



PARKWOOD

PARKWOOD HOLDINGS BERHAD

COMPANY REGISTRATION NO. 196901000692 (9118-M)

**Interim Financial Report
For First Quarter**

Ended 31 March 2024

PARKWOOD HOLDINGS BERHAD-QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

Condensed Consolidated Statement of Comprehensive Income for the First Quarter Ended 31 March 2024

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Quarter Ended 31.03.2024 RM	Preceding Year Corresponding Quarter RM	Current Year To-date Ended 31.03.2024 RM	Preceding Year Corresponding Period RM
Revenue	614,631	5,785,164	614,631	5,785,164
Operating expenses	(2,499,685)	(6,215,392)	(2,499,685)	(6,215,392)
Other operating income	390,113	468,339	390,113	468,339
(Loss)/Profit from operations	(1,494,941)	38,111	(1,494,941)	38,111
Finance costs	(412,409)	(396,122)	(412,409)	(396,122)
Loss before taxation	(1,907,350)	(358,011)	(1,907,350)	(358,011)
Income tax expense	(377,289)	(86,550)	(377,289)	(86,550)
Loss for the period	(2,284,639)	(444,561)	(2,284,639)	(444,561)
Other comprehensive income net of tax	-	-	-	-
Total comprehensive expenses for the period	(2,284,639)	(444,561)	(2,284,639)	(444,561)
Loss attributable to:				
Owners of the Parent	(2,284,639)	(444,561)	(2,284,639)	(444,561)
Non-Controlling Interest	-	-	-	-
	(2,284,639)	(444,561)	(2,284,639)	(444,561)

PARKWOOD HOLDINGS BERHAD-QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

Condensed Consolidated Statement of Comprehensive Income for the First Quarter Ended 31 March 2024 (Cont'd)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Quarter Ended 31.03.2024 RM	Preceding Year Corresponding Quarter RM	Current Year To-date Ended 31.03.2024 RM	Preceding Year Corresponding Period RM
Total comprehensive expenses attributable to:				
Owners of the Parent	(2,284,639)	(444,561)	(2,284,639)	(444,561)
Non-Controlling Interest	-	-	-	-
	<u>(2,284,639)</u>	<u>(444,561)</u>	<u>(2,284,639)</u>	<u>(444,561)</u>
	<u>sen</u>	<u>sen</u>	<u>sen</u>	<u>sen</u>
Loss per share:				
- basic (sen)	<u>(0.83)</u>	<u>(0.16)</u>	<u>(0.83)</u>	<u>(0.16)</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023.

PARKWOOD HOLDINGS BERHAD-QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

Condensed Consolidated Statement of Financial Position as at 31 March 2024

	As At 31.03.2024 (Unaudited) RM	As At 31.12.2023 (Audited) RM
NON-CURRENT ASSETS		
Equipment	78,155	80,040
Investment property	41,700,000	41,700,000
Right-of-use assets	548,118	626,421
Trade Receivables	2,325,583	2,288,558
Land held for property development	33,578,022	33,573,886
Other assets	42,060	42,060
Other investment	881,000	881,000
Total Non-Current Assets	79,152,938	79,191,965
CURRENT ASSETS		
Property development costs	38,020,361	37,856,191
Inventories	32,136,967	32,136,967
Trade and other receivables	10,115,805	4,912,377
Current tax assets	903,869	903,869
Fixed deposits with licensed bank	2,599,751	2,599,751
Short-term investments	10,587,174	8,499,681
Cash and bank balances	11,241,249	16,406,757
Total Current Assets	105,605,176	103,315,593
TOTAL ASSETS	184,758,114	182,507,558

PARKWOOD HOLDINGS BERHAD-QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

Condensed Consolidated Statement of Financial Position as at 31 March 2024 (Cont'd)

	As At 31.03.2024 (Unaudited) RM	As At 31.12.2023 (Audited) RM
EQUITY		
Share capital	46,239,324	46,239,324
Reserves	104,121,667	106,406,306
Treasury shares	(3,724,544)	(3,724,544)
Total Equity	146,636,447	148,921,086
NON-CURRENT LIABILITIES		
Lease liabilities	332,940	332,941
Borrowings	21,700,000	22,450,180
Retirement benefit obligations	81,744	81,744
Deferred tax liabilities	666,442	666,442
Total Non-Current Liabilities	22,781,126	23,531,307
CURRENT LIABILITIES		
Trade and other payables	6,446,809	7,833,652
Contract Cost Liabilities	6,000,610	-
Lease liabilities	236,950	313,599
Borrowings	2,583,639	1,835,381
Current tax liabilities	72,533	72,533
Total Current Liabilities	15,340,541	10,055,165
TOTAL LIABILITIES	38,121,667	33,586,472
TOTAL EQUITY AND LIABILITIES	184,758,114	182,507,558

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023.

Condensed Consolidated Statement of Changes in Equity for the Three Months Ended 31 March 2024

	Share Capital	Treasury Shares	Asset Revaluation Reserve	Capital Reserve	Retained Profit	Total Equity
	RM	RM	RM	RM	RM	RM
Balance as at 1 January 2023	46,239,324	(3,724,544)	24,539,768	48,208,750	37,858,115	153,121,413
Loss after taxation for the financial year	-	-	-	-	(4,200,327)	(4,200,327)
Balance as at 31 December 2023/1 January 2024	46,239,324	(3,724,544)	24,539,768	48,208,750	33,657,788	148,921,086
Loss after taxation for the financial period	-	-	-	-	(2,284,639)	(2,284,639)
Balance as at 31 March 2024	46,239,324	(3,724,544)	24,539,768	48,208,750	31,373,149	146,636,447

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023.

PARKWOOD HOLDINGS BERHAD-QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

Condensed Consolidated Statement of Cash Flows

	Current Year To-date Ended 31.03.2024 RM	Audited 2023 RM
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES		
Loss before taxation	(1,907,350)	(4,252,772)
Amortisation of club membership	-	364
Depreciation of equipment	8,411	49,829
Depreciation of right-of-use assets	78,303	487,495
Interest expense on lease liabilities	9,316	54,196
Interest expense on bridging loan	43,153	310,506
Interest expense on term loans	359,625	1,299,063
Interest expense on overdraft facility	315	131
Others interest expense	-	799,365
Dividend income	(49,081)	(161,291)
Fair value gain on short-term investments	(46,965)	(214,198)
Interest income	(210,171)	(335,984)
Operating loss before working capital changes	(1,714,444)	(1,963,296)
Increase in inventories	-	(32,136,967)
(Increase)/Decrease in property development costs	(164,170)	36,311,849
Decrease in contract costs	-	2,864,709
Decrease in contract assets	-	7,691,138
Increase in contract liabilities	6,000,609	-
Increase in trade and other receivables	(5,203,427)	(6,196,372)
(Decrease)/Increase in trade and other payables	(1,416,241)	1,860,081
CASH (FOR)/FROM OPERATIONS	(2,497,673)	8,431,142
Income tax paid	(377,289)	(897,010)
Interest paid	(315)	(131)
Tax refund received	-	90
NET CASH (FOR)/FROM OPERATING ACTIVITIES	(2,875,277)	7,534,091
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES		
Dividend received	49,081	161,291
Decrease/(Increase) in pledged bank balances with a licensed bank	218,220	(159,724)
Interest income received	173,147	335,984
Additional investment in short-term investment	46,965	214,198
Purchase of equipment	(6,527)	(2,499)
Purchase of land held for property development	(4,135)	(219,690)
Increase in pledged fixed deposits with licensed banks	-	(56,891)
Additional investment in other investment	-	(304,000)
NET CASH FROM/(FOR) INVESTING ACTIVITIES	476,751	(31,331)

PARKWOOD HOLDINGS BERHAD-QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

Condensed Consolidated Statement of Cash Flows (Cont'd)

	Current Year To-date Ended 31.03.2024 RM	Audited 2023 RM
CASH FLOWS FOR FINANCING ACTIVITIES		
Drawdown of bridging loan	-	2,485,318
Interest paid	(397,397)	(1,649,065)
Repayment of lease liabilities	(76,649)	(469,663)
Repayment of bridging loan	-	(3,406,841)
NET CASH FOR FINANCING ACTIVITIES	(474,046)	(3,040,251)
NET (DECREASE)/INCREASE IN CASH AND BANK BALANCES	(2,872,572)	4,462,509
CASH AND BANK BALANCES: -		
AT BEGINNING OF THE FINANCIAL PERIOD	20,839,894	16,377,385
AT END OF THE FINANCIAL PERIOD	17,967,322	20,839,894
CASH AND CASH EQUIVALENTS COMPRISE THE FOLLOWING: -		
Fixed deposits with licensed banks	2,599,751	2,599,751
Short-term investments	10,587,174	8,499,681
Cash and bank balances	11,241,249	16,406,757
Bank overdraft	(29,978)	(17,201)
	24,398,196	27,488,988
Less: Fixed deposits pledged with licensed bank	(2,599,751)	(2,599,751)
Less: Bank balances held in escrow	(308,403)	(549,382)
Less: Bank balances pledged with a licensed bank	(3,522,720)	(3,499,961)
	17,967,322	20,839,894

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statement for the year ended 31 December 2023.

NOTES TO THE INTERIM FINANCIAL REPORT

A1 Accounting Policies and Methods of Computation

The interim financial statements of the Group are unaudited and have been prepared under the historical cost convention and modified to include other bases of valuation, and in compliance with the requirements of Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards (“IFRS”), the requirements of the Companies Act 2016 in Malaysia and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”).

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

The accounting policies and methods of computation used in preparing the interim financial statements are consistent with those adopted for the audited financial statements for the year ended 31 December 2023, except for the adoption of the following new MFRSs and/or IC interpretations (including The Consequential Amendments) which became effective for the financial year beginning on or after 1 January 2024.

The Group has not applied the following MFRSs and Amendments to MFRSs, Issue Committee Interpretations (“IC Interpretations”) and Amendments to IC Interpretation that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective.

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group’s upon their application.

A2 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2023 was not qualified.

A3 Comments about Seasonal or Cyclical Factors

The business operations of the Group are not affected by seasonal or cyclical factors.

A4 Unusual Items Due to their Nature, Size or Incidence

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

A5 Material Changes in Estimates

There have been no significant changes in estimates used for the preparation of the interim financial statements.

A6 Debt and Equity Securities

There was no other issuance, cancellation, repurchase, resale and repayment of equity securities for the current financial year-to-date.

A7 Dividend Paid

There was no payment of dividend during the quarter.

PARKWOOD HOLDINGS BERHAD-QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

A8 Operating Segment Information

Segmental information for the financial period ended 31 March 2024 is as follows:

	Investment Holding RM	Property Development RM	Group RM
Revenue			
External revenue	614,631	-	614,631
Results			
Segment operating (loss)	(878,072)	(876,122)	(1,754,194)
Dividend income			49,081
Interest income			210,172
Finance costs			(412,409)
Income tax expense			(377,289)
Consolidated loss after taxation			(2,284,639)
Assets			
Segment assets	57,180,016	126,674,229	183,854,245
Current tax assets			903,869
Consolidated total assets			184,758,114
Liabilities			
Segment liabilities	1,863,181	35,519,511	37,382,692
Unallocated tax liabilities			738,975
Consolidated total liabilities			38,121,667

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

A9 Subsequent Events

Apart from the disclosure in note B6, there were no other material events after the end of the current period, up to the date of this announcement, that has not been reflected in the financial statements for the period ended 31 March 2024.

A10 Changes in Composition of the Group

There was no change in the composition of the Group during the quarter.

A11 Contingent Liabilities or Assets

There was no contingent liability and contingent assets for the Group as at end of the current quarter.

A12 Capital Commitments

There was no capital commitment for the Group at the end of the current quarter.

**EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B1 Review of Performance of the Group and Company

The Group recorded a total revenue of RM0.61 million for the first quarter ("Q1") of the year 2024 compared to the RM5.79 million reported in the previous corresponding quarter ("PCQ1"). This decrease was primarily attributed to the absence of property sales during the quarter under review.

As a result, the Group incurred a loss before tax of RM1.91 million in Q1 as compared to the RM0.36 million loss before tax recorded in PCQ1.

B2 Material Changes in the Group Quarterly Results Compared to the Results of the Preceding Quarter

The Group recorded a loss before tax of RM1.91 million in Q1 compared to a loss before tax of RM4.83 million in the preceding quarter. This reduction of losses was due to additional marketing expenses provided for the unsold units of Utamara Boutique Residences ("UBR") and the bonus provision in the preceding quarter.

B3 Prospects

The local property market in 2024 is expected to remain stable and grow at a gradual pace despite uncertainty on the global economic climate. With the inflation under control and the stabilisation of the interest rate, the investors interest has gradually improved leading to the increase in property market activities in recent months.

Under such circumstances, the Group will continue to unlock the sales of remaining units of UBR through various marketing initiatives while planning for the launches of its new projects.

B4 Profit Forecast or Profit Guarantee

This does not apply to the Group.

PARKWOOD HOLDINGS BERHAD-QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

B5 Taxation

	Current Quarter Ended 31.03.2024	Preceding Year Corresponding Quarter	Current Year To-date Ended 31.03.2024	Preceding Year Corresponding Period
	RM	RM	RM	RM
In respect of current period income tax	<u>(377,289)</u>	<u>(86,550)</u>	<u>(377,289)</u>	<u>(86,550)</u>
Tax expense	<u>(377,289)</u>	<u>(86,550)</u>	<u>(377,289)</u>	<u>(86,550)</u>

B6 Status of Corporate Proposals

There were no corporate proposals announced by the Company but not completed as at the date of this interim financial report.

B7 Group Borrowings and Debt Securities

The Group borrowings were as follows:

	The Group	
	2024	2023
	RM	RM
Borrowings (Secured)		
Current liabilities	2,583,638	1,835,381
Non-current liabilities	21,700,000	22,450,180
	<u>24,283,638</u>	<u>24,285,561</u>

B8 Pending Material Litigation

There is no material litigation which may materially affect the Group for the current quarter under review.

B9 Dividend Payable

No interim dividend has been declared for the financial period ended 31 March 2024.

PARKWOOD HOLDINGS BERHAD-QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

B10 Notes to the Condensed Consolidated Statement of Comprehensive Income

Total comprehensive income for the current quarter and financial year to date is arrived at after charging/(crediting) the following items:

	Current Quarter Ended 31.03.2024	Current Year To-date Ended 31.03.2024
	RM	RM
Interest income	(210,172)	(210,171)
Other income	(179,941)	(179,942)
Interest expense	412,409	412,408
Depreciation and amortisation	<u>86,714</u>	<u>86,714</u>

The above disclosure is prepared in accordance with paragraph 16 of Appendix 9B of the Main Listing Requirements (“MLR”) issued by Bursa Malaysia Securities Berhad. Except for the above, the rest of the items required for disclosures pursuant to paragraph 16 of MLR are not applicable to the Group.

B11 Profit/(loss) per Share

	Current Quarter Ended 31.03.2024	Preceding Year Corresponding Quarter	Current Year To-date Ended 31.03.2024	Preceding Year Corresponding Period
<u>Basic profit/(loss) per share</u>				
Profit/(Loss) for the financial period attributable to owners of the Parent (RM)	<u>(2,284,639)</u>	<u>(444,562)</u>	<u>(2,284,639)</u>	<u>(444,562)</u>
Weighted average number of ordinary shares in issue	<u>275,170,884</u>	<u>275,170,884</u>	<u>275,170,884</u>	<u>275,170,884</u>
Basic profit/(loss) per share (sen)	<u>(0.83)</u>	<u>(0.16)</u>	<u>(0.83)</u>	<u>(0.16)</u>