

MAXIM GLOBAL BERHAD [Reg No. 196801000620 (8184-W)]
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 2024
(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	3 months ended		6 months ended	
	30-6-2024	30-6-2023	30-6-2024	30-6-2023
	RM'000	RM'000	RM'000	RM'000
Continuing Operations				
Revenue	79,073	17,817	168,669	40,291
Cost of sales	<u>(59,503)</u>	<u>(14,722)</u>	<u>(128,062)</u>	<u>(32,388)</u>
Gross profit	19,570	3,095	40,607	7,903
Other operating income	1,036	3,632	2,385	4,690
Operating expenses	<u>(5,029)</u>	<u>(3,737)</u>	<u>(9,874)</u>	<u>(7,042)</u>
Operating profit	15,577	2,990	33,118	5,551
Finance income	862	1,335	1,587	3,552
Finance costs	<u>(1,817)</u>	<u>(668)</u>	<u>(3,640)</u>	<u>(1,504)</u>
Profit before taxation	14,622	3,657	31,065	7,599
Taxation	<u>(4,374)</u>	<u>2,923</u>	<u>(8,723)</u>	<u>1,554</u>
Net profit for the financial period	10,248	6,580	22,342	9,153
Other comprehensive income/(loss), net of tax				
Items that will be reclassified subsequently to profit or loss, net of tax				
- Foreign currency translation	277	(350)	310	(635)
Total comprehensive income for the financial period	10,525	6,230	22,652	8,518
Net profit attributable to :				
Owners of the Company	7,270	6,341	15,677	8,100
Non-controlling interests	<u>2,978</u>	<u>239</u>	<u>6,665</u>	<u>1,053</u>
	<u>10,248</u>	<u>6,580</u>	<u>22,342</u>	<u>9,153</u>
Total comprehensive income attributable to :				
Owners of the Company	7,547	5,991	15,987	7,465
Non-controlling interests	<u>2,978</u>	<u>239</u>	<u>6,665</u>	<u>1,053</u>
	<u>10,525</u>	<u>6,230</u>	<u>22,652</u>	<u>8,518</u>
Basic earnings per ordinary share (sen)				
- from continuing operations	0.99	1.01	2.13	1.29
- from discontinued operations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>0.99</u>	<u>1.01</u>	<u>2.13</u>	<u>1.29</u>

Note: The comparative basic earning per share have restated to take into account the effects of the share consolidation undertaken and completed on 7 September 2023.

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2023 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 30 JUNE 2024

	(UNAUDITED)	(AUDITED)
	As At	As At
	Financial	Financial
	Period Ended	Year Ended
	30-6-2024	31-12-2023
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	12,144	12,397
Other investment	70	70
Inventories - property development costs	71,517	71,476
Deferred tax assets	1,321	2,338
Other receivables	2,005	1,995
	87,057	88,276
Current assets		
Inventories - completed properties	3,371	6,781
Inventories - property development costs	343,280	347,982
Trade receivables	43,268	49,346
Contract assets	137,544	55,079
Contract cost assets	24,622	24,203
Other receivables, deposits and prepayments	38,257	15,156
Short-term investments	97,488	187,259
Tax recoverable	3,539	2,225
Deposits with licensed banks	13,181	124
Cash and bank balances	35,883	50,368
	740,433	738,523
TOTAL ASSETS	827,490	826,799
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share capital	492,727	492,727
Treasury shares	(155)	(155)
Reserves:		
- Translation reserve	1,956	1,646
Retained earnings	10,017	1,690
Shareholders' funds	504,545	495,908
Non-controlling interests	40,506	24,834
TOTAL EQUITY	545,051	520,742

MAXIM GLOBAL BERHAD [Reg No. 196801000620 (8184-W)]
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024 - continued

	(UNAUDITED)	(AUDITED)
	As At Financial Period Ended 30-6-2024 RM'000	As At Financial Year Ended 31-12-2023 RM'000
Non-current liabilities		
Deferred tax liabilities	2,564	2,666
Other payables	42,023	43,183
Lease liabilities	75	161
Bank borrowings	104,401	125,565
	149,063	171,575
Current liabilities		
Trade payables	69,336	45,919
Other payables, deposits and accruals	25,607	59,950
Contract Liabilities	11,110	7,710
Lease liabilities	171	167
Bank borrowings	19,608	16,986
Tax payable	7,544	3,750
	133,376	134,482
TOTAL LIABILITIES	282,439	306,057
TOTAL EQUITY AND LIABILITIES	827,490	826,799
	-	-
Net assets per share attributable to ordinary equity holders of the Company (sen)	68.6	79.2

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 comparative net assets per share have restated to take into account the effects of the share consolidation undertaken and completed on 7 September 2023.

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2023 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 ENDED 30 JUNE 2024
(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 RM'000			
<u>6 months ended 30 June 2024</u>								
As at 1 January 2024	492,727	(155)	-	1,646	1,690	495,908	24,834	520,742
Net profit for the financial period	-	-	-	-	15,677	15,677	6,665	22,342
Realisation of foreign exchange translation reserve	-	-	-	310	-	310	-	310
Total comprehensive income for the financial period	-	-	-	310	15,677	15,987	6,665	22,652
<u>Transactions with owners:-</u>								
Subscription of shares by non-controlling interests	-	-	-	-	-	-	9,020	9,020
Non-controlling interests share of net liabilities of a subsidiary acquired	-	-	-	-	-	-	(13)	(13)
Dividend paid	-	-	-	-	(7,350)	(7,350)	-	(7,350)
	-	-	-	-	(7,350)	(7,350)	9,007	1,657
As at 30 June 2024	492,727	(155)	-	1,956	10,017	504,545	40,506	545,051
-								
<u>6 months ended 30 June 2023</u>								
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	-	-	-	-	8,100	8,100	1,053	9,153
Realisation of foreign exchange translation reserve	-	-	-	(635)	-	(635)	-	(635)
Total comprehensive income/(loss) for the financial period	-	-	-	(635)	8,100	7,465	1,053	8,518
<u>Transactions with owners:-</u>								
Subscription of shares by non-controlling interests	-	-	-	-	-	-	2,007	2,007
	-	-	-	-	-	-	2,007	2,007
As at 30 June 2023	452,510	(155)	645	1,229	18,673	472,902	29,289	502,191

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2023 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 30 JUNE 2024

(The figures have not been audited)

	6 months ended	
	30-6-2024	30-6-2023
	RM'000	RM'000
OPERATING ACTIVITIES		
Profit before taxation	31,065	7,599
<u>Adjustments for:-</u>		
Depreciation	393	376
Finance cost	3,640	1,504
Finance income	(1,587)	(3,552)
Gain on dilution of interests in a subsidiary company	(1)	-
Gain on unwinding discount on other receivable	-	(435)
Gain on disposal of property, plant and equipment	(35)	(17)
Property, plant and equipment written off	1	-
Unrealised loss on foreign exchange	234	-
Operating profit before working capital changes	33,710	5,475
<u>Changes in working capital:</u>		
Inventories - completed properties	3,410	(1,283)
Contract assets	(79,484)	78,378
Inventories - property development costs	6,990	6,923
Receivables	(16,970)	3,449
Payables	(13,734)	(25,341)
Cash (used in)/generated from operations	(66,078)	67,601
Finance income received	1,524	3,490
Finance cost paid	(4,019)	(4,342)
Tax paid (net)	(5,330)	(3,826)
Net cash (used in)/from operating activities	(73,903)	62,923
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(142)	(260)
Proceeds from disposal of property, plant and equipment	35	19
Net cash used in investing activities	(107)	(241)
FINANCING ACTIVITIES		
Dividend paid	(7,350)	-
Drawn down of bank borrowings	33,589	10,012
Repayment of bank borrowings	(52,132)	(28,763)
Repayment of lease liabilities	(82)	(93)
Issuance of shares to non-controlling interests	9,020	2,007
Net cash from financing activities	(16,955)	(16,837)
NET CHANGES IN CASH AND CASH EQUIVALENTS	(90,965)	45,845
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(234)	(648)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	237,627	234,666
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	146,428	279,863
Cash and cash equivalents at the end of the financial period comprise the following:		
Deposits with licensed banks	13,181	149
Short-term investments	97,488	240,622
Cash and bank balances	35,883	39,601
	146,552	280,372
Less: Deposits with licensed banks pledged as securities for banking facilities	(124)	(149)
Bank overdraft	-	(360)
	146,428	279,863
	-	-

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.)

**Notes to the Condensed Consolidated Interim Financial Statements
For the financial quarter ended 30 June 2024**

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 2023.

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 2023, 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 2024.

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 2023 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

A first interim single-tier dividend of 1.0 sen per ordinary share for the financial year ending 31 December 2024 amounting to RM7,350,328 was paid on 26 June 2024.

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 Quarters 6 months ended			
	30/6/2024		30/6/2023		30/6/2024		30/6/2023	
	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
Continuing Operations								
• Property	79,073	15,836	17,817	3,774	168,669	34,336	40,291	6,526
• Investment holding	-	(221)	-	(728)	-	(1,121)	-	(860)
• Others	-	(38)	-	(56)	-	(97)	-	(115)
	79,073	15,577	17,817	2,990	168,669	33,118	40,291	5,551
Finance income	-	862	-	1,335	-	1,587	-	3,552
Finance costs	-	(1,817)	-	(668)	-	(3,640)	-	(1,504)
	79,073	14,622	17,817	3,657	168,669	31,065	40,291	7,599

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 except for the entering into a conditional sale and purchase agreement on 9 July 2024 by Maxim Icon Sdn Bhd, a 70% owned subsidiary of the Company with Low Siew Ley and Chin Hon Fah, as the joint administrator of the Estate of Low Teck Choon (deceased) to acquire two (2) contiguous parcels of prime freehold lands measuring approximately 2.352 hectares (equivalent to 5.812 acres) in area, held under titles (i) Lot 653 GM 294 and (ii) Lot 654 GM 226, Mukim Damansara, Daerah Petaling, Negeri Selangor Darul Ehsan on an 'as is where is' basis free from any and all encumbrances for a total purchase consideration of RM95,000,000.

11. Changes in Composition of the Group

On 4 June 2024, the Company's subsidiary, Maxim Icon Sdn Bhd was diluted to become a 70% owned subsidiary (from a wholly-owned subsidiary) following the subscription and allotment of new ordinary shares to an unrelated third party, Greenleaf Horizon Sdn Bhd, resulting in Greenleaf Horizon Sdn Bhd holding a 30% equity interest.

Save for the above, there were no changes in the composition of the Group for the current financial 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 are no material authorised capital and other commitments not provided for in the interim financial statements as at end of the current financial quarter under review except as below:-

	RM'000
Inventories – property development costs	
- Freehold land, at cost	150,300

The above other commitment is in respect of the acquisition of a piece of freehold land located at Mukim of Plentong, Johor Bahru by the Company's 51% owned subsidiary, Maxim Pelangi Sdn Bhd, of which the sale purchase agreement is pending completion as at the end of the current financial quarter under review. The Group portion of its commitment of the foregoing sum is limited to 51% based on its equity interests.

14. Significant Related Party Transactions

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

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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		Inc / (Dec) %	Preceding Quarter	Inc / (Dec) %	Cumulative Quarters		Inc / (Dec) %
	30/6/2024	30/6/2023				30/6/2024	30/6/2023	
Revenue								
	79,073	17,817	344%	89,596	-12%	168,669	40,291	319%
• Property								
	79,073	17,817	344%	89,596	-12%	168,669	40,291	319%
Profit/(Loss) before tax								
Continuing Operations								
• Property	15,836	3,774	320%	18,500	-14%	34,336	6,526	426%
• Investment holding	(221)	(728)	-70%	(900)	-75%	(1,121)	(860)	30%
• Others	(38)	(56)	-32%	(59)	-36%	(97)	(115)	-16%
	15,577	2,990	421%	17,541	-11%	33,118	5,551	497%
Finance income	862	1,335	-35%	725	19%	1,587	3,552	-55%
Finance costs	(1,817)	(668)	172%	(1,823)	0%	(3,640)	(1,504)	142%
	14,622	3,657	300%	16,443	-11%	31,065	7,599	309%

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

a) Overall Review of Group's performance

The Group's revenue grew substantially by about 4.4 times to register at RM79.1 million vis-à-vis the preceding year corresponding quarter, derived wholly from the Property business segment which was contributed from the Group's four ongoing property development projects (vis-à-vis two property development projects in the preceding year corresponding quarter). The revenue was contributed by (i) RM29.0 million from **Residensi Max** at Jalan Kolam Air 6, Kuala Lumpur (an affordable homes project which joined the Group after completion of the Proposed Acquisitions in August 2023); (ii) RM33.5 million revenue from **Residensi Maxim Risen** at Taman Desa Aman, Cheras, Kuala Lumpur vis-à-vis RM7.0 million in the preceding year corresponding quarter due to higher percentage completion achieved of 6.6% during the quarter under review vis-à-vis the preceding year corresponding quarter at 0.7%; (iii) RM12.5 million revenue from **Residensi The Atas** at Taman Desa, Kuala Lumpur (a condominium project which newly launched in May 2024); and (iv) RM4.0 million revenue from **Residensi Max II** at Prima Setapak, Setapak, Kuala Lumpur (an affordable homes project launched in July 2023).

The strong performance by Residensi Max, Residensi Maxim Risen and Residensi The Atas led to the Group achieving profit before interest and tax for the current quarter at RM15.6 million, a jump of about 5.2 times when compared with the preceding year corresponding quarter.

b) Segmental Review

• Property

This business segment presently comprised four (4) property development projects, namely, **Residensi Maxim Risen** in Taman Desa Aman, Cheras, Kuala Lumpur, **Residensi Max** in Jalan Kolam Air 6, Kuala Lumpur, **Residensi Max II** in Prima Setapak, Kuala Lumpur and newly launched in the quarter under review, **Residensi The Atas** in Taman Desa, Kuala Lumpur.

The summary of performance and progress are as below:-

	Ongoing Project(s)			
	<u>Taman Desa Aman, Cheras, Kuala Lumpur</u>	<u>Jalan Kolam Air 6, Kuala Lumpur</u>	<u>Prima Setapak, Kuala Lumpur</u>	<u>Taman Desa, Kuala Lumpur</u>
Name of projects	Residensi Maxim Risen	Residensi Max	Residensi Max II	Residensi The Atas
Net property sales ('000)	RM522,034	RM246,129	RM162,618	RM148,246
Unbilled sales ('000)	RM350,910	RM87,501	RM149,474	RM135,682
Percentage completion (cumulative)	32.8% (June 2023: 12.6%)	64.5% (June 2023: Not applicable as project company acquired in August 2023)	8.1% (June 2023: Not applicable as project launched in July 2023)	8.5% (June 2023: Not applicable as project launched in May 2024)
Operating profit/(loss) for the quarter ('000)	RM9,541 2023: RM1,943	RM4,783 2023: Not applicable	RM7 2023: Not applicable	RM1,855 2023: Not Applicable

Residensi Maxim Risen, an Apartment Suite development project, located at Taman Desa Aman, Cheras, Kuala Lumpur with 100% take-up rate for all its 1,236 units of apartment suite. It was the main contributor to the Group's earning. Higher percentage completion of 6.6% was achieved during the quarter under review vis-à-vis the preceding year corresponding quarter at 0.7% resulted in the operation profit of RM9.54 million achieved during the quarter under review. The main building works has commenced since July 2023 and the project has achieved percentage of completion at 32.8% as at the end of the quarter under review whilst delivery of vacant possession is envisaged in the fourth quarter of financial year 2026.

Residensi Max, an affordable apartment development project, located at Jalan Kolam Air 6, Kuala Lumpur, with 100% take-up rate for all its 818 units apartment, contributing operating profit of RM4.78 million during the quarter under review. The development of this project is presently at the construction of main building works (commenced since December 2022). The project has achieved a cumulative percentage of completion at 64.5% as at the end of the quarter under review. The delivery of vacant possession is envisaged sometime in second half of financial year 2025.

Residensi Max II, an affordable apartment development project which consists of 2 blocks with a total unit of 604, located at Prima Setapak, Kuala Lumpur. This project was launched in 3rd quarter 2023 and it has achieved take up rate at 95% (576 units) as at the end of the quarter under review. The project was undertaken in attaining one of the Group's corporate social responsibility's objectives and also in line with the Group's aim in assisting everyone to own a home. There will be minimal profit contribution from this project in view of its nature of development. As at the end of the quarter under review, the percentage of completion was at 8.1% whilst delivery of vacant possession is envisaged in the second half of financial year 2027.

Residensi The Atas, newly launched during the quarter under review, a condominium development project with gross development value of RM580 million, located at Taman Desa, Kuala Lumpur. It consists of three (3) blocks (Tower A, Tower B and Tower C) of 30 storey low density condominium, with a total of 624 units. Residensi The Atas registered a satisfactory take-up rate at approximately 50% as at the end of the quarter under review. This project will contribute

positively to the Group's revenue and profits over the next four years and the delivery of vacant possession is envisaged in the financial year 2028.

Review on Performance – Quarter under review compared to Preceding Quarter

The Group's revenue for the quarter under review registered at RM79.1 million was 12% lower than the preceding quarter mainly due to the lower revenue posted by Residensi Maxim Risen and Residensi Max at RM33.5 million and RM29.0 million respectively (vis-a-vis RM39.9 million and RM38.8 million respectively in the preceding quarter) on the back of lower percentage completion achieved for both developments. The above were the main contributor for the Group's lower profit before interest and tax at RM15.6 million in the current quarter under review (vis-a-vis profit before interest and tax at RM17.5 million in the preceding quarter), a decline of 11%.

16. Prospects

Malaysia's economic prospects for the current financial year under review is forecasted to be promising and optimistic based on sustained domestic demand and a recovery in exports where Bank Negara Malaysia forecasted GDP growth to range from 4.0% to 5.0% vis-à-vis 3.7% GDP growth achieved during the financial year 2023. However, the Group continues to exercise caution regarding the overall improvement in economic outlook, primarily due to the ongoing geopolitical conflicts. Nevertheless, the Group remains steadfast in its determination to maintain the momentum established during the preceding financial year, poised to coordinate a year of growth in 2024.

During the quarter under review, the Group launched a new property development project namely, Residensi The Atas located at Taman Desa, Kuala Lumpur. This project along with the Group's existing three (3) ongoing development projects, namely:

- (i) Residensi Maxim Risen, located in Taman Desa Aman, Cheras, Kuala Lumpur;
- (ii) Residensi Max, located in Off Jalan Kolam Air 6, Kuala Lumpur; and
- (iii) Residensi Max II, located in Prima Setapak, Setapak, Kuala Lumpur

will spearhead the Group towards registering an improvement in the revenue and profitability for the current financial year vis-à-vis the preceding financial year.

Meanwhile, the Group continues to actively seek acquisition of strategic landbank to further expand the Group's property development portfolio and has during the financial year until the date of announcement of this report, successfully inked two sale and purchase agreements to acquire two parcels of freehold lands, one in Mukim of Plentong, District of Johor Bahru, State of Johor Darul Takzim, measuring approximately 26,329 square metres (or 6.51 acres) for a purchase consideration of RM167.0 million and another at Subang Jaya, Mukim Damansara, Daerah Petaling, Negeri Selangor Darul Ehsan measuring approximately 2.352 hectares (or 5.812 acres) for a total purchase consideration of RM95,000,000. The development of the foregoing newly acquired landbank, envisaged within the next one to two years is expected to contribute positively to the Group's future revenue stream and earnings potential.

Premised on the above and coupled with our versatile strategies underscore our innovation, sustainable growth, and supported by the Group's healthy financial position cum disciplined financial management practices, the Group is cautiously optimistic of achieving an improved financial performance in the current financial year under review.

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 (6 months ended)	
	30/6/2024 RM'000	30/6/2023 RM'000	30/6/2024 RM'000	30/6/2023 RM'000
Malaysian income tax:				
- Current tax	4,535	668	7,809	2,032
- Over provision in prior year	-	(3,597)	-	(3,597)
	<u>4,535</u>	<u>(2,929)</u>	<u>7,809</u>	<u>(1,565)</u>
Deferred tax	(161)	6	914	11
Total taxation	<u>4,374</u>	<u>(2,923)</u>	<u>8,723</u>	<u>(1,554)</u>

Included in the income tax figure for the quarter under review is the net adjustment for deferred tax charges in respect of fair value adjustment to inventories - property development costs, depreciation of property, plant and equipment and other temporary timing differences.

19. Corporate ProposalsStatus 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 30 June 2024 (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	11,000	-	Within 36 months (revised from original 12 months)
4) Future investment in other complementary businesses and/or assets	113,000	100,670	12,330	By year 2025
5) Working capital purposes	8,450	8,450	-	Within 24 months
6) Estimated expenses in relation to the Disposal	20,300	20,300	-	Within 1 month
	<u>173,200</u>	<u>160,870</u>	<u>12,330</u>	

During the financial quarter under review, from the balance available gross proceeds for 'Future investment', the Company has utilised a sum of RM23.0 million towards part settlement of the Deferred Cash Consideration in relation to the acquisition of Maxim Holding Sdn Bhd and group of companies. As disclosed in the Circular to Shareholders' dated 20 July 2023, the above utilisation of the RM23.0 million was in line with its intended use and does not constitute a material variation to the utilisation of proceeds pursuant to Paragraph 8.22 of the Listing Requirements.

(B) Proposed Acquisition of a parcel of freehold land held in Mukim of Plentong, State of Johor Darul Takzim

On 22 March 2024, the Company announced that Maxim Pelangi Sdn Bhd, a 51% owned subsidiary of the Company, had on 22 March 2024, entered into a conditional sale and purchase agreement ("SPA") with Pelangi Sdn Bhd ("the Vendor") for the proposed acquisition of a parcel of freehold land held under title No. GRN 38933, Lot No. 16996, Mukim of Plentong, District of Johor Bahru, State of Johor Darul Takzim, measuring approximately 26,329 square metres for a purchase consideration of RM167.0 million ("Purchase Consideration"), to be satisfied entirely in cash ("Proposed Acquisition"). On execution of the SPA, a sum of 10% of the Purchase Consideration amounting to RM16.7 million was paid to the Vendor.

The Proposed Acquisition was undertaken in line with the Group's business strategy to expand its property development and construction business through increasing its present landbank and/or undertaking further property development projects.

The Proposed Acquisition is not a related party transaction and is subjected among others, to the approval of the Company's shareholders and the approval from the Economic Planning Unit, Ministry of Economy ("the EPU"). At an Extraordinary General Meeting convened on 27 June 2024, the Company's shareholders have approved the Proposed Acquisition whilst the EPU had granted its approval vide its letter dated 5 August 2024 which was received on 6 August 2024, henceforth the SPA has turned unconditional from the date of receipt of EPU approval.

The Proposed Acquisition is expected to be completed in the fourth quarter of the current financial year.

(C) Proposed Acquisition of two (2) contiguous parcels of prime freehold lands held in Subang Jaya, Mukim Damansara, Daerah Petaling, Negeri Selangor Darul Ehsan

On 9 July 2024, the Company announced that Maxim Icon Sdn Bhd, a 70% owned subsidiary of the Company has entered into a conditional sale and purchase agreement on 9 July 2024 ("SPA 2") with Low Siew Ley and Chin Hon Fah, as the joint administrator of the Estate of Low Teck Choon (deceased) ("the Seller") to acquire two (2) contiguous parcels of prime freehold lands measuring approximately 2.352 hectares (equivalent to 5.812 acres) in area, held under titles (i) Lot 653 GM 294 and (ii) Lot 654 GM 226, Subang Jaya, Mukim Damansara, Daerah Petaling, Negeri Selangor Darul Ehsan on an 'as is where is' basis free from any and all encumbrances for a total purchase consideration of RM95,000,000 ("Proposed Acquisition 2").

The Proposed Acquisition 2 was undertaken in line with the Group's business strategy to supplement its existing landbank at strategic locations, which may allow the Group to further strengthen its foothold in the property development business and benefit from potential capital appreciation. Conversely, as and when the Group decides to undertake the development of the subject lands, the said development may also generate additional income to the Group.

The Proposed Acquisition 2 is not a related party transaction and does not require the approval of the Company's shareholders.

Subject to the receipt of relevant approvals (all to be procured by the vendor of the subject lands), the Proposed Acquisition 2 is expected to be completed in the fourth quarter of the current financial year.

20. Group Borrowings and Debts Securities

Group borrowings are as follows:-

	As at 30/6/2024 RM'000	As at 31/12/2023 RM'000
(a) Current borrowings – secured		
Term loans	19,608	16,986
Lease liabilities	171	167
	<u>19,779</u>	<u>17,153</u>
(b) Non-current borrowings – secured		
Term loans	69,074	97,644
Bridging loan	35,327	27,921
Lease liabilities	75	161
	<u>104,476</u>	<u>125,726</u>

All the Group's borrowings are denominated in Malaysian currency and are secured. Total borrowings reduced by RM18.6 million as compared to the audited total borrowings as at 31 December 2023. The reduction was mainly due to repayment of RM52.2 million mainly vide collection from progress billings and set-off by drawdown of both term and bridging loans, totalling RM33.6 million, utilised towards part financing its two (2) property development projects, Residensi Maxim Risen and Residensi Max. The above loans bear interest rates ranged from 5.11% - 6.45% per annum.

Bank borrowings are expected to increase in the second half of the current financial year with the drawdown envisaged in financing the progress of development of ongoing projects, namely Residensi Maxim Risen, Residensi Max II and Residensi The Atas. Further increase in bank borrowings is envisaged with the drawdown to partly fund the acquisition of a piece of freehold land, measuring 26,329 sq meter (approximately 6.51 acres) located at Mukim of Plentong, Johor Bahru, Johor for a total purchase consideration of RM167,000,000 by the Company's 51% owned subsidiary company, Maxim Pelangi Sdn Bhd as disclosed herein above under Note 19(B).

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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 30/6/2024 RM'000	As at 31/12/2023 RM'000
Trade receivables	1,236	7,243
Trade receivables - held by stakeholders	42,032	42,103
	<u>43,268</u>	<u>49,346</u>

	As at 30/6/2024 RM'000	%	As at 31/12/2023 RM'000
Neither past due nor impaired	911	2.1%	3,718
Neither past due nor impaired - held by Stakeholders	42,032	97.1%	42,103
Past due 31 to 60 days not impaired	10	0.0%	411
Past due 61 to 90 days not impaired	36	0.1%	52
Past due > 91 days not impaired	279	0.6%	3,062
Past due > 91 days impaired	-	0.0%	-
	<u>43,268</u>	<u>100%</u>	<u>49,346</u>

Trade receivables (excluding the amounts held by stakeholders) significantly decreased by 82.9% or RM6.0 million as at 30 June 2024 mainly due to lower progress billing issued to end-purchasers toward end of the quarter under review and improvement in collection of debts past due above 90 days. The above sums held by stakeholders represents retention by legal firms appointed as stakeholders and will be released to the Group in accordance with the timeline indicated in the sale and purchase agreements, where a portion on the expiry of 8 months and the remainder on the expiry of 24 months after the date of vacant possession.

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 (2023: 30) calendar days. Interest is charged on overdue accounts at 10% (2023: 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 review of the recoverability of trade receivables and the allowance for expected credit losses, both periodically. 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 30 June 2024.

(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 30 June 2024 except as disclosed herein.

23. Material Litigation

There was no other material litigation pending as at 16 August 2024 (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". On 11 June 2024, PT TKU and PT MSM have issued a reminder to the Supreme Court seeking for a reply towards their letters submitted on 9 May 2023. As at present, the Group has yet to receive the reply from the Supreme Court.

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 (which involved a total of 192 companies) 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

- (a) No dividend has been declared or proposed for the current financial quarter under review.
- (b) Up to the date of this Quarterly Report, for the financial year ending 31 December 2024, total dividend declared amounts to 1.0 sen per ordinary share (Up to the quarter ended 30 June 2023 in respect of the financial year ended 31 December 2023: Nil sen per ordinary share).

25. Earnings Per Share

a) Basic Earnings Per Share

	Current Quarter 30/6/2024	Cumulative Quarter 30/6/2024
Net Profit for the financial period attributable to equity holders of the Company (RM'000)	<u>7,270</u>	<u>15,677</u>
Weighted average number of ordinary shares issued (Unit'000)	<u>735,033</u>	<u>735,033</u>
Basic earnings per ordinary share (sen)	<u>0.99</u>	<u>2.13</u>

b) Diluted Earnings Per Share

There is no dilution effect to the earning per share for current quarter under review.

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26. Additional Disclosures for Profit for the Financial Period

	Current Quarter 30/6/2024 RM'000	Cumulative Quarter 30/6/2024 RM'000
<i>Profit for the financial period is arrived at after crediting: -</i>		
Finance income	862	1,587
Rental income	18	35
Realised gain on foreign exchange	-	25
Gain on dilution of interests in a subsidiary company	1	1
Gain on disposal of property, plant and equipment	35	35
Fair value gain on short-term investments	855	2,095
<i>and after charging: -</i>		
Finance costs	732	1,690
Finance costs on unwinding discount of other payable	1,085	1,950
Rental of premises	39	83
Rental of equipment	10	15
Unrealised loss on foreign exchange	207	234
Property, plant equipment written off	1	1
Depreciation of property, plant and equipment	197	393

Other than the above, there was no material 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 August 2024.

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