



[Registration No.197901003695 (47908-K)]

**INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED 31 MARCH 2024**

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Individual Quarter		Year to Date	
	Current Year	Preceding Year	Current Year to	Preceding Year
	Quarter	Corresponding	Date	Corresponding
Note	31/03/2024	31/03/2023	31/03/2024	31/03/2023
	RM'000	RM'000	RM'000	RM'000
Revenue	291,275	256,731	291,275	256,731
Cost of sales	(193,266)	(170,792)	(193,266)	(170,792)
<b>Gross profit</b>	<b>98,009</b>	<b>85,939</b>	<b>98,009</b>	<b>85,939</b>
Other income	42,319	29,261	42,319	29,261
Selling and marketing expenses	(4,392)	(7,964)	(4,392)	(7,964)
Administrative expenses	(68,400)	(64,254)	(68,400)	(64,254)
Other expenses	(11,144)	(1,964)	(11,144)	(1,964)
<b>Operating profit</b>	<b>56,392</b>	<b>41,018</b>	<b>56,392</b>	<b>41,018</b>
Finance income	1,719	1,380	1,719	1,380
Finance costs	(43,937)	(50,095)	(43,937)	(50,095)
Share of results of joint ventures	1,483	5,628	1,483	5,628
Share of results of an associate	6,599	2,867	6,599	2,867
<b>Profit before tax</b>	<b>22,256</b>	<b>798</b>	<b>22,256</b>	<b>798</b>
Income tax	(16,538)	2,204	(16,538)	2,204
<b>Profit for the period</b>	<b>5,718</b>	<b>3,002</b>	<b>5,718</b>	<b>3,002</b>
<b>Other comprehensive income to be reclassified to profit or loss in subsequent period:</b>				
Foreign currency translation	118	436	118	436
<b>Total comprehensive income</b>	<b>5,836</b>	<b>3,438</b>	<b>5,836</b>	<b>3,438</b>
<b>(Loss)/profit attributable to:</b>				
Owners of the parent	(9,081)	(5,234)	(9,081)	(5,234)
Holders of perpetual bond	11,121	10,998	11,121	10,998
Non-controlling interests	3,678	(2,762)	3,678	(2,762)
	<b>5,718</b>	<b>3,002</b>	<b>5,718</b>	<b>3,002</b>

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Individual Quarter		Year to Date	
	Current Year	Preceding Year	Current Year to	Preceding Year
	Quarter	Corresponding	Date	Corresponding
Note	<u>31/03/2024</u>	<u>31/03/2023</u>	<u>31/03/2024</u>	<u>31/03/2023</u>
	RM'000	RM'000	RM'000	RM'000
<b>Total comprehensive (loss)/income attributable to:</b>				
Owners of the parent	(8,963)	(4,798)	(8,963)	(4,798)
Holders of perpetual bond	11,121	10,998	11,121	10,998
Non-controlling interests	3,678	(2,762)	3,678	(2,762)
	<u>5,836</u>	<u>3,438</u>	<u>5,836</u>	<u>3,438</u>
<b>Loss per share attributable to owners of the parent: (sen per share)</b>				
- Basic	B10 (0.40)	(0.26)	(0.40)	(0.26)
- Diluted	B10 (0.35)	(0.22)	(0.35)	(0.22)

*The condensed consolidated statements of 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 statements.*

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	Note	As At 31/03/2024 RM'000	As At 31/12/2023 RM'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment		397,815	401,753
Biological assets		3,933	3,676
Inventories		6,614,438	6,618,313
Investment properties		1,451,806	1,447,766
Right-of-use assets		52,328	52,790
Investments in joint ventures		284,485	288,388
Other investments		887	887
Intangible assets		5,637	5,648
Deferred tax assets		287,887	214,860
Trade and other receivables		5,818	5,767
		<u>9,105,034</u>	<u>9,039,848</u>
<b>Current assets</b>			
Inventories		581,523	598,921
Trade and other receivables		390,142	358,252
Contract cost assets		269,183	276,243
Contract assets		465,578	547,389
Tax recoverable		8,841	9,274
Cash and bank balances		468,203	500,502
Other investments		201,487	174,554
		<u>2,384,957</u>	<u>2,465,135</u>
Asset classified as held for sale		193,709	473,628
		<u>2,578,666</u>	<u>2,938,763</u>
<b>Total assets</b>		<u>11,683,700</u>	<u>11,978,611</u>

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	Note	As At 31/03/2024 RM'000	As At 31/12/2023 RM'000
<b>Equity and liabilities</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital		3,051,570	3,051,570
Irredeemable convertible preference shares		301,210	301,210
Treasury shares		(28,440)	(28,440)
Other reserves		969,890	978,853
		<u>4,294,230</u>	<u>4,303,193</u>
Perpetual bond		653,682	660,103
Non-controlling interests		847,067	843,389
<b>Total equity</b>		<u>5,794,979</u>	<u>5,806,685</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities		543,570	463,128
Borrowings	B7	1,681,050	1,807,855
Trade and other payables		503,532	507,011
Irredeemable convertible preference shares		39,906	41,686
Contract liabilities		127,831	126,484
Lease liabilities		5,480	5,848
		<u>2,901,369</u>	<u>2,952,012</u>
<b>Current liabilities</b>			
Borrowings	B7	1,180,935	1,353,171
Trade and other payables		1,672,247	1,740,500
Irredeemable convertible preference shares		4,686	3,754
Contract liabilities		112,389	104,233
Tax payable		14,637	15,836
Lease liabilities		2,458	2,420
		<u>2,987,352</u>	<u>3,219,914</u>
<b>Total liabilities</b>		<u>5,888,721</u>	<u>6,171,926</u>
<b>Total equity and liabilities</b>		<u>11,683,700</u>	<u>11,978,611</u>
<b>Net assets per share (RM)</b>		<u>1.89</u>	<u>1.90</u>

The condensed consolidated statements 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 statements.

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	-----> Attributable to owners of the parent <-----									
	<-----Non-distributable----->					Distributable				
	Share Capital	Irredeemable Convertible Preference Shares	Treasury Shares	Foreign Currency Translation Reserve	Retained Earnings	Total Reserves	Total	Perpetual Bond	Non-controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>As at 1 January 2023</b>	2,677,890	466,258	(28,440)	(168)	1,153,009	1,152,841	4,268,549	660,004	826,458	5,755,011
<b>Total comprehensive income/(loss)</b>	-	-	-	436	(5,234)	(4,798)	(4,798)	-	(2,762)	(7,560)
Distribution for the financial year	-	-	-	-	-	-	-	10,998	-	10,998
Distribution paid for the financial year	-	-	-	-	-	-	-	(17,493)	-	(17,493)
<b>Transaction with owners:</b>										
Conversion of irredeemable convertible preference shares to ordinary shares	184,080	(156,868)	-	-	-	-	27,212	-	-	27,212
Total transaction with owners	184,080	(156,868)	-	-	-	-	27,212	-	-	27,212
<b>As at 31 March 2023</b>	2,861,970	309,390	(28,440)	268	1,147,775	1,148,043	4,290,963	653,509	823,696	5,768,168
<b>As at 1 January 2024</b>	3,051,570	301,210	(28,440)	32	978,821	978,853	4,303,193	660,103	843,389	5,806,685
<b>Total comprehensive income/(loss)</b>	-	-	-	118	(9,081)	(8,963)	(8,963)	-	3,678	(5,285)
Distribution for the financial year	-	-	-	-	-	-	-	11,121	-	11,121
Distribution paid for the financial year	-	-	-	-	-	-	-	(17,542)	-	(17,542)
<b>As at 31 March 2024</b>	3,051,570	301,210	(28,440)	150	969,740	969,890	4,294,230	653,682	847,067	5,794,979

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 statements.

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	31/03/2024	31/03/2023
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	22,256	798
Adjustments for:		
Depreciation of property, plant and equipment	6,008	7,528
Depreciation of right-of-use assets	1,286	1,632
Amortisation of intangible assets	11	115
Finance income	(1,719)	(1,380)
Finance costs	43,937	50,095
Fair value loss/(gain) on investment properties	45	(334)
Share of results of an associate	(6,599)	(2,867)
Share of results of joint ventures	(1,483)	(5,628)
Unrealised profit arising from transaction with a joint venture	(541)	-
Net loss on disposal of assets classified as held for sale	6,627	-
Net gain on disposal of property, plant and equipment	-	(7)
Unrealised foreign exchange loss/(gain)	2,914	(2,351)
Net gain on disposal of quoted shares	-	(1,140)
Fair value loss on quoted shares	(23,413)	(21,356)
Property, plant and equipment written off	6	1
Amortisation of deferred license fees	(1,272)	(1,278)
Amortisation of security retainers accumulation fund	3	3
Impairment loss on trade and other receivables	-	1,104
Bad debt written off	25	5
Dividend income from other investments	(328)	-
Land held for property development written off	3,624	-
Fair value gain on other investments	(20)	(12)
Unrealised returns on security retainers accumulation fund	(54)	(54)
<b>Operating profit before working capital changes</b>	<b>51,313</b>	<b>24,874</b>
Changes in working capital:		
Trade and other receivables	(30,618)	(98,463)
Contract assets	81,811	6,707
Inventories	51,964	(120,581)
Contract cost assets	(27,255)	138,699
Contract liabilities	(999)	4,457
Biological assets	(257)	(51)
Trade and other payables	(76,924)	186,453
Cash generated from operations	49,035	142,095
Finance costs paid	(38,931)	(55,991)
Net taxes paid	(9,889)	(7,820)
<b>Net cash generated from operating activities</b>	<b>215</b>	<b>78,284</b>

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	31/03/2024	31/03/2023
	RM'000	RM'000
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(3,589)	(1,636)
Purchase of investment properties	(4,085)	(599)
Proceeds from disposal of quoted shares	-	31,086
Proceeds from disposal of property, plant and equipment	-	173
Proceeds from disposal of assets classified as held for sale	296,200	-
Repayment from a joint venture	928	-
Acquisition of quoted shares	(3,500)	(4,849)
Addition of right of use assets	(787)	-
Dividend income received from joint venture	-	-
Dividend income received	5,328	4,000
Finance income received	1,719	1,380
<b>Net cash generated from investing activities</b>	<b>292,214</b>	<b>29,555</b>
<b>Cash flows from financing activities</b>		
Payment of borrowing costs	(3,304)	(970)
Drawdown from a borrowings	146,112	58,653
Repayment of borrowings	(449,533)	(76,794)
Repayment of principal portion of lease liabilities	(535)	(1,209)
Placement of debt service reserve, escrow accounts and deposits with licensed banks not available for use	(3,973)	(97,778)
Perpetual bond distribution paid	(17,542)	(17,493)
<b>Net cash used in financing activities</b>	<b>(328,775)</b>	<b>(135,591)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(36,346)</b>	<b>(27,752)</b>
Effects of foreign exchange rate changes	118	436
<b>Cash and cash equivalents at beginning of financial period</b>	<b>308,837</b>	<b>263,075</b>
<b>Cash and cash equivalents at end of financial period*</b>	<b>272,609</b>	<b>235,759</b>

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

Cash and bank balances	468,203	714,339
Less: Cash and cash equivalents not available for use	(175,546)	(464,647)
Less: Bank overdrafts	(20,048)	(13,933)
<b>Total cash and cash equivalents at end of financial period</b>	<b>272,609</b>	<b>235,759</b>

The condensed consolidated statements 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 statements.



**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

**PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134**

**A1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134 Interim Financial Reporting and other MFRSs issued by the Malaysian Accounting Standard Board (“MASB”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group’s audited consolidated financial statements for the financial year ended 31 December 2023. 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 financial year ended 31 December 2023.

**A2. Changes in accounting policies arising from adoption of new standards, amendments and interpretations**

The accounting policies adopted for the interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 December 2023 except for the adoption of the following new amendments to MFRSs:

**Effective for financial periods beginning on or after 1 January 2024:**

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

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

The followings are new standards, amendments and interpretations that have been issued by the MASB but have not been early adopted by the Group:

**Effective for financial periods beginning on or after 1 January 2025:**

Amendments to MFRS 121	Lack of Exchangeability
------------------------	-------------------------

**Effective date deferred to a date to be determined by MASB:**

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

\* These standards are not relevant and applicable to the Group.

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

**PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD  
("MFRS") 134**

**A3. Comments about seasonal or cyclical factors**

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

**A4. Nature and amount of items affecting assets, liabilities, equity, net income or cash flows that is unusual because of their nature, size or incidence**

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

**A5. Material changes in estimates**

There were no material changes in estimates for the financial period ended 31 March 2024.

**A6. Debt and equity securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the financial period under review.

**A7. Dividends**

No dividend was paid during the current quarter under review.

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

**PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134**

**A8. Segmental information**

Segmental information is presented in respect of the Group’s principal business segments - property development, property management, property investment, recreation and resort and investment holding and others. The geographical information is not presented as the Group’s activities are carried out predominantly in Malaysia.

Business segment analysis for the quarter and financial period ended:

<b>Business Segments</b>	<b>Property development and property management RM'000</b>	<b>Property investment, recreation and resort RM'000</b>	<b>Investment holding and others RM'000</b>	<b>Total RM'000</b>
<b>Individual Quarter/Year To Date</b>				
<b>31 March 2024</b>				
<b>Revenue</b>	<b>234,595</b>	<b>50,100</b>	<b>6,580</b>	<b>291,275</b>
Results from operations	38,374	6,654	11,364	56,392
Net finance costs	(3,646)	(8,972)	(29,600)	(42,218)
Share of results of an associate	6,599	-	-	6,599
Share of results of joint ventures	1,483	-	-	1,483
<b>Profit/(loss) before tax</b>	<b>42,810</b>	<b>(2,318)</b>	<b>(18,236)</b>	<b>22,256</b>
<b>31 March 2023</b>				
<b>Revenue</b>	141,312	59,397	56,022	256,731
Results from operations	(775)	12,431	29,362	41,018
Net finance costs	(15,655)	(14,800)	(18,260)	(48,715)
Share of results of an associate	2,867	-	-	2,867
Share of results of joint ventures	5,628	-	-	5,628
<b>(Loss)/profit before tax</b>	<b>(7,935)</b>	<b>(2,369)</b>	<b>11,102</b>	<b>798</b>

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

**PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134**

**A9. Material events subsequent to the end of interim period**

There were no material events subsequent to the end of the current quarter up to the date of this report that have not been reflected in the interim financial statements under review.

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

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

**A11. Changes in contingent liabilities or contingent assets**

Since the last annual audited position as at 31 December 2023, the Group’s contingent liabilities have changed due to the decrease of RM275.6million in corporate guarantees (unsecured) issued by the Company to licensed financial institutions for banking facilities granted to the subsidiaries of the Group.

Save as disclosed above, there were no other changes in contingent liabilities of the Group.

**A12. Capital commitments**

The amount of commitments for capital expenditure as at 31 March 2024 is as follows:

	As at 31/03/2024 RM'000	As at 31/12/2023 RM'000
Capital expenditure:		
Approved and contracted for:		
- Investment properties	5,524	7,484
	<u>5,524</u>	<u>7,484</u>
Approved and not contracted for:		
- Property, plant and equipment	6,450	6,450
- Investment properties	4,355	4,414
	<u>10,805</u>	<u>10,864</u>
	<u>16,329</u>	<u>18,348</u>

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD**

**B1. Performance review**

For the current quarter under review, the Group recorded a revenue of RM291.3 million (Q1 2023: RM256.7 million) which was RM34.5 million or 13.5% higher when compared to the corresponding quarter in the preceding year. Besides that, the Group also recorded a profit before tax (“PBT”) of RM22.3 million as compared to RM0.8 million in the corresponding quarter in the preceding year.

The increase in revenue and PBT in the current quarter was mainly attributed by higher progress billings achieved across key projects in the Klang Valley, Southern and Northern Regions. Besides that, the completion of the disposals of one parcel of freehold development land in Gelang Patah for a total consideration of RM21.3 million also contributed to the increase in revenue and PBT in the current quarter.

**B2. Variation of results against preceding quarter**

The Group’s revenue of RM291.3 million in the current quarter was RM99.2 million or 25.4% lower when compared to the preceding quarter ended 31 December 2023. The decrease in revenue in the current quarter was mainly due to lower sales achieved across key projects in the Klang Valley, Southern and Northern Regions as a result from slower sales momentum during festive season. Furthermore, the planned launches have been delayed to a later date, leading to a decrease in revenue in the current quarter.

The Group recorded a PBT of RM22.3 million in the current quarter as compared to a LBT of RM124.7 million in the preceding quarter ended 31 December 2023. Significant losses in the preceding quarter was primarily a result of lower recognition on the net property development contribution from a project located in Klang Valley by our Group’s 30% owned associate company whereby there was no such losses incurred in the current quarter.

## INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024

### **PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD**

#### **B3. Prospects**

Malaysia's economic growth will be supported by continued expansion in domestic demand, benefitting mainly from the realisation of multi-year projects, implementation of catalytic initiatives under the recently announced national master plans and higher inbound tourism activity due to the expected increase in Chinese tourists, which in turn are expected to increase spending and support local businesses. Further, in March 2024, Bank Negara Malaysia, as expected, announced that the Overnight Policy Rate ("OPR") will be maintained at 3% and at this current OPR level, the monetary policy stance is expected to be accommodative and remains supportive of the economy, despite growth outlook remains subject to downside risks, mainly from the escalation of geopolitical tensions, higher-than-anticipated inflation levels, and volatility in global financial markets.

With the continued price hikes of building materials and labour shortage, productivity in the property sector is severely affected. Amidst the current challenging economic environment, a number of factors have a direct and favourable impact on the real estate market in the first half of 2024. More developers are turning optimistic on the local property market amid positive news flow on potential infrastructure projects, active land transactions and influx of foreign direct investments. The country's overhang numbers, which have decreased in 2023 as compared to 2022 (especially in Klang Valley where the overhang fell by 12% year-on-year), suggested that the housing market is strengthening. Further, the overall real estate market activity increased dramatically in terms of transaction value, indicating high demand for houses, as Malaysia's total property transaction value increased by 2% for landed properties and 22% for non-landed properties in 2023 as compared to 2022. Budget 2024, which was tabled in the Dewan Rakyat in October 2023, is also seen as a catalyst for the property sector, where it proposed relaxation of the Malaysia My Second Home requirements and an increase in funding from RM5 billion to RM10 billion for Skim Jaminan Kredit Perumahan, which will assist about 40,000 borrowers. The Group believes that the demand for properties in prime locations in Tropicana's established, mature and developing townships will persist, with attractive pricing and various promotional packages. Further, the Group expects improved sales especially for its properties in Johor, as a result of the Johor Bahru-Singapore Rapid Transit System Link project, as well as the positive growth effects from the possible resuscitation of the High Speed Rail project, additional ferry crossings, and possibly even a third link bridge. Premised on the expected demand, the Group will continue to launch its properties at strategic locations across the Klang Valley, Genting Highlands, Northern and Southern Regions. Moving forward, the Group will also continue to launch new phases in its established development sites, namely Tropicana Aman, Tropicana Metropark and Tropicana Alam.

The Group will continue to leverage on its various sales initiatives and marketing campaigns to secure more sales and therefore remaining positive and confident on the long-term prospects of its property development business. In addition, the Group will continue to develop and market its properties located at various strategic locations, which will in turn, translates to higher sales and positive contributions to the future earnings of the Group.

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD**

**B4. Profit forecast or profit guarantee**

No profit forecast or profit guarantee was issued for the financial period.

**B5. Income tax**

	Individual Quarter		Year to Date	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023
	RM'000	RM'000	RM'000	RM'000
Tax (expense)/benefit for the period	(8,533)	654	(8,533)	654
Underprovision of tax for previous financial period	(172)	-	(172)	-
Real property gain tax	(417)	-	(417)	-
Deferred tax transfers	(7,416)	1,550	(7,416)	1,550
Total Group's tax (expense)/benefit	(16,538)	2,204	(16,538)	2,204

The Group's effective tax rate was higher than the statutory tax rate mainly due to non-allowable expenses for tax deduction.

**B6. Corporate Proposals**

**Status of corporate proposals**

The following corporate proposals announced by the Company has not been completed as at 23 May 2024, being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial report:

- 1) On 15 April 2013, Tropicana Aman Sdn Bhd ("TASB"), a wholly-owned subsidiary of the Company, entered into a sale and purchase cum development agreement with Menteri Besar Selangor (Pemerbadanan) ("MBI") and Permodalan Negeri Selangor Berhad ("PNSB") for the proposed acquisition cum development of 11 parcels of leasehold land, all in Mukim Tanjong Duabelas, District of Kuala Langat, State of Selangor measuring approximately 1,172.26 acres for a total cash consideration of RM1,297,259,264 ("Proposed Acquisition").

MBI, PNSB and TASB had entered into supplementary agreements in respect of the Proposed Acquisition on 7 August 2014 and 12 March 2015 respectively. As at the date of this report, TASB has paid for 20 sub-divided parcels. The acquisitions for 20 sub-divided parcels are completed. There are remaining 8 parcels of land to be paid.

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD**

**B6. Corporate Proposals (cont'd.)**

- 2) On 1 November 2021 and 5 November 2021, the Company has announced that Tropicana Alam Sdn Bhd, a wholly-owned subsidiary of the Company, have on 1 November 2021, entered into a joint venture agreement with Puncak Alam Housing Sdn Bhd, a non-related party, to form an unincorporated joint venture for the purpose of developing three parcels of leasehold land, all situated in Mukim of Ijok, District of Kuala Selangor, State of Selangor, having an aggregate area of approximately 362.74 acres.
- 3) On 3 February 2023, the Company has announced that Tropicana GP Views Sdn Bhd (“TGPVSB”), a wholly-owned subsidiary of the Company, have on 3 February 2023 entered into a sale and purchase agreement (“SPA for Disposal 3”) with KSL Medini Development Sdn Bhd (“KSL Medini”), a wholly-owned subsidiary of KSL Holdings Berhad, for the disposal of all that parcel of lands measuring approximately 10.85 acres in area as more particularly described in the SPA for Disposal 3 (“Land 3”) forming part of the master lands held under the following titles:
  - (a) H.S.(D) 15095, PTD 15196 to H.S.(D) 15097, PTD 15198, Mukim Jeram Batu, Daerah Pontian, Negeri Johor;
  - (b) H.S.(D) 15098, PTD 15200 to H.S.(D) 15157, PTD 15259, Mukim Jeram Batu, Daerah Pontian, Negeri Johor;
  - (c) H.S.(D) 15159, PTD 15261 to H.S.(D) 15203, PTD 15305, Mukim Jeram Batu, Daerah Pontian, Negeri Johor;
  - (d) H.S.(D) 15229, PTD 15199, Mukim Jeram Batu, Daerah Pontian, Negeri Johor;
  - (e) H.S.(D) 15224, PTD 15344, Mukim Jeram Batu, Daerah Pontian, Negeri Johor; and
  - (f) H.S.(D) 15211, PTD 15314, Mukim Jeram Batu, Daerah Pontian, Negeri Johor, for a purchase consideration of RM21,268,170.00 (“Proposed Disposal 3”).

As at the date of this report, the Proposed Disposal 3 has completed in accordance with the provisions of the SPA for Disposal 3.



**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD**

**B6. Corporate Proposals (cont'd.)**

Prior to the parties entering into the SPA for Disposal 3, the parties and/or their related companies have entered into 2 earlier transactions, as follows:

- (a) on 8 August 2022, Tropicana Desa Mentari Sdn Bhd (“TDMSB”), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement (“SPA for Disposal 1”) with KSL Development Sdn Bhd (“KSL Development”), a wholly-owned subsidiary of KSL Holdings Berhad, for the disposal of all that parcel of lands measuring approximately 84.087 acres in area (which includes Zon Penampan (Lot 65682), Zon Penampan (Lot 65683) and Rizab Jalan Sediada) as more particularly described in the SPA for Disposal 1 (“Land 1”) forming part of the master lands held under the following titles :
- (i) Geran Mukim 800, Lot 313, Mukim Pulau, Daerah Johor Bahru, Negeri Johor;
  - (ii) Geran Mukim 801, Lot 321, Tempat Pulau, Mukim Pulau, Daerah Johor Bahru, Negeri Johor;
  - (iii) Geran Mukim 802, Lot 324, Mukim Pulau, Daerah Johor Bahru, Negeri Johor;
  - (iv) Geran Mukim 803, Lot 325, Mukim Pulau, Daerah Johor Bahru, Negeri Johor;
  - (v) Geran Mukim 805, Lot 327, Tempat Pulau, Mukim Pulau, Daerah Johor Bahru, Negeri Johor;
  - (vi) Geran Mukim 806, Lot 328, Tempat Pulau, Mukim Pulau, Daerah Johor Bahru, Negeri Johor;
  - (vii) Geran Mukim 1199, Lot 65678, Mukim Pulau, Daerah Johor Bahru, Negeri Johor;
  - (viii) Geran Mukim 1200, Lot 65679, Mukim Pulau, Daerah Johor Bahru, Negeri Johor;
  - (ix) Geran Mukim 1201, Lot 65680, Mukim Pulau, Daerah Johor Bahru, Negeri Johor;
  - (x) Geran Mukim 1202, Lot 65681, Mukim Pulau, Daerah Johor Bahru, Negeri Johor;
  - (xi) Geran Mukim 804, Lot 326, Tempat Pulau, Mukim Pulau, Daerah Johor Bahru, Negeri Johor;
  - (xii) Geran Mukim 786, Lot 337, Tempat Pulau, Mukim Pulau, Daerah Johor Bahru, Negeri Johor;
- and
- (xiii) Geran 105314, Lot 797, Mukim Pulau, Daerah Johor Bahru, Negeri Johor, for a purchase consideration of RM109,884,891.60 (“Proposed Disposal 1”).

The Proposed Disposal 1 is conditional upon TDMSB applying for and obtaining the SBKS Approval (as defined in the SPA for Disposal 1) and the issuance of the new individual titles to Land 1 pursuant to the SBKS Approval, as a condition precedent, to be fulfilled within 3 months from the date of the SPA for Disposal 1 subject to an automatic extension of 3 months and a further automatic extension of up to the fulfilment of the said condition precedent with TDMSB paying to KSL Development late payment interest as provided in the SPA for Disposal 1.

As at the date of this report, the Proposed Disposal 1 has completed in accordance with the provisions of the SPA for Disposal 1.

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD**

**B6. Corporate Proposals (cont'd.)**

(b) on 12 September 2022, TGPVSB, a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement (“SPA for Disposal 2”) with KSL Medini, a wholly-owned subsidiary of KSL Holdings Berhad, for the disposal of all that parcel of lands measuring approximately 53.89 acres in area (not including the Pencawang Masuk Utama (PMU) measuring approximately 5.93 acres in area and Kawasan Hijau/ Zon Penampian measuring approximately 9.04 acres in area) as more particularly described in the SPA for Disposal 2 (“Land 2”) forming part of the master lands held under the following titles :

- (i) Geran Mukim 143, Lot 981, Tempat Batu 23, Bukit Salina;
- (ii) Geran Mukim 142, Lot 982, Tempat Batu 23, Bukit Salina;
- (iii) Geran Mukim 888, Lot 983, Tempat Batu 23, Bukit Salima;
- (iv) Geran Mukim 890, Lot 984, Tempat Batu 23, Bukit Salima;
- (v) Geran Mukim 889, Lot 985, Tempat Batu 23, Pulau Bukit Seliman;
- (vi) Geran Mukim 887, Lot 986, Tempat Batu 23, Bukit Salima;
- (vii) Geran Mukim 891, Lot 987, Tempat Batu 23;
- (viii) Geran Mukim 413, Lot 994, Tempat Batu 23;
- (ix) Geran Mukim 410, Lot 995, Tempat Batu 23; and
- (x) Geran Mukim 418, Lot 996, Tempat Batu 23, Jalan Johor,

all of which are located in the Mukim Jeram Batu, Daerah Pontian, Negeri Johor for a purchase consideration of RM102,935,612.34 (“Proposed Disposal 2”).

The Proposed Disposal 2 is conditional upon the following conditions precedent being fulfilled by TGPVSB :

- (1) to apply and obtain the SBKS Approval (as defined in the SPA for Disposal 2) and the issuance of the new individual titles to Land 2 pursuant to the SBKS Approval;
- (2) to apply and obtain the Earthworks Approval (as defined in the SPA for Disposal 2) in accordance with the provisions of the SPA for Disposal 2;
- (3) where applicable, to pay the Low-Cost Housing Exemption Penalty Fee (as defined in the SPA for Disposal 2) in accordance with the provisions of the SPA for Disposal 2; and
- (4) to pay for the Development Charges (as defined in the SPA for Disposal 2) in accordance with the provisions of the SPA for Disposal 2,

within 6 months from the date of the SPA for Disposal 2 subject to an automatic extension of 3 months and a further automatic extension of up to the fulfilment of the said conditions precedent with TGPVSB paying to KSL Medini late payment interest as provided in the SPA for Disposal 2.

As at the date of this report, the Proposed Disposal 2 has completed in accordance with the provisions of the SPA for Disposal 2.

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD**

**B7. Borrowings**

	As at 31/03/2024 RM'000	As at 31/12/2023 RM'000
Secured short term borrowings	<b>1,180,935</b>	1,353,171
Secured long term borrowings	<b>1,681,050</b>	1,807,855
	<b>2,861,985</b>	3,161,026

**B8. Material litigation**

- 1) On 26 August 2013, the Company received an order from the Arbitral Tribunal to add the Company as a party to the arbitration proceedings between Dijaya-Malind JV (Mauritius) Limited (“DMML”), Dijaya-Malind Properties (India) Private Limited (“DMPPL”) and Starlite Global Enterprise (India) Limited (“SGEIL”) (“Order”).

The arbitration proceedings were previously instituted by DMML and DMPPL against SGEIL to seek the return of the deposit sum and damages arising from termination of the Deed of Novation cum Joint Development Agreement.

The Company appealed to the City Civil Court of Hyderabad against the Order which was dismissed on 2 June 2014. As our legal counsel is in the opinion that the Order is erroneous and wrong in law, the Company has filed a further appeal to the High Court of Judicature of Andhra Pradesh and is pending a hearing date to be set.

- 2) On 25 August 2023, a suit (“Suit”) was brought by RHB Trustees Berhad, Sunway REIT Management Sdn Bhd (“Sunway REIT”) and Sunway Education Group Sdn Bhd (“Sunway Education”) (collectively, “Plaintiffs”) against the Company and Tropicana Education Management Sdn Bhd (“TEM”) (collectively, “Defendants”) in relation to the letter of offer concerning the proposed sale of all that piece of land where the St. Joseph’s Institution International School Malaysia (Tropicana PJ Campus) is located (“Property”) by TEM to Sunway REIT and the proposed sale of all the shares in Tropicana SJII Education Management Sdn Bhd (“TSEM”) by the Company to a “Sunway Group of Company to be identified”. On 10 October 2023, a counterclaim was brought by the Defendants against the Plaintiffs. On 11 October 2023, the Defendants filed a striking out application against the Suit. On 23 November 2023, the Defendants filed a leave application to file the Reply to Defence to Counterclaim. On 2 February 2024, the Plaintiffs filed a notice of application for interrogatories. On 2 February 2024, the Plaintiffs filed a notice of application for discovery. All the aforesaid applications are fixed for hearing on 7 August 2024.

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD**

**B9. Dividend payable**

There was no dividend proposed for the quarter under review.

**B10. Loss per share**

a) Basic loss per share

Basic loss per ordinary share were calculated by dividing loss for the period attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

	Individual Quarter		Year to Date	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023
Loss attributable to owners of the parent (RM'000)	<b>(9,081)</b>	(5,234)	<b>(9,081)</b>	(5,234)
Weighted average number of ordinary shares ('000)	<b>2,266,339</b>	2,039,374	<b>2,266,339</b>	2,039,374
Basic loss per share (sen)	<b>(0.40)</b>	(0.26)	<b>(0.40)</b>	(0.26)

b) Diluted loss per share

For the purpose of calculating diluted loss per share, the net loss for the period attributable to owners of the parent and the weighted average number of ordinary shares and ICPS outstanding during the period have been adjusted for the dilutive effects of all potential ordinary shares.

	Individual Quarter		Year to Date	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023
Loss attributable to owners of the parent (RM'000)	<b>(9,081)</b>	(5,234)	<b>(9,081)</b>	(5,234)
Weighted average number of ordinary shares ('000) for the purpose of diluted earnings per share	<b>2,266,339</b>	2,039,374	<b>2,266,339</b>	2,039,374
Effect of conversion of ICPS to ordinary shares	<b>294,551</b>	383,837	<b>294,551</b>	383,837
Adjusted weighted average number of ordinary shares in issue ('000) for the purpose of diluted earnings per share	<b>2,560,890</b>	2,423,211	<b>2,560,890</b>	2,423,211
Diluted loss per share (sen)	<b>(0.35)</b>	(0.22)	<b>(0.35)</b>	(0.22)

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD**

**B11. Notes to the statements of comprehensive income**

	<b>Individual Quarter 31/03/2024 RM'000</b>	<b>Year to Date 31/03/2024 RM'000</b>
Profit for the period/year is arrived at after (crediting)/charging:-		
Finance income	(1,719)	(1,719)
Finance costs	43,937	43,937
Amortisation of intangible assets	11	11
Depreciation of property, plant and equipment	6,008	6,008
Depreciation of right-of-use assets	1,286	1,286
	<hr/>	<hr/>

**B12. Auditors' report on preceding annual financial statements**

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

**B13. Authorisation for issue**

The interim financial statements were authorised for issuance by the Board of Directors in accordance with the Directors' resolution dated 30 May 2024.