

Unaudited Full Year Financial Statements and Dividend Announcement for the year ended 30 June 2020

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 4th quarter ended 30 June 2020. 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 %	12 months ended		Change %
	30/06/2020 (Unaudited) RM'000	30/06/2019 (Restated) RM'000		30/06/2020 (Unaudited) RM'000	30/06/2019 (Audited) RM'000	
Revenue	29,566	108,053	(72.6)	201,311	296,030	(32.0)
Cost of sales	(28,568)	(166,036)	(82.8)	(187,373)	(366,942)	(48.9)
Gross profit/(loss)	998	(57,983)	(101.7)	13,938	(70,912)	(119.7)
Other income	11	221	(95.0)	49	3,629	(98.6)
Selling and distribution expenses	(115)	1,167	(109.9)	(2,107)	(5,526)	(61.9)
Administrative expenses	(1,751)	(6,244)	(72.0)	(20,343)	(19,428)	4.7
Other expenses	(543)	(6,101)	(91.1)	(3,637)	(8,560)	(57.5)
Results from operating activities	(1,400)	(68,940)	(98.0)	(12,100)	(100,797)	(88.0)
Finance income	750	(316)	(337.3)	931	604	54.1
Finance costs	(1,868)	(1,386)	34.8	(7,022)	(7,428)	(5.5)
Net finance costs	(1,118)	(1,702)	(34.3)	(6,091)	(6,824)	(10.7)
Loss before tax	(2,518)	(70,642)	(96.4)	(18,191)	(107,621)	(83.1)
Tax (expense)/credit	-	(5,351)	(100.0)	108	(6,104)	(101.8)
Loss for the period, representing total comprehensive income for the period	(2,518)	(75,993)	(96.7)	(18,083)	(113,725)	(84.1)
Total comprehensive income attributable to:						
Owners of the Company	(4,198)	(66,344)	(93.7)	(20,753)	(105,434)	(80.3)
Non-controlling interests	1,680	(9,649)	(117.4)	2,670	(8,291)	(132.2)
Total comprehensive income for the period	(2,518)	(75,993)	(96.7)	(18,083)	(113,725)	(84.1)

Note: The figures of 4QFY2019 have been restated to (i) expense borrowings costs on development properties when incurred instead of capitalising, and (ii) include interest expenses for the loan agreement dated 12 April 2017 entered into between China State Construction Engineering (M) Sdn Bhd and Astaka Padu Sdn Bhd (“**APSB**”), a subsidiary of the Company (“**Loan Agreement**”).

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 30/06/2020 (Unaudited) RM'000	30/06/2019 (Restated) RM'000	12 months ended 30/06/2020 (Unaudited) RM'000	30/06/2019 (Audited) RM'000
Allowance for foreseeable losses on development properties	-	68,653	-	69,085
Depreciation of property, plant and equipment	317	134	535	730
Forfeiture income	-	(93)	-	(3,500)
Impairment losses on contract cost	-	3,949	-	3,949
Interest expense	1,842	1,386	6,996	7,428
Interest expense on lease liabilities	26	-	26	-
Interest income	(733)	172	(918)	(529)
Late payment interest charged to customers	-	-	(4)	-
Landscape maintenance	44	41	628	292
Provision for late payment interests	262	4,816	1,401	4,816
Provision for liquidated ascertained damages	868	523	1,214	-
Repair and maintenance	(34)	77	831	1,273
Reversal of impairment losses on development properties	-	-	(678)	-
Unrealised loss/(gain) on foreign exchange	156	(67)	114	(142)
Waiver of late payment interest charged to customers	85	622	98	415

Note: The figures of 4QFY2019 have been restated to (i) expense borrowings costs on development properties when incurred instead of capitalising, and (ii) include interest expenses for the Loan Agreement.

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	
	30/06/2020 (Unaudited) RM'000	30/06/2019 (Audited) RM'000	30/06/2020 (Unaudited) RM'000	30/06/2019 (Audited) RM'000
Assets				
Property, plant and equipment	855	664	-	-
Investment in subsidiaries	-	-	811,832	937,832
Non-current assets	855	664	811,832	937,832
Development properties	454,906	467,128	-	-
Contract costs	1,229	11,379	-	-
Contract assets	13,351	24,836	-	-
Trade and other receivables	20,475	109,293	41	38
Tax recoverable	1,846	-	-	-
Cash and cash equivalents	19,011	10,284	595	3,614
Current assets	510,818	622,920	636	3,652
Total assets	511,673	623,584	812,468	941,484
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	(153,802)	(133,049)	(647,710)	(518,712)
Equity attributable to owners of the Company	94,813	115,566	808,788	937,786
Non-controlling interests	(2,981)	(5,651)	-	-
Total equity	91,832	109,915	808,788	937,786

	Group		Company	
	30/06/2020 (Unaudited) RM'000	30/06/2019 (Audited) RM'000	30/06/2020 (Unaudited) RM'000	30/06/2019 (Audited) RM'000
Liabilities				
Loans and borrowings	-	252	-	-
Lease liabilities	227	-	-	-
Non-current liabilities	227	252	-	-
Contract liabilities	3,406	32,499	-	-
Trade and other payables	310,534	393,890	639	656
Amount due to related parties	94,197	58,074	3,041	3,042
Loans and borrowings	11,065	25,712	-	-
Lease liabilities	412	-	-	-
Current tax liabilities	-	3,242	-	-
Current liabilities	419,614	513,417	3,680	3,698
Total liabilities	419,841	513,669	3,680	3,698
Total equity and liabilities	511,673	623,584	812,468	941,484

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 30/06/2020		As at 30/06/2019	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
11,477	57,323	25,712	27,300

(b) the amount repayable after one year;

As at 30/06/2020		As at 30/06/2019	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
227	-	252	-

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

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

(d) details of any collaterals

As at 30 June 2020, the Group's financing facilities of RM11,500,000 (30 June 2019: RM27,000,000) were secured against a controlling shareholder's fixed deposits and the stakeholding money receivables of the Group, and severally guaranteed by a director of the Company and the directors of APSB. The Group's hire purchase financing facilities of RM692,000 (30 June 2019: RM882,000) were secured by its underlying assets.

As at 30 June 2020, amounts owing to a main contractor of approximately RM34,115,000 (30 June 2019: RM46,532,000) were secured against certain land parcels located in Bukit Pelali, Pengerang, Malaysia, which Bukit Pelali Properties Sdn Bhd ("BPPSB"), a joint venture of APSB, has the sole and exclusive development rights to. The land parcels are owned by Saling Syabas Sdn Bhd ("SSSB"), an associate of our controlling shareholder, Dato Daing A Malek Bin Daing A Rahaman ("Dato Malek").

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 30/06/2020 (Unaudited) RM'000	30/06/2019 (Restated) RM'000	12 months ended 30/06/2020 (Unaudited) RM'000	30/06/2019 (Audited) RM'000
Cash flow from operating activities				
Loss after income tax	(2,518)	(75,993)	(18,083)	(113,725)
Adjustments for:				
Allowance for foreseeable losses on development properties	-	68,653	-	69,085
Depreciation of property, plant and equipment	317	134	535	730
Government grants receivable written off	-	6,811	-	6,811
Impairment losses on contract costs	-	3,949	-	3,949
Interest expense	1,842	1,386	6,996	7,428
Interest expense on lease liabilities	26	-	26	-
Interest income	(733)	172	(918)	(529)
Provision for late payment interests	262	4,816	1,401	4,816
Provision for liquidated ascertained damages	868	523	1,214	-
Reversal of impairment losses on development properties	-	-	(678)	-
Unrealised loss/(gain) on foreign exchange	156	(67)	114	(142)
Tax expense/(credit)	-	5,351	(108)	6,104
	220	15,735	(9,501)	(15,473)
Changes in:				
Development properties	10,833	(19,305)	12,900	(20,454)
Contract costs	3,236	2,999	10,150	3,288
Contract assets and liabilities	(12,682)	43,403	(17,608)	(4,098)
Trade and other receivables	45,198	(48,379)	105,885	145,078
Trade and other payables	(27,527)	(17,088)	(82,803)	(51,734)
Cash generated from/(used in) Operations	19,278	(22,635)	19,023	56,607
Tax refund	903	-	903	-
Tax paid	-	(4,589)	(5,883)	(10,102)
Net cash from/(used in) operating activities	20,181	(27,224)	14,043	46,505
Cash flow from investing activities				
Acquisition of property, plant and equipment	(5)	(7)	(136)	(117)
Fixed deposits pledged	(998)	(4,004)	(998)	(4,004)
Interest received	733	(172)	918	529
Proceeds from disposal of plant and equipment	-	1	-	1
Net cash used in investing activities	(270)	(4,182)	(216)	(3,591)
Cash flows from financing activities				
Advances from affiliated corporations	9,152	(1,396)	12,116	7,997
Proceeds from drawdown of loans from a controlling shareholder	16,000	5,015	30,000	5,685
Interest paid	(1,123)	(704)	(11,247)	(3,473)
Proceeds from drawdown of term loans	-	-	1,139	-
Repayment of affiliated corporations	(4,977)	-	(4,977)	-
Repayment of bank overdraft	(17,000)	-	(17,000)	-
Repayment of lease liabilities	(264)	(47)	(359)	(196)
Repayment of term loan	-	-	-	(75,846)
Net cash from/(used in) financing activities	1,788	2,868	9,672	(65,833)
Net increase/(decrease) in cash and cash equivalents	21,699	(28,538)	23,499	(22,919)
Cash and cash equivalents at beginning of financial period	(17,502)	9,079	(19,302)	3,460
Effect of exchange rate fluctuation on cash held	(114)	157	(114)	157
Cash and cash equivalents at 30 June	4,083	(19,302)	4,083	(19,302)

Note: The figures of 4QFY2019 have been restated to (i) expense borrowings costs on development properties when incurred instead of capitalising, and (ii) include interest expenses for the Loan Agreement.

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

	30/06/2020 (Unaudited) RM'000	30/06/2019 (Audited) RM'000
Cash and bank balances	19,011	10,284
(-) Bank overdrafts	(9,926)	(25,582)
(-) Fixed deposit pledged	(5,002)	(4,004)
Cash and cash equivalents per consolidated statement of cash flows	4,083	(19,302)

Note: The figures of 4QFY2019 have been restated to (i) expense borrowings costs on development properties when incurred instead of capitalising, and (ii) include interest expenses for the Loan Agreement.

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 2019	259,384	(10,769)	(133,049)	115,566	(5,651)	109,915
(Loss)/Profit and total comprehensive (loss)/income for the period	-	-	(16,555)	(16,555)	990	(15,565)
Balance as at 31 March 2020	259,384	(10,769)	(149,604)	99,011	(4,661)	94,350
(Loss)/Profit and total comprehensive (loss)/income for the period	-	-	(4,198)	(4,198)	1,680	(2,518)
Balance as at 30 June 2020	259,384	(10,769)	(153,802)	94,813	(2,981)	91,832

**Group
(Audited)**

	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 2018	259,384	(10,769)	(27,615)	221,000	2,640	223,640
(Loss)/profit and total comprehensive (loss)/income for the period	-	-	(39,090)	(39,090)	1,358	(37,732)
Balance as at 31 March 2019	259,384	(10,769)	(66,705)	181,910	3,998	185,908
Loss and total comprehensive loss for the period	-	-	(66,344)	(66,344)	(9,649)	(75,993)
Balance as at 30 June 2019	259,384	(10,769)	(133,049)	115,566	(5,651)	109,915

**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	-	-	(2,614)	(2,614)
Balance as at 31 March 2020	1,455,079	1,419	(521,326)	935,172
Loss and total comprehensive loss for the period	-	-	(126,384)	(126,384)
Balance as at 30 June 2020	1,455,079	1,419	(647,710)	808,788

**Company
(Audited)**

	Share capital RM'000	Capital reserve RM'000	Accumulated losses RM'000	Total equity RM'000
Balance as at 1 July 2018	1,455,079	1,419	(114,865)	1,341,633
Loss and total comprehensive loss for the period	-	-	(3,291)	(3,291)
Balance as at 31 March 2019	1,455,079	1,419	(118,156)	1,338,342
Loss and total comprehensive loss for the period	-	-	(400,556)	(400,556)
Balance as at 30 June 2019	1,455,079	1,419	(518,712)	937,786

Note: The figures of 4QFY2019 have been restated to (i) expense borrowings costs on development properties when incurred instead of capitalising, and (ii) include interest expenses for the Loan Agreement.

- 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 March 2020	1,869,434,303	1,455,079
Balance as at 30 June 2020	1,869,434,303	1,455,079

The Company did not have any outstanding options, convertibles, treasury shares or subsidiary holdings as at 30 June 2020 and 30 June 2019.

- 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 30/06/2020	As at 30/06/2019
Total number of issued shares	1,869,434,303	1,869,434,303

There were no treasury shares as at 30 June 2020 and 30 June 2019.

- 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.

Save as disclosed in paragraph 5, 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 2019.

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.

On 1 July 2019, the Group adopted new or amended Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year, including SFRS(I) 16 - Leases. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I). The application of this new standards and interpretations do not have any significant impact on the Group's financial statements 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: -

	3 months ended		12 months ended	
	30/06/2020 (Unaudited)	30/06/2019 (Unaudited)	30/06/2020 (Unaudited)	30/06/2019 (Unaudited)
Loss attributable to equity holders of the Company (RM'000)	(4,198)	(66,344)	(20,753)	(105,434)
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)	(0.22)	(3.55)	(1.11)	(5.64)
Fully diluted LPS (RM'sen)	(0.22)	(3.55)	(1.11)	(5.64)

The basic and fully diluted LPS were the same as there were no potentially dilutive ordinary shares in issue as at 30 June 2020 and 30 June 2019.

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: -
- Current financial period reported on; and
 - Immediately preceding financial year

	Group		Company	
	30/06/2020 (Unaudited)	30/06/2019 (Audited)	30/06/2020 (Unaudited)	30/06/2019 (Audited)
Net Asset Value attributable to owners of the Company (RM'000)	94,813	115,566	808,788	937,786
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)	5.07	6.18	43.26	50.16

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must include a discussion of the following:
- 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
 - 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 financial year ended 30 June 2020 ("FY2020") as compared to the financial year ended 30 June 2019 ("FY2019") was mainly due to the decrease in demand for 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 Movement Control Order ("MCO") imposed by the Malaysian Federal Government since 18 March 2020 and the Recovery Movement Control Order ("RMCO") imposed by the Malaysian Federal Government since 10 June 2020, as well as the completion of the Menara Majlis Bandaraya Johor Bahru ("MBJB") project during the financial year.

Cost of Sales and Gross Profit

Decrease in cost of sales was in line with the decrease in sales. In addition, as the Group recognises cost of sales in line with the progress of its projects, the decrease in cost of sales was also due to completion of MBJB project and the MCO imposed by the Malaysian Federal Government which had led to reduction in site productivity.

Additional development costs of RM2.6 million were incurred in FY2020 for the Astaka @ One Bukit Senyum project ("The Astaka"), which was a sharp decrease as compared to RM27.9 million in FY2019. These additional development costs were mainly incurred for touch-up works to The Astaka. The Group proceeded to make these touch-up works after the completion of the project in June 2018 to enhance the marketability of the balance unsold units of The Astaka.

In addition, reversal of the impairment losses on development properties was in view of the higher selling price on those development properties sold and as a result, the impairment losses on development properties which was previously provided was no longer applicable to those sold units. Also, a revision was done for both the gross development value and the budgeted cost on the remaining phases for Bukit Pelali Properties Sdn Bhd ("BPP") for which higher profit is expected to be recorded and thus, the allowance for foreseeable losses on development properties was no longer required in FY2020.

Excluding reversals of the impairment losses on development properties and the additional development costs incurred for The Astaka, the gross profit in FY2020 would have been RM15.9 million as compared to RM30.0 million in FY2019. The decrease was mainly due to lower revenue contributions from Menara MBJB.

Other Income

The decrease in other income was mainly due to the absence of forfeiture payment from purchasers of development properties in FY2020.

Finance Income

The increase in finance income was attributable to the interest income generated from fixed deposits placements in FY2020.

Expenses

Decrease in selling and distribution expenses in FY2020 as compared to FY2019 was mainly due to lesser marketing expenses incurred for organising of events and roadshows.

Administrative expenses increased in FY2020 mainly due to quit rent and assessment of RM3.1 million (FY2019: RM1.0 million) on the undeveloped lands and unsold units of the Group. Liquidated ascertained damages of RM1.2 million were provided in FY2020 (FY2019: Nil) in view of the expected delay in completing phase 1B of BPP project arising from delays in construction and the temporarily closure of our construction sites due to the MCO.

The increase in administrative expenses in FY2020 was partially offset by a decrease in:

- i. repair and maintenance expenses of RM831,000 (FY2019: RM1.3 million) due to lesser works being carried out for the year;
- ii. depreciation of property, plant and equipment of RM535,000 for FY2020 (FY2019: RM730,000) mainly due to two motor vehicles having fully depreciated in FY2019;
- iii. manpower costs of RM6.2 million for FY2020 (FY2019: RM7.3 million); and
- iv. professional and other office maintenance expenses of RM1.3 million (FY2019: RM2.2 million).

The decrease in other expenses in FY2020 was mainly due to (i) lower provision of late payment interests on outstanding amount owing to contractors during the financial year, and (ii) the outstanding interest owed to the Inland Revenue Board of Malaysia by the Company in FY2019, being the approved instalments of corporate tax payments in the year of assessment ("YOA") 2016 and 2017, was only billed to the Company in FY2019 and fully repaid in the same year. For the avoidance of doubt, no interest was paid in respect of the corporate income taxes for YOA 2016 and 2017 in FY2020.

In FY2019, the impairment losses on contract cost was provided due to additional master landscape works contracted in enhancing the environment in BPP development.

The decrease in finance cost in FY2020 was due to repayment made during the financial year.

Income tax credit recorded in FY2020 was due to overprovision of income tax in prior years.

Consolidated statement of financial position

Property, plant and equipment ("**PPE**") increased by approximately RM191,000 from RM664,000 as at 30 June 2019 to RM855,000 as at 30 June 2020. This was mainly due to the adoption of SFRS(I) 16, of which the rights-of-use assets of RM590,000 had been recognised as at transition date on 1 July 2019 and will depreciate over the remaining lease term. Total depreciation charged on the right-of-use assets during the financial year was RM247,000. This is partially offset by additions of new PPE during the financial year.

Development properties decreased by approximately RM12.2 million from RM467.1 million as at 30 June 2019 to RM454.9 million as at 30 June 2020. This was mainly due to the completion of phase 1A of BPP during the financial year. The decrease was compensated by the additional billings by sub-contractors, professionals and consultants for the development of BPP for other phases. This was in line with the progress of the current on-going construction of the Group's property development projects.

Contract cost decreased in FY2020 due to the completion for MBBJ and BPP projects of Phase 1A.

The decrease in contract assets was due to higher progress billing raised to the purchaser of the BPP and the decrease in contract liabilities was mainly due to higher progress billings issued to the MBBJ project during the financial year.

Trade and other receivables decreased by approximately RM88.8 million from RM109.3 million as at 30 June 2019 to RM20.5 million as at 30 June 2020, mainly attributed to the collection received from the MBBJ and BPP projects.

Tax recoverable recorded were mainly due to 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 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 RM83.4 million from RM393.9 million as at 30 June 2019 to RM310.5 million as at 30 June 2020, mainly due to payments made during the financial year. The provision for liquidated ascertained damages of RM1.2 million were provided in FY2020 in view of the expected delay in completing phase 1B of BPP project

Amount due to related parties increased by RM36.1 million from RM58.1 million as at 30 June 2019 to RM94.2 million as at 30 June 2020, which was mainly due to the Group obtained an unsecured loan, amounting to RM35.0 million from its controlling shareholder and its associate at the interest rate of 8% per annum, which is repayable on demand. The purpose of the loan is to finance the Group's property development projects and working capital needs. In addition, it was also contributed by 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.

The decrease in loans and borrowings was due to repayment made during the financial year.

The current and non-current lease liabilities increased from nil as at 30 June 2019 to RM639,000 as at 30 June 2020. This is mainly due to the right-of-use assets leased by the Group and recorded during the financial year in relation to the adoption of the new accounting standard SFRS(I) 16 Leases. The lease liabilities were payable on a monthly basis according to the lease payment term.

As the Group reported a loss for this financial year, no current tax liabilities were provided.

Consolidated statement of cash flow

The Group recorded net cash inflow from operating activities of RM14.0 million for FY2020. This was mainly due to collection received from the purchasers of the MBBJ and BPP projects.

Net cash outflow used in investing activities of RM216,000 was mainly due to acquisition of property, plant and equipment and the increase in fixed deposits pledged. The aforesaid was offset by interest received from financial institutions in FY2020.

Net cash inflow from financing activities of RM9.7 million in FY2020 was mainly due to additional loan drawdown from its controlling shareholder and its associate amounting to RM35.0 million. However, the aforesaid was offset by the repayment of affiliated corporations, bank overdraft, finance lease liabilities and interest paid.

Included in the Year to Date ("YTD") June 2020 cash and bank balances is an amount of RM1.0 million (YTD June 2019: RM2.3 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 payment 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 the fourth quarter ended 30 June 2020 and FY2020 were in line with the profit guidance released on 19 August 2020.

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.

Given the uncertainties over the length of COVID-19 outbreak and its resulting impact on Malaysia's property market, it is expected that the sale of our new property units in the Group's project will continue to be impacted until there is clarity of the COVID-19 situation.

The Group has since resumed full business operations following the partial lifting of the MCO in Malaysia on 4 May 2020, with specific health and safety measures such as social distancing and temperature screenings being implemented. Although the economic activities in Malaysia have since picked up gradually as the MCO was replaced by the conditional MCO, which took place from 4 May 2020 to 9 June 2020, and the RMCO, which took

place from 10 June 2020 to 31 August 2020, the conversion from bookings into actual sales remains a major concern given the stringent lending guidelines imposed by banks and the country's border closures to foreigners.

Despite the business disruptions caused by the COVID-19 pandemic, the Group is on track for the construction of the development of Bukit Pelali comprising 247 terrace houses and 81 shop offices in the Bukit Pelali Township, which is scheduled to obtain the Certificate of Completion and Compliance by the last quarter of 2020. The Group has also ramped up on its digital and virtual marketing and promotion efforts for the sale of properties of the Group's projects.

On 30 July 2020, the Malaysia and Singapore governments inked the RTS Link Bilateral Agreement for the much-delayed Johor Bahru-Singapore Rapid Transit System (RTS) project, linking Bukit Chagar, Johor Bahru, and Woodlands in Singapore. The Group anticipates the RTS project will create spill-over benefits, especially in the Iskandar region, increasing the attractiveness of The Astaka at One Bukit Senyum to prospective buyers.

At the same time, the Group is upbeat about the planned commercial developments of One Bukit Senyum, and will continue to grow the business and explore strategic alliances to develop Phase 3 of One Bukit Senyum in Johor Bahru which spans approximately 7.65 acres.

In addition, the Group will continue to work towards the lifting of the Company's share trading suspension on the SGX-ST and will provide updates as and when they arise.

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 4QFY2020.

(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 was loss-making in FY2020 with accumulated loss position at 30 June 2020.

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.

Name of interested person	Aggregate value of all interested person transactions during the financial year 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 and his associates	RM12,585,939 ⁽¹⁾	Not applicable.

Note:

(1) Comprises:

- (i) interest payable to Dato Malek and his associates amounting RM1,566,361 for the extension of unsecured loans to the Company of RM27,299,867 at 4% per annum and RM49,000,000 at 8% per annum, repayable on demand;
- (ii) rental payable by APSB to Sukma Consortium Sdn Bhd, an associate of Dato Malek, for the rental of office premises by APSB from 1 July 2019 to 30 June 2020 of RM246,000; and
- (iii) rental payable by BPPSB to Dato Malek, for the rental of lands by BPPSB from 1 April 2020 to 30 June 2020 of RM40,683; and
- (iv) amount payable by BPPSB to SSSB, an associate of Dato Malek, for the sole and exclusive right to develop the Bukit Pelali land of RM10,732,895 (please refer to the Circular issued by the Company on 29 November 2016 for more details).

Save for the above mentioned, there were no interested persons transactions of S\$100,000 or more for 4QFY2020.

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

14. **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).

PART II Additional Information Required for Full Year Announcement

15. **Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

The Company considers that the entire Group's operations constitute a single segment, which is in the business of property development in the Iskandar region of Johor, Malaysia. Accordingly, no business or geographical segment information is presented.

16. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Not applicable, as the Group only operates in a single segment.

17. A breakdown of sales as follows:

	Group		
	FY2020 30 June 2020 (Unaudited) RM'000	FY2019 30 June 2019 (Restated) RM'000	% increase/ (decrease)
Sales reported for the first half year	141,272	110,519	27.8
Operating loss after tax and before deducting minority interests reported for the first half year	(4,746)	(1,779)	166.8
Sales reported for the second half year	60,039	185,511	(67.6)
Operating loss after tax and before deducting minority interests reported for the second half year	(13,337)	(111,946)	(88.1)

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows

Not applicable. No dividend has been declared for FY2020 and FY2019.

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Daeng Hamizah Binti Abd Aziz (“ Ms Hamizah ”)	33	Niece of Dato Malek, a controlling shareholder of the Company	Chief operating officer of the Company, since 1 October 2016. Ms Hamizah oversees the daily operations of the Group, liaises with government authorities, plans strategic activities and ensures effectiveness and efficiency of the operational processes.	-

Except for Ms Hamizah, the Company confirmed that there is no person occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company pursuant to Catalist Rule 704(10).

On behalf of the Board of Directors

Khong Chung Lun
Executive Director and Chief Executive Officer
27 August 2020

This announcement has been prepared by the Company and reviewed by the 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 Catalyst.

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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