



**UOA DEVELOPMENT BHD**

**INTERIM FINANCIAL REPORT**

**THIRD QUARTER ENDED 30 SEPTEMBER 2020**





## INTERIM FINANCIAL REPORT

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THIRD QUARTER ENDED 30 SEPTEMBER 2020

### **UOA DEVELOPMENT BHD**

200401015520 (654023-V)

(Incorporated in Malaysia)

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(Cover) Linking desirability with affordability, Aster Green Residence is a freehold residential development in Sri Petaling, Kuala Lumpur that features urban lifestyle homes in a low density living environment with lush landscape.

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**UOA DEVELOPMENT BHD 200401015520 (654023-V)**  
**(Incorporated in Malaysia)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2020**

|  | As At<br>30 September 2020<br>RM'000<br>(Unaudited) | As At<br>31 December 2019<br>RM'000<br>(Audited) |
|--|---|--|
| <b>ASSETS</b>  |   |  |
| <b>Non-current assets</b>  |   |  |
| Property, plant and equipment  | Note 1 436,973                                      | 439,132  |
| Investment properties  | 2,032,199   | 1,850,584  |
| Inventories  | 606,514   | 594,162  |
| Investment in quoted shares  | 31,908  | 31,858   |
| Deferred tax assets  | 64,926  | 57,758   |
|  | <u>3,172,520</u>                                    | <u>2,973,494</u>                                 |
| <b>Current assets</b>  |   |  |
| Inventories  | 1,430,183   | 1,451,349  |
| Contract assets  | 147,553   | 281,014  |
| Trade and other receivables  | 292,711   | 243,654  |
| Amount owing by holding company                                      | 13  | -  |
| Amount owing by related companies                                    | 197   | 258  |
| Current tax assets   | 46,906  | 69,717   |
| Short term investments   | 174,745   | 223,773  |
| Fixed deposits with licensed banks                                   | 208,615   | 200,136  |
| Cash and bank balances   | 807,913   | 519,484  |
|  | <u>3,108,836</u>                                    | <u>2,989,385</u>                                 |
| <b>TOTAL ASSETS</b>  | <u>6,281,356</u>                                    | <u>5,962,879</u>                                 |
| <b>EQUITY AND LIABILITIES</b>  |   |  |
| <b>Equity</b>  |   |  |
| Share capital  | 2,519,752   | 2,286,285  |
| Merger reserve   | 2,252   | 2,252  |
| Fair value reserve   | 4,938   | 4,888  |
| Retained earnings  | 2,854,671   | 2,773,588  |
| Less : Treasury shares   | (2,119)   | (2,119)  |
| Equity attributable to owners of the Company                         | 5,379,494   | 5,064,894  |
| Non-controlling interests  | 193,154   | 206,974  |
| <b>Total equity</b>  | <u>5,572,648</u>                                    | <u>5,271,868</u>                                 |
| <b>Non-current liabilities</b>                                       |   |  |
| Amount owing to non-controlling shareholders of subsidiary companies | 1,786   | 1,641  |
| Lease liabilities  | 1,005   | 1,404  |
| Deferred tax liabilities   | 49,224  | 82,128   |
|  | <u>52,015</u>                                       | <u>85,173</u>                                    |
| <b>Current liabilities</b>   |   |  |
| Contract liabilities   | 2,284   | -  |
| Trade and other payables   | 554,780   | 441,011  |
| Amount owing to holding company                                      | 155   | 402  |
| Amount owing to related companies                                    | 275   | 42,245   |
| Amount owing to non-controlling shareholders of subsidiary company   | 45,500  | 50,984   |
| Lease liabilities  | 977   | 1,244  |
| Short term borrowings  | -   | 54,000   |
| Current tax liabilities  | 52,722  | 15,952   |
|  | <u>656,693</u>                                      | <u>605,838</u>                                   |
| <b>TOTAL LIABILITIES</b>   | <u>708,708</u>                                      | <u>691,011</u>                                   |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                  | <u>6,281,356</u>                                    | <u>5,962,879</u>                                 |
| <b>Net Asset Per Share (RM)</b>                                      | <u>2.53</u>   | <u>2.58</u>                                      |
| Based on number of shares net of treasury shares                     | <u>2,123,771,300</u>                                | <u>1,966,023,200</u>                             |

Note 1 : Included in the net carrying amount of property, plant and equipment are right-of-use assets of RM217,246,000 (2019: RM221,315,000).

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

**UOA DEVELOPMENT BHD 200401015520 (654023-V)**  
**(Incorporated in Malaysia)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020**

|  | Individual Quarter Ended                      |   | Cumulative Quarter Ended                      |   |
|--|---|---|---|---|
|  | 30 September<br>2020<br>RM'000<br>(Unaudited) | 30 September<br>2019<br>RM'000<br>(Unaudited) | 30 September<br>2020<br>RM'000<br>(Unaudited) | 30 September<br>2019<br>RM'000<br>(Unaudited) |
| Revenue  | 134,337                                       | 288,438                                       | 650,489                                       | 877,437                                       |
| Cost of sales  | (52,206)                                      | (184,600)                                     | (361,469)                                     | (537,050)                                     |
| Gross profit   | 82,131  | 103,838                                       | 289,020                                       | 340,387                                       |
| Fair value adjustment on investment properties               | 114,000                                       | -   | 114,000                                       | -   |
| Other income   | 47,511  | 82,995  | 143,557                                       | 203,783                                       |
| Impairment losses of financial assets                        | (185)   | 205   | (102)   | (2,577)                                       |
| Administrative and general expenses                          | (34,019)                                      | (35,855)                                      | (103,773)                                     | (108,454)                                     |
| Other expenses   | (15,031)                                      | (18,246)                                      | (38,374)                                      | (51,396)                                      |
| Finance income   | 3,895   | 6,437   | 17,281  | 15,578  |
| Finance costs  | (222)   | (1,539)                                       | (986)   | (6,149)                                       |
| Profit before tax  | 198,080                                       | 137,835                                       | 420,623                                       | 391,172                                       |
| Tax income/(expense)   | 13,712  | (22,173)                                      | (55,759)                                      | (84,125)                                      |
| Profit for the financial year                                | 211,792                                       | 115,662                                       | 364,864                                       | 307,047                                       |
| Other comprehensive income, net of tax                       |   |   |   |   |
| <i>Items that will not be reclassified to profit or loss</i> |   |   |   |   |
| Fair value gain/(loss) on remeasuring of financial assets    | 938   | (1,237)                                       | 50  | (1,237)                                       |
| Total comprehensive income for the financial year            | 212,730                                       | 114,425                                       | 364,914                                       | 305,810                                       |
| Profit attributable to:                                      |   |   |   |   |
| Owners of the Company  | 208,929                                       | 101,914                                       | 356,326                                       | 286,862                                       |
| Non-controlling interests                                    | 2,863   | 13,748  | 8,538   | 20,185  |
|  | 211,792                                       | 115,662                                       | 364,864                                       | 307,047                                       |
| Total comprehensive income attributable to:                  |   |   |   |   |
| Owners of the Company  | 209,867                                       | 100,677                                       | 356,376                                       | 285,625                                       |
| Non-controlling interests                                    | 2,863   | 13,748  | 8,538   | 20,185  |
|  | 212,730                                       | 114,425                                       | 364,914                                       | 305,810                                       |
| <b>Earnings per share (Sen)</b>                              |   |   |   |   |
| - Basic earnings per share                                   | 10.26   | 5.28  | 17.91   | 15.32   |
| - Diluted earnings per share                                 | N/A   | N/A   | N/A   | N/A   |

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





**UOA DEVELOPMENT BHD 200401015520 (654023-V)**  
**(Incorporated in Malaysia)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020**

|  | Current Year<br>To Date<br>30 September 2020<br>RM'000<br>(Unaudited) | Preceding Year<br>To Date<br>30 September 2019<br>RM'000<br>(Unaudited) |
|--|---|---|
| <b>OPERATING ACTIVITIES</b>  |   |   |
| Profit before tax  | 420,623   | 391,172   |
| Adjustments for:   |   |   |
| Non-cash items   | (97,545)  | 18,073  |
| Non-operating items  | (129)   | (8)   |
| Dividend income  | (1,574)   | (1,443)   |
| Net interest income  | (16,295)  | (9,429)   |
| Operating profit before changes in working capital                     | 305,080   | 398,365   |
| Changes in working capital:  |   |   |
| Inventories  | (35,415)  | 92,194  |
| Contract assets  | 133,461   | (59,005)  |
| Contract liabilities   | 2,284   | -   |
| Receivables  | (49,159)  | 190,380   |
| Payables   | 113,493   | (115,683)   |
| Cash generated from operations   | 469,744   | 506,251   |
| Interest received  | 9,093   | 6,623   |
| Tax paid   | (36,250)  | (86,706)  |
| Net cash from operating activities                                     | 442,587   | 426,168   |
| <b>INVESTING ACTIVITIES</b>  |   |   |
| Advances to holding company  | (13)  | (2)   |
| Repayments from/(Advances to) related companies                        | 61  | (176)   |
| Dividend received  | 1,574   | 1,443   |
| Proceeds from disposal of property, plant and equipment                | 220   | 12  |
| Additions to investment properties                                     | (23,386)  | (45,185)  |
| Purchase of property, plant and equipment                              | (13,926)  | (48,008)  |
| Interest income  | 8,171   | 8,799   |
| Net cash used in investing activities                                  | (27,299)  | (83,117)  |
| <b>FINANCING ACTIVITIES</b>  |   |   |
| Repayments to holding company  | (101)   | (161)   |
| Repayments to related companies  | (41,840)  | (356)   |
| Repayment of lease liabilities   | (1,025)   | (2,312)   |
| Dividends paid to owners of the Company                                | (41,776)  | (14,775)  |
| Dividends paid to non-controlling shareholders of subsidiary companies | (22,358)  | (47,552)  |
| Net repayment of borrowings  | (54,000)  | -   |
| Fixed deposit (pledged)/unpledged to secure bank borrowings            | (5)   | 1,527   |
| Repayments to non-controlling shareholders of subsidiary companies     | (5,387)   | (39,062)  |
| Interest paid  | (921)   | (5,951)   |
| Net cash used in financing activities                                  | (167,413)   | (108,642)   |
| <b>CASH AND CASH EQUIVALENTS</b>                                       |   |   |
| <b>Net changes</b>   | <b>247,875</b>  | <b>234,409</b>  |
| <b>At beginning of financial year</b>                                  | <b>943,239</b>  | <b>576,965</b>  |
| <b>At end of financial period</b>                                      | <b>1,191,114</b>  | <b>811,374</b>  |
| Represented by:  |   |   |
| Short term investments   | 174,745   | 233,109   |
| Fixed deposits with licensed banks                                     | 208,615   | 185,927   |
| Cash and bank balances   | 807,913   | 392,492   |
|  | 1,191,273   | 811,528   |
| Fixed deposit pledged  | (159)   | (154)   |
|  | 1,191,114   | 811,374   |

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

## EXPLANATORY NOTES TO THE INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2020

### A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134, INTERIM FINANCIAL REPORTING

#### A1 BASIS OF PREPARATION

The interim financial report has been prepared in accordance with MFRS 134, Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. These financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial reports should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to this interim financial report.

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 Company and its subsidiaries (“the Group”) since the financial 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 financial year ended 31 December 2019, except for the adoption of the following MFRSs and amendments to MFRSs that are relevant to its operations:

|                                 |   |
|---------------------------------|---|
| Amendments to MFRS 3            | Definition of a Business  |
| Amendments to MFRS 7, 9 and 139 | Interest Rate Benchmark Reform  |
| Amendments to MFRS 101 and 108  | Definition of Material  |
| Conceptual Framework            | Amendments to References to the Conceptual Framework in MFRS Standards (MFRS 2, 3, 6, 14, 101, 108, 134, 137, 138 and IC Interpretation 12, 19, 20, 22 and 132) |

The initial application of the above standards, amendments and interpretation are not expected to have any financial impacts to the financial statements of the Group.



**A3 QUALIFIED AUDIT REPORT**

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

**A4 COMMENTS ON SEASONALITY OR CYCLICALITY OF OPERATIONS**

The business operations of the Group during the financial period under review have not been materially affected by any seasonal or cyclical factors.

**A5 UNUSUAL ITEMS**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the quarter under review.

**A6 MATERIAL CHANGES IN ESTIMATES**

There were no material changes in estimates that have had a material effect in the current quarter results.

**A7 ISSUES, CANCELLATION, REPURCHASES, RESALE AND REPAYMENTS OF DEBT AND EQUITY SECURITIES**

Save as disclosed below, there were no issuance, cancellation, repurchase, resale and repayment of debt and/or equity securities, share buybacks, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter.

(a) Issuance of shares pursuant to the Dividend Reinvestment Scheme

The issued and paid-up share capital of the Company has increased from RM2,286,285,066 to RM2,519,752,254 by the issuance of 157,748,100 new ordinary shares in the Company at an issue price of RM1.48 per share pursuant to the Dividend Reinvestment Scheme of the Company.

(b) Share buyback by the Company

During the current quarter, there was no buyback of shares nor resale or cancellation of treasury shares.

(c) As at 30 September 2020, the Company has 1,133,800 ordinary shares held as treasury shares and the issued and paid-up share capital of the Company remained unchanged at 2,124,905,100 ordinary shares.

**A8 DIVIDENDS PAID**

The total dividend paid out of shareholders' equity for the ordinary shares during the year is as follows:

|   | <b>Year To Date</b>      |                          |
|---|--------------------------|--------------------------|
|   | <b>30 September 2020</b> | <b>30 September 2019</b> |
|   | RM'000                   | RM'000                   |
| Dividend in respect of financial year ended 31 December 2019: |                          |                          |
| - First and final single tier dividend of 14 sen per share    | 275,243                  | -                        |
| Dividend in respect of financial year ended 31 December 2018: |                          |                          |
| - First and final single tier dividend of 14 sen per share    | -                        | 258,123                  |

**A9 EFFECT OF CHANGES IN THE COMPOSITION OF THE GROUP**

There were no material events as at the latest practicable date from the date of this report.

**A10 EVENTS AFTER THE END OF THE INTERIM PERIOD**

There were no material events as at the latest practicable date from the date of this report.

**A11 SEGMENT INFORMATION**

|  | <b>Property development</b> | <b>Construction</b> | <b>Others</b> | <b>Elimination</b> | <b>Consolidated</b> |
|--|-----------------------------|---------------------|---------------|--------------------|---------------------|
|  | RM'000                      | RM'000              | RM'000        | RM'000             | RM'000              |
| <b><u>Cumulative quarter ended 30 September 2020</u></b> |                             |                     |               |                    |                     |
| <b>Revenue</b>   |                             |                     |               |                    |                     |
| External revenue   | 650,489                     | -                   | -             | -                  | 650,489             |
| Inter-segment revenue                                    | 40,843                      | 266,411             | -             | (307,254)          | -                   |
| Total revenue  | 691,332                     | 266,411             | -             | (307,254)          | 650,489             |
| <b>Results</b>   |                             |                     |               |                    |                     |
| Segment results  | 276,050                     | 56,322              | 88,251        | -                  | 420,623             |
| Tax expense  |                             |                     |               |                    | (55,759)            |
| Profit for the year                                      |                             |                     |               |                    | 364,864             |
| Segment assets   | 4,215,140                   | 135,420             | 1,787,056     | -                  | 6,137,616           |

|   | Property<br>development<br>RM'000 | Construction<br>RM'000 | Others<br>RM'000 | Elimination<br>RM'000 | Consolidated<br>RM'000 |
|---|-----------------------------------|------------------------|------------------|-----------------------|------------------------|
| <b>Cumulative quarter ended 30 September 2019</b> |                                   |                        |                  |                       |                        |
| <b>Revenue</b>                                    |                                   |                        |                  |                       |                        |
| External revenue                                  | 877,437                           | -                      | -                | -                     | 877,437                |
| Inter-segment revenue                             | (106,402)                         | 581,076                | -                | (474,674)             | -                      |
| <b>Total revenue</b>                              | <b>771,035</b>                    | <b>581,076</b>         | <b>-</b>         | <b>(474,674)</b>      | <b>877,437</b>         |
| <b>Results</b>                                    |                                   |                        |                  |                       |                        |
| Segment results                                   | 322,568                           | 70,317                 | (1,713)          | -                     | 391,172                |
| Tax expense                                       |                                   |                        |                  |                       | (84,125)               |
| <b>Profit for the year</b>                        |                                   |                        |                  |                       | <b>307,047</b>         |
| <b>Segment assets</b>                             | <b>4,107,371</b>                  | <b>167,216</b>         | <b>1,473,903</b> | <b>-</b>              | <b>5,748,490</b>       |

## A12 CONTINGENT LIABILITIES OR CONTINGENT ASSETS

On 31 December 2018, two of the Company's wholly-owned subsidiaries, namely Windsor Triumph Sdn. Bhd. ("Windsor") and Sunny Uptown Sdn. Bhd. ("Sunny") were served by the Inland Revenue Board of Malaysia ("IRB") with Notices of Additional Assessment for the Year of Assessment 2013, for additional income tax totalling RM25,558,750.50 and penalties totalling RM14,057,312.78 ("Cases").

The additional assessment raised against Windsor by IRB arose from an adjustment by IRB of the market value of properties that Windsor has withdrawn as an inventory to hold as investment property.

The additional assessment raised against Sunny by IRB arose from an adjustment by IRB of the selling price at market value of properties that Sunny had assigned to another wholly-owned subsidiary of the Group on an "as is" basis.

Both subsidiaries relied on valuations by a professional, independent and experienced registered valuer. These valuations were adjusted by IRB by substituting them with valuations subsequently conducted by Jabatan Penilaian dan Perkhidmatan Harta.

Upon consulting the Group's tax solicitors, the Group is of the view that there are good grounds to challenge the basis and validity of the disputed Notices of Additional Assessment raised by the IRB and the penalties imposed. Windsor and Sunny have filed their appeals with the Special

Commissioners of Income Tax (“SCIT”). The appeals have now been fixed for mention before the SCIT in December 2020.

The Directors are of the opinion that no provisions in respect of the tax liabilities and penalty in dispute are required to be made in the financial statements as at the reporting date.

### A13 RELATED PARTY TRANSACTIONS

On 28 September 2020, Distinctive Acres Sdn Bhd, a wholly owned subsidiary of the Group, entered into a conditional sale and purchase agreement (“SPA”) with RHB Trustees Berhad, being the trustee of UOA Real Estate Investment Trust (“UOA REIT”) for the disposal of UOA Corporate Tower for a cash consideration of RM700.0 million.

The Proposed Disposal is subject to the following approvals being obtained:

- (i) the approval of shareholders of UOA Development for the Proposed Disposal at UOA Development’s extraordinary general meeting to be convened; and
- (ii) any other relevant authority and/or party, if required.

The proposed disposal has not been completed as at the date of this report.

Save as disclosed above, there were no significant related party transactions as at the date of this announcement.

### A14 CAPITAL COMMITMENTS

The Group has the following capital commitments:

|                                   | <b>As at<br/>30 September<br/>2020<br/>RM’000</b> |
|-----------------------------------|---|
| Approved and contracted for       |   |
| - Purchase of plant and equipment | 7,484   |
| - Purchase of investment property | 33,045  |
|                                   | <b>40,529</b>                                     |

**B EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1 REVIEW OF PERFORMANCE**

|   | Individual quarter ended |                      | Increase/<br>(Decrease) |
|---|--------------------------|----------------------|-------------------------|
|   | 30 September<br>2020     | 30 September<br>2019 |                         |
|   | RM'000                   | RM'000               | %                       |
| Revenue   | 134,337                  | 288,438              | (53.4%)                 |
| Gross profit                                    | 82,131                   | 103,838              | (20.9%)                 |
| Profit before tax                               | 198,080                  | 137,835              | 43.7%                   |
| Profit after tax                                | 211,792                  | 115,662              | 83.1%                   |
| Profit attributable to owners of the<br>Company | 208,929                  | 101,914              | 105.0%                  |

The Group's revenue for the quarter ended 30 September 2020 was at RM134.3 million compared to RM288.4 million in the same quarter of the preceding year. The profit after tax after non-controlling interests for the quarter under review was at RM208.9 million compared to RM101.9 million in the same quarter of the preceding year. Total expenditure for the quarter under review of RM49.5 million comprises mainly administrative and operating expenses of RM32.5 million.

The Group's revenue and profit attributable to the Company for the quarter under review were mainly derived from the progressive recognition of the Group's on-going development projects namely South Link Lifestyle Apartments and Aster Green Residence. The lower revenue and gross profit were mainly due to higher progressive recognition in the corresponding quarter of the previous financial year in respect of United Point Residence and Sentul Point Suite Apartments and higher sales of stocks.

The higher profit during the current quarter was mainly due to the fair value adjustment on investment properties of RM114 million with the revaluation of UOA Corporate Tower ("UCT"). On 28 September 2020, a subsidiary of the Group entered into a conditional sale and purchase agreement with RHB Trustees Berhad, being the trustee of UOA Real Estate Investment Trust for the disposal of UCT for a cash consideration of RM700.0 million. The fair value of UCT has been restated to its disposal price. The sale has not been completed as at the date of this announcement.

**B2 MATERIAL CHANGES IN PROFIT BEFORE TAX FOR THE CURRENT QUARTER AS COMPARED WITH THE IMMEDIATE PRECEDING QUARTER**

|                   | Current<br>quarter ended<br>30 September<br>2020<br>RM'000 | Immediate<br>Preceding<br>quarter ended<br>30 June<br>2020<br>RM'000 | Increase/<br>(Decrease)<br>% |
|-------------------|--|--|------------------------------|
| Revenue           | 134,337  | 140,882  | (4.6%)                       |
| Profit before tax | 198,080  | 40,095   | 394.0%                       |

The Group's profit before tax of RM198.1 million for the current quarter ended 30 September 2020 was higher than the immediate preceding quarter of RM40.1 million. The higher profit in the current quarter was mainly due to fair value adjustment in the current quarter.

**B3 PROSPECTS**

The total new property sales for the period ended 30 September 2020 was approximately RM234.22 million. The property sales were mainly derived from Aster Green Residence, The Goodwood Residence, United Point Residence and Sentul Point.

The total unbilled sales as at 30 September 2020 amounted to approximately RM402.2 million.

The Group maintains its focus on development at targeted geographical locations while exploring for strategic development lands that meets the objective of the Group.

**B4 VARIANCES BETWEEN ACTUAL PROFIT AND FORECAST PROFIT**

Not applicable as no profit forecast was published.



## B5 TAX EXPENSE

The breakdown of the tax components is as follows:

|                              | Current Quarter |           | Year To Date |           |
|------------------------------|-----------------|-----------|--------------|-----------|
|                              | 30              | 30        | 30           | 30        |
|                              | September       | September | September    | September |
|                              | 2020            | 2019      | 2020         | 2019      |
|                              | RM'000          | RM'000    | RM'000       | RM'000    |
| In respect of current period |                 |           |              |           |
| - income tax                 | 25,378          | 37,963    | 96,310       | 109,709   |
| - deferred tax               | (4,404)         | (8,168)   | (6,054)      | (16,878)  |
| In respect of prior period   |                 |           |              |           |
| - income tax                 | (485)           | (7,623)   | (479)        | (7,623)   |
| - deferred tax               | (34,201)        | 1         | (34,018)     | (1,083)   |
| Tax expense for the period   | (13,712)        | 22,173    | 55,759       | 84,125    |

The Group's effective tax rate for the current quarter and year to date, corresponding quarter and year to date for the preceding year was lower than statutory tax rate of 24% mainly due to certain income not subjected to tax.

## B6 STATUS OF CORPORATE PROPOSAL

There were no corporate proposals announced but not completed during the current financial quarter and financial period to date under review.

## B7 BORROWINGS AND DEBT SECURITIES

The Group does not have any debt securities. The Group borrowings are denominated in Ringgit Malaysia ("RM") as follows:

|                    | As at<br>30 September<br>2020<br>Secured<br>RM'000 | As at<br>31 December<br>2019<br>Secured<br>RM'000 |
|--------------------|--|---|
| <u>Current</u>     |  |   |
| Secured            |  |   |
| - Revolving credit | -  | 54,000  |
|                    | -  | 54,000  |

**B8 DERIVATIVE FINANCIAL INSTRUMENTS**

The Group does not have any derivative financial instruments as at the date of this report.

**B9 FAIR VALUE CHANGES OF FINANCIAL LIABILITIES**

The Group does not have any financial liabilities that are measured at fair value at the date of this report.

**B10 MATERIAL LITIGATION**

There was no pending material litigation as at the latest practicable date from the date of issuance of this report.

**B11 DIVIDENDS**

The Board does not recommend any dividend for the current quarter under review.

**B12 PROFIT BEFORE TAX**

Profit before tax is stated after charging/(crediting):

|  | Current Quarter |           | Year To Date |           |
|--|-----------------|-----------|--------------|-----------|
|  | 30              | 30        | 30           | 30        |
|  | September       | September | September    | September |
|  | 2020            | 2019      | 2020         | 2019      |
|  | RM'000          | RM'000    | RM'000       | RM'000    |
| Interest income                            | (3,895)         | (6,437)   | (17,281)     | (15,578)  |
| Other income including investment income   | (38,340)        | (35,568)  | (109,137)    | (101,554) |
| Interest expense                           | 222             | 1,539     | 986          | 6,149     |
| Depreciation and amortisation              | 5,206           | 5,124     | 15,904       | 15,475    |
| Impairment loss on receivables             | 185             | (205)     | 102          | 2,577     |
| Provision for and write off of inventories | -               | -         | -            | -         |
| Gain on disposal                           |                 |           |              |           |
| - Quoted/unquoted investments              | -               | -         | -            | -         |
| - Property, plant and equipment            | (64)            | -         | (129)        | (8)       |
| Impairment of assets                       | -               | -         | -            | -         |
| Foreign exchange (gain)/loss               | (1)             | 2         | (4)          | 3         |
| (Gain)/Loss on derivatives                 | -               | -         | -            | -         |
| Exceptional items                          | -               | -         | -            | -         |

**B13 EARNINGS PER SHARE**

- a) The basic earnings per share ("EPS") is calculated by dividing the profit for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

|   | Current Quarter |               | Year to Date  |               |
|---|-----------------|---------------|---------------|---------------|
|   | 30              | 30            | 30            | 30            |
|   | September       | September     | September     | September     |
|   | 2020            | 2019          | 2020          | 2019          |
| Profit attributable to owners of the Company (RM'000) | 208,929         | 101,914       | 356,326       | 286,862       |
| Weighted average number of ordinary shares            | 2,036,323,984   | 1,928,805,996 | 1,989,627,843 | 1,872,405,670 |
| Basic EPS (Sen)                                       | 10.26           | 5.28          | 17.91         | 15.32         |

- b) The Company does not have any diluted earnings per share.

BY ORDER OF THE BOARD

YAP KAI WENG  
Company Secretary  
UOA DEVELOPMENT BHD  
Kuala Lumpur

25 NOVEMBER 2020