

INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 MARCH 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	3 Months Ended		9 Months Ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
Revenue	57,812	55,103	182,236	142,124
Cost of sales	(30,131)	(27,753)	(95,106)	(76,012)
Gross profit	27,681	27,350	87,130	66,112
Other income	4,051	5,449	13,462	12,565
Finance costs	(2,498)	(1,721)	(7,326)	(4,246)
Administrative expenses	(21,937)	(20,297)	(63,340)	(56,724)
Other expenses	(2,562)	(2,442)	(3,203)	(3,545)
Profit before taxation	4,735	8,339	26,723	14,162
Taxation	(5,249)	(5,179)	(18,288)	(12,922)
Profit/(loss) for the period	(514)	3,160	8,435	1,240
Other comprehensive income/ (loss)	4,743	7,571	(608)	12,724
Total comprehensive income for the period	4,229	10,731	7,827	13,964
Profit/ (loss) for the period attributable to:				
Owners of the Company	336	3,835	10,893	3,776
Non-controlling interests	(850)	(675)	(2,458)	(2,536)
	(514)	3,160	8,435	1,240
Total comprehensive income/ (loss) for the period attributable to:				
Owners of the Company	4,591	11,068	7,284	17,823
Non-controlling interests	(362)	(337)	543	(3,859)
	4,229	10,731	7,827	13,964
Earnings per share attributable to Owners of the Company (sen)				
- Basic / Diluted	0.1	1.0	2.9	1.0

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2021 and the Explanatory Notes for the quarter ended 31 March 2022)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31.03.2022 (Unaudited) RM'000	As at 30.06.2021 (Audited) RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	1,085,541	946,109
Right-of-use assets	843	1,123
Investment properties	32,217	28,803
Inventories- Property development projects	367,633	365,328
Goodwill	3,703	3,703
Deferred tax assets	22,579	22,579
	<u>1,512,516</u>	<u>1,367,645</u>
CURRENT ASSETS		
Inventories	211,390	240,192
Trade and other receivables	50,397	72,037
Contract assets	25,696	16,088
Tax recoverable	5,562	6,918
Short term investments	106,851	180,891
Fixed deposits with licensed banks	217,899	251,683
Cash and bank balances	63,293	43,622
	<u>681,088</u>	<u>811,431</u>
TOTAL ASSETS	<u>2,193,604</u>	<u>2,179,076</u>
EQUITY AND LIABILITIES		
Capital & Reserves		
Share capital	515,315	515,315
Reserves	1,064,496	1,064,843
	<u>1,579,811</u>	<u>1,580,158</u>
Non-controlling interests	32,574	32,031
TOTAL EQUITY	<u>1,612,385</u>	<u>1,612,189</u>
NON-CURRENT LIABILITIES		
Loans and borrowings	390,093	244,245
Lease liabilities	468	749
Other payables	3,933	2,671
Deferred tax liabilities	29,501	29,501
	<u>423,995</u>	<u>277,166</u>
CURRENT LIABILITIES		
Loans and borrowings	8,034	122,084
Lease liabilities	374	374
Provisions	31,623	22,463
Trade and other payables	82,189	94,012
Contract liabilities	29,759	49,111
Derivative financial liabilities	16	688
Tax liabilities	5,229	989
	<u>157,224</u>	<u>289,721</u>
TOTAL LIABILITIES	<u>581,219</u>	<u>566,887</u>
TOTAL EQUITY & LIABILITIES	<u>2,193,604</u>	<u>2,179,076</u>
Net assets per share attributable to owners of the Company (RM)	4.14	4.14

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2021 and the Explanatory Notes for the quarter ended 31 March 2022)



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	Non-controlling interest	Total Equity	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
9 Months Ended At 31 March 2022							
At 1 July 2021	515,315	21,717	(1,712)	1,044,838	1,580,158	32,031	1,612,189
Net profit/ (loss) for the financial period	-	-	-	10,893	10,893	(2,458)	8,435
Fair value changes on equity instruments designated at fair value through other comprehensive income (FVOCI)	-	(7,922)	-	-	(7,922)	-	(7,922)
Foreign currency translation differences for foreign operations	-	-	4,313	-	4,313	3,001	7,314
Total comprehensive income/ (loss) for the financial period	-	(7,922)	4,313	10,893	7,284	543	7,827
Dividend for the financial year ended 30 June 2021 - final dividend	-	-	-	(7,631)	(7,631)	-	(7,631)
At 31 March 2022	515,315	13,795	2,601	1,048,100	1,579,811	32,574	1,612,385
9 Months Ended At 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)
31 March 2021	515,315	31,560	(1,431)	1,036,690	1,582,134	32,894	1,615,028

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2021 and the Explanatory Notes for the quarter ended 31 March 2022)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	9 Months Ended	
	31.03.2022	31.03.2021
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	26,723	14,162
Adjustments for:-		
Depreciation	23,469	25,210
Other non-cash items	(268)	(4,243)
Profit Before Working Capital Changes	49,924	35,129
Net change in current assets	37,719	21,306
Net change in current liabilities	(20,752)	31,451
Cash Generated From Operations	66,891	87,886
Interest income received	133	146
Income tax refunded	1,234	2,608
Income tax paid	(13,927)	(12,666)
Net Cash Generated From Operating Activities	54,331	77,974
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income received	3,833	1,713
Proceeds from disposal of property, plant and equipment	14	144
Purchase and capital expenditure for investment properties	(3,121)	(882)
Purchase of property, plant and equipment	(162,120)	(19,488)
Purchase of short term investments	(32,068)	(142,322)
Proceeds from disposal of short term investments	98,200	28,400
Dividend income received	5,101	5,467
Net Cash Used In Investing Activities	(90,161)	(126,417)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(7,631)	(7,630)
Interest paid	(7,326)	(4,246)
Drawdown of bank borrowings	43,200	59,775
Proceeds from issuance of non-convertible redeemable preference shares by a subsidiary company	-	164,000
Payment to lease liabilities	(281)	(326)
Repayment of bank borrowings	(3,775)	(2,355)
Net Cash Generated From Financing Activities	24,187	209,218
NET DECREASE/ INCREASE IN CASH & CASH EQUIVALENTS	(11,643)	160,775
CASH & CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	295,305	96,283
Effect of exchange rate changes	(2,470)	63
CASH & CASH EQUIVALENTS AT END OF THE PERIOD	281,192	257,121

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

	31.03.2022	31.03.2021
	RM'000	RM'000
Fixed deposits with licensed banks	217,899	204,213
Cash and bank balances	63,293	52,908
	281,192	257,121

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2021 and the Explanatory Notes for the quarter ended 31 March 2022)

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 2021. 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 2021.

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 2021 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 2021. 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. Change 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 2022 was as follows:

	Property development RM'000	Hotel operations RM'000	Investment holding and others	Elimination RM'000	Consolidated RM'000
Revenue					
External customers	150,563	27,734	3,939	-	182,236
Inter-segment sales	8,265	-	8,477	(16,742)	-
Total revenue	158,828	27,734	12,416	(16,742)	182,236
Segment profit/(loss)	58,697	(2,534)	5,922	(12,446)	49,639
Investment revenue					7,879
Depreciation					(23,469)
Finance costs					(7,326)
Profit before taxation					26,723
Taxation					(18,288)
Profit for the period					8,435

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	Elimination RM'000	Consolidated RM'000
Revenue					
External customers	122,578	14,722	4,824	-	142,124
Inter-segment sales	-	-	10,361	(10,361)	-
Total revenue	122,578	14,722	15,185	(10,361)	142,124
Segment profit/(loss)	42,882	(9,313)	14,247	(10,009)	37,807
Investment revenue					5,811
Depreciation					(25,210)
Finance costs					(4,246)
Profit before taxation					14,162
Taxation					(12,922)
Profit for the period					1,240

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 14-storey hotel in Osaka, Japan, the Company has on 30 November 2021 incorporated indirect 100% owned subsidiaries in Singapore, Plenitude Koi Investment Pte Ltd and Plenitude Koi Pte Ltd with an issued and paid up capital of JPY1,000,000,000 and JPY100,000 respectively. Subsequently, the Company incorporated another indirect 100% owned subsidiary in Singapore, Plenitude Koi Hotel Pte Ltd with an issued and paid-up capital of JPY100,000 on 3 December 2021.

On 7 January 2022, the Company incorporated an indirect 100% owned subsidiary in Japan, Koi Investment GK with a paid-up capital of JPY10,000. Subsequently, the Company had on 13 January 2022 incorporated indirect 100% owned subsidiaries in Japan, Koi Real Estate TMK and Koi Hotel KK each with an issued and paid-up capital of JPY100,000.

Nomad Space Sdn Bhd, being the indirect wholly-owned inactive subsidiary of the Company, was struck off from the Register of the Company with effect from 29 July 2021.

Instant Office Holdings Pte Ltd ("IOHPL"), an indirect wholly-owned inactive subsidiary of the Company, was struck off from Accounting and Corporate Regulatory Authority Singapore ("ACRA") on 6 December 2021.

TBBH Management & Venture Holidays Sdn Bhd, an indirect wholly-owned inactive subsidiary of the Company, was struck off from the Register of the Company with effect from 13 April 2022.

Save for the above, there were 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:-

	As at 31.03.2022 RM'000	As at 31.03.2021 RM'000
Property, plant and equipment	<u>65,665</u>	<u>83,805</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 RM57.8 million and net loss of RM0.5 million for the current quarter ended 31 March 2022 as compared to revenue of RM55.1 million and net profit of RM3.2 million in the corresponding quarter of the previous financial period. The loss for the current quarter was mainly due to pre-opening expenses incurred for Ascott Gurney Penang and transaction costs incurred for acquisition of a hotel in Osaka, Japan.

The property development division contributed slightly lower revenue of RM45.7 million for the current quarter compared to RM47.2 million in the corresponding quarter of the previous year. The decrease in revenue was mainly attributable to the lower contribution from completed stocks Phase 4E – Topaz, 2 & 3 Storey Terrace Houses at Taman Putra Prima in Puchong, Selangor and Bintang Maya 1,2&3 Double Storey House in Sungai Petani, Kedah.

Hotel operations registered a revenue of RM10.3 million for the current quarter, an increase of RM5.5 million compared to revenue of RM4.8 million in the corresponding quarter of the previous financial period. Staycation and Government events contributed a higher occupancy rate and average daily rate. Ascott Gurney Penang re-opened on 3 March 2022 after completion of refurbishment.

For the financial period ended 31 March 2022, the Group recorded a revenue of RM182.2 million and net profit of RM8.4 million compared to a revenue of RM142.1 million and net profit of RM1.2 million for the previous financial period ended 31 March 2021. The higher revenue registered for the 9 months financial period was mainly attributable to a better performance in revenue achieved by both property development and hotel division.

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

	Current quarter ended 31.03.2022 RM'000	Immediate preceeding quarter ended 31.12.2021 RM'000
Revenue	57,812	61,660
Gross Profit	27,681	31,270
Profit before taxation	<u>4,735</u>	<u>11,415</u>

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 RM4.7 million for the current quarter ended 31 March 2022 as compared to a profit before tax of RM11.4 million for the immediate preceding quarter. The lower revenue in the current quarter was mainly due to a one-off gain from sale of a parcel of land in Kedah recognised in the immediate preceding quarter, as well as pre-opening expenses and transaction costs incurred by Ascott Gurney Penang and hotel in Osaka respectively.

3. Prospect for the Current Year

The pace of Malaysia economic recovery is projected to gather further momentum amid the reopening of the economy and resumption in international travel activity as Malaysia has begun its transition to endemic phase with the reopening of international borders starting 1st April 2022 which lend further support to the rebound in consumer spending and tourism-related sectors.

Looking ahead, the overall outlook for the Group's property and hospitality businesses remain challenging as the Group acknowledges that there are still market challenges to overcome including inflation caused by rising of building material, and oil prices and potential interest rate hikes. While the outlook for international tourism is gradually improving, uncertainties surrounding the ongoing conflict in Europe and pandemic-driven lockdown in China's major cities will continue to pose headwinds to global travel. The Group's hotel businesses are expected to experience gradual improvement as the Group is well positioned to serve the significant pent-up demand for leisure travel throughout the year ahead and beyond.

Against the above backdrop and to ensure business sustainability and adaptability amidst the current challenging business landscape, the Group will continue to monitor both local and global developments closely and continue to emphasise on cost management and efficiency improvement across its business operations.

Taking into account of the aforesaid, the Group envisages its financial performance to improve gradually for the remaining of financial year ending 30th June 2022.

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	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
Depreciation				
- property, plant and equipment	(7,595)	(9,803)	(22,672)	(24,387)
- right-of-use assets	(94)	(109)	(281)	(326)
- investment properties	(177)	(165)	(516)	(497)
Finance costs	(2,498)	(1,721)	(7,326)	(4,246)
Bad debts written off	-	(13)	-	(32)
Gain on disposal of investment properties	-	202	-	414
Property, plant and equipment written off	-	(73)	(12)	(74)
Gain/(Loss) on disposal of property, plant and equipment	2	(9)	10	(57)
Realised loss on foreign exchange	(41)	(2,203)	(92)	(2,255)
Unrealised (loss)/gain on foreign exchange	(1,058)	1,134	(2,132)	165
Net fair value gain on derivative financial liabilities	79	198	647	732
Dividend income from short term investments	1,802	3,528	5,101	5,467
Fair value changes in short term investments	3,741	6,482	(7,922)	15,952
Interest income from short term deposits	1,095	1,279	3,966	1,859

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 2022.

6. Taxation

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

	Individual Quarter		Cumulative Quarters	
	3 months ended		9 months ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
Taxation				
- Current year	3,543	5,801	16,582	13,544
- Prior year	1,706	(622)	1,706	(622)
	<u>5,249</u>	<u>5,179</u>	<u>18,288</u>	<u>12,922</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:-

	31.03.2022	31.03.2021
	RM'000	RM'000
Current		
Term Loan (secured)	<u>8,034</u>	<u>4,474</u>
Non-current		
Term Loan (secured)	226,093	191,810
Non-convertible redeemable preference shares	<u>164,000</u>	<u>164,000</u>
Total	<u>390,093</u>	<u>355,810</u>

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

	31.03.2022	31.03.2021
	KRW'000	KRW'000
Short Term Term Loan - Secured		
Denominated in Korean Won	<u>590,000</u>	<u>442,500</u>
Long Term Term Loan - Secured		
Denominated in Korean Won	<u>31,122,500</u>	<u>31,712,500</u>

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 2022 are as follows :

Type of Derivatives	Carrying amount/ Contract/Notional Value RM'000	Liability in Statement of Financial Position RM'000
Interest rate swaps	109,947	16

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 16 May 2022, being 7 days prior to the date of this report.

11. Dividend

	31.03.2022	31.03.2021
Final Dividend for the financial year	30 June 2021	30 June 2020
Approved and declared on	8 November 2021	5 November 2020
Date paid	18 November 2021	20 November 2020
Amount per share (single tier)	2.0 sen	2.0 sen
Net dividend paid (RM'000)	7,631	7,631

The Board does not recommend any dividend for the current financial period ended 31 March 2022.

12. Earnings Per Share

	Individual Quarter 3 months ended		Cumulative Quarters 9 months ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Profit attributable to owners of the Company (RM'000)	336	3,835	10,893	3,776
Weighted average number of ordinary shares in issue ('000)	381,534	381,534	381,534	381,534
Basic earnings/ (loss) per ordinary share (sen)	0.1	1.0	2.9	1.0

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 2021 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 23 May 2022.

By Order of the Board
PLENITUDE BERHAD

YOUNG WOU JIAN (MAICSA 7049158)
WONG YUET CHYN (MAICSA 7047163)

Company Secretaries
Kuala Lumpur

23 May 2022