



Malton Berhad

Registration No: 199401035205 (320888-T)

INTERIM FINANCIAL REPORT
30 SEPTEMBER 2021

MALTON BERHAD

Registration No: 199401035205 (320888-T)

Interim Financial Report – 30 September 2021

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MALTON BERHAD

Registration No: 199401035205 (320888-T)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER AND PERIOD ENDED 30 SEPTEMBER 2021
(These figures have not been audited)**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30.09.2021 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.09.2020 RM'000	CURRENT YEAR TO DATE 30.09.2021 RM'000	PRECEDING YEAR CORRESPONDING YEAR TO DATE 30.09.2020 RM'000
Revenue	179,170	259,073	179,170	259,073
Operating expenses	(168,369)	(253,202)	(168,369)	(253,202)
Other operating income	860	2,413	860	2,413
Finance costs	(9,746)	(5,764)	(9,746)	(5,764)
Share in results of joint ventures	-	-	-	-
Profit before tax	1,915	2,520	1,915	2,520
Income tax expense	(1,279)	(1,498)	(1,279)	(1,498)
Net profit for the period	636	1,022	636	1,022
Other comprehensive income				
Net changed in fair value of available-for-sale financial assets	-	-	-	-
	636	1,022	636	1,022
Attributable to:				
Owners of the Company	761	1,124	761	1,124
Non-controlling interests	(125)	(102)	(125)	(102)
Net profit for the period	636	1,022	636	1,022
Earnings per Share Attributable to Equity Holders of the Company (Sen)				
Basic	0.14	0.21	0.14	0.21
Fully Diluted	0.14	0.21	0.14	0.21

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements)

MALTON BERHAD

Registration No: 199401035205 (320888-T)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As At 30.09.2021 RM'000	Audited As At 30.06.2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	32,005	33,506
Right-of-use-assets	5,171	6,049
Investment properties	210,630	210,630
Land held for property development	676,092	675,606
Investment in associated companies	-	-
Investment in joint ventures	-	-
Other investments	213,803	203,370
Deferred tax assets	23,016	22,716
Total non-current assets	<u>1,160,717</u>	<u>1,151,877</u>
Current assets		
Property development costs	358,260	443,128
Inventories	130,668	133,761
Trade receivables	239,311	199,845
Other receivables and prepaid expenses	52,046	42,629
Contract assets	448,265	509,698
Amount owing by joint ventures	36,186	35,697
Tax recoverable	452	6,945
Short-term funds	503	500
Fixed deposits with licensed banks	36,670	29,119
Cash and bank balances	57,983	87,312
Total current assets	<u>1,360,344</u>	<u>1,488,634</u>
Total assets	<u>2,521,061</u>	<u>2,640,511</u>
EQUITY AND LIABILITIES		
Share capital	528,552	528,552
Other reserves	3,218	3,218
Retained earnings	396,312	395,551
	<u>928,082</u>	<u>927,321</u>
Non-controlling Interests	17,891	18,016
Total equity	<u>945,973</u>	<u>945,337</u>
Non-current liabilities		
Other payables	5,238	5,238
Redeemable preference shares	24,958	22,402
Bank borrowings - non-current portion	169,110	128,198
Hire-purchase payables - non-current portion	772	895
Lease liabilities - non-current portion	3,054	3,054
Deferred tax liabilities	57,601	57,601
Total non-current liabilities	<u>260,733</u>	<u>217,388</u>
Current liabilities		
Trade payables	687,728	745,802
Other payables and accrued expenses	226,081	234,897
Contract liabilities	3,071	7,722
Bank borrowings - current portion	378,967	461,279
Hire-purchase payables - current portion	772	954
Lease liabilities - current portion	2,522	3,381
Tax liabilities	15,214	23,751
Total current liabilities	<u>1,314,355</u>	<u>1,477,786</u>
Total liabilities	<u>1,575,088</u>	<u>1,695,174</u>
TOTAL EQUITY AND LIABILITIES	<u>2,521,061</u>	<u>2,640,511</u>
Net assets per share attributable to equity holders of the Company (RM)	<u>1.76</u>	<u>1.76</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements)

MALTON BERHAD

Registration No: 199401035205 (320888-T)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2021
(These figures have not been audited)**

	Share Capital RM'000	Non-distributable reserves		Distributable reserves	Non- Controlling Interests RM'000	Total RM'000
		Revaluation Reserve RM'000	Option Reserve RM'000	Retained Earnings RM'000		
Balance as at 1.7.2020	528,552	2,065	1,153	392,931	19,467	944,168
Total comprehensive income/(loss) for the period	-	-	-	1,124	(102)	1,022
Balance as at 30.09.2020	<u>528,552</u>	<u>2,065</u>	<u>1,153</u>	<u>394,055</u>	<u>19,365</u>	<u>945,190</u>
Balance as at 1.7.2021	528,552	2,065	1,153	395,551	18,016	945,337
Total comprehensive income/(loss) for the period	-	-	-	761	(125)	636
Balance as at 30.09.2021	<u>528,552</u>	<u>2,065</u>	<u>1,153</u>	<u>396,312</u>	<u>17,891</u>	<u>945,973</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements)

MALTON BERHAD

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2021****(These figures have not been audited)**

	30.09.2021 RM'000	30.09.2020 RM'000
CASH FLOWS FROM/(USED IN)		
OPERATING ACTIVITIES		
Profit before Taxation	1,915	2,520
Adjustments for :		
Finance costs	9,746	5,764
Depreciation of:		
Property, plant & equipment	1,527	1,747
Right-of-use-assets	841	875
Allowance for impairment loss in:		
Trade receivables	-	1
Loss/(Gain) on:		
Disposal of property, plant and equipment	-	(150)
Fair value adjustments of investment in redeemable preference shares	-	1,213
Deferred day one loss in profit or loss	227	-
Distribution income on short term funds	(4)	(3)
Interest income	(231)	(757)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>14,021</u>	<u>11,210</u>
CHANGES IN WORKING CAPITAL		
Decrease/(Increase) in:		
Property development costs - current portion	84,868	106,769
Inventories	3,094	3,628
Receivables	(48,885)	803
Contract assets	56,783	(54,920)
Amount due from joint ventures	(488)	5,992
(Decrease)/Increase in:		
Payables	(66,888)	(58,316)
Contract liabilities	-	7,435
CASH FROM OPERATIONS	<u>42,505</u>	<u>22,601</u>
Income tax paid/refunded	(3,625)	(2,593)
NET CASH FROM OPERATING ACTIVITIES	<u>38,880</u>	<u>20,008</u>
INVESTING ACTIVITIES		
Interest received	231	757
Distribution income on short-term funds received	4	3
Increase in land held for property development	(486)	(325)
Additions to short-term funds	(3)	(3)
Additions to Investment properties	-	(22)
Proceeds from disposal of property, plant & equipment	-	150
(Placement)/Withdrawal of:		
Fixed deposit	(51)	9,413
Restricted cash at bank	653	2,528
Additions to property, plant & equipment	(26)	(358)
Additions to investment in redeemable preference shares	(10,660)	(16,198)
NET CASH USED IN INVESTING ACTIVITIES	<u>(10,338)</u>	<u>(4,055)</u>
FINANCING ACTIVITIES		
Interest paid	(7,190)	(5,039)
Proceeds from bank borrowings	170,442	111,046
Repayments of bank borrowings	(215,411)	(120,515)
Repayments of hire-purchase payables	(305)	(352)
Repayment of lease liabilities	(822)	(896)
NET CASH USED IN FINANCING ACTIVITIES	<u>(53,286)</u>	<u>(15,756)</u>
Net (decrease)/increase in cash and cash equivalents	(24,744)	197
Cash and cash equivalents at the beginning of the period	69,136	134,580
Cash and cash equivalents at the end of the period	<u>44,392</u>	<u>134,777</u>
Cash and cash equivalents comprise the followings :		
Cash and bank balances	66,167	152,494
Bank overdrafts	(21,775)	(17,717)
	<u>44,392</u>	<u>134,777</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements)

MALTON BERHAD [Registration No. 199401035205 (320888-T)]
**UNAUDITED CONSOLIDATED RESULTS FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021**

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1 Accounting Policies and Method of Computation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group’s audited financial statements for the financial year ended 30 June 2021 which were prepared under Financial Reporting Standards.

Adoption of Malaysian Financial Reporting Standards (“MFRS”) and Amendments to Financial Reporting Standards

The accounting policies and presentation adopted for this interim report are consistent with those adopted for audited financial statements for the financial year ended 30 June 2021, except for the adoption of the following MFRSs, amendments to MFRSs and IC Int. issued by MASB that are relevant to its operations and effective for annual financial periods beginning on or after 1 July 2021 as follows:

Amendments to MFRS 4, MFRS 7, MFRS 9, MFRS 16 and MFRS 139	Interest Rate Benchmark Reform – Phase 2 ¹
Amendments to MFRS 16	COVID-19-Related Rent Concessions beyond 30 June 2021 ²

The adoption of these amendments to MFRSs did not result in significant changes in the accounting policies of the Group and has no significant effect on the financial performance or position of the Group.

Standards and Amendments in issue but not yet effective

At the date of authorisation for issue of these financial statements, the new Standards, Amendments and IC Int. which were in issue but not yet effective and not early adopted by the Group are as listed below:

MFRS 17	Insurance Contracts ²
Amendments to MFRS 3	Reference to Conceptual Framework ¹
Amendments to MFRS 10 and MFRS 128	Isales or Contribution of Assets between an Investor and its Associate or joint Venture ³
Amendments to MFRS 17	Insurance Contracts ²
Amendments to MFRS 101	Disclosure of Accounting Policies ²
Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current ²
Amendments to MFRS 108	Definition of Accounting Estimates ²
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction ²
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use ¹
Amendments to MFRS 137	Onerous Contracts – Costs of Fulfilling a Contract ¹
Annual Improvements to MFRS Standards 2018-2020 ¹	

¹ Effective for annual periods beginning on or after 1 January 2022

² Effective for annual periods beginning on or after 1 January 2023

³ Effective date deferred to a date to be determined and announced, with earlier application permitted

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The directors anticipate that the abovementioned Standards and Amendments will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these Standards and Amendments will have no material impact on the financial statements of the Group in the period of initial application.

2 Audit Report

The auditors' report on preceding year's annual financial statements of the Company and of the Group was unmodified.

3 Seasonal or Cyclical Factors

The business operations of the Group are not significantly affected by any seasonal or cyclical factors.

4 Unusual Items

There were no material items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence.

5 Changes in Estimates

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

6 Debt and Equity Securities

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter ended 30 September 2021.

7 Dividend Paid

There were no dividends paid during the quarter ended 30 September 2021.

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**UNAUDITED CONSOLIDATED RESULTS FOR THE FIRST QUARTER
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8 Segmental Reporting

a) Analysis by business segments for the period ended 30 September 2021:

	Property development RM'000	Property trading RM'000	Construction RM'000	Others RM'000	Elimination RM'000	Group RM'000
Revenue						
External Sales	120,648	2,850	54,117	1,555		179,170
Inter-segment Sales	-	-	18,589	1,627	(20,216)	-
	<u>120,648</u>	<u>2,850</u>	<u>72,706</u>	<u>3,182</u>	<u>(20,216)</u>	<u>179,170</u>
Results						
Segmental results	<u>12,880</u>	<u>(558)</u>	<u>3,692</u>	<u>(1,496)</u>	<u>(3,092)</u>	11,426
Interest and distribution income						235
Profit from operations						11,661
Finance costs						(9,746)
Share in results of joint ventures						-
Profit before tax						1,915
Income tax expense						(1,279)
Profit for the period						<u>636</u>

b) Analysis by business segments for the period ended 30 September 2020:

	Property development RM'000	Completed properties RM'000	Construction RM'000	Others RM'000	Elimination RM'000	Group RM'000
Revenue						
External Sales	219,273	2,958	35,565	1,277		259,073
Internal Sales	-	-	53,616	1,501	(55,117)	-
	<u>219,273</u>	<u>2,958</u>	<u>89,181</u>	<u>2,778</u>	<u>(55,117)</u>	<u>259,073</u>
Results						
Segmental results	<u>8,776</u>	<u>152</u>	<u>4,043</u>	<u>(2,600)</u>	<u>(2,847)</u>	7,524
Interest and distribution income						760
Profit from operations						8,284
Finance costs						(5,764)
Share in results of Joint venture						-
Profit before tax						2,520
Income tax expense						(1,498)
Profit for the period						<u>1,022</u>

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9 Revaluation of Property, Plant and Equipment and Investment Properties

The valuation of property, plant and equipment and investment properties have been brought forward without any amendments from the annual financial statements for the financial year ended 30 June 2021.

10. Material Events Subsequent to the end of the Reporting Period

There were no material events subsequent to the current quarter ended 30 September 2021 up to the date of this report, which is likely to substantially affect the results of the operations of the Group.

11 Changes in the Composition of the Group

There were no material changes in the composition of the Group arising from business combinations, acquisition or disposal of subsidiary companies and long-term investments, restructurings and discontinued operations for the Group for the quarter under review.

12 Contingent Liabilities

As at this reporting date, the Group does not have any material contingent liabilities.

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**UNAUDITED CONSOLIDATED RESULTS FOR THE FIRST QUARTER
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13 Significant Related Party Transactions

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-Date	Preceding Year Corresponding Year To-Date
	30.9.2021 RM'000	30.9.2020 RM'000	30.9.2021 RM'000	30.9.2020 RM'000
Progress billings received/Receivable:				
Impian Eクスpresi Sdn Bhd*	5,207	24,254	5,207	24,254
Jendela Mayang Sdn Bhd*	11,549	-	11,549	-
Rental received/receivable:				
WCT Holdings Berhad*	98	98	98	98
Pavilion REIT Management Sdn Bhd #	98	98	98	98
Progress billings paid/Payable:				
SECG Bina Sdn Bhd@	-	57	-	57
Management fees paid/payable:				
Kuala Lumpur Pavilion Sdn Bhd^	29	29	29	29
Rental paid/payable to:				
Pavilion REIT #	706	706	706	706
Dream Domain Sdn Bhd^	48	34	48	34
Lumayan Indah Sdn Bhd*	49	-	49	-
Sale of property to certain family members of a director of the Company	-	-	-	-

* A company in which a director of the Company has direct/indirect financial interest.

@ A company in which a director of the Company is related to its director/shareholder.

Pavilion REIT is managed by Pavilion REIT Management Sdn Bhd, a company in which certain Directors of the Company have directorships.

^ A company in which a director of the Company has direct financial interest.

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

1 Review of Performance

	Individual Quarter		Change %	Cumulative Quarter		Change %
	Current Year Quarter	Preceding Year Corresponding Quarter		Current Year To-Date	Preceding Year Corresponding Year To-Date	
	30.9.2021 RM'000	30.9.2020 RM'000		30.9.2021 RM'000	30.9.2020 RM'000	
Revenue						
Property development	120,648	219,273		120,648	219,273	
Property trading	2,850	2,958		2,850	2,958	
Sub-Total	123,498	222,231	(44.4)	123,498	222,231	(44.4)
Construction	54,117	35,565	52.2	54,117	35,565	52.2
Others	1,555	1,277	21.8	1,555	1,277	21.8
Total	179,170	259,073	(30.8)	179,170	259,073	(30.8)
Profit Before Tax (“PBT”)						
Property development	3,710	2,154		3,710	2,154	
Property trading	(558)	181		(558)	181	
Sub-Total	3,152	2,335	35.0	3,152	2,335	35.0
Construction	2,153	8,948	(75.9)	2,153	8,948	(75.9)
Others	(3,390)	(8,763)	61.3	(3,390)	(8,763)	61.3
Total	1,915	2,520	(24.0)	1,915	2,520	(24.0)

The Group’s revenue for the current quarter declined by 30.8% to RM179.2 million as compared to RM259.0 million reported in the preceding corresponding quarter while PBT for the current quarter decreased by 24.0% to RM1.9 million as compared to RM2.5 million reported in the preceding corresponding quarter.

Property Development and trading

Revenue from the property development division declined by 44.4% during the current quarter as compared to the preceding corresponding quarter due to lower billings from Villa 22 and Pavilion Bukit Jalil Mall which were completed during the quarter and The Park 2 Residence @ Bukit Jalil which was in advance stage of completion.

PBT from the property development division increased by 35.0% to RM3.2 million for current quarter as compared to RM2.3 million notwithstanding the lower billings during the current quarter as compared to the preceding corresponding quarter attributed mainly to lower billings from Pavilion Bukit Jalil Mall with lower margins in current quarter.

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Construction

Revenue from construction division improved by 52.2% to RM54.1 million in the current quarter as compared to RM35.6 million recorded in the preceding corresponding quarter due to higher work progress of Pavilion Ceylon Hill project and billings from The Maple @ OUG which commenced in November 2020.

Notwithstanding the higher turnover achieved, PBT for the current quarter decreased by 75.9% to RM2.2 million as compared to RM8.9 million reported in the preceding corresponding financial year. The lower PBT was due to additional costs incurred for site compliance as a result of the COVID-19 pandemic and higher raw material and labour costs.

Share of Results of Joint Ventures

There was no share of results of Joint Ventures during the quarter as the Group is liable up to the cost of investments in the Joint Ventures. The joint ventures have not commenced commercial operations during the quarter.

2 Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter

	Current Quarter 30.9.2021 RM'000	Immediate Preceding Quarter 30.6.2021 RM'000	Change %
Revenue			
Property development	120,648	40,979	
Property trading	2,850	2,880	
Sub-Total	123,498	43,859	181.6
Construction	54,117	195,423	(72.3)
Others	1,555	1,488	4.5
Total	179,170	240,770	(25.6)
Profit Before Tax ("PBT")			
Property development	3,710	316	
Property trading	(558)	(3,141)	
Sub-Total	3,152	(2,825)	
Construction	2,153	17,527	(87.7)
Others	(3,390)	1,441	
Total	1,915	16,143	(88.1)

The Group's revenue declined by 25.6% to RM179.2 million for the current quarter as compared to RM240.8 million for the immediate preceding quarter. The Group recorded a 88.1% decline in PBT to RM1.9 million for the current quarter as compared to RM16.1 million for the immediate preceding quarter. The higher turnover for the current quarter from property division was due to higher final billings from Pavilion Bukit Jalil Mall which was completed during the quarter and off-set by lower billings of the construction division due to lower work progress of the current projects. PBT for property division improved from loss of RM2.9 million in the preceding quarter to profit of RM3.2 million during the current quarter due to higher revenue and lower losses from sale of completed properties during the quarter. PBT for the construction division was significantly lower due to lower revenue coupled with higher raw material and labour costs.

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3 Prospects for the current Financial Year Ending 30 June 2022

Malaysia’s economy contracted by 4.5% in the third quarter of 2021 as compared to growth of 16.1% recorded in the Second quarter of 2021 attributable to strict containment measures under Phase 1 and 2 of the National Recovery Plan (“NRP”).

The Malaysian economy is projected to improve from the fourth quarter of 2021 onwards as economic activity is expected to gradually move to Phase 4 of the NRP. The prospects of the property development and construction industries are expected to remain challenging. However, several measures undertaken by the Government such as low interest rates, reintroduction of Home Ownership Campaign and exemption of real property gain tax for residential properties are expected to boost the property sector demands.

Barring a prolonged COVID-19 pandemic and possible adverse consequential economic effects, the on-going development projects of the Group namely, The Park 2 Residence @ Bukit Jalil, Duta Park Residence @ Jalan Kuching, Rapid City Centre @ Johor, Mutiara Hilltop @ Puchong and BAC Tower with total unbilled sales of RM823 million as of 30 September 2021 together with the on-going construction contracts in hand, are expected to contribute to the earnings of the Group for the next financial year ending 30 June 2022.

With the relaxation and opening of most of the sectors of the economy, the Group is expected to improve with better projected new sales albeit challenging business environment. The construction progress of the Group’s property development and construction divisions is also expected to improve further for the next quarter ending 31 December 2021. However, the disruption of supply chain, scarcity of skill labour and escalating material price may have a significant negative impact on the market. The Group is committed to strict compliance of the Government’s SOPs for all its worksites and premises under the “New Normal” of business operations with its entire workforce already fully vaccinated.

4 Profit Forecast or Profit Guarantee

Not applicable as the Group has not issued any profit forecast or profit guarantee.

5 Taxation

Details of taxation are as follows:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.9.2021 RM’000	Preceding Year Corresponding Quarter 30.9.2020 RM’000	Current Year To-Date 30.9.2021 RM’000	Preceding Year Corresponding Year To-Date 30.9.2020 RM’000
Current taxation	1,579	3,898	1,579	3,898
Under/(Over) provision in prior year	-	-	-	-
Deferred taxation	(300)	(2,400)	(300)	(2,400)
	<u>1,279</u>	<u>1,498</u>	<u>1,279</u>	<u>1,498</u>

The effective tax rate for the current year to-date (before share of results of joint ventures) is higher than the statutory tax rate due to the incurrence of certain expenses that are not deductible for tax purposes and losses incurred by certain subsidiary companies which do not qualify for group relief.

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6 Profits /(Loss) on Sale of Unquoted Investments and/or Properties

There was no disposal of unquoted investment and/or properties for the quarter under review.

7 Purchases or Disposals of Quoted Securities

There was no purchase and disposal of quoted securities by the Group for the current financial quarter under review.

8 Status of Corporate Proposals

There was no outstanding corporate proposal for the Group except as follows:-

On 26 March 2021, the Company entered into a Memorandum of Understanding with Ho Wah Genting Berhad (“HWGB”) and HWGB EV Sdn Bhd (“HWGB EV”) to establish a basis of co-operation and collaboration between the parties for an investment by the Company in HWGB EV (“MOU”). HWGB EV, which intended principal business is wholesale and retail of new motor vehicles, manufacture of passenger cars and sale of other motor vehicles, is interested to introduce electric vehicles in Malaysia (“EV Project”).

Since the date of the MOU, there has not been any material development on the MOU as the Company is still in the process of evaluating the feasibility of the EV Project.

9 Borrowings and Debt Securities

The Group’s borrowings and debt securities as at the end of the current year quarter and preceding year corresponding quarter are as follows:

	<u>As at 30 September 2021</u>		
	Long-term RM’000	Short-term RM’000	Total RM’000
Secured			
Term loans	15,604	12,529	28,133
Revolving credits	84,178	226,327	310,505
Bridging loans	69,328	10,000	79,328
Redeemable preference shares	24,958	-	24,958
Trade facilities	-	48,335	48,335
Bank overdrafts	-	21,776	21,776
Hire-purchase payables	772	772	1,544
	194,840	319,739	514,579
Unsecured			
Revolving credit	-	60,000	60,000
	194,840	379,739	574,579

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	<u>As at 30 September 2020</u>		
	Long-term	Short-term	Total
	RM'000	RM'000	RM'000
Secured			
Term loans	7,998	10,207	18,205
Revolving credits	30,774	228,255	259,029
Bridging loans	26,575	17,444	44,019
Redeemable preference shares	18,588	-	18,588
Trade facilities	-	90,210	90,210
Bank overdrafts	-	17,717	17,717
Hire-purchase payables	951	686	1,637
	<u>84,886</u>	<u>364,519</u>	<u>449,405</u>
Unsecured			
Revolving credit	-	50,000	50,000
	<u>84,886</u>	<u>414,519</u>	<u>499,405</u>

All borrowings are denominated in Ringgit Malaysia.

10 Material Litigation

Save as disclosed below, neither the Company nor any of its subsidiaries is engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Group and the Board has no knowledge of any proceedings pending or threatened against the Company and/or its subsidiaries or of any fact likely to give rise to any proceeding which may materially affect the financial position of the Malton Group:

In connection with the joint venture agreement dated 7 April 2014 between Yayasan Wilayah Persekutuan (“YWP”) and Memang Perkasa Sdn Bhd (“MPSB”), a 51% owned subsidiary of the Company for the proposed development of a 12 acre leasehold land located in Taman Tun Dr Ismail, Kuala Lumpur (“Land”), Perbadanan Pengurusan Trellises and 9 Others had on 11 August 2017, filed a Judicial Review proceeding against Datuk Bandar Kuala Lumpur and Dewan Bandaraya Kuala Lumpur (“DBKL”) for the following Orders:-

- (i) An Order of Certiorari to quash the decision of Datuk Bandar Kuala Lumpur to grant a conditional planning approval dated 28 February 2017 for the proposed development on the Land;
- (ii) An Order for Certiorari to quash the decision of Datuk Bandar Kuala Lumpur to grant the development order dated 13 July 2017 in relation to the proposed development mentioned in paragraph (i) above; and
- (iii) An Order on Mandamus for the Datuk Bandar Kuala Lumpur to adopt the draft Kuala Lumpur local plan 2020 and publish the said adoption in the gazette pursuant to Section 16 of the Federal Territory (Planning Act) 1982.

On 15 November 2017, the Kuala Lumpur High Court allowed YWP and MPSB’s application to intervene and be added as the 3rd and 4th Respondents in the Judicial Review proceeding.

Subsequently, the Applicants withdrew their claim against DBKL.

On 28 November 2018, the Kuala Lumpur High Court ruled that the Development Order dated 13 July 2017 issued by Datuk Bandar Kuala Lumpur was valid. The Judicial Review Application was accordingly dismissed with costs. The Applicants appealed to the Court of Appeal against the decision of the Kuala Lumpur High Court on 28 November 2018.

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On 27 January 2021, the Court of Appeal delivered its decision and handed down the following Orders:

- (i) That the Applicants' Appeal was unanimously allowed with costs;
- (ii) That the decision of the High Court dated 28 November 2018 was set aside; and
- (iii) That an Order of Certiorari be granted quashing the decision of the Datuk Bandar Kuala Lumpur in granting the Development Order dated 13 July 2017 in respect of the proposed development on the Land.

On 23 February 2021, MPSB filed a Notice of Motion for Leave to Appeal to the Federal Court and the Federal Court had on 1 September 2021 allowed the application by MPSB to appeal against the decision of the Court of Appeal. The Notice of Appeal was filed in the Federal Court on 14 September 2021 and the hearing for the appeal has been fixed on 19 January 2022.

11 Dividend

No interim dividend has been recommended for the financial quarter ended 30 June 2021.

12 Earnings Per Share ("EPS")

Basic

The basic earnings per ordinary share of the Group for the current quarter and current year to date have been calculated based on the Group's profit attributable to equity holders of the Company of RM761,000 and RM761,000 respectively and on the weighted average number of ordinary shares in issue and ranking for dividend during the quarter and financial period ended 30 September 2021.

Fully Diluted

The diluted earnings per ordinary share of the Group for the current quarter and current year to date have been calculated based on the Group's adjusted profit attributable to equity holders of the Company of RM761,000 and RM761,000 respectively and on the weighted average number of ordinary shares in issue and issuable and ranking for dividend during the quarter and financial period ended 30 September 2021 and the effects of unexercised ESOS options.

(a) Basic EPS	Individual Quarter		Cumulative Quarter	
	Current Quarter 30.9.2021	Preceding Year Corresponding Qtr 30.9.2020	Current Year To Date 30.9.2021	Preceding Year to Date 30.9.2020
Profit attributable to equity holders of the Company (RM'000)	761	1,124	761	1,124
Weighted average number of shares in issue ('000)	528,141	528,141	528,141	528,141
Basic earnings per share (sen)	0.14	0.21	0.14	0.21

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(b) Diluted EPS	Current Quarter 30.9.2021	Preceding Year Corresponding Qtr 30.9.2020	Current Year To Date 30.9.2021	Preceding Year to Date 30.9.2020
Profit attributable to equity holders of the Company (RM'000)	761	1,124	761	1,124
Weighted average number of shares in issue ('000)	528,141	528,141	528,141	528,141
Effects of unexercised ESOS	-	-	-	-
Adjusted weighted average number of shares in issue and issuable ('000)	528,141	528,141	528,141	528,141
Diluted earnings per share (sen)	0.14	0.21	0.14	0.21

13 Profit Before Tax

The following items have been included in arriving at profit before tax:

After charging:	Individual Quarter		Cumulative Quarter	
	Current Quarter 30.9.2021 RM'000	Preceding Year Corresponding Qtr 30.9.2020 RM'000	Current Year To Date 30.9.2021 RM'000	Preceding Year to Date 30.9.2020 RM'000
Interest expense	9,746	5,764	9,746	5,764
Depreciation and amortization	1,527	1,747	1,527	1,747
Depreciation of right-of-use assets	841	875	841	875
Deferred day one loss in profit or loss	227	-	227	-
Allowance for impairment loss of trade receivables	-	1	-	1
Loss on fair value adjustments of investment in redeemable preference shares	-	1,213	-	1,213
After crediting:				
Interest income	231	757	231	757
Gain on disposal of property, plant and equipment	-	150	-	150
Other income	625	1,503	625	1,503
Distribution income from short term funds	4	3	4	3

There were no other provision for and write off of receivables, provision for and write off of inventories, gain or loss on disposal of quoted or unquoted investment or properties, foreign exchange gain or loss, gain or loss on derivatives and exceptional items for the current quarter under review and financial period ended 30 September 2021.