

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	3 months ended		Year ended	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
	RM'000	RM'000	RM'000	RM'000
<u>CONTINUING OPERATIONS</u>				
Revenue	90,360	91,268	195,810	165,526
Operating expenses	(69,805)	(62,932)	(148,886)	(122,509)
Other income	226	75	425	192
Finance costs	(1,048)	(112)	(1,951)	(243)
Profit before taxation	19,733	28,299	45,398	42,966
Taxation	(5,264)	(6,221)	(13,340)	(10,129)
Profit after taxation from continuing operation for the financial period	14,469	22,078	32,058	32,837
Profit after taxation	14,469	22,078	32,058	32,837
Other comprehensive income	-	-	-	-
Total comprehensive income for the financial year	14,469	22,078	32,058	32,837
Profit after taxation for the financial period attributable to:				
Equity holders of the parent	14,469	22,078	32,058	32,837
Non-controlling interests	-	-	-	-
	14,469	22,078	32,058	32,837
Total comprehensive income for the financial year attributable to:				
Equity holders of the parent	14,469	22,078	32,058	32,837
Non-controlling interests	-	-	-	-
	14,469	22,078	32,058	32,837
Earning per share				
Basic (sen):	9.19	14.03	20.37	20.87

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Group As at 30.06.2019 Unaudited RM'000	Group As at 31.12.2018 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	2,179	3,800
Land held for development	345,568	332,864
Goodwill	4,161	4,161
Rights-of-use assets	2,387	-
Deferred tax assets	1,771	7,043
Total non-current assets	356,066	347,868
Current assets		
Property development cost	123,533	159,059
Inventories	5,115	9,090
Trade and other receivables	71,705	95,402
Current tax assets	2,546	4,175
Fixed deposits with licensed banks	4,222	2,724
Cash and bank balances	19,284	37,621
Total current assets	226,405	308,071
TOTAL ASSETS	582,471	655,939
EQUITY AND LIABILITIES		
Share capital	125,248	125,248
Retained profits	137,093	109,913
Total equity	262,341	235,161
Non-current liabilities		
Borrowings	52,398	82,221
Deferred tax liabilities	356	193
Lease liabilities	1,667	-
Long Term Payables	56,302	58,922
Total non-current liabilities	110,723	141,336
Current liabilities		
Trade and other payables	157,215	236,788
Borrowings	48,990	36,745
Lease liabilities	595	-
Current tax liabilities	2,607	5,909
Total current liabilities	209,407	279,442
Total liabilities	320,130	420,778
TOTAL EQUITY AND LIABILITIES	582,471	655,939
Net Assets Per Share (RM)	1.67	1.49

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Group Year Ended 30.06.2019 RM'000	Group Year Ended 30.06.2018 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES		
Profit before taxation	45,398	42,966
Adjustments for non-cash and non-operating items	203	489
Net change in land held for future development	(11,474)	(39,573)
Net change in property development cost	35,496	(3,530)
Net change in inventories and receivables	9,140	26,388
Net change in payables	(63,120)	(76,394)
Interest expense	43	66
Taxation paid	(9,548)	(10,243)
Net cash flow from/(for) operating activities	6,138	(59,831)
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES		
Proceed from disposal of property, plant and equipment	-	3,504
Purchase of property, plant and equipment	(172)	(528)
Purchase of assets under leasing	(68)	-
Net cash outflow from acquisition of subsidiaries	(6,979)	-
Increase in fixed deposits pledged to bank	-	(845)
Interest received	319	78
Net cash flow (for)/from investing activities	(6,900)	2,209
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES		
Drawdown of borrowings	17,817	79,008
Repayment of borrowings	(33,851)	(47,861)
Interest paid	(43)	(66)
Net cash flow (for)/from financing activities	(16,077)	31,081
NET DECREASE IN CASH AND CASH EQUIVALENTS	(16,839)	(26,541)
Opening cash and cash equivalents	40,345	42,618
Closing cash and cash equivalents	23,506	16,077

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share Capital	Retained Profits	Total
	RM'000	RM'000	RM'000
Balance as at 01.01.2018	125,248	69,715	194,963
Profit after taxation/Total comprehensive income for the financial year	-	51,057	51,057
Dividends	-	(10,859)	(10,859)
Balance as at 31.12.2018 / 01.01.2019	125,248	109,913	235,161
Profit after taxation/Total comprehensive income for the financial period	-	32,058	32,058
Dividends	-	(4,878)	(4,878)
Balance as at 30.06.2019	125,248	137,093	262,341

The above Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019
EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of Preparation and Accounting Policies

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting in Malaysia and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2018.

The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 17 : Insurance Contracts	1 January 2021
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further
Amendments to MFRS 101 and MFRS 108: Definition of Material.	1 January 2020
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020

The adoption of MFRS 16: Leases did not have any material impact and the Group has adopted "Modified Retrospective Approach".

A2. Auditors' Report

The auditors' report of the preceding annual financial statements for the financial year ended 31 December 2018 was not subject to any audit qualification.

A3. Seasonal/Cyclical Factors

The operations of the Group were not materially affected by any seasonal or cyclical factors.

A4. Unusual Items

There were no unusual and extraordinary items for the financial period under review.

A5. Changes in Estimates

There were no changes in estimates of amounts reported in the prior financial period which have a material effect in the financial period under review.

A6. Debt or Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for current quarter.

A7. Dividend Paid

An interim single-tier dividend of 3.1 sen per ordinary share for the financial year ended 31 December 2018 was paid on 24 May 2019.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019
EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT

A8. Segmental Reporting

Segmental information for the financial year ended 30 June 2019 :-

	Property Development RM'000	Construction RM'000	Others RM'000	Elimination RM'000	Total RM'000
Revenue					
External Sales	195,810	-	-	-	195,810
Inter-segment Sales	-	82,719	-	(82,719)	-
Total	195,810	82,719	-	(82,719)	195,810
Results					
Finance Cost	47,751	10,879	(402)	(10,879)	47,349
Taxation					(1,951)
Profit for financial year					<u>32,058</u>

A9. Material Subsequent Events

There were no material events subsequent to the current quarter ended 30 June 2019 up to date of this announcement which is likely to substantially affect the results of the Group.

A10. Changes in Composition of the Group

On 28 March 2019, the entire issued and paid up capital of MB Max Sdn Bhd ("MB Max") comprising of 600,000 ordinary shares were transferred from MB World Properties Sdn Bhd, a wholly-owned subsidiary of the Company to the Company resulted MB Max became a direct wholly-owned subsidiary of the Company.

On 10 June 2019, the Company entered into a Share Sale Agreement with Tropical Land Property Sdn Bhd to acquire the entire equity interest of Parkwood Palms Sdn Bhd ("PPSB") for a purchase consideration of RM 6,987,390. PPSB became a wholly-owned subsidiary of the Company upon the equity shares of PPSB were duly transferred on 16 June 2019.

A11. Contingent Liabilities

The Group does not have any material contingent liabilities to be disclosed as at 30 June 2019.

A12. Capital Commitments

	Year to date 30.06.2019 RM '000	Year to date 30.06.2018 RM '000
<u>Approved and contracted for:</u>		
Land for property development	51,300	-

A13. Related Party Transactions

The Group's related party transactions in the current quarter and the financial year ended 30 June 2019 are as follows:

	3 months ended 30.06.2019 RM '000	Year to date ended 30.06.2019 RM '000
Security services provider	172	308
Rental of office, hostel, car park and utilities charges	55	110
Purchase of building materials	1,277	10,758

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019
 ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S
 LISTING REQUIREMENTS**

B1. Review of Performance

(a) Performance of the current quarter against the same quarter in the preceding year (Q2, 2019 vs Q2, 2018)

	Individual Quarter		
	Current Year Quarter	Preceding Year Corresponding Quarter	Change (%)
	30.06.2019 RM' million	30.06.2018 RM' million	
Revenue	90.36	91.27	-1.00%
Profit before tax	19.73	28.30	-30.28%

The Group recorded revenue and profit before taxation (“PBT”) of RM 90.36 million and RM 19.73 million for current quarter under review as compared to revenue and PBT of RM 91.27 million and RM 28.30 million respectively in the preceding year corresponding quarter. The Group achieved lower revenue and PBT in the current period as compared to preceding year corresponding quarter was due to the issuance of Certificate Completion and Compliance for Phase I of Taman Sri Penawar in the preceding year corresponding quarter.

(b) Performance of the current financial year against the preceding financial year (FYE 2019 vs FYE 2018)

	Year To Date		
	Current Year	Preceding Year	Change (%)
	30.06.2019 RM' million	30.06.2018 RM' million	
Revenue	195.81	165.53	18.29%
Profit before tax	45.40	42.97	5.66%

The Group recorded revenue of RM 195.81 million and PBT of RM 45.40 million respectively for the current period as compared to revenue and PBT of RM 165.53 million and RM 42.97 million respectively in the preceding year period. The Group achieved higher revenue and PBT in the current period as compared to preceding year corresponding period was due to higher percentage of completion in two projects in Taman Sri Penawar.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019
ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S
LISTING REQUIREMENTS

B2. Changes in the quarterly results compared to the results of the immediate preceding quarter (Q2, 2019 vs. Q1, 2019)

	Individual Quarter		
	Current Year Quarter	Preceding Quarter	Change (%)
	30.06.2019 RM' million	31.03.2019 RM' million	
Revenue	90.36	105.45	-14.31%
Profit before tax	19.73	25.67	-23.14%

For the current quarter under review, the Group recorded revenue and PBT of RM 90.36 million and RM 19.73 million respectively as compared to the revenue and PBT of RM 105.45 million and RM 25.67 million respectively in the immediate preceding quarter.

The revenue and PBT recorded in current quarter are lower than preceding quarter is mainly due to lower revenue.

B3. Prospect

The Group expects its performance for current financial year to be sustainable.

B4. Profit Forecast

Not applicable for the Group.

B5. Taxation

	Year ended 30.06.2019 RM '000	Year ended 30.06.2018 RM '000
Income tax expenses		
- Current financial year	7,905	11,425
- Under/(over)provision in previous financial year	1	(3,090)
	<u>7,906</u>	<u>8,335</u>
Deferred Taxation	5,434	1,794
Total tax expenses	<u><u>13,340</u></u>	<u><u>10,129</u></u>

The Group's overall effective tax rate for the current financial period was 29.38%. The effective tax rate is higher than statutory tax rate of 24% is mainly due to taxable profit is higher than accounting profit as a result of different method for revenue recognition.

B6. Status of Corporate Proposals

There is no corporate proposal during the quarter under review.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019
ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S
LISTING REQUIREMENTS

B7. Borrowings

The Group's borrowings were as follows:

	Year ended 30.06.2019		
	Long term	Short term	Total borrowings
	RM '000	RM '000	RM '000
Secured			
Term loan	43,542	26,630	70,172
Bridging loan	-	4,541	4,541
Revolving credit	8,856	17,819	26,675
	<u>52,398</u>	<u>48,990</u>	<u>101,388</u>
	Year ended 31.12.2018		
	Long term	Short term	Total borrowings
	RM '000	RM '000	RM '000
Secured			
Hire purchase	1,231	241	1,472
Term loan	59,210	24,540	83,750
Bridging loan	-	7,344	7,344
Revolving credit	21,780	4,620	26,400
	<u>82,221</u>	<u>36,745</u>	<u>118,966</u>

(i) Hire purchase

Hire purchase was used for financing motor vehicles. Interest rates for hire purchase range from 2.28% to 5.63% per annum. Upon adoption of MFRS 16 Leases on 1 January 2019, hire purchase was to reclass to lease liabilities.

(ii) Term loan

The term loan was for the financing of Taman Sri Penawar projects. Interest rate for term loan is at 6.76% per annum.

(iii) Bridging loan

The bridging loan was for the financing of Taman Sri Penawar projects. Interest rate for the bridging loan is at 7.01% per annum.

(iv) Revolving credit

The revolving credit was for financing of acquisition of Crystal Faber Sdn Bhd, a wholly-owned subsidiary and settlement of the Development Right Entitlement of the project at Taman Sierra Perdana, Masai, Johor. Interest rate for the revolving credit is at 6.83% per annum.

B8. Material Litigation

There were no material litigation as at 21 August 2019 being a date not later than 7 days prior to the date of this announcement.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019
ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S
LISTING REQUIREMENTS

B9. Dividend

	Current Year To Date	Preceding Year To date
	30.06.2019	31.12.2018
	RM '000	RM '000
Interim single-tier dividend of 6.9 sen per share for the financial year ended 31 December 2018, declared on 28 November 2018 and paid on 27 February 2019 in respect of deposited securities based on the record of depositors as at 28 January 2019.	-	10,859
Interim single-tier dividend of 3.1 sen per share for the financial year ended 31 December 2018, declared on 26 February 2019 and paid on 24 May 2019 in respect of deposited securities based on the record of depositors as at 25 April 2019.	-	4,878
Interim single-tier dividend of 5.0 sen per share for the financial year ending 31 December 2019, declared on 28 August 2019 and payable on 27 November 2019 in respect of deposited securities based on the record of depositors as at 29 October 2019.	7,869	-
	<u>7,869</u>	<u>15,737</u>

B10. Earnings Per Share

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

	<u>3 months ended</u>		<u>Year ended</u>	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
Profit attributable to equity holders of the parent (RM'000)	14,469	22,078	32,058	32,837
Weighted average number of shares in issue ('000)	157,377	157,377	157,377	157,377
Basic earnings per ordinary share (sen)	9.19	14.03	20.37	20.87

* The Company does not have convertible securities at the end of the reporting periods and therefore, there is no diluted earning per ordinary share in the Company.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019
ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S
LISTING REQUIREMENTS

B 11. Profit for the year

	3 month ended	Year to date
	30.06.2019	30.06.2019
	RM ' 000	RM ' 000
This is arrived at after (charging)/crediting:		
Interest Income	171	319
Other Income	56	106
Interest Expenses	(22)	(43)
Depreciation and amortisation	(275)	(511)
(Impairment) / recovery losses on receivable	(59)	12

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

B 12. Industry Specific Information

- (a) Cocoa Valley Development Sdn Bhd, a wholly-owned subsidiary, is currently having three active projects at Taman Sri Penawar, which contribute total Gross Development Value ("GDV") as below:

<u>Projects</u>	<u>GDV</u> <u>(RM'000)</u>	<u>Type of</u> <u>Development</u>	<u>% of</u> <u>Completion up</u> <u>to 30.06.2019</u>
256 units Double Storey Terrace House	175,328	Residential	99.98%
332 units Double Storey Terrace House	229,520	Residential	81.87%
166 units Single Storey Terrace House	55,080	Residential	89.56%

- (b) Crystal Faber Sdn Bhd, a wholly-owned subsidiary, is currently having a project at Melaka, called NOVO 8, which contribute total GDV as below:

<u>Projects</u>	<u>GDV</u> <u>(RM'000)</u>	<u>Type of</u> <u>Development</u>	<u>% of</u> <u>Completion up</u> <u>to 30.06.2019</u>
412 units of apartment	190,720	Residential	17.45%