



MAH SING GROUP BERHAD
Registration No.: 199101019838 (230149-P)
(Incorporated in Malaysia)

Interim Financial Report

30 September 2024

MAH SING GROUP BERHAD

Registration No.: 199101019838 (230149-P)

(Incorporated in Malaysia)

Interim Financial Report - 30 September 2024

	Page No.
Condensed Consolidated Statement Of Financial Position	1
Condensed Consolidated Statement Of Profit Or Loss	2
Condensed Consolidated Statement Of Other Comprehensive Income	3
Condensed Consolidated Statement Of Changes In Equity	4
Condensed Consolidated Statement Of Cash Flows	5 - 6
Notes To The Interim Financial Report	7 - 15

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2024

(The figures have not been audited)

	AS AT 30/09/2024 RM'000	(AUDITED) AS AT 31/12/2023 RM'000
ASSETS		
Non-Current Assets		
<i>Property, plant and equipment</i>	414,500	407,864
<i>Prepaid lease payments</i>	2,856	3,151
<i>Right-of-use assets</i>	51,447	46,874
<i>Investment properties</i>	175,880	175,880
<i>Land held for property development</i>	2,377,189	1,766,139
<i>Intangible assets</i>	2,995	3,960
<i>Deferred tax assets</i>	221,023	223,377
	3,245,890	2,627,245
Current Assets		
<i>Property development costs</i>	938,793	999,667
<i>Inventories</i>	484,723	529,659
<i>Trade and other receivables</i>	641,480	618,086
<i>Contract assets</i>	707,556	572,942
<i>Contract cost assets</i>	74,528	75,892
<i>Current tax assets</i>	15,652	12,027
<i>Deposits, cash, bank balances and investment in short-term funds</i>	747,430	981,261
	3,610,162	3,789,534
TOTAL ASSETS	6,856,052	6,416,779
EQUITY AND LIABILITIES		
Equity Attributable to Ordinary Equity Holders of the Company		
<i>Share capital</i>	1,876,057	1,776,057
<i>Reserves</i>	3,723	12,004
<i>Retained earnings</i>	1,990,992	1,913,090
	3,870,772	3,701,151
Non-Controlling Interests	43,724	35,706
Total Equity	3,914,496	3,736,857
Non-Current Liabilities		
<i>Medium term notes</i>	306,063	1,003,232
<i>Term loans</i>	661,156	265,999
<i>Long term and deferred payables</i>	88,095	83,597
<i>Deferred tax liabilities</i>	24,157	32,213
	1,079,471	1,385,041
Current Liabilities		
<i>Trade and other payables</i>	1,074,160	1,109,951
<i>Contract liabilities</i>	119,663	138,302
<i>Medium term notes</i>	600,947	-
<i>Term loans</i>	25,700	1,185
<i>Short term borrowings</i>	-	8,265
<i>Current tax liabilities</i>	41,615	37,178
	1,862,085	1,294,881
Total Liabilities	2,941,556	2,679,922
TOTAL EQUITY AND LIABILITIES	6,856,052	6,416,779
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.51	1.52

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the financial period ended 30 September 2024
(The figures have not been audited)

	3 months ended		Period ended	
	30/09/2024 RM'000	30/09/2023 RM'000	30/09/2024 RM'000	30/09/2023 RM'000
Revenue	639,285	644,260	1,775,878	1,931,937
Cost of sales	(472,913)	(504,656)	(1,319,698)	(1,513,739)
Gross profit	166,372	139,604	456,180	418,198
Other income	5,836	8,229	25,560	22,211
Selling and marketing expenses	(20,758)	(12,696)	(50,210)	(40,294)
Administrative and other expenses	(53,244)	(46,484)	(145,324)	(134,999)
Results from operating activities	98,206	88,653	286,206	265,116
Finance income	2,846	1,681	7,876	5,389
Finance costs	(16,191)	(14,284)	(45,076)	(43,669)
Net finance costs	(13,345)	(12,603)	(37,200)	(38,280)
Profit before tax	84,861	76,050	249,006	226,836
Income tax expense	(24,508)	(24,502)	(68,642)	(69,826)
Profit for the period	60,353	51,548	180,364	157,010
Profit attributable to:				
Equity holders of the Company	60,052	50,016	180,308	150,548
Non-controlling interests	301	1,532	56	6,462
	60,353	51,548	180,364	157,010

Earnings per share attributable to ordinary equity holders of the Company:

- Basic (sen)	Note B12(a)	2.35	2.06	7.18	6.20
- Diluted (sen)	Note B12(b)	2.35	2.06	7.18	6.20

The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the financial period ended 30 September 2024

(The figures have not been audited)

	3 months ended		Period ended	
	30/09/2024	30/09/2023	30/09/2024	30/09/2023
	RM'000	RM'000	RM'000	RM'000
Profit for the period	60,353	51,548	180,364	157,010
Other comprehensive (loss)/income				
<i>Item that may be reclassified subsequently to profit or loss:</i>				
Foreign currency translation differences for foreign operations	(1,819)	(185)	(3,685)	720
Other comprehensive (loss)/income for the period	<u>(1,819)</u>	<u>(185)</u>	<u>(3,685)</u>	<u>720</u>
Total comprehensive income for the period	<u>58,534</u>	<u>51,363</u>	<u>176,679</u>	<u>157,730</u>
Total comprehensive income attributable to:				
Equity holders of the Company	58,821	49,895	177,781	151,003
Non-controlling interests	(287)	1,468	(1,102)	6,727
	<u>58,534</u>	<u>51,363</u>	<u>176,679</u>	<u>157,730</u>

The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial period ended 30 September 2024

(The figures have not been audited)

	Attributable to ordinary equity holders of the Company						Total Equity RM'000
	Non-distributable			Distributable			
	Share capital RM'000	Exchange fluctuation reserve RM'000	Equity Component of Convertible Sukuk RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	
9 months ended 30 September 2024							
Balance at 1/1/2024	1,776,057	6,250	5,754	1,913,090	3,701,151	35,706	3,736,857
Amount recognised directly in equity:							
Profit for the financial period	-	-	-	180,308	180,308	56	180,364
Other comprehensive loss	-	(2,527)	-	-	(2,527)	(1,158)	(3,685)
Total comprehensive (loss)/income for the period	-	(2,527)	-	180,308	177,781	(1,102)	176,679
Dividends for the financial year ended 31 December 2023	-	-	-	(102,406)	(102,406)	-	(102,406)
Issuance of ordinary shares pursuant to the conversion of redeemable convertible sukuk	100,000	-	(5,754)	-	94,246	-	94,246
Issuance of shares by a subsidiary to a non-controlling shareholder	-	-	-	-	-	9,120	9,120
Balance at 30/09/2024	1,876,057	3,723	-	1,990,992	3,870,772	43,724	3,914,496
9 months ended 30 September 2023							
Balance at 1/1/2023	1,776,057	5,883	5,754	1,770,989	3,558,683	28,482	3,587,165
Amount recognised directly in equity:							
Profit for the financial period	-	-	-	150,548	150,548	6,462	157,010
Other comprehensive income	-	455	-	-	455	265	720
Total comprehensive income for the period	-	455	-	150,548	151,003	6,727	157,730
Dividends for the financial year ended 31 December 2022	-	-	-	(72,831)	(72,831)	-	(72,831)
Issue of shares by a subsidiary to non-controlling shareholders	-	-	-	-	-	304	304
Balance at 30/09/2023	1,776,057	6,338	5,754	1,848,706	3,636,855	35,513	3,672,368

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial period ended 30 September 2024
(The figures have not been audited)

	9 months ended 30/09/2024 RM'000	9 months ended 30/09/2023 RM'000
Operating Activities		
Profit before tax	249,006	226,836
Adjustments for:		
Non-cash items	40,445	30,154
Non-operating items	36,267	36,406
Operating profit before changes in working capital	325,718	293,396
Net change in property development costs	226,604	375,145
Net change in land held for sale	-	46,614
Net change in inventories	45,459	138,440
Net change in receivables	(64,249)	45,013
Net change in contract assets	(134,614)	(57,237)
Net change in contract cost assets	1,364	(13,052)
Net change in payables	(37,367)	(108,115)
Net change in contract liabilities	(18,639)	111,152
Cash from operations	344,276	831,356
Interest received	11,761	8,804
Finance cost paid	(17,923)	(17,133)
Net tax paid	(73,510)	(64,990)
Net cash from operating activities	264,604	758,037
Investing Activities		
Additions to property, plant and equipment	(47,439)	(30,136)
Additions to prepaid lease payments	(726)	-
Additions to land held for property development	(97,934)	(44,992)
Acquisition of land	(634,106)	(268,549)
Payment of balance consideration on acquisition of a subsidiary company	-	(7,500)
Proceeds from disposal of property, plant and equipment	950	641
Net cash used in investing activities	(779,255)	(350,536)
Financing Activities		
Advances from non-controlling interests of subsidiary companies	1,205	-
Dividends paid to shareholders of the Company	(102,406)	(72,831)
Net proceeds from/(repayment of) borrowings	412,218	(12,251)
Payment of Medium Term Notes interest	(33,622)	(34,933)
Repayment of lease liabilities	(4,804)	(5,392)
Withdrawal of deposits with licensed banks pursuant to banking facilities	1,665	10,642
Proceeds from the issuance of shares by a subsidiary to a non-controlling shareholder	9,120	304
Withdrawal/(Placement) of deposits in Security and Principal Accounts, Financial Service Reserve Accounts and Trustees' Reimbursement Accounts	15,416	(60,984)
Net cash from/(used in) financing activities	298,792	(175,445)
Net changes in cash and cash equivalents	(215,859)	232,056
Effect of exchange rate changes	(2,122)	39
Fair value gain on investment in short-term funds	2,345	3,097
Cash and cash equivalents at beginning of the financial period	780,937	480,370
Cash and cash equivalents at end of the financial period	565,301	715,562

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**For the financial period ended 30 September 2024 (continued)***(The figures have not been audited)*

Cash and cash equivalents at the end of the financial period comprise the followings:

	9 months ended 30/09/2024 RM'000	9 months ended 30/09/2023 RM'000
Investment in short-term funds	290,343	312,896
Cash and bank balances	456,749	544,900
Deposits with licensed banks	338	7,578
Bank overdrafts	-	(1,204)
	747,430	864,170
Less: Deposits in Security and Principal Accounts and Financial Service Reserve Accounts	(182,096)	(146,922)
Less: Deposits with licensed banks pursuant to banking facilities	-	(1,654)
Less: Deposits in Trustees' Reimbursement Accounts	(33)	(32)
	565,301	715,562

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.

A Explanatory notes

A1 Basis of preparation

The interim financial report has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134 *Interim Financial Reporting* and with International Accounting Standard 14 *Interim Financial Reporting* and applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2023. The explanatory notes attached to the interim financial report 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 31 December 2023.

The significant accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2023 save for the adoption of the following:

Amendments to:

MFRS 16	Lease Liability in a Sale and Leaseback
MFRS 101	Classification of Liabilities as Current or Non-Current
MFRS 101	Non-current Liabilities with Covenants
MFRS 107 and MFRS 7	Supplier Finance Arrangements

The adoption of the above amendments to MFRSs does not have any material impact on the financial statements of the Group.

A2 Seasonal or cyclical factors

The operations of the Group were not significantly affected by any seasonal or cyclical factors during the financial period under review.

A3 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the financial period under review.

A4 Changes in estimates

There were no material change in estimates for the financial period under review.

A5 Debt and equity securities

During the financial period ended 30 September 2024, the Company increased its issued and paid up ordinary share capital from RM1,776,057,554 to RM1,876,057,554 by way of issuance of 132,450,330 new ordinary shares of RM0.755 each pursuant to the conversion of redeemable convertible sukuk (second tranche of medium term notes).

Save for the above, there were no issuance and repayment of debt and equity securities, share buybacks, share cancellations, share held as treasury and resale of treasury shares during the financial period under review.

A6 Dividends paid

On 23 May 2024, the Company paid a first and final single-tier dividend of 4 sen per ordinary share which amounted to RM102,405,527 in respect of the financial year ended 31 December 2023.

A7 Segment reporting

Period ended 30 September 2024

	Property RM'000	Manufacturing RM'000	Investment Holding & Others RM'000	Elimination RM'000	Consolidated RM'000
REVENUE					
External revenue	1,411,239	328,143	36,496	-	1,775,878
Inter-segment	-	-	268,737	(268,737)	-
	<u>1,411,239</u>	<u>328,143</u>	<u>305,233</u>	<u>(268,737)</u>	<u>1,775,878</u>
RESULTS					
Operating profit/(loss)	277,811	(4,191)	12,586	-	286,206
Interest income					7,876
Finance costs					(45,076)
Profit before tax					249,006
Income tax expense					(68,642)
Profit for the period					<u>180,364</u>

Period ended 30 September 2023

	Property RM'000	Manufacturing RM'000	Investment Holding & Others RM'000	Elimination RM'000	Consolidated RM'000
REVENUE					
External revenue	1,562,242	328,129	41,566	-	1,931,937
Inter-segment	-	-	140,222	(140,222)	-
	<u>1,562,242</u>	<u>328,129</u>	<u>181,788</u>	<u>(140,222)</u>	<u>1,931,937</u>
RESULTS					
Operating profit/(loss)	259,718	(5,449)	10,847	-	265,116
Interest income					5,389
Finance costs					(43,669)
Profit before tax					226,836
Income tax expense					(69,826)
Profit for the period					<u>157,010</u>

A8 Material subsequent events

On 7 November 2024, the Company's wholly-owned subsidiary, Major Land Development Sdn Bhd had entered into a sale and purchase agreement ("**SPA**") with Pink Forest Sdn Bhd for the proposed acquisition of freehold prime lands located along Old Klang Road, in Mukim Petaling, Daerah Kuala Lumpur measuring in total 5.24 acres for a total purchase consideration of RM112,973,443.16.

The completion of the SPA is pending the full settlement of the balance purchase consideration.

Save as disclosed in B6, there were no material events subsequent to the reporting date up to 22 November 2024, being the latest practicable date which is not earlier than 7 days from the date of issuance of this Interim Financial Report.

A9 Related party transactions

01/01/2024
to
30/09/2024
RM'000

Transactions with companies in which a Director of the company has interests:

(i) Rental paid to a Company in which a Director of the Company has interest	1,276
(ii) Maintenance services rendered by a company in which the Directors are family members of a Director of the Company	224

Transactions with non-controlling interests:

(i) Interest payable to non-controlling shareholders of subsidiary companies	143
(ii) Advisory fee paid to a non-controlling shareholder of a subsidiary company	95
(iii) Service fee paid to a non-controlling shareholder of a subsidiary company	90

A10 Changes in the composition of the Group

There were no material changes in the composition of the Group during the current financial period except on 28 February 2024, Mah Sing Plastics Industries Sdn Bhd ("**MSPI**"), a wholly-owned subsidiary of the Company, and P.T. Gaya Sukses Mandiri Kaseindo ("**PTGSMK**") executed a deed of Establishment to form an entity with the name of P.T. Mandiri Sinergi Plastindo ("**PTMSP**") whereby MSPI and PTGSMK hold 70% and 30% respectively of the issued and paid-up share capital of PTMSP, making PTMSP a 70% subsidiary of the Group.

PTMSP has an issued and paid-up share capital of IDR100 billion (IDR1 million per share). The principal activities of PTMSP are manufacturing and trading of plastic pallets, containers and related material handling and storage products in Indonesia.

A11 Changes in contingent liabilities or contingent assets

There were no contingent assets. Contingent liabilities of the Group are as follows:

30/09/2024
RM'000
318,709

Bank guarantees issued in favour of third parties

The Group has adopted the provisions of Paragraph 92 of MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets* pursuant to the non-disclosure of the financial effect in relation to the disputed liquidated ascertained damages.

The Group is relying on its solicitors view that the Group has good chance to succeed in the litigation proceedings and therefore no provisions have been made by the Group at this juncture.

A12 Capital commitments

30/09/2024
RM'000

Contractual commitment for the acquisition of development land 90,659

Commitment for acquisition of property, plant and equipment:

- Approved and contracted for	71,255
	161,914

A13 Operating lease commitments

As Lessor - for the lease of investment properties and commercial properties

The Group lease out its investment properties and commercial properties under non-cancellable operating leases. The tenure of these leases ranges between 1 to 6 years with option to renew upon expiry except for certain commercial properties. Certain of the leases include contingent rental arrangements computed based on sales achieved by tenants.

The future minimum lease rental receivables under non-cancellable leases as at reporting date are as follow:-

30/09/2024
RM'000

Less than one year	5,160
One to three years	4,633
	9,793

B Explanatory notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities

B1 Review of Group performance

For the third quarter ended 30 September 2024, the Group recorded a profit before tax ("PBT") of RM84.9 million on the back of revenue of RM639.3 million. This represents an improvement of 11.6% in PBT despite a 0.8% marginal decline in revenue as compared to the preceding year's corresponding quarter. For the nine-month period ended 30 September 2024, the Group recorded revenue and PBT of RM1.78 billion and RM249 million respectively as compared to RM1.93 billion and RM226.8 million a year ago. This represents a decrease in revenue of 8.1% and an increase in PBT of 9.8% compared to the corresponding period last year.

The Group's balance sheet remains healthy with a net gearing of 0.22x as at 30 September 2024.

The analysis of the performance for each operating segment for the current financial period are as follows:

Property development

For the financial period ended 30 September 2024, revenue from property development was RM1.41 billion compared to RM1.56 billion in the previous year's corresponding period while operating profit was RM277.8 million as compared to RM259.7 million in the previous year's corresponding period. Lower revenue was mainly attributable to a higher proportion of new sales secured from new projects where contribution to revenue is expected to pick up when construction progress past the initial stages of construction. Despite a 9.7% decrease in revenue, operating profit was 7% higher mainly due to the finalisation of construction costs for certain construction contracts that are close to completion.

The development projects that were the key earnings contributors include **M Vertica** in Cheras, **M Arisa** in Sentul, **M Luna** in Kepong, **Meridin East** in Johor Bahru, **M Astra** in Setapak, **M Senyum** in Salak Tinggi, **M Panora** in Rawang, **M Nova** in Kepong and **M Oscar** in Sri Petaling. Other projects which also contributed include **Southville City** in Bangi, **Ferringhi Residence** in Penang, **M Zenya** in Kepong, **M Minori** and **Mah Sing i-Parc** in Johor.

The Group achieved RM1.85 billion property sales for the nine-month period ended 30 September 2024.

Manufacturing

The manufacturing segment reported revenue of RM328.1 million, which remained consistent with the same period last year. Despite maintaining its revenue, the segment achieved a 23.1% reduction in its operating loss, decreasing from RM5.4 million to RM4.2 million compared with the same period last year. The improvement is attributed to the Group's ongoing cost optimisation and productivity improvement initiatives. Performance for the current quarter was negatively affected by foreign exchange loss resulting from the appreciation of the Ringgit Malaysia against the U.S. Dollar.

Investment holding & others

Revenue for the investment holding and other segments comprise mainly interest income from the deposit of funds, revenue from trading of building materials and hotel operation.

B2 Material change in quarterly results compared with the immediate preceding quarter

	3 months ended	
	30/09/2024	30/6/2024
	RM'000	RM'000
Revenue	639,285	578,385
Profit before tax ("PBT")	84,861	82,049

Revenue and PBT for the current quarter increased by 10.5% and 3.4%, respectively as compared to the immediate preceding quarter. The improvement was driven by the higher sales of properties and the progressive profit recognition from on-going development projects.

B3 Prospects for the current financial year

The Group achieved RM1.85 billion in sales for the nine-month period ended 30 September 2024, staying on track to meet its RM2.5 billion sales target for the year. This performance is underpinned by a strong project portfolio, including recent launches such as M Azura in Setapak, M Nova in Kepong, M Sinar in Southville, M Aspira in Taman Desa, M Terra in Puchong, M Tiara, and Meridin East in Johor Bahru. Upcoming projects include M Legasi in Semenyih and MSS Business Park in Sepang. The success is largely attributed to the Group's strategic focus on affordable properties targeting first-home buyers, complemented by strong branding and appealing product offerings that resonate with discerning buyers.

The Group continued to strengthen its landbank with the fourth land acquisition this year : M Aurora in Old Klang Road, with a potential Gross Development Value (GDV) of RM660 million. Supported by a solid balance sheet and positive market response to its M-Series developments, the Group remains committed to further expand our landbank in the Klang Valley, Johor Bahru, and Penang, targeting fast-turnaround opportunities to expand both residential and industrial portfolios.

The Group announced a second collaboration with Bridge Data Centres to expand joint development of data centers at Mah Sing DC Hub@Southville City. With 300MW of power capacity already secured in partnership with Bridge Data Centres, the Group has an additional 200MW power capacity available within Southville City for collaborations with established data center players. It also has potential 300MW power capacity on 42 acres within Meridin East township in Johor Bahru, providing attractive sales opportunities. These initiatives position the Group to benefit from recurring income through joint ventures, complementing the cyclical nature of property development income. Additionally, proceeds and gains from land sales, along with the potential exit value of data center portfolios, offer value-accretive opportunities to enhance shareholder returns.

The Group expects strong performance for FY2024, driven by a significant volume of construction progress and property completions. Additionally, its non-core manufacturing division is poised for improvement, supported by a recovery in the glove market primarily driven by the recently proposed U.S. tariff on Chinese gloves and the expansion of its plastic pallets business, which focuses on transportation, logistics, and warehouse solutions.

With a balanced growth strategy across property development, industrial expansion, and data center investments, the Group is well-positioned to deliver sustainable value for stakeholders.

B4 Profit forecast

Not applicable as the Group has not issued profit forecast or profit guarantee in a public document.

B5 Income tax expense

	3 months ended		Period ended	
	30/09/2024 RM'000	30/09/2023 RM'000	30/09/2024 RM'000	30/09/2023 RM'000
Estimated income tax payable:				
Current financial period	32,182	14,390	75,397	80,250
(Over)/Under provision of income tax in prior year	(1,052)	5,204	(1,052)	5,204
	31,130	19,594	74,345	85,454
Deferred tax				
Current financial period	(5,956)	10,610	(5,037)	(8,680)
Under provision of income tax in prior year	(666)	(5,702)	(666)	(6,948)
	(6,622)	4,908	(5,703)	(15,628)
	24,508	24,502	68,642	69,826

The Group's effective tax rate for the current quarter and current financial period were higher than the statutory tax rate of 24% mainly due to certain non-tax deductible expenses and non-recognition of deferred tax assets arising from certain loss-making entities.

B6 Status of corporate proposals

The following corporate proposals as announced by the Company have not been completed as at 22 November 2024 (being the latest practicable date which is not earlier than 7 days from the date of issuance of this Interim Financial Report):

- a) On 6 July 2023, the Company's wholly-owned subsidiary, Star Residence Sdn Bhd had entered into a joint venture agreement ("**JVA**") with Liberty Triangle Sdn Bhd to undertake a development of two pieces of land in Mukim Batu, Daerah Kuala Lumpur, measuring approximately 4.88 acres for a total consideration of RM85,300,000.

This JVA is pending fulfillment of parties obligations in accordance with the terms thereof.

- b) On 31 January 2024, the Company's wholly-owned subsidiary, Fusion Heights Development Sdn Bhd ("**Purchaser**"), had entered into a conditional sale and purchase agreement ("**SPA**") with Premier Land Resources Sdn Bhd for the proposed acquisition of a parcel of prime land measuring 185 acres in Mukim Labu, Daerah Sepang, Negeri Selangor for a total purchase consideration of RM100,732,500 or RM12.50 per square foot ("**Proposed Acquisition**"). The proposed acquisition comes with an option for a further approximately 376.65 acres of adjacent land which may be acquired at the Purchaser's discretion within 4 years from the date of the SPA at the rate of RM12.50 per square foot subject to the terms and conditions set out in the SPA.

The completion of the proposed acquisition is pending the fulfilment of the conditions precedent of the SPA.

- c) On 30 May 2024, the Company's wholly-owned subsidiary, Southville City Sdn Bhd ("**SVC**"), had entered into a collaboration agreement with Bridge Data Centres Malaysia V Sdn Bhd ("**BDC V**") for the joint development of data centre facilities and infrastructure on a freehold land measuring approximately 17.55 acres within the Mah Sing DC Hub@ Southville City ("**Project 1**").

On 28 October 2024, SVC had entered into a second collaboration agreement with Bridge Data Centres Malaysia VII Sdn Bhd ("**BDC VII**") for the joint development of data centre facilities and infrastructure on another two parcel of lands measuring approximately 35.68 acres within the Mah Sing DC Hub@ Southville City ("**Project 2**").

Both Project 1 and Project 2 are hereinafter collectively referred to as the "**Projects**".

The commencement of the Projects shall be subject to BDC V and BDC VII respectively, securing well-established and financially sound hyperscale data centre customer(s) or artificial intelligence data centre customer(s) for the Projects at BDC's costs and expenses.

B7 Group Borrowings and Debt Securities

Total group borrowings and debt securities as at 30 September 2024 were as follows:

<u>Secured</u>	Short term RM'000	Long term RM'000	Total RM'000
Medium term notes	600,947	306,063	907,010
Term loans	25,700	661,156	686,856
Hire purchase	932	2,897	3,829
	<u>627,579</u>	<u>970,116</u>	<u>1,597,695</u>

The currency profile of borrowings and debt securities is as follows:

	Short term RM'000	Long term RM'000	Total RM'000
Ringgit Malaysia	627,548	970,044	1,597,592
Indonesian Rupiah	31	72	103
	<u>627,579</u>	<u>970,116</u>	<u>1,597,695</u>

B8 Material litigation

On 25 October 2019, the Company's wholly owned subsidiary, Elite Park Development Sdn Bhd ("**EPD**") had through its solicitors filed and served Statement of Claim against Zulhkiple Abu Bakar ("**ZAB**") claiming for the following as a result of a breach of the Consultancy Agreement dated 9 June 2015 ("**Consultancy Agreement**") entered between EPD and ZAB whereby ZAB was to provide amongst others, value engineering services to the original foundation and structural designs ("**Services**") for the buildings in the project erected on Lot 24673 (PT 2105), Bandar Kundang, Mukim Rawang, Daerah Gombak, Selangor ("**Development**"):

- (i) A total sum of damages of RM40,670,557.81 and/or alternatively for damages to be assessed; and
- (ii) Interest at the rate of 5% or any other rate as the Court deems fit and proper on the judgement sum calculated from the date of judgement until the date of final settlement and costs.

On 27 November 2019, ZAB has filed a statement of defence and counterclaim against EPD alleging amongst others:

- (i) Unlawful termination of the Consultancy Agreement;
- (ii) EPD pay to ZAB a total sum of RM114,088.23 being ZAB's outstanding fee under the Consultancy Agreement; and
- (iii) General damages to be assessed.

On 15 July 2020, EPD had through its solicitors filed and served the Amended Writ and Amended Statement of Claim against ZAB and two other defendants namely, Pembinaan Infrastruktur OKH Sdn Bhd ("**OKH**") for breach of contract in failing amongst others, to provide material and workmanship of the quality and standard pursuant to a letter of award dated 28 November 2014 and a Standard Form PAM 2006 Contract entered into between EPD and OKH to build and construct buildings in the project erected on the Development, and Lonpac Insurance Berhad ("**LONPAC**") for breach of an insurance policy issued by LONPAC in favour of EPD as beneficiary under a Contractors' All Risk Policy in failing to pay to EPD for damages and/or losses suffered by EPD in the Development in the same legal proceedings.

The solicitors of EPD are of the view that EPD has good grounds to succeed in its claims against ZAB, OKH and LONPAC. It is preliminary at this stage to ascertain the potential recoverable amount. Trial dates have been fixed from 19 May 2025 to 22 May 2025 and 26 May 2025 to 29 May 2025.

Save for the above and as disclosed in A11, the Group was not engaged in any material litigation as at 22 November 2024, being the latest practicable date which is not earlier than 7 days from the date of issuance of this Interim Financial Report.

B9 Derivatives financial instrument

As at 30 September 2024, there were no outstanding foreign currency forward contracts.

B10 Additional disclosures pursuant to para 16, Part A, Appendix 9B of Bursa Malaysia Securities Berhad Listing Requirements

	3 months ended 30/09/2024 RM'000	Period ended 30/09/2024 RM'000
Reversal for impairment loss on financial assets	387	1,223
Reversal for impairment on inventories	1	6
Depreciation and amortisation	(12,597)	(36,796)
Gain on redemption of financial assets at fair value through profit or loss	1,610	4,641
Impairment of intangible assets	(236)	(965)
Bad debts written off	(4)	(17)
Inventories written off	(67)	(656)
Insurance recoveries	1,551	4,251
Net foreign exchange loss	(5,106)	(3,711)
Property, plant and equipment written off	(938)	(2,904)

Other than the items above which have been included in profit or loss, there were no impairment of assets or exceptional items which may have an effect on the results for the current financial period ended 30 September 2024.

B11 Dividend declared

No dividend has been declared for the 9-month period ended 30 September 2024.

B12 Earnings per share

(a) Basic earnings per share

The basic earnings per share has been calculated by dividing the Group's net profit attributable to ordinary equity holders for the financial period by the weighted average number of ordinary shares in issue.

	3 months ended		Period ended	
	30/09/2024	30/09/2023	30/09/2024	30/09/2023
Net profit for the period attributable to ordinary equity holders (RM'000)	60,052	50,016	180,308	150,548
Weighted average number of ordinary shares in issue ('000)	2,560,138	2,427,688	2,509,865	2,427,688
Basic earnings per share (sen)	2.35	2.06	7.18	6.20

(b) Diluted earnings per share

The diluted earnings per share has been calculated by dividing the Group's net profit attributable to ordinary equity holders for the financial period by the weighted average number of ordinary shares that would have been in issue assuming full conversion of Convertible Sukuk, adjusted for the number of such ordinary shares that would have been issued at fair value.

	3 months ended		Period ended	
	30/09/2024	30/09/2023	30/09/2024	30/09/2023
Net profit for the period attributable to ordinary equity holders (RM'000)	60,052	50,016	180,308	150,548
Weighted average number of ordinary shares in issue ('000)	2,560,138	2,427,688	2,509,865	2,427,688
Weighted average number of ordinary shares deemed issued at no consideration ('000)				
- Convertible Sukuk	n/a [#]	5,332	n/a [#]	*
Adjusted weighted average number of ordinary shares ('000)	2,560,138	2,433,020	2,509,865	2,427,688
Diluted earnings per share (sen)	2.35	2.06	7.18	6.20

* The effects of potential ordinary shares arising from the conversion of Convertible Sukuk is anti-dilutive and accordingly is excluded from the diluted earnings per share computation above.

The effects of potential ordinary shares arising from the conversion of Convertible Sukuk is excluded from the diluted earnings per share computation above following the conversion of Convertible Sukuk into ordinary shares of the Company.

B13 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 31 December 2023 was not subject to any qualification.

B14 Comparative figures

Comparative figures, where applicable, have been modified to conform to the current year presentation.

BY ORDER OF THE BOARD

YANG BAO LING
THAM WAI YING

Kuala Lumpur
29 November 2024