



# PARKSON HOLDINGS BERHAD

A Member of Lion Group

Reg. No: 198201009470 (89194-P)

## **Interim Financial Report for the First Quarter Ended 31 March 2024**

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## PARKSON HOLDINGS BERHAD

Registration No. 198201009470 (89194-P)  
(Incorporated in Malaysia)

Interim financial report for the first quarter ended 31 March 2024

(The figures have not been audited)

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	INDIVIDUAL QUARTER			YEAR-TO-DATE ENDED		
		31.3.2024 RM'000	31.3.2023 RM'000	Changes %	31.3.2024 RM'000	31.3.2023 RM'000	Changes %
<b>Continuing operations</b>							
Gross sales proceeds		<b>2,070,039</b>	<b>2,077,789</b>	-0.4	<b>2,070,039</b>	<b>2,077,789</b>	-0.4
Revenue	7	<b>845,082</b>	<b>835,654</b>	1	<b>845,082</b>	<b>835,654</b>	1
Other operating income		<b>76,275</b>	78,857		<b>76,275</b>	78,857	
Operating expenses		<b>(766,469)</b>	(800,357)		<b>(766,469)</b>	(800,357)	
Operating profit		<b>154,888</b>	114,154	36	<b>154,888</b>	114,154	36
Finance income		<b>11,958</b>	11,610		<b>11,958</b>	11,610	
Finance costs	23(c)	<b>(94,543)</b>	(97,956)		<b>(94,543)</b>	(97,956)	
Share of results of associates		<b>3,315</b>	3,020		<b>3,315</b>	3,020	
Share of results of joint ventures		-	(100)		-	(100)	
Exceptional item	23(k)	-	23,756		-	23,756	
Profit before tax	23	<b>75,618</b>	<b>54,484</b>	39	<b>75,618</b>	<b>54,484</b>	39
Income tax expense	16	<b>(29,878)</b>	(15,396)		<b>(29,878)</b>	(15,396)	
Profit for the period from continuing operations		<b>45,740</b>	39,088	17	<b>45,740</b>	39,088	17
<b>Discontinued operations (#)</b>							
Loss for the period from discontinued operations		<b>(11)</b>	(896)		<b>(11)</b>	(896)	
<b>Profit for the period from continuing and discontinued operations</b>		<b>45,729</b>	38,192		<b>45,729</b>	38,192	
Profit for the period attributable to :							
- Owners of the parent		<b>26,308</b>	<b>20,681</b>	27	<b>26,308</b>	<b>20,681</b>	27
- Non-controlling interests		<b>19,421</b>	17,511		<b>19,421</b>	17,511	
		<b>45,729</b>	38,192		<b>45,729</b>	38,192	
Earnings per share attributable to owners of the parent (sen) :							
- Basic	21	<b>2.29</b>	1.80		<b>2.29</b>	1.80	
- Diluted	21	<b>2.29</b>	1.80		<b>2.29</b>	1.80	

(#) Relating to results of subsidiaries in Vietnam which had ceased operation.

*The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Annual 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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Registration No. 198201009470 (89194-P)  
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Interim financial report for the first quarter ended 31 March 2024

(The figures have not been audited)

## CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		YEAR-TO-DATE ENDED	
	31.3.2024 RM'000	31.3.2023 RM'000	31.3.2024 RM'000	31.3.2023 RM'000
<b>Profit for the period</b>	<b>45,729</b>	<b>38,192</b>	<b>45,729</b>	<b>38,192</b>
<u>Other comprehensive income</u>				
- Foreign currency translation, representing item that may be reclassified subsequently to profit or loss	<b>24,244</b>	59,723	<b>24,244</b>	59,723
<b>Total comprehensive income for the period</b>	<b>69,973</b>	97,915	<b>69,973</b>	97,915
Total comprehensive income for the period attributable to :				
- <b>Owners of the parent</b>	<b>40,945</b>	<b>52,653</b>	<b>40,945</b>	<b>52,653</b>
- Non-controlling interests	<b>29,028</b>	45,262	<b>29,028</b>	45,262
	<b>69,973</b>	97,915	<b>69,973</b>	97,915

*The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the Annual 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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Interim financial report for the first quarter ended 31 March 2024

(The figures have not been audited)

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<u>Note</u>	<b>AS AT</b> <b>31.3.2024</b> RM'000	<b>AS AT</b> <b>31.12.2023</b> RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		1,874,644	1,873,972
Investment properties		467,306	466,108
Right-of-use assets		1,835,915	1,829,110
Intangible assets		1,133,287	1,119,375
Investments in associates		37,134	33,398
Deferred tax assets		184,112	184,537
Receivables		507,482	480,956
Investment securities		1,570	1,568
Time deposits		17,798	17,567
		<b>6,059,248</b>	<b>6,006,591</b>
<b>Current assets</b>			
Inventories		344,782	357,342
Receivables		554,091	599,222
Investment securities		44,409	37,159
Deposits, cash and bank balances		1,474,183	1,477,277
		<b>2,417,465</b>	<b>2,471,000</b>
Non-current assets classified as held for sale (@)		48,356	48,356
		<b>2,465,821</b>	<b>2,519,356</b>
<b>TOTAL ASSETS</b>		<b>8,525,069</b>	<b>8,525,947</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		2,160,580	2,160,580
Other reserves		(1,485,075)	(1,499,712)
Retained profits		800,793	774,485
Equity attributable to owners of the parent		<b>1,476,298</b>	<b>1,435,353</b>
Non-controlling interests		1,011,199	982,171
Total equity		<b>2,487,497</b>	<b>2,417,524</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities		144,355	146,615
Loans and borrowings	18	97,457	1,505,078
Long term payables and provisions		23,341	21,577
Lease liabilities		1,909,452	1,926,580
		<b>2,174,605</b>	<b>3,599,850</b>
<b>Current liabilities</b>			
Payables, other liabilities and provisions		1,248,243	1,283,704
Contract liabilities		415,095	419,207
Loans and borrowings	18	1,631,091	234,867
Lease liabilities		532,191	545,975
Tax payables		36,347	24,820
		<b>3,862,967</b>	<b>2,508,573</b>
<b>Total liabilities</b>		<b>6,037,572</b>	<b>6,108,423</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,525,069</b>	<b>8,525,947</b>
Net assets per share attributable to owners of the parent (RM)		<b>1.28</b>	<b>1.25</b>

(@) Relating to carrying amount of part of a leasehold land located in Melaka, Malaysia.

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual 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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Interim financial report for the first quarter ended 31 March 2024

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	← Attributable to owners of the parent →			Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Other reserves RM'000	Retained profits RM'000			
<b><u>31 March 2024</u></b>						
At 1 January 2024	2,160,580	(1,499,712)	774,485	1,435,353	982,171	2,417,524
Total comprehensive income for the period	-	14,637	26,308	40,945	29,028	69,973
<b>At 31 March 2024</b>	<b>2,160,580</b>	<b>(1,485,075)</b>	<b>800,793</b>	<b>1,476,298</b>	<b>1,011,199</b>	<b>2,487,497</b>
<b><u>31 March 2023</u></b>						
At 1 January 2023	2,160,580	(1,512,314)	790,198	1,438,464	931,599	2,370,063
Total comprehensive income for the period	-	31,972	20,681	52,653	45,262	97,915
<b>At 31 March 2023</b>	<b>2,160,580</b>	<b>(1,480,342)</b>	<b>810,879</b>	<b>1,491,117</b>	<b>976,861</b>	<b>2,467,978</b>

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual 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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Interim financial report for the first quarter ended 31 March 2024  
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## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	YEAR-TO-DATE ENDED	
	31.3.2024 RM'000	31.3.2023 RM'000
<b>OPERATING ACTIVITIES</b>		
Profit/(loss) before tax :		
Continuing operations	75,618	54,484
Discontinued operations	(11)	(896)
Adjustments for :		
Non-cash items	134,260	97,355
Non-operating items	79,271	83,525
Operating profit before working capital changes	289,138	234,468
Changes in working capital :		
Net changes in assets	29,591	23,780
Net changes in liabilities	(48,640)	44,591
Others (mainly interest and tax paid)	(48,038)	(39,217)
	<b>222,051</b>	<b>263,622</b>
<b>INVESTING ACTIVITIES</b>		
Proceeds received from non-current assets classified as held for sale	-	53,987
Changes in investment securities and deposits with banks	(4,447)	7,715
Others (mainly purchase of property, plant and equipment)	(9,402)	(11,911)
	<b>(13,849)</b>	<b>49,791</b>
<b>FINANCING ACTIVITIES</b>		
Loans and borrowings	(36,684)	(28,815)
Payment of lease liabilities	(189,074)	(163,675)
	<b>(225,758)</b>	<b>(192,490)</b>
Net changes in cash and cash equivalents	(17,556)	120,923
Effects of changes in exchange rates	16,424	19,682
Cash and cash equivalents at beginning of period	1,432,251	1,251,268
Cash and cash equivalents at end of period	<b>1,431,119</b>	<b>1,391,873</b>
Cash and cash equivalents at end of period comprise the following :		
Deposits, cash and bank balances	1,491,981	1,449,433
Less : Pledged deposits and deposits with banks with original maturity of more than three months when acquired	(60,106)	(56,471)
Less : Bank overdrafts	(756)	(1,089)
	<b>1,431,119</b>	<b>1,391,873</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual 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 THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 1. Accounting policies and methods of computation

The condensed consolidated financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134 *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements also comply with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* issued by the International Accounting Standards Board ("IASB").

The condensed consolidated financial statements should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 December 2023. These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2023.

The significant accounting policies adopted in the condensed consolidated financial statements are consistent with those of the Annual Audited Financial Statements for the financial year ended 31 December 2023 except for the adoption of the following standards effective for the annual periods beginning on or after 1 January 2024 :

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

The adoption of the above-mentioned standards did not have a material impact on the financial statements of the Group.

### 2. Comments about seasonal or cyclical factors

The Group's retail operations generally performed better with higher sales generated during the festive and holiday seasons.

### 3. Unusual items due to their nature, size or incidence

Other than as disclosed in Note 23, there were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current reporting periods.

### 4. Changes in estimates

There were no changes in estimates that have had a material effect in the results for the current reporting periods.

### 5. Debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the financial year-to-date.

**6. Dividend paid**

There were no dividends paid during the current reporting periods.

**7. Revenue and segmental information**

The Group's revenue for the financial year-to-date was as follows :

	RM'000	RM'000
Concessionaire sales (gross)	1,483,184	
Less : Cost of concessionaire sales	<u>(1,224,957)</u>	
Commissions from concessionaire sales		258,227
Sales of goods - Direct sales		459,172
Others (including rental income, credit services and management service fees)		<u>127,683</u>
		<b><u>845,082</u></b>

The Group's segmental information for the financial year-to-date was as follows :

	← Retailing →			Total continuing operations	Discontinued operations	Total
	Malaysia	People's Republic of China	Others			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	<u>223,086</u>	<u>599,088</u>	<u>22,908</u>	<b><u>845,082</u></b>	<u>-</u>	<b><u>845,082</u></b>
<b>Results</b>						
Segment profit/(loss)	72,420	81,378	1,090	<b>154,888</b>	<b>(11)</b>	<b>154,877</b>
Finance income				<b>11,958</b>	-	<b>11,958</b>
Finance costs				<b>(94,543)</b>	-	<b>(94,543)</b>
Share of results of associates				<b>3,315</b>	-	<b>3,315</b>
Profit/(loss) before tax				<u><b>75,618</b></u>	<u><b>(11)</b></u>	<u><b>75,607</b></u>
Total assets	<u>1,152,252</u>	<u>6,686,135</u>	<u>684,599</u>	<b><u>8,522,986</u></b>	<b><u>2,083</u></b>	<b><u>8,525,069</u></b>

**8. Subsequent events**

There were no material events subsequent to the end of the current quarter.

**9. Changes in composition of the Group**

There were no material changes in the composition of the Group during the financial year-to-date.

**10. Changes in contingent liabilities and contingent assets**

There were no material changes in contingent liabilities or contingent assets since 31 December 2023.



11. Performance review

	INDIVIDUAL QUARTER			YEAR-TO-DATE ENDED		
	31.3.2024 RM'000	31.3.2023 RM'000	Changes %	31.3.2024 RM'000	31.3.2023 RM'000	Changes %
<u>Revenue</u>						
Retailing :						
- Malaysia	<b>223,086</b>	201,199	11	<b>223,086</b>	201,199	11
- China	<b>599,088</b>	618,561	-3	<b>599,088</b>	618,561	-3
	<b>822,174</b>	819,760	0.3	<b>822,174</b>	819,760	0.3
Others	<b>22,908</b>	15,894	44	<b>22,908</b>	15,894	44
	<b>845,082</b>	<b>835,654</b>	1	<b>845,082</b>	<b>835,654</b>	1
<u>Segment profit/(loss)</u>						
Retailing :						
- Malaysia	<b>72,420</b>	56,436	28	<b>72,420</b>	56,436	28
- China	<b>81,378</b>	57,583	41	<b>81,378</b>	57,583	41
	<b>153,798</b>	114,019	35	<b>153,798</b>	114,019	35
Others	<b>1,090</b>	135	>100	<b>1,090</b>	135	>100
	<b>154,888</b>	<b>114,154</b>	36	<b>154,888</b>	<b>114,154</b>	36

For the first quarter ended 31 March 2024, the Group's **Retailing** division recorded a marginally higher revenue of RM822 million with operating profit increasing by 35% to RM154 million. Performance of our retailing operations in each location were as follows :

- Malaysia

The Group's retailing operations in Malaysia experienced a rise in stores' footfall compared with the preceding year reporting period, primarily driven by the early shopping for the Muslim celebrations in April 2024. Revenue improved by 11% to RM223 million, while operating profit increased by 28% to RM72 million for the 3 months ended 31 March 2024.

As at 31 March 2024, the Group has 37 Parkson stores in Malaysia.

- China

For the 3 months ended 31 March 2024, Parkson China recorded a lower revenue of RM599 million compared with RM619 million a year ago as it saw a shift towards more rational consumer behaviour after the COVID-19 pandemic.

Nevertheless, continuous efforts in optimising operating efficiencies and stringent cost control measures, coupled with the additional rental income from an investment property in Beijing, have enabled Parkson China to achieve higher operating profit of RM81 million for the current quarter under review.

In this quarter, Parkson China closed a store in Lanzhou City, Gansu Province. As at 31 March 2024, the Group has a network coverage of 42 stores in 28 cities across China.

Results of the **Others** division were mainly derived from the consumer financing business, operation of food and beverage business, and investment holding. For the 3 months ended 31 March 2024, the Group's consumer financing business continued to grow its revenue and operating profit whilst the bakery operation showed improvement in visitor traffic.

**12. Comment on material change in profit**

	<b>Current Quarter</b>	<b>Immediate Preceding Quarter</b>	<b>Changes</b>
	<b>31.3.2024</b>	<b>31.12.2023</b>	<b>%</b>
	RM'000	RM'000	
Revenue	<b>845,082</b>	762,623	11
Operating profit	<b>154,888</b>	133,572	16
Profit/(loss) before tax	<b>75,618</b>	(31,455)	>100

For the current quarter under review, the Group registered a revenue growth of 11% to RM845 million. This growth was fuelled by encouraging consumer spending during the Chinese New Year festivities, as well as early spending for the Muslim celebrations. The higher revenue coupled with the Group's ongoing efforts in optimising stores' effectiveness, had contributed to the commendable operating profit and profit before tax of RM155 million and RM76 million respectively.

Loss before tax in the immediate preceding quarter included impairment loss on intangible assets (goodwill) amounted to RM83 million.

**13. a) Prospects**

The overall retailing operations of the Group in Malaysia and China are expected to experience a seasonal low traffic flow for the coming quarter ending 30 June 2024 in the absence of major festivities.

The Group remains committed to optimising its operating efficiencies and implementing cost improvements strategies, while continuing to diversify the income sources to fully seize the opportunities, and promote long-term sustainable development of its businesses.

**b) Forecast or target previously announced**

The disclosure requirements are not applicable for the current reporting periods.

**14. Statement of the Board of Directors' opinion on achievement of forecast or target**

The disclosure requirements are not applicable for the current reporting periods.

**15. Profit forecast or profit guarantee**

No profit forecast or profit guarantee was published.

**16. Income tax expense**

	INDIVIDUAL QUARTER		YEAR-TO-DATE ENDED	
	31.3.2024 RM'000	31.3.2023 RM'000	31.3.2024 RM'000	31.3.2023 RM'000
Income tax expense comprises :				
Current and deferred income tax :				
- Arising in Malaysia	16,463	11,259	16,463	11,259
- Arising outside Malaysia	13,415	4,137	13,415	4,137
	<b>29,878</b>	15,396	<b>29,878</b>	15,396

Excluding the share of results of associates, the effective tax rate of the Group for the current quarter and financial year-to-date were higher than the Malaysian statutory tax rate mainly due to certain expenses which were not deductible for tax purposes.

**17. Corporate proposals****a) Status of corporate proposals**

Date of Announcements	Subject	Status
9.9.2022 11.10.2022 13.10.2022 28.10.2022 15.2.2023	Proposed disposal by Qingdao No. 1 Parkson Co., Ltd., an indirect 95.91% owned subsidiary of Parkson Retail Group Limited ("PRGL") which is in turn a 54.97% owned subsidiary of the Company, of the properties in Qingdao City, Shandong Province, the People's Republic of China ("PRC") with an aggregate construction area of approximately 76,013 square metres, at the consideration of Rmb280 million (equivalent to approximately RM183 million) ("Disposal").	The shareholders' approval for PRGL on the Disposal had been obtained on 28 October 2022.  The Disposal is pending the fulfilment of conditions precedent.

**b) Status of utilisation of proceeds**

The disclosure requirements are not applicable.

**18. Borrowings and debt securities**

The Group's loans and borrowings as at the end of the reporting period were as follows :

	AS AT 31.3.2024		AS AT 31.3.2023	
	Foreign Currency	RM'000	Foreign Currency	RM'000
	'000		'000	
<b>Non-current</b>				
<u>Secured</u>				
- Revolving financing	-	97,457	-	-
- Bank loans : HK\$ denominated	-	-	2,467,600	1,388,320
Total non-current loans and borrowings		<u>97,457</u>		<u>1,388,320</u>
<b>Current</b>				
<u>Secured</u>				
- Bankers' acceptance	-	1,852	-	4,876
- Revolving financing	-	46,700	-	120,000
- Term loans and bank loans :				
HK\$ denominated	2,467,600	1,463,752	100,000	56,275
US\$ denominated	25,000	118,031	29,000	127,925
- Bank overdrafts	-	756	-	1,086
		<u>1,631,091</u>		<u>310,162</u>
<u>Unsecured</u>				
- Term loan : US\$ denominated	-	-	1,000	4,411
- Bank overdrafts	-	-	-	3
		<u>-</u>		<u>4,414</u>
Total current loans and borrowings		<u>1,631,091</u>		<u>314,576</u>
Total loans and borrowings		<u>1,728,548</u>		<u>1,702,896</u>

Exchange rates used :

As at 31.3.2024 - HK\$1.00: RM0.60 ; US\$1.00: RM4.72

As at 31.3.2023 - HK\$1.00: RM0.56 ; US\$1.00: RM4.41

On 15 March 2024, the Group, as borrower, had entered into a loan agreement with a syndicate of banks, as lenders, in relation to a syndicated loan facility in an aggregate amount of up to Rmb2,500 million (equivalent to approximately RM1,636 million) ("Loan Facility") for a term of 36 months commencing from the first drawdown date. The Loan Facility is to refinance the Group's existing HK\$ denominated bank loans.

**19. Changes in material litigation**

There were no changes in the material litigations since 31 December 2023 other than the following :

On 23 December 2019, Parkson Corporation Sdn Bhd ("PCSB"), a wholly-owned subsidiary of Parkson Retail Asia Limited which is in turn a 67.96% owned subsidiary of the Company, was served with a Writ and the Statement of Claim both dated 13 December 2019 ("Suit"). The Suit was initiated by PKNS-Andaman Development Sdn Bhd ("PKNS") in relation to premises let to PCSB within a mall known as "EVO Shopping Mall" ("Demised Premises").

PKNS, the landlord of the Demised Premises, has alleged that PCSB had failed to observe its obligation to pay rental for the Demised Premises pursuant to the Tenancy Agreement dated 2 October 2017 entered into between PCSB and PKNS ("Tenancy Agreement") and accordingly, PKNS was claiming for reliefs ("Reliefs").

On 22 May 2020, PCSB filed a court application to strike out the Suit on the grounds that the Suit (a) discloses no reasonable cause of action; (b) is scandalous, frivolous and vexatious; and/or (c) is an abuse of process of the court.

On 29 January 2021, the High Court of Malaya ("High Court") allowed PCSB's application to strike out the Suit and had accordingly struck out the Suit with costs of RM7,000 to be paid by PKNS to PCSB.

On 16 February 2021, PCSB received a notice of appeal from PKNS informing that PKNS had filed an appeal against the decision given by the High Court on 29 January 2021 allowing PCSB's striking out application ("Appeal").

**19. Changes in material litigation** (Cont'd.)

There were no changes in the material litigations since 31 December 2023 other than the following : (Cont'd.)

On 21 March 2023, the Court of Appeal had allowed the Appeal and directed for the matter to proceed with trial at the High Court.

On 8 June 2023, PKNS filed an application with the High Court to amend, amongst others, the Reliefs in its Statement of Claim ("Amendment Application") with the High Court as follows :

- (1) payment by PCSB of RM10,965,712 to PKNS, being the accrued monthly rental from 2 April 2018 to June 2023, and thereafter at the rate of RM182,958.60 per month until full settlement of total outstanding rental;
- (2) as an alternative to (1) above, payment by PCSB of RM11,722,419 to PKNS, being the accrued monthly rental from 27 February 2018 to June 2023, and thereafter at the rate of RM182,958.60 per month until full settlement of total outstanding rental; and
- (3) PCSB is to pay total outstanding monthly rental to PKNS within 14 days from the date of judgement.

On 18 August 2023, the High Court allowed the Amendment Application upon which PKNS had on 6 September 2023, served PCSB with an Amended Writ and Amended Statement of Claim, both dated 3 September 2023. PCSB had filed its amended Statement of Defence on 19 September 2023.

The trial dates of the matter have been fixed on 30 to 31 May 2024, 28 June 2024 and 1 July 2024.

PCSB maintains its position that no rental is payable as PKNS has failed to satisfy the conditions precedent as set out in the Tenancy Agreement for rental commencement to be triggered and PKNS's act of issuing commencement notice pursuant to the Tenancy Agreement backdating the commencement date of rental without satisfying the conditions precedent is unlawful.

**20. Dividend proposed**

The Board of Directors does not recommend any dividend for the current reporting periods.

**21. Earnings per share ("EPS")****Basic**

Basic EPS is calculated by dividing the profit for the period attributable to owners of the parent by the weighted average number of ordinary shares of the Company in issue during the reporting periods.

	INDIVIDUAL QUARTER		YEAR-TO-DATE ENDED	
	31.3.2024	31.3.2023	31.3.2024	31.3.2023
Profit attributable to owners of the parent (RM'000)	<b>26,308</b>	20,681	<b>26,308</b>	20,681
Weighted average number of ordinary shares in issue ('000)	<b>1,148,902</b>	1,148,902	<b>1,148,902</b>	1,148,902
Basic EPS (sen)	<b>2.29</b>	1.80	<b>2.29</b>	1.80

**Diluted**

The basic EPS and the diluted EPS are the same for the periods as the Company has no dilutive potential ordinary shares as at the end of the reporting period.

**22. Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the financial year ended 31 December 2023 was not qualified.

**23. Profit before tax**

Profit before tax is arrived at after crediting/(charging) the following income/(expenses) :

	INDIVIDUAL QUARTER		YEAR-TO-DATE ENDED	
	31.3.2024 RM'000	31.3.2023 RM'000	31.3.2024 RM'000	31.3.2023 RM'000
<b>Continuing operations</b>				
a) Interest income	<b>11,958</b>	11,610	<b>11,958</b>	11,610
b) Other income including investment income	<b>76,275</b>	78,857	<b>76,275</b>	78,857
c) Interest expenses :				
- Lease interest	<b>(54,640)</b>	(60,833)	<b>(54,640)</b>	(60,833)
- Other interest expenses	<b>(39,903)</b>	(37,123)	<b>(39,903)</b>	(37,123)
	<b>(94,543)</b>	(97,956)	<b>(94,543)</b>	(97,956)
d) Depreciation and amortisation :				
- Right-of-use assets	<b>(85,223)</b>	(91,058)	<b>(85,223)</b>	(91,058)
- Others	<b>(36,097)</b>	(34,861)	<b>(36,097)</b>	(34,861)
	<b>(121,320)</b>	(125,919)	<b>(121,320)</b>	(125,919)
e) Provision for and write off of receivables	<b>(3,748)</b>	(2,280)	<b>(3,748)</b>	(2,280)
f) Provision for and write off of inventories	<b>(1,610)</b>	(1,446)	<b>(1,610)</b>	(1,446)
g) Gain/(loss) on disposal of quoted or unquoted investments or properties	-	-	-	-
h) Impairment of assets	-	-	-	-
i) Foreign exchange gain/(loss)	<b>(4,208)</b>	848	<b>(4,208)</b>	848
j) Gain/(loss) on derivatives	-	-	-	-
k) Exceptional item :				
- Gain on disposal of properties	-	23,756	-	23,756