

COMPANY ANNOUNCEMENT

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER AND PERIOD ENDED 31 MARCH 2024

The Board of Directors of Advance Synergy Berhad wishes to announce the unaudited financial results of the Group for the quarter and period ended 31 March 2024.

This interim report is prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 “Interim Financial Reporting” and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2023.

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

	<u>3 months ended</u>		<u>Year-to-date</u>	
	<u>31.03.2024</u>	<u>31.03.2023</u>	<u>31.03.2024</u>	<u>31.03.2023</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	67,199	82,663	67,199	82,663
Cost of sales	(54,614)	(65,409)	(54,614)	(65,409)
Gross profit	12,585	17,254	12,585	17,254
Other operating income	3,155	1,424	3,155	1,424
Operating expenses	(21,737)	(20,643)	(21,737)	(20,643)
Loss from operations	(5,997)	(1,965)	(5,997)	(1,965)
Finance income	747	214	747	214
Finance costs	(2,780)	(2,033)	(2,780)	(2,033)
Share of results of associates and joint venture	11	(1)	11	(1)
Loss before tax	(8,019)	(3,785)	(8,019)	(3,785)
Income tax credit/(expense)	29	(162)	29	(162)
Net loss for the financial period	<u>(7,990)</u>	<u>(3,947)</u>	<u>(7,990)</u>	<u>(3,947)</u>
Attributable to:				
Owners of the parent	(7,890)	(3,491)	(7,890)	(3,491)
Non-controlling interests	(100)	(456)	(100)	(456)
	<u>(7,990)</u>	<u>(3,947)</u>	<u>(7,990)</u>	<u>(3,947)</u>
Loss per share attributable to owners of the parent:				
Basic (sen)	<u>(0.31)</u>	<u>(0.14)</u>	<u>(0.31)</u>	<u>(0.14)</u>
Diluted (sen)	<u>(0.31)</u>	<u>(0.14)</u>	<u>(0.31)</u>	<u>(0.14)</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<u>3 months ended</u>		<u>Year-to-date</u>	
	<u>31.03.2024</u>	<u>31.03.2023</u>	<u>31.03.2024</u>	<u>31.03.2023</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Net loss for the financial period	(7,990)	(3,947)	(7,990)	(3,947)
Other comprehensive income/(expenses):				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Exchange differences on translation of foreign operations	258	204	258	204
<i>Total items that may be reclassified subsequently to profit or loss</i>	258	204	258	204
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Fair value gain on equity instruments designated at fair value through other comprehensive income	161	161	161	161
<i>Total items that will not be reclassified subsequently to profit or loss</i>	161	161	161	161
Other comprehensive income for the financial period	419	365	419	365
Total comprehensive loss for the financial period	<u>(7,571)</u>	<u>(3,582)</u>	<u>(7,571)</u>	<u>(3,582)</u>
Attributable to:				
Owners of the parent	(7,449)	(3,420)	(7,449)	(3,420)
Non-controlling interests	(122)	(162)	(122)	(162)
Total comprehensive loss for the financial period	<u>(7,571)</u>	<u>(3,582)</u>	<u>(7,571)</u>	<u>(3,582)</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited as at <u>31.03.2024</u> RM'000	Audited as at <u>31.12.2023</u> RM'000
ASSETS		
<u>Non-current assets</u>		
Property, plant and equipment	242,267	239,114
Right-of-use assets	45,274	47,741
Investment properties	16,300	16,300
Investment in associates and joint venture	3,943	3,933
Investment securities	72,455	70,715
Goodwill	39,192	39,192
Intangible assets	2,715	2,791
Deferred tax assets	4,228	4,230
Inventories	4,701	4,699
	431,075	428,715
<u>Current assets</u>		
Inventories	48,930	45,016
Receivables, prepayments and contract assets	107,875	155,686
Current tax assets	1,391	1,362
Investment securities	2,278	2,323
Financial assets held for trading	70	47
Fixed deposits	69,188	49,129
Cash and bank balances	67,976	65,135
	297,708	318,698
TOTAL ASSETS	728,783	747,413
EQUITY AND LIABILITIES		
<u>Equity attributable to owners of the Company</u>		
Share capital	461,377	461,377
Reserves	(48,187)	(40,738)
	413,190	420,639
Non-controlling interests	67,471	67,593
Total equity	480,661	488,232
<u>Non-current liabilities</u>		
Borrowings	84,286	85,632
Lease liabilities	25,184	26,497
Payables	6,210	6,384
Deferred tax liabilities	4,368	4,368
	120,048	122,881
<u>Current liabilities</u>		
Payables and contract liabilities	75,967	82,145
Borrowings	48,676	49,302
Lease liabilities	3,156	3,985
Current tax liabilities	275	868
	128,074	136,300
Total Liabilities	248,122	259,181
TOTAL EQUITY AND LIABILITIES	728,783	747,413

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2024**

	Share Capital RM'000	Revaluation Reserve RM'000	Foreign Currency Translation Reserve RM'000	Fair Value Reserve RM'000	Accumulated Losses RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Balance as at 1 January 2024	461,377	16,413	7,895	(954)	(64,092)	420,639	67,593	488,232
Net loss for the financial period	-	-	-	-	(7,890)	(7,890)	(100)	(7,990)
Fair value gain on equity instruments designated at fair value through other other comprehensive income	-	-	-	161	-	161	-	161
Exchange differences on translation of foreign operations	-	-	280	-	-	280	(22)	258
Total comprehensive income/(loss) the financial period	-	-	280	161	(7,890)	(7,449)	(122)	(7,571)
Balance as at 31 March 2024	461,377	16,413	8,175	(793)	(71,982)	413,190	67,471	480,661

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2024 (Continued)**

	Share Capital RM'000	Revaluation Reserve RM'000	Foreign Currency Translation Reserve RM'000	Fair Value Reserve RM'000	Retained Profits/ (Accumulated Losses) RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Balance as at 1 January 2023								
- As previously reported	461,377	16,594	9,487	(793)	7,240	493,905	77,468	571,373
- Prior year adjustments	-	-	-	-	(5,548)	(5,548)	(2,266)	(7,814)
Restated balance as at 1 January 2023	461,377	16,594	9,487	(793)	1,692	488,357	75,202	563,559
Net loss for the financial period	-	-	-	-	(3,491)	(3,491)	(456)	(3,947)
Fair value gain of equity instruments through other comprehensive income	-	-	-	161	-	161	-	161
Exchange differences on translation of foreign operations	-	-	(90)	-	-	(90)	294	204
Total comprehensive income/(loss) the financial period	-	-	(90)	161	(3,491)	(3,420)	(162)	(3,582)
Balance as at 31 March 2023	461,377	16,594	9,397	(632)	(1,799)	484,937	75,040	559,977

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2024**

	3 months ended 31.03.2024 RM'000	3 months ended 31.03.2023 RM'000
Cash flows from operating activities		
Loss before tax	(8,019)	(3,785)
Adjustments for:-		
Non-cash items	891	5,287
Other investing and financing items	1,930	1,718
Operating (loss)/profit before working capital changes	(5,198)	3,220
Changes in working capital		
Inventories	(3,917)	(3,805)
Receivables	3,310	5,201
Financial assets held for trading	(23)	5
Payables	(6,225)	(2,857)
Net cash (used in)/generated from operations	(12,053)	1,764
Retirement benefits paid	-	(112)
Net tax paid	(592)	(833)
Net cash (used in)/generated from operating activities	(12,645)	819
Cash flows from investing activities		
Addition of intangible assets	(114)	(311)
Interest received	823	313
Dividend received	27	3
Change in deposit placed with licensed bank	678	33,477
Proceed from compensation of lease termination	45,000	-
Proceeds from disposal of property, plant and equipment	-	9
Proceeds from disposal of hotel management services	200	200
Purchase of property, plant and equipment	(3,444)	(1,369)
Placement of pledged deposits	(7)	(617)
Net cash generated from investing activities	43,163	31,705

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2024 (Continued)**

	3 months ended 31.03.2024 RM'000	3 months ended 31.03.2023 RM'000
Cash flows from financing activities		
Interest paid	(2,780)	(2,033)
Repayment of borrowings	(2,649)	(1,348)
Repayment of lease liabilities	(1,069)	(1,987)
Net cash used in financing activities	<u>(6,498)</u>	<u>(5,368)</u>
Effect of exchange rate changes	(596)	(1,338)
Net increase in cash and cash equivalents	23,424	25,818
Cash and cash equivalents as at beginning of the financial period		
As previously reported	88,084	61,101
Effect of exchange rate changes	145	(97)
As restated	<u>88,229</u>	<u>61,004</u>
Cash and cash equivalents as at end of the financial period #	<u>111,653</u>	<u>86,822</u>
# Cash and cash equivalents at the end of the financial period comprising the following:		
Fixed deposits	69,188	111,056
Cash and bank balances	67,976	56,909
	137,164	167,965
Less: Deposits placed with lessor as security deposit for lease payments	-	(8,679)
Deposit with maturity more than three months	(2,503)	(52,045)
Deposits pledged to licensed banks	(23,008)	(20,419)
	<u>(25,511)</u>	<u>(81,143)</u>
	<u>111,653</u>	<u>86,822</u>

NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of preparation

The unaudited interim financial report has been prepared in compliance with MFRS 134 – “Interim Financial Reporting” and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). The unaudited interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023.

2. 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 for the financial year ended 31 December 2023, except for the adoption of the following amendments to Malaysian Financial Reporting Standard (“MFRS”):

Amendments to MFRSs

MFRS 7	Financial Instruments: Disclosures
MFRS 16	Leases
MFRS 101	Presentation of Financial Statements

The adoption of the above amendments to MFRSs will have no significant impact on the financial statements of the Group upon their initial application.

Amendments to MFRSs that have been issued, but yet to be effective

Effective for financial periods beginning on or after

Amendments to MFRSs (Continued)

MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2025
MFRS 128	Investments in Associates and Joint Ventures	Deferred

3. Audit Report

The auditors’ report on the financial statements for the financial year ended 31 December 2023 was not subject to any qualification.

4. Seasonal or cyclical factors

The operations of the Group for the financial quarter ended 31 March 2024 were not materially affected by any seasonal or cyclical factors.

5. Unusual items

There were no unusual significant items during the quarter under review.

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

6. Changes in estimates

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the quarter under review.

7. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and/or repayments of debt and equity securities during the financial period ended 31 March 2024.

As at the quarter ended 31 March 2024, no new ordinary share of the Company was issued to the eligible persons pursuant to the Advance Synergy Share Grant Scheme.

8. Dividends paid

There was no dividend paid during the financial period ended 31 March 2024.

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

9. Segmental Information

For the financial period ended 31 March 2024

	Investment Holding	Information & Communications Technology	Property Development & Investment	Travel & Tours	Financial Services	Others	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue								
External	134	10,580	4,774	41,347	1,161	9,203	-	67,199
Inter-segment	1,510	-	694	28	-	-	(2,232)	-
Total revenue	1,644	10,580	5,468	41,375	1,161	9,203	(2,232)	67,199
Results								
Segment results	(2,655)	(1,342)	(4,555)	2,077	(2,044)	503	(14)	(8,030)
Share of results of associates and joint venture	12	-	(1)	-	-	-	-	11
Profit/(Loss) before tax	(2,643)	(1,342)	(4,556)	2,077	(2,044)	503	(14)	(8,019)
Income tax credit								29
Net profit/(loss) for the financial period								(7,990)
Non-controlling interests								100
Net profit/(loss) for the financial period attributable to owners of the parent								(7,890)

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

9. Segmental Information (Continued)

For the financial period ended 31 March 2024 (Continued)

	Investment Holding	Information & Communications Technology	Property Development & Investment	Travel & Tours	Financial Services	Others	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Other information</u>								
Segment assets	63,326	154,900	426,739	26,814	24,295	23,148	-	719,222
Investment in associates and joint venture	3,842	-	101	-	-	-	-	3,943
Unallocated corporate assets								5,618
Total assets								728,783
Segment liabilities	5,308	13,548	195,089	13,517	7,386	8,631	-	243,479
Unallocated corporate liabilities								4,643
Total liabilities								248,122
Capital expenditure:								
- Property, plant & equipment	14	201	2,911	-	284	34	-	3,444
- Software development expenditure	-	114	-	-	-	-	-	114

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

9. Segmental Information (Continued)

For the financial period ended 31 March 2023

	Investment Holding	Information & Communications Technology	Property Development & Investment	Travel & Tours	Financial Services	Others	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue								
External	177	16,677	10,567	51,716	1,792	1,734	-	82,663
Inter-segment	1,250	-	695	36	-	-	(1,981)	-
Total revenue	1,427	16,677	11,262	51,752	1,792	1,734	(1,981)	82,663
Results								
Segment results	(2,459)	407	(764)	2,212	(1,520)	(1,422)	(238)	(3,784)
Share of results of associates and joint venture	1	-	(2)	-	-	-	-	(1)
Profit/(Loss) before tax	(2,458)	407	(766)	2,212	(1,520)	(1,422)	(238)	(3,785)
Income tax expense								(162)
Net profit/(loss) for the financial period								(3,947)
Non-controlling interests								456
Net profit/(loss) for the financial period attributable to owners of the parent								(3,491)

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

9. Segmental Information (Continued)

For the financial period ended 31 March 2023 (Continued)

	Investment Holding	Information & Communications Technology	Property Development & Investment	Travel & Tours	Financial Services	Others	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Other information</u>								
Segment assets	115,549	219,713	419,484	18,257	23,107	16,620	-	812,730
Investment in associates and joint venture	3,866	-	104	-	-	-	-	3,970
Unallocated corporate assets								6,992
Total assets								823,692
Segment liabilities	5,219	14,142	215,391	7,489	11,209	5,745	-	259,195
Unallocated corporate liabilities								4,520
Total liabilities								263,715
Capital expenditure:								
- Property, plant & equipment	-	131	1,074	-	96	68	-	1,369
- Software development expenditure	-	311	-	-	-	-	-	311

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

10. Property, plant and equipment

The valuation of land and buildings had been brought forward without amendment from the financial statements for the financial year ended 31 December 2023.

11. Significant events after the reporting period

- (a) On 17 April 2024, Alam Samudera Corporation Sdn Bhd, a direct wholly-owned subsidiary of the Company, disposed its entire equity interest of 1,043,000 ordinary shares representing 100% of the issued share capital of Synergy Tours (Borneo) Sdn Bhd (“STB”) for a total cash consideration of RM50,000.00 to Mohamad Firrus bin Said and Amir Hamzah bin Mohd Yusof. Consequently, STB ceased to be a subsidiary of the Company.
- (b) On 14 May 2024, Beaver Hotels Limited (“BHL”), an indirect 65%-owned subsidiary of the Company registered in England and Wales, was dissolved.

Save for the above, there are no significant events after the reporting period.

12. Changes in the composition of the Group

On 20 March 2024, Medical Palace Sdn Bhd, an indirect wholly-owned subsidiary of the Company, was struck off from the register under Section 550 of Companies Act 2016 and henceforth dissolved following the publication of the notice of striking off in the Gazette on 20 March 2024.

Save for the above, there were no changes in the composition of the Group during the financial period ended 31 March 2024.

13. Changes in contingent liabilities

There are no changes in contingent liabilities since the last annual statements of financial position as at 31 December 2023.

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

14. Review of performance

	Year-to-date		Changes	
	3 months ended		RM'000	%
	<u>31.03.2024</u>	<u>31.03.2023</u>		
	RM'000	RM'000		
Revenue	67,199	82,663	(15,464)	(18.7)
Profit/(Loss) from operations	(5,997)	(1,965)	(4,032)	(205.2)
Profit/(Loss) before tax	(8,019)	(3,785)	(4,234)	(111.9)
Net profit/(loss) for the financial year	(7,990)	(3,947)	(4,043)	(102.4)
Net profit/(loss) for the financial year attributable to the Owners of the Parent	<u>(7,890)</u>	<u>(3,491)</u>	(4,399)	(126.0)

Overall performance

For the current quarter ended 31 March 2024 (“Q1 2024”), the Group recorded lower revenue of RM67.2 million compared to RM82.7 million in the corresponding quarter last year ended 31 March 2023 (“Q1 2023”), reflecting a decrease of RM15.5 million or 18.7%. All divisions reported lower revenue in Q1 2024 compared to Q1 2023, except for the Investment Holding and Others divisions.

The Group recorded higher other operating income for Q1 2024 compared to Q1 2023 mainly attributable to a higher fair value gain assessed on the venture investment portfolio and quoted investment of RM0.5 million in Q1 2024 compared to RM0.1 million in Q1 2023.

Operating expenses increased by approximately RM1.1 million, from RM20.6 million in Q1 2023 to RM21.7 million in Q1 2024, mainly due to higher administrative expenses incurred in Q1 2024.

The Group recorded a higher loss before tax in Q1 2024 of RM8.0 compared to the loss of RM3.8 million in Q1 2023, mainly due to the impact of lower revenue, with all divisions recording unfavorable results except for the Others division.

Investment Holding

In Q1 2024, the division recorded higher revenue of RM1.6 million compared to RM1.4 million in Q1 2023. The increase in revenue was mainly attributable to a higher intercompany management fee charged, which had no impact on the Group’s overall revenue. However, the division recorded a higher loss before tax of RM2.6 million in Q1 2024 compared to a loss before tax of RM2.5 million in Q1 2023. This was mainly due to higher administrative expenses arising from higher staff costs in Q1 2024.

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

14. Review of performance (Continued)

Information & Communications Technology

The division recorded lower revenue in Q1 2024 of RM10.6 million compared to RM16.7 million in Q1 2023, a drop of approximately 36.5%. The decline was mainly attributable to lower system sale contracts and revenue share contract from both Unifiedcomms and GlobeOSS.

The division's loss before tax of RM1.3 million in Q1 2024, compared to profit before tax of RM0.4 million in Q1 2023, was mainly due to the flow down effects of lower revenue and lower gross profit margin. This was partly mitigated by a fair value gain of RM0.6 million on venture investments portfolio and lower net operating expenses in Q1 2024. The lower gross profit margin was mainly due to lower gross profit margin on managed service contract revenues, which dropped from 43.8% in YTD 2023 to 42.6% in YTD 2024, caused by higher third party component costs. Net operating expense in Q1 2024 was lower than the corresponding period last year mainly due to a net foreign exchange loss of RM1.0 million recorded in Q1 2023.

Property Development & Investment

The division recorded revenue of RM5.5 million in Q1 2024, lower compared to the revenue of RM11.3 million recorded in Q1 2023, mainly due to lower revenue from the hospitality unit resulting from the absence of revenue from Holiday Villa Beach Resort & Spa Langkawi ("Langkawi hotel") following the cessation of business due to termination of hotel lease at the end of 2023. The division reported a higher loss before tax of RM4.6 million in Q1 2024 compared to loss before tax of RM0.8 million in Q1 2023 mainly due to the flow down effects of lower revenue and higher net operating expenses, partly mitigated by the gain from reversal of trade receivable and higher interest income in Q1 2024.

Development

The property development unit, Advance Synergy Realty Sdn Bhd ("ASR"), recorded minimal revenue in Q1 2024 as the construction of the Federal Park Phase 2 project is still on-going. This unit recorded a higher loss before tax of RM0.6 million for Q1 2024 compared to loss before tax of RM0.3 million in Q1 2023 mainly due to an overall increase in operating expenses from RM0.4 million in YTD 2023 to RM0.7 million in YTD 2024.

Investment

The property investment unit recorded lower revenue in Q1 2024 compared to Q1 2023 mainly due to lower revenue from the hospitality unit and food and beverage ("F&B") business operated by Osteria Gamberoni Sdn Bhd ("OGSB"). In Q1 2023, OGSB recorded higher revenue than the current quarter under review as consumer demand surged following relaxing of extended lockdowns, leading to increased dining out.

Our hospitality unit recorded a significant drop in revenue, from RM9.2 million in Q1 2023 to RM3.6 million in Q1 2024, reflecting a decrease of approximately RM5.6 million or 60.9%, resulting from the absence of revenue from Langkawi hotel following the cessation of business after the termination of its lease at the end of 2023, partly mitigated by the increase in revenue from Holiday Villa Hotel & Residence Jiading P.R.C. ("Shanghai hotel") and revenue from The Marloes, an aparthotel in London, which started operations in mid-December 2023.

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

14. Review of performance (Continued)

Property Development & Investment (Continued)

Investment (Continued)

In Q1 2024, the hospitality unit recorded a loss before tax of RM3.0 million compared to a profit before tax of RM0.3 million in Q1 2023. This was mainly due to lower revenue following the cessation of operations at the Langkawi hotel after the lease termination at the end of 2023, whilst The Marloes recorded a higher loss in Q1 2024 as the aparthotel only commenced operations in mid-December 2023, with business starting at a slower pace.

Our investment property, Yap Ah Shak House (“YASH”), which currently houses the F&B and serviced office businesses, recorded lower revenue of RM1.1 million in Q1 2024 compared to RM1.3 million in Q1 2023 mainly due to lower revenue from our F&B business. A higher loss before tax of RM0.7 million was recorded in Q1 2024 compared to a loss before tax of RM0.4 million in Q1 2023 mainly due to the lower revenue. Besides the hospitality unit and YASH, there was no significant impact in Q1 2024 compared to Q1 2023 from the other properties, as most are rented out to the Group with no major changes in rental income.

Travel & Tours

2023 was an exceptional growth year for the travel and tourism sector after the COVID-19 pandemic. Our Travel & Tours division recorded lower revenue in Q1 2024 of RM41.4 million compared to RM51.8 million in Q1 2023, reflecting a decrease of approximately RM10.4 million or 20.1%. With the lower revenue recorded from the tour business, the division recorded a lower profit before tax of RM2.1 million in Q1 2024 compared to RM2.2 million in Q1 2023.

Financial Services

The Financial Services division recorded lower revenue of RM1.2 million in Q1 2024 compared to RM1.8 million in Q1 2023, mainly due to a decrease in gross processing volume recorded from its merchants. With the lower revenue coupled by higher operating cost arising from higher international payment scheme (“IPS”) licence fee, the division recorded a higher loss before tax of RM2.0 million in Q1 2024 compared to loss before tax of RM1.5 million in Q1 2023.

Others

The Others division recorded higher revenue of RM9.2 million in Q1 2024 compared to the revenue of RM1.7 million in Q1 2023. This was mainly attributable to a higher number of buses exported by the bus-body fabrication unit in Q1 2024 compared to no shipment in Q1 2023 due to logistical issues. With the flow down effect of higher revenue, the bus-body fabrication unit reported a profit before tax of RM0.6 million in Q1 2024 compared to a loss before tax of RM1.2 million in Q1 2023. The education unit recorded higher revenue of RM0.2 million in Q1 2024 compared to RM0.1 million in Q1 2023. With the higher revenue, the unit reported a lower loss before tax of RM0.1 million in Q1 2024 compared to loss before tax of RM0.2 million in Q1 2023.

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

15. Comparison of results with immediate preceding quarter

	Quarter		Changes	
	3 months ended		RM'000	%
	<u>31.03.2024</u>	<u>31.12.2023</u>		
	RM'000	RM'000		
Revenue	67,199	74,785	(7,586)	(10.1)
Profit/(Loss) from operations	(5,997)	(60,391)	54,394	90.1
Profit/(Loss) before tax	(8,019)	(65,363)	57,344	87.7
Net profit/(loss) for the financial period	(7,990)	(67,953)	59,963	88.2
Net profit/(loss) for the financial period attributable to the Owners of the Parent	<u>(7,890)</u>	<u>(38,963)</u>	31,073	79.8

Overall performance

The Group recorded lower revenue of RM67.2 million for Q1 2024 compared to the revenue of RM74.8 million in the immediate preceding quarter ended 31 December 2023 (“Q4 2023”), mainly due to all divisions recording lower revenue except for Travel & Tours and Others divisions.

Lower loss before tax of RM8.0 million in Q1 2024 was recorded by the Group compared to loss of RM65.4 million in Q4 2023, mainly due to the absence of the fair value loss assessed on the venture investment portfolio of RM25.9 million, impairment losses of RM39.5 million on goodwill, RM15.7 million on an aparthotel, and RM6.0 million on a right-of-use asset (“ROU”), partly offset by the net gain of RM38.6 million from the termination of the lease for Langkawi hotel in Q4 2023.

Investment Holding

The division reported lower revenue of RM1.6 million in Q1 2024 compared to the revenue of RM15.6 million in Q4 2023, which included dividend received from a subsidiary. Excluding the dividend received, higher revenue was recorded in Q1 2024 mainly due to a higher intercompany management fee charged in Q1 2024 compared to Q4 2023, which had no impact to the Group’s revenue. The division reported a lower loss before tax of RM2.6 million in Q1 2024 compared to loss of RM17.2 million in Q4 2023, mainly due to an impairment loss on goodwill of RM25.2 million relating to the investment in the Information & Communications Technology subsidiary and a fair value loss on the venture investment portfolio of RM2.8 million recorded in Q4 2023.

Information & Communications Technology

The division recorded lower revenue of RM10.6 million in Q1 2024 compared to RM16.1 million in Q4 2023, mainly due to lower system sale contracts revenue from Unifiedcomms and GlobeOSS. However, the division reported a lower loss before tax of RM1.3 million in Q1 2024 compared to loss of RM38.6 million in Q4 2023. The loss in Q4 2023 was mainly due to an impairment loss on goodwill of RM14.3 million and a fair value loss of RM23.1 million on the venture investment portfolio, as opposed to a fair value gain on the venture investment portfolio of RM0.6 million in Q1 2024.

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

15. Comparison of results with immediate preceding quarter (Continued)

Information & Communications Technology (Continued)

Excluding the impairment and fair value loss/gain mentioned above, the division recorded a higher loss before tax of RM1.9 million in Q1 2024 compared to RM1.3 million in Q4 2023, mainly due to lower revenue and lower gross profit margin of 46% in Q1 2024 compared to 53% in Q4 2023. The lower gross profit margin was mainly attributable to lower revenue from Unifiedcomms system sale contracts, which generally yield higher gross profit margins.

Property Development & Investment

The division recorded lower revenue of RM5.5 million in Q1 2024 compared to revenue of RM11.5 million in the previous quarter. The bulk of the revenue of the division for both Q1 2024 and Q4 2023 was contributed by the hospitality unit, which recorded revenue of RM3.6 million in Q1 2024 compared to RM9.1 million in Q4 2023.

In the quarter under review, the division recorded loss before tax of RM4.6 million compared to profit before tax of RM8.2 million in the previous quarter, mainly due to a net gain of RM38.6 million from lease termination for Langkawi hotel in Q4 2023. However, the net gain was partly offset by impairment losses of RM15.7 million on the aparthotel building and RM6.0 million on the right-of-use asset (“ROU”) for the Shanghai hotel in Q4 2023.

Development

The property development unit, ASR, recorded minimal revenue generated from progress billing of Federal Park Phase 2, as the construction of the Federal Park Phase 2 project is still on-going. ASR registered a comparable loss before tax of RM0.6 million in Q1 2024 and Q4 2023.

Investment

The property investment unit recorded lower revenue of RM5.4 million in Q1 2024 compared to RM11.2 million in Q4 2023 mainly attributable to our hospitality business which recorded lower revenue for Q1 2024 of RM3.6 million compared to RM9.1 million in Q4 2023 mainly due to absence of revenue from Langkawi hotel following the cessation of business after the termination of lease in 2023, as well as lower revenue from Holiday Villa Beach Resort & Spa Cherating (“Cherating hotel”) and Shanghai hotel in Q1 2024. However, this was partly mitigated by the revenue from The Marloes, which started operations in mid-December 2023.

The loss before tax of RM3.0 million in Q1 2024, compared to profit before tax of RM10.0 million in Q1 2023, was mainly attributable to a net gain of RM38.6 million from the lease termination for the Langkawi hotel in Q4 2023. The net gain were partly offset by impairment losses of RM15.7 million on the aparthotel, The Marloes, and RM6.0 million on the right-of-use asset (ROU) for the Shanghai hotel in Q4 2023. Excluding the impairment losses and net gain mentioned above, the hospitality unit performed better in Q1 2024 with a lower loss compared to Q4 2023, mainly due to higher operating profit from Cherating hotel and a lower operating loss from The Marloes, partly offset by a higher operating loss from the Shanghai hotel.

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

15. Comparison of results with immediate preceding quarter (Continued)

Property Development & Investment (Continued)

Investment

YASH reported lower revenue of RM1.1 million in Q1 2024 compared to RM1.3 million in Q4 2023, mainly due to reduced revenue from the F&B business. Despite the lower revenue, YASH recorded a comparable loss before tax of RM0.7 million in both Q1 2024 and Q4 2023.

Travel & Tours

The division recorded higher revenue of RM41.4 million in Q1 2024 compared to the revenue of RM40.3 million in Q4 2023 mainly due to higher sales from corporate ticketing during the quarter under review. With the higher revenue recorded in Q1 2024, the division recorded higher profit before tax of RM2.1 million in Q1 2024 compared to profit before tax of RM1.6 million in the preceding quarter.

Financial Services

The Financial Services division comprising the card & payment services and money services units generated lower revenue of RM1.2 million in Q1 2024 compared to RM1.8 million in Q4 2023 with lower gross processing volume recorded by card & payment services in the current quarter under review. The bulk of the revenue for the division was generated by the card & payment services unit with nominal revenue generated by the money services unit. Despite the lower revenue, the division recorded a lower loss of RM2.0 million in Q1 2024 compared to RM2.7 million in Q4 2023 mainly due to lower net operating expenses in Q1 2024 attributable to the lower staff costs and forex exchange gain recorded in Q1 2024 as opposed to foreign exchange loss in Q4 2023.

Others

The Others division recorded higher revenue of RM9.2 million in Q1 2024 compared to RM6.1 million in Q4 2023. This was mainly attributable to the higher number of buses exported by the bus-body fabrication unit, whilst the education unit recorded nominal increase in revenue in Q1 2024 compared to Q4 2023. With the higher revenue in Q1 2024, coupled with the absence of an impairment loss RM0.7 million on receivables and old stocks written off of RM1.7 million as recorded in Q4 2023, the division reported profit before tax of RM0.5 million in Q1 2024 compared to a loss of RM2.7 million in Q4 2023.

16. Prospects

The Group remains mindful of the ongoing inflationary pressures, possible disruptions in supply chain and geopolitics concerns which may adversely impact the global economic recovery and thus the successful execution of our business plans. Our continued focus on managing costs and investment into our businesses to deliver better Group financial performances, is critical for the remainder of the financial year.

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

16. Prospects (Continued)

Information & Communications Technology

The economic uncertainty due to geo-political tensions, supply chain disruption, and rising inflation and interest rates, especially in the division's regions of focus, continue to weigh on the minds of management and the directors of the division when considering the outlook for the remainder of the financial year.

The operations of Unifiedcomms and GlobeOSS in the financial period under review had been minimally impacted by geo-political tensions and supply chain disruption. On the business front, both Unifiedcomms and GlobeOSS contracts in-hand continue to be progressed and the management of the division are hopeful that new projects and initiatives requiring our products and services, will continue to be pursued by customers. The possibility remains however, that larger system sale contracts and certain managed service contracts that have yet to be committed in the financial period under review, may be further deferred, or even abandoned entirely if macroeconomic and industry conditions worsen or do not improve significantly enough.

At Captii Ventures, the division's venture investment business, the climate for business development and funding continues to be challenging for start-ups in certain industries.

Against this negative macroeconomic backdrop for the future, the division remains optimistic and will continue to work closely with customers and investees, to minimise the negative impact of economic uncertainty on financial performance.

Property Development & Investment

Development

Phase 2 of the Federal Park project which comprises 88 units of double storey terrace houses and 28 units of single storey terrace houses has attained 63% completion in construction works as at the end of March 2024. The show house is expected to be ready for viewing by end of second quarter of 2024. ASR anticipates that sales will pick up after the show house is ready. Phase 2 of the Federal Park project is expected to contribute significantly towards the results for 2024.

Meanwhile, the development works of Sejijak Project are now ready for commencement. This project comprises 88 units of double storey terrace houses, 80 units of townhouses and 40 units of single storey terrace houses.

Phase 2 of the Federal Park project is expected to generate a total revenue of RM59.7 million while Sejijak project has an estimated gross development value of RM75 million. With these two new projects generating a total gross development value in excess of RM130 million, the property development unit is set to turn the corner towards profitability for 2024 onwards.

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

16. Prospects (Continued)

Property Development & Investment

Development (Continued)

The property market in Kuching is expected to remain soft due to various issues such as escalated construction costs, labour shortages, interest rates hike and tightening of end financing for buyers. Although the market environment is challenging on many fronts, ASR is confident to navigate through this tough period with its longstanding experience in the property market. ASR will adopt a more cautious approach in new project launches and explore improvement in various areas such as cost effective and attractive new building designs and remain competitive in the market.

Investment

The hospitality unit is hopeful that the gradual recovery in the business with the pent-up demand for travel in fiscal 2023 will continue for the remainder of the financial year. As in fiscal 2023, the unit remains cautious on the hospitality industry's growth in the coming year due to external pressures, which may prolong the recovery to pre-pandemic level as lingering effects of COVID-19 pandemic besides continuing pressures from rising costs, staff shortage, recessionary risks and geopolitics concerns may continue to drag down the industry.

Cherating hotel performed well in fiscal 2023 following the easing of travel restrictions driven by a surge in demand from local tourists. This trend is anticipated to continue barring any unforeseen circumstances.

Our aparthotel in Earls Court, London, The Marloes, had a soft launch on 11 December 2023. Fiscal 2023 saw the rebound in demand for UK hotels which may however face some uncertainties in fiscal 2024 due to external headwinds impacting consumer confidence coupled with rising operational costs, staffing shortages and supply chain disruption. However, we are cautiously optimistic that the London hospitality market will be resilient as we can see the swift post-pandemic rebound and influx of international visitors to London.

Although travel is expected to normalise for the China market, the concerns related to pandemic-induced shifts in property movement and lingering geopolitical tensions may derail the recovery of the travel industry when considering the outlook for the remainder of the financial year which is anticipated to remain challenging for Shanghai hotel as external headwinds may impact the travel industry.

YASH in Kuala Lumpur, a high quality mixed-use property after undergoing a review and revamp in its operations, will feature F&B venues and comprising serviced offices and meeting facilities, an event hall as a destination for music, arts and culinary experiences, complementing its existing serviced office business. With this new business roadmap, the division anticipates income potential from YASH once it is operational in the second half of fiscal 2024.

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

16. Prospects (Continued)

Travel & Tours

Our Travel & Tours division has been most affected by the COVID-19 pandemic as many countries introduced curfews and travel restrictions to contain the spread of the virus. With the relaxation of travel restrictions, the division recorded a significantly improved performance since fiscal 2022. The division's performance continued to improve in 2023 and the division remains cautiously optimistic about its performance for fiscal year 2024 although external factors such as increasing inflation, higher travel costs, and geopolitical concerns may dampen growth in the travel industry. The division's business plan to focus on building its corporate client base for the ticketing, group series tours and company incentive groups business and in exploring to develop more competitive inbound and outbound travel products and services remains.

Financial Services

The division comprises Paydee Sdn Bhd ("Paydee") which is engaged in card & payment services; Paydee Nura Sdn Bhd ("Nura") which is engaged in the provision of solutions for cash flow management for both small and medium-sized enterprises ("SMEs") and individuals through Shariah-compliant financing; and Qurex Sdn Bhd ("Qurex") which is involved in money services, namely currency exchange and international remittance services.

Paydee will continue to focus on the evolution of its New Payment Application Services ("NPAS"). NPAS aims to deliver innovative business-to-business ("B2B") payment application services to address several high-potential SME business segments, as well as to be the non-bank partner of choice for payment facilitators addressing the growing e-commerce and social commerce markets.

Nura is expected to launch its Shariah-compliant financing and SME credit products as part of the NPAS offering of the division.

Key areas of focus for both Paydee and Nura include investment in technology renewal and the development of new capabilities and the recruitment of additional staff to further develop, operate and manage the NPAS as well as efforts to identify and evaluate opportunities for business collaboration.

Qurex intends to synergise with Paydee for its growth plan and pending the full implementation of a new product roadmap, Qurex does not anticipate its existing businesses to grow substantially in fiscal 2024.

Others

Our bus-body fabrication unit, Aviva Master Coach Technology Sdn Bhd ("Aviva"), remains focused to ensure its production to be cost efficient and for timely delivery of buses. The unit will continue to focus on the Australia market as it anticipates a strong demand for the buses to Australia and with orders in hand, there is a cautious optimism in the sale of our buses.

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

16. Prospects (Continued)

Others (Continued)

The market situation remains challenging with rising costs and continuing disruption to the supply chain. However, Aviva is confident in managing the risks and shall focus in ensuring that its production is cost-and-delivery-efficient and targets to increase its production to 20 buses per month over the next two years in line with the expected increase in orders from the Australia market.

With the various measures put in place, our bus-body fabrication unit is cautiously optimistic that it is in a good position to manage the challenges in fiscal 2024.

The Language House (TLH) is dedicated to advancing language education in Malaysia amidst its ever-evolving landscape. In the upcoming year, by focusing on strategic partnerships and innovative programme offerings, TLH aims to expand its market share in regions such as China, Korea and Latin America.

Additionally, TLH is strategically shifting its focus to prioritize internationally recognised language proficiency certification programs through collaborations with renowned partners. This strategic pivot is accompanied by targeted student recruitment drives and the introduction of flexible, career-oriented language programs tailored to the needs of professionals and international students.

17. Board of Directors' opinion on revenue or profit estimate, forecast, projection or internal targets

The Group did not previously announce or disclose any revenue or profit estimate, forecast, projection or internal targets in a public document.

18. Profit variance and shortfall in profit guarantee

Not applicable.

19. Income tax credit/(expense)

	3 months ended <u>31.03.2024</u> RM'000	Year-to-date ended <u>31.03.2024</u> RM'000
On current quarter results		
- Corporate income tax	29	29

The effective income tax rate of the Group for the current quarter and year-to-date ended 31 March 2024 is lower than the statutory tax rate mainly due to overprovision of tax in prior years.

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

20. Status of corporate proposals

The status of corporate proposals announced but not completed as at the latest practicable date which must not be earlier than 7 days from the date of issue of the quarterly report are summarised below:

- (a) On 8 August 2019, the Company announced that Cherating Holiday Villa Berhad (“CHV”), an indirect wholly-owned subsidiary of the Company, had on 8 August 2019 entered into a Sale and Purchase Agreement with Amanah Raya Berhad for CHV to buy back a resort hotel consisting of an administration building, hotel/apartment blocks, standard and individually designed chalets and villas and other ancillary buildings and structures known as Holiday Villa Beach Resort & Spa Cherating, measuring in aggregate area of approximately 42,635 square metres for a buy back price of RM22,965,600 only free from all encumbrances and on an “as is where is” basis (“Proposed CHV Buyback”). Barring any unforeseen circumstances, the Proposed CHV Buyback is expected to be completed in the second half of year 2029.
- (b) On 6 November 2020, the Company announced that Mayor Hotels Sdn Bhd (“MHSB”), an indirect wholly-owned subsidiary of the Company, had on 6 November 2020 entered into a sale and purchase agreement (“SPA”) for M1 Plaza Sdn Bhd to purchase from MHSB the hotel property known as City Villa Kuala Lumpur located at No. 69, Jalan Haji Hussein, Off Jalan Tuanku Abdul Rahman, 50300 Kuala Lumpur on “as is where is” basis for a total cash consideration of RM24,000,000 subject to the terms and conditions as stipulated in the SPA (“Proposed City Villa Disposal”). Barring any unforeseen circumstances, the Proposed City Villa Disposal is expected to be completed in the fourth quarter of 2024.
- (c) On 14 March 2024, the Company announced that upon the completion of the termination of Renewal Lease Agreement between Langkawi Holiday Villa Sdn Bhd (“LHV”) and Pacific Trustees Berhad (acting as trustee for AmanahRaya Real Estate Investment Trust) for the lease of the 4-star beach resort hotel building with 238 rooms known as “Holiday Villa Beach Resort & Spa Langkawi” (“Hotel”) as announced by the Company on 2 January 2024, LHV ceased its business and operations at the Hotel after 31 December 2023 onwards and consequently, a notice of termination dated 31 December 2023 was served to Holiday Villa Hotels & Resorts Sdn Bhd (“HVHR” or “Management Company”) for the termination of the Hotel Management Agreement dated 1 January 2017 (“Hotel Management Agreement”) and the Letter of Variation dated 7 May 2021 to the Hotel Management Agreement between LHV and HVHR (“Termination”). Pursuant to the Termination, by the letter dated 14 March 2024, LHV and HVHR have mutually agreed that liquidated damages of RM4,283,653 (“Liquidated Damages”) shall be paid in cash by LHV to the Management Company.

The full payment of the Liquidated Damages was made to the Management Company on 15 March 2024 and accordingly, the Termination was completed.

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

21. Utilisation of proceeds from disposal of Wisma Synergy

The status of utilisation of proceeds raised from the disposal of a property, Wisma Synergy, by AESBI Power Systems Sdn Bhd, an indirect wholly-owned subsidiary of the Company, as at 31 March 2024 is as follows:

	Proposed Utilisation RM'000	Utilisation to-date RM'000	Balance unutilised RM'000	Intended timeframe for Utilisation from 08.11.2019	Extended timeframe for Utilisation
Repayment of borrowings	61,340	61,336 *	-	Within 3 months	-
Working capital of the Group	51,900	45,957 *	5,947	Within 12 months	Additional 48 months
Expenses for the disposal	10,760	10,760	-	Within 3 months	-
	<u>124,000</u>	<u>118,053</u>	<u>5,947</u>		

* The remaining amount of RM4,000 which was not utilised for repayment of borrowing was utilised for working capital of the Group.

22. Utilisation of proceeds from disposal of hotel management agreements, licensing agreements and trademarks of Alangka-Suka Hotels & Resorts Sdn Bhd Group

The status of utilisation of proceeds raised from the disposal of hotel management agreements, licensing agreements and trademarks of Alangka-Suka Hotels & Resorts Sdn Bhd Group, as at 31 March 2024 is as follows:

	Proposed Utilisation RM'000	Utilisation to-date RM'000	Balance unutilised RM'000	Intended timeframe for Utilisation from 03.12.2021
Working capital of the Group	4,844	4,857 *	-	<u>Proceeds of RM4.844 million</u> - Within 24 months
	2,000	1,800	200	<u>Proceeds of RM200,000 per quarter totaling RM2.0 million for Remaining Balance</u> - Within 3 months from the receipt of the quarterly payment
Expenses for the disposal	156	143 *	-	- Within 12 months
	<u>7,000</u>	<u>6,800</u>	<u>200</u>	

* The remaining amount of RM13,000 which was not utilised for expenses in relation to the disposal was utilised for working capital of the Group.

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

23. Utilisation of proceeds from the Rights Issue

The status of utilisation of proceeds raised from the Rights Issue as at 31 March 2024 is as follows:

	Proposed Utilisation RM'000	Utilisation to-date RM'000	Balance unutilised RM'000	Intended timeframe for Utilisation from 04.11.2022
Investment in existing businesses and/or future business expansion/ new strategic investment	53,200	40,200	13,000	Within 36 months
Working capital	25,600	25,618 *	-	Within 36 months
Expenses for the Rights Issue	1,200	1,182 *	-	Immediately
	<u>80,000</u>	<u>67,000</u>	<u>13,000</u>	

* The remaining amount of RM18,000 which was not utilised for expenses in relation to the Rights Issue was utilised for working capital of the Group.

24. Utilisation of proceeds from termination of lease for Langkawi

	Proposed Utilisation RM'000	Utilisation to-date RM'000	Balance unutilised RM'000	Intended timeframe for Utilisation from 01.01.24
Working capital of the Group	29,890	16,128	13,762	Within 36 months from the Completion
Incidental expenses	15,050	6,823	8,227	Within 12 months from the Unconditional Date
Expenses for the termination	60	60	-	Within 6 months from date of the Lease Termination Agreement
	<u>45,000</u>	<u>23,011</u>	<u>21,989</u>	

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

25. Group borrowings

Details of the borrowings by the Group are as follows:

	As at <u>31.03.2024</u> RM'000	As at <u>31.12.2023</u> RM'000
Short term - secured		
- Term loans	10,426	10,302
- Revolving credit	38,250	39,000
	<u>48,676</u>	<u>49,302</u>
Long term - secured		
- Term loans	84,286	85,632
	<u>84,286</u>	<u>85,632</u>
Total borrowings	<u><u>132,962</u></u>	<u><u>134,934</u></u>

26. Financial Instruments

(a) Derivatives

The Group does not have any outstanding derivatives as at the date of this report.

(b) Gain/Loss arising from fair value changes of financial liabilities

There was no gain/loss arising from the fair value changes in financial liabilities for the current financial year.

27. Material litigation

There was no material litigation as at the latest practicable date which is a date not earlier than 7 days from the date of issue of the quarterly report.

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

28. Notes To The Statement of Comprehensive Income

Included in the profit/(loss) before tax are:

	3 months ended <u>31.03.2024</u> RM'000	3 months ended <u>31.03.2023</u> RM'000
Amortisation of intangible assets	(185)	(202)
Depreciation	(3,208)	(3,699)
Dividend received	27	3
Fair value change in unquoted investment securities	601	-
Fair value change in quoted investment securities	(66)	99
(Impairment loss)/Reversal of impairment loss on:		
- trade and other receivables	(3)	-
Interest expenses	(2,780)	(2,033)
Interest income	823	313
Net gain on disposal of:		
- quoted investment securities	34	-
Net unrealised (loss)/gain on foreign exchange	955	(1,451)
Provision for retirement benefits plan obligations	-	(33)
Reversal of impairment loss on trade receivables	970	-

29. Dividend

On 29 April 2024, the Company announced a proposed single-tier dividend of 0.05 sen per ordinary share for the financial year ended 31 December 2023 subject to shareholders' approval at the forthcoming Annual General Meeting to be held on 19 June 2024.

30. Loss per share

Basic loss per share

The basic loss per share for the current quarter and current year-to-date are computed based on the Group's net loss attributable to equity holders of the Company of RM7,890,000, divided by the weighted average number of ordinary shares of 2,529,194,943 for the current quarter and current year-to-date respectively as follows:

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

30. Loss per share (Continued)

Basic loss per share (Continued)

	3 months ended		Year-to-date ended	
	<u>31.03.2024</u>	<u>31.03.2023</u>	<u>31.03.2024</u>	<u>31.03.2023</u>
	No. of shares		No. of shares	
Issued / weighted average number of ordinary shares	<u>2,529,194,943</u>	<u>2,529,194,943</u>	<u>2,529,194,943</u>	<u>2,529,194,943</u>

	3 months ended		Year-to-date ended	
	<u>31.03.2024</u>	<u>31.03.2023</u>	<u>31.03.2024</u>	<u>31.03.2023</u>
Basic loss per share (sen)	<u>(0.31)</u>	<u>(0.14)</u>	<u>(0.31)</u>	<u>(0.14)</u>

Diluted loss per share

The basic and diluted loss per share are reported to be the same for the current quarter, corresponding quarter last year as the Company has no dilutive potential shares.

	3 months ended		Year-to-date ended	
	<u>31.03.2024</u>	<u>31.03.2023</u>	<u>31.03.2024</u>	<u>31.03.2023</u>
Diluted loss per share (sen)	<u>(0.31)</u>	<u>(0.14)</u>	<u>(0.31)</u>	<u>(0.14)</u>

31. Status of E-commerce activities

Not applicable.

BY ORDER OF THE BOARD
ADVANCE SYNERGY BERHAD

K. JAYAVATHANI A/P KANAGARATNAM
Company Secretary
31 May 2024