

**INTERIM FINANCIAL STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

**These figures have not been audited.**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	30.06.2021 RM'000	30.06.2020 RM'000	30.06.2021 RM'000	30.06.2020 RM'000
Revenue	<b>62,947</b>	45,769	<b>143,920</b>	145,238
Cost of sales	<b>(55,099)</b>	(32,023)	<b>(128,513)</b>	(121,743)
	<b>7,848</b>	13,746	<b>15,407</b>	23,495
Other income	<b>1,686</b>	1,216	<b>3,679</b>	2,877
Administrative expenses	<b>(3,954)</b>	(3,981)	<b>(8,657)</b>	(9,062)
Other operating expenses	<b>(3,511)</b>	(3,257)	<b>(7,863)</b>	(9,483)
Profit from operations	<b>2,069</b>	7,724	<b>2,566</b>	7,827
Finance income	<b>402</b>	178	<b>472</b>	621
Finance costs	<b>(1,019)</b>	(1,659)	<b>(2,065)</b>	(4,084)
Profit before tax	<b>1,452</b>	6,243	<b>973</b>	4,364
Taxation	<b>(676)</b>	(1,845)	<b>(1,309)</b>	(2,676)
Profit/ (Loss) net of tax	<b>776</b>	4,398	<b>(336)</b>	1,688
Profit/ (Loss) attributable to:				
Owners of the parent	<b>781</b>	4,711	<b>(122)</b>	2,376
Non-controlling interests	<b>(5)</b>	(313)	<b>(214)</b>	(688)
	<b>776</b>	4,398	<b>(336)</b>	1,688
Earnings/ (Loss) per share (sen)				
(a) basic	<b>0.09</b>	0.55	<b>(0.01)</b>	0.27
(b) diluted	<b>0.09</b>	0.55	<b>(0.01)</b>	0.27

(The above consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.)

**MITRAJAYA HOLDINGS BERHAD** Registration No. 199301013519 (268257-T)  
**INTERIM FINANCIAL STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**  
**These figures have not been audited.**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>30.06.2021</b>	30.06.2020	<b>30.06.2021</b>	30.06.2020
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Profit/ (Loss) net of tax	<b>776</b>	4,398	<b>(336)</b>	1,688
Currency translation differences arising from consolidation	<b>1,652</b>	908	<b>2,432</b>	(6,948)
Total comprehensive loss	<b>2,428</b>	5,306	<b>2,096</b>	(5,260)
Total comprehensive loss attributable to:				
Owners of the parent	<b>2,433</b>	5,619	<b>2,310</b>	(4,572)
Non-controlling interests	<b>(5)</b>	(313)	<b>(214)</b>	(688)
	<b>2,428</b>	5,306	<b>2,096</b>	(5,260)

(The above consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>UNAUDITED AS AT 30.06.2021 RM'000</b>	<b>AUDITED AS AT 31.12.2020 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	61,029	46,382
Inventories - Land held for property development	265,948	264,969
Investment properties	68,688	68,383
Goodwill on consolidation	5,872	2,323
Deferred taxation	26,566	26,282
Trade receivables	412	415
	<b>428,515</b>	408,754
<b>Current assets</b>		
Contract assets	89,664	116,264
Inventories - Property development cost	139,000	119,278
Inventories - Completed properties and others	184,576	196,928
Trade and other receivables	233,224	240,766
Tax Recoverable	5,790	5,751
Other investment	15,423	21,248
Deposits with licensed financial institutions	1,154	1,144
Cash and bank balances	10,679	11,793
	<b>679,510</b>	713,172
<b>TOTAL ASSETS</b>	<b>1,108,025</b>	1,121,926
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	433,469	433,469
Capital reserves	244	244
Warrants reserves	8,597	8,597
Exchange reserves	(15,672)	(18,104)
Treasury shares	(2,879)	(1,796)
Retained earnings	282,228	287,947
	<b>705,987</b>	710,357
<b>Non-controlling interests</b>	<b>81,549</b>	67,953
<b>Total equity</b>	<b>787,536</b>	778,310
<b>Non-current liabilities</b>		
Long term borrowings	17,579	23,586
Deferred taxation	963	864
	<b>18,542</b>	24,450
<b>Current liabilities</b>		
Contract liabilities	33,963	26,720
Trade and other payables	163,432	195,460
Short term borrowings	97,451	88,903
Provision	5,650	5,650
Current tax liabilities	1,451	2,433
	<b>301,947</b>	319,166
<b>Total liabilities</b>	<b>320,489</b>	343,616
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,108,025</b>	1,121,926
<b>Remarks:</b>		
<b>Net assets per share attributable to ordinary equity holders of the parent (RM) - Note (a)</b>	<b>0.95</b>	0.93

(The above consolidated statement of financial position ("CSFP") should be read in conjunction with the audited financial statements for the year ended 31 December 2020 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 JUNE 2021

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<-----Attributable to Owners of the Company----->										
	Share Capital RM'000	Other Reserves Total RM'000	<-----Non-distributable----->				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
			Foreign Exchange Reserves RM'000	ESOS Reserves RM'000	Capital Reserves RM'000	Warrants Reserves RM'000					
<b>Financial period ended 30.06.2021</b>											
At 1.1.2021	433,469	(9,263)	(18,104)	-	244	8,597	(1,796)	287,947	710,357	67,953	778,310
Loss for the financial period	-	-	-	-	-	-	-	(122)	(122)	(214)	(336)
<b>Other comprehensive income</b>											
Foreign currency translation	-	2,432	2,432	-	-	-	-	-	2,432	-	2,432
Total comprehensive income	433,469	(6,831)	(15,672)	-	244	8,597	(1,796)	287,825	712,667	67,739	780,406
<b>Transactions with owners</b>											
Purchase of treasury shares	-	-	-	-	-	-	(1,083)	-	(1,083)	-	(1,083)
Non-controlling interest arising from acquisition of a new subsidiary	-	-	-	-	-	-	-	-	-	8,213	8,213
Changes in ownership interests in a subsidiary	-	-	-	-	-	-	-	(5,597)	(5,597)	5,597	-
Total transactions with owners	-	-	-	-	-	-	(1,083)	(5,597)	(6,680)	13,810	7,130
<b>At 30.06.2021</b>	<b>433,469</b>	<b>(6,831)</b>	<b>(15,672)</b>	<b>-</b>	<b>244</b>	<b>8,597</b>	<b>(2,879)</b>	<b>282,228</b>	<b>705,987</b>	<b>81,549</b>	<b>787,536</b>
<b>Financial period ended 31.06.2020</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 period	-	-	-	-	-	-	-	2,376	2,376	(688)	1,688
<b>Other comprehensive income</b>											
Foreign currency translation	-	(6,948)	(6,948)	-	-	-	-	-	(6,948)	-	(6,948)
Total comprehensive income	464,573	(2,886)	(22,388)	10,660	244	8,597	(3,278)	251,990	710,398	55,887	766,285
<b>Transactions with owners</b>											
Purchase of treasury shares	-	-	-	-	-	-	(10,907)	-	(10,907)	-	(10,907)
Share options lapsed	-	(191)	-	(191)	-	-	-	191	-	-	-
Total transactions with owners	-	(191)	-	(191)	-	-	(10,907)	191	(10,907)	-	(10,907)
<b>At 30.6.2020</b>	<b>464,573</b>	<b>(3,078)</b>	<b>(22,388)</b>	<b>10,469</b>	<b>244</b>	<b>8,597</b>	<b>(14,185)</b>	<b>252,181</b>	<b>699,491</b>	<b>55,887</b>	<b>755,378</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 2020 and the accompanying explanatory notes attached to the interim financial statements.)

## INTERIM FINANCIAL STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021

## CONSOLIDATED STATEMENT OF CASH FLOWS

	30.06.2021 RM'000	30.06.2020 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Loss before tax	973	4,364
Adjustments for:		
Depreciation of:		
- property, plant and equipment	2,919	4,375
- investment properties	114	89
Amortisation of leasehold land	106	-
Dividend income	(174)	(7)
(Gain) on disposal of property, plant and equipment	(798)	(565)
Interest expense	2,065	4,084
Interest income	(472)	(621)
Property, plant and equipment written off	17	915
Unrealised (gain)/loss from foreign exchange	(481)	982
	<u>4,269</u>	<u>13,616</u>
Changes in working capital:		
Inventories	(7,152)	3,893
Contract assets/ liabilities	36,291	130,996
Trade and other receivables	7,696	19,009
Trade and other payables	(32,103)	(40,445)
	<u>9,001</u>	<u>127,069</u>
Income Tax refund	41	-
Income Tax paid	(2,381)	(5,087)
<b>Net Operating Cash Flows</b>	<u>6,661</u>	<u>121,982</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Dividend received	174	7
Interest received	438	713
Redemption/ (Placement) of other investment	5,826	(7)
Proceeds from disposal of property, plant and equipment	1,334	874
Acquisition of subsidiary, net of cash acquired	(15,880)	-
Expenditure on:		
- land held for development	(980)	(7)
Purchase of property, plant and equipment	(398)	(183)
<b>Net Investing Cash Flows</b>	<u>(9,484)</u>	<u>1,397</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Interest paid	(2,065)	(4,084)
Drawdown/ (Repayment) of borrowings	2,744	(107,440)
Purchase of treasury shares	(1,083)	(10,907)
<b>Net Financing Cash Flows</b>	<u>(404)</u>	<u>(122,431)</u>
Net change in cash & cash equivalents	(3,227)	948
Cash & cash equivalents at the beginning of the financial year	10,971	12,377
Effect of exchange differences on translation	2,327	(280)
Cash & cash equivalents at the end of the financial year	<u>10,071</u>	<u>13,045</u>
<b>Analysis of cash &amp; cash equivalents:</b>		
Deposits with licensed banks	1,154	1,131
Cash and bank balances	10,679	16,087
	<u>11,833</u>	<u>17,218</u>
Bank overdrafts	(1,762)	(4,173)
	<u>10,071</u>	<u>13,045</u>

(The above consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2020 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 2020. 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 2020.

**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 2020, except for the adoption of the following amendments/ improvement to MFRSs with effect from 1 January 2021.

Amendments to MFRS 4	Insurance Contracts
Amendments to MFRS 7	Financial Instruments: Disclosures
Amendments to MFRS 9	Financial Instruments
Amendments to MFRS 16	Leases
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 period-to-date.

**A6 Debt and Equity Securities**

During the current quarter under review, the Company did not issue any ordinary shares.

During the current quarter under review, the Company did not purchase any share from its issued shares from the open market. The total number of shares held as treasury shares as at 30 June 2021 was 13,269,849 at a total cost of RM2,879,484. 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 June 2021.

**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 30.06.2021**

	<b>Construction</b>	<b>Property Development</b>	<b>South Africa Investment</b>	<b>Others</b>	<b>Eliminations</b>	<b>Consolidated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
External revenue	122,187	18,972	2,372	389	-	143,920
Inter-segment revenue	82	-	-	-	(82)	-
Total segment revenue	122,269	18,972	2,372	389	(82)	143,920
<b>RESULTS</b>						
Profit/(loss) from operations	(2,374)	4,395	834	(728)	439	2,566
Finance income	993	1,063	2	1,129	(2,715)	472
Finance cost	(863)	(2,607)	(297)	(966)	2,668	(2,065)
<b>Profit/(loss) before tax</b>	<b>(2,244)</b>	<b>2,851</b>	<b>539</b>	<b>(565)</b>	<b>392</b>	<b>973</b>
Taxation						(1,309)
<b>Loss net of tax</b>						<b>(336)</b>

**Financial period ended 30.06.2020**

	<b>Construction</b>	<b>Property Development</b>	<b>South Africa Investment</b>	<b>Others</b>	<b>Eliminations</b>	<b>Consolidated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>REVENUE</b>						
External revenue	121,165	21,961	1,920	192	-	145,238
Inter-segment revenue	1,262	-	-	5,000	(6,262)	-
Total segment revenue	122,427	21,961	1,920	5,192	(6,262)	145,238
<b>RESULTS</b>						
Profit/(loss) from operations	4,090	5,244	(1,264)	(327)	84	7,827
Finance income	1,124	1,183	50	1,602	(3,338)	621
Finance cost	(2,397)	(3,464)	(258)	(1,303)	3,338	(4,084)
<b>Profit/(loss) before tax</b>	<b>2,817</b>	<b>2,963</b>	<b>(1,472)</b>	<b>(28)</b>	<b>84</b>	<b>4,364</b>
Taxation						(2,676)
<b>Profit net of tax</b>						<b>1,688</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**

On 10 June 2021, the Company increased its equity interest in its subsidiary, Skyway Development Sdn Bhd ("Skyway") from 72% to 99.74% by subscription of RM53.80 million rights shares in Skyway. The rights subscription was by way of capitalisation of amount owing from Skyway to the Company.

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

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

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

	<b>Financial Period Ended 30.6.2021 RM'000</b>	<b>Financial Period Ended 31.12.2020 RM'000</b>
- Performance guarantees extended to a third party (Project related)	2,278	4,020
	<u>2,278</u>	<u>4,020</u>

There were no financial impact for the financial assistance provided in the Group for the current financial quarter and financial year ended 31 December 2020.

**A13 Capital Commitments**

	<b>Financial Period Ended 30.6.2021 RM'000</b>	<b>Financial Period Ended 31.12.2020 RM'000</b>
Approved and contracted for:-		
-Property, Plant & Equipment	1,612	934
-Inventories - Property held for development	8,148	8,148
Approved but not contracted for Property, Plant & Equipment	-	-

**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 second quarter ended 30 June 2021, the Group's revenue has increased by RM17.18 million (37.5%) to RM62.95 million from RM45.77 million reported in the preceding year's corresponding quarter.

Nevertheless, the Group's profit before tax has decreased by RM4.79 million (76.7%) to RM1.45 million in the current second quarter ended 30 June 2021, compared to a profit before tax of RM6.24 million in the preceding year's corresponding quarter.

For the six (6) months ended 30 June 2021, the Group reported a revenue of RM143.92 million, a reduction of RM1.32 million (0.9%) from the revenue of RM145.24 million reported in the six (6) months of 2020. Correspondingly, the Group reported a lower profit before tax of RM0.97 million as compared to a profit before tax of RM4.36 million in the preceding year's corresponding period. The reduction in Group's profit was mainly attributable to Construction division.

Further analysis of the divisional performances is as follows:-

	<b>Individual Quarter</b>		<b>Cumulative Period</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30.06.2021</b>	<b>30.06.2020</b>	<b>30.06.2021</b>	<b>30.06.2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>REVENUE</b>				
Construction	50,881	38,297	122,187	121,165
Property Development	10,690	6,928	18,972	21,961
South Africa Investment	1,214	449	2,372	1,920
Others	162	95	389	192
	<b>62,947</b>	<b>45,769</b>	<b>143,920</b>	<b>145,238</b>
<b>PROFIT / (LOSS) BEFORE TAX</b>				
Construction	(560)	4,914	(2,244)	2,817
Property Development	1,514	1,431	2,851	2,963
South Africa Investment	479	(121)	539	(1,472)
Others	(360)	(25)	(565)	(28)
Elimination	379	44	392	84
	<b>1,452</b>	<b>6,243</b>	<b>973</b>	<b>4,364</b>

**Construction**

*Individual quarter*

Construction division reported a higher revenue of RM50.88 million in the current second quarter. It represents an increase of RM12.58 million (32.9%) compared to RM38.30 million in the second quarter of 2020. There was lower revenue reported in the second quarter of 2020 due to minimal work done during Covid-19 lockdown period from 18 March 2020 until 31 May 2020.

Nevertheless, this division reported a marginal loss before tax of RM0.56 million in the current second quarter, compared to a profit before tax of RM4.91 million reported in the preceding year's corresponding quarter.

*Cumulative quarter*

For the six (6) months ended 30 June 2021, the Construction division reported a revenue of RM122.19 million, an increase of RM1.02 million (0.8%) compared to RM121.17 million reported in the six (6) months of 2020.

However, this division reported a loss before tax of RM2.24 million in the six (6) months of 2021, compared to a profit before tax of RM2.82 million reported in the preceding year's corresponding period. The loss was mainly due to provisional cost for project prolongation duration arising from the implementation of nationwide total lockdown on 1 June 2021.

**Property Development**

*Individual quarter*

The Property Development division has contributed a higher revenue of RM10.69 million in the current second quarter, an increase of RM3.76 million (54.3%) as compared to RM6.93 million in the second quarter of 2020. Profit before tax has increased slightly by RM0.08 million (5.8%) to RM1.51 million from RM1.43 million in the preceding year's corresponding quarter.

*Cumulative quarter*

For the six (6) months ended 30 June 2021, the Property Development division's revenue has reduced by RM2.99 million (13.6%) to RM18.97 million as compared to RM21.96 million reported in the six (6) months of 2020. Profit before tax has decreased slightly by RM0.11 million (3.8%) to RM2.85 million from RM2.96 million reported in the preceding year's corresponding period. The current financial period profit was mainly derived from completed project '280 Park Homes'.

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

**South Africa Investment**

*Individual quarter*

For the current second quarter ended 30 June 2021, our property project in South Africa has contributed a higher revenue of RM1.21 million and reported a marginal profit before tax of RM0.48 million.

*Cumulative quarter*

For the six (6) months ended 30 June 2021, this division's revenue has increased by RM0.45 million (23.6%) to RM2.37 million as compared to RM1.92 million reported in the six (6) months of 2020. Correspondingly, this division has reported a profit before tax of RM0.54 million as compared to loss before tax of RM1.47 million reported in the preceding year's corresponding period.

**B2 Comparison with Preceding Quarter Results**

	<b>Current Quarter ended 30.06.2021 RM'000</b>	<b>Preceding Quarter ended 31.03.2021 RM'000</b>	<b>Variance %</b>
Revenue	62,947	80,973	-22.3%
Profit / (Loss) before tax	1,452	(478)	-403.9%
Profit margin	2.3%	-0.6%	

The Group's revenue in the current quarter has decreased by RM18.03 million (22.3%) to RM62.95 million from the preceding quarter's revenue of RM80.97 million. Correspondingly, the Group has reported a profit before tax of RM1.45 million, as compared to a loss before tax of RM0.48 million in the preceding quarter. The decrease in revenue in the current second quarter were mainly due to implementation of nationwide total lockdown 'Full Movement Control Order (FMCO)' since 1 June 2021. Majority of our construction projects are not allowed to operate during FMCO period.

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

	<b>Individual Quarter 3 months ended</b>		<b>Cumulative Period 6 months ended</b>	
	<b>30.06.2021 RM'000</b>	<b>30.06.2020 RM'000</b>	<b>30.06.2021 RM'000</b>	<b>30.06.2020 RM'000</b>
<b>Loss for the period is arrived at after crediting/(charging):</b>				
Depreciation and amortisation	(1,399)	(1,945)	(3,139)	(4,464)
Gain on disposal of property, plant and equipment	447	36	798	565
Interest income	402	178	472	621
Interest expense	(1,019)	(1,659)	(2,065)	(4,084)
Other income	909	1,427	2,400	3,489
Property, plant and equipment written off	-	-	(17)	(915)
Unrealised gain / (loss) on foreign exchange	329	221	481	(982)

**B4 Prospects for the current financial year ending 31 December 2021**

As a result of a nationwide Full Movement Control Order (FMCO) was undertaken since 1 June 2021, Bank Negara Malaysia (BNM) has revised its full-year gross domestic product (GDP) growth forecast for Malaysia to between 3% and 4%, from the previous forecast of between 6% and 7.5% for 2021. The pace of Malaysia's economic recovery hinges on the success of the COVID-19 vaccination plan and effectiveness of vaccines against prevailing variants.

Our Construction outstanding order book currently stands at RM518.48 million. In view of recent increase in material cost and operating cost arising from the COVID-19 pandemic, the division is undertaking more careful pricing strategy when submit bidding for order book replenishment. The Division will continue to stay competitive in the market by implementing effective cost control measures.

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 RM50 million to-date. The current unbilled sales for this Division amounts to RM43.70 million. The division has obtained authority's approval to commence earth work for the proposed residential projects in Bukit Sentosa. However, due to FMCO, the works were unable to commence in June 2021. We have recently started site clearing works as the FMCO restriction have been uplifted. Besides, we are also working on new proposed residential projects in Kota Warisan and Puchong Prima.

Our South Africa division has recently launched 15 number of vacant bungalow lots (estimated GDV of RM7 million) within the Blue Valley Golf & Country Estate. We have sold 6 lots out of total 15 lots to-date. Coupled with the 9 units of Apartment sold, we expect this division will contribute positively in the fourth quarter of 2021. In addition, this division is currently working on obtaining authority's approval to sell total in excess of 100 vacant bungalow lots, which will have positive contribution to the Group' earning from 2022 to 2025.

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

**B5 Profit Forecast**

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

**B6 Taxation**

	<b>Current Quarter ended 30.06.2021 RM'000</b>	<b>Financial Period ended 30.06.2021 RM'000</b>
Taxation based on profit for the period		
- current year	(680)	(1,308)
- under/ (over) provision in prior years	<u>(51)</u>	<u>(51)</u>
	(731)	(1,359)
Deferred taxation	<u>55</u>	<u>50</u>
	<u><u>(676)</u></u>	<u><u>(1,309)</u></u>

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.

**B9 Group Borrowings and Debt Securities**

	<b>Short term RM'000</b>	<b>Long term RM'000</b>
Secured	26,694	17,579
Unsecured	<u>70,757</u>	<u>-</u>
	<u><u>97,451</u></u>	<u><u>17,579</u></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 June 2021.

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

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

	<b>Individual Quarter</b>		<b>Cumulative Period</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30.06.2021</b>	<b>30.06.2020</b>	<b>30.06.2021</b>	<b>30.06.2020</b>
<b>(a) Basic Earnings/(Loss) Per Share</b>				
Profit/ (Loss) attributable to equity holders of the Company (RM'000)	<b>781</b>	4,711	<b>(122)</b>	2,376
Weighted average number of ordinary shares in issue ('000)	<b>822,879</b>	848,846	<b>823,530</b>	878,795
Basic earnings/ (loss) per share (sen)	<b>0.09</b>	0.55	<b>(0.01)</b>	0.27
<b>(b) Diluted Earnings/ (Loss) Per Share</b>				
Profit/ (Loss) attributable to equity holders of the Company (RM'000)	<b>781</b>	4,711	<b>(122)</b>	2,376
Weighted average number of ordinary shares in issue ('000)	<b>822,879</b>	848,846	<b>823,530</b>	878,795
Effect of dilution ('000)	<b>#</b>	#	<b>#</b>	#
Adjusted weighted average number of ordinary shares in issue ('000)	<b>822,879</b>	848,846	<b>823,530</b>	878,795
Diluted earnings/ (loss) per share (sen)	<b>0.09</b>	0.55	<b>(0.01)</b>	0.27

# 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 2020 was not qualified.

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