

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 31 MAY 2021

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER (31-05-2021) RM'000	PRECEDING YEAR CORRESPONDING QUARTER (31-05-2020) RM'000	CURRENT YEAR TODATE (31-05-2021) RM'000	PRECEDING YEAR CORRESPONDING PERIOD (31-05-2020) RM'000
Revenue	41,274	9,145	152,569	131,510
Operating expenses	(39,532)	(10,254)	(140,489)	(124,268)
Other operating income	(662)	167	1,574	813
Profit/(loss) from operations	1,080	(942)	13,654	8,054
Finance costs	(1,850)	(2,420)	(6,183)	(8,114)
Profit/(loss) after finance cost	(770)	(3,362)	7,471	(60)
Share of results of an associate	-	(1)	(3)	3
Share of results of a joint venture	(14)	(9)	(21)	(22)
Profit/(loss) before taxation	(784)	(3,372)	7,447	(79)
Taxation	(576)	(895)	(3,675)	(2,299)
Profit/(loss) for the period	(1,360)	(4,267)	3,771	(2,378)
Other comprehensive income/(loss), net of tax item that may be reclassified subsequently to profit or loss	-	-	-	-
Total comprehensive income/(loss)	(1,360)	(4,267)	3,771	(2,378)
Profit/(loss) attributable to:				
Owners of the Company	(1,836)	(4,392)	2,320	(2,190)
Non-controlling interests	476	125	1,451	(188)
	(1,360)	(4,267)	3,771	(2,378)
Total comprehensive income/(loss) attributable to:				
Owners of the Company	(1,836)	(4,392)	2,320	(2,190)
Non-controlling interests	476	125	1,451	(188)
	(1,360)	(4,267)	3,771	(2,378)
Earnings/(loss) per share attributable to owners of the Company:-				
Basic(sen)	(1.63)	(3.91)	2.06	(1.95)

(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 31 MAY 2021

(The figures have not been audited)

	UNAUDITED AS AT END OF CURRENT QUARTER 31-05-2021 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	186,065	180,713
Right-of-use asset	5,704	5,487
Investment properties	20,011	20,308
Inventories properties	56,514	44,118
Investment in an associate	234	3,261
Investment in a joint venture	515	536
Other investments	5	2
Deferred tax assets	4,435	3,602
Trade and other receivables	4,327	4,723
	<u>277,811</u>	<u>262,750</u>
<u>Current assets</u>		
Inventory properties	159,992	185,542
Contract assets	29,031	31,626
Trade receivables	36,932	46,376
Other receivables, deposits and prepayments	14,039	10,688
Tax recoverable	923	316
Fixed deposits with licensed banks	5,265	10,524
Cash and bank balances	18,401	17,308
	<u>264,583</u>	<u>302,380</u>
TOTAL ASSETS	<u><u>542,393</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	30,041	27,721
Shareholders' fund	142,436	140,116
Non-controlling interests	(6,735)	(8,186)
Total equity	<u>135,701</u>	<u>131,930</u>
<u>Non-current liabilities</u>		
Bank borrowings	156,355	187,670
Lease Liability	5,488	5,292
Deferred tax liabilities	1,548	1,139
Trade payables	6,705	5,927
	<u>170,096</u>	<u>200,028</u>
<u>Current liabilities</u>		
Contract liabilities	28,192	23,419
Trade payables	58,643	59,181
Other payables and accruals	30,180	20,605
Bank borrowings	117,720	128,461
Lease Liability	217	195
Provision for taxation	1,643	1,311
	<u>236,596</u>	<u>233,172</u>
Total liabilities	<u>406,692</u>	<u>433,200</u>
TOTAL EQUITY AND LIABILITIES	<u><u>542,393</u></u>	<u><u>565,130</u></u>
Net tangible assets per share (RM)	1.27	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 31 MAY 2021

(The figures have not been audited)

	← Attributable to owners of the Company →				→
	Share Capital	Distributable Retained Profits	Total	Non-controlling Interest	
	RM'000	RM'000	RM'000	RM'000	RM'000
9 months period end 31 May 2021					
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	-	2,320	2,320	1,451	3,771
Balance at 31 May 2021	112,395	30,041	142,436	(6,735)	135,701
9 months period end 31 May 2020					
Balance at 1 September 2019	112,395	39,900	152,295	(8,927)	143,368
Total comprehensive income for the period	-	(2,190)	(2,190)	(188)	(2,378)
Balance at 31 May 2020	112,395	37,710	150,105	(9,115)	140,990

(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 31 MAY 2021

(The figures have not been audited)

	9 months ended 31-05-2021 RM'000	9 months ended 31-05-2020 RM'000
Cash Flows From Operating Activities		
Profit/(loss) before taxation	7,447	(79)
Adjustment for :-		
Non-cash items - operating	7,326	6,279
Non-operating items - investing	2,827	(212)
Non-operating items - financing	6,183	8,114
Operating profit before working capital changes	<u>23,783</u>	<u>14,103</u>
Net Change in current assets	34,292	(2,722)
Net Change in current liabilities	13,811	29,999
Net Change in non-current assets	(12,000)	6,036
Net Change in non-current liabilities	778	(1,907)
Cash provided from operations	<u>60,663</u>	<u>45,509</u>
Interest income	219	227
Interest paid	(6,183)	(8,114)
Income tax paid	(4,374)	(9,032)
Net cash provided from operating activities	<u>50,325</u>	<u>28,590</u>
Cash Flows From Investing Activities		
Land held for development	-	(1)
Placement of fixed deposits	5,259	1,847
Purchase of property, plant & equipment	(12,437)	(27,202)
Net cash used in investing activities	<u>(7,178)</u>	<u>(25,356)</u>
Cash Flows From Financing Activities		
(Repayment)/drawdown of bank borrowings	<u>(29,813)</u>	1,839
Net cash (used in)/provided from financing activities	<u>(29,813)</u>	<u>1,839</u>
Net increase in Cash	13,334	5,073
Cash And Cash Equivalents At Beginning	(6,376)	(19,595)
Cash And Cash Equivalents At End	<u>6,958</u>	<u>(14,522)</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 31 May 2021

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 31 May 2021

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 31 May 2021

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 31 May 2021

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 31 May 2021

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 31 May 2021

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group that are unusual due to their nature, size or incidence for the financial period under review.

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 31 May 2021

A8. Segmental analysis

Current period ended 31 May 2021	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	-	2,193	505	14,686	110,420	14,294	10,466	5	-	152,569
Inter-segment sales	3,909	9,846	418	69,924	-	-	-	94	(84,191)	-
Total revenue	3,909	12,039	923	84,610	110,420	14,294	10,466	99	(84,191)	152,569
Segment results	122	155	397	2,522	5,784	533	4,178	35	1,647	12,080
Unallocated income (Note 1)										1,574
Profit from operations										13,654
Finance costs										(6,183)
Share of result of an Associate										(3)
Share of result of a joint venture										(21)
Profit before taxation										7,447

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 31 May 2021

	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000
Assets										
Segment assets	8,622	1,271	13,707	82,845	215,960	72,185	118,021	10	-	512,620
Investment in an associate	234	-	-	-	-	-	-	-	-	234
Investment in a Joint venture	-	-	-	-	515	-	-	-	-	515
Deferred tax asset	-	-	-	1,905	2,530	-	-	-	-	4,435
Tax recoverable	-	-	-	630	168	124	-	-	-	923
Fixed deposits with licensed banks	-	-	-	1,946	213	150	2,956	-	-	5,265
Cash and bank balances	4	-	25	4,094	9,733	1,489	3,056	-	-	18,401
Total assets	8,860	1,271	13,732	91,420	229,120	73,948	124,033	10	-	542,393
Liabilities										
Provision for taxation	316	-	23	1,310	(20)	-	14	-	-	1,643
Deferred tax liabilities	-	-	-	504	574	-	470	-	-	1,548
Total liabilities	5,807	11,716	210	113,252	151,407	17,249	107,028	22	-	406,692

Quarterly report on consolidated results for the period ended 31 May 2021

Current period ended 31 May 2020	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	-	417	635	23,609	83,241	12,584	11,005	18	-	131,509
Inter-segment sales	5,818	19,349	435	58,176	(9,306)	-	-	84	(74,556)	-
Total revenue	5,818	19,766	1,070	81,785	73,935	12,584	11,005	102	(74,556)	131,509
Segment results	917	142	276	874	3,204	(1,334)	3,170	(102)	95	7,242
Unallocated income (Note 3)										812
Profit from operations										8,054
Finance costs										(8,114)
Share of result of an Associate										3
Share of result of a joint venture										(22)
Loss before taxation										(79)

Note:

- Unallocated income mainly represents fixed deposit interest income, scrap sales, wages subsidy programme, 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 31 May 2021

	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	1,320	4,148	14,418	101,253	259,263	56,854	116,284	325	-	553,866
Investment in an associate	607	-	-	-	3,856	-	-	-	-	4,463
Investment in a Joint venture	-	-	-	-	635	-	-	-	-	635
Deferred tax asset	-	-	-	2,028	-	-	-	-	-	2,028
Tax recoverable	-	-	-	743	3,963	184	2	-	-	4,891
Fixed deposits with licensed banks	-	-	-	326	6,488	1,276	2,850	-	-	10,940
Cash and bank balances	4	-	8	3,291	7,502	1,450	980	1	-	13,237
Total assets	1,931	4,148	14,426	107,641	281,708	59,764	120,116	326	-	590,060
Liabilities										
Segment liabilities	394	25,254	240	57,982	22,161	8,151	7,900	5	-	122,087
Borrowings	-	3,051	-	63,301	166,174	4,208	87,209	-	-	323,944
Provision for taxation	56	-	12	311	844	-	-	-	-	1,224
Deferred tax liabilities	-	-	-	403	1,412	-	-	-	-	1,815
Total liabilities	450	28,305	252	121,998	190,591	12,359	95,109	5	-	449,070

Quarterly report on consolidated results for the period ended 31 May 2021

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 21 July 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 31/05/2021 RM'000
Unsecured:	
Corporate guarantees issued to financial institutions for banking facilities granted to certain subsidiaries	273,558
Corporate guarantees issued to financial institutions for banker guarantee facilities granted to certain subsidiaries for contract bond in favour of third parties	5,720
Performance guarantees issued to third parties for performance by certain subsidiaries	5,261

Quarterly report on consolidated results for the period ended 31 May 2021

A13. Capital commitments

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

	As at 31/05/2021
	RM'000
Property, plant and equipment	
- Contracted	31,201
Development land	
- Contracted	<u>261</u>
	<u>31,462</u>

A14. Related party transactions

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

	As at 31/05/2021
	RM'000
Purchase of construction materials from related party	
- Hoon Teik Enterprise Sdn. Bhd.	55
Progress billing from related party	
- KH Base Engineering Sdn Bhd	4,083
	<hr/>

Related party

Relationship

Hoon Teik Enterprise Sdn. Bhd.	: A company in which certain directors of the Company, have substantial financial interests.
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 31 May 2021

B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of performance

	Current Year To date 31.05.2021 RM'000	Preceding Year Corresponding Period 31.05.2020 RM'000
Revenue	152,569	131,510
Consolidated profit/(loss) before taxation	7,447	(79)

For the period ended 31 May 2021, the Group recorded revenue of RM152.57 million and profit before tax of RM7.45 million compared to revenue of RM131.51 million and loss before tax of RM0.08 million respectively in the preceding year corresponding period.

The Group recorded higher revenue and 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 31.05.2021 RM'000	Preceding Quarter 28.02.2021 RM'000
Revenue	41,274	45,277
Consolidated (loss)/profit before taxation	(784)	1,724

The Group recorded lower revenue and profit before taxation for the current quarter due to lower contribution from property development sector.

Quarterly report on consolidated results for the period ended 31 May 2021

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 RM10 million located at Penang and Sungai Petani-Kedah is expected to contribute to the Group turnover during the year.

For Property Development segment, the Group's affordable housing development scheme at Paya Terubong on Penang Island was recorded unbilled sales of RM87 million.

The operation of landfill cell at Phase 3 officially commenced from 1st January 2021.

B4. Comparison with profit forecast

Not applicable.

B5. Notes to the statement of comprehensive income

	Current Quarter 31/05/2021 RM'000	Cumulative Quarter 31/05/2021 RM'000
Profit for the period is arrived		
at after (crediting)/charging:		
-Interest income	(67)	219
-Interest expense	1,851	6,183
-Depreciation and amortization	2,796	7,363
-(Gain)/loss on fair value adjustment	39	(107)
-Foreign exchange (gain)/loss	788	(826)

Quarterly report on consolidated results for the period ended 31 May 2021

B6. Tax expense

	Current Quarter 31/05/2021 RM'000	Cumulative Quarter 31/05/2021 RM'000
Malaysian income tax: Based on results for the period		
- Current taxation	(327)	(3,689)
- Deferred taxation	161	2,546
	<u>(166)</u>	<u>(1,143)</u>
Over/(under) provision in prior years		
- Current taxation	(410)	(410)
- Deferred taxation		(2,122)
	<u>(576)</u>	<u>(3,675)</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 31 May 2021 were as follows: -

	RM'000
Share quoted in Malaysia: -	
Balance at 01/09/2020	2
Fair value adjustment	<u>3</u>
Balance at 31/05/2021	<u>5</u>
At Market Value of quoted shares in Malaysia	<u>5</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:

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.

Quarterly report on consolidated results for the period ended 31 May 2021

The Shareholders of the Company had through its Extraordinary General Meeting held on 8 March 2021 approved the following proposals:

- (I) Proposed Joint Development for the implementation and completion of the rehabilitation works, new integrated recycling centre and development under the JDA; and
- (II) Proposed Settlement of services rendered by CRECM, namely undertaking management, implementation and construction of the rehabilitation works, via CRECM's entitlement.

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Quarterly report on consolidated results for the period ended 31 May 2021

B10. Group borrowings and debt securities

As at 31/05/2021	Foreign Currency USD'000	Group 31/05/2021 RM'000	Secured 31/05/2021 RM'000	Unsecured 31/05/2021 RM'000	S/Term 31/05/2021 RM'000	L/Term 31/05/2021 RM'000
Banker's acceptance	N/A	45,275	45,275	-	45,275	-
Invoice financing	N/A	-	-	-	-	-
Bank overdraft	N/A	11,443	11,443	-	11,443	-
Hire purchases	N/A	413	413	-	176	237
Revolving credits	N/A	26,432	-	26,432	14,713	11,719
Term loans	N/A	149,597	149,597	-	21,065	128,532
Term loan *	9,909	40,916	40,916	-	25,049	15,867
Total	9,909	274,076	247,644	26,432	117,720	156,355

As at 31/05/2020	Foreign Currency USD'000	Group 31/05/2020 RM'000	Secured 31/05/2020 RM'000	Unsecured 31/05/2020 RM'000	S/Term 31/05/2020 RM'000	L/Term 31/05/2020 RM'000
Banker's acceptance	N/A	52,585	52,585	-	52,585	-
Invoice financing	N/A	193	193	-	193	-
Bank overdraft	N/A	27,757	27,757	-	27,757	-
Hire purchases	N/A	584	584	-	356	228
Revolving credits	N/A	20,068	-	20,068	20,068	-
Term loans	N/A	148,396	148,396	-	24,968	123,428
Term loan *	17,100	74,359	74,359	-	-	74,359
Total	17,100	323,942	303,874	20,068	125,927	198,015

Note:

* - Converted at exchange rate of 4.129 as at 31 May 2021.

Quarterly report on consolidated results for the period ended 31 May 2021

B11. Derivative financial instruments

The Group does not have any financial instruments with off-balance sheet risk as at 31 May 2021.

B12. Realised and unrealised profit/(loss) disclosure

The retained profits of the Group as at 31 May 2021 and 31 August 2020 are analyzed as follows:

	As at 31/05/2021 RM'000	As at 31/08/2020 RM'000
Total retained profits of the Company and its subsidiaries:		
-Realised	80,745	79,815
-Unrealised	(1,548)	(1,139)
	<hr/> 79,197	<hr/> 78,676
Total share of retained profits from associates:		
-Realised	364	367
	<hr/> 79,561	<hr/> 79,043
Total share of retained profits from jointly controlled entities:		
-Realised	515	539
	<hr/> 80,076	<hr/> 79,582
Less: Consolidation adjustments	(50,035)	(45,825)
Total retained profits as per Consolidated Statement of Financial Position	<hr/> <hr/> 30,041	<hr/> <hr/> 33,757

B13. Changes in material litigation

During the financial quarter ended 31 May 2021, 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 31 May 2021.

Quarterly report on consolidated results for the period ended 31 May 2021

B15. Earnings/(loss) per share

Basic earnings/(loss) 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 31/05/2021 RM'000	Preceding year corresponding 31/05/2020 RM'000	Current year to date 31/05/2021 RM'000	Preceding year corresponding 31/05/2020 RM'000
Net earnings/(loss) attributable to owners of the parent	(1,836)	(4,392)	2,320	(2,190)
Basic earnings/(loss) per share				
Weighted average number of ordinary shares	112,395	112,395	112,395	112,395
Basic earnings/(loss) per ordinary shares (sen)	<u>(1.63)</u>	<u>(3.91)</u>	<u>2.06</u>	<u>(1.95)</u>

Diluted earnings/(loss) 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 July 2021