



AVILLION

BERHAD

Registration No. 199201013018 (244521-A)

Interim Financial Report for The Quarter Ended 30 September 2024

A. NOTES TO THE INTERIM FINANCIAL REPORT

A1 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 and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group's audited financial statements for the year ended 31 March 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 year ended 31 March 2024.

The financial information presented herein has been prepared in accordance with the accounting policies to be used in preparing the annual consolidated financial statements for 31 March 2024 under the Malaysian Financial Reporting Standards (MFRSs) framework except for the adoption of the following MFRSs:

Effective for annual period beginning on or after 1 January 2024

MFRS 7	Financial Instruments: Disclosures
MFRS 16	Leases
MFRS 101	Presentation of Financial Statements
MFRS 107	Statements of Cash Flows

The adoption of the above standards did not have a significant financial impact to the Group.

Effective for annual period beginning on or after 1 January 2025

MFRS 121	The Effect of Changes in Foreign Exchange Rates
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Effective for annual period beginning on or after 1 January 2026

MFRS 9	Financial Instruments
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Effective for annual period beginning on or after 1 January 2027

MFRS 18	Presentation and Disclosure in Financial Statements
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Deferred

MFRS 10	Consolidated Financial Statements
MFRS 128	Investments in Associates and Joint Ventures

The Group will adopt the above MFRSs when they become effective in the respective financial periods. These MFRSs may have an impact on the amounts reported and disclosure made in the financial statements. However, it is not practicable to provide a reasonable estimate of the financial impacts of the above accounting standards until the Group performs the detailed review.



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A2 Audit Report of Preceding Annual Financial Statement

The independent auditors reported the following material uncertainty related to going concern on the audited financial statements for the year ended 31 March 2024:

"As disclosed in Note 2.6 to the financial statements, which disclosed that the Group and the Company reported a net loss of RM5.551 million and RM6.841 million respectively during the financial year ended 31 March 2024 thereby indicating the existence of a material uncertainty which may cast significant doubt about the Group's and the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter".

A3 Seasonal or Cyclical Factors

The Group is principally engaged in the following business operations:

- a) Hotel
- b) Property
- c) Travel

The major festivities and school holidays generally affect the performance of Hotel & Travel Division. The performance of Property Division is affected by the sentiments of the property cycle, as the division's profitability is dependent on the sale of its properties.

A4 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group.

A5 Accounting Estimates

There were no changes in estimates of amounts reported in prior financial quarters of the current financial year or in prior financial years that have a material effect in the current financial quarter.

A6 Issuance or Repayment of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial year to date.

A7 Dividend Paid

There were no dividends paid during the year under review.



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A8 Segmental Reporting

a) Revenue

	Individual Quarter		Cumulative Period	
	Current Quarter Ended 30.09.2024 (RM'000)	Preceding Quarter Ended 30.09.2023 (RM'000)	Current Year Ended 30.09.2024 (RM'000)	Preceding Year Ended 30.09.2023 (RM'000)
Continuing Operations				
Hotel	9,986	10,076	17,372	18,037
Property	4,552	2,751	6,651	7,963
Travel	4,286	7,003	7,966	10,800
Grand Total	18,824	19,830	31,989	36,800

b) Profit / (loss) before tax

	Individual Quarter		Cumulative Period	
	Current Quarter Ended 30.09.2024 (RM'000)	Preceding Quarter Ended 30.09.2023 (RM'000)	Current Year Ended 30.09.2024 (RM'000)	Preceding Year Ended 30.09.2023 (RM'000)
Continuing Operations				
Hotel	787	1,035	(479)	652
Property	563	(25)	(156)	(832)
Travel	370	492	370	568
Holding company & others	(1,551)	(1,732)	(3,010)	(3,475)
Grand Total	169	(230)	(3,275)	(3,087)

A9 Material Subsequent Events

There were no material events subsequent to the current financial period ended 30 September 2024 and up to the date of this report.

A10 Changes in the Composition of the Group

There were no changes in the composition of the Group for the current financial period ended 30 September 2024 and up to the date of this report.

A11 Significant related party transactions

There were no significant related party transactions for the current financial period ended 30 September 2024 and up to the date of this report.



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B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

B1 Review of Performance of the Company and its Principal Subsidiaries

	3 months ended		Changes	
	Current year quarter ended 30.09.2024 (RM'000)	Preceding year quarter ended 30.09.2023 (RM'000)	(RM'000)	%
Revenue	18,824	19,830	(1,006)	(5%)
EBITDA	4,464	3,889	575	15%
Profit/(Loss) before taxation	169	(230)	399	173%

The Group reported revenue, earnings before interest, tax, depreciation, and amortization ("EBITDA") and profit before taxation of RM18.824 million, RM4.464 million and RM0.169 million respectively for the current financial quarter under review.

The revenue for the Group in the current quarter has reduced by 5% against the preceding year same quarter. The lower revenue was mainly due to lower performance achieved by Travel Division which have reduced by 39% as compared to preceding year same quarter due to streamlining of this division. However, the Property Division revenue has improved by 65% mainly due to the sale of some completed properties.

The EBITDA of the Group for the current quarter was RM4.464 million as compared to preceding year same quarter of RM3.889 million. The improvement was mainly due to the higher revenue achieved by Property Division in the current quarter.

B2 Material Changes in the Quarterly Results as compared to the Preceding quarter

	3 months ended		Changes	
	Current quarter ended 30.09.2024 (RM'000)	Preceding quarter ended 30.06.2024 (RM'000)	(RM'000)	%
Revenue	18,824	13,165	5,659	43%
EBITDA	4,464	800	3,664	458%
Profit/(Loss) before taxation	169	(3,444)	3,613	105%

Revenue of the Group for the current quarter recorded at RM18.824 million, an improvement of 43% as compared to the preceding quarter of RM13.165 million. The Hotel, Property and Travel Divisions recorded an increase in revenue of 35%, 117% and 16% respectively.

The EBITDA of the Group for the current quarter was RM4.464 million as compared with EBITDA of RM0.8million in the preceding quarter. The improvement was mainly due to the higher revenue achieved in the current quarter as compared to previous quarter.



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B3 Variance from Profit Forecast

Not applicable.

B4 Commentary on Prospect

The Group’s immediate plan is to focus on stabilizing current operations by increasing hotel yield, controlling and scheduling capital expenditure for upgrades and maintenance and optimizing operating costs.

In the medium and long term, we plan to monetize our non-revenue-generating assets through organic development and partnerships. Our aim is to drive business forward by leveraging our assets acquired and built over the years.

Barring unforeseen circumstances, the Group is expected to better its performance in the near future.

B5 Profit/(Loss) before tax

Profit/(Loss) before tax is derived after charging / (credited) of the following:

	Individual Quarter		Cumulative Period	
	Current Quarter Ended 30.09.2024 (RM'000)	Preceding Quarter Ended 30.09.2023 (RM'000)	Current Year Ended 30.09.2024 (RM'000)	Preceding Year Ended 30.09.2023 (RM'000)
Interest income	(1)	(27)	(28)	(66)
Rental income	(21)	(22)	(42)	(43)
COVID-19 fund from government	(0)	(9)	(0)	(23)
Reversal of Liquidated Ascertained Damages	(0)	(585)	(0)	(585)



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B6 Taxation

	Individual Quarter		Cumulative Period	
	Current Quarter Ended 30.09.2024 (RM'000)	Preceding Quarter Ended 30.09.2023 (RM'000)	Current Year Ended 30.09.2024 (RM'000)	Preceding Year Ended 30.09.2023 (RM'000)
a) Income Tax				
i) Current year	3	64	8	93
Total	3	64	8	93

The Group tax rate is higher than the statutory tax rate applicable due to the provision of taxation on profit by certain subsidiary companies.

B7 Status of Corporate proposals

On 17 October 2019, the Company announced the proposed listing and quotation of up to 188,881,350 Placement Shares and an issuance of up to 566,644,050 free warrants on the basis of one Warrant for every two ordinary shares of the Company held on an entitlement date to be determined by the Board and announced at a later date.

In June 2021, the Company had placed out 2,083,334 Placement Shares at RM0.12 each and listed on the Main Market of Bursa Securities on 21 June 2021. The Company had further placed out 96,333,330 Placement Shares at RM0.12 each and 90,464,686 Placement Shares at RM0.12 each in August and November 2021 respectively, of which such Placement Shares were listed on the Main Market of Bursa Securities on 24 August and 19 November 2021 respectively.

The status of utilization of proceeds raised from the aforementioned Placement Shares as at 30 September 2024 were as follows:

	Circular dated 3rd Dec 2019 (RM'000)	Proceeds Raised (RM'000)	Approved Revised (RM'000)	Amount Utilised (RM'000)	Amount Unutilised (RM'000)	Intended Timeframe for Utilisation
Repayment of bank borrowings	6,000	6,000	4,889	4,889	0	
Asset enhancement & refurbishment programme	10,000	10,000	5,611	2,599	3,012	Within 6 mths
Part funding of Desa Impian Project	3,000	3,000	3,000	3,000	0	
General working capital	7,093	3,316	8,816	8,816	0	
Estimated expenses	350	350	350	350	0	
Total	26,443	22,666	22,666	19,654	3,012	



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B8 Group Borrowings

a) Banking Facilities

	As at 30.09.2024	As at 30.09.2023
	Secured	Secured
a) Short term borrowings	(RM'000)	(RM'000)
i. Overdraft	21,376	18,970
ii. Revolving Credit	5,250	7,350
iii. Long term loans repayable within 12 months	11,720	5,900
iv. Hire purchase payable repayable within 12 months	0	30
v. Total	<u>38,346</u>	<u>32,250</u>
b) Long term borrowings		
i. Long term loans	51,097	55,235
Less: portion payable within 12 months	<u>(11,720)</u>	<u>(5,900)</u>
	<u>39,377</u>	<u>49,335</u>
ii. Hire purchase payable	0	30
Less: portion payable within 12 months	<u>0</u>	<u>(30)</u>
	<u>0</u>	<u>0</u>
iii. Total	<u>39,377</u>	<u>49,335</u>
c) Total borrowings	<u>77,723</u>	<u>81,585</u>

b) Foreign currency borrowings included in the above in Ringgit Malaysia equivalent as at 30 September 2024 was RM0.5 million (HKD0.947 million) and as at 30 September 2023 was RM0.551 million (HKD0.919 million).

B9 Derivative Financial Instruments

The Group is not a party to any financial instruments, which may have an effect to the derivative financial instruments at the date of this report.

B10 Material Litigation

There was no material litigation pending as at the date of this announcement.



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B11 Earnings / (Loss) Per Share

a) Basic

Basic earnings / (loss) per share is calculated by dividing the net profit /(loss) attributable to the shareholders for the current financial period ended 30 September 2024 as follows:

	Individual Quarter		Cumulative Period	
	Current Quarter Ended 30.09.2024 (RM'000)	Preceding Quarter Ended 30.09.2023 (RM'000)	Current Year Ended 30.09.2024 (RM'000)	Preceding Year Ended 30.09.2023 (RM'000)
Net profit /(loss) attributable to Equity holders of the Parent (RM'000)	8	(259)	(3,310)	(3,006)
Basic ('000)				
Total Weighted average number of ordinary shares	1,133,288	1,133,288	1,133,288	1,133,288
Basic earnings /(loss) per share (sen)	0.001	(0.023)	(0.292)	(0.265)

b) Diluted

Diluted earnings per share were not computed as the Company does not have any dilutive potential ordinary shares in issue as at the end of the current financial period ended 30 September 2024.

B12 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 26 November 2024.