

**UOA DEVELOPMENT BHD**  
**INTERIM FINANCIAL REPORT**  
**FIRST QUARTER ENDED 31 MARCH 2023**





## INTERIM FINANCIAL REPORT

FIRST QUARTER ENDED 31 MARCH 2023

### UOA DEVELOPMENT BHD

200401015520 (654023-V)

(Incorporated in Malaysia)

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**UOA DEVELOPMENT BHD 200401015520 (654023-V)**  
(Incorporated in Malaysia)  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2023**

	<b>As At 31 March 2023 RM'000 (Unaudited)</b>	<b>As At 31 December 2022 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	Note 1 359,436	359,510
Investment properties	1,628,151	1,624,119
Inventories	425,051	421,947
Equity investments	85,486	85,842
Deferred tax assets	36,854	34,962
	<u>2,534,978</u>	<u>2,526,380</u>
<b>Current assets</b>		
Inventories	1,397,861	1,421,655
Contract assets	43,633	24,501
Trade and other receivables	224,012	269,503
Amount owing by related companies	1,638	205
Current tax assets	51,035	47,973
Short term investments	1,542,047	1,315,904
Fixed deposits with licensed banks	184,337	232,070
Cash and bank balances	486,631	615,396
	<u>3,931,194</u>	<u>3,927,207</u>
<b>TOTAL ASSETS</b>	<u>6,466,172</u>	<u>6,453,587</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	2,953,770	2,953,770
Merger reserve	2,252	2,252
Fair value reserve	5,768	6,124
Retained earnings	2,827,501	2,781,398
Less : Treasury shares	(2,119)	(2,119)
Equity attributable to owners of the Company	<u>5,787,172</u>	<u>5,741,425</u>
Non-controlling interests	175,531	175,644
<b>Total equity</b>	<u>5,962,703</u>	<u>5,917,069</u>
<b>Non-current liabilities</b>		
Amount owing to non-controlling shareholders of subsidiary companies	1,976	1,948
Lease liabilities	381	431
Long term borrowings	200	212
Deferred tax liabilities	46,196	45,883
	<u>48,753</u>	<u>48,474</u>
<b>Current liabilities</b>		
Trade and other payables	406,908	436,946
Amount owing to holding company	376	308
Amount owing to related companies	153	436
Amount owing to non-controlling shareholders of subsidiary company	45,500	45,500
Lease liabilities	243	285
Short term borrowings	45	44
Current tax liabilities	1,491	4,525
	<u>454,716</u>	<u>488,044</u>
<b>TOTAL LIABILITIES</b>	<u>503,469</u>	<u>536,518</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>6,466,172</u>	<u>6,453,587</u>
<b>Net Asset Per Share (RM)</b>	<u>2.40</u>	<u>2.38</u>
Based on number of shares net of treasury shares	<u>2,407,449,400</u>	<u>2,407,449,400</u>

Note 1 : Included in the net carrying amount of property, plant and equipment are right-of-use assets of RM204,414,000 (2022: RM204,607,000).

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report

**UOA DEVELOPMENT BHD 200401015520 (654023-V)**  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023**

	Individual Quarter Ended		Cumulative Quarter Ended	
	31 March 2023 RM'000 (Unaudited)	31 March 2022 RM'000 (Unaudited)	31 March 2023 RM'000 (Unaudited)	31 March 2022 RM'000 (Audited)
Revenue	85,235	54,576	85,235	54,576
Cost of sales	(47,102)	(31,154)	(47,102)	(31,154)
Gross profit	38,133	23,422	38,133	23,422
Other income	74,603	51,113	74,603	51,113
Reversal of impairment losses on financial assets	941	521	941	521
Administrative and general expenses	(47,584)	(31,720)	(47,584)	(31,720)
Other expenses	(18,876)	(10,737)	(18,876)	(10,737)
Finance income	10,202	5,626	10,202	5,626
Finance costs	(38)	(37)	(38)	(37)
Profit before tax	57,381	38,188	57,381	38,188
Tax expense	(10,213)	(10,912)	(10,213)	(10,912)
Profit for the financial year	47,168	27,276	47,168	27,276
Other comprehensive income, net of tax				
<i>Items that will not be reclassified to profit or loss</i>				
Fair value loss on remeasuring of financial assets	(356)	(3,212)	(356)	(3,212)
Total comprehensive income for the financial year	46,812	24,064	46,812	24,064
Profit attributable to:				
Owners of the Company	46,103	25,385	46,103	25,385
Non-controlling interests	1,065	1,891	1,065	1,891
	47,168	27,276	47,168	27,276
Total comprehensive income attributable to:				
Owners of the Company	45,747	22,173	45,747	22,173
Non-controlling interests	1,065	1,891	1,065	1,891
	46,812	24,064	46,812	24,064
<b>Earnings per share (Sen)</b>				
- Basic earnings per share	1.92	1.09	1.92	1.09
- Diluted earnings per share	N/A	N/A	N/A	N/A

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.



**UOA DEVELOPMENT BHD 20040101520 (654023-V)**  
 (Incorporated in Malaysia)  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023**

	Attributable to Owners of the Company					
	Share Capital RM'000	Merger Reserve RM'000	Fair Value Reserve RM'000	Retained earnings RM'000	Treasury shares RM'000	Non-controlling interest RM'000
Balance at 1 January 2023	2,953,770	2,252	6,124	2,781,398	(2,119)	175,644
Total comprehensive income for the financial year	-	-	(356)	46,103	-	1,065
Dividend paid to non-controlling shareholders of subsidiary companies	-	-	-	-	-	(1,178)
Balance at 31 March 2023	2,953,770	2,252	5,768	2,827,501	(2,119)	175,531
Balance at 1 January 2022	2,821,766	2,252	13,224	2,793,867	(2,119)	175,804
Total comprehensive income for the financial year	-	-	(3,212)	25,385	-	1,891
Dividend paid to non-controlling shareholders of subsidiary companies	-	-	-	-	-	(956)
Acquisition of additional shares in existing subsidiary companies	-	-	-	-	-	250
Balance at 31 March 2022	2,821,766	2,252	10,012	2,819,252	(2,119)	176,989
						5,828,152

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.

**UOA DEVELOPMENT BHD 200401015520 (654023-V)**  
(Incorporated in Malaysia)  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023**

	<b>Current Year To Date 31 March 2023 RM'000 (Unaudited)</b>	<b>Preceding Year To Date 31 March 2022 RM'000 (Audited)</b>
<b>OPERATING ACTIVITIES</b>		
Profit before tax	57,381	38,188
Adjustments for:		
Non-cash items	3,338	3,406
Non-operating items	-	(30)
Dividend income	(2,736)	(2,736)
Net interest income	(10,164)	(5,589)
Operating profit before changes in working capital	47,819	33,239
Changes in working capital:		
Inventories	20,690	(16,979)
Contract assets	(19,132)	(1,352)
Receivables	46,432	50,016
Payables	(29,173)	(48,044)
Cash generated from operations	66,636	16,880
Interest received	2,839	2,177
Tax paid	(17,888)	(11,886)
Net cash from operating activities	51,587	7,171
<b>INVESTING ACTIVITIES</b>		
Advances to holding company	-	(3)
(Advances to)/repayments from related companies	(1,433)	54
Distribution income from equity investments	2,736	2,736
Proceeds from disposal of property, plant and equipment	126	30
Additions to investment properties	(4,032)	(7,662)
Purchase of property, plant and equipment	(4,331)	(2,179)
Interest income	7,363	3,185
Net cash from/(used in) investing activities	429	(3,839)
<b>FINANCING ACTIVITIES</b>		
Repayments to holding company	(372)	(66)
Repayments to related companies	(708)	(72)
Payment of lease liabilities	(92)	(185)
Dividends paid to non-controlling shareholders of subsidiary companies	(1,178)	(956)
Issue of shares of subsidiaries to non-controlling shareholders	-	250
Repayment of borrowings	(11)	(11)
Repayments to non-controlling shareholders of subsidiary companies	-	(90)
Interest paid	(10)	(16)
Net cash used in financing activities	(2,371)	(1,146)
<b>CASH AND CASH EQUIVALENTS</b>		
<b>Net changes</b>	<b>49,645</b>	<b>2,186</b>
<b>At beginning of financial year</b>	<b>2,163,205</b>	<b>1,794,137</b>
<b>At end of financial year</b>	<b>2,212,850</b>	<b>1,796,323</b>
Represented by:		
Short term investments	1,542,047	949,529
Fixed deposits with licensed banks	184,337	265,202
Cash and bank balances	486,631	581,754
	2,213,015	1,796,485
Fixed deposit pledged	(165)	(162)
	2,212,850	1,796,323

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.

**EXPLANATORY NOTES TO THE INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2023****A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134, INTERIM FINANCIAL REPORTING****A1 BASIS OF PREPARATION**

The interim financial report has been prepared in accordance with MFRS 134, Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. These financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial reports should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company and its subsidiaries (“the Group”) since the financial year ended 31 December 2022.

**A2 CHANGES IN ACCOUNTING POLICIES**

The significant accounting policies adopted are consistent with those of the audited financial statements of the Group for the financial year ended 31 December 2022. The Group adopted new standards/amendments/improvements to MFRS which are mandatory for the financial periods beginning on or after 1 January 2023.

The initial application of the new standards/amendments/improvements to the standards did not have any material impacts to the financial statements of the Group.

**A3 QUALIFIED AUDIT REPORT**

The auditors' report of the financial statements of the Company for the financial year ended 31 December 2022 was not qualified.

**A4 COMMENTS ON SEASONALITY OR CYCLICALITY OF OPERATIONS**

The business operations of the Group during the financial period under review have not been materially affected by any seasonal or cyclical factors.



**A5 UNUSUAL ITEMS**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the quarter under review.

**A6 MATERIAL CHANGES IN ESTIMATES**

There were no material changes in estimates that have had a material effect in the current quarter results.

**A7 ISSUES, CANCELLATION, REPURCHASES, RESALE AND REPAYMENTS OF DEBT AND EQUITY SECURITIES**

Save as disclosed below, there were no issuance, cancellation, repurchase, resale and repayment of debt and/or equity securities, share buybacks, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter.

(a) Share buyback by the Company

During the current quarter, there was no buyback of shares nor resale or cancellation of treasury shares.

(b) As at 31 March 2023, the Company has 1,133,800 ordinary shares held as treasury shares and the issued and paid-up share capital of the Company remained unchanged at 2,408,583,200 ordinary shares.

**A8 DIVIDENDS PAID**

There were no dividends paid during the current quarter under review.

**A9 EFFECT OF CHANGES IN THE COMPOSITION OF THE GROUP**

There were no material events as at the latest practicable date from the date of this report.

**A10 EVENTS AFTER THE END OF THE INTERIM PERIOD**

There were no material events as at the latest practicable date from the date of this report.

**A11 SEGMENT INFORMATION**

	Property development RM'000	Construction RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
<b><u>Cumulative quarter ended 31 March 2023</u></b>					
<b>Revenue</b>					
External revenue	85,235	-	-	-	85,235
Inter-segment revenue	-	40,092	-	(40,092)	-
Total revenue	85,235	40,092	-	(40,092)	85,235
<b>Results</b>					
Segment results	48,287	5,193	3,901	-	57,381
Tax expense					(10,213)
Profit for the year					47,168
Segment assets	4,120,853	182,638	1,989,306	-	6,292,797
<b><u>Cumulative quarter ended 31 March 2022</u></b>					
<b>Revenue</b>					
External revenue	54,576	-	-	-	54,576
Inter-segment revenue	-	42,926	-	(42,926)	-
Total revenue	54,576	42,926	-	(42,926)	54,576
<b>Results</b>					
Segment results	36,696	6,470	(4,978)	-	38,188
Tax expense					(10,912)
Profit for the year					27,276
Segment assets	4,064,939	155,582	1,991,882	-	6,212,403

**A12 CONTINGENT LIABILITIES OR CONTINGENT ASSETS**

On 31 December 2018, two of the Company's wholly-owned subsidiaries, namely Windsor Triumph Sdn. Bhd. ("Windsor") and Sunny Uptown Sdn. Bhd. ("Sunny") were served by the Inland Revenue Board of Malaysia ("IRB") with Notices of Additional Assessment for the Year of

Assessment 2013, for additional income tax totalling RM25,558,750.50 and penalties totalling RM14,057,312.78 (“Cases”).

The additional assessment raised against Windsor by IRB arose from an adjustment by IRB of the market value of properties that Windsor has withdrawn as an inventory to hold as investment property.

The additional assessment raised against Sunny by IRB arose from an adjustment by IRB of the selling price at market value of properties that Sunny had assigned to another wholly-owned subsidiary of the Group on an “as is” basis.

Both subsidiaries relied on valuations by a professional, independent and experienced registered valuer. These valuations were adjusted by IRB by substituting them with valuations subsequently conducted by Jabatan Penilaian dan Perkhidmatan Harta.

Upon consulting the Group’s tax solicitors, the Group is of the view that there are good grounds to challenge the basis and validity of the disputed Notices of Additional Assessment raised by the IRB and the penalties imposed. Windsor and Sunny have filed their appeals with the Special Commissioners of Income Tax (“SCIT”). Both Windsor and Sunny are also currently in negotiation with IRB to reach a settlement of the cases. The SCIT has fixed the hearings on 13 and 14 June 2023 for Sunny. Windsor is currently finalising the Settlement Agreement with IRB.

The Directors are of the opinion that no provisions in respect of the tax liabilities and penalty in dispute are required to be made in the financial statements as at the reporting date.

#### **A13 RELATED PARTY TRANSACTIONS**

There were no significant related party transactions as at the date of this announcement.

#### **A14 CAPITAL COMMITMENTS**

The Group has the following capital commitments:

	<b>As at 31 March 2023 RM’000</b>
Approved and contracted for	
- Purchase of plant and equipment	2,508
- Purchase of investment property	14,822
	<b>17,330</b>

## B EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### B1 REVIEW OF PERFORMANCE

	Individual quarter ended		Increase/ (Decrease) %
	31 March 2023 RM'000	31 March 2022 RM'000	
Revenue	85,235	54,576	56.2%
Gross profit	38,133	23,422	62.8%
Profit before tax	57,381	38,188	50.3%
Profit after tax	47,168	27,276	72.9%
Profit attributable to owners of the Company	46,103	25,385	81.6%

The Group's revenue for the quarter ended 31 March 2023 was at RM85.2 million compared to RM54.6 million in the same quarter of the preceding year. The profit after tax after non-controlling interests for the quarter under review was at RM46.1 million compared to RM25.4 million in the same quarter of the preceding year. Total expenditure for the quarter under review of RM65.7 million comprises mainly administrative and operating expenses of RM43.8 million.

The Group's revenue and profit attributable to the Company for the quarter under review were mainly derived from the progressive recognition of the Group's on-going development projects namely Laurel Residence and Aster Hill, and the sales of stocks mainly from The Goodwood Residence and United Point Residence. The higher revenue and gross profit were mainly due to higher progressive recognition from the on-going development projects.

### B2 MATERIAL CHANGES IN PROFIT BEFORE TAX FOR THE CURRENT QUARTER AS COMPARED WITH THE IMMEDIATE PRECEDING QUARTER

	Current quarter ended 31 March 2023 RM'000	Immediate Preceding quarter ended 31 December 2022 RM'000	Increase/ (Decrease) %
Revenue	85,235	112,522	(24.3%)
Profit before tax	57,381	73,825	(22.3%)

The Group's profit before tax of RM57.4 million for the current quarter ended 31 March 2023 was lower than the immediate preceding quarter of RM73.8 million. The higher revenue and profit in the preceding quarter were mainly due to higher progressive recognition of the Group's on-going development projects.

**B3 PROSPECTS**

The total new property sales for the period ended 31 March 2023 was approximately RM124.1 million. The property sales were mainly derived from The Goodwood Residence, Aster Hill and Laurel Residence.

The total unbilled sales as at 31 March 2023 amounted to approximately RM226.3 million.

The Group will continue to explore strategic development lands that meets the objectives of the Group.

**B4 VARIANCES BETWEEN ACTUAL PROFIT AND FORECAST PROFIT**

Not applicable as no profit forecast was published.

**B5 TAX EXPENSE**

The breakdown of the tax components is as follows:

	Current Quarter		Year To Date	
	31 March 2023 RM'000	31 March 2022 RM'000	31 March 2023 RM'000	31 March 2022 RM'000
In respect of current period				
- income tax	13,291	9,704	13,291	9,704
- deferred tax	(1,579)	108	(1,579)	108
In respect of prior period				
- income tax	(1,499)	-	(1,499)	-
- deferred tax	-	1,100	-	1,100
Tax expense for the period	10,213	10,912	10,213	10,912

The Group's effective tax rate for the current quarter and year to date was lower than statutory tax rate of 24% mainly due to certain income not subject to tax. The Group's effective tax rate for corresponding quarter and year to date for the preceding year was higher than statutory tax rate of 24% mainly due to certain expenses being not tax deductible.

**B6 STATUS OF CORPORATE PROPOSAL**

There were no corporate proposals announced but not completed during the current financial quarter and financial period to date under review.

**B7 BORROWINGS AND DEBT SECURITIES**

The Group does not have any debt securities. The Group borrowings are denominated in Ringgit Malaysia (“RM”) as follows:

	As at 31 March 2023 Secured RM'000	As at 31 December 2022 Secured RM'000
<u>Current</u>		
Secured		
- Term loan	45	44
<u>Non-current</u>		
Secured		
- Term loan	200	212
	245	256

**B8 DERIVATIVE FINANCIAL INSTRUMENTS**

The Group does not have any derivative financial instruments as at the date of this report.

**B9 FAIR VALUE CHANGES OF FINANCIAL LIABILITIES**

The Group does not have any financial liabilities that are measured at fair value at the date of this report.

**B10 MATERIAL LITIGATION**

There was no pending material litigation as at the latest practicable date from the date of issuance of this report.



## B11 DIVIDENDS

### (i) Proposed final dividend

The Board of Directors have proposed a first and final single-tier dividend in respect of the current financial year ended 31 December 2022 of 10 sen per share based on 2,407,449,400 ordinary shares (net of treasury shares at the date of this report), amounting to a net dividend payable of RM240,744,940 (31 December 2021: final dividend of 10 sen per share) for shareholders' approval.

Pursuant to Section 8.26 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the final dividend, if approved, will be paid no later than three (3) months from the date of shareholders' approval.

The Book Closure Date will be announced by the Company after the Annual General Meeting.

### (ii) Total Dividend

Total dividend for the financial year ended 31 December 2022 is as follows:

- a) Proposed single-tier final dividend of 10 sen per ordinary share, subject to shareholders' approval.

## B12 PROFIT BEFORE TAX

Profit before tax is stated after charging/(crediting):

	Current Quarter		Year To Date	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	RM'000	RM'000	RM'000	RM'000
Interest income	(10,202)	(5,626)	(10,202)	(5,626)
Other income including investment income	(39,168)	(33,061)	(39,168)	(33,061)
Interest expense	38	37	38	37
Depreciation and amortisation	4,275	3,853	4,275	3,853
Impairment loss on receivables	(941)	(521)	(941)	(521)
Provision for and write off of inventories	-	-	-	-
(Gain)/loss on disposal				
- Quoted/unquoted investments	-	-	-	-
- Property, plant and equipment	-	(30)	-	(30)
Impairment of assets	-	-	-	-
Foreign exchange loss/(gain)	441	(628)	441	(628)
(Gain)/Loss on derivatives	-	-	-	-
Exceptional items	-	-	-	-

### B13 EARNINGS PER SHARE

- a) The basic earnings per share (“EPS”) is calculated by dividing the profit for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Current Quarter		Year to Date	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Profit attributable to owners of the Company (RM’000)	46,103	25,385	46,103	25,385
Weighted average number of ordinary shares	2,407,449,400	2,326,465,500	2,407,449,400	2,326,465,500
Basic EPS (Sen)	1.92	1.09	1.92	1.09

- b) The Company does not have any diluted earnings per share.

BY ORDER OF THE BOARD

YAP KAI WENG  
Company Secretary  
UOA DEVELOPMENT BHD  
Kuala Lumpur

22 MAY 2023