



PARKSON HOLDINGS BERHAD

A Member of Lion Group

Reg. No: 198201009470 (89194-P)

Interim Financial Report for the Second Quarter Ended 30 June 2024

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PARKSON HOLDINGS BERHAD

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

Interim financial report for the second quarter ended 30 June 2024

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	INDIVIDUAL QUARTER			YEAR-TO-DATE ENDED		
		30.6.2024 RM'000	30.6.2023 RM'000	Changes %	30.6.2024 RM'000	30.6.2023 RM'000	Changes %
Continuing operations							
Gross sales proceeds		1,530,977	1,859,350	-18	3,601,016	3,937,139	-9
Revenue	7	681,223	830,466	-18	1,526,305	1,666,120	-8
Other operating income		76,944	92,568		153,219	171,425	
Operating expenses		(692,259)	(762,219)		(1,458,728)	(1,562,576)	
Operating profit		65,908	160,815	-59	220,796	274,969	-20
Finance income		10,086	11,388		22,044	22,998	
Finance costs	23(c)	(95,365)	(94,086)		(189,908)	(192,042)	
Share of results of associates		2,493	1,875		5,808	4,895	
Share of results of joint ventures		-	6,555		-	6,455	
Exceptional items	23(k)	(5,412)	(18,155)		(5,412)	5,601	
(Loss)/profit before tax	23	(22,290)	68,392	->100	53,328	122,876	-57
Income tax credit/(expense)	16	7,927	(25,647)		(21,951)	(41,043)	
(Loss)/profit for the period from continuing operations		(14,363)	42,745	->100	31,377	81,833	-62
Discontinued operations (#)							
Loss for the period from discontinued operations		-	(1,223)		(11)	(2,119)	
(Loss)/profit for the period from continuing and discontinued operations		(14,363)	41,522		31,366	79,714	
(Loss)/profit for the period attributable to :							
- Owners of the parent		(8,307)	19,343	->100	18,001	40,024	-55
- Non-controlling interests		(6,056)	22,179		13,365	39,690	
		(14,363)	41,522		31,366	79,714	
(Loss)/earnings per share attributable to owners of the parent (sen) :							
- Basic	21	(0.72)	1.68		1.57	3.48	
- Diluted	21	(0.72)	1.68		1.57	3.48	

(#) 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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CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		YEAR-TO-DATE ENDED	
	30.6.2024 RM'000	30.6.2023 RM'000	30.6.2024 RM'000	30.6.2023 RM'000
(Loss)/profit for the period	(14,363)	41,522	31,366	79,714
<u>Other comprehensive loss</u>				
- Foreign currency translation, representing item that may be reclassified subsequently to profit or loss	(37,866)	(80,127)	(13,622)	(20,404)
Total comprehensive (loss)/ income for the period	(52,229)	(38,605)	17,744	59,310
Total comprehensive (loss)/income for the period attributable to :				
- Owners of the parent	(30,383)	(22,118)	10,562	30,535
- Non-controlling interests	(21,846)	(16,487)	7,182	28,775
	(52,229)	(38,605)	17,744	59,310

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 second quarter ended 30 June 2024

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<u>Note</u>	AS AT 30.6.2024 RM'000	AS AT 31.12.2023 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		1,836,097	1,873,972
Investment properties		461,314	466,108
Right-of-use assets		1,944,656	1,829,110
Intangible assets		1,120,229	1,119,375
Investments in associates		30,566	33,398
Deferred tax assets		203,884	184,537
Receivables		513,306	480,956
Investment securities		1,569	1,568
Time deposits		17,670	17,567
		6,129,291	6,006,591
Current assets			
Inventories		335,017	357,342
Receivables		520,108	599,222
Investment securities		44,331	37,159
Deposits, cash and bank balances		1,382,706	1,477,277
		2,282,162	2,471,000
Non-current assets classified as held for sale (@)		48,356	48,356
		2,330,518	2,519,356
TOTAL ASSETS		8,459,809	8,525,947
EQUITY AND LIABILITIES			
Share capital		2,160,580	2,160,580
Other reserves		(1,507,151)	(1,499,712)
Retained profits		792,486	774,485
Equity attributable to owners of the parent		1,445,915	1,435,353
Non-controlling interests		989,112	982,171
Total equity		2,435,027	2,417,524
Non-current liabilities			
Deferred tax liabilities		139,153	146,615
Loans and borrowings	18	1,639,932	1,505,078
Long term payables and provisions		23,627	21,577
Lease liabilities		2,014,750	1,926,580
		3,817,462	3,599,850
Current liabilities			
Payables, other liabilities and provisions		1,022,775	1,283,704
Contract liabilities		402,353	419,207
Loans and borrowings	18	242,888	234,867
Lease liabilities		510,950	545,975
Tax payables		28,354	24,820
		2,207,320	2,508,573
Total liabilities		6,024,782	6,108,423
TOTAL EQUITY AND LIABILITIES		8,459,809	8,525,947
Net assets per share attributable to owners of the parent (RM)		1.26	1.25

(@) 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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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			
<u>30 June 2024</u>						
At 1 January 2024	2,160,580	(1,499,712)	774,485	1,435,353	982,171	2,417,524
Total comprehensive (loss)/ income for the period	-	(7,439)	18,001	10,562	7,182	17,744
Dividends to non-controlling interests	-	-	-	-	(241)	(241)
At 30 June 2024	2,160,580	(1,507,151)	792,486	1,445,915	989,112	2,435,027
<u>30 June 2023</u>						
At 1 January 2023	2,160,580	(1,512,314)	790,198	1,438,464	931,599	2,370,063
Total comprehensive (loss)/ income for the period	-	(9,489)	40,024	30,535	28,775	59,310
Transfer to capital reserves	-	1,604	(1,604)	-	-	-
Dividends to non-controlling interests	-	-	-	-	(205)	(205)
At 30 June 2023	2,160,580	(1,520,199)	828,618	1,468,999	960,169	2,429,168

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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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	YEAR-TO-DATE ENDED	
	30.6.2024 RM'000	30.6.2023 RM'000
<u>OPERATING ACTIVITIES</u>		
Profit/(loss) before tax :		
Continuing operations	53,328	122,876
Discontinued operations	(11)	(2,119)
Adjustments for :		
Non-cash items	302,060	251,551
Non-operating items	162,055	157,343
Operating profit before working capital changes	517,432	529,651
Changes in working capital :		
Net changes in assets	45,023	(1,985)
Net changes in liabilities	(322,159)	(20,068)
Others (mainly interest and tax paid)	(105,243)	(86,745)
	135,053	420,853
<u>INVESTING ACTIVITIES</u>		
Proceeds received from non-current assets classified as held for sale	-	53,987
Changes in investment securities and deposits with banks	1,548	(34,051)
Others (mainly purchase of property, plant and equipment)	(7,909)	(24,520)
	(6,361)	(4,584)
<u>FINANCING ACTIVITIES</u>		
Dividends paid to non-controlling interests	(241)	(205)
Loans and borrowings	119,548	(40,132)
Payment of lease liabilities	(340,049)	(316,672)
	(220,742)	(357,009)
Net changes in cash and cash equivalents	(92,050)	59,260
Effects of changes in exchange rates	5,637	29,906
Cash and cash equivalents at beginning of period	1,432,251	1,251,268
Cash and cash equivalents at end of period	1,345,838	1,340,434
Cash and cash equivalents at end of period comprise the following :		
Deposits, cash and bank balances	1,400,376	1,446,140
Less : Pledged deposits and deposits with banks with original maturity of more than three months when acquired	(53,438)	(104,810)
Less : Bank overdrafts	(1,100)	(896)
	1,345,838	1,340,434

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)	2,522,516	
Less : Cost of concessionaire sales	<u>(2,074,711)</u>	
Commissions from concessionaire sales		447,805
Sales of goods - Direct sales		824,611
Others (including rental income, credit services and management service fees)		<u>253,889</u>
		<u>1,526,305</u>

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>394,857</u>	<u>1,083,389</u>	<u>48,059</u>	<u>1,526,305</u>	<u>-</u>	<u>1,526,305</u>
Results						
Segment profit/(loss)	109,076	139,165	(27,445)	220,796	(11)	220,785
Finance income				22,044	-	22,044
Finance costs				(189,908)	-	(189,908)
Share of results of associates				5,808	-	5,808
Exceptional items				(5,412)	-	(5,412)
Profit/(loss) before tax				<u>53,328</u>	<u>(11)</u>	<u>53,317</u>
Total assets	<u>1,007,328</u>	<u>6,723,313</u>	<u>727,155</u>	<u>8,457,796</u>	<u>2,013</u>	<u>8,459,809</u>

(*) Including property investments and management.

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		
	30.6.2024 RM'000	30.6.2023 RM'000	Changes %	30.6.2024 RM'000	30.6.2023 RM'000	Changes %
<u>Revenue</u>						
Retailing :						
- Malaysia	171,771 (**)	198,634	-14	394,857	399,833	-1
- China	484,301	613,824	-21	1,083,389	1,232,385	-12
	656,072	812,458	-19	1,478,246	1,632,218	-9
Others	25,151	18,008	40	48,059	33,902	42
	681,223	830,466	-18	1,526,305	1,666,120	-8
<u>Segment profit/(loss)</u>						
Retailing :						
- Malaysia	36,656	57,087	-36	109,076	113,523	-4
- China	57,787	113,677	-49	139,165	171,260	-19
	94,443	170,764	-45	248,241	284,783	-13
Others	(28,535)	(9,949)	- >100	(27,445)	(9,814)	- >100
	65,908	160,815	-59	220,796	274,969	-20

(**) June-2024 quarter : Less festive buying days due to the shift of Muslim celebrations.

For the 6 months ended 30 June 2024, the Group's **Retailing** division recorded a 9% lower revenue of RM1,478 million with operating profit decreasing by 13% to RM248 million. Performance of our retailing operations in each location were as follows :

- Malaysia

For the 6 months ended 30 June 2024, the Group's retailing operations in Malaysia reported a marginally lower revenue of RM395 million compared with RM400 million a year ago due to stores closure. Hence, operating profit was lower at RM109 million for the current year-to-date compared with RM114 million in the same period last year.

As at 30 June 2024, the Group has 37 Parkson stores in Malaysia.

- China

For the 6 months ended 30 June 2024, Parkson China recorded a lower revenue of RM1,083 million compared with RM1,232 million a year ago, consequent to a shift towards more rational consumer behaviour after the COVID-19 pandemic.

The lower revenue, coupled with an impairment loss on receivable relating to leases amounting to RM14 million, had resulted in Parkson China reporting a lower operating profit of RM139 million for the first half of the current financial year.

As at 30 June 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 6 months ended 30 June 2024, the Group's consumer financing business continued to grow its revenue and operating profit, while the bakery operation saw an increase in visitor traffic. The Division, however, reported higher loss before tax for the current quarter and financial year-to-date as a result of the foreign exchange loss of RM34 million recognised following full settlement of the HK\$ denominated bank loans as disclosed in Note 18.

12. Comment on material change in profit

	Current Quarter	Immediate Preceding Quarter	Changes
	30.6.2024	31.3.2024	%
	RM'000	RM'000	
Revenue	681,223	845,082	-19
Operating profit	65,908	154,888	-57
(Loss)/profit before tax	(22,290)	75,618	- >100

As anticipated, the Group's retailing operations in Malaysia and China witnessed a seasonal low traffic flow for the current quarter under review in the absence of major festivities as compared with the strong consumer spending during the Chinese New Year festivities and the early shopping for the Muslim celebrations in the immediate preceding quarter.

The lower revenue, coupled with the foreign exchange loss as disclosed in Note 11 above, had resulted in the Group recording a lower operating profit of RM66 million and a loss before tax of RM22 million for the current quarter under review.

13. a) Prospects

For the third quarter ending 30 September 2024, the Group's retailing operations are expected to experience low traffic flow in the absence of major festivities, along with cautious discretionary spending amidst rising cost of living.

The Group remains committed to optimising operating efficiencies and implementing cost improvements strategies. Additionally, it continues to diversify the income sources to seize 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 credit/expense

Income tax (credit)/expense comprises :	INDIVIDUAL QUARTER		YEAR-TO-DATE ENDED	
	30.6.2024 RM'000	30.6.2023 RM'000	30.6.2024 RM'000	30.6.2023 RM'000
Current and deferred income tax :				
- Arising in Malaysia	9,300	12,491	25,763	23,750
- Arising outside Malaysia	(17,227)	13,156	(3,812)	17,293
	<u>(7,927)</u>	<u>25,647</u>	<u>21,951</u>	<u>41,043</u>

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 31.5.2024	Proposed disposal by Qingdao No. 1 Parkson Co., Ltd. ("Vendor"), 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") ("Properties") with an aggregate construction area of approximately 76,013 square metres, at the consideration of Rmb280 million (equivalent to approximately RM182 million) ("Disposal").	<p>The shareholders' approval for PRGL on the Disposal had been obtained on 28 October 2022.</p> <p>On 31 May 2024, PRGL had announced the following :</p> <p>(i) that following the completion of the Disposal on 31 January 2023, the Vendor had ceased to be the owner of the Properties;</p> <p>(ii) the Vendor had on 15 August 2023, received all the consideration paid by the purchaser; and</p> <p>(ii) on 27 May 2024, the Vendor had completed the payment of all its tax expenses payable in relation to the Disposal and the purchaser had paid the additional tax amount pursuant to the Supplemental Agreement dated 15 February 2023.</p>

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 30.6.2024		AS AT 30.6.2023	
	Foreign Currency		Foreign Currency	
	'000	RM'000	'000	RM'000
Non-current				
<u>Secured</u>				
- Revolving financing	-	100,380	-	-
- Bank loans :				
Rmb denominated (#)	2,370,000	1,539,552	-	-
HK\$ denominated	-	-	2,467,600	1,460,632
Total non-current loans and borrowings		<u>1,639,932</u>		<u>1,460,632</u>
Current				
<u>Secured</u>				
- Bankers' acceptance	-	1,743	-	4,612
- Revolving financing	-	61,917	-	130,459
- Term loans and bank loans :				
Rmb denominated (#)	100,000	64,960	-	-
HK\$ denominated	-	-	100,000	59,503
US\$ denominated	24,000	113,168	28,000	130,347
- Bank overdrafts	-	1,100	-	893
		<u>242,888</u>		<u>325,814</u>
<u>Unsecured</u>				
- Bank overdrafts		-		3
Total current loans and borrowings		<u>242,888</u>		<u>325,817</u>
Total loans and borrowings		<u>1,882,820</u>		<u>1,786,449</u>

Exchange rates used :

As at 30.6.2024 - Rmb1.00: RM0.65 ; US\$1.00: RM4.72

As at 30.6.2023 - HK\$1.00: RM0.59 ; US\$1.00: RM4.66

(#) On 15 March 2024, PRGL, 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 RM1,624 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.

PRGL had in June 2024, drawn down Rmb2,470 million (equivalent to approximately RM1,605 million) to fully settle the 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.

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 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").

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.

On 1 July 2024, the High Court has fixed further trial dates on 25 to 27 September 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. (Loss)/earnings per share ("LPS" / "EPS")**Basic**

Basic LPS/EPS is calculated by dividing the (loss)/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	
	30.6.2024	30.6.2023	30.6.2024	30.6.2023
(Loss)/profit attributable to owners of the parent (RM'000)	(8,307)	19,343	18,001	40,024
Weighted average number of ordinary shares in issue ('000)	1,148,902	1,148,902	1,148,902	1,148,902
Basic LPS/EPS (sen)	(0.72)	1.68	1.57	3.48

Diluted

The basic LPS/EPS and the diluted LPS/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. (Loss)/profit before tax

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

	INDIVIDUAL QUARTER		YEAR-TO-DATE ENDED	
	30.6.2024 RM'000	30.6.2023 RM'000	30.6.2024 RM'000	30.6.2023 RM'000
Continuing operations				
a) Interest income	10,086	11,388	22,044	22,998
b) Other income including investment income	76,944	92,568	153,219	171,425
c) Interest expenses :				
- Lease interest	(53,217)	(59,631)	(107,857)	(120,464)
- Other interest expenses	(42,148)	(34,455)	(82,051)	(71,578)
	(95,365)	(94,086)	(189,908)	(192,042)
d) Depreciation and amortisation :				
- Right-of-use assets	(85,908)	(90,859)	(171,131)	(181,917)
- Others	(36,026)	(47,396)	(72,123)	(82,257)
	(121,934)	(138,255)	(243,254)	(264,174)
e) Provision for and write off of receivables	(18,637)	(3,940)	(22,385)	(6,220)
f) Provision for and write off of inventories	1,355	1,125	(255)	(321)
g) Gain/(loss) on disposal of quoted or unquoted investments or properties	-	-	-	-
h) Impairment of assets	-	-	-	-
i) Foreign exchange loss	(34,691)	(10,008)	(38,899)	(9,160)
j) Gain/(loss) on derivatives	-	-	-	-
k) Exceptional items :	(5,412)	(18,155)	(5,412)	5,601
- Gain on disposal of properties	-	-	-	23,756
- Impairment loss on :				
Property, plant and equipment	-	(2,738)	-	(2,738)
Right-of-use assets	-	(15,417)	-	(15,417)
Intangible assets	(5,412)	-	(5,412)	-