

**WMG HOLDINGS BHD.**

201501041664(1166985-X)

(Incorporated in Malaysia)

**Unaudited Interim Financial Statements**

**For The Fourth Quarter Ended 31 December 2020**

**WMG HOLDINGS BHD.**

201501041664 (1166985-X)

Interim financial statements for the fourth quarter ended 31 December 2020

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**Condensed Consolidated Statement of Comprehensive Income**

	Note	Individual Quarter		Financial Year-to-date	
		3 months ended		12 months ended	
		31/12/2020	31/12/2019	31/12/2020	31/12/2019
		RM'000	RM'000	RM'000	RM'000
Revenue	8	22,745	18,550	56,534	57,062
Cost of sales		(14,755)	(11,247)	(41,735)	(45,123)
Gross profit		7,990	7,303	14,799	11,939
Other income	9	1,331	486	4,649	2,057
Other expenses		(1,174)	(757)	(1,932)	(1,355)
Distribution costs		(250)	(137)	(349)	(302)
Finance costs		(4,253)	(3,132)	(11,131)	(8,942)
Administrative expenses		(3,916)	(5,505)	(13,625)	(17,570)
Loss from operations		(272)	(1,742)	(7,589)	(14,173)
Interest on fixed deposits		15	109	92	453
Loss before tax	10	(257)	(1,633)	(7,497)	(13,720)
Income tax expense	12	1,120	(2,675)	1,008	(2,753)
Profit/(Loss) for the period		863	(4,308)	(6,489)	(16,473)
Other comprehensive income, net of tax:		-	-	-	-
Total comprehensive profit/(loss) for the period		863	(4,308)	(6,489)	(16,473)
Profit/(Loss) attributable to owners of the Company		863	(4,308)	(6,489)	(16,473)
Total comprehensive profit/(loss) attributable to owners of the Company		863	(4,308)	(6,489)	(16,473)
Profit/(Loss) per share attributable to owners of the Company:	13	Sen	Sen	Sen	Sen
- Basic		(0.22)	(0.83)	(2.04)	(3.22)
- Diluted		0.07	(0.37)	(0.56)	(1.42)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

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**Condensed Consolidated Statement of Financial Position**

<b>ASSETS</b>	<b>Note</b>	<b>AS AT 31/12/2020 RM'000</b>	<b>AS AT 31/12/2019 RM'000</b>
<b>Non-current Assets</b>			
Property, plant and equipment		27,377	29,212
Investment properties	15	103,287	106,693
Other investment		32	34
Deferred tax assets		3,503	2,797
Inventory properties	14	147,427	146,002
		<u>281,626</u>	<u>284,738</u>
<b>Current Assets</b>			
Inventory properties	14	111,255	105,333
Trading inventories		461	1,008
Trade and other receivables		30,565	26,935
Prepayment		37	48
Contract assets		22,249	7,342
Income tax refundable		865	317
Investment securities		-	1,172
Cash and bank balances	18	12,456	11,558
		<u>177,888</u>	<u>153,713</u>
<b>Total Assets</b>		<u>459,514</u>	<u>438,451</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Current Liabilities</b>			
Loans and borrowings	17	143,605	133,101
Lease liabilities		394	386
Trade and other payables		27,347	32,711
Tax payable		17	49
		<u>171,363</u>	<u>166,247</u>
<b>Net current assets/(liabilities)</b>		<u>6,525</u>	<u>(12,534)</u>
<b>Non-current Liabilities</b>			
Loan and borrowings	17	102,877	81,938
Lease liabilities		603	912
Deferred tax liabilities		4,255	4,659
		<u>107,735</u>	<u>87,509</u>
<b>Total Liabilities</b>		<u>279,098</u>	<u>253,756</u>

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**Condensed Consolidated Statement of Financial Position (cont'd)****EQUITY AND LIABILITIES (cont'd)**

	Note	AS AT 31/12/2020 RM'000	AS AT 31/12/2019 RM'000
<b>Equity attributable to owners of the Company</b>			
Share capital	16	231,343	229,133
Redeemable convertible preference shares	16	149,173	149,173
Irredeemable convertible preference shares	16	203,339	203,339
Merger deficit		(312,039)	(312,039)
Accumulated losses		(91,400)	(84,911)
<b>Total Equity</b>		<u>180,416</u>	<u>184,695</u>
<b>Total Equity and Liabilities</b>		<u>459,514</u>	<u>438,451</u>
<b>Net assets per share attributable to owners of the Company (RM)</b>		0.41	0.43

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

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**Condensed Consolidated Statement of Changes in Equity**

	Note	Share capital	RCPS	ICPS	Merger deficit	Accumulated losses	Total Equity
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 Jan 2020</b>		229,133	149,173	203,339	(312,039)	(84,911)	184,695
Total comprehensive loss for the period		-	-	-	-	(6,489)	(6,489)
Issuance of shares		2,210	-	-	-	-	2,210
<b>At 31 December 2020</b>		<u>231,343</u>	<u>149,173</u>	<u>203,339</u>	<u>(312,039)</u>	<u>(91,400)</u>	<u>180,416</u>
<b>At 1 Jan 2019</b>		205,073	149,173	203,339	(312,039)	(68,413)	201,193
Effect of MFRS 16 adoption		-	-	-	-	(25)	(25)
		<u>205,073</u>	<u>149,173</u>	<u>203,339</u>	<u>(312,039)</u>	<u>(68,438)</u>	<u>201,168</u>
Total comprehensive loss for the period		-	-	-	-	(16,473)	(16,473)
<b>At 31 December 2019</b>		<u>229,133</u>	<u>149,173</u>	<u>203,339</u>	<u>(312,039)</u>	<u>(84,911)</u>	<u>184,695</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

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**Condensed Consolidated Statement of Cash Flows**

	Note	12 months ended	
		31/12/2020 RM'000	31/12/2019 RM'0000
<b>Cash flows from operating activities</b>			
Loss before tax		(7,497)	(13,720)
<b>Adjustments for:</b>			
Depreciation		5,344	4,041
Finance costs		11,131	8,942
Investment income		(29)	(39)
Interest income		(92)	(453)
Gain from disposal of property, plant and equipment		(21)	(236)
Allowance for impairment loss on receivables		149	1
Equipment scrapped		-	5
Fair value loss on other investment		3	1
Inventories written down		237	440
Reversal of impairment loss on receivables		(41)	(42)
Reversal of inventories written down		(74)	-
Gain on derecognition of lease liabilities		(5)	-
Rent concession		(19)	-
		<u>16,583</u>	<u>12,660</u>
Operating profit/(loss) before working capital changes		9,086	(1,060)
Decrease/(increase) in properties under development		3,723	(22,612)
Increase in land held for development		(1,286)	(1,208)
(Increase)/decrease in inventories		(9,400)	1,996
Increase in receivables		(3,727)	(4,500)
Increase in contract assets		(14,907)	(6,584)
Decrease in payables		(5,363)	(2,157)
Cash flows used in operations		<u>(21,874)</u>	<u>(36,125)</u>
Interest paid		(403)	(188)
Interest received		58	340
Income tax refunded		1	1,900
Income tax paid		(683)	(415)
Net cash flows used in operating activities		<u>(22,901)</u>	<u>(34,488)</u>
<b>Cash flows from investing activities</b>			
Addition to investment properties		-	(29,423)
Investment income from investment securities		25	39
Interest income received		34	113
(Increase)/decrease of deposits pledged		(19)	2,032
Proceeds from disposal of investment securities		1,176	-
Purchase of investment securities		-	(39)
Purchase of property, plant and equipment		(29)	(167)
Proceeds from disposal of plant and equipment		21	236
Return of other investment		-	78
Net cash flows from/(used in) investing activities		<u>1,208</u>	<u>(27,131)</u>

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**Condensed Consolidated Statement of Cash Flows (cont'd)**

	Note	12 months ended	
		31/12/2020	31/12/2019
		RM'000	RM'0000
<b>Cash flows from financing activities</b>			
Drawdown of bankers' acceptances		7,202	18,013
Drawdown of revolving credits		79,500	15,000
Drawdown of bridging loan		22,071	18,556
Drawdown of term loans		7,075	60,457
Proceeds from issuance of shares		2,210	-
Repayment of bankers' acceptances		(9,706)	(18,773)
Repayment of bridging loan		(11,494)	(5,199)
Repayment of term loan		(4,635)	(5,829)
Repayment of revolving credits		(59,000)	(14,500)
Repayment of obligations under finance leases		(352)	(470)
Finance costs paid		(10,247)	(9,247)
Net cash flows from financing activities		<u>22,624</u>	<u>58,008</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		931	(3,611)
<b>Cash and cash equivalents at beginning of financial year</b>		<u>5,254</u>	<u>8,865</u>
<b>Cash and cash equivalents at end of financial year</b>	18	<u>6,185</u>	<u>5,254</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

## **WMG HOLDINGS BHD.**

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### **(A) Notes to the interim financial statements**

#### **1) Basis of preparation**

WMG Holdings Bhd. is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad.

The unaudited condensed consolidated interim financial statements for the period ended 31 December 2020 have been prepared in accordance with MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These unaudited condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2019. The explanatory notes to the interim financial statements provide an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2019.

#### **2) Accounting Policies**

The accounting policies and presentation adopted for the interim financial statements are consistent with those adopted for the audited financial statements for year ended 31 December 2019.

#### **3) Seasonality of operations**

The Group's operations are not seasonal and cyclical in nature.

#### **4) Unusual items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the interim period under review.

#### **5) Changes in estimates**

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

#### **6) Changes in the composition of the Group**

There were no changes in the composition of the Group during the interim period under review other than

- (i) the acquisition of a shelf company, KK Stay Sdn Bhd on 28 February 2020; and
- (ii) the dissolution of indirect wholly owned non-operating subsidiaries, Offshore Constructor (Labuan) Ltd., on 10 March 2020 and Gerak Armada Sdn Bhd on 19 February 2021.

#### **7) Share capital and treasury shares**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the interim period under review other than the Special Issue of 18,418,300 ordinary shares at RM0.12 per share in December 2020 to comply with the Bumiputera Equity Condition.

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**8) Segment information***Business Segments*

	12 months ended 31 December 2020				
	Property	Building materials	Others	Adjustment/ Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>					
External	44,065	12,469	-	-	56,534
Inter-segment	-	-	-	-	-
<b>Total</b>	<b>44,065</b>	<b>12,469</b>	<b>-</b>	<b>-</b>	<b>56,534</b>
<b>Results</b>					
Depreciation	5,291	50	3	-	5,344
Interest income	57	35	-	-	92
Other non-cash expenses	-	-	-	-	-
<b>Segment loss</b>	<b>(6,004)</b>	<b>(779)</b>	<b>(714)</b>	<b>-</b>	<b>(7,497)</b>

**9) Other income**

Included in other income for the year are miscellaneous receipts of RM3.40 million pertaining to rental activities.

**10) Loss before tax**

Included in the loss before tax are the following items:

	Individual Quarter		Financial Year-to-date	
	3 months ended		12 months ended	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
	RM'000	RM'000	RM'000	RM'000
(a) Interest income	15	109	92	453
(b) Other income including investment income	1,331	486	4,649	2,057
(c) Interest expenses	4,253	3,132	11,131	8,942
(d) Depreciation and amortization	1,983	1,660	5,344	4,041
(e) Provision for and write off of receivables	149	1	149	1
(f) Provision for and write off/down of inventories	237	440	237	440
(g) Gain/(loss) on disposal of quoted or unquoted investments or properties	-	-	-	-
(h) Impairment of assets	-	-	-	-
(i) Foreign exchange gain/(loss)	-	-	-	-
(j) Gain or loss on derivatives	-	-	-	-

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**11) Events after the reporting period**

There were no material events subsequent to the end of the interim period other than the dissolution of indirect wholly owned non-operating subsidiaries, Hartawan Ekuiti Sdn Bhd, on 29 January 2021 and Gerak Armada Sdn Bhd on 19 February 2021.

**12) Income tax expense**

	Individual Quarter 3 months ended		Financial Year-to-date 12 months ended	
	31.12.2020 RM'000	31.12.2019 RM'000	31.12.2020 RM'000	31.12.2019 RM'000
Current income tax	79	89	144	243
(Over)/under provision of income tax	(38)	13	(43)	19
Deferred tax	(1,161)	2,573	(1,109)	2,491
	<u>(1,120)</u>	<u>2,675</u>	<u>(1,008)</u>	<u>2,753</u>

The Group's income tax expense for the current period is mainly due to losses of certain subsidiaries which cannot be set off against taxable profits of other subsidiaries within the Group and deferred taxation.

**13) Loss per share**

	Individual Quarter 3 months ended		Financial Year-to-date 12 months ended	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Profit/(Loss) net of tax attributable to owners of the Company (RM'000)	863	(4,308)	(6,489)	(16,473)
Less: cumulative dividend on RCPS	<u>(2,727)</u>	<u>(2,735)</u>	<u>(10,850)</u>	<u>(10,850)</u>
Loss net of tax attributable to owners of the Company used in the computation of basic loss per share (RM'000)	(1,864)	(7,043)	(17,339)	(27,323)
Add back: cumulative dividend on RCPS	<u>2,727</u>	<u>2,735</u>	<u>10,850</u>	<u>10,850</u>
Profit/(Loss) net of tax attributable to owners of the Company used in the computation of diluted loss per share (RM'000)	863	(4,308)	(6,489)	(16,473)
Weighted average number of ordinary shares for basic loss per share computation ('000)	852,738	848,731	849,738	848,731
Effect of dilution – RCPS ('000)	<u>310,000</u>	<u>310,000</u>	<u>310,000</u>	<u>310,000</u>
Weighted average number of ordinary shares for diluted loss per share computation ('000)	<u>1,162,738</u>	<u>1,158,731</u>	<u>1,159,738</u>	<u>1,158,731</u>
<b>Basic loss per share (sen)</b>	(0.22)	(0.83)	(2.04)	(3.22)
<b>Diluted profit/(loss) per share (sen)</b>	0.07	(0.37)	(0.56)	(1.42)

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**14) Inventory properties**

	<b>As at 31.12.2020</b>	<b>As at 31.12.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current</b>		
Land held for property development	147,427	146,002
<b>Current</b>		
Properties under development	65,456	69,318
Completed properties	45,799	36,015
	<u>111,255</u>	<u>105,333</u>
	<u>258,682</u>	<u>251,335</u>

**(a) Land held for Development**

	<b>As at 31.12.2020</b>	<b>As at 31.12.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
At beginning of year	146,002	144,794
Additions	1,291	2,471
Transfer from properties under development	139	
Transfer to properties under development	-	(1,263)
Disposal	(5)	-
At end of year	<u>147,427</u>	<u>146,002</u>

As at 31.12.2020, the Group has a total land bank of approximately 633 acres, comprising 435 acres in Sandakan and 198 acres in Kota Kinabalu.

**(b) Properties under development**

	<b>As at</b>	<b>As at</b>
	<b>31.12.2020</b>	<b>31.12.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Balance at cost	65,456	69,318
	<u>65,456</u>	<u>69,318</u>
	<b>Long-term leasehold</b>	<b>Development expenditure</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cumulative property development cost</b>		<b>Total</b>
At 01.01.2020	10,651	58,667
Transfer to land held for development	(139)	-
Cost incurred during the period	-	31,558
Unsold units transferred to inventories	(901)	(11,837)
Recognised in profit and loss	(938)	(21,605)
<b>At 31.12.2020</b>	<u>8,673</u>	<u>56,783</u>
	<u>8,673</u>	<u>65,456</u>

As at 31.12.2020, the Group has two ongoing projects namely the residential projects, Sri Indah Condominium at RM39.33 million, with a percentage of completion of 69%, and Parklane 1 terrace houses at RM2.20 million, with percentage of completion of 53% totalling RM41.53 million and the projects to be launched amounted to RM23.93 million.

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**15) Investment properties**

Included is Mydin Hypermarket completed in 2019 with a net carrying amount as at 31 December 2020 of RM70.85 million. (2019: RM73.89 million)

**16) Share capital, RCPS and ICPS**

The details of share capital, RCPS and ICPS of the Company are as follows:-

	<b>No. of Ordinary Shares</b>	<b>Amount RM</b>
<b>Share capital</b>		
As at 01.01.2020	426,167,169	229,133,063
Issuance of shares in December 2020	18,418,300	2,210,196
As at 31.12.2020	<u>444,585,469</u>	<u>231,343,259</u>
	<b>No. of Preference Shares</b>	<b>Amount RM</b>
<b>Redeemable convertible preference shares (RCPS)</b>		
As at 01.01.2020 and 31.12.2020	<u>155,000,000</u>	<u>149,172,930</u>
<b>Irredeemable convertible preference shares (ICPS)</b>		
As at 01.01.2020 and 31.12.2020	<u>211,281,792</u>	<u>203,338,864</u>

**17) Loan and borrowings**

The Group's borrowings and debt securities are as follows:

	<b>As at fourth quarter ended 31.12.2020</b>			<b>As at fourth quarter ended 31.12.2019</b>		
	Long Term	Short Term	Total borrowings	Long Term	Short Term	Total borrowings
<b>Secured</b>	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Bankers' acceptances (BA)	-	1,018	1,018	-	3,522	3,522
Revolving credits (RC)	-	121,800	121,800	-	101,300	101,300
Overdraft (OD)	-	4,800	4,800	-	4,852	4,852
Bridging loan (BL)	*20,075	*9,159	29,234	2,653	15,993	18,646
Term loans (TL)	82,802	6,828	89,630	79,285	7,434	86,719
	102,877	143,605	246,482	81,938	133,101	215,039

\* The amounts payable have taken into account the moratorium extension of loan repayment granted by a bank.

The interest rates for BA, RC, TL, BL and OD generally range from 1% to 2% above the cost of fund and the lending rate of the respective banks.

There are no borrowings denominated in foreign currency.

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**18) Cash and Cash Equivalents**

	<b>As at 31.12.2020 RM'000</b>	<b>As at 31.12.2019 RM'000</b>
Fixed deposits	1,471	1,452
Cash on hand and at banks	10,985	10,106
Cash and bank balances	12,456	11,558
Less: deposits pledged for banking facilities	(1,471)	(1,452)
Less: bank overdrafts	(4,800)	(4,852)
	<u>6,185</u>	<u>5,254</u>

**19) Contingencies**

There were no changes in contingent liabilities since the last balance sheet date, 31 December 2019 to 24 March 2021, the latest practicable date which is not earlier than 7 days from the issue of this interim financial statements.

**20) Dividends**

For the period ended 31 December 2020, the Directors do not recommend payment of dividend. (2019:Nil).

The total dividend for the current financial year is Nil (2019: Nil).

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**(B) Additional information required by Bursa Malaysia Securities Berhad's Listing Requirements****1. Performance review**

The Group's performance is as tabulated below:

	Individual Quarter				Financial Year to date			
	3 months ended				12 months ended			
	31.12.2020	31.12.2019	Changes		31.12.2020	31.12.2019	Changes	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	22,745	18,550	4,195	23	56,534	57,062	(528)	(1)
Gross profit	7,990	7,303	687	9	14,799	11,939	2,860	24
Profit/(Loss) Before Interest and Tax	3,996	1,499	2,497	167	3,634	(4,778)	8,412	(176)
Loss Before Tax	(257)	(1,633)	1,376	(84)	(7,497)	(13,720)	6,223	(45)
Profit/(Loss) After Tax	863	(4,308)	5,171	(120)	(6,489)	(16,473)	9,984	(61)
Profit/(Loss) attributable to ordinary equity holders of the Company	863	(4,308)	5,171	(120)	(6,489)	(16,473)	9,984	(61)

For the current quarter and year ended 31 December 2020, the Group recorded revenue of RM22.75 million and RM56.53 million and profit after tax of RM0.86 million and loss after tax of RM6.49 million as compared to the corresponding quarter and period's revenue of RM18.55 million and RM57.06 million and loss after tax of RM4.31 million and RM16.43 million.

The lower loss for the year 2020 of RM6.49 million as compared to 2019 of RM16.47 million is mainly due to higher contribution from property segment and other income, lower administrative expenses which is partially offset by higher finance costs and the recognition of additional deferred tax assets.

The Group generated a total revenue for the current quarter and year of RM22.75 million and RM56.53 million respectively. RM20.25 million (89%) and RM44.06 million (78%) were from property segment and RM2.50 million (11%) and RM12.47 million (22%) were from building materials segment for the current quarter and year respectively.

Sales of properties were at RM16.55 million and RM35.83 million, property management at RM0.03 million and 0.12 million, property letting at RM3.67 million and RM8.11 million for the current quarter and year under review.

Sales of building materials to contractors engaged by the Group for its property development projects amounted to RM1.71 million and RM6.93 million, representing 68% and 56% of the total sales of building materials of RM2.50 million and RM12.47 million for the current quarter and year under review.

The Group recorded a gross profit of RM14.80 million for the year under review. After taking into account interest income and other income totalling RM4.74 million and deducting expenses of RM27.04 million (which include finance cost of RM11.13 million, other expenses of RM1.93 million, administrative expenses of RM13.63 million) and partially offset by income tax of RM1.01 million, the Group incurred a loss after tax of RM6.49 million.

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Interim financial statements for the fourth quarter ended 31 December 2020

### 1. Performance review (Cont'd)

Administrative expenses of RM13.63 million comprised mainly fixed and semi-fixed costs namely staff costs, directors' remuneration, overheads and office expenses (which include depreciation RM0.95 million) of approximately RM4.45 million, RM3.79 million and RM5.39 million respectively.

### 2. Current quarter compared with immediate preceding quarter

The Group recorded a profit after tax of RM0.86 million for the current quarter under review compared to loss after tax of RM0.63 million for the immediate preceding quarter as follows:-.

	Current quarter	Immediate preceding quarter	Changes	
	31.12.2020	30.09.2020		
	RM'000	RM'000	RM'000	%
Revenue	22,745	16,635	6,110	37
Gross profit	7,990	3,441	4,549	132
Profit/(Loss) Before Interest and Tax	3,996	1,653	2,343	142
Loss Before Tax	(257)	(625)	368	(59)
Profit/(Loss) After Tax	863	(632)	1,495	(237)
Profit/(Loss) attributable to ordinary equity holders of the Company	863	(632)	1,495	(237)

Revenue for the current quarter is higher than the immediate preceding quarter by RM6.11 million or 37% mainly due to higher contributions from property segment in the current quarter under review and the Group recorded a profit after tax of RM0.86 million for the current quarter under review mainly due to the recognition of additional deferred tax assets.

For the current quarter under review, revenue from the property segment and building material segment amounted to RM16.55 million and RM2.50 million respectively as compared to preceding quarter of RM12.64 million and RM4.00 million respectively.

### 3. Commentary on Prospects

As at 31 December 2020, the Group has unbilled sales of approximately RM53.90 million and the gross development value of unsold units of its ongoing projects amounted to approximately RM103.45 million.

The Board expects the Group's operating environment for the coming financial year to remain challenging in view of the uncertain economic and financing conditions and the adverse impact of the Movement Control Order on the soft property market.

### 4. Profits forecast and profit guarantee

The above is not applicable as no profit forecast and profit guarantee were provided.

### 5. Income tax expense

This is stated in note 12 to the interim financial statements.

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Interim financial statements for the fourth quarter ended 31 December 2020

### **6. Corporate proposals**

There were no corporate proposals announced but not completed as at 24 March 2021, the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial statements other than the proposed voluntary liquidation/de-registration of non-operating subsidiaries as further announced on 5 November 2020.

### **7. Group borrowings and debt securities**

This is stated in note 17 to the interim financial statements.

### **8. Changes in material litigation**

The Group did not have any material litigation as at 24 March 2021, the latest practicable date which is not earlier than 7 days from the date of issue of these interim financial statements.

### **9. Dividends**

This is stated in note 20 to the interim financial statements.

### **10. Earnings/(loss) per share**

This is stated in note 13 to the interim financial statements.

### **11. Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements of the Company for the preceding financial year ended 31 December 2019 was not subject to any qualification.

### **12. Profit/(loss) before tax**

Disclosure of items as required under Appendix 9B, Part A(16) of Bursa Malaysia Securities Berhad listing requirements is stated in note 10 to the interim financial statements.

### **13. Disclosure of derivatives**

The Group did not enter into any derivatives during the year ended 31 December 2020 or the previous financial year ended 31 December 2019.

### **14. Disclosure of gains/losses arising from fair value changes of financial liabilities**

The Group did not have any financial liabilities measured at fair value through profit or loss as at 31 December 2020 and 31 December 2019.

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Interim financial statements for the fourth quarter ended 31 December 2020

**15. Breakdown of realised and unrealised profits or losses**

The above disclosure in the format prescribed by Bursa Malaysia Securities Bhd is as follows:

	<b>As at 31.12.2020 RM'000</b>	<b>As at 31.12.2019 RM'000</b>
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(91,400)	(84,911)
- Unrealised	-	-
	(91,400)	(84,911)
Less: Consolidation adjustments	-	-
Total Group accumulated losses as per consolidated accounts	(91,400)	(84,911)

**(C) Authorisation for issue of interim financial statements**

The Board of Directors of the Company had authorised this unaudited interim financial statements for issue on 29 March 2021.