

**AME Elite Consortium Berhad**

Registration No. 201801030789 (1292815-W)  
(Incorporated in Malaysia)

**Interim Financial Report  
Third quarter ended 31 December 2023**

## AME Elite Consortium Berhad

Registration No. 201801030789 (1292815-W)  
(Incorporated in Malaysia)

### Unaudited condensed consolidated statement of financial position As at 31 December 2023

	unaudited 31.12.2023 RM'000	audited 31.3.2023 RM'000
<b>Assets</b>		
Property, plant and equipment	146,933	149,341
Right-of-use assets	12,395	12,740
Investment properties	586,614	548,400
Inventories	8,662	8,662
Investment in joint ventures	1,984	2,335
Deferred tax assets	7,450	11,251
Loan to a joint venture	10,000	10,000
<b>Total non-current assets</b>	<u>774,038</u>	<u>742,729</u>
Inventories	446,439	534,068
Contract costs	23,303	49,146
Contract assets	119,077	60,158
Trade and other receivables	102,508	111,395
Due from a joint venture	529	193
Current tax assets	1,133	3,166
Cash and cash equivalents	400,596	326,924
<b>Total current assets</b>	<u>1,093,585</u>	<u>1,085,050</u>
<b>Total assets</b>	<u><u>1,867,623</u></u>	<u><u>1,827,779</u></u>
<b>Equity</b>		
Share capital	620,140	620,140
Retained earnings	694,947	645,223
Other reserves	(454,367)	(454,367)
<b>Equity attributable to owners of the Company</b>	<u>860,720</u>	<u>810,996</u>
Non-controlling interests	310,776	309,799
<b>Total equity</b>	<u>1,171,496</u>	<u>1,120,795</u>
<b>Liabilities</b>		
Loans and borrowings <sup>(i)</sup>	37,791	64,710
Trade and other payables	149,827	231,678
Lease liabilities	--	106
Deferred tax liabilities	5,804	6,537
<b>Total non-current liabilities</b>	<u>193,422</u>	<u>303,031</u>

(The unaudited condensed consolidated statement of financial position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial report)

**AME Elite Consortium Berhad**  
 Registration No. 201801030789 (1292815-W)  
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**Unaudited condensed consolidated statement of financial position  
 As at 31 December 2023 (continued)**

	<b>unaudited 31.12.2023 RM'000</b>	<b>audited 31.3.2023 RM'000</b>
Loans and borrowings <sup>(i)</sup>	136,812	119,170
Trade and other payables	312,635	229,873
Contract liabilities	23,753	37,361
Due to minority shareholders	15,884	1,980
Lease liabilities	420	473
Current tax liabilities	13,201	15,096
<b>Total current liabilities</b>	<u>502,705</u>	<u>403,953</u>
<b>Total liabilities</b>	<u>696,127</u>	<u>706,984</u>
<b>Total equity and liabilities</b>	<u><u>1,867,623</u></u>	<u><u>1,827,779</u></u>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<u>1.35</u>	<u>1.27</u>

(i) See Note B8.

(The unaudited condensed consolidated statement of financial position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial report)

**AME Elite Consortium Berhad**  
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**Unaudited condensed consolidated statement of profit or loss and other comprehensive income for the third quarter ended 31 December 2023**

	Individual quarter 3 months ended		Cumulative quarter 9 months ended	
	31.12.2023 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Revenue	176,210	134,348	632,055	418,710
Cost of sales	(139,685)	(101,427)	(490,285)	(337,515)
<b>Gross profit</b>	<b>36,525</b>	<b>32,921</b>	<b>141,770</b>	<b>81,195</b>
Other income <sup>(ii)</sup>	14,062	849	15,776	58,706
Distribution expenses	(1,125)	(2,518)	(5,966)	(4,950)
Administrative expenses	(9,316)	(11,438)	(32,708)	(29,558)
Other expenses	(195)	(96)	(1,231)	(412)
<b>Results from operating activities</b>	<b>39,951</b>	<b>19,718</b>	<b>117,641</b>	<b>104,981</b>
Finance income	2,888	1,703	8,370	2,993
Finance costs <sup>(iii)</sup>	(4,636)	(4,244)	(13,912)	(13,397)
<b>Net finance costs</b>	<b>(1,748)</b>	<b>(2,541)</b>	<b>(5,542)</b>	<b>(10,404)</b>
Share of (loss)/loss of equity-accounted joint ventures, net of tax	(85)	3,427	2,762	3,230
<b>Profit before tax</b>	<b>38,118</b>	<b>20,604</b>	<b>114,861</b>	<b>97,807</b>
Tax expense	(9,661)	(6,679)	(28,539)	(19,967)
<b>Profit after tax</b>	<b>28,457</b>	<b>13,925</b>	<b>86,322</b>	<b>77,840</b>
<b>Profit attributable to:</b>				
Owners of the Company	21,917	9,278	67,018	61,174
Non-controlling interests	6,540	4,647	19,304	16,666
<b>Profit for the period/ Total comprehensive income for the period</b>	<b>28,457</b>	<b>13,925</b>	<b>86,322</b>	<b>77,840</b>
<b>Basic earnings per ordinary share (sen) <sup>(i)</sup></b>	<b>3.43</b>	<b>1.45</b>	<b>10.49</b>	<b>9.55</b>
<b>Diluted earnings per ordinary share (sen) <sup>(i)</sup></b>	<b>3.43</b>	<b>1.45</b>	<b>10.49</b>	<b>9.55</b>

(i) See Note B11.

(The unaudited condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial report)

## Unaudited condensed consolidated statement of profit or loss and other comprehensive income for the third quarter ended 31 December 2023 (continued)

- (ii) Included in other income was the fair value gain of RM13.12 million which arose from the sale of 1 plot of industrial property to AME Real Estate Investment Trust ("AME REIT") during the current quarter and financial period under review. The subject property was classified as inventory. Upon the sale to AME REIT, the property was reclassified as investment properties where the fair value gain is recognised.

The total fair value changes of investment properties are as follows:

	Individual quarter 3 months ended		Cumulative quarter 9 months ended	
	31.12.2023 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Industrial properties sold to AME REIT (realised)	^11,834	--	^11,834	^^48,054
Fair value gain on investment properties	<u>*1,284</u>	<u>--</u>	<u>*1,284</u>	<u>**6,709</u>
Total fair value changes on investment properties	<u>13,118</u>	<u>--</u>	<u>13,118</u>	<u>54,763</u>

^ The fair value gain net of tax and share by non-controlling interest arising from the sale of 1 plot of industrial property was RM8.99 million during the current quarter and financial period under review.

\* The fair value gain net of tax and share by non-controlling interest on investment properties was RM0.71 million during the current quarter and financial period under review.

^^ The fair value gain net of tax and share by non-controlling interest arising from the sale of 10 plots of industrial properties was RM33.40 million during the corresponding quarter and financial period.

\*\* The fair value gain net of tax and share by non-controlling interest on investment properties was RM5.32 million during the corresponding quarter and financial period.

- (iii) The finance costs are as follows:

	Individual quarter 3 months ended		Cumulative quarter 9 months ended	
	31.12.2023 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Unwinding of discount on the deferred purchase consideration for land acquisitions	*2,490	**2,573	*7,544	**7,642
Loans and borrowings Finance costs	<u>2,146</u>	<u>1,671</u>	<u>6,368</u>	<u>5,755</u>
	<u>4,636</u>	<u>4,244</u>	<u>13,912</u>	<u>13,397</u>

\* The unwinding cost of discount on the deferred purchase consideration for land acquisition net of tax was RM1.89 million and RM5.73 million during the current quarter and financial period under review.

\*\* The unwinding cost of discount on the deferred purchase consideration for land acquisition net of tax was RM1.96 million and RM5.81 million during the corresponding quarter and financial period.

## AME Elite Consortium Berhad

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### Unaudited condensed consolidated statement of changes in equity for the period ended 31 December 2023

	← Non-distributable →			Distributable		Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Merger reserve RM'000	Retained earnings RM'000	Total RM'000		
<b>At 1 April 2022 (Audited)</b>	620,140	--	(452,311)	538,186	706,015	40,666	746,681
Profit and total comprehensive income for the period	--	--	--	61,174	61,174	16,666	77,840
<i>Contributions by and distribution to owners of the Company</i>							
- Own shares acquired	--	(2,056)	--	--	(2,056)	--	(2,056)
- Dividends to owners of the Company	--	--	--	(22,424)	(22,424)	--	(22,424)
<b>Total transaction with owners of the Company</b>	--	(2,056)	--	(22,424)	(24,480)	--	(24,480)
Acquisition of a subsidiary	--	--	--	--	--	299	299
Issuance of shares to non-controlling interests	--	--	--	28,015	28,015	253,506	281,521
<b>At 31 December 2022 (Unaudited)</b>	620,140	(2,056)	(452,311)	604,951	770,724	311,137	1,081,861
<b>At 1 April 2023 (Audited)</b>	620,140	(2,056)	(452,311)	645,223	810,996	309,799	1,120,795
Profit and total comprehensive income for the period	--	--	--	67,018	67,018	19,304	86,322
<i>Contributions by and distribution to owners of the Company</i>							
- Dividends to owners of the Company	--	--	--	(19,173)	(19,173)	--	(19,173)
- Changes in ownership interests in a subsidiary that does not result in a loss of control	--	--	--	(621)	(621)	621	--
<b>Total transaction with owners of the Company</b>	--	--	--	(19,794)	(19,794)	621	(19,173)
Issuance of shares to non-controlling interests	--	--	--	--	--	49	49
Disposal of a subsidiary interest	--	--	--	2,500	2,500	10,000	12,500
Dividend to non-controlling interests	--	--	--	--	--	(28,997)	(28,997)
<b>At 31 December 2023 (Unaudited)</b>	620,140	(2,056)	(452,311)	694,947	860,720	310,776	1,171,496

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**Unaudited condensed consolidated statement of cash flows for the period ended 31 December 2023**

	9 months ended	
	31.12.2023	31.12.2022
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	114,861	97,807
Adjustments for:		
Property, plant and equipment:		
- depreciation	4,434	4,238
- gain on disposal	(426)	(492)
- written off	1	153
Depreciation of right-of-use assets	262	249
Share of profit of equity-accounted joint ventures, net of tax	(2,762)	(3,230)
Impairment loss on trade receivables	883	--
Finance costs	13,912	13,397
Finance income	(8,370)	(2,993)
Unrealised gain on foreign exchange	(42)	(10)
Changes in fair value of investment properties	(13,118)	(54,763)
<b>Operating profit before changes in working capital</b>	<b>109,635</b>	<b>54,356</b>
Changes in inventories	74,728	23,117
Changes in trade and other receivables	8,046	(19,073)
Changes in trade and other payables	(6,633)	18,904
Changes in contract assets/(liabilities)	(72,527)	(3,739)
Changes in contract costs	25,843	(27,253)
Changes in amount due from joint ventures	(23)	--
<b>Cash from operations</b>	<b>139,069</b>	<b>46,312</b>
Interest received	8,370	2,905
Interest paid	(6,274)	(5,485)
Tax paid	(25,333)	(11,659)
<b>Net cash from operating activities</b>	<b>115,832</b>	<b>32,073</b>
<b>Cash flows from investing activities</b>		
Acquisition of:		
- property, plant and equipment	(1,407)	(16,734)
- investment properties	(12,195)	(8,996)
- a subsidiary, net of cash & cash equivalents	--	219
Proceeds from disposal of:		
- property, plant and equipment	589	618
- investment in a subsidiary	12,500	--
Investment in a joint venture	--	(500)
Loan to a joint venture	--	(10,000)
Dividends received from a joint venture	2,800	13,500
Changes in pledged fixed deposits	3,659	6,753
<b>Net cash used in investing activities</b>	<b>5,946</b>	<b>(15,140)</b>

(The unaudited condensed consolidated statement of cash flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial report)

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## Unaudited condensed consolidated statement of cash flows for the period ended 31 December 2023 (continued)

	9 months ended	
	31.12.2023 RM'000	31.12.2022 RM'000
<b>Cash flows from financing activities</b>		
Repayment of hire purchase liabilities	(1,200)	(926)
Net proceeds from short term borrowings	21,136	57,405
Repayment of term loans	(26,248)	(186,170)
Drawdown from term loans	--	9,374
Subscription of shares by non-controlling interests	--	281,521
Payment for repurchase of treasury shares	--	(2,056)
Hire purchase interest paid	(78)	(114)
Payment of lease liabilities	(76)	--
Due to minority shareholders	(1,063)	(11,180)
Dividends paid to:		
- owners of the Company	(19,173)	(22,424)
- non-controlling interests	(13,997)	(1,000)
<b>Net cash (used in)/from financing activities</b>	<u>(40,699)</u>	<u>124,430</u>
<b>Net increase in cash and cash equivalents</b>	81,079	141,363
<b>Cash and cash equivalents as at 1 April</b>	<u>306,269</u>	<u>169,665</u>
<b>Cash and cash equivalents as at 31 December</b>	<u><u>387,348</u></u>	<u><u>311,028</u></u>

Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise the following amounts from the condensed consolidated statement of financial position:

	9 months ended	
	31.12.2023 RM'000	31.12.2022 RM'000
Cash and cash equivalents:		
- cash and bank balances	166,844	226,208
- fixed deposits with licensed banks	221,015	83,144
- money market fund with a licensed institution	12,737	11,526
	<u>400,596</u>	<u>320,878</u>
Less: Pledged fixed deposits	<u>(13,248)</u>	<u>(9,850)</u>
	<u><u>387,348</u></u>	<u><u>311,028</u></u>

(The unaudited condensed consolidated statement of cash flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial report)



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## Notes to the interim financial report

### Part A: Explanatory notes pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134 and International Accounting Standards (“IAS”) 34 Interim Financial Reporting

#### A1. Basis of preparation

This interim financial report is unaudited and has been prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirements”), Malaysian Financial Reporting Standards (MFRS) 134: Interim Financial Reporting and International Accounting Standards (IAS) 34: Interim Financial Reporting.

This interim financial report should be read in conjunction with the audited consolidated financial statements for the year ended 31 March 2023 and the accompanying notes attached to the interim financial report.

#### A2. Significant accounting policies

The accounting policies applied by the Group in this interim financial report are the same as those applied by the Group in its audited consolidated financial statements for the year ended 31 March 2023.

The following are accounting standards, interpretations and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group:

##### ***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2024***

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*

##### ***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2025***

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

##### ***MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed***

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group plans to apply the abovementioned accounting standards, interpretations and amendments in the respective financial year when the above accounting standards, interpretations and amendments become effective, if applicable.

The initial application of the accounting standards, interpretations and amendments is not expected to have any material financial impact on the current period and prior period financial statements of the Group upon their first adoption.

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## **Part A: Explanatory notes pursuant to MFRS 134 and IAS 34 Interim Financial Reporting (continued)**

### **A3. Auditors' report**

The audited consolidated financial statements for the financial year ended 31 March 2023 were not subject to any qualifications.

### **A4. Seasonal or cyclical factors**

The nature of the Group's business was not subject to any significant seasonal or cyclical factors.

### **A5. Unusual items**

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

### **A6. Changes in estimates**

There were no material changes in estimates for the current quarter and financial period under review.

### **A7. Debt and equity securities**

There were no debt and equity securities issued during the current quarter and financial period under review.

### **A8. Dividends paid**

The amount of dividends paid by the Company during the financial period were as follows:

- i) In respect of the financial year ended 31 March 2023
  - an interim single-tier dividend of 3.0 sen per ordinary share totalling RM19.17 million declared on 26 May 2023 and paid on 7 July 2023 to shareholders whose names appeared in the Record of Depositors of the Company at the close of business on 16 June 2023.

### **A9. Property, plant and equipment ("PPE")**

There were no material acquisitions and disposals of PPE during the current quarter and financial period under review.

### **A10. Impairment losses**

There were no significant impairment losses or reversal of impairment losses arising from property, plant and equipment, financial assets, assets arising from contracts with customers or other assets during the current quarter and financial period under review.

## Part A: Explanatory notes pursuant to MFRS 134 and IAS 34 Interim Financial Reporting (continued)

### A11. Segmental information

Segmental information is presented in respect of the Group's business segments as follows:

1.10.2023 to 31.12.2023 (3Q2024)	Construction RM'000	Property development RM'000	Engineering RM'000	Investment holding/ Property investment and management services RM'000	Total RM'000	Elimination RM'000	Total RM'000
Revenue from external customers	35,189	98,491	25,844	16,686	176,210	--	176,210
Inter-segment revenue	34,252	--	15,368	7,362	56,982	(56,982)	--
<b>Total revenue</b>	<b>69,441</b>	<b>98,491</b>	<b>41,212</b>	<b>24,048</b>	<b>233,192</b>	<b>(56,982)</b>	<b>176,210</b>
Segment results from operating activities	1,245	13,986	4,380	25,573 <sup>(i)</sup>	45,184	(5,233)	39,951
Share of loss of joint ventures							(85)
Finance income							2,888
Finance costs							(4,636)
<b>Profit before tax</b>							<b>38,118</b>
Tax expense							(9,661)
<b>Profit after tax</b>							<b>28,457</b>

(i) Inclusive of fair value gain on investment properties as disclosed in Note B13.



**Part A: Explanatory notes pursuant to MFRS 134 and IAS 34 Interim Financial Reporting (continued)****A11. Segmental information (continued)**

<b>1.4.2023 to 31.12.2023 (Cumulative 3Q2024)</b>	<b>Construction RM'000</b>	<b>Property development RM'000</b>	<b>Engineering RM'000</b>	<b>Investment holding/ Property investment and management services RM'000</b>	<b>Total RM'000</b>	<b>Elimination RM'000</b>	<b>Total RM'000</b>
Revenue from external customers	137,431	380,641	66,337	47,646	632,055	--	632,055
Inter-segment revenue	105,129	--	57,153	21,842	184,124	(184,124)	--
<b>Total revenue</b>	<b>242,560</b>	<b>380,641</b>	<b>123,490</b>	<b>69,488</b>	<b>816,178</b>	<b>(184,124)</b>	<b>632,055</b>
Segment results from operating activities	3,418	60,006	10,965	49,393 <sup>(i)</sup>	123,782	(6,141)	117,641
Share of profit of joint ventures							2,762
Finance income							8,370
Finance costs							(13,912)
<b>Profit before tax</b>							<b>114,861</b>
Tax expense							(28,539)
<b>Profit after tax</b>							<b>86,322</b>

(i) Inclusive of fair value gain on investment properties as disclosed in Note B13.

**Part A: Explanatory notes pursuant to MFRS 134 and IAS 34 Interim Financial Reporting (continued)****A11. Segmental information (continued)**

<b>1.4.2022 to 31.12.2022 (Cumulative 3Q2023)</b>	<b>Construction RM'000</b>	<b>Property development RM'000</b>	<b>Engineering RM'000</b>	<b>Investment holding/ Property investment and management services RM'000</b>	<b>Total RM'000</b>	<b>Elimination RM'000</b>	<b>Total RM'000</b>
Revenue from external customers	228,553	136,170	22,086	31,901	418,710	--	418,710
Inter-segment revenue	58,480	3,256	17,524	21,079	100,339	(100,339)	--
<b>Total revenue</b>	<b>287,033</b>	<b>139,426</b>	<b>39,610</b>	<b>52,980</b>	<b>519,049</b>	<b>(100,339)</b>	<b>418,710</b>
Segment results from operating activities	6,954	21,394	1,570	77,997 <sup>(ii)</sup>	107,915	(2,934)	104,981
Share of profit of joint ventures							3,230
Finance income							2,993
Finance costs							(13,397)
<b>Profit before tax</b>							<b>97,807</b>
Tax expense							(19,967)
<b>Profit after tax</b>							<b>77,840</b>

(ii) Inclusive of fair value gain on investment properties as disclosed in Note B13.

## Part A: Explanatory notes pursuant to MFRS 134 and IAS 34 Interim Financial Reporting (continued)

### A12. Material events subsequent to the statement of financial position date

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

### A13. Changes in the composition of the Group

On 8 November 2023, a new entity, Golden Symphony Sdn. Bhd. was incorporated with an initial share capital of RM2. The principal activity of the entity consists of those relating to property development, investment holding and management of real estate.

Save as disclosed above, there were no changes in the composition of the Group for the current quarter and financial period under review.

### A14. Contingent assets and contingent liabilities

#### Contingent liability not considered remote

##### a) Claim

The Inland Revenue Board conducted a tax audit on a subsidiary and raised an assessment together with a penalty totalling approximately RM7.16 million on 30 June 2021 for Year of Assessment 2018. The Directors believe the subsidiary has a good reasonable ground to defend its position and is currently appealing against the assessment.

In the Directors' opinion, disclosure of any further information about the above matter would be prejudicial to the interests of the Group.

##### b) Guarantee

The Company provided a performance guarantee to a customer of a subsidiary to secure an advance payment. A liability from the performance guarantee would only arise in the event the Group fails to fulfill its contractual obligations.

	31.12.2023 RM'000	31.3.2023 RM'000
Performance guarantee to a customer of the Group	--	45,393
	<u>          </u>	<u>          </u>
	--	45,393

Save as disclosed above, there were no changes in contingent assets or contingent liabilities of the Group for the current quarter and financial period under review.

### A15. Capital commitments

	31.12.2023 RM'000	31.3.2023 RM'000
<b>Capital expenditure commitment</b>		
<b>Contracted but not provided for</b>		
Property, plant and equipment		
(Two new blocks of workers' dormitories in iTechValley)	39,536	41,906
	<u>          </u>	<u>          </u>

Save as disclosed above, there were no changes in capital commitments of the Group for the current quarter and financial period under review.

## Part A: Explanatory notes pursuant to MFRS 134 and IAS 34 Interim Financial Reporting (continued)

### A16. Significant related party transactions

The significant related party transactions of the Group are shown below.

	Individual quarter 3 months ended		Cumulative quarter 9 months ended	
	31.12.2023 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
<b>A. Joint ventures</b>				
Rental income	15	35	35	84
Interest income	107	88	312	88
Loan receivable	--	10,000	--	10,000
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>B. Minority shareholder of subsidiaries</b>				
Interest expenses	(5)	--	(16)	(156)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>C. Firm in which a Director has financial interest</b>				
Professional fees	(9)	(485)	(188)	(633)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>D. Related company of a subsidiary's shareholders</b>				
Contract income	--	78	32	78
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>E. Company in which close family of a subsidiary's Director has financial interest</b>				
Professional fees	(10)	(10)	(30)	(197)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>F. Company in which certain Directors have financial interest</b>				
Contract income	--	--	27	70
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>G. Company in which a Director of a subsidiary has financial interest</b>				
Service income	118	209	384	209
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>



## Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements

### B1. Review of performance

#### Current quarter against corresponding quarter

	Individual quarter 3 months ended		Changes %
	31.12.2023 RM'000	31.12.2022 RM'000	
Revenue	176,210	134,348	31
Gross profit	36,525	32,921	11
Share of (loss)/profit of equity-accounted joint ventures, net of tax	(85)	3,427	(102)
Earnings before interest and taxes	39,866	23,145	72
Profit before tax	38,118	20,604	85
Profit after tax	28,457	13,925	104
Profit attributable to owners of the Company	<u>21,917</u>	<u>9,278</u>	<u>136</u>

The Group's revenue increased by RM41.86 million were due to the increase in property development revenue of RM48.35 million, engineering services revenue of RM21.57 million, rental, service income and sale of goods of RM3.09 million, partially offset by the decrease in construction services revenue of RM31.15 million.

The Group's property development revenue increased from RM50.14 million to RM98.49 million, which was an increase of approximately 96.43%. The increase in the revenue was mainly due to the higher stages of work completed and the timing of income recognition.

The Group's engineering services revenue increased from RM4.27 million to RM25.84 million, which was an increase of approximately 504.92%. The increase in revenue was mainly due to the progression in the stage of completion of the on-going engineering projects.

The Group's rental, service income and sale of goods increased from RM13.60 million to RM16.69 million, which was an increase of approximately 22.72%. The increase in the rental, service income and sale of goods was due to the additional units of factory leased by tenants, higher rental income generated from workers' dormitories and management services income from industrial park tenants.

The Group's construction services revenue decreased from RM66.34 million to RM35.19 million, which declined by approximately 46.96%. The decrease in revenue was mainly due to the progression in the stage of completion of the on-going construction projects.

In line with the higher revenue, the Group recorded a higher gross profit.

The Group's share of loss from equity-accounted joint ventures was due to the no sales of industrial properties recorded by the joint ventures.

Overall, the Group recorded higher earnings before interest and taxes, profit before tax, profit after tax and profit attributable to owners of the Company mainly due to higher contributions from property development, engineering services, property investment and management services segment and also the fair value gain on investment properties recognised in the current quarter arising from the sale of industrial properties to AME REIT.

## Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

### B1. Review of performance (continued)

#### Current financial period against corresponding financial period

	Cumulative quarter 9 months ended		Changes %
	31.12.2023 RM'000	31.12.2022 RM'000	
Revenue	632,055	418,710	51
Gross profit	141,770	81,195	75
Share of profit of equity-accounted joint ventures, net of tax	2,762	3,230	(14)
Earnings before interest and taxes	120,403	108,211	11
Profit before tax	114,861	97,807	17
Profit after tax	86,322	77,840	11
Profit attributable to owners of the Company	<u>67,018</u>	<u>61,174</u>	<u>10</u>

The Group's revenue increased by RM213.35 million due to the increase in property development revenue of RM244.47 million, engineering services revenue of RM44.25 million, rental, service income and sale of goods of RM15.75 million, partially offset by the decrease in construction services revenue of RM91.12 million.

The Group's property development revenue increased from RM136.17 million to RM380.64 million, which was an increase of approximately 179.53%. The increase in the revenue was mainly due to the higher stages of work completed and the timing of income recognition.

The Group's engineering services revenue increased from RM22.09 million to RM66.34 million, which was an increase of approximately 200.32%. The increase in revenue was mainly due to the progression in the stage of completion of the on-going engineering projects.

The Group's rental, service income and sale of goods increased from RM31.90 million to RM47.65 million, which was an increase of approximately 49.37%. The increase in the rental, service income and sale of goods was due to the additional units of factory leased by tenants, higher rental income generated from workers' dormitories and management services income from industrial park tenants. In addition, there was a reversal of lease receivables of RM4.82 million recognised based on straight line basis after the disposal of properties to AME Real Estate Investment Trust ("AME REIT") on 20 September 2022.

The Group's construction services revenue decreased from RM228.55 million to RM137.43 million, which declined by approximately 39.87%. The decrease in revenue was mainly due to the progression in the stage of completion of the on-going construction projects.

In line with the higher revenue, the Group recorded a higher gross profit.

The Group's share of profit from the equity-accounted joint ventures for the current cumulative quarter was mainly due to the revision of cost for the completed projects.

Overall, the Group recorded higher earnings before interest and taxes, profit before tax, profit after tax and profit attributable to owners of the Company mainly due to higher contributions from property development, engineering services, property investment and management services segment, and also the fair value gain on investment properties arising from the sale of industrial properties to AME REIT recognised in the current quarter and financial period under review and the corresponding preceding financial period.

## Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

### B2. Comparison with immediate preceding quarter

	Current quarter 31.12.2023 RM'000	Preceding quarter 30.9.2023 RM'000	Changes %
Revenue	176,210	233,335	(24)
Gross profit	36,525	50,157	(27)
Share of (loss)/profit of equity-accounted joint ventures, net of tax	(85)	158	(154)
Earnings before interest and taxes	39,866	39,201	2
Profit before tax	38,118	37,446	2
Profit after tax	28,457	27,810	2
Profit attributable to owners of the Company	<u>21,917</u>	<u>21,832</u>	--

The decrease in the Group's share of profit from the equity-accounted joint ventures was mainly due to no sale of industrial properties recorded by the joint ventures in the current quarter.

In line with lower revenue, the Group recorded lower gross profit.

The earnings before interest and taxes, profit before tax, profit after tax and profit attributable to owners of the Company remain comparable to immediate preceding quarter mainly due to fair value gain on investment properties.

### B3. Prospects for the Group for the financial year ending 31 March 2024 ("FYE 2024")

The industrial property sector is expected to remain active, supported by the domestic and foreign direct investment inflows. We have experienced strong demand for our industrial properties, as well as growth in rental income and value of our investment properties. We have also been able to attract more Multinational Corporations ("MNCs") to operate in our industrial parks which we believe has helped to attract other MNCs and local enterprises to purchase or lease property units within our industrial parks.

We have also commenced the development of our new industrial park, namely i-TechValley in quarter 1 of FY2023 and we will continue developing i-Park @ Senai Airport City (Phase 3) to improve the Group's profitability.

While mindful of potential changes in the business landscape in light of economic challenges at the macro level, we continue to identify and transform suitable landbank, to replicate our i-Park model in the central and northern regions of Peninsular Malaysia.

The listing of AME REIT on the main market of Bursa Malaysia Securities Berhad was completed on 20 September 2022. The strong net cash position bodes well for future industrial property development and investment projects to capture the strong demand for industrial properties.

Overall, the Board of Directors expects the Group to achieve satisfactory financial performance for the FY2024 premised on the abovementioned factors.

## Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

### B4. Profit forecast

The Group did not issue any profit forecast during the current quarter and financial period under review.

### B5. Tax expense

Income tax expenses on continuing operations comprise the following:

	Individual quarter 3 months ended		Cumulative quarter 9 months ended	
	31.12.2023 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
<b>Current</b>				
Tax expense	8,709	3,538	25,471	34,625
Deferred tax expenses/(income)	952	3,141	3,068	(14,658)
	<u>9,661</u>	<u>6,679</u>	<u>28,539</u>	<u>19,967</u>

The Group's effective tax rate for the corresponding quarter was higher than the statutory tax rate mainly due to certain expenses not deductible for tax purposes.

The Group's effective tax rate for the corresponding financial period was lower than the statutory tax rate mainly due to reversal of deferred tax liabilities on fair value gains on investment properties.

### B6. Status of corporate proposals

#### (i) Acquisition of seventy-two (72) plots of freehold industrial land in Phase 3, Southern Industrial & Logistics Clusters (SiLC) in Iskandar Puteri, Johor

On 30 December 2020, wholly owned subsidiaries of the Company, Pentagon Land Sdn Bhd ("Pentagon") and Greenhill SiLC Sdn Bhd ("Greenhill") (Pentagon and Greenhill are collectively defined as "Purchaser") entered into the following agreements with UEM Land Berhad ("UEM") and Nusajaya Heights Sdn Bhd ("NHSB") (UEM and NHSB are collectively defined as "Vendor"), both being the subsidiaries of UEM Sunrise Berhad.

- (a) a conditional sale and purchase agreement entered into by Pentagon to acquire thirty-eight (38) plots of freehold industrial land in Mukim of Pulai, District of Johor Bahru, State of Johor all located within Phase 3 of SiLC, measuring approximately 37.09 hectares or approximately 91.64 acres in total land area ("Non-Bumi Plots") from UEM and NHSB for an indicative total cash consideration of approximately RM233.53 million ("Purchase Consideration 1") ("SPA 1"); and
- (b) a conditional sale and purchase agreement entered into by Greenhill to acquire thirty-four (34) plots of freehold industrial land in Mukim of Pulai, District of Johor Bahru, State of Johor all located within Phase 3 of SiLC, measuring approximately 31.61 hectares or approximately 78.11 acres in total land area ("Bumi Plots") from UEM and NHSB for an indicative total cash consideration of approximately RM200.76 million ("Purchase Consideration 2") ("SPA 2").

(Collectively referred to as the "Land Acquisitions")

## Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

### B6. Status of corporate proposals (continued)

#### (i) Acquisition of seventy-two (72) plots of freehold industrial land in Phase 3, Southern Industrial & Logistics Clusters (SiLC) in Iskandar Puteri, Johor (continued)

The Land Acquisitions entail the acquisition of the lands by Pentagon and Greenhill from UEM and NHSB for an indicative Total Purchase Consideration of approximately RM434.29 million, subject to the terms and conditions of the sale and purchase agreements (“SPAs”). Pursuant to the SPAs, Pentagon shall purchase the Non-Bumi Plots and Greenhill shall purchase the Bumi Plots respectively free from all encumbrances and with vacant possession, subject to any expressed and implied conditions of title and restrictions in interest, and other endorsements as registered on the documents of title to the Non-Bumi Plots or Bumi Plots upon the terms and conditions of the SPA 1 and SPA 2 respectively.

On 17 December 2021, it was announced that the EPU Consent had been obtained for SPA 1 and SPA 2. Pursuant thereto, the last condition precedent to SPA 1 was obtained and SPA 1 became unconditional on the same date.

In addition, the parties to SPA 2 mutually agreed to extend the cut-off date to 31 May 2024 for the Vendor to obtain the Bumi Release (being the last condition precedent to SPA 2 as stated in item 3(b) of Appendix IV of the Circular to shareholders dated 24 March 2021) for the remaining 1 Bumi Plot under SPA 2.

The status of Bumi Release for SPA 2 are as follows:

Date of Bumi Release	Number of Plots
3 March 2022	19
22 August 2022	1
8 November 2022	13

#### (ii) Acquisition and development of sixteen (16) pieces of freehold vacant land in Mukim 19, District of Seberang Perai Tengah, State of Penang

On 18 August 2022, Suling Hill Development Sdn. Bhd. (“Suling Hill” or “Purchaser”) entered into a conditional Sale and Purchase Agreement (“SPA”) with Waz Lian Holdings Sdn Bhd (“Waz Lian Holdings” or “Vendor”) for the proposed acquisition and development of sixteen (16) pieces of freehold vacant land in Mukim 19, District of Seberang Perai Tengah, State of Penang, measuring approximately 175.98 acres (“Lands”) for a total consideration of RM130 million, payable in following manner:

- a) RM80.0 million by way of cash (“Purchase Price”) to be paid based on following tranches:
  - i) RM4.0 million as the deposit;
  - ii) RM16.0 million as 20% of the Purchase Price; and
  - iii) Subject to salient terms of the SPA, RM60.0 million as 75% of the Purchase Price,
- b) Subject to the Vendor procuring the issuance of Form 5A, RM50.0 million by way of properties (“In-Kind Properties”).

## **Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)**

### **B6. Status of corporate proposals (continued)**

#### **(ii) Acquisition and development of sixteen (16) pieces of freehold vacant land in Mukim 19, District of Seberang Perai Tengah, State of Penang (continued)**

The Vendor had informed Suling Hill that there are still persons occupying part of Lot 1362 and/or the structures erected by such persons are still present on part of Lot 1362 (Occupied Portion). On 19 October 2023, the Purchaser had mutually agreed that the sale and purchase of Lot 1362 shall exclude the Occupied Portion and following Clause 4.2 of the SPA,

- a) the aggregate area of the Lands is adjusted from 175.98 acres (712,179.1915 square meter) to 175.63 acres (710,763.1915 square meter);
- b) the purchase price in respect of Lot 1362 is adjusted from RM3.12 million to RM2.96 million;
- c) the aggregate Purchase Price of the Lands is adjusted from RM80.00 million to RM79.84 million; and
- d) the 75% Balance is adjusted from RM60.00 million to RM59.84 million.

The In-Kind Properties delivery date shall be extended to within 34 months from the date of the SPA (i.e. 18 June 2025) or the date of receipt by the Purchaser of Conversion Approval (i.e. Form 5A), whichever is later.

On 6 February 2024, the Purchaser received Borang C1 (i.e. planning permission of the Intended Development). The completion period shall be 2 months from 6 February 2024.

#### **(iii) Disposal of three (3) plots of industrial properties to RHB Trustee Berhad, being the trustee of AME Real Estate Investment Trust (“AME REIT”)**

On 5 December 2022, AME Development Sdn. Bhd. and Ipark Development Sdn. Bhd., subsidiaries of the Company have entered into three conditional sale and purchase agreements with RHB Trustees Berhad, being the trustee of AME Real Estate Investment Trust (“AME REIT”) to dispose Plot 15 Indahpura, Plot 16 Indahpura and Plot 43 SAC for a total cash consideration for RM69.25 million.

The three sale and purchase agreements became unconditional on 27 February 2023 upon the approval obtained by AME REIT from its unitholders for the acquisition of the three properties.

The disposal of Plot 15 Indahpura and Plot 43 SAC had been completed on 24 March 2023, where the disposal of Plot 16 Indahpura was completed on 16 October 2023.

Save as disclosed above, there were no corporate proposals pending completion as at the date of this report.

## Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

### B7. Utilisation of proceeds from the Public Issue

- a) The gross proceeds raised from the Public Issue of AME REIT of approximately RM287.92 million is expected to be utilised in the following manner:

Details of use of proceeds	Estimated time frame for the use of proceeds upon Listing	Initial proposed utilisation <sup>(i)</sup> RM'000	Revised proposed utilisation RM'000	Actual utilisation RM'000	Balance to be utilised RM'000
Future industrial property development and investment projects including and acquisitions and joint ventures	Within 24 months	173,469	174,404	(34,364)	140,040
Repayment of borrowings	Within 3 months	110,000	110,000	(110,000)	--
Estimated listing expenses	Within 1 month	4,455	3,520	(3,520) <sup>(ii)</sup>	--
		<u>287,924</u>	<u>287,924</u>	<u>(147,884)</u>	<u>140,040</u>

- (i) The initial utilisation of the proceeds as disclosed above should be read in conjunction with the Announcement made on 1 September 2022.
- (ii) The actual listing expenses incurred of RM3.52 million is lower than the estimated amount of RM4.46 million, therefore the excess amount of RM0.94 million will be used for future industrial property development and investment.
- b) On 5 December 2022, the Company announced that AME Development Sdn Bhd and Ipark Development Sdn Bhd, subsidiaries of the Company had on 5 December 2022 entered into three conditional sale and purchase agreements with RHB Trustees Berhad, being the trustee of AME REIT to dispose of 3 industrial properties, being Plot 15 Indahpura, Plot 16 Indahpura and Plot 43 SAC for a total consideration for RM69.25 million ("Disposals").

The utilisation of proceed from the Disposals is as follows:

Details of use of proceeds	Estimated timeframe for the use of proceeds from the date of completion of the respective Disposals	Initial proposed utilisation <sup>(i)</sup> RM'000	Revised proposed utilisation RM'000	Actual utilisation RM'000	Balance to be utilised RM'000
Future industrial property development and investment projects and working capital purposes	Within 36 months	64,987	65,066	--	65,066
Repayment of borrowings for Plot 43 SAC	Within 1 month	4,063	4,063	(4,063)	--
Estimated expenses for the Disposals	Within 1 month	200	121	(121) <sup>(ii)</sup>	--
		<u>69,250</u>	<u>69,250</u>	<u>(4,184)</u>	<u>65,066</u>

## Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

### B7. Utilisation of proceeds from the Public Issue (continued)

- (i) The initial utilisation of the proceeds from the Disposals as disclosed above should be read in conjunction with the Announcement made on 5 December 2022.
- (ii) The actual expenses incurred of RM121,000 is lower than the estimated amount of RM200,000, therefore the excess amount of RM79,000 will be used for future industrial and property development and investment.

### B8. Borrowings and debt securities

	31.12.2023 RM'000	31.3.2023 RM'000
<b>Secured</b>		
<b>Non-current</b>		
Term loans	35,525	61,774
Hire purchase liabilities	2,266	2,936
	37,791	64,710
<b>Current</b>		
Term loans	3,555	3,554
Revolving credit	131,159	110,526
Bankers' acceptance	503	--
Hire purchase liabilities	1,595	1,342
Bank overdrafts	--	3,748
	136,812	119,170
	149,525	183,880

### B9. Material litigations

There were no material litigations which might materially and adversely affect the financial position of the Group as at the date of this report.

### B10. Dividends payable

On 23 November 2023, the Board of Directors declared an interim single-tier dividend of 2.0 sen per ordinary in respect of the financial year ending 31 March 2024, which will be payable on 5 January 2024 to shareholders whose names appear in the Record of Depositors of the Company at the close of the business on 15 December 2023.



## Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

### B11. Earnings per share (“EPS”)

The basic and diluted EPS for the current quarter and financial period under review are computed as follows:

	Individual quarter 3 months ended		Cumulative quarter 9 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Net profit attributable to the owners of the Company (RM'000)	21,917	9,278	67,018	61,174
Weighted average number of ordinary shares in issue ('000)	639,093	639,897	639,093	640,413
Basic EPS (sen) <sup>(i)</sup>	3.43	1.45	10.49	9.55
Diluted EPS (sen) <sup>(ii)</sup>	3.43	1.45	10.49	9.55

- (i) Basic EPS is calculated by dividing the net profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the current quarter and financial period under review.
- (ii) The Company does not have any outstanding dilutive potential ordinary shares as at end of the current quarter and financial period under review. The existing warrants have not been included in the calculation of diluted EPS as these warrants are anti-dilutive.

### B12. Revenue

#### Disaggregation of revenue

	Individual quarter 3 months ended		Cumulative quarter 9 months ended	
	31.12.2023 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
<b>Revenue from contracts with customers</b>				
Construction contract - over time	61,033	70,607	203,768	250,639
Sales of properties under development - over time	92,394	21,429	313,216	72,346
Sales of completed properties and land - at a point in time	6,097	28,709	67,425	63,824
Service income - over time	379	572	1,096	933
Sales of goods - at a point in time	1,121	--	2,908	--
	161,024	121,317	588,413	387,742
<b>Other revenue</b>				
Rental income	15,186	13,031	43,642	30,968
<b>Total revenue</b>	<b>176,210</b>	<b>134,348</b>	<b>632,055</b>	<b>418,710</b>

## Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

### B13. Profit before tax

	Individual quarter 3 months ended		Cumulative quarter 9 months ended	
	31.12.2023 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
<b>Profit before tax is arrived at after charging/(crediting):</b>				
Depreciation of:				
- property, plant and equipment	1,455	1,488	4,434	4,238
- right-of-use assets	32	141	262	249
Expenses relating to short term leases <sup>n1</sup>	5,547	6,480	16,542	14,943
Rental income of premises	(150)	(148)	(283)	(255)
Gain on disposal of:				
- property, plant and equipment	(237)	(162)	(426)	(492)
Loss/(Gain) on foreign exchange:				
- realised	140	2	31	(614)
- unrealised	(42)	5	(42)	(10)
Impairment loss on trade receivables	--	--	883	--
Late payment interest income from purchasers	(38)	(54)	(232)	(110)
Income from forfeited deposits	(45)	--	(45)	(20)
Property, plant and equipment written off	1	5	1	153
Changes in fair value of investment Properties <sup>n2</sup>	(13,118)	--	(13,118)	(54,763)

<sup>n1</sup> The Group leases office equipment, machineries, cranes, hostels and buildings with contract terms of less than 1 year. These leases are short-term. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

<sup>n2</sup> Fair value gain of RM13.12 million and RM54.76 million which arose from the sale of industrial properties to AME REIT. The subject properties were classified as inventories. Upon the disposal to AME REIT, the properties are classified as investment properties where the fair value gain is recognised.