

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2020

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER (30-11-2020) RM'000	PRECEDING YEAR CORRESPONDING QUARTER (30-11-2019) RM'000	CURRENT YEAR TODATE (30-11-2020) RM'000	PRECEDING YEAR CORRESPONDING PERIOD (30-11-2019) RM'000
Revenue	66,018	67,992	66,018	67,992
Operating expenses	(59,407)	(60,800)	(59,407)	(60,800)
Other operating income	1,839	1,001	1,839	1,001
Profit from operations	8,450	8,193	8,450	8,193
Finance costs	(1,935)	(2,727)	(1,935)	(2,727)
Profit after finance cost	6,515	5,466	6,515	5,466
Share of results of an associate	(1)	(2)	(1)	(2)
Share of results of a joint venture	(6)	(6)	(6)	(6)
Profit before taxation	6,508	5,458	6,508	5,458
Taxation	(1,635)	(1,981)	(1,635)	(1,981)
Profit for the period	4,873	3,477	4,873	3,477
Other comprehensive income, net of tax item that may be reclassified subsequently to profit or loss				
Fair value adjustment on available-for-sale financial assets	-	-	-	-
Total comprehensive income	4,873	3,477	4,873	3,477
Profit attributable to:				
Owners of the Company	4,121	2,942	4,121	2,942
Non-controlling interests	752	536	752	536
	4,873	3,477	4,873	3,477
Total comprehensive income attributable to:				
Owners of the Company	4,121	2,942	4,121	2,942
Non-controlling interests	752	536	752	536
	4,873	3,477	4,873	3,477
Earnings per share attributable to owners of the Company:-				
Basic(sen)	3.67	2.62	3.67	2.62

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 August 2020 and the accompanying explanatory notes attached.)

PLB ENGINEERING BERHAD
(Company Number : 418224 - X)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2020

(The figures have not been audited)

	UNAUDITED AS AT END OF CURRENT QUARTER 30-11-2020 RM'000	RESTATED AUDITED AS AT PRECEDING FINANCIAL YEAR END 31-08-2020 RM'000
ASSETS		
<u>Non-Current assets</u>		
Property, plant and equipment	179,717	180,713
Right-of-use asset	5,416	5,487
Investment properties	20,209	20,308
Inventories properties	45,369	44,118
Investment in an associate	3,260	3,261
Investment in a joint venture	530	536
Other investments	3	2
Deferred tax assets	3,605	3,602
Trade and other receivables	4,327	4,723
	<u>262,436</u>	<u>262,750</u>
<u>Current assets</u>		
Inventory properties	164,607	185,542
Contract assets	30,372	31,626
Trade receivables	54,603	46,376
Other receivables, deposits and prepayments	10,238	10,688
Tax recoverable	429	316
Fixed deposits with licensed banks	9,620	10,524
Cash and bank balances	11,625	17,308
	<u>281,494</u>	<u>302,380</u>
TOTAL ASSETS	<u><u>543,931</u></u>	<u><u>565,130</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owner of the Company		
Share Capital	112,395	112,395
Retained Profits	31,842	27,721
Shareholders' fund	<u>144,237</u>	<u>140,116</u>
Non-controlling interests	(7,434)	(8,186)
Total equity	<u>136,803</u>	<u>131,930</u>
<u>Non-current liabilities</u>		
Bank borrowings	176,177	187,670
Lease Liability	5,211	5,292
Deferred tax liabilities	1,207	1,139
Trade payables	10,984	5,927
	<u>193,579</u>	<u>200,028</u>
<u>Current liabilities</u>		
Contract liabilities	22,132	23,419
Trade payables	52,011	59,181
Other payables and accruals	20,548	20,605
Bank borrowings	118,363	128,461
Lease Liability	205	195
Provision for taxation	288	1,311
	<u>213,548</u>	<u>233,172</u>
Total liabilities	<u>407,127</u>	<u>433,200</u>
TOTAL EQUITY AND LIABILITIES	<u><u>543,931</u></u>	<u><u>565,130</u></u>
Net tangible assets per share (RM)	1.28	1.25

(The Condensed Consolidated of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 August 2020 and the accompanying explanatory notes attached.)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 NOVEMBER 2020

(The figures have not been audited)

	←	Attributable to owners of the Company			→
	Share Capital	Distributable Retained Profits	Total	Non-controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000
3 months period end 30 November 2020					
Balance at 1 September 2020	112,395	33,757	146,152	(8,186)	137,966
Effects of adopting MFRS 123	-	(6,036)	(6,036)	-	(6,036)
As restated balance at 1 September 2020	112,395	27,721	140,116	(8,186)	131,930
Total comprehensive income for the period	-	4,121	4,121	752	4,873
Balance at 30 November 2020	112,395	31,843	144,238	(7,434)	136,803
3 months period end 30 November 2019					
Balance at 1 September 2019	112,395	39,900	152,295	(8,927)	143,368
Total comprehensive income for the period	-	2,942	2,942	536	3,478
Balance at 30 November 2019	112,395	42,842	155,237	(8,391)	146,846

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 August 2020 and the accompanying explanatory notes attached.)

PLB ENGINEERING BERHAD
(Company Number : 418224 - X)

(Indirect method)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30 NOVEMBER 2020

(The figures have not been audited)

	3 months ended 30-11-2020 RM'000	Audited 3 months ended 30-11-2019 RM'000
Cash Flows From Operating Activities		
Profit before taxation	6,508	5,458
Adjustment for :-		
Non-cash items - operating	2,080	2,255
Non-operating items - investing	(71)	(207)
Non-operating items - financing	1,935	2,727
Operating profit before working capital changes	<u>10,452</u>	<u>10,234</u>
Net Change in current assets	14,429	(22,197)
Net Change in current liabilities	(8,513)	15,038
Net Change in non-current assets	396	5,873
Net Change in non-current liabilities	5,057	(2,151)
Cash provided from operations	<u>21,821</u>	<u>6,797</u>
Interest income	78	51
Interest paid	(1,935)	(2,727)
Income tax paid	(2,705)	(5,245)
Net cash provided from/(used in) operating activities	<u>17,259</u>	<u>(1,124)</u>
Cash Flows From Investing Activities		
Land held for development	(1,252)	(1)
Withdrawal of fixed deposits	904	(48)
Purchase of property, plant & equipment	(1,004)	(284)
Net cash used in investing activities	<u>(1,352)</u>	<u>(333)</u>
Cash Flows From Financing Activities		
Repayment to bank borrowings	(17,677)	(998)
Net cash used in from financing activities	<u>(17,677)</u>	<u>(998)</u>
Net decrease in Cash	<u>(1,770)</u>	<u>(2,455)</u>
Cash And Cash Equivalents At Beginning	<u>(6,376)</u>	<u>(19,595)</u>
Cash And Cash Equivalents At End	<u><u>(8,146)</u></u>	<u><u>(22,050)</u></u>

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 31 August 2020 and the accompanying explanatory notes attached.)

Quarterly report on consolidated results for the period ended 30 November 2020

A NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for year ended 31 August 2020. These explanatory notes attached to the interim financial statements 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 August 2020.

Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 August 2020, except for the adoption of the following new Malaysian Financial Reporting Standards (“MFRS”) and Amendments to MFRSs which are applicable for the Group's financial period beginning 1 September 2020, as disclosed below:

Adoption of MFRSs and Amendments to MFRSs

Effective for annual periods beginning on or after 1 January 2020

Amendments to References to the Conceptual Framework in MFRS Standards

Amendments to MFRS 3 Business Combinations: Definition of a Business

Amendments to MFRS 101 Presentation of Financial Statements and MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Material

Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement and MFRS 7 Financial Instruments: Disclosures: Interest Rate Benchmark Reform

Effective for annual periods beginning on or after 1 June 2020

Amendments to MFRS 16 Leases: Covid-19 - Related Rent Concessions

Effective for annual periods beginning on or after 1 January 2021

Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement, MFRS 7 Financial Instruments: Disclosures, MFRS 4 Insurance Contracts and MFRS 16 Leases: Interest Rate Benchmark Reform – Phase 2

Effective for annual periods beginning on or after 1 January 2022

Amendments to MFRS 3 Business Combination: Reference to the Conceptual Framework
Amendments to MFRS 116 Property, Plant and Equipment: Property, Plant and Equipment – Proceeds before Intended Use

Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Asset
Onerous Contracts – Cost of Fulfilling a Contract

Annual Improvements to MFRS Standards 2018 – 2020

Quarterly report on consolidated results for the period ended 30 November 2020

Effective for annual periods beginning on or after 1 January 2023

MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts

Amendments to MFRS 101 Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current

Effective date yet to be confirmed

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128

Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The existing MFRS 4 and Amendments to MFRS 4 will be withdrawn upon the adoption of the new MFRS 17 which will take effect on or after 1 January 2023.

IFRIC Agenda Decision on MFRS 123 Borrowing Costs

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

The Group is assessing the impact on the change in accounting policy pursuant to IFRIC agenda decision on borrowing costs incurred on property under construction where control is transferred over time.

Adoption of the above Amendments to MFRSs did not have any material impact on the financial performance or position of the Group and of the Company except adoption of MFRS 123 Borrowing Costs are shown below: -

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Quarterly report on consolidated results for the period ended 30 November 2020

Basis of Preparation

Statement Of Comprehensive Income For The Financial Year Ended 31 August 2020

	As previously stated RM'000	Adoption of MFRS 123 RM'000	As Restated RM'000
Revenue	171,175	2,217	173,392
Operating expenses	(164,996)	(8,253)	(173,249)
Gross profit	6,179	(6,036)	143
Other operating income	2,291	-	2,291
Profit from operation	8,470	(6,036)	2,434
Finance costs	(10,888)	-	(10,888)
Profit after finance cost	(2,418)	(6,036)	(8,454)
Share of results of associates	2	-	2
Share of results of a joint venture	(121)	-	(121)
Profit before taxation	(2,537)	(6,036)	(8,573)
Taxation	(2,928)	-	(2,928)
Total comprehensive loss for the financial year	(5,465)	(6,036)	(11,501)

Quarterly report on consolidated results for the period ended 30 November 2020

Basis of Preparation

Statement Of Comprehensive Income For The Financial Year Ended 31 August 2020(continued)

	As previously stated RM'000	Adoption of MFRS 123 RM'000	As Restated RM'000
Loss attributable to:			
Owners of the Company	(6,143)	(6,036)	(12,179)
Non-controlling interests	678	-	678
	<u>(5,465)</u>	<u>(6,036)</u>	<u>(11,501)</u>
Total comprehensive loss attributable to:			
Owners of the Company	(6,143)	(6,036)	(12,179)
Non-controlling interests	678	-	678
	<u>(5,465)</u>	<u>(6,036)</u>	<u>(11,501)</u>
Basic loss per share attributable to owners of the Company (sen)	<u>(5.47)</u>	<u>(5.37)</u>	<u>(10.84)</u>

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Quarterly report on consolidated results for the period ended 30 November 2020

Basis of Preparation

Consolidated Statement Of Financial Position

As At 31 August 2020

	As previously stated RM'000	Adoption of MFRS 123 RM'000	As Restated RM'000
ASSETS			
<u>Non-Current assets</u>			
Property, plant and equipment	180,713		180,713
Right-of-use asset	5,487		5,487
Investment properties	20,308		20,308
Inventories properties	44,118		44,118
Investment in an associate	3,261		3,261
Investment in a joint venture	536		536
Other investments	2		2
Deferred tax assets	3,602		3,602
Trade and other receivables	4,723		4,723
	262,750	-	262,750
<u>Current assets</u>			
Inventories properties	191,577	(6,036)	185,541
Contract assets	31,626		31,626
Trade receivables	46,376		46,376
Other receivables, deposits and prepayments	10,688		10,688
Tax recoverable	316		316
Fixed deposits with licensed banks	10,524		10,524
Cash and bank balances	17,308		17,308
	308,416	(6,036)	302,380
TOTAL ASSETS	571,166	(6,036)	565,130
EQUITY AND LIABILITIES			
Equity attributable to owner of the Company			
Share Capital	112,395		112,395
Retained profits	33,757	(6,036)	27,721
Shareholders' fund	146,152	(6,036)	140,116
Non-controlling interests	(8,186)		(8,186)
Total equity	137,966	(6,036)	131,930

Quarterly report on consolidated results for the period ended 30 November 2020

Consolidated Statement Of Financial Position (continued)

As At 31 August 2020

	As previously stated RM'000	Adoption of MFRS 123 RM'000	As Restated RM'000
<u>Non-current liabilities</u>			
Bank borrowings	187,670		187,670
Lease liability	5,292		5,292
Trade payable	5,927		5,927
Deferred tax liabilities	1,139		1,139
	<u>200,028</u>	<u>-</u>	<u>200,028</u>
<u>Current liabilities</u>			
Contract liabilities	23,419		23,419
Trade payables	59,181		59,181
Other payables and accruals	20,605		20,605
Bank borrowings	128,461		128,461
Lease liability	195		195
Provision for taxation	1,311		1,311
	<u>233,172</u>	<u>-</u>	<u>233,172</u>
Total liabilities	<u>433,200</u>	<u>-</u>	<u>433,200</u>
TOTAL EQUITY AND LIABILITIES	<u>571,166</u>	<u>(6,036)</u>	<u>565,130</u>

Basis of Preparation

Consolidated Statement of Cash Flow

As At 31 August 2020

	As previously stated RM'000	Adoption of MFRS 123 RM'000	As Restated RM'000
Cash Flows From Operating Activities			
Loss before taxation	(2,537)	(6,036)	(8,573)
Adjustment for :-			
Net Change in current assets	18,681	6,036	24,717

Quarterly report on consolidated results for the period ended 30 November 2020

A2. Audit qualification

There was no qualification on the report of the auditors on the annual financial statements of the Company for the immediate preceding financial year.

A3. Seasonal or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors during the financial period under review apart from unfavorable weather conditions, increase in cost of construction materials or festival seasons.

A4. Item of unusual nature

Following the global outbreak of Covid-19 pandemic, the Malaysian Government had imposed various phases of Movement Control Order ("MCO") since 18 March 2020 as a preventive measure to curb the pandemic. For the current quarter ended 30 November 2020, Malaysia was in the Recovery MCO ("RMCO") phase which was scheduled to end on 31 March 2021. On 11 January 2021, the Government had further announced the implementation of MCO, CMCO and RMCO throughout the nation for a period of 14 days starting from 13 January 2021 until 26 January 2021.

Other than the above, there was no unusual item affecting assets, liabilities, equity, net income, or cash flows during the financial quarter ended 30 November 2020

A5. Changes in estimates

There were no significant changes in the estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years.

A6. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities during the financial period under review.

A7. Dividends paid

There was no dividend proposed during the quarter under review.

Quarterly report on consolidated results for the period ended 30 November 2020

A8. Segmental analysis

Current period ended 30 November 2020	Investment Holding	Trading	Property Letting	Construction	Property Development	Waste Management	Renewable Energy	Others (Note 2)	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue										
External sales	-	384	178	5,144	52,226	4,907	3,178	1	-	66,018
Inter-segment sales	957	4,682	143	23,379	-	-	-	32	(29,193)	-
Total revenue	957	5,066	321	28,523	52,226	4,907	3,178	33	(29,193)	66,018
Segment results	15	57	188	1,204	2,353	1,238	1,233	9	313	6,610
Unallocated income (Note 1)										1,839
Profit from operations										8,450
Finance costs										(1,935)
Share of result of an Associate										(1)
Share of result of a joint venture										(6)
Profit before taxation										6,508

Note:

1. Unallocated income mainly represents fixed deposit interest income, scrap sales, wages subsidy programme, gain on fair value adjustment on retention sum, gain on forex exchange, rental of building & machinery, land and factory.
2. Other segment represents sales from brick making.

Quarterly report on consolidated results for the period ended 30 November 2020

	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Assets										
Segment assets	4,107	766	14,210	80,775	230,887	64,244	119,861	11	-	514,861
Investment in an associate	604	-	-	-	2,656	-	-	-	-	3,260
Investment in a Joint venture	-	-	-	-	530	-	-	-	-	530
Deferred tax asset	-	-	-	1,470	2,135	-	-	-	-	3,605
Tax recoverable	25	-	-	84	195	125	-	-	-	429
Fixed deposits with licensed banks	-	-	-	1,132	5,416	150	2,922	-	-	9,620
Cash and bank balances	3	-	2	2,344	4,769	2,286	2,221	-	-	11,625
Total assets	4,740	766	14,212	85,805	246,588	66,805	125,004	11	-	543,931
Liabilities										
Segment liabilities	1,763	13,455	193	58,824	18,434	10,584	7,822	16	-	111,092
Borrowings	-	705	-	55,045	134,242	3,744	100,803	-	-	294,540
Provision for taxation	78	-	17	353	(182)	-	23	-	-	288
Deferred tax liabilities	-	-	-	75	663	-	470	-	-	1,207
Total liabilities	1,841	14,160	210	114,297	153,157	14,328	109,119	16	-	407,127

Quarterly report on consolidated results for the period ended 30 November 2020

Current period ended 30 November 2019	Investment Holding	Trading	Property Letting	Construction	Property Development	Waste Management	Renewable Energy	Others (Note 4)	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>										
External sales	-	238	208	22,558	37,088	4,454	3,445	-	-	67,991
Inter-segment sales	999	8,133	148	18,610	(8,783)	-	-	41	(19,148)	-
Total revenue	<u>999</u>	<u>8,371</u>	<u>356</u>	<u>41,168</u>	<u>28,305</u>	<u>4,454</u>	<u>3,445</u>	<u>41</u>	<u>(19,148)</u>	<u>67,991</u>
Segment results	122	34	142	442	4,485	697	1,240	(37)	67	7,192
Unallocated income (Note 3)										1,001
Profit from operations										8,193
Finance costs										(2,727)
Share of result of an Associate										(2)
Share of result of a joint venture										(6)
Profit before taxation										<u>5,458</u>

Note:

- Unallocated income mainly represents fixed deposit interest income, scrap sales, gain on fair value adjustment on retention sum, rental of building & machinery, land, factory and leasing of palm tree.
- Other segment represents sales from brick making and advisory services.

Quarterly report on consolidated results for the period ended 30 November 2020

	Investment Holding	Trading	Property Letting	Construction	Property Development	Waste Management	Renewable Energy	Others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000
Assets										
Segment assets	1,269	3,145	14,840	125,415	254,001	52,805	98,763	536	-	550,772
Investment in an associate	602	-	-	-	3,856	-	-	-	-	4,458
Investment in a Joint venture	-	-	-	-	651	-	-	-	-	651
Deferred tax asset	-	-	-	2,028	-	-	-	-	-	2,028
Tax recoverable	25	-	-	138	2,298	147	16	-	-	2,599
Fixed deposits with licensed banks	-	-	-	321	8,206	1,276	3,029	-	-	12,832
Cash and bank balances	(14)	-	3	2,207	2,874	211	976	1	-	8,158
Total assets	1,857	3,145	14,840	130,109	271,885	56,339	102,784	537	-	581,497
Liabilities										
Segment liabilities	519	14,173	229	51,873	33,127	4,711	2,244	7	-	106,883
Borrowings	-	2,229	-	74,503	157,205	6,450	83,169	-	-	323,556
Provision for taxation	103	-	15	2,187	115	-	-	-	-	2,420
Deferred tax (assets)/ liabilities	-	-	-	409	1,385	-	-	-	-	1,794
Total liabilities	622	16,402	245	128,972	191,831	11,161	85,413	7	-	434,653

Quarterly report on consolidated results for the period ended 30 November 2020

A9. Valuations of property, plant and equipment

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

A10. Subsequent material event

There were no material events subsequent to the reporting period up to 19 January 2021 (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) that have been reflected in the financial statements for the quarter under review.

A11. Change in composition of the Group

There were no changes in the composition of the Group for the current quarter and financial period to-date.

A12. Contingent liabilities

Company

	As at 30/11/2020 RM'000
Unsecured:	
Corporate guarantees issued to financial institutions for banking facilities granted to certain subsidiaries	294,041
Corporate guarantees issued to financial institutions for banker guarantee facilities granted to certain subsidiaries for contract bond in favour of third parties	5,351
Performance guarantees issued to third parties for performance by certain subsidiaries	6,067

A13. Capital commitments

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

	As at 30/11/2020 RM'000
Property, plant and equipment	
- Contracted	45,836
Development land	
- Contracted	<u>261</u>
	<u>46,097</u>

Quarterly report on consolidated results for the period ended 30 November 2020

A14. Related party transactions

The Group’s related party transaction in the current financial year to date are as follows: -

	As at 30/11/2020 RM’000
Progress billing from related party - KH Base Engineering Sdn Bhd	288
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Related party

Relationship

KH-Base Engineering Sdn. Bhd. : A company in which persons connected to certain directors of the Company, have substantial financial interests.

Quarterly report on consolidated results for the period ended 30 November 2020

B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of performance

	Current Year To date 30.11.2020 RM'000	Preceding Year Corresponding Period 30.11.2019 RM'000
Revenue	66,018	67,992
Consolidated profit before taxation	6,508	5,458

For the period ended 30 November 2020, the Group recorded revenue of RM66.02 million and profit before tax of RM6.51 million compared to revenue of RM67.99 million and profit before tax of RM5.46 million respectively in the preceding year corresponding period.

The Group recorded higher profit before taxation for the current year to date compared to preceding year corresponding period. This is mainly due to contribution from property development sector.

B2. Variation of results against immediate preceding quarter

	Current Quarter 30.11.2020 RM'000	Preceding Quarter 31.08.2020 RM'000
Revenue	66,018	39,665
Consolidated profit before taxation	6,508	(2,459)

The Group recorded higher revenue and profit before taxation for the current quarter due to contribution from property development sector for the current quarter compared to preceding quarter. Impairment losses of RM8.33 million for inventory properties and investment in associate has also been recognised during preceding quarter.

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B3. Prospects

The Group shall focus on and develop its major business segments which are construction, property development, waste management and solar energy sector.

For Construction segment, the current on-going external construction projects at the unbilled sales of RM27 million located at Bukit Minyak-Prai, Penang and Sungai Petani-Kedah is expected to contribute to the Group turnover over the next year.

For Property Development segment the group shall continue with the development of its 100% affordable housing development scheme at Paya Terubong on Penang Island which is currently recorded unbilled sales of RM110 million.

The official commencement operations of landfill cell at Phase 3 is 1st January 2021; while the trial run commenced from 15 December 2020. The operation of solar farm is expected to contribute positively to the Group results.

B4. Comparison with profit forecast

Not applicable.

B5. Notes to the statement of comprehensive income

	Current Quarter 30/11/2020 RM'000	Cumulative Quarter 30/11/2020 RM'000
Profit for the period is arrived		
at after (crediting)/charging:		
-Interest income	(78)	(78)
-Interest expense	1,935	1,935
-Depreciation and amortization	2,100	2,100
-(Gain)/loss on fair value adjustment	(134)	(134)
-Foreign exchange (gain)/loss	(1,425)	(1,425)

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B6. Tax expense

	Current Quarter 30/11/2020 RM'000	Cumulative Quarter 30/11/2020 RM'000
Malaysian income tax: Based on results for the period		
- Current taxation	(1,569)	(1,569)
- Deferred taxation	2,056	2,056
	<u>(487)</u>	<u>(487)</u>
Over/(under) provision in prior years		
- Deferred taxation	(2,122)	(2,122)
	<u>(1,635)</u>	<u>(1,635)</u>

The effective tax rate of the Group for the cumulative quarter-to-date is higher than the statutory income tax rate. This is due to unabsorbed tax losses and tax allowances brought forward are not available to set off against taxable profits of other subsidiaries and certain expenses which are not deductible for tax purpose.

B7. Sale of unquoted investments and properties

There was no sale of unquoted investments and/or properties outside the ordinary course of the Group's business for the current quarter and financial year-to-date.

B8. Quoted securities

(a) There were no purchases or disposals of quoted securities for the current financial quarter and year-to-date.

(b) Investments in quoted securities as at 30 November 2020 were as follows: -
RM'000

Share quoted in Malaysia: -	
Balance at 01/09/2020	2
Fair value adjustment	<u>1</u>
Balance at 30/11/2020	<u>3</u>
At Market Value of quoted shares in Malaysia	<u>3</u>

B9. Status of corporate proposals

There are no corporate proposals that have been announced by the Company but not completed as at to-date save for the following:

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On 21 February 2020, the Board of Directors of PLB ("Board") announced that the Company entered into a conditional joint development agreement with the Government of the State of Penang and the Penang Development Corporation ("PDC") to undertake the following ("Proposed Joint Development"):

- (i) the safe rehabilitation of the existing dumpsite for the disposal of various types of waste on the land measuring approximately 84 acres located in Jelutong, Penang along Lebuhraya Tun Dr Lim Chong Eu and the additional area in excess of the existing area to be rehabilitated by PLB as required and approved by the relevant authorities ("Rehabilitation Works") and to secure the perimeters for the purpose of PLB carrying out and completing the Rehabilitation Works;
- (ii) the construction and operation of a new integrated recycling centre to be located on a site to be procured and acquired by PLB or its nominated subsidiary, for receiving, sorting and recovery of construction and demolition waste, green waste and excavation waste only, and the preparation thereof for reuse or recycling; and
- (iii) the development comprising residential, commercial and tourism developments/projects to be constructed on PLB's entitled land as described in the announcement.

Further, the Board announced that the Company had on 20 March 2020 entered into a Memorandum of Understanding with China Railway Engineering Corporation (M) Sdn Bhd ("CRECM") to establish a basis of co-operation and collaboration for the engineering, procurement and construction work for the Rehabilitation Works under the Project ("MOU"). Pursuant to the MOU, CRECM will receive 90% of PLB's entitled land as settlement for services rendered to the Company, namely for undertaking, management, implementation and construction of the Rehabilitation Works ("Proposed EPCC Settlement").

The Board announced that the Company had on 19 October 2020 applied to the PDC for an extension of time of up to 4 months to, among others, fulfil the conditions precedent of the JDA ("Extension"). As at date of this announcement, the decision from the PDC for the Extension is still pending.

Subsequent to above, the Company had appointed Henry Butcher Malaysia (Penang) Sdn Bhd, an independent registered valuer, to conduct a valuation on PLB's entitled land.

On 13 January 2021, the Board announced that the Company had on 24 December 2020 submitted an application to Bursa Securities to seek for an extension of time to submit the draft circular in relation to the Proposals i.e. by 2 February 2021 ("Extension of Time") to comply with Paragraph 9.33(1)(a) of the Listing Requirements. Bursa Securities had, vide its letter dated 12 January 2021, resolved to grant PLB the Extension of Time.

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B10. Group borrowings and debt securities

As at 30/11/2020	Foreign Currency USD'000	Group 30/11/2020 RM'000	Secured 30/11/2020 RM'000	Unsecured 30/11/2020 RM'000	S/Term 30/11/2020 RM'000	L/Term 30/11/2020 RM'000
Banker's acceptance	N/A	49,641	49,641	-	49,641	-
Invoice financing	N/A	899	899	-	899	-
Bank overdraft	N/A	19,772	19,772	-	19,772	-
Hire purchases	N/A	499	499	-	178	321
Revolving credits	N/A	25,052	-	25,052	19,606	5,446
Term loans	N/A	149,377	149,377	-	27,701	121,676
Term loan *	12,116	49,300	49,300	-	566	48,734
Total	12,116	294,540	269,488	25,052	118,363	176,177

As at 30/11/2019	Foreign Currency USD'000	Group 30/11/19 RM'000	Secured 30/11/19 RM'000	Unsecured 30/11/19 RM'000	S/Term 30/11/19 RM'000	L/Term 30/11/19 RM'000
Banker's acceptance	N/A	52,667	52,667	-	52,667	-
Invoice financing	N/A	1,281	1,281	-	1,281	-
Bank overdraft	N/A	30,208	30,208	-	30,208	-
Hire purchases	N/A	684	684	-	194	490
Revolving credits	N/A	16,900	-	16,900	16,900	-
Term loans	N/A	148,735	148,735	-	24,596	124,139
Term loan *	16,900	73,081	73,081	-	-	73,081
Total	16,900	323,556	306,656	16,900	125,846	197,710

Note:

* - Converted at exchange rate of 4.0690 as at 30 November 2020.

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B11. Derivative financial instruments

The Group does not have any financial instruments with off-balance sheet risk as at 30 November 2020.

B12. Realised and unrealised profit/(loss) disclosure

The retained profits of the Group as at 30 November 2020 and 31 August 2020 are analyzed as follows:

	As at 30/11/2020 RM'000	As at 31/08/2020 RM'000
Total retained profits of the Company and its subsidiaries:		
-Realised	77,368	79,815
-Unrealised	(1,132)	(1,139)
	<hr/> 76,236	<hr/> 78,676
Total share of retained profits from associates:		
-Realised	366	367
	<hr/> 76,602	<hr/> 79,043
Total share of retained profits from jointly controlled entities:		
-Realised	530	539
	<hr/> 77,132	<hr/> 79,582
Less: Consolidation adjustments	(45,290)	(45,825)
Total retained profits as per Consolidated Statement of Financial Position	<hr/> <hr/> 31,842	<hr/> <hr/> 33,757

B13. Changes in material litigation

During the financial quarter ended 30 November 2020, there were no material litigation that have been announced by the Company

B14. Dividend

No interim dividend has been declared by the Board for the financial quarter ended 30 November 2020.

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B15. Earnings per share

Basic earnings per share

The basic earnings per share of the Group is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the financial period.

	Individual quarter		Cumulative quarter	
	Current year quarter 30/11/2020 RM'000	Preceding year corresponding 30/11/2019 RM'000	Current year to date 30/11/2020 RM'000	Preceding year corresponding 30/11/2019 RM'000
Net earnings attributable to owners of the parent	4,121	2,942	4,121	2,942
Basic earnings per share				
Weighted average number of ordinary shares	112,395	112,395	112,395	112,395
Basic earnings per ordinary shares (sen)	<u>3.67</u>	<u>2.62</u>	<u>3.67</u>	<u>2.62</u>

Diluted earnings per ordinary share

There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the current quarter and financial period-to-date.

B16. Authorisation for issue

These financial statements were authorised for issue by the Board of Directors of the Group.

Date: 29 January 2021