

**INTERIM FINANCIAL STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020**

**These figures have not been audited.**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	30.09.2020 RM'000	30.09.2019 RM'000	30.09.2020 RM'000	30.09.2019 RM'000
Revenue	<b>117,521</b>	115,342	<b>262,147</b>	446,272
Cost of sales	<b>(102,959)</b>	(130,599)	<b>(224,702)</b>	(447,853)
	<b>14,562</b>	(15,257)	<b>37,445</b>	(1,581)
Other income	<b>1,658</b>	2,232	<b>5,146</b>	4,114
Administrative expenses	<b>(4,340)</b>	(5,979)	<b>(13,402)</b>	(19,025)
Other operating expenses	<b>(4,527)</b>	(5,429)	<b>(14,010)</b>	(16,202)
Profit / (Loss) from operations	<b>7,353</b>	(24,433)	<b>15,179</b>	(32,694)
Finance income	<b>58</b>	122	<b>679</b>	308
Finance costs	<b>(1,403)</b>	(3,507)	<b>(5,487)</b>	(11,725)
Profit / (Loss) before tax	<b>6,008</b>	(27,818)	<b>10,371</b>	(44,111)
Taxation	<b>(3,161)</b>	(1,808)	<b>(5,837)</b>	(5,791)
Profit / (Loss) net of tax	<b>2,847</b>	(29,626)	<b>4,534</b>	(49,902)
Profit / (Loss) attributable to:				
Owners of the parent	<b>3,153</b>	(28,333)	<b>5,530</b>	(47,166)
Non-controlling interests	<b>(306)</b>	(1,293)	<b>(996)</b>	(2,736)
	<b>2,847</b>	(29,626)	<b>4,534</b>	(49,902)
Earnings / (Loss) per share (sen)				
(a) basic	<b>0.38</b>	(3.18)	<b>0.65</b>	(5.30)
(b) diluted	<b>0.38</b>	(3.18)	<b>0.65</b>	(5.30)

(The above consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.)

**These figures have not been audited.**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>30.09.2020</b>	30.09.2019	<b>30.09.2020</b>	30.09.2019
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Profit / (Loss) net of tax	<b>2,847</b>	(29,626)	<b>4,534</b>	(49,902)
Currency translation differences arising from consolidation	<b>(35)</b>	(2,639)	<b>(6,983)</b>	(1,724)
Total comprehensive income	<b>2,812</b>	(32,265)	<b>(2,449)</b>	(51,626)
Total comprehensive (loss)/ income attributable to:				
Owners of the parent	<b>3,119</b>	(30,972)	<b>(1,453)</b>	(48,890)
Non-controlling interests	<b>(307)</b>	(1,293)	<b>(996)</b>	(2,736)
	<b>2,812</b>	(32,265)	<b>(2,449)</b>	(51,626)

(The above consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>UNAUDITED AS AT 30.09.2020 RM'000</b>	<b>AUDITED AS AT 31.12.2019 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	54,968	71,458
Inventories - Land held for property development	259,478	261,864
Investment properties	67,661	69,680
Goodwill on consolidation	2,381	2,289
Deferred taxation	26,597	28,939
Trade receivables	430	628
	<b>411,515</b>	<b>434,858</b>
<b>Current assets</b>		
Contract assets	71,629	149,282
Inventories - Property development cost	109,313	101,755
Inventories - Completed properties and others	202,190	216,557
Trade and other receivables	357,489	376,796
Tax Recoverable	6,324	5,887
Other investment	21,147	302
Deposits with licensed financial institutions	1,138	1,115
Cash and bank balances	11,101	16,234
	<b>780,331</b>	<b>867,928</b>
	<b>1,191,846</b>	<b>1,302,786</b>
<b>TOTAL ASSETS</b>		
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	433,469	464,573
Capital reserves	244	244
ESOS reserves	0	10,660
Warrants reserves	8,597	8,597
Exchange reserves	(22,423)	(15,440)
Treasury shares	(377)	(3,278)
Retained earnings	282,813	249,614
	<b>702,323</b>	<b>714,970</b>
<b>Non-controlling interests</b>	<b>54,659</b>	<b>56,575</b>
<b>Total equity</b>	<b>756,982</b>	<b>771,545</b>
<b>Non-current liabilities</b>		
Long term borrowings	34,409	46,289
Deferred taxation	1,189	1,248
	<b>35,598</b>	<b>47,537</b>
<b>Current liabilities</b>		
Contract liabilities	38,847	29,087
Trade and other payables	232,561	249,827
Short term borrowings	122,756	198,175
Provision for taxation	5,102	6,615
	<b>399,266</b>	<b>483,704</b>
<b>Total liabilities</b>	<b>434,864</b>	<b>531,241</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,191,846</b>	<b>1,302,786</b>
<b>Remarks:</b>		
<b>Net assets per share attributable to ordinary equity holders of the parent (RM) - Note (a)</b>	<b>0.91</b>	<b>0.86</b>

(The above consolidated statement of financial position ("CSFP") should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.)

Note (a): The computation of Net assets per share ("NAPS") does not take into account the number of shares bought back and treasury shares as shown in the CSFP. The Board is of the view that the NAPS will be overstated by reflecting the shares bought back in the computation.

## INTERIM FINANCIAL STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<-----Attributable to Owners of the Company----->											
		<-----Non-distributable----->									
	Share Capital RM'000	Other Reserves Total RM'000	Foreign Exchange Reserves RM'000	ESOS Reserves RM'000	Capital Reserves RM'000	Warrants Reserves RM'000	Treasury Shares RM'000	Distributable Retained Profits RM'000	Equity attributable to owners of the parent RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>Financial period ended 30.9.2020</b>											
At 1.1.2020	464,573	4,061	(15,440)	10,660	244	8,597	(3,278)	249,614	714,970	56,575	771,545
Profit for the financial year	-	-	-	-	-	-	-	5,530	5,530	(996)	4,534
<b>Other comprehensive income</b>											
Foreign currency translation	-	(6,983)	(6,983)	-	-	-	-	-	(6,983)	-	(6,983)
Total comprehensive income	464,573	(2,922)	(22,423)	10,660	244	8,597	(3,278)	255,144	713,517	55,579	769,096
<b>Transactions with owners</b>											
Purchase of treasury shares	-	-	-	-	-	-	(11,194)	-	(11,194)	-	(11,194)
Share options lapsed	-	(10,660)	-	(10,660)	-	-	-	10,660	-	-	-
Cancellation of treasury shares	(31,104)	-	-	-	-	-	14,095	17,009	-	-	-
Redemption of preference shares	-	-	-	-	-	-	-	-	-	(920)	(920)
Total transactions with owners	(31,104)	(10,660)	-	(10,660)	-	-	2,901	27,669	(11,194)	(920)	(12,114)
<b>At 30.9.2020</b>	<b>433,469</b>	<b>(13,582)</b>	<b>(22,423)</b>	<b>(0)</b>	<b>244</b>	<b>8,597</b>	<b>(377)</b>	<b>282,813</b>	<b>702,323</b>	<b>54,659</b>	<b>756,982</b>
<b>Financial period ended 30.9.2019</b>											
At 1.1.2019	464,573	3,979	(16,050)	11,188	244	8,597	(2,574)	321,184	787,162	63,216	850,378
Loss for the financial year	-	-	-	-	-	-	-	(47,166)	(47,166)	(2,736)	(49,902)
<b>Other comprehensive income</b>											
Foreign currency translation	-	(1,724)	(1,724)	-	-	-	-	-	(1,724)	-	(1,724)
Total comprehensive income	464,573	(1,724)	(17,774)	11,188	244	8,597	(2,574)	274,018	738,272	60,480	798,752
<b>Transactions with owners</b>											
Purchase of treasury shares	-	-	-	-	-	-	(29)	-	(29)	-	(29)
Share options lapsed	-	(381)	-	(381)	-	-	-	381	-	-	-
Dividends on ordinary shares	-	-	-	-	-	-	-	(13,345)	(13,345)	-	(13,345)
Total transactions with owners	-	(381)	-	(381)	-	-	(29)	(12,964)	(13,374)	-	(13,374)
<b>At 30.9.2019</b>	<b>464,573</b>	<b>1,874</b>	<b>(17,774)</b>	<b>10,807</b>	<b>244</b>	<b>8,597</b>	<b>(2,603)</b>	<b>261,054</b>	<b>724,898</b>	<b>60,480</b>	<b>785,378</b>

(The above consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial

## INTERIM FINANCIAL STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020

## CONSOLIDATED STATEMENT OF CASH FLOWS

	UNAUDITED 30.09.2020 RM'000	AUDITED 31.12.2019 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net profit / (loss) profit before tax	10,371	(65,367)
Adjustments for:		
Depreciation of:		
- property, plant and equipment	6,068	11,565
- investment properties	129	176
Dividend income	(45)	(174)
(Gain) on disposal of property, plant and equipment	(855)	(412)
Interest expense	5,488	15,055
Interest income	(679)	(882)
Property, plant and equipment written off	915	357
Unrealised (gain)/loss from foreign exchange	992	(81)
	<u>22,384</u>	<u>(39,763)</u>
Changes in working capital:		
Inventories	2,898	(11,133)
Contract assets/ liabilities	136,803	64,696
Trade and other receivables	(21,335)	196,012
Trade and other payables	(16,315)	(62,332)
	<u>124,435</u>	<u>147,480</u>
Income Tax refund	-	3,112
Income Tax paid	(5,610)	(16,330)
<b>Net Operating Cash Flows</b>	<u>118,825</u>	<u>134,262</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Dividend received	45	174
Interest received	753	882
Redemption/ (Placement) of other investment	(20,845)	7,538
Proceeds from disposal of property, plant and equipment	1,183	1,307
Redemption of preference shares by non-controlling interest	(920)	-
Expenditure on:		
- land held for development	(7)	(3,186)
Purchase of property, plant and equipment	(414)	(6,245)
<b>Net Investing Cash Flows</b>	<u>(20,205)</u>	<u>470</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Interest paid	(5,488)	(15,041)
Dividend paid	-	(13,345)
(Repayment) of borrowings	(85,079)	(77,475)
Purchase of treasury shares	(11,194)	(704)
<b>Net Financing Cash Flows</b>	<u>(101,761)</u>	<u>(106,565)</u>
Net change in cash & cash equivalents	(3,141)	28,167
Cash & cash equivalents at the beginning of the financial year	12,377	(16,250)
Effect of exchange differences on translation	(152)	460
Cash & cash equivalents at the end of the financial year	<u>9,084</u>	<u>12,377</u>
<b>Analysis of cash &amp; cash equivalents:</b>		
Deposits with licensed banks	1,138	1,115
Cash and bank balances	11,101	16,234
	<u>12,239</u>	<u>17,349</u>
Bank overdrafts	(3,155)	(4,972)
	<u>9,084</u>	<u>12,377</u>

(The above consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.)

**Part A: Explanatory Notes Pursuant To MFRS 134: Interim Financial Reporting**

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**A1 Basis of Preparation**

The unaudited interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards 134 : *Interim Financial Reporting* and with IAS 34 : *Interim Financial Reporting* and applicable disclosure provisions Paragraph 9.22 of the Main Market Listing requirements of Bursa Malaysia Securities Berhad.

This interim financial statements should be read in conjunction with the Group's Audited Financial Statements for the year ended 31 December 2019. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2019.

**A2 Changes in Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements of the Group for the year ended 31 December 2019, except for the adoption of the following amendments/ improvement to MFRSs with effect from 1 January 2020.

Amendments to MFRS 3	Business Combinations
Amendments to MFRS 7	Financial Instruments: Disclosures
Amendments to MFRS 9	Financial Instruments
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Error
Amendments to MFRS 139	Financial Instruments: Recognition and Measurement

The adoption of the above amendments/ improvement to MFRSs did not have significant impact on the Group.

**A3 Seasonality or Cyclicity of Operations**

The business operations of the Group are not materially affected by the seasonal or cyclical factors.

**A4 Unusual Items Affecting the Financial Statements**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flow during the financial period under review.

**A5 Material Changes in Estimates**

There was no change in estimates that have any material effect on the financial year-to-date.

**A6 Debt and Equity Securities**

During the current quarter under review, the Company did not issue any ordinary shares. As at 30 September 2020, a total of 80,083,215 outstanding Warrants 2015/2020 ("Warrants D") and 30,084,343 employee share options has expired on the expiry date.

During the current quarter under review, the Company cancelled 60,000,000 treasury shares and purchased 1,535,200 shares from its issued shares from the open market. The total number of shares held as treasury shares as at 30 September 2020 was 1,835,449 at a total cost of RM376,934. The repurchased shares are being held as treasury shares in accordance with the provision of Section 127 of the Companies Act, 2016.

**A7 Dividend Paid**

There were no dividend paid in the current quarter ended 30 September 2020.

**Part A: Explanatory Notes Pursuant To MFRS 134: Interim Financial Reporting**

**A8 Segment Reporting**

Details of segmental analysis (by business segment) are as follows:-

**Financial period ended 30.09.2020**

	Construction	Property Development	South Africa Investment	Others	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>						
External revenue	228,094	31,746	2,008	299	-	262,147
Inter-segment revenue	1,511	-	-	5,000	(6,511)	-
Total segment revenue	229,605	31,746	2,008	5,299	(6,511)	262,147
<b>RESULTS</b>						
Profit/(loss) from operations	8,603	8,044	(1,335)	(642)	509	15,179
Finance income	1,573	1,506	51	2,269	(4,720)	679
Finance cost	(3,178)	(4,880)	(382)	(1,767)	4,720	(5,487)
<b>Profit/(loss) before tax</b>	<b>6,998</b>	<b>4,670</b>	<b>(1,666)</b>	<b>(140)</b>	<b>509</b>	<b>10,371</b>
Taxation						(5,837)
<b>Profit net of tax</b>						<b>4,534</b>

**Financial period ended 30.09.2019**

	Construction	Property Development	South Africa Investment	Others	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>						
External revenue	360,848	75,955	9,085	384	-	446,272
Inter-segment revenue	1,403	-	-	-	(1,403)	-
	362,251	75,955	9,085	384	(1,403)	446,272
<b>RESULTS</b>						
Profit/(loss) from operations	(59,282)	25,775	569	(539)	783	(32,694)
Finance income	988	1,022	60	3,596	(5,358)	308
Finance cost	(7,137)	(7,004)	(451)	(2,491)	5,358	(11,725)
<b>Profit/(loss) before tax</b>	<b>(65,431)</b>	<b>19,793</b>	<b>178</b>	<b>566</b>	<b>783</b>	<b>(44,111)</b>
Taxation						(5,791)
<b>Loss net of tax</b>						<b>(49,902)</b>

**A9 Valuation of property, plant and equipment**

The valuations of property, plant and equipment have been brought forward, without amendment from the preceding annual financial statements.

**A10 Material Event Subsequent to the End of the Current Quarter**

There was no material event subsequent to the end of the current quarter.

**A11 Changes in the Composition of the Group**

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

**Part A: Explanatory Notes Pursuant To MFRS 134: Interim Financial Reporting**

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**A12 Changes in Contingent Liabilities and Contingent Assets**

The changes in the Group's contingent liabilities are as follow:-

	<b>Financial Period Ended 30.09.2020 RM'000</b>	<b>Financial Year Ended 31.12.2019 RM'000</b>
- Performance guarantees extended to a third party (Project related)	3,993	14,790
	<u>3,993</u>	<u>14,790</u>

There were no financial impact for the financial assistance provided in the Group for the current financial period and financial year ended 31 December 2019.

There were no contingent assets as at end of the current financial period and financial year ended 31 December 2019.

**A13 Capital Commitments**

	<b>Financial Period Ended 30.09.2020 RM'000</b>	<b>Financial Year Ended 31.12.2019 RM'000</b>
Approved and contracted for:-		
-Property, Plant & Equipment	-	16
-Inventories - Property held for development	8,148	8,148
-Investment Properties	1,061	-
Approved but not contracted for Property, Plant & Equipment	-	138

**Part B: Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

**B1 Review of the Performance**

In the current third quarter ended 30 September 2020, the Group's revenue has increased marginally by RM2.18 million (1.9%) to RM117.52 million from RM115.34 million reported in the preceding year's corresponding quarter.

Nevertheless, the Group reported a profit before tax of RM6.00 million in the current third quarter ended 30 September 2020, compared to a loss before tax of RM27.82 million in the preceding year's corresponding quarter.

For the nine (9) months ended 30 September 2020, the Group reported a revenue of RM262.15 million, a reduction of RM184.13 million (41.3%) from the revenue of RM446.27 million reported in the nine (9) months of 2019. However, the Group report a profit before tax of RM10.37 million as compared to a loss before tax of RM44.11 million in the preceding year's corresponding period. This was achieved through the improvement in gross margins, lower operating expenses and finance cost as compared to the previous year's corresponding period.

Further analysis of the divisional performances is as follows:-

	Individual Quarter		Cumulative Period	
	3 months ended		9 months ended	
	30.09.2020	30.09.2019	30.09.2020	30.09.2019
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>				
Construction	106,929	93,233	228,094	360,848
Property Development	9,785	18,141	31,746	75,955
South Africa Investment	700	3,804	2,008	9,085
Others	107	165	299	384
	<b>117,521</b>	<b>115,343</b>	<b>262,147</b>	<b>446,272</b>
<b>PROFIT / (LOSS) BEFORE TAX</b>				
Construction	4,181	(34,766)	6,998	(65,431)
Property Development	1,707	6,247	4,670	19,793
South Africa Investment	(193)	(75)	(1,666)	178
Others	(111)	304	(140)	566
Elimination	424	472	509	783
	<b>6,008</b>	<b>(27,818)</b>	<b>10,371</b>	<b>(44,111)</b>

**Construction**

*Individual quarter*

Construction division reported a revenue of RM106.93 million and profit before tax of RM4.18 million in the current third quarter, compared to revenue of RM93.23 million and loss before tax of RM34.77 million in the preceding year's corresponding quarter.

*Cumulative quarter*

For the nine (9) months ended 30 September 2020, the Construction division reported a revenue of RM228.09 million, a reduction of RM132.75 million (36.8%) compared to RM360.85 million reported in the nine (9) months of 2019. The reduction in revenue was attributable to the reduction in number of on-going projects and minimal work done during Covid-19 lockdown period from 18 March 2020 until 31 May 2020.

As part of the strategy to counter the reduction in revenue, the division embarked on various cost-cutting measures to reduce the operating cost since 2019. It has successfully brought down both the operating and finance cost in the current financial period. Finance cost has reduced by RM3.96 million (55.5%) to RM3.18 million in the current financial period as compared to RM7.14 million incurred in nine (9) months of 2019.

Coupled with the improved gross margin, this division reported a profit before tax of RM7.00 million in the nine (9) months of 2020 compared to substantial loss before tax of RM65.43 million incurred in the preceding year corresponding period.

**Part B: Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

**Property Development**

*Individual quarter*

The Property Development division has contributed a lower revenue of RM9.79 million in the current third quarter, a reduction of RM8.36 million (46.1%) as compared to RM18.14 million in the third quarter of 2019. Correspondingly, profit before tax has reduced by RM4.54 million (72.7%) to RM1.71 million from RM6.25 million in the preceding year's corresponding quarter.

*Cumulative quarter*

For the nine (9) months ended 30 September 2020, the Property Development division's revenue has reduced by RM44.21 million (58.2%) to RM31.75 million as compared to RM75.96 million reported in the nine (9) months of 2019. Correspondingly, profit before tax has decreased by RM15.12 million (76.4%) to RM4.67 million from RM19.79 million reported in the preceding year's corresponding period.

The better financial results in 2019 was due to substantial revenue and profits recognised from Wangsa 9 project which was completed in March 2019. For the current financial period, the revenue and profit contribution were mainly derived from the newly completed affordable homes project 'Seri Akasia' in March 2020 and sales of completed properties.

**South Africa Investment**

*Individual quarter*

For the current third quarter ended 30 September 2020, our property project in South Africa has contributed a much lower revenue of RM0.70 million and reported a loss before tax of RM0.19 million.

*Cumulative quarter*

For the nine (9) months ended 30 September 2020, this division's revenue has decreased by RM7.08 million (77.9%) to RM2.00 million as compared to RM9.09 million reported in the nine (9) months of 2019. Correspondingly, this division has reported a loss before tax of RM1.67 million as compared to profit before tax of RM0.18 million reported in the preceding year's corresponding period. The losses were mainly attributable to unrealised foreign exchange loss of RM0.99 million and revenue reduction during the Covid-19 lockdown period in South Africa.

**B2 Comparison with Preceding Quarter Results**

	<b>Current Quarter ended 30.09.2020 RM'000</b>	<b>Preceding Quarter ended 30.06.2020 RM'000</b>	<b>Variance %</b>
Revenue	117,521	45,558	158.0%
Profit / (Loss) before tax	6,008	6,243	-3.8%
Profit margin	5.1%	13.7%	

The Group's revenue in the current quarter has increased by RM71.96 million (158.0%) to RM117.52 million from the preceding quarter's revenue of RM45.56 million. Nevertheless, the Group has reported a profit before tax of RM6.01 million, a marginal reduction of 3.8% as compared to a profit before tax of RM6.24 million in the preceding quarter. The decrease in revenue in the second quarter was mainly due to minimal construction work done and property sales during Covid-19 lockdown period.

**B3 Profit / (Loss) for the period**

	<b>Individual Quarter 3 months ended</b>		<b>Cumulative Period 9 months ended</b>	
	<b>30.09.2020 RM'000</b>	<b>30.09.2019 RM'000</b>	<b>30.09.2020 RM'000</b>	<b>30.09.2019 RM'000</b>

**Profit / (Loss) for the period is arrived at after**

**crediting/(charging):**

Depreciation and amortisation	(1,734)	(2,446)	(6,197)	(6,916)
Gain / (loss) on disposal of property, plant and equipment	290	237	855	16
Interest income	58	122	679	308
Interest expense	(1,659)	(3,505)	(5,488)	(11,724)
Other income	1,657	2,233	5,146	4,115
Property, plant and equipment written off	-	(1)	(915)	(4)
Unrealised gain / (loss) on foreign exchange	(10)	(347)	(992)	(243)

**Part B: Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

**B4 Prospects for the current financial year ending 31 December 2020**

The Malaysian economy had shrunk 8.3% in the first half of 2020 owing to the Covid-19 pandemic, with a decline of 17.1% in the second quarter. The rapid spread of Covid-19 domestically since early October 2020 underscores the challenges of forecasting with precision the economic impact during this period.

The Group expects the outlook for the current and next financial year to be very challenging. Amid all the uncertainties, the Group has been undertaking various cautious measures to ensure sustainability and stability of the business operations.

Our current Construction outstanding order book stands at RM512.90 million which can sustain the division until mid-2022. The division will continue working aggressively on project tendering for order book replenishment and implementation of precautionary measures to ensure smooth construction progress for our on-going projects. Stringent cost control are put in place to ensure profitability and delivery of quality projects to our clients on time.

Since July 2020, our Property Development division has taken aggressive strategies to market our completed units. Since then, the division concluded new sales for completed units approximately RM20.00 million. The current unbilled sales for this Division amounts to RM47.73 million. Besides, the Division is reviewing the earlier proposed development project in Bukit Sentosa and Puchong Prima due to the impact of Covid-19.

Our South Africa division has completed 42 units of high end apartment built within the Blue Valley Golf & Country Estate and awaiting for certificate of occupation from the authority. We expect this project will contribute positively in 2021. The estimated GDV for this project is approximately RM17.00 million.

**B5 Profit Forecast**

The Group did not issue any profit forecast for the year.

**B6 Taxation**

	<b>Current Quarter ended 30.09.2020 RM'000</b>	<b>Financial Year Ended 30.09.2020 RM'000</b>
Taxation based on profit for the period		
- current year	838	2,426
- under/ (over) provision in prior years	605	1,035
	1,443	3,461
Deferred taxation	1,718	2,376
	3,161	5,837

The Group's effective tax rate for financial period-to-date was high compared to the statutory tax rate due to the losses of certain companies cannot be set off against the profit made by other companies within the Group.

**B7 Status of Corporate Proposals**

There are no corporate proposals announced but not completed at the latest practicable date.

**B8 Material Contracts Pending Completion**

The Group's wholly-owned subsidiary, Pembinaan Mitrajaya Sdn Bhd ("PMSB") has sold and/or disposed off 72 pieces of leasehold land in Pulau Melaka, State of Malacca to Parkland Avenue Sdn Bhd ("PASB") and another 21 pieces of leasehold land to Parkland Diversified Sdn Bhd ("PDSB") for a total cash consideration of RM63.00 million by way of the following agreements entered on 26 November 2019 ("the Disposal"):-

- i) a Sale and Purchase Agreement with PASB for the sale and/or disposal of 72 pieces of leasehold land in Pulau Melaka, State of Malacca ("First SPA");
- ii) a Sale and Purchase Agreement with PDSB for the sale and/or disposal of 21 pieces of leasehold land in Pulau Melaka, State of Malacca ("Second SPA"); and
- iii) a Master Agreement with PASB and PDSB to confirm that the First SPA and the Second SPA shall not be divisible or independent from one another be interdependent and indivisible and that the obligations are to be performed and completed by the Parties concurrently.

On 30 September 2020, PMSB entered into a Supplementary Agreement with the Purchasers, to grant the Purchasers an extension of 12 months from the expiry date of the original completion period. PASB and PDSB shall pay to PMSB the sum of RM2.40 million as part payment towards the balance purchase price by 12 monthly instalments of RM200,000 per month during the extended period.

The expected completion date of the Disposal is revised to fourth quarter of 2021.

**Part B: Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

**B9 Group Borrowings and Debt Securities**

	<b>Short term RM'000</b>	<b>Long term RM'000</b>
Secured	20,170	34,409
Unsecured	102,587	-
	<u>122,757</u>	<u>34,409</u>

**B10 Material Litigation**

The Group is not engaged in any material litigations either as plaintiff or defendant, which will have a material effect on the financial position of the Group.

**B11 Dividend**

The Directors are not recommending any dividend for the quarter ended 30 September 2020.

**B12 Earnings / (Loss) Per Share**

<b>Individual Quarter</b>		<b>Cumulative Period</b>	
<b>3 months ended</b>		<b>9 months ended</b>	
<b>30.09.2020</b>	<b>30.09.2019</b>	<b>30.09.2020</b>	<b>30.09.2019</b>

(a) **Basic Earnings / (Loss) Per Share**

(Loss)/ Profit attributable to equity holders of the Company (RM'000)	<u>3,153</u>	<u>(28,333)</u>	<u>5,530</u>	<u>(47,166)</u>
Weighted average number of ordinary shares in issue ('000)	<b>834,598</b>	889,629	<b>853,591</b>	889,662
Basic earnings / (loss) per share (sen)	<b>0.38</b>	(3.18)	<b>0.65</b>	(5.30)

(b) **Diluted Earnings / (Loss) Per Share**

(Loss)/ Profit attributable to equity holders of the Company (RM'000)	<u>3,153</u>	<u>(28,333)</u>	<u>5,530</u>	<u>(47,166)</u>
Weighted average number of ordinary shares in issue ('000)	<b>834,598</b>	889,629	<b>853,591</b>	889,662
Effect of dilution ('000)	<u>#</u>	<u>#</u>	<u>#</u>	<u>#</u>
Adjusted weighted average number of ordinary shares in issue ('000)	<b>834,598</b>	889,629	<b>853,591</b>	889,662
Diluted earnings / (loss) per share (sen)	<b>0.38</b>	(3.18)	<b>0.65</b>	(5.30)

# As the exercise price for the warrants are higher than average market price, it is assumed that the holders of the warrants will not exercise the warrants.

**B13 Auditors' Report of Preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31 December 2019 was not qualified.

**By Order of the Board**  
**Leong Oi Wah**  
**Secretary**