

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023

A. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(RM'000)	Note	3 MONTHS ENDED		6 MONTHS ENDED	
		30.6.2023 (unaudited)	30.6.2022 (unaudited)	30.6.2023 (unaudited)	30.6.2022 (unaudited)
Revenue		599,347	700,389	1,341,588	1,511,103
Expenses		(569,153)	(674,720)	(1,275,148)	(1,440,560)
Other operating income	13	9,704	27,982	21,389	35,442
Profit from operations		39,898	53,651	87,829	105,985
Finance costs		(28,865)	(24,446)	(56,717)	(47,658)
Share of results of associates		5,445	(61)	7,249	3,630
Share of results of joint ventures		(1,179)	(1,043)	(2,512)	(2,089)
Profit before tax		15,299	28,101	35,849	59,868
Income tax expense	15	(4,370)	(17,142)	(16,340)	(34,938)
Profit for the financial period		10,929	10,959	19,509	24,930
Other comprehensive income for the financial period, net of tax:					
Item that may be reclassified subsequently to profit or loss					
- currency translation differences		1,160	(1,111)	739	216
Total comprehensive income for the financial period, net of tax		12,089	9,848	20,248	25,146
Profit for the financial period attributable to:					
Equity holders of the Company		10,868	14,103	19,341	28,136
Non-controlling interests		61	(3,144)	168	(3,206)
		10,929	10,959	19,509	24,930
Total comprehensive income for the financial period attributable to:					
Equity holders of the Company		12,028	12,992	20,080	28,352
Non-controlling interests		61	(3,144)	168	(3,206)
		12,089	9,848	20,248	25,146
Earnings per share attributable to the ordinary equity holders of the Company (sen)	23				
- Basic		0.24	0.32	0.43	0.63
- Diluted		0.24	0.32	0.43	0.63

The condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2022.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023**B. CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(RM'000)	As at 30.6.2023 (unaudited)	As at 31.12.2022 (audited)
ASSETS		
Non-current assets		
Property, plant and equipment	693,951	699,151
Investment properties	1,531,575	1,534,900
Right-of-use assets	59,457	79,734
Inventories	2,056,030	2,026,405
Associates	477,239	458,092
Joint ventures	280,048	282,560
Long term loan and receivables	219,543	239,639
Amount due from joint ventures	79,457	80,793
Intangible assets	191,496	194,796
Deferred tax assets	107,907	85,240
	<u>5,696,703</u>	<u>5,681,310</u>
Current assets		
Inventories	698,344	785,196
Trade and other receivables	1,263,252	1,328,267
Amount due from associates and joint ventures	27,186	21,595
Contract assets	792,335	805,609
Lease receivables	-	136
Tax recoverable	17,060	12,260
Financial assets at fair value through profit or loss	106,981	60,627
Deposits, cash and bank balances	616,570	533,640
	<u>3,521,728</u>	<u>3,547,330</u>
TOTAL ASSETS	<u>9,218,431</u>	<u>9,228,640</u>

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023

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

(RM'000)	As at 30.6.2023 (unaudited)	As at 31.12.2022 (audited)
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	4,356,106	4,356,106
Retained earnings	157,630	182,964
Other reserves	(7,158)	(7,897)
	<u>4,506,578</u>	<u>4,531,173</u>
Non-controlling interests	5,707	5,539
Total equity	<u>4,512,285</u>	<u>4,536,712</u>
Non-current liabilities		
Post-employment benefit obligations	17,826	17,780
Long term borrowings	1,501,495	1,215,946
Long term liabilities	397,604	386,962
Government grant	128,216	128,928
Deferred tax liabilities	59,223	62,841
Contract liabilities	140,258	140,258
Lease liabilities	27,235	41,032
Provision for restoration costs	917	890
	<u>2,272,774</u>	<u>1,994,637</u>
Current liabilities		
Trade and other payables	1,589,393	1,765,046
Current tax liabilities	41,729	34,558
Short term borrowings	752,456	840,780
Contract liabilities	35,499	41,000
Lease liabilities	6,817	8,364
Other liabilities	7,478	7,543
	<u>2,433,372</u>	<u>2,697,291</u>
Total liabilities	<u>4,706,146</u>	<u>4,691,928</u>
TOTAL EQUITY AND LIABILITIES	<u><u>9,218,431</u></u>	<u><u>9,228,640</u></u>
Net assets per share attributable to the equity holders of the Company (sen)	<u>100.9</u>	<u>101.4</u>

The condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2022.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023

C. CONSOLIDATED STATEMENT OF CASH FLOWS

(RM'000)	6 MONTHS ENDED	
	30.6.2023 (unaudited)	30.6.2022 (unaudited)
Operating activities		
Cash receipts from customers	1,450,743	1,522,243
Cash paid to suppliers and employees	(1,396,965)	(1,525,750)
Cash used in operations	53,778	(3,507)
Bank service charges paid	(4,022)	(1,968)
Net taxes paid	(40,843)	(10,927)
Net cash generated from/(used in) operating activities	8,913	(16,402)
Investing activities		
Dividend received	11,220	13,537
Non-equity investments	(37,824)	(5,266)
Net cash (used in)/generated from investing activities	(26,604)	8,271
Financing activities		
Dividend paid to equity holders	(44,675)	(52,515)
Proceeds from borrowings	659,130	387,624
Repayment of borrowings	(465,763)	(280,390)
Finance costs paid	(48,284)	(41,866)
(Pledge)/withdrawal of restricted cash	(178,480)	40,256
Net cash (used in)/generated from financing activities	(78,072)	53,109
Net (decrease)/increase in cash and cash equivalent	(95,763)	44,978
Cash and cash equivalents at beginning of the financial period	465,598	479,863
Foreign currency translation difference on opening balance	215	413
Cash and cash equivalent at end of financial period	370,050	525,254

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

(RM'000)	6 MONTHS ENDED	
	30.6.2023 (unaudited)	30.6.2022 (unaudited)
Bank balances and deposits	616,570	583,841
Less: Bank balances and deposits held as security value	(246,520)	(58,587)
	370,050	525,254

The condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2022.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023

D. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(RM'000)	ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY				Non-controlling Interests	Total Equity
	Share Capital	Other Reserves	Retained Earnings	Total		
As at 1 January 2023	4,356,106	(7,897)	182,964	4,531,173	5,539	4,536,712
Comprehensive income						
Profit / (loss) for the financial period	-	-	19,341	19,341	168	19,509
Other comprehensive loss						
Currency translation differences	-	739	-	739	-	739
Total comprehensive income / (loss)	-	739	19,341	20,080	168	20,248
Transaction with owners						
Dividends paid for financial year ended - 31 December 2022	-	-	(44,675)	(44,675)	-	(44,675)
Total transaction with owners	-	-	(44,675)	(44,675)	-	(44,675)
As at 30 June 2023 (unaudited)	<u>4,356,106</u>	<u>(7,158)</u>	<u>157,630</u>	<u>4,506,578</u>	<u>5,707</u>	<u>4,512,285</u>

(RM'000)	OTHER RESERVES			Total
	Other Reserves	Currency Translation Reserves	Retirement Benefit Reserves	
As at 1 January 2023	1,666	128	(9,691)	(7,897)
Other comprehensive income				
Currency translation differences	-	739	-	739
Total comprehensive income	-	739	-	739
As at 30 June 2023 (unaudited)	<u>1,666</u>	<u>867</u>	<u>(9,691)</u>	<u>(7,158)</u>

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023

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

(RM'000)	<u>ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</u>					<u>Total Equity</u>
	<u>Share Capital</u>	<u>Other Reserves</u>	<u>Retained Earnings</u>	<u>Total</u>	<u>Non-controlling Interests</u>	
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	-	-	64,848	64,848	(11,302)	53,546
Other comprehensive income / (loss)						
Currency translation differences	-	(82)	-	(82)	-	(82)
Post-employment benefits obligation	-	(3,857)	3,857	-	-	-
Total comprehensive income / (loss)	-	(3,939)	68,705	64,766	(11,302)	53,464
Transactions with owners						
Acquisition of additional equity interest in subsidiaries	-	-	(1,595)	(1,595)	1,595	-
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 transactions with owners	-	-	(46,270)	(46,270)	(10,972)	(57,242)
As at 31 December 2022 (audited)	4,356,106	(7,897)	182,964	4,531,173	5,539	4,536,712

(RM'000)	<u>OTHER RESERVES</u>				<u>Total</u>
	<u>Other Reserves</u>	<u>Currency Translation Reserves</u>	<u>Share Scheme Reserves</u>	<u>Retirement Benefit Reserves</u>	
As at 1 January 2022	1,666	210	-	(5,834)	(3,958)
Other comprehensive loss					
Currency translation differences	-	(82)	-	-	(82)
Post-employment benefit obligations	-	-	-	(3,857)	(3,857)
Total comprehensive loss	-	(82)	-	(3,857)	(3,939)
As at 31 December 2022 (audited)	1,666	128	-	(9,691)	(7,897)

The condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2022.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023**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 2022.

Below are the applicable new standards and amendments to standards and interpretations which came into effect in the financial year beginning on 1 January 2023:

- (1) Amendments to MFRS 108 'Definition of Accounting Estimates'
- (2) Disclosure of accounting policies (Amendments to MFRS 101 and MFRS Practice Statement 2)
- (3) Amendments to MFRS 112 'Deferred Tax related to Assets and Liabilities arising from a Single Transaction'

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

The following are the changes in debt securities for the Company during the financial quarter ended 30 June 2023:

Borrowings

Repayment of Sukuk Murabahah:

Issuance No	Series No	Issue Date	Maturity Date	Nominal Value	Tenor
4	1	13 April 2022	14 April 2023	RM200,000,000	1 year

Save as disclosed above, there were no other issuances, cancellations, repurchases, and resales of shares by the Company during the financial quarter under review.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023**E. NOTES TO THE REPORT****7. DIVIDENDS**

The Company paid a first and final single tier dividend in respect of the financial year ended 31 December 2022 of 1.00 sen per ordinary share, amounting to RM44,675,095 on 17 May 2023.

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



UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023

E. NOTES TO THE REPORT (cont'd)

8. SEGMENTAL REPORTING

(RM'000)	Property Development & Investment	Engineering, Construction & Environment	Facilities Management & Parking	Others	Total
6 months ended 30.6.2023					
Total revenue	372,851	1,086,360	31,203	147,519	1,637,933
Inter-segment revenue	(3,370)	(145,864)	(6,611)	(140,500)	(296,345)
External revenue	369,481	940,496	24,592	7,019	1,341,588
Segment profit / (loss)	32,946	43,051	(1,834)	3,870	78,033
Unallocated corporate expenses					(1,573)
Finance income					11,369
Finance costs					(56,717)
Share of results of associates and joint ventures	4,737	-	-	-	4,737
Profit before tax					35,849



UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023

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
6 months ended 30.6.2022					
Total revenue	336,799	1,379,815	22,996	84,929	1,824,539
Inter-segment revenue	(4,895)	(227,466)	(2,241)	(78,834)	(313,436)
External revenue	331,904	1,152,349	20,755	6,095	1,511,103
Segment profit	43,183	55,733	1,834	2,535	103,285
Unallocated corporate expenses					(4,467)
Finance income					7,167
Finance costs					(47,658)
Share of results of associates and joint ventures	5,505	(3,964)	-	-	1,541
Profit before tax					59,868

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023**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

The Company's wholly owned subsidiary, Puncak Wangi Sdn Bhd had on 25 July 2023, entered into a conditional sale and purchase agreement with Maybank Trustees Berhad ("MTB") acting solely in the capacity as the trustee of Sentral REIT, in relation to the Proposed Disposal of an office tower known as 'Menara CelcomDigi' erected on the piece of leasehold land held under the land title HSD 277413, Lot No. PT 11 Section 52, Town of Petaling Jaya, District of Petaling, Selangor, Malaysia for a cash consideration of RM450 million.

In conjunction with the Proposed Disposal, Sentral REIT had on 25 July 2023 announced that it is proposing to undertake a proposed placement of up to 123,720,000 new units in Sentral REIT ("Units") ("Placement Units"), representing up to approximately 11.50% of its existing total Units in issue, at an issue price to be determined later by way of a bookbuilding exercise ("Proposed Placement"). The Company, being a major unitholder of Sentral REIT, had vide its letter dated 25 July 2023, given an undertaking to subscribe for up to 34,568,734 Placement Units under the Proposed Placement,

Other than the above, there was no material event subsequent to the end of the financial quarter ended 30 June 2023 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 in the financial quarter under review.

12. CONTINGENT LIABILITIES OR CONTINGENT ASSETS

(RM'000)	As at 30.6.2023	As at 31.12.2022
Performance guarantees extended to third parties *	952,717	963,215

* 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 PERIOD ENDED 30 JUNE 2023

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		6 MONTHS ENDED	
	30.6.2023	30.6.2022	30.6.2023	30.6.2022
Depreciation of:				
- investment properties	(3,282)	(3,080)	(6,596)	(6,159)
- property, plant and equipment	(5,159)	(6,518)	(14,761)	(13,665)
(Amortisation) / recognition of:				
- order book	(1,495)	(905)	(2,823)	(1,889)
- right-of-use assets	(6,499)	(1,804)	(9,107)	(4,999)
- government grant	356	284	712	568
- patent	(246)	(306)	(489)	(611)

15. INCOME TAX EXPENSE

(RM'000)	3 MONTHS ENDED		6 MONTHS ENDED	
	30.6.2023	30.6.2022	30.6.2023	30.6.2022
In Malaysia				
Current tax	(19,836)	(15,550)	(43,742)	(32,807)
(Under)/Over provision in prior years	115	(833)	1,299	(833)
Deferred tax	13,933	(995)	23,215	(1,826)
	<u>(5,788)</u>	<u>(17,378)</u>	<u>(19,228)</u>	<u>(35,466)</u>
Foreign				
Current tax	(34)	(130)	(34)	(178)
Over provision in prior years	8	-	8	-
Deferred tax	1,444	366	2,914	706
	<u>1,418</u>	<u>236</u>	<u>2,888</u>	<u>528</u>
Income tax expense	<u>(4,370)</u>	<u>(17,142)</u>	<u>(16,340)</u>	<u>(34,938)</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

Save for the disclosure in paragraph 10, there were no other corporate proposals announced that are yet to be completed at the date of this report.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023**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 30.6.2023			
Secured	1,501,495	602,456	2,103,951
Unsecured	-	150,000	150,000
	1,501,495	752,456	2,253,951
As at 30.6.2022			
Secured	1,465,213	424,296	1,889,509
Unsecured	-	150,000	150,000
	1,465,213	574,296	2,039,509

The net increase of RM214.4 million in the Group's borrowing compared to 30 June 2022 was mainly due to the issuance of Sukuk Murabahah of RM450.0 million on 28 February 2023. The proceeds were utilised for the repayment of Sukuk Murabahah of RM200.0 million on 14 April 2023 as described in Note 6 and working capital. In addition, further drawdowns and repayments of project financing were made according to the progress of the Group's projects.

As at 30 June 2023, the borrowings consisted of:

Secured term loans

- (a) Financing facility of RM216.2 million for the Group's working capital;
- (b) Sukuk Murabahah Program totaling RM1,664.0 million, comprising RM1,650.0 million principal and RM14.0 million accrued profits, for the Group's working capital; and
- (c) Other project loans of RM223.8 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 June 2023 were denominated in Ringgit Malaysia. The weighted average interest rate as at 30 June 2023 was 4.88% per annum (30 June 2022: 4.37%).

The Group's Net Gearing as at 30 June 2023 was 0.34 times (30 June 2022: 0.30 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 JUNE 2023**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 / %)	6 MONTHS ENDED		VARIANCE (Value / %)
	30.6.2023	30.6.2022		30.6.2023	30.6.2022	
Revenue	599,347	700,389	(101,042) (14%)	1,341,588	1,511,103	(169,515) (11%)
Operating profit	39,898	53,651	(13,753) (26%)	87,829	105,985	(18,156) (17%)
Profit before interest and tax	33,991	49,494	(15,503) (31%)	76,460	98,818	(22,358) (23%)
Profit before tax	15,299	28,101	(12,802) (46%)	35,849	59,868	(24,019) (40%)
Profit after tax	10,929	10,959	(30) (0%)	19,509	24,930	(5,241) (22%)
Total profit attributable to equity holders of the Company	10,868	14,103	(3,235) (23%)	19,341	28,136	(8,795) (31%)

In the six months ended 30 June 2023, the Group recorded a 11% reduction in revenue to RM1,341.6 million and a 40% reduction in profit before tax to RM35.8 million compared to the corresponding period in 2022.

The reductions in revenue and profit in the first six months of 2023 compared to the corresponding period in 2022 was a result of a much lower revenue contribution from the Engineering, Construction & Environment Division due to the completion of three major infrastructure construction projects in 2022, as well as the completion of two major property development projects by the Property Development & Investment Division in the first half of 2023.

The Group's 27.94% equity owned Sentral REIT and associated company, Sentral REIT Management Sdn Bhd ("SRM"), contributed a combined profit after tax of RM7.7 million in the six months ended 30 June 2023 compared with RM8.0 million in the corresponding period in 2022.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023

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		6 MONTHS ENDED	
	30.6.2023	30.6.2022	30.6.2023	30.6.2022
<u>Revenue</u>				
Property development & investment	101,514	145,308	369,481	331,904
Engineering, construction & environment	481,999	539,813	940,496	1,152,349
Facilities management & parking	12,312	11,304	24,592	20,755
Others	3,522	3,964	7,019	6,095
	<u>599,347</u>	<u>700,389</u>	<u>1,341,588</u>	<u>1,511,103</u>
<u>Profit / (loss)</u>				
Property development & investment	(371)	22,121	32,946	43,183
Engineering, construction & environment	35,830	30,051	43,051	55,733
Facilities management & parking	(1,721)	(349)	(1,834)	1,834
Others	(451)	478	3,870	2,535
	<u>33,287</u>	<u>52,301</u>	<u>78,033</u>	<u>103,285</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 RM369.5 million in six months ended 30 June 2023, an 11% increase in revenue compared to the corresponding period in 2022. The main revenue contributors were the Group's, Sentral Suites development in KL Sentral, its TRIA 9 Seputeh mixed residential development in Jalan Klang Lama and Alstonia in Bukit Rahman Putra which achieved 69% construction progress.

Operating profit declined by 24% during the period due to Division's largest development project, Sentral Suites achieving 100% construction completion in March 2023 and its TRIA 9 Seputeh development reaching 100% completion in May 2023. The higher Operating Profit recorded in the corresponding period last year was also due to an RM18 million Other Operating Income contribution derived from the value of the remaining land injected into Seri Iskandar Development Corporation Sdn Bhd ("SIDEC").

Recurring rental income from the Group's investment properties, such as Menara CelcomDigi in PJ Sentral Garden City, also contributed to the revenue recognised by the Division.

The Group's investment holding in Sentral REIT and SRM contributed a combined profit after tax of RM7.7 million to the Group compared to RM8.0 million in the corresponding period in 2022.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023**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 18% decrease in revenue to RM940.5 million in the six months ended 30 June 2023, compared to RM1,152.3 million in the corresponding period ended 30 June 2022 due to the completion of the Damansara-Shah Alam Elevated Highway Package CB2, Kwasa Utama C8 and Mass Rapid Transit 2 Package V210 infrastructure construction projects in 2022.

The Division's revenue during the six months ended 30 June 2023 was mainly contributed by the LRT3 project and the Muara Sg Pahang Phase 3 (Package 3) and the PR1MA Brickfields construction projects.

The Division's operating profit of RM43.0 million was largely contributed by the LRT3 project which achieved physical construction progress of 86% and financial progress of 82%.

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

	CURRENT QUARTER	IMMEDIATE PRECEDING QUARTER	VARIANCE (Value / %)
(RM'000)	30.6.2023	31.3.2023	
Revenue	599,347	742,241	(142,894) / (19%)
Operating profit	39,898	47,931	(8,033) / (17%)
Profit before interest and tax	33,991	42,469	(8,478) / (20%)
Profit before tax	15,299	20,550	(5,251) / (26%)
Profit after tax	10,929	8,580	2,349 / 27%
Total profit attributable to equity holders of the Company	10,868	8,473	2,395 / 28%

The Group recorded revenue and profit before taxation of RM599.3 million and RM15.3 million respectively in the quarter ended 30 June 2023, compared to revenue of RM742.2 million and profit before taxation of RM20.5 million in the preceding quarter ended 31 March 2023.

The higher revenue and profit before taxation recorded in preceding quarter was mainly contributed by the Sentral Suites project which achieved 100% completion in March 2023.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023**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 30 June 2023, the Group's Property Development & Investment Division sold RM252.9 million worth of properties from its completed and on-going developments.

Of the Group's residential projects currently in development, Alstonia in Bukit Rahman Putra achieved a sales rate of 57%. The Division will continue to focus its marketing efforts on its residential development projects, namely Alstonia in Bukit Rahman Putra (GDV: RM248 million) and the recently launched VISTA in the Gold Coast, Australia (GDV: AUD391 million), as well as the remaining completed unsold units in the recently completed TRIA 9 Seputeh development, Sentral Suites development, VIVO Residences in 9 Seputeh, and Kalista Park Homes in Bukit Rahman Putra.

Of the Group's completed residential developments, as at 30 June 2023, the recently completed TRIA in 9 Seputeh achieved sales rate of 68% to the total available units for sale, Sentral Suites in KL Sentral 87%, VIVO Residences in 9 Seputeh 85% and Kalista in Bukit Rahman Putra 91%. The handing over of vacant possession to purchasers for the completed units in TRIA and Sentral Suites is ongoing.

The Group's conditional sale and purchase agreement with Sentral REIT to dispose of Menara CelcomDigi for RM450 million entered into on 25 July 2023 is expected to be completed in 4Q 2023. Revenue and operating profit in the Property Development & Investment Division will also continue to be progressively recognised in line with construction progress and from the sale of completed units in 2023 and beyond. Alstonia reached 69% construction progress and will continue to contribute to the Division's revenue and profits as construction and sales progress in 2023 and beyond.

On 12 April 2023, the Group launched VISTA in the Gold Coast, Australia, a 51-storey residential development which comprises 280 apartment units with a GDV of AUD391 million, and construction is expected to begin by the end of 2023. As of August 2023, 24 units have been sold. Nevertheless, revenue and profits will only be recognised after all the units have been constructed and units sold achieve financial settlement. Other projects in the pipeline include Residensi Tujuh in Kwasa Sentral, a 573-unit high rise residential building (GDV of RM329 million) targeted for launch in 2023; and the Ipoh Raya Integrated Park in Perak, a 6-phase 810.57-acre integrated logistics/industrial park, which continues to be actively marketed to large multi-national corporations looking to locate their manufacturing and logistics operations in Malaysia. The Group will also 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, situated adjacent to the development location of The Symphony Centre, with a GDV of NZD137 million in 2024. In addition to the NZD589 million or RM1.7 billion worth of projects due to be launched in Auckland, New Zealand, other property launches planned in 2024 include Parcel A of 9 Seputeh with a GDV of RM400 million, Phase 1 of Bukit Jalil Sentral (GDV of RM900 million), and an office tower in KL Sentral (GDV of RM 1 billion).

The Company's immediate priorities moving forward remain on enhancing cashflow by monetising its inventory of unsold completed stock, which stood at RM582.5 million on 30 June 2023, and looks forward to improved sales from foreign buyers, particularly for our Sentral Suites, VIVO 9 Seputeh developments and our St Regis residential units.

With interests in 1,153 acres of 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 RM43.7 million as at 30 June 2023, which will be recognised progressively over the construction period of the development projects:

On-going Property Development Projects	Construction Progress (%)	Unbilled Sales (RM'Mil)
Alstonia, Bukit Rahman Putra	69%	32.6
Lilium, SIDEC	36%	11.1
TOTAL		43.7

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023**E. NOTES TO THE REPORT (cont'd)****21. PROSPECTS (cont'd)****(i) Property Development & Investment (cont'd)**

The Division will also continue to earn a relatively stable income stream from its remaining investment properties, 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 large 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 currently stand at RM30 billion. The tender book does not include project tenders and proposals already won but where project values have yet to be finalised, such as the Shah Alam Stadium rebuilding/refurbishment project and the proposed re-development of KL Sentral Station. As at 30 June 2023, the external client order book stood at RM26.1 billion, while the unbilled portion was RM16.4 billion. This long-term order book will ensure that the Division has a steady flow of construction contracts to sustain its business over the long term, including the LRT3 project, which is due to be completed at the end of 2024.

Major Construction Projects	Contract Value (RM'Mil)	Financial Progress (%)
LRT 3	11,427	82%
Bukit Jalil Sentral	10,957	0%
Kwasa Utama C8	2,655	0%*
Muara Sg. Pahang Phase 3 (Package 3)	380	8%
SUKE (Package CA2)	317	89%
Others	380	
Total	26,116	

* Refers only to the portion not yet awarded.

22. VARIANCE ON FORECAST PROFIT/PROFIT GUARANTEE

Not applicable.

UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023**E. NOTES TO THE REPORT (cont'd)****23. EARNINGS PER SHARE (EPS)****Basic EPS**

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

	3 MONTHS ENDED		6 MONTHS ENDED	
	30.6.2023	30.6.2022	30.6.2023	30.6.2022
Net profit for the financial period attributable to the owners of the parent (RM'000)	10,868	14,103	19,341	28,136
Weighted average number of ordinary shares in issue ('000)	4,467,510	4,467,510	4,467,510	4,467,510
Basic EPS (sen)	0.24	0.32	0.43	0.63

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		6 MONTHS ENDED	
	30.6.2023	30.6.2022	30.6.2023	30.6.2022
Net profit for the financial period attributable to the owners of the parent (RM'000)	10,868	14,103	19,341	28,136
Weighted average number of ordinary shares in issue ('000)	4,467,510	4,467,510	4,467,510	4,467,510
- Adjustment for warrants B ('000)	-	-	-	-
Adjusted weighted average number of ordinary shares in issue ('000)	4,467,510	4,467,510	4,467,510	4,467,510
Diluted EPS (sen)	0.24	0.32	0.43	0.63

Warrants B were not included in the calculation for the period under review because the fair value of the issued ordinary shares as at 30 June 2023 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.

Kuala Lumpur
30 Aug 2023

By Order of the Board

Mohd Noor Rahim Yahaya
Company Secretary