



**AVALAND BERHAD**

**Company No: 200901038653 (881786-X)**

**(Incorporated In Malaysia)**

**Interim Financial Reports**

**For The Quarter Ended 30 September 2024**

**AVALAND BERHAD**  
**200901038653 (881786-X)**  
**Incorporated In Malaysia**

**Interim Financial Reports**

**For The Quarter Ended 30 September 2024**

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**AVALAND BERHAD**  
**200901038653 (881786-X)**  
**Incorporated In Malaysia**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2024**  
*(The figures have not been audited)*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30-SEP-24 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-SEP-23 RM'000	CURRENT YEAR TO DATE 30-SEP-24 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-SEP-23 RM'000
Revenue	231,526	156,175	664,399	346,600
Cost of sales	(158,627)	(103,346)	(460,770)	(226,998)
Gross profit	<u>72,899</u>	<u>52,829</u>	<u>203,629</u>	<u>119,602</u>
Other income	4,204	6,346	6,883	10,544
Selling and marketing expenses	(5,236)	(4,575)	(19,270)	(9,167)
Direct operating and general administrative expenses	(19,476)	(21,462)	(62,920)	(60,988)
Finance costs	(8,373)	(5,074)	(20,278)	(13,902)
Profit before tax	<u>44,018</u>	<u>28,064</u>	<u>108,044</u>	<u>46,089</u>
Income tax expense	<u>(18,577)</u>	<u>(10,835)</u>	<u>(39,834)</u>	<u>(17,611)</u>
Profit for the period	25,441	17,229	68,210	28,478
Other comprehensive income/(loss), net of tax				
<b>Items that will be reclassified subsequently to profit or loss</b>				
Change in fair value of cash flow hedge, net of tax	(3,114)	(364)	(2,687)	(3,306)
Total comprehensive income/(loss) for the period	<u>22,327</u>	<u>16,865</u>	<u>65,523</u>	<u>25,172</u>

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2024**  
*(The figures have not been audited)*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30-SEP-24 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-SEP-23 RM'000	CURRENT YEAR TO DATE 30-SEP-24 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-SEP-23 RM'000
<b>Profit/(Loss) for the period attributable to:</b>				
Owners of the Company	25,442	17,230	68,213	28,482
Non-controlling interest	(1)	(1)	(3)	(4)
	25,441	17,229	68,210	28,478
<b>Total comprehensive income/(loss) attributable to:</b>				
Owners of the Company	22,328	16,866	65,526	25,176
Non-controlling interest	(1)	(1)	(3)	(4)
	22,327	16,865	65,523	25,172
<b>Earnings per share attributable to owners of the Company:</b>				
Basic/Diluted earnings sen per share (Note B12)	1.75	1.18	4.68	1.95

*The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.*

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

	<b>(UNAUDITED)</b>	<b>(AUDITED)</b>
	<b>AS AT</b>	<b>AS AT</b>
	<b>30-SEP-24</b>	<b>31-DEC-23</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	218,586	219,505
Investment properties	265,328	247,297
Investment securities	-	4,514
Deferred tax assets	17,955	11,395
Land held for property development	303,922	286,013
	<u>805,791</u>	<u>768,724</u>
<b>Total Non-Current Assets</b>	<u>805,791</u>	<u>768,724</u>
<b>Current Assets</b>		
Inventories	2,636	3,750
Property development costs	376,189	419,602
Investment securities	4,514	-
Contract assets	429,018	283,628
Trade receivables	48,946	66,694
Other receivables	39,508	40,514
Tax recoverable	16,599	35,537
Cash and bank balances	367,579	172,508
	<u>1,284,989</u>	<u>1,022,233</u>
<b>Total Current Assets</b>	<u>1,284,989</u>	<u>1,022,233</u>
<b>Total Assets</b>	<u>2,090,780</u>	<u>1,790,957</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable to Owners of the Company</b>		
Share capital	1,541,092	1,541,092
Reserves	(1,065,586)	(1,062,899)
Retained earnings	525,407	457,194
	<u>1,000,913</u>	<u>935,387</u>
Non-controlling interests	216	219
	<u>216</u>	<u>219</u>
<b>Total Equity</b>	<u>1,001,129</u>	<u>935,606</u>

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

	<b>(UNAUDITED)</b> <b>AS AT</b> <b>30-SEP-24</b> <b>RM'000</b>	<b>(AUDITED)</b> <b>AS AT</b> <b>31-DEC-23</b> <b>RM'000</b>
<b>Non-Current Liabilities</b>		
Loans and borrowings	460,595	148,943
Deferred tax liabilities	1,478	1,478
Lease liabilities	1,377	1,608
<b>Total Non-Current Liabilities</b>	<b>463,450</b>	<b>152,029</b>
<b>Current Liabilities</b>		
Contract liabilities	8,024	3,739
Trade payables	139,711	109,371
Other payables	184,852	196,074
Loans and borrowings	17,000	131,533
Tax payable	14,844	4,037
Amount owing to ultimate holding company	230,643	252,450
Derivative financial liabilities	29,957	4,613
Lease liabilities	1,170	1,505
<b>Total Current Liabilities</b>	<b>626,201</b>	<b>703,322</b>
<b>Total Liabilities</b>	<b>1,089,651</b>	<b>855,351</b>
<b>Total Equity and Liabilities</b>	<b>2,090,780</b>	<b>1,790,957</b>
Net assets per share attributable to owners of the Company (RM)	0.69	0.64

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial 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 QUARTER ENDED 30 SEPTEMBER 2024**  
*(The figures have not been audited)*

**Attributable to the owners of the Company**

	<--- Non-Distributable --->		Distributable		Attributable to owners of the Company RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Reverse acquisition reserve RM'000	Cash flow hedge reserve RM'000	Retained earnings RM'000			
<b>As at 1 January 2023</b>	1,541,092	(1,062,627)	1,496	391,081	871,042	224	871,266
Total comprehensive (loss)/income for the period	-	-	(3,306)	28,482	25,176	(4)	25,172
<b>As at 30 September 2023</b>	1,541,092	(1,062,627)	(1,810)	419,563	896,218	220	896,438
<b>As at 1 January 2024</b>	1,541,092	(1,062,627)	(272)	457,194	935,387	219	935,606
Total comprehensive (loss)/income for the period	-	-	(2,687)	68,213	65,526	(3)	65,523
<b>As at 30 September 2024</b>	1,541,092	(1,062,627)	(2,959)	525,407	1,000,913	216	1,001,129

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.*

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

	<b>(UNAUDITED)</b> <b>PERIOD</b> <b>ENDED</b> <b>30-SEP-24</b> <b>RM'000</b>	<b>(UNAUDITED)</b> <b>PERIOD</b> <b>ENDED</b> <b>30-SEP-23</b> <b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	108,044	46,089
Adjustments for:		
Depreciation of:		
Property, plant and equipment	9,238	8,212
Investment properties	379	379
Reversal of impairment loss on trade receivables	-	(2,839)
Finance costs	20,278	13,902
Net fair value loss on foreign exchange forward	-	1,466
Bad debts written off	242	250
Gain on disposal of property, plant and equipment	(727)	(1,979)
Interest income	(2,587)	(2,181)
Unrealised gain on foreign exchange	(7)	(1,265)
	134,860	62,034
Operating Profit Before Working Capital Changes	134,860	62,034
Decrease/(Increase) in:		
Inventories	1,115	927
Property development costs	41,628	28,010
Contract assets	(145,391)	(100,255)
Trade receivables	17,748	(11,669)
Other receivables	764	11,781
(Decrease)/Increase in:		
Contract liabilities	4,284	(4,225)
Trade payables	30,339	12,991
Other payables	(11,113)	17,468
	74,234	17,062
Cash Generated From Operations	74,234	17,062
Income taxes paid	(15,800)	(1,854)
	58,434	15,208
Net Cash Generated From Operating Activities	58,434	15,208



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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

	<b>(UNAUDITED)</b>	<b>(UNAUDITED)</b>
	<b>PERIOD</b>	<b>PERIOD</b>
	<b>ENDED</b>	<b>ENDED</b>
	<b>30-SEP-24</b>	<b>30-SEP-23</b>
	<b>RM'000</b>	<b>RM'000</b>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	753	2,014
Interest received	2,587	2,181
Additions to:		
Investment properties	(18,448)	-
Property, plant and equipment	(5,308)	(2,031)
Land held for property development	(18,545)	(172,183)
Settlement of foreign exchange forward	-	(4,447)
	(38,961)	(174,466)
Net Cash Used In Investing Activities		
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Withdrawal/(Placement) of fixed deposits placed with licensed banks	11,352	(424)
Net drawdowns of loans and borrowings	196,001	180,895
Drawdown of lease liabilities	-	457
Repayments of lease liabilities	(1,294)	(1,135)
Transaction costs paid	(3,850)	(3,877)
Finance costs paid	(15,258)	(12,946)
Changes in restricted cash held for loans and borrowings	34,797	14,410
	221,748	177,380
Net Cash Generated From Financing Activities		
 <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	 241,221	 18,122
 <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	 88,621	 72,120
	329,842	90,242
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>329,842</b>	<b>90,242</b>

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

	<b>(UNAUDITED)</b>	<b>(UNAUDITED)</b>
	<b>PERIOD</b>	<b>PERIOD</b>
	<b>ENDED</b>	<b>ENDED</b>
	<b>30-SEP-24</b>	<b>30-SEP-23</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash and cash equivalents included in the statement of cash flows comprise the following:		
Fixed deposits with licensed banks	11,481	28,937
Investment in short-term funds	171,712	-
Deposits under Housing Development Accounts	110,876	63,625
Cash on hand and in bank	73,510	29,500
Cash and bank balances	367,579	122,062
Less:		
Excess restricted cash	(29,006)	(11,786)
Fixed deposits with maturity period more than 90 days	(8,731)	(20,034)
Cash and cash equivalents	329,842	90,242

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.*

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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED INTERIM FINANCIAL REPORTS FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**PART A - EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING**  
**STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A1 Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS134: Interim Financial Reporting and paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023. These interim financial statements contain selected explanatory notes which provide explanations of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company and its subsidiaries ("Group").

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted as disclosed in the audited financial statements for the financial year ended 31 December 2023.

The Group has adopted the following amendments to MFRSs which are effective for annual periods beginning on or after 1 January 2024:

Amendments to MFRS 16	Leases (Lease Liability in a Sale and Leaseback)
Amendments to MFRS 101	Presentation of Financial Statements (Classification of Liabilities as Current or Non-current)
Amendments to MFRS 101	Presentation of Financial Statements (Non-Current Liabilities with Covenants)
Amendments to MFRS 107 and MFRS 7	Statement of Cash Flows and Financial Instruments: Disclosure (Supplier Finance Arrangements)

The adoption of the above amendments to MFRSs does not have any significant impact to the Group.

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**UNAUDITED INTERIM FINANCIAL REPORTS FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**PART A - EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A1 Basis of preparation (cont'd)**

At the date of the unaudited interim financial statements, the new and revised Standards and Amendments which were in issue but not yet effective and not early adopted by the Group and the Company are as listed below:

Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability) <sup>1</sup>
Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments Disclosures: Classification and Measurement of Financial Instruments <sup>2</sup>
Amendments to MFRSs	Annual Improvements to MFRS Accounting Standards – Volume 11 <sup>2</sup> : <ul style="list-style-type: none"> <li>- Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards</li> <li>- Amendments to MFRS 7 Financial Instruments: Disclosures</li> <li>- Amendments to MFRS 9 Financial Instruments</li> <li>- Amendments to MFRS 10 Consolidated Financial Statements</li> <li>- Amendments to MFRS 107 Statement of Cash Flows Presentation and Disclosure in Financial Statements <sup>3</sup></li> </ul>
MFRS 18	Subsidiaries without Public Accountability: Disclosures <sup>3</sup>
MFRS 19	Consolidated Financial Statements: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>
Amendments to MFRS 10	
Amendments to MFRS 128	Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>

<sup>1</sup> Effective for annual period beginning on or after 1 January 2025, with earlier application permitted.

<sup>2</sup> Effective for annual period beginning on or after 1 January 2026, with earlier application permitted.

<sup>3</sup> Effective for annual period beginning on or after 1 January 2027, with earlier application permitted.

<sup>4</sup> Effective date deferred to a date to be determined and announced, with earlier application permitted.

The abovementioned MFRSs and amendments to MFRSs will be adopted in the annual financial statements of the Group and the Company when they become effective and that the adoption of these MFRSs and amendments to MFRSs may have an impact on the financial statements of the Group and the Company in the period of initial application. However, it is not practicable to provide a reasonable estimate of the effect until the Group and the Company undertake a detailed review.

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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED INTERIM FINANCIAL REPORTS FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**PART A - EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING**  
**STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A2 Exceptional or unusual items**

There were no material items of exceptional or unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the period ended 30 September 2024.

**A3 Changes in estimates**

There were no changes in estimates of amounts reported in prior financial years that have a material effect on the amounts reported for the current quarter under review.

**A4 Debt and equity securities**

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current quarter under review, except for the following:

Debt issuances

On 8 August 2024, the Group made a first issuance of RM300 million in nominal value pursuant to the Sukuk Murabahah Programme.

**A5 Dividend paid**

There were no dividends paid in the current quarter under review.

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**NOTES TO INTERIM FINANCIAL STATEMENTS**

**UNAUDITED INTERIM FINANCIAL REPORTS FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**PART A - EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A6 Segmental information**

The Group's segmental information for the period ended 30 September 2024 is as follows:

	<b>Property Development RM'000</b>	<b>Investment Holding RM'000</b>	<b>Complementary Business RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
<b>Revenue</b>							
External revenue	650,359	-	2,386	11,654	664,399	-	664,399
Inter-segment revenue	-	-	36,926	2,122	39,048	(39,048)	-
<b>Total revenue</b>	<b>650,359</b>	<b>-</b>	<b>39,312</b>	<b>13,776</b>	<b>703,447</b>	<b>(39,048)</b>	<b>664,399</b>
<b>Results</b>							
Operating profit/(loss)	128,480	(2,742)	(1,990)	(2,309)	121,439	-	121,439
Interest income	2,365	13,384	129	8	15,886	(13,299)	2,587
Other income	1,818	1,226	1,065	187	4,296	-	4,296
Finance costs	(15,115)	(14,727)	(3,111)	(624)	(33,577)	13,299	(20,278)
<b>Profit/(Loss) before tax</b>	<b>117,548</b>	<b>(2,859)</b>	<b>(3,907)</b>	<b>(2,738)</b>	<b>108,044</b>	<b>-</b>	<b>108,044</b>
Income tax expense	(37,554)	(207)	(1,952)	(121)	(39,834)	-	(39,834)
<b>Profit/(Loss) after tax</b>	<b>79,994</b>	<b>(3,066)</b>	<b>(5,859)</b>	<b>(2,859)</b>	<b>68,210</b>	<b>-</b>	<b>68,210</b>

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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED INTERIM FINANCIAL REPORTS FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**PART A - EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A6 Segmental information (cont'd)**

The segmental information as at 30 September 2024 is as follows:

	<b>Property Development RM'000</b>	<b>Investment Holding RM'000</b>	<b>Complementary Business RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
<b>Assets and liabilities</b>							
Segment assets	2,502,283	2,206,564	677,428	65,855	5,452,130	(3,395,904)	2,056,226
Tax recoverable and deferred tax assets	17,445	1,018	8,202	56	26,721	7,833	34,554
<b>Total assets</b>	<b>2,519,728</b>	<b>2,207,582</b>	<b>685,630</b>	<b>65,911</b>	<b>5,478,851</b>	<b>(3,388,071)</b>	<b>2,090,780</b>
Segment liabilities	1,964,187	607,725	636,635	118,275	3,326,822	(2,253,493)	1,073,329
Tax payable and deferred tax liabilities	14,857	14	147	-	15,018	1,304	16,322
<b>Total liabilities</b>	<b>1,979,044</b>	<b>607,739</b>	<b>636,782</b>	<b>118,275</b>	<b>3,341,840</b>	<b>(2,252,189)</b>	<b>1,089,651</b>

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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED INTERIM FINANCIAL REPORTS FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**PART A - EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING**  
**STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A7 Material events subsequent to the end of interim financial year**

There were no material events subsequent to the end of the current quarter under review up to the date of this report.

**A8 Changes in the composition of the Group**

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

**A9 Changes in contingent liabilities and contingent assets**

Details of contingent liabilities of the Group as at end of the current quarter under review are as follows:

(a) Performance bond

	<b>As at 30-SEP-24 RM'000</b>	<b>As at 31-DEC-23 RM'000</b>
Performance bond provided in favour of third parties pursuant to the construction and/or development projects of the Group	<u>76,007</u>	<u>40,941</u>

**A10 Commitments**

There were no commitments in the Group for the current quarter under review.



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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
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**PART A - EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING**  
**STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A11 Significant related party transactions**

During the financial period, the significant related party transactions entered by the Group, which were determined based on negotiations agreed between the parties, are as follows:

	<b>9 MONTHS ENDED 30-SEP-24 RM'000</b>
Interest paid/payable to ultimate holding company	8,989
Legal fees paid/payable for sales and purchase agreement to a firm, in which a director has interest	<u>590</u>

**A12 Seasonal or cyclical factors**

The Group's operations were not significantly affected by any seasonal or cyclical factors.

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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED INTERIM FINANCIAL REPORTS FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**PART A - EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A13 Fair values**

The carrying amounts of the financial instruments approximate their fair values as these financial assets and financial liabilities have short-term maturity or are repayable on demand except for the following:

**Financial instruments carried at fair value**

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

	<b>As at 30-SEP-24 RM'000</b>	<b>As at 31-DEC-23 RM'000</b>
<b>Level 2</b>		
<u>Liabilities</u>		
Derivative financial instruments (cross currency interest rate swaps)	29,957	4,613

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**PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1 Performance review**

Performance of the third quarter ended 30 September 2024 against the preceding year corresponding quarter (Q3 2024 vs Q3 2023)

In Q3 2024, the Group maintained its strong performance, continuing the momentum seen in previous periods. The Group's revenue saw a robust increase of 48.2%, rising to RM231.5 million in Q3 2024 from RM156.2 million in the same period in 2023. This growth was driven by significant progress in ongoing construction work progress from existing ongoing projects, namely Alira Subang Jaya, Aetas Damansara, and various developments in Cyberjaya coupled with commendable take-up for Casa Embun Phase 2 and Amika Residences, both launched earlier in 2024, contributed to the revenue boost.

In tandem to the above, the Group's gross profit also saw a strong uptick, growing by 38.0% to RM72.9 million in Q3 2024, compared to RM52.8 million in Q3 2023. This reflects both the higher revenue and effective cost management.

The Group's profit before tax surged by 56.8% to RM44.0 million in Q3 2024 as compared to the RM28.1 million posted in the corresponding quarter of the preceding year. This impressive rise in profitability was directly linked to the substantial growth in revenue and gross profit.

Performance of the current year-to-date against the preceding year-to-date (year-to-date "YTD" September 2024 vs YTD September 2023)

The Group's YTD revenue surged to RM664.4 million in 2024, up from RM346.6 million in the same period in 2023. This represents an increase of approximately 91.7%, driven by advanced construction work progress across major projects and strong sales from newly launched developments during the year.

Gross profit for the year-to-date period grew significantly by 70.3%, reaching RM203.6 million in YTD September 2024, compared to RM119.6 million in YTD September 2023. This reflects both the higher revenue and effective cost management in the ongoing construction projects.

The Group's profit before tax more than doubled, increasing to RM108.0 million in YTD September 2024, up from RM46.1 million in YTD September 2023. This exceptional growth in profitability was driven by the substantial revenue and gross profit increases, highlighting the operational leverage achieved during the period.

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**PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B2 Material changes for the current quarter as compared to the preceding quarter (Q3 2024 vs Q2 2024)**

The Group's revenue in Q3 2024 improved by 6.1% to RM231.5 million as compared to RM218.3 million in the preceding quarter. The increase in revenue was primarily driven by higher sales recognition and advanced construction work progress on ongoing projects, contributing to stronger top-line performance.

The Group's profit before tax saw a notable increase of 38.5%, reaching RM44.0 million in Q3 2024, compared to RM31.8 million in Q2 2024. This improvement in profitability was supported by the higher revenue, coupled with lower operating expenses and continued operational efficiencies.

The Group's performance in Q3 2024 demonstrated continued growth and operational efficiency, with key financial metrics showing positive momentum compared to the preceding quarter.

**B3 Prospects**

The Group has demonstrated a strong financial performance for the year-to-date period ending 30 September 2024, with property sales reaching RM683.7 million, marking a 60.4% increase compared to RM426.1 million for the same period in the previous year. This growth reflects the robust demand for its ongoing and recently launched projects.

The take-up rates for several ongoing developments have been particularly encouraging, namely Aetas Damansara (100%), Phase 1 Casa Embun (100%), Sanderling (100%), Alira Subang Jaya (97%) and Alora Residences (46%).

Thus far, the Group launched five projects in 2024, namely Phase 2 of Casa Embun in Cybersouth, Amika Residences in Subang Jaya, Aetas Seputeh in Kuala Lumpur, Anja Residences & Signature Retail in Bangi and Sanderling 2 in Cyberjaya with a total gross development value ("GDV") of RM1.8 billion. The recent launches have recorded positive market response, with satisfactory take-up rates observed across the developments.

As at 30 September 2024, the Group's unbilled sales stood at RM964 million, an increase from RM863 million as of 31 December 2023. This growth in unbilled sales provides a solid pipeline of revenue and offers good earnings visibility in the coming years.

The Group's developments are categorised into three tiers, namely AVA Luxe, AVA Prime and AVA Ria to cater to every market segment with a seamless range. AVA Luxe represents the Group's upscaled luxury brand (Aetas Seputeh), while AVA Prime represents the Group's lifestyle brand and caters to the middle-income market (Amika Residences). Meanwhile, AVA Ria focuses on affordable quality housing (Casa Embun, Sanderling 2 and Anja Residences & Signature Retail). The Group is confident that the new projects will be well accepted by the market considering its strategic location, unique concepts and design for post-pandemic lifestyles.

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**B3 Prospects (cont'd)**

In terms of the industry's outlook, the demand for residential properties have continued to grow with loan applications for purchase of properties reporting a 2.9% rise to RM347 billion in YTD September 2024 from the previous corresponding period. This comes as Malaysia has a stable interest rate environment and bodes well for the overall property sector. Furthermore, the Group is optimistic that the latest incentives announced in the Budget 2025 from the Government such as the higher allocation of funds in the Housing Credit Guarantee Scheme and tax relief of up to RM7,000 for homes up to RM750,000 would bolster the demand for residential properties among the youth and young families.

The Group remains cautiously optimistic of its prospects with the robust demand for the Group's projects amidst its strategic location, strong value propositions and ability to meet the market's requirements. Additionally, the Group's existing landbank of 194.4 acres across the Klang Valley, with an estimated GDV of RM11.6 billion, provides earnings visibility for the next 10 years. To further strengthen its position and ensure sustainable growth, the Group is actively exploring new land acquisition opportunities to expand its landbank and bolster future earnings.

**B4 Profit forecast or profit guarantee**

No profit forecast or profit guarantee was issued by the Group for the financial period.

**B5 Profit/(Loss) on sale of unquoted investments**

There was no sale of unquoted investments during the current quarter under review.

**B6 Quoted securities**

There was no purchase or disposal of quoted and marketable securities during the current quarter under review.

**B7 Status of corporate proposals**

There were no corporate proposals previously announced by the Group that remained uncompleted as at 13 November 2024, the last practicable date which is not earlier than seven (7) days from the issue of this interim financial report.

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**PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B8 Group borrowings**

Group borrowings as at 30 September 2024 and 31 December 2023 were as follows:

	<b>As at 30-SEP-24 RM'000</b>	<b>As at 31-DEC-23 RM'000</b>
<b>Short-term</b>		
<u>Unsecured:</u>		
Lease liabilities (Hire purchases)	95	119
Revolving credits	15,000	125,020
<u>Secured:</u>		
Term loans and Islamic loans	2,000	6,513
	<u>17,095</u>	<u>131,652</u>
<b>Long-term</b>		
<u>Unsecured:</u>		
Lease liabilities (Hire purchases)	250	317
<u>Secured:</u>		
Term loans and Islamic loans	153,320	148,943
Revolving credit	10,733	-
Sukuk Murabahah	296,542	-
	<u>460,845</u>	<u>149,260</u>
	<u><b>477,940</b></u>	<u><b>280,912</b></u>

Save for the advances from ultimate holding company and its related interest payable, there were no loans and borrowings denominated in foreign currency as of 30 September 2024 and 31 December 2023, respectively.

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**B8 Group borrowings (cont'd)**

Weighted average interest rates per annum of borrowings effective as at reporting date are as follow:

	<b>30-SEP-24</b>
Lease liabilities	2.36%
Revolving credits	4.86%
Term loan and Islamic loans	4.97%
Sukuk Murabahah	4.50%

The proportion of borrowings between fixed and floating were as follows:

	<b>30-SEP-24</b>	
	<b>RM'000</b>	<b>% to total borrowings</b>
Fixed rate	296,887	62%
Floating rate	181,053	38%
	477,940	100%

**B9 Income tax expense**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>CURRENT YEAR QUARTER</b>	<b>PRECEDING YEAR CORRESPONDING QUARTER</b>	<b>CURRENT YEAR TO DATE</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD</b>
	<b>30-SEP-24</b>	<b>30-SEP-23</b>	<b>30-SEP-24</b>	<b>30-SEP-23</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Income tax expense comprises:				
Current tax	24,214	10,835	45,545	17,611
Deferred tax	(5,637)	-	(5,711)	-
	18,577	10,835	39,834	17,611

The Group's effective tax rate for the financial period is higher than the statutory tax rate of 24% mainly due to certain expenses were not deductible for tax purposes and non-recognition of deferred tax assets arising from certain loss-making entities along with the recognition of under provision of income tax in prior year.

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**B10 Trade receivables**

The table below is the aging analysis of trade receivables at the end of the reporting period:

	<b>30-SEP-24</b> <b>RM'000</b>
Neither past due nor impaired	10,594
1 to 30 days past due	26,723
31 to 60 days past due	4,217
61 to 90 days past due	3,201
More than 90 days past due	13,076
	47,217
Less: Allowance for doubtful debt for trade receivables	(8,865)
	48,946

Allowance for doubtful debt for trade receivables was provided for balances aged beyond 180 days as it is probable the Group will be unable to collect such debts after sending reminder letters and letter of demand.

On confirmation of insolvency of receivables, the balances will be written off.

**B11 Dividend payable**

There was no dividend proposed for the quarter under review.



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**PART B - EXPLANATORY NOTES PURSUANT TO PART A OF AND APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B12 Earnings per share**

The calculation of the earnings per ordinary share of the Group has been calculated by dividing profit for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30-SEP-24 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-SEP-23 RM'000	CURRENT YEAR TO DATE 30-SEP-24 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-SEP-23 RM'000
Basic earnings per share				
Profit attributable to owners of the Company (RM'000)	25,442	17,230	68,213	28,482
Weighted average number of ordinary shares ('000)	1,456,995	1,456,995	1,456,995	1,456,995
Basic/Diluted earnings (sen per share)	<u>1.75</u>	<u>1.18</u>	<u>4.68</u>	<u>1.95</u>

**B13 Profit before tax**

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

	CURRENT YEAR QUARTER 30-SEP-24 RM'000	YEAR TO DATE 30-SEP-24 RM'000
Staff costs	11,293	37,133
Depreciation of:		
Property, plant and equipment	3,407	9,238
Investment properties	127	379
Bad debts written off	242	242
Unrealised gain on foreign exchange	(14)	(7)
Gain on disposal of property, plant and equipment	(67)	(727)
Interest income	(1,761)	(2,587)
Property, plant and equipment written off	<u>(1)</u>	<u>(1)</u>

**B14 Changes in material litigation**

There was no material litigation against the Group as at the reporting date.

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**PART B - EXPLANATORY NOTES PURSUANT TO PART A OF AND APPENDIX 9B OF THE MAIN  
MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B15 Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the financial year ended 31 December 2023 were not subject to any qualification.

**B16 Authorisation for issue**

The current interim financial statements were authorised for issue by the Board of Directors in accordance with the resolution of the Directors on 20 November 2024.