

UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

A. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(RM'000)	Note	3 MONTHS ENDED		12 MONTHS ENDED	
		31.12.2022 (unaudited)	31.12.2021 (audited)	31.12.2022 (unaudited)	31.12.2021 (audited)
Revenue		833,939	858,115	3,205,061	1,448,452
Expenses		(787,910)	(855,204)	(3,015,607)	(1,502,576)
Other operating income	13	17,010	146,089	58,375	172,798
Profit from operations		63,039	149,000	247,829	118,674
Finance costs		(27,109)	(27,476)	(99,057)	(88,698)
Share of results of associates		3,116	3,567	10,131	17,199
Share of results of joint ventures		(1,298)	(1,181)	(4,567)	14,128
Profit before tax		37,748	123,910	154,336	61,303
Income tax expense	15	(24,636)	(49,456)	(100,789)	(54,585)
Profit for the financial year		13,112	74,454	53,547	6,718
Other comprehensive income for the financial year, net of tax:					
Item that may be reclassified subsequently to profit or loss					
- currency translation differences		(1,340)	269	(1,045)	(795)
Total comprehensive income for the financial year, net of tax		11,772	74,723	52,502	5,923
Profit / (loss) for the financial year attributable to:					
Equity holders of the Company		13,018	75,205	64,849	15,834
Non-controlling interests		94	(751)	(11,302)	(9,116)
		13,112	74,454	53,547	6,718
Total comprehensive income / (loss) for the financial year attributable to:					
Equity holders of the Company		11,678	75,478	63,804	15,032
Non-controlling interests		94	(755)	(11,302)	(9,109)
		11,772	74,723	52,502	5,923
Earnings per share attributable to the ordinary equity holders of the Company (sen)	23				
- Basic		0.29	1.68	1.45	0.36
- Diluted		0.29	1.68	1.45	0.36

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 YEAR ENDED 31 DECEMBER 2022**B. CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(RM'000)	As at 31.12.2022 (unaudited)	As at 31.12.2021 (audited)
ASSETS		
Non-current assets		
Property, plant and equipment	696,265	704,207
Investment properties	1,534,900	1,478,255
Right-of-use assets	79,764	38,322
Inventories	2,026,405	1,951,952
Associates	458,092	473,897
Joint ventures	282,560	287,126
Long term loan and receivables	219,382	225,653
Amount due from joint ventures	80,793	80,010
Lease receivables	-	1,637
Intangible assets	194,796	215,661
Deferred tax assets	85,241	97,293
	<u>5,658,198</u>	<u>5,554,013</u>
Current assets		
Inventories	785,196	857,676
Trade and other receivables	1,347,991	1,424,636
Amount due from associates and joint ventures	21,596	20,400
Contract assets	815,143	643,387
Lease receivables	136	1,257
Tax recoverable	12,260	22,723
Financial assets at fair value through profit or loss	60,627	102,659
Deposits, cash and bank balances	533,640	578,707
	<u>3,576,589</u>	<u>3,651,445</u>
TOTAL ASSETS	<u>9,234,787</u>	<u>9,205,458</u>

UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

(RM'000)	As at 31.12.2022 (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	182,964	160,529
Other reserves	(8,860)	(3,958)
	<u>4,530,210</u>	<u>4,512,677</u>
Non-controlling interests	5,540	27,813
Total equity	<u>4,535,750</u>	<u>4,540,490</u>
Non-current liabilities		
Post-employment benefit obligations	17,780	17,406
Long term borrowings	1,215,946	1,453,625
Long term liabilities	389,308	366,789
Government grant	128,928	130,063
Deferred tax liabilities	62,841	73,703
Contract liabilities	140,258	140,258
Lease liabilities	41,032	31,001
Provision for restoration costs	890	840
	<u>1,996,983</u>	<u>2,213,685</u>
Current liabilities		
Trade and other payables	1,772,170	1,772,535
Current tax liabilities	32,664	23,533
Short term borrowings	840,780	478,572
Contract liabilities	40,533	128,518
Lease liabilities	8,364	9,099
Other liabilities	7,543	38,863
Provision for restoration costs	-	163
	<u>2,702,054</u>	<u>2,451,283</u>
Total liabilities	<u>4,699,037</u>	<u>4,664,968</u>
TOTAL EQUITY AND LIABILITIES	<u><u>9,234,787</u></u>	<u><u>9,205,458</u></u>
Net assets per share attributable to the equity holders of the Company (sen)	<u>101.4</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 YEAR ENDED 31 DECEMBER 2022

C. CONSOLIDATED STATEMENT OF CASH FLOWS

(RM'000)	12 MONTHS ENDED	
	31.12.2022 (unaudited)	31.12.2021 (audited)
Operating activities		
Cash receipts from customers	3,044,590	1,475,756
Cash paid to suppliers and employees	(3,044,756)	(1,610,286)
Cash used in operations	(166)	(134,530)
Bank service charges paid	(4,400)	(3,320)
Net taxes paid	(76,339)	(45,726)
Net cash used in operating activities	(80,905)	(183,576)
Investing activities		
Dividend received	25,723	22,795
Non-equity investments	34,659	177,620
Disposal of a subsidiary	(6,942)	-
Acquisition of subsidiaries	-	127,560
Net cash generated from investing activities	53,440	327,975
Financing activities		
Dividend paid to equity holders	(52,515)	(19,716)
Proceeds from borrowings	778,656	1,231,895
Repayment of borrowings	(654,721)	(1,241,476)
Finance costs paid	(88,227)	(76,391)
Withdrawal of restricted cash	30,802	10,281
Net cash generated from/(used in) financing activities	13,995	(95,407)
Net (decrease)/increase in cash and cash equivalent	(13,470)	48,992
Cash and cash equivalents at beginning of the financial year	479,863	431,287
Foreign currency translation difference on opening balance	(794)	(416)
Cash and cash equivalent at end of financial year	465,599	479,863

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

(RM'000)	12 MONTHS ENDED	
	31.12.2022 (unaudited)	31.12.2021 (audited)
Bank balances and deposits	533,640	578,707
Less: Bank balances and deposits held as security value	(68,041)	(98,844)
	465,599	479,863

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 YEAR ENDED 31 DECEMBER 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 year	-	-	64,489	64,489	(11,302)	53,547
Other comprehensive income						
Currency translation differences	-	(1,045)	-	(1,045)	-	(1,045)
Post-employment benefit obligations	-	(3,857)	3,857	-	-	-
Total comprehensive income / (loss)	-	(4,902)	68,706	63,804	(11,302)	52,502
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 31 December 2022 (unaudited)	4,356,106	(8,860)	182,964	4,530,210	5,540	4,535,750

(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	-	(1,045)	-	(1,045)
Post-employment benefit obligations	-	-	(3,857)	(3,857)
Total comprehensive income	-	(1,045)	(3,857)	(4,902)
As at 31 December 2022 (unaudited)	1,666	(835)	(9,691)	(8,860)

UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 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 YEAR ENDED 31 DECEMBER 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 YEAR ENDED 31 DECEMBER 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 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 did 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 Directors approved and declared a first and final single tier dividend in respect of the financial year ended 31 December 2022 of 1.00 sen per ordinary share, totaling approximately RM44.7 million. The payment will be made on 17 May 2023.



UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

E. NOTES TO THE REPORT (cont'd)

8. SEGMENTAL REPORTING

(RM'000)	Property Development & Investment	Engineering, Construction & Environment	Facilities Management & Parking	Others	Total
12 months ended 31.12.2022					
Total revenue	967,193	2,655,043	55,489	237,625	3,915,350
Inter-segment revenue	(52,548)	(421,441)	(9,080)	(227,220)	(710,289)
External revenue	914,645	2,233,602	46,409	10,405	3,205,061
Segment profit / (loss)	176,650	69,920	(515)	(5,404)	240,651
Unallocated corporate expenses					(11,088)
Finance income					18,266
Finance costs					(99,057)
Share of results of associates and joint ventures	9,492	(3,928)	-	-	5,564
Profit before tax					154,336



UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 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
12 months ended 31.12.2021					
Total revenue	515,851	1,246,474	37,945	162,824	1,963,094
Inter-segment revenue	(17,759)	(342,914)	(3,325)	(150,644)	(514,642)
External revenue	498,092	903,560	34,620	12,180	1,448,452
Segment profit / (loss)	153,384	(40,746)	(1,335)	5,938	117,241
Unallocated corporate expenses					(8,602)
Finance income					10,035
Finance costs					(88,698)
Share of results of associates and joint ventures	12,435	18,892	-	-	31,327
Profit before tax					61,303

UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 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 31 December 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 31.12.2022	As at 31.12.2021
Performance guarantees extended to third parties *	958,465	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 of the performance guarantees pending determination of the dispute between the parties via Arbitration. The Arbitration process commenced in the 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 YEAR ENDED 31 DECEMBER 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		12 MONTHS ENDED	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Depreciation of:				
- investment properties	(3,144)	(3,329)	(12,382)	(12,264)
- property, plant and equipment	(7,885)	(7,745)	(29,346)	(21,568)
(Amortisation) / recognition of:				
- order book	(831)	(605)	(6,450)	(2,274)
- right-of-use assets	(4,873)	(4,002)	(12,001)	(17,711)
- government grant	284	167	1,136	854
- patent	(248)	(306)	(1,165)	(1,223)

15. INCOME TAX EXPENSE

(RM'000)	3 MONTHS ENDED		12 MONTHS ENDED	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
In Malaysia				
Current tax	(22,026)	(37,157)	(92,140)	(50,507)
(Under) / Over provision in prior years	(3,290)	(77)	(3,918)	(2,543)
Deferred tax	5,388	(10,939)	4,046	(966)
	<u>(19,928)</u>	<u>(48,173)</u>	<u>(92,012)</u>	<u>(54,016)</u>
Foreign				
Current tax	(2,886)	(22)	(2,893)	(30)
Under provision in prior years	71	38	(10,660)	38
Deferred tax	(1,893)	(1,299)	4,776	(577)
	<u>(4,708)</u>	<u>(1,283)</u>	<u>(8,777)</u>	<u>(569)</u>
Income tax expense	<u>(24,636)</u>	<u>(49,456)</u>	<u>(100,789)</u>	<u>(54,585)</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 YEAR ENDED 31 DECEMBER 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 31.12.2022			
Secured	1,215,946	690,780	1,906,726
Unsecured	-	150,000	150,000
	1,215,946	840,780	2,056,726
As at 31.12.2021			
Secured	1,453,625	328,572	1,782,197
Unsecured	-	150,000	150,000
	1,453,625	478,572	1,932,197

During the financial year, there was issuance of Sukuk Murabahah of RM200.0 million on 13 April 2022. The proceeds were used for the repayment of other project financing and working capital facilities resulting in the net increase of RM124.5 million in the Group's borrowings compared to 31 December 2021. In addition, further drawdowns and repayments of project financing were made according to the progress of the Group's projects.

As at 31 December 2022, the borrowings consisted of:

Secured term loans

- (a) Financing facility of RM224.5 million for the Group's working capital;
- (b) Sukuk Murabahah Program totaling RM1,411.0 million, comprising RM1,400.0 million principal and RM11.0 million accrued profits, for the Group's working capital; and
- (c) Other project loans of RM271.2 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 31 December 2022 were denominated in Ringgit Malaysia. The weighted average interest rate as at 31 December 2022 was 4.61% per annum (31 December 2021: 4.22%).

The Group's Net Gearing as at 31 December 2022 was 0.32 times (31 December 2021: 0.28 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 YEAR ENDED 31 DECEMBER 2022

E. NOTES TO THE REPORT (cont'd)

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

(RM'000)	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	3 MONTHS ENDED		VARIANCE (Value / %)	12 MONTHS ENDED		VARIANCE (Value / %)
	31.12.2022	31.12.2021		31.12.2022	31.12.2021	
Revenue	833,939	858,115	(24,176) (3%)	3,205,061	1,448,452	1,756,609 121%
Operating profit / (loss)	63,039	149,000	(85,961) (58%)	247,829	118,674	129,155 109%
Profit / (loss) before interest and tax	55,912	149,116	(93,204) (63%)	229,563	108,639	120,924 111%
Profit / (loss) before tax	37,748	123,910	(86,162) (70%)	154,336	61,303	93,033 152%
Profit / (loss) after tax	13,112	74,454	(61,342) (82%)	53,547	6,718	46,829 697%
Total profit / (loss) attributable to equity holders of the Company	13,018	75,205	(62,187) (83%)	64,849	15,834	49,015 310%

In the Financial Year ended 31 December 2022, the Group recorded revenue and profit before tax of RM3,205.1 million and RM154.3 million respectively, compared to revenue of RM1,448.5 million and profit before tax of RM61.3 million in 2021, an increase of 121% and 152% respectively. The strong recovery in revenue was mainly due to more normalised operations after two years of COVID-19 related disruptions, which resulted in increased revenue recognition from higher construction progress across both the Engineering, Construction & Environment Division and the Property Development & Investment Division, as well as a recovery in overall property sales. The much higher revenues also reflected a full year's consolidation of the LRT3 project company Setia Utama LRT3 Sdn Bhd ("SULSB").

In addition to the contribution from SULSB to the Engineering, Construction & Environment Division, higher operating profits were also derived from the Property Development & Investment Division in 2022 as a result of much better construction progress and sales from the Division's completed unsold inventory and the sales of units from on-going property development projects under construction.

The Group's 27.94% equity owned Sentral REIT and associated company, Sentral REIT Management Sdn Bhd, contributed a combined profit after tax of RM14.9 million to the Group compared with RM17.8 million in the corresponding financial period ended 31 December 2021.

UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 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		12 MONTHS ENDED	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
<u>Revenue</u>				
Property development & investment	261,111	152,160	914,645	498,092
Engineering, construction & environment	558,699	697,093	2,233,602	903,560
Facilities management & parking	13,040	8,514	46,409	34,620
Others	1,089	348	10,405	12,180
	<u>833,939</u>	<u>858,115</u>	<u>3,205,061</u>	<u>1,448,452</u>
<u>Profit / (loss)</u>				
Property development & investment	52,020	135,770	176,650	153,384
Engineering, construction & environment	8,658	10,921	69,920	(40,746)
Facilities management & parking	(475)	(2,869)	(515)	(1,335)
Others	(1,406)	6,831	(5,404)	5,938
	<u>58,797</u>	<u>150,653</u>	<u>240,651</u>	<u>117,241</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 an 84% increase in Revenue to RM914.6 million and a 15% increase in Operating Profit to RM176.7 million in the Financial Year 2022 compared to the corresponding period in 2021. This was due to much better operating conditions in 2022 compared to 2021, which was severely impacted by construction site closures that impeded construction progress and revenue recognition.

There was also a strong recovery in sales of completed unsold inventory as well as units from on-going property development projects under construction as the economy re-opened and began to normalise. The main contributors were the Division's two largest property development projects, Sentral Suites and TRIA 9 Seputeh, which reached construction progress of 89% and 88% respectively. The Division sold RM487.9 million worth of properties in 2022.

The Group's 27.94% equity owned Sentral REIT and associate Sentral REIT Management Sdn Bhd, contributed a combined profit after tax of RM14.9 million compared with RM17.8 million in the corresponding financial period ended 31 December 2021. 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.

UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**E. NOTES TO THE REPORT (cont'd)****19. FINANCIAL REVIEW FOR CURRENT QUARTER AND FINANCIAL YEAR TO DATE (cont'd)****(ii) Engineering, Construction & Environment**

The Engineering, Construction & Environment Division recorded a 147% increase in Revenue to RM2.2 billion in the Financial Year 2022, largely contributed by a full year's consolidation of the RM11.4 billion LRT3 project company, SULSB, which achieved physical construction progress of 81% and financial progress of 75% as at 31 December 2022.

Revenue was also contributed from the SUKE Package CA2 and the PR1MA Brickfields construction projects. The Division recorded an Operating Profit of RM69.9 million in the Financial Year 2022 against an Operating Loss of RM40.7 million in 2021. The Division also saw the successful completion of two major infrastructure projects during the year, namely the Mass Rapid Transit 2 Package V210 and Damansara-Shah Alam Elevated Highway Package CB2 projects.

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

	CURRENT QUARTER	IMMEDIATE PRECEDING QUARTER	VARIANCE (Value / %)
(RM'000)	31.12.2022	30.9.2022	
Revenue	833,939	860,019	(26,080) / (3%)
Operating profit	63,039	78,805	(15,766) / (20%)
Profit before interest and tax	55,912	74,833	(18,921) / (25%)
Profit before tax	37,748	56,720	(18,972) / (33)%
Profit after tax	13,112	15,505	(2,393) / (15)%
Total profit attributable to equity holders of the Company	13,018	23,695	(10,677) / (45)%

The Group recorded revenue and profit before taxation of RM833.9 million and RM37.7 million respectively, in the fourth quarter of 2022, compared to revenue of RM860.0 million and profit before taxation of RM55.9 million in the preceding quarter ended 30 September 2022.

The higher revenue and profit before taxation recorded in the preceding quarter was mainly attributable to greater number of completed unsold inventory sales being recognised in the third quarter of 2022.

UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**E. NOTES TO THE REPORT (cont'd)****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 31 December 2022, the Group's Property Development & Investment Division retained its higher sales trajectory and sold RM487.9 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 55% and Alstonia in Bukit Rahman Putra 52%. 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 1 commercial unit at 1060 Carnegie in Melbourne, Australia out of a total of 176 residential and commercial units that were available for sale. Of the Group's completed residential developments, as at 31 December 2022, VIVO Residences in 9 Seputeh had achieved a sales rate of 84% and Kalista in Bukit Rahman Putra 91%.

Revenue and operating profit in the Property Development & Investment Division will continue to be progressively in line with construction progress in 2023 and beyond. Sentral Suites and TRIA had both reached 89% and 88% construction progress respectively, while Alstonia had reached 56% construction progress as at 31 December 2022, and these three developments will continue to be the core contributors to the Division's revenue and profits as construction and sale progresses in 2023.

Projects already in the pipeline include the Ipoh Raya Integrated Park in Perak, a 6-phase 810.57-acre integrated logistics/industrial park; and Residensi Tujuh in Kwasa Sentral, a 573-unit high rise residential building (GDV of RM325 million) to be developed using the modular based MRCB Building System ("MBS") technology, targeted for launch in 2023. The Group will also launch VISTA in the Gold Coast, Australia, a 51-storey residential high-rise which comprises 280 apartment units with a GDV of AUD391 million in 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 and the refurbishment of Bledisloe House, also in New Zealand, with a GDV of NZD137 million. It will also continue to actively market its Ipoh Raya Integrated Park in Perak to large multi-national corporations looking to locate their manufacturing operations in Malaysia.

The Company's immediate priorities moving forward remain on enhancing cashflow by monetizing its inventory of unsold completed stock, which stood at RM227.0 million on 31 December 2022, and looks forward to improved sales from foreign buyers with the opening of borders, particularly for our Sentral Suites, VIVO 9 Seputeh developments and our St Regis residential units.

With interests in 1,153 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 RM536.5 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)	89%	290.8
Sentral Suites (Commercial)	88%	10.8
TRIA, 9 Seputeh	88%	177.9
Alstonia, Bukit Rahman Putra	55%	43.3
Amaryllis, SIDEC	87%	3.2
Lilium, SIDEC	5%	10.5
TOTAL		536.5

UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**E. NOTES TO THE REPORT (cont'd)****21. PROSPECTS (cont'd)****(i) Property Development & Investment (cont'd)**

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 31 December 2022. The tender book does not include project tenders already won but where the project's value has yet to be confirmed, such as the Shah Alam Stadium rebuilding/refurbishment project. As at 31 December 2022, the external client order book stood at RM26.3 billion, while the unbilled portion was RM17.4 billion. This long-term order book will ensure that the Division has a steady pipeline of construction contracts to sustain its business over the very long term, including the LRT3 project, which is due to be completed in 2024, and had achieved physical construction progress of 81% and financial progress of 75% as at 31 December 2022.

Major Construction Projects	Contract Value (RM'Mil)	Completion* (%)
LRT 3	11,372	75%
Bukit Jalil Sentral	10,957	0%
Kwasa Utama C8	2,655	0%**
Muara Sg. Pahang (Phase 3)	380	0%
SUKE	317	85%
PR1MA Brickfields	276	50%
Others	373	
Total	26,330	

* Denotes financial progress.

** Refers only to the portion not yet awarded.

22. VARIANCE ON FORECAST PROFIT/PROFIT GUARANTEE

Not applicable.

UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**E. NOTES TO THE REPORT (cont'd)****23. EARNINGS PER SHARE (EPS)****Basic EPS**

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

	3 MONTHS ENDED		12 MONTHS ENDED	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Net profit / (loss) for the financial year attributable to the owners of the parent (RM'000)	13,018	75,205	64,849	15,834
Weighted average number of ordinary shares in issue ('000)	4,467,510	4,467,510	4,467,510	4,446,540
Basic EPS (sen)	0.29	1.68	1.45	0.36

Diluted EPS

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

	3 MONTHS ENDED		12 MONTHS ENDED	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Net profit / (loss) for the financial year attributable to the owners of the parent (RM'000)	13,018	75,205	64,849	15,834
Weighted average number of ordinary shares in issue ('000)	4,467,510	4,467,510	4,467,510	4,446,540
- Adjustment for warrants B ('000)	-	-	-	-
- Adjustment for ordinary shares not yet granted under Restricted Share Plan ('000)	-	-	-	-
Adjusted weighted average number of ordinary shares in issue ('000)	4,467,510	4,467,510	4,467,510	4,446,540
Diluted EPS (sen)	0.29	1.68	1.45	0.36

Warrants B were not included in the calculation for the financial year under review because the fair value of the issued ordinary shares as at 31 December 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 YEAR ENDED 31 DECEMBER 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 31.12.2022	As at 31.12.2021
Property development	156,252	115,534
Property investment	18,371	22,846
Engineering, construction & environment	855,767	909,619
Facilities management & parking	3,917	4,560
Others	3,072	2,848
	<u>1,037,379</u>	<u>1,055,407</u>
Retention sums for contracts included in trade receivables under engineering, construction & environment	<u>663,867</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 31 December 2022 was RM30.8million (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 YEAR ENDED 31 DECEMBER 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 31 December 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)
31.12.2022					
Not past due	503	-	-	-	503
Past due					
- less than three months	1,944	-	-	-	1,944
- between three to six months	745	-	-	-	745
- between six months and one year	2,346	(261)	-	-	2,085
- more than one year	16,751	(12,613)	-	-	4,138
	<u>22,289</u>	<u>(12,874)</u>	<u>-</u>	<u>-</u>	<u>9,415</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 YEAR ENDED 31 DECEMBER 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 31 December 2022 reconcile to the opening loss allowances as follows:

(RM'000)	As at 31.12.2022	As at 31.12.2021
Opening loss allowance as at 1 January	13,370	8,876
Impairment loss recognised	460	4,906
Impairment loss reversed	(918)	(362)
Impairment loss written off	(38)	(50)
As at 31 December 2022 / 31 December 2021	<u>12,874</u>	<u>13,370</u>

Kuala Lumpur
20 February 2023

By Order of the Board

Mohd Noor Rahim Yahaya
Company Secretary