



PARKSON HOLDINGS BERHAD

A Member of Lion Group

Reg. No: 198201009470 (89194-P)

Interim Financial Report for the Third Quarter Ended 30 September 2024

Condensed Consolidated Statement of Profit or Loss	1
Condensed Consolidated Statement of Other Comprehensive Income	2
Condensed Consolidated Statement of Financial Position	3
Condensed Consolidated Statement of Changes in Equity	4
Condensed Consolidated Statement of Cash Flows	5
Notes to the Condensed Consolidated Financial Statements	6 - 13

PARKSON HOLDINGS BERHAD

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

Interim financial report for the third quarter ended 30 September 2024

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	INDIVIDUAL QUARTER			YEAR-TO-DATE ENDED		
		30.9.2024 RM'000	30.9.2023 RM'000	Changes %	30.9.2024 RM'000	30.9.2023 RM'000	Changes %
Continuing operations							
Gross sales proceeds		1,270,821	1,576,218	-19	4,871,837	5,513,357	-12
Revenue	7	584,943	692,444	-16	2,111,248	2,358,564	-10
Other operating income		93,081	114,108		246,300	285,533	
Operating expenses		(597,389)	(706,966)		(2,056,117)	(2,269,542)	
Operating profit		80,635	99,586	-19	301,431	374,555	-20
Finance income		7,490	10,961		29,534	33,959	
Finance costs	23(c)	(76,919)	(92,837)		(266,827)	(284,879)	
Share of results of associates		1,272	1,256		7,080	6,151	
Share of results of joint ventures		-	959		-	7,414	
Exceptional items	23(k)	-	-		(5,412)	5,601	
Profit before tax	23	12,478	19,925	-37	65,806	142,801	-54
Income tax expense	16	(7,619)	(12,669)		(29,570)	(53,712)	
Profit for the period from continuing operations		4,859	7,256	-33	36,236	89,089	-59
Discontinued operations (#)							
Loss for the period from discontinued operations		(6)	(1,506)		(17)	(3,625)	
Profit for the period from continuing and discontinued operations		4,853	5,750		36,219	85,464	
Profit/(loss) for the period attributable to :							
- Owners of the parent		7,266	2,210	>100	25,267	42,234	-40
- Non-controlling interests		(2,413)	3,540		10,952	43,230	
		4,853	5,750		36,219	85,464	
Earnings per share attributable to owners of the parent (sen) :							
- Basic	21	0.63	0.19		2.20	3.68	
- Diluted	21	0.63	0.19		2.20	3.68	

(#) 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	
	30.9.2024 RM'000	30.9.2023 RM'000	30.9.2024 RM'000	30.9.2023 RM'000
Profit for the period	4,853	5,750	36,219	85,464
<u>Other comprehensive (loss)/income</u>				
- Foreign currency translation, representing item that may be reclassified subsequently to profit or loss	(169,407)	8,825	(183,029)	(11,579)
Total comprehensive (loss)/ income for the period	(164,554)	14,575	(146,810)	73,885
Total comprehensive (loss)/income for the period attributable to :				
- Owners of the parent	(88,353)	7,313	(77,791)	37,848
- Non-controlling interests	(76,201)	7,262	(69,019)	36,037
	(164,554)	14,575	(146,810)	73,885

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 third quarter ended 30 September 2024

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<u>Note</u>	AS AT 30.9.2024 RM'000	AS AT 31.12.2023 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		1,648,144	1,873,972
Investment properties		424,961	466,108
Right-of-use assets		1,725,609	1,829,110
Intangible assets		1,019,594	1,119,375
Investments in associates		28,813	33,398
Deferred tax assets		184,458	184,537
Receivables		541,234	480,956
Investment securities		1,572	1,568
Time deposits		15,402	17,567
		5,589,787	6,006,591
Current assets			
Inventories		308,586	357,342
Receivables		511,989	599,222
Investment securities		40,559	37,159
Deposits, cash and bank balances		1,197,196	1,477,277
		2,058,330	2,471,000
Non-current assets classified as held for sale (@)		48,356	48,356
		2,106,686	2,519,356
TOTAL ASSETS		7,696,473	8,525,947
EQUITY AND LIABILITIES			
Equity			
Share capital		2,160,580	2,160,580
Other reserves		(1,602,770)	(1,499,712)
Retained profits		799,752	774,485
Equity attributable to owners of the parent		1,357,562	1,435,353
Non-controlling interests		898,971	982,171
Total equity		2,256,533	2,417,524
Non-current liabilities			
Deferred tax liabilities		112,337	146,615
Loans and borrowings	18	1,518,323	1,505,078
Long term payables and provisions		19,848	21,577
Lease liabilities		1,805,679	1,926,580
		3,456,187	3,599,850
Current liabilities			
Payables, other liabilities and provisions		933,364	1,283,704
Contract liabilities		379,754	419,207
Loans and borrowings	18	214,984	234,867
Lease liabilities		436,397	545,975
Tax payables		19,254	24,820
		1,983,753	2,508,573
Total liabilities		5,439,940	6,108,423
TOTAL EQUITY AND LIABILITIES		7,696,473	8,525,947
Net assets per share attributable to owners of the parent (RM)		1.18	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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Interim financial report for the third quarter ended 30 September 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			
30 September 2024						
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	-	(103,058)	25,267	(77,791)	(69,019)	(146,810)
Dividends to non-controlling interests	-	-	-	-	(14,181)	(14,181)
At 30 September 2024	2,160,580	(1,602,770)	799,752	1,357,562	898,971	2,256,533
30 September 2023						
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	-	(4,386)	42,234	37,848	36,037	73,885
Dividends to non-controlling interests	-	-	-	-	(8,127)	(8,127)
At 30 September 2023	2,160,580	(1,516,700)	832,432	1,476,312	959,509	2,435,821

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 third quarter ended 30 September 2024

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	YEAR-TO-DATE ENDED	
	30.9.2024 RM'000	30.9.2023 RM'000
OPERATING ACTIVITIES		
Profit/(loss) before tax :		
Continuing operations	65,806	142,801
Discontinued operations	(17)	(3,625)
Adjustments for :		
Non-cash items	404,823	356,694
Non-operating items	230,214	237,049
Operating profit before working capital changes	700,826	732,919
Changes in working capital :		
Net changes in assets	(109,538)	(60,546)
Net changes in liabilities	(248,889)	(63,499)
Others (mainly interest and tax paid)	(146,551)	(140,188)
	195,848	468,686
INVESTING ACTIVITIES		
Proceeds received from non-current assets classified as held for sale	-	90,020
Changes in investment securities and deposits with banks	(3,572)	(40,708)
Others (mainly purchase of property, plant and equipment)	(17,884)	(37,184)
	(21,456)	12,128
FINANCING ACTIVITIES		
Dividends paid to non-controlling interests	(14,181)	(8,127)
Loans and borrowings	140,944	(75,551)
Payment of lease liabilities	(451,613)	(491,760)
	(324,850)	(575,438)
Net changes in cash and cash equivalents	(150,458)	(94,624)
Effects of changes in exchange rates	(123,551)	30,905
Cash and cash equivalents at beginning of period	1,432,251	1,251,268
Cash and cash equivalents at end of period	1,158,242	1,187,549
Cash and cash equivalents at end of period comprise the following :		
Deposits, cash and bank balances	1,212,598	1,316,872
Less : Pledged deposits and deposits with banks with original maturity of more than three months when acquired	(53,735)	(128,589)
Less : Bank overdrafts	(621)	(734)
	1,158,242	1,187,549

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)	3,362,439	
Less : Cost of concessionaire sales	<u>(2,760,589)</u>	
Commissions from concessionaire sales		601,850
Sales of goods - Direct sales		1,128,514
Others (including rental income, credit services and management service fees)		380,884
		<u><u>2,111,248</u></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>547,275</u>	<u>1,486,018</u>	<u>77,955</u>	<u>2,111,248</u>	<u>-</u>	<u>2,111,248</u>
Results						
Segment profit/(loss)	126,725	175,174	(468)	301,431	(17)	301,414
Finance income				29,534	-	29,534
Finance costs				(266,827)	-	(266,827)
Share of results of associates				7,080	-	7,080
Exceptional items				(5,412)	-	(5,412)
Profit/(loss) before tax				<u>65,806</u>	<u>(17)</u>	<u>65,789</u>
Total assets	<u>977,274</u>	<u>5,899,542</u>	<u>817,832</u>	<u>7,694,648</u>	<u>1,825</u>	<u>7,696,473</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		
	30.9.2024 RM'000	30.9.2023 RM'000	Changes %	30.9.2024 RM'000	30.9.2023 RM'000	Changes %
<u>Revenue</u>						
Retailing :						
- Malaysia	152,418	163,765	-7	547,275	563,598	-3
- China	402,629	509,316	-21	1,486,018	1,741,701	-15
	555,047	673,081	-18	2,033,293	2,305,299	-12
Others	29,896	19,363	54	77,955	53,265	46
	584,943	692,444	-16	2,111,248	2,358,564	-10
<u>Segment profit/(loss)</u>						
Retailing :						
- Malaysia	17,649	26,884	-34	126,725	140,407	-10
- China	36,009	69,937	-49	175,174	241,197	-27
	53,658	96,821	-45	301,899	381,604	-21
Others	26,977	2,765	>100	(468)	(7,049)	93
	80,635	99,586	-19	301,431	374,555	-20

For the 9 months ended 30 September 2024, the Group's **Retailing** division recorded a 12% lower revenue of RM2,033 million with operating profit decreasing by 21% to RM302 million. Performance of our retailing operations in each location were as follows :

- Malaysia

For the 9 months ended 30 September 2024, the Group's retailing operations in Malaysia reported a 3% lower revenue of RM547 million compared with RM564 million a year ago due to stores closure and softer consumer sentiments. Hence, operating profit was lower at RM127 million for the current year-to-date compared with RM140 million in the same period last year.

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

- China

For the 9 months ended 30 September 2024, Parkson China recorded a lower revenue of RM1,486 million compared with RM1,742 million a year ago, as a result of the slower-than-expected economic recovery leading to cautious consumer spending. Accordingly, a lower operating profit of RM175 million was reported compared with RM241 million in the same period last year.

As at 30 September 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. Excluding the impact of foreign exchange effects as disclosed in Note 23, the division would have reported operating profit of RM12 million (3 months ended 30.9.2023 : RM3 million) and RM23 million (9 months ended 30.9.2023 : RM3 million) respectively for the current quarter and year-to-date ended 30 September 2024. These improvements were attributed to the impressive growth in consumer financing business which saw an increase in both revenue and operating profit.

12. Comment on material change in profit

	<u>Current Quarter</u>	<u>Immediate Preceding Quarter</u>	<u>Changes</u>
	30.9.2024	30.6.2024	%
	RM'000	RM'000	
Revenue	584,943	681,223	-14
Operating profit	80,635	65,908	22
Profit/(loss) before tax	12,478	(22,290)	>100

In the current quarter, the Group's retailing operations experienced low traffic flow in the absence of major festivities, along with cautious discretionary spending across the retailing regions. Accordingly, a lower revenue of RM585 million was reported compared with RM681 million in the immediate preceding quarter.

The Group posted an operating profit of RM81 million and a profit before tax of RM12 million for the current quarter under review which included a foreign exchange gain of RM15 million. In contrast, in the immediate preceding quarter, a foreign exchange loss of RM34 million was recognised following full settlement of the HK\$ denominated bank loans.

13. a) Prospects

The Group recognises that cautious discretionary spending may continue as a result of the rising cost of living. Nevertheless, the Group believes that the upcoming year-end festivities and holiday seasons will drive shopper traffic to our retailing stores and contribute to an encouraging operating performance.

The Group is dedicated to optimising operating efficiencies and implementing cost improvements strategies. Furthermore, the Group continues to focus on enhancing product offerings, diversifying its 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 expense

	<u>INDIVIDUAL QUARTER</u>		<u>YEAR-TO-DATE ENDED</u>	
Income tax expense/(credit) comprises :	30.9.2024	30.9.2023	30.9.2024	30.9.2023
	RM'000	RM'000	RM'000	RM'000
Current and deferred income tax :				
- Arising in Malaysia	8,236	5,842	33,999	29,592
- Arising outside Malaysia	(617)	6,827	(4,429)	24,120
	7,619	12,669	29,570	53,712

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**

There were no corporate proposals pending completion as at the end of the current reporting period.

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 30.9.2024		AS AT 30.9.2023	
	Foreign Currency '000	RM'000	Foreign Currency '000	RM'000
Non-current				
<u>Secured</u>				
- Revolving financing	-	125,237	-	-
- Bank loans :				
Rmb denominated (#)	2,370,000	1,393,086	-	-
HK\$ denominated	-	-	2,417,600	1,426,425
Total non-current loans and borrowings		<u>1,518,323</u>		<u>1,426,425</u>
Current				
<u>Secured</u>				
- Bankers' acceptance	-	5,029	-	3,442
- Revolving financing	-	55,737	-	141,850
- Term loans and bank loans :				
Rmb denominated (#)	100,000	58,780	-	-
HK\$ denominated	-	-	100,000	59,002
US\$ denominated	23,000	94,817	27,000	126,682
- Bank overdrafts	-	621	-	731
		<u>214,984</u>		<u>331,707</u>
<u>Unsecured</u>				
- Bank overdrafts	-	-	-	3
Total current loans and borrowings		<u>214,984</u>		<u>331,710</u>
Total loans and borrowings		<u>1,733,307</u>		<u>1,758,135</u>

Exchange rates used :

As at 30.9.2024 - Rmb1.00: RM0.59 ; US\$1.00: RM4.12

As at 30.9.2023 - HK\$1.00: RM0.59 ; US\$1.00: RM4.69

(#) On 15 March 2024, Parkson Retail Group Limited ("PRGL"), a 54.97% owned subsidiary of the Company, 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 RM1,470 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 RM1,452 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, amongst others, the following reliefs ("Reliefs") :

- (a) payment by PCSB of RM3,659,172 to PKNS, being the accrued monthly rental from 2 April 2018 to 2 December 2019, and thereafter at the rate of RM182,958 per month until the return of the Demised Premises to PKNS;
- (b) as an alternative to item (a) above, payment by PCSB of RM3,842,131 to PKNS, being the accrued monthly rental from 27 February 2018 to 27 November 2019, and thereafter at the rate of RM182,958 per month until the return of the Demised Premises to PKNS;
- (c) payment by PCSB of RM1,859,600 to PKNS, being the renovation cost contributed by PKNS towards the Demised Premises;
- (d) interest upon the judgement debt at the rate of 5% per annum from the date of the Writ and Statement of Claim until the date of judgement;
- (e) interest upon the judgement debt at the rate of 5% per annum from the date of judgement until date of full settlement;
- (f) PCSB to duly return the vacant possession of the Demised Premises to PKNS in the original condition and/or PCSB to return vacant possession of the Demised Premises to PKNS within 14 days from the date of judgement; and
- (g) costs of proceedings to be paid by PCSB to PKNS.

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").

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 :

- (a) 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;
- (b) as an alternative to (a) 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
- (c) PCSB is to pay total outstanding monthly rental to PKNS within 14 days from the date of judgement.

Items (c), (d), (e) and (g) of the Reliefs continue to remain unchanged in PKNS's claim.

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 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 27 September 2024, the High Court has fixed further trial dates on 14 to 16 January 2025.

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	
	30.9.2024	30.9.2023	30.9.2024	30.9.2023
Profit attributable to owners of the parent (RM'000)	7,266	2,210	25,267	42,234
Weighted average number of ordinary shares in issue ('000)	1,148,902	1,148,902	1,148,902	1,148,902
Basic EPS (sen)	0.63	0.19	2.20	3.68

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	
	30.9.2024 RM'000	30.9.2023 RM'000	30.9.2024 RM'000	30.9.2023 RM'000
Continuing operations				
a) Interest income	7,490	10,961	29,534	33,959
b) Other income including investment income	93,081	114,108	246,300	285,533
c) Interest expenses :				
- Lease interest	(53,211)	(56,827)	(161,068)	(177,291)
- Other interest expenses	(23,708)	(36,010)	(105,759)	(107,588)
	(76,919)	(92,837)	(266,827)	(284,879)
d) Depreciation and amortisation :				
- Right-of-use assets	(80,155)	(84,555)	(251,286)	(266,472)
- Others	(33,493)	(37,178)	(105,616)	(119,435)
	(113,648)	(121,733)	(356,902)	(385,907)
e) Provision for and write off of receivables	(5,574)	(5,592)	(27,959)	(11,812)
f) Provision for and write off of inventories	(1,028)	(1,118)	(1,283)	(1,439)
g) Gain/(loss) on disposal of quoted or unquoted investments or properties	-	-	-	-
h) Impairment of assets	-	-	-	-
i) Foreign exchange gain/(loss) (*)	15,407	(672)	(23,492)	(9,832)
j) Gain/(loss) on derivatives	-	-	-	-
k) Exceptional items :			(5,412)	5,601
- Gain on disposal of properties	-	-	-	23,756
- Impairment loss on :				
Property, plant and equipment	-	-	-	(2,738)
Right-of-use assets	-	-	-	(15,417)
Intangible assets	-	-	(5,412)	-

(*) - 3 months ended 30.9.2024 : Mainly related to the Group's borrowings that were denominated in the US\$ ("US\$ Borrowings").

- 9 months ended 30.9.2024 : Comprised foreign exchange loss of RM34 million recognised following full settlement of the HK\$ denominated bank loans as disclosed in Note 18, but was partially offset by foreign exchange gain relating to the Group's US\$ Borrowings.