

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

A. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| (RM'000) | Note | 3 MONTHS ENDED | | 9 MONTHS ENDED | |
|---|------|--------------------------|--------------------------|--------------------------|--------------------------|
| | | 30.9.2022 (unaudited) | 30.9.2021 (unaudited) | 30.9.2022 (unaudited) | 30.9.2021 (unaudited) |
| Revenue | | 860,019 | 137,880 | 2,371,122 | 590,337 |
| Expenses | | (787,137) | (163,876) | (2,227,697) | (647,372) |
| Other operating income | 13 | 5,923 | 9,487 | 41,365 | 26,709 |
| Profit / (loss) from operations | | 78,805 | (16,509) | 184,790 | (30,326) |
| Finance costs | | (24,290) | (22,770) | (71,948) | (61,222) |
| Share of results of associates | | 3,385 | 4,618 | 7,015 | 13,632 |
| Share of results of joint ventures | | (1,180) | 4,573 | (3,269) | 15,309 |
| Profit / (loss) before tax | | 56,720 | (30,088) | 116,588 | (62,607) |
| Income tax expense | 15 | (41,215) | (1,873) | (76,153) | (5,129) |
| Profit / (loss) for the financial period | | 15,505 | (31,961) | 40,435 | (67,736) |
| Other comprehensive income / (loss) for the financial period, net of tax: | | | | | |
| Item that may be reclassified subsequently to profit or loss | | | | | |
| - currency translation differences | | 79 | (1,158) | 295 | (1,064) |
| Total comprehensive income / (loss) for the financial period, net of tax | | 15,584 | (33,119) | 40,730 | (68,800) |
| Profit / (loss) for the financial period attributable to: | | | | | |
| Equity holders of the Company | | 23,695 | (32,157) | 51,831 | (59,371) |
| Non-controlling interests | | (8,190) | 196 | (11,396) | (8,365) |
| | | 15,505 | (31,961) | 40,435 | (67,736) |
| Total comprehensive income / (loss) for the financial period attributable to: | | | | | |
| Equity holders of the Company | | 23,774 | (33,319) | 52,126 | (60,446) |
| Non-controlling interests | | (8,190) | 200 | (11,396) | (8,354) |
| | | 15,584 | (33,119) | 40,730 | (68,800) |
| Earnings / (loss) per share attributable to the ordinary equity holders of the Company (sen) | 23 | | | | |
| - Basic | | 0.53 | (0.72) | 1.16 | (1.34) |
| - Diluted | | 0.53 | (0.72) | 1.16 | (1.33) |

The condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2021.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022**B. CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

| (RM'000) | As at 30.9.2022 (unaudited) | As at 31.12.2021 (audited) |
|---|--|---|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 687,620 | 704,207 |
| Investment properties | 1,489,127 | 1,478,255 |
| Right-of-use assets | 30,676 | 38,322 |
| Inventories | 2,054,766 | 1,951,952 |
| Associates | 453,852 | 473,897 |
| Joint ventures | 283,858 | 287,126 |
| Long term loan and receivables | 225,366 | 225,653 |
| Amount due from joint ventures | 80,956 | 80,010 |
| Lease receivables | - | 1,637 |
| Intangible assets | 208,985 | 215,661 |
| Deferred tax assets | 92,285 | 97,293 |
| | <u>5,607,491</u> | <u>5,554,013</u> |
| Current assets | | |
| Inventories | 811,519 | 857,676 |
| Trade and other receivables | 1,390,290 | 1,424,636 |
| Amount due from associates and joint ventures | 21,873 | 20,400 |
| Contract assets | 1,005,208 | 643,387 |
| Lease receivables | 216 | 1,257 |
| Tax recoverable | 5,529 | 22,723 |
| Financial assets at fair value through profit or loss | 113,859 | 102,659 |
| Deposits, cash and bank balances | 372,801 | 578,707 |
| | <u>3,721,295</u> | <u>3,651,445</u> |
| TOTAL ASSETS | <u><u>9,328,786</u></u> | <u><u>9,205,458</u></u> |

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

B. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (cont'd)

| (RM'000) | As at 30.9.2022 (unaudited) | As at 31.12.2021 (audited) |
|---|-----------------------------------|----------------------------------|
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the Company | | |
| Share capital | 4,356,106 | 4,356,106 |
| Retained earnings | 169,946 | 160,529 |
| Other reserves | (7,520) | (3,958) |
| | <u>4,518,532</u> | <u>4,512,677</u> |
| Non-controlling interests | 5,446 | 27,813 |
| Total equity | <u>4,523,978</u> | <u>4,540,490</u> |
| Non-current liabilities | | |
| Post-employment benefit obligations | 18,211 | 17,406 |
| Long term borrowings | 1,267,375 | 1,453,625 |
| Long term liabilities | 383,678 | 366,789 |
| Government grant | 129,212 | 130,063 |
| Deferred tax liabilities | 74,784 | 73,703 |
| Contract liabilities | 140,258 | 140,258 |
| Lease liabilities | 26,303 | 31,001 |
| Provision for restoration costs | 877 | 840 |
| | <u>2,040,698</u> | <u>2,213,685</u> |
| Current liabilities | | |
| Trade and other payables | 1,808,307 | 1,772,535 |
| Current tax liabilities | 41,500 | 23,533 |
| Short term borrowings | 888,802 | 478,572 |
| Contract liabilities | 11,045 | 128,518 |
| Lease liabilities | 6,605 | 9,099 |
| Other liabilities | 7,543 | 38,863 |
| Provision for restoration costs | 308 | 163 |
| | <u>2,764,110</u> | <u>2,451,283</u> |
| Total liabilities | <u>4,804,808</u> | <u>4,664,968</u> |
| TOTAL EQUITY AND LIABILITIES | <u><u>9,328,786</u></u> | <u><u>9,205,458</u></u> |
| Net assets per share attributable to the equity holders of the Company (sen) | <u>101.1</u> | <u>101.0</u> |

The condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2021.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

C. CONSOLIDATED STATEMENT OF CASH FLOWS

| (RM'000) | 9 MONTHS ENDED | |
|--|--------------------------|--------------------------|
| | 30.9.2022 (unaudited) | 30.9.2021 (unaudited) |
| Operating activities | | |
| Cash receipts from customers | 2,070,547 | 656,620 |
| Cash paid to suppliers and employees | (2,351,840) | (787,613) |
| Cash used in operations | (281,293) | (130,993) |
| Bank service charges paid | (3,411) | (3,789) |
| Net taxes paid | (32,189) | (15,323) |
| Net cash used in operating activities | (316,893) | (150,105) |
| Investing activities | | |
| Dividend received | 15,581 | 22,778 |
| Non-equity investments | (5,921) | 92,591 |
| Disposal of a subsidiary | (6,942) | - |
| Net cash generated from investing activities | 2,718 | 115,369 |
| Financing activities | | |
| Dividend paid to equity holders | (52,515) | (19,717) |
| Proceeds from borrowings | 638,206 | 567,696 |
| Repayment of borrowings | (416,252) | (620,495) |
| Finance costs paid | (61,080) | (63,878) |
| Withdrawal/(Pledge) of restricted cash | 40,848 | (1,839) |
| Net cash generated from/(used in) financing activities | 149,207 | (138,233) |
| Net decrease in cash and cash equivalent | (164,968) | (172,969) |
| Cash and cash equivalents at beginning of the financial period | 479,863 | 431,287 |
| Foreign currency translation difference on opening balance | (89) | (478) |
| Cash and cash equivalent at end of financial period | 314,806 | 257,840 |

For the purpose of the consolidated statements of cash flows, the cash and cash equivalents comprised the following:

| (RM'000) | 9 MONTHS ENDED | |
|---|--------------------------|--------------------------|
| | 30.9.2022 (unaudited) | 30.9.2021 (unaudited) |
| Bank balances and deposits | 372,801 | 368,805 |
| Less: Bank balances and deposits held as security value | (57,995) | (110,965) |
| | 314,806 | 257,840 |

The condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2021.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

D. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| (RM'000) | ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY | | | | | Total Equity |
|---|---|----------------|-------------------|------------------|---------------------------|------------------|
| | Share Capital | Other Reserves | Retained Earnings | Total | Non-controlling Interests | |
| As at 1 January 2022 | 4,356,106 | (3,958) | 160,529 | 4,512,677 | 27,813 | 4,540,490 |
| Comprehensive income / (loss) | | | | | | |
| Profit / (loss) for the financial period | - | - | 51,831 | 51,831 | (11,396) | 40,435 |
| Other comprehensive income | | | | | | |
| Currency translation differences | - | 295 | - | 295 | - | 295 |
| Post-employment benefit obligations | - | (3,857) | 3,857 | - | - | - |
| Total comprehensive income / (loss) | - | (3,562) | 55,688 | 52,126 | (11,396) | 40,730 |
| Transaction with owners | | | | | | |
| Acquisition of balance equity in a subsidiary | - | - | (1,596) | (1,596) | 1,596 | - |
| Disposal of equity in a subsidiary | - | - | - | - | (4,727) | (4,727) |
| Dividends paid for financial year ended - 31 December 2021 | - | - | (44,675) | (44,675) | (7,840) | (52,515) |
| Total transaction with owners | - | - | (46,271) | (46,271) | (10,971) | (57,242) |
| As at 30 September 2022 (unaudited) | 4,356,106 | (7,520) | 169,946 | 4,518,532 | 5,446 | 4,523,978 |

| (RM'000) | OTHER RESERVES | | | Total |
|--|----------------|-------------------------------|-----------------------------|----------------|
| | Other Reserves | Currency Translation Reserves | Retirement Benefit Reserves | |
| As at 1 January 2022 | 1,666 | 210 | (5,834) | (3,958) |
| Other comprehensive income | | | | |
| Currency translation differences | - | 295 | - | 295 |
| Post-employment benefit obligations | - | - | (3,857) | (3,857) |
| Total comprehensive income | - | 295 | (3,857) | (3,562) |
| As at 30 September 2022 (unaudited) | 1,666 | 505 | (9,691) | (7,520) |

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

D. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)

| (RM'000) | <u>ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</u> | | | | Non-controlling Interests | Total Equity |
|---|--|----------------|-------------------|------------------|---------------------------|------------------|
| | Share Capital | Other Reserves | Retained Earnings | Total | | |
| As at 1 January 2021 | 4,331,702 | 5,211 | 213,721 | 4,550,634 | 10,112 | 4,560,746 |
| Comprehensive income / (loss) | | | | | | |
| Profit / (loss) for the financial year | - | - | 15,834 | 15,834 | (9,116) | 6,718 |
| Other comprehensive income / (loss) | | | | | | |
| Currency translation differences | - | (802) | - | (802) | 7 | (795) |
| Post-employment benefits obligation | - | 2 | (2) | - | - | - |
| Total comprehensive income / (loss) | - | (800) | 15,832 | 15,032 | (9,109) | 5,923 |
| Transactions with owners | | | | | | |
| Share-based payment transaction | - | (8,369) | 996 | (7,373) | - | (7,373) |
| Acquisition of balance equity in subsidiaries | - | - | (25,900) | (25,900) | 25,900 | - |
| Acquisition of a subsidiary | - | - | - | - | 910 | 910 |
| Issue of shares | - | | | | | |
| - Dividend reinvestment plan | 24,404 | - | - | 24,404 | - | 24,404 |
| Dividends paid for financial year ended | - | | | | | |
| - 31 December 2020 | - | - | (44,120) | (44,120) | - | (44,120) |
| Total transactions with owners | 24,404 | (8,369) | (69,024) | (52,989) | 26,810 | (26,179) |
| As at 31 December 2021 (audited) | 4,356,106 | (3,958) | 160,529 | 4,512,677 | 27,813 | 4,540,490 |

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

D. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)

| (RM'000) | OTHER RESERVES | | | | Total |
|--|----------------|-------------------------------|-----------------------|-----------------------------|----------------|
| | Other Reserves | Currency Translation Reserves | Share Scheme Reserves | Retirement Benefit Reserves | |
| As at 1 January 2021 | 1,666 | 1,012 | 8,369 | (5,836) | 5,211 |
| Other comprehensive (loss) / income | | | | | |
| Currency translation differences | - | (802) | - | - | (802) |
| Post-employment benefits obligation | - | - | - | 2 | 2 |
| Total comprehensive (loss) / income | - | (802) | - | 2 | (800) |
| Transactions with owners | | | | | |
| Share-based payment transaction | - | - | (8,369) | - | (8,369) |
| Total transactions with owners | - | - | (8,369) | - | (8,369) |
| As at 31 December 2021 (audited) | <u>1,666</u> | <u>210</u> | <u>-</u> | <u>(5,834)</u> | <u>(3,958)</u> |

The condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2021.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022**E. NOTES TO THE REPORT****1. BASIS OF PREPARATION**

This unaudited quarterly financial report has been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting, Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's financial statements for the financial year ended 31 December 2021.

Below are the applicable new standards and amendments to standards and interpretations which came into effect in the current financial year beginning on 1 January 2022:

- (1) Amendments to MFRS 9 'Fees in the 10% test for derecognition of financial liabilities'
- (2) Amendments to MFRS 3 'Reference to Conceptual Framework'
- (3) Amendments to MFRS 116 'Proceeds before intended use'
- (4) Amendments to MFRS 137 'Onerous contracts—cost of fulfilling a contract'
- (5) Amendments to MFRS 16 'Leases' Illustrative Example 13

The adoption of the above Amendments into the MFRSs does not have any significant effect on the consolidated financial statements of the Group.

2. AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the Group's preceding annual financial statements was not subject to any qualification.

3. SEASONAL OR CYCLICAL FLUCTUATIONS

The businesses of the Group were not materially affected by any seasonal or cyclical fluctuations during the financial quarter under review.

4. ITEMS OF UNUSUAL NATURE, SIZE OR INCIDENCE

There were no items of an unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows in the financial quarter under review.

5. MATERIAL CHANGES IN ESTIMATES OF AMOUNTS REPORTED

There were no changes in estimates of amounts reported in the prior financial year that would have a material effect on the results of the financial quarter under review.

6. CHANGES IN DEBT AND EQUITY SECURITIES

There were no debt issuances, cancellations, repurchases, and resale of shares by the Company during the financial quarter under review.

7. DIVIDENDS

The Company paid a first and final single tier dividend in respect of the financial year ended 31 December 2021 of 1.00 sen per ordinary share, amounting to RM44,675,095 on 20 May 2022.

There was no dividend declared or paid by the Company for the financial quarter under review.



UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

E. NOTES TO THE REPORT (cont'd)

8. SEGMENTAL REPORTING

| (RM'000) | Property Development & Investment | Engineering, Construction & Environment | Facilities Management & Parking | Others | Total |
|---|--|--|--|---------------|--------------|
| 9 months ended 30.9.2022 | | | | | |
| Total revenue | 659,950 | 1,994,190 | 40,580 | 164,291 | 2,859,011 |
| Inter-segment revenue | (6,416) | (319,287) | (7,211) | (154,975) | (487,889) |
| External revenue | 653,534 | 1,674,903 | 33,369 | 9,316 | 2,371,122 |
| Segment profit / (loss) | 124,630 | 61,262 | (40) | (3,998) | 181,854 |
| Unallocated corporate expenses | | | | | (8,203) |
| Finance income | | | | | 11,139 |
| Finance costs | | | | | (71,948) |
| Share of results of associates and joint ventures | 7,661 | (3,915) | - | - | 3,746 |
| Profit before tax | | | | | 116,588 |



UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

E. NOTES TO THE REPORT (cont'd)

8. SEGMENTAL REPORTING (cont'd)

| (RM'000) | Property Development & Investment | Engineering, Construction & Environment | Facilities Management & Parking | Others | Total |
|---|--|--|--|---------------|--------------|
| 9 months ended 30.9.2021 | | | | | |
| Total revenue | 359,832 | 443,785 | 28,459 | 133,033 | 965,109 |
| Inter-segment revenue | (13,900) | (237,318) | (2,353) | (121,201) | (374,772) |
| External revenue | 345,932 | 206,467 | 26,106 | 11,832 | 590,337 |
| Segment profit / (loss) | 17,614 | (51,667) | 1,534 | (892) | (33,411) |
| Unallocated corporate expenses | | | | | (7,066) |
| Finance income | | | | | 10,151 |
| Finance costs | | | | | (61,222) |
| Share of results of associates and joint ventures | 10,061 | 18,880 | - | - | 28,941 |
| Loss before tax | | | | | (62,607) |

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022**E. NOTES TO THE REPORT (cont'd)****9. VALUATIONS OF PROPERTY, PLANT & EQUIPMENT**

The Group's property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

10. MATERIAL EVENTS SUBSEQUENT TO THE FINANCIAL PERIOD

There was no material event subsequent to the end of the financial quarter ended 30 September 2022 that has not been reflected in this report.

11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no material changes in the composition of the Group for the financial quarter under review.

12. CONTINGENT LIABILITIES OR CONTINGENT ASSETS

| (RM'000) | As at 30.9.2022 | As at 31.12.2021 |
|--|----------------------------|-----------------------------|
| Performance guarantees extended to third parties * | 971,424 | 972,924 |

* Included in the performance guarantees extended to third parties is an amount of RM31.3 million that had been called on previously by third parties. The Group has instituted injunction proceedings against the third parties. In the Financial Year 2019, the Group and the third parties entered into a Dispute Resolution Agreement whereby the third parties agreed to an interim injunction to preserve the status quo on the performance guarantees pending determination of the dispute between the parties via Arbitration. The Arbitration process commenced in Financial Year 2021. On this basis, the performance guarantees have not been provided for in the financial statements.

There were no material contingent assets to be disclosed.

13. OTHER OPERATING INCOME

There were no material items of an unusual nature in the other operating income in the financial quarter under review.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

E. NOTES TO THE REPORT (cont'd)

14. PROFIT / (LOSS) FROM OPERATIONS

Profit from operations was arrived at after (charging)/crediting:

| (RM'000) | 3 MONTHS ENDED | | 9 MONTHS ENDED | |
|----------------------------------|----------------|-----------|----------------|-----------|
| | 30.9.2022 | 30.9.2021 | 30.9.2022 | 30.9.2021 |
| Depreciation of: | | | | |
| - investment properties | (3,079) | (2,979) | (9,238) | (8,935) |
| - property, plant and equipment | (7,796) | (4,615) | (21,461) | (13,823) |
| (Amortisation) / recognition of: | | | | |
| - order book | (3,730) | (556) | (5,619) | (1,669) |
| - right-of-use assets | (2,129) | (4,597) | (7,128) | (13,709) |
| - government grant | 284 | 256 | 852 | 687 |
| - patent | (306) | (306) | (917) | (917) |

15. INCOME TAX EXPENSE

| (RM'000) | 3 MONTHS ENDED | | 9 MONTHS ENDED | |
|---|------------------------|-----------------------|------------------------|-----------------------|
| | 30.9.2022 | 30.9.2021 | 30.9.2022 | 30.9.2021 |
| In Malaysia | | | | |
| Current tax | (37,308) | (2,405) | (70,115) | (13,350) |
| (Under) / Over provision in prior years | 206 | (3,622) | (627) | (2,466) |
| Deferred tax | 484 | 3,736 | (1,342) | 9,973 |
| | <u>(36,618)</u> | <u>(2,291)</u> | <u>(72,084)</u> | <u>(5,843)</u> |
| Foreign | | | | |
| Current tax | 171 | (13) | (7) | (8) |
| Under provision in prior years | (10,731) | - | (10,731) | - |
| Deferred tax | 5,963 | 431 | 6,669 | 722 |
| | <u>(4,597)</u> | <u>418</u> | <u>(4,069)</u> | <u>714</u> |
| Income tax expense | <u>(41,215)</u> | <u>(1,873)</u> | <u>(76,153)</u> | <u>(5,129)</u> |

The dividend income received from the Group's associate, Sentral REIT is taxable. The computation of the tax for the financial quarter under review has been accounted for accordingly.

The deferred tax was mainly due to the net impact of non-deductible temporary differences, as well as the recognition of unabsorbed tax losses and deductible timing differences as deferred tax assets.

16. CORPORATE PROPOSALS

There were no corporate proposals announced that are yet to be completed at the date of this report.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022**E. NOTES TO THE REPORT (cont'd)****17. GROUP BORROWINGS**

The tenure of the Group borrowings classified as long and short term were as follows:

| (RM'000) | Long term | Short term | Total |
|------------------------|------------------|-------------------|------------------|
| As at 30.9.2022 | | | |
| Secured | 1,267,375 | 738,802 | 2,006,177 |
| Unsecured | - | 150,000 | 150,000 |
| | 1,267,375 | 888,802 | 2,156,177 |
| As at 30.9.2021 | | | |
| Secured | 1,223,268 | 505,749 | 1,729,017 |
| Unsecured | - | 150,000 | 150,000 |
| | 1,223,268 | 655,749 | 1,879,017 |

The net increase of RM277.2 million in the Group's borrowings compared to 30 September 2021 was mainly due to two issuances of Sukuk Murabahah of RM600.0 million on 18 October 2021 and RM200.0 million on 13 April 2022. The proceeds were used for the repayment of other project financing and working capital facilities amounting to approximately RM322.8 million. In addition, further drawdowns and repayments of project financing were made according to the progress of the Group's projects.

As at 30 September 2022, the borrowings consisted of:

Secured term loans

- (a) Financing facility of RM269.2 million for the Group's working capital;
- (b) Sukuk Murabahah Program totaling RM1,412.9 million, comprising RM1,400.0 million principal and RM12.9 million accrued profits, for the Group's working capital; and
- (c) Other project loans of RM324.1 million for the Group's on-going property developments and construction projects.

Unsecured short-term loans

- (d) Short term borrowings of RM150.0 million for the Group's working capital.

The Group's borrowings as at 30 September 2022 were denominated in Ringgit Malaysia. The weighted average interest rate as at 30 September 2022 was 4.47% per annum (30 September 2021: 3.84%).

The Group's Net Gearing as at 30 September 2022 was 0.37 times (30 September 2021: 0.29 times).

18. MATERIAL LITIGATION

There was no material litigation arising from the Group's operational transactions as at the date of this report.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

E. NOTES TO THE REPORT (cont'd)

19. FINANCIAL REVIEW FOR CURRENT QUARTER AND FINANCIAL YEAR TO DATE

| | INDIVIDUAL QUARTER | | | CUMULATIVE QUARTER | | |
|---|--------------------|-----------|-------------------------|--------------------|-----------|-------------------------|
| | 3 MONTHS ENDED | | VARIANCE (Value / %) | 9 MONTHS ENDED | | VARIANCE (Value / %) |
| (RM'000) | 30.9.2022 | 30.9.2021 | | 30.9.2022 | 30.9.2021 | |
| Revenue | 860,019 | 137,880 | 722,139 524% | 2,371,122 | 590,337 | 1,780,785 302% |
| Operating profit / (loss) | 78,805 | (16,509) | 95,314 577% | 184,790 | (30,326) | 215,116 709% |
| Profit / (loss) before interest and tax | 74,833 | (19,930) | 94,763 475% | 173,651 | (40,477) | 214,128 529% |
| Profit / (loss) before tax | 56,720 | (30,088) | 86,808 289% | 116,588 | (62,607) | 179,195 286% |
| Profit / (loss) after tax | 15,505 | (31,961) | 47,466 149% | 40,435 | (67,736) | 108,171 160% |
| Total profit / (loss) attributable to equity holders of the Company | 23,695 | (32,157) | 55,852 174% | 51,831 | (59,371) | 111,202 187% |

In the nine months ended 30 September 2022, the Group recorded revenue and profit before tax of RM2,371.1 million and RM116.6 million respectively, compared to revenue of RM590.3 million and a loss before tax of RM62.6 million in the corresponding period in 2021. The revenue and profit before tax increases in the period of 302% and 286% respectively were attributable to higher recognition from construction progress and sales of completed inventory which showed a marked pick-up after two years of COVID-19 related disruptions and numerous construction site closures. The Group's performance was also bolstered by the consolidation and construction progress of the LRT3 project company Setia Utama LRT3 Sdn Bhd ("SULSB").

Operating profits were mainly derived from higher property sales during the period that were recognised from construction progress and the sale of completed unsold inventory and units from on-going property development projects that included Sentral Suites in KL Sentral, the 9 Seputeh mixed residential developments in Jalan Klang Lama and Alstonia in Bukit Rahman Putra, as well as construction progress from the LRT3 project, which reached physical construction progress of 77% and financial progress of 71% at the end of September 2022.

The Group's 27.94% equity owned Sentral REIT and associated company, Sentral REIT Management Sdn Bhd, contributed a combined profit after tax of RM11.5 million to the Group compared with RM14.0 million in the preceding financial quarter ended 30 September 2021.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

E. NOTES TO THE REPORT (cont'd)

19. FINANCIAL REVIEW FOR CURRENT QUARTER AND FINANCIAL YEAR TO DATE (cont'd)

Segmental Breakdown of Revenue & Profit/(Loss) – Note 8*

| (RM'000) | 3 MONTHS ENDED | | 9 MONTHS ENDED | |
|---|----------------|-----------------|------------------|-----------------|
| | 30.9.2022 | 30.9.2021 | 30.9.2022 | 30.9.2021 |
| <u>Revenue</u> | | | | |
| Property development & investment | 321,630 | 71,013 | 653,534 | 345,932 |
| Engineering, construction & environment | 522,554 | 50,043 | 1,674,903 | 206,467 |
| Facilities management & parking | 12,614 | 8,249 | 33,369 | 26,106 |
| Others | 3,221 | 8,575 | 9,316 | 11,832 |
| | <u>860,019</u> | <u>137,880</u> | <u>2,371,122</u> | <u>590,337</u> |
| | | | | |
| (RM'000) | 3 MONTHS ENDED | | 9 MONTHS ENDED | |
| | 30.9.2022 | 30.9.2021 | 30.9.2022 | 30.9.2021 |
| <u>Profit / (loss)</u> | | | | |
| Property development & investment | 81,447 | 1,156 | 124,630 | 17,614 |
| Engineering, construction & environment | 5,529 | (18,685) | 61,262 | (51,667) |
| Facilities management & parking | (1,874) | 974 | (40) | 1,534 |
| Others | (6,533) | (260) | (3,998) | (892) |
| | <u>78,569</u> | <u>(16,815)</u> | <u>181,854</u> | <u>(33,411)</u> |

* Profit / (loss) before unallocated corporate expenses, finance costs and income and share of associates & joint ventures results.

The revenue and profit of the Group was mainly attributable to the two core operating segments below:

(i) Property Development & Investment

The Property Development & Investment Division recorded revenue of RM653.5 million for the nine months of 2022. The 89% increase was largely due to improved operating conditions compared to the corresponding period in 2021, which was impacted by the different phases of Movement Control Orders and mandated lockdowns, the closure of foreign borders and construction site closures that affected construction progress. There was also an encouraging growth in property sales in Q3 2022 as the economy re-opened and began to normalise, however this was limited to sales from the domestic market, and the sales to foreign purchasers remained almost non-existent.

The main revenue contributors were the Group's on-going property development projects, namely Sentral Suites in KL Sentral, the 9 Seputeh mixed residential development in Jalan Klang Lama and Alstonia in Bukit Rahman Putra. Recurring rental income from the Group's investment properties, such as Celcom Tower in PJ Sentral Garden City, also contributed to the revenue recognised by the Division.

The Division also saw a 608% increase in operating profit for the nine months of 2022 compared to the corresponding period in 2021, largely as a result of its on-going property development projects achieving higher construction progress. As at 30 September 2022, two of the Group's largest property development projects, Sentral Suites and TRIA 9 Seputeh, reached construction progress of 81% and 85% respectively, and will continue to contribute revenue and profits as sales improve and construction progresses.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022**E. NOTES TO THE REPORT (cont'd)****19. FINANCIAL REVIEW FOR CURRENT QUARTER AND FINANCIAL YEAR TO DATE (cont'd)****(i) Property Development & Investment (cont'd)**

In addition, profit for the year was also bolstered by a RM18 million contribution recorded in Q2 2022 being the value of the remaining balance of land injected into SIDEC.

The Group's 27.94% equity owned Sentral REIT and associated company, Sentral REIT Management Sdn Bhd, contributed a combined profit after tax of RM11.5 million to the Group compared with RM14.0 million in the preceding financial quarter ended 30 September 2021.

(ii) Engineering, Construction & Environment

The Engineering, Construction & Environment Division recorded Revenue of RM1,674.9 million in the period under review compared to RM206.5 million in the corresponding period in 2021. The 711% increase was mainly due to improved operating conditions compared to the corresponding period in 2021, which was impacted by the different phases of Movement Control Orders and mandated lockdowns, shortages of foreign labour and construction site closures that affected construction progress, and the consolidation of the LRT3 project company SULSB, which took MRCB's ownership to 100% and allowed the Group to recognise 100% of the revenues and profits from the project in the current financial year.

Apart from the LRT3 project, the Division's revenue was also contributed by the construction progress of the Menara KWSP at Kwasa Damansara, Damansara-Shah Alam Elevated Highway Package CB2 ("DASH"), Mass Rapid Transit 2 Package V210 ("MRT2"), Sungai Besi-Ulu Kelang Elevated Expressway Package CA2 ("SUKE") and the PR1MA Brickfields Projects.

The Division's operating profit of RM61.3 million for the nine months ended 30 September 2022 was also largely due to the LRT3 project, which reached physical construction progress of 77% and financial progress of 71% as at 30 September 2022.

20. FINANCIAL REVIEW FOR THE QUARTER UNDER REVIEW COMPARED WITH THE IMMEDIATE PRECEDING QUARTER

| | CURRENT QUARTER | IMMEDIATE PRECEDING QUARTER | VARIANCE (Value / %) |
|--|----------------------------|--|---------------------------------|
| (RM'000) | 30.9.2022 | 30.6.2022 | |
| Revenue | 860,019 | 700,389 | 159,630 / 23% |
| Operating profit | 78,805 | 53,651 | 25,154 / 47% |
| Profit before interest and tax | 74,833 | 49,494 | 25,339 / 51% |
| Profit before tax | 56,720 | 28,101 | 28,619 / 102% |
| Profit after tax | 15,505 | 10,959 | 4,546 / 41% |
| Total profit attributable to equity holders of the Company | 23,695 | 14,103 | 9,592 / 68% |

The Group recorded revenue and profit before taxation of RM860.0 million and RM56.7 million respectively, in the quarter ended 30 September 2022, compared to revenue of RM700.4 million and profit before taxation of RM28.1 million recorded in the preceding quarter ended 30 June 2022.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022**E. NOTES TO THE REPORT (cont'd)****20. FINANCIAL REVIEW FOR THE QUARTER UNDER REVIEW COMPARED WITH THE IMMEDIATE PRECEDING QUARTER (cont'd)**

The higher revenue and profit before taxation recorded in the current quarter compared to the preceding quarter was mainly attributable to increased profit contribution from the LRT3 construction project and the stronger sales in the Property Development & Investment Division in the third quarter of 2022.

21. PROSPECTS

The Group's major source of revenue and operating profits come from its Property Development & Investment and Engineering, Construction & Environment divisions.

(i) Property Development & Investment

As at 30 September 2022, the Group's Property Development & Investment Division saw an increasing trend in sales and sold RM342.2 million worth of properties from its completed and on-going developments.

Of the Group's residential projects currently in development, Sentral Suites has achieved a sales rate of 85%, TRIA in 9 Seputeh 53% and Alstonia in Bukit Rahman Putra 46%. The Division will continue to focus its marketing efforts on its residential development projects, namely Sentral Suites in KL Sentral (GDV: RM1,535 million), TRIA in 9 Seputeh (GDV: RM939 million) and Alstonia in Bukit Rahman Putra (GDV: RM248 million), as well as the remaining completed unsold units in VIVO Residences in 9 Seputeh, Kalista Park Homes in Bukit Rahman Putra, and the remaining 3 units at 1060 Carnegie in Melbourne, Australia. Of the Group's completed residential developments, as at 30 September 2022, VIVO Residences in 9 Seputeh had achieved a sales rate of 84% and Kalista in Bukit Rahman Putra 88%. In Melbourne, a total of 173 units have achieved financial settlement as at 30 September 2022, out of a total of 176 units available for sale.

Revenue and operating profit in the Property Development & Investment Division will continue to be progressively recognised in line with construction progress in 2022 and beyond. Sentral Suites and TRIA have both reached 81% and 85% construction progress respectively, while Alstonia has reached 46% construction progress as at 30 September 2022, and these three developments will continue to contribute revenue and profits as construction progresses.

Projects in the pipeline include the Ipoh Raya Integrated Park in Perak, a 6-phase 832.38 acre integrated logistics park that is slated for completion in 2028; and Residensi Tujuh in Kwasa Sentral, a 573-unit high rise residential building (GDV325 million) to be developed using the modular based MRCB Building System ("MBS") technology targeted for launch in early 2023. The Group will also launch VISTA in the Gold Coast, Australia, a 51-storey residential high-rise which features 280 apartment units with a GDV of AUD296 million in early 2023, and will begin development of The Symphony Centre, its maiden project in New Zealand featuring a 21-storey mixed development with a GDV of NZD452 million, in 2024.

The Company's immediate priorities moving forward remain on enhancing cashflow by monetising its inventory of unsold completed stock, which stood at RM269.0 million on 30 September 2022, and looks forward to improved sales from foreign buyers with the opening of borders, particularly for our VIVO 9 Seputeh development and St Regis units.

In the meantime, the Group will continue to closely monitor conditions in the broader economy and property market, particularly in light of the rising global interest rate cycle which has had a knock-on effect on Malaysian interest rates, as well as geopolitical tensions, revising its strategies and financial targets accordingly, including reviewing its future launches if conditions dictate.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

E. NOTES TO THE REPORT (cont'd)

21. PROSPECTS (cont'd)

(i) Property Development & Investment (cont'd)

With interests in 1,105.25 acres of urban land with a GDV of RM33 billion, the Group has a sustainable supply of long-term land for future projects. The Division has cumulative unbilled sales of RM624.0 million, which will be recognised progressively over the construction period of the development projects:

| On-going Property Development Projects | Construction Progress (%) | Unbilled Sales (RM'Mil) |
|---|----------------------------------|--------------------------------|
| Sentral Suites (Residential) | 81% | 374.8 |
| Sentral Suites (Commercial) | 79% | 15.8 |
| TRIA, 9 Seputeh | 85% | 181.7 |
| Alstonia, Bukit Rahman Putra | 46% | 46.0 |
| Amaryllis, SIDEC | 74% | 5.7 |
| TOTAL | | 624.0 |

The Division will continue to earn a relatively stable income stream from its remaining investment property from Celcom Tower, as well as its 27.94% equity interest in Sentral REIT.

(ii) Engineering, Construction & Environment

The Engineering, Construction & Environment Division continues to actively tender for more infrastructure contracting projects to replenish its order book, but there have been very few new large infrastructure construction projects put out to tender. The Division's open tenders stood at RM30 billion as at 30 September 2022. The tender book does not include project proposals submitted that are undergoing direct negotiations, for example the Shah Alam Stadium rebuilding/refurbishment project and various flood mitigation solutions. As at 30 September 2022, the external client order book stood at RM26.7 billion, while the unbilled portion was RM17.9 billion. This long-term order book will ensure that the Division has a steady pipeline of contracts to sustain its business over the very long term, including the LRT3 project, which is due to be completed in 2024, and has achieved physical construction progress of 77% and financial progress of 71% as at 30 September 2022.

| Major Construction Projects | Contract Value (RM'Mil) | Completion* (%) |
|------------------------------------|--------------------------------|------------------------|
| LRT 3 | 11,372 | 71% |
| Bukit Jalil Sentral | 10,957 | 0% |
| Kwasa Utama C8 | 2,667 | 0%** |
| DASH | 400 | 92% |
| Muara Sg. Pahang (Phase 3) | 380 | 0% |
| SUKE | 317 | 82% |
| PR1MA Brickfields | 276 | 36% |
| Others | 373 | |
| Total | 26,742 | |

* Denotes financial progress.

** Refers only to the portion not yet awarded.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

E. NOTES TO THE REPORT (cont'd)

22. VARIANCE ON FORECAST PROFIT/PROFIT GUARANTEE

Not applicable.

23. EARNINGS PER SHARE (EPS)

Basic EPS

The basic EPS is calculated by dividing the net loss in the financial period by the weighted average number of shares in issue during the financial period.

| | 3 MONTHS ENDED | | 9 MONTHS ENDED | |
|--|-----------------------|------------------|-----------------------|------------------|
| | 30.9.2022 | 30.9.2021 | 30.9.2022 | 30.9.2021 |
| Net profit / (loss) for the financial period attributable to the owners of the parent (RM'000) | 23,695 | (32,157) | 51,831 | (59,371) |
| Weighted average number of ordinary shares in issue ('000) | 4,467,510 | 4,439,473 | 4,467,510 | 4,439,473 |
| Basic EPS (sen) | 0.53 | (0.72) | 1.16 | (1.34) |

Diluted EPS

The diluted EPS is calculated by dividing the net profit in the financial period by the adjusted weighted average number of shares in issue during the financial period.

| | 3 MONTHS ENDED | | 9 MONTHS ENDED | |
|--|-----------------------|------------------|-----------------------|------------------|
| | 30.9.2022 | 30.9.2021 | 30.9.2022 | 30.9.2021 |
| Net profit / (loss) for the financial period attributable to the owners of the parent (RM'000) | 23,695 | (32,157) | 51,831 | (59,371) |
| Weighted average number of ordinary shares in issue ('000) | 4,467,510 | 4,439,473 | 4,467,510 | 4,439,473 |
| - Adjustment for warrants B ('000) | - | - | - | - |
| - Adjustment for ordinary shares not yet granted under Restricted Share Plan ('000) | - | - | - | 10,239 |
| Adjusted weighted average number of ordinary shares in issue ('000) | 4,467,510 | 4,439,473 | 4,467,510 | 4,449,712 |
| Diluted EPS (sen) | 0.53 | (0.72) | 1.16 | (1.33) |

Warrants B were not included in the calculation for the financial period under review because the fair value of the issued ordinary shares as at 30 September 2022 was lower than warrant B's exercise price. Accordingly, there is no bonus element in the outstanding shares for the purpose of computing the dilution.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

E. NOTES TO THE REPORT (cont'd)

24. TRADE RECEIVABLES

Exposure to credit risk, credit quality and collateral

Given the varied nature of the Group's customer base, the following analysis of trade receivables by type of customers are considered the most appropriate disclosure of credit concentration.

| (RM'000) | As at 30.9.2022 | As at 31.12.2021 |
|--|----------------------------|-----------------------------|
| Property development | 264,008 | 115,534 |
| Property investment | 21,372 | 22,846 |
| Engineering, construction & environment | 724,108 | 909,619 |
| Facilities management & parking | 4,688 | 4,560 |
| Others | 3,369 | 2,848 |
| | <u>1,017,545</u> | <u>1,055,407</u> |
| Retention sums for contracts included in trade receivables under engineering, construction & environment | <u>681,579</u> | <u>688,329</u> |

Impairment losses

(a) Property development

Generally, property units sold are progressively invoiced and settled by end-buyers' financiers posing minimal credit risk. The Group experiences a low risk of default from its property development activities as sales of development units are made to a large number of property purchasers with end financing facilities from reputable end-financiers, and the ownership and rights to the properties revert to the Group in the event of default. In view of that, the Group has not recognised any further impairment losses in respect of trade receivables arising from its property development.

(b) Engineering, construction & environment

The Group is exposed to significant concentration of credit risk to a few customers, mainly consisting of Government-linked Companies ("GLCs"). The expected credit loss rate on the amounts outstanding from GLCs are determined subsequent to considering the capacity of the GLCs in meeting their contractual cash flow obligations in the near term and the economic and business conditions in the longer term.

The closing allowances for trade receivables of the engineering, construction and environmental segment as at 30 September 2022 was RM49.7 million (31 December 2021: RM49.3 m).

(c) Property investment and facilities management & parking

The Group applies MFRS 9 'Financial Instruments' simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for trade receivables in its property investment and facilities management & parking segments.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

E. NOTES TO THE REPORT (cont'd)

24. TRADE RECEIVABLES (cont'd)

Impairment losses (cont'd)

(c) Property investment and facilities management & parking (cont'd)

The loss allowances as at 30 September 2022 and 31 December 2021 were determined as follows for trade receivables in the property investment and facilities management & parking segments:

The ageing of trade receivables of the Group arising from the property investment and facilities management & parking segments as at the end of the financial quarter under review were as follows:

| | Gross (RM'000) | Individual impairment (RM'000) | Expected loss rate (%) | Collective impairment (RM'000) | Net (RM'000) |
|-----------------------------------|---------------------------|---|---------------------------------------|---|-------------------------|
| 30.9.2022 | | | | | |
| Not past due | 1,145 | - | - | - | 1,145 |
| Past due | | | | | |
| - less than three months | 3,574 | - | - | - | 3,574 |
| - between three to six months | 1,523 | - | - | - | 1,523 |
| - between six months and one year | 1,185 | (228) | - | - | 957 |
| - more than one year | 18,634 | (13,017) | - | - | 5,617 |
| | <u>26,061</u> | <u>(13,245)</u> | <u>-</u> | <u>-</u> | <u>12,816</u> |
| 31.12.2021 | | | | | |
| Not past due | 512 | - | - | - | 512 |
| Past due | | | | | |
| - less than three months | 4,277 | (201) | - | - | 4,076 |
| - between three to six months | 4,100 | (381) | - | - | 3,719 |
| - between six months and one year | 4,503 | (568) | - | - | 3,935 |
| - more than one year | 14,014 | (12,220) | - | - | 1,794 |
| | <u>27,406</u> | <u>(13,370)</u> | <u>-</u> | <u>-</u> | <u>14,036</u> |

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022**E. NOTES TO THE REPORT (cont'd)****24. TRADE RECEIVABLES (cont'd)**Impairment losses (cont'd)

(c) Property investment and facilities management & parking (cont'd)

The closing allowances for the Group's trade receivables in the property investment and facilities management & parking segments as at 30 September 2022 reconcile to the opening loss allowances as follows:

| (RM'000) | As at 30.9.2022 | As at 31.12.2021 |
|--|----------------------------|-----------------------------|
| Opening loss allowance as at 1 January | 13,370 | 8,876 |
| Impairment loss recognised | 459 | 4,906 |
| Impairment loss reversed | (584) | (362) |
| Impairment loss written off | - | (50) |
| As at 30 September 2022 / 31 December 2021 | <u>13,245</u> | <u>13,370</u> |

Kuala Lumpur
30 November 2022

By Order of the Board

Mohd Noor Rahim Yahaya
Company Secretary