

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2023

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	UNAUDITED CURRENT YEAR QUARTER 31/12/2023 RM'000	UNAUDITED PRECEDING YEAR QUARTER 31/12/2022 RM'000	UNAUDITED CURRENT YEAR 31/12/2023 RM'000	UNAUDITED PRECEDING YEAR 31/12/2022 RM'000
Revenue	2,911	-	2,911	-
Cost of sales	(2,736)	-	(2,736)	-
Gross income	175	-	175	-
Other income	-	-	-	-
Distribution expenses	(10)	-	(10)	-
Administration and other expenses	(3,431)	-	(3,431)	-
Finance Income	-	-	-	-
Finance costs	(6,537)	-	(6,537)	-
Loss before tax	(9,803)	-	(9,803)	-
Taxation	-	-	-	-
Net loss for the financial period/year	(9,803)	-	(9,803)	-
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Revaluation of land and buildings	-	-	-	-
Other comprehensive loss for the financial period/year	-	-	-	-
Total comprehensive loss for the financial period/year	(9,803)	-	(9,803)	-
Net loss for the financial period/year attributable to:				
Owners of the Company	(9,607)	-	(9,607)	-
Non-controlling interests	(196)	-	(196)	-
	(9,803)	-	(9,803)	-
Total comprehensive loss attributable to:				
Owners of the Company	(9,607)	-	(9,607)	-
Non-controlling interests	(196)	-	(196)	-
	(9,803)	-	(9,803)	-
Loss per share attributable to owners of the Company:				
Basic (sen)	(1.57)	-	(1.57)	-
Diluted (sen)	(1.57)	-	(1.57)	-

As announced on 25 April 2023, the Group had changed its financial year end from 31 March 2023 to 30 September 2023. As such, there will be no comparative financial information available for the preceding year's corresponding periods.

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial period ended 30 September 2023 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023

	UNAUDITED AS AT END OF CURRENT YEAR TO-DATE 31/12/2023 RM'000	AUDITED AS AT PRECEDING PERIOD ENDED 30/09/2023 RM'000
<b>Non-Current Assets</b>		
Property, plant and equipment	493,164	495,512
Biological assets	236	268
Inventories	81,281	81,061
Investment properties	73,993	74,213
Deferred tax assets	-	-
<b>Total Non-Current Assets</b>	<b>648,674</b>	<b>651,054</b>
<b>Current Assets</b>		
Inventories	75,750	76,571
Contract assets and costs	21,120	21,394
Trade and other receivables	61,876	62,701
Tax recoverable	175	175
Cash and bank balances	6,188	3,696
<b>Total Current Assets</b>	<b>165,109</b>	<b>164,537</b>
<b>Total Assets</b>	<b>813,783</b>	<b>815,591</b>
<b>Equity and Liabilities</b>		
Share capital	164,967	164,967
Treasury shares	(5,962)	(5,962)
Revaluation reserve	96,171	96,171
Warrant reserve	51,467	51,467
Accumulated losses	(174,830)	(165,223)
	131,813	141,420
Non-controlling interests	(19,227)	(19,031)
<b>Total Equity</b>	<b>112,586</b>	<b>122,389</b>
<b>Non-Current Liabilities</b>		
Contract liabilities	-	115
Deferred tax liabilities	10,056	10,056
Trade and other payables	60,689	59,912
<b>Total Non-Current Liabilities</b>	<b>70,745</b>	<b>70,083</b>
<b>Current Liabilities</b>		
Trade and other payables	124,306	121,906
Contract liabilities	69,838	70,365
Borrowings (secured)	436,308	430,848
<b>Total Current Liabilities</b>	<b>630,452</b>	<b>623,119</b>
<b>Total Liabilities</b>	<b>701,197</b>	<b>693,202</b>
<b>Total Equity and Liabilities</b>	<b>813,783</b>	<b>815,591</b>
Net assets per share (RM)	0.21	0.23

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial period ended 30 September 2023 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2023**

	← Attributable to owners of the Company →					Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Distributable Treasury Shares RM'000	← Non-distributable → Revaluation Reserve RM'000	Warrant Reserve RM'000	Distributable Accumulated Losses RM'000			
<b>Unaudited</b>								
<b>Financial period ended 31 December 2023</b>								
As at 1 October 2023	164,967	(5,962)	96,171	51,467	(165,223)	141,420	(19,031)	122,389
Revaluation of land and buildings	-	-	-	-	-	-	-	-
Derecognised of property, plant and equipment	-	-	-	-	-	-	-	-
Other comprehensive loss for the financial period	-	-	-	-	-	-	-	-
Net loss for the financial period	-	-	-	-	(9,607)	(9,607)	(196)	(9,803)
Total comprehensive loss for the financial period	-	-	-	-	(9,607)	(9,607)	(196)	(9,803)
<b>As at 31 December 2023</b>	<b>164,967</b>	<b>(5,962)</b>	<b>96,171</b>	<b>51,467</b>	<b>(174,830)</b>	<b>131,813</b>	<b>(19,227)</b>	<b>112,586</b>
<b>Audited</b>								
<b>Financial period ended 30 September 2023</b>								
As at 1 April 2022	161,778	(5,962)	66,374	51,467	(102,817)	170,840	(11,694)	159,146
Revaluation of land and buildings	-	-	30,014	-	-	30,014	974	30,988
Crystallisation of revaluation reserve	-	-	(217)	-	-	(217)	-	(217)
Other comprehensive loss for the financial period	-	-	29,797	-	-	29,797	974	30,771
Net loss for the financial period	-	-	-	-	(62,406)	(62,406)	(8,311)	(70,717)
Total comprehensive loss for the financial period	-	-	29,797	-	(62,406)	(32,609)	(7,337)	(39,946)
<b>Transaction with owners:</b>								
Issuance of ordinary shares	3,189	-	-	-	-	3,189	-	3,189
<b>As at 30 September 2023</b>	<b>164,967</b>	<b>(5,962)</b>	<b>96,171</b>	<b>51,467</b>	<b>(165,223)</b>	<b>141,420</b>	<b>(19,031)</b>	<b>122,389</b>

As announced on 25 April 2023, the Group had changed its financial year end from 31 March 2023 to 30 September 2023. As such, there will be no comparative financial information available for the preceding year's corresponding periods.

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2023**

	<b>UNAUDITED CURRENT YEAR 31/12/2023 RM'000</b>	<b>AUDITED PRECEDING PERIOD 30/09/2023 RM'000</b>
<b>Operating Activities</b>		
Loss before tax	(9,803)	(52,414)
Adjustments for :		
Depreciation of property, plant and equipment, investment properties and biological assets	2,380	13,748
Fair value adjustments on investment properties	-	(18,880)
Finance cost	6,537	35,446
Finance income	-	(2,841)
Gain on disposal of investment properties	-	(160)
Gain on disposal of property, plant and equipment	-	(246)
Gain on disposal of non-current asset held for sale	-	(75)
Impairment loss on trade and other receivables	-	8,502
Reversal of impairment loss on property, plant and equipment	-	(17,269)
Contract assets written off	-	2,693
Loss on remeasurement and write down of inventories	-	19,461
Receivables written off	-	4
Operating loss before changes in working capital	(886)	(12,031)
Changes in working capital:		
Inventories	821	40,052
Contract assets/costs/(liabilities)	(368)	5,364
Receivables	825	5,562
Payables	3,177	(8,362)
Cash generated from operations	3,569	30,585
Finance income received	-	155
Finance cost paid	(1,577)	(11,002)
Tax refunded	-	3,350
<b>Net cash from operating activities</b>	<b>1,992</b>	<b>23,088</b>
<b>Investing Activities</b>		
Purchase of property, plant and equipment	-	(34)
Proceeds from disposal of property, plant and equipment	-	794
Proceeds from disposal of investment properties	-	841
Proceeds from disposal of biological assets	-	3
Proceeds from disposal of non-current asset held for sale	-	638
<b>Net cash from investing activities</b>	<b>-</b>	<b>2,242</b>
<b>Financing Activities</b>		
Proceeds from issuance of ordinary shares	-	3,189
Other advances	-	161
Withdrawal of Deposit Service Reserve Account	-	1,700
Repayment of borrowings and lease liabilities	(300)	(39,099)
<b>Net cash used in financing activities</b>	<b>(300)</b>	<b>(34,049)</b>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2023 (CONT'D)**

	<b>UNAUDITED CURRENT YEAR 31/12/2023 RM'000</b>	<b>AUDITED PRECEDING PERIOD 30/09/2023 RM'000</b>
Net increase/(decrease) in cash and cash equivalents	1,692	(8,719)
Cash and cash equivalents at beginning of financial period	<u>(70,562)</u>	<u>(61,843)</u>
Cash and cash equivalents at end of financial period	<u><u>(68,870)</u></u>	<u><u>(70,562)</u></u>

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

Cash and bank balances*	6,106	3,614
Bank overdrafts	<u>(74,976)</u>	<u>(74,176)</u>
	<u><u>(68,870)</u></u>	<u><u>(70,562)</u></u>

\* Cash and bank balances in this Condensed Consolidated Statement of Cash Flows excludes the Deposit Service Reserve Account for loans purposes of RM82,000.

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial period ended 30 September 2023 and the accompanying explanatory notes attached to the interim financial statements.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

---

**A1. Explanatory notes pursuant to Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting**

The interim financial report is unaudited and is prepared in accordance with MFRS 134, Interim Financial Reporting and Paragraph 9.22 of Bursa Malaysia Securities Berhad’s Main Market Listing Requirements. This report should be read in conjunction with the Audited Financial Statements for the financial period ended 30 September 2023 and the explanatory notes to the interim financial statements.

The explanatory notes 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 period ended 30 September 2023.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the Audited Financial Statements for the financial period ended 30 September 2023, except with the adoption of the following Malaysian Financial Reporting Standards (“MFRS”), Clarification on MFRS, Issues Committee (“IC”) Interpretations and Amendments to MFRS:

Amendments to MFRSs - effective date deferred indefinitely:

Amendments to MFRS 10* and 128*	Sale or Contribution of Assets between an Investors and its Associate or Joint Venture
------------------------------------	---

MFRS and Amendments to MFRSs effective 1 January 2023:

Amendments to MFRS 4*	Insurance Contracts – Extension of the Temporary Exemption from Applying MFRS 9
MFRS 17 and Amendments to MFRS 17*	Insurance Contracts
Amendments to MFRS 17*	Initial Application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 101	Presentation of Financial Statements – Classification of Liabilities as Current or Non-current
Amendments to MFRS 101	Presentation of Financial Statements – Disclosure of Accounting Policies
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
Amendments to MFRS 112	Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

\* Not applicable to the Group’s existing operations

The adoption of these Standards and Amendments had no material financial impact on the interim financial report.

**A2. Auditors’ report on preceding annual financial statements**

The auditors has included a paragraph on material uncertainty related to going concern (‘MUGC’) in the Auditors’ Report for the financial statements of the Company for the financial period ended 30 September 2023.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

---

**A2. Auditors' report on preceding annual financial statements (cont'd)**

The details of the unmodified opinion as disclosed in the Independent Auditors' Report is reproduced below:-

*“Material Uncertainty Related to Going Concern*

*We draw attention to Note 2 to the financial statements, which indicates that the Group and the Company had incurred a net loss attributable to owners of the Company of RM62,406,000 and RM48,588,000 respectively during the financial period from 1 April 2022 to 30 September 2023. As at 30 September 2023, the Group's and the Company's total current liabilities also exceeded its total current assets by RM458,582,000 and RM142,899,000 respectively.*

*The above events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's and the Company's ability to continue as a going concern.*

*As disclosed in Note 2 to the financial statements, the ability of the Group and the Company to continue as a going concern are highly dependent on successful implementation of key restructuring measures which include obtaining the approval from Bursa Malaysia and shareholders for and implementation of the proposed issuance of redeemable convertible bonds; operational recovery from Property Development Division, and Leisure and Hospitality Division; expedite the completion of housing development projects from further delay; settlement of the overdue payables under restraining order arrangement; and effectiveness on working capital management.*

*If these are not forthcoming, the Group and the Company may be unable to realise their assets and discharge their liabilities in the normal course of business.*

*Our opinion is not modified in respect of this matter.”*

None of the Key Audit Matters disclosed in the Independent Auditors' Report relates to the matters highlighted in the MUGC paragraph above.

**A3. Seasonality or cyclical of operations**

The operations of the property development segment were not subjected to seasonal or cyclical factors. As for the leisure and hospitality segment, its operations normally peak during major festivities, and public and school holiday seasons.

**A4. Unusual items due to their nature, size or incidence**

Saved as disclosed, there were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current financial quarter.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**A5. Changes in estimates**

Saved as disclosed, there were no changes in estimates of amounts reported in a prior financial quarter of the current financial year or a prior financial year, which have a material impact on the current financial period.

**A6. Changes in debt and equity securities**

There were no issuance and repayment of debt and equity securities, share buy-back, share cancellation, shares held as treasury shares and resale of treasury shares for the financial year to-date.

**A7. Dividends paid**

No dividends were paid by the Company during the current financial period.

**A8. Segmental information**

The Group has identified Property Development, Leisure and Hospitality and Others as its operating segments. These segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker.

Cumulative segment results for the current year to-date were as follows:

	<b>Property Development RM'000</b>	<b>Leisure &amp; Hospitality RM'000</b>	<b>Others RM'000</b>	<b>Elimination/ Adjustments RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>					
External	2,775	136	-	-	2,911
Inter-segment	1,087	-	-	(1,087)	-
	3,862	136	-	(1,087)	2,911
<b>Results</b>					
Segment loss	8	(2,252)	(1,021)	-	(3,265)
Finance income	-	-	-	-	-
Finance costs	(4,027)	(2,320)	(190)	-	(6,537)
Loss before taxation	(4,019)	(4,572)	(1,211)	-	(9,802)
Taxation	-	-	-	-	-
Net loss for the financial period	(4,019)	(4,572)	(1,211)	-	(9,802)

The Group's business is operated entirely within Malaysia and as such, no segment information based on geographical location is presented.

**A9. Material events subsequent to the end of the current financial quarter**

There were no material events subsequent to the end of the current financial quarter which have not been reflected in the interim financial statements.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

---

**A10. Changes in the composition of the Group**

There were no changes in the composition of the Group during the current financial quarter.

**A11. Contingent assets and contingent liabilities**

There were no material changes to the contingent assets and contingent liabilities of the Group since the end of the prior financial period till the date of announcement of this quarterly report, except for the following:

Receipt Of Notification letter from Affin Bank Berhad for Refund Of RM28,900,000 from Lembaga Pembangunan Langkawi (“LPL”), allegedly being the refund of the partial lease payment pursuant to the purported termination of Lease Agreements by LPL in relation to the Lease Agreements Between Sentoria Langkawi Sdn. Bhd. and LPL.

Subsequent to 30 June 2022, Sentoria Langkawi Sdn Bhd (“SLSB”), a 75% owned subsidiary of the Company has on 11 August 2022, through email, received a copy of the notification letter dated 10 August 2022 from Affin Bank Berhad (“Affin”) informing SLSB that Affin had received RM28,900,000 from Lembaga Pembangunan Langkawi (“LPL”), allegedly being the refund of the partial lease premium pursuant to the purported termination of lease agreements by LPL as set out below:

- A) Lease Agreement with LPL to lease approximately 70 Acres of Malay Reservation Land located at Bandar Padang Mat Sirat, Kampung Kok Langkawi District of Langkawi, Kedah (hereinafter the “1<sup>st</sup> Land”) for a lease premium consideration of RM30,492,000.00 with 90 years lease period from 1 September 2014 to 31 August 2104; and
- B) Lease Agreement between SLSB and LADA to lease approximately 50 acres of Malay Reservation Land located at Tempat Bukit Tekoh, Tempat Bukit Carok Nyak Mud, Tempat Charok Nyak Mud and Tempat Caruk Nyak Mud, Mukim Ulu Melaka, District of Langkawi, Kedah (hereinafter the “2<sup>nd</sup> Land”) for a lease premium consideration of RM10,890,000.00 with 90 years lease period from 1 September 2014 to 31 August 2104.

The 1<sup>st</sup> Land and the 2<sup>nd</sup> Land are hereinafter collectively referred to as the “Lands”.

LPL is the registered owner of the Lands.

The total lease premium consideration for the Lands is RM41,382,000. SLSB has paid RM41,382,000 to LPL with a loan from Affin of RM28,900,000 (69.84% of RM41,382,000) and the remaining RM12,482,000 (30.16% of RM41,382,000) from internally generated funds.

SLSB leased the Lands from LPL in 2014 with the intention of developing the 1<sup>st</sup> Land into a project provisionally known as “Langkawi Geopark Resort City” and the 2<sup>nd</sup> Land into a project provisionally known as “Langkawi Medical Village”.

Since 2014, SLSB has incurred property development cost and the carrying amount for the above two properties (including land lease premium and property development costs) as at to-date is RM60.2 million. Notwithstanding the receipt of the notices of refund from Affin, the Board of Directors had sought legal advice on the purported termination of the agreements by LPL.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

---

**A11 Contingent assets and contingent liabilities (cont'd)**

Our solicitors agree that the purported termination is wrongful and invalid; SLSB has initiated the necessary actions to recover the costs incurred to-date together with the substantial losses we have suffered by reason of us not being able to develop the Lands as was intended. LPL as the Lessor is fully aware of our intended development.

SLSB ("Plaintiff") had through its solicitors commenced legal action by issuing a Writ of Summons and Statement of Claim (the "Claim") in the High Court of Malaya, Alor Setar on 22 November 2022, against the following defendants:-

1. LPL ("1<sup>st</sup> Defendant"); and
2. Affin Bank Berhad ("Affin") ("2<sup>nd</sup> Defendant")  
(collectively referred as "the Defendants")

As set out in the Claim, SLSB is claiming, among others, for the following:-

- a) A declaration that the 1<sup>st</sup> Defendant is liable for breaches of and putting an end to the Lease Agreements;
- b) A declaration that the Plaintiff is the legitimate owner and holder of the Leases over the Lands;
- c) A declaration that the 1<sup>st</sup> Defendant is liable for infringements of the Plaintiff's rights to property as the owner of the Leases;
- d) Special damages of RM36.9 million (including the loss of RM12.5 million due to the difference between the land premium of RM41.4 million and the refund of RM28.9 million);
- e) General damages in the sum of RM414.3 million or such sums that is assessed by this Honourable Court;
- f) Interests on all sums awarded at the rate of 5% per annum from the date of the Purported Remedy Notices or the date of judgment or such other date as this Honourable Court deems fit, to the date of full settlement;
- g) Plaintiff at liberty to apply;
- h) Costs; and
- i) Such further order or other relief as this Honourable Court deems fit to grant.

SLSB solicitors has advised SLSB that the solicitors are satisfied that SLSB has a strong case for its claims against LPL.

**A12. Capital commitments**

The Group's capital commitments at the end of the current financial quarter were as follows:

<u>Property, plant and equipment</u>	RM'000
- Authorised and contracted for	<u>17,496</u>
- Authorised but not contracted for	<u>35,896</u>

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

---

**A13. Related party transactions**

- (a) The Group's significant related party transactions during the current financial period were as follows:

	RM'000
<u>Transactions with companies/persons connected with a Director</u>	
- Advisory fees paid/payable	200
- Tax consulting fees paid/payable	<u>25</u>

- (b) During the current financial period:

- (i) the holding company's shares in the Company were pledged as security for the construction and completion of a joint venture development project of the Group. The market value of these shares as at the end of the current financial quarter was approximately RM2.5 million.
- (ii) certain Directors jointly and severally guaranteed banking facilities granted to subsidiary companies. The amount of these facilities outstanding as at the end of the current financial quarter was approximately RM11.2 million.

**A14. Significant Events During And After The Reporting Period**

Proposed Share Consolidation and Proposed issuance of redeemable convertible bonds ("Bonds") with an aggregate principal amount of up to RM150.0 million ("Proposed RCB")

As disclosed in Note B6, on 18 January 2024, the Company announced that the Company proposes to undertake the Proposed Share Consolidation and Proposed issuance of redeemable convertible bonds ("Bonds") with an aggregate principal amount of up to RM150.0 million ("Proposed RCB").

The successful completion of the issuance of Bonds are beneficial to improve the Group's financial position.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**B1. Review of performance**

As the Company changes its financial year end from 31 March 2023 to 30 September 2023, there is no comparative figure for the current cumulative quarter. However, the Company provides hereunder the comparative and analysis for the current quarter as for the purpose of reference.

	Individual Period		Changes +/(-) %
	Current Year Quarter	Preceding Year Quarter	
	31.12.2023	31.12.2022	
	RM'000	RM'000	
Revenue			
Property Development Division (“PDD”)	2,775	4,955	-44%
Leisure & Hospitality Division (“LHD”)	136	243	-44%
	2,911	5,198	-44%
Loss before taxation	(9,803)	(5,325)	84%
Taxation	-	14	100%
Net loss for the financial period	(9,803)	(5,311)	85%
Loss attributable to owners of the Company	(9,607)	(5,127)	87%

The Group recorded revenue of RM2.9 million for the current financial quarter (“CFQ”) as compared to RM5.2 million in preceding year’s corresponding financial quarter (“PFQ”), a decrease of RM2.3 million or 44%. The decrease was principally attributed to lower revenue contribution from PDD i.e. the construction and development in Kuantan, Morib and Kuching.

Low revenue for LHD in CFQ of RM0.1 million was resulted from lower visitors turn-out as compared to PFQ from the waterpark operation at Bukit Gambang. The Group’s themeparks, nature park and waterparks operations at Langkawi and Kuching; and safari parks’ operation at Kuantan are still temporarily ceased.

In term of operating results, the Group record a higher loss before taxation of RM9.8 million for the CFQ as compared to loss before taxation of RM5.3 million in the PFQ. This was attributed by lower revenue as well as the higher finance costs in the CFQ.

There was no tax expense for CFQ as compared to tax income of RM0.1 million in the PFQ, which arose from the reversal of deferred tax liabilities.

QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023

NOTES TO THE INTERIM FINANCIAL STATEMENTS

**B2. Comparison with immediate preceding quarter's results**

	Current Year	Immediate	Changes +/(-) %
	Quarter	Preceding	
	30.12.2023	Quarter (restated) 30.09.2023	
	RM'000	RM'000	
Revenue			
Property Development Division ("PDD")	2,775	16,702	-83%
Leisure & Hospitality Division ("LHD")	136	1,739	-92%
	2,911	18,441	-84%
(Loss)/ Profit before tax	(9,803)	4,151	-336%
Taxation	-	(18,133)	100%
Net loss for the financial period	(9,803)	(13,982)	30%
Loss attributable to owners of the Company	(9,607)	(7,230)	-33%

The Group recorded revenue of RM2.9 million for the current financial quarter ("CFQ") as compared to RM18.4 million in the immediate preceding financial quarter ("PFQ"), lower by RM15.5 million or 84%. This was mainly attributed to lower construction and development progress from PDD projects in Kuantan, Morib and Kuching.

The lower revenue from LHD in CFQ of RM136,000 as compared to PFQ of RM1.7 million was mainly due to the lower visitors' arrival to its waterpark operations during the period under review.

The Group recorded loss before taxation of RM9.8 million for the CFQ compared to profit before taxation of RM4.1 million in the PFQ, a decrease by RM13.9 million. This was primarily attributed to higher contribution of revenue from PDD projects in PFQ as well as the Group recognised total net gain of RM27.7 million in PFQ arising from gain on fair value adjustments on investment properties of RM18.9 million and reversal of impairment loss on property, plant and equipment of RM17.3 million; which was offset by impairment loss on financial assets of RM8.5 million. The loss before tax position in CFQ was also due to the finance costs.

There was no tax expense for CFQ as compared to tax expense of RM18.1 million in the PFQ, which was mainly due to reversal of deferred tax assets during the PFQ.

**B3. Commentary on prospects**

The global economy has faced adverse impacts from the COVID-19 pandemic, and the Group has not been immune to its negative effects. However, with the gradual subsiding of the pandemic and the easing of containment measures, including the reopening of international borders, there is an expectation of a gradual recovery in the global economy in the near future.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

---

**B3. Commentary on prospects (cont'd)**

In its recently released Economic Outlook 2024 report, the Malaysia Government anticipates a steady improvement in Malaysia's economic momentum in the coming year, driven by a potential upturn in external demand. The report highlights the resilience of domestic demand, buoyed by favorable inflation and interest rates, as a significant factor propelling growth momentum. The Government projects a growth range of 4% to 5% in 2024, compared to an estimated 4.0% for the 2023.

Despite the positive developments, the Group continues to exercise caution regarding the overall global outlook, primarily due to the ongoing conflicts in Ukraine-Russia and Israel-Palestine. These geopolitical conflicts have contributed to an escalation in oil prices. While direct significant impacts on Malaysia are not anticipated, potential consequential effects may manifest, especially in terms of heightened construction material prices and increased logistics costs resulting from disruptions in the global supply chain. The Group will undertake necessary prudent measures to mitigate the impact in order to improve the Group's financial performance moving forward.

The Property Development Division will continue to be the Group's main focus, which is currently backed with a total outstanding order book and unbilled sales of approximately RM98.0 million as at 31 December 2023 from its on-going projects in Kuantan, Morib and Kuching. These on-going projects together with the planned launches are anticipated to continue to contribute positively to the Group in the foreseeable future.

The Group's LHD is expected to continue to remain challenging in the near term. It is envisaged that it would require more time before the operation could normalise pre-Covid19 pandemic. The Group anticipates that the better outlook for Malaysian tourism could spur some positive impacts to its leisure and hospitality businesses for the 2024.

The Group implemented several restructuring measures to address its financial obligations with the financing banks (the Group has entered into restructuring agreements (under CDRC) with its lenders) and entered into Schemes of Arrangement with the existing trade creditors sanctioned by the Court following the Restraining Orders granted. These would help ease the financial burdens of the Group and allow it to recalibrate its financial structure to restore and maintain an adequate level of working capital.

As disclosed in Notes A14 and B6 to the interim financial statements, the successful completion of the issuance of Bonds is beneficial to improve the Group's financial position to weather the current challenging market condition and to sustain the Group's businesses. With the improving economy and the operating environment being eased, we look forward to better years ahead.

**B4. Profit forecast or profit guarantee**

The disclosure requirements for explanatory notes for the variance of actual profit after tax with profit forecast and shortfall in profit guarantee are not applicable.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

---

**B5. Taxation**

	<b>Current Year Quarter RM'000</b>	<b>Current Year To-Date RM'000</b>
Current income tax - Malaysian income tax	-	-
Deferred taxation expense	-	-
Tax expenses	-	-
Effective income tax rate	-	-

There was no provision for tax expense for the Group for the current financial period as the Group has no chargeable income.

**B6. Status of corporate proposals announced**

The status of corporate proposal announced but not completed as at the end of current financial period is as follows:

As disclosed in Note A14, on 18 January 2024, the Company announced that the Company proposes to undertake the:

Proposed Share Consolidation and Proposed issuance of redeemable convertible bonds (“Bonds”) with an aggregate principal amount of up to RM150.0 million (“Proposed RCB”)

- (i) Proposed consolidation of every 4 existing ordinary shares in the Company into 1 ordinary share of the Company; and
- (ii) Proposed issuance of redeemable convertible bonds (“Bonds”) with an aggregate principal amount of up to RM150.0 million.

On 18 January 2024, the Company had entered into a conditional subscription agreement with a subscriber, pursuant to which the Bonds will be issued by the Company in 3 main tranches, subject to the terms and conditions of the Subscription Agreement.

The submission paper of this proposal (amongst others listed the intended utilisation of the RCB proceeds) was submitted to Bursa Malaysia for approval on 31 January 2024. Upon approval by the Bursa Malaysia, the Proposed RCB shall then be presented for approval by the Company’s shareholders in an extraordinary general meeting to be convened tentatively scheduled on 29 March 2024.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

---

**B7. Borrowings and debt securities**

The Group's borrowings, all of which were secured and denominated in RM as at the end of the CFQ were as follows:

	<b>As at 31.12.2023 RM'000</b>
Current:	
Lease liabilities	1,339
Bank overdrafts	75,234
Bankers' acceptance	28,005
Revolving credit	36,308
Bridging loans	13,958
Term loans	281,464
	<u>436,308</u>

Proposed Debt Restructuring Scheme

On 27 August 2020, the Corporate Debt Restructuring Committee ("CDRC") under the purview of Bank Negara Malaysia had approved the Company's application for assistance to mediate with the financial institutions to restructure or renegotiate the respective financial facilities held by the Company and certain of its subsidiary companies.

On 28 March 2022, the Company and relevant subsidiary companies signed the Supplementary Agreements ("SAs") and relevant agreements with their lenders, which formed part of the restructuring scheme under the CDRC purview.

On 13 July 2022, the Group having fulfilled all the conditions precedent of the relevant agreements with the financial institution, the restructuring scheme have become effective.

The restructuring scheme, having become effective, will benefit the Group and improve its financial position to weather the current challenging market conditions and to sustain their business.

**B8. Changes in material litigation**

Saved as disclosed in Note A11, the Group has no other material litigation as of the date of this report.

**B9. Dividends**

No dividends have been declared or recommended for the current financial period to-date.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**B10. Loss per share**

(i) Basic loss per share

The basic loss per ordinary share for a financial period is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding (after deducting those held as treasury shares) during the financial period concerned.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2023	Preceding Year Quarter 31.12.2022	Current Year 31.12.2023	Preceding Year 31.12.2022
Loss attributable to owners of the Company (RM'000)	(9,607)	-	(9,607)	-
Weighted average number of ordinary shares in issue ('000)	613,381	-	613,381	-
Basic loss per share (sen)	(1.57)	-	(1.57)	-

(ii) Diluted loss per share

The diluted loss per ordinary share for a financial period is calculated by dividing the loss attributable to owners of the Company divided by the weighted average number of ordinary shares outstanding and the assumed conversion of warrants outstanding during and as of the end of the financial period concerned respectively.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2023	Preceding Year Quarter 31.12.2022	Current Year 31.12.2023	Preceding Year 31.12.2022
Loss attributable to owners of the Company (RM'000)	(9,607)	-	(9,607)	-
Weighted average number of ordinary shares in issue ('000)	613,381	-	613,381	-
Diluted loss per share (sen)	(1.6)	-	(1.6)	-

The Warrants-B which could potentially dilute the earnings per ordinary share was not included in the calculation of diluted earnings per ordinary share as it would have an anti-dilution effect thereon.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

---

**B11. Loss before taxation**

Loss before taxation for the current financial period to-date was arrived at after taking into account the following income/(expenses) items:

	<b>Current Year Quarter RM'000</b>	<b>Current Year To-Date RM'000</b>
Finance costs	(6,537)	(6,537)
Amortisation and depreciation	(2,380)	(2,380)

The following items which were not disclosed were not applicable:

- (a) Foreign exchange gain or loss;
- (b) Gain or loss on derivatives; and
- (c) Exceptional items (with details).

By order of the Board,

Datuk Tan Leh Kiah  
Company Secretary

28 February 2024