

LAGENDA PROPERTIES BERHAD

(Registration No. 200101000008(535763-A))

(Incorporated in Malaysia)


**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023**

	(UNAUDITED)			(UNAUDITED)		
	INDIVIDUAL QUARTER		Changes Increase / (Decrease) RM'000	CUMULATIVE QUARTER		Changes Increase / (Decrease) RM'000
	1 OCT 2023 to 31 DEC 2023	1 OCT 2022 to 31 DEC 2022		1 JAN 2023 to 31 DEC 2023	1 JAN 2022 to 31 DEC 2022	
Note	Current Quarter RM'000	Preceding Year Corresponding Quarter RM'000		Current Financial Period RM'000	Preceding Year Corresponding Financial Period RM'000	
Revenue	248,086	236,065	12,021	843,313	868,080	(24,767)
Cost of sales	(165,227)	(151,944)	13,283	(541,272)	(549,071)	(7,799)
Gross Profit	82,859	84,121	(1,262)	302,041	319,009	(16,968)
Other income	5,487	7,065	(1,578)	27,563	26,917	646
Administrative expenses	(14,777)	(13,317)	1,460	(57,817)	(52,280)	5,537
Selling and marketing expenses	(11,428)	(7,297)	4,131	(28,818)	(27,143)	1,675
Other expenses	(2,324)	(440)	1,884	(9,662)	(441)	9,221
Finance costs	(2,338)	(4,751)	(2,413)	(18,297)	(15,298)	2,999
Share of result of associate, net of tax	1,755	67	1,688	2,338	46	2,292
Profit before tax	59,234	65,448	(6,214)	217,348	250,810	(33,462)
Tax expense	B5 (17,190)	(20,665)	(3,475)	(64,412)	(73,074)	(8,662)
Profit net of tax, representing total comprehensive income for the period	42,044	44,783	(2,739)	152,936	177,736	(24,800)
Earnings per share (EPS) (in sen)						
Basic	5.00	5.34		18.29	21.25	
Diluted	4.33	4.49		15.85	17.88	

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.

LAGENDA PROPERTIES BERHAD

(Registration No. 200101000008(535763-A))

(Incorporated in Malaysia)



CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

	(UNAUDITED)			(UNAUDITED)		
	INDIVIDUAL QUARTER		Changes Increase / (Decrease) RM'000	CUMULATIVE QUARTER		Changes Increase / (Decrease) RM'000
	1 OCT 2023 to 31 DEC 2023	1 OCT 2022 to 31 DEC 2022		1 JAN 2023 to 31 DEC 2023	1 JAN 2022 to 31 DEC 2022	
	Current Quarter RM'000	Preceding Year Corresponding Quarter RM'000		Current Financial Period RM'000	Preceding Year Corresponding Financial Period RM'000	
Profit for the period	42,044	44,783	(2,739)	152,936	177,736	(24,800)
Total comprehensive income for the period	<u>42,044</u>	<u>44,783</u>	(2,739)	<u>152,936</u>	<u>177,736</u>	(24,800)
Total comprehensive income attribute to :						
Owner of the Company	41,851	44,654	(2,803)	153,149	177,772	(24,623)
Non-controlling Interest	193	129	(64)	(213)	(36)	177
	<u>42,044</u>	<u>44,783</u>	(2,739)	<u>152,936</u>	<u>177,736</u>	(24,800)

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	UNAUDITED AS AT 31 DEC 2023 RM'000	AUDITED AS AT 31 DEC 2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	46,861	17,227
Investment properties	67,017	23,652
Goodwill	25,577	25,576
Investment in a joint venture	16,383	545
Inventories	531,361	203,849
	<u>687,199</u>	<u>270,849</u>
Current assets		
Inventories	705,912	472,042
Trade receivables	207,022	245,413
Other receivables, deposits and prepayments	29,981	68,630
Contract assets	289,450	277,800
Deposits with licensed banks	101,187	58,213
Cash and bank balances	226,660	383,583
	<u>1,560,212</u>	<u>1,505,681</u>
TOTAL ASSETS	<u><u>2,247,411</u></u>	<u><u>1,776,530</u></u>
EQUITY AND LIABILITIES		
Share capital	333,171	333,171
Foreign currency translation reserve	193	-
Other reserves	(16,827)	(8,630)
Retained earnings	790,331	691,608
Equity attributable to owners of the Company	1,106,868	1,016,149
Non-controlling interests	(205)	8
TOTAL EQUITY	<u>1,106,663</u>	<u>1,016,157</u>
Non-current liabilities		
Borrowings	130,004	188,605
Lease liabilities	4,957	4,470
Deferred tax liabilities	1,738	1,121
Trade payables	7,504	-
	<u>144,203</u>	<u>194,196</u>
Current liabilities		
Trade payables	553,110	178,811
Other payables and accruals	258,764	186,915
Contract liabilities	4,198	3,053
Borrowings	172,362	190,704
Lease liabilities	2,304	2,424
Tax liabilities	5,807	4,270
	<u>996,545</u>	<u>566,177</u>
TOTAL LIABILITIES	<u>1,140,748</u>	<u>760,373</u>
TOTAL EQUITY AND LIABILITIES	<u><u>2,247,411</u></u>	<u><u>1,776,530</u></u>
Net Assets per ordinary share (RM)	1.32	1.27

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.

LAGENDA PROPERTIES BERHAD

(Registration No. 200101000008(535763-A))

(Incorporated in Malaysia)


**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE TWELVE MONTHS PERIOD ENDED 31 DECEMBER 2023**

	← Non-Distributable			→ Distributable		Total Equity RM '000
	Share capital RM '000	Other reserve RM '000	Foreign currency translation reserve RM '000	Retained earnings RM '000	Non- controlling interests RM '000	
As at 1 January 2023	333,171	(8,630)	-	691,608	8	1,016,157
Profit/(loss) for the period	-	-	-	153,149	(213)	152,936
Other comprehensive income	-	-	193	-	-	193
Transaction with owners of the Company:						
Share-based payments/transactions	-	1,242	-	-	-	1,242
Dividend paid to the shareholders of the Company	-	-	-	(54,426)	-	(54,426)
RCPS dividend paid/payable during the period	-	(9,439)	-	-	-	(9,439)
As at 31 December 2023	333,171	(16,827)	193	790,331	(205)	1,106,663
As at 1 January 2022	314,551	(1,700)	-	567,777	(5)	880,623
Profit/(loss) for the period	-	-	-	178,257	(36)	178,221
Transaction with owners of the Company:						
Additional investment in a subsidiary	-	-	-	-	49	49
Share-based payments/transactions	-	2,552	-	-	-	2,552
Dividend paid to the shareholders of the Company	-	-	-	(54,426)	-	(54,426)
RCPS dividend paid/payable during the period	-	(9,482)	-	-	-	(9,482)
Conversion of Warrant B	18,620	-	-	-	-	18,620
As at 31 December 2022	333,171	(8,630)	-	691,608	8	1,016,157

The unaudited Condensed Consolidated Statement of Change in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.

LAGENDA PROPERTIES BERHAD

(Registration No. 200101000008(535763-A))

(Incorporated in Malaysia)


**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE TWELVE MONTHS PERIOD ENDED 31 DECEMBER 2023**

	(UNAUDITED) 12 MONTHS CURRENT FINANCIAL PERIOD 1 JAN 23 TO 31 DEC 23 RM'000	(AUDITED) PRECEDING YEAR CORRESPONDING FINANCIAL PERIOD 1 JAN 22 TO 31 DEC 22 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Pofit before tax	217,348	251,502
Adjustments for :		
Accreation of interest income on deferred other receivable	-	(656)
Depreciation of property, plant and equipment	4,968	3,427
Fair value adjustment on investment properties	-	(730)
Fair value adjustment on derivative assets	(3,482)	2,141
Bargain purchase on acquisition of a subsidiary	-	(7,750)
Gain on disposal of property, plant and equipment	(303)	(139)
Gain on disposal of other investment	-	(1,462)
Gain on remeasurement of deferred other receivable	-	(219)
Gain on remeasurement of lease liabilities	(49)	-
Loss on remeasurement of lease liabilities	-	48
Revaluation surplus on property, plant and equipment	(4,777)	-
Interest expenses	18,297	15,298
Interest income	(5,675)	(3,500)
Inventories written down	-	392
Share of results of a joint venture	(2,338)	(46)
Share based payment expenses	1,242	2,552
Unrealised loss/(gain) on foreign exchange	3,675	(3,569)
Operating profit before working capital changes	<u>228,906</u>	<u>257,289</u>
Inventories	(575,183)	(39,633)
Contract assets	(10,506)	(54,778)
Receivables	87,144	33,312
Payables	<u>456,862</u>	<u>20,671</u>
Cash generated from operations	187,223	216,861
Interest received	5,675	3,500
Interest paid	(18,024)	(15,298)
Income tax refunded	60	-
Income tax paid	<u>(62,318)</u>	<u>(87,224)</u>
Net cash generated from operating activities	<u>112,616</u>	<u>117,839</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment in joint venture	(13,500)	(500)
Deposits paid for lands held for future development	(4,237)	(33,020)
Direct acquisition of a subsidiary, net of cash flow	-	(17,572)
Advances to joint venture	-	(1,419)
Purchase of investment properties	(43,365)	-
Purchase of property, plant and equipment	(18,737)	(4,986)
Proceeds from disposal of property, plant and equipment	467	146
Proceeds from disposal of other investment	-	2,500
Proceeds from subscription of shares by non-controlling interest	-	45
Repayment from a former associates	-	12,329
Net cash used in investing activities	<u>(79,372)</u>	<u>(42,477)</u>

The unaudited Condensed Consolidated Statement of Cashflow should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.

LAGENDA PROPERTIES BERHAD

(Registration No. 200101000008(535763-A))

(Incorporated in Malaysia)


**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023 (Cont'd)**

	(UNAUDITED) 12 MONTHS CURRENT FINANCIAL PERIOD 1 JAN 23 TO 31 DEC 23 RM '000	(AUDITED) PRECEDING YEAR CORRESPONDING FINANCIAL PERIOD 1 JAN 22 TO 31 DEC 22 RM '000
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid to RCPS holders	(9,439)	(7,903)
Dividend paid to shareholders	(54,426)	(54,426)
Proceeds from conversion of warrant B	-	18,620
(Repayment)/Drawdown of borrowings	(80,425)	182,880
Advances from Directors' related companies	-	429
Repayment for the principal portion of lease liabilities	(2,903)	(2,529)
Increase in fixed deposit pledged	(46,025)	(28,564)
Net cash (used in)/generated from financing activities	<u>(193,218)</u>	<u>108,507</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(159,974)	183,869
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>409,647</u>	<u>225,778</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>249,673</u></u>	<u><u>409,647</u></u>
Cash and cash equivalent comprises:		
Cash and bank balances	213,797	266,255
Fixed deposits with licensed banks	101,187	58,213
Short term investments	12,863	117,328
	<u>327,847</u>	<u>441,796</u>
Less:		
Fixed deposits pledged with licensed banks	(78,174)	(32,149)
	<u><u>249,673</u></u>	<u><u>409,647</u></u>

The unaudited Condensed Consolidated Statement of Cashflow should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.

LAGENDA PROPERTIES BERHAD

(Registration No. 200101000008(535763-A))

(Incorporated in Malaysia)



EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1. Basic of preparation

The interim financial report has been prepared in accordance with the Malaysian Financial Reporting Standard (“MFRS”) 134 - Interim Financial Reporting, the requirements of the Companies Act, 2016 in Malaysia, and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The financial statements should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 31 December 2022 and the accompanying explanatory notes attached. These explanatory notes attached to the 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.

A2. Significant Accounting Policies

The financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

The following are accounting standards, amendments and IC interpretations of the MFRS that have been issued by the MASB but are not yet effective and have not been adopted by the Group:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective date
Amendments to MFRS 16 : Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101 : Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 121 : Lack of Exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128 : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Group and the Company plan to apply the abovementioned standards, amendments, and interpretations when they become effective in the respective financial periods.

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

A3. Comparatives

The comparative figures have not been restated.

A4. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2022.

A5. Auditors’ Report on Preceding Annual Financial Statements

The Auditors' report on the financial statements for the year ended 31 December 2022 was unqualified.

A6. Seasonal or cyclical factors

The business operations of the Group were not affected by any seasonal or cyclical factors.

A7. Unusual items affecting Assets, Liabilities, Equity, Net income or Cash flow

There were no items or events that arose during the quarter under review, which affected assets, liabilities, equity, net income or cash flows that are unusual by reason of their nature, size or incidence.

A8. Material changes in estimates

There were no changes in estimates that have had any material effect during the financial quarter under review.

A9. Debt and equity securities

There were no further issuance, cancellations, repurchases, resale and repayment of debts and equity securities during the current quarter.

A10. Dividend paid

There was no dividend paid during the quarter under review.



EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS

A11. Segment Revenue and Segment Result By Business Segments

(a) Primary reporting format – business segment

All the operations of the Group are organised in Malaysia into three main business segments:

- (i) Property development - property development
- (ii) Construction - building construction
- (iii) Trading - trading of building materials and hardware

Transactions between segments were entered into the normal course of business and were established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. The effects of such inter-segmental transaction are eliminated on consolidation.

(b) Secondary reporting format – geographical segment

The operations of the Group are substantially carried out in Malaysia.

Financial period ended 31 December 2023

	Property development RM '000	Construction RM '000	Trading RM '000	Non- reportable segment RM '000	Elimination RM '000	Group RM '000
Sales to external customers	698,978	23,139	121,184	12	-	843,313
Inter-segment revenue	19,067	451,331	111,915	83,280	(665,593)	-
Total revenue	<u>718,045</u>	<u>474,470</u>	<u>233,099</u>	<u>83,292</u>	<u>(665,593)</u>	<u>843,313</u>
Gross profit	266,464	43,164	12,981	83,118	(103,686)	302,041
Other income	115,479	3,499	328	12,110	(103,853)	27,563
Administrative expenses	(42,405)	(8,556)	(3,462)	(14,977)	11,583	(57,817)
Selling and marketing expenses	(26,637)	-	-	(89)	(2,092)	(28,818)
Other expenses	(9,469)	-	-	(193)	-	(9,662)
Finance costs	(24,862)	(1,118)	(1,155)	(2,950)	11,788	(18,297)
Share of result of associates	-	-	-	-	2,338	2,338
Profit/(loss) before tax	<u>278,570</u>	<u>36,989</u>	<u>8,692</u>	<u>77,019</u>	<u>(183,922)</u>	<u>217,348</u>
Taxation						<u>(64,412)</u>
Profit after tax						<u><u>152,936</u></u>

Financial period ended 31 December 2022

	Property development RM '000	Construction RM '000	Trading RM '000	Non- reportable segment RM '000	Elimination RM '000	Group RM '000
Sales to external customers	696,114	37,360	134,591	15	-	868,080
Inter-segment revenue	29,930	297,874	8,983	78,090	(414,877)	-
Total revenue	<u>726,044</u>	<u>335,234</u>	<u>143,574</u>	<u>78,105</u>	<u>(414,877)</u>	<u>868,080</u>
Gross profit	298,528	35,901	8,452	78,050	(101,922)	319,009
Other income	51,104	1,367	979	14,362	(40,895)	26,917
Administrative expenses	(36,979)	(7,240)	(3,160)	(12,768)	7,867	(52,280)
Selling and marketing expenses	(27,177)	-	-	-	34	(27,143)
Other expenses	(441)	-	-	-	-	(441)
Finance costs	(15,694)	(773)	(669)	(8,447)	10,285	(15,298)
Share of result of associates	-	-	-	-	46	46
Profit/(loss) before tax	<u>269,341</u>	<u>29,255</u>	<u>5,602</u>	<u>71,197</u>	<u>(124,585)</u>	<u>250,810</u>
Taxation						<u>(73,074)</u>
Profit after tax						<u><u>177,736</u></u>



EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS

A12. Valuation of property, plant and equipment

In line with the Group's adoption of fair value method in relation to its investment properties. The Group's properties were revalued by JS Valuers Property Consultants (Perak) Sdn Bhd.

A13. Subsequent events

There were no significant events subsequent to the end of this financial quarter up to 21 February 2024 being the last practicable date from the date of issuance of this report save for the item disclosed in Note B7.

A14. Changes in the composition of the Group

Save for the below, there were no changes in the composition of the Group during the financial period under review:

- (a) On 16 November 2023, the Company has incorporated a new wholly-owned subsidiary namely Lagenda International Sdn Bhd ("LISB") under the Companies Act, 2016 with the issued share capital of RM2.00 comprising 2 units of ordinary shares. Subsequently, LISB had on 21 November 2023 incorporated a new wholly-owned foreign company, namely Lagenda Perth Pty Ltd ("LPPT") under the Section 1274A of the Corporation Act 2001 with issued share capital of \$2.00 comprising 2 units of ordinary shares. LPPT is the indirect wholly-owned subsidiary of the Company.

A15. Capital commitment

There were no material capital expenditure commitments during the current quarter under review except for acquisition of development land authorised and contracted for amounting to RM439.26 million.

A16. Related party transactions

Transaction with shareholders/directors of the company and its subsidiary companies, and with companies in which they have interest.

	4th Quarter ended 31 December 2023 RM '000
Rental paid	1,962
Rental received	(1,630)
Sale of material	<u>(7,714)</u>

A17. Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets since the last audited financial statements for the financial year ended 31 December 2022.



ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD

B1. Performance review

	4th Quarter ended 31 Dec 2023 RM '000	4th Quarter ended 31 Dec 2022 RM '000	Changes Increase / (Decrease) RM '000	%
Revenue				
Property development	245,292	196,159	49,133	25.0
Construction	167,271	98,396	68,875	70.0
Trading	74,806	40,832	33,974	83.2
Investment holding	23,511	23,105	406	1.8
<i>Intra-group elimination *</i>	(262,794)	(122,427)	140,367	(114.7)
Total revenue	248,086	236,065	12,021	5.1
Profit/(loss) before tax				
Property development	98,142	82,522	15,620	18.9
Construction	10,187	9,103	1,084	11.9
Trading	3,105	1,282	1,823	142.2
Investment holding	21,034	26,021	(4,987)	(19.2)
<i>Intra-group elimination *</i>	(73,234)	(53,480)	19,754	(36.9)
Total profit before tax	59,234	65,448	(6,214)	(9.5)

* *Intragroup elimination was performed in accordance to Malaysia Financial Reporting Standard ("MFRS") 10 : Consolidated Financial Statement*

For the current financial quarter ended 31 December 2023, the Group recorded a revenue of RM248.09 million representing an increase of 5.1% as compared to preceding year corresponding quarter's revenue of RM236.07 million.

The increase of 25% in revenue from the property development segment was due to newly launched projects namely Darulaman Lagenda Phases 2 and 3A, BBSAP Phase 4B and 4C, Lagenda Teluk Intan Phase 3B, Lagenda Suria Phase 1A and corresponding work done contribution from above projects as well as Lagenda Tropika.

The increase in construction revenue from RM98.40 million to RM167.27 million for the quarter under review was mainly due to above mentioned projects were in full swing of work progress.

Revenue and the profit before tax from trading segment has increased to RM74.81 million and RM3.10 million respectively to support higher construction activities as above.

The Group recorded a profit before tax of RM59.23 million in the current financial quarter as compared to the profit before tax of RM65.45 million in the preceding year corresponding quarter. The decrease in profit before tax was due to sales and marketing expenses increased from commission recognition in completion of BBSAP 3A, 3C and increased administrative expenditure for talents acquisitions in order to support Group expansion into multi states project launching plan. Whereas decreased of RM 5.00 million under investment holding segment was mainly due to reduction in finance charges to subsidiaries and subsequently eliminated under intra-group transaction.

B2. Material change in profit before taxation of the current quarter compared with the immediate preceding quarter

	4th Quarter ended 31 Dec 2023 RM '000	3rd Quarter ended 30 Sep 2023 RM '000	Changes Increase / (Decrease) RM '000	%
Revenue				
Property development	245,292	160,425	84,867	52.9
Construction	167,271	112,653	54,618	48.5
Trading	74,806	58,602	16,204	27.7
Investment holding	23,511	30,092	(6,581)	-21.87
<i>Intra-group elimination *</i>	(262,794)	(143,880)	118,914	(82.6)
Total revenue	248,086	217,892	30,194	13.9
Profit/(loss) before tax				
Property development	98,142	67,111	31,031	46.2
Construction	10,187	9,544	(643)	(6.7)
Trading	3,105	1,798	1,307	72.7
Investment holding	21,034	29,280	(8,246)	(28.2)
<i>Intra-group elimination *</i>	(73,234)	(49,865)	23,369	(46.9)
Total profit before tax	59,234	57,868	1,366	2.4

* *Intragroup elimination was performed in accordance to Malaysia Financial Reporting Standard ("MFRS") 10 : Consolidated Financial Statement*

For the current financial quarter ended 31 December 2023, the Group's revenue had increased to RM248.09 million as compared to RM217.89 million reported in the immediate preceding quarter.

The increase in property development revenue was mainly due to higher completion of project progress and higher sales conversion rate in newly launched projects namely Darulaman Lagenda Phases 3A and Lagenda Suria Phase 1A compared to the immediate preceding quarter.

LAGENDA PROPERTIES BERHAD

(Registration No. 200101000008(535763-A))

(Incorporated in Malaysia)



ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD

B2. Material change in profit before taxation of the current quarter compared with the immediate preceding quarter (Cont'd)

The increase in construction revenue from RM112.65 million to RM167.27 million for the quarter under review was mainly contributed from projects namely Lagenda Tropika, Lagenda Teluk Intan Fasa 3B, Lagenda Aman and Darulaman Lagenda as these projects are still in the early stage of construction milestone.

As explained earlier, revenue from the trading segment has increased by 27.7% to RM74.81 million to support higher construction activities.

Decreased of RM6.58 million and RM8.25 million in revenue and profit before tax respectively under investment holding segment were mainly due to dropped of dividend income from subsidiaries amounting RM6.70 million and subsequently eliminated under intra-group transaction.

The Group recorded an increase in profit before tax amounting to RM59.23 million in the current financial quarter as compared to the profit before tax of RM57.87 million in the immediate preceding quarter was mainly due to staff's performance bonus paid in immediate preceding quarter offset with increased staff cost in current quarter under review.

B3. Commentary on prospects

In FY2023, we achieved a significant milestone by exceeding RM1.04 billion in confirmed sales for the first time. This is a clear testament to the robust demand for our affordable and well-planned townships. This achievement underscores our commitment to providing quality homes that meet the needs of Malaysians. In the past year, our focus has been on fortifying operational capabilities, laying the groundwork for a multi-state expansion, and strategically replenishing our landbank to fuel future growth. We are confident that this foundation will position us favourably in the coming years. As of December 31, 2023, the Group's unbilled sales stood at RM732.41 million, while outstanding bookings reached RM268.31 million, providing future revenue visibility.

Beyond sales figures, we expanded our geographic footprint in 2023, launching projects in three states: Perak, Kedah, and Johor. In Johor, we currently have a sizable remaining landbank of approximately 1,500 acres of land with an estimated Gross Development Value ("GDV") of RM5.60 billion, where we plan to launch three townships by the end of 2024. This expansion reflects our positive outlook on this vibrant state and the potential it holds. We believe there is vast untapped demand for affordable housing in Johor, where a significant number of households still lack homeownership. Additionally, we have the option to acquire another 200 acres in Johor, providing us with flexibility and the opportunity to further expand our presence in this promising market.

2024 is poised to be a vibrant and exciting year for Lagenda as we plan to launch over 8,000 units of affordable homes, more than doubling the figure from 2023. We are ramping up to commence launches in two new states, Selangor and Pahang, expanding our presence to five states by year-end. This nationwide presence allows us to cater to a broader range of buyers and contribute to the housing needs of communities across Malaysia. Given these factors and barring unforeseen circumstances, the Board anticipates enhanced performance for FY2024.

B4. Profit forecast

The Company did not issue any profit forecast during the current financial quarter under review.

B5. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 Dec 2023 RM '000	Preceding Year Quarter 31 Dec 2022 RM '000	Current Year To Date 31 Dec 2023 RM '000	Preceding Year To Date 31 Dec 2022 RM '000
Deferred tax liabilities	2,948	(354)	(389)	581
Taxation	(20,138)	(20,311)	(64,023)	(73,655)
Tax expenses	<u>(17,190)</u>	<u>(20,665)</u>	<u>(64,412)</u>	<u>(73,074)</u>
Effective tax rate	<u>29.0%</u>	<u>31.6%</u>	<u>29.6%</u>	<u>29.1%</u>

The tax charge for the Group reflects an effective tax rate which is higher than the statutory tax rate of 24% mainly due to certain expenses which are not deductible for tax purposes.

B6. Details of Group Borrowings and Debt Securities

The group interest-bearing borrowings as at the end of the reporting period are as follows:

	Current year 31 Dec 2023 RM '000	Preceding year 31 Dec 2022 RM '000
Current		
Revolving Credits	119,913	166,607
Banker's acceptance	8,865	5,391
Term loans	43,584	18,706
	<u>172,362</u>	<u>190,704</u>
Non-current		
Term loans	130,004	188,605
	<u>302,366</u>	<u>379,309</u>

LAGENDA PROPERTIES BERHAD

(Registration No. 200101000008(535763-A))

(Incorporated in Malaysia)



ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD

B7. Corporate Proposals

- (a) On 1 December 2023, the Company has entered into a share sales & purchase agreement (“SSA”) with Lew Shoong Kai and Chew Ann Bee (“Vendors”) in relation to acquisition of 150,000 ordinary shares in Northern Solar Sdn Bhd, representing 15% of its entire issued capital for a total cash consideration of RM 13,500,000. The SSA is completed on 15 December 2023.
- (b) Opti Vega Sdn Bhd (“OVSB”), an indirect wholly owned subsidiary of LPB, had on 10 January 2024, entered into a development rights agreement (the “DRA”) with Intact Corporate Approach Sdn Bhd (“ICA”) to undertake the Development of the Land for a total cash consideration of RM85,380,000, upon the terms and subject to the conditions set out in the DRA (“Proposed DRA”). The Proposed DRA is currently unconditional and expected to be completed in year 2024.

B8. Financial instruments

There was no outstanding financial instruments as at the date of issue of this quarterly report.

B9. Material Litigation

There was no pending material litigation as at the date of issue of this quarterly report.

B10. Dividend

- (a) A single-tier second interim dividend of 3.5 sen (2023 single-tier first interim dividend: 3.0 sen) per ordinary share amounting to RM29,306,451 (2023 single-tier first interim dividend: RM25,119,815) has been declared by the Board of Directors in respect of the financial year ended 31 December 2023.
- (b) The interim single-tier dividend shall be payable on 30 April 2024.
- (c) In respect of deposited securities, entitlement to dividend will be determined based on the record of depositors as of 18 April 2024.

B11. Earnings per share

(i) Basic Earnings Per Share

The basic earnings per ordinary share were calculated by dividing the Group's net profit attributable to ordinary shareholders by the number of weighted ordinary shares in issue as follows:-

	Current Year 31 Dec 2023 Quarter	Preceding Year 31 Dec 2022 Quarter	Current Year 31 Dec 2023 To Date	Preceding Year 31 Dec 2022 To Date
Profit net of tax attributable to owners of the parent (RM'000)	41,851	44,654	153,149	177,772
Basic Weighted average number of ordinary share in issue ('000)	837,327	836,689	837,327	836,689
Basic earning per share (EPS) (sen)	5.00	5.34	18.29	21.25

(ii) Diluted Earning Per Shares

The diluted earnings per ordinary shares were calculated by dividing the Group's net profit attributable to ordinary shareholders by the number of weighted ordinary shares in issue as follows:-

	Current Year 31 Dec 2023 Quarter	Preceding Year 31 Dec 2022 Quarter	Current Year 31 Dec 2023 To Date	Preceding Year 31 Dec 2022 To Date
Profit net of tax attributable to owners of the parent (RM'000)	41,851	44,654	153,149	177,772
Weighted average number of ordinary share in issue ('000)	966,113	994,493	966,113	994,493
Diluted earning per share (EPS) (sen)	4.33	4.49	15.85	17.88



ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD

B12. Notes to the Statement of Comprehensive Income

	Current Quarter	Preceding Year
	31 Dec 2023	Quarter
	RM '000	31 Dec 2022
	RM '000	RM '000
Bargain purchase on acquisition of a subsidiary	-	190
Interest income	950	1,622
Rental income	656	616
Auditors' remuneration	(128)	(172)
Depreciation of property, plant and equipment	(1,274)	(1,034)
Employee share-based payment	(259)	80
Interest expenses on:		
- accretion of interest on contingent consideration	(135)	(43)
- banker's acceptance	(71)	(164)
- bank guarantee commission	31	(6)
- lease liabilities	(103)	(63)
- term loan	(2,060)	(4,475)
Loss on remeasurement of lease liabilities	-	(275)

B13. Auditors' Report on the Preceding Annual Financial Statements

There was no qualification in the audit report on the preceding audited annual financial statements.

B14. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors of the Company on 28 February 2024.