

**LAGENDA PROPERTIES BERHAD**

(Registration No. 200101000008(535763-A))

(Incorporated in Malaysia)


**CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

	Note	(UNAUDITED)			(UNAUDITED)		
		INDIVIDUAL QUARTER		Changes Increase / (Decrease) RM'000	CUMULATIVE QUARTER		Changes Increase / (Decrease) RM'000
		1 JAN 2022 to 31 MAR 2022	1 JAN 2021 to 31 MAR 2021		1 JAN 2022 to 31 MAR 2022	1 JAN 2021 to 31 MAR 2021	
Current Quarter RM'000	Preceding Year Corresponding Quarter RM'000	Current Financial Period RM'000	Preceding Year Corresponding Financial Period RM'000				
Revenue		192,750	228,702	(35,952)	192,750	228,702	(35,952)
Cost of sales		(110,608)	(140,699)	(30,091)	(110,608)	(140,699)	(30,091)
<b>Gross Profit</b>		<b>82,142</b>	<b>88,003</b>	<b>(5,861)</b>	<b>82,142</b>	<b>88,003</b>	<b>(5,861)</b>
Other income		2,867	8,093	(5,226)	2,867	8,093	(5,226)
Administrative expenses		(9,992)	(9,254)	738	(9,992)	(9,254)	738
Selling and marketing expenses		(6,547)	(4,696)	1,851	(6,547)	(4,696)	1,851
Other expenses		(1)	-	1	(1)	-	1
Finance costs		(3,352)	(3,972)	(620)	(3,352)	(3,972)	(620)
<b>Profit before tax</b>		<b>65,117</b>	<b>78,174</b>	<b>(13,057)</b>	<b>65,117</b>	<b>78,174</b>	<b>(13,057)</b>
Income tax expense	B5	(18,131)	(22,602)	(4,471)	(18,131)	(22,602)	(4,471)
<b>Profit net of tax, representing total comprehensive income for the period</b>		<b>46,986</b>	<b>55,572</b>	<b>(8,586)</b>	<b>46,986</b>	<b>55,572</b>	<b>(8,586)</b>
<b>Earnings per share (EPS) (in sen)</b>							
Basic		5.63	7.47		5.63	7.47	
Diluted		4.65	5.33		4.65	5.33	

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

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	(UNAUDITED) INDIVIDUAL QUARTER			(UNAUDITED) CUMULATIVE QUARTER		
	1 JAN 2022 to 31 MAR 2022	1 JAN 2021 to 31 MAR 2021	Changes Increase / (Decrease) RM'000	1 JAN 2022 to 31 MAR 2022	1 JAN 2021 to 31 MAR 2021	Changes Increase / (Decrease) RM'000
	Current Quarter RM'000	Preceding Year Corresponding Quarter RM'000		Current Financial Period RM'000	Preceding Year Corresponding Financial Period RM'000	
<b>Profit for the period</b>	46,986	55,572	(8,586)	46,986	55,572	(8,586)
<b>Total comprehensive income for the period</b>	<u>46,986</u>	<u>55,572</u>	(8,586)	<u>46,986</u>	<u>55,572</u>	(8,586)
<b>Total comprehensive income attribute to :</b>						
Owner of the Company	47,007	55,576	(8,569)	47,007	55,576	(8,569)
Non-controlling Interest	(21)	(4)	17	(21)	(4)	17
	<u>46,986</u>	<u>55,572</u>	(8,586)	<u>46,986</u>	<u>55,572</u>	(8,586)

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022**

	UNAUDITED AS AT 31 MAR 2022 RM '000	AUDITED AS AT 31 DEC 2021 RM '000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	12,703	11,054
Investment properties	22,922	22,922
Goodwill	25,576	25,576
Other investment	1,038	1,038
Inventories	139,055	139,022
	201,294	199,612
<b>Current assets</b>		
Inventories	483,041	472,183
Contract assets	257,882	222,671
Trade receivables	302,931	271,075
Other receivables, deposits and prepayments	103,248	53,294
Deposits with licensed banks	24,687	37,839
Cash and bank balances	190,854	191,524
	1,362,643	1,248,586
<b>TOTAL ASSETS</b>	1,563,937	1,448,198
<b>EQUITY AND LIABILITIES</b>		
Share capital	333,171	314,551
Other reserves	(2,384)	(1,700)
Retained earnings	585,479	567,777
Equity attributable to owners of the Company	916,266	880,628
Non-controlling interests	(26)	(5)
<b>TOTAL EQUITY</b>	916,240	880,623
<b>Non-current liabilities</b>		
Borrowings	151,961	159,138
Lease liabilities	3,547	3,030
Deferred tax liabilities	2,952	923
Other payables	2,791	2,792
	161,251	165,883
<b>Current liabilities</b>		
Trade payables	198,309	195,493
Other payables and accruals	169,986	142,450
Contract liabilities	17,316	2,701
Borrowings	84,349	40,860
Lease liabilities	1,752	1,771
Tax liabilities	14,734	18,417
	486,446	401,692
<b>TOTAL LIABILITIES</b>	647,697	567,575
<b>TOTAL EQUITY AND LIABILITIES</b>	1,563,937	1,448,198
Net Assets per ordinary share (RM)	1.10	1.10

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022**

	Share capital RM '000	Other reserve RM '000	Retained earnings RM '000	controlling interests RM '000	Total Equity RM '000
<b>As at 1 January 2022</b>	314,551	(1,700)	567,777	(5)	880,623
Profit for the period	-	-	47,007	(21)	46,986
Transaction with owners of the Company:					
Issuance of shares pursuant to:-					
- Share-based payments/transactions	-	877	-	-	877
Dividend paid to the shareholders of the Company	-	-	(29,305)	-	(29,305)
RCPS dividend paid/payable during the period	-	(1,561)	-	-	(1,561)
Conversion of Warrant B	18,620	-	-	-	18,620
<b>As at 31 March 2022</b>	<b>333,171</b>	<b>(2,384)</b>	<b>585,479</b>	<b>(26)</b>	<b>916,240</b>
<b>As at 1 January 2021</b>	220,520	(5,864)	403,882	7,811	626,349
Profit for the period	-	-	55,576	(4)	55,572
Transaction with owners of the Company:					
Issuance of shares pursuant to:-					
- Private placement	92,643	-	-	-	92,643
Dividend paid to the shareholders of the Company	-	-	(20,462)	-	(20,462)
RCPS dividend paid/payable during the period	-	(1,273)	-	-	(1,273)
Conversion of RCPS	(3,540)	3,540	-	-	-
<b>As at 31 March 2021</b>	<b>309,623</b>	<b>(3,597)</b>	<b>438,996</b>	<b>7,807</b>	<b>752,829</b>

The unaudited Condensed Consolidated Statement of Change in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022**

	(UNAUDITED) 3 MONTHS CURRENT FINANCIAL PERIOD 1 JAN 22 TO 31 MAR 22 RM '000	(UNAUDITED) PRECEDING YEAR CORRESPONDING FINANCIAL PERIOD 1 JAN 21 TO 31 MAR 21 RM '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Pofit before tax	65,117	78,174
Adjustments for :		
Accretion of interest income on deferred other receivable	(219)	(398)
Depreciation of property, plant and equipment	693	525
Gain on disposal of property, plant and equipment	(139)	(173)
Gain on remeasurement of lease liabilities	(367)	-
Interest expenses	3,352	3,972
Interest income	(543)	(915)
Reversal of impairment loss on other receivables	-	(246)
Share based payment expenses	877	-
<b>Operating profit before working capital changes</b>	<u>68,771</u>	<u>80,939</u>
Inventories	(10,891)	(17,033)
Contract assets	(20,597)	(13,385)
Receivables	(43,207)	(52,475)
Payables	29,890	(20,103)
<b>Cash generated from/(used in) operations</b>	<u>23,966</u>	<u>(22,057)</u>
Interest received	543	915
Interest paid	(2,863)	(3,679)
Income tax paid	(19,785)	(15,707)
<b>Net cash generated from/(used in) operating activities</b>	<u>1,861</u>	<u>(40,528)</u>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Deposit of investment in subsidiaries	-	(2,040)
Deposit paid for lands held for future development	(38,385)	-
Purchase of property, plant and equipment	(1,016)	(443)
Proceeds from disposal of property, plant and equipment	139	180
<b>Net cash used in investing activities</b>	<u>(39,262)</u>	<u>(2,303)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid to RCPS holders	(1,561)	(1,272)
Dividend paid to shareholders	(29,306)	-
Proceeds from private placement	-	92,643
Proceeds from conversion of warrant B	18,620	-
Drawdown/(Repayment) of borrowings	36,286	(12,247)
Payment for the principal portion of lease liabilities	(460)	(369)
Increase in fixed deposit pledged	(17,019)	(386)
Uplift on fixed deposit pledged to a bank	-	23,078
<b>Net cash generated from financing activities</b>	<u>6,560</u>	<u>101,447</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>(30,841)</u>	<u>58,616</u>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<u>225,778</u>	<u>188,930</u>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u>194,937</u>	<u>247,546</u>

The unaudited Condensed Consolidated Statement of Cashflow should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022 (Cont'd)**

	<b>(UNAUDITED) 3 MONTHS CURRENT FINANCIAL PERIOD 1 JAN 22 TO 31 MAR 22 RM'000</b>	<b>(UNAUDITED) PRECEDING YEAR CORRESPONDING FINANCIAL PERIOD 1 JAN 21 TO 31 MAR 21 RM'000</b>
<b>Cash and cash equivalent comprises:</b>		
Cash and bank balances	164,583	142,830
Fixed deposits with licensed banks	24,687	57,023
Short term investments	26,271	50,030
	<u>215,541</u>	<u>249,883</u>
<b>Less:</b>		
Fixed deposits pledged with licensed banks	(20,604)	(2,337)
	<u>194,937</u>	<u>247,546</u>

The unaudited Condensed Consolidated Statement of Cashflow should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

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## EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS

### A1. Basic of preparation

The interim financial report has been prepared in accordance with the Malaysian Financial Reporting Standard (“MFRS”) 134 - Interim Financial Reporting, the requirements of the Companies Act, 2016 in Malaysia, and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The financial statements should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 31 December 2021 and the accompanying explanatory notes attached. These explanatory notes attached to the financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group.

### A2. Significant Accounting Policies

The financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

The following are accounting standards, amendments and IC interpretations of the MFRS that have been issued by the MASB but are not yet effective and have not been adopted by the Group:-

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective date</b>
MFRS 17 : Insurance Contracts	1 January 2023
Amendments to MFRS 17 : Insurance Contracts – Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101 : Presentation of Financial Statements	1 January 2023
Amendments to MFRS 108 : Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
Amendments to MFRS 112 : Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128 : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Group and the Company plan to apply the abovementioned standards, amendments, and interpretations when they become effective in the respective financial periods.

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

### A3. Comparatives

The comparative figures have not been restated.

### A4. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2021.

### A5. Auditors’ Report on Preceding Annual Financial Statements

The Auditors' report on the financial statements for the year ended 31 December 2021 was unqualified.

### A6. Seasonal or cyclical factors

The business operations of the Group were not affected by any seasonal or cyclical factors.

### A7. Unusual items affecting Assets, Liabilities, Equity, Net income or Cash flow

There were no items or events that arose during the quarter under review, which affected assets, liabilities, equity, net income or cash flows that are unusual by reason of their nature, size or incidence.

### A8. Material changes in estimates

There were no changes in estimates that have had any material effect during the financial quarter under review.

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## EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS

### A9. Debt and equity securities

As at 31 March 2022, the following shares have been issued and listed on the Main Market of Bursa Securities on the following dates as a result of the conversion of RCPS and Warrant B.

#### (a) RCPS

	(units)
RCPS in issuance	
12 August 2020	639,641,716
Conversion of RCPS	
25 August 2020	(170,000,000)
Conversion of RCPS	
21 January 2021	(250,000,000)
Allotment of RCPS	
03 August 2021	<u>76,550,572</u>
Balance of RCPS after conversion	<u>296,192,288</u>

#### (b) Warrant B

During the current financial quarter under review, 14,895,812 units of warrants were exercised by the registered warrant holders to subscribe for 14,895,812 new ordinary shares at the conversion price of RM1.25 each per ordinary share.

As at the end of the current financial quarter, 4,387,766 warrants was remained not exercise were expired and lapsed on 21 January 2022.

Save as disclosed above, there were no further issuance, cancellations, repurchases, resale and repayment of debts and equity securities during the current quarter.

### A10. Dividend paid

On 11 April 2022, the Company paid a single-tier second interim dividend of 3.5 sen per ordinary shares amounting to RM29,306,451 in respect of the financial year ended 31 December 2021.

### A11. Segment Revenue and Segment Result By Business Segments

#### (a) Primary reporting format – business segment

All the operations of the Group are organised in Malaysia into three main business segments:

- (i) Property development - property development
- (ii) Construction - building construction
- (iii) Trading - trading of building materials and hardware

Transactions between segments were entered into the normal course of business and were established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. The effects of such inter-segmental transaction are eliminated on consolidation.

#### (b) Secondary reporting format – geographical segment

The operations of the Group are substantially carried out in Malaysia.

#### Period ended 31 March 2022

	Property development RM '000	Construction RM '000	Trading RM '000	Non- reportable segment RM '000	Elimination RM '000	Group RM '000
Sales to external customers	149,037	8,499	35,587	-	(373)	192,750
Inter-segment revenue	6,789	71,395	(1,294)	-	(76,890)	-
Total revenue	<u>155,826</u>	<u>79,894</u>	<u>34,293</u>	<u>-</u>	<u>(77,263)</u>	<u>192,750</u>
Gross profit	69,525	7,169	2,361	-	3,087	82,142
Other income	2,455	160	175	32,616	(32,539)	2,867
Administrative expenses	(7,863)	(1,415)	(574)	(2,775)	2,635	(9,992)
Selling and marketing expenses	(6,756)	-	-	-	209	(6,547)
Other expenses	(1)	-	-	-	-	(1)
Finance costs	(3,339)	(20)	(90)	(2,892)	2,989	(3,352)
Profit before tax	<u>54,021</u>	<u>5,894</u>	<u>1,872</u>	<u>26,949</u>	<u>(23,619)</u>	<u>65,117</u>
Taxation						(18,131)
Profit after tax						<u>46,986</u>



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## EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS

### A11. Segment Revenue and Segment Result By Business Segments (cont'd)

(b) Secondary reporting format – geographical segment (cont'd)

#### Period ended 31 March 2021

	Property development RM '000	Construction RM '000	Trading RM '000	Non- reportable segment RM '000	Elimination RM '000	Group RM '000
Sales to external customers	169,703	55,162	33,945	-	(30,108)	228,702
Inter-segment revenue	17,146	83,547	866	-	(101,559)	-
Total revenue	186,849	138,709	34,811	-	(131,667)	228,702
Gross profit	80,567	14,722	2,766	-	(10,052)	88,003
Other income	1,581	5,750	157	2,169	(1,564)	8,093
Administrative expenses	(6,179)	(1,123)	(334)	(2,042)	424	(9,254)
Selling and marketing expenses	(4,753)	-	-	-	57	(4,696)
Finance costs	(2,860)	(79)	(156)	(3,844)	2,967	(3,972)
Profit/(loss) before tax	68,356	19,270	2,433	(3,717)	(8,168)	78,174
Taxation						(22,602)
Profit after tax						55,572

### A12. Valuation of property, plant and equipment

There was no revaluation of property for the current financial quarter under review.

### A13. Subsequent events

There were no significant events subsequent to the end of this financial quarter up to 16 May 2022 being the last practicable date from the date of issuance of this report.

### A14. Changes in composition of the Group

There were no changes in the composition of the Group during the financial quarter under review save for the below:

- (a) On 26 January 2022, the Company, Lagenda Properties Berhad, has incorporated a new 50 % owned subsidiary namely Lagenda Inta Sdn Bhd under the Companies Act 2016 in Malaysia with an issued share capital of RM300,000 divided into 100 ordinary shares. The remaining 50% shares is held by Inta Bina Group Berhad.

### A15. Capital commitment

There were no material capital expenditure commitments during the current quarter under review except for acquisition of development land authorised and contracted for amounting to RM 87.69 million.

### A16. Related party transactions

Transaction with shareholders/directors of the company and its subsidiary companies, and with companies in which they have interest.

	1st Quarter ended 31 March 2022 RM '000
Rental paid	246
Late payment charges	(7)
Rental received	(551)
Sale of material	(1,053)

### A17. Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets since the last audited financial statements for the financial year ended 31 December 2021.

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## ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD

### B1. Performance review

	1st Quarter ended 31 Mar 2022 RM '000	1st Quarter ended 31 Mar 2021 RM '000	Changes Increase / (Decrease) RM '000	%
<b>Revenue</b>				
Property development	149,037	169,703	(20,666)	(12.2)
Construction	8,499	55,162	(46,663)	(84.6)
Trading	35,587	33,945	1,642	4.8
<i>Intra-group elimination</i> *	(373)	(30,108)	29,735	(98.8)
Total revenue	192,750	228,702	(35,952)	(15.7)
<b>Profit before tax</b>				
Property development	54,021	68,356	(14,335)	(21.0)
Construction	5,894	19,270	(13,376)	(69.4)
Trading	1,872	2,433	(561)	(23.1)
Investment holding	26,949	(3,717)	30,666	(825.0)
<i>Intra-group elimination</i> *	(23,619)	(8,168)	15,451	(189.2)
Total profit before tax	65,117	78,174	(13,057)	(16.7)

\* *Intragroup elimination was performed in accordance to Malaysia Financial Reporting Standard ("MFRS") 10 : Consolidated Financial Statement*

For the current financial quarter ended 31 March 2022, the Group recorded a revenue of RM192.75 million representing a decrease of 15.7% as compared to preceding year corresponding quarter's revenue of RM228.70 million. The decrease of total revenue was mainly due to low progress recognition in construction operation as one of our construction project has been completed which causes construction revenue to reduced by 84.6% as compared to preceding year corresponding quarter.

The Group recorded a profit before tax of RM65.12 million in the current financial quarter as compared to the profit before tax of RM78.17 million in the preceding year corresponding quarter. The decrease in profit before tax was mainly due to the slower progress work in construction operation caused by completion of project as mentioned above. Increase in profit from investment holding segment was mainly due to the dividend income received from a subsidiary during the financial quarter under review.

### B2. Material change in profit before taxation of the current quarter compared with the immediate preceding quarter

	1st Quarter ended 31 Mar 2022 RM '000	4th Quarter ended 31 Dec 2021 RM '000	Changes Increase / (Decrease) RM '000	%
<b>Revenue</b>				
Property development	149,037	210,259	(61,222)	(29.1)
Construction	8,499	15,754	(7,255)	(46.1)
Trading	35,587	33,295	2,292	6.9
<i>Intra-group elimination</i> *	(373)	(8,202)	7,829	(95.5)
Total revenue	192,750	251,106	(58,356)	(23.2)
<b>Profit before tax</b>				
Property development	54,021	77,399	(23,378)	(30.2)
Construction	5,894	9,702	(3,808)	(39.2)
Trading	1,872	1,946	(74)	(3.8)
Investment holding	26,949	17,725	9,224	52.0
<i>Intra-group elimination</i> *	(23,619)	(27,544)	(3,925)	14.2
Total profit before tax	65,117	79,228	(14,111)	(17.8)

\* *Intragroup elimination was performed in accordance to Malaysia Financial Reporting Standard ("MFRS") 10 : Consolidated Financial Statement*

For the current financial quarter ended 31 March 2022, the Group's revenue had decreased to RM192.75 million as compared to RM251.11 million reported in the immediate preceding quarter. The decrease in total group revenue was mainly due to 3 of our project namely Fasa 3B (BBSAP), Fasa 2C (BBSAP) and Pengkalan Prisma respectively has obtained their vacant possession during immediate preceding quarter which resulted a decrease of ongoing project recognised for the financial quarter under review.

The Group recorded a decrease in profit before tax amounting to RM65.12 million in the current financial quarter as compared to the profit before tax of RM79.23 million in the immediate preceding quarter due to the completion of the project mentioned above.

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## ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD

### B3. Commentary on prospects

The Group is focused on providing affordable housing catering to the B40 and M40 income group. We remain optimistic on the demand for affordable housing as this is an underserved segment with housing affordability being a key issue across most states.

There were no new launches in the quarter ended 31 March 2022 with the Group prioritizing consolidation this quarter and new launches being scheduled over the next few quarters. Undeterred by this, confirmed sales of RM144.6 million was comparable to the corresponding period of preceding year, with growth expected over the upcoming quarters with new launches and natural cyclical pick-up. Bookings and unbilled sales as of 31 March 2022 remained healthy at RM341.4 million and RM604.8 million, respectively. Confirmed sales grew month-on-month from January to March 2022 as lockdown eased, and we anticipate this momentum to continue into the second quarter of the year based on encouraging activities witnessed in April 2022, coupled with our forthcoming launches over the next few months.

The Group remains confident and is gearing up for increased activities in the remaining quarters of the year with plans to launch several new projects including new phases in Lagenda Teluk Intan, Lagenda Tapah and the maiden launch of its Sungai Petani township which marks the Group's first foray to expand beyond Perak.

Although having a home is a basic need, there is a shortage of housing within the B40 group's grasp across most states in Malaysia, leading to a large addressable market for Lagenda. The robust demand for our affordable housing is evident in the high take-up rates which are typically above 90% within nine months of launching. Forty percent of the buyers for our projects in Perak are interstate buyers, signalling demand for our homes across the country. For this financial year, we are planning to launch nearly 6,000 homes with GDV of approximately RM1 billion including maiden launches outside Perak, with Kedah coming on-stream soon. Our joint venture with Inta Bina Group Berhad will further expedite our project roll-out.

Our strong balance sheet with low net gearing ratio of 0.03 times positions us well for further landbanking activities. We are currently in negotiations and are targeting to acquire additional landbank this year to widen our footprint to achieve our aim of being the Nationwide Affordable Housing Developer. This will also fulfil our aim of launching at least one new township every year to provide sustainable growth.

### B4. Profit forecast

The Company did not issue any profit forecast during the current financial quarter under review.

### B5. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 Mar 2022 RM '000	Preceding Year Quarter 31 Mar 2021 RM '000	Current Year To Date 31 Mar 2022 RM '000	Preceding Year To Date 31 Mar 2021 RM '000
Deferred tax liabilities	(2,452)	(130)	(2,452)	(130)
Taxation	(15,679)	(22,472)	(15,679)	(22,472)
Income tax expenses	(18,131)	(22,602)	(18,131)	(22,602)
Effective tax rate	26.2%	28.9%	26.2%	28.9%

The tax charge for the Group reflects an effective tax rate which is higher than the statutory tax rate of 24% mainly due to certain expenses which are not deductible for tax purposes.

### B6. Details of Group Borrowings and Debt Securities

The group interest-bearing borrowings as at the end of the reporting period are as follows:

	Current year 31 Mar 2022 RM'000	Preceding year 31 Mar 2021 RM'000
<b>Current</b>		
Hire purchase payables	1,418	1,050
Revolving Credits	10,000	10,000
Finance lease	334	341
Banker's acceptance	56,738	10,397
Term loans	17,611	8,872
	86,101	30,660
<b>Non-current</b>		
Hire purchase payables	3,221	2,393
Finance lease	326	220
Term loans	151,961	180,379
	241,609	213,652

# LAGENDA PROPERTIES BERHAD

(Registration No. 200101000008(535763-A))

(Incorporated in Malaysia)



## ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD

### B7. Corporate Proposals

- (a) On 2 July 2021, Lagenda Mersing Sdn Bhd (“LMSB” or the “Purchaser”) a 70% subsidiary of the Company, had entered into 3 conditional sale and purchase agreements with Sunrise Mersing Sdn Bhd (“SMSB” or the “Vendor”), an indirect wholly-owned subsidiary of UEM Sunrise Berhad whereby the Vendor agreed to sell and the Purchaser agreed to purchase all three (3) parcels of freehold agriculture land held under H.S.(D) 2249 PTD 10944, H.S.(D) 2251 PTD 10946 and H.S.(D) 2252 PTD 10947, all under Mukim Mersing, Daerah Mersing, Johor, measuring approximately 431.09 acres in aggregate for a total cash consideration of RM45,068,918.40 or at RM2.40 per square foot (“Proposed Acquisition”). The Proposed Acquisitions are currently unconditional and expected to be completed by 2<sup>nd</sup> quarter of the year.

### B8. Financial instruments

There was no outstanding financial instruments as at the date of issue of this quarterly report.

### B9. Material Litigation

There was no pending material litigation as at the date of issue of this quarterly report.

### B10. Dividend

There was no dividend declared during the financial quarter under review.

### B11. Earnings per share

#### (i) Basic Earnings Per Share

The basic earnings per ordinary share were calculated by dividing the Group's net profit attributable to ordinary shareholders by the number of weighted ordinary shares in issue as follows:-

	Current Year 31 Mar 2022 Quarter	Preceding Year 31 Mar 2021 Quarter	Current Year 31 Mar 2022 To Date	Preceding Year 31 Mar 2021 To Date
Profit net of tax attributable to owners of the parent (RM'000)	<u>47,007</u>	<u>55,576</u>	<u>47,007</u>	<u>55,576</u>
Basic Weighted average number of ordinary share in issue ('000)	<u>834,738</u>	<u>744,045</u>	<u>834,738</u>	<u>744,045</u>
Basic earning per share (EPS) (sen)	<u>5.63</u>	<u>7.47</u>	<u>5.63</u>	<u>7.47</u>

#### (ii) Diluted Earning Per Shares

The diluted earnings per ordinary shares were calculated by dividing the Group's net profit attributable to ordinary shareholders by the number of weighted ordinary shares in issue as follows:-

	Current Year 31 Mar 2022 Quarter	Preceding Year 31 Mar 2021 Quarter	Current Year 31 Mar 2022 To Date	Preceding Year 31 Mar 2021 To Date
Profit net of tax attributable to owners of the parent (RM'000)	<u>47,007</u>	<u>55,576</u>	<u>47,007</u>	<u>55,576</u>
Weighted average number of ordinary share in issue ('000)	<u>1,011,192</u>	<u>1,042,468</u>	<u>1,011,192</u>	<u>1,042,468</u>
Diluted earning per share (EPS) (sen)	<u>4.65</u>	<u>5.33</u>	<u>4.65</u>	<u>5.33</u>

# LAGENDA PROPERTIES BERHAD

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## ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD

### B13. Notes to the Statement of Comprehensive Income

	Current Quarter 31 Mar 2022 RM '000	Preceding Year Quarter 31 Mar 2021 RM '000
Accretion of interest income on deferred other receivables	219	398
Gain on disposal of property, plant and equipment	139	173
Gain on remeasurement of lease liabilities	367	-
Interest income	543	915
Rental income	713	-
Reversal of impairment loss on other receivables	-	246
Auditors' remuneration	(85)	-
Depreciation of property, plant and equipment	(693)	(525)
Employee share-based payment	(877)	-
Interest expenses on:		
- accretion of interest on contingent consideration	(489)	(293)
- banker's acceptance	(71)	(144)
- bank guarantee commission	(10)	(3)
- lease liabilities	(69)	(56)
- term loan	(2,712)	(3,476)

### B14. Auditors' Report on the Preceding Annual Financial Statements

There was no qualification in the audit report on the preceding audited annual financial statements.

### B15. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors of the Company on 23 May 2022.