



**ATLAN HOLDINGS BHD
ANNOUNCEMENT TO BURSA MALAYSIA
FOR THE FOURTH QUARTER ENDED
29 FEBRUARY 2024**

ATLAN HOLDINGS BHD*(Company Number: 173250-W)**(Incorporated in Malaysia)***CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED 29 FEBRUARY 2024**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Note	Ended 29-Feb-24 RM'000	Ended 28-Feb-23 RM'000	Ended 29-Feb-24 RM'000	Ended 28-Feb-23 RM'000
Revenue	9	128,665	117,759	453,560	381,264
Operating expenses		(113,912)	(101,724)	(399,109)	(342,050)
Other operating income		1,991	2,595	6,389	15,650
Net foreign exchange gain		1,282	2,174	7,138	7,432
Operating profit		18,026	20,804	67,978	62,296
Depreciation and amortisation		(6,476)	(5,004)	(22,809)	(19,822)
Impairment of property, plant and equipment and right-of-use assets		-	(85)	(84)	(85)
Finance costs		(3,025)	(2,490)	(11,765)	(8,996)
Share of results of an associate		(6)	126	67	144
Profit before taxation	9, 17	8,519	13,351	33,387	33,537
Taxation	18	(1,916)	(1,884)	(8,072)	(6,250)
Profit for the period		6,603	11,467	25,315	27,287
Attributable to:					
Equity holders of the parent		5,071	8,752	20,349	21,896
Non-controlling interests		1,532	2,715	4,966	5,391
		6,603	11,467	25,315	27,287
Earnings per share attributable to equity holders of the parent (sen)	25				
- Basic		2.00	3.45	8.02	8.63

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 28 February 2023 and the accompanying explanatory notes attached to the interim financial statements.

ATLAN HOLDINGS BHD*(Company Number: 173250-W)**(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED 29 FEBRUARY 2024**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Ended	Ended	Ended	Ended
	29-Feb-24	28-Feb-23	29-Feb-24	28-Feb-23
	RM'000	RM'000	RM'000	RM'000
Profit for the period	<u>6,603</u>	<u>11,467</u>	<u>25,315</u>	<u>27,287</u>
Other comprehensive income:				
- Remeasurement gain on defined benefit plans	15	121	15	121
- Foreign currency translation	<u>1,554</u>	<u>142</u>	<u>7,559</u>	<u>563</u>
Total comprehensive income for the period	<u>8,172</u>	<u>11,730</u>	<u>32,889</u>	<u>27,971</u>
Total comprehensive income attributable to:				
Equity holders of the parent	6,626	9,088	28,023	22,437
Non-controlling interests	<u>1,546</u>	<u>2,642</u>	<u>4,866</u>	<u>5,534</u>
	<u>8,172</u>	<u>11,730</u>	<u>32,889</u>	<u>27,971</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 28 February 2023 and the accompanying explanatory notes attached to the interim financial statements.

ATLAN HOLDINGS BHD*(Company Number: 173250-W)**(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION (UNAUDITED)
AS AT 29 FEBRUARY 2024**

	(Unaudited)	(Audited)
	As at	As at
Note	29-Feb-24	28-Feb-23
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	200,272	129,716
Investment properties	27,100	28,980
Goodwill	8,044	5,818
Intangible assets	405	-
Investment in associates	367	300
Other investments	137	134
Prepayment	4,000	4,000
Deferred tax assets	8,397	7,736
Right-of-use assets	109,224	107,470
	<u>357,946</u>	<u>284,154</u>
CURRENT ASSETS		
Inventories	125,829	135,931
Biological assets	170	178
Capitalised contract costs	702	484
Trade and other receivables	73,355	93,417
Prepayments	3,205	6,628
Tax recoverable	7,745	9,712
Derivative assets	21	29
Marketable securities	2	4
Cash and bank balances	238,593	207,174
	<u>449,622</u>	<u>453,557</u>
TOTAL ASSETS	<u>807,568</u>	<u>737,711</u>

ATLAN HOLDINGS BHD*(Company Number: 173250-W)**(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION (UNAUDITED)
AS AT 29 FEBRUARY 2024 (CONT'D.)**

		(Unaudited)	(Audited)
	Note	As at 29-Feb-24 RM'000	As at 28-Feb-23 RM'000
EQUITY AND LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		99,972	77,908
Employee benefits		515	434
Tax payable		1,180	333
Provision for restoration costs		-	198
Borrowings	20	29,259	22,670
Lease liabilities		5,156	1,496
		<u>136,082</u>	<u>103,039</u>
NET CURRENT ASSETS		<u>313,540</u>	<u>350,518</u>
NON-CURRENT LIABILITIES			
Employee benefits		1,338	1,705
Deferred tax liabilities		8,847	9,637
Provision for restoration costs		704	672
Borrowings	20	51,318	14,903
Lease liabilities		101,810	102,620
		<u>164,017</u>	<u>129,537</u>
TOTAL LIABILITIES		<u>300,099</u>	<u>232,576</u>
NET ASSETS		<u>507,469</u>	<u>505,135</u>

ATLAN HOLDINGS BHD*(Company Number: 173250-W)**(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION (UNAUDITED)
AS AT 29 FEBRUARY 2024 (CONT'D.)**

	(Unaudited)	(Audited)
	As at	As at
Note	29-Feb-24	28-Feb-23
	RM'000	RM'000
EQUITY AND LIABILITIES (CONT'D.)		
EQUITY		
Equity attributable to owners of the parent		
Share capital	356,528	356,528
Currency translation reserve	7,339	(320)
Other reserve	(75,560)	(75,560)
Retained earnings	120,701	125,702
	<u>409,008</u>	<u>406,350</u>
Non-controlling interests	98,461	98,785
TOTAL EQUITY	<u>507,469</u>	<u>505,135</u>
TOTAL EQUITY AND LIABILITIES	<u>807,568</u>	<u>737,711</u>
Net assets per share attributable to owners of the parent (RM)	<u>1.61</u>	<u>1.60</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 28 February 2023 and the accompanying explanatory notes attached to the interim financial statements.

ATLAN HOLDINGS BHD

(Company Number: 173250-W)

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE PERIOD ENDED 29 FEBRUARY 2024

	← Attributable to Owners of the Parent →				Non-controlling Interests ("NCI")	Total Equity	
	Share capital RM'000	Currency translation reserve RM'000	Other reserve RM'000	Retained earnings RM'000			Total RM'000
At 1 March 2022	356,528	219	(78,102)	113,299	391,944	93,530	485,474
Profit for the period	-	-	-	21,896	21,896	5,391	27,287
Other comprehensive income	-	420	-	121	541	143	684
	-	420	-	22,017	22,437	5,534	27,971
Transactions with owners:							
Allotment of new ordinary shares by a subsidiary	-	-	1	-	1	-	1
Effect of changes in functional currency of a subsidiary	-	(532)	-	532	-	-	-
Derecognition of put option liability	-	(427)	2,541	-	2,114	3,478	5,592
Dividend on ordinary shares	-	-	-	(10,146)	(10,146)	-	(10,146)
Dividends paid to non-controlling interests by subsidiaries	-	-	-	-	-	(3,757)	(3,757)
At 28 February 2023	356,528	(320)	(75,560)	125,702	406,350	98,785	505,135
At 1 March 2023	356,528	(320)	(75,560)	125,702	406,350	98,785	505,135
Profit for the period	-	-	-	20,349	20,349	4,966	25,315
Other comprehensive income	-	7,659	-	15	7,674	(100)	7,574
	-	7,659	-	20,364	28,023	4,866	32,889
Transactions with owners:							
Changes of equity interest in a subsidiary							
- Acquisition of a subsidiary	-	-	-	-	-	100	100
Dividends on ordinary shares	-	-	-	(25,365)	(25,365)	-	(25,365)
Dividends paid to non-controlling interests by subsidiaries	-	-	-	-	-	(5,290)	(5,290)
At 29 February 2024	356,528	7,339	(75,560)	120,701	409,008	98,461	507,469

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 28 February 2023 and the accompanying explanatory notes attached to the interim financial statements.

ATLAN HOLDINGS BHD*(Company Number: 173250-W)**(Incorporated in Malaysia)***CONDENSED CONSOLIDATED CASH FLOWS STATEMENT (UNAUDITED)
FOR THE PERIOD ENDED 29 FEBRUARY 2024**

	12 MONTHS ENDED	
	29-Feb-24 RM'000	28-Feb-23 RM'000
Operating activities		
Profit before taxation	33,387	33,537
Adjustments for:		
Bad debts written off	20	58
Changes in fair value of marketable securities	2	(2)
Changes in fair value of biological assets	8	(23)
Depreciation and amortisation	22,809	19,822
Deposit forfeited	(68)	(594)
Gain on disposal of property, plant and equipment	(179)	(69)
Gain arising from changes in fair value of options	-	(222)
Interest expense	11,765	8,996
Interest income	(8,511)	(6,512)
Inventories written off	124	2,561
Inventories written down	1,369	391
Impairment loss on receivables	87	8
Impairment loss on right-of-use assets	84	85
Inventories written back	(1,138)	(7,370)
Reversal of impairment loss on receivables	(51)	(691)
(Reversal)/Provision of short term accumulating compensated absences	(2)	25
Property, plant and equipment written off	16	5
Lease concessions received	-	(164)
Gain on forward foreign exchange contracts	-	(29)
Unrealised gain on foreign exchange (net)	(6,471)	(5,574)
Share of results of an associate	(67)	(144)
Operating cash flows before changes in working capital	53,184	44,094
Changes in working capital	45,905	(13,554)
Cash generated from operations	99,089	30,540
Tax paid	(6,420)	(5,590)
Employee benefits paid	(267)	(328)
Net cash flows generated from operating activities	92,402	24,622

ATLAN HOLDINGS BHD*(Company Number: 173250-W)**(Incorporated in Malaysia)***CONDENSED CONSOLIDATED CASH FLOWS STATEMENT (UNAUDITED)
FOR THE PERIOD ENDED 29 FEBRUARY 2024 (CONT'D.)**

	12 MONTHS ENDED	
	29-Feb-24 RM'000	28-Feb-23 RM'000
Investing activities		
Acquisition of assets	(12,423)	(6,584)
Deposit paid for proposed acquisitions (Note 10(a))	-	(11,495)
Interest received	8,511	6,512
Proceeds from disposal of property, plant and equipment	418	437
Net cash outflow on acquisition of a subsidiary and assets	(59,174)	-
Proceed from exercise of warrants in a subsidiary by non-controlling interest	-	1
Net cash flows used in investing activities	<u>(62,668)</u>	<u>(11,129)</u>
Financing activities		
Decrease/(Increase) in pledged fixed deposits	2,859	(170)
Dividends paid to non-controlling interests of subsidiaries	(5,290)	(3,757)
Dividends paid to ordinary shareholders of the Company	(25,365)	(10,146)
Payment of leases	(5,342)	(1,193)
Interest paid	(11,569)	(2,486)
Net drawdown/(repayment) of borrowings	42,952	(12,081)
Repayment of hire purchase liabilities	(49)	(79)
Net cash flows used in financing activities	<u>(1,804)</u>	<u>(29,912)</u>
Net increase/(decrease) in cash and cash equivalents	27,930	(16,419)
Effect of foreign exchange translation	6,348	5,750
Cash and cash equivalents at beginning of the period	194,064	204,733
Cash and cash equivalents at end of the period	<u>228,342</u>	<u>194,064</u>
Cash and cash equivalents at end of financial period comprise the following:		
Cash and bank balances	238,593	207,174
Less: Pledged deposits	(10,251)	(13,110)
	<u>228,342</u>	<u>194,064</u>

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CONDENSED CONSOLIDATED CASH FLOWS STATEMENT (UNAUDITED) FOR THE PERIOD ENDED 29 FEBRUARY 2024 (CONT'D.)

Reconciliation of liabilities arising from financing activities:

	Carrying amount as at 1 March 2023 RM'000	Cash flows RM'000	Non-cash changes Others RM'000	Carrying amount as at 29 February 2024 RM'000
Term loans	21,855	(6,993)	52	14,914
Trade facilities	5,718	(55)	-	5,663
Revolving credit facilities	10,000	50,000	-	60,000
Lease liabilities				
- Hire purchase liabilities	49	(49)	-	-
- Other lease liabilities	104,067	(5,342)	8,241	106,966
Dividend payable	-	(25,365)	25,365	-
Total liabilities from financing activities	<u>141,689</u>	<u>12,196</u>	<u>33,658</u>	<u>187,543</u>

The Condensed Consolidated Cash Flows Statement should be read in conjunction with the audited financial statements for the year ended 28 February 2023 and the accompanying notes attached to the interim financial statements.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 29 FEBRUARY 2024**

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). These interim financial statements also comply with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 28 February 2023. These explanatory notes attached to the interim financial statements 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 28 February 2023.

The interim financial statements have been prepared under the historical cost convention unless otherwise indicated in the accounting policies below.

2. Summary of Significant Accounting Policies

(i) Changes in Accounting Policies

The significant accounting policies adopted in preparing this condensed financial report are consistent with those of the audited financial statements for the year ended 28 February 2023, except for the adoption of the following new MFRSs and Interpretations, and amendments to certain MFRSs and Interpretations with effect from 1 March 2023:

<u>MFRSs, Amendments to MFRSs and IC Interpretation</u>	Effective for annual periods beginning on or after
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts – Initial Application of MFRS 17 and MFRS 9—Comparative Information	1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements – Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 29 FEBRUARY 2024**

2. Summary of Significant Accounting Policies (cont'd.)

(i) Changes in Accounting Policies (cont'd.)

The significant accounting policies adopted in preparing this condensed financial report are consistent with those of the audited financial statements for the year ended 28 February 2023, except for the adoption of the following new MFRSs and Interpretations, and amendments to certain MFRSs and Interpretations with effect from 1 March 2023 (cont'd.):

MFRSs, Amendments to MFRSs and IC Interpretation	Effective for annual periods beginning on or after
Amendments to MFRS 112: Income Taxes – International Tax Reform—Pillar Two Model Rules	1 January 2023

The adoption of the above standards did not have any material impact to the financial statements of the Group in the period of initial application except as discussed below:

Disclosure of Accounting Policies - Amendments to MFRS 101 and MFRS Practice Statement 2

The amendments to MFRS 101 and MFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 29 FEBRUARY 2024**

2. Summary of Significant Accounting Policies (cont'd.)

(ii) Standards Issued But Not Yet Effective

At the date of authorisation of these interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

<u>MFRSs, Amendments to MFRSs and IC Interpretation</u>	Effective for annual periods beginning on or after
Amendments to MFRS 16 Leases – Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101 Presentation of Financial Statements – Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128: Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The directors expect that the adoption of the above standards and amendments will have no material impact on the financial statements in the period of initial application.

3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 28 February 2023 was not qualified.

4. Comments About Seasonal or Cyclical Factors

The business operations of the Group have not been materially affected by any seasonal or cyclical factors during the financial quarter under review.

5. Unusual Items Due to their Nature, Size or Incidence

There was no material unusual item affecting assets, liabilities, equity, net income, or cash flows during the financial quarter ended 29 February 2024.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 29 FEBRUARY 2024**

6. Changes in Estimates

There were no changes in estimates that have had a material effect in the current quarter.

7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter ended 29 February 2024.

8. Dividends Paid and Distributed

On 12 October 2023, the Company declared a first interim single tier ordinary dividend of 6.0 sen per share in respect of the financial year ended 29 February 2024 amounting to RM15.22 million which was paid on 8 November 2023.

On 11 January 2024, the Company declared a second interim single tier ordinary dividend of 4.0 sen per share in respect of the financial year ended 29 February 2024 amounting to RM10.15 million which was paid on 22 February 2024.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 FEBRUARY 2024

9. Segmental Information

	Individual Quarter			Cumulative Quarter		
	Ended	Ended	+ / (-)	Ended	Ended	+ / (-)
	29-Feb-24	28-Feb-23		29-Feb-24	28-Feb-23	
RM'000	RM'000	%	RM'000	RM'000	%	
Segment Revenue						
Duty free	48,371	48,926	(1.1%)	156,805	150,581	4.1%
Automotive	72,006	66,167	8.8%	261,725	219,946	19.0%
Property and hospitality	7,382	1,905	287.5%	31,635	9,282	240.8%
Investment holding	11,673	15,349	(23.9%)	30,256	17,320	74.7%
Others	1,475	2,534	(41.8%)	6,502	6,703	(3.0%)
	<u>140,907</u>	<u>134,881</u>	<u>4.5%</u>	<u>486,923</u>	<u>403,832</u>	<u>20.6%</u>
Eliminations	<u>(12,242)</u>	<u>(17,122)</u>	<u>(28.5%)</u>	<u>(33,363)</u>	<u>(22,568)</u>	<u>47.8%</u>
Group revenue	<u>128,665</u>	<u>117,759</u>	<u>9.3%</u>	<u>453,560</u>	<u>381,264</u>	<u>19.0%</u>
Segment Results						
Duty free	5,594	6,397	(12.6%)	12,248	13,090	(6.4%)
Automotive	5,356	8,664	(38.2%)	26,314	23,340	12.7%
Property and hospitality	(1,343)	(1,052)	27.7%	(2,086)	(550)	279.3%
Investment holding	483	1,447	(66.6%)	3,208	3,682	(12.9%)
Others	(1,571)	(2,105)	(25.4%)	(6,297)	(6,025)	4.5%
Profit before taxation	<u>8,519</u>	<u>13,351</u>	<u>(36.2%)</u>	<u>33,387</u>	<u>33,537</u>	<u>(0.4%)</u>

The Group comprises the following main business segments:

- (i) Duty free – trading of duty free goods, dutiable and non-dutiable merchandise;
- (ii) Automotive – manufacturing and marketing of automotive parts;
- (iii) Property and hospitality – property development, property management and hotel operations;
- (iv) Investment holding; and
- (v) Others – provision of corporate services, dormant and inactive companies.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 29 FEBRUARY 2024**

9. Segmental Information (cont'd.)

Segment Revenue

- (a) The Duty free segment recorded lower of RM48.4 million revenue in 4QFY2024, representing a decrease of 1.1% or RM0.5 million, over the revenue of RM48.9 million in 4QFY2023. The decrease was primarily attributed to the cessation of operations of the Kuala Lumpur International Airport (“KLIA”) outlet due to the termination of its tenancy at KLIA in April 2023. Duty free segment recorded a higher revenue of RM156.8 million in cumulative quarter of FY2024 as compared to the revenue recorded of RM150.6 million in the same corresponding period ended FY2023. The improved revenue generated was mainly due to all of the Group’s retail outlets were in operations during FY2024, whereas, only three outlets in the Group were in operations in March 2022 and April 2022 and the rest of the duty free outlets only resumed operations in May 2022 onwards.
- (b) The revenue from the Automotive segment in the current quarter and cumulative quarter under review was higher at RM72.0 million and RM261.7 million respectively as compared to the corresponding quarter of RM66.2 million and corresponding cumulative quarter of the preceding financial year of RM219.9 million. Higher revenue registered was mainly due to the higher orders received from customers.
- (c) Higher revenue was reported from Property and hospitality segment in the current quarter and cumulative quarter under review mainly attributed to the consolidation of revenue from Belle Isle Hotels (Cornwall) Management Ltd (“BIM”) following the completion of acquisition on 3rd April 2023 as disclosed in Note 10(a). However, the positive effect was partially offset by the lower revenue reported from its property in Malaysia due to lower occupancy rate during the period under review.
- (d) The revenue from the Investment holding segment mainly relates to interest income and dividend income from subsidiaries in the Group which were eliminated at Group level. Lower revenue reported in current quarter under review as compared to the corresponding quarter in the previous financial year was mainly due to lower dividend income received from subsidiaries. However, higher revenue recorded in cumulative quarter under review as compared to the corresponding cumulative quarter in the previous financial year was mainly due to higher interest income from fixed deposit and higher dividend income received from subsidiaries.
- (e) The revenue of the Others segment mainly relates to interest income and management fee from related companies in the Group which were eliminated at Group level.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 29 FEBRUARY 2024**

9. Segmental Information (cont'd.)

Segment Results

- (a) Duty free segment reported a lower profit before taxation in the current quarter and cumulative quarter as compared to the corresponding quarter and cumulative quarter in the previous financial year. The drop in the profit before taxation was primarily due to lower revenue reported as mentioned above coupled with lower other operating income and higher employee benefit expenses incurred for the period under review.
- (b) Automotive segment registered a lower profit before taxation of RM5.4 million in the current quarter under review as compared to the profit before taxation of RM8.7 million in the corresponding quarter of previous financial year. However, the profit before tax for the cumulative quarter 4QFY2024 improved by RM3.0 million as compared to the corresponding period in the previous financial year. The decline in the profits in the current quarter under review was mainly due to the increase of provisional employee benefit expenses. Higher profit before taxation reported in the cumulative quarter was mainly due to higher revenue recorded as mentioned above.
- (c) In the Property and hospitality segment, a higher loss before taxation was incurred in the current quarter under review as compared to the corresponding quarter in the previous financial year. This was mainly attributed to the lower occupancy rate of the Property in Malaysia as mentioned above and low revenue for the current period under review reported by BIM due to the seasonal factors although BIM's operating expenses had remained relatively unchanged as previous quarters. Higher loss before taxation in the cumulative quarter as compared to the cumulative quarter in the previous financial year primarily due to the low occupancy rate of the Property in Malaysia during the period under review.
- (d) Investment holding segment reported a lower profit before taxation in the current quarter under review as compared to the corresponding quarter in the previous financial year. The drop of the result was mainly due to a lower net gain in foreign exchange amounting to RM1.3 million reported in current quarter under review as compared to RM2.2 million reported in the corresponding quarter of previous financial year. The profit before taxation in the cumulative quarter of FY2024 was comparable to the profit before taxation in the cumulative quarter of FY2023.
- (e) In the Others segment, lower losses reported in current quarter as compared to the corresponding quarter in the previous financial year mainly due to lower expenses incurred. Higher losses reported in the cumulative quarter as compared to the cumulative quarter in the previous financial year was mainly due to higher cumulative expenses incurred during the period under review.

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10. Significant and Subsequent Events

(a) On 20 October 2022, on behalf of the Board of Directors of the Group, Affin Hwang Investment Bank Berhad (“AHIBB”) announced that the Company had entered into the following conditional agreements (“Proposed Acquisitions”):

- (i) property sale and purchase agreement (“Property SPA”) with Belle Isle Property Ltd (“BIP”) for the purchase of The Cornwall Hotel Spa & Estate located in the United Kingdom (“Property”) amounted to GBP10,800,000 (equivalent to RM58,432,000);
- (ii) asset acquisition agreement (“Asset SPA”) with BIP for the purchase of all of BIP’s existing assets and liabilities which relate to the Property’s operations amounted to GBP1 (equivalent to RM5); and
- (iii) share sale and purchase agreement (“Shares SPA”) with Mark Trevor Rudrum for the acquisition of the entire issued share capital of Belle Isle Hotels (Cornwall) Management Ltd (“BIM”) amounted to GBP250,000 (equivalent to RM1,360,000).

On 15 March 2023, on behalf of the Board of Directors of the Group, AHIBB announced that the approval of the Company’s shareholders for the Proposed Acquisitions obtained at the extraordinary general meeting held on 15 March 2023, the Property SPA had become unconditional.

On 3 April 2023, on behalf of the Board of Directors of the Group, AHIBB announced that the Property SPA, Asset SPA and Shares SPA had been completed following the respective payments of the balance consideration.

Accordingly, on 3 April 2023, BIM became a wholly-owned subsidiary of the Company and is the owner of the Property and the existing assets and liabilities which relates to the Property’s operations.

In accordance with MFRS 3, Business Combinations, the Group has a period of twelve (12) months from the date of the acquisition (the “Measurement Period”) to complete the purchase price allocation (“PPA”). At the acquisition date, the Group had estimated the provisional goodwill at RM2.5 million.

During the current quarter under review, the Group completed the valuation of PPA and adjustments were made to the fair value of net assets, provisional intangible assets and goodwill recorded at the date of the acquisition.

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10. Significant and Subsequent Events (cont'd.)

The effect of the adjustments made upon the completion of PPA during the Measurement Period is set out below:

	RM'000
Fair value of consideration transferred	62,836
Adjusted net assets acquired	60,511
Fair value of intangible assets	357
Fair value of identified net assets	60,868
Goodwill	1,968

Fair Value Measurement

The adjusted intangible assets and goodwill arising from the acquisition amounting to RM0.4 million and RM2.0 million respectively were measured and accounted for using Multi-Period Excess Earning Method (“MEEM”) under the income method.

The consolidated financial information reflects the following:

Consolidated statement of financial position

- (i) The assets and liabilities of BIM as at 29 February 2024 were recognised and measured in the consolidated statement of financial position at their carrying amounts after the acquisition exercise;
- (ii) The assets and liabilities of BIM on acquisition date were recognised and measured in the consolidated statement of financial position at their acquisition date fair values as provisionally determined by the management;
- (iii) The comparative figures as at 28 February 2023 presented in the consolidated statement of financial position relate to the Atlan Holdings Bhd. (“AHB”) Group; and
- (iv) The retained earnings of the Group as at 29 February 2024 included that of the AHB Group at their carrying amounts and the post-acquisition reserves of BIM.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE
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10. Significant and Subsequent Events (cont'd.)

Consolidated statement of profit and loss and other comprehensive income

- (i) The consolidated statement of profit or loss and other comprehensive income for the period from 1 March 2023 to 29 February 2024 (“FY2024”), reflect the AHB Group and the post-acquisition results of BIM; and
 - (ii) The comparative figures for the period from 1 March 2022 to 28 February 2023 (“FY2023”) presented in the consolidated statement of profit or loss and other comprehensive income were that of AHB Group.
- (b) Bursa Malaysia Securities Berhad (“Bursa Securities”) had on 29 July 2015 granted approval to the Company on a lower public security holding spread of 20.81% for the purpose of compliance with Paragraph 8.02(1) of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Securities.

Since 8 July 2016, the Company had maintained its public security holding spread at 20.33% and from 21 August 2019 improved its public security holding spread to more than 20.81%.

However, on 19 December 2022, the Company announced that the Company has been notified by its substantial shareholders, Berjaya Group Berhad, Berjaya Corporation Berhad and Tan Sri Dato’ Seri Vincent Tan Chee Yioun in relation to the change of their substantial interests held in the Company by virtue of their interest held through Teras Mewah Sdn. Bhd.. As a result of the said change, the Public Shareholding Spread of the Company has decreased to 20.76%.

On 12 September 2023, the Company announced that the Company was notified by its substantial shareholders, Berjaya Group Berhad, Berjaya Corporation Berhad and Juara Sejati Sdn. Bhd. in relation to the change of their substantial interests held in the Company by virtue of their interest held through REDTone Digital Berhad. As a result of the said change, the Public Shareholding Spread of the Company decreased to 20.54%.

As at the date of this announcement, the Company’s public shareholding spread is as follows:

Number of public security holders: 1,062
Percentage of public security holdings: 20.54%

The Company will continue to monitor the level of public shareholdings spread and make the necessary announcements as and when there is any new development on the above.

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10. Significant and Subsequent Events (cont'd.)

- (c) On 19 January 2024, the Company acquired 900,000 ordinary shares, representing 90% equity interest in Immugen Sdn. Bhd. (“ISB”) for a consideration of RM900,000 (“Acquisition”). As a result of the Acquisition, ISB becomes a subsidiary of the Company.

ISB has been dormant since its date of incorporation.

The Acquisition did not have any material impact on the gearing, earning per share and net assets of AHB for the financial year ended 29 February 2024.

None of the directors or substantial shareholders of AHB or persons connected with them has any interest, direct or indirect in the Acquisition.

- (d) On 27 May 2019, a Privatisation Cum Development Agreement was signed among the State Government of Johor, The State Secretary, Johor (Incorporated) (“SSI”), Majlis Bandaraya Johor Bahru (“MBJB”), and Kelana Megah Sdn. Bhd. (“KMSB”), a subsidiary of the Company. Under this agreement, the State Government of Johor and SSI agreed to grant KMSB land rights for the development of the land parcel bearing lot number PTB20379, located at Stulang Laut, district of Johor Bahru. In return, KMSB is obligated to made payment RM10,000,000 and RM3,500,000 as development return to the State Government of Johor and MJB respectively.

As of 29 February 2024, a partial payment totalling RM4.0 million had been made to the State Government of Johor and MJB. The outstanding balance of RM9.5 million was subsequently paid in full on 18 March 2024. In accordance to Clause 5.02(c) of the Privatisation Cum Development Agreement, upon full payment of the development return, SSI is obligated to transfer the said land title to KMSB. As at the date of this report, the transfer of land title is still awaiting completion.

- (e) On 8 April 2024, Orchard Boulevard Sdn. Bhd. (“OBSB”), a wholly owned subsidiary of the Company, acquired a 58.4% equity interest in Kelana Megah Sdn. Bhd. (“KMSB”), a company in which OBSB previously held a minority shareholding, for an aggregate net cash consideration of RM11,500. The transfer of shares has been completed on 15 April 2024 and KMSB became a wholly owned subsidiary of OBSB.
- (f) On 9 April 2024, the subsidiary of the Company, Duty Free International Limited (“DFIL”) submitted its application to Accounting and Corporate Regulatory Authority for strike off Brand Connect Holding Pte Ltd., Brand Connect Asia Pacific Pte. Ltd., Brand Connect Pte Ltd., and Drinks Hub Asia Pte Ltd. (collectively, the “BC Group”), which in turn is the subsidiary of the Company. The striking off of BC Group is not expected to have any material impact on the net tangible assets and earnings per share of the Company. Upon completion of the strike off, BC Group will cease to be subsidiaries of the Company.

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10. Significant and Subsequent Events (cont'd.)

Other than as disclosed above, there were no material events during and subsequent to the current quarter ended 29 February 2024.

11. Changes in Composition of the Group

Other than as disclosed in Note 10(a), Note 10(c) and Note(e), there were no changes in the composition of the Group during the current quarter ended 29 February 2024.

12. Commitments

The amount of commitments not provided for in the interim financial statements as at 29 February 2024 were as follows:

Capital commitments

RM'000

Purchase of property, plant and equipment:

Approved and contracted for

12,988

Approved but not contracted for

8,728

21,716

13. Performance Review

Explanatory comment on the performance of each of the Group's segment is provided in Note 9 above.

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14. Comment on Material Change in Profit Before Taxation Compared with Immediate Preceding Quarter

	Current Quarter	Immediate	
	29-Feb-24	Preceding Quarter	
	RM'000	30-Nov-23	+/(-)
		RM'000	%
Revenue	128,665	117,192	9.8%
Operating profit	18,026	18,480	(2.5%)
Profit before interest expenses and taxation	11,544	12,698	(9.1%)
Profit before taxation	8,519	9,643	(11.7%)
Profit after taxation	6,603	7,524	(12.2%)
Profit attributable to equity holders of the parent	5,071	6,469	(21.6%)

Revenue for the quarter under review of RM128.7 million was higher as compared to the preceding quarter ended 30 November 2023 of RM117.2 million. The increase in revenue was largely due to higher revenue reported by the Duty free segment and Automotive segment.

The Group reported a lower profit before taxation of RM8.5 million in the current quarter under review as compared to the preceding quarter's profit before taxation of RM9.6 million mainly attributed to lower net gain in foreign exchange and higher depreciation expenses.

15. Commentary on Prospects

The Malaysian economy expanded moderately in the fourth quarter of 2023 by 3% (3Q 2023: 3.3%), growth was anchored by resilient domestic expenditure and recovery in external demand. On a quarter-on-quarter seasonally adjusted basis, the economy shrank by 2.1%, following a growth of 2.6% in the previous quarter (3Q 2023). Overall, the year 2023 growth for the Malaysian economy normalised to 3.7%, following a strong growth registered in the previous year (2022: 8.7%)¹.

In light of the aforementioned, the Group anticipates that the business environment in which it operates will continue to be challenging. This stems from the escalating product and operating costs due to the weakening of the Ringgit Malaysia against major foreign currencies, along with the added strain of inflationary pressures and a cautious approach of consumer spending. Hence, the Group will persist in its endeavours to improve operational efficiency and effectiveness. This includes implementing rigorous cost control measures while simultaneously devising strategies to adapt and navigate the constantly evolving business landscape. The overarching goal is to ensure that the Group's core businesses maintain their resilience and strength despite the aforesaid challenges being faced in the next twelve months.

¹ Source from Bank Negara Malaysia – Economic and financial developments in Malaysia in fourth quarter of 2023

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16. Profit Forecast or Profit Guarantee

There is no profit forecast and profit guarantee provided by the Company and as such, this disclosure requirement is not applicable.

17. Profit Before Taxation

Included in the profit before taxation are the following items:

	Individual Quarter		Cumulative Quarter	
	Ended	Ended	Ended	Ended
	29-Feb-24	28-Feb-23	29-Feb-24	28-Feb-23
	RM'000	RM'000	RM'000	RM'000
Bad debts written off	11	40	20	58
Changes in fair value of marketable securities	-	(2)	2	(2)
Changes in fair value of biological assets	(62)	(61)	8	(23)
Gain on disposal of property, plant and equipment	(161)	(31)	(179)	(69)
Gain arising from changes in fair value of options	-	(222)	-	(222)
GST related expenses	-	1,225	-	1,225
Depreciation and amortisation	6,476	5,004	22,809	19,822
Interest expense	3,025	2,490	11,765	8,996
Interest income	(2,314)	(2,096)	(8,511)	(6,512)
Impairment loss on right-of-use assets	-	85	84	85
Inventories written off	106	5	124	2,561
Inventories written down	1,369	391	1,369	391
Impairment loss on receivables	87	8	87	8
(Reversal)/Provision of short term accumulating compensated absences	(2)	25	(2)	25
Payment in relation to settlement with Customs	-	-	-	1,500
Inventories written back	(609)	(1,524)	(1,138)	(7,370)
Reversal of impairment loss on receivables	-	(354)	(51)	(691)
Property, plant and equipment written off	16	-	16	5
Realised foreign exchange gain (net)	(441)	(1,849)	(667)	(1,858)
Unrealised foreign exchange gain (net)	(841)	(325)	(6,471)	(5,574)

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18. Taxation

	Individual Quarter		Cumulative Quarter	
	Ended	Ended	Ended	Ended
	29-Feb-24	28-Feb-23	29-Feb-24	28-Feb-23
	RM'000	RM'000	RM'000	RM'000
Income tax				
- current period provision	2,218	2,698	8,168	7,566
- under/(over) provision in prior periods	64	(270)	162	(392)
Deferred taxation	(366)	(544)	(258)	(924)
	1,916	1,884	8,072	6,250

Lower effective tax rate in the current quarter under review was mainly due to higher non-taxable income primarily relating to unrealised foreign exchange gain. The effective tax rate for cumulative quarter under review is comparable to statutory tax rate.

19. Corporate Proposal

There was no corporate proposal announced but not completed as at the date of issue of this interim financial report.

20. Borrowings and Debt Securities

	As at	As at
	29-Feb-24	28-Feb-23
	RM'000	RM'000
Short Term Borrowings - Secured		
- Trade facilities	5,663	5,718
- Revolving credit facilities	17,000	10,000
- Term loan	6,596	6,952
	29,259	22,670
Long Term Borrowings - Secured		
- Term loan	8,318	14,903
- Revolving credit facilities	43,000	-
	51,318	14,903
Total Group's borrowings	80,577	37,573

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21. Fair Value Hierarchy

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs that are based on observable market data, either directly or indirectly

Level 3 - Inputs that are not based on observable market data

As at the reporting date, the Group held the following assets/liabilities that are measured at fair value:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	<i>Total</i> RM'000
At 29 February 2024				
Financial assets:				
Marketable securities	2	-	-	2
Derivatives				
- Forward foreign exchange contracts	-	21	-	21
Non-financial asset:				
Biological assets	-	-	170	170
At 28 February 2023				
Financial asset:				
Marketable securities	4	-	-	4
Financial liabilities:				
Derivatives				
- Forward foreign exchange contracts	-	29	-	29
Non-financial asset:				
Biological assets	-	-	178	178

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21. Fair Value Hierarchy (cont'd.)

No transfers between any levels of the fair value hierarchy took place during the current interim period and the comparative period. There were also no changes in the purpose of any financial asset/liability that subsequently resulted in a different classification of that asset/liability.

The carrying amounts of other categories of financial assets and liabilities are reasonable approximation of fair value, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

22. Derivative Financial Instruments

	Notional Amount RM'000	Fair value RM'000	Assets RM'000	Liabilities RM'000
At 29 February 2024				
Forward foreign exchange contracts				
- Less than 1 year	596	21	21	-
At 28 February 2023				
Put/Call options on subsidiary shares				
- More than 5 years	1,093	29	29	-

The Group uses forward foreign currency contracts to manage some of its transaction exposure. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency translation exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting. The derivatives represent total financial assets and liabilities at fair value through profit or loss, classified held for trading.

During the current financial quarter and financial year ended 29 February 2024, the Group recognised a gain on forward foreign exchange contracts of RM21,000 arising from fair value changes of financial derivative. The fair value changes are attributable to changes in foreign exchange and forward rate.

23. Material Litigation/Contingent Liabilities

There were no material litigation/contingent liabilities matters involving the Company and/or its subsidiaries as at the date of this report.

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24. Dividend Payable and Distributable

For the financial year ended 29 February 2024, the total dividends paid by the Company amounted to RM25.37 million, representing RM0.10 per ordinary share (Previous year ended 28 February 2023: RM0.04 per ordinary share totaling RM10.15 million).

25. Earnings Per Share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period. The basic earnings per share was calculated as follows:

	Individual Quarter		Cumulative Quarter	
	Ended	Ended	Ended	Ended
	29-Feb-24	28-Feb-23	29-Feb-24	28-Feb-23
Profit attributable to ordinary equity holders of the parent (RM'000)	5,071	8,752	20,349	21,896
Number of ordinary shares in issue ('000)	253,650	253,650	253,650	253,650
Basic earnings per share (sen)	2.00	3.45	8.02	8.63

(b) Diluted

There is no dilutive instrument issued by the Company. Accordingly, there is no diluted earnings per share.

26. Significant Related Party Transactions

There were no significant related party transactions with related company(ies)/party(ies) of the Group as at the date of this report.

27. Authorisation for Issue

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 25 April 2024.