



INTERIM FINANCIAL STATEMENTS

*- For The Quarter and Period of Nine Months Ended
30th September 2021 -*

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

	Note	3 months ended 30 September		9 months ended 30 September	
		2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Continuing Operations					
Revenue	9	42,068	57,281	113,905	127,605
Cost of sales		(35,071)	(48,248)	(97,058)	(107,995)
Gross profit		<u>6,997</u>	<u>9,032</u>	<u>16,847</u>	<u>19,610</u>
Selling & Marketing expenses		(343)	(477)	(1,247)	(1,250)
Administrative expenses		(6,780)	(6,918)	(20,164)	(20,296)
Other operating income	10	1,655	1,791	3,931	3,452
Other operating expenses		(46)	(0)	(435)	(1)
Result from operating activities		<u>1,482</u>	<u>3,428</u>	<u>(1,070)</u>	<u>1,516</u>
Finance cost	10	(1,307)	(1,718)	(4,326)	(5,705)
Profit / (Loss) before taxation	10	<u>176</u>	<u>1,710</u>	<u>(5,396)</u>	<u>(4,189)</u>
Tax expense	21	(182)	(1,082)	(449)	(1,485)
Profit / (Loss) and total comprehensive income / (expenses) for the period		<u>(8)</u>	<u>628</u>	<u>(5,846)</u>	<u>(5,674)</u>
Profit / (Loss) and total comprehensive income / (expenses) for the period attributable to :					
Owners of the Company		(8)	628	(5,846)	(5,674)
Non-controlling interests		-	-	-	-
Profit / (Loss) and total comprehensive income / (expenses) for the period		<u>(8)</u>	<u>628</u>	<u>(5,846)</u>	<u>(5,674)</u>
Basic profit / (loss) per ordinary share (sen)	26	0.00	0.21	(1.92)	(1.87)

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 30 SEPTEMBER 2021
(The figures have not been audited)**

	Note	30.09.2021 RM'000	31.12.2020 RM'000
Assets			
Non-current assets			
Property, plant and equipment	12	88,456	89,916
Investment properties		56,048	55,949
Other investments		135	135
Inventories		330,202	336,419
Deferred tax assets		501	584
		<u>475,343</u>	<u>483,003</u>
Current assets			
Inventories		43,169	57,625
Contract assets		13,172	42,852
Contract costs		1,338	1,558
Trade and other receivables		63,554	76,080
Current tax assets		1,018	29
Other Investments		3,316	3,315
Deposits with licensed banks		16,053	14,553
Cash and bank balances		47,133	55,293
		<u>188,755</u>	<u>251,305</u>
Total assets		<u><u>664,096</u></u>	<u><u>734,308</u></u>
Current liabilities			
Trade and other payables		96,514	137,583
Contract Liabilities		5,470	3,653
Loans and borrowings	23	<u>73,841</u>	<u>89,374</u>
		<u>175,824</u>	<u>230,610</u>
Non-current liabilities			
Loans and borrowings	23	27,751	35,059
		<u>27,751</u>	<u>35,059</u>
Total liabilities		<u><u>203,576</u></u>	<u><u>265,669</u></u>
Share capital		331,020	331,020
Retained earnings		<u>129,522</u>	<u>137,641</u>
Non-controlling interests		(22)	(22)
Total equity		<u><u>460,521</u></u>	<u><u>468,639</u></u>
Total equity and liabilities		<u><u>664,096</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 QUARTER AND PERIOD ENDED 30 SEPTEMBER 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 RM'000		
	Share capital RM'000	Retained earnings RM'000			
As at 1 January 2020	331,020	132,349	463,369	-	463,369
Total comprehensive loss	-	(5,674)	(5,674)	-	(5,674)
As at 30 September 2020	331,020	126,675	457,695	-	457,695
As at 1 January 2021	331,020	137,641	468,661	(22)	468,639
Total comprehensive loss	-	(5,846)	(5,846)	-	(5,846)
Dividend paid	-	(2,272)	(2,272)	-	(2,272)
As at 30 September 2021	331,020	129,522	460,543	(22)	460,521

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 QUARTER AND PERIOD ENDED 30 SEPTEMBER 2021
(The figures have not been audited)**

	Cumulative Quarter	
	Current Period Ended 30-Sep-21 RM'000	Preceding Period Ended 30-Sep-20 RM'000
Cash flows from operating activities		
Loss before taxation	(5,396)	(4,189)
Adjustments for:		
Non-cash items	5,680	6,119
Non operating items	4,142	2,881
Operating profit before working capital changes	4,427	4,811
Changes in working Capital:		
Contract assets	25,943	(6,674)
Contract costs	220	155
Contract liabilities	(1,286)	(5,641)
Trade and other receivables	26,021	1,590
Inventories	20,726	7,350
Trade and other payables	(39,641)	(5,343)
Cash generated / (used in) from operations	36,409	(3,752)
Interest paid	(4,533)	(3,640)
Taxes paid	(1,188)	(1,722)
Net cash provided / (used in) by operating activities	30,688	(9,114)
Cash flows from investing activities		
Addition of investment properties	-	(1,795)
Purchase of property, plant and equipment	(2,318)	(2,092)
Proceeds / (Purchase) from other investment	(3,977)	(1,219)
Interest received	393	738
Net cash used in investing activities	(5,902)	(4,368)
Cash flows from financing activities		
Dividends paid to shareholders of the Company	(2,272)	-
Drawdown of term loan	9,687	35,000
Repayment of bankers' acceptance	(4,641)	(700)
Repayment of term loan	(20,684)	(47,260)
Repayment of revolving credit	(2,000)	(2,000)
Placement of pledged deposit	183	240
Net changes in finance lease creditors	(2,541)	110
Net cash used in financing activities	(22,267)	(14,609)
Net increase / (decrease) in cash and cash equivalents	2,518	(28,090)
Cash and cash equivalents at beginning of the period	46,041	53,504
Cash and cash equivalents at end of the period	48,559	25,414
Cash and cash equivalents comprise of the followings:		
Cash and bank balances	47,133	27,187
Fixed deposit	16,053	17,526
Overdraft	(12,283)	(11,503)
	50,902	33,210
Less: Deposits pledged	(2,345)	(7,796)
	48,557	25,414

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 30 SEPTEMBER 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

There was no dividend paid during the quarter under review.

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
9 months ended 30 September 2021						
Revenue						
External sales	49,635	63,397	873	113,905	-	113,905
Inter-segment sales	327	(1,343)	10,389	9,373	(9,373)	-
Total revenue	49,962	62,054	11,262	123,278	(9,373)	113,905
Segment profit/(loss)	(7,190)	1,070	1,854	(4,266)	(1,129)	(5,395)
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
3 months ended 30 September 2021						
Revenue						
External sales	12,392	29,274	402	42,068	-	42,068
Inter-segment sales	105	(1,304)	2,894	1,696	(1,696)	-
Total revenue	12,497	27,970	3,296	43,764	(1,696)	42,068
Segment profit/(loss)	(995)	818	142	(37)	211	176



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 30 September		9 months ended 30 September	
	2021 RM	2020 RM	2021 RM	2020 RM
After charging:				
Depreciation and amortization:				
-property, plant and equipment	1,729	2,088	5,487	6,135
Property, plant and equipment written off	462		462	5
Interest expense	1,307	1,718	4,326	5,705
Rental expense	70	199	131	435
After crediting:				
Gain on disposal of:				
-property, plant and equipment		-		-
Reversal of impairment:				
-trade receivables	-	-	(268)	(21)
Interest income	(136)	(319)	(350)	(765)
Other income including rental and investment income	(1,517)	(1,473)	(3,581)	(2,687)

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 400,441 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 30 September 2021 are as follows:

	<u>RM'000</u>
Approved and contracted for	<u>1,576</u>

14. Changes in Contingent Liabilities

As at 30 September 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

	9 months ended 30.09.2021 RM'000
Rental of quarry land to ultimate holding corporation	100
Tributes charged by the ultimate holding corporation	286
Estate agency fee charged by a related company, Kumpulan Ladang-Ladang Perbadanan Kedah Sdn. Bhd.	66
Revenue from oil palm from related company, Kumpulan Ladang-Ladang Perbadanan Kedah Sdn. Bhd.	873
Property management paid to a related company, Darulaman Asset Sdn. Bhd	1
Insurance paid to a related company, KSDC Insurance Brokers Sdn. Bhd.	919
	<u><u>2,245</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

a) Current financial year to date against the previous year corresponding period

The Group recorded lower revenue of RM113.9 million in the current financial year to date compared to RM127.6 million in the same corresponding period of last year. The decrease in revenue was mainly contributed by Property Division. The Group also posted higher loss before tax of RM5.4 million in the current financial year to date compared to RM4.2 million in the same corresponding period of last year due to strict containment measures under the National Recovery Plan (NRP) during the third quarter of 2021.

The Property Division posted lower revenue of RM49.6 million compared to RM64.5 million in 2020. The decrease in revenue was contributed by lesser sale of completed units compared to the previous year corresponding period. However, the division recorded lower loss before tax of RM7.2 million for current financial year to date compared to the loss before tax of RM7.7 million in the same corresponding period of last year due to lower administrative costs.

The Engineering, Construction and Quarry Division posted slightly higher revenue of RM63.4 million compared to RM62.5 million in 2020 due to higher progress billings from the State Road Maintenance Project, the Non-Revenue Water Project in Perlis and Pelubang Water Treatment Plant Project. However, the division recorded lower profit before tax of RM1.1 million compared to RM6.2 million in 2020 due to higher operating and administrative costs.

b) Current quarter vs previous year corresponding quarter

Malaysian Economic activities was particularly impacted in July under Phase 1 of the NRP. All economic sectors recorded negative growth in the third quarter of 2021 compared to the previous year corresponding quarter.

The Group posted lower revenue of RM42.1 million for the third quarter ended 30 September 2021 compared to RM57.3 million achieved in the same corresponding period of last year. The Group also recorded lower profit before tax of RM0.2 million for the current quarter as compared to RM1.7 million in the previous year corresponding quarter. Lower revenue and profits in the current quarter under review is coincide with contraction in the economic activities arising from strict containment measures under NRP.

The Property Division posted lower revenue of RM12.4 million compared to RM20.5 million in the same corresponding quarter of last year. However, the division recorded



lower loss before tax of RM1.0 million for the current quarter compared to loss before tax of RM2.4 million in the previous year corresponding period.

The Engineering, Construction and Quarry Division posted lower revenue of RM29.3 million in the current quarter of 2021 compared to RM36.5 million in the same corresponding quarter of last year. Lower revenue was due to the constrained by operating capacity limits imposed by the Government. Similarly, the division posted lower profit before tax of RM0.8 million in the current quarter under review compared to a profit before tax of RM4.7 million in the corresponding period of last year.

18. Variation of Results against Preceding Quarter

	Current quarter ended 30 September 2021 RM'000	Preceding quarter ended 30 June 2021 RM'000
Revenue	42,068	41,929
Profit / (Loss) Before Taxation	176	(2,630)

The Group recorded higher revenue and higher profit before tax compared to the preceding quarter mainly contributed by the Engineering, Construction and Quarry Division.

19. Prospects for the current financial year

For 2021, the Malaysian economy remains on track to achieve the projected growth range of 3.0% - 4.0%. The recent gradual relaxations for reopening of more economic sectors, along with higher adaptability of firms to the new operating environment and continued policy support, partly mitigated the impact of nationwide containment measures in the third quarter. Furthermore, the successful rollout of the vaccination programmed, which has resulted in improved health outcomes, has enabled a phased and safe reopening of economic sectors and allow the economy to continue its recovery path.

The Group's Engineering, Construction and Quarry Division remains focused on the progress of the State Road Maintenance Project, Pelubang Water Treatment Plant and the Non-Revenue Water Project in Perlis.

The Property Division will continue to focus on developing its existing townships and unlock the potential value of the remaining landbank. In April, a joint venture initiative was undertaken through its subsidiary, BDB Land Sdn Bhd and LPB Development Sdn Bhd to develop an affordable housing project located at Bandar Amanjaya, Sungai Petani with a Gross Development Value of RM550 million. In August, BDB Land Sdn Bhd also undertake a joint venture arrangement with Aman Setia Development Sdn Bhd to work together as strategic joint development partners through BDB Setia Sdn Bhd to optimize the value of Darulaman Perdana West in Sungai Petani.



The Division also committed to develop the premium branded outlets in Langkawi. Recently, Langkawi Development Authorities (LADA), BDBMBI and BDB had signed a 30-years concession agreement to develop and manage premium branded outlets in Langkawi with a Gross Rental Value of RM817 million. The Division through its subsidiary, BDBMBI Langkawi Ventures Sdn Bhd has signed an indicative term sheet for a Master Tenancy-cum-Operator Agreement with KS London Time Trading Retail (M) Sdn Bhd to operate Langkawi Designer Premium Outlet subject to mutual acceptance by both parties. The agreement is targeted to be finalised by the first quarter of 2022.

20. Variance from Profit Forecast or Profit Guarantee

Not applicable for the financial period ended 30 September 2021.

21. Income Tax Expense

	9 months ended 30 September 2021 RM'000	9 months ended 30 September 2020 RM'000
Malaysian income tax	449	1,485

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 30 September 2021 were as follows:

	Short-term RM'000	Long-term RM'000
Term loans	22,522	25,337
Bankers' Acceptance	-	-
Hire Purchase	1,436	2,414
Revolving Credit	37,600	-
Bank overdraft	12,283	-
TOTAL	73,841	27,751



24. Material Litigation

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

25. Dividends Payable

No interim dividend has been declared during the quarter ended 30 September 2021.

26. Earnings / (Loss) Per Share

a. Basic earnings / (loss) per share

	9 months ended 30.09.2021 RM'000	9 months ended 30.09.2020 RM'000
Loss attributable to owners of the Company	(5,846)	(5,674)
Number of ordinary shares in issue	303,855	303,855
Basic loss per share (sen)	(1.92)	(1.87)

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 24th November 2021.