

**MAXIM GLOBAL BERHAD [Reg No. 196801000620 (8184-W)]**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023**

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31-3-2023	31-3-2022	31-3-2023	31-3-2022
	RM'000	RM'000	RM'000	RM'000
<b>Continuing Operations</b>				
Revenue	22,474	41,947	22,474	41,947
Cost of sales	<u>(17,666)</u>	<u>(38,915)</u>	<u>(17,666)</u>	<u>(38,915)</u>
Gross profit	4,808	3,032	4,808	3,032
Other operating income	1,058	349	1,058	349
Operating expenses	<u>(3,305)</u>	<u>(3,003)</u>	<u>(3,305)</u>	<u>(3,003)</u>
<b>Operating profit</b>	2,561	378	2,561	378
Finance income	2,217	538	2,217	538
Finance costs	<u>(836)</u>	<u>(39)</u>	<u>(836)</u>	<u>(39)</u>
<b>Profit before taxation</b>	3,942	877	3,942	877
Taxation	<u>(1,369)</u>	<u>(597)</u>	<u>(1,369)</u>	<u>(597)</u>
<b>Net profit for the financial period</b>	<u>2,573</u>	<u>280</u>	<u>2,573</u>	<u>280</u>
<b>Other comprehensive income/(loss), net of tax</b>				
<b>Items that will be reclassified subsequently to profit or loss, net of tax</b>				
- Foreign currency translation	<u>(285)</u>	<u>74</u>	<u>(285)</u>	<u>74</u>
<b>Total comprehensive income for the financial period</b>	<u>2,288</u>	<u>354</u>	<u>2,288</u>	<u>354</u>
<b>Net profit attributable to :</b>				
Owners of the Company	1,759	363	1,759	363
Non-controlling interests	<u>814</u>	<u>(83)</u>	<u>814</u>	<u>(83)</u>
	<u>2,573</u>	<u>280</u>	<u>2,573</u>	<u>280</u>
<b>Total comprehensive income attributable to :</b>				
Owners of the Company	1,474	437	1,474	437
Non-controlling interests	<u>814</u>	<u>(83)</u>	<u>814</u>	<u>(83)</u>
	<u>2,288</u>	<u>354</u>	<u>2,288</u>	<u>354</u>
Basic earnings per ordinary share (sen)				
- from continuing operations	0.14	0.03	0.14	0.03
- from discontinued operations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>0.14</u>	<u>0.03</u>	<u>0.14</u>	<u>0.03</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.)

**MAXIM GLOBAL BERHAD [Reg No. 196801000620 (8184-W)]**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2023**

	<b>(UNAUDITED)</b>	<b>(AUDITED)</b>
	<b>As At</b>	<b>As At</b>
	<b>Financial</b>	<b>Financial</b>
	<b>Year Ended</b>	<b>Year Ended</b>
	<b>31-03-2023</b>	<b>31-12-2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	12,640	12,686
Other investment	68	68
Inventories - property development costs	8,042	8,042
Deferred tax assets	730	734
Other receivables	6,784	6,753
	28,264	28,283
<b>Current assets</b>		
Inventories - completed properties	298	-
Inventories - property development costs	241,677	244,500
Trade receivables	63,869	67,063
Contract assets	126,003	102,624
Other receivables, deposits and prepayments	60,183	76,889
Short-term investments	101,856	106,247
Tax recoverable	-	3
Deposits with licensed banks	100,149	100,149
Cash and bank balances	27,544	28,419
	721,579	725,894
<b>TOTAL ASSETS</b>	<b>749,843</b>	<b>754,177</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to Owners of the Company</b>		
Share capital	452,510	452,510
Share option reserve	645	645
Treasury shares	(155)	(155)
Reserves:		
- Translation reserve	1,579	1,864
Retained earnings	12,332	10,573
<b>Shareholders' funds</b>	466,911	465,437
Non-controlling interests	28,660	26,229
<b>TOTAL EQUITY</b>	<b>495,571</b>	<b>491,666</b>

**MAXIM GLOBAL BERHAD [Reg No. 196801000620 (8184-W)]**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2023 - continued**

	<b>(UNAUDITED)</b>	<b>(AUDITED)</b>
	<b>As At</b>	<b>As At</b>
	<b>Financial</b>	<b>Financial</b>
	<b>Year Ended</b>	<b>Year Ended</b>
	<b>31-03-2023</b>	<b>31-12-2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	403	409
Lease liabilities	272	328
Bank borrowings	159,266	153,727
	<u>159,941</u>	<u>154,464</u>
<b>Current liabilities</b>		
Trade payables	46,898	58,077
Other payables, deposits and accruals	38,950	42,147
Lease liabilities	161	159
Bank borrowings	2,337	-
Tax payable	5,985	7,664
	<u>94,331</u>	<u>108,047</u>
<b>TOTAL LIABILITIES</b>	<u>254,272</u>	<u>262,511</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>749,843</u>	<u>754,177</u>
	-	-
<b>Net assets per share attributable to ordinary equity holders of the Company (sen)</b>	<u>37.3</u>	<u>37.2</u>

Note: Net assets per share is calculated based on total assets minus total liabilities divided by the total number of ordinary shares in issue.

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.)

**MAXIM GLOBAL BERHAD [Reg No. 196801000620 (8184-W)]**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD 31 MARCH 2023**  
(The figures have not been audited)

	Attributable to owners of the Company					Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Non-Distributable Share Option Reserve RM'000	Other Reserves RM'000	Distributable Retained Earnings/ (Accumulated Losses) RM'000			
<b><u>3 months ended 31 March 2023</u></b>								
As at 1 January 2023	452,510	(155)	645	1,864	10,573	465,437	26,229	491,666
Net profit for the financial period	-	-	-	-	1,759	1,759	814	2,573
Realisation of foreign exchange translation reserve	-	-	-	(285)	-	(285)	-	(285)
Total comprehensive income for the financial period	-	-	-	(285)	1,759	1,474	814	2,288
<b>Transaction with owners:-</b>								
Subscription of shares by non-controlling interests	-	-	-	-	-	-	1,617	1,617
	-	-	-	-	-	-	1,617	1,617
As at 31 March 2023	452,510	(155)	645	1,579	12,332	466,911	28,660	495,571
<b><u>3 months ended 31 March 2022</u></b>								
As at 1 January 2022	452,510	(155)	586	1,332	(10,211)	444,062	2,350	446,412
Net profit/(loss) for the financial period	-	-	-	-	363	363	(83)	280
Realisation of foreign exchange translation reserve	-	-	-	74	-	74	-	74
Total comprehensive income/(loss) for the financial period	-	-	-	74	363	437	(83)	354
<b>Transaction with owners:-</b>								
Subscription of shares by non-controlling interests	-	-	-	-	-	-	17,161	17,161
	-	-	-	-	-	-	17,161	17,161
As at 31 March 2022	452,510	(155)	586	1,406	(9,848)	444,499	19,428	463,927

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.)

**MAXIM GLOBAL BERHAD [Reg No. 196801000620 (8184-W)]**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023**  
(The figures have not been audited)

	<b>3 months ended</b>	
	<b>31-3-2023</b>	<b>31-3-2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Profit before taxation	3,942	877
<u>Adjustments for:-</u>		
Depreciation	187	147
Finance cost	836	39
Finance income	(2,217)	(538)
Gain on unwinding discount on other receivable	(217)	(213)
Gain on disposal of property, plant and equipment	(17)	-
Operating profit before working capital changes	2,514	312
<u>Changes in working capital:</u>		
Inventories - completed properties	(298)	7
Contract assets	(23,379)	(7,776)
Inventories - property development costs	4,220	(264)
Receivables	20,117	2,025
Payables	(14,376)	(26,818)
Cash used in operations	(11,202)	(32,514)
Finance income received	2,186	512
Finance cost paid	(2,234)	(1,488)
Tax paid (net)	(3,040)	(5,243)
<b>Net cash used in operating activities</b>	(14,290)	(38,733)
<b>INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(144)	(36)
Proceeds from disposal of property, plant and equipment	19	-
<b>Net cash used in investing activities</b>	(125)	(36)
<b>FINANCING ACTIVITIES</b>		
Repayment to Directors	-	(1,900)
Drawn down of bank borrowings	7,877	8,185
Repayment of bank borrowings	-	(115)
Repayment of lease liabilities	(54)	(48)
Issuance of shares to non-controlling interests	1,617	17,161
<b>Net cash from financing activities</b>	9,440	23,283
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>	(4,975)	(15,486)
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	(291)	75
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	234,666	152,563
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<b>229,400</b>	<b>137,152</b>
 <b>Cash and cash equivalents at the end of the financial period comprise the following:</b>		
Deposits with licensed banks	100,149	83
Short-term investments	101,856	112,881
Cash and bank balances	27,544	24,271
	229,549	137,235
Less: Deposits with licensed banks pledged as securities for banking facilities	(149)	(83)
	<b>229,400</b>	<b>137,152</b>
	-	-

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.)

**Notes to the Condensed Consolidated Interim Financial Statements  
For the financial quarter ended 31 March 2023**

**1. Basis of Preparation and Accounting Policies**

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysia Financial Reporting Standards (“MFRSs”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 December 2022.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2022, except for the mandatory adoption of the new MFRSs, amendments or improvements to MFRSs and New IC interpretations (“IC Int.”) that have been issued by the Malaysian Accounting Standards Board (“MASB”) which take effects on and/or after 1 January 2023.

The adoption of the new standards, amendments or improvements to MFRSs and new IC Int. is not expected to have significant impact on the financial statements of the Group upon their initial application.

**2. Auditors’ Report on Preceding Annual Financial Statements**

The auditors’ report on the annual financial statements of the Group for the financial year ended 31 December 2022 was not subject to any qualification.

**3. Seasonal or Cyclical Factors**

The business of the Group was not affected by any significant seasonal or cyclical factors during the financial quarter under review.

**4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the financial quarter under review.

**5. Material Changes in Estimates**

There were no significant changes made in the estimates of amounts reported in prior financial years.

**6. Changes in Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during quarter under review.

## 7. Dividends Paid

There was no dividend paid during the quarter ended 31 March 2023 (31 March 2022: RM Nil).

## 8. Segmental Reporting

The segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. Segmental information is presented in respect of the Group's business segment as follows:

Business Activity	Current Quarter 3 months ended				Cumulative Quarter 3 months ended			
	31/3/2023		31/03/2022		31/3/2023		31/03/2022	
	Revenue RM'000	Profit/(Loss) Before Taxation RM'000	Revenue RM'000	Profit/(Loss) Before Taxation RM'000	Revenue RM'000	Profit/(Loss) Before Taxation RM'000	Revenue RM'000	Profit/(Loss) Before Taxation RM'000
<b>Continuing Operations</b>								
• Property	22,474	2,752	41,947	1,801	22,474	2,752	41,947	1,801
• Investment holding	-	(132)	-	(1,357)	-	(132)	-	(1,357)
• Others	-	(59)	-	(66)	-	(59)	-	(66)
	<b>22,474</b>	<b>2,561</b>	<b>41,947</b>	<b>378</b>	<b>22,474</b>	<b>2,561</b>	<b>41,947</b>	<b>378</b>
Finance income	-	2,217	-	538	-	2,217	-	538
Finance costs	-	(836)	-	(39)	-	(836)	-	(39)
	<b>22,474</b>	<b>3,942</b>	<b>41,947</b>	<b>877</b>	<b>22,474</b>	<b>3,942</b>	<b>41,947</b>	<b>877</b>

## 9. Carrying Amount of Revalued Assets

There were no valuations of property, plant and equipment brought forward from the preceding financial year financial statements. The property, plant and equipment are stated at their historical cost less accumulated depreciation and accumulated impairment as at end of the quarter under review.

## 10. Subsequent Material Events

There were no material events subsequent to the end of the quarter under review to the date of announcement which were likely to substantially affect the results and the operations of the Group other than the Corporate Proposals as disclosed herein below under Note 19(B).

## 11. Changes in Composition of the Group

There were no changes in the composition of the Group during the quarter under review.

**12. Changes in Contingent Liabilities and Contingent Assets**

There were no material contingent liabilities or contingent assets as at end of the quarter under review till the date of announcement of this quarterly report.

**13. Capital and Other Commitments**

There were no material authorised capital and other commitments not provided for in the interim financial statements as at end of the quarter under review.

**14. Significant Related Party Transactions**

There are no significant related party transactions in the quarter under review.



## Additional Explanatory Notes in compliance with Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

### 15. Review of Performance

The performance of the Group by operating segments are analysed below:

in RM'000	Current Quarter		Incl/(Dec) %	Preceding Quarter	Incl/(Dec) %	Cumulative Quarter		Incl/(Dec) %
	31/3/2023	31/03/2022				31/3/2023	31/03/2022	
<b>Revenue</b>								
• Property	22,474	41,947	-46%	204,510	-89%	22,474	41,947	-46%
	<b>22,474</b>	<b>41,947</b>	-46%	<b>204,510</b>	-89%	<b>22,474</b>	<b>41,947</b>	-46%
<b>Profit before tax</b>								
<b>Continuing Operations</b>								
• Property	2,752	1,801	53%	23,953	-89%	2,752	1,801	53%
• Investment holding	(132)	(1,357)	-90%	15,420	-101%	(132)	(1,357)	-90%
• Others	(59)	(66)	-11%	(58)	2%	(59)	(66)	-11%
	<b>2,561</b>	<b>378</b>	578%	<b>39,315</b>	-93%	<b>2,561</b>	<b>378</b>	578%
Finance income	2,217	538	312%	381	482%	2,217	538	312%
Finance costs	(836)	(39)	2044%	(763)	10%	(836)	(39)	2044%
	<b>3,942</b>	<b>877</b>	349%	<b>38,933</b>	-90%	<b>3,942</b>	<b>877</b>	349%

### Review on Performance –Quarter under review compared to Preceding Year Corresponding Quarter

#### a) Overall Review of Group's performance

Revenue declined by 46% due mainly to nil revenue recognition during the current quarter under review for the Group's project in Alam Damai, Cheras, known as Residensi Majestic Maxim following the delivery of vacant possession to its end-purchasers in November 2022 (Q1 2022: RM22.1 million). Further, the advance stage of completion of Residensi Metro Kepong located at Taman Metropolitan, Kepong saw a much lower revenue registered for the quarter under review of RM7.6 million (Q1 2022: RM19.8 million). The decline was arrested by the maiden contribution to the revenue from Residensi Maxim Risen which was launched in July 2022 which contributed RM14.9 million during the current quarter under review.

Despite of the lower revenue achieved in the current quarter under review, higher gross margin from Residensi Maxim Risen (as compared to Residensi Metro Kepong with much lower gross margin due to the nature of development) has led the Group to achieve a higher profit before interest and tax for the current quarter under review by RM2.2 million, an increase of 578% vis-à-vis profit before interest and tax of RM0.4 million reported in the preceding year corresponding quarter.

b) **Segmental Review**• **Property**

This business segment presently comprised of four (4) property development projects, namely, Residensi Metro Kepong in Taman Metropolitan, Kepong, Kuala Lumpur, Residensi Maxim Risen in Taman Desa Aman, Cheras, Kuala Lumpur, Ganggarak Permai in Ganggarak, Labuan FT, and Residensi Majestic Maxim in Alam Damai, Cheras, Kuala Lumpur.

The summary of performance and progress are as below:-

	Ongoing Projects		Completed Projects	
	<u>Taman Metropolitan,</u> <u>Kepong</u>	<u>Taman Desa Aman,</u> <u>Cheras</u>	<u>Ganggarak,</u> <u>Labuan FT</u>	<u>Alam Damai,</u> <u>Cheras</u>
Name of projects	Residensi Metro Kepong	Residensi Maxim Risen	Ganggarak Permai	Residensi Majestic Maxim
Net property sales ('000)	RM296,946	RM492,501	RM73,575	RM921,495
Unbilled sales ('000)	RM10,625	RM433,992	RM0	RM0
Percentage completion (cumulative)	96.4% (March 2022: 75.2%)	11.9% (March 2022: Not applicable as project launched in July 2022)	Phase 3 – 100% (handed over vacant possession in July 2022) (March 2022: 98.9%)  Phase 4 – 100% (handed over vacant possession in Nov 2022) (March 2022: 97.9%)	100% (handed over vacant possession in Nov 2022) (March 2022: 89.5%)
Operating (loss)/profit for the quarter ('000)	(RM165) 2022: RM798	RM3,895 2022: Not applicable	(RM85) 2022: (RM333)	(RM351) 2022: RM1,556

**Residensi Metro Kepong**, an affordable apartment development project, has achieved a cumulative percentage of completion at 96.4% as at the end of the quarter under review whilst the quarter under review attained lower percentage of completion at 2.7% (Q1 2022: 6.7%). The slower progress as the project is physically completed and undergoing quality control before deliver vacant possession to end purchasers. The operating loss registered during the quarter under review represents operating expenses overshadowing the revenue arising from low percentage of completion achieved. Residensi Metro Kepong was duly handed over of vacant possession to end purchasers subsequent to the quarter under review, in April 2023.

**Residensi Maxim Risen**, an Apartment Suite development project, sits on a leasehold land size of 2.60 acres, located at Taman Desa Aman, Cheras, Kuala Lumpur where the gross development value is approximately RM564 million. It was the main contributor to the Group's operating profit during the quarter under review with a sum of RM3.895 million, attained on the back of percentage of completion of 1.5% (cumulative at 11.9%). Residensi Maxim Risen which comprise 1,236 units has a 100% take-up rate as at the end of the quarter under review.

Both **Ganggarak Permai** (phases 3 and 4) and **Residensi Majestic Maxim** were handed over the vacant possession to end purchasers in the second half of year 2022. The operating losses registered during the quarter under review represents costs incurred during the post-handover of both the projects.

### **Review on Performance - Quarter under review compared to Preceding Quarter**

The Group's revenue for the quarter under review registered at RM22.5 million or 89% lower than the preceding quarter mainly due to the absence of revenue from Residensi Majestic Maxim in the current quarter under review vis-à-vis the preceding quarter of RM174.5 million. The above coupled with the recovery of capital gains tax of RM19.0 million were the main contributors to the Group's lower profit before interest and tax at RM39.3 million in the preceding quarter (vis-a-vis RM2.6 million in the current quarter under review), a decline of 93%.

## **16. Prospects**

The Malaysian economy is forecasted to grow between 4.0 per cent and 5.0 per cent in 2023, supported by firm domestic demand amidst challenges rising from slowing global growth. The Group is cautious that the pace of economic recovery is dependent on various factors, among others support for cost of living and efforts in mitigating the downside risks such as geopolitical uncertainties, global inflation as well as tightening financial conditions. The Government of Malaysia has taken various measures to support the economy through the implementation of various policies and measures to ensure a conducive business environment that facilitates economic activities and meet the needs of the rakyat.

The Group's ongoing property development project, Residensi Maxim Risen located at Taman Desa Aman, Cheras, Kuala Lumpur will contribute positively to the Group's revenue and profits for the next three years on the back of the encouraging responses.

While Residensi Metro Kepong, the Group's affordable housing project located in Taman Metropolitan, Kepong will contribute revenue to the Group at least until next quarter of current financial year but profit contribution will not be significant in view of its nature of development.

In addition, the Group targets to launch another affordable housing development in the Klang Valley in the second half of financial year 2023. This is part of the Group's sustainability initiatives in assisting everyone in owning a home. Meantime, the Group has initiated works on its other existing land banks in hand with a view of launching at the appropriate time. At the same time, the Group is actively looking for new land banks to be acquired as the Group continues to see the positive outlook in the property industry and the demand from market remains sustainable.

Further, as disclosed under Note 19(B) hereinbelow, the Group has on 13 April 2023 inked with a few vendors on the proposed acquisition of a property development group of companies which enables the Group to expand its property development business and property development portfolio, in order to enhance its earnings potential moving forward.

Against the above backdrop and the challenging residential property market, the Group's Property Development & Construction business segment is moving forward cautiously but yet optimistic.

## **17. Profit Forecast and Profit Guarantee**

There is no profit forecast and profit guarantee that is applicable to the Group.

**18. Taxation**

Taxation comprises the following:

	Current Quarter (3 months ended)		Cumulative Quarter (3 months ended)	
	31/3/2023	31/3/2022	31/3/2023	31/3/2022
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax:				
- Current tax	1,364	1,539	1,364	1,539
Deferred tax	5	(942)	5	(942)
Total taxation	<u>1,369</u>	<u>597</u>	<u>1,369</u>	<u>597</u>

Included in the income tax figure for the quarter under review is the net adjustment for deferred tax charges in respect of depreciation of property, plant and equipment and other temporary timing difference.

**19. Corporate Proposals**Status of Corporate Proposals Announced(A) Status of Utilisation of Proceeds arising from Disposal of 100% Equity Interest in PIPP and TPMC

During the previous financial year ended 31 December 2020, the gross proceeds arising from the disposal of 100% equity interest in Pulau Indah Power Plant Sdn Bhd (“PIPP”) and Tadmax PMC Sdn Bhd (“TPMC”) amounted to RM173.2 million (“Disposal”). The utilisation of gross proceeds from the Disposal up to end of the quarter under review is set out below:-

<u>Details of Utilisation</u>	Total Gross Proceeds from Disposal (RM'000)	Actual Utilisation up to 31 Mar 2023 (RM'000)	Balance (RM'000)	Timeframe for utilisation
1) Payment on the unfinanced portion of the purchase price of Alam Damai Land 1	9,000	9,000	-	Within 3 months
2) Payment on the unfinanced portion of the purchase price of Alam Damai Land 2	11,450	11,450	-	Within 3 months
3) Payment on the unfinanced portion of the purchase price, development charges and development cost of land in Taman Desa Aman, Cheras, Kuala Lumpur	11,000	8,361	2,639	Within 12 months
4) Future investment in other complementary businesses and/or assets (Note 1)	113,000	35,314	77,686	-
5) Working capital purposes	8,450	8,450	-	Within 24 months
6) Estimated expenses in relation to the Proposal	20,300	20,300	-	Within 1 month
	<u>173,200</u>	<u>92,875</u>	<u>80,325</u>	

Note 1 - A sum of RM49.0 million will be received in December 2023.

In comparison with the preceding quarter, during the quarter under review, a sum of RM1.68 million was utilised (under item 4 above) towards the property development costs of the Group's land located in Prima Setapak, Setapak, Kuala Lumpur acquired vide a sale and purchase agreement dated 28 October 2021.

**(B) Proposed Acquisitions and Proposed Share Consolidation**

On 13 April 2023, the Company has entered into the following acquisitions with related parties for a total consideration of RM119,000,000 ("Purchase Consideration") comprise:

- i. conditional share sale agreement to acquire 2 ordinary shares in Zapland Property Sdn Bhd ("ZPSB"), representing 100% equity interest in ZPSB from Gan Lee Ha and Lee Cheh Hian for a purchase consideration of RM39,034,668.65 to be satisfied via a combination of deferred cash consideration and the issuance of new ordinary shares in Maxim Global Berhad ("Consideration Share(s)");
- ii. conditional share sale agreement to acquire 2 ordinary shares in Asiatic Network Sdn Bhd ("ANSB"), representing 100% equity interest in ANSB from Chai Chang Guan and Chai Seong Min for a purchase consideration of RM32,196,845.87 to be satisfied via a combination of deferred cash consideration and Consideration Shares;
- iii. conditional share sale agreement to acquire 4 ordinary shares in Brogan Maxim Sdn Bhd ("BMSB"), representing 100% equity interest in BMSB from Datuk Seri Gan Seong Liam and Gan Kuok Chyuan for a purchase consideration of RM21,411,281.71 to be satisfied via a combination of deferred cash consideration and Consideration Shares;
- iv. conditional share sale agreement to acquire 2 ordinary shares in Maxim Realty Sdn Bhd ("MRSB"), representing 100% equity interest in MRSB from Datuk Seri Gan Seong Liam and Datin Seri Loh Foong Ping for a purchase consideration of RM10,757,108.81 to be satisfied via a combination of deferred cash consideration and Consideration Shares;
- v. conditional share sale agreement to acquire 13,110 ordinary shares in Maxim Holdings Sdn Bhd ("MHSB") ("MHSB Sale Share(s)"), representing 13.11% equity interest in MHSB from Sanlens Sdn Bhd ("Sanlens") for a purchase consideration of RM15,600,094.96 to be satisfied via a combination of deferred cash consideration and Consideration Shares; and

collectively referred to as the "Proposed Acquisitions"

- vi. proposed consolidation of every 2 existing Maxim Global Berhad Shares into 1 Maxim Global Share ("Consolidated Share(s)") ("Proposed Share Consolidation").

The Proposed Acquisitions and Proposed Share Consolidation are collectively referred to as the "Proposals".

In addition, there are outstanding amounts owing by ZPSB, ANSB, BMSB, MRSB and MHSB to certain of their directors and outgoing creditors, totalling RM152,031,412 ("Amounts Owing") which Maxim Global Berhad will assume. In this respect, the value of the consideration in respect of the Proposed Acquisitions (i.e. after aggregating the Purchase Consideration and inclusive of Amounts Owing) shall amount to RM271,031,412 in total.

The Proposed Acquisitions provide an opportunity for Maxim Global to acquire and obtain full control of MHSB, which is principally involved in property development, via the acquisitions of ZPSB, ANSB, BMSB and MRSB (which collectively hold 86.89% equity interests in MHSB) and the

existing MHSB Sale Shares owned by Sanlens (representing 13.11% equity interests in MHSB), together representing 100% equity interests in MHSB. Through acquiring full control of MHSB, the Group will obtain access to the property development projects and land banks of MHSB Group.

The Proposed Acquisitions are deemed as related party transactions under Paragraph 10.08 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Pursuant thereto, the Board (save for the Interested Directors) has appointed MainStreet Advisers Sdn Bhd to act as the independent adviser to advise the non-interested directors and non-interested shareholders of Maxim Global Berhad as to whether the Proposed Acquisitions are fair and reasonable so far as the non-interested directors and non-interested shareholders of the Company are concerned, and whether the Proposed Acquisitions are to the detriment of the non-interested shareholders of Maxim Global Berhad.

The Proposals are subject to the approval of the Company's shareholders at an Extraordinary General Meeting to be convened and approval of Bursa Malaysia Securities Berhad for the listing of and quotation for the Consideration Shares. Barring any unforeseen circumstances and subject to all relevant approvals being obtained, the Proposals are expected to be completed by the third quarter of 2023.

For further details of the Proposals, kindly refer to the Announcement released to Bursa Malaysia Securities Berhad on 13 April 2023.

## 20. Group Borrowings and Debts Securities

Group borrowings are as follows:-

	<b>As at 31/3/2023 RM'000</b>	<b>As at 31/3/2022 RM'000</b>
(a) Current borrowings – secured		
Term loan	2,337	471
Lease liabilities	161	63
	<u>2,498</u>	<u>534</u>
(b) Non-current borrowings – secured		
Term loans	151,116	134,340
Bridging loan	8,150	-
Lease liabilities	272	-
	<u>159,538</u>	<u>134,340</u>

All the Group's borrowings are denominated in Malaysian currency and are secured. Total loans increased by RM27.2 million as compared to the preceding year corresponding quarter mainly due to term loans facility drawdown totalling of RM40.8 million to part finance of both, the acquisition of a piece of leasehold land and the property development costs by the Company's subsidiaries, set off by the full settlement of the term loan facility of RM4.0 million and the early retirement of part of another term loan facility by RM10.0 million. The above loans bear interest rates ranged from 4.78% - 6.07% per annum.

Bank borrowings are expected to increase in the following quarter of the financial year under review with the progress of development of the Group's Residensi Maxim Risen project.

**21. Trade Receivables**

The trade receivables and corresponding ageing of the Group as at end of the quarter under review are as follows:-

	As at 31/3/2023			As at 31/12/2022
	RM'000		%	RM'000
Trade receivables	1,230			3,246
Trade receivables - held by stakeholders	62,639			63,817
Less : Allowance for Expected Credit Losses	-			-
	<u>63,869</u>			<u>67,063</u>
	As at 31/3/2023			As at 31/12/2022
	RM'000	%		RM'000
Neither past due nor impaired	25	0.0%		33
Neither past due nor impaired - held by Stakeholders	62,639	98.1%		63,817
Past due 31 to 60 days not impaired	-	0.0%		2,371
Past due 61 to 90 days not impaired	11	0.0%		-
Past due > 91 days not impaired	1,194	1.9%		842
Past due > 91 days impaired	-	0.0%		-
	<u>63,869</u>	<u>100%</u>		<u>67,063</u>

Trade receivables (excluding the amounts held by stakeholders) decreased by 62.1% to RM1.2 million as at 31 March 2023 mainly due to lower amount owing by end-purchaser together with lower unsettled progress billing issued to end-purchasers toward the end of the quarter under review. The sum held by stakeholders represents retention sum held under stakeholders which will be released in accordance with the timeline indicated in the sale and purchase agreements.

There are no trade receivables from related parties and there is no major customer that forms part of the trade receivables.

The normal credit terms granted to house buyers is 30 (2022: 30) calendar days. Interest is charged on overdue accounts at 10% (2022: 10%) per annum on a daily basis. Credit terms granted to other customers are assessed and approved on a case-by-case basis. The Group undertakes periodic review of the recoverability of trade receivables and the allowance for expected credit losses. On the latter, the Group concluded that the allowance for expected credit losses is not required as at the end of the quarter under review.

**22. Financial Instruments****(a) Derivatives**

There were no outstanding derivatives as at 31 March 2023.

**(b) Gain/(Loss) arising from fair value changes in financial assets and liabilities**

There is no gain/(loss) arising from fair value changes in financial assets and liabilities during the quarter ended 31 March 2023 except as disclosed herein.

### 23. Material Litigation

There was no other material litigation pending as at 15 May 2023 (being the latest practicable date which shall not be earlier than 7 days from the date of issue of this quarterly report) except as below:-

With reference to the Company's announcement of 12 October 2021, two of the Group's 90% owned subsidiary companies incorporated in the Republic of Indonesia, PT Trimegah Karya Utama ("PT TKU") and PT Manunggal Sukses Mandiri ("PT MSM") had filed applications for Judicial Review (known as "Judicial Review Petition" or "Peninjauan Kembali") to the Supreme Court of the Republic of Indonesia for direction/hearing of the Injunction Requests petition which seeks the Boven Digoel Regency to repeal and nullify the decision on the revocation of licence, to comply and uphold the decision of the Ministry of Law and Human Rights, and to affirm that PT TKU and PT MSM are still the license holders and legal owners of the assets. On 19 July 2022, PT TKU and PT MSM were advised by its Solicitors that the Supreme Court had rejected the Judicial Review Petition.

As announced on 7 December 2022, the Solicitors for PT TKU and PT MSM have advised that the foregoing decision of the Supreme Court of the Republic of Indonesia was final and binding and no remedy, other course of actions or appeals are available.

On 23 February 2023, PT TKU and PT MSM have submitted Petition for Guidance to the Supreme Court (known as *Fatwa Mahkamah Agung*) seeking guidance on the adjudication of Fictive Positive (applied by both PT TKU and PT MSM at its application for Injunction Requests on 24 March 2021, filed with the Administrative Courts at Kota Jayapura in the Province of Papua, Republic of Indonesia), where the Supreme Court (under Judicial Review Petition) had in its recent judgment informed that Fictive Positive is no longer under the jurisdiction of the State Administrative Courts following the enactment of the Job Creation Law and its derivative regulations (despite other precedent rulings in other administrative courts in the Republic of Indonesia applying Fictive Positive). Further, the Job Creation Law was subsequently ruled formally flawed and inadmissible by the Republic of Indonesia's Constitutional Courts.

On 14 April 2023, the Solicitors of PT TKU and PT MSM notified that the Supreme Court responded to the Petition for Guidance and notified that the Supreme Court could not respond to the guidance sought on the basis that the Supreme Court can only provide guidance to State Institution. Disagreeing to the Supreme Court's decision, PT TKU and PT MSM have on 9 May 2023 filed a submission to the Supreme Court (through the Head of Administrative Court Chamber) to seek them to reconsider their decision vis-a-vis the subsisting Guidelines (known as "Decree of the Head of Supreme Court No. 213/KMA/SK/XII/2014 on Guidelines for the Implementation of the Chamber System at the Supreme Court of the Republic of Indonesia") which states that "The Head of the Supreme Court delegates the authority to answer guidance petitions submitted by **individuals** or **legal entities** to the Head of Chambers or relevant officials to be followed up by providing legal guidance".

In a related matter, with reference to the Company's announcement on 24 February 2022 pertaining to the receipt of letters of revocation of concession license from the Ministry of Environment and Forestry, both PT TKU and PT MSM have on 20 April 2022 filed letters of clarification to the Ministry of Environment and Forestry of the Republic of Indonesia with the letters being copied to the President of the Republic of Indonesia. The letters of clarification sought the Ministry of Environment and Forestry of the Republic of Indonesia to reconsider the revocation of our Concession License considering that the inactivity and site abandonment were as a direct result of the Group's earlier attempts to commence activities was thwarted by the refusal of the Regency of Boven Digoel to issue the required licenses to commence business. As at present, the Group has yet to receive any decision from the Ministry of Environment and Forestry.

In relation to the above actions taken, the Group does not expect any material financial impact to the Group's earnings of the financial year under review nor any impact on the Group's core operational



business of Property Development & Construction as the investments were fully impaired in financial year 2020.

#### 24. Dividend

No dividend has been declared or proposed for the current financial quarter under review.

#### 25. Earnings Per Share

##### a) Basic Earnings Per Share

	<b>Current Quarter 31/3/2023</b>	<b>Cumulative Quarter 31/3/2023</b>
Net Profit for the financial period attributable to equity holders of the Company (RM'000)	<u>1,759</u>	<u>1,759</u>
Weighted average number of ordinary shares issued (Unit'000)	<u>1,252,675</u>	<u>1,252,675</u>
Basic earnings per ordinary share (sen)	<u>0.14</u>	<u>0.14</u>

#### 26. Additional Disclosures for Profit for the Financial Period

	<b>Current Quarter 31/3/2023 RM'000</b>	<b>Cumulative Quarter 31/3/2023 RM'000</b>
<i>Profit for the financial period is arrived at after crediting: -</i>		
Finance income	2,217	2,217
Rental income	25	25
Gain on disposal of property, plant and equipment	17	17
Gain on unwinding discount of other receivable	217	217
Fair value gain on short-term investments	<u>742</u>	<u>742</u>
<i>and after charging: -</i>		
Finance costs	836	836
Rental of premises	39	39
Rental of equipment	2	2
Depreciation of property, plant and equipment	<u>187</u>	<u>187</u>

Other than the above, there was no provision for and write-off of receivables, provision for and write-off of inventories, gain or loss on disposal of quoted or unquoted investments or properties, gain or loss on derivatives, and exceptional items included in the results for the quarter under review.

#### 27. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors passed on 22 May 2023.