

MULPHA INTERNATIONAL BHD

Registration No. 197401002704 (19764-T)

PART A1 : QUARTERLY REPORT

Quarterly report on consolidated results for the first financial quarter ended 31 March 2025

The figures have not been audited

I(A) CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		CURRENT QUARTER ENDED 31.03.2025 RM'000	COMPARATIVE QUARTER ENDED 31.03.2024 RM'000	3 MONTHS CUMULATIVE TO 31.03.2025 RM'000	3 MONTHS CUMULATIVE TO 31.03.2024 RM'000
	<i>Note</i>				
Revenue		211,334	245,802	211,334	245,802
Operating expenses		(210,124)	(247,945)	(210,124)	(247,945)
Other operating income		26,000	26,896	26,000	26,896
Profit from operations		27,210	24,753	27,210	24,753
Finance costs		(31,368)	(34,312)	(31,368)	(34,312)
Share of loss of associates		(1,798)	(1,611)	(1,798)	(1,611)
Share of profit of joint ventures		939	154	939	154
Loss before tax	B5	(5,017)	(11,016)	(5,017)	(11,016)
Tax benefit	B6	1,134	3,897	1,134	3,897
Loss for the period		(3,883)	(7,119)	(3,883)	(7,119)
Attributable to:					
Owners of the Company		(4,077)	(7,236)	(4,077)	(7,236)
Non-controlling interests		194	117	194	117
Loss for the period		(3,883)	(7,119)	(3,883)	(7,119)
Loss per share (sen):-					
- Basic/Diluted	B11	(1.33)	(2.33)	(1.33)	(2.33)

(The Condensed Consolidated Profit or Loss should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements)

MULPHA INTERNATIONAL BHD

Registration No. 197401002704 (19764-T)

PART A1 : QUARTERLY REPORT

I(B) CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	CURRENT QUARTER ENDED 31.03.2025 RM'000	COMPARATIVE QUARTER ENDED 31.03.2024 RM'000	3 MONTHS CUMULATIVE TO 31.03.2025 RM'000	3 MONTHS CUMULATIVE TO 31.03.2024 RM'000
Loss for the period	(3,883)	(7,119)	(3,883)	(7,119)
Foreign currency translation differences for foreign operations	11,832	(53,172)	11,832	(53,172)
Net change in fair value of equity instruments designated at fair value through other comprehensive income ("FVOCI")	9,852	24,379	9,852	24,379
Other comprehensive income/ (expense) for the period, net of tax	21,684	(28,793)	21,684	(28,793)
Total comprehensive income/ (expense) for the period	17,801	(35,912)	17,801	(35,912)
Attributable to:				
Owners of the Company	17,644	(36,643)	17,644	(36,643)
Non-controlling interests	157	731	157	731
Total comprehensive income/ (expense) for the period	17,801	(35,912)	17,801	(35,912)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements)

MULPHA INTERNATIONAL BHD

Registration No. 197401002704 (19764-T)

PART A1 : QUARTERLY REPORT

II CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		UNAUDITED AS AT 31.03.2025 RM'000	AUDITED AS AT 31.12.2024 RM'000
	Note		
ASSETS			
Non-current assets			
Property, plant and equipment	A10	1,514,403	1,520,616
Right-of-use assets		12,450	13,044
Investment properties		1,190,023	1,185,506
Investment in associates		90,392	90,141
Investment in joint ventures		719	694
Investment securities		53,050	40,929
Other investments		5,090	5,090
Intangible assets		55,353	55,162
Inventories		644,213	632,812
Trade and other receivables		7,458	8,170
Prepayments		3,223	3,030
Deferred tax assets		205	-
		<u>3,576,579</u>	<u>3,555,194</u>
Current assets			
Inventories		1,234,982	1,123,805
Trade and other receivables		245,411	245,781
Prepayments		93,355	60,823
Current tax assets		3,323	3,300
Other investments		194,704	199,394
Cash and cash equivalents		122,800	149,644
		<u>1,894,575</u>	<u>1,782,747</u>
Assets classified as held for sale	A12	<u>884,542</u>	<u>863,378</u>
		<u>2,779,117</u>	<u>2,646,125</u>
TOTAL ASSETS		<u>6,355,696</u>	<u>6,201,319</u>

MULPHA INTERNATIONAL BHD

Registration No. 197401002704 (19764-T)

PART A1 : QUARTERLY REPORT

II CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Cont'd)

		UNAUDITED AS AT 31.03.2025 RM'000	AUDITED AS AT 31.12.2024 RM'000
	Note		
EQUITY AND LIABILITIES			
Equity			
Share capital		1,983,858	1,983,858
Treasury shares	A6	(12,552)	(12,552)
Reserves		(81,603)	(103,324)
Retained earnings		1,539,568	1,543,645
Equity attributable to owners of the Company		3,429,271	3,411,627
Non-controlling interests		22,607	22,450
Total equity		3,451,878	3,434,077
Non-current liabilities			
Loans and borrowings	B8	1,642,532	1,553,866
Lease liabilities		42,601	42,926
Trade and other payables		40,293	40,928
Provision for liabilities		7,520	3,458
Deferred tax liabilities		66,805	66,762
		1,799,751	1,707,940
Current liabilities			
Loans and borrowings	B8	727,502	740,093
Lease liabilities		2,399	2,454
Trade and other payables		210,276	160,910
Contract liabilities		72,581	58,261
Provision for liabilities		89,404	96,383
Current tax liabilities		1,905	1,201
		1,104,067	1,059,302
Total liabilities		2,903,818	2,767,242
TOTAL EQUITY AND LIABILITIES		6,355,696	6,201,319
Net assets per share (RM)		11.02	10.96

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements)

MULPHA INTERNATIONAL BHD

Registration No. 197401002704 (19764-T)

PART A1 : QUARTERLY REPORT

III CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	< ----- Attributable to owners of the Company ----- >								
	< ----- Non-distributable ----- >			<i>Distributable</i>				Non-	Total
	Share Capital	Exchange Reserve	Revaluation Reserve	Other Reserve	Treasury Shares	Retained Earnings	Total	Controlling Interests	Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2025	1,983,858	(216,713)	89,444	23,945	(12,552)	1,543,645	3,411,627	22,450	3,434,077
Foreign currency translation differences for foreign operations	-	12,176	-	-	-	-	12,176	(344)	11,832
Net change in fair value of equity instruments designated at FVOCI	-	-	-	9,545	-	-	9,545	307	9,852
Total other comprehensive income/(expense) for the period	-	12,176	-	9,545	-	-	21,721	(37)	21,684
(Loss)/Profit for the period	-	-	-	-	-	(4,077)	(4,077)	194	(3,883)
Total comprehensive income/(expense) for the period	-	12,176	-	9,545	-	(4,077)	17,644	157	17,801
At 31 March 2025	1,983,858	(204,537)	89,444	33,490	(12,552)	1,539,568	3,429,271	22,607	3,451,878

MULPHA INTERNATIONAL BHD

Registration No. 197401002704 (19764-T)

PART A1 : QUARTERLY REPORT

III CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Cont'd)

	< ----- Attributable to owners of the Company ----- >							
	< ----- Non-distributable ----- >				<i>Distributable</i>		Non-	
	Share	Exchange	Revaluation	Other	Retained	Total	Controlling	Total
	Capital	Reserve	Reserve	Reserve	Earnings		Interests	Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2024	1,983,858	127,557	89,444	(69,375)	1,472,828	3,604,312	21,464	3,625,776
Foreign currency translation differences for foreign operations	-	(52,761)	-	-	-	(52,761)	(411)	(53,172)
Net change in fair value of equity instruments designated at FVOCI	-	-	-	23,354	-	23,354	1,025	24,379
Total other comprehensive income/(expense) for the period	-	(52,761)	-	23,354	-	(29,407)	614	(28,793)
(Loss)/Profit for the period	-	-	-	-	(7,236)	(7,236)	117	(7,119)
Total comprehensive (expense)/income for the period	-	(52,761)	-	23,354	(7,236)	(36,643)	731	(35,912)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(1,357)	(1,357)
Total transactions with owners	-	-	-	-	-	-	(1,357)	(1,357)
At 31 March 2024	1,983,858	74,796	89,444	(46,021)	1,465,592	3,567,669	20,838	3,588,507

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements)

MULPHA INTERNATIONAL BHD

Registration No. 197401002704 (19764-T)

PART A1 : QUARTERLY REPORT

IV CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	<---3 MONTHS ENDED-->	
	31.03.2025	31.03.2024
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(5,017)	(11,016)
Adjustments for non-cash items:		
Change in fair value of investment properties	75	72
Dividend income	(289)	(754)
Net impairment losses	330	1,227
Interest income	(11,809)	(6,193)
Interest expense	31,368	34,312
Gain on lease modification	-	(124)
Depreciation and amortisation	20,826	22,349
Property, plant and equipment:		
- (Gain)/Loss on disposal	(15)	7
- Written off	-	1,296
Amortisation on other non-current liabilities	(640)	-
Net provision for liabilities	4,598	7,680
Share of loss of associates	1,798	1,611
Share of profit of joint ventures	(939)	(154)
Operating profit before changes in working capital	40,286	50,313
Changes in working capital		
Contract liabilities	14,046	12,030
Inventories	(110,695)	(47,932)
Prepayments	(32,274)	(4,804)
Payables	40,908	(20,693)
Receivables	1,852	4,925
Net change in working capital	(86,163)	(56,474)
Cash used in operations	(45,877)	(6,161)
Interest paid	(38,638)	(41,321)
Interest received	4,094	2,924
Income tax paid	(2,861)	(1,610)
Net cash used in operating activities	(83,282)	(46,168)

MULPHA INTERNATIONAL BHD

Registration No. 197401002704 (19764-T)

PART A1 : QUARTERLY REPORT

IV CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

	<---3 MONTHS ENDED-->	
	31.03.2025	31.03.2024
	RM'000	RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(8,663)	(15,990)
Acquisition of investment securities	(8,512)	(1,361)
Capital expenditure of investment properties	(317)	(1,833)
Dividends received	1,015	10,953
Proceeds from disposal of property, plant and equipment	19	1
Withdrawal of fixed deposits with maturity profile more than three months	4,690	-
Net cash used in investing activities	(11,768)	(8,230)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid to non-controlling interests of subsidiaries	-	(1,357)
Payment of lease liabilities	(545)	(1,362)
Net drawdown of borrowings	67,814	68,618
Net cash generated from financing activities	67,269	65,899
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(27,781)	11,501
CASH AND CASH EQUIVALENTS AS AT 1 JANUARY	149,644	278,892
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	937	(4,423)
CASH AND CASH EQUIVALENTS AS AT 31 MARCH	122,800	285,970

PART A

Explanatory Notes Pursuant to Malaysian Financial Reporting Standard (MFRS) 134: Interim Financial Reporting

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with the Malaysian Financial Reporting Standard ("MFRS") 134, "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2024.

The significant accounting policies and methods of computation applied in the interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2024 except for the adoption of the following:

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of exchangeability*

The adoption of the above Amendments to MFRSs did not have any material impact on the financial statements of the Group.

As at the date of authorisation of this Condensed Report, the following Standards and amendments to Standards have been issued by the MASB but are not yet effective.

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments Disclosures – Classification and Measurement of Financial Instruments*
- Amendments to MFRS 1, *First-time Adoption of Malaysia Financial Reporting Standards (Annual Improvements – Volume 11)*
- Amendments to MFRS 7, *Financial Instruments: Disclosures (Annual Improvements – Volume 11)*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements – Volume 11)*
- Amendments to MFRS 10, *Consolidated Financial Statements (Annual Improvements – Volume 11)*
- Amendments to MFRS 107, *Statement of Cash Flows (Annual Improvements – Volume 11)*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments Disclosures – Contracts Referencing Nature-dependent Electricity*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2027

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

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

A2. Audit Report of Preceding Annual Financial Statements

The audit report of the Group's annual financial statements for the financial year ended 31 December 2024 was not subject to any qualification.

A3. Seasonal or Cyclicity of Operations

Except for the hospitality and leisure division whose performance is influenced by the festive and holiday periods, the other businesses of the Group are generally not subject to seasonal or cyclical fluctuations.

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

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

A5. Changes in Estimates

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

A6. Changes in Debt and Equity Securities

There were no changes in debt and equity securities during the current financial quarter.

A7. Dividend Paid

There was no dividend paid during the current financial quarter.

A8. Segment Information

Segment analysis for the financial period ended 31 March 2025 and 2024 are set out below:

	Revenue		Profit/(Loss) Before Tax	
	3 months ended	3 months ended	3 months ended	3 months ended
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
Business Segment				
Property development	9,847	26,009	(1,795)	68
Property investment and finance	21,952	24,681	11,863	13,387
Hospitality and leisure	170,069	181,103	19,639	22,472
Investment and others	9,466	14,009	(2,497)	(11,174)
	211,334	245,802	27,210	24,753
Finance costs	-	-	(31,368)	(34,312)
Share of results of associates and joint ventures	-	-	(859)	(1,457)
	211,334	245,802	(5,017)	(11,016)

MULPHA INTERNATIONAL BHD
Registration No. 197401002704 (19764-T)
FIRST FINANCIAL QUARTER ENDED 31 MARCH 2025

A8. Segment Information (Cont'd)

Segment analysis for the financial period ended 31 March 2025 and 2024 are set out below: (Cont'd)

	Total Assets		Total Liabilities	
	31.03.2025	31.12.2024	31.03.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Business Segment				
Property development	2,109,526	1,824,394	847,043	607,025
Property investment and finance	1,343,770	1,313,055	518,149	431,561
Hospitality and leisure	1,663,293	1,855,392	568,699	705,777
Investment and others	2,508,868	2,451,422	2,239,688	2,265,823
	7,625,457	7,444,263	4,173,579	4,010,186
Adjustments and eliminations	(1,269,761)	(1,242,944)	(1,269,761)	(1,242,944)
	6,355,696	6,201,319	2,903,818	2,767,242

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets [^]	
	31.03.2025	31.03.2024	31.03.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Australia	206,439	234,512	2,871,346	2,862,735
Malaysia	1,064	6,142	359,538	359,580
New Zealand	3,831	5,148	185,558	184,825
	211,334	245,802	3,416,442	3,407,140

[^] Non-current assets information presented above consist of property, plant and equipment, right-of-use assets, investment properties, intangible assets and inventories.

A9. Related Party Disclosures

Below are the significant related party transactions, which were carried out on terms and conditions negotiated amongst the related parties:

	1st Quarter Ended		3 Months Ended	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
A. Joint Ventures				
Dividend income	726	810	726	810
Interest income	28	12	28	12
Share service income	1,044	1,072	1,044	1,072

A9. Related Party Disclosures (Cont'd)

	1st Quarter Ended		3 Months Ended	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
B. Other related parties				
Companies related to Directors				
- Administration fee	118	148	118	148
- Rental paid	101	101	101	101
- Share service income	268	-	268	-
- Asset management income	109	-	109	-
Companies related to a person connected to a Director				
- Rental income	56	70	56	70

These transactions have been entered into in the normal course of business and established under negotiated terms.

A10. Valuation of Property, Plant and Equipment

The carrying value of the property, plant and equipment is stated at cost less depreciation and impairment losses.

A11. Capital Commitments

Capital commitments for the purchase of property, plant and equipment as at 31 March 2025 are as below:

	RM'000
(a) Approved and contracted for	19,782
(b) Approved but not contracted for	81

A12. Asset Classified as Held for Sale

(a) Divestment of Capri Via Roma Shopping Centre ("Capri")

During the previous financial year, the Group has entered into a negotiation in relation to the divestment of its investment property in Capri. The divestment of Capri is presented as asset classified as held for sale as at 31 March 2025 with carrying amount of RM238.55 million. The divestment of Capri was completed for a total cash consideration of AUD85.5 million (equivalent to RM237.71 million) and was fully settled on 28 April 2025.

(b) Divestment of Brimbank Shopping Centre ("Brimbank")

During the previous financial year, the Group has entered into a negotiation in relation to the divestment of its 20% shareholdings in Brimbank. The Board has approved on the sale of Brimbank and transaction price has been agreed with the buyer. The divestment of Brimbank is expected to be completed in third quarter of 2025. The divestment of Brimbank presented as asset classified as held for sale as at 31 March 2025 with carrying amount of RM49.46 million.

A12. Asset Classified as Held for Sale (Cont'd)

(c) Divestment of Hydra RL Topco Pty Ltd ("Topco")

During the previous financial year, the Group has entered into a negotiation in relation to the divestment of its investment securities in Topco. The Group is compelled to divest the investment securities as part of a drag clause in the shareholders deed of Topco. The divestment is expected to be completed by second half of 2025. The divestment of Topco is presented as asset classified as held for sale as at 31 March 2025 with fair value of RM596.53 million.

A13. Material Events Subsequent to the Reporting Date

There were no material events subsequent to 31 March 2025 that the Directors believe warrant disclosure.

A14. Changes in the Composition of the Group

There were no material changes in the composition of the Group during the current financial quarter.

A15. Changes in Contingent Liabilities or Contingent Assets

There were no material changes in contingent liabilities or contingent assets arising since the last audited financial statements for the financial year ended 31 December 2024.

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PART B

Explanatory Notes Pursuant to paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. Review of Performance

	CUMULATIVE PERIOD		CHANGES	
	3 MONTHS	3 MONTHS		
	ENDED	ENDED		
	31.03.2025	31.03.2024		
	RM'000	RM'000	RM'000	%
Revenue	211,334	245,802	(34,468)	(14)
Profit from operations	27,210	24,753	2,457	10
Profit before interest and tax	26,351	23,296	3,055	13
Loss before tax	(5,017)	(11,016)	5,999	54
Loss after tax	(3,883)	(7,119)	3,236	45
Loss attributable to owners of the Company	(4,077)	(7,236)	3,159	44

The Group's revenue of RM211.33 million in the current quarter ended 31 March 2025 decreased by 14% in comparison to RM245.80 million of previous year's corresponding quarter. The decline in revenue resulted from the unfavourable foreign exchange fluctuation on Australian dollar and overall weaker performance from all operating segments of the Group.

The property development division recorded a lower revenue of RM16.16 million due to lower settlements in Sanctuary Cove development in Australia and Leisure Farm Resort in Johor Bahru as compared to previous year corresponding quarter. The hospitality and leisure division's revenue decreased by RM11.03 million, driven by unfavourable foreign exchange fluctuation on Australian dollar despite the slight improved trading results from InterContinental Sydney and Hayman in Australia. The investment and others division recorded a decrease in revenue by RM4.5 million, driven by the loss of income from discontinued education business in comparison to previous year corresponding quarter. The property investment and finance division's revenue decreased by RM2.73 million, primarily due to lower loan portfolio.

The Group's pre-tax loss for the current quarter is RM5.02 million, a decrease of RM6.00 million compared to pre-tax loss of RM11.02 million in the same quarter of the previous year mainly due to higher interest income on loan notes denominated in Australian dollar. However, this increase is offset by the weaker operation performance from the respective divisions as explained above.

MULPHA INTERNATIONAL BHD**Registration No. 197401002704 (19764-T)****FIRST FINANCIAL QUARTER ENDED 31 MARCH 2025****B2. Comparisons with Preceding Quarter's Results**

	CURRENT QUARTER ENDED 31.03.2025	PRECEDING QUARTER ENDED 31.12.2024	CHANGES	
	RM'000	RM'000	RM'000	%
Revenue	211,334	283,898	(72,564)	(26)
Profit/(Loss) from operations	27,210	109,258	(82,048)	(75)
Profit/(Loss) before interest and tax	26,351	114,036	(87,685)	(77)
(Loss)/Profit before tax	(5,017)	79,915	(84,932)	>(100)
(Loss)/Profit after tax	(3,883)	70,758	(74,641)	>(100)
(Loss)/Profit attributable to owners of the Company	(4,077)	69,271	(73,348)	>(100)

The Group's revenue decreased by 26% to RM211.33 million for the quarter ended 31 March compared to RM283.90 million for the preceding quarter. The decrease was primarily driven by decline in performance of hospitality and leisure and property development divisions.

The hospitality and leisure division observed a reduction in revenue of RM36.06 million compared to the preceding quarter due return to normalised performance in current quarter following strong demand during the year end festive season in Australia in the preceding quarter. Revenue of the property development division decreased by RM33.07 million was primarily due to lower settlements from Mulpha Norwest and Sanctuary Cove developments in Australia. The investment and others division reported a marginal reduction in revenue of RM1.96 million as compared to the preceding quarter, mainly attributed to the weaker performance from merchandise and car wash businesses in Australia. Revenue in the property investment and finance division observed a reduction of RM1.48 million compared to the preceding quarter, primarily due to lower loan portfolio.

The Group's pre-tax loss for the current quarter ended 31 March 2025 amounted to RM5.02 million, representing a reduction of RM84.73 million compared to the pre-tax profit of RM79.92 million in the preceding quarter in line with the revenue performance of various divisions as mentioned above and recognition of fair value gain on investment properties in the preceding quarter, whilst offset against the one-off development loss from the affordable housing project relating to Leisure Farm in previous quarter ended 31 December 2024.

B3. Prospect

The first quarter of 2025 saw strong trading for the Group's hotel portfolio with InterContinental Sydney occupancy level at 94%. Consistent corporate market business travel and conferencing and increasing overseas tourist numbers are helping keep occupancy and rates high. InterContinental Hayman Island and InterContinental Sanctuary Cove also experienced good results for the quarter, with consistent conference business and better leisure demand helping the hotels. Looking ahead to second half of 2025, it is anticipated that occupancy levels will vary by location. Sydney is expected to continue to maintain strong occupancies and room rates. InterContinental Hayman Island is expected to experience a strong Winter season with lower occupancies and room rates in off peak periods. Demand is however expected to improve in the key Group and International markets progressively over 2025. Sanctuary Cove is also expected to benefit from strong Group and conference business to offset a cost conscious leisure market.

The Group's investment properties have continued to maintain solid occupancies in the first quarter of 2025. The Group is cognisant of the high inflationary environment, increased cost of living pressures, increased interest rates, and the negative impact on consumer spending. Accordingly, arrears and tenant mix remain specific areas of focus for the shopping centre assets. While transactions in the commercial real estate market remain thin, valuations should be positively impacted with interest rates reducing over the coming 12 months.

The residential property market in the first quarter has slowed, with low sales despite the ongoing supply constraints for houses and apartments. Mulpha has achieved consistent price increases across all projects, with sales success anchored in the flight to quality by owner-occupiers. Higher prices have slowed the rate of sales in the first quarter and we are hopeful of experiencing stronger enquiry levels as our two major projects reach completion in the third quarter of 2025. As a result of the market conditions, small and mid-size developers are not committing to projects due to construction costs and financing constraints as well as many builders facing financial pressures, including some going into liquidation. These cost pressures are also applying to Mulpha projects with significant focus being applied to efficient design and improved procurement of key materials. The Group anticipates that supply will continue to be constrained in each of the key markets which will support pricing despite a likely deterioration in economic conditions into 2025. With the first interest rate cut in 4 years announced in February 2025, and more expected over 2025, it's expected that there will be an uplift in interest, as affordability increases.

In early 2025, Malaysia and Singapore formally entered into an agreement to establish the Johor-Singapore Special Economic Zone (JS-SEZ). The JS-SEZ is aimed at creating a dynamic and integrated economic corridor and increased cross border integration. Although specific business sectors are eligible for benefits and incentives, Leisure Farm is poised to benefit from the increase in economic activity, improved transportation and population growth in the region. Leisure Farm's strengths will be in offering readily available and high quality units in the luxury segment of Iskandar Malaysia real estate.

The Group's hospitality and leisure assets will continue to be tested in the higher inflationary and interest rates environment where there is greater pressure on consumer spending. A strong focus on effective cost management is in place to minimise this shortfall. Bimbadgen Wine Estate's performance has been impacted by a highly competitive wine industry and lower visitations to the Hunter Valley including lower concert attendances. The ongoing success of our wedding event business together with the stabilisation of the Lane Retreat accommodation business will help offset these tougher market conditions. In addition, Swing City, a golf entertainment facility at Norwest, has continued to perform strongly this quarter, exceeding expectations and contributing positively to the Group's hospitality results in Q1 2025.

The Group is actively looking to build its fund management capability to secure attractive real estate equity and debt investments with third-party capital support. The Group also continues to explore opportunities to expand its interests in operating businesses, particularly where the Group has established operational capability.

As a Group, Mulpha has built a team of highly skilled and specialised professionals in each industry segment and is well positioned to continue to grow the business despite increasing macro-economic challenges in Australia and globally.

MULPHA INTERNATIONAL BHD
Registration No. 197401002704 (19764-T)
FIRST FINANCIAL QUARTER ENDED 31 MARCH 2025

B4. Variance from Profit Forecast or Profit Guarantee

Not applicable as there was no profit forecast or profit guarantee issued.

B5. Profit Before Tax

	1st Quarter Ended		3 Months Ended	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
Loss before tax is arrived at after (crediting)/charging:				
Change in fair value of investment properties	75	72	75	72
Dividend income	(289)	(754)	(289)	(754)
Gain on lease modification	-	(124)	-	(124)
Net impairment losses	330	1,227	330	1,227
Interest income	(11,809)	(6,193)	(11,809)	(6,193)
Interest expense	31,368	34,312	31,368	34,312
Net foreign exchange loss	185	-	185	-
Depreciation and amortisation	20,826	22,349	20,826	22,349
Amortisation on other non-current liabilities	(640)	-	(640)	-
Rental income	(6,491)	(7,332)	(6,491)	(7,332)

B6. Tax Expense/(Benefit)

	1st Quarter Ended		3 Months Ended	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
Current tax expense/(benefit)				
Malaysian - current year	1,550	1,318	1,550	1,318
Malaysian - prior year	-	(48)	-	(48)
Overseas - current year	1,981	257	1,981	257
Overseas - prior year	-	(28)	-	(28)
	<u>3,531</u>	<u>1,499</u>	<u>3,531</u>	<u>1,499</u>
Deferred tax expense /(benefit)				
Origination and reversal of temporary differences	(4,665)	(5,396)	(4,665)	(5,396)
	<u>(4,665)</u>	<u>(5,396)</u>	<u>(4,665)</u>	<u>(5,396)</u>
Tax benefit	<u>(1,134)</u>	<u>(3,897)</u>	<u>(1,134)</u>	<u>(3,897)</u>

MULPHA INTERNATIONAL BHD**Registration No. 197401002704 (19764-T)****FIRST FINANCIAL QUARTER ENDED 31 MARCH 2025****B7. Status of Corporate Proposals**

There were no corporate proposals announced as at the date of this report.

B8. Group Loans and Borrowings

The details of the loans and borrowings as at 31 March 2025 are as follows:-

	As at 1st Quarter Ended 2025											
	Long term				Short term				Total borrowings			
	Currency	Foreign denomination '000	Exch Rate	RM'000	Currency	Foreign denomination '000	Exch Rate	RM'000	Currency	Foreign denomination '000	Exch Rate	RM'000
<u>Secured</u>												
Revolving Credit/Loan	RM			-	RM			127,448	RM			127,448
Revolving Credit/Loan	AUD	127,502	2.79	355,731	AUD	140,857	2.79	392,991	AUD	268,359	2.79	748,722
Term Loan	RM			15,641	RM			8,836	RM			24,477
Term Loan	AUD	438,000	2.79	1,222,020	AUD	35,736	2.79	99,703	AUD	473,736	2.79	1,321,723
Term Loan	NZD	-	2.53	-	NZD	30,629	2.53	77,491	NZD	30,629	2.53	77,491
Finance Lease	AUD	2,770	2.79	7,728	AUD	-	2.79	-	AUD	2,770	2.79	7,728
Bonds	AUD	14,843	2.79	41,412	AUD	2,479	2.79	6,916	AUD	17,322	2.79	48,328
				1,642,532				713,385				2,355,917
<u>Unsecured</u>												
Term Loan	AUD	-	2.79	-	AUD	5,060	2.79	14,117	AUD	5,060	2.79	14,117
				-				14,117				14,117
				1,642,532				727,502				2,370,034

MULPHA INTERNATIONAL BHD**Registration No. 197401002704 (19764-T)****FIRST FINANCIAL QUARTER ENDED 31 MARCH 2025****B8. Group Loans and Borrowings (Cont'd)**

The details of the loans and borrowings as at 31 March 2024 are as follows:-

	As at 1st Quarter Ended 2024											
	Long term				Short term				Total borrowings			
	Currency	Foreign denomination '000	Exch Rate	RM'000	Currency	Foreign denomination '000	Exch Rate	RM'000	Currency	Foreign denomination '000	Exch Rate	RM'000
<u>Secured</u>												
Revolving Credit/Loan	RM			-	RM			87,449	RM			87,449
Revolving Credit/Loan	AUD	42,906	3.08	132,150	AUD	127,175	3.08	391,699	AUD	170,081	3.08	523,849
Term Loan	RM			22,574	RM			11,478	RM			34,052
Term Loan	AUD	432,910	3.08	1,333,363	AUD	20,000	3.08	61,600	AUD	452,910	3.08	1,394,963
Finance Lease	NZD	32,629	2.83	92,340	NZD	-	2.83	-	NZD	32,629	2.83	92,340
Bonds	AUD	2,770	3.08	8,532	AUD	-	3.08	-	AUD	2,770	3.08	8,532
				1,641,442				559,282				2,200,724
<u>Unsecured</u>												
Term Loan	AUD	-	3.08	-	AUD	5,583	3.08	17,196	AUD	5,583	3.08	17,196
				-				17,196				17,196
				1,641,442				576,478				2,217,920

B9. Material Litigation

There was no material litigation against the Group as at reporting date.

B10. Dividend

The Board of Directors does not recommend any dividend for the financial period ended 31 March 2025.

B11. Earnings Per Share

(i) Basic earnings per share

The basic earnings per share of the Group have been computed by dividing the profit attributable to equity holders of the parent by the weighted average number of ordinary shares in issue during the financial period, excluding treasury shares held by the Company as set out below:

	3 Months Ended 31.03.2025	3 Months Ended 31.03.2024
Loss for the period, amount attributable to equity holders of the parent (RM'000)	(4,077)	(7,236)
Weighted average number of ordinary shares ('000)	306,178	311,178
Basic loss per share (sen)	(1.33)	(2.33)

(ii) Diluted earnings per share

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