



**ATLAN HOLDINGS BHD
ANNOUNCEMENT TO BURSA MALAYSIA
FOR THE SECOND QUARTER ENDED
31 AUGUST 2024**

ATLAN HOLDINGS BHD*(Company Number: 173250-W)**(Incorporated in Malaysia)***CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED 31 AUGUST 2024**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Note	Ended 31-Aug-24 RM'000	Ended 31-Aug-23 RM'000	Ended 31-Aug-24 RM'000	Ended 31-Aug-23 RM'000
Revenue	9	118,927	105,938	236,842	207,703
Operating expenses		(103,188)	(94,005)	(204,630)	(183,330)
Other operating income		3,506	1,520	5,044	2,900
Net (loss)/gain in foreign exchange		(4,650)	2,186	(5,794)	4,199
Operating profit		14,595	15,639	31,462	31,472
Depreciation and amortisation		(5,934)	(5,501)	(11,829)	(10,575)
Impairment of right-of-use assets		-	(84)	-	(84)
Finance costs		(2,716)	(2,919)	(5,526)	(5,685)
Share of results of an associate		(18)	82	193	97
Profit before taxation	9, 17	5,927	7,217	14,300	15,225
Taxation	18	(1,973)	(2,409)	(3,999)	(4,037)
Profit for the period		3,954	4,808	10,301	11,188
Attributable to:					
Equity holders of the parent		3,975	3,776	9,126	8,809
Non-controlling interests		(21)	1,032	1,175	2,379
		3,954	4,808	10,301	11,188
Earnings per share attributable to equity holders of the parent (sen)	25				
- Basic		1.57	1.49	3.60	3.47

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 29 February 2024 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 31 AUGUST 2024**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Ended 31-Aug-24 RM'000	Ended 31-Aug-23 RM'000	Ended 31-Aug-24 RM'000	Ended 31-Aug-23 RM'000
Profit for the period	<u>3,954</u>	<u>4,808</u>	<u>10,301</u>	<u>11,188</u>
Other comprehensive income:				
- Foreign currency translation	<u>(3,473)</u>	<u>2,066</u>	<u>(4,101)</u>	<u>5,627</u>
Total comprehensive income for the period	<u>481</u>	<u>6,874</u>	<u>6,200</u>	<u>16,815</u>
Total comprehensive income attributable to:				
Equity holders of the parent	504	5,841	5,062	14,540
Non-controlling interests	<u>(23)</u>	<u>1,033</u>	<u>1,138</u>	<u>2,275</u>
	<u>481</u>	<u>6,874</u>	<u>6,200</u>	<u>16,815</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 29 February 2024 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 31 AUGUST 2024**

	(Unaudited) As at 31-Aug-24 RM'000	(Audited) As at 29-Feb-24 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	197,179	200,499
Investment properties	26,211	27,100
Goodwill	7,872	8,044
Intangible assets	89	178
Investment in associates	560	367
Other investments	137	137
Prepayment	-	4,000
Deferred tax assets	8,376	8,397
Development rights	13,500	-
Right-of-use assets	104,809	109,224
	<u>358,733</u>	<u>357,946</u>
CURRENT ASSETS		
Inventories	112,293	125,829
Biological assets	161	170
Capitalised contract costs	737	702
Trade and other receivables	66,861	73,383
Prepayments	5,683	3,883
Tax recoverable	6,872	7,450
Derivative assets	-	21
Marketable securities	2	2
Cash and bank balances	209,639	238,593
	<u>402,248</u>	<u>450,033</u>
TOTAL ASSETS	<u>760,981</u>	<u>807,979</u>

ATLAN HOLDINGS BHD*(Company Number: 173250-W)**(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION (UNAUDITED)
AS AT 31 AUGUST 2024 (CONT'D.)**

		(Unaudited)	(Audited)
	Note	As at 31-Aug-24 RM'000	As at 29-Feb-24 RM'000
EQUITY AND LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		67,460	100,384
Employee benefits		404	514
Tax payable		2,723	1,180
Borrowings	20	27,925	29,259
Lease liabilities		5,653	5,156
		<u>104,165</u>	<u>136,493</u>
NET CURRENT ASSETS		<u>298,083</u>	<u>313,540</u>
NON-CURRENT LIABILITIES			
Employee benefits		1,372	1,338
Deferred tax liabilities		6,810	8,847
Derivative liabilities		63	-
Provision for restoration costs		704	704
Borrowings	20	41,931	51,318
Lease liabilities		98,126	101,810
		<u>149,006</u>	<u>164,017</u>
TOTAL LIABILITIES		<u>253,171</u>	<u>300,510</u>
NET ASSETS		<u>507,810</u>	<u>507,469</u>

ATLAN HOLDINGS BHD*(Company Number: 173250-W)**(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION (UNAUDITED)
AS AT 31 AUGUST 2024 (CONT'D.)**

	(Unaudited)	(Audited)
	As at	As at
Note	31-Aug-24	29-Feb-24
	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	3,275	7,339
Other reserve	(74,780)	(75,560)
Retained earnings	127,290	120,701
	<u>412,313</u>	<u>409,008</u>
Non-controlling interests	95,497	98,461
TOTAL EQUITY	<u>507,810</u>	<u>507,469</u>
TOTAL EQUITY AND LIABILITIES	<u>760,981</u>	<u>807,979</u>
Net assets per share attributable to owners of the parent (RM)	<u>1.63</u>	<u>1.61</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 29 February 2024 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 CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED 31 AUGUST 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 2023	356,528	(320)	(75,560)	125,702	406,350	98,785	505,135
Profit for the period	-	-	-	8,809	8,809	2,379	11,188
Other comprehensive income	-	5,731	-	-	5,731	(104)	5,627
	-	5,731	-	8,809	14,540	2,275	16,815
Transaction with owners:							
Dividend paid to non-controlling interest by a subsidiary	-	-	-	-	-	(450)	(450)
At 31 August 2023	356,528	5,411	(75,560)	134,511	420,890	100,610	521,500
At 1 March 2024	356,528	7,339	(75,560)	120,701	409,008	98,461	507,469
Profit for the period	-	-	-	9,126	9,126	1,175	10,301
Other comprehensive income	-	(4,064)	-	-	(4,064)	(37)	(4,101)
	-	(4,064)	-	9,126	5,062	1,138	6,200
Transaction with owners:							
Transfer to reserve	-	-	630	-	630	(630)	-
Strike off of subsidiaries	-	-	150	-	150	(1,620)	(1,470)
Dividends on ordinary shares	-	-	-	(2,537)	(2,537)	-	(2,537)
Dividends paid to non-controlling interest by subsidiaries	-	-	-	-	-	(1,852)	(1,852)
At 31 August 2024	356,528	3,275	(74,780)	127,290	412,313	95,497	507,810

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 29 February 2024 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 31 AUGUST 2024**

	6 MONTHS ENDED	
	31-Aug-24 RM'000	31-Aug-23 RM'000
Operating activities		
Profit before taxation	14,300	15,225
Adjustments for:		
Bad debts written off	-	9
Bad debts recovered	-	(51)
Changes in fair value of biological assets	9	77
Depreciation and amortisation	11,829	10,575
Gain on disposal of property, plant and equipment	(21)	-
Loss on forward foreign exchange contracts	84	-
Gain on lease modifications	(787)	-
Impairment loss on right-of-use assets	-	84
Interest expense	5,526	5,685
Interest income	(4,182)	(4,058)
Inventories written down	156	-
Inventories written off	7	15
Reversal of inventories written down	(319)	(359)
Reversal of impairment loss on receivables	(18)	(1)
Unrealised loss/(gain) on foreign exchange (net)	6,418	(4,288)
Share of results of an associate	(193)	(97)
Operating cash flows before changes in working capital	32,809	22,816
Changes in working capital	(16,169)	11,910
Cash generated from operations	16,640	34,726
Tax paid	(3,913)	(340)
Employee benefits paid	(77)	(70)
Net cash flows generated from operating activities	12,650	34,316
Investing activities		
Acquisition of assets	(6,412)	(4,236)
Interest received	4,182	4,058
Development rights	(9,500)	-
Net cash outflows on acquisition of a subsidiary and assets	-	(61,139)
Proceeds from disposal of property, plant and equipment	21	-
Net cash flows used in investing activities	(11,709)	(61,317)

ATLAN HOLDINGS BHD

(Company Number: 173250-W)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED CASH FLOWS STATEMENT (UNAUDITED) FOR THE PERIOD ENDED 31 AUGUST 2024 (CONT'D.)

	6 MONTHS ENDED	
	31-Aug-24 RM'000	31-Aug-23 RM'000
Financing activities		
Increase in pledged fixed deposits	(122)	(119)
Dividends paid to non-controlling interest of subsidiaries	(1,852)	(450)
Dividends paid to ordinary shareholders of the Company	(2,537)	-
Payment of leases	(2,770)	(2,684)
Interest paid	(5,465)	(5,685)
Net (repayment)/drawdown of borrowings	(10,721)	48,391
Repayment of hire purchase liabilities	-	(38)
Net cash flows (used in)/generated from financing activities	(23,467)	39,415
Net (decrease)/increase in cash and cash equivalents	(22,526)	12,414
Effect of foreign exchange translation	(6,550)	3,805
Cash and cash equivalents at beginning of the period	228,342	194,064
Cash and cash equivalents at end of the period	199,266	210,283
Cash and cash equivalents at end of financial period comprise the following:		
Cash and bank balances	209,639	223,512
Less: Pledged deposits	(10,373)	(13,229)
	199,266	210,283

Reconciliation of liabilities arising from financing activities:

	Carrying amount as at 1 March 2024 RM'000	Cash flows RM'000	Non-cash changes Others RM'000	Carrying amount as at 31 August 2024 RM'000
Term loans	14,914	(497)	-	14,417
Trade facilities	5,663	(1,334)	-	4,329
Revolving credit facilities	60,000	(8,890)	-	51,110
Lease liabilities	106,966	(2,770)	(417)	103,779
Dividend payable	-	(2,537)	2,537	-
Total liabilities from financing activities	187,543	(16,028)	2,120	173,635

The Condensed Consolidated Cash Flows Statement should be read in conjunction with the audited financial statements for the year ended 29 February 2024 and the accompanying notes attached to the interim financial statements.

ATLAN HOLDINGS BHD – 173250 W
(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 31 AUGUST 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 29 February 2024. 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 29 February 2024.

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

2. Material Accounting Policies Information

(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 29 February 2024, except for the adoption of the following new MFRSs and Interpretations, and amendments to certain MFRSs and Interpretations with effect from 1 March 2024:

MFRSs, Amendments to MFRSs and IC Interpretation	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

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

ATLAN HOLDINGS BHD – 173250 W
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 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:

MFRSs, Amendments to MFRSs and IC Interpretation	Effective for annual periods beginning on or after
Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to MFRS Accounting Standards – Volume 11: Amendments to MFRS 1 First-Time Adoption of Malaysian Financial Reporting Standard	
Amendments to MFRS 7 Financial Instruments: Disclosures	
Amendments to MFRS 9 Financial Instruments	
Amendments to MFRS 10 Consolidated Financial Statements	
Amendments to MFRS 107 Statement of Cash Flows	1 January 2026
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
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 29 February 2024 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.

ATLAN HOLDINGS BHD – 173250 W
(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 31 AUGUST 2024**

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 31 August 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 31 August 2024.

8. Dividends Paid and Distributed

On 11 July 2024, the Company declared a first interim single tier ordinary dividend of 1.0 sen per share in respect of the financial year ending 28 February 2025 amounting to RM2.54 million which was paid on 15 August 2024.

ATLAN HOLDINGS BHD – 173250 W
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2024

9. Segmental Information

	Individual Quarter			Cumulative Quarter		
	Ended 31-Aug-24 RM'000	Ended 31-Aug-23 RM'000	+ / (-) %	Ended 31-Aug-24 RM'000	Ended 31-Aug-23 RM'000	+ / (-) %
Segment Revenue						
Duty free	37,111	32,951	12.6%	75,117	69,752	7.7%
Automotive	65,840	62,209	5.8%	132,483	119,956	10.4%
Property and hospitality	15,159	9,940	52.5%	27,608	16,382	68.5%
Investment holding	10,083	6,027	67.3%	11,089	6,987	58.7%
Others	1,560	1,675	(6.9%)	3,135	3,353	(6.5%)
	<u>129,753</u>	<u>112,802</u>	<u>15.0%</u>	<u>249,432</u>	<u>216,430</u>	<u>15.2%</u>
Eliminations	(10,826)	(6,864)	57.7%	(12,590)	(8,727)	44.3%
Group revenue	<u>118,927</u>	<u>105,938</u>	<u>12.3%</u>	<u>236,842</u>	<u>207,703</u>	<u>14.0%</u>
Segment Results						
Duty free	3,062	1,815	68.7%	6,433	4,846	32.7%
Automotive	8,450	6,490	30.2%	16,675	11,836	40.9%
Property and hospitality	1,639	10	16,290.0%	1,519	(271)	(660.5%)
Investment holding	(6,028)	501	(1,303.2%)	(8,232)	1,901	(533.0%)
Others	(1,196)	(1,599)	(25.2%)	(2,095)	(3,087)	(32.1%)
Profit before taxation	<u>5,927</u>	<u>7,217</u>	<u>(17.9%)</u>	<u>14,300</u>	<u>15,225</u>	<u>(6.1%)</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.

ATLAN HOLDINGS BHD – 173250 W
(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 31 AUGUST 2024**

9. Segmental Information (cont'd.)

Segment Revenue

- (a) The Duty free segment recorded higher revenue of RM37.1 million in 2QFY2025 and RM75.1 million in 1HFY2025, as compared to the revenue recorded of RM33.0 million in 2QFY2024 and RM69.8 million in 1HFY2024. The increase in revenue for both the second and the cumulative 2 quarters was mainly driven by increase in travel and tourism, effective strategic advertising and the expansion of product offerings by duty free outlets.
- (b) The revenue from the Automotive segment in 2QFY2025 and 1HFY2025 was higher at RM65.8 million and RM132.5 million as compared to the revenue of RM62.2 million reported in 2QFY2024 and RM120.0 million of revenue reported in 1HFY2024. The increase in revenue for both the second and the cumulative 2 quarters was mainly due to higher orders received from customers.
- (c) Higher revenue was reported from Property and hospitality segment in 2QFY2025 and 1HFY2025 compared to 2QFY2024 and 1HFY2024. The increase in revenue was primarily due to the sale of three units of 3-storey semi detached house held as inventories in 2QFY2025. In addition, Belle Isle Hotels (Cornwall) Management Limited (“BIM”) also reported higher revenue for both the second quarter and the first half of FY2025 primarily driven by growth in its food and spa segments. This improvement was attributable to the increase in event bookings and spa memberships during the period under review. However, the positive effect was partially offset by the lower revenue reported from its Property in Malaysia due to lower occupancy rate in 2QFY2025 and 1HFY2025.
- (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. Higher revenue reported in 2QFY2025 and 1HFY2025 as compared to 2QFY2024 and 1HFY2024 was mainly due to 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.

ATLAN HOLDINGS BHD – 173250 W
(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 31 AUGUST 2024**

9. Segmental Information (cont'd.)

Segment Results

- (a) Duty free segment reported a higher profit before taxation of RM3.1 million in 2QFY2025 and RM6.4 million in 1HFY2025 as compared to profit before taxation of RM1.8 million and RM4.8 million in 2QFY2024 and 1HFY2024. This improvement was primarily driven by higher revenue and lower expenses incurred during the period under review.
- (b) Automotive segment registered a profit before taxation of RM8.5 million in 2QFY2025 and RM16.7 million in 1HFY2025 as compared to the profit before taxation of RM6.5 million in 2QFY2024 and RM11.8 million in 1HFY2024. The improved results were mainly attributable to higher revenue recorded as mentioned above.
- (c) In the Property and hospitality segment, a profit before taxation of RM1.6 million was registered in 2QFY2025 as compared to the profit before taxation of RM0.01 million in 2QFY2024. In addition, a profit before taxation of RM1.5 million was reported in 1HFY2025 as compared to a loss before taxation of RM0.3 million in 1HFY2024. Higher profit before taxation in 2QFY2025 and 1HFY2025 was mainly due to the higher revenue recorded as mentioned above.
- (d) Investment holding segment reported a loss before taxation in 2QFY2025 and 1HFY2025 as compared to a profit before taxation in 2QFY2024 and 1HFY2024. The pre-tax loss was primarily due to an unrealised translation loss in the foreign exchange amounting to RM5.4 million reported in 2QFY2025 and an unrealised translation loss in the foreign exchange amounting to RM6.4 million reported in 1HFY2025 as compared to an unrealised translation gain in the foreign exchange amounting to RM2.2 million and RM4.3 million reported in 2QFY2024 and 1HFY2024 respectively.
- (e) In the Others segment, lower losses reported in 2QFY2025 and 1HFY2025 as compared to 2QFY2024 and 1HFY2024 was mainly due to lower expenses incurred.

ATLAN HOLDINGS BHD – 173250 W
(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 31 AUGUST 2024**

10. Significant and Subsequent Events

- (a) 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, from 12 September 2023 to 4 August 2024, the public security holding spread decreased to 20.54%.

On 5 August 2024, the Company announced that the Company was notified by its substantial shareholder, Alpretz Capital Sdn Bhd, in relation to the change of its interests in the Company which was announced on the same day. As a result of the said change, the Public Shareholding Spread of the Company decreased to 18.37%.

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

Number of public security holders: 1,050
Percentage of public security holdings: 18.37%

On 26 August 2024, the Company had submitted an application to Bursa Securities for an extension of time of six months until 15 February 2025 to comply with the approved lower public security holding spread of 20.81%. The application is currently pending Bursa Securities’ approval.

The Company will make the necessary announcements as and when there is any development on its status for the compliance of the abovementioned public security holding spread requirement.

ATLAN HOLDINGS BHD – 173250 W
(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 31 AUGUST 2024**

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

- (b) On 10 September 2024, the Company announced that its subsidiary, Kelana Megah Sdn. Bhd. (“KMSB”), had entered into a conditional joint development agreement (“Agreement”) with Chin Hin Property (Stulang) Sdn. Bhd. (“CHPSSB”), to undertake a joint development on a parcel of leasehold land held under H.S.(D) 605698, Lot No. PTB 20379, Bandar Johor Bahru, Daerah Johor Bahru, Negeri Johor measuring approximately 17,342 square meters (equivalent to approximately 186,668 square feet) (“Land”).

Subject to the necessary approvals to be obtained for the Proposed Joint Development (as defined below), KMSB and CHPSSB will collaborate to develop two blocks comprising 1,260 serviced apartment units, 10 retail lots, and multiple levels of parking on the Land (“Proposed Joint Development”).

Pursuant to the Agreement, KMSB, being the joint developer of the Land, shall be entitled to 18.0% of the total net saleable area of the Proposed Joint Development (“KMSB’s Entitlement”). The Proposed Joint Development is estimated by CHPSSB to have a gross development value of RM478.42 million and gross development cost of RM406.42 million, and accordingly, the value of KMSB’s Entitlement is estimated at RM83.57 million. Barring any unforeseen circumstances, the Proposed Joint Development is expected to be completed by third quarter of 2029.

The Proposed Joint Development with CHPSSB to construct residential serviced apartments on the Land presents significant strategic advantages and growth opportunities as well as generating a new revenue stream for the Group. This collaboration leverages CHPSSB expertise in construction, engineering, regulatory knowledge, and real estate experience, which enhances risk mitigation, expands market reach, and improves operational efficiencies. The Proposed Joint Development is also expected to enable the Group to realise the value of the Land, strengthen the financial position of the Group and improve the cashflow of the Group upon completion.

The Proposed Joint Development is not expected to have any material impact on the net tangible assets per share or earnings per share of the Group for the current financial year ending 28 February 2025.

Please refer to the Company’s announcement dated 10 September 2024 on Bursa Malaysia website for further information on the Proposed Joint Development.

ATLAN HOLDINGS BHD – 173250 W
(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 31 AUGUST 2024**

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

- (c) On 26 September 2024, the subsidiaries of the Company, Cergasjaya Sdn. Bhd. (“Cergasjaya”) and Cergasjaya Properties Sdn. Bhd. (“CPPA”) received Form E and F under the Land Acquisition Act 1960 of Malaysia in relation to the compulsory acquisition of the lands (“Affected Lands”) located at Bukit Kayu Hitam, Kedah, Malaysia, which are currently owned by Cergasjaya and CPPA (“Compulsory Land Acquisition”).

The acquiring agency for the Compulsory Land Acquisition is the Ministry of Home Affairs of Malaysia (or Kementerian Dalam Negeri) and administered by the Department of Director General of Lands & Mines, Kedah (or Pejabat Pengarah Tanah dan Galian Negeri Kedah) which has declared that it is needed for a road construction project to connect the Bukit Kayu Hitam ICQS Complex in Kedah to the CIQ Sadao facility in Thailand.

The Compulsory Land Acquisition will also affect the adjacent lands which access will be blocked by the new road alignment. Consequently, the Compulsory Land Acquisition will cause a closure of the Group’s duty-free business at Bukit Kayu Hitam, Kedah, Malaysia.

The land enquiry process for determination of compensation is still ongoing. The Group will be represented by its legal advisors to seek adequate and fair compensation as guaranteed by the Federal Constitution. Upon its completion, the Company will make further announcement on the financial impact to the Group.

The Company will also make further announcement as and when further information is obtained and/or there are material updates or developments in relation to the foregoing.

Other than as disclosed above, there were no material events during and subsequent to the current quarter ended 31 August 2024.

11. Changes in Composition of the Group

There were no changes in the composition of the Group during the current quarter ended 31 August 2024.

ATLAN HOLDINGS BHD – 173250 W
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2024

12. Commitments

The amount of commitments not provided for in the interim financial statements as at 31 August 2024 were as follows:

Capital commitments

RM'000

Purchase of property, plant and equipment:

 Approved and contracted for

7,321

 Approved but not contracted for

5,976

13,297

13. Performance Review

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

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

	Current Quarter	Immediate	
	31-Aug-24	Preceding Quarter	
	RM'000	31-May-24	+ / (-)
		RM'000	%
Revenue	118,927	117,915	0.9%
Operating profit	14,595	16,867	(13.5%)
Profit before interest expenses and taxation	8,643	11,183	(22.7%)
Profit before taxation	5,927	8,373	(29.2%)
Profit after taxation	3,954	6,347	(37.7%)
Profit attributable to equity holders of the parent	3,975	5,151	(22.8%)

Revenue for the quarter under review of RM118.9 million was slightly higher as compared to the preceding quarter ended 31 May 2024 of RM117.9 million. The increase in revenue was due to the slightly higher revenue reported by the Duty free, Automotive and the Property and Hospitality segment.

ATLAN HOLDINGS BHD – 173250 W
(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 31 AUGUST 2024**

14. Comment on Material Change in Profit Before Taxation Compared with Immediate Preceding Quarter (cont'd.)

The Group reported a lower profit before taxation of RM5.9 million in the current quarter under review as compared to the preceding quarter's profit before taxation of RM8.4 million. This was due to higher unrealised translation loss in the foreign exchange amounting to RM5.4 million reported in the current quarter under review as compared to an unrealised translation loss in the foreign exchange amounting to RM1.0 million reported in the preceding quarter ended 31 May 2024.

15. Commentary on Prospects

The Malaysian economy advanced by 5.9% in the second quarter of 2024 (1Q 2024: 4.2%). The growth is driven by stronger domestic demand and further expansion in exports. Household spending increased amid sustained positive labour market conditions and larger policy support. The services sector recorded strong growth, driven by consumer and business-related subsectors. On a quarter-on-quarter seasonally-adjusted basis, the economy expanded by 2.9% (1Q 2024: 1.5%)¹.

However, the Group expects the business environment in which it operates to remain challenging throughout financial year ending 28 February 2025. This outlook is primarily driven by rising product and operating costs, fueled by inflationary pressures amidst the cautious consumer spending.

Notwithstanding the above, the Group is committed to enhancing operational efficiency and effectiveness. This includes implementing strict cost control measures while developing strategies to adapt to the ever-changing business landscape. The primary objective is to ensure that the Group's core businesses remain resilient and robust over the remaining quarters of the financial year. Additionally, the Group will actively seek new business opportunities to create synergies with its existing operations.

¹Source from Bank Negara Malaysia – Economic and financial developments in Malaysia in the second quarter of 2024

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.

ATLAN HOLDINGS BHD – 173250 W
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2024

17. Profit Before Taxation

Included in the profit before taxation are the following items:

	Individual Quarter		Cumulative Quarter	
	Ended	Ended	Ended	Ended
	31-Aug-24	31-Aug-23	31-Aug-24	31-Aug-23
	RM'000	RM'000	RM'000	RM'000
Bad debts written off	-	9	-	9
Bad debts recovered	-	(51)	-	(51)
Changes in fair value of biological assets	114	35	9	77
Gain on disposal of property, plant and equipment	(21)	-	(21)	-
Depreciation and amortisation	5,934	5,501	11,829	10,575
Interest expense	2,716	2,919	5,526	5,685
Interest income	(2,075)	(2,057)	(4,182)	(4,058)
Impairment loss on right-of-use assets	-	-	-	84
Inventories written down	94	-	156	-
Inventories written off	4	13	7	15
Reversal of inventories written down	(319)	(250)	(319)	(359)
Reversal of impairment loss on receivables	(18)	-	(18)	(1)
Loss on forward foreign exchange contracts	63	-	84	-
Realised foreign exchange (gain)/loss (net)	(781)	(3)	(624)	89
Unrealised foreign exchange loss/(gain) (net)	5,431	(2,183)	6,418	(4,288)

18. Taxation

	Individual Quarter		Cumulative Quarter	
	Ended	Ended	Ended	Ended
	31-Aug-24	31-Aug-23	31-Aug-24	31-Aug-23
	RM'000	RM'000	RM'000	RM'000
Income tax				
- current period provision	3,950	2,261	5,824	3,931
- under/(over) provision in prior periods	(7)	33	(7)	33
Deferred taxation	(1,970)	115	(1,818)	73
	1,973	2,409	3,999	4,037

The higher effective tax rate for the current quarter and the cumulative quarter under review was mainly due to certain expenses being disallowed for tax purposes.

ATLAN HOLDINGS BHD – 173250 W
(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 31 AUGUST 2024**

19. Corporate Proposals

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

20. Borrowings and Debt Securities

	As at 31-Aug-24 RM'000	As at 29-Feb-24 RM'000
Short Term Borrowings - Secured		
- Trade facilities	4,329	5,663
- Revolving credit facilities	7,000	7,000
- Term loan	6,596	6,596
	17,925	19,259
Short Term Borrowings - Unsecured		
- Revolving credit facility	10,000	10,000
	27,925	29,259
Long Term Borrowings - Secured		
- Term loan	7,821	8,318
- Revolving credit facilities	34,110	43,000
	41,931	51,318
Total Group's borrowings	69,856	80,577

ATLAN HOLDINGS BHD – 173250 W
(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 31 AUGUST 2024**

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 31 August 2024				
Financial asset:				
Marketable securities	2	-	-	2
Non-financial assets:				
Biological assets	-	-	161	161
Financial liabilities:				
Derivatives				
- Forward foreign exchange contracts	-	63	-	-
At 29 February 2024				
Financial assets:				
Marketable securities	2	-	-	2
Derivatives				
- Forward foreign exchange contracts	-	21	-	21
Non-financial asset:				
Biological assets	-	-	170	170

ATLAN HOLDINGS BHD – 173250 W
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2024

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 31 August 2024				
Forward foreign exchange contracts				
- Less than 1 year	1,917	63	-	63
At 29 February 2024				
Forward foreign exchange contracts				
- Less than 1 year	596	21	21	-

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 financial period ended 31 August 2024, the Group recognised a loss on forward foreign exchange contracts of RM84,000 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.

ATLAN HOLDINGS BHD – 173250 W
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2024

24. Dividend Payable and Distributable

On 9 October 2024, the Company declared a second interim single tier ordinary dividend of 3.75 sen per share in respect of the financial year ending 28 February 2025 amounting to RM9.51 million of which the book closure date is fixed on 25 October 2024 and is payable on 15 November 2024. For the financial year ending 28 February 2025, the total dividends paid by the Company amounts to RM12.05 million or RM0.0475 per ordinary share (6-month period ended 31 August 2023: RM0.06 per ordinary share totaling to RM15.22 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
	31-Aug-24	31-Aug-23	31-Aug-24	31-Aug-23
Profit attributable to ordinary equity holders of the parent (RM'000)	3,975	3,776	9,126	8,809
Number of ordinary shares in issue ('000)	253,650	253,650	253,650	253,650
Basic earnings per share (sen)	1.57	1.49	3.60	3.47

(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 9 October 2024.