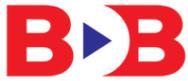


INTERIM FINANCIAL STATEMENTS

*- For The Quarter Ended
31st March 2021 -*

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2021**
(The figures have not been audited)

	Note	3 months ended 31 March	
		2021 RM'000	2020 RM'000
Continuing Operations			
Revenue	9	29,908	46,221
Cost of sales		(26,090)	(36,664)
Gross profit		<u>3,818</u>	<u>9,557</u>
Selling & Marketing expenses		(474)	(548)
Administrative expenses		(6,073)	(6,688)
Other operating income	10	1,686	548
Other operating expenses		(258)	(1)
Result from operating activities		<u>(1,301)</u>	<u>2,869</u>
Finance cost	10	(1,640)	(2,319)
Profit / (Loss) before taxation	10	<u>(2,941)</u>	<u>550</u>
Tax expense	21	(60)	(132)
Profit / (Loss) and total comprehensive income / (expenses) for the period		<u><u>(3,001)</u></u>	<u><u>418</u></u>
Profit / (Loss) and total comprehensive income / (expenses) for the period attributable to :			
Owners of the Company		(3,001)	418
Non-controlling interests		-	-
Profit / (Loss) and total comprehensive income / (expenses) for the period		<u><u>(3,001)</u></u>	<u><u>418</u></u>
Basic earnings / (loss) per ordinary share (sen)	26	(0.99)	0.14

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021**

(The figures have not been audited)

	Note	31.03.2021 RM'000	31.12.2020 RM'000
Assets			
Non-current assets			
Property, plant and equipment	12	89,692	89,916
Investment properties		56,048	55,949
Other investments		135	135
Inventories		338,090	336,419
Deferred tax assets		110	584
		<u>484,075</u>	<u>483,003</u>
Current assets			
Inventories		58,122	57,625
Contract assets		41,200	42,852
Contract costs		1,017	1,558
Trade and other receivables		36,654	76,080
Current tax assets		1,306	29
Other Investments		3,229	3,315
Deposits with licensed banks		20,736	14,553
Cash and bank balances		60,741	55,293
		<u>223,004</u>	<u>251,305</u>
Total assets		<u><u>707,079</u></u>	<u><u>734,308</u></u>
Current liabilities			
Trade and other payables		120,489	137,583
Contract Liabilities		4,408	3,653
Loans and borrowings	23	81,170	89,374
Current tax liabilities		796	-
		<u>206,863</u>	<u>230,610</u>
Non-current liabilities			
Loans and borrowings	23	<u>34,579</u>	<u>35,059</u>
		<u>34,579</u>	<u>35,059</u>
Total liabilities		<u><u>241,442</u></u>	<u><u>265,669</u></u>
Share capital		331,020	331,020
Retained earnings		<u>134,639</u>	<u>137,641</u>
Non-controlling interests		(22)	(22)
Total equity		<u><u>465,637</u></u>	<u><u>468,639</u></u>
Total equity and liabilities		<u><u>707,079</u></u>	<u><u>734,308</u></u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2021
(The figures have not been audited)**

	<-----Attributable to owners of the company----->			Non-controlling interests RM'000	Total equity RM'000
	<i>Non-distributable</i>	<i>Distributable</i>	Total		
	Share capital RM'000	Retained earnings RM'000	RM'000		
As at 1 January 2020	331,020	132,349	463,369	-	463,369
Total comprehensive income	-	418	418	-	418
As at 31 March 2020	331,020	132,767	463,787	-	463,787
As at 1 January 2021	331,020	137,640	468,660	(22)	468,638
Total comprehensive loss	-	(3,001)	(3,001)	-	(3,001)
As at 31 March 2021	331,020	134,639	465,659	(22)	465,637

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED 31 MARCH 2021
(The figures have not been audited)**

	Cumulative Quarter	
	Current Period Ended 31-Mar-21 RM'000	Preceding Period Ended 31-Mar-20 RM'000
Cash flows from operating activities		
Profit / (Loss) before taxation	(2,941)	550
Adjustments for:		
Non-cash items	1,412	2,044
Non operating items	1,372	1,168
Operating profit / (loss) before working capital changes	(157)	3,762
Changes in working Capital:		
Contract assets	1,219	(5,759)
Contract costs	541	67
Contract liabilities	742	(7,503)
Trade and other receivables	38,602	8,181
Inventories	(2,317)	2,710
Trade and other payables	(16,225)	15,258
Cash generated from operations	22,405	16,716
Interest paid	(1,601)	(1,334)
Taxes paid	(381)	(560)
Net cash provided by operating activities	20,423	14,822
Cash flows from investing activities		
Purchase of property, plant and equipment	(840)	(973)
Proceeds / (Purchase) from other investment	388	(2,931)
Interest received	229	159
Net cash used in investing activities	(223)	(3,745)
Cash flows from financing activities		
Drawdown of term loan	8,062	6,718
Repayment of bankers' acceptance	(4,641)	-
Repayment of term loan	(11,005)	(31,113)
Repayment of revolving credit	(2,000)	(1,000)
Placement of pledged deposit	240	240
Net changes in finance lease creditors	(1,030)	(22)
Net cash used in financing activities	(10,374)	(25,177)
Net increase / (decrease) in cash and cash equivalents	9,826	(14,100)
Cash and cash equivalents at beginning of the period	53,764	55,595
Cash and cash equivalents at end of the period	63,590	41,495
Cash and cash equivalents comprise of the followings:		
Cash and bank balances	60,741	46,033
Fixed deposit	20,736	15,847
Overdraft	(15,598)	(12,741)
	65,879	49,139
Less: Deposits pledged	(2,289)	(7,644)
	63,590	41,495

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.



EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2021

Part A – Explanatory Notes Pursuant to MFRS 134

1. Basis of Preparation

The interim financial statements other than for financial instruments have been prepared under the historical cost convention. Financial instruments have been fair valued in accordance with MFRS 9 Financial Instruments: Recognition and Measurement.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134; Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Berhad (“Bursa”).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2020. 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 Group since the financial year ended 31 December 2020.

The financial statements of the Economic Entity have been prepared in accordance with Malaysian Financial Reporting Standards (MFRS), generally accepted accounting principles and the Companies Act 2016 in Malaysia.

2. Significant Accounting Policies

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the financial year ended 31 December 2020 except for the adoption of the following new/revised MFRSs and Amendments to MFRSs:

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 June 2020

- Amendments to MFRS 16, Leases – Covid 19 – Related Rent Concessions

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- Amendments to MFRS 9, Financial Instruments, MFRS 139, Financial Instruments : Recognition and Measurement MFRS 7, Financial Instruments : Disclosures, MFRS 4, Insurance Contracts and MFRS 16, Leases – Interest Rate Benchmark Reform – Phase 2

The adoption of the above MFRSs does not have significant financial impact to the Group.



3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2020 was not subject to any qualification.

4. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter and year to-date.

5. Changes in Estimates

The preparation of the interim financial statements in conformity with Malaysian Financial Reporting Standards ("MFRSs") requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements.

6. Seasonal or Cyclical Factors

The Group's products and services are generally dependent on the Malaysian economy, government policies and weather conditions (on the construction activities).

7. Dividends

An interim dividend of RM0.0075 per ordinary share totalling RM2,278,913 in respect of the financial year ended 31 December 2020 was declared on 1 March 2021 and paid on 30 March 2021.

8. Debt and Equity Securities

There were no issuances, cancellations, repurchase, resale and repayments of equity securities except for repay of debt in the current quarter.



9. Segmental Information

	Property Development RM'000	Engineering, Construction and Quarry RM'000	Other reportable segments RM'000	Total reportable segments RM'000	Elimination RM'000	Consolidated RM'000
3 months ended 31 March 2021						
Revenue						
External sales	10,066	19,664	178	29,908	-	29,908
Inter-segment sales	112	(39)	2,975	3,047	(3,047)	-
Total revenue	<u>10,178</u>	<u>19,625</u>	<u>3,153</u>	<u>32,955</u>	<u>(981)</u>	<u>29,908</u>
Segment profit	(4,158)	696	293	(3,169)	228	(2,941)



10. Profit / (Loss) before tax from continuing operations

The following items have been charged / (credited) in arriving at profit / (loss) before tax from continuing operations:

	3 months ended 31 March	
	2021 RM'000	2020 RM'000
<i>After charging:</i>		
Depreciation and amortization:		
-property, plant and equipment	1,867	2,045
Property, plant and equipment written off	-	-
Interest expense	1,640	2,319
Rental expense	73	148
<i>After crediting:</i>		
Gain on disposal of:		
-property, plant and equipment	(186)	-
Reversal of impairment:		
-trade receivables	(268)	-
Interest income	(9)	(165)
Other income including rental and investment income	(1,678)	(383)

11. Changes in Composition of the Group

There were no changes in the composition of the Group during the current quarter including business combination, acquisition or disposal of a subsidiary and long-term investment, restructuring and discontinued operation.

12. Property, Plant and Equipment

The Group acquired property, plant and equipment worth RM 839,909 during the quarter under review.

There were no impairment loss on property, plant and equipment during the current quarter period.



13. Capital Commitments

The amount of commitments for the purchase of property, plant & equipment not provided for in the interim financial statements as at 31 March 2021 are as follows:

	<u>RM'000</u>
Approved and contracted for	<u>452</u>

14. Changes in Contingent Liabilities

As at 31 March 2021, the Group does not have any material contingent liability.

15. Material Subsequent Events to the Reporting Period

There were no material events subsequent to the end of the quarter under review up to the date of this report that have not been reflected in the interim financial statements.

16. Significant Related Party Transactions

	3 months ended 31.03.2021 RM'000
Rental of quarry land to ultimate holding corporation	-
Tributes charged by the ultimate holding corporation	224
Estate agency fee charged by a related company, Kumpulan Ladang-Ladang Perbadanan Kedah Sdn. Bhd.	13
Revenue from oil palm from related company, Kumpulan Ladang-Ladang Perbadanan Kedah Sdn. Bhd.	178
Property management paid to a related company, Darulaman Asset Sdn. Bhd	-
Insurance paid to a related company, KSDC Insurance Brokers Sdn. Bhd.	366
	<u><u>781</u></u>

All related parties transactions had been entered into in the normal course of business and were carried out on normal commercial terms.



Part B – Explanatory Notes Pursuant to Chapter 9, Appendix 9B of the Listing Requirements of Bursa Malaysia Berhad

17. Performance Review

Current quarter vs previous year corresponding quarter

Malaysia recorded better economic performance with smaller GDP decline of 0.5% compared to the negative growth of 3.4% in the fourth quarter of 2020. Based on Bank Negara Report, the improvement was supported from domestic demand and robust export performance. The imposition of Second Movement Control Order (MCO 2.0) and restrictions on inter-state travel however weighted on economic activities. Nevertheless, as restrictions were eased in February and March, economic activities gradually pickup.

Similarly, the Group revenue improved in February and March 2021 compared to Jan 2021. However, the Group posted lower revenue of RM29.9 million for the first quarter ended 31 March 2021 compared to RM46.2 million achieved in the same corresponding period of last year. The Group recorded loss before tax of RM2.9 million for the current quarter as compared to profit before tax of RM0.5 million in the previous year corresponding quarter.

The Group recorded lower revenue and lesser profits for the first quarter compared to the same corresponding quarter of last year mainly contributed by a decrease in performance from Property division.

The Property Division posted lower revenue of RM10.1 million compared to RM30.3 million in the same corresponding quarter of last year. The division also recorded loss before tax of RM4.2 million for the current quarter compared to loss before tax of RM1.4 million in the previous year corresponding period. Lower revenue and profit for the current quarter were due to lower sales contribution from Darulaman Perdana Townships.

Engineering, Construction and Quarry Division posted higher revenue of RM19.7 million in the current quarter of 2021 compared to RM15.7 million in the same corresponding quarter of last year. Higher revenue was contributed by the escalation of construction activities for the NRW Perlis and State Road Maintenance Projects. However, the division posted lower profit before tax of RM0.7 million in the current quarter under review compared to profit before tax of RM3.2 million in the same corresponding period of last year.



18. Variation of Results against Preceding Quarter

	Current quarter ended 31 March 2021 RM'000	Preceding quarter ended 31 December 2020 RM'000
Revenue	29,908	91,870
Profit / (Loss) Before Taxation	(2,941)	11,764

The Group recorded lower revenue and profit before tax compared to the preceding quarter mainly contributed by Property Division. Included in the preceding quarter revenue and profit was gain from sales of land.

19. Prospects for the current financial year

Despite the recent re-imposition of containment measures, the impact on growth would be less severe than that experienced in 2020, as almost all economic sectors are allowed to operate. Overall, the growth recovery will benefit from the increased public and private sector expenditure as well as continued policy support. The roll-out of the domestic Covid-19 vaccine programme will also lift sentiments and contribute towards recovery in economic activities.

According to Bank Negara, the balance of risks remains tilted to the downside, arising mainly from ongoing uncertainties in the developments related to the pandemic, and continued challenges that affect the roll-out of vaccines both globally and domestically.

Kedah state's economic activities are expected to recover in 2021 with potential challenges remained.

The Group's Engineering, Construction and Quarry Division through its subsidiaries, BDB Synergy Sdn Bhd recently announced the acceptance from Kedah State Government for the upgrading Pelubang Water Treatment Plant. Total contract value for the project is RM431 million and shall be completed in 3 years. This project is expected to contribute positively to the Group.

The Property Division will continue to focus on developing its existing townships/landbank and at the same time to unlock the potential value of the remaining landbank. Through its subsidiaries, BDB Land Sdn Bhd has entered into a Joint Venture cum Shareholders' Agreement with LPB Development Sdn Bhd to undertake an affordable housing project located at Bandar Amanjaya, Sungai Petani. The project is expected to generate RM550 million in Gross Development Value (GDV).



Despite the current economic challenges, the Group remain confident that the existing order book and township development/landbank will be sufficient to maintain upward trajectory in the financial and operational resilience.

20. Variance from Profit Forecast or Profit Guarantee

Not applicable for the financial period ended 31 March 2021.

21. Income Tax Expense

	3 months ended 31 March 2021 RM'000	3 months ended 31 March 2020 RM'000
Malaysian income tax	60	132

Income tax expenses for the period under review was provided for profitable companies within the Group.

22. Status of Corporate Proposals

There was no outstanding corporate proposal during the quarter under review.

23. Group borrowings and Debt Securities

Total loans and borrowings as at 31 March 2021 were as follows:

	Short-term RM'000	Long-term RM'000
Term loans	25,602	31,469
Bankers' Acceptance	-	-
Hire Purchase	1,970	3,110
Revolving Credit	38,000	-
Bank overdraft	15,598	-
TOTAL	81,170	34,579

24. Material Litigation

There is no pending material litigation since the last annual balance sheet date of 31 December 2020.



25. Dividends Payable

Except disclose on note 7, no dividend in respect of the current financial year under review has been declared during quarter ended 31 March 2021.

26. Earnings / (Loss) Per Share

a. Basic earnings / (loss) per share

	3 months ended 31.03.2021 RM'000	12 months ended 31.03.2020 RM'000
Profit / (Loss) attributable to owners of the Company	(3,001)	418
Number of ordinary shares in issue	303,855	303,855
Basic earnings / (loss) per share (sen)	(0.99)	0.14

b. Diluted earnings per share

Not applicable.

27. Authorization for Issue

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors on 30 May 2021.