

**QUARTERLY REPORT FOR THE SECOND QUARTER 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

	Note	Current quarter ended 30.6.2024 RM'000	Comparative quarter ended 30.6.2023 RM'000	Current year to date ended 30.6.2024 RM'000	Preceding year to date ended 30.6.2023 RM'000
<b>Revenue</b>		<b>368,421</b>	397,443	<b>736,365</b>	730,644
Cost of sales		<b>(248,155)</b>	(286,260)	<b>(487,812)</b>	(527,864)
Gross profit		<b>120,266</b>	111,183	<b>248,553</b>	202,780
Other income		<b>9,685</b>	8,987	<b>18,896</b>	20,426
Administrative expenses		<b>(57,609)</b>	(47,161)	<b>(111,794)</b>	(95,730)
Other expenses		<b>(6,829)</b>	(4,652)	<b>(11,145)</b>	(9,637)
		<b>65,513</b>	68,357	<b>144,510</b>	117,839
Finance costs		<b>(10,421)</b>	(10,867)	<b>(21,923)</b>	(21,916)
		<b>55,092</b>	57,490	<b>122,587</b>	95,923
Share of results of associates and a joint venture, net of tax		<b>86,785</b>	88,332	<b>160,208</b>	175,933
<b>Profit before tax</b>	B13	<b>141,877</b>	145,822	<b>282,795</b>	271,856
Tax expense	B6	<b>(12,320)</b>	(14,000)	<b>(30,059)</b>	(24,266)
<b>Profit after tax</b>		<b>129,557</b>	131,822	<b>252,736</b>	247,590
<b>Profit attributable to:</b>					
Owners of the Company		<b>128,703</b>	131,035	<b>251,631</b>	246,125
Non-controlling interests		<b>854</b>	787	<b>1,105</b>	1,465
		<b>129,557</b>	131,822	<b>252,736</b>	247,590
<b>Earnings per share attributable to Owners of the Company (sen):</b>					
Basic/Diluted	B11	<b>6.24</b>	6.35	<b>12.20</b>	11.94

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2023)

**QUARTERLY REPORT FOR THE SECOND QUARTER 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

	<b>Current quarter ended 30.6.2024</b>	Comparative quarter ended 30.6.2023	<b>Current year to date ended 30.6.2024</b>	Preceding year to date ended 30.6.2023
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
<b>Profit after tax</b>	<b>129,557</b>	131,822	<b>252,736</b>	247,590
<b>Other comprehensive income/(expenses) for the period, net of tax</b>				
Items of other comprehensive income/(expenses) that:				
(a) Will be reclassified subsequently to statement of profit or loss when specific conditions are met:				
- Fair value gain on cash flow hedge	<b>2,435</b>	-	<b>326</b>	-
- Foreign currency translation gain/(loss)	<b>9,629</b>	25,353	<b>(2,486)</b>	20,540
(b) Reclassified to statement of profit or loss:				
- Fair value of cash flow hedge upon expiry	-	-	-	89
	<b>12,064</b>	25,353	<b>(2,160)</b>	20,629
Share of other comprehensive income/(expenses) and reserves of associates accounted for using equity method for items that:				
(a) Will not be reclassified subsequently to statement of profit or loss:				
- Fair values gain through other comprehensive income ("FVTOCI") and other reserves	<b>4,726</b>	3,355	<b>4,819</b>	3,313
(b) Will be reclassified subsequently to statement of profit or loss when specific conditions are met:				
- Foreign currency translation (loss)/gain	<b>(3,149)</b>	17,884	<b>2,407</b>	21,845
- FVTOCI and other reserves	<b>(6,832)</b>	1,694	<b>(1,613)</b>	37,091
	<b>(5,255)</b>	22,933	<b>5,613</b>	62,249
<b>Total other comprehensive income for the period, net of tax</b>	<b>6,809</b>	48,286	<b>3,453</b>	82,878
<b>Total comprehensive income</b>	<b>136,366</b>	180,108	<b>256,189</b>	330,468
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	<b>135,310</b>	178,695	<b>255,156</b>	328,500
Non-controlling interests	<b>1,056</b>	1,413	<b>1,033</b>	1,968
	<b>136,366</b>	180,108	<b>256,189</b>	330,468

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2023)

**QUARTERLY REPORT FOR THE SECOND QUARTER 2024**

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

	Note	As at 30.6.2024 RM'000	As at 31.12.2023 RM'000
<b>Assets:</b>			
<b>Non-current</b>			
Property, plant and equipment		622,611	619,797
Investment properties		499,166	498,512
Investments in associates and a joint venture		4,314,233	4,226,355
Intangible assets		3,874	4,146
Right-of-use assets		50,643	51,210
Inventories		1,446,731	1,491,861
Deferred tax assets		108,601	108,661
Capital financing		487,841	383,866
Trade receivables		29,230	11,795
Other assets		3,223	1,790
		<b>7,566,153</b>	<b>7,397,993</b>
<b>Current</b>			
Inventories		434,436	347,682
Capital financing		1,347,536	1,355,218
Trade receivables		170,907	201,853
Other assets		87,765	47,685
Contract assets		285,946	337,845
Biological assets		501	444
Tax recoverable		3,457	2,642
Securities at fair value through profit or loss ("FVTPL")		287	248
Cash, bank balances and short-term funds		713,017	743,579
		<b>3,043,852</b>	<b>3,037,196</b>
<b>Total Assets</b>		<b>10,610,005</b>	<b>10,435,189</b>

**QUARTERLY REPORT FOR THE SECOND QUARTER 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2024 (CONT'D)**

	Note	As at 30.6.2024 RM'000	As at 31.12.2023 RM'000
<b>Liabilities:</b>			
<b>Non-current</b>			
Borrowings	A5(b),(c),(d),B8(a)	2,120,784	2,017,007
Trade payables		32,453	23,807
Other liabilities		2,551	1,938
Contract liabilities and deferred income		68,584	72,836
Lease liabilities		47	131
Derivative liability	B14	1,829	-
Deferred tax liabilities		65,036	71,243
		<b>2,291,284</b>	<b>2,186,962</b>
<b>Current</b>			
Borrowings	A5(b),(c),(d),B8(a)	1,154,037	1,242,971
Trade payables		126,301	113,996
Other liabilities		616,007	639,941
Contract liabilities and deferred income		25,266	18,726
Lease liabilities		330	588
Tax payable		27,706	36,601
		<b>1,949,647</b>	<b>2,052,823</b>
<b>Total Liabilities</b>		<b>4,240,931</b>	<b>4,239,785</b>
<b>Net Assets</b>		<b>6,369,074</b>	<b>6,195,404</b>
<b>Equity:</b>			
Share capital		2,095,311	2,095,311
Treasury shares, at cost	A5(a)	(43,226)	(43,226)
		<b>2,052,085</b>	<b>2,052,085</b>
Reserves		4,241,411	4,068,721
Issued capital and reserves attributable to			
Owners of the Company		6,293,496	6,120,806
Non-controlling interests		75,578	74,598
		<b>6,369,074</b>	<b>6,195,404</b>
<b>Net Assets per share attributable to</b>			
<b>Owners of the Company (RM)</b>		<b>3.05</b>	<b>2.97</b>
<b>Number of outstanding ordinary shares in issue ('000)</b>		<b>2,062,104</b>	<b>2,062,104</b>

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2023)

**QUARTERLY REPORT FOR THE SECOND QUARTER 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

Note	Attributable to Owners of the Company							Total issued share capital and reserves	Non-controlling interests	Total equity
	Share capital	Treasury shares	Revaluation reserve	Foreign currency translation reserves	Hedging reserve	Other reserves	Retained profits			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000			
<b>As at 1.1.2024</b>	<b>2,095,311</b>	<b>(43,226)</b>	<b>63,451</b>	<b>67,959</b>	<b>-</b>	<b>(6,867)</b>	<b>3,944,178</b>	<b>6,120,806</b>	<b>74,598</b>	<b>6,195,404</b>
Profit after tax	-	-	-	-	-	-	251,631	251,631	1,105	252,736
Fair value gain on cash flow hedge	-	-	-	-	326	-	-	326	-	326
Foreign currency translation loss	-	-	-	(2,427)	-	-	-	(2,427)	(59)	(2,486)
Share of other comprehensive income/(expenses) and reserves of associates accounted for using the equity method:										
- Foreign currency translation gains	-	-	-	2,407	-	-	-	2,407	-	2,407
- FVTOCI and other reserves	-	-	-	-	-	3,219	-	3,219	(13)	3,206
Other comprehensive (expenses)/income	-	-	-	(20)	326	3,219	-	3,525	(72)	3,453
<b>Total comprehensive (expenses)/income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(20)</b>	<b>326</b>	<b>3,219</b>	<b>251,631</b>	<b>255,156</b>	<b>1,033</b>	<b>256,189</b>
Dividends paid to:										
- Owners of the Company	-	-	-	-	-	-	(82,484)	(82,484)	-	(82,484)
- Non-controlling interests	-	-	-	-	-	-	-	-	(20)	(20)
Total distributions to Owners	-	-	-	-	-	-	(82,484)	(82,484)	(20)	(82,504)
Acquisitions of additional interests in a subsidiary from non-controlling interests:										
- Accretion of equity interests	-	-	-	-	-	-	-	-	(33)	(33)
- Gain on acquisitions	-	-	-	-	-	-	18	18	-	18
<b>Total changes in ownership interest in a subsidiary</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18</b>	<b>18</b>	<b>(33)</b>	<b>(15)</b>
<b>Total transactions with Owners in their capacity as Owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(82,466)</b>	<b>(82,466)</b>	<b>(53)</b>	<b>(82,519)</b>
<b>As at 30.6.2024</b>	<b>2,095,311</b>	<b>(43,226)</b>	<b>63,451</b>	<b>67,939</b>	<b>326</b>	<b>(3,648)</b>	<b>4,113,343</b>	<b>6,293,496</b>	<b>75,578</b>	<b>6,369,074</b>

**QUARTERLY REPORT FOR THE SECOND QUARTER 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 30 JUNE 2024 (CONT'D)**

		Attributable to Owners of the Company							Total issued share capital and reserves	Non- controlling interests	Total equity
		Share capital	Treasury shares	Revalua- -tion reserve	Foreign currency translation reserves	Hedging reserve	Other reserves	Retained profits			
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>As at 1.1.2023</b>											
	As per previously reported	2,095,311	(43,226)	63,451	19,864	(89)	(75,409)	3,619,806	5,679,708	74,875	5,754,583
	Effects of adoption of MFRS 17 'Insurance Contracts' by an associate	-	-	-	-	-	-	2,145	2,145	-	2,145
	As restated	2,095,311	(43,226)	63,451	19,864	(89)	(75,409)	3,621,951	5,681,853	74,875	5,756,728
	Profit after tax	-	-	-	-	-	-	246,125	246,125	1,465	247,590
	Reclassification of hedging reserves to profit or loss upon expiry of hedge instrument	B14	-	-	-	89	-	-	89	-	89
	Foreign currency translation gain		-	-	20,032	-	-	-	20,032	508	20,540
	Share of other comprehensive income/(expenses) and reserves of associates accounted for using the equity method:										
	- Foreign currency translation gains		-	-	21,845	-	-	-	21,845	-	21,845
	- FVTOCI and other reserves		-	-	-	-	40,409	-	40,409	(5)	40,404
	Other comprehensive income		-	-	41,877	89	40,409	-	82,375	503	82,878
	<b>Total comprehensive income</b>		-	-	41,877	89	40,409	246,125	328,500	1,968	330,468
	Dividends paid to:	A6									
	- Owners of the Company		-	-	-	-	-	(82,484)	(82,484)	-	(82,484)
	- Non-controlling interests		-	-	-	-	-	-	-	(4,197)	(4,197)
	Total distributions to Owners		-	-	-	-	-	(82,484)	(82,484)	(4,197)	(86,681)
	Acquisitions of additional interests in subsidiaries from non-controlling interests:										
	- Accretion of equity interests		-	-	-	-	-	-	-	(25)	(25)
	- Gain on acquisitions		-	-	-	-	-	14	14	-	14
	<b>Total changes in ownership interest in subsidiaries</b>		-	-	-	-	-	14	14	(25)	(11)
	<b>Total transactions with Owners in their capacity as Owners</b>		-	-	-	-	-	(82,470)	(82,470)	(4,222)	(86,692)
	<b>As at 30.6.2023</b>	2,095,311	(43,226)	63,451	61,741	-	(35,000)	3,785,606	5,927,883	72,621	6,000,504

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2023)

**QUARTERLY REPORT FOR THE SECOND QUARTER 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

	<b>Current year to date ended 30.6.2024</b>	Preceding year to date ended 30.6.2023
	<b>RM'000</b>	RM'000
<b>Cash Flows From Operating Activities</b>		
Profit before tax	<b>282,795</b>	271,856
Adjustments for:		
Non-cash and non-operating items	<b>(23,926)</b>	(9,654)
Share of results of associates and a joint venture	<b>(160,208)</b>	(175,933)
Operating profit before changes in working capital	<b>98,661</b>	86,269
<i>(Increase)/Decrease in:</i>		
Inventories	<b>(41,621)</b>	(268)
Trade receivables	<b>11,589</b>	16,471
Other assets	<b>(41,616)</b>	(3,354)
Contract assets	<b>51,898</b>	(20,910)
<i>Increase/(Decrease) in:</i>		
Trade payables	<b>20,950</b>	26,920
Other liabilities	<b>(23,307)</b>	60,519
Contract liabilities and deferred income	<b>2,308</b>	(2,976)
	<b>(19,799)</b>	76,402
Capital financing, net disbursement	<b>(101,939)</b>	(78,927)
<i>Changes in working capital</i>	<b>(121,738)</b>	(2,525)
Cash (used in)/from operations	<b>(23,077)</b>	83,744
Income tax paid	<b>(45,896)</b>	(38,580)
Income tax refunded	<b>44</b>	2,559
Interest/Profit paid	<b>(37,160)</b>	(42,737)
Interest/Profit received	<b>94,640</b>	67,232
Net cash (used in)/from operating activities	<b>(11,449)</b>	72,218
<b>Cash Flows From Investing Activities</b>		
<i>Investment, divestment and income from investments:</i>		
Acquisitions of additional shares in a subsidiary from non-controlling interests	<b>(15)</b>	(11)
<i>Dividends received from:</i>		
- securities at FVTPL	<b>-</b>	9
- associates and a joint venture	<b>75,816</b>	91,339
Investment properties expenditure	<b>(655)</b>	(5,251)
Funds distribution income received	<b>3,017</b>	4,079
Interest/Profit received	<b>5,147</b>	3,432
Proceeds from disposals of plant and equipment	<b>218</b>	49
<i>Purchase of:</i>		
- lands for property development	<b>-</b>	(51,225)
- property, plant and equipment	<b>(19,200)</b>	(35,549)
- software licences	<b>(23)</b>	(24)
Net cash from investing activities	<b>64,305</b>	6,848

**QUARTERLY REPORT FOR THE SECOND QUARTER 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 30 JUNE 2024 (CONT'D)**

	Current year to date ended 30.6.2024	Preceding year to date ended 30.6.2023
Note	RM'000	RM'000
<b>Cash Flows From Financing Activities</b>		
<i>Funding in business:</i>		
Expenses incurred on borrowings	(920)	(569)
<i>Drawdowns/(Repayments):</i>		
Proceeds from issuance/drawdowns of:		
- medium-term notes and Sukuk	265,000	-
- term and bankers' acceptances	14,400	29,359
- revolving credits - net	-	106,715
Redemptions/Repayments of:		
- medium-term notes and Sukuk	(57,816)	(45,525)
- term	(25,326)	(143,818)
- revolving credits - net	(179,656)	-
<i>Net drawdowns/(repayments)</i>	16,602	(53,269)
Interest/Profit paid	(18,670)	(20,131)
Payment of lease liabilities	(365)	(1,643)
<i>Dividends:</i>		
Dividend paid to:		
- Owners of the Company	(82,484)	(82,484)
- Non-controlling interests	(20)	(4,197)
<i>Net dealing with Owners</i>	(82,504)	(86,681)
Net cash used in financing activities	(85,857)	(162,293)
<b>Net decrease in cash and cash equivalents</b>	(33,001)	(83,227)
Effects of exchange rate changes	2,439	(1,943)
<b>Cash and cash equivalents at beginning of the period</b>	743,579	712,653
<b>Cash and cash equivalents at end of the period, comprised cash, bank balances and short-term funds</b>	713,017	627,483

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2023)



**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**Explanatory notes to Quarterly Report for the current year to date ended 30 June 2024**

The unaudited interim financial report ("the quarterly report"), a condensed consolidated financial statement of the Group, has been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Chapter 9, Part K - Periodic Disclosures of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities")

**PART A Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134: Interim Financial Reporting ("MFRS 134") issued by MASB**

**A1. Basis of preparation**

This quarterly report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2023 and the accompanying explanatory notes, which explain events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2023.

The accounting policies and methods of computation applied in preparing the unaudited interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2023 except for the adoption of the following amendments to Malaysian Financial Reporting Standards ("MFRSs"), which are effective for the Group's financial year beginning on 1 January 2024:

- (i) Amendments to MFRS 16 'Leases' (Lease Liability in a Sale and Leaseback Transactions)
- (ii) Amendments to MFRS 101 'Presentation of Financial Statements' (Non-current Liabilities with Covenants)
- (iii) Amendments to MFRS 107 'Statement of Cash Flows' (Supplier Finance Arrangements)
- (iv) Amendments to MFRS 7 'Financial Instruments: Disclosures' (Supplier Finance Arrangements)

The adoption of these amendments has no significant financial impact on the Group.

**A2. Seasonality or cyclicity of interim operations**

The performance of the Hotels and Resorts Division of the Group is dependent on holiday seasons. The other business operations of the Group for the current year to date were not affected by any seasonal or cyclical factors.

**A3. Unusual items affecting assets, liabilities, equity, net income and cash flows**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group because of their nature, size or incidence during the current year to date.

**A4. Changes in estimates of amounts reported previously**

There were no material changes in estimates of amounts reported previously that have a material effect in the current quarter.

**A5. Issues, repurchases and repayments of debts and equity securities**

The issuances, repurchases and repayments of debt and equity securities of the Group for the current year to date are as follows:

**(a) Share buybacks/Treasury shares of the Company**

The shares repurchased are being held as treasury shares and treated in accordance with the requirements of Section 127 of the Companies Act 2016. There were no share issuances, cancellations, resales and buybacks for the current year to date.

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**A5. Issues, repurchases and repayments of debts and equity securities (Cont'd)**

**(b) Sukuk Murabahah Programme ("Sukuk 1") and Medium-Term Note Programme ("MTN2") for the issuance of medium-term notes and Sukuk with a combined limit of up to RM1.8 billion in nominal value, guaranteed by the Company**

On 9 March 2018, OSK I CM Sdn. Bhd. ("OSKICM"), a wholly-owned subsidiary of the Company, lodged Sukuk 1 with the Securities Commission Malaysia ("SC"). On 20 April 2018, OSKICM lodged MTN2 and re-lodged the Sukuk 1 with SC all the required information and relevant documents according to the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by SC. Both programmes give OSKICM the flexibility to raise funds via the issuance of Sukuk 1 or MTN2 with a combined limit of up to RM1.8 billion in nominal value, which can be utilised for working capital requirements and repayment of borrowings of the Group. Sukuk 1 and MTN2 are unrated and tradable and have a perpetual tenure.

The terms of Sukuk 1 and MTN2 contain various covenants, including the following:

- (1) the Group shall maintain a gearing ratio of not exceeding 1.5 times at all times throughout the tenure of the Programme.
- (2) OSKICM shall set up or procure Trustees' Reimbursement Account ("TRA") with RM30,000 each in respect of Sukuk 1 and MTN2 which shall be maintained at all times throughout the tenure of the Programme.

**(i) Tranche 1 and Tranche 2 of MTN2**

On 30 April 2018 and 17 May 2018, OSKICM issued a total of RM250.0 million under Tranche 1 of MTN2 in 4 series with maturities commencing from the year 2021 to 2028 and redeemable every 12 months commencing 12 months after the first issuance date.

On 30 January 2019, OSKICM issued Tranche 2 of MTN2 of RM200.0 million in 7 series with maturities commencing from the year 2020 to 2026, redeemable every 12 months commencing 12 months after the first issuance date.

Both proceeds from Tranche 1 and Tranche 2 of MTN2 were utilised for working capital requirements and repayment of borrowings of the Group.

On 17 May 2024 and 30 May 2024, OSKICM redeemed RM2.5 million and RM1.3 million of Tranche 1 and Tranche 2 respectively. Since the first issuance on 30 April 2018, the total amount redeemed for Tranche 1 and Tranche 2 of MTN2 amounted to RM212.6 million and RM179.8 million respectively. As at 30 June 2024, the outstanding amount of Tranche 1 and Tranche 2 of MTN2 stood at RM37.4 million and RM20.2 million respectively.

Both Tranche 1 and Tranche 2 of MTN2 require a security cover of not less than 2.0 times and are secured by:

- (1) shares in an associate of the Company ("Tranche 1 and Tranche 2 Pledged Shares"); and
- (2) all its rights, titles, interests and benefits in and under the share proceeds account ("PA") for Tranche 1 and Tranche 2 maintained by the Company and all monies from time to time standing to the credit thereto (these proceeds account mainly to capture dividend income receivable from an associate).

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**A5. Issues, repurchases and repayments of debts and equity securities (Cont'd)**

- (b) **Sukuk Murabahah Programme ("Sukuk 1") and Medium-Term Note Programme ("MTN2") for the issuance of medium-term notes and Sukuk with a combined limit of up to RM1.8 billion in nominal value, guaranteed by the Company (Cont'd)**

(ii) **Tranche 3 of MTN2**

On 8 April 2021, OSKICM issued Tranche 3 of MTN2 of RM100.0 million in 5 series with maturities commencing from the year 2024 to 2028 and redeemable every 12 months commencing 36 months after the first issuance date. Proceeds from the issuance of Tranche 3 of MTN2 were utilised to part finance the acquisition of a piece of land for development, which includes reimbursement and other related expenses.

Since the first issuance on 8 April 2021, the total amount redeemed for Tranche 3 of MTN2 amounted to RM20.0 million. As at 30 June 2024, the outstanding amount of Tranche 3 of MTN2 stood at RM80.0 million.

Tranche 3 of MTN2 is secured by:

- (1) all its rights, titles, interests and benefits in and under the Debt Service Reserve Account ("DSRA") for Tranche 3 maintained by OSKICM and all monies from time to time standing to the credit thereto; and
- (2) a piece of land owned by Aspect Potential Sdn. Bhd. ("APSB"), a subsidiary of OSK Property Holdings Berhad ("OSKPH"), which is, in turn, a subsidiary of the Company, and all its present and future assets of APSB.

(iii) **Tranche 2 of Sukuk 1**

On 23 July 2018, OSKICM issued Tranche 2 of Sukuk 1 of RM93.0 million with maturities commencing from the year 2021 to 2024 and redeemable every 3 months commencing 36 months after the first issuance date. Proceeds from the issuance of Tranche 2 of Sukuk 1 were utilised to finance the acquisition of a piece of land for development.

On 23 January 2024 and 23 April 2024, OSKICM redeemed RM8.0 million and RM8.0 million of Tranche 2 of Sukuk 1 respectively. Since the first issuance on 23 July 2018, the total amount redeemed for Tranche 2 of Sukuk 1 amounted to RM86.0 million. As at 30 June 2024, the outstanding amount of Tranche 2 of Sukuk 1 stood at RM7.0 million.

Tranche 2 of Sukuk 1 is secured by:

- (1) all its rights, titles, interests and benefits in and under the operating account for Tranche 2 ("Tranche 2 Operating Account") maintained by OSKICM and all monies from time to time standing to the credit thereto;
- (2) all its rights, titles, interests and benefits in and under the Finance Service Reserve Account ("FSRA") and Tranche 2 Operating Account maintained by Perspektif Vista Sdn. Bhd. ("PV"), a subsidiary of OSKPH, which is, in turn, a subsidiary of the Company, and all monies from time to time standing to the credit thereto;
- (3) a development land charge under the provisions of the National Land Code 1965;
- (4) a debenture creating a first-ranking fixed and floating charge over all its present and future assets in respect of the project; and
- (5) a FSRA, maintained by PV, of a minimum amount equivalent to three periodic profit payments.

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**A5. Issues, repurchases and repayments of debts and equity securities (Cont'd)**

- (b) Sukuk Murabahah Programme ("Sukuk 1") and Medium-Term Note Programme ("MTN2") for the issuance of medium-term notes and Sukuk with a combined limit of up to RM1.8 billion in nominal value, guaranteed by the Company (Cont'd)**

**(iv) Tranche 4 of Sukuk 1**

On 9 November 2021, OSKICM issued Tranche 4 of Sukuk 1 of RM132.0 million with maturities commencing from the year 2024 to 2028 and redeemable every 3 months commencing 36 months after the first issuance date. Proceeds from the issuance of Tranche 4 of Sukuk 1 were utilised to finance the acquisition of a piece of land for development including reimbursement and other related expenses.

There has been no redemption since the first issuance date. As at 30 June 2024, the outstanding amount of Tranche 4 of Sukuk 1 stood at RM132.0 million.

Tranche 4 of Sukuk 1 is secured by:

- (1) all its rights, titles, interests and benefits in and under the FSRA for Tranche 4 maintained by OSKICM and all monies from time to time standing to the credit thereto;
- (2) all its rights, titles, interests and benefits in and under the TRA for Tranche 4 maintained by OSKICM and all monies from time to time standing to the credit thereto;
- (3) all its rights, titles, interests and benefits under the Operating Account for Tranche 4 maintained by Mori Park Sdn. Bhd. ("MPSB"), a subsidiary of OSKPH, which is, in turn, a subsidiary of the Company, and all monies from time to time standing to the credit thereto;
- (4) a FSRA, maintained by OSKICM, of a minimum amount equivalent to one periodic profit payment; and
- (5) a piece of land owned by MPSB and all its present and future assets of MPSB.

- (c) Medium-Term Note Programme ("MTN3") for the issuance of medium-term notes of up to RM980.0 million nominal values in aggregate, guaranteed by the Company**

On 25 April 2019, OSKICM lodged with SC all the required information and relevant documents relating to the MTN3 under the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by SC. MTN3 is unrated, tradable and transferable with a limit of up to RM980.0 million and has a perpetual tenure. The proceeds from the issuance of MTN3 shall be utilised for; (i) investment activities, (ii) capital expenditure, (iii) working capital requirements, (iv) general corporate exercise and (v) refinancing of existing borrowings.

The terms of the MTN3 contain various covenants, including the following:

- (1) the Group shall maintain a gearing ratio of not exceeding 1.5 times throughout the tenure of the Programme.
- (2) OSKICM shall set up or procure TRA with a sum of RM30,000 in respect of MTN3 which shall be maintained at all times throughout the tenure of the Programme.

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**A5. Issues, repurchases and repayments of debts and equity securities (Cont'd)**

**(c) Medium-Term Note Programme ("MTN3") for the issuance of medium-term notes of up to RM980.0 million nominal values in aggregate, guaranteed by the Company (Cont'd)**

**(i) Tranche 1 of MTN3**

On 10 May 2019, OSKICM issued Tranche 1 of MTN3 of RM164.2 million in 15 series with maturities commencing from the year 2020 to 2034 and redeemable every 12 months commencing 12 months after the first issuance date. Proceeds from the issuance of Tranche 1 of MTN3 were utilised for repayment of borrowings of a subsidiary.

On 10 May 2024, OSKICM redeemed RM8.0 million of Tranche 1 of MTN3. Since the first issuance on 10 May 2019, the total amount redeemed in respect of Tranche 1 of MTN3 amounted to RM30.5 million. As at 30 June 2024, the outstanding amount of Tranche 1 of MTN3 stood at RM133.7 million.

Tranche 1 of MTN3 is secured by:

(1) all its rights, titles, interests and benefits to and in, amongst others:

- (i) Atria Mall Revenue Account and Carpark Revenue Account ("Revenue Accounts") maintained by Atria Shopping Gallery Sdn. Bhd. ("ASG") and Atria Parking Management Sdn. Bhd. ("APM") respectively, subsidiaries of OSKPH, which in turn are subsidiaries of the Company and all monies from time to time standing to the credit thereto;
- (ii) Atria Mall Rental Proceed and Carpark Rental Proceed ("Rental Proceeds") maintained by ASG and APM respectively, and all monies from time to time standing to the credit thereto;
- (iii) DSRA maintained by a subsidiary, ASG and all monies from time to time stand to the credit thereto;
- (iv) Insurances of ASG and APM; and
- (v) Atria Mall and Carpark under the Sale and Purchase Agreement entered between ASG, APM and Atria Damansara Sdn. Bhd. ("AD"), a subsidiary of OSKPH, which is, in turn, a subsidiary of the Company.

(2) debentures by ASG and APM creating a first fixed charge over Atria Mall and Carpark respectively, all fixtures, fittings, equipment, machinery, systems and all other appurtenant thereto both present and future affixed to or installed in or within Atria Mall and Carpark; and

(3) a piece of land owned by AD with all buildings and fixtures erected thereon, charged under the provisions of the National Land Code 1965.

**(ii) Tranche 2, Tranche 3, Tranche 4 and Tranche 5 of MTN3**

On 30 September 2019, OSKICM issued RM100.0 million under Tranche 2 of MTN3 with a tenure of 5 years maturing on 30 September 2024. On 30 January 2020, OSKICM issued RM100.0 million under Tranche 3 of MTN3 with a tenure of 5 years maturing on 30 January 2025. The proceeds from both tranches were utilised for working capital requirements.

On 30 September 2020, OSKICM issued Tranche 4 of MTN3 of RM200.0 million in 8 series with maturities commencing from year 2021 to 2028 and redeemable every 12 months commencing 12 months after the first issuance date. Proceeds from the issuance of Tranche 4 of MTN3 were utilised for repayments of existing bank borrowings of the Group.

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**A5. Issues, repurchases and repayments of debts and equity securities (Cont'd)**

**(c) Medium-Term Note Programme ("MTN3") for the issuance of medium-term notes of up to RM980.0 million nominal values in aggregate, guaranteed by the Company (Cont'd)**

**(ii) Tranche 2, Tranche 3, Tranche 4 and Tranche 5 of MTN3 (Cont'd)**

On 20 December 2022 and 28 December 2022, OSKICM issued RM55.0 million under Tranche 5 of MTN3 in 7 series with maturities commencing from year the 2023 to 2029 and RM45.0 million under Tranche 5 of MTN3 with a tenure of 8 years maturing on 27 December 2030 respectively. Proceeds from the issuance of Tranche 5 of MTN3 were utilised for repayments of existing borrowings and working capital requirements of the Group.

On 4 April 2024, OSKICM redeemed RM30.0 million of Tranche 2 of MTN3. Since the first issuance on 30 September 2019, the total amount redeemed for Tranche 2 of MTN3 amounted to RM30.0 million. As at 30 June 2024, the outstanding amount of Tranche 2 of MTN3 stood at RM70.0 million.

There has been no redemption for Tranche 3 of MTN3 since the first issuance date. As at 30 June 2024, the outstanding amount of Tranche 3 of MTN3 stood at RM100.0 million.

Since the first issuance on 30 September 2020, the total amount redeemed for Tranche 4 of MTN3 amounted to RM20.0 million. As at 30 June 2024, the outstanding amount of Tranche 4 of MTN3 stood at RM180.0 million.

Since the first issuance on 20 December 2022, the total amount redeemed for Tranche 5 of MTN3 amounted to RM5.0 million. As at 30 June 2024, the outstanding amount of Tranche 5 of MTN3 stood at RM95.0 million.

Tranche 2, Tranche 3, Tranche 4 and Tranche 5 of MTN3 are secured by:

- (1) first-party legal charge by way of a Memorandum of Deposit with Power of Attorney over shares of an associate of the Company;
- (2) all its rights, titles, interests and benefits to and in the DSRA maintained by OSKICM and all monies from time to time standing to the credit thereto; and
- (3) a DSRA, maintained by OSKICM, of a minimum amount equivalent to a one-month coupon payment.

**(d) Islamic Medium-Term Notes (Sukuk Murabahah) Programme ("Sukuk-R"), which together with a Multi-Currency Medium-Term Notes Programme ("MCMTN-R"), for the issuance of Sukuk-R and MCMTN-R with a combined limit of up to RM2.0 billion (or its equivalent in other currencies) in aggregate nominal value, guaranteed by the Company**

On 29 September 2020, OSK Rated Bond Sdn. Bhd. ("OSKRB"), a wholly-owned subsidiary of the Company lodged with SC all the required information and relevant documents relating to Sukuk-R/MCMTN-R according to the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by SC. The tenure of the Sukuk-R/MCMTN-R Programme is perpetual.

Malaysia Rating Corporation Berhad ("MARC") had on 16 November 2020 assigned a final rating of AA<sub>IS</sub>/AA with a stable outlook to OSKRB's Sukuk-R/MCMTN-R. On 8 November 2023, MARC affirmed its AA<sub>IS</sub>/AA ratings on OSKRB's Sukuk-R/MCMTN-R with a stable outlook.

The terms of Sukuk-R/MCMTN-R contain various covenants, including the following:

- (1) the Group shall maintain a gearing ratio of not exceeding 1.5 times throughout the tenure of the Programme.
- (2) OSKRB shall set up or procure TRA with a sum of RM30,000 each in respect of Sukuk-R/MCMTN-R which shall be maintained at all times throughout the tenure of the Programme.

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**A5. Issues, repurchases and repayments of debts and equity securities (Cont'd)**

- (d) **Islamic Medium-Term Notes (Sukuk Murabahah) Programme ("Sukuk-R"), which together with a Multi-Currency Medium-Term Notes Programme ("MCMTN-R"), for the issuance of Sukuk-R and MCMTN-R with a combined limit of up to RM2.0 billion (or its equivalent in other currencies) in aggregate nominal value, guaranteed by the Company (Cont'd)**

(i) **Series 1 of Sukuk-R and Series 1 of MCMTN-R**

On 12 March 2021, OSKRB issued RM100.0 million under Series 1 of Sukuk-R and RM20.0 million under Series 1 of MCMTN-R with a tenure of 5 years maturing on 12 March 2026 at a fixed rate of 3.55% per annum. Proceeds from both issuances were utilised for working capital and repayment of Group bank borrowings.

There has been no redemption since the issuance date. As at 30 June 2024, the outstanding amounts of Series 1 of Sukuk-R and Series 1 of MCMTN-R stood at RM100.0 million and RM20.0 million respectively.

(ii) **Series 2 and Series 3 of Sukuk-R**

On 30 April 2021, OSKRB issued (i) RM373.0 million under Series 2 of Sukuk-R with a tenure of 7 years maturing on 28 April 2028 at a fixed rate of 4.39% per annum; (ii) RM205.0 million under Series 3 of Sukuk-R with a tenure of 10 years maturing on 30 April 2031 at a fixed rate of 4.52% per annum. The proceeds from both issuances were utilised for working capital and repayment of Group bank borrowings.

There has been no redemption since the issuance date. As at 30 June 2024, the outstanding amounts of Series 2 and Series 3 of Sukuk-R stood at RM373.0 million and RM205.0 million respectively.

(iii) **Series 4 and Series 5 of Sukuk-R**

On 15 September 2023, OSKRB issued (i) RM300.0 million under Series 4 of Sukuk-R with a tenure of 7 years maturing on 13 September 2030 at a fixed rate of 4.49% per annum; (ii) RM200.0 million under Series 5 of Sukuk-R with a tenure of 10 years maturing on 15 September 2033 at a fixed rate of 4.59% per annum. The proceeds from both issuances were utilised for working capital and repayment of Group bank borrowings.

There has been no redemption since the issuance date. As at 30 June 2024, the outstanding amounts of Series 4 and Series 5 of Sukuk-R stood at RM300.0 million and RM200.0 million respectively.

(iv) **Series 2 and Series 3 of MCMTN-R**

On 21 March 2024, OSKRB issued (i) RM90.0 million under Series 2 of MCMTN-R with a tenure of 3 years maturing on 19 March 2027 at a fixed rate of 3.85% per annum; (ii) RM175.0 million under Series 3 of MCMTN-R with a tenure of 5 years maturing on 21 March 2029 at a fixed rate of 3.96% per annum. The proceeds from both issuances were utilised for working capital and repayment of Group bank borrowings.

There has been no redemption since the issuance date. As at 30 June 2024, the outstanding amounts of Series 2 and Series 3 of MCMTN-R stood at RM90.0 million and RM175.0 million respectively.

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**A5. Issues, repurchases and repayments of debts and equity securities (Cont'd)**

Summary of the MTNs and Sukuk outstanding amounts are as follows:

	Current year-to-date		As at 30 June 2024				
	Issuance RM'000	Redemption RM'000	Outstanding amounts RM'000	DSRA balances RM'000	FSRA balances RM'000	PA balances RM'000	TRA balances RM'000
(1) Tranche 1 of MTN2	-	2,502	37,413	-	-	21	} 34
(2) Tranche 2 of MTN2	-	1,314	20,215	-	-	43	
(3) Tranche 3 of MTN2	-	-	80,000	310	-	-	
(4) Tranche 2 of Sukuk 1	-	16,000	6,971	-	1,339	-	} 34
(5) Tranche 4 of Sukuk 1	-	-	132,000	-	517	-	
(6) Tranche 1 of MTN3	-	8,000	133,700	765	-	-	} 34
(7) Tranche 2 of MTN3	-	30,000	70,000	333	-	-	
(8) Tranche 3 of MTN3	-	-	100,000	476	-	-	
(9) Tranche 4 of MTN3	-	-	180,000	711	-	-	} 34
(10) Tranche 5 of MTN3	-	-	95,000	404	-	-	
(11) Series 1 of MCMTN-R	-	-	20,000	-	-	-	} 32
(12) Series 2 of MCMTN-R	90,000	-	90,000	-	-	-	
(13) Series 3 of MCMTN-R	175,000	-	175,000	-	-	-	
(14) Series 1 of Sukuk-R	-	-	100,000	-	-	-	} 32
(15) Series 2 of Sukuk-R	-	-	373,000	-	-	-	
(16) Series 3 of Sukuk-R	-	-	205,000	-	-	-	
(17) Series 4 of Sukuk-R	-	-	300,000	-	-	-	
(18) Series 5 of Sukuk-R	-	-	200,000	-	-	-	
	<u>265,000</u>	<u>57,816</u>	<u>2,318,299</u>	<u>2,999</u>	<u>1,856</u>	<u>64</u>	<u>166</u>
Less: Unamortised issuance expenses			<u>(645)</u>				
			<u>2,317,654</u>				

The interest rates of MTNs and profit rates of Sukuk ranged from 3.55% to 4.99% per annum.



**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**A6. Dividends paid during the current year to date**

On 17 May 2024, the Company paid a final dividend of RM82.5 million or 4.0 sen per ordinary share for the year ended 31 December 2023.

Dividends declaration for the current year to date is disclosed in Note B10.

**A7. Segmental information**

During the year, the Group reorganised the segmental grouping for better management monitoring and reporting. The Group's business activities are now categorised into four core reportable business segments based on the nature of the products and services and an Investment Holding Segment. The executive committee is the chief operating decision maker and monitors the operating results of its business units separately to make decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

The four core business segments and the Investment Holding Segment are described as follows:

**(a) Property**

- (i) Property Development
  - Development and construction of residential and commercial properties for sale, provision of project management services and sharing of results of associates involved in property development activities in Malaysia and Australia.
  - Trading of building materials and provision of interior design services.
- (ii) Property Investment and Management
  - Management and letting of properties, contributing rental yield and appreciation of properties; and sharing of results of an associate and a joint venture which dealt with letting of office and retail space.
  - Cultivation and sale of oil palm fresh fruit bunches and coconut.

**(b) Industries**

- (i) Olympic Cables
  - Manufacturing and sale of power cables are divided into three major categories, namely (i) low-voltage power cables, (ii) medium-voltage power cables and (iii) fire-resistant power cables.
- (ii) Acotec Industrialised Building System ("IBS")
  - Manufacturing and sale of IBS concrete wall panels.

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**A7. Segmental information (Cont'd)**

The four core business segments and the Investment Holding Segment are described as follows: (Cont'd)

**(c) Hospitality**

- (i) Hotels and Resorts - Management and operation of hotels and resorts including golf course operations for room rental, food and beverage revenue and fee income.
- (ii) SGI Vacation Club - Management of vacation timeshare and sale of timeshare membership.

**(d) Financial Services**

- Capital Financing - Capital financing activities include generating interest and fee income on loan and financing portfolios in Malaysia and Australia.
- Islamic financing activities include generating profit and fee income on Islamic financing portfolios in Malaysia.

**(e) Investment Holding**

- Investment Holding and Others - Investing activities and other insignificant businesses, including investments that contribute dividend income and interest income, as well as sharing the results of an associate engaged in the financial services business.

Business segment performance is evaluated based on operating results which in certain aspects are measured differently from profits or loss in the consolidated financial statements. Inter-segment revenues are eliminated upon consolidation.

Business segment revenue and results include items directly attributable to each segment that can be allocated on a reasonable basis. The inter-segment transactions have been entered into at arms-length with terms mutually agreed between the segments and such transactions have been eliminated to arrive at the Group's results. During the current year to date, there was no single external customer that makes up ten per cent or more of the Group's revenue.

The comparative figures of the business segmental information have been represented to conform with the current segmental information.

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**A7. Segmental information (Cont'd)**

**(a) Business segment analysis**

The following table provides an analysis of the Group's revenue and results by business segments:

	Property	Industries	Hospitality	Financial Services	Investment Holding	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Current year to date ended 30.6.2024</b>						
<b>Revenue</b>						
Total revenue	424,981	165,405	50,246	107,529	353,768	1,101,929
Inter-segment revenue	(8,447)	(3,930)	-	-	(32,124)	(44,501)
Dividends from:						
- subsidiaries	-	-	-	-	(201,369)	(201,369)
- associates and a joint venture	-	-	-	-	(119,694)	(119,694)
Revenue from external parties	416,534	161,475	50,246	107,529	581	736,365
<b>Results</b>						
Segment profit/(loss)	64,887	15,962	215	51,590	(5,995)	126,659
Share of results of associates and a joint venture	11,400	-	-	-	148,808	160,208
	76,287	15,962	215	51,590	142,813	286,867
Elimination of unrealised profit	(2,743)	-	-	-	(1,329)	(4,072)
<b>Profit before tax</b>	73,544	15,962	215	51,590	141,484	282,795
Tax (expense)/income	(11,476)	(3,635)	64	(13,692)	(1,320)	(30,059)
<b>Profit after tax</b>	62,068	12,327	279	37,898	140,164	252,736
<b>Preceding year to date ended 30.6.2023</b>						
<b>Revenue</b>						
Total revenue	451,088	185,652	45,142	75,781	411,234	1,168,897
Inter-segment revenue	(20,689)	(2,154)	-	-	(23,065)	(45,908)
Dividends from:						
- subsidiaries	-	-	-	-	(279,296)	(279,296)
- associates	(4,500)	-	-	-	(108,549)	(113,049)
Revenue from external parties	425,899	183,498	45,142	75,781	324	730,644
<b>Results</b>						
Segment profit/(loss)	51,851	19,246	(746)	39,626	(8,869)	101,108
Share of results of associates and a joint venture	15,342	-	-	-	160,591	175,933
	67,193	19,246	(746)	39,626	151,722	277,041
Elimination of unrealised profit	(4,162)	-	-	-	(1,023)	(5,185)
<b>Profit/(Loss) before tax</b>	63,031	19,246	(746)	39,626	150,699	271,856
Tax (expense)/income	(11,513)	(2,629)	370	(9,014)	(1,480)	(24,266)
<b>Profit/(Loss) after tax</b>	51,518	16,617	(376)	30,612	149,219	247,590
Improve/(Lower) of pre-tax performance						
- in RM'000	10,513	(3,284)	961	11,964	(9,215)	10,939
- in %	17%	(17%)	>100%	30%	(6%)	4%

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**A7. Segmental information (Cont'd)**

**(a) Business segment analysis (Cont'd)**

The following table provides an analysis of the Group's assets and liabilities by business segments:

	Property	Industries	Hospitality	Financial Services	Investment Holding	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>As at 30.6.2024</b>						
<b>Assets</b>						
Tangible assets	3,331,527	300,321	360,923	1,879,561	307,508	6,179,840
Intangible assets	64	-	-	2,982	828	3,874
	<b>3,331,591</b>	<b>300,321</b>	<b>360,923</b>	<b>1,882,543</b>	<b>308,336</b>	<b>6,183,714</b>
Investments in associates and a joint venture	584,142	-	-	-	3,730,091	4,314,233
<b>Segment assets</b>	<b>3,915,733</b>	<b>300,321</b>	<b>360,923</b>	<b>1,882,543</b>	<b>4,038,427</b>	<b>10,497,947</b>
Deferred tax assets and tax recoverable	85,056	86	17,014	8,656	1,246	112,058
<b>Total assets</b>	<b>4,000,789</b>	<b>300,407</b>	<b>377,937</b>	<b>1,891,199</b>	<b>4,039,673</b>	<b>10,610,005</b>
<b>Liabilities</b>						
<b>Segment liabilities</b>	<b>2,104,881</b>	<b>87,368</b>	<b>156,953</b>	<b>1,454,714</b>	<b>344,273</b>	<b>4,148,189</b>
Deferred tax liabilities and tax payable	62,624	8,596	5,908	15,355	259	92,742
<b>Total liabilities</b>	<b>2,167,505</b>	<b>95,964</b>	<b>162,861</b>	<b>1,470,069</b>	<b>344,532</b>	<b>4,240,931</b>
<b>As at 31.12.2023</b>						
<b>Assets</b>						
Tangible assets	3,534,207	271,625	370,485	1,761,761	155,307	6,093,385
Intangible assets	58	-	-	3,219	869	4,146
	<b>3,534,265</b>	<b>271,625</b>	<b>370,485</b>	<b>1,764,980</b>	<b>156,176</b>	<b>6,097,531</b>
Investments in associates and a joint venture	585,339	-	-	-	3,641,016	4,226,355
<b>Segment assets</b>	<b>4,119,604</b>	<b>271,625</b>	<b>370,485</b>	<b>1,764,980</b>	<b>3,797,192</b>	<b>10,323,886</b>
Deferred tax assets and tax recoverable	86,301	85	17,011	6,376	1,530	111,303
<b>Total assets</b>	<b>4,205,905</b>	<b>271,710</b>	<b>387,496</b>	<b>1,771,356</b>	<b>3,798,722</b>	<b>10,435,189</b>
<b>Liabilities</b>						
<b>Segment liabilities</b>	<b>2,070,396</b>	<b>74,169</b>	<b>162,311</b>	<b>1,361,337</b>	<b>463,728</b>	<b>4,131,941</b>
Deferred tax liabilities and tax payable	80,734	10,446	5,981	10,260	423	107,844
<b>Total liabilities</b>	<b>2,151,130</b>	<b>84,615</b>	<b>168,292</b>	<b>1,371,597</b>	<b>464,151</b>	<b>4,239,785</b>
(Decrease)/Increase in segment assets	(203,871)	28,696	(9,562)	117,563	241,235	174,061
% of (decrease)/increase	(5%)	11%	(3%)	7%	6%	2%
Increase/(Decrease) in segment liabilities	34,485	13,199	(5,358)	93,377	(119,455)	16,248
% of increase/(decrease)	2%	18%	(3%)	7%	(26%)	<1%

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**A7. Segmental information (Cont'd)**

**(b) Geographical segments analysis**

The Group's operations are mainly based in Malaysia (for all the four (4) core businesses) and Australia (Property Development, Property Investment and Capital Financing).

The following table provides an analysis of the Group's revenue, results and non-current assets by geographical segments:

	<u>Malaysia</u>	<u>Australia</u>	<u>Consolidated</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<b>Current year to date ended 30.6.2024</b>			
Revenue	<u>705,185</u>	<u>31,180</u>	<u>736,365</u>
Share of results of associates and a joint venture	<u>166,554</u>	<u>(6,346)</u>	<u>160,208</u>
Profit before tax	<u>277,104</u>	<u>5,691</u>	<u>282,795</u>
<b>Preceding year to date ended 30.6.2023</b>			
Revenue	<u>719,219</u>	<u>11,425</u>	<u>730,644</u>
Share of results of associates and a joint venture	<u>166,346</u>	<u>9,587</u>	<u>175,933</u>
Profit before tax	<u>259,597</u>	<u>12,259</u>	<u>271,856</u>
<b>As at 30.6.2024</b>			
Non-current assets ^	<u>2,524,438</u>	<u>98,587</u>	<u>2,623,025</u>
<b>As at 31.12.2023</b>			
Non-current assets ^	<u>2,664,643</u>	<u>883</u>	<u>2,665,526</u>

^ Non-current assets exclude financial instruments, deferred tax assets and investments in associates and a joint venture.

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**A8. Effects of changes in the composition of the Group for the current year to date**

**(a) Acquisition of additional equity interests in PJ Development Holdings Berhad ("PJDH")**

On 9 January 2024 and 5 June 2024, the Company had acquired additional 12,400 ordinary shares of PJDH for a total amount of RM14,880 from non-controlling interests of PJDH, a subsidiary of the Company.

The acquisitions of additional equity interests from non-controlling interests of PJDH have the following effects on the Group:

	<b>RM'000</b>
Net assets acquired from non-controlling interests	(33)
Gain on consolidation recognised in statement of changes in equity	18
Cash outflow on acquisitions of additional ordinary shares in PJDH	<u>(15)</u>

The Company's equity interests in PJDH remained at 97.31% since 31 December 2023.

**(b) Increase of equity interests in RHB Bank Berhad ("RHB") via Dividend Reinvestment Plan ("DRP")**

On 16 May 2024, RHB issued and allotted 73,141,449 new RHB shares at the issue price of RM4.88 per share which was applied to the second interim dividend in respect of the financial year ended 31 December 2023. The dividend entitlement based on shareholdings in RHB was RM109.7 million and the Company had elected partly to receive the dividend in the form of RHB shares through the DRP. As a result, the Company received 8,991,341 new RHB shares and cash of RM65.8 million from RHB.

Accordingly, the Company's equity interests in RHB increased to 10.27% from 10.24% as of 31 December 2023.

**A9. Events subsequent to the end of the current quarter that have not been reflected in this quarterly report**

**Acquisition of additional equity interests in PJDH**

On 22 July 2024 and 16 August 2024, the Company had acquired 836,400 shares in PJDH from non-controlling interests of PJDH for total cash of RM1,170,360. Accordingly, the Company's equity interests in PJDH increased to 97.47% from 97.31% as of 30 June 2024.

**A10. Commitments**

	<b>As at 30.6.2024 RM'000</b>	<b>As at 31.12.2023 RM'000</b>
<b>(a) Significant unrecognised contractual commitments</b>		
Contracted but not provided for:		
- Acquisition of land held for property development	<b>69,765</b>	1,259
- Acquisition of office equipment, factory equipment and software licences	<b>26,890</b>	24,399
- Factory expansion	<b>1,128</b>	3,998
- Renovation costs	<b>5,812</b>	5,507
	<b><u>103,595</u></b>	<u>35,163</u>
<b>(b) Operating lease commitments - the Group as lessor</b>		
Not later than one year	<b>20,571</b>	19,038
Later than one year and not later than five years	<b>25,826</b>	24,477
Later than five years	<b>67,941</b>	70,178
	<b><u>114,338</u></b>	<u>113,693</u>

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**A11. Changes in contingent liabilities or contingent assets**

There were no significant changes in contingent liabilities and contingent assets of the Group during the current year to date.

**A12. Significant related party transactions**

<u>Entities</u>	<u>Nature of transactions</u>	<b>Income/(Expenses) Current year to date ended 30.6.2024 RM'000</b>
<b>(a) Associates:</b>		
RHB Asset Management Sdn. Bhd.	- Funds distribution income	2,887
RHB Bank Berhad	- Office rental income	460
	- Interest income	768
	- Interest expense	(5,339)
RHB Investment Bank Berhad	- Facility fee expense	<u>(564)</u>
<b>(b) Other related parties:</b>		
Acolia Sdn. Bhd.	- Building material expense	(1,918)
Acotiles Sdn. Bhd.	- Building material expense	(3,706)
DC Services Sdn. Bhd.	- Insurance premium expense	(266)
Dindings Consolidated Sdn. Bhd.	- Construction revenue	986
Dindings Life Agency Sdn. Bhd.	- Insurance premium expense	(202)
Dindings Risks Management Services Sdn. Bhd.	- Insurance premium expense	(278)
Sincere Source Sdn. Bhd.	- Insurance premium expense	(1,491)
Wong Enterprise	- Sale of fresh fruit bunch	<u>402</u>

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**A13. Fair value measurement**

Fair value hierarchy pursuant to MFRS 13

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

- Level 1: quoted (unadjusted) prices in active markets for identical assets.
- Level 2: valuation techniques where all inputs that have significant effects on the recorded fair values are observable for the assets, either directly or indirectly.
- Level 3: valuation techniques use inputs that have significant effects on the recorded fair value are not based on observable market data for the assets.

The following table shows an analysis of financial assets and non-financial assets recorded at fair value within the fair value hierarchy:

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>As at 30.6.2024</b>				
<b>Non-financial assets</b>				
Biological assets	-	-	501	501
Investment properties	-	14,922	483,759	498,681
<b>Financial assets</b>				
Securities at FVTPL	287	-	-	287
Short-term funds	388,483	-	-	388,483
	<b>388,770</b>	<b>14,922</b>	<b>484,260</b>	<b>887,952</b>
<b>As at 31.12.2023</b>				
<b>Non-financial assets</b>				
Biological assets	-	-	444	444
Investment properties	-	14,921	434,436	449,357
<b>Financial assets</b>				
Securities at FVTPL	248	-	-	248
Short-term funds	214,022	-	-	214,022
	<b>214,270</b>	<b>14,921</b>	<b>434,880</b>	<b>664,071</b>

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the last bid price.

Financial instruments carried at amortised cost

The carrying amounts of financial assets and liabilities which have been classified as amortised cost assets and liabilities approximated their fair values. These assets and liabilities include trade and other receivables or payables, capital financing, cash and bank balances, lease liabilities, medium-term notes and Sukuk and borrowings.



**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**PART B - Explanatory Notes Pursuant to Chapter 9, Part K - Periodic Disclosures, Part A of Appendix 9B, of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities")**

**B1. Performance analysis of the Group for the current quarter and current year to date ended 30 June 2024**

The Group's overview financial performance analysis is shown as follows:

	<b>Current quarter ended 30.6.2024 2Q24 RM'000</b>	<b>Comparative quarter ended 30.6.2023 2Q23 RM'000</b>	<b>change %</b>	<b>Current year to date ended 30.6.2024 6M24 RM'000</b>	<b>Preceding year to date ended 30.6.2023 6M23 RM'000</b>	<b>change %</b>
<b>Revenue</b>						
1. Property	211,878	233,541	(9%)	416,534	425,899	(2%)
2. Industries	75,718	102,437	(26%)	161,475	183,498	(12%)
3. Hospitality	26,220	21,141	24%	50,246	45,142	11%
4. Financial Services	54,288	40,174	35%	107,529	75,781	42%
5. Investment Holding	317	150	>100%	581	324	79%
Revenue	<b>368,421</b>	<b>397,443</b>	<b>(7%)</b>	<b>736,365</b>	<b>730,644</b>	<b>1%</b>
<b>Pre-tax profit/(loss)</b>						
1. Property	36,636	34,049	8%	73,544	63,031	17%
2. Industries	5,815	12,847	(55%)	15,962	19,246	(17%)
3. Hospitality	962	(368)	>100%	215	(746)	>100%
4. Financial Services	25,454	21,189	20%	51,590	39,626	30%
5. Investment Holding	73,010	78,105	(7%)	141,484	150,699	(6%)
Pre-tax profit	<b>141,877</b>	<b>145,822</b>	<b>(3%)</b>	<b>282,795</b>	<b>271,856</b>	<b>4%</b>
Comprised of:						
Pre-tax profit from the business	55,092	57,490	(4%)	122,587	95,923	28%
Share of results of associates and a joint venture	86,785	88,332	(2%)	160,208	175,933	(9%)
Pre-tax profit	<b>141,877</b>	<b>145,822</b>	<b>(3%)</b>	<b>282,795</b>	<b>271,856</b>	<b>4%</b>

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**B1. Performance analysis of the Group for the current quarter and current year to date ended 30 June 2024 (Cont'd)**

*(a) Current Year To Date ("6M24") compared with Preceding Year To Date ("6M23")*

The Group recorded a total revenue of RM736.4 million and a pre-tax profit of RM282.8 million in 6M24 compared to RM730.6 million in revenue and RM271.9 million in pre-tax profit in 6M23. Property, Financial Services and Hospitality Segments showed improved performance, while the Industries and Investment Holding Segments contributed lower pre-tax profit in 6M24.

The Property Segment recorded revenue of RM416.5 million and a pre-tax profit of RM73.5 million for 6M24, a 2% decrease and 17% increase respectively, compared with 6M23. The Property Development Division saw higher pre-tax profit contributed by the on-going projects, i.e. LEA by The Hills in Taman Melawati, Mira and Anya at Shorea Park in Puchong, Rubica in Butterworth, Iringan Bayu in Seremban and Bandar Puteri Jaya in Sungai Petani. During the period, newly launched projects included Nara at Shorea Park in Puchong and Alia at Mori Park in Shah Alam have not contributed significantly to the revenue and pre-tax profit as they were in their initial development stages. In 6M24, the Property Development Division also recorded a RM3.4 million share of loss from the associates primarily due to expenses incurred on sales and marketing for Phase 2, BLVD in Melbourne Square ("MSQ") that was charged to the income statement. Meanwhile, the Property Investment Division generated stable rental revenue from its office and retail assets. The 6M24 results were supported by a share of profit from the disposal of an office tower by its joint venture. At the same time, a share of fair value loss on an overseas investment property was recognised by an associate during the period. The total net gain recognised from the foregoing was RM13.4 million during the period.

The Industries Segment recorded revenue of RM161.5 million and a pre-tax profit of RM16.0 million in 6M24 representing a decline of 12% and 17% respectively from a year ago. The decline in revenue was mainly due to a drop in sales volume for both the cables and IBS wall panels especially in the 2Q24 as certain major customers have deferred the delivery of their orders. As the production volume were not at its optimum level, the fixed overhead costs could not be efficiently absorbed, resulting in a lower pre-tax profit margin.

The Hospitality Segment recorded a pre-tax profit of RM0.2 million in 6M24 from a pre-tax loss of RM0.7 million in 6M23. Revenue in 6M24 rose 11% to RM50.2 million from RM45.1 million in 6M23. The improved performance was attributed to improvement in the overall occupancy rate and average rental rates mainly boosted by the increased demand by local and foreign tourists, meeting and convention activities by the corporates and Government agencies. In addition, the Swiss-Garden Beach Resort Kuantan was operating under full room inventories during the period after the completion of the refurbishment in late 2023 compared to half room inventories when it was undergoing refurbishment in the 1H2023.

The Financial Services Segment registered a revenue of RM107.5 million in 6M24, up 42%; and a pre-tax profit of RM51.6 million, an increase of 30% from a year ago. The improvement was mainly due to the strategic business expansion in Malaysia and Australia. The loan books stood at RM1.8 billion as at 30 June 2024 compared to RM1.5 billion as at 30 June 2023.

The Investment Holding Segment registered a pre-tax profit of RM141.5 million in 6M24, representing a decrease of 6% compared to 6M23. The lower pre-tax profit was mainly due to a reduced profit contribution by RHB Group, which amounted to RM148.8 million in 6M24 compared to RM160.6 million in 6M23.

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**B1. Performance analysis of the Group for the current quarter and current year to date ended 30 June 2024 (Cont'd)**

*(b) Current Quarter ("2Q24") compared with Comparative Quarter of Preceding Year ("2Q23")*

The Group achieved a total revenue of RM368.4 million and a pre-tax profit of RM141.9 million for 2Q24, down 7% and 3% respectively compared to 2Q23, dragged by the decline in performance of the Industries and Investment Holding Segments.

The Property Segment reported a lower revenue of RM211.9 million and a higher pre-tax profit of RM36.6 million in 2Q24, down 9% and up 8%, respectively compared with 2Q23. The decline in revenue was mainly due to the composition of projects and their progress in 2Q24. Projects with estimated gross development value of RM823.4 million were launched in 2Q24. These projects namely Nara at Shorea Park in Puchong, Alia at Mori Park in Shah Alam, Reveria at Irangan Bayu in Seremban and Business Park at Bandar Puteri Jaya in Sungai Petani were at their initial stages of construction. Despite an encouraging take-up rate, the revenue generated was not sufficient to cushion the sales and marketing (which were usually incurred upfront) and finance costs that were charged to the income statement, thus impacted the overall pre-tax profit for the Property Development Division. In addition, it recorded a share of loss of the associates due to softer sale of the completed units in Phase 1 and marketing costs incurred in Phase 2, BLVD in MSQ. The Property Investment Division recorded stable revenue stream from leasing of its offices and retail assets. Included in the share of results of this division were a gain on the disposal of an office tower in a joint venture and a fair value loss on an office building in Australia by an associate. The net gain from the foregoing amounted to RM13.4 million recognised in 2Q24.

The Industries Segment suffered a 26% decline in revenue to RM75.7 million and a sharp decline of 55% in pre-tax profit to RM5.8 million in the current quarter against 2Q23. The performance for both the cables and IBS wall panels were impacted by slower take-up by some of the major customers. The low production volume for both cables and IBS wall panels factories have impacted the overall production cost as the fixed overhead could not be efficiently absorbed, resulting in a lower pre-tax profit margin.

The Hospitality Segment recorded revenue of RM26.2 million, up 24% and turned around to record a pre-tax profit of RM1.0 million during the quarter. The occupancy and room rates across all hotels have shown improvement mainly boosted by increased demand from local and foreign tourists, meetings and convention activities from corporates and Government agencies. In addition, Swiss-Garden Beach Resort Kuantan which was closed partially in 2Q23 has completed its refurbishment in late 2023. It was operating at full capacity in 2Q24, thus contributed positively to the revenue and pre-tax profit.

The Financial Services Segment, mainly the capital financing businesses, recorded a 35% increase in revenue to RM54.3 million and 20% increase in pre-tax profit to RM25.5 million in 2Q24 compared to 2Q23. The improved performance were underpinned by the growth in the loan portfolio to RM1.8 billion as at 30 June 2024 from RM1.5 billion as at 30 June 2023.

The Investment Holding Segment contributed a pre-tax profit of RM73.0 million in 2Q24, compared with RM78.1 million in 2Q23. The decline was mainly due to a lower contribution from RHB Group.

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**B2. Commentary on pre-tax profit for the current quarter compared with the immediate preceding quarter**

The Group's review of financial performance is analysed as follows:

	<b>Current quarter ended 30.6.2024 2Q24 RM'000</b>	Immediate preceding quarter ended 31.3.2024 1Q24 RM'000	<b>change %</b>
<b><u>Revenue</u></b>			
1. Property	211,878	204,656	4%
2. Industries	75,718	85,757	(12%)
3. Hospitality	26,220	24,026	9%
4. Financial Services	54,288	53,241	2%
5. Investment Holding	317	264	20%
Revenue	<b>368,421</b>	367,944	0%
<b><u>Pre-tax profit/(loss)</u></b>			
1. Property	36,636	36,908	(1%)
2. Industries	5,815	10,147	(43%)
3. Hospitality	962	(747)	>100%
4. Financial Services	25,454	26,136	(3%)
5. Investment Holding	73,010	68,474	7%
Pre-tax profit	<b>141,877</b>	140,918	1%
Comprised of:			
Pre-tax profit from the business	55,092	67,495	(18%)
Share of results of associates and a joint venture	86,785	73,423	18%
Pre-tax profit	<b>141,877</b>	140,918	1%

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**B2. Commentary on pre-tax profit for the current quarter compared with the immediate preceding quarter (Cont'd)**

*Current Quarter ("2Q24") compared with Immediate Preceding Quarter ("1Q24")*

The Group's revenue and pre-tax profit for the current quarter compared to the immediate preceding quarter were flattish at RM368.4 million and RM141.9 million respectively.

The Property Segment's revenue was up by 4% to RM211.9 million and pre-tax profit declined by 1% to RM36.6 million, compared to the previous quarter. The pre-tax profit from the Property Segment was supported by the gain on disposal of an investment property narrated below. The Property Development Division has launched projects with an estimated gross development value of RM823.4 million in 2Q24. As these projects are at their initial stage of construction, there was a timing disparity between the revenue recognised (despite a good take-up rate) and cost incurred in particular sales and marketing and finance costs which resulted in lower overall pre-tax profit. Apart from the stable revenue and pre-tax profit from leasing of office and retail assets, the Property Investment Division recorded an additional net pre-tax profit of RM13.4 million in the current quarter. This was due to a higher share of profit from a joint venture arising from the gain on disposal of an office tower but was offset by a share of fair value loss on an office building of an associate.

The Industries Segment registered revenue of RM75.7 million and a pre-tax profit of RM5.8 million in 2Q24, down 12% and 43%, respectively, compared to 1Q24. The decline in revenue and its related pre-tax profit were due to softer demand for the cables and IBS wall panels during the quarter under review. In addition to the lower revenue, the pre-tax profit performance for this segment in 2Q24 was adversely affected by a net allowance for doubtful debts amounting to RM2.6 million, in contrast to a net write-back of doubtful debts of RM0.8 million recorded in 1Q24.

The Hospitality Segment reported revenue of RM26.2 million, an increase of 9% in 2Q24 compared to 1Q24. This Segment recorded a pre-tax profit of RM1.0 million in 2Q24 compared to a pre-tax loss of RM0.7 million in 1Q24. The improved performance of 2Q24 was attributed to the improvement in the overall occupancy rates and average room rates supported by the demand for local tourism and convention and meeting events after the Ramadan season in 1Q24.

The Financial Services Segment recorded a 2% increase in revenue to RM54.3 million and a 3% decrease in pre-tax profit to RM25.5 million in 2Q24 compared to 1Q24. The lower pre-tax profit was mainly due to higher net allowance for non-performing loans of RM2.4 million recorded in 2Q24 compared to RM1.4 million in 1Q24.

The Investment Holding Segment recorded a pre-tax profit of RM73.0 million up 7% compared to 1Q24. The segment's pre-tax profit was mainly attributable to the contribution by RHB Group amounting to RM74.1 million in 2Q24.

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**B3. Commentary on remaining year prospects and progress on previously announced revenue or profit forecast**

(a) Prospects for the remaining year 2024

The Property Development Division will continue to plan and launch projects based on the target set. For those projects that were launched with on-going construction, the management will continue to monitor the progress and costs whilst actively implementing targeted sales and marketing strategies to ensure robust take-up rates for all active projects. The encouraging take-up rate of the existing projects and pipeline launches will ensure sustainable contribution from this segment to the Group.

Our joint venture project Phase 2, BLVD in MSQ, comprising a high-rise residential apartment with approximately 602 units within a single tower, has achieved a 54% take-up rate since its launching in April 2023. The construction for BLVD has commenced in July 2024. According to the adopted accounting standards, the profit from development will only be recognised once the buyers take possession and settle the purchase consideration upon vacant possession. Various strategies were executed to market the unsold completed residential units of Phase 1, BLVD in MSQ.

As of 30 June 2024, the Group's unbilled sales stood at RM1.6 billion with minimal unsold completed stocks. The Group has a total land bank of 1,883 acres with an estimated effective gross development value of RM15.3 billion. These lands are strategically located in the Klang Valley, Sungai Petani, Butterworth, Kuantan, and Seremban in Malaysia and Melbourne in Australia. The Group has entered into Sales and Purchase Agreements to acquire contiguous plots of freehold land measuring in total approximately 356 acres in Bedong, Kedah for a total purchase consideration of RM75.8 million. The acquisition, with an estimated gross development value of RM972.6 million, will expand the Group's exposure and continuity in Kedah following its success in the existing township in Bandar Puteri Jaya, Sungai Petani. The Property Development Division will remain as a key profit contributor for the remaining quarters.

The Industries Segment was faced with challenges of soft demand from its major customers in the first half of the year under review. From the order book build-up, we expect that the cables and IBS wall panels sales to improve in the remaining year.

Under the Hospitality Segment, the completion of the upgrading of Swiss-Garden Beach Resort Kuantan will provide quality experiences for hotel guests. This also allow us to improve our pricing for revenue and captures higher occupancy rates. Our partnership with the international operators for the rebranded hotels, DoubleTree by Hilton Damai Laut Resort, and Holiday Inn Express & Suites in Johor Bahru have performed well and are expected to continue to contribute positive results, particularly during the year-end holiday season.

The Financial Services Segment is expected to be stable as we continue to closely manage the loan disbursed, credit standing of the borrowers and the quality of the collaterals. The growth for this segment will be contributed by various product offerings in Malaysia and Australia.

Given the above, the Group is confident in delivering satisfactory results for the second half of 2024.

(b) Progress and steps to achieve revenue or profit estimate, forecast, projection and internal targets previously announced

There was no revenue or profit forecast previously announced by the Company.

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**B4. Statement of the Board of Directors' opinion on achievability of revenue or profit estimate, forecast, projection and internal targets previously announced**

There was no revenue or profit forecast previously announced by the Company.

**B5. Profit forecast/profit guarantee previously announced**

There was no profit forecast or profit guarantee previously announced by the Company.

**B6. Tax expense**

	<b>Current quarter ended 30.6.2024 RM'000</b>	<b>Current year to date ended 30.6.2024 RM'000</b>
In respect of the current year income tax	(17,377)	(36,202)
Deferred income tax	5,057	6,143
Income tax expense	<u>(12,320)</u>	<u>(30,059)</u>

Excluding share of results of associates and a joint venture, the effective tax rate for the current year to date is slightly higher than the statutory tax rate of 24% mainly due to the non-deductibility of certain expenses and losses in certain subsidiaries that are not available to offset against taxable profits in other subsidiaries within the Group.

**B7. Status of corporate proposals and utilisation of proceeds**

As at 20 August 2024 (being the latest practicable date which is not earlier than 7 days from the date of issue of this Quarterly Report):

**(a) Status of corporate proposal announced but not completed**

There were no corporate proposals announced but not completed.

**(b) Status of the utilisation of proceeds raised from any corporate proposal**

There were no proceeds raised from any corporate proposal.

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**B8. Borrowings and debt securities as at the end of the reporting period**

**(a) The Group's borrowings and debt securities at end of the current year to date**

	Non-current		Current		Total
	'000	RM'000	'000	RM'000	RM'000
<b>As at 30.6.2024</b>					
<b>Secured</b>					
Bankers' acceptances - MYR	-	-	-	18,400	18,400
Medium-term notes and Sukuk - MYR*	-	2,078,834	-	238,820	2,317,654
Revolving credits - MYR	-	-	-	122,950	122,950
Revolving credits - AUD (1: 3.1274)	-	-	26,150	80,822 <sup>@</sup>	80,822
Term/Bridging - MYR	-	41,950	-	5,558	47,508
		<u>2,120,784</u>		<u>466,550</u>	<u>2,587,334</u>
<b>Unsecured</b>					
Revolving credits - MYR	-	-	-	578,200	578,200
Revolving credits - AUD (1: 3.1274)	-	-	34,945	109,287	109,287
		<u>-</u>		<u>687,487</u>	<u>687,487</u>
<b>Total</b>		<u>2,120,784</u>		<u>1,154,037</u>	<u>3,274,821</u>
<b>As at 31.12.2023</b>					
<b>Secured</b>					
Bankers' acceptances - MYR	-	-	-	12,690	12,690
Medium-term notes and Sukuk - MYR*	-	1,958,577	-	151,816	2,110,393
Revolving credits - MYR	-	-	-	122,950	122,950
Revolving credits - AUD (1: 3.1399)	-	-	24,800	77,299 <sup>@</sup>	77,299
Term/Bridging - MYR	-	58,430	-	5,713	64,143
		<u>2,017,007</u>		<u>370,468</u>	<u>2,387,475</u>
<b>Unsecured</b>					
Revolving credits - MYR	-	-	-	586,474	586,474
Revolving credits - AUD (1: 3.1399)	-	-	91,095	286,029	286,029
		<u>-</u>		<u>872,503</u>	<u>872,503</u>
<b>Total</b>		<u>2,017,007</u>		<u>1,242,971</u>	<u>3,259,978</u>

\* The details of MTNs and Sukuk are disclosed in Note A5(b) to (d).

@ Unamortised borrowing costs are included therein.



**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**B8. Borrowings and debt securities as at the end of the reporting period (Cont'd)**

**(b) Commentaries on the Group borrowings and debt securities**

- (i) During the period, there were no material changes in debt securities other than the changes in working capital requirements. The details of MTNs and Sukuk are disclosed in Note A5(b) to (d).
- (ii) The increase in borrowings was mainly due to the expansion of the capital financing businesses in Australia and Malaysia.

**B9. Changes in material litigation**

Since the date of the last annual report, the Group has not engaged in any material litigation which might materially and adversely affect the financial position of the Group.

**B10. Dividend declaration for the current year to date**

- (a) The Board of Directors has approved to declare a single-tier interim dividend of 3.0 sen (6M23: 3.0 sen) per share for the year ending 31 December 2024. The entitlement date and payment date for the interim dividend shall be determined at a later stage.
- (b) Total dividend declared for the current year to date is 3.0 sen (6M23: 3.0 sen) per ordinary share.

**B11. Earnings Per Share ("EPS")**

	<b>Current quarter ended 30.6.2024</b>	Comparative quarter ended 30.6.2023	<b>Current year to date ended 30.6.2024</b>	Preceding year to date ended 30.6.2023
Profit attributable to Owners of the Company (RM'000)	<b>128,703</b>	131,035	<b>251,631</b>	246,125
Weighted average number of ordinary shares outstanding ('000)	<b>2,062,104</b>	2,062,104	<b>2,062,104</b>	2,062,104
<b>Basic/Diluted EPS (sen)</b>	<b>6.24</b>	6.35	<b>12.20</b>	11.94

There is no potential issuance of ordinary shares or instruments that are dilutive in nature at the end of the current year to date.

**B12. Audit report of preceding annual financial statements**

The audit report of the Group's annual financial statements for the preceding year was not subject to any qualification.

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**B13. Items included in the Statement of Profit or Loss and Statement of Comprehensive Income**

	Current quarter ended <b>30.6.2024</b>	Comparative quarter ended 30.6.2023	Current year to date ended <b>30.6.2024</b>	Preceding year to date ended 30.6.2023
	RM'000	RM'000	RM'000	RM'000
<b>Profit before tax is arrived at after crediting/(charging):</b>				
(i) <u>Revenue</u>				
Interest/Profit income	45,496	35,722	94,640	67,232
Rental income	10,143	8,993	20,040	17,934
(ii) <u>Cost of sales</u>				
Funding costs	(17,222)	(13,162)	(34,702)	(24,787)
Depreciation and amortisation	(1,429)	(1,338)	(2,899)	(2,637)
(iii) <u>Other income</u>				
Foreign currency transactions gains	-	2	-	2,549
Foreign currency translations gains	-	468	315	368
Funds distribution income	1,701	1,988	3,017	4,079
Gain on disposals of property, plant and equipment	106	3	179	46
Gain on fair valuation of:				
- securities at fair value through profit or loss	20	7	39	-
- short-term funds	1,108	151	1,561	1,267
Gain on redemption of short-term funds	46	1,084	664	1,246
Interest income	2,371	1,519	5,147	3,432
Write back of allowance for impairment losses on:				
- capital financing:				
- collective assessment	2	43	32	58
- individual assessment	348	1,303	2,441	1,303
- trade and other receivables:				
- collective assessment	74	164	74	325
- individual assessment	572	588	889	1,334
(iv) <u>Administrative expenses</u>				
Depreciation and amortisation	(6,797)	(6,021)	(13,641)	(12,905)
Selling and marketing expenses	(5,507)	(4,729)	(11,721)	(10,438)
(v) <u>Other items of expense</u>				
Foreign currency transactions loss	(14)	(280)	(382)	(474)
Foreign currency translations loss	(100)	-	(14)	(2,535)
Impairment loss on:				
- capital financing:				
- collective assessment	(554)	(215)	(801)	(404)
- individual assessment	(2,168)	(495)	(5,468)	(705)
- trade and other receivables:				
- collective assessment	(885)	(1,423)	(535)	(1,449)
- individual assessment	(2,704)	(584)	(2,776)	(823)

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**B13. Items included in the Statement of Profit or Loss and Statement of Comprehensive Income (Cont'd)**

	<b>Current quarter ended 30.6.2024</b>	Comparative quarter ended 30.6.2023	<b>Current year to date ended 30.6.2024</b>	Preceding year to date ended 30.6.2023
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
<b>Profit before tax is arrived at after crediting/(charging): (Cont'd)</b>				
(v) <u>Other items of expense (Cont'd)</u>				
Loss on disposals of plant and equipment	(2)	(10)	(2)	(112)
Loss on fair valuation of:				
- biological assets	-	-	-	(169)
- securities at FVTPL	-	-	-	(23)
- short-term funds	-	(272)	(475)	(272)
Write off of plant and equipment	(15)	(167)	(18)	(194)
(vi) <u>Finance costs</u>				
Interest/Profit expense	<b>(10,016)</b>	(10,363)	<b>(21,138)</b>	(21,256)

Items for other comprehensive income are disclosed in the Statement of Comprehensive Income. There was no impairment of assets other than the items disclosed above.

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**B14. Derivative financial instruments**

Summarised below are the derivative financial instruments held for hedging purposes. The instruments' national (contractual) amounts reflect the volume of transactions outstanding at the reporting date and do not represent amounts at risk. Derivative financial instruments are revalued on a gross position basis and the unrealised gains and losses are reflected in liabilities and assets respectively.

<b>Type of Derivative</b>	<b>Contract/ Notional Amount RM'000</b>	<b>Carrying Amount at Fair Value, Asset/ (Liability) RM'000</b>	<b>Cash Flow Hedge Reserve RM'000</b>
<b>As at 30.6.2024</b>			
Cross-currency swaps			
- 1 year to 3 years	89,820	(678)	197
- More than 3 years	142,580	(1,151)	129
	<b>232,400</b>	<b>(1,829)</b>	<b>326</b>

The Group and financial institutions (counterparties) entered into cross-currency swap ("CCS") contracts (over-the-counter instruments) to manage its exposure to foreign currency risk arising from foreign currency transactions. Both parties agree to swap (or exchange) periodic interest payments on two fixed rates for a specific term, based on predetermined currency rates agreed upon upfront. The corresponding notional amounts are denominated in two different currencies, namely AUD and MYR. In each of these CCS contracts, there is an exchange of notional amounts on both the effective date and termination date.

The Group uses cash flow hedges to mitigate the risk of variability of future cash flows attributable to foreign currency and interest rate fluctuations over the hedging period on foreign currency transactions. Where a cash flow hedge qualifies for hedge accounting, the effective portion of gains or losses on remeasuring the hedging instrument's fair value are recognised directly in other comprehensive income until the hedged item affects profit or loss, the gains or losses are transferred to the profit or loss. Gains or losses on any portion of the hedge determined to be ineffective are recognised immediately in the profit or loss.

The interest payment is based on a fixed rate, which is determined at the start of the contract and used throughout the tenure of the contract. The rate applicable for the exchange of notional amounts will be the spot rate on the trade date. Such CCS transactions are for hedging, swapping MYR Medium-term Notes into AUD liabilities. The interest payments will be exchanged on the agreed interest payment dates over the tenure of the CCS. The interest payments are based on a principal amount for the respective currency and calculated using the applicable rate against the number of days between each interest payment date.

Cross-currency swap contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties and interest rate curves.

**QUARTERLY REPORT FOR SECOND QUARTER ENDED 30 JUNE 2024**

**B15. Gains or losses arising from fair value changes of financial liabilities**

There were no gains or losses arising from fair value changes of financial liabilities for the current year to date ended 30 June 2024.

**By Order of the Board**

**Tan Sri Ong Leong Huat**  
**Executive Chairman**  
Kuala Lumpur  
27 August 2024