

**PARAMOUNT CORPORATION BERHAD**

Interim Financial Report for the period ended 31 March 2024

The figures are unaudited

**CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR PERIOD ENDED 31 MARCH 2024**

	3 Months Ended 31 March		3 Months Ended 31 March	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	<b>172,606</b>	194,555	<b>172,606</b>	194,555
Operating profit	<b>24,554</b>	30,653	<b>24,554</b>	30,653
Interest expense	<b>(7,669)</b>	(7,622)	<b>(7,669)</b>	(7,622)
Interest income	<b>727</b>	950	<b>727</b>	950
Share of loss of associates & joint venture	<b>(583)</b>	(640)	<b>(583)</b>	(640)
Profit before tax	<b>17,029</b>	23,341	<b>17,029</b>	23,341
Taxation	<b>(4,845)</b>	(7,347)	<b>(4,845)</b>	(7,347)
Profit for the period	<b>12,184</b>	15,994	<b>12,184</b>	15,994
Profit attributable to:				
Ordinary equity holders of the Company	<b>7,710</b>	11,584	<b>7,710</b>	11,584
Non-controlling interest	<b>30</b>	2	<b>30</b>	2
Holder of private debt securities of the Company	<b>4,444</b>	4,408	<b>4,444</b>	4,408
	<b>12,184</b>	15,994	<b>12,184</b>	15,994
Earnings per share ("EPS") attributable to Ordinary equity holders of the Company (sen):				
Basic EPS	<b>1.24</b>	1.86	<b>1.24</b>	1.86
Diluted EPS	<b>N/A</b>	1.85	<b>N/A</b>	1.85

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2023.

**PARAMOUNT CORPORATION BERHAD**

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The figures are unaudited

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR PERIOD ENDED 31 MARCH 2024**

	3 Months Ended 31 March		3 Months Ended 31 March	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit for the period	<b>12,184</b>	15,994	<b>12,184</b>	15,994
Other comprehensive income/(loss)	<b>17</b>	(469)	<b>17</b>	(469)
Total comprehensive income for the period	<b>12,201</b>	15,525	<b>12,201</b>	15,525
Total comprehensive income/(loss) attributable to:				
Ordinary equity holders of the Company	<b>7,727</b>	11,115	<b>7,727</b>	11,115
Non-controlling interest	<b>30</b>	2	<b>30</b>	2
Holder of private debt securities of the Company	<b>4,444</b>	4,408	<b>4,444</b>	4,408
	<b>12,201</b>	15,525	<b>12,201</b>	15,525

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2023.

**PARAMOUNT CORPORATION BERHAD**  
Interim Financial Report for the period ended 31 March 2024

The figures are unaudited

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2024**

	<u>As at 31/3/2024</u> RM'000	<u>As at 31/12/2023</u> RM'000
<b>Non-current assets</b>		
Property, plant and equipment	116,428	117,197
Right-of-use asset	19,313	20,697
Inventories - land held for property development	824,450	812,235
Investment properties	528,501	530,156
Investments in associates and a joint venture	37,975	38,480
Other investments	8,280	8,331
Other receivables	23,918	23,966
Deferred tax assets	47,417	45,627
	<u>1,606,282</u>	<u>1,596,689</u>
<b>Current assets</b>		
Inventories - property development costs	212,497	219,758
Inventories - completed properties and other inventories	62,208	60,929
Contract cost assets	152,088	157,984
Trade receivables	141,966	82,420
Other receivables	29,978	34,723
Other current assets	8,999	9,098
Contract assets	434,663	596,176
Tax recoverable	21,374	16,125
Cash and bank balances	201,856	203,188
	<u>1,265,629</u>	<u>1,380,401</u>
<b>Total assets</b>	<u>2,871,911</u>	<u>2,977,090</u>
<b>Current liabilities</b>		
Borrowings	330,878	268,949
Lease liabilities	5,150	5,437
Trade payables	168,901	217,231
Other payables	168,295	241,857
Tax payable	1,128	1,435
Contract liabilities	336	252
	<u>674,688</u>	<u>735,161</u>
<b>Net current assets</b>	<u>590,941</u>	<u>645,240</u>

**PARAMOUNT CORPORATION BERHAD**

Interim Financial Report for the period ended 31 March 2024

The figures are unaudited

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2024**

	<b>As at 31/3/2024 RM'000</b>	<b>As at 31/12/2023 RM'000</b>
<b>Non-current liabilities</b>		
Borrowings	517,718	545,315
Lease liabilities	14,972	16,143
Other payables	47,329	47,329
Deferred tax liabilities	3,769	2,655
	<u>583,788</u>	<u>611,442</u>
<b>Total liabilities</b>	<u>1,258,476</u>	<u>1,346,603</u>
<b>Equity</b>		
Share capital	335,181	335,181
Reserves	1,077,298	1,094,480
Private debt securities	199,709	199,609
Non-controlling interests	1,247	1,217
<b>Total equity</b>	<u>1,613,435</u>	<u>1,630,487</u>
<b>Total equity and liabilities</b>	<u>2,871,911</u>	<u>2,977,090</u>
<b>Net assets (NA) per share (RM)</b>	<u>2.27</u>	<u>2.30</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2023.

**PARAMOUNT CORPORATION BERHAD**

Interim Financial Report for the period ended 31 March 2024

The figures are unaudited

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

	<-----Non Distributable----->				Distributable	Non-	Private	Total
	Share	Employee	Fair value	Translation	Retained	controlling	debt	Equity
	Capital	Share	Reserve	Reserve	Earnings	interests	securities	
	RM'000	Reserve#	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>As at 1 January 2024</b>	335,181	-	(7,377)	(336)	1,102,193	1,217	199,609	1,630,487
Total comprehensive income	-	-	(51)	68	7,710	30	4,444	12,201
<b>Transactions with owners</b>								
Private debt securities distribution	-	-	-	-	-	-	(4,344)	(4,344)
Dividend	-	-	-	-	(24,909)	-	-	(24,909)
<b>Total transactions with owners</b>	-	-	-	-	<b>(24,909)</b>	-	<b>(4,344)</b>	<b>(29,253)</b>
<b>As at 31 March 2024</b>	<b>335,181</b>	-	<b>(7,428)</b>	<b>(268)</b>	<b>1,084,994</b>	<b>1,247</b>	<b>199,709</b>	<b>1,613,435</b>

**PARAMOUNT CORPORATION BERHAD**

Interim Financial Report for the period ended 31 March 2024

The figures are unaudited

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

	<-----Non Distributable----->				Distributable	Non-	Private	Total
	Share	Employee	Fair value	Translation	Retained	controlling	debt	Equity
	Capital	Share	Reserve	Reserve	Earnings	interests	securities	
	RM'000	Reserve#	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>As at 1 January 2023</b>	334,299	3,203	(6,969)	(515)	1,135,072	678	199,206	1,664,974
Total comprehensive income	-	-	(375)	(94)	11,584	2	4,408	15,525
<b>Transactions with owners</b>								
Vesting of LTIP shares	882	(882)	-	-	-	-	-	-
Private debt securities distribution	-	-	-	-	-	-	(4,217)	(4,217)
Dividend	-	-	-	-	(74,727)	-	-	(74,727)
<b>Total transactions with owners</b>	<b>882</b>	<b>(882)</b>	<b>-</b>	<b>-</b>	<b>(74,727)</b>	<b>-</b>	<b>(4,217)</b>	<b>(78,944)</b>
<b>As at 31 December 2023</b>	<b>335,181</b>	<b>2,321</b>	<b>(7,344)</b>	<b>(609)</b>	<b>1,071,929</b>	<b>680</b>	<b>199,397</b>	<b>1,601,555</b>

# - This represents reserve relating to fair valuation of restricted shares and performance shares under the long term incentive plan ("LTIP")

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2023.

**PARAMOUNT CORPORATION BERHAD**

Interim Financial Report for the period ended 31 March 2024

The figures are unaudited

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

	<b>3 Months Ended</b>	
	<b>31/3/2024</b>	<b>31/3/2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	<b>17,029</b>	23,341
Adjustment for:		
Non-cash items	<b>6,075</b>	5,464
Non-operating items	<b>7,582</b>	7,263
<b>Operating profit before working capital changes</b>	<b>30,686</b>	36,068
Decrease in receivables	<b>108,209</b>	85,512
Decrease in inventories	<b>17,301</b>	4,248
Decrease in payables	<b>(121,691)</b>	(28,651)
<b>Cash generated from operations</b>	<b>34,505</b>	97,177
Taxes paid	<b>(11,085)</b>	(9,524)
Interest paid	<b>(12,570)</b>	(10,663)
Net cash generated from operating activities	<b>10,850</b>	76,990
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Movement in land held for development	<b>(12,769)</b>	8,436
Purchase of property, plant and equipment	<b>(1,896)</b>	(2,188)
Cost incurred for investment properties under construction	<b>(115)</b>	(3,456)
Purchase of quoted investment	-	(8)
Investment in Peer-to-Peer notes	<b>(1,522)</b>	-
Proceeds from disposal of property, plant and equipment	-	24
Interest received	<b>727</b>	950
Net cash (used in)/generated from investing activities	<b>(15,575)</b>	3,758

**PARAMOUNT CORPORATION BERHAD**

Interim Financial Report for the period ended 31 March 2024

The figures are unaudited

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

	<b>3 Months Ended</b>	
	<b>31/3/2024</b>	<b>31/3/2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid to ordinary equity holders of the Company	<b>(24,909)</b>	(74,727)
Drawdown of borrowings	<b>85,700</b>	58,338
PDS distribution	<b>(4,344)</b>	(4,217)
Withdrawal/(placement) in banks restricted for use	<b>(3,061)</b>	1,179
Repayment of borrowings	<b>(56,689)</b>	(108,528)
Lease payments	<b>(1,684)</b>	(1,558)
Net cash used in financing activities	<b>(4,987)</b>	(129,513)
NET DECREASE IN CASH AND CASH EQUIVALENTS	<b>(9,712)</b>	(48,765)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<b>141,871</b>	296,811
CASH AND CASH EQUIVALENTS AT END OF YEAR	<b>132,159</b>	248,046
	<b>31/3/2024</b>	<b>31/3/2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash and cash equivalents comprise:		
Cash and bank balances	<b>156,154</b>	230,815
Fixed deposits	<b>45,702</b>	46,122
Cash and bank balances	<b>201,856</b>	276,937
Cash and bank balances restricted for use	<b>(32,880)</b>	(11,269)
Fixed deposits maturing more than 3 months	<b>(10,057)</b>	(10,058)
Bank overdrafts	<b>(26,760)</b>	(7,564)
	<b>132,159</b>	248,046
Cash and bank balances held in HDA accounts	<b>90,817</b>	176,414

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2023.



**PARAMOUNT CORPORATION BERHAD**  
**Interim Financial Report for the period ended 31 March 2024**

The figures are unaudited

**PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134**

**A1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2023.

**A2. Changes in accounting policies**

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted for the audited annual financial statements for the financial year ended 31 December 2023.

**A3. Audit report qualification**

The audit report for the financial year ended 31 December 2023 was not subject to any qualification.

**A4. Seasonal or cyclical factors**

The operations of the Group were not materially affected by any factor of a seasonal or cyclical nature.

**A5. Exceptional or unusual items**

There were no items of an exceptional or unusual nature that have affected the assets, liabilities, equity, net income or cash flows of the Group during the current quarter and financial year to date.

**A6. Changes in estimates of amounts reported previously**

There were no significant changes in estimates in prior periods that have materially affected the current quarter and financial year to date results.

#### A7. Debt and equity securities

There were no issuance, cancellation, repurchases, resale and repayments of debt and equity securities for the current quarter and financial year to date.

#### A8. Dividends paid

	3 months ended	
	31/3/2024	31/3/2023
	RM'000	RM'000
Second Interim dividend FY2023 - 4.0 sen single tier	24,909	0
Special dividend FY2022 - 12.0 sen single tier	0	74,727
	<u>24,909</u>	<u>74,727</u>

#### A9. Profit before tax

The following items have been included in arriving at profit before tax:

	3 months ended		3 months ended	
	31 March		31 March	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Depreciation of:				
- Property, plant and equipment	2,664	2,431	2,664	2,431
- Right-of-use asset	1,384	1,000	1,384	1,000
- Investment properties	2,027	2,033	2,027	2,033
Interest expense on:				
- Borrowings	7,443	7,521	7,443	7,521
- Lease liabilities	226	101	226	101
Property, plant and equipment written off	1	0	1	0
Additions/(reversal) of allowance for impairment of receivables	104	(1)	104	(1)
Bad debts written off	152	0	152	0
(Gain)/loss on disposal of:				
- Property, plant and equipment	0	(15)	0	(15)
Net foreign exchange (gain)/loss	581	(68)	581	(68)
Net derivative (gain)/loss:				
Forward foreign exchange contract	(782)	124	(782)	124

Save for the items disclosed in the Income Statement and the note above, other items pursuant to Appendix 9B Note16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

**A10. Segment reporting for the current financial year to date**

<u>Analysis by Business Segment</u>	3 months ended 31 March		3 months ended 31 March	
	Revenue		Profit/(loss) before tax	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Property	161,793	185,774	23,043	29,291
Coworking	3,773	2,873	(466)	132
Other Businesses & Investments	27,380	25,358	(1,511)	(2,110)
	<u>192,946</u>	<u>214,005</u>	<u>21,066</u>	<u>27,313</u>
Inter-segment elimination	(20,340)	(19,450)	(4,037)	(3,972)
Total	<u>172,606</u>	<u>194,555</u>	<u>17,029</u>	<u>23,341</u>

**A11. Carrying amount of revalued assets**

The valuations of property, plant and equipment and investment properties have been brought forward without amendments from the financial statements for the financial year ended 31 December 2023.

**A12. Subsequent events**

Save for the event disclosed below, there was no other material event subsequent to the end of the current quarter that have not been reflected in the interim financial report.

On 10 May 2024, Flexsis Sdn Bhd, a wholly-owned subsidiary of the Company acquired 517,000,000 ordinary shares in Eco World International Berhad (EWI), representing approximately 21.54% equity interest in EWI via a direct business transaction (DBT), for a total cash consideration of RM170,610,000. The transaction was completed on 14 May 2024 in accordance with the delivery and settlement timeline as prescribed under the Rules of Bursa Securities for DBT.

**A13. Changes in composition of the Group**

There was no change in composition of the Group since the last annual reporting date.

**A14. Changes in contingent assets and contingent liabilities**

There were no contingent assets or contingent liabilities of the Group since the last annual reporting date.

**A15. Commitments**

The amount of commitments not provided for in the interim financial statements as at 31 March 2024 were as follows:

	RM'000
Approved and contracted for:-	
Investment properties	<u>13,670</u>

#### A16. Capital expenditure

The major additions and disposals to the property, plant and equipment during the current quarter and financial year to date were as follows:

	<b>Current Quarter RM'000</b>	<b>Financial Year-to-date RM'000</b>
Property, plant and equipment	1,896	1,896

#### A17. Related party transactions

	<b>Financial Year-to-date RM'000</b>
<b>Sale and purchase of goods &amp; services</b>	
Rental income received from UOW Malaysia KDU University College Sdn Bhd and UOW Malaysia KDU Penang University College Sdn Bhd, associated companies of the Company	2,111
Interest income receivable from Navarang Charoennakhon Company Limited, a joint venture of a subsidiary company	296
Consultancy fees paid to Datuk Paul Wong Baan Chun, a director of a subsidiary company	45
Rental income received from Peoplender Sdn Bhd, a company in which Mr. Chew Sun Teong and Mr. Benjamin Teo Jong Hian have interest	34
Platform fee paid to Peoplender Sdn Bhd	19
	<u>2,505</u>

The directors are of the opinion that all the above transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Review of performance**

	1Q2024 RM'000	1Q2023 RM'000	Var.	3M2024 RM'000	3M2023 RM'000	Var.
Revenue	172,606	194,555	-11%	172,606	194,555	-11%
Operating profit	24,554	30,653	-20%	24,554	30,653	-20%
Profit before interest & tax	23,971	30,013	-20%	23,971	30,013	-20%
Profit before tax	17,029	23,341	-27%	17,029	23,341	-27%
Profit for the period	12,184	15,994	-24%	12,184	15,994	-24%
Profit attributable to ordinary equity holders of the Company	7,710	11,584	-33%	7,710	11,584	-33%

**1Q2024 vs 1Q2023**

For 1Q2024, the Group achieved revenue of RM172.6 million, 11% lower than that of RM194.6 million for the same period last year primarily due to the lower work progress and sales achieved by the property segment. The Group's profit before tax (PBT) and profit attributable to ordinary equity holders of the Company for 1Q2024 were also lower at RM17.0 million (1Q2023: RM23.3 million) and RM7.7 million (1Q2023: RM11.6 million) compared to that of 1Q2023.

**Property segment**

The property segment's revenue for the first quarter of 2024 was RM161.8 million, 13% lower than RM185.8 million, with Utropolis Batu Kawan development in Penang, Sejati Lakeside 2 development in Selangor and Bukit Banyan development in Kedah as the top 3 revenue contributors. Given the lower revenue, the property segment's PBT was also lower at RM23.0 million (1Q2023: RM29.3 million).

Amongst the factors that had contributed to the lower revenue in 1Q2024, compared to the same period last year, were the lower work progress and sales. As for work progress in 1Q2024, the Group's sizeable projects such as Sinaran and Sinaran Avenue that are both located at Utropolis Batu Kawan in Penang, and also Phase 1 of Uptown Residences at Berkeley Uptown in Selangor, were at the final stages of completion resulting in comparatively lesser work completed this quarter. On the other hand, the property segment sold properties with a gross development value (GDV) of RM101 million in the first quarter of 2024, 65% lower as compared to RM292 million in the same period last year. The decline in sales was in line with fewer properties available for sale partly due to deferment in launches and delays in obtaining approvals from the authorities.

Projects	Location	For period ended 31/3/2024			As at 31/3/2024
		Launched units	Units sold**	Sales value RM'M	Unbilled sales RM'M
Central region	Klang Valley	0	66	43	935
Northern region	Kedah & Penang	248	157	58	246
<b>Total</b>		<b>248</b>	<b>223</b>	<b>101</b>	<b>1,181</b>

\*\* - Includes sales of units launched in prior years

**Coworking segment**

The coworking segment's revenue for 1Q2024 was RM3.8 million, 31% higher than the same period last year of RM2.9 million mainly attributable to higher revenue from the Naza Tower and Tropicana Gardens spaces and the contribution from the newly opened space at Ken TTDI. Despite the higher revenue, the coworking segment recorded loss before tax (LBT) of RM0.5 million in 1Q2024 compared to PBT of RM0.1 million in 1Q2023. This was primarily due to the losses recorded by the new spaces, namely The Five and Ken TTDI, which were opened in January 2024 and November 2023, respectively.

## B1. Review of performance (cont'd)

### Investment & Others segment

In 1Q2024, the investment & others segment recorded a 18% increase in revenue at RM7.5 million (1Q2023: RM6.3 million) with higher contributions from the Mercure Kuala Lumpur Glenmarie hotel and Dewakan (fine dining restaurant). On the back of a higher revenue, the segment's LBT was RM5.5 million in 1Q2024, 9% lower than the LBT of RM6.1 million recorded in the same period last year.

## B2. Material changes in Profit Before Tax for the quarter reported on as compared with the immediate preceding quarter

	1Q2024 RM'000	4Q2023 RM'000	Var.
Revenue	172,606	309,355	-44%
Operating profit	24,554	46,441	-47%
Profit before interest & tax	23,971	45,679	-48%
Profit before tax	17,029	38,373	-56%

The Group's PBT for 1Q2024 was 56% lower at RM17.0 million, compared to RM38.4 million recorded in the immediate preceding quarter, in part with lower contributions from the investment and others segment (RM11.0 million) and the property segment (RM9.0 million) in 1Q2024. In the first quarter of 2024, the investment and others segment recorded lower interest income and was without certain non recurring items that were recognised in the fourth quarter of 2023. As for the property segment, its PBT was lower in the first quarter of 2024, mainly due to the lower work progress and sales.

## B3. Prospects

The Malaysian economy grew at a higher rate of 4.2% in the first quarter of 2024 (4Q2023: 2.9%), driven by stronger private expenditure and positive turnaround in exports. Household spending was higher amid continued growth in employment and wages. Growth in 2024 will be driven by resilient domestic expenditure with additional support from the recovery in external demand. On the domestic front, continued employment and wage growth will support household spending. Improvement in tourist arrivals and spending are expected to continue.

(Source: Press Release and publication issued by Bank Negara Malaysia on the Economic and Financial Developments in Malaysia in the First Quarter of 2024)

Amid a challenging external environment and inflationary pressures affecting various sectors, Malaysia's residential property market remained resilient with total transaction volume and value rising by 17% and 21%, respectively, in 1Q2024. The predicted growth of the Malaysian economy and low unemployment rates will continue to fuel property demand in 2024 despite persisting challenges in a rising cost environment and a weakened currency that could constrain domestic discretionary spending.

### (a) Property segment

In 2024, the Group targets to launch 7 projects (including new phases of existing projects) with a projected GDV of RM2.4 billion, of which RM81 million was launched in 1Q2024. The largest launch for the year, The Ashwood (high rise condominiums, duplexes and low-rise villas at the prestigious U-Thant enclave in Kuala Lumpur), has been launched in May 2024. Aside from this, Phase 2 of The Atera (transit-oriented development project in Petaling Jaya situated next to the Asia Jaya Light Rail Transit Station) and the final phase of Sejati Residences (three-storey strata link homes in Cyberjaya) are scheduled to be launched by June 2024. Additionally, continuous emphasis is being placed by the Group to ensure construction progresses as scheduled and value engineering is adopted to improve project margins.

### B3. Prospects (cont'd)

#### (a) Property segment (cont'd)

The Group's unbilled sales of RM1.2 billion as at 31 March 2024 will provide some visibility on the Group's cashflow in the near term. However, the pace at which this can be converted into billings would depend largely on the construction progress of projects. As at 31 March 2024, the Group's undeveloped land stood at 434 acres.

Projects	Location	No. of projects	Original land size (Acres)	Undeveloped (Acres)**
Central region	Klang Valley	7	923.8	197.6
Northern region	Kedah, Penang	5	774.4	236.4
<b>Total</b>		<b>12</b>	<b>1,698.2</b>	<b>434.0</b>

\*\* - Includes land of which the Group has development rights

#### (b) Coworking segment

Co-labs Coworking has expanded its footprint by 45% year-on-year to 167,000 square feet at 7 locations in the Klang Valley. Co-labs Coworking will continue to focus on ramping up its occupancy rates, particularly at the 2 new spaces. With its "asset light" and flexible office lease options that can cater to the changing needs of businesses, Co-labs Coworking is well-positioned to capitalise on opportunities arising from the continuous growth of the Malaysian economy in a rising cost environment.

The Group has accelerated its overseas expansion plan with the acquisition of a 21.54% equity interest in Eco World International Berhad in line with its strategic plan. This acquisition, for a cash consideration of RM170.6 million, was completed on 14 May 2024. It will provide an additional layer of profits to complement the Group's domestic property development business in the mid to long term horizon. Notwithstanding, its contribution to the Group's operating results for the current financial year is not expected to be significant.

The Group will remain agile and responsive to market dynamics to navigate the evolving landscape and strive to achieve a satisfactory performance for the financial year ending 31 December 2024.

### B4. Profit forecast or profit guarantee

There were no profit forecast or profit guarantee for the current quarter and financial year to date.

### B5. Taxation

The taxation charge included the following:

	<b>Current Quarter</b>	<b>Financial Year-to-date</b>
	<b>RM'000</b>	<b>RM'000</b>
Income tax	4,213	4,213
Deferred tax	632	632
	<b>4,845</b>	<b>4,845</b>

The effective tax rate for the current quarter and financial year to date was higher than the statutory income tax rate in Malaysia due to the losses of certain subsidiaries that were not available for full set off against taxable profits of other subsidiaries and certain expenses which were not deductible for tax purposes.

## B6. Corporate proposal

There was no corporate proposal announced but not completed as at 29 May 2024.

## B7. Borrowings and debt securities

The Group's borrowings and debt securities as at 31 March 2024 and 31 March 2023 were as follows:

	<b>31/3/2024</b>	<b>31/3/2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<u>Short-term borrowings</u>		
Bank overdraft - Secured	1,366	1,507
Bank overdraft - Unsecured	25,394	6,057
Revolving credit - Secured	59,679	65,620
Revolving credit - Unsecured	130,000	80,000
Current portion of long term loans - Secured	114,439	116,112
Total short-term borrowings	<u>330,878</u>	<u>269,296</u>
<u>Long-term borrowings (Secured)</u>		
Term loans	175,376	308,749
Medium Term Notes (MTN)	293,518	293,304
Sukuk Murabahah	48,824	89,316
Total long-term borrowings	<u>517,718</u>	<u>691,369</u>
Total borrowings	<u>848,596</u>	<u>960,665</u>

The weighted average interest rates at the end of the reporting period were as follows:

Floating interest rate	4.84%	4.48%
Fixed interest rate	N/A	N/A

There were no bank borrowings denominated in foreign currencies as at the reporting date.

The decrease in bank borrowings was attributed to the repayment of property development related borrowings from the higher progressive billings.

## B8. Derivative financial instrument

The outstanding forward foreign exchange contracts as at 31 March 2024 were as follows:

	<b>Contract amount</b>	<b>Net Fair value</b>
	<b>THB'000</b>	<b>Assets/ (Liabilities) RM'000</b>
Forward foreign exchange contracts*		
- Within 1 year	62,034	(109)
- More than 1 year	124,130	403

\* The above contracts were entered into as hedges for investment denominated in foreign currency and to limit the exposure to potential changes in foreign exchange rates with respect to the Group's foreign currency



**B9. Fair value gain/(loss)**

	<b>Current Quarter RM'000</b>	<b>Financial Year-to-date RM'000</b>
Forward foreign exchange contracts	782	782

The fair value was measured based on the differences between contracted rates and market forward rates. During the quarter, the exchange rate has moved in favour of the Group from the last measurement date.

**B10. Changes in material litigation**

As at 29 May 2024, there was no material litigation since the last annual reporting date of 31 December 2023.

**B11. Dividends payable**

The Board does not recommend the payment of any dividend for the current financial quarter ended 31 March 2024.

**B12. Earnings per share****(a) Basic EPS**

Basic EPS is calculated by dividing the profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	<b>Current Quarter</b>	<b>Financial Year-to-date</b>
Profit attributable to equity holders of the Company (RM'000)	7,710	7,710
Weighted average number of ordinary shares ('000)	622,726	622,726
Basic EPS (sen)	1.24	1.24

**(b) Diluted EPS - Not applicable to the Group.**

By order of the Board  
Ng Wai Peng  
Company Secretary  
29 May 2024