ASTAKA HOLDINGS LIMITED
(Company Registration No.: 200814792H)
(Incorporated in the Republic of Singapore)

Unaudited Condensed Interim Consolidated Financial Statements for the Second Quarter and Six-Month Period ended 30 June 2024

The board of directors (the "**Board**" or "**Directors**") of Astaka Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") is pleased to announce the unaudited condensed interim consolidated financial statements of the Group for the second quarter and six-month financial period ended 30 June 2024. Such quarterly reporting announcement is pursuant to the Singapore Exchange Securities Trading Limited's (the "**SGX-ST**") requirement following the Company's resumption of trading on 27 December 2023, as required under Rule 705(2C) of the SGX-ST Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**").

A. Condensed consolidated statement of profit or loss and other comprehensive income

		Group					
		3 months ended			6 months ended		
		30/06/2024	30/06/2023	Change	30/06/2024	30/06/2023	Change
		(Unaudited)		%	(Unaudited)		%
	Note	RM'000	RM'000		RM'000	RM'000	
Revenue	4	22,553	16,098	40.1	33,030	32,256	2.4
Cost of sales		(18,878)	(11,447)	64.9	(28,102)	(24,699)	13.8
Gross profit		**3,675**	**4,651**	**(21.0)**	**4,928**	**7,557**	**(34.8)**
Other income	6	97	1,360	(92.9)	222	2,258	(90.2)
Selling and distribution expenses		(1,629)	(878)	85.5	(2,572)	(1,349)	90.7
Administrative expenses		(4,288)	(4,039)	6.2	(8,408)	(7,521)	11.8
Other expenses		(90)	(560)	(83.9)	(79)	(368)	(78.5)
Results from operating activities		**(2,235)**	**534**	**n.m.**	**(5,909)**	**577**	**n.m.**
Finance income	6	92	37	>100	127	774	(83.6)
Finance costs	6	(240)	(312)	(23.1)	(485)	(972)	(50.1)
Net finance costs		**(148)**	**(275)**	**(46.2)**	**(358)**	**(198)**	**80.8**
(Loss)/Profit before income tax		**(2,383)**	**259**	**n.m.**	**(6,267)**	**379**	**n.m.**
Tax (expense)/credit		-	-	n.a	-	-	n.a
(Loss)/Profit for the period, representing total comprehensive (loss)/income for the period		**(2,383)**	**259**	**n.m.**	**(6,267)**	**379**	**n.m.**
Total comprehensive (loss)/income attributable to:							
Owners of the Company		(1,820)	119	n.m.	(5,237)	586	n.m.
Non-controlling interests		(563)	140	n.m.	(1,030)	(207)	>100
Total comprehensive (loss)/income for representing total comprehensive (loss)/ income for the period		**(2,383)**	**259**	**n.m.**	**(6,267)**	**379**	**n.m.**
(Loss)/Earnings per share							
Basic and diluted (loss)/earnings per share (RM'sen per share)		**(0.10)**	**0.01**	**n.m.**	**(0.28)**	**0.03**	**n.m.**

n.m. – not meaningful
n.a. – not applicable

The basic and fully diluted earnings per share (calculated based on the weighted average number of ordinary shares in issue) were the same as there were no potentially dilutive ordinary shares in issue as at 30 June 2024 and 30 June 2023.

B. Condensed statements of financial position

	Note	Group		Company	
		30/06/2024 (Unaudited) RM'000	31/12/2023 (Audited) Note A RM'000	30/06/2024 (Unaudited) RM'000	31/12/2023 (Audited) Note A RM'000
Assets					
Property, plant and equipment	8	311	458	-	-
Investment in subsidiaries	9	-	-	85,000	85,000
Non-current assets		311	458	85,000	85,000
Development properties	10	220,860	245,173	-	-
Trade and other receivables		13,940	9,245	66	5
Amount due from related parties		1,438	1,438	-	-
Tax recoverable		672	648	-	-
Cash and cash equivalents		13,036	16,486	364	642
Current assets		249,946	272,990	430	647
Total assets		**250,257**	**273,448**	**85,430**	**85,647**
Equity					
Share capital	11	259,384	259,384	1,455,079	1,455,079
Merger reserve		(10,769)	(10,769)	-	-
Capital reserve		-	-	1,419	1,419
Accumulated losses		(170,930)	(165,693)	(1,374,845)	(1,374,803)
Equity attributable to owners of the Company		77,685	82,922	81,653	81,695
Non-controlling interests		(1,518)	(488)	-	-
Total equity		**76,167**	**82,434**	**81,653**	**81,695**
Liabilities					
Trade and other payables	13	93,091	109,235	375	537
Amounts due to related parties		69,177	69,634	3,402	3,415
Lease liabilities	12	51	234	-	-
Borrowings	14	11,771	11,911	-	-
Current liabilities		174,090	191,014	3,777	3,952
Total liabilities		**174,090**	**191,014**	**3,777**	**3,952**
Total equity and liabilities		**250,257**	**273,448**	**85,430**	**85,647**

Note A:

Differences between the figures set out herein and the figures set out in the Company's annual report for the financial year ended 31 December 2023 are due to rounding.

C. Condensed statement of changes in equity

Group
(Unaudited)

	Share capital RM'000	Merger reserve RM'000	Accumulated losses RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Balance as at 1 January 2024	**259,384**	**(10,769)**	**(165,693)**	**82,922**	**(488)**	**82,434**
Total comprehensive loss for the period	-	-	(5,237)	(5,237)	(1,030)	(6,267)
Balance as at 30 June 2024	**259,384**	**(10,769)**	**(170,930)**	**77,685**	**(1,518)**	**76,167**

Group
(Unaudited)

	Share capital RM'000	Merger reserve RM'000	Accumulated losses RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Balance as at 1 January 2023	259,384	(10,769)	(168,766)	79,849	2,140	81,989
Total comprehensive income/(loss) for the period	-	-	586	586	(207)	379
Balance as at 30 June 2023	**259,384**	**(10,769)**	**(168,180)**	**80,435**	**1,933**	**82,368**

Company
(Unaudited)

	Share capital RM'000	Capital reserve RM'000	Accumulated losses RM'000	Total equity RM'000
Balance as at 1 January 2024	**1,455,079**	**1,419**	**(1,374,803)**	**81,695**
Total comprehensive loss for the period	-	-	(42)	(42)
Balance as at 30 June 2024	**1,455,079**	**1,419**	**(1,374,845)**	**81,653**

Company
(Unaudited)

	Share capital RM'000	Capital reserve RM'000	Accumulated losses RM'000	Total equity RM'000
Balance as at 1 January 2023	1,455,079	1,419	(1,359,525)	96,973
Total comprehensive loss for the period	-	-	(145)	(145)
Balance as at 30 June 2023	**1,455,079**	**1,419**	**(1,359,670)**	**96,828**

D. Condensed consolidated statement of cash flows

	Note	Group 6 months ended 30/06/2024 (Unaudited) RM'000	30/06/2023 (Unaudited) RM'000
Cash flows from operating activities			
(Loss)/Profit before income tax		(6,267)	379
Adjustments for:			
Adjustment to accrued interest	6.1	-	(638)
Depreciation of property, plant and equipment	6.1	232	218
Gain on disposal of asset held for sales	6.1	-	(598)
Interest expense	6.1	485	972
Interest income	6.1	(69)	(136)
Late payment interest charge to purchaser	6.1	(58)	-
Reversal of foreseeable loss on development properties	10	(4,935)	(2,910)
Reversal of liquidated ascertained damages	6.1	-	(357)
Unrealised gain on foreign exchange		(2)	(9)
Total operating cash flows before movements in working capital		(10,614)	(3,079)
Changes in working capital:			
Development properties		29,248	26,093
Contract assets		-	1,146
Trade and other receivables		(4,637)	(10,892)
Trade and other payables		(16,066)	(12,142)
Cash (used in)/generated from operations		(2,069)	1,126
Tax paid		(24)	(70)
Net cash (used in)/generated from operating activities		**(2,093)**	**1,056**
Cash flows from investing activities			
Acquisition of property, plant and equipment	9	(85)	(72)
Decrease in fixed deposit pledged		-	940
Interest received		69	136
Proceeds from the asset held for sale		-	52,200
Net cash (used in)/generated from investing activities		**(16)**	**53,204**
Cash flows from financing activities			
Advances from affiliated corporations		2,352	158
Advances from a controlling shareholder		-	1,000
Interest paid		(495)	(7,666)
Repayment to affiliated corporations		(3,000)	(19,580)
Repayment to controlling shareholder		-	(20,423)
Repayment to lease liabilities		(63)	(75)
Net cash used in financing activities		**(1,206)**	**(46,586)**
Net (decrease)/increase in cash and cash equivalents		**(3,315)**	**7,674**
Cash and cash equivalents at the beginning of period		4,245	(6,096)
Effect of exchange rate fluctuation on cash held		5	1
Cash and cash equivalents at the end of period		**935**	**1,579**

For the purposes of representing the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group 30/06/2024 (Unaudited) RM'000	30/06/2023 (Unaudited) RM'000
Cash and cash equivalents	13,036	13,977
(-) Bank overdrafts	(11,771)	(11,966)
(-) Fixed deposit pledged	(330)	(432)
Cash and cash equivalents per consolidated statement of cash flows	**935**	**1,579**

E. Notes to the condensed interim consolidation financial statements

1 Corporate information

Astaka Holdings Limited is incorporated in Singapore and listed on the Catalist Board of the SGX-ST. These condensed interim consolidated financial statements as at and for the second quarter and six-month financial period ended 30 June 2024 comprise the Company and its subsidiaries. The principal activity of the Company is that of investment holding and the principal activity of the Group is property development.

2 Basis of preparation

The condensed consolidated financial statements for the for the second quarter and six-month financial period ended 30 June 2024 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2023.

The condensed interim consolidated financial statements are presented in Malaysian Ringgit ("**RM**") which is the functional currency of the Company.

The Group recorded a net loss of RM6.27 million for the six-month financial period ended 30 June 2024 (30 June 2023: net profit of RM0.38 million) and, as of 30 June 2024, the Group reported net current assets of RM75.86 million (31 December 2023: RM81.98 million) for which current assets include development properties amounting to RM220.86 million (31 December 2023: RM245.17 million), representing the completed properties held for sale and properties in the course of development.

- As the Group's latest project, The Aliva @ Mount Austin ("**The Aliva**"), is in its early stages of construction, such revenue from the project has yet to be recognised. On 29 May 2024, the Group has received an offer letter from a bank for banking facility for The Aliva ("**Banking Facility**"). Dato' Dr. Daing A Malek Bin Daing A Rahaman ("**Dato' Malek**") has provided a letter of undertaking to provide cash flow support throughout the duration of the Banking Facility in the event of a shortfall in the repayment of the principal sum or to cover any cost overruns related to the construction of The Aliva.

- The Group received continued support from stakeholders and the controlling shareholder of the Company, Dato' Malek. In addition, Dato' Malek has agreed not to demand repayment for the amount owing to him and his related companies until the financial resources of the Group and the Company permit and to continue to provide financial support to the Group and the Company to enable it to meet its financial obligations for next 18 months from the audited financial statements dated 28 March 2024 so that the Group and the Company will continue as a going concern in the foreseeable future.

Therefore, the Board believes that the Group and the Company will be able to continue operations in the foreseeable future and there is no material uncertainty on the ability of the Group and the Company to continue as a going concern.

2.1 New and amended standards adopted by the Group

The Group has adopted all the new and revised Singapore Financial Reporting Standards (International) ("**SFRS(I)**") including related Interpretations of SFRS(I) ("**SFRS(I) INT**") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2024. The adoption of these new or revised SFRS(I)s and SFRS(I) INTs did not result in changes to the Group's and Company's accounting policies and has no material effect on the current or prior year's financial statement and is not expected to have a material effect on future periods.

2.2. Use of judgements and estimates

In preparing the condensed interim consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

2.2.1 Critical judgements made in applying the Group's accounting policies

Management is of the opinion that there is no critical judgement that has a significant effect on the amounts recognised in the financial statements.

2.2.2 Key sources of estimation uncertainty

Estimation of allowance for foreseeable losses for development properties

The Group assesses at every reporting date whether there is any allowance for foreseeable losses. The allowance for foreseeable losses is estimated after taking into account estimated selling prices and estimated total construction costs and costs to sell. The estimated selling prices are based on prevailing market trends in relation to the recent transacted of comparable properties in Malaysia. The estimated total construction costs are based on future costs to complete the projects and development plans of the Group, taking into consideration available industry data, status of construction progress, deviation in design plans, cost overruns and current market factors.

Based on the assessment, there is a reversal of allowance for foreseeable losses on development properties of RM4,935,000 (30 June 2023: RM2,910,000) during the six-month financial period ended 30 June 2024.

Measurement of Expected Credit Losses ("ECL") of trade receivables

The Group uses an allowance matrix to measure ECL for trade receivables. The ECL rates are based on the Group's historical loss experience of the customers, for the last 3 years prior to the reporting date for various customer groups that are assessed by adjusted for forward looking factors specific to the debtors and the economic environment which could affect the ability of the debtors to settle the trade receivables. In considering the impact of the economic environment on the ECL rates, the Group assesses, for example, the gross domestic production growth rates of the country (i.e. Malaysia). The Group adjusts, as necessary, the allowance matrix at each reporting date. Such estimation of the ECL rates may not be representative of the actual default in the future. The expected loss allowance on the Group's trade receivables as at 30 June 2024 was RM Nil (31 December 2023: RM Nil).

Provision for income taxes

The Group has exposure to income taxes in several jurisdictions of which a portion of these taxes arose from certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities expected tax issues based on their best estimates of the likely taxes due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amount of the Group's income tax as at 30 June 2024 was tax recoverable of RM672,000 (31 December 2023: tax recoverable of RM648,000).

Impairment of investment in subsidiaries

At the end of each financial year, an assessment is made on whether there are indicators that the Company's investment in subsidiaries is impaired or that an impairment loss recognised in prior periods may no longer exist or may have decreased. Where applicable, the Company's and Group's determination of the recoverable value is based on the estimation of the value-in-use of the applicable assets as defined in SFRS(I) 1-36 *Impairment of Assets* by forecasting the expected future cash flows for a period up to 5 years, using a suitable discount rate in order to calculate the present value of those cash flows. The Company's carrying amounts of investment in subsidiaries as at 30 June 2024 was RM85,000,000 (31 December 2023: RM85,000,000).

3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4 Segment and revenue information

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors. The Board of Directors is responsible for allocating resources and assessing performance of the operating segments. The operating segments were determined based on the reports reviewed by management.

Geographic market information in relation to revenue of the Group is not presented as the Group's revenue is derived from Malaysia only.

Management considers that the entire Group's operations constitute a single segment which is in the business of property development in Malaysia. Management assesses the performance of the Group's operations based on the profit before tax, total assets and total liabilities which are measured in a manner consistent with that of the consolidated financial statements.

In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments is not applicable, as the Group only operates in a single segment.

4.1 Revenue

	3 months ended		6 months ended	
	30/06/2024 (Unaudited) RM'000	**30/06/2023 (Unaudited) RM'000**	**30/06/2024 (Unaudited) RM'000**	**30/06/2023 (Unaudited) RM'000**
Revenue from sale of development properties				
- transferred at a point in time	22,553	16,098	33,030	32,256

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 30 June 2024 and 31 December 2023.

		Group		Company	
	Note	**31/06/2024 (Unaudited) RM'000**	**31/12/2023 (Audited) RM'000**	**31/06/2024 (Unaudited) RM'000**	**31/12/2023 (Audited) RM'000**
Financial assets at amortised cost					
Trade and other receivables (excluding prepayment and advance payment)		13,526	9,008	-	-
Amount due from related parties		1,438	1,438	-	-
Cash and cash equivalents		13,036	16,486	364	642
		28,000	26,932	364	642

	Note	Group		Company	
		31/06/2024 (Unaudited) RM'000	31/12/2023 (Audited) RM'000	31/06/2024 (Unaudited) RM'000	31/12/2023 (Audited) RM'000
Financial liabilities at amortised cost					
Trade and other payables	13	(93,091)	(109,235)	(375)	(537)
Amount due to related parties		(69,177)	(69,634)	(3,402)	(3,415)
Borrowings	14	(11,771)	(11,911)	-	-
Lease liabilities	12	(51)	(234)	-	-
		(174,090)	(191,014)	(3,777)	(3,952)

6 (Loss)/Profit before income tax

6.1 Significant items

	Group			
	3 months ended		6 months ended	
	30/06/2024 (Unaudited) RM'000	30/06/2023 (Unaudited) RM'000	30/06/2024 (Unaudited) RM'000	30/06/2023 (Unaudited) RM'000
Other income				
Gain on disposal of asset held for sales	-	598	-	598
Project marketing consultancy service fee	29	730	87	786
Rental income	61	13	121	27
Jobs growth incentive received	-	16	-	33
Reversal of provision for Social Projects Fund Contribution (the "**SPF Contribution**")	-	-	-	800
Finance income				
Adjustment to accrued interest	-	-	-	638
Interest income	34	37	69	136
Late payment interest charge to purchaser	58	-	58	-
Finance costs				
Interest expense	240	312	485	972
Expenses				
Manpower cost, including directors' remuneration and directors' fee	2,016	1,760	3,819	3,345
Operating lease expense	127	120	245	239
Depreciation of property, plant and equipment	118	109	232	218
Loss/(Gain) on foreign exchange	89	(1)	65	5
Adjustment in final project costing	-	(2,464)	-	(2,464)
Reversal of foreseeable loss on development properties sold at above carrying amount	(3,474)	(1,655)	(4,935)	(2,910)
Reversal of liquidated ascertained damages	-	-	-	(357)
Waiver of late payment interest charge to purchaser	-	68	-	153
Waiver of forfeiture of payment to purchaser	-	491	-	169

6.2 Significant related party transactions

In addition to the related party information disclosed elsewhere in the condensed interim consolidated financial statements, the following significant transactions took place between the Group and related parties during the financial period on terms agreed between the parties concerned:

	Group			
	3 months ended		6 months ended	
	30/06/2024 (Unaudited) RM'000	30/06/2023 (Unaudited) RM'000	30/06/2024 (Unaudited) RM'000	30/06/2023 (Unaudited) RM'000
Affiliated corporations				
Rental expenses	62	62	124	113
Interest expenses	-	13	-	71
Land costs paid/payable	151	153	392	158
A controlling shareholder of the Company				
Advances from	-	-	-	1,000
Rental expenses	41	41	82	82
Interest expenses	-	99	-	495

7 Net asset value

	Group		Company	
	30/06/2024 (Unaudited) RM'000	31/12/2023 (Audited) RM'000	30/06/2024 (Unaudited) RM'000	31/12/2023 (Audited) RM'000
Net Asset Value[1] ("**NAV**") (RM'000)	77,685	82,922	81,653	81,695
Number of ordinary shares in issue	1,869,434,303	1,869,434,303	1,869,434,303	1,869,434,303
NAV per ordinary share (RM'sen)	4.16	4.44	4.37	4.37

Note:

(1) NAV attributable to owners of the Company.

8 Property, plant and equipment

During the financial period ended 30 June 2024, the Group acquired assets amounting to RM85,000 (31 December 2023: RM153,000).

9 Investment in subsidiaries

	Company	
	30 June 2024 (Unaudited) RM'000	31 December 2023 (Audited) RM'000
Unquoted equity shares, at cost	1,229,000	1,229,000
Less: Impairment loss	(1,144,000)	(1,144,000)
Carrying amount	85,000	85,000

The movement in allowance for impairment loss on investment in subsidiaries during the period/year is as follows:

	Company	
	30 June 2024 (Unaudited) RM'000	31 December 2023 (Audited) RM'000
At beginning of the period/year	1,144,000	1,129,000
Addition	-	15,000
At end of the period/year	1,144,000	1,144,000

10 Development properties

	Group	
	30 June 2024 (Unaudited) RM'000	31 December 2023 (Audited) RM'000
Completed properties held for sale:		
- completed properties	70,754	98,542
Properties in the course of development (on-going projects):		
- properties for development representing mainly development costs, at cost	150,106	146,631
	220,860	245,173

Completed properties held for sale

The amount relates primarily to costs attributable to the completed properties held for sale.

	Group	
	30 June 2024 (Unaudited) RM'000	31 December 2023 (Audited) RM'000
Completed properties held for sale:		
- aggregate costs incurred	71,785	104,508
- allowance for foreseeable losses	(1,031)	(5,966)
	70,754	98,542

The movement in allowance for foreseeable losses on development properties during the period/year is as follows:

	Group	
	30 June 2024 (Unaudited) RM'000	31 December 2023 (Audited) RM'000
At beginning of the period/year	5,966	12,221
Reversal of foreseeable loss on development properties sold at above carrying amount	(4,935)	(6,255)
At end of the period/year	1,031	5,966

Securities

On 12 April 2017, a subsidiary of the Company, Astaka Padu Sdn Bhd ("**APSB**") entered into a loan agreement with China State Construction Engineering (M) Sdn Bhd ("**CSCE**") and as a security under the loan agreement, a lien holder caveat has been created on certain lands owned by Saling Syabas Sdn Bhd ("**SSSB**"), non-controlling shareholder of Bukit Pelali Properties Sdn Bhd ("**BPPSB**"). SSSB is owned by the controlling shareholder of the Company, Dato' Malek. The said lands are located in Bukit Pelali, Pengerang, Johor, Malaysia, which the Group has the sole and exclusive development rights to develop its development properties. On 29 November 2021, APSB and CSCE have entered into a settlement agreement and on 29 December 2023, APSB and CSCE have entered into a supplementary agreement to vary certain terms and conditions of the settlement agreement, which include clauses in relation to the defects retention sum, other retention sum and accrued interest and 4 land parcels remain secured to CSCE. As at 30 June 2024, the Group had incurred and recorded RM38,673,601 (31 December 2023: RM38,293,465) in development properties for the share of master infrastructure costs on the said lands.

For more details, please refer to Note 13 of this announcement.

11 Share capital

	30 June 2024			31 December 2023		
		Amount			Amount	
	Number of shares	Group RM'000	Company RM'000	Number of shares	Group RM'000	Company RM'000
Issued and fully paid ordinary shares	1,869,434,303	259,384	1,455,079	1,869,434,303	259,384	1,455,079

There were no changes in the Company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on, being 31 March 2024.

The Company did not hold any treasury shares as at 30 June 2024 and 30 June 2023.

There were no outstanding convertibles as at 30 June 2024 and 30 June 2023.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2024 and 30 June 2023.

There was no sale, transfer, cancellation and/or use of treasury shares or subsidiary holdings during, and as at the end of the six-month financial period ended 30 June 2024.

12 Lease liabilities

	Group	
	30 June 2024 (Unaudited) RM'000	31 December 2023 (Audited) RM'000
Amount repayable within one year or on demand:		
- Unsecured	51	234

13 Trade and other payables

	Group		Company	
	30/06/2024 (Unaudited) RM'000	31/12/2023 (Audited) RM'000	30/06/2024 (Unaudited) RM'000	31/12/2023 (Audited) RM'000
Trade payables	51,463	67,450	-	-
Other payables	15,938	15,181	375	537
Accrued land costs	1,158	1,550	-	-
Accrued transaction costs	11,004	10,768	-	-
Accrued expenses	13,528	14,286	-	-
	93,091	109,235	375	537

Included in the Group's trade payables is an amount of RM34,652,800 (31 December 2023: RM34,652,800) owing to the Johor State Government for acquisition of development land.

Settlement Agreement with CSCE

On 30 November 2021, the Company announced that APSB had, on 29 November 2021, entered into a settlement agreement with CSCE by way of consent judgment, as full and final settlement and discharge of all disputes, differences and claims by either party in connection with CSCE's claim against APSB for the sum of RM50,878,046.41 and interests thereon (the "**Dispute**") (the "**2021 Settlement Agreement**"). The terms of the 2021 Settlement Agreement include the potential transfer of up to five (5) properties within the development, The Astaka @ Bukit Senyum ("**The Astaka**") from APSB to CSCE or nominees of CSCE, at the discretion of APSB. To date, the five (5) properties have yet to be transferred from APSB to CSCE or nominees of CSCE.

On 30 December 2021, the Company announced that following the execution of the 2021 Settlement Agreement, CSCE had filed and recorded the consent judgment of the civil proceedings relating to the 2021 Settlement Agreement in the High Court of Malaya at Johor Bahru on 13 December 2021 (the "**Consent Judgment**"). Accordingly, both CSCE and APSB have since started to withdraw and/or discontinue the adjudication or civil proceedings relating to the Dispute.

Further to the Consent Judgment, APSB had on 22 December 2021, filed the notice of discontinuance in the Court of Appeal at Putrajaya and had withdrawn the Erinford Injunction at the Kuala Lumpur High Court.

On 29 December 2023, the Company announced that APSB and CSCE had, on 29 December 2023, entered into a supplementary settlement agreement (the "**2023 Supplementary Settlement Agreement**") with CSCE to vary certain terms and conditions of the 2021 Settlement Agreement.

Pursuant to the 2023 Supplementary Settlement Agreement, both parties had mutually agreed that a sum of RM4,450,000 be the costs to rectify defects that were to be carried out by CSCE under the relevant defect liability period for The Astaka. As CSCE did not carry out such rectification works, CSCE agrees to waive and relinquish its entitlement to the sum of RM4,450,000. Accordingly, CSCE agrees that it is only entitled to the remaining balance of retention sum of RM4,706,644. In addition, CSCE also agreed to waive and relinquish its entitlement to claim for the discounted accrued interest amounting to RM6,800,000 of the 2021 Settlement Agreement.

As at 30 June 2024, APSB has fulfilled its repayment milestones to CSCE in accordance with the 2021 Settlement Agreement and the 2023 Supplementary Settlement Agreement and an amount of RM4,237,494 remains outstanding.

14 Borrowings

	Group	
	30 June 2024 (Unaudited) RM'000	31 December 2023 (Audited) RM'000
Amount repayable within one year or on demand:		
Secured		
Bank overdraft	11,771	11,911

Included in the bank overdraft is Affin Bank Berhad overdraft facility of RM12,000,000 (31 December 2023: RM12,000,000) for the working capital requirements of the Group, which is secured against a controlling shareholder's fixed deposit of RM12,000,000 (31 December 2023: RM12,000,000).

15 Subsequent events

Entry into Term Sheet for Proposed Joint Venture and Sale and Purchase of Land

The Company's 99.99% indirect owned subsidiary, APSB had on 12 July 2024, entered into a legally binding term sheet ("**Term Sheet**") with the Company's 50.99% owned indirect subsidiary, Astaka Capital Sdn Bhd ("**ACSB**"), Kii Amber Sdn. Bhd. ("**KIASB**"), and Seaview Holdings Sdn. Bhd. ("**SHSB**") (each a "**Party**", and collectively, the "**Parties**"), of which ACSB and KIASB shall establish a joint venture company ("**JVCo**") for the purpose of jointly developing an identified parcel of land measuring approximately 1.662 acres in area ("**Project Land**") (to be subdivided from a master freehold land currently held under H.S.(D) 571006, PTD 233330, Mukim Plentong, District of Johor Bahru, State of Johor, Malaysia ("**Master Land**")) into a residential serviced apartment ("**Project**"), subject to the acquisition of the Project Land by the JVCo.

The provisions of the Term Sheet are intended to be used as basis for the Parties to enter into definitive agreements ("**Definitive Agreements**") specifically, (i) a subscription and shareholders' agreement ("**SSA**") between ACSB and KIASB for the incorporation of the JVCo and the development of the Project Land into a residential serviced apartment, pursuant to the Project ("**Proposed Joint Venture**"); and (ii) a sale and purchase agreement ("**SPA**") between the JVCo, APSB and SHSB for the sale and purchase of the Project Land by the JVCo from APSB (as registered proprietor of the Master Land) and SHSB (as beneficial owner of the Master Land) ("**Proposed Acquisition**"). Accordingly, subject to the execution of the SPA, the Proposed Acquisition is conditional upon approval by the shareholders of the Company in a general meeting.

ACSB had, pursuant to the Term Sheet, incorporated the JVCo, Astaka Kimlun Sdn Bhd on 30 July 2024, as a wholly-owned subsidiary of ACSB, prior to the entry into the SSA with KIASB.

Proposed Acquisition of the Land At Mukim Tebrau, Tempat Taman Setia Indah, Daerah Johor Bahru, Negeri Johor - Fulfilment of Sale and Purchase Agreement Conditions Precedent

The Company's 99.99% indirectly owned subsidiary, Astaka Development Sdn. Bhd. ("**ADSB**"), and Straits Perkasa Services Sdn. Bhd. (the "**Landowner**") had entered into a sale and purchase agreement (the "**SPA**") on 15 November 2023, for a mixed commercial development project consisting of serviced apartments on a parcel of land in Mukim Tebrau, Taman Setia Indah, District of Johor Bahru, State of Johor, Malaysia (the "**Land**") (the "**Project**").

ADSB had, on 4 August 2024, fulfilled all of the conditions precedent (the "**SPA Conditions Precedent**"), Upon the fulfilment of SPA Conditions Precedent, the SPA becomes unconditional and is expected to be completed within the next three (3) months in the following manners:

- ADSB shall, within thirty (30) days from the Unconditional Date, deposit an amount equivalent to RM522,720 ("the "**Retention Sum**") with its solicitors as stakeholder and the solicitors shall be authorized to forward the Retention Sum to the Director General of Inland Revenue of Malaysia.

- The balance sum which represents the Purchase Price less the Initial Sums, the Deposit and the Retention Sum (the "**Balance Sum**"), shall be paid by ADSB to the Landowner's solicitors as stakeholders, no later than three (3) months from the Unconditional Date, or such other extended period as may be mutually agreed between the parties in writing, whereupon ADSB will be deemed to have discharged in full its obligations to pay the Balance Sum to the Landowner.

16 Other information

16.1 Review

The condensed interim consolidated statement of financial position of the Group as at 30 June 2024 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month financial period ended 30 June 2024 and certain explanatory notes have not been audited or reviewed by the Company’s auditors.

16.2 Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

(a) Updates on the efforts taken to resolve each outstanding audit issue.
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.
This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable. The latest financial statements of the Group were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

16.3 Review of performance of the Group

Second quarter ended 30 June 2024 (“2QFY2024”) vs second quarter ended 30 June 2023 (“2QFY2023”)

Revenue

The increase in revenue for 2QFY2024 as compared to 2QFY2023 was mainly driven by the sale of The Astaka property units due to increase marketing efforts by the Group. In addition, there continues to be some momentum in the property market from the Johor Bahru–Singapore Rapid Transit System (“**RTS**”) project, which is slated for completion by 2026.

Cost of Sales and Gross Profit

The increase in cost of sales was in line with the increase in revenue for the sale of The Astaka property units.

The increase in cost of sales is partially offset by the reversal of foreseeable losses on development properties sold at above carrying amount in 2QFY2024 and 2QFY2023 respectively. Excluding the reversal of foreseeable loss on development properties, the Group would have recorded a gross profit of approximately RM0.20 million in 2QFY2024 as compared to a gross profit of RM0.53 million excluding adjustment of the final project costing and the reversal of foreseeable losses in 2QFY2023.

Other Income

The decrease in other income in 2QFY2024 compared to 2QFY2023 was mainly due to the absence of the gain on the disposal of assets held for sale and decrease in the third-party project marketing consultancy service fee rendered by the Group that has been substantially billed in 2QFY2023.

Finance Income

The increase in finance income in 2QFY2024 as compared to 2QFY2023 was mainly due to the late payment interest charge to purchaser in 2QFY2024.

Expenses

The increase in selling and distribution expenses in 2QFY2024 as compared to 2QFY2023 was mainly due to sales and marketing expenses incurred in relation to the sales agent commission and organising of events and roadshows for selling and promoting The Astaka, Bukit Pelali @ Pengerang ("**BPP**") and The Aliva.

The increase in administrative expenses in 2QFY2024 as compared to 2QFY2023 was mainly due to the following:

i. depreciation of PPE of RM0.12 million (2QFY2023: RM0.11 million);
ii. manpower costs of RM2.02 million (2QFY2023: RM1.76 million); and
iii. professional fee of RM0.59 million (2QFY2023: RM0.26 million);

However, the increase in administrative expenses was partially offset by a decrease in:

i. office expenses of RM0.30 million (2QFY2023: RM0.32 million);
ii. lower quit rent and assessment fee of RM0.61 million due to units sold (2QFY2023: RM0.87 million); and
iii. lower management fee and sinking fund of RM0.18 million due to units sold (2QFY2023: RM0.27 million)

Other expenses decreased in 2QFY2024 as compared to 2QFY2023 mainly due to the absence of the waiver of forfeiture of payment to purchaser.

In 2QFY2024, the Group's finance costs relate mainly to (i) bank overdraft interest which amounted to approximately RM0.18 million; and (ii) loan interest payable to the landowner's financier amounted approximately RM0.06 million for the acquisition of The Aliva's land, in accordance with the sale and purchase agreement.

No income tax was recorded due to the Group recognised a net loss in 2QFY2024.

As a result of the abovementioned, the Group recognised a net loss after tax of RM2.38 million in 2QFY2024 as compared to a net profit after tax of RM0.26 million in 2QFY2023.

Six-month financial period ended 30 June 2024 ("HY2024") vs six-month financial period ended 30 June 2023 ("HY2023")

Revenue

The increase in revenue for HY2024 as compared to HY2023 was mainly driven by the sale of The Astaka property units due to increased marketing efforts by the Group. In addition, there continues to be some momentum in the property market from the RTS project, which is slated for completion by 2026.

Cost of Sales and Gross Profit

The increase in cost of sales was in line with the increase in revenue for the sale of The Astaka property units.

The increase in cost of sales is partially offset by the reversal of foreseeable losses on development properties sold at above carrying amount in HY2024 and HY2023 respectively. Excluding the reversal of foreseeable loss on development properties, the Group would have recorded a gross loss of approximately RM7,000 in HY2024 as compared to a gross profit of RM2.18 million excluding adjustment of the final project costing and the reversal of foreseeable losses in HY2023.

Other Income

The decrease in other income in HY2024 compared to HY2023 was mainly due to the absence of the gain on the disposal of assets held for sale, reversal of provision for the SPF Contribution as the Company had sold the asset held for sale and no longer entitled to the future tax benefits attributable from the contribution to the SPF Contribution and decrease in the third-party project marketing consultancy service fee rendered by the Group.

Finance Income

The decrease in finance income in HY2024 as compared to HY2023 was mainly due to the absence of adjustment to accrued interest which amounted to approximately RM0.64 million for payment made to the nominated sub-contractors.

Expenses

The increase in selling and distribution expenses in HY2024 as compared to HY2023 was mainly due to sales and marketing expenses incurred in relation to the sales agent commission and organising of events and roadshows for selling and promoting The Astaka, Bukit Pelali @ Pengerang ("**BPP**") and The Aliva.

The increase in administrative expenses in HY2024 as compared to HY2023 was mainly due to the following:

i. depreciation of PPE of RM0.23 million (HY2023: RM0.22 million);
ii. manpower costs of RM3.82 million (HY2023: RM3.35 million);
iii. absence of a reversal of over-provision of liquidated ascertained damages ("**LAD**") (HY2023: reversal of RM0.36 million as the time frame which purchasers could claim the LAD had lapsed in HY2023)
iv. office expenses of RM0.64 million (HY2023: RM0.47 million); and
v. professional fee of RM1.22 million (HY2023: RM0.81 million)

However, the increase in administrative expenses was partially offset by a decrease in:

i. lower quit rent and assessment fee of RM1.22 million due to units sold (HY2023: RM1.74 million); and
ii. lower management fee and sinking fund of RM0.38 million due to units sold (HY2023: RM0.49 million)

Other expenses decreased in HY2024 as compared to HY2023 mainly due to the absence of the waiver of forfeiture of payment to purchaser.

In HY2024, the Group's finance costs relate mainly to (i) bank overdraft interest which amounted to approximately RM0.37 million; and (ii) loan interest payable to the landowner's financier amounted approximately RM0.12 million for the acquisition of The Aliva's land, pursuant to the sale and purchase agreement.

No income tax was recorded due to the Group recognised a net loss in HY2024.

As a result of the abovementioned, the Group recognised a net loss after tax of RM6.27 million in HY2024 as compared to a net profit after tax of RM0.38 million in HY2023.

Consolidated statement of financial position

PPE decreased by approximately RM0.15 million from RM0.46 million as at 31 December 2023 to RM0.31 million as at 30 June 2024, which was mainly due to the depreciation charged during the financial period, and was partially offset by additions of new PPE comprising of newly acquired office equipment and furniture during the HY2024.

Development properties decreased by approximately RM24.31 million from RM245.17 million as at 31 December 2023 to RM220.86 million as at 30 June 2024, due to the sale of completed properties for The Astaka and BPP during the HY2024.

Trade and other receivables increased by approximately RM4.69 million from RM9.25 million as at 31 December 2023 to RM13.94 million as at 30 June 2024 which was mainly due to the collection amount yet to be received from the purchasers for the sale of The Astaka property units.

Tax recoverable recorded is in relation to the tax instalments made by the Group. Under the self-assessment system, every company is required to determine and submit an estimate of its tax payable for the respective year of assessment ("**YOA**"), and the estimate of tax payable shall not be less than eighty-five per cent of the revised estimate of tax payable in the immediately preceding YOA.

Cash and cash equivalents decreased by approximately RM3.45 million from RM16.49 million as at 31 December 2023 to RM13.04 million as at 30 June 2024 which was mainly due to payments made to trade and other payables and repayment of loans to DMR Holdings Sdn Bhd ("**DMR Holdings**") during the HY2024, and partially offset by sales collection from purchasers.

Trade and other payables decreased by approximately RM16.15 million from RM109.24 million as at 31 December 2023 to RM93.09 million as at 30 June 2024, which was mainly due to the payment made to the contractors and consultants including those with settlement agreements with the Group and the proposed payment plans with the Group during the HY2024.

Amount due to related parties decreased by approximately RM0.45 million from RM69.63 million as at 31 December 2023 to RM69.18 million as at 30 June 2024, which was mainly due to repayment of loans owed to DMR Holdings and partially offset by the drawdown of shareholders' loan by BPPSB of approximately RM1.96 million based on SSSB's shareholding proportion in BPPSB. Please refer to the Company's announcement dated 20 May 2024 in relation to the provision of the shareholders' loan to BBPSB by APSB and SSSB.

The current lease liabilities decreased by approximately RM183,000 from RM234,000 as at 31 December 2023 to RM51,000 as at 30 June 2024. This was mainly due to the repayment of lease liabilities and lease payable during the HY2024.

The borrowings as at 30 June 2024 was in relation to the drawdown of bank overdraft to finance the Group's property development projects and working capital.

The Group recorded a decrease of net current assets from RM81.98 million as at 31 December 2023 to RM75.86 million at 30 June 2024.

Consolidated statement of cash flows

The Group recorded a net cash flow used in operating activities of approximately RM2.09 million as at 30 June 2024, primarily due to the net loss recognised and repayments made to trade and other payables, and an increase in the trade and other receivables due to collections not yet received during HY2024. However, this was partially offset by a decrease in development properties arising from sales of the property units in relation to the Group's existing property development projects.

Net cash flow used in investing activities of approximately RM16,000 was mainly due to the acquisition of PPE of RM85,000. The aforesaid was partially offset by the interest received from the fixed deposit placements with financial institution of approximately RM69,000 as at 30 June 2024.

Net cash flow used in financing activities of approximately RM1.21 million as at 30 June 2024 was mainly due to the repayment made to affiliated corporations of approximately RM3.00 million, interest paid of approximately RM0.50 million and the repayment of lease liabilities of approximately RM0.06 million. The aforesaid was partially offset by the advances from affiliated corporations of RM2.35 million.

Included in the year-to-date ("**YTD**") June 2024 cash and bank balances is an amount of approximately RM6.31 million (YTD June 2023: RM822,000) of which the bank accounts are maintained in accordance with Housing Development (Housing Development Account) Regulation 1991 in Malaysia. These accounts, which consist of monies received from purchasers, are for the payments of property development expenditure incurred. The surplus monies, if any, will be released to the respective subsidiaries upon the completion of the property development properties and after all property development expenditure have been fully settled.

16.4 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The Group's financial results for 2QFY2024 were in line with the profit guidance released on 31 July 2024.

16.5 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Johor: Continued Economic Prosperity

In April 2024, Malaysia's Prime Minister Anwar Ibrahim commented that the Johor state is set to become the most economically developed in the country in the next one to two years. The optimistic outlook is backed by two major projects including the Johor-Singapore Special Economic Zone ("**JS-SEZ**") and the Special Financial Zone ("**SFZ**") in Forest City.[1]

The signing of the JS-SEZ agreement is set to take place in September 2024 during the upcoming Malaysia-Singapore Leaders' Retreat, which would be followed by the announcement of specific details on the geographic scope and the financial package.[2]

Under the JS-SEZ, improving cross-border movement between residents of Malaysia and Singapore is one of the key focal points. On 8 March 2024, Singapore Immigration and Checkpoints Authority ("**ICA**") recorded a record-high of 495,000 travellers crossing the Woodlands and Tuas checkpoints, surpassing the previous peak in August 2019.[3]

With the elevated activities between the countries, multiple initiatives targeted at debottlenecking the land checkpoints are currently being implemented, including the construction of the Rapid Transit System ("**RTS**"), which is nearing 80% completion as of 31 May 2024[4], as well as passport-free travels using self-generated QR codes for people travelling by cars to expedite immigration clearance.[5]

In addition, the Johor government is looking at building a multi-tiered Autonomous Rapid Transit ("**ART**") system in southern Johor, aimed at improving travels within the city. The ART system will replace the initial proposal of a Light Rail Transit ("**LRT**") system. The new system is expected to cost significantly less at around RM7.0 billion (vs. RM16.7 billion for LRT). The project is slated to be completed by end of 2026, together with the RTS completion timeline to avoid over congestion at the Bukit Chagar RTS station.[6]

Johor Real Estate Market and Astaka

Given the slew of positive news, properties in Johor have seen decent price uplifts in recent times. According to Malaysia's National Property Information Centre ("**NAPIC**"), property prices in Johor have risen by threefold since 2010, driven by consistent demand from Singaporeans and also investors worldwide.[7] This is consistent with one of the Group's current developments, The Astaka @ One Bukit Senyum, which saw foreign buyers from 15 different countries.[8]

Going forward, the Group is also planning for Phase 3 of the One Bukit Senyum project, encompassing 7.65 acres of land. Located near the Bukit Chagar RTS station, the project is expected to benefit from the various initiatives in the state.

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[1] https://www.straitstimes.com/asia/se-asia/johor-to-become-most-economically-developed-state-in-malaysia-says-pm-anwar
[2] https://www.channelnewsasia.com/asia/malaysia-johor-singapore-sez-rafizi-ramli-high-tech-investments-4469351
[3]https://www.nst.com.my/world/world/2024/03/1024694/more-18-mil-crossed-woodlands-tuas-checkpoints-march-7-10-singapore-ica
[4] https://www.straitstimes.com/asia/se-asia/jb-s-pore-rts-link-project-reports-steady-progress-nears-80-completion
[5] https://www.cnbc.com/2024/03/21/passport-free-travel-in-singapore-is-here-but-not-where-you-may-think.html#:~:text=Singapore%20made%20global%20headlines%20last,its%20land%20border%20with%20Malaysia.
[6] https://www.freemalaysiatoday.com/category/nation/2024/05/12/johor-govt-now-backs-cheaper-art-instead-of-rm16bil-lrt/
[7] https://www.channelnewsasia.com/singapore/johor-property-market-remains-hot-singapore-buyers-have-their-work-cut-out-making-right-investment-big-read-4363096
[8] https://www.nst.com.my/property/2023/12/992231/resurgence-interest-property-market-johor

Astaka's Bukit Pelali @ Pengerang project could also see a positive uplift in demand as Pengerang could potentially be included as part of the upcoming JS-SEZ.[9] Malaysia's biggest refining and petrochemical complex, Pengerang Integrated Petroleum Complex ("**PIPC**") is also located there. PIPC aims to create some 30,095 direct and indirect jobs by 2037.[10] That, coupled with the potential spillover effect from JS-SEZ will naturally lead to larger population count and higher demand for housing in the southeast region of Johor.

16.6 Dividend information

If a decision regarding dividend has been made: -

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No dividend has been declared or recommended for 2QFY2024.

(b) (i) Amount per share (RM'sen)

Not applicable.

(ii) Previous corresponding period (RM'sen)

Not applicable. No dividend has been declared or recommended for the previous corresponding period.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable

Not applicable.

(e) The date on which Registrable Transfers received by the Company (up to 5.00 p.m.) will be registered before entitlements to the dividend are determined.

Not applicable.

(f) If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

There is no dividend declared or recommended for the current reporting period as the Group intends to conserve cash as working capital for the Company, to repay existing creditors and to fund the project pipelines of the Group.

[9] https://www.channelnewsasia.com/asia/johor-singapore-sez-special-economic-zone-pengerang-pipc-oil-gas-renewable-energy-4376261
[10] https://www.mida.gov.my/mida-news/pengerang-integrated-petroleum-complex-shaping-global-energy-markets/

16.7 Interested person transactions ("IPTs")

The Group had obtained the approval from its shareholders on 26 April 2024 for the renewal of general mandate for recurring IPTs (the "**Recurring IPTs General Mandate**"). Please refer to the Company's circular to its shareholders dated 11 April 2024 for further details on the Recurring IPTs General Mandate.

Information on the IPTs entered into between the Group and the Interested Persons for the period ended 30 June 2024 are set out below:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
BPPSB	An associate of Dato' Malek	RM 10,200,000[(1)]	RM Nil[(2)]
Dato Malek	Controlling Shareholder	Not applicable	RM Nil[(3)]
SSSB	An associate of Dato' Malek	RM 9,800,000[(1)] RM 392,051[(4)]	Not applicable

Notes:

(1) On 20 May 2024, APSB and SSSB had entered into a shareholders' loan agreement with the Company's 50.99% owned indirect subsidiary, BPPSB (the "**2024 BPPSB Shareholders' Loan**"), to extend an unsecured and interest-free loan to BPPSB for an aggregate sum of RM20.0 million for the purposes of ongoing working capital requirements as well as the future developments in the joint venture, and shall only be drawn as and when required.

The 2024 BPPSB Shareholders' Loan shall be repaid by BPPSB to APSB and SSSB in cash and/or in kind as may be mutually agreed between BPPSB with APSB and SSSB respectively within one year from the drawing date (the "**Repayment Term of 2024 BPPSB Shareholders' Loan**"), with an automatic extension of additional one year period upon the expiry of the Repayment Term of 2024 BPPSB Shareholders' Loan, and on each successive anniversary date thereafter and the maturity date for the repayment of the 2024 BPPSB Shareholders' Loan shall be construed as the last day of each relevant extension.

In accordance with the 2024 BPPSB Shareholders' Loan and based on the respective shareholding proportions in BPPSB, the 2024 BPPSB Shareholders' Loan from APSB and SSSB to BPPSB amount to RM10.20 million and RM9.80 million respectively. Pursuant to Rule 916(3) of the Catalist Rules, shareholders' approval is not required for the provision of a loan to a joint venture with an interested person as the 2024 BPPSB Shareholders' Loan is extended by APSB and SSSB to BPPSB in proportion to their equity and on the same terms.

(2) APSB had seconded certain employees who do not have any active roles or job responsibilities in APSB to BPPSB to meet BPPSB's operational requirements. The amount incurred for the financial period ended 30 June 2024 is RM228,257 (approximately S$65,623).

(3) This comprises the rental payable by BPPSB to Dato Malek, for the rental of lands by BPPSB from 1 April 2024 to 31 March 2026. The amount incurred is RM325,464 (approximately S$93,570).

(4) This comprises the amount payable by BPPSB to SSSB as at 30 June 2024 for the sole and exclusive right to develop the Bukit Pelali land, which was approved by the Company's shareholders at the extraordinary general meeting on 16 December 2016. Please refer to the Company's circular to its shareholders dated 29 November 2016 for further details.

16.8 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company has received undertakings from all its Directors and executive officers in the format as set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

16.9 Negative confirmation pursuant to Catalist Rule 705(5)

On behalf of the Board, we, the undersigned, hereby confirm that, to the best of our knowledge that nothing has come to the attention of the Board which may render the unaudited condensed interim financial statements for the period ended 30 June 2024 to be false or misleading in any material aspect.

17.0 Disclosure on Acquisitions and Realisation of Shares pursuant to Catalist Rule 706(A)

On 10 June 2024, the Group's 99.99% indirect owned subsidiary, APSB has subscribed for an additional 2,000,000 ordinary shares in its wholly-owned subsidiary, Astaka Development Sdn. Bhd. ("**ADSB**"), at a subscription price of RM1.00 for each ordinary share ("**Subscription**"). The subscription of the shares which amounts to RM2,000,000 is fully funded through the Group's internal resources. The Subscription is not expected to have any material impact on the Group's earnings per share or net tangible assets per share for the current financial year ending 31 December 2024.

Following the Subscription, the paid-up share capital of ADSB increased from RM500,000 to RM2,500,000, comprising 2,500,000 ordinary shares and ADSB remains as a 99.99%-owned subsidiary of the Company.

On behalf of the Board of Directors

Lai Kuan Loong, Victor
Non-Executive Chairman and Independent Director

Khong Chung Lun
Executive Director and Chief Executive Officer

By Order of the Board

Khong Chung Lun
Executive Director and Chief Executive Officer

13 August 2024

This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**").

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Ms Audrey Mok (Telephone: +65 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.
