

## REVIEW OF OPERATIONS

### GROUP FINANCIAL PERFORMANCE

The Group is principally engaged in the following activities:

- Property development ("**Property**");
- Manufacturing, distribution and trading of office equipment and security equipment ("**Furniture**"); and
- Investment holding, secretarial and share registration services and leasing of equipment ("**Others**").

(RM Million)	Revenue		Segment results	
	2024	2023	2024	2023
Property	7.9	11.0	(7.2)	1.0
Furniture	8.5	11.0	(2.7)	(3.6)
Others	0.1	2.5	1.6	3.7
	16.5	24.5	(8.3)	1.1

("Segment results" refers to operating profit/(loss) before interests, share in results of associates and tax expense)

Throughout 2024, the Group experienced a decline in total revenue to RM16.5 million as compared to RM24.5 million a year ago. This resulted in an operating loss of RM8.3 million compared to an operating profit of RM1.1 million in the previous financial year. After accounting for finance costs of RM94.3 million, share of profit from associates of RM1 million and tax expense, the Group posted a loss after tax of RM100.5 million.

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#### Property Division

The Property Division's remaining focus is on the development of "Bandar Mahkota Cheras", a prominent township located off 9th mile Jalan Cheras in Kuala Lumpur, adjoining the Sungai Long Golf Club. The sole on-going project, Resilience Residence comprises a mixed development of townhouses and condominiums, situated in a low-density area close to various amenities that are easily accessible.

For the year 2024 under review, the Property Division experienced a revenue drop of 28% to RM7.9 million from RM11.0 million in the preceding year. This decline was primarily due to the absence of new project launches, with sales largely reliant on the remaining units of the Resilience Residence project.

Consequently, the Division incurred a loss of RM7.2 million, attributable to the lower revenue and profit recognition. Notably, the previous year's profit of RM1.0 million included a significant write back of overprovision for cost related to the completed Project Vantage, which amounted to RM6.9 million.

#### Furniture Division

Likewise, the Furniture Division faced another challenging year in 2024, marked by stagnant demand in both domestic and international markets, and intense competition compounded by pricing pressures from the influx of cheap and low-quality products from overseas.

Amid these challenges, revenue for the Division fell by 23%, decreasing from RM11.0 million in the previous year to RM8.5 million, reflecting reduced sales for both the domestic and export markets. This reduction in sales was mainly driven by a shift in customer preferences toward more affordable products, coupled with heightened price competition, particularly from China.

Despite the decline in revenue, the Division was able to reduce its loss from RM3.6 million to RM2.7 million due to the implementation of effective cost control measures.

#### Others Division

Following the cessation of its equipment leasing activities, the Others Division registered a sharp decrease in revenue from RM2.5 million in the previous year to RM0.1 million. As a result, it logged a lower profit of RM1.6 million compared to RM3.7 million a year ago.