	(32,807)
Decrease/(Increase) in property development costs	(4,807)	48,962
Decrease/(Increase) in contract assets/liabilities	(1,717)	23,361
Decrease/(Increase) in receivables	(4,611)	(10,237)
(Decrease)/Increase in payables	(34,567)	1,371
Cash Flows (Used In) / Generated From Operations	(42,700)	30,148
Taxes paid	(976)	(324)
Net Cash Flows (Used In) / Generated From Operating Activities	(43,676)	29,824
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(543)	-
Addition of land held for property development	(380)	(1)
Interest income	104	69
Net Cash Flow (Used In) / Generated From Investing Activities	(819)	68
FINANCING ACTIVITIES		
Net Drawdown of loans and borrowings	5,488	-
Repayment of obligation under finance lease	(71)	(77)
Repayment of term loan	(1,730)	(206)
Interest on obligation under finance leases	(6)	(8)
Term loan interest	(75)	(88)
Advance from / (Repayment to) directors	44	(460)
Net Cash Flows Generated From / (Used In) Financing Activities	3,650	(839)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(40,845)	29,053
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	66,391	5,604
CASH AND CASH EQUIVALENTS AT END OF PERIOD	25,546	34,657
Represented by :		
Cash and bank balances	15,941	24,355
Fixed deposit with licensed bank	9,605	10,302
	25,546	34,657

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the Year Ended 31 Dec 2019 and the accompanying notes attached to the Interim Financial Statements)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2020

1. BASIS OF PREPARATION

The Interim Financial Statements for the first quarter ended 31 March 2020 are unaudited and have been prepared in accordance with the requirements of MFRS 134 – "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"). The Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2019.

These explanatory notes attached to the Interim Financial Statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2019.

2. CHANGES IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted by the Group in preparing this Interim Financial Statements are consistent with those adopted in the Audited Financial Statements for the year ended 31 December 2019.

On 1 January 2020, the Group has adopted the following new and amended Malaysian Financial Reporting Standards ("MFRSs") and Issues Committee ("IC") Interpretation mandatory for annual financial periods beginning on or after 1 January 2020 :

Amendments to MFRS 2, MFRS 3, MFRS 6, MFRS 14, MFRS 101, MFRS 108, MFRS 134, MFRS 137 and MFRS 138	Amendments to References to the Conceptual Framework in MFRS Standards
Amendments to MFRS 7, MFRS 9 and MFRS 139	Interest Rate Benchmark Reform
Amendments to IC Interpretation 12, IC Interpretation 19, IC Interpretation 20, IC Interpretation 22 and IC Interpretation 132	Amendments to References to the Conceptual Framework in MFRS Standards

The adoption of the new and amended MFRSs that came into effect during the financial quarter under review do not have any material effect on the financial performance or position of the Group.

3. AUDITORS' REPORT ON PRECEDING AUDITED FINANCIAL STATEMENTS

The auditors' report on the Audited Financial Statements for the year ended 31 December 2019 was not subject to any qualification.

4. SEASONAL OR CYCLICAL FACTORS

The business operations of the Group for the current financial quarter and year-to-date were not subject to any seasonal or cyclical factors.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2020**

5. UNUSUAL ITEMS

There were no unusual items which have a material effect on the assets, liabilities, equity, net income or cash flow of the Group for the current financial quarter and year-to-date.

6. CHANGES IN ESTIMATES

There were no changes in estimates of amounts reported in prior financial years which may have a material effect in the current financial quarter.

7. DEBT, EQUITY AND CONVERTIBLE SECURITIES

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter.

8. DIVIDEND PAID

The Company did not make any payment of dividends during the current financial quarter.

9. LOSS BEFORE TAX

The following items have been included in arriving at loss before tax :

	---- Individual Quarter ----		---- Cumulative Quarter ----	
	31 Mar 2020	31 Mar 2019	31 Mar 2020	31 Mar 2019
	RM'000	RM'000	RM'000	RM'000
Depreciation on property, plant and equipment	108	102	108	102
Amortisation of investment property	58	58	58	58
Loss on disposal of property, plant and equipment				
- current year	-	224	-	224
Liquidated damages on late completion	-	666	-	666

Save for the items disclosed in the Statement of Comprehensive Income and the note above, other items pursuant to Appendix 9B Note 16 of the MMLR are not applicable.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2020**

10. SEGMENTAL INFORMATION

The analysis of the Group's operations for the current financial year-to-date ended 31 March 2020 are as follows :

	<u>Property Investment & Others</u> RM'000	<u>Property Development</u> RM'000	<u>GROUP</u> RM'000
Segment Revenue - External	173	7,273	7,446
Segment Results	(658)	551	(107)
Interest Income			104
Interest Expenses			(81)
Loss Before Tax			(84)
Taxation			(943)
Loss for the Period			(1,027)

11. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The valuation of property, plant and equipment has been brought forward without any amendments from the Audited Financial Statements for the year ended 31 December 2019.

12. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE PERIOD UNDER REVIEW

There were no material events subsequent to the end of the current financial quarter that have not been reflected in the Interim Financial Statements as at the date of this Quarterly Report.

13. CHANGES IN COMPOSITION OF THE GROUP

There was no material change in the composition of the Group for the current financial quarter and year to-date.

14. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There was no material contingent liabilities and/or contingent assets as at the date of this Quarterly Report.

15. CAPITAL COMMITMENTS

There was no material capital commitments which are not provided for in the Interim Financial Statements as at the date of this Quarterly Report.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2020**

16. FINANCIAL REVIEW FOR CURRENT QUARTER AND FINANCIAL YEAR-TO-DATE

The Group's revenue was mainly derived from the development activities for the current financial quarter and year-to-date ended 31 March 2020.

	Individual Quarter and Cumulative Quarter (Year-To-Date)		Changes RM'000
	Current Year Current Quarter and Year-To-Date 31 Mar 2020 ("Q1FY20 and YTD2020") RM'000	Preceding Year Corresponding Quarter and Year-To-Date 31 Dec 2019 ("Q1FY19 and YTD2019") RM'000	
Revenue	7,446	7,227	219
Operating Profit/(Loss)	60	(501)	561
Loss Before Interest and Tax	(3)	(817)	814
Loss Before Tax ("LBT")	(84)	(913)	829
Loss After Tax ("LAT")	(1,027)	(1,311)	284
Loss Attributable to Ordinary Equity Holders of the Parent	(1,027)	(1,303)	276

The Group reported a slightly higher revenue of RM7.45 million for the current Q1FY20 compared to RM7.23 million reported in the preceding year's corresponding Q1FY19.

The Group recorded LAT of RM1.03 million in the current Q1FY20 and YTD2020 compared to RM1.31 million in the preceding year's Q1FY19 and YTD2019 primarily due to lower revenue for both reporting quarters.

17. FINANCIAL REVIEW FOR CURRENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER

	Current Quarter 31 Mar 2020 ("Q1FY20") RM'000	Immediate Preceding Quarter 31 Dec 2019 ("Q4FY19") RM'000	Changes RM'000
Revenue	7,446	14,629	(7,183)
Operating Profit	60	1,340	(1,280)
(Loss)/Profit Before Interest and Tax	(3)	1,734	(1,737)
(Loss)/Profit Before Tax ("LBT"/"PBT")	(84)	1,602	(1,686)
(Loss)/Profit After Tax ("LAT"/"PAT")	(1,027)	1,163	(2,190)
(Loss)/Profit Attributable to Ordinary Equity Holders of the Parent	(1,027)	1,154	(2,181)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2020**

**17. FINANCIAL REVIEW FOR CURRENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER
(Cont'd)**

The Group's revenue for the current Q1FY20 was lower at RM7.45 million, a decrease of RM7.18 million compared to the immediate preceding Q4FY19 of RM14.63 million. The decrease in revenue for the current Q1FY20 was mainly attributable to lesser on-going development projects, continuing weak market condition arising from the negative impact of COVID-19 pandemic and the Government's implementation of Movement Control Order (MCO) from 18 March 2020 to contain the spread of COVID-19 pandemic.

The Group posted a LBT of RM0.08 million in the current Q1FY20 compared to a PBT of RM1.60 million reported in the immediate preceding Q4FY19 mainly due to the significant decrease in revenue for the current financial quarter as above-mentioned.

Under the new accounting standard MFRS15, the revenue from the PPAM Scheme under Trifolia Project amounting to RM1.92 million could not be recognized until the Project has been fully completed and handed-over to the Purchasers. Had this revenue been recognized, the Group's revenue for the current Q1FY20 would have been RM9.37 million, representing a decrease of RM5.26 million compared to the immediate preceding Q4FY19.

18. PROSPECTS

With the global outbreak of Covid-19 pandemic beginning from late last year and early 2020 coupled with the imposition of the movement control order by the Malaysian Government since 18 March 2020, the outlook of the local economy remains uncertain and challenging in the near term.

We have resumed operations in May 2020 by following strict standard operating procedures with regard to hygiene and sanitisation of the office premise and construction sites. This will ensure the Group is able to operate in a safe environment and allow us to catch up on work progress at site.

It is still early to quantify the financial effects on the Group's results for the current financial year ending 31 December 2020 which will to a large extent be dependent on the duration of the COVID-19 crisis and the measures taken by the government to stimulate the economy. The Group has taken steps to mitigate the impact by implementing cost savings and rationalization measures. This includes temporarily freezing staff recruitment whilst still maintaining operational efficiency at all levels.

The stimulus measures announced by the Government for the property sector augur well for us as it is in line with our product mix. We will navigate this uncertain period by being prudent in our spending to conserve cash where appropriate to ensure liquidity to sustain the Group. As for future project launches, the Group is deliberating postponing some of them, as the Group keeps a close eye on the prevailing market conditions.

The Group's unbilled sales stood at RM76.46 million as at 31 March 2020, which is expected to continue to contribute positively to the Group's earnings in the near future.

19. PROFIT FORECAST AND PROFIT GUARANTEE

Not applicable as the Company did not issue any profit forecast and/or profit guarantee.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2020**

20. TAXATION

The taxation charge for the Group are as follows :

	Current Quarter RM'000	Current Year-To-Date RM'000
Income tax expense :-		
Estimated current year tax	(196)	(196)
Under provision in prior year	-	-
	(196)	(196)
Deferred tax :-		
Reversal of deferred tax liability	39	39
Reversal of deferred tax assets	(786)	(786)
	(747)	(747)
	(943)	(943)

The Group reported a taxation charge despite having loss before tax due to certain subsidiaries registering profitable results. In addition, the reversal of deferred tax assets in connection with the unabsorbed tax losses brought forward from previous years has also increased the taxation charge for the current financial quarter and year-to-date.

21. SALE OF UNQUOTED INVESTMENTS AND PROPERTIES

There was no sale of unquoted investments and/or properties for the current financial quarter and year-to-date.

22. QUOTED SECURITIES

There was no purchase or disposal of quoted securities for the current financial quarter and year-to-date.

23. TRADE RECEIVABLES

	GROUP	
	As At 31 Mar 2020 RM'000	As At 31 Dec 2019 RM'000
Property Development	28,045	31,946
Management Fee	2,261	2,261
	30,306	34,207

Trade receivables comprise receivables from property development and management fee.

The trade receivables from property development comprises progress billings receivable from on-going development projects and received retention sums of completed development projects held by the solicitors as stakeholder in pursuant to the sale and purchase agreements. The progress billings are due within 21 days while, the retention sums are due upon the expiry of the defect liability period of 12 to 24 months. Other credit terms are assessed and approved on a case-to-case basis.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2020**

23. TRADE RECEIVABLES (Cont'd)

The trade receivables from the progress billings are creditworthy debtors with mainly good payment records and have obtained and/or in the process of obtaining end financing to fund their purchase of the Group's development properties.

24. GROUP BORROWINGS AND DEBT SECURITIES

The Group's borrowings and debts securities as at 31 March 2020 are analysed as follows :

	<u>Short Term</u> RM'000	<u>Long Term</u> RM'000	<u>TOTAL</u> <u>BORROWINGS</u> RM'000
<u>Secured</u>			
Term Loan	764	9,091	9,855
Hire Purchase	307	533	840
TOTAL	1,071	9,624	10,695

There was no borrowing or debt security denominated in foreign currencies.

25. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There was no financial instrument with off balance sheet risk as at the date of this Quarterly Report.

26. MATERIAL LITIGATION

There was no material litigation as at the date of this Quarterly Report.

27. DIVIDEND

The Board of Directors does not recommend any dividend for the current financial quarter and year-to-date.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2020**

28. LOSS PER SHARE

Loss per share is calculated by dividing the total comprehensive income attributable to equity holders of the parent for the current financial quarter and year-to-date by the weighted average of ordinary shares in issue during the said quarter and year-to-date.

	Individual Quarter	Cumulative Quarter
Loss attributable to equity holders of the parent (RM'000)	(1,027)	(1,027)
Weighted average number of ordinary share in issue ('000)	218,478	218,478
Loss per share (sen)	(0.47)	(0.47)

By Order of the Board

Chen Wee Sam (LS 0009709)
Secretary
Kuala Lumpur

Date : 30 June 2020