



# **Property**

## **KERJAYA PROSPEK PROPERTY BERHAD**

Registration No. 199401001358 (287036-X)

(Incorporated in Malaysia)

### **Interim Financial Report 30 June 2021**

**KERJAYA PROSPEK PROPERTY BERHAD**

Registration No. 199401001358 (287036-X)

(Incorporated in Malaysia)

**Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income  
For The Financial Period Ended 30 June 2021**

	INDIVIDUAL QUARTER (3-mth)		CUMULATIVE QUARTER (3-mth)	
	Current Year Quarter 30/06/2021 RM'000	Preceding Year Quarter 30/06/2020 RM'000	Current Year to-Date 30/06/2021 RM'000	Preceding Year to-Date 30/06/2020 RM'000
Revenue	67,823	56,723	67,823	56,723
Cost of sales	(40,423)	(39,418)	(40,423)	(39,418)
<b>Gross profit</b>	<b>27,400</b>	<b>17,305</b>	<b>27,400</b>	<b>17,305</b>
Other income	424	338	424	338
Distribution expenses	(146)	(136)	(146)	(136)
Administrative expenses	(5,065)	(2,942)	(5,065)	(2,942)
Other expenses	(1,026)	(1,028)	(1,026)	(1,028)
<b>Results from operating activities</b>	<b>21,587</b>	<b>13,537</b>	<b>21,587</b>	<b>13,537</b>
Finance income	152	263	152	263
Finance costs	(568)	(2,044)	(568)	(2,044)
<b>Profit before tax</b>	<b>21,171</b>	<b>11,756</b>	<b>21,171</b>	<b>11,756</b>
Tax expense	(5,744)	(3,636)	(5,744)	(3,636)
<b>Profit and total comprehensive income for the period</b>	<b>15,427</b>	<b>8,120</b>	<b>15,427</b>	<b>8,120</b>
<b>Profit and total comprehensive income attributable to:</b>				
Owners of the Company	15,423	8,119	15,423	8,119
Non-controlling interests	4	1	4	1
<b>Profit and total comprehensive income for the period</b>	<b>15,427</b>	<b>8,120</b>	<b>15,427</b>	<b>8,120</b>
<b>Basic earnings per ordinary share (sen)</b>	<b>4.27</b>	<b>5.31</b>	<b>4.27</b>	<b>5.31</b>
<b>Diluted earnings per ordinary share (sen)</b>	<b>1.74</b>	<b>5.31</b>	<b>1.74</b>	<b>5.31</b>

**KERJAYA PROSPEK PROPERTY BERHAD**

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**Unaudited Condensed Consolidated Statement of Financial Position As At 30 June 2021**

	<b>Unaudited As at 30/06/2021 RM'000</b>	<b>Audited As at 31/03/2021 RM'000</b>
<b>Assets</b>		
Property, plant and equipment	271,966	269,664
Right-of-use assets	15,901	16,000
Land held for property development	131,112	95,996
Trade and other receivables	14,859	10,852
<b>Total non-current assets</b>	<u>433,838</u>	<u>392,512</u>
Inventories	361,282	342,089
Contract costs	27,885	23,879
Trade and other receivables	44,754	38,996
Current tax assets	6,997	6,913
Prepayments	526	1,178
Cash and cash equivalents	58,890	67,362
<b>Total current assets</b>	<u>500,334</u>	<u>480,417</u>
<b>Total assets</b>	<u><u>934,172</u></u>	<u><u>872,929</u></u>
<b>Equity</b>		
Share capital	282,165	260,557
Redeemable convertible preference shares ("RCPS")	197,925	216,825
Reverse acquisition reserve	(323,920)	(323,920)
Retained earnings	347,688	332,265
<b>Total equity attributable to owners of the Company</b>	<u>503,858</u>	<u>485,727</u>
Non-controlling interests	268	264
<b>Total equity</b>	<u><u>504,126</u></u>	<u><u>485,991</u></u>
<b>Liabilities</b>		
Trade payables	15,800	14,654
Loans and borrowings	101,963	102,233
Deferred tax liabilities	25,419	25,554
Redeemable convertible preference shares ("RCPS")	19,013	22,679
<b>Total non-current liabilities</b>	<u>162,195</u>	<u>165,120</u>
Trade and other payables	212,589	145,336
Redeemable convertible preference shares ("RCPS")	8,357	9,154
Contract liabilities	37,119	29,835
Loans and borrowings	2,579	32,892
Current tax liabilities	7,207	4,601
<b>Total current liabilities</b>	<u>267,851</u>	<u>221,818</u>
<b>Total liabilities</b>	<u>430,046</u>	<u>386,938</u>
<b>Total equity and liabilities</b>	<u><u>934,172</u></u>	<u><u>872,929</u></u>
Net assets per share attributable to owners of the Company (RM)	<u>1.26</u>	<u>1.39</u>

**KERJAYA PROSPEK PROPERTY BERHAD**  
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**Unaudited Condensed Consolidated Statement of Changes in Equity  
For The Financial Year Period 30 June 2021**

	<----- Attributable to owners of the Company ----->							
	<----- Non-distributable ----->			Distributable				
	Share Capital	RCPS	Share Option Reserve	Reverse Acquisition Reserve	Retained Earnings			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>As at 1 April 2021</b>	260,557	216,825	-	(323,920)	332,265	485,727	264	485,991
Profit and total comprehensive income for the period	-	-	-	-	15,423	15,423	4	15,427
Conversion of RCPS	21,608	(18,900)	-	-	-	2,708	-	2,708
<b>As at 30 June 2021</b>	<u>282,165</u>	<u>197,925</u>	<u>-</u>	<u>(323,920)</u>	<u>347,688</u>	<u>503,858</u>	<u>268</u>	<u>504,126</u>
<b>As at 1 April 2020</b>	132,835	239,505	3	(323,920)	269,171	317,594	250	317,844
Profit and total comprehensive income for the period	-	-	-	-	8,119	8,119	1	8,120
Share options lapsed	-	-	(3)	3	-	-	-	-
<b>As at 30 June 2020</b>	<u>132,835</u>	<u>239,505</u>	<u>-</u>	<u>(323,917)</u>	<u>277,290</u>	<u>325,713</u>	<u>251</u>	<u>325,964</u>

**KERJAYA PROSPEK PROPERTY BERHAD**

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**Unaudited Condensed Consolidated Statement of Cash Flows For The Financial Period Ended 30 June 2021**

	<b>(3-mth)</b>	<b>(3-mth)</b>
	<b>Current Year</b>	<b>Preceding Year</b>
	<b>Quarter</b>	<b>Quarter</b>
	<b>30/06/2021</b>	<b>30/06/2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><u>Cash Flows From Operating Activities</u></b>		
Profit before taxation	21,171	11,756
<b><u>Adjustments for:-</u></b>		
Depreciation of		
- property, plant and equipment	927	931
- right-of-use assets	99	97
Finance costs	568	2,044
Finance income	(152)	(263)
<b>Operating profit before changes in working capital</b>	<b>22,613</b>	<b>14,565</b>
<b><u>Changes in working capital:-</u></b>		
Inventories	(19,193)	15,121
Land held for property development	(34,890)	(290)
Contract cost	(4,006)	(6,417)
Contract assets/liabilities	7,284	11,851
Trade and other receivables and prepayments	(9,113)	(9,270)
Trade and other payables	66,204	(12,626)
<b>Cash generated from operations</b>	<b>28,899</b>	<b>12,934</b>
Interest received	152	263
Interest paid	(917)	(1,829)
Income tax paid	(3,357)	(2,335)
<b>Net cash flow generated from operating activities</b>	<b>24,777</b>	<b>9,033</b>
<b><u>Cash Flows From Investing Activities</u></b>		
Additions to property, plant and equipment	(2,666)	(3,485)
Proceeds from disposal of asset classified as held for sale	-	10,011
<b>Net cash (used in)/generated from investing activities</b>	<b>(2,666)</b>	<b>6,526</b>
<b><u>Cash Flows From Financing Activities</u></b>		
(Repayment)/Drawdown of revolving credit	(30,000)	30,000
Repayment of term loans	(583)	(21,046)
Repayment of finance lease liabilities	-	(13)
<b>Net cash (used in)/generated from financing activities</b>	<b>(30,583)</b>	<b>8,941</b>
Net change in cash and cash equivalents	(8,472)	24,500
Cash and cash equivalents at beginning of period	67,362	63,523
<b>Cash and cash equivalents at end of period</b>	<b>58,890</b>	<b>88,023</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances	36,483	84,710
Deposits placed with licensed banks	-	1,139
Highly liquid investments	22,407	17,001
	58,890	102,850
Less : Deposits pledged	-	(1,139)
Bank overdraft	-	(13,688)
	58,890	88,023

## KERJAYA PROSPEK PROPERTY BERHAD

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### **PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134, INTERIM FINANCIAL REPORTING FOR THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

Kerjaya Prospek Property Berhad (“KPPROP” or the “Company”) is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Securities”). The registered office is located at 12th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor. The principal place of business is located at No. 1, Jalan Wangsa Permai, First Floor, Bangunan One Wangsa, Taman Wangsa Permai, 52200 Kuala Lumpur.

#### **A1. Basis of Preparation**

This unaudited interim financial report has been prepared in accordance with the applicable disclosure provisions of Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Securities and in compliance with MFRS 134, *Interim Financial Reporting*.

This interim financial report does not include all the information required for a complete set of financial statements and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2021.

The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to understand the changes in the financial position and performance of KPPROP and its subsidiaries (the “Group”) since the financial year ended 31 March 2021.

#### **A2. Significant Accounting Policies**

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Group for the year ended 31 March 2021. The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group:-

##### ***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022***

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018-2020)*
- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018-2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018-2020)*
- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*

**KERJAYA PROSPEK PROPERTY BERHAD**

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**A2. Significant Accounting Policies (Cont'd)**

***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022 (cont'd)***

- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018-2020)*

***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023***

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from Single Transaction*

***MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed***

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The initial application of the applicable accounting standards, amendments or interpretations is not expected to have any material financial impact to the current period and prior period financial statements of the Group.

**A3. Auditors' Report on Preceding Annual Financial Statements**

The most recent audited financial statements for the financial year ended 31 March 2021 of the Group were not subject to any qualification.

**A4. Seasonal and Cyclical Factors**

There were no material seasonal or cyclical factors affecting the performance of the Group during the interim period under review.

**A5. Unusual Items affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no items of an unusual nature, size or incidence which materially affect the assets, liabilities, equity, net income or cash flows of the Group during the interim period under review except the Group's operations and performance were affected by unprecedented challenging operating environment due to the continuing COVID-19 pandemic.

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**A6. Material Changes in Estimates**

There were no material changes in the estimates of the amounts reported in previous interim periods and financial year that have a material effect on the results of the current interim period under review.

**A7. Debt and Equity Securities**

Save for the following, there were no issuances, repurchases or repayments of debt and equity securities during the interim period under review:

- (a) Conversion of 250,000,000 RCPS to 50,000,000 new ordinary shares with the conversion ratio of five (5) RCPS to one (1) new ordinary share.

**A8. Dividend Paid**

No dividend has been paid during the interim period under review.

**A9. Segment Reporting**

The Group's has two reportable segments, as described below, which are the Group's strategic business units:

- Property development – development of residential and commercial properties
- Hospitality – hotel operation, foods, beverages and recreation

Other non-reportable segments comprise of operations related to investment holding, distribution of electricity and leasing of properties.

**Segment reporting for the 3-month financial period ended 30 June 2021**

	<b>Property Development RM'000</b>	<b>Hospitality RM'000</b>	<b>Others RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
<b>Revenue</b>					
External revenue	63,649	3,301	873	-	67,823
Inter-segment revenue	-	-	390	(390)	-
Total revenue	<u>63,649</u>	<u>3,301</u>	<u>1,263</u>	<u>(390)</u>	<u>67,823</u>
<b>Results</b>					
Segment results	23,838	(1,499)	274	-	22,613
Depreciation					(1,026)
Finance income					152
Finance costs					(568)
Profit before tax					<u>21,171</u>
Taxation					(5,744)
Profit after tax					<u><u>15,427</u></u>

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**A9. Segment Reporting (Cont'd)****Segment reporting for the 3-month financial period ended 30 June 2020**

	<b>Property Development RM'000</b>	<b>Hospitality RM'000</b>	<b>Others RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
<b>Revenue</b>					
External revenue	55,557	182	984	-	56,723
Inter-segment revenue	-	-	145	(145)	-
Total revenue	<u>55,557</u>	<u>182</u>	<u>1,129</u>	<u>(145)</u>	<u>56,723</u>
<b>Results</b>					
Segment results	15,317	(1,018)	266	-	14,565
Depreciation					(1,028)
Finance income					263
Finance costs					<u>(2,044)</u>
Profit before tax					11,756
Taxation					<u>(3,636)</u>
Profit after tax					<u>8,120</u>

**A10. Material Events Subsequent to the End of Interim Period**

There were no material events subsequent to the end of the interim period until 18 August 2021 (being the last practicable date which is not earlier than 7 days from the date of issuance of this Interim Financial Report).

**A11. Changes in the Composition of the Group**

The Company has on 21 June 2021, acquired 100% of the issued and paid-up share capital of a shelf company, Greencove Sdn. Bhd. for a total consideration of RM1.00.

Save as disclosed above, there were no changes in the composition of the Group including business combination, acquisition and/or disposal of subsidiary companies and long-term investments, restructuring and discontinued operations during the interim period under review.

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**A12. Contingent Liabilities**

	<b>As At 30/06/2021 RM'000</b>	<b>As At 31/03/2021 RM'000</b>
<b>Group</b>		
Financial guarantees given to local authorities in relation to constructions and service contract	<u>12,667</u>	<u>11,667</u>
<b>Company</b>		
Corporate guarantees issued to licensed banks for credit facilities granted to subsidiaries	<u>104,542</u>	<u>135,125</u>

The Directors are of the opinion that a provision is not required in respect of the matters above as it is not probable that future sacrifice of economic benefits will be required.

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**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

**B1. Review of Performance**

Group	Individual Period			Cumulative Period		
	Current Year Quarter	Preceding Year Quarter	Changes	Current Year-to-Date	Preceding Year-to-Date	Changes
	30/06/2021	30/06/2020		30/06/2021	30/06/2020	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	67,823	56,723	11,100	67,823	56,723	11,100
Results from operating activities	21,587	13,537	8,050	21,587	13,537	8,050
Profit before tax	21,171	11,756	9,415	21,171	11,756	9,415
Profit and total comprehensive income for the period	15,427	8,120	7,307	15,427	8,120	7,307

	Individual Period			Cumulative Period		
	Current Year Quarter	Preceding Year Quarter	Changes	Current Year-to-Date	Preceding Year-to-Date	Changes
	30/06/2021	30/06/2020		30/06/2021	30/06/2020	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Segment revenue</b>						
Property development	63,649	55,557	8,092	63,649	55,557	8,092
Hospitality	3,301	182	3,119	3,301	182	3,119
Others	873	984	(111)	873	984	(111)
<b>Total</b>	<b>67,823</b>	<b>56,723</b>	<b>11,100</b>	<b>67,823</b>	<b>56,723</b>	<b>11,100</b>
<b>Segment results</b>						
Property development	23,838	15,317	8,521	23,838	15,317	8,521
Hospitality	(1,499)	(1,018)	(481)	(1,499)	(1,018)	(481)
Others	274	266	8	274	266	8
<b>Total</b>	<b>22,613</b>	<b>14,565</b>	<b>8,048</b>	<b>22,613</b>	<b>14,565</b>	<b>8,048</b>

**Property development**

The property development segment continued to be the major revenue contributor. The increase in segment revenue and results of RM8.09 million and RM8.52 million respectively were mainly due to:

- (i) the Group has completed the development of *Straits Residence* in Penang during the interim period under review; and
- (ii) higher sales and development progress being registered in our on-going development project, namely *Bloomsvale* at Old Klang Road (Kuala Lumpur).

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**B1. Review of Performance (Cont'd)****Hospitality**

The performance of the hospitality segment continued to be affected by the global pandemic. This led to temporary closure of The Swiss-Garden Hotel Melaka in May 2021. The hospitality segment revenue recorded an increase of RM3.12 million to RM3.30 million from RM0.18 million in the same quarter last year, which was mainly contributed by domestic tourism and “staycation” before the temporary closure. A lower revenue in the preceding year corresponding quarter was mainly due to the first Movement Control Order (“MCO”) implemented in March 2020 by the Malaysian Government.

As a results, the hospitality segment recorded an operating loss of RM1.50 million for the current quarter as compared to RM1.02 million in the preceding year corresponding quarter.

**Others**

Revenue from the other segments mainly comprise of the distribution of electricity and leasing of properties.

**B2. Comparison with the Immediate Preceding Quarter's Results**

<b>Group</b>	<b>Current Quarter</b>	<b>Immediate Preceding Quarter</b>	<b>Changes</b>
	<b>30/06/2021</b>	<b>31/03/2021</b>	
	<b>RM'000</b>	<b>RM'000</b>	
Revenue	67,823	79,724	(11,901)
Results from operating activities	21,587	33,720	(12,133)
Profit before tax	21,171	31,097	(9,926)
Profit and total comprehensive income for the period	15,427	21,676	(6,249)

The Group recorded revenue of RM67.82 million for the current quarter as compared to RM79.72 million for the immediate preceding quarter. The decrease in revenue was mainly due to slower construction progress in our on-going project for the current quarter, that was affected by the Full Movement Control Order (“FMCO”) implemented by the Malaysian Government on 1 June 2021.

The Group recorded a lower profit after tax of RM15.43 million for the current quarter, representing an decrease of RM6.25 million as compared to the immediate preceding quarter due to the effects of FMCO as mentioned above.

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### B3. Prospects

The recent FMCO introduced has dampened the economic situation of the country. The Group business operations have been restricted and affected the construction progress of our project. However, the demand for *Bloomsvale* at Old Klang Road and *Straits Residences* at Seri Tanjung Pinang, Penang remained encouraging through online marketing activities. With the introduction of National Recovery Plan and the high vaccination rate in Malaysia, we are optimistic that the economy will gradually improve.

In order to sustain as well as to enhance the Group's property development operations and financial performance, the Group remain focus to identify potential landbanks and launch new development projects. For instance, the Group has recently entered into a sales and purchase agreement to acquire a piece of leasehold land measuring approximately 5.1 acres in Seksyen 13, Petaling Jaya with an estimated gross development value of approximately RM650 million. The Group has also planned several new launches in the upcoming years which will be located at Shah Alam, Klang and Sentul. At the same time, the Group will actively increase its effort to convert unsold inventories and ongoing project into sales through online marketing activities.

The hospitality industry's outlook remains uncertain and challenging due to the ongoing pandemic. With the ongoing global and local travel restriction, the performance of hotel businesses continue to be under pressure in the near term. The Group has taken precautionary measure to control costs by temporary halt the operation of The Swiss-Garden Hotel Melaka as part of the Group plans to manage cash flow effectively throughout this challenging period.

### B4. Profit Forecast and Profit Guarantee

The Group has not provided any profit forecast or profit guarantee in any public document in respect of the interim period under review.

### B5. Taxation

The taxation figures are as follows:-

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter	Preceding Year Quarter	Current Year-to-Date	Preceding Year-to-Date
	30/06/2021	30/06/2020	30/06/2021	30/06/2020
	RM'000	RM'000	RM'000	RM'000
Current tax expense	5,879	3,820	5,879	3,820
Deferred tax income	(135)	(184)	(135)	(184)
	<u>5,744</u>	<u>3,636</u>	<u>5,744</u>	<u>3,636</u>

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.

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**B6. Status of Corporate Proposal**

There were no corporate proposals announced but not completed as at 18 August 2021 (being the last practicable date which is not earlier than 7 days from the date of issuance of this Interim Financial Report).

**B7. Borrowings and Debt Securities**

Total Group borrowings as at 30 June 2021 are as follows:-

	<b>Contractual interest rate per annum %</b>	<b>As at 30/06/2021</b>		<b>Total borrowings RM'000</b>
		<b>Non-current RM'000</b>	<b>Current RM'000</b>	
Secured term loans	3.39	101,963	2,579	104,542
<b>Total</b>		<b>101,963</b>	<b>2,579</b>	<b>104,542</b>

	<b>Contractual interest rate per annum %</b>	<b>As at 31/03/2021</b>		<b>Total borrowings RM'000</b>
		<b>Non-current RM'000</b>	<b>Current RM'000</b>	
Secured term loans	3.39	102,233	2,892	105,125
Secured revolving credit	3.35	-	30,000	30,000
<b>Total</b>		<b>102,233</b>	<b>32,892</b>	<b>135,125</b>

The proportion of debt that is based on the fixed interest rate and floating interest rate is as follows:

	<b>Group</b>	
	<b>As At 30/06/2021 RM'000</b>	<b>As At 31/03/2021 RM'000</b>
Floating rates borrowings	<u>104,542</u>	<u>135,125</u>

The Group borrowings were denominated in Ringgit Malaysia and secured by way of legal charges over the assets of certain subsidiaries, and are supported by the corporate guarantee from the Company.

**B8. Material Litigation**

The Group does not have any material litigation as at the date of this Interim Financial Report.

**KERJAYA PROSPEK PROPERTY BERHAD**

Registration No. 199401001358 (287036-X)

(Incorporated in Malaysia)

**B9. Earnings Per Share**

The calculation of basic earnings per ordinary share was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Year Quarter</b>	<b>Preceding Year Quarter</b>	<b>Current Year-to-Date</b>	<b>Preceding Year-to-Date</b>
	<b>30/06/2021</b>	<b>30/06/2020</b>	<b>30/06/2021</b>	<b>30/06/2020</b>
Profit attributable to ordinary shareholders (RM'000)	15,427	8,120	15,427	8,120
Weighted average number of ordinary shares ('000)	360,964	152,866	360,964	152,866
Basic earnings per ordinary share (sen)	4.27	5.31	4.27	5.31

The calculation of diluted earnings per ordinary share was based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Year Quarter</b>	<b>Preceding Year Quarter</b>	<b>Current Year-to-Date</b>	<b>Preceding Year-to-Date</b>
	<b>30/06/2021</b>	<b>30/06/2020</b>	<b>30/06/2021</b>	<b>30/06/2020</b>
Profit attributable to ordinary shareholders (RM'000)	15,427	8,120	15,427	8,120
Weighted average number of ordinary shares (basic) ('000)	360,964	152,866	360,964	152,866
Effect of conversion of RCPS ('000)	523,611	-	523,611	-
Weighted average number of ordinary shares (diluted) ('000)	884,575	152,866	884,575	152,866
Diluted earnings per ordinary share (sen)	1.74	5.31	1.74	5.31

**KERJAYA PROSPEK PROPERTY BERHAD**

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**B10. Notes to the Statement of Profit or Loss and Other Comprehensive Income**

Profit before tax is arrived after charging/(crediting):

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/06/2021 RM'000	Preceding Year Quarter 30/06/2020 RM'000	Current Year- to-Date 30/06/2021 RM'000	Preceding Year- to-Date 30/06/2020 RM'000
Interest income	(152)	(263)	(152)	(263)
Other income including investment income	(424)	(338)	(424)	(338)
Interest expense	568	2,044	568	2,044
Depreciation and amortisation	1,026	1,028	1,026	1,028
Provision for and write-off of receivables	-	-	-	-
Provision for and write-off of inventories	-	-	-	-
(Gain) or loss on disposal of quoted or unquoted investments or properties	-	-	-	-
Impairment of assets	-	-	-	-
Foreign exchange (gain) or loss	-	-	-	-
(Gain) or loss on derivatives	-	-	-	-
Exceptional items	-	-	-	-

**B11. Derivative Financial Instruments**

There were no derivative financial instruments at the date of this report.

**B12. Fair Value Changes of Financial Liabilities**

As at 30 June 2021, there are no financial liabilities measured at fair value through profit or loss.

**B13. Authorisation for Issue**

This Interim Financial Report of KPPROP for the financial quarter ended 30 June 2021 was authorised for issuance by the Board of Directors of the Company in accordance with a resolution dated 25 August 2021.