

SHANGRI-LA GROUP

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Shangri-La Asia Limited

(Incorporated in Bermuda with limited liability)

website: www.ir.shangri-la.com

(Stock code: 00069)

OVERSEAS REGULATORY ANNOUNCEMENT

Shangri-La Hotels (Malaysia) Berhad (“**SHMB**”) is a company listed on Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”) and a 52.78% owned subsidiary of Shangri-La Asia Limited. SHMB released to Bursa Malaysia an announcement (“**Announcement**”) today. The following is a reproduction of the Announcement as required by the Note to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Hong Kong, 28 August 2023

As at the date hereof, the directors of Shangri-La Asia Limited are:

Executive directors

Ms KUOK Hui Kwong (Chairman)

Mr CHUA Chee Wui (Group Chief Financial Officer & Group Chief Investment Officer)

Non-executive director

Mr LIM Beng Chee

Independent non-executive directors

Professor LI Kwok Cheung Arthur

Mr YAP Chee Keong

Mr LI Xiaodong Forrest

Mr ZHUANG Chenchao

Ms KHOO Shulamite N K

SHANGRI-LA HOTELS (MALAYSIA) BERHAD**Reg. No: 197101000484 (10889-U)****(Incorporated in Malaysia)****ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2023**

The Board of Directors of Shangri-La Hotels (Malaysia) Berhad wishes to announce the following :-

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

	3 months ended		6 months ended	
	30.6.2023	30.6.2022	30.6.2023	30.6.2022
	RM'000	RM'000	RM'000	RM'000
Revenue	107,545	79,318	223,853	136,434
Operating profit/(loss)	9,670	(2,495)	24,797	(15,709)
Interest expense	(3,241)	(1,018)	(6,065)	(1,746)
Interest income	89	32	199	146
Share of results of associated companies	(60)	213	(53)	607
Profit/(loss) before tax	6,458	(3,268)	18,878	(16,702)
Tax (expense)/income	(3,395)	460	(6,883)	(1,415)
Profit/(loss) for the period	3,063	(2,808)	11,995	(18,117)
<u>Attributable to:</u>				
Shareholders of the Company	2,625	(2,016)	10,895	(14,958)
Non-controlling interests	438	(792)	1,100	(3,159)
	3,063	(2,808)	11,995	(18,117)
Basic Earnings/(Loss) per Ordinary Share (sen)	0.60	(0.46)	2.48	(3.40)
Diluted Earnings/(Loss) per Ordinary Share (sen)	NA	NA	NA	NA

(The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2022)

NA - not applicable

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ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months ended		6 months ended	
	30.6.2023	30.6.2022	30.6.2023	30.6.2022
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) for the period	3,063	(2,808)	11,995	(18,117)
Other comprehensive (expense)/income				
<i>Item that may be reclassified subsequently to profit or loss:</i>				
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	(181)	685	(258)	879
Total comprehensive income/(expense) for the period	2,882	(2,123)	11,737	(17,238)
<u>Attributable to:</u>				
Shareholders of the Company	2,444	(1,331)	10,637	(14,079)
Non-controlling interests	438	(792)	1,100	(3,159)
	2,882	(2,123)	11,737	(17,238)

(The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2022)

SHANGRI-LA HOTELS (MALAYSIA) BERHAD

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**ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2023**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30.6.2023 RM'000	As at 31.12.2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	519,683	531,386
Right-of-use assets	17,149	16,450
Investment properties	287,700	287,700
Interests in associates	200,564	189,274
Property development expenditure	12,286	12,286
Deferred tax assets	54,377	59,439
	<u>1,091,759</u>	<u>1,096,535</u>
Current assets		
Inventories	2,909	3,165
Trade and other receivables, prepayments and deposits	24,564	28,238
Tax recoverable	1,087	1,982
Short-term fund placements	110,977	82,448
Cash and bank balances	19,896	27,544
	<u>159,433</u>	<u>143,377</u>
Total assets	<u>1,251,192</u>	<u>1,239,912</u>
EQUITY		
Capital and reserves		
Share capital	544,501	544,501
Reserves	244,645	234,008
Total equity attributable to shareholders of the Company	<u>789,146</u>	<u>778,509</u>
Non-controlling interests	113,761	112,661
Total equity	<u>902,907</u>	<u>891,170</u>
LIABILITIES		
Non-current liabilities		
Retirement benefit obligations	25,475	24,563
Lease liabilities	900	293
Deferred tax liabilities	12,111	12,111
Other non-current liabilities	3,183	6,114
	<u>41,669</u>	<u>43,081</u>
Current liabilities		
Trade and other payables and accruals	74,507	97,217
Provisions	-	868
Contract liabilities	15,089	11,400
Lease liabilities	952	694
Short-term borrowings	207,000	185,816
Current tax liabilities	286	340
Amount due to an associated company	8,782	9,326
	<u>306,616</u>	<u>305,661</u>
Total liabilities	<u>348,285</u>	<u>348,742</u>
Total equity and liabilities	<u>1,251,192</u>	<u>1,239,912</u>
Net Assets per Ordinary Share (RM)	1.79	1.77
Attributable to Shareholders of the Company		

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2022)

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ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the 6 months ended 30 June 2023

<i>All figures in RM'000</i>	<u>Attributable to Shareholders of the Company</u>			Total equity attributable to shareholders of the Company	Non-controlling interests	Total equity
	Share capital	Exchange Translation Reserve	Retained earnings			
	← Non-distributable →		← Distributable →			
Balance at 1 January 2022	544,501	37,299	236,457	818,257	116,688	934,945
Net loss for the period	-	-	(14,958)	(14,958)	(3,159)	(18,117)
Exchange differences on translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	-	879	-	879	-	879
Total comprehensive income/(expense) for the period	-	879	(14,958)	(14,079)	(3,159)	(17,238)
Balance at 30 June 2022	544,501	38,178	221,499	804,178	113,529	917,707
Balance at 1 January 2023	544,501	38,261	195,747	778,509	112,661	891,170
Net profit for the period	-	-	10,895	10,895	1,100	11,995
Exchange differences on translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	-	(258)	-	(258)	-	(258)
Total comprehensive (expense)/income for the period	-	(258)	10,895	10,637	1,100	11,737
Balance at 30 June 2023	544,501	38,003	206,642	789,146	113,761	902,907

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2022)

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ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2023

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For the 6 months ended 30 June 2023

	30.6.2023	30.6.2022
	RM'000	RM'000
Profit/(loss) before tax	18,878	(16,702)
Adjustments for non-cash flow:-		
Non-cash items	25,222	26,084
Non-operating items	5,866	1,600
Operating profit before changes in working capital	49,966	10,982
Changes in working capital		
Net change in current assets	3,905	(5,014)
Net change in current liabilities	(19,967)	(1,820)
Cash generated from operations	33,904	4,148
Income taxes (paid)/refund	(980)	247
Retirement benefits paid	(557)	(1,171)
Net cash inflow from operating activities	32,367	3,224
Investing activities		
Interest income received	199	146
Purchase of property, plant and equipment	(10,634)	(6,815)
Advances to an associated company	(4,066)	-
Net cash outflow from investing activities	(14,501)	(6,669)
Financing activities		
Drawdown of borrowings	9,583	1,753
Repayment of borrowings	-	(5,000)
Payments of lease obligations	(546)	(318)
Interest expense paid	(6,022)	(1,723)
Net cash inflow/(outflow) from financing activities	3,015	(5,288)
Net increase/(decrease) in cash & cash equivalents	20,881	(8,733)
Cash & cash equivalents at beginning of the year	109,992	78,170
Cash & cash equivalents at end of financial period	130,873	69,437

(The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2022)

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ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2023

NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (“MFRS 134”)

A1 Accounting Policies

The condensed consolidated interim financial statements of the Group for the current reporting period have been prepared in accordance with MFRS 134 - Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”), and should be read in conjunction with the Group’s financial statements for the year ended 31 December 2022. These condensed consolidated interim financial statements also comply with IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”).

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 December 2022, except for the adoption of the amended Malaysian Financial Reporting Standards (“MFRSs”) which are relevant to its operations commencing 1 January 2023 as set out below.

Amendments to MFRS 101	Presentation of Financial Statements (<i>Disclosures of Accounting Policies</i>)
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors (<i>Definition of Accounting Estimates</i>)
Amendments to MFRS 112	Income Taxes (<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>)

The adoption of these amended MFRSs did not have any significant impact on the financial statements or position of the Group.

Amendments not yet Effective

The following amendments to MFRS have been issued that will become effective for annual periods beginning on or after 1 January 2024 that are relevant to the Group. The Group will adopt these amendments from their effective dates which are not expected to have a material effect on the financial statements of the Group.

Amendments to MFRS 16	Leases (<i>Lease Liability in a Sale and Leaseback</i>)
Amendments to MFRS 101	Presentation of Financial Statements (<i>Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current</i>)

In addition, MASB had earlier issued amendments to MFRS 10 – Consolidated Financial Statements and MFRS 128 – Investments in Associates and Joint Ventures, however the effective dates of the amendments to MFRS 10 and MFRS 128 have been deferred by MASB. The Group will apply the amendments to MFRS 10 and MFRS 128 when they become applicable.

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NOTES PURSUANT TO MFRS 134

A2 Revenue

The disaggregation of the Group's revenue by major goods and service lines is set out below.

For the period ended 30 June 2023 <i>(All figures in RM'000)</i>	Hotels & Resorts	Investment Properties	Others	Total
Major Goods/Service Lines				
Revenue from rooms	116,541	-	-	116,541
Food and beverage sales	83,859	-	-	83,859
Rendering of ancillary services	8,446	-	-	8,446
Golf operations	2,917	-	-	2,917
Property rentals	-	10,285	-	10,285
Laundry services	-	-	1,805	1,805
Total revenue	211,763	10,285	1,805	223,853
For the period ended 30 June 2022 <i>(All figures in RM'000)</i>	Hotels & Resorts	Investment Properties	Others	Total
Major Goods/Service Lines				
Revenue from rooms	64,664	-	-	64,664
Food and beverage sales	54,525	-	-	54,525
Rendering of ancillary services	4,338	-	-	4,338
Golf operations	1,220	-	-	1,220
Property rentals	-	10,314	-	10,314
Laundry services	-	-	1,373	1,373
Total revenue	124,747	10,314	1,373	136,434

A3 Seasonal or Cyclical Factors

The business operations of the Group have not been materially affected by seasonal or cyclical factors during the financial period ended 30 June 2023.

A4 Unusual Items affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the financial period ended 30 June 2023, except for the continued post-pandemic recovery across the Group's hotel operations as disclosed in notes B1 and B2.

The Group's shareholders' equity rose by RM10.637 million to RM789.146 million at 30 June 2023 compared with RM778.509 million as at 31 December 2022, attributed to the RM10.895 million net profit delivered in the first half year ended 30 June 2023, partly offset by unfavourable foreign exchange translation differences arising from the weaker Ringgit. Correspondingly, net asset value per share of the Group at 30 June 2023 stood at RM1.79, up from RM1.77 at the previous year-end.

As at 30 June 2023, Group total current assets were RM159.433 million, an increase of RM16.056 million from RM143.377 million at the end of December 2022, largely driven by higher short-term fund placements, partly offset by lower bank balances and cash, along with a decrease in trade and other receivables.

Group total current liabilities of RM306.616 million at 30 June 2023 were RM0.955 million higher as compared to RM305.661 million at the end of December 2022. This was principally due to an increase in short-term bank borrowings and higher contract liabilities which were mostly offset by a reduction in trade and other payables. The increase in short-term bank borrowings mainly reflected the adverse exchange rate effects on the translation of the Group's US dollar borrowings given the strengthening of the US dollar against the Ringgit and was also due to the drawdown of borrowings by the Group to fund shareholder's advances to an associated company in Myanmar.

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**ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2023**

NOTES PURSUANT TO MFRS 134

A5 Material Changes in Estimates

There were no changes in estimates of amounts reported in prior interim periods or changes in estimates of amounts reported in prior financial years, which have a material effect on the financial statements for the second quarter and financial period ended 30 June 2023.

A6 Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the financial period ended 30 June 2023.

A7 Dividends Paid

There were no dividends paid during the financial period ended 30 June 2023.

A8 Segmental Reporting

The segmental analysis of the Group's results and assets are set out below.

For the period ended 30 June 2023 <i>(All figures in RM'000)</i>	Hotels & Resorts	Investment Properties	Others	Inter-segment Elimination	Consolidated Total
Segment Revenue					
Revenue from external customers	211,763	10,285	1,805	-	223,853
Inter-segment revenue	-	1,204	1,074	(2,278)	-
Total revenue	211,763	11,489	2,879	(2,278)	223,853
Segment Results					
Operating profit/(loss)	28,340	6,021	(3,566)	(5,998)	24,797
Interest expense	(3,393)	(112)	(5,914)	3,354	(6,065)
Interest income	2,817	-	-	(2,618)	199
Share of results of associated companies	-	(53)	-	-	(53)
Profit/(loss) before tax	27,764	5,856	(9,480)	(5,262)	18,878

As at 30 June 2023 <i>(All figures in RM'000)</i>	Hotels & Resorts	Investment Properties	Others	Inter-segment Elimination	Consolidated Total
Segment assets	858,394	356,114	5,931	(169,811)	1,050,628
Interest in associates	-	200,564	-	-	200,564
Total assets	858,394	556,678	5,931	(169,811)	1,251,192

A9 Material Events Subsequent to the End of the Current Financial Period

In the opinion of the Directors, there was no item or event of a material or unusual nature which has occurred between 30 June 2023 and the date of this report that would materially affect the results of the Group for the financial period ended 30 June 2023.

A10 Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial period ended 30 June 2023.

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FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2023

NOTES PURSUANT TO MFRS 134

A11 Changes in Contingent Liabilities or Contingent Assets

There were no changes in contingent liabilities and assets of the Group since the last annual balance sheet date as at 31 December 2022 to the date of this report.

A12 Capital Commitments

Capital commitments for property, plant and equipment and investment properties not provided for as at 30 June 2023 are as follows:-

	<u>RM'000</u>
Authorised and contracted for	8,505
Authorised but not contracted for	<u>21,497</u>
	<u>30,002</u>

A13 Related Party Transactions

6 months ended 30.6.2023
RM'000

Transactions with subsidiaries of the ultimate holding company

- Management, marketing and reservation fees to Shangri-La Hotel Management (MY) Pte Ltd.	8,345
- Office rental income from Shangri-La Shared Services Sdn Bhd	571

Transactions with a major shareholder of the Company

Office rental income from Kuok Brothers Sdn Berhad, PPB Group Berhad and Chemquest Sdn Bhd.	1,054
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Transaction with an associate of the Group

Shareholder's advances granted by Madarac Corporation, the Group's wholly-owned subsidiary incorporated in the British Virgin Islands to its associated company in Myanmar.	4,066
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NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF APPENDIX 9B

B1 Review of Group Results 1st Half 2023 vs 1st Half 2022

In the six months to 30 June 2023, Group revenue rose by 64% to RM223.853 million compared with RM136.434 million for the same period in 2022 when the Group's hotel operations were still impacted by the effects of the pandemic. Consequently, the Group registered a net profit attributable to shareholders of RM10.895 million for the first six months of 2023, a marked improvement from the net loss of RM14.958 million in the prior period ended 30 June 2022.

The Group's half-year financial performance was driven by significantly better operating results from across all its hotel operations which benefited from the continued healthy rebound both in rooms and in food and beverage business, after the removal of pandemic-related restrictions.

The performance of Shangri-La Hotel Kuala Lumpur rebounded strongly, with a 77% growth in revenue to RM73.358 million for the half year 2023, underpinned by a higher level of rooms and food and beverage business. The hotel ended the six-month period of 2023 with a pre-tax profit of RM10.047 million compared to a RM6.010 million loss in the half year 2022. Occupancy for the hotel was 54%, up from 22% the previous year.

Rasa Ria Resort saw leisure visitors from its key markets return steadily, with occupancy rising to 50% from 26% in the first half 2022, which drove a 137% increase in revenue to RM49.177 million. The resort turned in a pre-tax profit of RM4.155 million for the first six months of 2023 in contrast to a loss of RM11.126 million in the half year 2022.

On the back of buoyant leisure demand, occupancy at Rasa Sayang Resort climbed to 66% from 56% in the first half 2022, pushing overall revenue up by 39% to RM41.193 million. For the first half 2023, the resort recorded an increased pre-tax profit of RM6.296 million compared with RM2.200 million in the same period last year.

Revenue from Golden Sands Resort of RM25.698 million was 26% ahead of the first six months of 2022, helped by improved leisure business from the domestic market. As a result, the resort achieved a higher pre-tax profit of RM3.526 million in the first half 2023, as against RM1.429 million for the six-month period of 2022. The resort's occupancy strengthened from 56% in the prior half year to 64%.

At Hotel Jen Penang, revenue advanced by 69% during the first half 2023 to RM18.726 million, reflecting an improvement in occupancy to 58% from 39% in the first half of last year. The hotel made a pre-tax profit of RM0.817 million for the first half 2023, reversing the loss of RM1.867 million in the six months of 2022.

For the first half 2023, the combined rental revenue from the Group's investment properties in Kuala Lumpur of RM11.489 million was largely in line with the half year 2022 but their combined pre-tax profit was down by 7% from RM6.326 million in the prior year period to RM5.909 million, mainly because of higher energy costs arising from a sharp increase in electricity tariffs.

The Group's share of results from its associated companies in Myanmar in the half year ended 30 June 2023 was a loss of RM0.053 million versus a profit of RM0.607 million in the corresponding period of 2022. Pursuant to the requirements of MFRS 128, the Group's unrecognised share of losses for the first half 2023 in Traders Yangon Company Ltd ("TYCL") in which it holds a 23.5% stake amounted to RM4.147 million. TYCL owns and operates Sule Shangri-La Yangon, the Group's associate hotel.

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NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF APPENDIX 9B

B2 Comparison of Group Results 2nd Quarter 2023 vs 1st Quarter 2023

Group revenue for the second quarter to 30 June 2023 was RM107.545 million, 8% less than RM116.308 million in the first quarter ended 31 March 2023. Accordingly, the Group's net profit attributable to shareholders for the second quarter 2023 dropped in tandem to RM2.625 million from RM8.270 million in the first quarter 2023.

The Group's financial results in the second quarter 2023 primarily reflected lower contributions from Shangri-La Hotel Kuala Lumpur and from the Group's resorts in Penang. For most of the period, the Group's hotel businesses as a whole experienced generally softer levels of demand in both rooms and in food and beverage operations.

Overall revenue at Shangri-La Hotel Kuala Lumpur fell by 8% from the first quarter 2023 to RM35.146 million, mainly driven by a reduction in food and beverage business. The hotel's occupancy for the second quarter 2023 remained stable at 54%. Likewise, Rasa Sayang Resort reported a 14% decrease in revenue to RM19.004 million in the second quarter 2023 in response to a drop in occupancy from 69% in the 2023 first quarter to 64%.

At Golden Sands Resort, revenue was down by 4% when compared to the first quarter 2023, largely as a result of weaker average room rates while the resort's occupancy of 64% was broadly similar to the first quarter 2023. Additionally, Rasa Ria Resort saw revenue dip by 2% over the first quarter 2023, owing to a decreased occupancy level of 47%. Revenue from Hotel Jen Penang in the second quarter 2023 showed a small decline of 1% versus the first quarter 2023, with a slightly lower occupancy of 58%.

In the second quarter 2023, the Group's investment properties in Kuala Lumpur generated a combined rental revenue of RM5.699 million, 2% below that of the first quarter 2023.

B3 Prospects for 2023

Whilst economic conditions remain uncertain and volatile, the overall growth outlook for the Group's hotel operations appears to be generally favourable given the continuing good momentum across most of their key leisure and business travel markets.

The Group's hotels and resorts are expected to see further improvements in their operational and financial performances during the second half of 2023 as they remain well-positioned to benefit from the ongoing market recovery as well as from the gradual return of demand with the lifting of travel restrictions in China earlier in the year.

As for the Group's investment properties in Kuala Lumpur, their operating performances will stay subdued over the course of 2023 amidst continued weak demand trends in a challenging market environment.

B4 Variance on Profit Forecast/Profit Guarantee

Not applicable.

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NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF APPENDIX 9B

B5 Taxation

	3 months ended		6 months ended	
	30.6.2023 RM'000	30.6.2022 RM'000	30.6.2023 RM'000	30.6.2022 RM'000
<u>Company and subsidiaries</u>				
<u>Current taxation</u>				
- current period	(999)	(994)	(2,004)	(1,985)
- in respect of prior years	183	25	183	24
	(816)	(969)	(1,821)	(1,961)
<u>Deferred taxation</u>				
- current period	(2,579)	1,429	(5,147)	4,741
- in respect of prior years	-	-	85	(4,195)
	(2,579)	1,429	(5,062)	546
	(3,395)	460	(6,883)	(1,415)

The Group's effective tax rate on profit before tax of RM18.878 million for the first six months ended 30 June 2023 was 36%. This effective tax rate was higher than the statutory tax rate of 24%, principally driven by the negative effect of increased interest expenses in the Group's wholly-owned British Virgin Islands subsidiary for the first half of 2023 which are non-deductible for tax purposes.

B6 Status of Corporate Proposals

There were no corporate proposals and unutilised proceeds raised from any corporate proposals as at the date of this report.

B7 Group Borrowings and Debt Securities

The Group's total borrowings as at 30 June 2023 were RM207.000 million, compared with RM181.969 million at 30 June 2022.

<i>(All figures in RM'000)</i>	As at 30 June 2023	As at 30 June 2022
<u>Secured</u>		
Short Term	-	-
Long Term	-	-
	-	-
<u>Unsecured</u>		
Short Term	207,000 *	181,969 **
Long Term	-	-
Total	207,000	181,969

* Amounts drawdown as at 30 June 2023 comprised HKD42.800 million and USD20.851 million from two offshore banks in Labuan, and USD18.000 million from a local bank.

** Amounts drawdown as at 30 June 2022 comprised HKD42.800 million and USD17.759 million from two offshore banks in Labuan, and USD18.000 million from a local bank.

There were no debt securities in the financial period ended 30 June 2023.

B8 Financial Instruments

Derivatives

There were no outstanding derivative financial instruments as at 30 June 2023.

Gains/losses arising from fair value changes of financial liabilities

There were no gains/losses arising from fair value changes of financial liabilities for the financial period ended 30 June 2023.

SHANGRI-LA HOTELS (MALAYSIA) BERHAD
Reg. No: 197101000484 (10889-U)
(Incorporated in Malaysia)

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2023

NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF APPENDIX 9B

B9 Changes in Material Litigation

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

B10 Dividend

No interim dividend has been declared for the financial period ended 30 June 2023.

B11 Earnings/(Loss) per Share

The basic earnings/(loss) per ordinary share for the six (6) months ended 30 June 2023 have been calculated as follows:-

	3 months ended		6 months ended	
	30.6.2023	30.6.2022	30.6.2023	30.6.2022
Profit/(Loss) attributable to shareholders of the Company (<i>RM'000</i>)	2,625	(2,016)	10,895	(14,958)
No. of ordinary shares in issue (<i>'000</i>)	440,000	440,000	440,000	440,000
Basic Earnings/(Loss) Per Share (<i>sen</i>)	0.60	(0.46)	2.48	(3.40)

Diluted Earnings/(Loss) per Share

Not applicable.

B12 Notes to the Statement of Comprehensive Income

	3 months ended		6 months ended	
	30.6.2023 RM'000	30.6.2022 RM'000	30.6.2023 RM'000	30.6.2022 RM'000
Net profit/(loss) for the period is arrived at after (charging)/crediting:-				
Interest expense	(3,241)	(1,018)	(6,065)	(1,746)
Depreciation	(11,507)	(12,379)	(22,892)	(25,482)
Net foreign exchange loss	(602)	(85)	(657)	(113)
Allowance for doubtful debts - trade and other receivables	(7)	(3)	(25)	(6)
Interest income	89	32	199	146

Other than the above which have been included in the statement of comprehensive income, there were no impairment of assets, gain or loss on disposal of quoted or unquoted investments or properties for the financial period ended 30 June 2023.

B13 Audit Report of the Group's Preceding Annual Financial Statements

There was no qualification in the audit report of the Group's financial statements for the year ended 31 December 2022.

By Order of the Board

Choy Chiew Ling
Company Secretary

Kuala Lumpur
28 August 2023

Quarterly rpt on consolidated results for the financial period ended 30 Jun 2023

SHANGRI-LA HOTELS (MALAYSIA) BERHAD

Financial Year End	31 Dec 2023
Quarter	2 Qtr
Quarterly report for the financial period ended	30 Jun 2023
The figures	have not been audited

Attachments

 [2nd Qtr 30 June 2023 Results.pdf](#)
815.2 kB

Default Currency	Other Currency
-------------------------	-----------------------

Currency: Malaysian Ringgit (MYR)

SUMMARY OF KEY FINANCIAL INFORMATION 30 Jun 2023

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	\$\$'000	\$\$'000	\$\$'000	\$\$'000
1 Revenue	107,545	79,318	223,853	136,434
2 Profit/(loss) before tax	6,458	-3,268	18,878	-16,702
3 Profit/(loss) for the period	3,063	-2,808	11,995	-18,117
4 Profit/(loss) attributable to ordinary equity holders of the parent	2,625	-2,016	10,895	-14,958
5 Basic earnings/(loss) per share (Subunit)	0.60	-0.46	2.48	-3.40
6 Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00

		AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
7	Net assets per share attributable to ordinary equity holders of the parent (\$\$)	1.7900	1.7700

Definition of Subunit:

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

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

 **Announcement Info**

Company Name	SHANGRI-LA HOTELS (MALAYSIA) BERHAD
Stock Name	SHANG
Date Announced	28 Aug 2023
Category	Financial Results
Reference Number	FRA-28082023-00026