Quarterly rpt on consolidated results for the financial period ended 31 Dec 2021

GUOCOLAND (MALAYSIA) BERHAD

Financial Year End	30 Jun 2022
Quarter	2 Qtr
Quarterly report for the financial period ended	31 Dec 2021
The figures	have not been audited

Attachments

Q2 2022 Results.pdf
379.4 kB

Default Currency | Other Currency

Currency: **Malaysian Ringgit (MYR)**

SUMMARY OF KEY FINANCIAL INFORMATION
31 Dec 2021

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
		$$'000	$$'000	$$'000	$$'000
1	Revenue	105,555	91,320	140,684	182,252
2	Profit/(loss) before tax	8,637	5,978	972	11,228
3	Profit/(loss) for the period	4,151	-10,698	-3,662	-1,329
4	Profit/(loss) attributable to ordinary equity holders of the parent	3,764	-11,370	-4,217	-2,818
5	Basic earnings/(loss) per share (Subunit)	0.56	-1.70	-0.63	-0.42
6	Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00
		AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7	Net assets per share attributable to ordinary equity holders of the parent ($$)	1.9199		1.9462	

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent

United Kingdom	Pound	Pence

Announcement Info

Company Name	GUOCOLAND (MALAYSIA) BERHAD
Stock Name	GUOCO
Date Announced	24 Jan 2022
Category	Financial Results
Reference Number	FRA-24012022-00005

GuocoLand (Malaysia) Berhad (192001000022 (300-K))
A Member of the Hong Leong Group

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2021

The figures have not been audited

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021

	3 months ended		Period-to-date ended	
	31.12.2021 RM'000	31.12.2020 RM'000	31.12.2021 RM'000	31.12.2020 RM'000
Revenue	105,555	91,320	140,684	182,252
Cost of sales	(77,423)	(70,354)	(104,416)	(136,981)
Gross profit	28,132	20,966	36,268	45,271
Selling and marketing expenses	(883)	(890)	(1,318)	(2,052)
Administrative expenses	(16,801)	(14,611)	(29,966)	(28,501)
Other net operating income	1,364	1,178	2,712	3,470
Profit from operations	11,812	6,643	7,696	18,188
Finance income	452	1,034	647	1,844
Finance costs	(6,774)	(6,319)	(13,016)	(15,473)
Share of results of associates and joint ventures	3,147	4,620	5,645	6,669
Profit before tax	8,637	5,978	972	11,228
Income tax	(4,486)	(16,676)	(4,634)	(12,557)
Profit/(Loss) for the period	**4,151**	**(10,698)**	**(3,662)**	**(1,329)**
Profit/(Loss) attributable to:				
Owners of the parent	3,764	(11,370)	(4,217)	(2,818)
Non-controlling interests	387	672	555	1,489
Profit/(Loss) for the period	**4,151**	**(10,698)**	**(3,662)**	**(1,329)**
Profit/(Loss) per share attributable to owners of the parent:				
a) Basic (sen)	0.562	(1.697)	(0.630)	(0.421)
b) Diluted (sen)	0.562	(1.697)	(0.630)	(0.421)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (cont'd)

	3 months ended		Period-to-date ended	
	31.12.2021 RM'000	31.12.2020 RM'000	31.12.2021 RM'000	31.12.2020 RM'000
Profit/(Loss) for the period	**4,151**	**(10,698)**	**(3,662)**	**(1,329)**
Other comprehensive income:				
Foreign currency translation	-	-	-	-
Total comprehensive profit/(loss) for the period	**4,151**	**(10,698)**	**(3,662)**	**(1,329)**
Total comprehensive profit/(loss) attributable to:				
Owners of the parent	3,764	(11,370)	(4,217)	(2,818)
Non-controlling interests	387	672	555	1,489
Total comprehensive profit/(loss) for the period	**4,151**	**(10,698)**	**(3,662)**	**(1,329)**

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Unaudited As at 31.12.2021 RM'000	Audited As at 30.06.2021 RM'000
Non-current assets		
Property, plant and equipment	320,309	322,994
Right-of-use assets	8,719	2,660
Investment properties	274,063	274,063
Land held for property development	150,823	150,823
Investments in associates	193,301	192,741
Investments in joint ventures	127,100	124,794
Goodwill	4,701	4,816
Deferred tax assets	18,119	18,474
	1,097,135	1,091,365
Current assets		
Inventories	807,542	798,179
Biological assets	410	135
Trade and other receivables	50,965	40,583
Contract assets	208,440	164,478
Contract cost assets	57,165	62,273
Other current assets	3,929	4,425
Tax recoverable	3,216	2,436
Other investments	-	119,387
Cash and cash equivalents	274,324	88,518
	1,405,991	1,280,414
TOTAL ASSETS	2,503,126	2,371,779

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021 (cont'd)

	Unaudited As at 31.12.2021 RM'000	Audited As at 30.06.2021 RM'000
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	385,318	385,318
Reserves	924,677	942,292
Equity funds	1,309,995	1,327,610
Shares held by ESS Trust	(23,883)	(23,883)
	1,286,112	1,303,727
Non-controlling interests	142,478	141,923
TOTAL EQUITY	1,428,590	1,445,650
Non-current liabilities		
Trade and other payables	212	1,329
Loans and borrowings	250,807	486,507
Lease liabilities	7,103	1,559
Deferred tax liabilities	17,009	16,431
	275,131	505,826
Current liabilities		
Trade and other payables	152,353	123,421
Contract liabilities	8,859	8,836
Loans and borrowings	631,614	271,804
Lease liabilities	2,202	658
Tax payable	4,377	15,584
	799,405	420,303
TOTAL LIABILITIES	1,074,536	926,129
TOTAL EQUITY AND LIABILITIES	2,503,126	2,371,779
Net assets per share attributable to ordinary owners of the parent (RM)	1.9199	1.9462

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

GUOCOLAND (MALAYSIA) BERHAD (192001000022 (300-K))
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2021

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021

	← Attributable to owners of the parent →								
	← Non-Distributable →					Distributable			
	Share capital RM'000	Shares held by ESS Trust RM'000	Merger reserve RM'000	Exchange reserve RM'000	Other reserve RM'000	Retained profits RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Current period-to-date									
At 1 July 2021	385,318	(23,883)	(24,028)	106	27	966,187	1,303,727	141,923	1,445,650
Total comprehensive income for the period	-	-	-	-	-	(4,217)	(4,217)	555	(3,662)
Dividend paid	-	-	-	-	-	(13,398)	(13,398)	-	(13,398)
As At 31 December 2021	385,318	(23,883)	(24,028)	106	27	948,572	1,286,112	142,478	1,428,590

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (cont'd)

	← Attributable to owners of the parent →								
	← Non-Distributable →					Distributable			
	Share capital RM'000	Shares held by ESS Trust RM'000	Merger reserve RM'000	Exchange reserve RM'000	Other reserve RM'000	Retained profits RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Preceding year corresponding period									
At 1 July 2020	385,318	(23,883)	(24,028)	106	27	888,776	1,226,316	149,151	1,375,467
Total comprehensive income/(loss) for the period	-	-	-	-	-	(2,818)	(2,818)	1,489	(1,329)
Redemption of Redeemable Preference Shares	-	-	-	-	-	-	-	(29,469)	(29,469)
Dividend paid	-	-	-	-	-	-	-	(23,341)	(23,341)
As At 31 December 2020	385,318	(23,883)	(24,028)	106	27	885,958	1,223,498	97,830	1,321,328

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021

	Period-to-date ended	
	31.12.2021	**31.12.2020**
	RM'000	**RM'000**
Cash flows from operating activities		
Profit before tax	**972**	**11,228**
Adjustments for:		
(Gain)/Loss on fair value on biological assets	(275)	231
Dividend income	(1,044)	(423)
Reversal of provision for foreseeable losses of property development activities	-	(143)
Depreciation of property, plant and equipment	6,128	6,164
Depreciation of right-of-use assets	2,879	2,772
Property, plant and equipment written off	7	-
Gain on disposal of property, plant and equipment	(1)	(32)
Realisation of goodwill	115	230
Allowance for/(reversal of) impairment on trade and other receivables	131	(258)
Interest expense	13,016	15,473
Interest income	(647)	(1,844)
Elimination of unrealised profit arising from transactions with an associate and joint ventures	1,791	1,645
Share of results of associates and joint ventures	(5,645)	(6,669)
Operating profit before working capital changes	17,427	28,374
Working capital changes:		
Inventories and contract cost assets	28,868	1,230
Receivables and contract assets	(98,259)	105,721
Payables	43,195	18,012
Joint ventures balances	(3,627)	(208)
Related company balances	130	(297)
Cash flow (used in)/generated from operations	(12,266)	152,832
Interest received	12	15
Interest paid	(15,997)	(16,931)
Tax paid	(15,024)	(18,040)
Net cash flows (used in)/generated from operating activities	(43,275)	117,876

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (cont'd)

	Period-to-date ended	
	31.12.2021	**31.12.2020**
	RM'000	**RM'000**
Cash flows from investing activities		
Acquisitions of property, plant and equipment	(3,402)	(566)
Proceeds from disposal of an investment property	-	242,100
Dividend income from associate	705	717
Proceeds from disposal of investment securities	119,387	11,580
Proceeds from disposal of plant and equipment	-	85
Interest received	1,679	2,252
Net cash flows generated from investing activities	118,369	256,168
Cash flows from financing activities		
Bank borrowings drawdown	142,614	76,710
Repayment of bank borrowings	(18,504)	(385,461)
Reduction of ordinary shares paid to non-controlling interest	-	(29,469)
Dividend paid to non-controlling interest	-	(23,341)
Dividend paid to shareholders of the company	(13,398)	-
Net cash flow generated/(used in) from financing activities	110,712	(361,561)
Net increase in cash and cash equivalents	185,806	12,483
Cash and cash equivalents at beginning of the financial period	88,518	189,406
Cash and cash equivalents at end of the financial period	274,324	201,889

Cash and cash equivalents comprise the following:

	31.12.2021	**31.12.2020**
	RM'000	**RM'000**
Deposits, cash and bank balances	274,324	201,889

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

The figures have not been audited

NOTES

1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2021. The explanatory notes attached to the interim financial report 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 30 June 2021.

The Group has adopted the new Malaysian Financial Reporting Standard ("MFRS") Framework issued by Malaysian Accounting Standards Board ("MASB") with effect from 1 July 2019. For the periods up to, and including the year ended 30 June 2018, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRS") Framework as allowed by MASB as it includes transitioning entities. Except for certain differences, the requirements under FRS and MFRS are similar.

The accounting policies and presentation adopted for this Unaudited Condensed Consolidated Interim Financial Information are mainly consistent with those of the Group's audited financial statements for the financial year ended 30 June 2021, except for the following:

Effective for financial periods beginning on or after 1 January 2022:

Amendments to MFRS 1	First-time Adoption of MFRS-Subsidiary as a First-time Adopter
Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 9	Financial Instruments - Fees in the '10 per cent' Test for Derecognition of Financial Liabilities
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract
Amendments to MFRS 141	Agriculture - Taxation in Fair Value Measurements

The adoption of the above do not have any significant impact to the Group.

2. Qualification of audit report of the preceding annual financial statements

The audit report for the preceding annual financial statements was not subject to any qualification.

3. Seasonality or cyclicality of interim operations

The Group's interim operations were not materially affected by any seasonal or cyclical factors for the current quarter under review.

The figures have not been audited

4. Nature and amount of items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial period ended 31 December 2021.

5. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years

There were no changes in estimates of amounts reported in prior financial years that have had a material effect in the current financial period.

6. Issues, repurchases and repayments of debt and equity securities

During the current quarter under review, there were no additional shares purchased by the trust set up for the Executive Share Scheme ("ESS Trust"). As at reporting date, a total of 30,578,100 shares of GuocoLand (Malaysia) Berhad were held by the ESS Trust.

Save as detailed above, there were no issues, repurchases and repayments of debts and equity securities during the current financial period.

7. Dividend paid

During the financial period ended 31 December 2021, a final dividend of 2 sen per ordinary share amounted to RM13.4 million in respect of the financial year ended 30 June 2021 ("FY2021") was paid on 10 December 2021.

8. Segmental reporting

The Group's segmental report is as follows:

Financial Period Ended 31.12.2021

	Property development RM'000	Property investment RM'000	Hotel RM'000	Plantations RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue							
External sales	119,501	4,960	6,577	5,228	4,418	-	140,684
Inter-segment sales	-	18	-	-	10,542	(10,560)	-
Total revenue	119,501	4,978	6,577	5,228	14,960	(10,560)	140,684
Results							
Segment results	21,567	(415)	(7,334)	2,587	(8,435)	-	7,970
Unallocated corporate expenses							(274)
Profit from operations							7,696
Interest income	115	37	9	120	366	-	647
Finance costs	(5,048)	(2,709)	(3,030)	-	(2,229)		(13,016)
Share of results of associates	-	793	-	358	-	-	1,151
Share of results of joint ventures	4,494	-	-	-	-	-	4,494
Income tax	(2,989)	2	-	(1,532)	(115)	-	(4,634)
Loss for the period							(3,662)

Segmental reporting by geographical location has not been prepared as the Group's operations are substantially carried out in Malaysia.

9. Valuations of property, plant and equipment and investment properties

The valuations of property, plant and equipment and investment properties were brought forward without any amendments from the previous annual financial statements.

The figures have not been audited

10. Material events not reflected in the financial statements

On 12 October 2020, GLM Real Estate Holdings Sdn Bhd ("GLMREH"), a wholly-owned subsidiary of GLM, received from the Inland Revenue Board of Malaysia ("IRB") a notice of assessment for the year of assessment 2016 of RM82,589,751.74 comprising income tax of RM56,259,819.84 and penalty of RM26,329,931.90.

The income tax and penalty were imposed by the IRB pursuant to its view that the gains made by GLMREH from the disposal of its wholly-owned subsidiary (being shares in a real property company) are chargeable under the Income Tax Act 1967 instead of the Real Property Gains Tax Act, 1976. As GLMREH had previously paid real property gains tax totalling RM12,376,600, the potential net tax impact to the Company is RM70,213,151.74.

GLMREH had submitted the notice of appeal to IRB on 26 October 2020. A provision amounted to RM24,418,600 in relation to the tax assessment was made by GLMREH in FY2021 in line with the settlement negotiated. GLMREH and IRB had reached an agreement to settle the income tax payable and penalty at RM36,795,200. On 13 December 2021, GLMREH had received a Notice of Reduced Assessment issued by the IRB amounting to RM36,795,200. The tax payment had been provided and settled in full in the previous financial year.

11. Changes in the composition of the Group

There were no changes in the composition of the Group during the quarter under review, including business combinations, acquisition or disposal of subsidiaries and long-term investments, and restructuring.

The figures have not been audited

12. Review of performance

(a) Performance of the current quarter against the immediate preceding year corresponding quarter.

The Group reported revenue of RM105.6 million and profit before tax of RM8.6 million for the current quarter under review as compared to revenue of RM91.3 million and profit before tax of RM6.0 million in the immediate preceding year corresponding quarter. The better performance was mainly attributed to higher contributions from the property development division and lower loss incurred by the hospitality division.

The property development division reported a better performance for the current quarter mainly due to the increase in the percentage of completion from one of its on-going project in Emerald 9 @ Cheras. The performance of the hospitality division also improved with higher occupancy and average room rates due to the relaxation of Movement Control Orders ("MCO") imposed by Malaysian Government which allowed for interstate travelling.

The Group incurred higher selling and marketing expenses with increased promotional activities after the relaxation of the MCO. The administration expenses also increased as compared to the immediate preceding year corresponding quarter mainly due to higher staff expenses.

The Group had made a provision amounted to RM14.0 million in the immediate preceding year corresponding quarter in relation to the tax investigation by IRB. The Group had reached a settlement agreement with IRB as highlighted in Note 10.

(b) Performance of the current financial period against the preceding year corresponding financial period.

The Group recorded revenue of RM140.6 million and profit before tax of RM1.0 million for the current financial period as compared to revenue of RM182.3 million and profit before tax of RM11.2 million in the preceding year corresponding financial period. The weaker performance was mainly attributed by lower contributions from property development division and higher loss from property investment division.

The property development division reported a weaker performance was mainly due to the lower sales achieved due to the extension of MCO during the first quarter of the current financial period ("Q1 FY2022"). In addition, the revenue from the property investment division decreased due to lower rental income received resulted from the disposal of Menara Guoco which was completed on 19 August 2020.

The Group incurred lower selling and marketing expenses in the current financial period due to reduced promotional activities following the extension of MCO in Q1 FY2022. The increase in the administrative expenses as compared to the preceding year corresponding financial period was mainly due to higher staff expenses.

The Group had made a provision amounted to RM14.0 million in the immediate preceding year corresponding quarter in relation to the tax investigation by IRB. The Group had reached a settlement agreement with IRB as highlighted in Note 10.

The figures have not been audited

13. Material change in profit before tax for the current quarter compared with the immediate preceding quarter

The Group recorded a profit before tax in the current quarter of RM8.6 million as compared to a loss before tax of RM7.7 million in the immediate preceding quarter (Q1 FY2022). The improvement in the current quarter was mainly attributed to the relaxation of the MCO which allowed marketing and construction activities to resume, generating more sales and progress billings from our development projects.

14. Prospects

With the National Recovery Plan implemented by the Malaysian Government allowing the progressive re-opening of the economic sectors, the property market is expected to recover in the second half of the current financial year. The pace of recovery is conditioned on the resiliency of the vaccinated against the emergence of new covid-19 variants and stability of the building material prices. The Group will continue to focus on monetising its inventories and progressing its development projects for timely completion. New product launches will be phased according to prevailing market conditions. The Group remains alert to opportunities to increase its landbank.

15. Loss forecast/Loss guarantee

Not applicable.

16. Profit before tax for the period

Included in profit for the financial period are:	3 months ended		Period-to-date	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	RM'000	RM'000	RM'000	RM'000
(Reversal)/Allowance for impairment on trade and other receivables	(15)	(54)	131	(258)
Depreciation of property, plant and equipment	3,072	3,106	6,128	6,164
Depreciation of right-of-use assets	2,301	551	2,879	2,772
Gain on disposal of property, plant and equipment	(2)	-	(1)	(32)
(Gain)/Loss on fair value on biological assets	(83)	(54)	(275)	231

Other than the above items, there were no allowance for impairment and write off of inventories, gain or loss on disposal of investment properties, impairment of assets and other exceptional items for the financial period ended 31 December 2021.

The figures have not been audited

17. Taxation

Taxation comprises:

	3 months ended		Period-to-date	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	RM'000	RM'000	RM'000	RM'000
Current taxation				
- Malaysian income tax	2,798	27,454	3,564	31,162
- Deferred taxation	1,688	(435)	1,070	(8,235)
Prior year				
- Malaysian income tax	-	(10,343)	-	(10,370)
	4,486	16,676	4,634	12,557

The Group's effective tax rate for the current quarter and current financial period were higher than the statutory tax rate is mainly due to certain expenses not deductible for tax purposes.

18. Corporate proposals

There is no other outstanding corporate proposal announced but not completed as at the date of this report.

19. Group's borrowings and debt securities

Particulars of the Group's borrowings as at 31 December 2021 are as follows:

	RM'000
Short term borrowings	
Secured	456,614
Unsecured	175,000
	631,614
Long term borrowings	
Secured	250,807
Total borrowings	882,421

The above borrowings are all denominated in Ringgit Malaysia.

20. Changes in material litigation

Not applicable.

21. Dividend

The Board does not recommend any interim dividend for the financial period ended 31 December 2021.

The figures have not been audited

22. Profit/(Loss) per share

Basic EPS

The basic profit/(loss) per share are calculated based on the net loss attributable to ordinary shareholders for the financial period divided by the weighted average number of ordinary shares:

	3 months ended		Period-to-date ended	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Net profit/(loss) attributable to ordinary shareholders for the period (RM'000)	3,764	(11,370)	(4,217)	(2,818)
Weighted average number of shares ('000)	669,880	669,880	669,880	669,880
Basic Profit/(Loss) per share (sen)	0.562	(1.697)	(0.630)	(0.421)

Diluted EPS

The Group has no dilution in its EPS for the financial period under review as there are no dilutive potential ordinary shares.

23. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 30 June 2021 was not subject to any qualification.

By Order of the Board
GuocoLand (Malaysia) Berhad

CHIN MIN YANN
LEE SOW YEANG
Company Secretaries

Kuala Lumpur
24 January 2022