

# Magma Group Achieves 82.45% Revenue Surge to RM8.289 Million in Q3 FY2024

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("Magma" or the "Company"), a dynamic hospitality and investment holding group, is pleased to announce its financial results for the third quarter of fiscal year 2024 ("Q3 FY2024"). The Company reported revenue of RM8.289 million for Q3 FY2024, marking an impressive 82.45%



The third quarter results reflect the growing strength of our hospitality business, particularly in the Hotel Operation segment, which has continued to deliver strong revenue growth."

*Dato' Sri Thomas Liang Chee Fong, Group MD of Magma Group Berhad*

increase from RM4.544 million in the same quarter last year ("Q3 FY2023"). This robust growth was primarily attributed to higher occupancy rates across its hotels, driven by contributions from WOLO Kuala Lumpur, which continues to perform strongly as part of the Company's portfolio.

Tourist arrivals, supported by special travel visa initiatives for Chinese travellers, contributed to improved occupancy across Magma's hotel properties. WOLO Kuala Lumpur was a key revenue generator during the quarter, contributing RM3.97 million.

The Hotel Operation segment accounted for most revenue, delivering RM7.626 million in Q3 FY2024, a significant rise from RM3.356 million in Q3 FY2023. The Hotel Management segment supplemented this with an additional RM0.66 million in revenue, a decrease of RM1.188 million from the preceding year's same quarter. For the current quarter, no revenue was contributed from the Property Development segment due to the Company in the process of recommencing the construction details with the main contractor.

Despite the strong top-line performance, Magma recorded a Loss After Tax ("LAT") of RM2.951 million in Q3 FY2024, slightly higher than the LAT of RM2.751 million in Q3 FY2023. The increase in losses was primarily due to one-off costs associated with corporate exercise expenses related to the RCN and stamp duty for refinancing of term loans, amounting to approximately RM0.69 million and RM0.28 million respectively. Adjusting for these non-recurring items, the Company's underlying performance would reflect further improvement.

Dato' Sri Thomas Liang Chee Fong, Group Managing Director of Magma Group Berhad commented, "The third quarter results reflect the growing strength of our hospitality business,

particularly in the Hotel Operation segment, which has continued to deliver strong revenue growth. While one-off costs impacted our bottom line this quarter, these investments are part of our strategic efforts to solidify our financial foundation and enhance our long-term performance. We remain confident in achieving our goals as we move into the final quarter of FY2024."

Most notably, Magma recently received shareholder approval at its Extraordinary General Meeting ("EGM") for the issuance of Redeemable Convertible Notes ("RCN"), a strategic fund-raising exercise aimed at raising up to RM100.00 million. The proceeds from the RCN will be utilised to refinance existing bank borrowings, invest in the refurbishment and upgrading of hotel facilities, and support the Company's working capital needs. This approval underscores shareholder confidence in Magma's vision and its commitment to driving sustainable growth across its core hospitality and investment segments.



Dato' Sri Thomas Liang Chee Fong, Group Managing Director of Magma

Looking ahead, Magma remains focused on enhancing its Average Room Rates ("ARR") and maximising occupancy at its flagship hotels, including Impiana KLCC Hotel, Impiana Hotel Ipoh, Impiana Hotel Senai, and WOLO Kuala Lumpur. In line with the Group's surge in revenue, the Malaysian hospitality sector is poised for a significant uplift, bolstered by strategic initiatives outlined in Budget 2025, which forecasts a considerable increase in tourist arrivals next year. The government's commitment to investing RM550 million in tourism promotion for the upcoming Visit Malaysia Year underscores a vital period of recovery and growth for the industry. Additionally, the Company is exploring opportunities to expand its portfolio and build on these positive trends in the hospitality sector.

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