

**LAGENDA PROPERTIES BERHAD**

(Registration No. 200101000008(535763-A))

(Incorporated in Malaysia)


**CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**

	Note	(UNAUDITED)			(UNAUDITED)		
		INDIVIDUAL QUARTER		Changes Increase / (Decrease) RM'000	CUMULATIVE QUARTER		Changes Increase / (Decrease) RM'000
		1 OCT 2021 to 31 DEC 2021	1 OCT 2020 to 31 DEC 2020		1 JAN 2021 to 31 DEC 2021	1 JAN 2020 to 31 DEC 2020	
Current Quarter RM'000	Preceding Year Corresponding Quarter RM'000	Current Financial Period RM'000	Preceding Year Corresponding Financial Period RM'000				
Revenue		251,106	272,585	(21,479)	835,548	696,149	139,399
Cost of sales		(154,996)	(172,919)	(17,923)	(512,330)	(427,014)	85,316
<b>Gross Profit</b>		96,110	99,666	(3,556)	323,218	269,135	54,083
Other income		15,299	9,509	5,790	36,151	14,098	22,053
Administrative expenses		(19,854)	(6,073)	13,781	(45,290)	(25,460)	19,830
Selling and marketing expenses		(8,638)	(5,145)	3,493	(21,650)	(17,862)	3,788
Other expenses		(869)	(8,881)	(8,012)	(1,311)	(8,881)	(7,570)
Finance costs		(2,820)	(6,388)	(3,568)	(13,263)	(18,017)	(4,754)
Share of result of associates, net of tax		-	-	-	-	(600)	600
<b>Profit before tax</b>		79,228	82,688	(3,460)	277,855	212,413	65,442
Income tax expense	B5	(22,810)	(27,015)	(4,205)	(77,406)	(62,341)	15,065
<b>Profit net of tax, representing total comprehensive income for the period</b>		56,418	55,673	745	200,449	150,072	50,377
<b>Earnings per share (EPS) (in sen)</b>							
Basic		7.04	18.66		24.99	56.55	
Diluted		5.57	10.09		19.78	30.58	

The unaudited 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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	1 OCT 2021 to 31 DEC 2021	1 OCT 2020 to 31 DEC 2020		1 JAN 2021 to 31 DEC 2021	1 JAN 2020 to 31 DEC 2020	
	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>	56,418	55,673	745	200,449	150,072	50,377
<b>Total comprehensive income for the period</b>	<u>56,418</u>	<u>55,673</u>	745	<u>200,449</u>	<u>150,072</u>	50,377
<b>Total comprehensive income attribute to :</b>						
Owner of the Company	56,452	46,499	9,953	200,489	140,903	59,586
Non-controlling Interest	(34)	9,174	(9,208)	(40)	9,169	(9,209)
	<u>56,418</u>	<u>55,673</u>	745	<u>200,449</u>	<u>150,072</u>	50,377

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**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2021**

	<b>UNAUDITED AS AT 31 DEC 2021 RM '000</b>	<b>AUDITED AS AT 31 DEC 2020 RM '000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	12,321	13,523
Investment properties	21,294	4,941
Goodwill	25,576	24,506
Other investment	1,038	1,038
Inventories	139,021	110,510
Other receivables	-	19,067
	<u>199,250</u>	<u>173,585</u>
<b>Current assets</b>		
Inventories	462,101	361,434
Contract assets	225,083	177,474
Trade receivables	271,054	203,346
Other receivables, deposits and prepayments	55,379	32,294
Deposits with licensed banks	37,839	26,494
Cash and bank balances	191,524	187,786
	<u>1,242,980</u>	<u>988,828</u>
<b>TOTAL ASSETS</b>	<u>1,442,230</u>	<u>1,162,413</u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	314,551	220,520
Other reserves	(10,744)	(5,864)
Employee share scheme reserve	9,093	-
Retained earnings	566,760	403,882
Equity attributable to owners of the Company	879,660	618,538
Non-controlling interests	(5)	7,811
<b>TOTAL EQUITY</b>	<u>879,655</u>	<u>626,349</u>
<b>Non-current liabilities</b>		
Borrowings	159,138	180,687
Lease liabilities	3,030	2,655
Deferred tax liabilities	755	2,236
Other payables	-	13,808
	<u>162,923</u>	<u>199,386</u>
<b>Current liabilities</b>		
Trade payables	182,013	182,715
Other payables and accruals	151,452	81,698
Contract liabilities	5,177	3,797
Borrowings	40,861	41,528
Lease liabilities	1,771	1,310
Tax liabilities	18,378	25,630
	<u>399,652</u>	<u>336,678</u>
<b>TOTAL LIABILITIES</b>	<u>562,575</u>	<u>536,064</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,442,230</u>	<u>1,162,413</u>
Net Assets per ordinary share (RM)	1.10	2.51

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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE TWELVE MONTHS PERIOD ENDED 31 DECEMBER 2021**

	← Non-Distributable →			Distributable		Total Equity RM'000
	Share capital RM'000	Other reserve RM'000	Employee share scheme reserve RM'000	Retained earnings RM'000	Non- controlling interests RM'000	
<b>As at 1 January 2021</b>	220,520	(5,864)	-	403,882	7,811	626,349
Profit for the period	-	-	-	200,489	(40)	200,449
Dividend paid to the shareholders of the Company	-	-	-	(45,017)	-	(45,017)
Transaction with owners of the Company:						
Issuance of shares pursuant to:-						
- Additional investment in a subsidiary	-	-	-	7,406	(7,806)	(400)
- Private placement	92,643	-	-	-	-	92,643
- Share-based payments/transactions	-	-	9,093	-	-	9,093
RCPS dividend paid/payable during the year	-	(8,420)	-	-	-	(8,420)
Conversion of RCPS ("Redeemable Convertible Preference Shares")	(3,540)	3,540	-	-	-	-
Conversion of Warrant B	4,928	-	-	-	-	4,928
Subscription of shares in a subsidiary by non-controlling interest	-	-	-	-	30	30
<b>As at 31 December 2021</b>	<b>314,551</b>	<b>(10,744)</b>	<b>9,093</b>	<b>566,760</b>	<b>(5)</b>	<b>879,655</b>
<b>As at 1 January 2020</b>	50,500	-	-	261,395	9,719	321,614
Profit for the period	-	-	-	142,487	9,200	151,687
Transaction with owners of the Company:						
Issuance of shares pursuant to:-						
- Direct acquisition of subsidiaries	14,419	-	-	-	-	14,419
- Private placement	39,256	-	-	-	-	39,256
- Reverse acquisition	83,614	-	-	-	-	83,614
- Settlement of amounts due to Directors' related companies and Directors	32,909	-	-	-	-	32,909
Dividend declared by a subsidiary	-	-	-	-	(11,108)	(11,108)
Expenses incurred pursuant to issuance of RCPS	-	(21)	-	-	-	(21)
RCPS dividend paid/payable during the year	-	(6,021)	-	-	-	(6,021)
Conversion of RCPS	(178)	178	-	-	-	-
<b>As at 31 December 2020</b>	<b>220,520</b>	<b>(5,864)</b>	<b>-</b>	<b>403,882</b>	<b>7,811</b>	<b>626,349</b>

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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW  
FOR THE TWELVE MONTHS PERIOD ENDED 31 DECEMBER 2021**

	(UNAUDITED) 12 MONTHS CURRENT FINANCIAL PERIOD 1 JAN 21 TO 31 DEC 21 RM '000	(AUDITED) PRECEDING YEAR CORRESPONDING FINANCIAL PERIOD 1 JAN 20 TO 31 DEC 20 RM '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Pofit before tax	277,855	215,943
Adjustments for :		
Accreation of interest income on deferred other receivable	(1,470)	(612)
Depreciation of property, plant and equipment	2,396	1,742
Depreciation of investment properties	-	30
Gain on acquisition of subsidiaries	(11,077)	-
Gain on disposal of property, plant and equipment	(356)	(447)
Gain on remeasurement of lease liabilities	-	(47)
Loss on disposal of associates	-	2,048
Loss on remeasurement of deferred trade payables	-	6,175
Revaluation surplus on investment properties	(6,416)	-
Interest expenses	12,858	9,562
Interest income	(2,998)	(2,500)
Inventories written down	-	6,331
Reversal of impairment loss on other receivables	(246)	(620)
Share of results of associates	-	600
Employee share-based payment	9,093	-
Goodwill written off	869	-
Trade receivables written off	-	7
Property, plant and equipment written off	-	4
<b>Operating profit before working capital changes</b>	280,508	238,216
Inventories	(82,578)	(68,823)
Contract assets	(44,153)	211,774
Receivables	(59,897)	(93,703)
Payables	35,861	(10,027)
<b>Cash generated from operations</b>	129,741	277,437
Interest received	2,998	2,500
Interest paid	(11,649)	(9,073)
Income tax refunded	-	169
Income tax paid	(86,121)	(52,830)
<b>Net cash generated from operating activities</b>	34,969	218,203
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Investment in subsidiaries	(400)	-
Direct acquisition of subsidiaries, net cash flow	4,244	(141,436)
Acquisition through reverse acquisition, net cash flow	-	11,997
Purchase of property, plant and equipment	(1,966)	(1,021)
Deposit paid - land held for development	(42,492)	-
Proceeds from disposal of property, plant and equipment	420	973
Proceeds from disposal of associates	-	9,800
Proceeds from subscription of shares by non-controlling interest	30	-
Repayment from Directors' related companies	-	14,741
<b>Net cash used in investing activities</b>	(40,164)	(104,946)

The unaudited 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 TWELVE MONTHS PERIOD ENDED 31 DECEMBER 2021 (Cont'd)**

	(UNAUDITED) 12 MONTHS CURRENT FINANCIAL PERIOD 1 JAN 21 TO 31 DEC 21 RM'000	(AUDITED) PRECEDING YEAR CORRESPONDING FINANCIAL PERIOD 1 JAN 20 TO 31 DEC 20 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid to RCPS holders	(8,420)	(4,749)
Dividend paid to non controlling interest	-	(11,108)
Dividend paid to shareholders	(45,017)	-
Expenses incurred pursuant to issuance of RCPS	-	(21)
Proceed from private placement	92,642	39,256
Proceed from conversion of warrant	4,928	-
(Repayment)/Drawdown of borrowings	(21,897)	98,397
Payment for the principal portion of lease liabilities	(1,637)	(1,018)
Repayment to Directors' related companies	-	(87,548)
Repayment to corporate shareholders	-	(1,708)
Increase in fixed deposit pledged	(169)	(20,443)
Uplift on fixed deposit pledged to a bank	21,613	-
<b>Net cash generated from financing activities</b>	<u>42,043</u>	<u>11,058</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	36,849	124,315
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	188,930	64,615
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u><u>225,779</u></u>	<u><u>188,930</u></u>

	(UNAUDITED) 12 MONTHS CURRENT FINANCIAL PERIOD 1 JAN 21 TO 31 DEC 21 RM'000	(AUDITED) PRECEDING YEAR CORRESPONDING FINANCIAL PERIOD 1 JAN 20 TO 31 DEC 20 RM'000
<b>Cash and cash equivalent comprises:</b>		
Cash and bank balances	84,985	69,749
Fixed deposits with licensed banks	37,839	26,494
Short term investments	106,539	118,037
	<u>229,363</u>	<u>214,280</u>
Less:		
Bank overdraft	-	(320)
Fixed deposits pledged with licensed banks	(3,585)	(25,030)
	<u><u>225,778</u></u>	<u><u>188,930</u></u>

The unaudited 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:-

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective date</b>
Amendments to MFRS 16 : Covid-19-Related Rent Concessions	1 April 2021
Amendments to MFRS 101 : Classification of Liabilities as Current or Non-current	1 January 2022
Amendments to MFRS 3 : Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116 : Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137 : Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
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 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

During the quarter under review, 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 during the period under review.

#### (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>296,192,688</u>

#### (b) Warrant B

During the quarter, 3,941,500 units of warrants was exercised by the registered warrant holders to subscribe for 3,941,500 new ordinary shares at the price of RM1.25 each per ordinary share.

As at the end of the current financial quarter, 19,283,578 warrants was remained not exercise and the said warrants has expired 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

A single-tier first interim dividend amounting to RM 24,554,696 was paid on 5 October 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 December 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	664,444	73,708	115,529	-	(18,133)	835,548
Inter-segment revenue	<u>70,893</u>	<u>350,272</u>	<u>3,942</u>	<u>-</u>	<u>(425,107)</u>	<u>-</u>
Total revenue	735,337	423,980	119,471	-	(443,240)	835,548
Gross profit/(loss)	305,566	44,935	9,390	-	(36,673)	323,218
Other income	14,516	6,751	1,832	34,949	(21,897)	36,151
Administrative expenses	(26,216)	(6,146)	(1,679)	(12,776)	1,527	(45,290)
Selling and marketing expenses	(22,012)	-	-	-	362	(21,650)
Other expenses	-	(442)	-	-	(869)	(1,311)
Finance costs	<u>(10,829)</u>	<u>(150)</u>	<u>(412)</u>	<u>(14,862)</u>	<u>12,990</u>	<u>(13,263)</u>
Profit/(loss) before tax	261,025	44,948	9,131	7,311	(44,560)	277,855
Taxation						<u>(77,406)</u>
Profit after tax						<u>200,449</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 December 2020

	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	536,021	85,954	65,793	-	8,381	696,149
Inter-segment revenue	109,329	175,601	-	-	(284,930)	-
Total revenue	645,350	261,555	65,793	-	(276,549)	696,149
Gross profit	275,382	31,070	4,886	-	(42,203)	269,135
Other income	27,284	1,340	263	2,106	(16,895)	14,098
Administrative expenses	(17,933)	(1,164)	(458)	(5,904)	(1)	(25,460)
Selling and marketing expenses	(17,724)	-	-	-	(138)	(17,862)
Other expenses	(21,474)	(502)	-	-	13,095	(8,881)
Share of result of associate	-	-	-	-	(600)	(600)
Finance costs	(21,807)	(211)	(669)	(5,497)	10,167	(18,017)
Profit/(loss) before tax	223,728	30,533	4,022	(9,295)	(36,575)	212,413
Taxation						(62,341)
Profit after tax						150,072

### 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 properties were revalued by JS Valuers Property Consultants (Perak) Sdn Bhd.

### A13. Subsequent events

There were no significant events after the end of the quarter up to 15 February 2022 being the last practicable date from the date of issuance of this report 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.

### 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 27 October 2021, the Company via its wholly-owned subsidiary, Yik Wang Trading Sdn Bhd has completed the acquisition of 100% of the issued share capital of Sitiawan Bolts and Nuts Hardware Sdn Bhd ("SBANSB") via a share sales agreement with the vendors, namely Dato' Doh Jee Chai, Dato' Doh Tee Leong, Dato' Doh Jee Ming and Sau Yong Kiat. Subsequent to the completion, SBANSB has become a wholly-owned subsidiary of the Company.

### 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 116.58 million.

### A16. Related party transactions

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

	4th Quarter ended 31 Dec 2021 RM '000
Purchase of hardware	491
Rental paid	964
Land owner entitlement	5,662
Late payment charges	(304)
Rental received	(2,526)
Sale of material	(3,633)

### 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

	4th Quarter ended 31 Dec 2021 RM '000	4th Quarter ended 31 Dec 2020 RM '000	Changes Increase / (Decrease) RM '000	%
<b>Revenue</b>				
Property development	210,259	199,266	10,993	5.5
Construction	15,754	35,800	(20,046)	(56.0)
Trading	33,295	40,317	(7,022)	(17.4)
<i>Intra-group elimination</i> *	(8,202)	(2,798)	5,404	(193.1)
Total revenue	251,106	272,585	(21,479)	(7.9)
<b>Profit before tax</b>				
Property development	77,399	115,669	(38,270)	(33.1)
Construction	9,702	19,970	(10,268)	(51.4)
Trading	1,946	2,241	(295)	(13.2)
Investment holding	17,725	(4,299)	22,024	(512.3)
<i>Intra-group elimination</i> *	(27,544)	(50,893)	(23,349)	45.9
Total profit before tax	79,228	82,688	(3,460)	(4.2)

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

For the current quarter ended 31 December 2021, the Group recorded a revenue of RM251.11 million representing a decrease of 7.9% as compared to prior year corresponding quarter's revenue of RM272.59 million. The decrease of total revenue was mainly due to slower progress work in construction operation as one of our project stage reaching tail end. The increase in revenue generated from Property Development was mainly due to the acquisition of a property development subsidiary namely Maxitanah Sdn Bhd which was completed during the preceding quarter ended.

The Group recorded a profit before tax of RM79.23 million in the current quarter compared to the profit before tax of RM82.69 million in the prior 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.

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

	4th Quarter ended 31 Dec 2021 RM '000	3rd Quarter ended 30 Sep 2021 RM '000	Changes Increase / (Decrease) RM '000	%
<b>Revenue</b>				
Property development	210,259	145,119	65,140	44.9
Construction	15,754	12,791	2,963	23.2
Trading	33,295	27,246	6,049	22.2
<i>Intra-group elimination</i> *	(8,202)	61	(8,263)	(13,545.9)
Total revenue	251,106	185,217	65,889	35.6
<b>Profit before tax</b>				
Property development	77,399	58,194	19,205	33.0
Construction	9,702	6,960	2,742	39.4
Trading	1,946	1,813	133	7.3
Investment holding	17,725	(3,515)	21,240	(604.3)
<i>Intra-group elimination</i> *	(27,544)	(1,050)	26,494	(2,523.2)
Total profit before tax	79,228	62,402	16,826	27.0

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

For the current quarter ended 31 December 2021, the Group's revenue had increased to RM251.11 million as compared to RM185.22 million during the immediate preceding quarter. The increase in total group revenue was mainly due to the recognition of a higher completion of development work done together with stronger achieved sales compared to the preceding year under review. Our catch-up initiative have yielded positive results and revenue is back on track to pre-pandemic level.

The Group recorded an increase in profit before tax amounting to RM79.23 million in the current quarter as compared to the profit before tax of RM62.40 million in the preceding quarter due to higher confirmed sales and progress work compared to last quarter.

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## ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD

### B3. Commentary on prospects

The Group remains focused on providing affordable housing segment catering to the B40 and M40 income groups which continues to attract healthy demand. Since October 2021, our construction division has been operating at full capacity under stringent SOPs, as we work to catch-up on previous delays. We remain optimistic on the growing demand for affordable housing, and this was proven by commendable confirmed sales figure of RM261 million in the final quarter of 2021 ("4Q2021") which represents a 38.6% growth as compared to RM167 million in the similar quarter of the preceding year.

We have adopted a "Buyer Introduce Buyer" scheme which has proven to be successful as demonstrated by higher booking trends. For the current financial year up to 31 December 2021, the total confirmed sales were RM757 million with additional total bookings of RM649 million. With an aggregate booking and sales amounting to RM1.45 billion, we are confident that the booking conversions and future sales billings will further bolster our financial position as we look to further expand through strategic land acquisitions. As at 31 December 2021, the Group's unbilled sales stood at RM 604 million, providing strong cashflow visibility to the Group.

We have set the wheels in motion to achieve our vision to be a Nationwide Affordable Township Developer. To scale and expand across more states in the most expeditious manner, we have a joint venture arrangement with Inta Bina Group Berhad to undertake construction of our projects outside Perak. Lagenda is on a growth trajectory and will be rolling-out townships in Kedah and Johor besides our home turf in Perak. Our net cash position and low gross gearing of 0.23 times augur well for further expansion and land acquisition opportunities.

We are constantly looking for ways to further add value to increase the attractiveness of our townships with sustainability in mind. We are already working to install 1,000 residential solar PV systems across three township projects in the state of Perak. Recently, Lagenda has also partnered with ESCAPE brand creators, Sim Leisure Group to build recreational parks in our townships. This will add to the attractiveness and marketability of our projects.

### B4. Profit forecast

The Group did not issue any profit forecast.

### B5. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 Dec 2021 RM '000	Preceding Year Quarter 31 Dec 2020 RM '000	Current Year To Date 31 Dec 2021 RM '000	Preceding Year To Date 31 Dec 2020 RM '000
Deferred tax liabilities	773	3,252	1,484	(312)
Taxation	(23,583)	(30,267)	(78,890)	(62,029)
Income tax expenses	(22,810)	(27,015)	(77,406)	(62,341)
Effective tax rate	28.8%	32.7%	27.9%	29.3%

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 Dec 2021 RM'000	Preceding year 31 Dec 2020 RM'000
<b>Current</b>		
Bank overdraft	-	320
Hire purchase payables	1,378	1,037
Revolving Credits	10,000	10,000
Finance lease	393	273
Banker's acceptance	8,007	20,584
Term loans	22,854	10,624
	<u>42,632</u>	<u>42,838</u>
<b>Non-current</b>		
Hire purchase payables	2,721	2,349
Finance lease	309	306
Term loans	159,138	180,687
	<u>204,800</u>	<u>226,180</u>

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## ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD

### B7. Utilisation of Proceeds

At 31 December 2021, the status of the utilisation of the proceeds raised from the private placement is as follows:-

Utilisation of proceeds	Utilisation of Proceeds RM'000 (A)	Amount utilised as at 31 Dec 2021 RM'000 (B)	Balance of proceeds RM'000 (A-B)	Time frame for utilisation (from the listing date)
Repayment of bank borrowings	18,000	(18,000)	-	Within 12 months
Working Capital	108,350	(109,201)	(851)	Within 12 months
Estimated expenses in relation to the proposals*	8,000	(7,149)	851	Within 1 months
	<u>134,350</u>	<u>(134,350)</u>	<u>-</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 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 ("Proposed ESOS"). 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 held on 28 June 2021. The proposed ESOS was subsequently made effective and were offered to the directors and employees of the Group on 25 October 2021 and 3 February 2022 respectively.
- 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 500.05 acres for a total cash consideration of RM33,000,000 or at RM 1.51 per square foot. The proposed acquisition was completed on 17 November 2021.
- 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 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 single-tier second interim dividend of 3.5 sen (2021 single-tier first interim dividend: 3.0 sen) per ordinary share amounting to RM29,306,451 (2021 single-tier first interim dividend: RM24,554,696) 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 11 April 2022.
- In respect of deposited securities, entitlement to dividend will be determined based on the record of depositors as of 25 March 2022.

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## 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 31 Dec 2021 Quarter	Preceding Year 31 Dec 2020 Quarter	Current Year 31 Dec 2021 To Date	Preceding Year 31 Dec 2020 To Date
Profit net of tax attributable to owners of the parent (RM'000)	<u>56,452</u>	<u>46,499</u>	<u>200,489</u>	<u>140,903</u>
Basic Weighted average number of ordinary share in issue ('000)	<u>802,299</u>	<u>249,227</u>	<u>802,299</u>	<u>249,227</u>
Basic earning per share (EPS) (sen)	<u>7.04</u>	<u>18.66</u>	<u>24.99</u>	<u>56.55</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 Dec 2021 Quarter	Preceding Year 31 Dec 2020 Quarter	Current Year 31 Dec 2021 To Date	Preceding Year 31 Dec 2020 To Date
Profit net of tax attributable to owners of the parent (RM'000)	<u>56,452</u>	<u>46,499</u>	<u>200,489</u>	<u>140,903</u>
Weighted average number of ordinary share in issue ('000)	<u>1,013,723</u>	<u>460,702</u>	<u>1,013,723</u>	<u>460,702</u>
Diluted earning per share (EPS) (sen)	<u>5.57</u>	<u>10.09</u>	<u>19.78</u>	<u>30.58</u>

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

	Current Quarter 31 Dec 2021 RM '000	Current Year 31 Dec 2021 RM '000
Accretion of interest income on deferred other receivables	276	1,470
Gain on acquisition of subsidiaries	11,077	11,077
Gain on disposal of property, plant and equipment	-	356
Interest income	593	2,998
Rental income	753	3,001
Reversal of impairment loss on other receivables	-	246
Auditors' remuneration	(103)	(325)
Depreciation of property, plant and equipment	(635)	(2,396)
Employee share-based payment	(9,093)	(9,093)
Interest expenses on:		
- accretion of interest on contingent consideration	(315)	(1,209)
- banker's acceptance	(76)	(345)
- bank guarantee commission	(5)	(43)
- lease liabilities	(71)	(268)
- term loan	<u>(1,947)</u>	<u>(10,993)</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 22 February 2022.