



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
INTERIM REPORT FOR THE THIRD QUARTER
AND FINANCIAL PERIOD ENDED 30 JUNE 2021**

	(Unaudited) INDIVIDUAL QUARTER Current Year Quarter 30.06.2021 RM'000	(Unaudited) Preceding Year Corresponding Quarter 30.06.2020 RM'000	(Unaudited) CUMULATIVE QUARTER Current Year-to-Date 30.06.2021 RM'000	(Unaudited) Preceding Year-to-Date 30.06.2020 RM'000
Revenue	203,486	137,752	695,624	623,520
Cost of sales	(131,234)	(89,878)	(476,201)	(414,236)
Gross profit	72,252	47,874	219,423	209,284
Other income	5,919	47,810	21,900	20,956
Sales and marketing expenses	(4,596)	(5,762)	(13,083)	(14,436)
Administrative expenses	(23,093)	(23,958)	(70,387)	(65,539)
Other expenses	(2,867)	(6,099)	(8,794)	(14,847)
Profit from operations	47,615	59,865	149,059	135,418
Share of results of associates	(21)	(792)	(2,264)	(5,803)
Interest expenses	(5,394)	(7,518)	(17,207)	(25,556)
Profit before tax	42,200	51,555	129,588	104,059
Tax expense	(17,140)	(18,464)	(43,970)	(37,057)
Profit for the period	25,060	33,091	85,618	67,002
Other comprehensive income				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Foreign exchange translation differences	537	12,889	3,986	3,934
	537	12,889	3,986	3,934
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Remeasurement gains on defined benefit plans	339	-	339	-
	339	-	339	-
Other comprehensive income for the period	876	12,889	4,325	3,934
Total comprehensive income for the period	25,936	45,980	89,943	70,936
Profit attributable to:				
Owners of the parent	21,471	32,268	68,211	49,191
Non-controlling interests	3,589	823	17,407	17,811
	25,060	33,091	85,618	67,002
Total comprehensive income attributable to:				
Owners of the parent	22,335	44,916	72,478	52,998
Non-controlling interests	3,601	1,064	17,465	17,938
	25,936	45,980	89,943	70,936
Basic Earnings per ordinary share (sen)	3.72	5.59	11.81	8.52
Proposed/Declared Dividend per share (sen)	-	-	3.00	4.00

The condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 September 2020 and the accompanying explanatory notes attached to the interim Financial Report.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
INTERIM FINANCIAL REPORT AS AT 30 JUNE 2021**

	(Unaudited) 30.06.2021 RM'000	(Audited) 30.09.2020 RM'000
Assets		
Property, plant and equipment	400,434	409,047
Right-of-use asset	17,847	18,088
Intangible assets	54,605	50,669
Prepaid lease payments	40,874	41,722
Investment properties	349,256	349,256
Investment in associates	12,612	9,977
Other investment	231	132
Land held for property development	877,514	903,716
Deferred tax assets	36,519	44,080
Receivables, deposits and prepayments	50,051	41,555
Total Non-Current Assets	1,839,943	1,868,242
Property development costs	495,099	394,962
Inventories	139,217	137,144
Contract assets	357,363	345,871
Biological assets	7,051	4,233
Receivables, deposits and prepayments	160,825	213,546
Current tax assets	10,118	11,650
Cash, bank balances, term deposits and fixed income funds	356,226	374,654
	1,525,899	1,482,060
Non-current assets classified as held for sale	1,247	4,534
Total Current Assets	1,527,146	1,486,594
TOTAL ASSETS	3,367,089	3,354,836
Equity		
Share capital	654,459	654,459
Treasury shares	(11,112)	(11,112)
Translation reserve	(4,512)	(8,779)
Revaluation reserve	27,359	27,359
Retained earnings	1,021,571	970,682
Equity attributable to owners of the parent	1,687,765	1,632,609
Non-Controlling Interests	133,575	91,811
Total Equity	1,821,340	1,724,420
Liabilities		
Deferred tax liabilities	60,795	60,977
Provisions	19,391	16,655
Payables and accruals	346,496	348,607
Lease liability	18,542	18,283
Loans and borrowings	202,270	256,226
Total Non-Current Liabilities	647,494	700,748
Provisions	20,587	20,587
Contract liabilities	9,610	-
Payables and accruals	484,865	522,034
Lease liability	458	458
Loans and borrowings	361,650	377,548
Current tax liabilities	21,085	9,041
Total Current Liabilities	898,255	929,668
Total Liabilities	1,545,749	1,630,416
TOTAL EQUITY AND LIABILITIES	3,367,089	3,354,836
Net Assets per share attributable to shareholders of the Company (RM)*	2.92	2.83

* Net assets per share is calculated by dividing the total equity attributable to owners of the parent by the number of ordinary shares in issue, net of treasury shares at the reporting date.
The condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 September 2020 and the accompanying explanatory notes attached to the interim Financial Report.



MKH BERHAD (Registration No. 197901006663 (50948-T))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
INTERIM REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 2021

	< ----- Attributable to owners of the parent ----- >							
	< ----- Non-distributable ----- >				Distributable			
Group	Share Capital RM'000	Treasury Shares RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Financial period ended 30 June 2021								
At 1.10.2020 (audited)	654,459	(11,112)	(8,779)	27,359	970,682	1,632,609	91,811	1,724,420
Total comprehensive income for the period	-	-	4,267	-	68,211	72,478	17,465	89,943
Transactions with owners								
Issuance of shares by subsidiary to non-controlling interests	-	-	-	-	-	-	24,299	24,299
Dividends	-	-	-	-	(17,322)	(17,322)	-	(17,322)
At 30.06.2021 (unaudited)	654,459	(11,112)	(4,512)	27,359	1,021,571	1,687,765	133,575	1,821,340
Financial period ended 30 June 2020								
At 1.10.2019 (audited)	654,459	(9,637)	(4,551)	23,402	952,213	1,615,886	71,249	1,687,135
Total comprehensive income for the period	-	-	3,807	-	49,191	52,998	17,938	70,936
Transactions with owners								
Share buy back	-	(1,475)	-	-	-	(1,475)	-	(1,475)
Dividend paid to non-controlling interests	-	-	-	-	-	-	(4,050)	(4,050)
Dividends	-	-	-	-	(23,161)	(23,161)	-	(23,161)
At 30.06.2020 (unaudited)	654,459	(11,112)	(744)	23,402	978,243	1,644,248	85,137	1,729,385

The condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 September 2020 and the accompanying explanatory notes attached to the interim Financial Report.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
INTERIM REPORT FOR THE THIRD QUARTER
AND FINANCIAL PERIOD ENDED 30 JUNE 2021**

	(Unaudited) 30.06.2021 RM'000	(Unaudited) 30.06.2020 RM'000
Cash Flows From/(Used In) Operating Activities		
Profit before tax	129,588	104,059
Adjustments for non-cash items	51,121	58,399
Operating profit before changes in working capital	<u>180,709</u>	<u>162,458</u>
Change in property development costs	(18,759)	44,163
Change in inventories	2,361	6,985
Change in contract assets	(1,882)	26,863
Change in receivables, deposits and prepayments	11,477	(7,986)
Change in payables and accruals	<u>(41,181)</u>	<u>(112,419)</u>
Cash generated from operations	132,725	120,064
Interest received	2,877	5,855
Interest paid	(14,928)	(24,842)
Tax paid	(36,426)	(30,217)
Tax refunded	1,150	2,840
Retirement benefits obligations paid	<u>(1,599)</u>	<u>(1,967)</u>
Net cash from operating activities	83,799	71,733
Cash Flows From/(Used In) Investing Activities		
Acquisition of other investment	(146)	-
Acquisition of property, plant and equipment	(8,851)	(8,822)
Additions to intangible assets	(3,813)	(14,631)
Additions to land held for property development	(26,911)	(34,758)
Withdrawal of deposits with licensed banks	2,517	3,360
Proceeds from disposal of other investment	185	-
Subscription of shares in an associate	(4,900)	(100)
Proceeds from disposal of property, plant and equipment	3	132
Dividend received from other investment	5	-
Proceeds from disposal of non-current assets classified as held for sale	5,442	-
Net cash used in investing activities	(36,469)	(54,819)
Cash Flows From/(Used In) Financing Activities		
Dividend paid	(17,322)	(23,161)
Dividend paid to non-controlling interests	-	(4,050)
Shares buy back	-	(1,475)
Net repayment of bank borrowings	(69,796)	(54,744)
Payments of hire purchase liabilities	(284)	(524)
Payment of lease liability	(375)	-
Proceeds from issuance of shares by a subsidiary to non-controlling shareholders	24,299	-
Net cash used in financing activities	(63,478)	(83,954)
Net decrease in cash and cash equivalents	(16,148)	(67,040)
Effect of exchange rate fluctuations	1,395	(2,618)
Cash and cash equivalents at beginning of the period	359,500	374,066
Cash and cash equivalents at end of the period	344,747	304,408

The notes on cash and cash equivalents can be referred to paragraph B5 (ii).

The condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 September 2020 and the accompanying explanatory notes attached to the interim Financial Report.



EXPLANATORY NOTES

A1. BASIS OF PREPARATION

The quarterly financial statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 – Interim Financial Reporting and Appendix 9B of the Bursa Malaysia Securities Berhad Listing Requirements, and should be read in conjunction with MKH Berhad’s audited financial statements for the financial year ended 30 September 2020.

CHANGES IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted for the annual financial statements for the financial year ended 30 September 2020 (“Annual Report 2020”) as well as those new and revised standards that take effects on annual financial year commencing on or after 1 October 2020. Adoption of new and revised Standards and Amendments are as follows:

MFRSs	Amendments to Reference to the Conceptual Framework in MFRS Standards
Amendments to MFRS 3	Definition of a Business
Amendments to MFRS 101 and MFRS 108	Definition of Material
Amendments to MFRS 9, MFRS 139 and MFRS 7	Interest Rate Benchmark Reform
Amendments to MFRS 16	Covid-19 – Related Rent Concessions

The adoption of the abovementioned Standards and Amendments did not have any significant effect on this interim financial statement of the Group.

New and revised Standards and Amendments that are issued, but not yet effective and have not been early adopted

The Group have not adopted the following new and revised Standards and Amendments that have been issued as at the date of authorisation of this interim financial statement but are not yet effective for the Group:

MFRS 17	Insurance Contracts ⁴
Amendments to MFRS 3	Reference to the Conceptual Framework ³
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current ⁴
Amendments to MFRS 16	Covid-19 - Related Rent Concessions beyond 30 June 2021 ²
Amendments to MFRS 9, MFRS 139 and MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform – Phase 2 ¹
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds Before Intended Use ³
Amendments to MFRS 137	Onerous Contracts – Cost of Fulfilling a Contract ³
Amendments to MFRS 4	Extension of Temporary Exemption from Applying MFRS 9 ⁴
Amendments to MFRS 101	Disclosure of Accounting Policies ⁴
Amendments to MFRS 108	Definition of Accounting Estimates ⁴
Amendments to MFRSs	Annual Improvements to MFRS 2018 – 2020 Cycle ³

Amendments to MFRS 112 Deferred Tax related to Assets and Liabilities arising from a Single Transaction⁴

- ¹ Effective for annual periods beginning on or after 1 January 2021.
- ² Effective for annual periods beginning on or after 1 April 2021.
- ³ Effective for annual periods beginning on or after 1 January 2022.
- ⁴ Effective for annual periods beginning on or after 1 January 2023.
- ⁵ Effective date deferred to a date to be announced by MASB.

The directors anticipate that the abovementioned Standards and Amendments will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these Standards will have no material impact on the financial statements of the Group in the period of initial application.

A2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors have expressed an unqualified opinion on the Company's statutory financial statements for the financial year ended 30 September 2020 in their report dated 30 December 2020.

A3. SEASONAL OR CYCLICAL FACTORS

The Group's operations were not materially affected by seasonal or cyclical factors other than the general effects of the prevailing economic conditions.

A4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and the financial year-to-date.

A5. CHANGES IN ESTIMATES

There were no material changes in estimates that have had material effect in the current quarter and the financial year-to-date.

A6. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities in the current quarter and the financial year-to-date.

Treasury Shares

There is no purchase of treasury shares during the current quarter and the financial year-to-date. Total treasury shares repurchased cumulatively as at 30 June 2021 is 9,132,300 ordinary shares, representing a cumulative 1.56% of total paid up share capital in accordance with Section 127 of the Companies Act 2016. Since the end of the current quarter ended 30 June 2021, there is no repurchase of treasury share.

A7. DIVIDEND PAID

A first interim single tier dividend of 3.0 sen per ordinary share in respect of financial year ended 30 September 2020 amounting to RM17,322,476 was declared on 27 November 2020 and paid on 8 January 2021.

A8. OPERATING SEGMENTS

(a) Segment Analysis – Business Segments

Financial period ended 30 June 2021

	Property development & construction RM'000	Plantation RM'000	Hotel & property investment RM'000	Trading RM'000	Manu- facturing RM'000	Investment holding RM'000	Non-reportable segment RM'000	Eliminations RM'000	Consolidated RM'000
Revenue									
Total external revenue	392,973	212,522	18,610	62,529	6,887	-	2,103	-	695,624
Inter-segment revenue	-	8,604	1,865	76	-	114,325	-	(124,870)	-
Total segment revenue	392,973	221,126	20,475	62,605	6,887	114,325	2,103	(124,870)	695,624
Results									
Operating result [#]	66,186	69,702	5,740	1,957	2,524	22,567	1,033	(23,527)	146,182
Interest expense*	(25,293)	(6,016)	(886)	(6)	-	(19,759)	(3,069)	37,822	(17,207)
Interest income**	4,165	1,189	-	21	100	11,658	39	(14,295)	2,877
Share of results of associates	(2,264)	-	-	-	-	-	-	-	(2,264)
Segment result	42,794	64,875	4,854	1,972	2,624	14,466	(1,997)	-	129,588
Tax expense									(43,970)
Profit for the period									85,618
Assets									
Segment assets	2,264,850	492,806	397,968	48,575	38,297	11,369	53,975	-	3,307,840
Investment in associates	12,612	-	-	-	-	-	-	-	12,612
Deferred tax assets									36,519
Current tax assets									10,118
Total assets									3,367,089
Liabilities									
Segment liabilities	1,038,410	145,100	34,998	14,933	3,896	225,427	1,105	-	1,463,869
Deferred tax liabilities									60,795
Current tax liabilities									21,085
Total liabilities									1,545,749
Other segment information									
Depreciation and amortisation	902	25,242	2,128	31	497	61	98	-	28,959
Additions to non-current assets other than financial instruments and deferred tax assets	30,762	8,223	585	6	-	-	-	-	39,576
* Included inter-company interest expense	16,718	3,515	137	5	-	14,378	3,069	(37,822)	-
** Included inter-company interest income	(2,695)	-	-	-	-	(11,600)	-	14,295	-
# Included unrealised foreign exchange (gains)/losses	-	(5,510)	-	-	-	19	-	-	(5,491)
# Included realised foreign exchange (gains)/losses	-	(1,913)	2	-	212	(34)	-	-	(1,733)

Note: The construction division has been combined with property development division to form a reportable segment as major part of its revenue is derived from internal property development projects.

A8. OPERATING SEGMENTS (continued)
(a) Segment Analysis – Business Segments (continued)

Financial year ended 30 June 2020

	Property development & construction RM'000	Plantation RM'000	Hotel & property investment RM'000	Trading RM'000	Manu- facturing RM'000	Investment holding RM'000	Non-reportable segment RM'000	Eliminations RM'000	Consolidated RM'000
Revenue									
Total external revenue	365,978	190,854	18,190	42,082	4,684	-	1,732	-	623,520
Inter-segment revenue	-	8,234	2,386	143	-	99,096	-	(109,859)	-
Total segment revenue	365,978	199,088	20,576	42,225	4,684	99,096	1,732	(109,859)	623,520
Results									
Operating result [#]	75,375	47,565	3,951	593	1,975	29,865	398	(30,159)	129,563
Interest expense*	(32,272)	(10,468)	(1,237)	(5)	-	(26,271)	(3,776)	48,473	(25,556)
Interest income**	7,213	399	-	104	210	16,231	12	(18,314)	5,855
Share of results of associates	(5,803)	-	-	-	-	-	-	-	(5,803)
Segment result	44,513	37,496	2,714	692	2,185	19,825	(3,366)	-	104,059
Tax expense									(37,057)
Profit for the period									67,002
Assets									
Segment assets	2,174,977	507,957	362,843	29,759	31,216	29,045	44,998	-	3,180,795
Investment in associates	9,287	-	-	-	-	-	-	-	9,287
Deferred tax assets									42,435
Tax recoverable									1,168
Current tax assets									9,866
Total assets									3,243,551
Liabilities									
Segment liabilities	972,326	200,493	37,303	7,402	3,254	221,920	1,078	-	1,443,776
Deferred tax liabilities									58,959
Current tax liabilities									11,431
Total liabilities									1,514,166
Other segment information									
Depreciation and amortisation	721	25,010	2,238	33	546	214	103	-	28,865
Additions to non-current assets other than financial instruments and deferred tax assets	49,864	8,388	257	-	5	-	102	-	58,616
* Included inter-company interest expense	21,335	4,680	200	4	-	18,478	3,776	(48,473)	-
** Included inter-company interest income	(2,548)	-	-	-	-	(15,766)	-	18,314	-
# Included unrealised foreign exchange (gains)/losses	-	(1,099)	-	-	-	75	-	-	(1,024)
# Included realised foreign exchange losses/(gains)	-	2,978	-	-	18	(28)	-	-	2,968

Note: The construction division has been combined with property development division to form a reportable segment as major part of its revenue is derived from internal property development projects.

A8. OPERATING SEGMENTS (continued)
 (b) Segment Analysis – Geographical Segments

	Revenue		Non-current assets	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Malaysia	476,215	427,982	1,347,384	1,317,758
Republic of Indonesia	212,522	190,854	372,478	409,469
The Peoples' Republic of China	6,887	4,684	20,668	18,625
	<u>695,624</u>	<u>623,520</u>	<u>1,740,530</u>	<u>1,745,852</u>

The non-current assets do not include financial instruments and deferred tax assets.

A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The valuations of property, plant and equipment have been brought forward without any amendments from the previous audited financial statements.

A10. MATERIAL EVENT SUBSEQUENT TO THE END OF THE INTERIM PERIOD

There were no material events subsequent to the end of the current quarter under review that have not been reflected in the financial statements.

A11. CHANGES IN THE COMPOSITION OF THE GROUP

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

A12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

- (a) As at 18 August 2021, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim Financial Report, the net changes in the contingent liabilities of the Company to financial institutions and suppliers for banking and trade credit facilities granted to subsidiary companies since the preceding financial year ended 30 September 2020 recorded a decrease of approximately RM35.1 million. Total credit facilities granted to subsidiaries with corporate guarantees issued by the Company to the lenders and utilised by subsidiaries as at 18 August 2021 was approximately RM814.0 million and RM526.4 million respectively.
- (b) On 11 January 2019, the recipient of KTM Komuter Station, Perbadanan Aset Keretapi ("PAK") has issued a certificate of non-completion ("CNC") to Srijang Kemajuan Sdn Bhd ("SKSB"), a 99.99% owned subsidiary of the Company and stating that SKSB has failed to complete the construction of KTM Komuter Station ("Construction Works") by 10 December 2016 and therefore PAK is entitled to impose liquidated ascertained damages ("LAD") pursuant to the Development cum Lease Agreement ("DCLA") dated 12 October 2012 entered between PAK and SKSB. The LAD will be calculated daily at a rate of RM4,438.36 from the revised completion date on 10 December 2016 (extension of time number 1) until the completion of the Construction Works.

A12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS (CONT'D)

On 28 February 2019, SKSB has written to dispute the validity of the CNC on the grounds that SKSB had on 10 January 2017 submitted extension of time ("EOT") number 2 of which PAK has yet to assess SKSB's application for EOT number 2 and on the same day, SKSB submitted EOT number 3 in view of the delay by relevant authorities in approving the change of building design and use of building materials.

On 19 August 2019, PAK granted SKSB's EOT number 2, for a period of up to 8 January 2017 ("EOT 2").

On 13 January 2020, SKSB has written to appeal for the EOT 2 to be extended to 30 December 2017 instead of 8 January 2017.

On 15 June 2020, SKSB submitted EOT number 4, for period from 11 April 2020 to 1 July 2020 together with the above mentioned EOT 2 (period from 11 December 2016 to 30 December 2017) and EOT 3 (period from 31 December 2017 to 10 April 2020).

Based on legal opinion obtained, the directors of SKSB are of the opinion that SKSB's LAD could not be estimated until and unless PAK has completed the assessment of EOT number 3 as the date by which SKSB is required to complete the Construction Works remains uncertain.

In view of the uncertainty, there is no revised completion date from which the LAD could be computed and PAK's right to impose LAD pursuant to DCLA cannot be triggered. Accordingly, SKSB has not made any provision in the financial statements and only disclosed as contingent liabilities.

A13. CAPITAL COMMITMENTS

The capital commitment of the Group is as follows:

	As at 30.06.2021 RM'000
Approved, contracted but not provided for:	
- Intangible asset for property development division	14,999
Approved but not contracted and not provided for:	
- Property, plant and equipment for plantation division	8,618
	<u>23,617</u>

A14. RELATED PARTY TRANSACTIONS

There were no related party transactions in the current quarter and the financial year-to-date except for the following:

	Current Quarter 30.06.2021 RM'000	Financial Year-to-Date 30.06.2021 RM'000
Sales of land to a Director of the Company	-	1,730
Sales of development properties to other key management personnel of the Group	-	534
	<u>-</u>	<u>2,264</u>

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ADDITIONAL INFORMATION REQUIRED BY APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

B1. REVIEW OF PERFORMANCE OF THE GROUP FOR:

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes	Current Year-to-Date	Preceding Year-to-Date	Changes
	30.06.2021 RM'000	30.06.2020 RM'000	RM'000	30.06.2021 RM'000	30.06.2020 RM'000	RM'000
Revenue	203,486	137,752	65,734	695,624	623,520	72,104
Operating profit	46,194	58,581	(12,387)	143,903	129,563	14,340
Profit before interest and tax	46,173	57,789	(11,616)	141,639	123,760	17,879
Profit before tax	42,200	51,555	(9,355)	129,588	104,059	25,529
Profit after tax	25,060	33,091	(8,031)	85,618	67,002	18,616
Profit attributable to ordinary equity holders of the Parent	21,471	32,268	(10,797)	68,211	49,191	19,020

(i) Third quarter ended 30 June 2021

Despite the higher revenue of RM203.5 million for the current quarter as compared to the preceding year correspondence quarter of RM137.8 million, the Group recorded lower profit before tax of RM42.2 million for the current quarter as compared to the preceding year correspondence quarter of RM51.6 million.

The decrease in Group's profit before tax by 18.2% was mainly due to lower unrealised foreign exchange gains of RM0.6 million in the current quarter as compared to the preceding year correspondence quarter of RM39.7 million.

Excluding unrealised foreign exchange gains, the Group's profit before tax was significantly increase by 249.6% to RM41.6 million in the current quarter as compared to the preceding year correspondence quarter of RM11.9 million mainly due to higher gross profit from the plantation division as a result of higher average selling price of crude palm oil ("CPO") of RM3,096 per MT (3QFY2020: RM2,054 per MT) and contribution from the ongoing development projects by the property and construction division.

The imposition of several Movement Control Order ("MCO 3.0") by the Government in the current quarter:

- Full lockdown Movement Control ("FMCO") from 1 June 2021 - 28 June 2021
- Enhanced Movement Control ("EMCO") from 3 July 2021 - 16 July 2021

and, the implementation of the National Recovery Plan ("NRP") that will be divided into 4 phases have impacted the timing on the revenue and profit recognition of the property and construction division's ongoing development projects as a result of the suspension and disruption of the physical construction work and sales gallery activities as compared to the preceding year correspondence quarter's MCO from 18 March 2020 - 3 May 2020 and Conditional MCO from 4 May 2020 - 9 June 2020.

(ii) Financial year-to-date (“YTD”) ended 30 June 2021 by Segments

Property and construction

Despite the higher revenue of RM393.0 million for the current YTD as compared to the preceding YTD of RM366.0 million, this division recorded lower profit before tax of RM42.8 million for the current YTD as compared to the preceding YTD of RM44.5 million mainly due to the timing on revenue and profit recognition as mentioned in paragraph B1(i) above. The newly launched property development projects namely, MIRAI Residences @ Kajang 2 and Nexus @ Taman Pertama still at the preliminary stage of development.

As at 30.06.2021, the Group has locked-in unbilled sales value of RM797.2 million from which attributed sales revenue and profits will be recognised progressively as their development percentage of completion progresses and were mainly contributed from the ongoing development projects namely Hill Park Shah Alam (RM54.2 million), TR Residence (RM15.4 million), Inspirasi @ Mont Kiara (RM122.5 million), Kajang East Precinct 1 (RM17.1 million), MKH Boulevard II (RM80.4 million), NEXUS @ Kajang Station (RM246.9 million), Bandar Teknologi Kajang shop (RM1.1 million), Hillpark 3 Phase 1B Shop (RM1.2 million), Kajang East Avenue Shop (RM12.3 million), MIRAI Residences @ Kajang 2 (RM198.7 million) and Nexus @ Taman Pertama (RM47.4 million).

Plantation

The division recorded higher revenue and profit before tax of RM212.5 million and RM64.9 million for the current YTD as compared to the preceding YTD of RM190.9 million and RM37.5 million respectively.

The profit before tax included unrealised foreign exchange gains of RM5.5 million in the current YTD as compared to the preceding YTD of RM1.1 million. The unrealised foreign exchange gains were mainly due to strengthening of Indonesia Rupiah (“IDR”) against its United States Dollar (“USD”) and Ringgit Malaysia (“RM”) borrowings.

Excluding unrealised foreign exchange gains, this division recorded profit before tax of RM59.4 million for the current YTD as compared to the preceding YTD of RM36.4 million. The increase in revenue and profit before tax excluding unrealised foreign exchange gains was mainly due to higher average selling price of CPO as disclosed below.

Palm oil plantation’s production key indicators:

As at 30 June 2021	Q1	Q2	Q3	YTD 2021
Total land area (hectares)				18,388
Planted area (hectares)				16,408
Mature area (hectares)				16,081
Fresh Fruit Bunches produced by (MT)				
Own estates	107,006	107,620	115,654	330,280
External	5,359	5,377	4,497	15,233
	112,365	112,997	120,151	345,513
Crude Palm Oil (MT)	22,682	21,446	23,497	67,626
Palm Kernel (MT)	4,339	4,021	4,836	13,197
Average CPO price/MT	2,656	2,747	3,096	2,822
Average PK price/MT	1,258	1,729	1,944	1,661

As at 30 September 2020	Q1	Q2	Q3	Q4	Year 2020
Total land area (hectares)					18,388
Planted area (hectares)					16,408
Mature area (hectares)					16,081
Fresh Fruit Bunches produced by (MT)					
Own estates	114,780	131,386	131,426	99,566	477,158
External	5,165	5,055	5,893	4,486	20,599
	119,945	136,441	137,319	104,052	497,757
Crude Palm Oil (MT)	25,112	26,950	27,023	20,926	100,010
Palm Kernel (MT)	4,932	5,351	5,463	4,584	20,331
CPO average price RM/MT	2,069	2,493	2,054	2,256	2,227
PK average price RM/MT	998	1,344	1,153	1,096	1,141

Hotel and property investment

This division recorded higher revenue and profit before tax of RM18.6 million and RM4.9 million in the current YTD as compared to the preceding YTD of RM18.2 million and RM2.7 million respectively mainly due to absence of rent-free period, lower rental rebates and lower interest expenses in the current YTD as compared to the preceding YTD. The newly refurbished 3-star hotel namely RHR Hotel @ Kajang has yet to achieve its breakeven occupancy rates.

The hotel division's performance will continue to be impacted by the MCO 3.0 as some of the rooms and seminar packages sales will be rescheduled after MCO 3.0 is uplifted.

As at 30 June 2021, the property investment division has granted approximately RM0.6 million rental rebates (30.6.2020: approximately RM2.5 million rent free and rental rebates up to 30%) during this MCO 3.0 to certain non-essential services tenants/retailers such as fashion, telecommunication, home furnishing, entertainment and leisure outlets to ease their financial burdens.

Trading

This division recorded higher revenue and profit before tax of RM62.5 million and RM2.0 million for the current YTD as compared to the preceding YTD of RM42.1 million and RM0.7 million respectively as approximately 69% of sales were mainly derived from the Group's development projects.

Manufacturing

This division recorded higher revenue and profit before tax of RM6.9 million and RM2.6 million for the current YTD as compared to the preceding YTD of RM4.7 million and RM2.2 million mainly due to higher gross profit margin achieved from the sales of furniture.

Investment holding

This division revenue and profit before tax/(loss before tax) were mainly derived from the inter-group transactions on management fee and interest billings and charging which were eliminated at the Group level.

B2. COMMENT ON MATERIAL CHANGES IN THE PROFIT BEFORE TAX OF THE CURRENT QUARTER COMPARED WITH PRECEDING QUARTER

	Current Quarter 30.06.2021 RM'000	Immediate Preceding Quarter 31.03.2021 RM'000	Changes RM'000
Revenue	203,486	264,680	(61,194)
Operating profit	46,194	44,029	2,165
Profit before interest and tax	46,173	41,877	4,296
Profit before tax	42,200	36,745	5,455
Profit after tax	25,060	22,946	2,114
Profit attributable to ordinary equity holders of the parent	21,471	16,387	5,084

Despite the lower revenue of RM203.5 million in the current quarter as compared to the preceding quarter of RM264.7 million, the Group recorded higher profit before tax of RM42.2 million as compared to the preceding quarter of RM36.7 million mainly due to inclusion of unrealised foreign exchange gains of RM0.6 million in the current quarter as compared to unrealised foreign exchange losses of RM5.1 million in the preceding quarter.

Excluding the unrealised foreign exchange gains/losses, the adjusted profit before tax recorded a slight decrease to RM41.6 million in the current quarter as compared to the preceding quarter of RM41.8 million mainly due to lower revenue and profit from the property development and construction division following the imposition of FMCO as mentioned in paragraph B1(i) above. The lower revenue and profit before tax from the property development and construction division was mitigated by the plantation division's higher revenue and profit as a result of higher average selling price of CPO of RM3,096 per MT in the current quarter as compared to RM2,747 per MT in the preceding quarter.

B3. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST AND PROFIT GUARANTEE

This is not applicable to the Group.

B4. CURRENT YEAR PROSPECTS

The prolonged COVID-19 pandemic continues to impact the economy and businesses in Malaysia and globally. The Group's three (3) business segments in Malaysia included the property development and construction and trading, and hotel and property investment remained resilient amid the current challenging business environment.

Property development and construction, and trading segments:

The outlook for property development and construction, and trading segment for the financial year ending 30 September 2021 ("FY2021") remain challenging. The reimposition of FMCO and EMCO from 1 June 2021 – 16 July 2021 coupled with the spike in COVID-19 cases driven by the contagious Delta variant has dampened the current market and consumer sentiments particularly in the property industry. We anticipate the implementation of the National Recover Plan over four (4) phases by the Government and the fast tracking of the vaccination program under "Operation Surge Capacity" to vaccinate the Malaysian adult population under the Malaysia National COVID-19 Immunization Programme will improve the property market sentiment.

B4. CURRENT YEAR PROSPECTS (CONT'D)

Property development and construction, and trading segments (Cont'd):

As at 30.6.2021, the Group achieved take up rates for the newly launched development projects as follows:

- 72% for Hillpark Aspirasi @ Hillpark Shah Alam (88 units single-storey shops) with GDV of approximately RM40.8 million which was launched in September 2020;
- 78% for MIRAI Residences @ Kajang 2 Precinct 1 phase 1 (748 units of apartments) with GDV of approximately RM236.7 million which was launched in September 2020;
- 18% for Nexus @ Taman Pertama (507 units of apartments) with GDV of approximately RM260.7 million which was launched in November 2020; and
- 11% for MIRAI Residences @ Kajang 2 Precinct 1 phase 2 (748 units of apartments) with GDV of approximately RM245.2 million which was launched in February 2021.

The Group's remaining planned launches in FY2021 comprising of the transit-oriented high-rise residential development known as TR2 Residence @ Jalan Tun Razak and the landed residential development known as Iris @ Hillpark Shah Alam with a total estimated GDV of approximately RM660.6 million will be phased according to prevailing market sentiments.

The Group will continue to leverage on its available properties from the ongoing development projects with sales value of approximately RM876.4 million and monetize its inventories totaling RM92.9 million through digital marketing, rolling out more competitive rebates and timely completion of ongoing development projects.

The Group's unbilled sales of RM797.2 million would be able to sustain this division for the next two (2) years and the above new planned transit-oriented development launches which are strategically located in Kuala Lumpur, Cheras and Kajang will further strengthen the Group's future unbilled sales.

For the trading division, approximately 69% of the sales of building materials are contributed from the Group's development projects and it will continue to supply building materials to the Group's ongoing and future development projects.

Hotel and property investment segment:

The COVID-19 pandemic continues to impact the tourism industry and the retail real estate market. Our newly refurbished 3-star hotel namely RHR Hotel @ Kajang features 102 guest rooms, 1 ballroom, 2 meeting rooms, and 1 cafe is expecting to prolong its breakeven occupancy rates until the full recovery of the tourism activities and consumer sentiments.

Our Plaza Metro Kajang and Metro Point Complex were also impacted. As a caring and responsible corporate citizen, our Group extended support to our tenants during this difficult period and we will continue to review the rental rebates for eligible tenants to ease their financial burdens. Rental yield from this division is expected to be lower averaging from 3% to 4% based on fair value as at 30 September 2020.

This segment has also benefited from the stimulus packages announced by the Government from time to time such as wage subsidy programme and electricity bill discounts.

The retail activities have since picked up after the FMCO which augurs well for this division amid the challenges in the retail sector.

B4. CURRENT YEAR PROSPECTS (CONT'D)

Plantation segment:

Our plantation segment in Indonesia is operating as usual albeit with enhanced biosecurity measures; which included educating our workers with regards to COVID-19 prevention procedures such as social distancing, cleanliness, sanitization, quarantine procedures, and implementation of controlled entry and exit at our plantation checkpoints. The above initiatives had enabled our plantation division to carry out its day-to-day operations smoothly without any COVID-19 cases todate.

Our plantation's healthcare frontliners have also received the COVID-19 vaccination so that they could be better protected in discharging their duties. Given our plantation's success in combating the pandemic todate, our management was invited into the authorities' think-tank to also advice on the district's anti COVID-19 initiative. Our plantation division continue to operate well with minimal impact from the movement control implemented by the Indonesian Government.

Further, the region had been experiencing relatively heavier rainfall due to the La Nina weather occurrence. However, the plantation production had been stable as production efficiency was complimented with our on-going mechanization of fresh fruit bunches ("FFB") collection and the use of software apps to track FFB evacuation from fields to the mill.

This division is exposed to foreign exchange risk on its United States Dollar ("USD") and Ringgit Malaysia ("RM") denominated loans. For the current quarter ended 30 June 2021, this division recorded unrealised foreign exchange gains of RM0.7 million as compared to the preceding quarter of unrealised foreign exchange losses of RM5.0 million based on exchange rate of USD1:IDR14,496 and RM1:IDR3,493 as at 30 June 2021 due to the strengthening of the Indonesia Rupiah ("IDR") against USD and RM. The exchange rates movement is analysed as below:

As at 30.6.2021, USD1: IDR14,496 and RM1: IDR3,493

As at 31.3.2020, USD1: IDR14,572 and RM1: IDR3,508

As at 31.12.2020, USD1:IDR14,105 and RM1:IDR3,492

As at 30.9.2020, USD1:IDR14,918 and RM1:IDR3,590

As at 30.6.2020, USD1:IDR14,302 and RM1:IDR3,340

The IDR has further strengthen against the USD and RM with an exchange rate of USD1: IDR14,414 and RM1: IDR3,399 as at 20 August 2021.

The crude palm oil ("CPO") prices remain well supported due to good demand and tighter supply with current CPO price trading at approximately RM3,700/MT (net of export levy and duty) in Indonesia which augurs well for the Plantation Division. For the current quarter, the average CPO price achieved was at RM3,096 per MT as compared to the immediate preceding quarter of RM2,747 per MT. For the 4th quarter ending 30 September 2021, we are expecting an average CPO price at a range of between RM3,350 to RM3,650 per MT. We will continue to focus on the estate management to further increase the production efficiencies including oil extraction rate and maximising the utilisation of the CPO mill to further capitalise on the higher CPO price.

Given the above, the Board of Directors expect the Group to achieve satisfactory results for the financial year ending 30 September 2021.

B5. (i) PROFIT BEFORE TAX FROM CONTINUING OPERATIONS

The profit before tax of the Group from continuing operations is arrived at after (charging)/crediting:

	Current Quarter 30.06.2021 RM'000	Financial year-to-date 30.06.2021 RM'000
Amortisation of prepaid lease payments	(380)	(1,136)
Depreciation of right-of-use asset	(81)	(242)
Depreciation of property, plant and equipment	(9,137)	(27,581)
Loss on disposal of property, plant and equipment	-	(2)
Interest expenses - loan and borrowings	(4,679)	(14,928)
- lease liability	(211)	(634)
- unwinding of discount	(504)	(1,645)
Other expenses		
Property, plant and equipment written off	-	(44)
Other income		
Net gain on foreign exchange		
- realised	472	1,733
- unrealised	607	5,491
Interest income	1,422	2,877
Reversal of impairment loss on trade and loan receivables	90	143
(Loss)/Gain arising from changes in biological assets	(754)	2,716
Gain on disposal of other investment	-	98
	=====	=====

(ii) CASH AND CASH EQUIVALENTS

The cash and cash equivalents at end of the year comprise of the following:

	(Unaudited) 30.06.2021 RM'000	(Unaudited) 30.06.2020 RM'000
Cash and bank balances	123,287	113,082
Cash held under housing development accounts	194,464	176,981
Cash held under sinking fund accounts	2	11
Deposits with licensed banks	13,320	9,064
Short term funds	25,153	28,499
Bank overdrafts	(45)	(120)
	=====	=====
	356,181	327,517
Less: Non short term and highly liquid fixed deposits	-	(6,783)
Less: Deposits and bank balances pledged for credit facilities	(11,434)	(16,326)
	=====	=====
	344,747	304,408

B6. TAX EXPENSE

The taxation of the Group from continuing operations comprises of the following: -

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year	Preceding Year	Current	Preceding
	Quarter	Corresponding Quarter	Year-to-Date	Year-to-Date
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
	RM'000	RM'000	RM'000	RM'000
Current tax				
- Current financial year	12,522	17,204	36,259	36,654
- Prior financial year	574	8	587	742
Deferred tax				
- Current financial year	3,719	1,252	6,801	(167)
- Prior financial year	325	-	323	(172)
	17,140	18,464	43,970	37,057

The effective tax rate applicable to the Group for the financial year-to-date is higher than the statutory rate of taxation as certain expenses were disallowed for tax purposes, non-recognition of certain tax benefits from unabsorbed tax losses and other temporary difference incurred prior to launch of projects.

B7. GROUP BORROWINGS AND DEBT SECURITIES

The loans and borrowings (including finance lease liabilities) of the Group are as follows: -

	Long term		Short term		Total borrowings	
	Foreign currency	RM Equivalent	Foreign currency	RM Equivalent	Foreign currency	RM Equivalent
As at 30 June 2021	000	RM'000	000	RM'000	000	RM'000
<u>Secured</u>						
<u>Denominated in USD</u>						
Term loans	4,400	19,900	4,800	18,016	9,200	37,916
Revolving credits	-	-	8,500	35,240	8,500	35,240
<u>Denominated in RM</u>						
Term loans	-	31,604	-	24,441	-	56,045
Revolving credits	-	131,206	-	89,673	-	220,879
Bank overdraft	-	-	-	45	-	45
<u>Unsecured</u>						
<u>Denominated in USD</u>						
Term loans	4,580	18,988	-	-	4,580	18,988
Revolving credits	-	-	925	3,843	925	3,843
<u>Denominated in RM</u>						
Revolving credits	-	-	-	190,100	-	190,100
<u>Finance lease liabilities</u>						
<u>Denominated in RM</u>	-	572	-	292	-	864
Total		202,270		361,650		563,920

B7. GROUP BORROWINGS AND DEBT SECURITIES (CONT'D)

	Long term		Short term		Total borrowings	
	Foreign currency 000	RM Equivalent RM'000	Foreign currency 000	RM Equivalent RM'000	Foreign currency 000	RM Equivalent RM'000
As at 30 June 2020						
<u>Secured</u>						
<u>Denominated in USD</u>						
Term loans	14,310	60,378	5,960	26,193	20,270	86,571
Revolving credits	-	-	12,500	53,633	12,500	53,633
<u>Denominated in RM</u>						
Term loans	-	55,355	-	1,537	-	56,892
Revolving credits	-	155,579	-	100,900	-	256,479
Bank overdraft	-	-	-	120	-	120
<u>Unsecured</u>						
<u>Denominated in USD</u>						
Term loans	-	-	2,000	8,581	2,000	8,581
Revolving credits	-	-	1,825	7,811	1,825	7,811
<u>Denominated in RM</u>						
Revolving credits	-	-	-	159,700	-	159,700
Bank overdraft	-	-	-	-	-	-
<u>Finance lease liabilities</u>						
<u>Denominated in RM</u>	-	744	-	370	-	1,114
Total		272,056		358,845		630,901

B8. MATERIAL LITIGATION

There was no material litigation involving the Group during the current quarter under review.

B9. DIVIDEND

The Board of Directors has approved a first interim single tier dividend of 3.0 sen per ordinary share on 27 November 2020 for the financial year ended 30 September 2020 amounting to RM17,322,476 was declared on 27 November 2020 and paid on 8 January 2021.

B10. EARNINGS PER SHARE (“EPS”)

	Current Year	Preceding Year	Current	Preceding
	Quarter	Corresponding	Year-to-Date	Year-to-Date
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
BASIC EPS				
Profit attributable to Owners of the parent (RM'000)	21,471	32,268	68,211	49,191
Weighted average number of ordinary shares ('000)				
At 1 October 2020/2019	586,548	586,548	586,548	586,548
Treasury shares	(9,132)	(9,132)	(9,132)	(9,132)
At 30 June 2021/2020	577,416	577,416	577,416	577,416
BASIC EPS (sen)	3.72	5.59	11.81	8.52

B11. AUTHORISATION FOR ISSUE

The interim Financial Report were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 27 August 2021.