



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
INTERIM REPORT FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 31 DECEMBER 2021**

| | (Unaudited) INDIVIDUAL QUARTER Current Year Quarter 31.12.2021 RM'000 | (Unaudited) Preceding Year Corresponding Quarter 31.12.2020 RM'000 | (Unaudited) CUMULATIVE QUARTER Current Year-to-Date 31.12.2021 RM'000 | (Unaudited) Preceding Year-to-Date 31.12.2020 RM'000 |
|---|--|--|---|---|
| Revenue | 204,268 | 227,458 | 204,268 | 227,458 |
| Cost of sales | (137,176) | (157,412) | (137,176) | (157,412) |
| Gross profit | 67,092 | 70,046 | 67,092 | 70,046 |
| Other income | 5,448 | 13,168 | 5,448 | 13,168 |
| Sales and marketing expenses | (4,287) | (4,284) | (4,287) | (4,284) |
| Administrative expenses | (18,082) | (19,589) | (18,082) | (19,589) |
| Other expenses | (2,526) | (2,602) | (2,526) | (2,602) |
| Profit from operations | 47,645 | 56,739 | 47,645 | 56,739 |
| Share of results of associates | 219 | (91) | 219 | (91) |
| Interest expenses | (5,174) | (6,005) | (5,174) | (6,005) |
| Profit before tax | 42,690 | 50,643 | 42,690 | 50,643 |
| Tax expense | (11,167) | (13,031) | (11,167) | (13,031) |
| Profit for the period | 31,523 | 37,612 | 31,523 | 37,612 |
| Other comprehensive income | | | | |
| <i>Items that may be reclassified subsequently to profit or loss:</i> | | | | |
| Foreign exchange translation differences | (441) | 1,732 | (441) | 1,732 |
| Other comprehensive income for the period | (441) | 1,732 | (441) | 1,732 |
| Total comprehensive income for the period | 31,082 | 39,344 | 31,082 | 39,344 |
| Profit attributable to: | | | | |
| Owners of the parent | 31,316 | 30,353 | 31,316 | 30,353 |
| Non-controlling interests | 207 | 7,259 | 207 | 7,259 |
| | 31,523 | 37,612 | 31,523 | 37,612 |
| Total comprehensive income attributable to: | | | | |
| Owners of the parent | 30,904 | 32,097 | 30,904 | 32,097 |
| Non-controlling interests | 178 | 7,247 | 178 | 7,247 |
| | 31,082 | 39,344 | 31,082 | 39,344 |
| Earnings per share | | | | |
| Basic Earnings per ordinary share (sen) | 5.42 | 5.26 | 5.42 | 5.26 |
| Proposed/Declared Dividend per share (sen) | 3.50 | 3.00 | 3.50 | 3.00 |

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 2021 and the accompanying explanatory notes attached to the interim Financial Report.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
INTERIM FINANCIAL REPORT AS AT 31 DECEMBER 2021**

| | (Unaudited) 31.12.2021 | (Audited) 30.09.2021 |
|---|---------------------------|-------------------------|
| <i>Assets</i> | RM'000 | RM'000 |
| Property, plant and equipment | 394,419 | 401,054 |
| Right-of-use asset | 17,686 | 17,766 |
| Intangible assets | 57,372 | 60,073 |
| Prepaid lease payments | 40,276 | 40,641 |
| Investment properties | 344,241 | 344,241 |
| Investment in associates | 24,753 | 12,485 |
| Other investment | 562 | 356 |
| Land held for property development | 887,623 | 883,037 |
| Deferred tax assets | 35,141 | 35,551 |
| Receivables, deposits and prepayments | 36,951 | 36,777 |
| Total Non-Current Assets | 1,839,024 | 1,831,981 |
| Property development costs | 535,418 | 539,809 |
| Inventories | 164,682 | 161,771 |
| Contract assets | 273,494 | 285,494 |
| Biological assets | 8,219 | 6,177 |
| Receivables, deposits and prepayments | 198,529 | 196,069 |
| Current tax assets | 14,328 | 9,896 |
| Cash, bank balances, term deposits and fixed income funds | 371,432 | 427,547 |
| | 1,566,102 | 1,626,763 |
| Non-current assets classified as held for sale | 346 | 737 |
| Total Current Assets | 1,566,448 | 1,627,500 |
| TOTAL ASSETS | 3,405,472 | 3,459,481 |
| <i>Equity</i> | | |
| Share capital | 654,459 | 654,459 |
| Treasury shares | (11,112) | (11,112) |
| Translation reserve | (1,090) | (678) |
| Revaluation reserve | 27,359 | 27,359 |
| Retained earnings | 1,067,357 | 1,036,041 |
| Equity attributable to owners of the parent | 1,736,973 | 1,706,069 |
| Non-Controlling Interests | 138,931 | 138,702 |
| Total Equity | 1,875,904 | 1,844,771 |
| <i>Liabilities</i> | | |
| Deferred tax liabilities | 55,855 | 56,123 |
| Provisions | 15,691 | 15,211 |
| Payables and accruals | 395,715 | 395,713 |
| Lease liability | 18,683 | 18,593 |
| Loans and borrowings | 148,465 | 175,879 |
| Total Non-Current Liabilities | 634,409 | 661,519 |
| Provisions | 20,587 | 20,587 |
| Contract liabilities | 20,603 | 15,374 |
| Payables and accruals | 491,717 | 538,251 |
| Lease liability | 618 | 493 |
| Loans and borrowings | 336,628 | 353,930 |
| Current tax liabilities | 25,006 | 24,556 |
| Total Current Liabilities | 895,159 | 953,191 |
| Total Liabilities | 1,529,568 | 1,614,710 |
| TOTAL EQUITY AND LIABILITIES | 3,405,472 | 3,459,481 |
| Net Assets per share attributable to shareholders of the Company (RM)* | 3.01 | 2.95 |

* 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 2021 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 FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2021

| | < ----- Attributable to owners of the parent ----- > | | | | | | | |
|---|--|-----------------|---------------------|---------------------|-------------------|-----------|---------------------------|--------------|
| | < -----Non-distributable ----- > | | | | Distributable | | | |
| Group | Share Capital | Treasury Shares | Translation Reserve | Revaluation Reserve | Retained Earnings | Total | Non-Controlling Interests | Total Equity |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Financial period ended 31 December 2021 | | | | | | | | |
| At 1.10.2021 (audited) | 654,459 | (11,112) | (678) | 27,359 | 1,036,041 | 1,706,069 | 138,702 | 1,844,771 |
| Total comprehensive income for the period | - | - | (412) | - | 31,316 | 30,904 | 178 | 31,082 |
| Transactions with owners | | | | | | | | |
| Non-controlling interests in respect of subsidiary acquired | - | - | - | - | - | - | 51 | 51 |
| At 31.12.2021 (unaudited) | 654,459 | (11,112) | (1,090) | 27,359 | 1,067,357 | 1,736,973 | 138,931 | 1,875,904 |
| Financial period ended 31 December 2020 | | | | | | | | |
| At 1.10.2010 (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 | - | - | 1,744 | - | 30,353 | 32,097 | 7,247 | 39,344 |
| At 31.12.2020 (unaudited) | 654,459 | (11,112) | (7,035) | 27,359 | 1,001,035 | 1,664,706 | 99,058 | 1,763,764 |

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 2021 and the accompanying explanatory notes attached to the interim Financial Report.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
INTERIM REPORT FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 31 DECEMBER 2021**

| | (Unaudited) 31.12.2021 RM'000 | (Unaudited) 31.12.2020 RM'000 |
|--|-------------------------------------|-------------------------------------|
| Cash Flows From/(Used In) Operating Activities | | |
| Profit before tax | 42,690 | 50,643 |
| Adjustments for non-cash items | 11,065 | 5,931 |
| Operating profit before changes in working capital | 53,755 | 56,574 |
| Change in property development costs | 4,391 | (1,043) |
| Change in inventories | (2,911) | 9,504 |
| Change in contract assets | 17,229 | (18,941) |
| Change in receivables, deposits and prepayments | (2,629) | 7,797 |
| Change in payables and accruals | (45,169) | (30,522) |
| Cash generated from operations | 24,666 | 23,369 |
| Interest received | 1,174 | 779 |
| Interest paid | (4,958) | (5,260) |
| Tax paid | (15,020) | (10,315) |
| Tax refunded | - | 1,150 |
| Retirement benefits obligations paid | (397) | (918) |
| Net cash from operating activities | 5,465 | 8,805 |
| Cash Flows From/(Used In) Investing Activities | | |
| Acquisition of subsidiaries, net of cash acquired | 23 | - |
| Acquisition of other investment | (1,383) | (30) |
| Acquisition of property, plant and equipment | (2,475) | (2,768) |
| Additions to intangible assets | - | (1,614) |
| Additions to land held for property development | (4,586) | (5,143) |
| Withdrawal of deposits with licensed banks | 62 | 382 |
| Proceeds from disposal of other investment | 1,218 | 185 |
| Subscription of shares in associates | (12,049) | - |
| Proceeds from disposal of property, plant and equipment | 3 | 2 |
| Dividend received | 12 | - |
| Proceeds from disposal of non-current assets classified as held for sale | 1,713 | - |
| Net cash used in investing activities | (17,462) | (8,986) |
| Cash Flows From/(Used In) Financing Activities | | |
| Net repayment of bank borrowings | (44,186) | (21,937) |
| Payments of hire purchase liabilities | (75) | (94) |
| Net cash used in financing activities | (44,261) | (22,031) |
| Net decrease in cash and cash equivalents | (56,258) | (22,212) |
| Effect of exchange rate fluctuations | 176 | 25 |
| Cash and cash equivalents at beginning of the period | 412,111 | 359,500 |
| Cash and cash equivalents at end of the period | 356,029 | 337,313 |

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 2021 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 2021.

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 2021 (“Annual Report 2021”) as well as amendments to MFRSs that take effects on annual financial year commencing on or after 1 October 2021. Adoption of amendments to MFRSs are as follows:

| | |
|--|---|
| Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 | Interest Rate Benchmark Reform – Phase 2 |
| Amendments to MFRS 16 | Covid-19 – Related Rent Concessions beyond 30 June 2021 |

The adoption of the abovementioned Amendments to MFRSs did not have any significant effect on this interim financial statement of the Group, except as disclosed below.

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

The Group has 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 ³ |
| Amendments to MFRS 3 | Reference to the Conceptual Framework ¹ |
| Amendments to MFRS 4 | Extension of Temporary Exemption from Applying MFRS 9 ² |
| Amendments to MFRS 10 and MFRS 128 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴ |
| Amendments to MFRS 17 | Insurance Contracts ³ |
| Amendments to MFRS 101 | Disclosure of Accounting Policies ³ |
| Amendments to MFRS 101 | Classification of Liabilities as Current or Non-current ³ |
| Amendments to MFRS 108 | Definition of Accounting Estimates ³ |
| Amendments to MFRS 112 | Deferred Tax related to Assets and Liabilities arising from a Single Transaction ³ |
| Amendments to MFRS 116 | Property, Plant and Equipment – Proceeds Before Intended Use ¹ |
| Amendments to MFRS 137 | Onerous Contracts – Cost of Fulfilling a Contract ¹ |
| Amendments to MFRSs | Annual Improvements to MFRS 2018 – 2020 Cycle ¹ |

¹ Effective for annual periods beginning on or after 1 January 2022.

² Effective immediately for annual periods beginning before 1 January 2023.

³ Effective for annual periods beginning on or after 1 January 2023.

⁴ 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 and Amendments 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 2021 in their report dated 29 December 2021.

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 31 December 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 31 December 2021, there is no repurchase of treasury share.

A7. DIVIDEND PAID

A first interim single tier dividend of 3.5 sen per ordinary share in respect of financial year ended 30 September 2021 amounting to RM20,209,552 was declared on 29 November 2021 and paid on 7 January 2022.

A8. OPERATING SEGMENTS

(a) Segment Analysis – Business Segments

Financial period ended 31 December 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 | 88,505 | 86,351 | 6,572 | 19,913 | 2,097 | - | 830 | | 204,268 |
| Inter-segment revenue | - | 4,197 | 632 | 16 | - | 20,554 | - | (25,399) | - |
| Total segment revenue | 88,505 | 90,548 | 7,204 | 19,929 | 2,097 | 20,554 | 830 | (25,399) | 204,268 |
| Results | | | | | | | | | |
| Operating result [#] | 7,015 | 32,398 | 2,183 | 1,592 | 901 | 7,374 | 411 | (5,414) | 46,460 |
| Interest expense* | (6,603) | (1,584) | (278) | (2) | - | (5,730) | (704) | 9,727 | (5,174) |
| Interest income** | 1,476 | 227 | 11 | 15 | 68 | 3,696 | 5 | (4,313) | 1,185 |
| Share of results of associates | 219 | - | - | - | - | - | - | - | 219 |
| Segment result | 2,107 | 31,041 | 1,916 | 1,605 | 969 | 5,340 | (288) | - | 42,690 |
| Tax expense | | | | | | | | | (11,167) |
| Profit for the period | | | | | | | | | 31,523 |
| Assets | | | | | | | | | |
| Segment assets | 2,274,306 | 521,619 | 393,229 | 35,089 | 39,832 | 11,535 | 55,640 | - | 3,331,250 |
| Investment in associates | 24,704 | | - | 49 | | | | - | 24,753 |
| Deferred tax assets | | | | | | | | | 35,141 |
| Current tax assets | | | | | | | | | 14,328 |
| Total assets | | | | | | | | | 3,405,472 |
| Liabilities | | | | | | | | | |
| Segment liabilities | 1,094,502 | 110,885 | 34,528 | 8,821 | 3,498 | 195,360 | 1,113 | - | 1,448,707 |
| Deferred tax liabilities | | | | | | | | | 55,855 |
| Current tax liabilities | | | | | | | | | 25,006 |
| Total liabilities | | | | | | | | | 1,529,568 |
| Other segment information | | | | | | | | | |
| Depreciation and amortisation | 272 | 8,565 | 685 | 10 | 174 | 21 | 33 | | 9,760 |
| Additions to non-current assets other than financial instruments and deferred tax assets | 2,182 | 2,150 | 44 | 2 | - | - | - | - | 4,378 |
| * Included inter-company interest expense | 3,527 | 1,143 | 40 | 2 | - | 4,313 | 702 | (9,727) | - |
| ** Included inter-company interest income | (744) | - | - | - | - | (3,569) | - | 4,313 | - |
| # Included unrealised foreign exchange gains | - | (171) | - | - | - | (12) | - | - | (183) |
| # Included realised foreign exchange (gains)/losses | - | (46) | (3) | - | 51 | 7 | - | - | 9 |

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 31 December 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 | 120,608 | 71,934 | 6,444 | 25,288 | 2,565 | - | 619 | | 227,458 |
| Inter-segment revenue | - | 2,242 | 620 | 73 | - | 83,882 | - | (86,817) | - |
| Total segment revenue | 120,608 | 74,176 | 7,064 | 25,361 | 2,565 | 83,882 | 619 | (86,817) | 227,458 |
| Results | | | | | | | | | |
| Operating result [#] | 19,888 | 31,898 | 2,103 | 1,071 | 901 | 7,763 | 306 | (7,970) | 55,960 |
| Interest expense* | (8,561) | (2,027) | (312) | (2) | - | (6,102) | (1,106) | 12,105 | (6,005) |
| Interest income** | 1,067 | 102 | - | 14 | 34 | 3,692 | 5 | (4,135) | 779 |
| Share of results of associates | (91) | - | - | - | - | - | - | - | (91) |
| Segment result | 12,303 | 29,973 | 1,791 | 1,083 | 935 | 5,353 | (795) | - | 50,643 |
| Tax expense | | | | | | | | | (13,031) |
| Profit for the period | | | | | | | | | 37,612 |
| Assets | | | | | | | | | |
| Segment assets | 2,251,711 | 479,167 | 398,876 | 37,135 | 34,980 | 26,979 | 49,321 | - | 3,278,169 |
| Investment in associates | 9,886 | - | - | - | - | - | - | - | 9,886 |
| Deferred tax assets | | | | | | | | | 43,602 |
| Current tax assets | | | | | | | | | 7,326 |
| Total assets | | | | | | | | | 3,338,983 |
| Liabilities | | | | | | | | | |
| Segment liabilities | 1,071,146 | 155,521 | 36,346 | 13,812 | 3,464 | 224,425 | 1,081 | - | 1,505,795 |
| Deferred tax liabilities | | | | | | | | | 61,092 |
| Current tax liabilities | | | | | | | | | 8,332 |
| Total liabilities | | | | | | | | | 1,575,219 |
| Other segment information | | | | | | | | | |
| Depreciation and amortisation | 314 | 8,415 | 724 | 11 | 165 | 20 | 33 | - | 9,682 |
| Additions to non-current assets other than financial instruments and deferred tax assets | 6,772 | 2,544 | 210 | - | - | - | - | - | 9,526 |
| * Included inter-company interest expense | 5,570 | 1,215 | 51 | 2 | - | 4,161 | 1,106 | (12,105) | - |
| ** Included inter-company interest income | (469) | - | - | - | - | (3,666) | - | 4,135 | - |
| # Included unrealised foreign exchange gains | - | (9,810) | - | - | - | (208) | - | - | (10,018) |
| # Included realised foreign exchange (gains)/losses | - | (231) | - | - | 181 | 10 | - | - | (40) |

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 | |
|--------------------------------|----------------|----------------|--------------------|------------------|
| | 31.12.2021 | 31.12.2020 | 31.12.2021 | 31.12.2020 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Continuing operations | | | | |
| Malaysia | 115,820 | 152,959 | 1,353,355 | 1,378,248 |
| The Peoples' Republic of China | 2,097 | 2,565 | 20,756 | 20,067 |
| Republic of Indonesia | 86,351 | 71,934 | 367,506 | 383,273 |
| | <u>204,268</u> | <u>227,458</u> | <u>1,741,617</u> | <u>1,781,588</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 except for on 16 February 2022, MKH Oil Palm (East Kalimantan) Sdn Bhd (Formerly known as MKH Global Plantation Sdn Bhd) ("MKHOP"), a wholly owned subsidiary of the Company has acquired 1 ordinary share representing 100% of equity interest of Restu Mesra Sdn Bhd ("RMSB") for a cash consideration of RM1. As a result, RMSB become a 100% owned subsidiary of MKHOP and the Company.

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, except for on 3 November 2021, the Company acquired 300,000 shares representing 60% of the equity interest of Juda Universe Sdn Bhd ("JUDA"), for a cash consideration of RM300,000. As a result, JUDA became a 60% owned subsidiary of the Company.

A12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

- (a) As at 16 February 2022, 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 2021 recorded a decrease of approximately RM65.5 million. Total credit facilities granted to subsidiaries with corporate guarantees issued by the Company to the lenders and utilised by subsidiaries as at 16 February 2022 was approximately RM773.5 million and RM438.9 million respectively.

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

- (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.

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).

On 23 November 2021, SKSB submitted number 5, or period from 10 June 2020 to 17 October 2021 together with the above mentioned EOT 2, EOT 3 and EOT 4.

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.

- (c) On 4 January 2021, PT Maju Kalimantan Hadapan (“PTMKH”), a subsidiary of the Company, received a tax assessment letter from Indonesia’s Director General of Tax (“DGT”) for the year of assessment 2019, to restrict the claim on management fee incurred by PTMKH amounted to IDR21,855 million, equivalent to RM6.37 million. Based on applicable corporate tax of 25%, the restricted amount of the management fee will result in additional tax liability of IDR5,464 million, equivalent to RM1.59 million in the financial statements of the Group and PTMKH. The management fee was charged by MKH Resources Sdn Bhd, a subsidiary of the Company, in respect of management services rendered to PTMKH.

On 1 April 2021, PTMKH filed an objection letter in reply to above tax assessment letter. On 24 December 2021, the objection letter has been rejected by tax appeal office in Balikpapan, Indonesia. PTMKH will further proceed the appeal to tax court in Jakarta, Indonesia.

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

Based on consultation with the local tax experts, the directors of PTMKH are of the opinion that PTMKH has a valid defense against DGT's assessment. Accordingly, PTMKH has not made any adjustments in respect of the tax assessment in the financial statements of the Group and PTMKH.

A13. CAPITAL COMMITMENTS

The capital commitment of the Group is as follows:

| | As at 31.12.2021 RM'000 |
|---|--|
| Approved, contracted but not provided for: | |
| - Intangible asset for property development division | 10,355 |
| Approved but not contracted and not provided for: | |
| - Property, plant and equipment for plantation division | 20,936 |
| | <u>31,291</u> |

A14. RELATED PARTY TRANSACTIONS

There were no related party transactions in the current quarter and the financial year-to-date.

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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 | Preceding Year | Changes | Current | Preceding | Changes |
| | Quarter | Corresponding | | Year-to-Date | Year-to-Date | |
| | 31.12.2021 | 31.12.2020 | | 31.12.2021 | 31.12.2020 | |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 204,268 | 227,458 | (23,190) | 204,268 | 227,458 | (23,190) |
| Operating profit | 46,460 | 55,960 | (9,500) | 46,245 | 55,960 | (9,715) |
| Profit before interest and tax | 46,679 | 55,869 | (9,190) | 46,464 | 55,869 | (9,405) |
| Profit before tax | 42,690 | 50,643 | (7,953) | 42,690 | 50,643 | (7,953) |
| Profit after tax | 31,523 | 37,612 | (6,089) | 31,523 | 37,612 | (6,089) |
| Profit attributable to ordinary equity holders of the Parent | 31,316 | 30,353 | 963 | 31,316 | 30,353 | 963 |

(i) First quarter ended 31 December 2021

The Group recorded lower revenue and profit before tax of RM204.3 million and RM42.7 million in the current quarter as compared to the preceding year corresponding quarter of RM227.5 million and RM50.6 million respectively mainly due to lower revenue and gross profit from the property development and construction division following the completion of high profit margin property development projects namely, Kajang East Precinct 1 (phase 2 & 4) and TR Residence, the newly launched property development projects namely MIRAI Residences @ Kajang 2 Precinct 1, Nexus @ Taman Pertama (launched in November 2020), Iris @ Hillpark Shah Alam (launched in September 2021) and TR2 Residence @ Jalan Tun Razak (launched in November 2021) still at the preliminary stage of development. The lower revenue and gross profit from the property development and construction division was mitigated by the plantation division's higher revenue and gross profit as a result of higher average selling price of crude palm oil ("CPO") in the current quarter of RM4,001 per MT as compared to the preceding year corresponding quarter of RM2,656 per MT.

The performance commentary by Segments as follows:

Property and construction

The division recorded lower revenue and profit before tax of RM88.5 million and RM2.1 million for the current quarter as compared to the preceding year correspondence quarter of RM120.6 million and RM12.3 million respectively mainly due to reasons as mentioned in the above paragraph.

As at 31.12.2021, the Group has locked-in unbilled sales value of RM921.6 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 (RM109.0 million), Inspirasi @ Mont Kiara (RM67.4 million), Kajang East Precinct 1 (phase 1 & 3A) (RM12.8 million), MKH Boulevard II (RM72.9 million), Nexus @ Kajang Station (RM221.7 million), Bandar Teknologi Kajang shop (RM1.5 million), Hillpark 3 Phase 1B Shop (RM1.5 million), Kajang East Avenue Shop (RM14.5 million), MIRAI Residences @ Kajang 2 Precinct 1 (RM286.7 million), Nexus @ Taman Pertama (RM111.4 million) and TR2 Residence @ Jalan Tun Razak (RM22.2 million).

Plantation

The division recorded higher revenue and profit before tax of RM86.4 million and RM31.0 million for the current quarter as compared to the preceding correspondence quarter of RM71.9 million and RM30.0 million respectively.

The profit before tax included unrealised foreign exchange gains of RM0.2 million in the current quarter as compared to the preceding correspondence quarter of RM9.8 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 RM30.8 million for the current quarter as compared to the preceding correspondence quarter of RM20.2 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 31 December 2021 | Q1 | YTD 2022 |
|--------------------------------------|--------|----------|
| Total land area (hectares) | | 18,388 |
| Planted area (hectares) | | 16,408 |
| Mature area (hectares) | | 16,081 |
| Fresh Fruit Bunches produced by (MT) | | |
| Own estates | 91,646 | 91,646 |
| External | 5,501 | 5,501 |
| | 97,147 | 97,147 |
| Crude Palm Oil (MT) | 18,315 | 18,315 |
| Palm Kernel (MT) | 3,913 | 3,913 |
| Average CPO price/MT | 4,001 | 4,001 |
| Average PK price/MT | 2,376 | 2,376 |

| As at 30 September 2021 | Q1 | Q2 | Q3 | Q4 | Year 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 | 110,704 | 440,984 |
| External | 5,359 | 5,377 | 4,497 | 4,942 | 20,175 |
| | 112,365 | 112,997 | 120,151 | 115,646 | 461,159 |
| Crude Palm Oil (MT) | 22,682 | 21,446 | 23,497 | 21,812 | 89,438 |
| Palm Kernel (MT) | 4,339 | 4,021 | 4,836 | 4,766 | 17,963 |
| CPO average price RM/MT | 2,656 | 2,747 | 3,096 | 3,321 | 2,945 |
| PK average price RM/MT | 1,258 | 1,729 | 1,944 | 1,731 | 1,681 |

Hotel and property investment

This division recorded slight increase in revenue of RM6.6 million and profit before tax of RM1.9 million for the current quarter as compared to the preceding year correspondence quarter of RM6.4 million and profit before tax of RM1.8 million mainly due to increase in revenue and lower gross loss position from the hotel division with average occupancy rate of 50% in the current quarter as compared to 20% in the preceding year correspondence quarter.

Trading

Despite the lower revenue of RM19.9 million in the current quarter as compared to the preceding year correspondence quarter of RM25.3 million, this division recorded higher profit before tax of RM1.6 million in the current quarter as compared to the preceding year correspondence quarter of RM1.1 million respectively mainly due to higher product mixed of high profit margin building materials and approximately 73% of sales were mainly derived from the Group's development projects.

Manufacturing

Despite the lower revenue of RM2.1 million in the current quarter as compared to the preceding year correspondence quarter of RM2.6 million, this division maintained profit before tax of RM0.9 million in the current quarter and the preceding year correspondence quarter.

Investment holding

This division revenue and profit 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.

(ii) Financial year-to-date ended 31 December 2021 by Segments

The performance commentary for the financial year-to-date and the preceding year-to-date is same as paragraph B1 (i) above.

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

| | Current Quarter 31.12.2021 RM'000 | Immediate Preceding Quarter 30.9.2021 RM'000 | Changes RM'000 |
|--|--|---|---------------------------|
| Revenue | 204,268 | 217,948 | (13,680) |
| Operating profit | 46,460 | 43,013 | 3,447 |
| Profit before interest and tax | 46,679 | 42,886 | 3,793 |
| Profit before tax | 42,690 | 29,008 | 13,682 |
| Profit after tax | 31,523 | 13,053 | 18,470 |
| Profit attributable to ordinary equity holders of the parent | 31,316 | 8,118 | 23,198 |

Despite the lower revenue of RM204.3 million in the current quarter as compared to the preceding quarter of RM217.9 million, the Group recorded higher profit before tax of RM42.7 million as compared to the preceding quarter of RM29.0 million mainly due to absence of changes in fair value losses of investment properties totaling RM5.0 million, absence of interest expense from unwinding of discount on landowners' entitlements of RM6.0 million and absence of development expenditure expensed off of RM3.4 million in the current 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, 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 2022 ("FY2022") remain challenging as the Covid-19 pandemic continue to impact on the businesses and consumer spending sentiment and the tighter end financing for potential purchasers by the banks. Nevertheless, with the booster Covid-19 vaccination for adults as well as vaccination for 5 to 11 years old being rolled out, we expect the property market sentiment to improve as Malaysia gradually move towards the endemic phase. The Malaysia Government announced in the Budget 2022 that it will provides guarantees of up to RM2 billion to banks through the Housing Credit Guarantee Scheme to provide gig workers, small entrepreneurs and farmers access to financing to purchase houses and reduce the current Real Property Gains Tax rate from 5% to 0% for individual who disposes property in the sixth year or thereafter. We anticipate this Budget 2022 will further improve the property market sentiment.

As at 31.12.2021, the Group achieved take up rates for the newly launched development projects as follows:

- 43% for Nexus @ Taman Pertama (507 units of apartments) with GDV of approximately RM261.0 million which was launched in November 2020;
- 64% for MIRAI Residences @ Kajang 2 Precinct 1 (phase 1 & 2 totaling 1,496 units of apartments) with GDV of approximately RM481.3 million which was launched in September 2020 & February 2021; and
- 47% for Iris @ Hillpark Shah Alam (241 units of double-storey terrace) with GDV of approximately RM125.2 million which was launched in September 2021.
- 9% for TR2 Residence @ Jalan Tun Razak (Block A – 454 units of apartments) with GDV of approximately RM246.3 million which was launched in November 2021 and balance 464 units (Block B) with GDV of approximately RM259.9 million will be opened by September 2022.

The Group's planned launches in FY2022 comprising of the high-rise development known as MIRAI 2 Residences @ Kajang 2 Precinct 2 phase 1, the landed residential development known as Zenia @ Hillpark Shah Alam and Akina @ Kajang 2 Precinct 3 with a total estimated GDV of approximately RM435.9 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 RM874.1 million and monetize its inventories totaling RM111.4 million through virtual/digital marketing, rolling out more competitive rebates and timely completion of ongoing development projects.

B4. CURRENT YEAR PROSPECTS (CONT'D)

The Group's unbilled sales of RM921.6 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 73% 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 has achieved average occupancy rate of 50% for the current quarter and is expecting to maintain the same level of occupancy rate in coming quarters due to the spike of COVID-19 Omicron variant cases which is more transmissible but generally less severe.

Our Plaza Metro Kajang and Metro Point Complex retail activities remain supported and is expected to improve as Malaysia gradually move towards the endemic phase of Covid-19. Rental yield from this division is expected to average between 3% to 4% based on fair value as at 30 September 2021.

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.

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 to date.

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 to date, 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.

As with other commercial crops, prolong drier or wetter weather will result in lower crop production. The Kalimantan region in Indonesia including at our plantation has been experiencing relatively heavier rainfall resulting in lower fresh fruit bunches ("FFB") production. Our plantation division continuously take proactive steps such as enhancing our water management system and also fine tuning the harvesting Standard Operating Procedures to mitigate the effect of higher average rain fall complimented with our on-going mechanization of FFB collection and the use of software apps to track FFB evacuation from fields to the mill. We expect the weather to improve in the coming months and as the weather normalise, the production of FFB will increase.

B4. CURRENT YEAR PROSPECTS (CONT'D)

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 31 December 2021, this division recorded unrealised foreign exchange gains of RM0.2 million as compared to the immediate preceding quarter of unrealised foreign exchange gains of RM2.5 million based on exchange rate of USD1:IDR14,269 and RM1:IDR3,416 as at 31 December 2021 due to the strengthening of the Indonesia Rupiah (“IDR”) against USD and RM. The exchange rates movement is analysed as below:

As at 31.12.2021, USD1: IDR14,269 and RM1: IDR3,416

As at 30.9.2021, USD1: IDR14,307 and RM1: IDR3,419

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

As at 31.3.2021, USD1: IDR14,572 and RM1: IDR3,508

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

The crude palm oil (“CPO”) prices remain well supported due to good demand and tighter supply with current CPO price trading at approximately RM4,400/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 RM4,001 per MT as compared to the immediate preceding quarter of RM3,321 per MT. For the 2nd quarter ending 31 March 2022, we are expecting an average CPO price at a range of between RM4,000 to RM4,400 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 2022.

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 31.12.2021 RM'000 | Financial year-to-date 31.12.2021 RM'000 |
|---|--|---|
| Amortisation of prepaid lease payments | (381) | (381) |
| Depreciation of right-of-use asset | (81) | (81) |
| Depreciation of property, plant and equipment | (9,298) | (9,298) |
| Interest expenses - loan and borrowings | (4,959) | (4,959) |
| - lease liability | (215) | (215) |
| Other expenses | | |
| Property, plant and equipment written off | (2) | (2) |
| Net loss on foreign exchange - realised | (9) | (9) |
| Other income | | |
| Changes in fair value of biological assets | 2,070 | 2,070 |
| Net gain on foreign exchange - unrealised | 183 | 183 |
| Interest income | 1,185 | 1,185 |
| Fair value gain arising from other investment | 36 | 36 |
| Gain on disposal of property, plant and equipment | 3 | 3 |
| Gain on disposal of other investment | 6 | 6 |
| Dividend income from other investment | 12 | 12 |

(ii) CASH AND CASH EQUIVALENTS

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

| | (Unaudited) 31.12.2021 RM'000 | (Unaudited) 31.12.2020 RM'000 |
|---|-------------------------------------|-------------------------------------|
| Cash and bank balances | 139,446 | 109,933 |
| Cash held under housing development accounts | 187,406 | 203,823 |
| Cash held under sinking fund accounts | 4 | 2 |
| Deposits with licensed banks | 11,165 | 1,562 |
| Short term funds | 33,411 | 35,962 |
| Bank overdrafts | (30) | (400) |
| | <u>371,402</u> | <u>350,882</u> |
| Less: Non short term and highly liquid fixed deposits | (3,886) | - |
| Less: Deposits and bank balances pledged for credit facilities | (11,487) | (13,569) |
| | <u><u>356,029</u></u> | <u><u>337,313</u></u> |

B6. TAX EXPENSE

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

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|--------------------------|--|--|---|---|
| | Current Year Quarter 31.12.2021 RM'000 | Preceding Year Corresponding Quarter 31.12.2020 RM'000 | Current Year-to-Date 31.12.2021 RM'000 | Preceding Year-to-Date 31.12.2020 RM'000 |
| Current tax | | | | |
| - Current financial year | 11,038 | 12,541 | 11,038 | 12,541 |
| - Prior financial year | - | 14 | - | 14 |
| Deferred tax | | | | |
| - Current financial year | 129 | 473 | 129 | 473 |
| - Prior financial year | - | 3 | - | 3 |
| | <u>11,167</u> | <u>13,031</u> | <u>11,167</u> | <u>13,031</u> |

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: -

| As at 31 December 2021 | 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 |
| <u>Secured</u> | | | | | | |
| <u>Denominated in USD</u> | | | | | | |
| Term loans | - | - | 2,400 | 9,769 | 2,400 | 9,769 |
| Revolving credits | - | - | 6,320 | 26,333 | 6,320 | 26,333 |
| <u>Denominated in RM</u> | | | | | | |
| Term loans | - | 43,511 | - | 28,045 | - | 71,556 |
| Revolving credits | - | 92,444 | - | 128,084 | - | 220,528 |
| Bank overdraft | - | - | - | 30 | - | 30 |
| <u>Unsecured</u> | | | | | | |
| <u>Denominated in USD</u> | | | | | | |
| Term loans | 2,900 | 12,083 | 840 | 3,500 | 3,740 | 15,583 |
| Revolving credits | - | - | 475 | 1,978 | 475 | 1,978 |
| <u>Denominated in RM</u> | | | | | | |
| Revolving credits | - | - | - | 138,600 | - | 138,600 |
| <u>Finance lease liabilities</u> | | | | | | |
| <u>Denominated in RM</u> | - | 427 | - | 289 | - | 716 |
| Total | | 148,465 | | 336,628 | | 485,093 |

| As at 31 December 2020 | 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 |
| <u>Secured</u> | | | | | | |
| <u>Denominated in USD</u> | | | | | | |
| Term loans | 11,600 | 46,720 | 3,290 | 13,121 | 14,890 | 59,841 |
| Revolving credits | - | - | 8,500 | 34,289 | 8,500 | 34,289 |
| <u>Denominated in RM</u> | | | | | | |
| Term loans | - | 61,273 | - | 13,264 | - | 74,537 |
| Revolving credits | - | 146,707 | - | 102,389 | - | 249,096 |
| Bank overdraft | - | - | - | 400 | - | 400 |
| <u>Unsecured</u> | | | | | | |
| <u>Denominated in USD</u> | | | | | | |
| Term loans | 5,000 | 20,170 | - | - | 5,000 | 20,170 |
| Revolving credits | - | - | 1,375 | 5,539 | 1,375 | 5,539 |
| <u>Denominated in RM</u> | | | | | | |
| Revolving credits | - | - | - | 163,200 | - | 163,200 |
| Bank overdraft | - | - | - | - | - | - |
| <u>Finance lease liabilities</u> | | | | | | |
| <u>Denominated in RM</u> | - | 715 | - | 340 | - | 1,055 |
| Total | | 275,585 | | 332,542 | | 608,127 |

B9. MATERIAL LITIGATION

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

B10. DIVIDEND

The Board of Directors has approved a first interim single tier dividend of 3.5 sen per ordinary share on 29 November 2021 for the financial year ended 30 September 2021 amounting to RM20,209,552 was declared on 29 November 2021 and paid on 7 January 2022.

B11. EARNINGS PER SHARE ("EPS")

| | Current Year Quarter 31.12.2021 (unaudited) | Preceding Year Corresponding Quarter 31.12.2020 (restated) (unaudited) | Current Year-to-Date 31.12.2021 (unaudited) | Preceding Year-to-Date 31.12.2020 (restated) (unaudited) |
|--|--|---|--|---|
| BASIC EPS | | | | |
| Profit attributable to Owners of the parent (RM'000) | 31,316 | 30,353 | 31,316 | 30,353 |
| Weighted average number of ordinary shares ('000) | | | | |
| At 1 October 2021/2020 | 586,548 | 586,548 | 586,548 | 586,548 |
| Treasury shares | (9,132) | (9,132) | (9,132) | (9,132) |
| At 31 December 2021/2020 | 577,416 | 577,416 | 577,416 | 577,416 |
| BASIC EPS (sen) | 5.42 | 5.26 | 5.42 | 5.26 |

B13. 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 25 February 2022.