

INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 MARCH 2021

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	3 Months Ended		9 Months Ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	RM'000	RM'000	RM'000	RM'000
Revenue	51,954	76,729	137,300	176,690
Cost of sales	(27,753)	(44,539)	(76,012)	(93,603)
Gross profit	24,201	32,190	61,288	83,087
Investment revenue	5,910	2,891	10,457	7,937
Other income	2,688	2,249	6,932	6,885
Finance costs	(1,721)	(1,265)	(4,246)	(3,905)
Administrative expenses	(20,297)	(23,930)	(56,724)	(68,207)
Other expenses	(2,442)	(556)	(3,545)	(1,642)
Profit before taxation	8,339	11,579	14,162	24,155
Taxation	(5,179)	(8,139)	(12,922)	(15,707)
Profit for the period	3,160	3,440	1,240	8,448
Other comprehensive income/ (expense)	7,571	(8,927)	12,724	(16,125)
Total comprehensive income/ (loss) for the period	10,731	(5,487)	13,964	(7,677)
Profit/ (loss) for the period attributable to:				
Owners of the Company	3,835	4,427	3,776	10,031
Non-controlling interests	(675)	(987)	(2,536)	(1,583)
	3,160	3,440	1,240	8,448
Total comprehensive income/ (loss) for the period attributable to:				
Owners of the Company	11,068	(4,776)	17,823	(6,788)
Non-controlling interests	(337)	(711)	(3,859)	(889)
	10,731	(5,487)	13,964	(7,677)
Earnings per share attributable to Owners of the Company (sen)				
- Basic / Diluted	1.0	1.2	1.0	2.6

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2020 and the Explanatory Notes for the quarter ended 31 March 2021)

**PLENITUDE BERHAD**

Company No. 200001028479 (531086-T)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31.03.2021 (Unaudited) RM'000	As at 30.06.2020 (Audited) RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	940,058	941,946
Investment properties	63,827	63,578
Inventories- Property development projects	325,726	342,570
Right-of-use assets	109	381
Goodwill	3,703	3,703
Deferred tax assets	14,459	14,460
	<u>1,347,882</u>	<u>1,366,638</u>
CURRENT ASSETS		
Inventories	253,254	274,968
Trade and other receivables	63,638	53,364
Contract assets	4,318	645
Tax recoverable	6,830	9,747
Short term investments	223,709	93,836
Fixed deposits with licensed banks	204,213	30,480
Cash and bank balances	52,908	65,803
	<u>808,870</u>	<u>528,843</u>
TOTAL ASSETS	<u>2,156,752</u>	<u>1,895,481</u>
EQUITY AND LIABILITIES		
Capital & Reserves		
Share capital	515,315	515,315
Reserves	1,066,819	1,056,627
	<u>1,582,134</u>	<u>1,571,942</u>
Non-controlling interests	32,894	36,753
TOTAL EQUITY	<u>1,615,028</u>	<u>1,608,695</u>
NON-CURRENT LIABILITIES		
Loans and borrowings	355,810	131,902
Other payables	2,644	1,644
Deferred tax liabilities	29,976	29,976
	<u>388,430</u>	<u>163,522</u>
CURRENT LIABILITIES		
Trade and other payables	98,984	84,118
Contract liabilities	47,743	32,158
Lease liabilities	109	381
Derivative financial liabilities	1,117	1,812
Loans and borrowings	4,474	3,875
Tax liabilities	867	920
	<u>153,294</u>	<u>123,264</u>
TOTAL LIABILITIES	<u>541,724</u>	<u>286,786</u>
TOTAL EQUITY & LIABILITIES	<u>2,156,752</u>	<u>1,895,481</u>
Net assets per share attributable to owners of the Company (RM)	4.15	4.12

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2020 and the Explanatory Notes for the quarter ended 31 March 2021)



PLENITUDE BERHAD
Company No. 200001028479 (531086-T)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Non-distributable			Distributable			
	Share Capital	Fair value Reserve of Financial Assets at FVOCI	Foreign Currency Translation Reserve	Retained Earnings	Total	Non-controlling interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
9 Months Ended 31 March 2021							
At 1 July 2020	515,315	15,608	474	1,040,545	1,571,942	36,753	1,608,695
Net profit/ (loss) for the financial period	-	-	-	3,776	3,776	(2,536)	1,240
Fair value changes on equity instruments designated at fair value through other comprehensive income (FVOCI)	-	15,952	-	-	15,952	-	15,952
Foreign currency translation differences for foreign operations	-	-	(1,905)	-	(1,905)	(1,323)	(3,228)
Total comprehensive income/ (loss) for the financial period	-	15,952	(1,905)	3,776	17,823	(3,859)	13,964
Dividend for the financial year ended 30 June 2020 - final dividend	-	-	-	(7,631)	(7,631)	-	(7,631)
At 31 March 2021	515,315	31,560	(1,431)	1,036,690	1,582,134	32,894	1,615,028
9 Months Ended At 31 March 2020							
At 1 July 2019	515,315	12,602	147	1,049,543	1,577,607	39,950	1,617,557
Net profit for the period	-	-	-	10,031	10,031	(1,583)	8,448
Fair value changes on equity instruments designated at fair value through other comprehensive income (FVOCI)	-	(17,763)	-	-	(17,763)	-	(17,763)
Foreign currency translation differences for foreign operations	-	-	944	-	944	694	1,638
Total comprehensive income/ (loss) for the financial period	-	(17,763)	944	10,031	(6,788)	(889)	(7,677)
Dividend for the financial year ended 30 June 2019 - final dividend	-	-	-	(17,169)	(17,169)	-	(17,169)
31 March 2020	515,315	(5,161)	1,091	1,042,405	1,553,650	39,061	1,592,711

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2020 and the Explanatory Notes for the quarter ended 31 March 2021)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	9 Months Ended	
	31.03.2021	31.03.2020
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	14,162	24,155
Adjustments for:-		
Depreciation	25,210	19,370
Other non-cash items	(4,243)	241
Profit Before Working Capital Changes	35,129	43,766
Net change in current assets	21,306	(46,122)
Net change in current liabilities	31,451	27,602
Cash Generated From Operations	87,886	25,246
Interest income received	146	571
Income tax refunded	2,608	3,588
Income tax paid	(12,666)	(18,941)
Net Cash Generated From Operating Activities	77,974	10,464
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income received	1,713	1,699
Proceeds from disposal of property, plant and equipment	144	40
Proceeds from disposal of investment properties	551	838
Capital expenditure for investment properties	(882)	-
Purchase of property, plant and equipment	(19,488)	(70,253)
Purchase of short term investments	(142,322)	(670)
Proceeds from disposal of short term investments	28,400	24,300
Dividend income received	5,467	1,617
Net Cash Used In Investing Activities	(126,417)	(42,429)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(7,630)	(17,169)
Interest paid	(4,246)	(3,905)
Drawdown of bank borrowings	59,775	-
Proceeds from issuance of non-convertible redeemable preference shares by a subsidiary company	164,000	-
Payment to lease liabilities	(326)	(326)
Repayment of bank borrowings	(2,355)	(2,991)
Net Cash Generated From/ (Used In) Financing Activities	209,218	(24,391)
NET INCREASE/ (DECREASE) IN CASH & CASH EQUIVALENTS	160,775	(56,356)
CASH & CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	96,283	167,858
Effect of exchange rate changes	63	(227)
CASH & CASH EQUIVALENTS AT END OF THE PERIOD	257,121	111,275

Cash and cash equivalents included in the cash flows comprise the following:-

	31.03.2021	31.03.2020
	RM'000	RM'000
Fixed deposits with licensed banks	204,213	30,618
Cash and bank balances	52,908	80,657
	257,121	111,275

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2020 and the Explanatory Notes for the quarter ended 31 March 2021)

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements of Malaysian Financial Reporting Standards (“MFRSs”), MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the Group’s annual audited financial statements for the financial year ended 30 June 2020. These explanatory notes provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2020.

2. Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements of the Group for the financial year ended 30 June 2020 except for the adoption of the relevant new MFRSs, amendments to MFRSs and IC Interpretations that are effective for annual periods beginning on or after 1 January 2020. The adoption of the new MFRSs, amendments to MFRSs and IC Interpretations did not have any material impact on the financial position and results of the Group.

3. Comments about Seasonal or Cyclical Factors

The Group’s business operations are not significantly affected by seasonal or cyclical factors.

4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter and year-to-date other than disclosed in this report.

5. Changes in Estimates

There were no changes in estimates that have any material effect on the current quarter and year-to-date results.

6. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter and year-to-date.

7. Segmental Information

Segmental information is presented in respect of the Group's business segments which form the primary basis of segmental reporting.

Segment information for the nine (9) months ended 31 March 2021 was as follows:

	Property development RM'000	Hotel operations RM'000	Investment holding and others RM'000	Elimination RM'000	Consolidated RM'000
Revenue					
External	122,578	14,722	-	-	137,300
Inter-segment sales	-	-	10,361	(10,361)	-
Total revenue	122,578	14,722	10,361	(10,361)	137,300
Segment profit/(loss)	42,882	(9,313)	9,601	(10,009)	33,161
Investment revenue					10,457
Depreciation					(25,210)
Finance costs					(4,246)
Profit before taxation					14,162
Taxation					(12,922)
Profit for the period					1,240

Segment information for the nine (9) months ended 31 March 2020 was as follows:

	Property development RM'000	Hotel operations RM'000	Investment holding and others RM'000	Elimination RM'000	Consolidated RM'000
Revenue					
External sales	122,597	54,093	-	-	176,690
Inter-segment sales	-	-	9,797	(9,797)	-
Total revenue	122,597	54,093	9,797	(9,797)	176,690
Segment profit/(loss)	38,372	505	14,957	(14,351)	39,483
Investment revenue					7,947
Depreciation					(19,370)
Finance costs					(3,905)
Profit before taxation					24,155
Taxation					(15,707)
Profit for the period					8,448

8. Valuation of Property, Plant and Equipment

There were no changes in the valuation of property, plant and equipment brought forward from the previous financial year.

9. Material Subsequent Events

There were no material events subsequent to the end of the current quarter.

10. Changes in the Composition of the Group

For the proposed investment in a 21-storey hotel in Osaka, Japan, the Company has on 13 October 2020, incorporated an indirect wholly-owned subsidiary, Plenitude Osaka Sdn Bhd ("POSB") with an initial paid up capital of RM1. On 26 November 2020, POSB has increased its paid up capital by new allotment of 999 shares of RM1 per share, of which the Company subscribed for 899 shares of POSB and consequently, POSB becomes an indirect 90% owned subsidiary of the Company.

The Company has on 26 November 2020 acquired an indirect 85.5% owned subsidiary MHI SG1 Pte Ltd, a company incorporated in Singapore with paid up capital of JPY100,000. Subsequently, the Company disposed off MHI SGI Pte Ltd on 29 March 2021 at a loss of JPY95,000.

The Company has on 7 December 2020 and 16 December 2020 incorporated indirect 85.5% owned subsidiaries in Singapore, namely Plenitude Osaka Pte Ltd and Plenitude Osaka Hotel Pte Ltd respectively with issued and paid up capital of JPY100,000 each. Subsequently, the Company has also incorporated two (2) indirect 90% owned subsidiaries, Pine Midosuji Hotel KK ("KK") and Pine Midosuji Real Estate TMK ("TMK") in Japan with issued and paid up capital of JPY10,000 and JPY100,000 respectively. Due to the termination of the conditional Trust Beneficiary Interest Sale and Purchase Agreement on 20 January 2021, there are no future plans to activate the four (4) subsidiaries. Therefore, submission of application of striking off to Accounting and Corporate Regulatory Authority Singapore ("ACRA") was done on 1 April 2021 for Plenitude Osaka Pte Ltd and Plenitude Osaka Hotel Pte Ltd. On 25 May 2021, Extraordinary General Meetings of KK and TMK have been convened with approvals duly resolved for the dissolution of KK and TMK respectively towards the completion of liquidation.

The Nomad Penang Sdn Bhd ("TNP"), an indirect wholly-owned subsidiary of the Company, was struck off from the register and TNP was dissolved with effect from 4 December 2020.

Cipriani Sdn Bhd ("CSB"), a wholly-owned inactive subsidiary incorporated in Malaysia, had commenced members' voluntary winding up pursuant to Section 439(1) of the Companies Act 2016 on 28 October 2020. The winding up of CSB will not have any significant financial and operational impact on the Group's performance for financial year ending 30 June 2021.

10. Changes in the Composition of the Group (continued)

Save for the above, there was no changes in the composition of the Group during the financial period under review including business combination, acquisition or disposal of subsidiary, long term investments and restructuring.

11. Changes in Contingent Liabilities and Contingent Assets

There were no changes in the contingent liabilities and contingent assets of the Group since the date of the latest audited financial statements.

12. Capital Commitments

Approved and contracted for :-

	As at 31.03.2021 RM'000	As at 31.03.2020 RM'000
Property, plant and equipment	<u>83,805</u>	<u>15,234</u>

**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN
MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA
SECURITIES BERHAD****1. Performance Review**

The Group registered revenue of RM52.0 million and net profit of RM3.2 million for the current quarter ended 31 March 2021 as compared to revenue of RM76.7 million and a net profit of RM3.4 million in the corresponding quarter of the previous financial year.

The property development division contributed revenue of RM47.2 million for the current quarter compared to RM64.9 million in the corresponding quarter of the previous financial year. Higher revenue recorded in the corresponding quarter ended 31 March 2020 was mainly attributable to the completion and handover of vacant possession of the property development projects, namely Phase 19&20- Harp (2A), double storey cluster homes at Taman Desa Tebrau and Phase 4E – Topaz, 2&3 storey terrace house at Taman Putra Prima.

Hotel operations registered a revenue of RM4.8 million for the current quarter, a decrease of RM7.0 million compared to revenue of RM11.8 million in the corresponding quarter of the previous financial year. The significant drop in revenue by Hotel operations was mainly due to reimposition of nationwide Movement Control Order from 13 January to 18 February 2021 and further extension to 4 March 2021 for Kuala Lumpur, Selangor, Penang and Johor. The travel restrictions imposed by the Government of Malaysia affected both local and foreigners.

For the 9 months financial period ended 31 March 2021, the Group recorded a revenue of RM137.3 million and net profit of RM1.2 million compared to a revenue of RM176.7 million and net profit of RM8.4 million for the previous financial period ended 31 March 2020. The lower revenue registered for the 9 months financial period was mainly attributable to a significant drop in revenue by Hotel operations.

2. Material Changes In The Profit Before Taxation For The Current Quarter As Compared With The Immediate Preceding Quarter

	Current quarter ended 31.03.2021	Immediate preceding quarter ended 31.12.2020
	RM'000	RM'000
Revenue	51,954	48,636
Gross profit	24,201	20,288
Profit before taxation	8,339	2,774

2. Material Changes In The Profit Before Taxation For The Current Quarter As Compared With The Immediate Preceding Quarter (continued)

The Group posted a profit before tax of RM8.3 million for the current quarter ended 31 March 2021 as compared to a profit before tax of RM2.8 million for the immediate preceding quarter. The higher revenue in the current quarter was mainly due to higher sales contribution recognised from completed project Phase 4E – Topaz, 2 & 3 Storey Terrace Houses at Taman Putra Prima in Selangor. The higher profit in the current quarter was mainly attributable to higher dividend income from short term investment during the quarter.

3. Prospects For The Current Year

In view of the COVID-19 pandemic which saw weak sentiment in the property industry and severely impacted global and regional tourism negatively, the Group foresees that the financial year ending 30 June 2021 will continue to be challenging. The Group will continue to adopt a more cautious approach in new property launches and will continue to intensify its marketing and sales initiatives to promote the Group's existing properties.

For hotel division, the Group will tap on tourism incentives offered under the Government's stimulus programmes and continue to adopt measures to respond proactively to the change of market conditions.

4. Profit Forecast

Not applicable as no profit forecast was issued.

5. Notes to the Statement of Profit and Loss and Other Comprehensive Income

Notes to the Statement of Profit and Loss and other Comprehensive Income comprises of the following :

	Individual Quarter		Cumulative Quarters	
	3 months ended		9 months ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	RM'000	RM'000	RM'000	RM'000
Depreciation				
- property, plant and equipment	(9,803)	(6,869)	(24,387)	(18,581)
- right-of-use assets	(109)	(109)	(326)	(326)
- investment properties	(165)	(155)	(497)	(463)
Finance costs	(1,721)	(1,265)	(4,246)	(3,905)
Bad debts written off	(13)	-	(32)	-
Gain on disposal of investment properties	202	425	414	630
Property, plant and equipment written off	(73)	(11)	(74)	(99)
Loss on disposal of property, plant and equipment	(9)	(88)	(57)	(48)
Realised loss on foreign exchange	(2,203)	(92)	(2,255)	(110)
Unrealised gain on foreign exchange	1,134	(48)	165	(18)
Fair value changes on derivative	198	-	732	-
Impairment loss on receivables	-	(772)	-	(772)
Dividend income from short term investments	3,528	75	5,467	1,671
Fair value changes in short term investments	6,482	(9,474)	15,952	(17,763)
Interest income from short term deposits	1,279	570	1,859	2,270

Other than the above items, there were no impairment of assets, provision for and write off of receivables, provision for and write off of inventories, gain or loss on disposal of quoted or unquoted investments, gain or loss on derivatives and exceptional items for current quarter and financial period ended 31 March 2021.

6. Taxation

Taxation for the current quarter and the financial year comprised the following:

	Individual Quarter		Cumulative Quarters	
	3 months ended		9 months ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	RM'000	RM'000	RM'000	RM'000
Taxation				
- Current year	5,801	6,614	13,544	14,182
- Prior year	(622)	1,525	(622)	1,525
	<u>5,179</u>	<u>8,139</u>	<u>12,922</u>	<u>15,707</u>

The Group's effective tax rate for the financial period was higher than the statutory rate as certain expenses were disallowed as deductions for tax purposes and deferred tax assets not recognised.

7. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the reporting date.

8. Group Borrowings and Debt Securities

a) The Group's borrowings and debt securities are as follows:-

	31.03.2021	31.03.2020
	RM'000	RM'000
Current		
Term Loan (secured)	<u>4,474</u>	<u>4,795</u>
Non-Current		
Term Loan (secured)	191,810	129,576
Non-convertible redeemable preference shares	164,000	-
Total	<u>355,810</u>	<u>129,576</u>

b) All the borrowings above are denominated in Ringgit Malaysia, except for the followings :-

	31.03.2021	31.03.2020
	KRW'000	KRW'000
Short Term Term Loan – Secured		
Denominated in Korean Won	442,500	590,000
Long Term Term Loan – Secured		
Denominated in Korean Won	31,712,500	31,565,000

9. Derivative Financial Liability

The Group has entered into interest rate swap contracts to hedge interest rate risk arising from floating rate bank loans and the details as at 31 March 2021 are as follows :

"Type of Derivatives	Carrying amount/ Contract/Notional value RM'000	Fair value changes on derivative RM'000
Interest rate swaps	118,105	732

Interest rate swaps are used to reduce exposure to fluctuations in interest rates and are categorised as fair value through profit or loss and measured at their fair value with the changes in fair value being recognised in the profit or loss at each reporting date.

10. Material Litigation

There were no material litigation against the Group as at 18 May 2021, being 7 days prior to the date of this report.

11. Dividend

	<u>31.03.2021</u>	<u>31.03.2020</u>
Final dividend for the financial year	30 June 2020	30 June 2019
Approved and declared on	5 November 2020	8 November 2019
Date paid	20 November 2020	22 November 2019
Amount per share (single tier)	2.0 sen	4.5 sen
Net dividend paid (RM'000)	7,631	17,169

The Board does not recommend any dividend for the current financial period ended 31 March 2021.

12. Earnings Per Share

	Individual Quarter		Cumulative Quarters	
	3 months ended		9 months ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Profit attributable to owners of the Company (RM'000)	3,835	4,427	3,776	10,031
Weighted average number of ordinary shares in issue ('000)	381,534	381,534	381,534	381,534
Basic earnings per ordinary share (sen)	1.0	1.2	1.0	2.6

Diluted earnings per ordinary share is not applicable as the Company does not have any convertible instruments.

13. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 30 June 2020 were not subject to qualification.

14. Authorisation for Issue

The interim financial report was authorised for issuance by the Board of Directors in accordance with a resolution of the Directors dated 25 May 2021.

By Order of the Board
PLENITUDE BERHAD

REBECCA LEE EWE AI (MAICSA 0766742)
WONG YUET CHYN (MAICSA 7047163)
Company Secretaries
Kuala Lumpur

25 May 2021