Quarterly rpt on consolidated results for the financial period ended 30 Sep 2024

GUOCOLAND (MALAYSIA) BERHAD

Financial Year End	30 Jun 2025
Quarter	1 Qtr
Quarterly report for the financial period ended	30 Sep 2024
The figures	have not been audited

Attachments

Q1 2025 Results.pdf
398.4 kB

Default Currency | Other Currency

Currency: **Malaysian Ringgit (MYR)**

SUMMARY OF KEY FINANCIAL INFORMATION
30 Sep 2024

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		30 Sep 2024	30 Sep 2023	30 Sep 2024	30 Sep 2023
		MYR'000	MYR'000	MYR'000	MYR'000
1	Revenue	60,335	119,153	60,335	119,153
2	Profit/(loss) before tax	5,504	8,993	5,504	8,993
3	Profit/(loss) for the period	2,621	5,129	2,621	5,129
4	Profit/(loss) attributable to ordinary equity holders of the parent	2,321	4,788	2,321	4,788
5	Basic earnings/(loss) per share (Subunit)	0.35	0.72	0.35	0.72
6	Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00
		AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7	Net assets per share attributable to ordinary equity holders of the parent	2.0618		2.0584	

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

Company Name	GUOCOLAND (MALAYSIA) BERHAD
Stock Name	GUOCO
Date Announced	12 Nov 2024
Category	Financial Results
Reference Number	FRA-12112024-00004

GuocoLand (Malaysia) Berhad (192001000022 (300-K))
A Member of the Hong Leong Group

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2024

The figures have not been audited

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

	3 months ended		Period-to-date ended	
	30.09.2024	**30.09.2023**	**30.09.2024**	**30.09.2023**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	60,335	119,153	60,335	119,153
Cost of sales	(36,806)	(90,931)	(36,806)	(90,931)
Gross profit	23,529	28,222	23,529	28,222
Selling and marketing expenses	(1,367)	(1,479)	(1,367)	(1,479)
Administrative expenses	(14,337)	(15,344)	(14,337)	(15,344)
Other net income	1,187	1,062	1,187	1,062
Profit from operations	9,012	12,461	9,012	12,461
Finance income	612	993	612	993
Finance costs	(5,647)	(6,528)	(5,647)	(6,528)
Share of results of associates and joint ventures	1,527	2,067	1,527	2,067
Profit before tax	5,504	8,993	5,504	8,993
Taxation	(2,883)	(3,864)	(2,883)	(3,864)
Profit for the period	**2,621**	**5,129**	**2,621**	**5,129**
Profit attributable to:				
Owners of the parent	2,321	4,788	2,321	4,788
Non-controlling interests	300	341	300	341
Profit for the period	**2,621**	**5,129**	**2,621**	**5,129**
Profit per share attributable to owners of the parent:				
a) Basic (sen)	0.346	0.715	0.346	0.715
b) Diluted (sen)	0.346	0.715	0.346	0.715

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to the interim financial statements.

GUOCOLAND (MALAYSIA) BERHAD (192001000022 (300-K))
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2024

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

	3 months ended		Period-to-date ended	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM'000	RM'000	RM'000	RM'000
Profit for the period, representing total comprehensive income for the period	**2,621**	**5,129**	**2,621**	**5,129**
Total comprehensive income attributable to:				
Owners of the parent	2,321	4,788	2,321	4,788
Non-controlling interests	300	341	300	341
Total comprehensive income for the period	**2,621**	**5,129**	**2,621**	**5,129**

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to the interim financial statements.

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

	Unaudited As at 30.09.2024 RM'000	Audited As at 30.06.2024 RM'000
Non-current assets		
Property, plant and equipment	290,858	292,716
Right-of-use assets	13,920	14,492
Investment properties	285,700	285,263
Inventories	148,914	148,914
Investments in associates	259,257	259,862
Investments in joint ventures	137,819	146,016
Other non-current assets	2,917	3,000
Goodwill	2,406	2,521
Deferred tax assets	23,377	22,009
	1,165,168	1,174,793
Current assets		
Inventories	621,282	631,222
Biological assets	235	405
Trade and other receivables	78,878	82,258
Contract assets	166,335	157,249
Contract cost assets	43,382	42,008
Other current assets	1,858	1,742
Tax recoverable	229	440
Cash and cash equivalents	101,231	101,213
	1,013,430	1,016,537
TOTAL ASSETS	2,178,598	2,191,330

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024 (cont'd)

	Unaudited As at 30.09.2024 RM'000	Audited As at 30.06.2024 RM'000
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	385,318	385,318
Reserves	1,019,735	1,017,414
Equity funds	1,405,053	1,402,732
Shares held by ESS Trust	(23,883)	(23,883)
	1,381,170	1,378,849
Non-controlling interests	71,798	71,498
TOTAL EQUITY	1,452,968	1,450,347
Non-current liabilities		
Trade and other payables	2,157	1,936
Loans and borrowings	307,015	291,691
Lease liabilities	12,797	13,212
Deferred tax liabilities	13,371	12,857
	335,340	319,696
Current liabilities		
Trade and other payables	193,427	197,930
Contract liabilities	13,438	10,318
Loans and borrowings	176,716	204,198
Lease liabilities	2,012	2,117
Tax payable	4,697	6,724
	390,290	421,287
TOTAL LIABILITIES	725,630	740,983
TOTAL EQUITY AND LIABILITIES	2,178,598	2,191,330
Net assets per share attributable to ordinary owners of the parent (RM)	2.0618	2.0584

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to the interim financial statements.

GUOCOLAND (MALAYSIA) BERHAD (192001000022 (300-K))
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2024

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

	← Attributable to owners of the parent →								
	← Non-Distributable →					Distributable			
	Share capital RM'000	Shares held by ESS Trust RM'000	Merger reserve RM'000	Exchange reserve RM'000	Other reserve RM'000	Retained profits RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Current period-to-date									
At 1 July 2024	385,318	(23,883)	(24,028)	-	27	1,041,415	1,378,849	71,498	1,450,347
Total comprehensive income for the period	-	-	-	-	-	2,321	2,321	300	2,621
As At 30 September 2024	385,318	(23,883)	(24,028)	-	27	1,043,736	1,381,170	71,798	1,452,968

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024 (cont'd)

	← Attributable to owners of the parent →								
	← Non-Distributable →					Distributable			
	Share capital RM'000	Shares held by ESS Trust RM'000	Merger reserve RM'000	Exchange reserve RM'000	Other reserve RM'000	Retained profits RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Preceding year's corresponding period									
At 1 July 2023	385,318	(23,883)	(24,028)	106	27	1,000,296	1,337,836	76,250	1,414,086
Total comprehensive income for the period	-	-	-	-	-	4,788	4,788	341	5,129
Dividend paid	-	-	-	-	-	-	-	(6,153)	(6,153)
As At 30 September 2023	385,318	(23,883)	(24,028)	106	27	1,005,084	1,342,624	70,438	1,413,062

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to the interim financial statements.

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

	Period-to-date ended	
	30.09.2024	**30.09.2023**
	RM'000	**RM'000**
Cash flows from operating activities		
Profit before tax	**5,504**	**8,993**
Adjustments for:		
Allowance for impairment on trade and other receivables	78	74
Depreciation of property, plant and equipment	1,879	2,407
Depreciation of right-of-use assets	572	545
Loss on fair value of biological assets	170	-
Interest expense	5,647	6,528
Interest income	(612)	(993)
Net gain on fair value adjustments of investment properties	(437)	-
Realisation of goodwill	115	-
Share of results of associates and joint ventures	(1,527)	(2,067)
Unrealised profit arising from transactions with joint ventures and associates	(48)	(127)
Operating profit before working capital changes	11,341	15,360
Working capital changes:		
Inventories	9,940	7,694
Trade and other receivables	5,225	16,947
Contract assets	(9,086)	(73,602)
Contract cost assets	(1,374)	6,784
Trade and other payables	(4,273)	10,857
Contract liabilities	3,120	5,495
Associates and joint ventures balances	(716)	(636)
Related company balances	(1,249)	(619)
Cash flow generated from/(used in) operations	12,928	(11,720)
Interest received	59	46
Interest paid	(5,462)	(6,329)
Interest paid on lease liabilities	(185)	(199)
Tax paid	(5,553)	(2,894)
Net cash flows generated from/(used in) operating activities	1,787	(21,096)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024 (cont'd)

	Period-to-date ended	
	30.09.2024	**30.09.2023**
	RM'000	**RM'000**
Cash flows from investing activities		
Acquisitions of property, plant and equipment	(21)	(78)
Dividend income from associate	1,259	-
Dividend income from joint ventures	9,118	-
Interest received	553	947
Net cash flows generated from investing activities	10,909	869
Cash flows from financing activities		
Bank borrowings drawdown	47,445	46,471
Repayment of bank borrowings	(59,603)	(66,330)
Repayment of principal portion of lease liabilities	(520)	(515)
Dividend paid to non-controlling interest	-	(6,153)
Net cash flow used in financing activities	(12,678)	(26,527)
Net increase/(decrease) in cash and cash equivalents	18	(46,754)
Cash and cash equivalents at beginning of the financial period	101,213	169,207
Cash and cash equivalents at end of the financial period	101,231	122,453

Cash and cash equivalents comprise the following:

	30.09.2024	**30.09.2023**
	RM'000	**RM'000**
Deposits, cash and bank balances	101,231	122,453

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to the interim financial statements.

The figures have not been audited

NOTES

1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2024 ("FY2024"). The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since FY2024.

The accounting policies and presentation adopted for this Unaudited Condensed Consolidated Interim Financial Information are mainly consistent with those of the Group's audited financial statements for FY2024.

The standards, amendments to MFRSs and interpretations that are issued but not yet effective up to the date of issuance of the Group's and of the Company's financial statements are disclosed below. The Group intend to adopt these standards, if applicable, when they become effective.

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

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

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

Amendments to MFRS 121	Lack of Exchangeability

Effective for financial periods beginning on or after 1 January 2026:

Amendments to MFRS 9 and MFRS 7	Classification and Measurement of Financial Instruments
Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
Amendments to MFRS 7	Financial Instruments: Disclosures
Amendments to MFRS 9	Financial Instruments
Amendments to MFRS 10	Consolidated Financial Statements
Amendments to MFRS 107	Statement of Cash Flows

1. Basis of preparation (cont'd)

Effective for financial periods beginning on or after 1 January 2027:

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19	Subsidiaries without Public Accountability: Disclosures

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

The adoption of the above is not expected to have significant impact on the financial statements to the Group.

2. Qualification of audit report of the preceding annual financial statements

The audit report for the preceding annual financial statements was not subject to any qualification.

3. Seasonality or cyclicality of interim operations

The Group's interim operations were not materially affected by any seasonal or cyclical factors for the current quarter under review.

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial period ended 30 September 2024.

5. Changes in estimates of amounts reported in prior interim periods of the current financial period or in prior financial periods

There were no changes in estimates of amounts reported in prior financial periods that have had a material effect in the current financial period.

6. Issues, repurchases and repayments of debt and equity securities

There were no additional shares purchased by the trust set up for the Executive Share Scheme ("ESS Trust") during the current financial period under review. As at reporting date, a total of 30,578,100 shares of the Company were held by the ESS Trust.

Save as detailed above, there were no other issues, repurchases and repayments of debts and equity securities during the current financial period.

7. Dividend paid

No dividend was paid during the current quarter.

8. Segmental reporting

The Group's segmental report is as follows:

Financial Period Ended 30.09.2024

	Property development RM'000	Property investment RM'000	Hotel RM'000	Plantations RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue							
External sales	36,852	4,575	13,944	3,321	1,643	-	60,335
Inter-segment sales	-	17	-	-	5,869	(5,886)	-
Total revenue	36,852	4,592	13,944	3,321	7,512	(5,886)	60,335
Results							
Segment results	8,356	1,681	313	1,457	28,002	(30,797)	9,012
Finance income	379	31	18	91	668	(575)	612
Finance costs	(1,496)	(1,396)	(1,609)	-	(1,603)	457	(5,647)
Share of results of associates	(311)	659	-	358	-	-	706
Share of results of joint ventures	821	-	-	-	-	-	821
Income tax	(2,204)	(131)	-	(413)	(135)	-	(2,883)
Profit for the financial period							2,621

Segmental reporting by geographical location has not been prepared as the Group's operations are substantially carried out in Malaysia.

9. Valuations of property, plant and equipment and investment properties

The valuations of property, plant and equipment and investment properties were brought forward without any amendments from the previous annual financial statements, except for the adjustment to certain cost incurred for the investment properties.

10. Material subsequent events not reflected in the financial statements

There were no material subsequent events not reflected in the financial statements.

11. Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter under review, including business combinations, acquisition or disposal of subsidiaries and long-term investments, and restructuring.

12. Review of performance

Performance of the current quarter against the immediate preceding year's corresponding quarter.

The Group reported revenue of RM60.3 million and profit before tax of RM5.5 million for the current quarter under review as compared to revenue of RM119.2 million and profit before tax of RM9.0 million in the preceding year's corresponding quarter. The lower Group revenue is mainly due to reduced contribution from the property development division which was partially offset by better performance in the hospitality and property investment division.

In the preceding year's corresponding quarter, contribution from the property development division was higher mainly due to the completion of the first phase of Emerald 9 project in Cheras.

The performance of the hospitality division improved in the quarter under review with higher occupancy and better average room rates. The performance of the property investment division also saw improvement with increased average rental rates and better cost management in our DC Mall.

The Group incurred lower administrative expenses and finance costs as compared to the preceding year's corresponding quarter. The lower shares of results of associates and joint ventures were mainly due to lower contribution from Rawang projects following the completion of Mallow Lakepark Homes and Garland Residence 1 and 2 in the previous financial year, partially offset with higher contribution from Tower Real Estate Investment Trust ("Tower REIT") through improved occupancy and average rental rate in the current quarter.

13. Material change in profit before tax for the current quarter compared with the immediate preceding quarter

The Group recorded a profit before tax in the current quarter of RM5.5 million as compared to a profit before tax of RM45.1 million in the immediate preceding quarter. The decrease was mainly attributed to the lower contribution from the property development division during the quarter. Furthermore, the higher profit generated in the immediate preceding quarter was due to the fair value gain for investment properties of RM3.6 million and a one-off net gain arising from accretion interest in Tower REIT of RM37.3 million respectively.

14. Prospects

Malaysia's economy is expected to continue growing for the remainder of this year, driven by resilient domestic expenditure with recovery in external demand. On the domestic front, continued employment and wage growth especially from the government sector will stimulate household spending. Headline inflation is expected to remain moderate for the remainder of 2024 underpinned by the recent strength of the Malaysian Ringgit. Challenges, however, remain in the domestic property sector from elevated interest rates and rising construction costs leading to depressed profit margin. Property sales remain challenging due to an oversupply of properties in different markets and segments. The Group's key focus remains on the timely completion of its on-going development projects, monetisation of its inventories and prudent financial management to navigate the evolving market environment. New product launches will be phased in line with the prevailing local market conditions. Furthermore, the Group remains vigorous in reviewing the development plans of its existing landbank to ensure their marketability and relevance as well as seeking acquisitions for expansion.

15. Profit forecast/Profit guarantee

Not applicable.

16. Profit before tax

Included in profit for the financial period:	3 months ended		Period-to-date	
	30.09.2024 RM'000	30.09.2023 RM'000	30.09.2024 RM'000	30.09.2023 RM'000
Allowance for impairment on trade and other receivables	78	74	78	74
Depreciation of property, plant and equipment	1,879	2,407	1,879	2,407
Depreciation of right-of-use assets	572	545	572	545
Loss on fair value of biological assets	170	-	170	-
Net gain on fair value adjustments of investment properties	(437)	-	(437)	-
Realisation of goodwill	115	-	115	-

Other than the above items, there was no allowance for impairment of inventories, gain or loss on disposal of investment properties, impairment of other assets and other exceptional items for the financial period ended 30 September 2024.

17. Taxation

Taxation comprises:

	3 months ended		Period-to-date	
	30.09.2024 RM'000	30.09.2023 RM'000	30.09.2024 RM'000	30.09.2023 RM'000
Current income tax:				
- Malaysian income tax	2,278	3,957	2,278	3,957
- Underprovision in prior financial period	531	218	531	218
	2,809	4,175	2,809	4,175
Deferred tax:				
- Relating to origination and reversal of temporary differences	(58)	(69)	(58)	(69)
- Under/(over)provision in prior financial period	132	(242)	132	(242)
	74	(311)	74	(311)
Taxation	2,883	3,864	2,883	3,864

The Group's effective tax rate for the current financial period were higher than the statutory tax rate is mainly due to certain expenses being not deductible for tax purposes and losses incurred by certain subsidiaries which were not available to set off against taxable profits in other companies within the Group.

18. Corporate proposals

There is no other outstanding corporate proposal announced but not completed as at the date of this report.

19. Group's borrowings and debt securities

Particulars of the Group's borrowings as at 30 September 2024 are as follows:

	RM'000
Short term borrowings	
Secured	36,616
Unsecured	140,100
	176,716
Long term borrowings	
Secured	307,015
Total borrowings	483,731

The above borrowings are all denominated in Ringgit Malaysia.

20. Changes in material litigation

Not applicable.

21. Dividend

The Board does not recommend any interim dividend for the financial period ended 30 September 2024.

22. Profit per share

Basic EPS

The basic profit per share are calculated based on the net profit attributable to ordinary shareholders for the financial period divided by the weighted average number of ordinary shares:

	3 months ended		Period-to-date ended	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
Net profit attributable to ordinary shareholders for the financial period (RM'000)	2,321	4,788	2,321	4,788
Weighted average number of shares ('000)	669,880	669,880	669,880	669,880
Basic profit per share (sen)	0.346	0.715	0.346	0.715

Diluted EPS

The Group has no dilution in its EPS for the financial period under review as there are no dilutive potential ordinary shares.

The figures have not been audited

23. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 30 June 2024 was not subject to any qualification.

By Order of the Board
GuocoLand (Malaysia) Berhad

CHIN MIN YANN
LEE SOW YEANG
Company Secretaries

Kuala Lumpur
12 November 2024