

A. NOTES TO THE INTERIM FINANCIAL REPORT

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group’s audited financial statements for the year ended 31 March 2024. 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 March 2024.

The financial information presented herein has been prepared in accordance with the accounting policies to be used in preparing the annual consolidated financial statements for 31 March 2025 under the Malaysian Financial Reporting Standards (MFRSs) framework except for the adoption of the following MFRSs:

Effective for annual period beginning on or after 1 January 2024

MFRS 7	Financial Instruments: Disclosures
MFRS 16	Leases
MFRS 101	Presentation of Financial Statements
MFRS 107	Statements of Cash Flows

The adoption of the above standards did not have a significant financial impact to the Group.

Effective for annual period beginning on or after 1 January 2025

MFRS 121	The Effect of Changes in Foreign Exchange Rates
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Effective for annual period beginning on or after 1 January 2026

MFRS 9	Financial Instruments
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Effective for annual period beginning on or after 1 January 2027

MFRS 18	Presentation and Disclosure in Financial Statements
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Deferred

MFRS 10	Consolidated Financial Statements
MFRS 128	Investments in Associates and Joint Ventures

The Group will adopt the above MFRSs when they become effective in the respective financial periods. These MFRSs may have an impact on the amounts reported and disclosure made in the financial statements. However, it is not practicable to provide a reasonable estimate of the financial impacts of the above accounting standards until the Group performs the detailed review.

A2 Audit Report of Preceding Annual Financial Statement

The independent auditors reported the following material uncertainty related to going concern on the audited financial statements for the year ended 31 March 2024:

“As disclosed in Note 2.6 to the financial statements, which disclosed that the Group and the Company reported a net loss of RM5.551 million and RM6.841 million respectively during the financial year ended 31 March 2024 thereby indicating the existence of a material uncertainty which may cast significant doubt about the Group’s and the Company’s ability to continue as a going concern. Our opinion is not modified in respect of this matter”.

A3 Seasonal or Cyclical Factors

The Group is principally engaged in the following business operations:

- a) Hotel
- b) Property
- c) Travel

The major festivities and school holidays generally affect the performance of Hotel & Travel Division. The performance of Property Division is affected by the sentiments of the property cycle, as the division’s profitability is dependent on the sale of its properties.

A4 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

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

A5 Accounting Estimates

There were no changes in estimates of amounts reported in prior financial quarters of the current financial year or in prior financial years that have a material effect in the current financial quarter.

A6 Issuance or Repayment of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial year to date.

A7 Dividend Paid

There were no dividends paid during the year under review.

A8 Segmental Reporting

a) Revenue

	Individual Quarter		Cumulative Period	
	Current Quarter Ended 31.03.2025 (RM'000)	Preceding Quarter Ended 31.03.2024 (RM'000)	Current Year Ended 31.03.2025 (RM'000)	Preceding Year Ended 31.03.2024 (RM'000)
Continuing Operations				
Hotel	6,393	8,333	32,916	37,852
Property	2,874	3,177	12,564	15,060
Travel	1,821	4,454	12,907	20,075
Grand Total	11,088	15,964	58,387	72,987

b) Profit / (loss) before tax

	Individual Quarter		Cumulative Period	
	Current Quarter Ended 31.03.2025 (RM'000)	Preceding Quarter Ended 31.03.2024 (RM'000)	Current Year Ended 31.03.2025 (RM'000)	Preceding Year Ended 31.03.2024 (RM'000)
Continuing Operations				
Hotel	(2,038)	(3,016)	(2,082)	(301)
Property	(414)	(557)	(416)	(1,156)
Travel	(234)	358	167	1,370
Holding company & others	(1,465)	(326)	(6,701)	(5,421)
Grand Total	(4,151)	(3,541)	(9,032)	(5,508)

A9 Material Subsequent Events

There were no events of a material nature to be disclosed in the interim financial statements for the current year ended 31 March 2025, save and except for the followings: -

On 16 May 2025, RHB Investment Bank Berhad (on behalf of the Board of Directors of the Company) announced that the Company proposes to undertake the following:

- proposed private placement of up to 283,322,100 new ordinary shares in Avillion Berhad ("Avillion"), representing up to approximately 25% of the total number of issued shares of Avillion (excluding treasury shares, if any) ("Proposed Private Placement"); and
- proposed variation to the utilisation of proceeds raised from the Company's previous private placement of new ordinary shares ("Proposed Variation").

A10 Changes in the Composition of the Group

There were no changes in the composition of the Group for the current financial year ended 31 March 2025 and up to the date of this report.

A11 Significant related party transactions

There were no significant related party transactions for the current financial year ended 31 March 2025 and up to the date of this report.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

B1 Review of Performance of the Company and its Principal Subsidiaries

	3 months ended		Changes	
	Current year quarter ended 31.03.2025 (RM'000)	Preceding year quarter ended 31.03.2024 (RM'000)	(RM'000)	%
Revenue	11,088	15,964	(4,876)	(31%)
EBITDA	165	537	(372)	(69%)
Loss before taxation	(4,151)	(3,541)	(610)	(17%)

The Group reported revenue, earnings before interest, tax, depreciation, and amortization ("EBITDA") and loss before taxation of RM11.09 million, RM0.17 million and RM4.15 million respectively for the current financial quarter under review.

The revenue for the Group in the current quarter has reduced by 31% against the preceding year quarter. The reduction of revenue by Hotel, Property and Travel Divisions which have reduced by 23%, 10% and 59% respectively.

The EBITDA of the Group for the current quarter was RM0.17 million compared with previous year's corresponding quarter of RM0.54 million. The decrease was mainly due to lower business volume for the corporate group and free independent travelers for hotel division.

B2 Material Changes in the Quarterly Results as compared to the Preceding quarter

	3 months ended		Changes	
	Current quarter ended 31.03.2025 (RM'000)	Preceding quarter ended 31.12.2024 (RM'000)	(RM'000)	%
Revenue	11,088	15,310	(4,222)	(28%)
EBITDA	165	2,493	(2,328)	(93%)
Loss before taxation	(4,151)	(1,606)	(2,545)	(158%)

Revenue of the Group for the current quarter recorded at RM11.09 million has reduced by 28% as compared to the preceding quarter of RM15.31 million. The reduction of revenue by Hotel, Property and Travel Divisions which have reduced by 30%, 5% and 42% respectively.

The EBITDA of the Group reduced by 93% compared with the preceding quarter. The reduction was mainly due to lower revenue in the 4th quarter due to seasonality in which 3rd quarter is traditionally a stronger quarter.

B3 Variance from Profit Forecast

Not applicable.

B4 Commentary on Prospect

The Group's immediate plan is to focus on stabilizing current operations by increasing hotel yield, controlling and scheduling capital expenditure for upgrades and maintenance and optimizing operating costs.

In the medium and long term, we plan to monetize our non-revenue-generating assets through disposal, organic development and partnerships. Our aim is to drive business forward by leveraging our assets acquired and built over the years.

Barring unforeseen circumstances, the Group is expected to better its performance in the near future.

B5 Loss before tax

Loss before tax is derived after charging / (credited) of the following:

	Individual Quarter		Cumulative Period	
	Current Quarter Ended 31.03.2025 (RM'000)	Preceding Quarter Ended 31.03.2024 (RM'000)	Current Year Ended 31.03.2025 (RM'000)	Preceding Year Ended 31.03.2024 (RM'000)
Bad debt recovery	(79)	-	(79)	-
Gain on disposal of investment property	(20)	(16)	(20)	(16)
Impairment loss of property, plant & Equipment	801	-	801	-
Interest income	-	(6)	(19)8028	(84)
Rental income	(22)	(19)	(85)	(84)
Written off of property, plant & Equipment	-	1	-	1

B6 Taxation

	Individual Quarter		Cumulative Period	
	Current Quarter Ended 31.03.2025 (RM'000)	Preceding Quarter Ended 31.03.2024 (RM'000)	Current Year Ended 31.03.2025 (RM'000)	Preceding Year Ended 31.03.2024 (RM'000)
a) Income Tax				
i) Current year	445	1,318	1,037	1,500
ii) Under / (over) provision in prior year	(62)	(6)	6	(19)
	383	1,312	1,043	1,481
b) Deferred Tax				
i) Current year	(1,227)	(1,298)	(1,227)	(1,299)
ii) Under / (over) provision in prior year	3	(139)	3	(139)
	(1,224)	(1,437)	(1,224)	(1,438)
Tax expenses/ (income)	(841)	(125)	(181)	43

The Group tax rate is higher than the statutory tax rate applicable due to the provision of taxation on profit by certain subsidiary companies.

B7 Status of Corporate proposals

On 17 October 2019, the Company announced the proposed listing and quotation of up to 188,881,350 Placement Shares and an issuance of up to 566,644,050 free warrants on the basis of one Warrant for every two ordinary shares of the Company held on an entitlement date to be determined by the Board and announced at a later date.

In June 2021, the Company had placed out 2,083,334 Placement Shares at RM0.12 each and listed on the Main Market of Bursa Securities on 21 June 2021. The Company had further placed out 96,333,330 Placement Shares at RM0.12 each and 90,464,686 Placement Shares at RM0.12 each in August and November 2021 respectively, of which such Placement Shares were listed on the Main Market of Bursa Securities on 24 August and 19 November 2021 respectively.

The status of utilization of proceeds raised from the aforementioned Placement Shares as at 31 March 2025 were as follows:

	Circulated date 3 Dec 2019 RM'000	Proceed raised RM'000	Approved revised RM'000	Amount Utilised RM'000	Amount Unutilised RM'000	Intended Time Frame for Utilisation
Repayment of bank borrowings	6,000	6,000	4,889	4,889	-	Within 6 months
Asset enhancement & refurbishment programme	10,000	10,000	5,611	2,599	3,012	
Part funding of Desa Impian Project	3,000	3,000	3,000	3,000	-	
General working capital	7,093	3,316	8,816	8,816	-	
Estimated expenses	350	350	350	350	-	
Total	26,443	22,666	22,666	19,654	3,012	

B8 Group Borrowings

a) Banking Facilities

	Unaudited As at 31.03.2025 Secured (RM'000)	Audited As at 31.03.2024 Secured (RM'000)
a) Short term borrowings		
i) Overdraft	21,737	19,432
ii) Revolving Credit	5,000	6,300
iii) Long term loans repayable within 12 months	16,170	8,700
iv) Hire purchase payable repayable within 12 months	-	4
Total	42,907	34,436
b) Long term borrowings		
i) Long term loans	50,647	52,817
Less: portion payable within 12 months	(16,170)	(8,700)
	34,477	44,117
ii) Hire purchase payable	-	-
Less: portion payable within 12 months	-	-
	-	-
Total	34,477	44,117
Total borrowings	77,384	78,553

Foreign currency borrowings included in the above in Ringgit Malaysia equivalent as at 31 March 2025 was RM0.489 million (HKD0.858 million) and as at 31 March 2024 was RM0.514 million (HKD0.851 million).

B9 Derivative Financial Instruments

The Group is not a party to any financial instruments, which may have an effect to the derivative financial instruments at the date of this report.

B10 Material Litigation

There was no material litigation pending as at the date of this announcement.

B11 Earnings / (Loss) Per Share

a) Basic

Basic earnings / (loss) per share is calculated by dividing the net profit /(loss) attributable to the shareholders for the current financial period ended 31 March 2025 as follows:

	Individual Quarter		Cumulative Period	
	Current Quarter Ended 31.03.2025 (RM'000)	Preceding Quarter Ended 31.03.2024 (RM'000)	Current Year Ended 31.03.2025 (RM'000)	Preceding Year Ended 31.03.2024 (RM'000)
Net loss attributable to owner of the Company (RM'000)	(1,104)	(3,771)	(6,719)	(5,756)
Weighted average number of ordinary shares in issue ('000)	1,133,288	1,133,288	1,133,288	1,133,288
Basic earnings /(loss) per share (sen)	(0.09)	(0.33)	(0.59)	(0.51)

b) Diluted

Diluted earnings per share were not computed as the Company does not have any dilutive potential ordinary shares in issue as at the end of the current financial period ended 31 March 2025.

B12 Authorisation for Issue

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 27 May 2025.