

LAGENDA PROPERTIES BERHAD

(Registration No. 200101000008(535763-A))

(Incorporated in Malaysia)


**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2021**

	Note	(UNAUDITED)			(UNAUDITED)		
		INDIVIDUAL QUARTER		Changes Increase / (Decrease) RM'000	CUMULATIVE QUARTER		Changes Increase / (Decrease) RM'000
		1 APR 2021 to 30 JUN 2021	1 APR 2020 to 30 JUN 2020		1 JAN 2021 to 30 JUN 2021	1 JAN 2020 to 30 JUN 2020	
Current Quarter RM'000	Preceding Year Corresponding Quarter RM'000		Current Financial Period RM'000	Preceding Year Corresponding Financial Period RM'000			
Revenue		170,523	10,456	160,067	399,225	30,688	368,537
Cost of sales		(104,781)	(6,924)	97,857	(245,480)	(20,734)	224,746
Gross Profit		65,742	3,532	62,210	153,745	9,954	143,791
Other income		8,406	76	8,330	16,499	147	16,352
Administrative expenses		(8,219)	(867)	7,352	(17,473)	(2,705)	14,768
Selling and marketing expenses		(4,280)	(76)	4,204	(8,976)	(443)	8,533
Other expenses		(502)	-	502	(502)	-	502
Finance costs		(3,096)	-	3,096	(7,068)	-	7,068
Share of result of associates		-	699	(699)	-	2,187	(2,187)
Profit before tax		58,051	3,364	54,687	136,225	9,140	127,085
Income tax expense	B5	(15,129)	(778)	14,351	(37,731)	(2,195)	35,536
Profit net of tax, representing total comprehensive income for the period		42,922	2,586	40,336	98,494	6,945	91,549
Earnings per share (EPS) (in sen)							
Basic		5.49	0.09		12.60	0.25	
Diluted		4.08	0.09		9.36	0.25	

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial report.

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FOR THE SECOND QUARTER ENDED 30 JUNE 2021**

	(UNAUDITED) INDIVIDUAL QUARTER			(UNAUDITED) CUMULATIVE QUARTER		
	1 APR 2021 to 30 JUN 2021	1 APR 2020 to 30 JUN 2020	Changes Increase / (Decrease) RM'000	1 JAN 2021 to 30 JUN 2021	1 JAN 2020 to 30 JUN 2020	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	
Profit for the period	42,922	2,586	40,336	98,494	6,945	91,549
Total comprehensive income for the period	<u>42,922</u>	<u>2,586</u>	40,336	<u>98,494</u>	<u>6,945</u>	91,549
Total comprehensive income attribute to :						
Owner of the Company	42,922	2,586	40,336	98,498	6,945	91,553
Non-controlling Interest	-	-	-	(4)	-	(4)
	<u>42,922</u>	<u>2,586</u>	40,336	<u>98,494</u>	<u>6,945</u>	91,549

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**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2021**

	UNAUDITED AS AT 30 JUN 2021 RM '000	AUDITED AS AT 31 DEC 2020 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	16,957	13,523
Investment properties	15,469	4,941
Goodwill	24,506	24,506
Other investment	1,038	1,038
Inventories	111,804	110,510
Other receivables	-	19,067
	<u>169,774</u>	<u>173,585</u>
Current assets		
Inventories	356,730	361,434
Contract assets	217,383	177,474
Trade receivables	218,288	203,346
Other receivables, deposits and prepayments	78,289	32,294
Deposits with licensed banks	67,415	26,494
Cash and bank balances	125,124	187,786
	<u>1,063,229</u>	<u>988,828</u>
TOTAL ASSETS	<u><u>1,233,003</u></u>	<u><u>1,162,413</u></u>
EQUITY AND LIABILITIES		
Share capital	309,624	220,520
Other reserves	(5,223)	(5,864)
Retained earnings	489,325	403,882
Equity attributable to Owners of the Company	793,726	618,538
Non-controlling interests	-	7,811
Total Equity	<u>793,726</u>	<u>626,349</u>
Non-current liabilities		
Borrowings	178,285	180,687
Lease liabilities	3,400	2,655
Deferred tax liabilities	1,033	2,236
Other payable	-	13,808
	<u>182,718</u>	<u>199,386</u>
Current liabilities		
Trade payables	125,982	182,715
Other payables and accruals	52,919	81,698
Contract liabilities	3,062	3,797
Borrowings	33,529	41,528
Lease liabilities	1,663	1,310
Tax liabilities	39,404	25,630
	<u>256,559</u>	<u>336,678</u>
Total liabilities	<u>439,277</u>	<u>536,064</u>
TOTAL EQUITY AND LIABILITIES	<u><u>1,233,003</u></u>	<u><u>1,162,413</u></u>
Net Assets per ordinary share (RM)	1.02	0.23

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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2021**

	← Non-Distributable →		Distributable	Non- controlling interests RM '000	Total Equity RM '000
	Share capital RM '000	Other reserve RM '000	Retained earnings RM '000		
As at 1 January 2021	220,520	(5,864)	403,882	7,811	626,349
Profit for the period	-	-	98,498	(4)	98,494
Dividend paid to shareholders of the Company	-	-	(20,462)	-	(20,462)
Transaction with owners of the Company:					
- Additional investment in a subsidiary	-	-	7,407	(7,807)	(400)
- Private placement	92,643	-	-	-	92,643
- RCPS dividend paid/payable during the year	-	(2,899)	-	-	(2,899)
- Conversion of RCPS	(3,540)	3,540	-	-	-
- Conversion of Warrant B	1	-	-	-	1
As at 30 June 2021	309,624	(5,223)	489,325	-	793,726
As at 1 January 2020	56,842	-	6,035	-	62,877
Profit for the period	-	-	6,945	-	6,945
Transaction with owners of the Company:					
- Issuance of ordinary shares pursuant to a private placement	4,169	-	-	-	4,169
As at 30 June 2020	61,011	-	12,980	-	73,991

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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2021**

	(UNAUDITED) 6 MONTHS CURRENT FINANCIAL PERIOD 1 JAN 21 TO 30 JUN 21 RM'000	(UNAUDITED) PRECEDING YEAR CORRESPONDING FINANCIAL PERIOD 1 JAN 20 TO 30 JUN 20 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Pofit before tax	136,225	9,140
Adjustments for :		
Accreation of interest income on deffered other income	(796)	-
Depreciation of property, plant and equipment	1,140	-
Gain on disposal of property, plant and equipment	(193)	-
Reversal of impairment loss on other receivables	(246)	-
Interest expenses	7,068	-
Interest income	(1,784)	(121)
Share of result in associate	-	(2,187)
Fair value adjustment on investment properties	(5,231)	-
Operating profit before working capital changes	136,183	6,832
Inventories	(3,221)	461
Contract assets	(40,644)	9,249
Receivables	(24,342)	(28,151)
Payables	(99,905)	10,256
Cash used in from operations	(31,929)	(1,353)
Interest received	1,784	121
Interest paid	(6,482)	-
Income tax paid	(25,160)	(1,082)
Net cash used in operating activities	(61,787)	(2,314)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment in subsidiaries	(10,600)	-
Purchased of property, plant and equipment	(2,788)	-
Deposit of inventory - Land held for development	(6,286)	-
Proceeds from disposal of property, plant and equipment	230	-
Net cash used in investing activities	(19,444)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid for RCPS	(2,899)	-
Dividend paid for share holders	(20,462)	-
Proceed from private placement	92,642	-
Proceed from Warrant B	1	-
Proceed from issuance of share capital	-	4,229
Repayment of borrowings	(8,707)	-
Repayment for the principal portion of lease liabilities	(765)	-
Increase in fixed deposit pledged	(132)	-
Uplift on fixed deposit pledged to a bank	21,613	-
Net cash generated from financing activities	81,291	4,229
NET INCREASE IN CASH AND CASH EQUIVALENTS	60	1,915
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	188,930	9,857
CASH AND CASH EQUIVALENTS AT END OF PERIOD	188,990	11,772

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial report.

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2021 (Cont'd)

	(UNAUDITED) 6 MONTHS CURRENT FINANCIAL PERIOD 1 JAN 21 TO 30 JUN 21 RM '000	(UNAUDITED) PRECEDING YEAR CORRESPONDING FINANCIAL PERIOD 1 JAN 20 TO 30 JUN 20 RM '000
Cash and cash equivalent comprises:		
Cash and bank balances	49,288	1,548
Fixed deposits with licensed banks	67,415	10,224
Short term investments	75,836	-
	<u>192,539</u>	<u>11,772</u>
Less:		
Fixed deposits pledged with licensed banks	(3,549)	-
	<u>188,990</u>	<u>11,772</u>

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial 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 2020 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:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective date
MFRS 17 Insurance Contracts	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
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2022
Amendments to MFRS 16: Covid-19-Related Rent Concessions	1 April 2021
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

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 2020.

A5. Auditors’ Report on Preceding Annual Financial Statements

The Auditors' report on the financial statements for the year ended 31 December 2020 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 quarter under review.

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EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS

A9. Debt and equity securities

On 21 April 2021, 700 units of Ordinary Shares were have been issued and listed on the Main Market of Bursa Securities as a result of a conversion of Warrants B during the quarter under review.

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

There was no dividend paid during the quarter under review.

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.

	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	309,066	71,019	54,988	-	(35,848)	399,225
Inter-segment revenue	31,968	160,199	1,240	-	(193,407)	-
Total revenue	341,034	231,218	56,228	-	(229,255)	399,225
Gross profit/(loss)	143,913	25,360	4,529	-	(20,057)	153,745
Other income	7,968	5,840	1,612	3,893	(2,814)	16,499
Administrative expenses	(11,430)	(2,300)	(562)	(4,006)	825	(17,473)
Selling and marketing expenses	(9,213)	-	-	-	237	(8,976)
Other expenses	-	(502)	-	-	-	(502)
Finance costs	(5,806)	(110)	(205)	(6,786)	5,839	(7,068)
Profit/(loss) before tax	125,432	28,288	5,374	(6,899)	(15,970)	136,225
Taxation						(37,731)
Profit after tax						98,494

Comparative figures for the financial period ended 30 June 2020 was not disclosed, as the Group is primarily involved in property development business for the period ended 30 June 2020.

A12. Valuation of property, plant and equipment

In line with the Group's adoption of fair value method in relation to its investment properties, The Group's investment properties were revalued by JS Valuers Property Consultants (Perak) Sdn Bhd during the quarter under reviewed.

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EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS

A13. Subsequent events

There were no significant events after the end of the quarter up to 9 August 2021 being the last practicable date from the date of issuance of this report save for the below:-

- a) On 3 August 2021, AmInvestment Bank Berhad has on behalf of the Company announced that the sale and purchase of the uncompleted portion of Teluk Intan land was completed on 26 July 2021 pursuant to the Teluk Intan sales and purchase agreement. Accordingly, 76,550,572 units of retention RCPS has been allotted and issued to Lagenda Land Sdn Bhd pursuant to the Blossom Eastland Sdn Bhd's share sales agreement which was part of the multiple proposals announced since 26 February 2020.

A14. Changes in composition of the Group

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

- (a) On 1 June 2021, the Company via its wholly-owned subsidiary, Blossom Eastland Sdn Bhd has completed the acquisition of 100% of the issued share capital of Maxitanah Sdn Bhd ("MSB") via a share sales agreement with the vendor, Binanti Sdn Bhd. Subsequent to the completion, MSB has become a wholly-owned subsidiary of the Company.
- (b) On 21 June 2021, LPB Development Sdn Bhd (formerly known as DBE Development Sdn Bhd), a wholly-owned subsidiary of the Company has jointly incorporated a new 70% subsidiary company under the Companies Act, 2016, named as Lagenda Mersing Sdn Bhd with a total issued share capital of RM100,000 ordinary shares. The remaining shareholdings of 30% was held by a company named Misi Jutari Sdn Bhd to undertake a proposed land acquisition mentioned in Note B8(c)

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 146.26 million.

A16. Related party transactions

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

	2nd Quarter ended 30 Jun 2021 RM '000
Land owner entitlement	4,603
Purchase of hardware	269
Rental paid	484
Late payment charges	(170)
Rental received	(1,248)
Sale of material	(1,370)

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 2020.

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ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD

B1. Performance review

	2nd Quarter ended 30 Jun 2021 RM'000	2nd Quarter ended 30 Jun 2020 RM'000	Changes Increase / (Decrease) RM'000	%
Revenue				
Property development	139,363	10,456	128,907	1,232.9
Construction	15,857	-	15,857	100.0
Trading	21,043	-	21,043	100.0
<i>Intra-group elimination</i> *	(5,740)	-	5,740	100.0
Total revenue	170,523	10,456	160,067	1,530.9
Profit before tax				
Property development	57,076	3,364	53,712	1,596.7
Construction	9,018	-	9,018	100.0
Trading	2,941	-	2,941	100.0
Investment holding	(3,182)	-	3,182	100.0
<i>Intra-group elimination</i> *	(7,802)	-	7,802	100.0
Total profit before tax	58,051	3,364	54,687	1,625.7

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

For the current quarter ended 30 June 2021, the Group recorded revenue of RM170.52 million representing an increase of 1,530.9% as compared to prior year corresponding quarter's revenue of RM10.46 million. The significant increase in revenue was mainly due to the asset acquisitions which were completed in August 2020. As a result from the acquisitions, revenue from Blossom Eastland Sdn Bhd ("BESB"), Rantau Urusan Sdn Bhd ("RUSB") and Yik Wang Trading Sdn Bhd ("YWTSB") has contributed significantly to the Group's revenue for the quarter under review compared to the preceding year quarter ended.

The Group recorded a profit before tax of RM58.05 million in the current quarter compared to the profit before tax of RM3.36 million in the prior year corresponding quarter mainly due to the acquisitions mentioned above. As a result of the acquisitions, profit from BESB, RUSB and YWTSB has contributed significantly to the Group's profit before tax for the quarter under review compared preceding year ended corresponding quarter.

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

	2nd Quarter ended 30 Jun 2021 RM'000	1st Quarter ended 31 Mar 2021 RM'000	Changes Increase / (Decrease) RM'000	%
Revenue				
Property development	139,363	169,703	(30,340)	(17.9)
Construction	15,857	55,162	(39,305)	(71.3)
Trading	21,043	33,945	(12,902)	(38.0)
<i>Intra-group elimination</i> *	(5,740)	(30,108)	(24,368)	(80.9)
Total revenue	170,523	228,702	(58,179)	(25.4)
Profit before tax				
Property development	57,076	68,356	(11,280)	(16.5)
Construction	9,018	19,270	(10,252)	(53.2)
Trading	2,941	2,434	507	20.8
Investment holding	(3,182)	(3,717)	(535)	(14.4)
<i>Intra-group elimination</i> *	(7,802)	(8,169)	(367)	(4.5)
Total profit before tax	58,051	78,174	(20,123)	(25.7)

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

For the current quarter ended 30 June 2021, the Group's revenue had decreased to RM170.52 million as compared to RM228.70 million during the immediate preceding quarter. The decrease in total group revenue was mainly due to a significant reduction in the percentage of completion for the Month of June 2021 when the Government announced the Full Movement Control ("FMCO") Order which started from 1st June 2021 onwards. During the FMCO period, all property development activities were halted in June 2021. Therefore a reduction in the construction work progress has taken out approximately one month of revenue recognition and profit before tax from our financial results.

The Group recorded a decrease in profit before tax amounting to RM58.05 million in the current quarter as compared to the profit before tax of RM78.17 million in the preceding quarter mainly due to the effects of FMCO as mentioned above.

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ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD

B3. Commentary on prospects

The Group's main focus is to continue on building and supplying affordable housing to the country and also to provide improvements that can be made to amenities and infrastructure to support an improved and more vibrant community for our home purchasers. To further enhance our sustainability and brand presence, which must work hand in hand with profitability, the Group has embarked on land banking efforts to expand our future such as the recent land acquisitions in Pahang and Johor which sees the Group's landbank increase by another 931 acres earmarked for another 2 new affordable housing townships in the near term. With the upcoming launch of Lagenda Tapah, we are committed to widening the Group's geographical footprint to capture more growth opportunities and provide homes for the masses.

The recent FMCO and Enhanced Movement Control Order in several districts or states in Malaysia has dampened the economic environment of the country. Business activities have been restricted due to the control orders, which caused disruptions to our construction works at our project sites. With the Government currently ramping up the daily vaccination rate of 1.65 (per 100 people/day), dispensing about 400,000 doses daily, after getting herd immunity, we expect to see a major improvement in overall market and the property industries. To safeguard the well-being of our people, 88% of our staff have been vaccinated which is in line with the Group's goal to achieve 100% vaccination in the coming months. With the state of Perak entering stage 2 of the National Recovery Programme, the Company and its subsidiaries were allowed to resume our selling and marketing activities gradually by adhering to strict SOPs.

The Group remains focused on the affordable housing segment. It will continue to adopt a cautiously optimistic outlook, backed by encouraging demand recorded from our ongoing developments as the pandemic situation in the country improves. Despite the lockdown, the Group secured higher bookings in 2nd Quarter 2021. For the current financial year up to 30 June 2021, the total confirmed sales was RM295 million with additional total bookings of RM400 million in the pipeline. With this momentum, the Group is confident of achieving the sales target of RM1 billion this financial year.

As at 30 June 2021, the Group's unbilled sales stands at RM 561 million, providing strong cashflow visibility to the Group. We will also continue to seek for suitable and potential land bank to further expand our property development business in the affordable housing segment across the nation.

B4. Profit forecast

The Group did not issue any profit forecast.

B5. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30 Jun 2021 RM '000	Preceding Year Quarter 30 Jun 2020 RM '000	Current Year To Date 30 Jun 2021 RM '000	Preceding Year To Date 30 Jun 2020 RM '000
Deferred tax liabilities	1,333	-	1,203	-
Taxation	(16,462)	(778)	(38,934)	(2,195)
Income tax expenses	(15,129)	(778)	(37,731)	(2,195)
Effective tax rate	26.1%	23.1%	27.7%	24.0%

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 30 Jun 2021 RM'000	Preceding year 30 Jun 2020 RM'000
Current		
Hire purchase payables	1,282	-
Finance lease	381	-
Term loans	33,529	-
	35,192	-
Non-current		
Hire purchase payables	2,927	-
Finance lease	473	-
Term loans	178,285	-
	216,877	-

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ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD

B7. Utilisation of Proceeds

At 30 June 2021, the status of the utilisation of the proceeds raised from the private placement is as follows:-

	Utilisation of Proceeds RM'000 (A)	Amount utilised as at 30 Jun 2021 RM'000 (B)	Balance of proceeds RM'000 (A-B)	Time frame for utilisation (from the listing date)
Utilisation of proceeds				
Repayment of bank borrowings	18,000	(6,479)	11,521	Within 12 months
Working Capital	108,350	(17,800)	90,550	Within 12 months
Estimated expenses in relation to the proposals*	8,000	(7,149)	851	Within 1 months
	<u>134,350</u>	<u>(31,428)</u>	<u>102,922</u>	

* shortfall or excess in funds allocated for estimated expenses will be funded from or used for the Group's working capital requirements.

B8. Corporate Proposals

- On 10 May 2021, AmInvestment Bank Berhad had on behalf of the Company, announced the proposal to establish an employee share option scheme ("proposed ESOS") up to 15% of the total number of issued ordinary shares (excluding treasury shares, if any) at any one time of our Company, which entitles the Eligible Persons to, upon exercise, receive Lagenda Shares at a future date at a predetermined price. The proposed ESOS has been approved by Bursa Malaysia Securities Berhad vide its letter dated 17 May 2021. The proposed ESOS has been approved by the shareholders of the Company via an Extraordinary General Meeting on 28 June 2021.
- On 23 June 2021, the Company via its wholly owned subsidiary, LPB Development Sdn Bhd entered into a conditional sale and purchase agreement with SST Development for the purchase of a parcel of leasehold land held under HSD 34904, PT 10546, Mukim Penor, District of Kuantan, State of Pahang Darul Makmur measuring approximately 2,023,640 square meters for a total cash consideration of RM33,000,000. The proposed acquisition is currently pending fulfilments of its conditions precedent and is expected to be completed on the 3rd quarter of 2022.
- On 2 July 2021, Lagenda Mersing Sdn Bhd 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. The proposed acquisitions are currently pending fulfilments of its conditions precedent and is expected to be completed within 10 months from the date of the sale and purchase agreements.

B9. Financial instruments

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

B10. Material Litigation

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

B11. Dividend

- An interim single-tier dividend of 3.0 sen (FY2020: 2.5 sen) per ordinary share amounting to RM24,554,696 (FY2020: RM20,462,235) has been declared by the Directors in respect of the financial year ended 31 December 2021.
- The interim single -tier dividend shall be payable on 5 October 2021.
- In respect of deposited securities, entitlement to dividend will be determined based on the record of depositors as of 7 September 2021.

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(Incorporated in Malaysia)**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD****B12. 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 30 Jun 2021 Quarter	Preceding Year 30 Jun 2020 Quarter	Current Year 30 Jun 2021 To Date	Preceding Year 30 Jun 2020 To Date
Profit net of tax attributable to owners of the parent (RM'000)	<u>42,922</u>	<u>2,586</u>	<u>98,498</u>	<u>6,945</u>
Basic Weighted average number of ordinary share in issue ('000)	<u>781,473</u>	<u>2,795,295</u>	<u>781,473</u>	<u>2,795,295</u>
Basic earning per share (EPS) (sen)	<u>5.49</u>	<u>0.09</u>	<u>12.60</u>	<u>0.25</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 30 Jun 2021 Quarter	Preceding Year 30 Jun 2020 Quarter	Current Year 30 Jun 2021 To Date	Preceding Year 30 Jun 2020 To Date
Profit net of tax attributable to owners of the parent (RM'000)	<u>42,922</u>	<u>2,586</u>	<u>98,498</u>	<u>6,945</u>
Weighted average number of ordinary share in issue ('000)	<u>1,051,965</u>	<u>2,795,295</u>	<u>1,051,965</u>	<u>2,795,295</u>
Diluted earning per share (EPS) (sen)	<u>4.08</u>	<u>0.09</u>	<u>9.36</u>	<u>0.25</u>

B13. Notes to the Statement of Comprehensive Income

	Current Quarter 30 Jun 2021 RM '000	Current Year 30 Jun 2021 RM '000
Accretion of interest income on deferred other receivables	398	796
Depreciation of property, plant and equipment	(615)	(1,140)
Gain on disposal of property, plant and equipment	20	193
Interest expenses on:		
- accretion of interest on RCPS liability portion	(293)	(586)
- banker's acceptance	(37)	(181)
- bank guarantee commission	(15)	(18)
- lease liabilities	(68)	(124)
- term loan	(2,683)	(6,159)
Interest income	869	1,784
Reversal of impairment loss on other receivables	<u>-</u>	<u>246</u>

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 17 August 2021.