



KEN HOLDINGS BERHAD
(198301010855 (106173-M))

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2024

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.03.2024	Preceding Year Corresponding Quarter 31.03.2023	Current Year To Date 31.03.2024	Preceding Year Corresponding Period 31.03.2023
	RM'000	RM'000	RM'000	RM'000
Revenue	4,861	7,025	4,861	7,025
Cost of sales	(2,520)	(3,772)	(2,520)	(3,772)
Gross Profit	2,341	3,253	2,341	3,253
Operating expenses	(2,885)	(3,183)	(2,885)	(3,183)
Other operating income	2,202	2,279	2,202	2,279
Profit before tax	1,658	2,349	1,658	2,349
Income tax expense	(170)	(664)	(170)	(664)
Profit for the period / Total comprehensive income for the period	1,488	1,685	1,488	1,685
Total comprehensive income attributable to:				
Owners of the Company	1,488	1,685	1,488	1,685
Non-controlling interest	-	-	-	-
	1,488	1,685	1,488	1,685
Earnings per share (sen) :				
(i) Basic earnings per ordinary share	0.83	0.94	0.83	0.94
(ii) Diluted earnings per ordinary share	-	-	-	-

(The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	(Unaudited) As at 31.03.2024 RM'000	(Audited) As at 31.12.2023 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	4,616	4,796
Investment properties	121,429	122,094
Inventories	107,516	107,478
Right-of-use assets	8,905	8,947
Other investments	26	26
Deferred tax assets	8,836	8,835
	251,328	252,176
Current assets		
Inventories	54,987	54,987
Trade and other receivables	6,221	7,012
Deposits, bank and cash balances	97,635	96,005
	158,843	158,004
Total Assets	410,171	410,180
EQUITY AND LIABILITIES		
EQUITY		
Share capital	95,860	95,860
Treasury shares at cost	(5,366)	(5,366)
Reserves	9,052	9,052
Non-controlling interest	51	51
Retained earnings	260,122	258,634
Total equity	359,719	358,231
LIABILITIES		
Non-current liabilities		
Deferred tax liabilities	17,685	17,685
	17,685	17,685
Current liabilities		
Trade and other payables	32,651	33,987
Provision for taxation	116	277
	32,767	34,264
Total Liabilities	50,452	51,949
Total equity and liabilities	410,171	410,180
Net assets per share (RM)	2.01	2.00

(The Unaudited Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2024

	<----- Attributable to owners of the Company ----->						
	<----- Non-distributable ----->			Distributable		Non-controlling interest	Total equity
	Share capital	Treasury shares	Revaluation reserve	Retained earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2023	95,860	(5,366)	9,026	247,727	347,247	49	347,296
Net profit for the period	-	-	-	10,907	10,907	-	10,907
Other comprehensive income	-	-	26	-	26	2	28
Total comprehensive income for the year	-	-	26	10,907	10,933	2	10,935
At 31 December 2023	95,860	(5,366)	9,052	258,634	358,180	51	358,231
At 1 January 2024	95,860	(5,366)	9,052	258,634	358,180	51	358,231
Net profit for the period	-	-	-	1,488	1,488	-	1,488
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	1,488	1,488	-	1,488
Changes in ownership interests in a subsidiary	-	-	-	-	-	-	-
At 31 March 2024	95,860	(5,366)	9,052	260,122	359,668	51	359,719

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2024

	Current Period To Date 31.03.2024 RM'000	Preceding Year Corresponding Period 31.03.2023 RM'000
Cash flows from operating activities		
Profit before tax	1,658	2,349
Adjustments for:		
Non-cash items	889	1,007
Non-operating items	(765)	(958)
Operating profit before working capital changes	1,782	2,398
Changes in working capital:		
Net changes in current assets	624	5,055
Net changes in current liabilities	(1,108)	(2,923)
Cash generated from operations	1,298	4,530
Interest received	39	25
Tax refund	1	-
Tax paid	(431)	(268)
Net cash generated from operating activities	907	4,287
Cash flows from investing activities		
Acquisition of property, plant and equipment	(3)	(25)
Interest received	726	933
Net cash generated from investing activities	723	908
Net changes in cash and cash equivalents	1,630	5,195
Effect of exchange rate fluctuations on cash held	-	-
Cash and cash equivalents at the beginning of the financial period	96,005	72,246
Cash and cash equivalents at the end of the financial period	97,635	77,441

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023)

A. EXPLANATORY NOTES PURSUANT TO THE INTERIM FINANCIAL REPORT – IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRSs”)

A1. BASIS OF PREPARATION

The unaudited interim financial statements have been prepared in accordance with the requirements of MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirements”) and should be read in conjunction with the Group’s audited financial statements for the year ended 31 December 2023.

The significant accounting policies and methods of computation adopted in the unaudited interim financial statements are consistent with those adopted in the Group’s audited financial statements for the year ended 31 December 2023.

The Group and the Company’s financial statements for reporting period ended 31 March 2024 are prepared in accordance with the Malaysian Financial Reporting Standards (“MFRSs”) issued by MASB and International Financial Reporting Standards except for the adoption of the following new/revised MFRSs and Amendments to MFRSs:

- Amendments to MFRS 16 Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101 Non-current liabilities with Covenants
- Amendments to MFRS 107 and MFRS 7 Supplier Finance Arrangements

The adoption of the above amendments to MFRSs did not result in material impact to the interim financial statements of the Group.

The following are accounting standards, amendments and interpretations that have been issued by the MASB but are not yet effective for the Group and the Company:

	Effective dates for financial periods beginning on or after
• 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 until further notice

A2. AUDITORS’ REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors’ report on the financial statements for the year ended 31 December 2023 was not qualified.

A3. SEASONAL OR CYCLICAL FACTORS

The Group’s operations were not significantly affected by any seasonal or cyclical factors.

A4. UNUSUAL ITEMS

There were no items affecting the assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence during the current financial period.

A5. MATERIAL CHANGES IN ACCOUNTING ESTIMATES

There were no changes in accounting estimates of amounts reported in prior interim period which have a material effect on the current financial period.

A6. ISSUANCE OR REPAYMENT OF DEBTS AND EQUITY SECURITIES

Save as disclosed below, there were no other issuance and repayment of debts and equity securities, shares buy-back, share cancellations, shares held as treasury shares or resale of treasury shares during the current financial period under review:

Share Buy-back

The Company had not purchased any of its own shares for the quarter ended 31 March 2024.

At the date of this report, a total of 12,383,400 shares purchased back were held as treasury shares with a total cost of RM5,366,095. None of the treasury shares held were resold or cancelled during the quarter under review and up to the date of this report.

A7. DIVIDENDS PAID

No dividend has been paid for the current quarter ended 31 March 2024.

A8. SEGMENTAL REPORTING

Segmental analysis of the results and assets employed for 3 months ended 31 March 2024.

Business Segment	Construction RM'000	Property Development RM'000	Property Investment RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Revenue from external customers	-	-	4,932	98	(169)	4,861
Inter-segment revenue	-	-	404	-	(404)	-
Total revenue	-	-	5,336	98	(573)	4,861
Segment result	(308)	595	1,435	(63)	-	1,659
Unallocated income / (expenses)						(766)
Interest income						765
Profit from operations						1,658
Finance cost						-
Profit before tax						1,658
Taxation						(170)
Net profit for the period						1,488

A9. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

The values of property, plant and equipment have been brought forward without amendments from the previous financial statements for the year ended 31 December 2023.

A10. SUBSEQUENT MATERIAL EVENTS

There were no material events subsequent to the end of the reporting quarter and up to the date of issuance of this Interim Financial Report.

A11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group for the quarter ended 31 March 2024 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operation.

A12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

	Quarter Ended 31.03.2024 RM'000	Financial Year Ended 31.12.2023 RM'000
A Contingent Liabilities		
Corporate guarantee for credit facilities and guarantee granted to subsidiaries of the company	173	177

B. ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. REVIEW OF THE PERFORMANCE

A comparison of the results of current quarter ended 31 March 2023 and the corresponding periods in the preceding year is as follows:

	Current Year Quarter 01.01.2024 – 31.03.2024 RM'000	Preceding Year Quarter 01.01.2023 – 31.03.2023 RM'000	Current Year 01.01.2024 – 31.03.2024 RM'000	Preceding Year 01.01.2023 – 31.03.2023 RM'000
Revenue	4,861	7,025	4,861	7,025
Profit before tax	1,658	2,349	1,658	2,349
Profit after tax (before non-controlling interest)	1,488	1,685	1,488	1,685
Profit attributable to equity holders of the parent	1,488	1,685	1,488	1,685

Current year quarter vs preceding year quarter

The Group registered revenue of approximately RM4.9 million and profit before tax of approximately RM1.7 million for the current quarter ended 31 March 2024 which was lower as compared to the previous year's corresponding period's revenue and profit before tax of approximately RM7.0 million and RM2.3 million, respectively.

The overall decline in revenue was attributed to its sole contribution from the property investment segment during the current quarter, Correspondingly, profit before tax decreased marginally by RM0.1 million during the current quarter.

B2. MATERIAL VARIATION AGAINST THE PRECEDING QUARTER RESULTS

A comparison of the quarterly results of the current and preceding quarter is as follows:

	Current Quarter 01.01.2024 – 31.03.2024 RM'000	Preceding Quarter 01.10.2023 – 31.12.2023 RM'000
Revenue	4,861	9,311
Profit after tax (before Non-controlling Interest)	1,488	3,190
Profit after tax (after Non-controlling Interest)	1,488	3,190

The revenue for the current quarter ended 31 March 2024 at approximately RM4.8 million was lower than the preceding quarter ended 31 December 2023 by approximately RM4.5 million due to higher sales of completed properties registered during the preceding quarter. Thus, profit after tax recorded for the current quarter was correspondently lower as compared to the preceding year quarter.

B3. PROSPECTS FOR 2024

The Malaysian economy is projected to maintain a steady growth trajectory in 2024, driven by robust domestic demand, particularly due to continued expansion in private sector spending. However, the outlook for the domestic property market is expected to remain challenging due to inflationary pressures and higher interest rates.. Nevertheless, the Group will continue adopting a cautious strategy by monetising its remaining inventories and building up its long term recurring income while exercising prudence on new projects launches. Barring any unforeseen circumstances, the Board of Directors is of the view that the Group's performance will remain positive for the financial year ending 31 December 2024.

B4. PROFIT FORECAST AND ESTIMATES ANNOUNCED OR DISCLOSED

Not applicable as there were no profit forecast or estimates that has been announced or disclosed for the financial year 2024.

B5. TAX EXPENSE

	Current Year Quarter 01.01.2024 – 31.03.2024 RM'000	Preceding Year Quarter 01.01.2023 – 31.03.2023 RM'000	Current Year 01.01.2024 – 31.03.2024 RM'000	Preceding Year 01.01.2023 – 31.03.2023 RM'000
In respect of current period				
- income tax	170	449	170	449
- deferred tax	-	215	-	215
	170	664	170	664

The Group's effective tax rate for the 3 months ended 31 March 2024 was lower than the statutory rate of 24% mainly due to losses of certain subsidiaries, which set off against taxable profits of other subsidiaries.

B6. THE STATUS OF CORPORATE PROPOSALS

There was no corporate proposal announced as of the date of this report.

B7. BORROWINGS AND DEBT SECURITIES

There were no borrowings at the end of the current quarter ended 31 March 2024.

B8. MATERIAL LITIGATION

Kuala Lumpur High Court Suit No. WA-22NCVC-650-10/2020 Common Ground TTDI Sdn Bhd (“Plaintiff”) v Ken TTDI Sdn Bhd (“Defendant”)

On 12 October 2020, Common Ground TTDI Sdn Bhd (the “Plaintiff”) filed a Writ of Summons and Statement of Claim and an *ex-parte* Interim Injunction Order against Ken TTDI Sdn Bhd (the “Defendant”) to prevent the Defendant from, among other things, taking any form of action to repossess the demised premises in the interim period.

On 26 November 2020, the Defendant filed a Third Party Notice against Common Ground Works Sdn Bhd, Teo Juhn How and Erman Akinci and the hearing is set for 14 June 2021. The Defendant had on 30 November 2020 filed a Defence and Counterclaim against the Plaintiff and on 30 December 2020, the Defendant also filed an Application pursuant to Order 14A Rule 1 and/or Order 33 Rule 2 for the Court to determine two questions of law and/or interpretation of the TA, or preliminary issues, in order that the action may be disposed of without the need for a trial.

The *inter-partes* hearing of the Plaintiff's Interim Injunction Application and the Defendant's Application pursuant to Order 14A Rule 1 and/or Order 33 Rule 2 Rules of Court 2012 were

both heard on 18 March 2021 and the Court had on 15 April 2021 dismissed the Plaintiff's Interim Injunction Application with costs of RM8,000 awarded in favour of the Defendant. On the even date, the High Court had also allowed the Defendant's Application pursuant to Order 14A Rule 1 and/or Order 33 Rule 2 Rules of Court 2012 with costs of RM5,000.00 awarded in favour of the Defendant and accordingly, the Plaintiff's claim against the Defendant is dismissed.

The hearing of the Third Parties' Setting Aside Application was heard on 14 June 2021 and the Court has allowed the Third Parties' Setting Aside Application with costs of RM6,000.00.

On 30 August 2021, the Defendant filed an Application for Consequential Orders, which was heard on 2 November 2021 and the Court had allowed the Defendant's Application and granted the following orders:

- a) that the Plaintiff shall immediately hand over possession of the Demised Premises to the Defendant in accordance with the terms of the Tenancy Agreement which had expired on 31.10.2020;
- b) that the Plaintiff shall pay double rental for the Demised Premises from 1.11.2020 until the date vacant possession of the Demised Premises is handed over at a monthly rental based on the agreed minimum rate of RM128,337.60 per month; and
- c) cost of RM5,000.00 to be paid by the Plaintiff to the Defendant.

The trial for the Plaintiff's Claim and the Defendant's Counterclaim against the Plaintiff concluded on 24 January 2024 and the Court has fixed 7 June 2024 for decision.

B9. DIVIDEND

The Board does not recommend any interim dividend for the current quarter under review (2023: Nil).

B10. EARNINGS PER SHARE

	Quarter Ended 31.03.2024 RM'000	3 months ended 31.03.2024 RM'000
A Basic Earnings		
Profit attributable to owners of the Company	1,488	1,488
Weighted average number of ordinary shares ('000)	179,337	179,337
Basic earnings per share (sen)	0.83	0.83
B Diluted earnings	-	-

There is no impending effect on the diluted earnings per share.

B11. PROFIT FOR THE PERIOD

	Current Year Quarter 01.01.2024 – 31.03.2024 RM'000	Preceding Year Quarter 01.01.2023 – 31.03.2023 RM'000	Current Year 01.01.2024 - 31.03.2024 RM'000	Preceding Year 01.01.2023 – 31.03.2023 RM'000
Profit for the period is arrived at after crediting/(charging):				
Interest income	765	958	765	958
Other income	1,437	1,322	1,437	1,322
Depreciation	(889)	(1,009)	(889)	(1,009)

Save as disclosed above, the other items as required under Appendix 9B, Part A (16) of the Listing Requirements are not applicable.

By Order of the Board,

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 Andrea Huong Jia Mei
 Company Secretary
 Date: 21 May 2024