

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	3 months ended		Year ended	
	31.12.2019 RM'000	31.12.2018 RM'000	31.12.2019 RM'000	31.12.2018 RM'000
<u>CONTINUING OPERATIONS</u>				
Revenue	62,426	77,925	337,572	287,006
Operating expenses	(53,288)	(71,123)	(260,944)	(222,847)
Other income	283	17	4,642	448
Finance costs	(383)	(775)	(2,903)	(1,033)
Profit before taxation	9,038	6,044	78,367	63,574
Taxation	(214)	400	(23,769)	(14,746)
Profit after taxation from continuing operation for the financial period	8,824	6,444	54,598	48,828
<u>DISCONTINUED OPERATIONS</u>				
Profit after taxation from discontinued operation for the financial period	-	2,229	-	2,229
Profit after taxation	8,824	8,673	54,598	51,057
Other comprehensive income	-	-	-	-
Total comprehensive income for the financial year	8,824	8,673	54,598	51,057
Profit after taxation for the financial period attributable to:				
Equity holders of the parent	8,824	8,673	54,598	51,057
Non-controlling interests	-	-	-	-
	8,824	8,673	54,598	51,057
Total comprehensive income for the financial year attributable to:				
Equity holders of the parent	8,824	8,673	54,598	51,057
Non-controlling interests	-	-	-	-
	8,824	8,673	54,598	51,057
Earning per share				
Basic (sen):				
- Continuing operations	5.61	4.09	34.69	31.03
- Discontinued operations	-	1.42	-	1.42

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 YEAR ENDED 31 DECEMBER 2019

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Group As at 31.12.2019 Unaudited RM'000	Group As at 31.12.2018 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	2,010	3,800
Land held for development	395,979	332,864
Goodwill	4,161	4,161
Rights-of-use assets	2,378	-
Deferred tax assets	4,858	7,043
Total non-current assets	409,386	347,868
Current assets		
Property development cost	138,300	159,059
Inventories	6,131	9,090
Trade and other receivables	52,977	95,402
Current tax assets	263	4,175
Fixed deposits with licensed banks	1,544	2,724
Cash and bank balances	24,193	37,621
Total current assets	223,408	308,071
TOTAL ASSETS	632,794	655,939
EQUITY AND LIABILITIES		
Share capital	125,248	125,248
Retained profits	151,764	109,913
Total equity	277,012	235,161
Non-current liabilities		
Borrowings	87,214	82,221
Deferred tax liabilities	25	193
Lease liabilities	1,690	-
Long Term Payables	61,633	58,922
Total non-current liabilities	150,562	141,336
Current liabilities		
Trade and other payables	166,863	236,788
Borrowings	32,086	36,745
Lease liabilities	722	-
Current tax liabilities	5,549	5,909
Total current liabilities	205,220	279,442
Total liabilities	355,782	420,778
TOTAL EQUITY AND LIABILITIES	632,794	655,939
Net Assets Per Share (RM)	1.76	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 YEAR ENDED 31 DECEMBER 2019
 CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Group Year Ended 31.12.2019 RM'000	Group Year Ended 31.12.2018 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES		
Profit before taxation		
- Continuing operations	78,367	63,574
- Discontinued operations	-	2,229
	<u>78,367</u>	<u>65,803</u>
Adjustments for non-cash and non-operating items	627	29,110
Net change in land held for future development	(61,885)	(162,022)
Net change in property development cost	20,759	(15,174)
Net change in inventories and receivables	13,828	(27,797)
Net change in payables	(19,487)	56,274
Interest expense	1,917	(774)
Taxation paid	(18,201)	(25,802)
Net cash flow from/(for) operating activities	<u>15,925</u>	<u>(80,382)</u>
CASH FLOWS FOR INVESTING ACTIVITIES		
Proceed from disposal of property, plant and equipment	72	3,548
Purchase of property, plant and equipment	(353)	(539)
Purchase of right-of-use assets	(1,237)	-
Proceed from disposal of right-of-use assets	30	-
Net cash inflow from disposal of subsidiaries	-	2,900
Net cash outflow from acquisition of subsidiaries	(6,979)	(5,790)
Decrease/(Increase) in fixed deposits pledged to bank	1,180	(2,718)
Interest received	712	339
Net cash flow for investing activities	<u>(6,575)</u>	<u>(2,260)</u>
CASH FLOWS (FOR)/ FROM FINANCING ACTIVITIES		
Drawdown of borrowings	54,601	159,023
Repayment of borrowings	(51,627)	(77,306)
Repayment of lease liabilities	(229)	-
Interest paid	(1,917)	(4,067)
Dividend paid	(23,606)	-
Net cash flow (for)/ from financing activities	<u>(22,778)</u>	<u>77,650</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(13,428)</u>	<u>(4,992)</u>
Opening cash and cash equivalents	37,626	42,618
Closing cash and cash equivalents	<u><u>24,198</u></u>	<u><u>37,626</u></u>

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 YEAR ENDED 31 DECEMBER 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	-	54,598	54,598
Dividends	-	(12,747)	(12,747)
Balance as at 31.12.2019	125,248	151,764	277,012

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 31 DECEMBER 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 9, MFRS 139 and MFRS 7 : Interest Rate Benchmark Reform	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. In addition, an interim single-tier dividend of 5.0 sen per ordinary share for the financial year ended 31 December 2019 was paid on 27 November 2019.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2019
EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT

A8. Segmental Reporting

Segmental information for the financial year ended 31 December 2019 :-

	Property Development RM'000	Construction RM'000	Others RM'000	Elimination RM'000	Total RM'000
Revenue					
External Sales	337,572	-	-	-	337,572
Inter-segment Sales	-	140,236	-	(140,236)	-
Total	337,572	140,236	-	(140,236)	337,572
Results					
Finance Cost	78,304	13,256	2,966	(13,256)	81,270
Taxation					(23,769)
Profit for financial year					54,598

A9. Material Subsequent Events

There were no material events subsequent to the current quarter ended 31 December 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.

On 22 November 2019, the Company entered into a Share Sale Agreement to dispose off the entire equity interest of Noblecorp Sdn Bhd ("NSB") for a consideration of RM 717,960. NSB ceased to be a subsidiary of the Company upon the equity shares of NSB were duly transferred on 12 February 2020.

A11. Contingent Liabilities

The Group does not have any material contingent liabilities to be disclosed as at 31 December 2019.

A12. Capital Commitments

	Year to date 31.12.2019 RM '000	Year to date 31.12.2018 RM '000
Approved and contracted for: Construction equipments	5,345	-

A13. Related Party Transactions

The Group's related party transactions in the current quarter and the financial year ended 31 December 2019 are as follows:

	3 months ended 31.12.2019 RM '000	Year to date ended 31.12.2019 RM '000
Security services provider	138	713
Rental of office, hostel, car park and utilities charges	53	217
Purchase of building materials	2,570	14,199

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 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 (Q4, 2019 vs Q4, 2018)

	Individual Quarter		
	Current Year Quarter	Preceding Year Corresponding Quarter	Change (%)
	31.12.2019 RM' million	31.12.2018 RM' million	
Revenue	62.43	77.93	-19.89%
Profit before tax	9.04	6.04	49.67%

The Group recorded revenue and profit before taxation (“PBT”) of RM 62.43 million and RM 9.04 million for current quarter under review as compared to revenue and PBT of RM 77.93 million and RM 6.04 million respectively in the preceding year corresponding quarter. Despite the lower revenue in current quarter, the Group recorded a higher profit was mainly due to the contribution from NOVO 8 Residence, Melaka.

(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 (%)
	31.12.2019 RM' million	31.12.2018 RM' million	
Revenue	337.57	287.01	17.62%
Profit before tax	78.37	63.57	23.28%

The Group recorded revenue of RM 337.57 million and PBT of RM 78.37 million respectively for the current year as compared to revenue and PBT of RM 287.01 million and RM 63.57 million respectively in the preceding year. The Group achieved a higher revenue and PBT in the year as compared to preceding year was due to higher revenue and profit recognition from the projects in Taman Sri Penawar as well as the NOVO 8 Residence, Melaka.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 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 (Q4, 2019 vs. Q3, 2019)

	Individual Quarter		
	Current Year Quarter 31.12.2019 RM' million	Preceding Quarter 30.09.2019 RM' million	Change (%)
Revenue	62.43	79.34	-21.31%
Profit before tax	9.04	23.93	-62.22%

The Group recorded revenue and PBT of RM 62.43 million and RM 9.04 million respectively in the current quarter were lower as compared to the revenue and PBT of RM 79.34 million and RM 23.93 million respectively in the immediate preceding quarter. This was mainly due to lower revenue and profit recognition from the project of 166 units of single storey terrace house which completed in the current quarter as compared to the completion of 256 units of double storey terrace house in the immediate preceding quarter.

B3. Prospect

The Group remains cautious on the current weak property market sentiment and the stringent lending requirements set by the financial institutions and expects a challenging year to the Group. In this coming financial year, the revenue and profit will be driven by the existing projects in Novo 8 Residence, Melaka and Taman Sri Penawar.

B4. Profit Forecast

Not applicable for the Group.

B5. Taxation

	Period ended 31.12.2019 RM '000	Period ended 31.12.2018 RM '000
Income tax expenses		
- Current financial year	20,740	22,476
- Under/(over)provision in previous financial year	1,012	(2,802)
	<u>21,752</u>	<u>19,674</u>
Deferred Taxation	2,017	(4,928)
Total tax expenses	<u><u>23,769</u></u>	<u><u>14,746</u></u>

The Group's overall effective tax rate for the current financial period was 30.33%. The effective tax rate is higher than statutory tax rate of 24% mainly due to some non-allowable expenses.

B6. Status of Corporate Proposals

There is no corporate proposal during the quarter under review.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S
LISTING REQUIREMENTS

B7. Borrowings

The Group's borrowings were as follows:

	Year ended 31.12.2019		
	Long term	Short term	Total borrowings
	RM '000	RM '000	RM '000
Secured			
Term loan	77,314	18,886	96,200
Revolving credit	9,900	13,200	23,100
	<u>87,214</u>	<u>32,086</u>	<u>119,300</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 were reclassified to lease liabilities.
- (ii) Term loan
 The term loans had been used for the financing of Taman Sri Penawar projects and acquisition of property development land located at Johor Bahru. Interest rates for term loan range from 5.50% to 6.51% 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 6.76% 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 6.58% per annum.

B8. Material Litigation

There were no material litigation as at 19 February 2020 being a date not later than 7 days prior to the date of this announcement.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S
LISTING REQUIREMENTS

B9. Dividend

	Current Year To Date	Preceding Year To date
	31.12.2019 RM '000	31.12.2018 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 ended 31 December 2019, declared on 28 August 2019 and paid 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>	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Continuing operations				
Profit attributable to equity holders of the parent (RM'000)	8,824	6,444	54,598	48,828
Weighted average number of shares in issue ('000)	157,377	157,377	157,377	157,377
Basic earnings per ordinary share (sen)	5.61	4.09	34.69	31.03
Discontinued operations				
Profit attributable to equity holders of the parent (RM'000)	-	2,229	-	2,229
Weighted average number of shares in issue ('000)	-	157,377	-	157,377
Basic earnings per ordinary share (sen)	-	1.42	-	1.42

* 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 YEAR ENDED 31 DECEMBER 2019
ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S
LISTING REQUIREMENTS

B 11. Profit for the year

	3 month ended	Year to date
	31.12.2019	31.12.2019
	RM ' 000	RM ' 000
This is arrived at after (charging)/crediting:		
Interest Income	191	712
Other Income	92	3,930
Interest Expenses	(228)	(1,916)
Depreciation and amortisation	(398)	(1,208)
(Impairment) / recovery losses on receivable	20	152

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 two 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 31.12.2019</u>
332 units Double Storey Terrace House	232,368	Residential	100.00%
228 units Double Storey Terrace House	137,804	Residential	43.64%

- (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 31.12.2019</u>
412 units of apartment	190,720	Residential	36.92%