

Unaudited Third Quarter Financial Statements and Dividend Announcement for the period ended 31 March 2021

The board of directors (the “**Board**”) of Astaka Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to announce the unaudited consolidated results of the Group for the third quarter ended 31 March 2021. Such quarterly reporting announcement is mandatory, made pursuant to the Singapore Exchange Securities Trading Limited’s (“**SGX-ST**”) requirements, as required under Rule 705(2C) of the SGX-ST Listing Manual Section B: Rules of Catalyst (the “**Catalist Rules**”).

PART I Information Required for Quarterly (Q1, Q2 & Q3), Half-Year and Full Year Announcements

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group			Group		
	3 months ended		Change %	9 months ended		Change %
	31/03/2021 (Unaudited) RM'000	31/03/2020 (Unaudited) RM'000		31/03/2021 (Unaudited) RM'000	31/03/2020 (Unaudited) RM'000	
Revenue	3,087	30,473	(89.9)	42,877	171,745	(75.0)
Cost of sales	(3,551)	(27,990)	(87.3)	(29,936)	(158,805)	(81.1)
Gross (loss)/profit	(464)	2,483	(118.7)	12,941	12,940	n.m
Other income	27	5	440.0	163	36	352.8
Selling and distribution expenses	(138)	(554)	(75.1)	(721)	(1,992)	(63.8)
Administrative expenses	(2,770)	(8,951)	(69.1)	(10,241)	(18,592)	(44.9)
Other expenses	(912)	(2,799)	(67.4)	(1,720)	(3,094)	(44.4)
Results from operating activities	(4,257)	(9,816)	(56.6)	422	(10,702)	(103.9)
Finance income	15	183	(91.8)	194	182	6.6
Finance costs	(1,973)	(1,171)	68.5	(5,787)	(5,154)	12.3
Net finance costs	(1,958)	(988)	98.2	(5,593)	(4,972)	12.5
Loss before income tax	(6,215)	(10,804)	(42.5)	(5,171)	(15,674)	(67.0)
Tax (expense)/credit	(682)	(16)	4,162.5	(1,360)	108	(1,359.3)
Loss for the period, representing total comprehensive loss for the period	(6,897)	(10,820)	(36.3)	(6,531)	(15,566)	(58.0)
Total comprehensive loss attributable to:						
Owners of the Company	(6,293)	(12,833)	(51.0)	(9,473)	(16,555)	(42.8)
Non-controlling interests	(604)	2,013	(130.0)	2,942	989	197.5
Total comprehensive loss for the period	(6,897)	(10,820)	(36.3)	(6,531)	(15,566)	(58.0)

n.m. – not meaningful

- 1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year: -

Loss for the financial period is stated after charging/(crediting) the following:

	Group		Group	
	3 months ended		9 months ended	
	31/03/2021 (Unaudited) RM'000	31/03/2020 (Unaudited) RM'000	31/03/2021 (Unaudited) RM'000	31/03/2020 (Unaudited) RM'000
Interest expense	1,973	1,171	5,787	5,154
Accruals for late payment interests	365	1,139	1,110	1,139
Depreciation of property, plant and equipment	130	77	393	218
Repair and maintenance	20	128	86	865
Landscape maintenance	(9)	34	56	584
Late payment interest for purchaser	-	(38)	-	8
Loss/(Gains) on foreign exchange	6	(26)	10	(5)
Interest income	(15)	(119)	(194)	(185)
Interest earned on deposit placed with Tenaga Nasional Berhad	-	-	(44)	-
Gain on disposal of property, plant and equipment	-	-	(12)	-
(Reversal of)/Accrual for liquidated ascertained damages	(652)	346	(652)	346
Reversal of foreseeable loss on development properties	(60)	(1,098)	(767)	(678)

- 1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	31/03/2021 (Unaudited) RM'000	30/06/2020 (Audited) RM'000	31/03/2021 (Unaudited) RM'000	30/06/2020 (Audited) RM'000
	Assets			
Property, plant and equipment	513	855	-	-
Investment in subsidiaries	-	-	811,832	811,832
Non-current assets	513	855	811,832	811,832
Development properties	457,530	454,906	-	-
Contract costs	-	1,229	-	-
Contract assets	5,903	13,351	-	-
Trade and other receivables	22,703	20,475	50	41
Tax recoverable	692	1,846	-	-
Cash and cash equivalents	9,251	19,011	123	595
Current assets	496,079	510,818	173	636
Total assets	496,592	511,673	812,005	812,468
Equity				
Share capital	259,384	259,384	1,455,079	1,455,079
Merger reserve	(10,769)	(10,769)	-	-
Capital reserve	-	-	1,419	1,419
Accumulated losses	(163,275)	(153,802)	(647,883)	(647,710)
Equity attributable to owners of the Company	85,340	94,813	808,615	808,788
Non-controlling interests	(39)	(2,981)	-	-
Total equity	85,301	91,832	808,615	808,788

	Group		Company	
	31/03/2021 (Unaudited) RM'000	30/06/2020 (Audited) RM'000	31/03/2021 (Unaudited) RM'000	30/06/2020 (Audited) RM'000
Liabilities				
Lease liabilities	76	227	-	-
Non-current liabilities	76	227	-	-
Contract liabilities	-	3,406	-	-
Trade and other payables	292,537	310,534	332	639
Amount due to related parties	106,324	94,197	3,058	3,041
Lease liabilities	291	412	-	-
Loans and borrowings	11,459	11,065	-	-
Current tax liabilities	604	-	-	-
Current liabilities	411,215	419,614	3,390	3,680
Total liabilities	411,291	419,841	3,390	3,680
Total equity and liabilities	496,592	511,673	812,005	812,468

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year: -

(a) the amount repayable in one year or less, or on demand;

As at 31/03/2021		As at 30/06/2020	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
11,600	70,174	11,208	57,592

(b) the amount repayable after one year;

As at 31/03/2021		As at 30/06/2020	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
76	-	144	83

(c) whether the amounts are secured or unsecured; and

Please refer to (a) and (b) above.

(d) details of any collaterals

As at 31 March 2021, the Group's financing facilities of RM13,200,000 (30 June 2020: RM11,200,000) are secured against the fixed deposits of the controlling shareholder of the Company, Dato' Daing A Malek Bin Daing A Rahman ("Dato' Malek") and secured by the first open monies legal charge over the land held under Lot PTD 6009, Mukim of Pengerang, District of Kota Tinggi, Johor, which is owned by Saling Syabas Sdn Bhd ("SSSB"). The Group's hire purchase financing facilities of RM692,000 (30 June 2020: RM692,000) are secured by its underlying assets.

As at 31 March 2021, amounts owing to a main contractor of approximately RM31,615,000 (30 June 2020: RM34,115,000) are secured against certain land parcels located in Bukit Pelali, Pengerang, which are owned by SSSB and over which the Company's subsidiary, Bukit Pelali Properties Sdn Bhd ("BPPSB"), holds the development rights. SSSB is owned by Dato' Malek and Dato' Zamani Bin Kasim, the Executive Director of the Company.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		Group	
	3 months ended 31/03/2021 (Unaudited) RM'000	31/03/2020 (Unaudited) RM'000	9 months ended 31/03/2021 (Unaudited) RM'000	31/03/2020 (Unaudited) RM'000
Cash flow from operating activities				
Loss before income tax	(6,215)	(10,804)	(5,171)	(15,674)
Adjustments for:				
Accruals for late payment interests	365	1,139	1,110	1,139
Depreciation of property, plant and equipment	130	77	393	218
Gain on disposal of property, plant and equipment	-	-	(12)	-
Interest expense	1,973	1,171	5,787	5,154
Interest income	(15)	(119)	(194)	(185)
(Reversal of)/Accrual for liquidated ascertained damages	(652)	346	(652)	346
Reversal of foreseeable loss on development properties	(60)	(1,098)	(767)	(678)
Unrealised loss/(gain) on foreign exchange	45	(43)	48	(42)
	(4,429)	(9,331)	542	(9,722)
Changes in:				
Development properties	(644)	(8,058)	(1,857)	2,067
Contract costs	-	6,632	1,229	6,914
Contract assets and liabilities	5,120	(36,420)	4,042	(4,926)
Trade and other receivables	6,318	14,302	(2,228)	60,686
Trade and other payables	(13,190)	32,125	(18,110)	(42,856)
Cash (used in)/generated from operations	(6,825)	(750)	(16,382)	12,163
Tax refund	-	-	853	-
Tax paid	(101)	(309)	(455)	(5,883)
Net cash (used in)/generated from operating activities	(6,926)	(1,059)	(15,984)	6,280
Cash flow from investing activities				
Acquisition of property, plant and equipment	(18)	(112)	(51)	(131)
(Increase)/Decrease in fixed deposit pledged	(430)	-	3,574	-
Interest received	15	119	194	185
Proceeds from disposal of property, plant and equipment	-	-	12	-
Net cash (used in)/generated from investing activities	(433)	7	3,729	54
Cash flow from financing activities				
Advances from/(to) affiliated corporations	5,477	(3,510)	14,283	6,464
Advances from a controlling shareholder	-	14,000	-	14,000
Interest paid	(969)	(506)	(3,260)	(10,124)
Proceeds from drawdown of term loans	-	-	-	1,139
Repayment of affiliated corporations	-	-	(2,700)	(3,500)
Repayment of trade and other payables	-	(2,500)	(2,500)	(12,418)
Repayment of term loan	(206)	-	(617)	-
Repayment of finance lease liabilities	-	(26)	-	(95)
Repayment of lease liabilities	(48)	-	(105)	-
Net cash generated from/(used in) financing activities	4,254	7,458	5,101	(4,534)
Net (decrease)/ increase in cash and cash equivalents	(3,105)	6,406	(7,154)	1,800
Cash and cash equivalents at beginning Of financial period	29	(23,908)	4,083	(19,302)
Effect of exchange rate fluctuation on cash held	(41)	-	(46)	-
Cash and cash equivalents at 31 March	(3,117)	(17,502)	(3,117)	(17,502)

For the purposes of representing the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	31/03/2021 (Unaudited) RM'000	31/03/2020 (Unaudited) RM'000
Cash and bank balances	9,251	8,129
(-) Bank overdrafts	(10,940)	(21,627)
(-) Fixed deposit pledged	(1,428)	(4,004)
Cash and cash equivalents per consolidated statement of cash flows	(3,117)	(17,502)

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Group
(Unaudited)**

	Share capital RM'000	Merger reserve RM'000	Accumulated losses RM'000	Total RM'000	Non- controlling interest RM'000	Total Equity RM'000
Balance as at 1 July 2020	259,384	(10,769)	(153,802)	94,813	(2,981)	91,832
(Loss)/Profit and total comprehensive (loss)/income for the period	-	-	(3,180)	(3,180)	3,546	366
Balance as at 31 December 2020	259,384	(10,769)	(156,982)	91,633	565	92,198
Loss and total comprehensive loss for the period	-	-	(6,293)	(6,293)	(604)	(6,897)
Balance as at 31 March 2021	259,384	(10,769)	(163,275)	85,340	(39)	85,301

**Group
(Unaudited)**

	Share capital RM'000	Merger reserve RM'000	Accumulated losses RM'000	Total RM'000	Non- controlling interest RM'000	Total equity RM'000
Balance as at 1 July 2019	259,384	(10,769)	(133,049)	115,566	(5,651)	109,915
Loss and total comprehensive loss for the period	-	-	(3,722)	(3,722)	(1,023)	(4,745)
Balance as at 31 December 2019	259,384	(10,769)	(136,771)	111,844	(6,674)	105,170
Loss and total comprehensive loss for the period	-	-	(12,833)	(12,833)	2,013	(10,820)
Balance as at 31 March 2020	259,384	(10,769)	(149,604)	99,011	(4,661)	94,350

**Company
(Unaudited)**

	Share capital RM'000	Capital reserve RM'000	Accumulated losses RM'000	Total equity RM'000
Balance as at 1 July 2020	1,455,079	1,419	(647,710)	808,788
Loss and total comprehensive loss for the period	-	-	(268)	(268)
Balance as at 31 December 2020	1,455,079	1,419	(647,978)	808,520
Profit and total comprehensive income for the period	-	-	95	95
Balance as at 31 March 2021	1,455,079	1,419	(647,883)	808,615

**Company
(Unaudited)**

	Share capital RM'000	Capital reserve RM'000	Accumulated losses RM'000	Total equity RM'000
Balance as at 1 July 2019	1,455,079	1,419	(518,712)	937,786
Loss and total comprehensive loss for the period	-	-	(2,331)	(2,331)
Balance as at 31 December 2019	1,455,079	1,419	(521,043)	935,455
Loss and total comprehensive loss for the period	-	-	(283)	(283)
Balance as at 31 March 2020	1,455,079	1,419	(521,326)	935,172

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Number of issued shares	Issued and paid-up share capital (RM'000)
Balance as at 31 December 2020	1,869,434,303	1,455,079
Balance as at 31 March 2021	1,869,434,303	1,455,079

The Company did not have any outstanding options, convertibles, treasury shares or subsidiary holdings as at 31 March 2021 and 31 March 2020.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	As at 31/03/2021	As at 30/06/2020
Total number of issued shares	1,869,434,303	1,869,434,303

There were no treasury shares as at 31 March 2021 and 30 June 2020.

- 1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. There were no treasury shares during and as at the end of the current financial period reported on.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. There were no subsidiary holdings during and as at the end of the current financial period reported on.

- 2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard and practice.**

The figures have not been audited or reviewed by the Company's auditors.

- 3. Where the figures have been audited or reviewed, the auditor's report (including any modifications or emphasis of a matter).**

Not applicable. The figures have not been audited or reviewed by the Company's auditors.

- 3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

- (a) Updates on the efforts taken to resolve each outstanding audit issue.**
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable. The latest financial statements of the Group are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The accounting policies and methods of computations adopted in the financial statements for the current financial period reported on are consistent with those applied in the preparation of the most recent audited consolidated financial statements of the Group for the financial year ended 30 June 2020.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change.**

There are no changes in the accounting policies and methods of computation for the current financial period reported on.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends: -**
 (a) based on the weighted average number of ordinary shares on issue; and
 (b) on a fully diluted basis (detailing any adjustments made to the earnings).

	3 months ended		9 months ended	
	31/03/2021 (Unaudited)	31/03/2020 (Unaudited)	31/03/2021 (Unaudited)	31/03/2020 (Unaudited)
Loss attributable to equity holders of the Company (RM'000)	(6,293)	(12,833)	(9,473)	(16,555)
Weighted average number of ordinary shares in issue	1,869,434,303	1,869,434,303	1,869,434,303	1,869,434,303
Loss per share ("LPS") (RM'sen)	(0.34)	(0.69)	(0.51)	(0.89)
Fully diluted LPS (RM'sen)	(0.34)	(0.69)	(0.51)	(0.89)

The basic and fully diluted LPS were the same as there were no potentially dilutive ordinary shares in issue as at 31 March 2021 and 31 March 2020.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the: -**
 (a) Current financial period reported on; and
 (b) Immediately preceding financial year.

	Group		Company	
	31/03/2021 (Unaudited)	30/06/2020 (Audited)	31/03/2021 (Unaudited)	30/06/2020 (Audited)
Net Asset Value ⁽¹⁾ ("NAV") (RM'000)	85,340	94,813	808,615	808,788
Number of ordinary shares in issue	1,869,434,303	1,869,434,303	1,869,434,303	1,869,434,303
NAV per ordinary share (RM'sen)	4.57	5.07	43.25	43.26

Note:

(1) NAV attributable to owners of the Company.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Consolidated statement of comprehensive income

Revenue

The decrease in revenue for the third quarter ended 31 March 2021 ("3QFY2021") as compared to the third quarter ended 31 March 2020 ("3QFY2020") was mainly due to the decrease in sales of the Group's properties in light of the weak sentiment surrounding Malaysia's residential property sector and the disruption caused by the COVID-19 pandemic, including the conditional movement control order being imposed in Johor Bahru in 3QFY2021. In addition, the decrease in revenue was also due to the completion of the phases 1B and 2A & 2B of Bukit Pelali at Pengerang ("BPP") (developed by BPPSB), and the Menara Majlis Bandaraya Johor Bahru ("MBJB") project in the second quarter ended 31 December 2020 and financial year ended 30 June 2020, respectively.

Cost of Sales and Gross (Loss)/Profit

The decrease in cost of sales was in line with the decrease in sales and due to the reversal of foreseeable loss on development properties in view of the higher selling price on those inventories sold and as a result, the foreseeable loss on development properties which was previously provided was no longer applicable to those sold units.

In addition, gross loss in 3QFY2021 was mainly due to (i) additional contribution of RM670,000 to the authority for the purposes of tapping into the existing sewerage treatment plant, and (ii) additional cost relating to desilting works of RM267,000 at the BPP site as a result of the heavy rainfall in 3QFY2021. Excluding reversal of foreseeable loss on development properties and the additional costs set out above, the Group would have recorded a gross profit of approximately RM0.41 million in 3QFY2021 as compared to a gross profit of RM1.39 million in 3QFY2020.

Other Income

Other income increased in 3QFY2021 mainly due to rental income received.

Finance Income

The decrease in finance income was mainly due to the lesser interest received from a financial institution and the absence of gain in foreign exchange and late payment interest from purchaser.

Expenses

Decrease in selling and distribution expenses in 3QFY2021 as compared to 3QFY2020 was mainly due to lesser marketing expenses incurred for organising of events and roadshows.

Administrative expenses decreased in 3QFY2021 mainly due to the following:

- i. repair and maintenance expenses of RM20,000 (3QFY2020: RM128,000) due to lesser works being carried out for the period;
- ii. quit rent and assessment of RM0.68 million (3QFY2020: RM4.8 million);
- iii. management fee and sinking fund of RM438,000 (3QFY2020: RM696,000);

- iv overcharge of landscape maintenance of RM9,000 (3QFY2020 landscape maintenance expenses: RM34,000)
- v. overprovision of liquidated ascertained damages of RM652,000 (3QFY2020: accrual of RM346,000); and
- vi. legal fee of RM232,000 (3QFY2020: RM638,000).

However, the decrease in administrative expenses in 3QFY2021 was partially offset by an increase in the depreciation of property, plant and equipment (“PPE”). This was mainly due to the depreciation being charged to the right-of-use assets leased by the Group as well as to the additional PPE purchased in FY2020.

Other expenses decreased in 3QFY2021 mainly due to the lower provision of late payment interest on outstanding amount owing to a main contractor in 3QFY2021 as compared to 3QFY2020.

In 3QFY2021, the Group’s finance cost relates mainly to (i) bank overdraft interest which amounted to approximately RM0.1 million, and (ii) interest expenses in relation to the loan agreements entered into by Astaka Padu Sdn Bhd (“APSB”), a subsidiary of the Company, which on aggregate, amounted to approximately RM1.8 million. The increase in interest expenses in relation to the loan agreements for 3QFY2021 was mainly due to the additional unsecured loan obtained from Dato’ Malek and DMR Holdings Sdn Bhd (“DMR Holdings”) (wholly owned by Dato’ Malek) at the interest rate of 8% per annum.

Income tax expenses recorded in 3QFY2021 was due to under provision of income tax in prior year.

Consolidated statement of financial position

PPE decreased by RM342,000 from RM855,000 as at 30 June 2020 to RM513,000 as at 31 March 2021. This was mainly due to the depreciation charged during the financial period, which was partially offset by additions of new PPE.

Development properties increased by approximately RM2.6 million from RM454.9 million as at 30 June 2020 to RM457.5 million as at 31 March 2021. The increase was in line with the progress of the on-going construction of the Group’s property development projects.

Decrease in contract cost and contract assets as at 31 March 2021 was due to the completion of phases 1B and 2A & 2B of BPP, and no contract liabilities were recorded as at 31 March 2021.

Trade and other receivables increased by approximately RM2.2 million from RM20.5 million as at 30 June 2020 to RM22.7 million as at 31 March 2021, mainly attributable to the stakeholder money received in respect of phase 1B of BPP, which were held by the solicitors of the Group. Such monies will be released to the Group upon the expiry of the defective period of the development properties. The increase was partially offset by the collection received from the BPP project during the financial period.

Tax recoverable recorded is in relation to the tax instalments made by the Group. Under the self-assessment system, every company is required to determine and submit an estimate of its tax payable for the respective year of assessment (“YOA”), and the estimate of tax payable shall not be less than eighty-five per cent of the revised estimate of tax payable in the immediately preceding YOA.

Trade and other payables decreased by approximately RM18.0 million from RM310.5 million as at 30 June 2020 to RM292.5 million as at 31 March 2021, mainly due to payments made during the financial period.

Amount due to related parties increased by approximately RM12.1 million from RM94.2 million as at 30 June 2020 to RM106.3 million as at 31 March 2021, which was mainly due to the Group drawing down approximately RM12.7 million from the loan facilities provided by DMR

Holdings, at the interest rate of 8% per annum, which is repayable on demand. The purpose of the loan is to finance general corporate expenses and working capital needs. In addition, the increase in amount due to related parties was also attributable to the BPP land consideration payable to the joint venture partner, SSSB. Based on the terms of the development agreement entered into between BPPSB and SSSB, BPPSB shall pay SSSB 12.0% of the cash proceeds to be received from the individual purchasers of the properties in the BPP project, such amount to be capped at and shall not exceed the sum of RM165.0 million. Such increase was partially offset by the interest paid to the related parties during the financial period.

The current and non-current lease liabilities decreased by RM272,000 from RM639,000 as at 30 June 2020 to RM367,000 as at 31 March 2021. This was mainly due to the right-of-use assets leased by the Group, in which payments were made on a monthly basis according to the lease payment terms.

Current tax liabilities were recorded as a result of higher profit recorded by BPPSB in 3QFY2021.

The increase in loans and borrowings was due to the additional drawdown of bank overdraft for financing the Group's property development projects and working capital. This was partially offset by the repayment made during the financial period.

Consolidated statement of cash flow

The Group reported a net cash outflow used in operating activities of approximately RM6.9 million in 3QFY2021. This was primarily due to (i) cash outflow from operating activities prior to changes in working capital and (ii) the decrease in trade and other payables arising from the repayments made during the financial period, which was partially offset by (i) the decrease in contract assets as a result of progress billing issued for both MJB and BPP projects and (ii) the decrease in trade and other receivables arising from the collection received from purchasers on progress billing issued.

Net cash outflow used in investing activities of RM433,000 was mainly due to acquisition of PPE and the increase in fixed deposit pledged in 3QFY2021. The aforesaid was partially offset by the interest received from financial institution.

Net cash inflow generated from financing activities of RM4.3 million in 3QFY2021 was mainly due to the additional loan drawdown from DMR Holdings amounting to approximately RM4.0 million. However, the aforesaid was offset by repayments of term loan, lease liabilities as well as interest paid.

Included in the Year to Date ("YTD") March 2021 cash and bank balances is an amount of approximately RM989,000 (YTD March 2020: RM2.4 million) of which the bank accounts are maintained in accordance with Housing Development (Housing Development Account) Regulation 1991 in Malaysia. These accounts, which consist of monies received from purchasers, are for the payments of property development expenditure incurred. The surplus monies, if any, will be released to the respective subsidiaries upon the completion of the property development properties and after all property development expenditure have been fully settled.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No variance as the Group's financial results for 3QFY2021 and the nine months ended 31 March 2021 were in line with the profit guidance released on 5 May 2021.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

As the Malaysian government retightened restrictions amid soaring COVID-19 cases, the whole of Malaysia has been placed under a movement control order (“**MCO**”) from 12 May 2021 to 7 June 2021. Notwithstanding the MCO, all economic sectors are allowed to operate as usual during this period, subject to the strict compliance of standard operating procedures drawn up by the Ministry of International Trade and Industry. The Group will abide by the work-from-home rulings to allow no more than 30% of its employees in the management group to return to the workplace during the MCO period and resume its operations in full when the MCO expires, subject to any further directives from the Malaysian government.

While uncertainties on the overall effectiveness of the vaccines as well as concerns of a potentially new wave of COVID-19 cases in Malaysia still linger, the recent revival of the Johor Bahru-Singapore Rapid Transit System (“**RTS**”) project has contributed positively to the buying sentiment of The Astaka at One Bukit Senyum (“**The Astaka**”) which is located closed to the RTS station. The Group is looking into various sales packages and promotions, including special rebates and discounts, in spurring the sales of The Astaka.

At the same time, the Group will continue to explore strategic alliances to develop phase 3 of One Bukit Senyum which spans approximately 7.65 acres and look out for new land banks in strategic locations within Johor for future developments in the form of land acquisition or joint venture.

The Group will also work towards the submission of a revised resumption of trading proposal (“**Revised Resumption Proposal**”) to the SGX-ST by 31 December 2021, following the receipt of the no objection letter from the SGX-ST (“**No Objection Letter**”) as set out in the announcement dated 20 January 2021. In compliance with requirements of the No Objection Letter, the Company has been providing monthly updates on the Company’s operations and progress in meeting key milestones for its submission of a Revised Resumption Proposal to the SGX-ST, and will continue to do so via the SGXNET.

11. If a decision regarding dividend has been made: -

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No dividend has been declared or recommended for 3QFY2021.

(b)

(i) Amount per share (RM’sen)

Not applicable.

(ii) Previous corresponding period (RM’sen)

Not applicable. No dividend has been declared or recommended for the corresponding period of the immediately preceding financial year.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

- (e) The date on which Registrable Transfers received by the Company (up to 5.00 p.m.) will be registered before entitlements to the dividend are determined.

Not applicable.

12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended as the Group continues to incur losses attributable to owners of the Company in 3QFY2021.

13. If the Group has obtained a general mandate from shareholders for interested person transactions ("IPTs"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from its shareholders for recurring interested person transactions.

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Dato' Malek	Controlling Shareholder	RM811,951 ⁽¹⁾	Not applicable
DMR Holdings	An associate of Dato' Malek	RM312,329 ⁽²⁾	Not applicable
SSSB	An associate of Dato' Malek	RM1,477,442 ⁽³⁾	Not applicable

Notes:

- (1) Dato' Malek, the controlling shareholder of the Company, had extended unsecured loans in aggregate principal outstanding amount of RM52,322,839 to the subsidiary of the Company, APSB, comprising: (i) a loan in principal outstanding amount of RM22,322,839 at a fixed interest rate of 4% per annum extended in FY2017, repayable on demand; and (ii) a loan in principal outstanding amount of RM30,000,000 pursuant to the loan agreement dated 14 February 2020 entered into between Dato' Malek and APSB (as supplemented by the supplemental letter agreement dated 3 November 2020) ("**DM Loan Agreement**") at a fixed interest rate of 8% per annum, repayable within one year (unless automatically extended) or on demand. Please refer to the Company's circular to Shareholders dated 9 October 2020 for further details on the DM Loan Agreement.
- (2) DMR Holdings (an associate of Dato' Malek) agreed to grant an unsecured loan in the principal outstanding amount not exceeding RM60,000,000 to APSB (as supplemented by the supplemental letter agreement dated 3 November 2020) ("**DMR Loan Agreement**") at a fixed interest rate of 8% per annum, repayable within one year (unless automatically extended) or on demand. Please refer to the Company's circular to Shareholders dated 9 October 2020 for further details on the DMR Loan Agreement.
- (3) This comprises the amount payable by the subsidiary of the Company, BPPSB, to SSSB which was incurred in 3QFY2021 for the sole and exclusive right to develop the Bukit Pelali land, and was approved by Shareholders at an extraordinary general meeting on 16 December 2016 (please refer to the Company's circular to Shareholders dated 29 November 2016 for further details).

Save for the above mentioned, there were no interested persons transactions of S\$100,000 or more for 3QFY2021.

14. Negative confirmation pursuant to Rule 705(5).

The Board hereby confirms that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial results for 3QFY2021 to be false or misleading in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

The Company hereby confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Catalist Rule 720(1).

On behalf of the Board of Directors

Khong Chung Lun
Executive Director and Chief Executive Officer
12 May 2021

*This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

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