

PEGASUS HEIGHTS BERHAD

Company No.197401002677 (19727-P)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

	Note	Individual quarter ended		Cumulative quarter ended	
		30.09.24 RM'000	30.09.23 RM'000	30.09.24 RM'000	30.09.23 RM'000
Revenue	A4	2,846	3,138	8,831	10,616
Cost of sales		(1,416)	(2,108)	(4,740)	(8,324)
Gross profit		1,430	1,030	4,091	2,292
Other income		10	23	48	125
Administrative and other expenses		(2,164)	(2,084)	(6,330)	(7,092)
Finance cost		(40)	(21)	(104)	(46)
(Loss) before taxation	A4	(764)	(1,052)	(2,295)	(4,721)
Taxation	B5	-	-	-	-
(Loss) for the financial period		(764)	(1,052)	(2,295)	(4,721)
Other comprehensive income		-	-	-	-
Total comprehensive (loss) for the financial period		(764)	(1,052)	(2,295)	(4,721)
(Loss) attributable to:					
Equity holders of the parent		(764)	(1,052)	(2,295)	(4,721)
Minority interests		-	-	-	-
		(764)	(1,052)	(2,295)	(4,721)
Total comprehensive (loss) attributable to:					
Equity holders of the parent		(764)	(1,052)	(2,295)	(4,721)
Minority interests		-	-	-	-
		(764)	(1,052)	(2,295)	(4,721)
Earnings per share attributable to equity holders of the parent:					
Basic, for (loss) for the period (sen)	B9	(0.01)	(0.01)	(0.02)	(0.04)
Diluted, for (loss) for the period (sen)	B9	(0.01)	(0.01)	(0.02)	(0.04)

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024**

	Note	Unaudited As at 30.09.24 RM'000 (Unaudited)	Audited As at 31.12.23 RM'000 (Audited)
ASSETS			
Non-Current Assets			
Property, plant and equipment		1,154	1,640
Investment property		110,000	110,000
Intangible Asset		8	22
Right of Use Asset		308	508
		<u>111,470</u>	<u>112,170</u>
Current Assets			
Trade receivables		21,251	16,798
Other receivables		798	2,519
Inventories		54	80
Tax recoverable		535	498
Cash and bank balances		753	1,307
		<u>23,391</u>	<u>21,202</u>
TOTAL ASSETS		<u>134,861</u>	<u>133,372</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		30,176	30,176
Share Option Reserves		5,768	5,768
Retained Earnings		87,433	89,728
Equity attributable to owners of the Company		<u>123,377</u>	<u>125,672</u>
Total Equity		<u>123,377</u>	<u>125,672</u>
Non-Current Liabilities			
Lease Liability	B7	258	255
Deferred tax liabilities		3,502	3,502
		<u>3,760</u>	<u>3,757</u>
Current Liabilities			
Bank Overdraft	B7	2,851	10
Lease Liability	B7	65	269
Trade payables		23	14
Other payables		4,785	3,650
		<u>7,724</u>	<u>3,943</u>
TOTAL LIABILITIES		<u>11,484</u>	<u>7,700</u>
TOTAL EQUITY AND LIABILITIES		<u>134,861</u>	<u>133,372</u>
Net assets per share (RM)		0.0114	0.0116

The unaudited 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.

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

Note	<----- Attributable to Equity Holders of the Parent ----->			
	Share Capital RM'000	Share Options Reserve RM'000	Distributable Accumulated Losses RM'000	Total Equity RM'000
Balance as at 01 January 2024	30,176	5,768	89,728	125,672
Total comprehensive (loss) for the financial period	-	-	(2,295)	(2,295)
Balance as at 30 September 2024	30,176	5,768	87,433	123,377
Balance as at 01 January 2023	210,176	5,768	(85,057)	130,887
Total comprehensive (loss) for the financial period	-	-	(4,721)	(4,721)
<u>Transaction with owners:</u>				
Share Capital Reduction	(180,000)	-	180,000	-
Total transaction with owners	(180,000)	-	180,000	-
Balance as at 30 September 2023	30,176	5,768	90,222	126,166

The unaudited 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

PEGASUS HEIGHTS BERHAD

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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

	Year Ended 30.09.24 RM'000	Year Ended 30.09.23 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) before taxation	(2,295)	(4,721)
Adjustments for:		
Depreciation	341	453
(Reversal) / impairment loss on trade receivables	(82)	93
Amortisation of franchise license fee & deferred expenses	14	50
Loss on disposal of plant, property and equipment	2	-
Interest expense	104	46
Interest income	(18)	(125)
Amortisation of right of use asset	200	341
Operating (loss) before working capital changes	<u>(1,734)</u>	<u>(3,863)</u>
(Increase) in receivables	(2,650)	(8,872)
Decrease in inventories	26	18
Increase in payables	1,144	1,097
Cash (used in) operations	<u>(3,214)</u>	<u>(11,620)</u>
Tax paid	(37)	(54)
Interest paid	(104)	(46)
Net cash (used in) operating activities	<u>(3,355)</u>	<u>(11,720)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	18	125
Proceed from disposal of plant, property and equipment	151	-
Purchase of plant, property and equipment	(8)	-
Net cash generated from investing activities	<u>161</u>	<u>125</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of finance lease	(201)	(330)
Withdrawal of fixed deposit	-	1,040
Net cash (used in) / generated from financing activities	<u>(201)</u>	<u>710</u>
Net (used) in cash and cash equivalents	(3,395)	(10,885)
Cash and cash equivalents as at 1 January	1,297	10,675
Cash and cash equivalents as at end of period	<u>(2,098)</u>	<u>(210)</u>
CASH AND CASH EQUIVALENTS COMPRISE: -		
Cash and bank balances	753	798
Bank overdraft	<u>(2,851)</u>	<u>(1,008)</u>
	<u>(2,098)</u>	<u>(210)</u>

The unaudited condensed consolidated cash flow statement 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.

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standard (“MFRS”) 134 “Interim Financial Reporting” and Paragraph 9.22 of the Listing Requirements of 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 and the accompanying explanatory notes. The explanatory notes attached to the interim financial statements provides 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 financial year ended 31 December 2023.

The accounting policies and methods of computation adopted by the Company and its subsidiaries (“Group”) in the interim financial statements are consistent with those adopted for the annual audited statements for the year ended 31 December 2023.

The adoption of the new/amended MFRS and its amendments does not give rise to any adjustment to the opening balances of retained profit of prior and current years or changes in comparatives.

A2. COMPARATIVES

There were no changes to the comparatives during the current financial period.

A3. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors’ report on the preceding financial statements for the year ended 31 December 2023 was not qualified by the Auditors of the Company.

PEGASUS HEIGHTS BERHAD
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A4. SEGMENTAL INFORMATION

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Quarter	Preceding Year	Current year to Date	Preceding Year
	30.09.24	Corresponding	30.09.24	Corresponding
	RM'000	Quarter	RM'000	Period
		30.09.23		30.09.23
	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>				
Property Management	2,103	2,056	6,016	5,817
Financial Services	393	306	1,121	685
Project Management Consultancy (“PMC”)	-	430	593	1,699
Food and Beverage (“F&B”)	427	419	1,336	1,212
Investment Holding and Others	-	-	-	1,427
Total revenue including inter-segment sales	2,923	3,211	9,066	10,840
Eliminations of inter-segment sales	(77)	(73)	(235)	(224)
Total Revenue	2,846	3,138	8,831	10,616
<u>Segment results</u>				
Property Management	268	83	459	(768)
Financial Services	(152)	(51)	(364)	34
Project Management Consultancy (“PMC”)	(3)	(249)	177	(1,032)
Food and Beverage (“F&B”)	(155)	(173)	(370)	(580)
Investment Holding and Others	(669)	(333)	(2,136)	(2,005)
Eliminations	(13)	(308)	43	(324)
(Loss) before interest and tax	(724)	(1,031)	(2,191)	(4,675)
Finance Cost	(40)	(21)	(104)	(46)
Taxation	-	-	-	-
Loss After Tax	(764)	(1,052)	(2,295)	(4,721)

As at	Property	Financial	Project	Food	Investment	Eliminations	Group
30 September 2024	Management	Services	Management	And	Holding and		
	RM'000	RM'000	Consultancy	Beverage	Others	RM'000	RM'000
			RM'000	RM'000	RM'000		
Total segment assets	114,501	17,275	1,703	1,076	54,357	(54,051)	134,861
Unallocated asset:							
- Deferred tax assets	-	-	-	-	-	-	-
Total assets	114,501	17,275	1,703	1,076	54,357	(54,051)	134,861
Total Segment liabilities	87,102	16,044	1,179	3,305	1,982	(104,805)	4,807
Unallocated liabilities:							
- Finance Lease Liability	-	40	-	569	275	(560)	324
- Bank overdraft	2,851	-	-	-	-	-	2,851
- Deferred tax liabilities	3,502	-	-	-	-	-	3,502
Total liabilities	93,455	16,084	1,179	3,874	2,257	(105,365)	11,484

PEGASUS HEIGHTS BERHAD
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A4. SEGMENTAL INFORMATION (Continued)

As at 30 September 2023	Property Management RM'000	Financial Services RM'000	Project Management Consultancy RM'000	Food And Beverage RM'000	Investment Holding and Others RM'000	Eliminations RM'000	Group RM'000
Total segment assets	114,232	17,706	1,761	1,475	58,061	(56,689)	136,546
Unallocated asset:							
- Deferred tax assets	-	-	-	-	-	-	-
Total assets	114,232	17,706	1,761	1,475	58,061	(56,689)	136,546
Total Segment liabilities	88,866	15,984	1,607	2,973	2,385	(106,797)	5,018
Unallocated liabilities:							
- Finance Lease Liability	17	70	264	829	488	(816)	852
- Bank overdraft	1,008	-	-	-	-	-	1,008
- Deferred tax liabilities	3,502	-	-	-	-	-	3,502
Total liabilities	93,393	16,054	1,871	3,802	2,873	(107,613)	10,380

A5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE, OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 30 September 2024.

A6. CHANGES IN ESTIMATES

There was no change in estimates that has a material effect on the current quarter results.

A7. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group's performance is not affected by any seasonal or cyclical factors during the quarter under review.

A8. DIVIDENDS PAID

No interim dividend has been paid in the current financial period 30 September 2024. (30 September 2023: Nil).

A9. CARRYING AMOUNT OF REVALUED ASSETS

There were no other changes in carrying amount of revalued asset during the current financial quarter.

A10. DEBT AND EQUITY SECURITIES

There were no other issuance, cancellations, or repayments of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares, repurchase and resale of treasury shares for the current financial quarter under review.

A11. CHANGES IN COMPOSITION OF THE GROUP

There were no other changes in the composition of the Group during the current financial quarter.

A12. DISCONTINUED OPERATION

There were no existing business segments that can be categorised as discontinued in the current financial year.

A13. CAPITAL COMMITMENTS

There were no material changes in capital commitments since the previous quarter.

A14. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no material changes in contingent liabilities or contingent assets since the previous quarter.

A15. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the reporting quarter that have not been reflected in the quarter under review.

A16. RELATED PARTY TRANSACTIONS

Significant related party transactions of the Group are as follow:

Transactions with company in which a Director of the company has substantial financial interest

	As at 30.09.24 RM'000	As at 30.09.23 RM'000
Rental of premises	193	193

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

B1. PERFORMANCE REVIEW

	Individual Quarter		Changes (%)	Cumulative Period		Changes (%)
	30.09.24 RM'000	30.09.23 RM'000		30.09.24 RM'000	30.09.23 RM'000	
Revenue	2,846	3,138	(9.3)	8,831	10,616	(16.8)
(Loss) before interest and tax (LBIT)	(724)	(1,031)	(29.8)	(2,191)	(4,675)	(53.1)
(Loss) before tax (LBT)	(764)	(1,052)	(27.4)	(2,295)	(4,721)	(51.4)
(Loss) after tax (LAT)	(764)	(1,052)	(27.4)	(2,295)	(4,721)	(51.4)
(Loss) attributable to ordinary equity holders of the parent	(764)	(1,052)	(27.4)	(2,295)	(4,721)	(51.4)

Review of results for the current quarter

For the third quarter ended 30 September 2024, the Group registered a revenue of RM2.85 million, LBIT of RM0.72 million and LBT of RM0.76 million as compared to a revenue of RM3.14 million, LBIT of RM1.03 million and LBT of RM1.05 million in the preceding year's corresponding quarter.

Commentary on revenue

The Group recorded lower revenue for the current quarter due to the PMC segment which did not record any revenue in the quarter. However, the drop in revenue was partially offset by Property Management, Financial Services and F&B segments which increased 2.3%, 28.4% and 1.9% respectively.

Overall, the Group's revenue decreased 9.3% to RM 2.85 million compared to the preceding year's corresponding quarter.

Commentary on LBIT and LBT

The Group recorded a lower LBIT and LBT for the current quarter compared to the preceding year's corresponding quarter's LBIT and LBT due to lower operation costs after the restructuring of the PMC segment and lower upkeep and maintenance costs of the property management segment.

Review of results for the financial period ended 30 September 2024

The Group recorded a revenue of RM8.83 million, LBIT of RM2.19 million and LBT of RM2.30 million for the financial period ended 30 September 2024 as compared to a revenue of RM10.62 million, LBIT of RM4.68 million and LBT of RM4.72 million in the financial period ended 30 September 2023.

Commentary on revenue

The Group recorded lower revenue due to lower contributions from PMC and Other segments. The revenue from PMC decreased 65.2%. There was no revenue generated from other segments. However, the drop in revenue was partially offset by Property Management, Financial Services and F&B segments which increased by 3.4%, 63.6% and 10.2% respectively.

Overall, the Groups, revenue decrease by 16.8% to RM8.83 million compared to the preceding financial period.

Commentary on LBIT/ LBT

The Group recorded a lower LBIT and LBT for the financial period ended 30 September 2024 compared to the preceding year's financial period ended 30 September 2023 LBIT and LBT due to lower operation costs after the restructuring of the PMC segment and lower upkeep and maintenance costs of the property management segment. Overall the Property Management segment turned around for the period.

B2. COMMENTS ON MATERIAL CHANGE IN LOSS BEFORE TAXATION FOR THE CURRENT QUARTER COMPARED TO THE PRECEDING QUARTER

	Current quarter 30.09.24 RM'000	Preceding quarter 30.06.24 RM'000	Changes (%)
Revenue	2,846	2,868	(0.8)
(Loss) before interest and tax (LBIT)	(724)	(541)	33.8
(Loss) before tax (LBT)	(764)	(575)	32.9
(Loss) after tax (LAT)	(764)	(575)	32.9
(Loss) attributable to ordinary equity holders of the parent	(764)	(575)	32.9

The Group recorded a marginal decrease in revenue to RM2.85 million compared to the immediate preceding quarter. The decrease in revenue was mainly due to the lower contribution from the F&B which decreased 11.8% to RM0.43 million.

The Group recorded a higher LBT of RM0.76 million for the current quarter due to higher administrative and other expenses.

B3. COMMENTARY ON PROSPECTS

The mall achieved an occupancy of 83.13% at the end of the quarter. The management secured two new tenants which is expected to commence business in Q1 2025. This will further improve the tenant mix and yield.

F&B business is gaining more traction due to the better tenant mix and as a result foot traffic in the mall. However, one of our franchise restaurants – Container Kebab has been sold to another party as the master franchisor had ceased their operation in Malaysia. Overall, we remain cautiously optimistic about this segment.

The financial services segment outlook continues to be optimistic. Our collection has been current given our strict implementation of our credit policy and customer screening.

The PMC segment remains in the doldrums. The Group will continue to seek appropriate opportunities as they arise.

B4. PROFIT FORECAST OR PROFIT GUARANTEE

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interests and forecast profit after tax and minority interests and for the shortfall in profit guarantee are not applicable.

B5. INCOME TAX EXPENSE

	Individual quarter ended		Cumulative quarter ended	
	30.09.24	30.09.23	30.09.24	30.09.23
	RM'000	RM'000	RM'000	RM'000
In respect of the current period:				
Provision for current year tax	-	-	-	-
Under provision for taxation	-	-	-	-
Total income tax expenses	-	-	-	-

B6. CORPORATE PROPOSALS

There was no corporate proposal announced but not completed as at the date of this report.

B7. BORROWINGS

	As at 30.09.2024 RM'000
Short-term borrowings: -	
-Secured	2,916
-Unsecured	-
	<u>2,916</u>
Long-term borrowings: -	
-Secured	258
-Unsecured	-
	<u>258</u>
Total Borrowings	<u><u>3,174</u></u>
	As at 30.09.2024 RM'000
Bank overdraft	2,851
Lease Liability	323
Total Borrowings	<u><u>3,174</u></u>

B8. CHANGES IN MATERIAL LITIGATION

There was no material litigation for the current financial period under review.

B9. EARNINGS PER SHARE

(a) Basic EPS

	Individual quarter ended		Cumulative quarter ended	
	30.09.24	30.09.23	30.09.24	30.09.23
(Loss) attributable to ordinary equity holders of the parent (RM'000)	(764)	(1,052)	(2,295)	(4,721)
Weighted average number of Ordinary Shares in issue ('000)	10,821,178	10,821,178	10,821,178	10,821,178
Basic (loss) per share (sen)	(0.01)	(0.01)	(0.02)	(0.04)

(b) Diluted EPS

The Group has no dilution in its earnings per share in the current and corresponding period.

B10. DERIVATIVE FINANCIAL INSTRUMENTS

(a) Disclosure of derivative financial instruments

As at 30 September 2024, the Group does not hold any derivative financial instruments.

(b) Disclosure of gains/losses arising from fair value changes of financial liabilities

There were no gains/losses arising from fair value changes of financial liabilities reported by the Group during the financial period under review.

B11. DISCLOSURE OF ADDITIONAL INFORMATION

Total comprehensive income for the period was derived after charging / (crediting) the following items:

	Cumulative quarter ended	
	30.09.24	30.09.23
	RM'000	RM'000
Interest income	(18)	(125)
Interest expenses	104	46
(Reversal) / Impairment loss on trade receivables	(82)	93
Depreciation	341	453
Amortization of franchise license fee & deferred expenses	14	50
Amortization of right of use asset	200	341
Loss on disposal of equipment	2	-

Saved as disclosed above and in the unaudited Condensed Consolidated Statements of Comprehensive Income, the other items under Appendix 9B, Part A (16) of the Listing Requirement of Bursa Malaysia Securities Berhad for the Main Market are not applicable.

By order of the Board
Dated this 25 November 2024