

Muda Holdings Berhad (197101000036)
Condensed Consolidated Interim Financial Statements
For The Three Months Ended 31 March 2023

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	Current Quarter		Cumulative Quarter	
		Three Months Ended		Three Months Ended	
		31.03.2023	31.03.2022	31.03.2023	31.03.2022
		Unaudited	Unaudited	Unaudited	Unaudited
		RM'000	RM'000	RM'000	RM'000
Revenue	B 4	379,389	465,493	379,389	465,493
Cost of sales		(355,857)	(391,993)	(355,857)	(391,993)
Gross profit		<u>23,532</u>	<u>73,500</u>	<u>23,532</u>	<u>73,500</u>
Other income		7,722	3,406	7,722	3,406
Distribution expenses		(26,076)	(34,021)	(26,076)	(34,021)
Administration expenses		(20,358)	(19,468)	(20,358)	(19,468)
Net impairment losses on financial assets		(655)	21	(655)	21
Other expenses		(1,496)	(802)	(1,496)	(802)
Finance income		220	95	220	95
Finance costs		(7,612)	(5,179)	(7,612)	(5,179)
Share of results of associates		42	(42)	42	(42)
(Loss)/Profit before tax	B 5	<u>(24,681)</u>	<u>17,510</u>	<u>(24,681)</u>	<u>17,510</u>
Tax income/(expense)	B 6	7,540	(4,691)	7,540	(4,691)
(Loss)/Profit for the period		<u>(17,141)</u>	<u>12,819</u>	<u>(17,141)</u>	<u>12,819</u>
Other comprehensive income, net of tax					
Items that will not be reclassified subsequently to profit or loss					
Net change in fair value of equity investment designated at fair value through other comprehensive income ("FVOCI")		-	1,138	-	1,138
Tax effect thereon		-	(193)	-	(193)
		<u>-</u>	<u>945</u>	<u>-</u>	<u>945</u>
Item that may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operations		1,606	1,518	1,606	1,518
		<u>1,606</u>	<u>1,518</u>	<u>1,606</u>	<u>1,518</u>
Other comprehensive income for the period, net of tax		<u>1,606</u>	<u>2,463</u>	<u>1,606</u>	<u>2,463</u>
Total comprehensive (loss)/income for the period		<u>(15,535)</u>	<u>15,282</u>	<u>(15,535)</u>	<u>15,282</u>

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	Note	Current Quarter		Cumulative Quarter	
		Three Months Ended		Three Months Ended	
		31.03.2023	31.03.2022	31.03.2023	31.03.2022
		Unaudited	Unaudited	Unaudited	Unaudited
		RM'000	RM'000	RM'000	RM'000
(Loss)/Profit attributable to:					
Owners of the Company		(17,512)	12,252	(17,512)	12,252
Non-controlling interests		371	567	371	567
(Loss)/Profit for the period		<u>(17,141)</u>	<u>12,819</u>	<u>(17,141)</u>	<u>12,819</u>
Total comprehensive (loss)/income attributable to:					
Owners of the Company		(16,381)	14,540	(16,381)	14,540
Non-controlling interests		846	742	846	742
Total comprehensive (loss)/income for the period		<u>(15,535)</u>	<u>15,282</u>	<u>(15,535)</u>	<u>15,282</u>
Earnings per share attributable to owners of the Company:					
Basic (Sen)	B13(a)	<u>(5.74)</u>	<u>4.02</u>	<u>(5.74)</u>	<u>4.02</u>
Diluted (Sen)	B13(b)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

This Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's audited Financial Statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to these interim financial statements.

Muda Holdings Berhad (197101000036)
Condensed Consolidated Interim Financial Statements
For The Three Months Ended 31 March 2023

Condensed Consolidated Statement of Financial Position

	Note	31-03-2023 Unaudited RM'000	31-12-2022 Audited RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		1,370,459	1,376,664
Right-of-use assets		59,081	61,002
Capital work-in-progress		89,991	84,700
Investment properties		10,180	10,180
Investment in associates		1,421	1,360
Financial assets at FVOCI		21,463	21,154
Intangible assets		16,309	16,209
Deferred tax assets		828	817
		<u>1,569,732</u>	<u>1,572,086</u>
Current Assets			
Inventories		354,643	397,618
Trade receivables		254,575	260,385
Other receivables		46,493	28,033
Amount due from associates		983	1,351
Tax recoverable		14,330	13,948
Financial assets at fair value through profit or loss (FVPL")		5,328	5,315
Cash and bank balances, deposits and short term placements		130,189	132,749
		<u>806,541</u>	<u>839,399</u>
TOTAL ASSETS		<u><u>2,376,273</u></u>	<u><u>2,411,485</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital		159,471	159,471
Reserves		446,307	446,154
Retained earnings		671,600	688,134
Equity attributable to owners of the Company		<u>1,277,378</u>	<u>1,293,759</u>
Non-controlling Interests		<u>44,124</u>	<u>43,278</u>
Total Equity		<u><u>1,321,502</u></u>	<u><u>1,337,037</u></u>

Muda Holdings Berhad (197101000036)
Condensed Consolidated Interim Financial Statements
For The Three Months Ended 31 March 2023

Condensed Consolidated Statement of Financial Position

	Note	31-03-2023 Unaudited	31-12-2022 Audited
Non-Current Liabilities			
Borrowings	B9	133,148	137,900
Provision for retirement benefit		63,111	61,778
Government grants		17,792	5,718
Deferred tax liabilities		114,081	122,440
		<u>328,132</u>	<u>327,836</u>
Current Liabilities			
Trade payables		50,215	55,783
Other payables		100,260	108,607
Borrowings	B9	572,780	579,466
Tax payable		1,616	1,670
Government grants		1,502	584
Derivative financial liabilities	B10	266	502
		<u>726,639</u>	<u>746,612</u>
Total Liabilities		<u>1,054,771</u>	<u>1,074,448</u>
TOTAL EQUITY AND LIABILITIES		<u>2,376,273</u>	<u>2,411,485</u>
Net assets per share attributable to owners of the Company (RM)			
		4.19	4.24

This Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited Financial Statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to these interim financial statements.

Muda Holdings Berhad (197101000036)
Condensed Consolidated Interim Financial Statements
For The Three Months Ended 31 March 2023

Condensed Consolidated Statement of Changes in Equity

	← Attributable to Owners of the Company →					Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Exchange Fluctuation Reserve RM'000	Fair Value Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000			
At 1 January 2023	159,471	26,885	5,230	414,039	688,134	1,293,759	43,278	1,337,037
(Loss)/Profit for the period	-	-	-	-	(17,512)	(17,512)	371	(17,141)
Realisation of revaluation reserve upon depreciation of revalued assets	-	-	-	(978)	978	-	-	-
Other comprehensive income	-	1,131	-	-	-	1,131	475	1,606
Total comprehensive (loss)/income for the period	-	1,131	-	(978)	(16,534)	(16,381)	846	(15,535)
At 31 March 2023	159,471	28,016	5,230	413,061	671,600	1,277,378	44,124	1,321,502

This Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited Financial Statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to these interim financial statements.

Muda Holdings Berhad (197101000036)
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For The Three Months Ended 31 March 2023

Condensed Consolidated Statement of Changes in Equity

	← Attributable to Owners of the Company →					Retained Earnings RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	← Non-Distributable →				Distributable				
	Share Capital RM'000	Exchange Fluctuation Reserve RM'000	Fair Value Reserve RM'000	Other Reserve RM'000	Revaluation Reserve RM'000				
At 1 January 2022	159,471	10,731	1,553	2,887	417,682	724,274	1,316,598	38,613	1,355,211
(Loss)/Profit for the period	-	-	-	-	-	12,252	12,252	567	12,819
Realisation of revaluation reserve upon depreciation of revalued assets	-	-	-	-	(1,091)	1,091	-	-	-
Other comprehensive income	-	1,343	945	-	-	-	2,288	175	2,463
Total comprehensive (loss)/income for the period	-	1,343	945	-	(1,091)	13,343	14,540	742	15,282
At 31 March 2022	159,471	12,074	2,498	2,887	416,591	737,617	1,331,138	39,355	1,370,493

This Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited Financial Statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to these interim financial statements.

Muda Holdings Berhad (197101000036)
Condensed Consolidated Interim Financial Statements
For The Three Months Ended 31 March 2023

Condensed Consolidated Statement of Cash Flows

	Three Months Ended	
	31-03-2023	31-03-2022
	Unaudited	Unaudited
	RM'000	RM'000
OPERATING ACTIVITIES		
Profit before tax	(24,681)	17,510
Adjustments For :-		
Non-cash and non-operating items	<u>24,874</u>	<u>28,913</u>
Operating profit before working capital changes	193	46,423
Changes in working capital:-		
Net changes in inventories	46,885	(21,626)
Net change in receivables	(11,069)	3,466
Net change in payable	(14,022)	(26,680)
Bill payable	<u>537</u>	<u>28,793</u>
Cash generated from operations	<u>22,524</u>	<u>30,376</u>
Retirement benefits paid	(256)	(789)
Net tax paid	(1,271)	(5,656)
Interest received	220	95
Interest paid	<u>(3,401)</u>	<u>(2,587)</u>
Net cash from operating activities	<u>17,816</u>	<u>21,439</u>
INVESTING ACTIVITIES		
Capital work-in-progress incurred	(12,645)	(11,352)
Purchase of property, plant and equipment	(4,539)	(35,369)
Proceeds from disposal of property, plant and equipment	135	1,507
Receipts of government grants	<u>13,215</u>	<u>6,177</u>
Net cash used in investing activities	<u>(3,834)</u>	<u>(39,037)</u>
FINANCING ACTIVITIES		
Interest paid	(4,492)	(2,625)
Drawdown of borrowings	73,775	78,665
Repayment of borrowings	(84,029)	(63,660)
Withdrawal/(Placement) of fixed deposit pledged	<u>3,188</u>	<u>(72)</u>
Net cash (used in)/from financing activities	<u>(11,558)</u>	<u>12,308</u>

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For The Three Months Ended 31 March 2023

Condensed Consolidated Statement of Cash Flows

	Three Months Ended	
	31-03-2023	31-03-2022
	Unaudited	Unaudited
	RM'000	RM'000
CASH AND CASH EQUIVALENTS		
Net changes	2,424	(5,290)
Effect of exchange rate changes	650	366
At beginning of financial period	<u>105,855</u>	<u>112,515</u>
At end of financial period	<u><u>108,929</u></u>	<u><u>107,591</u></u>
Cash and cash equivalents at the end of the period comprise of:		
Cash and bank balances	81,812	74,436
Fixed deposits with licensed banks	11,149	15,167
Short term investments	<u>37,228</u>	<u>43,850</u>
	130,189	133,453
Less: Fixed deposits pledged	(7,455)	(12,340)
Bank overdraft	<u>(13,805)</u>	<u>(13,522)</u>
	<u><u>108,929</u></u>	<u><u>107,591</u></u>

This Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited Financial Statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to these interim financial statements.

Notes

A. Explanatory Notes Pursuant to MFRS 134

1. Basis of Preparation

The Condensed Interim Financial Statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: *Interim Financial Reporting* and Paragraph 9.22 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This Interim Financial Statements also complied with IAS 34: *Interim Financial Reporting* issued by the International Accounting Standard Board (“IASB”).

The Condensed Consolidated Interim Financial Statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022. The explanatory notes attached to these Condensed Consolidated 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 Muda Holdings Berhad (“MHB” or the “Company”) and its subsidiaries and associates (the “Group”) since the financial year ended 31 December 2022.

2. Significant Accounting Policies

Significant accounting policies and methods of computation adopted for the condensed interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 December 2022 except for the adoption of the new/revised MFRS mentioned below.

2.1 Adoption of Amendments to MFRSs and IC Interpretation

On 1 January 2023, the Group adopted the following Amendments to MFRSs which are mandatory for annual financial periods beginning on or after 1 January 2023:

- MFRS 17 – *Insurance Contracts*
- Amendments to MFRS 17 – *Insurance Contracts*
- Amendments to MFRS 101 – *Presentation of Financial Statements*
- Amendment to MFRS 108 – *Accounting Policies, Changes in Accounting Estimates and Errors*
- Amendments to MFRS 112 – *Income Taxes*

The adoption of the above amendments to MFRSs are either not relevant or did not have any significant effects on the interim financial report upon their initial application.

2.2 MFRSs and Amendments to MFRSs issued but not yet effective

The following are MFRSs and Amendments to MFRSs with effective dates after 1 January 2023 issued by Malaysian Accounting Standard Board (“MASB”) and they have not been early adopted by the Group:

2. Significant Accounting Policies (cont'd)

2.2 MFRSs and Amendments to MFRSs issued but not yet effective (cont'd)

(a) MFRS and Amendments effective for annual periods beginning on or after 1 January 2024

- Amendments to MFRS 16 – *Leases*
- Amendments to MFRS 101 – *Presentation of Financial Statements*

(b) Amendments effective for a date yet to be confirmed

- Amendments to MFRS 10 – *Consolidated Financial Statements*
- Amendments to MFRS 128 – *Investments in Associates and Joint Ventures*

3. Comments about Seasonal or Cyclical Factors

Prices of the Group's products were affected by the cyclical nature of international paper prices.

4. Extraordinary and exceptional items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the quarter ended 31 March 2023.

5. Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial year which would have material effect in the quarter ended 31 March 2023.

6. Debt and Equity Securities

The Company did not implement any scheme involving issuance of debt or equity securities or shares buyback during the quarter ended 31 March 2023.

7. Dividend Paid

No dividend was paid during the quarter ended 31 March 2023.

Muda Holdings Berhad (197101000036)**Unaudited Condensed Consolidated Interim Financial Statements for the Three Months Ended****31 March 2023****Explanatory Notes Pursuant to MFRS 134 and Appendix 9B of the Main Market Listing Requirements****8. Operating Segments**

Segmental information for the period ended 31 March 2023 and 31 March 2022 are as follows:-

	Manufacturing RM'000	Trading RM'000	Others RM'000	Elimination RM'000	Total RM'000
Period Ended 31 March 2023					
Revenue					
External revenue	345,429	33,933	27	-	379,389
Inter-segment revenue	3,931	58,159	2,229	(64,319)	-
Total revenue	<u>349,360</u>	<u>92,092</u>	<u>2,256</u>	<u>(64,319)</u>	<u>379,389</u>
Segment Profit/(Loss)	(17,059)	1,780	(314)	(1,738)	(17,331)
Interest Income					220
Finance costs					(7,612)
Share of results of associates					42
Loss before tax					<u>(24,681)</u>
Period Ended 31 March 2022					
Revenue					
External revenue	431,120	34,356	17	-	465,493
Inter-segment revenue	9,080	87,181	2,358	(98,619)	-
Total revenue	<u>440,200</u>	<u>121,537</u>	<u>2,375</u>	<u>(98,619)</u>	<u>465,493</u>
Segment Profit	20,724	2,251	(397)	58	22,636
Interest Income					95
Finance costs					(5,179)
Share of results of associates					(42)
Profit before tax					<u>17,510</u>

9. Material Event and Event Subsequent to the End of the Current Financial Period

There were no material events subsequent to the end of the current quarter and financial period under review.

10. Changes in the Composition of the Group

There were no changes in the composition of the Group for the quarter under review.

11. Changes in Contingent Liabilities and Contingent Assets

There were no material contingent liabilities and contingent assets subsequent to the end of the current quarter and financial period under review.

12. Capital Commitment

	31.03.2023	31.12.2022
	RM'000	RM'000
Contracted but not provided for	<u>34,632</u>	<u>38,145</u>

13. Related Party Transactions

Related party transactions conducted during the three months ended 31 March 2023 and 31 March 2022 are as follows:

	Current Quarter		Cumulative Quarter	
	Three Months Ended		Three Months Ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
(a) Transactions with Major Shareholder, Asia File Corporation Bhd and its subsidiaries				
Sales of goods	405	424	405	424
(b) Transactions with a company in which directors have interest				
Rental of premises	36	36	36	36

The above transactions were entered into in the ordinary course of business and were made on normal commercial terms which were not more favourable than those generally available to the public.

Muda Holdings Berhad (197101000036)**Unaudited Condensed Consolidated Interim Financial Statements for the Three Months Ended****31 March 2023****Explanatory Notes Pursuant to MFRS 134 and Appendix 9B of the Main Market Listing Requirements****B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad****1. Performance Review**

	Current quarter			Cumulative quarter		
	Three months ended			Three months ended		
	31.03.2023	31.03.2022	Variance	31.03.2023	31.03.2022	Variance
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue						
- Manufacturing	345,429	431,120	(19.9)	345,429	431,120	(19.9)
- Trading	33,933	34,356	(1.2)	33,933	34,356	(1.2)
- Others	27	17	58.8	27	17	58.8
Total revenue	379,389	465,493	(18.5)	379,389	465,493	(18.5)
Gross profit ("GP")	23,532	73,500	(68.0)	23,532	73,500	(68.0)
Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA)	3,371	43,342	(92.2)	3,371	43,342	(92.2)
(Loss)/Profit before tax ("LBT)/PBT")	(24,681)	17,510	(241.0)	(24,681)	17,510	(241.0)
GP margin (%)	6.20	15.79	(60.7)	6.20	15.79	(60.7)
EBITDA margin (%)	0.89	9.31	(90.5)	0.89	9.31	(90.5)
(LBT)/PBT margin (%)	(6.51)	3.76	(272.9)	(6.51)	3.76	(272.9)

Comparison with corresponding quarter in previous year (Q1 FY23 vs Q1 FY22)

Revenue for the Q1 FY23 was RM379.4 million as compared with Q1 FY22 of RM465.5 million, with a reduction of RM86.1 million or 18.5%. The reduction was attributable to lower Average Selling Price coupled with lower sales volume of carton related products.

The Group recorded a LBT of RM24.7 million as opposed to a PBT of RM17.5 million. The LBT was attributable mainly to the following: -

1. Lower revenue recorded in the period;
2. Gross margin compression from the increased in energy cost especially on our paper mills by 33.9% as a result of higher gas per mmBtu and the revision of TNB tariff in Jan 2023;
3. Higher operating cost namely chemical and labour cost, and
4. Higher finance cost by 47% from RM5.2 million to RM7.6 million in line with higher borrowings and higher rate.

1. Performance Review (cont'd)

Comparison with Preceding Quarter (Q1 FY23 vs Q4 FY22)

	Current quarter		
	Three months ended		
	31.03.2023	31.12.2022	Variance
	RM'000	RM'000	%
Revenue			
- Manufacturing	345,429	343,225	0.6
- Trading	33,933	104,000	(67.4)
- Others	27	78	(65.4)
Total revenue	379,389	447,303	(15.2)
Gross profit ("GP")	23,532	50,640	(53.5)
Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA)	3,371	6,022	(44.0)
(Loss)/Profit before tax ("LBT)/PBT")	(24,681)	(21,638)	14.1
GP margin (%)	6.20	11.32	(45.2)
EBITDA margin (%)	0.89	1.35	(34.0)
(LBT)/PBT margin (%)	(6.51)	(4.84)	34.5

The Group revenue in Q1 FY23 was RM379.4 million or 15.2% lower compared with preceding quarter mainly due to the lower contribution from our trading business.

2. Commentary on Prospects

The uncertainty in the global economy continues in year 2023. While the headline inflation has started to decline, it is still elevated, compounded by the volatility in the commodity prices and currency rates. The recent disruptions in financial markets have also exposed global vulnerabilities, with some downside risks for the global economy affecting potentially the dynamism of our local and export markets. Besides, the hike in Overnight Policy Rate by Bank Negara Malaysia will further impact our Group's financial performance.

Amidst all the uncertainties and rising headwinds, the Group will continue its efforts to emphasize on cost management, efficiency improvement and automation initiatives across our operations to maintain our competitiveness.

3. Profit Forecast or Profit Guarantee

There was no profit forecast or profit guarantee issued.

4. Revenue

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers is disaggregated by primary geographical market, major products and timing of revenue recognition in the following table:-

	Manufacturing RM'000	Trading RM'000	Others RM'000	Total RM'000
Period Ended 31 March 2023				
Major products/service lines				
Manufacturing and sale of industrial paper and paper related products	319,764	-	-	319,764
Trading of school books, uniforms and stationery	-	23,928	-	23,928
Trading of paper related products and agency commission earned	-	10,005	-	10,005
Others	25,665	-	27	25,692
Total revenue	<u>345,429</u>	<u>33,933</u>	<u>27</u>	<u>379,389</u>
Primary geographical markets				
Malaysia	337,925	7,308	27	345,260
Singapore	4,827	24,910	-	29,737
Others	2,677	1,715	-	4,392
	<u>345,429</u>	<u>33,933</u>	<u>27</u>	<u>379,389</u>
Period Ended 31 March 2022				
Major products/service lines				
Manufacturing and sale of industrial paper and paper related products	399,988	-	-	399,988
Trading of school books, uniforms and stationery	-	21,256	-	21,256
Trading of paper related products and agency commission earned	-	13,100	-	13,100
Others	31,132	-	17	31,149
Total revenue	<u>431,120</u>	<u>34,356</u>	<u>17</u>	<u>465,493</u>
Primary geographical markets				
Malaysia	423,050	7,317	17	430,384
Singapore	4,580	24,339	-	28,919
Others	3,490	2,700	-	6,190
	<u>431,120</u>	<u>34,356</u>	<u>17</u>	<u>465,493</u>

5. Notes to the Statement of Profit or Loss and Other Comprehensive Income

(Loss)/Profit for the period was derived after taking into consideration of the following:-

	Current Quarter		Cumulative Quarter	
	Three Months Ended	Three Months Ended	Three Months Ended	Three Months Ended
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
After crediting				
Interest income	220	95	220	95
Fair value gain on financial assets at FVPL	-	22	-	22
Gain on disposal of property, plant and equipment	105	937	105	937
Gain on derivative financial instruments	244	35	244	35
Net gain on foreign exchange				
- realised	-	135	-	135
- unrealised	1,809	921	1,809	921
Rental Income	338	334	338	334
Reversal of impairment loss on financial asset	-	21	-	21
Reversal of inventories written down	3,498	35	3,498	35
After charging				
Depreciation	21,102	20,994	21,102	20,994
Fair value loss on financial assets at FVPL	14	-	14	-
Interest expenses	7,612	5,179	7,612	5,179
Inventories written off	34	101	34	101
Net loss on realised foreign exchange	1,345	-	1,345	-
Net impairment losses on financial asset	655	-	655	-
Property, plant and equipment written off	19	492	19	492

6. Tax Expense

	Current Quarter		Cumulative Quarter	
	Three Months Ended	Three Months Ended	Three Months Ended	Three Months Ended
	31.03.2022	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
Current tax	794	1,651	794	1,651
Deferred tax	(8,334)	3,040	(8,334)	3,040
Total tax (income)/expense	(7,540)	4,691	(7,540)	4,691

7. Sales of Unquoted Investments

There were no sales of unquoted investments during the current quarter.

Muda Holdings Berhad (197101000036)**Unaudited Condensed Consolidated Interim Financial Statements for the Three Months Ended****31 March 2023****Explanatory Notes Pursuant to MFRS 134 and Appendix 9B of the Main Market Listing Requirements****8. Corporate Proposals**

There were no outstanding corporate proposals.

9. Borrowings

	As At 31.03.2023 RM'000	As At 31.12.2022 RM'000
Short Term Borrowings		
Unsecured	<u>572,780</u>	<u>579,466</u>
	<u>572,780</u>	<u>579,466</u>
Long Term Borrowings		
Unsecured	<u>133,148</u>	<u>137,900</u>
	<u>133,148</u>	<u>137,900</u>
Total borrowings	<u><u>705,928</u></u>	<u><u>717,366</u></u>

Borrowings denominated in foreign currencies are as follows:

	As At 31.03.2023 RM'000	As At 31.12.2022 RM'000
Short Term Borrowings in RM		
Singapore Dollar	<u>1,375</u>	<u>2,001</u>
Long Term Borrowings in RM		
Singapore Dollar	<u>1,847</u>	<u>1,895</u>
	<u><u>3,222</u></u>	<u><u>3,896</u></u>

10. Derivative Financial Instruments

The Group enters into foreign currency forward contracts to manage the exposure to foreign exchange risk arising from sales and purchases transactions that are not denominated in the functional currency of the operations.

Details of the Group's derivative financial instruments outstanding as at 31 March 2023 are as follows:

	Contract or Notional Amount RM'000	Fair Value Liability RM'000
Forward currency contracts		
- Less than 1 year	5,242	266

The fair value of the foreign currency forward contract is based on the difference between the contracted forward rates and the mark-to-market rates. There was no change to the risks associated with the derivatives and policies to mitigate those risks since the last financial year.

11. Changes in Material Litigation

There were no material litigations pending as at 17 May 2023.

12. Dividend

There was no dividend declared for the financial period ended 31 March 2023.

13. Earnings Per Share

(a) Basic

Basic earnings per share is calculated by dividing profit for the period attributable to owners of the Company by weighted average number of ordinary shares in issue during the period :-

	Current Quarter		Cumulative Quarter	
	Three Months Ended		Three Months Ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
(Loss)/Profit attributable to owners of the Company (RM'000)	(17,512)	12,252	(17,512)	12,252
Number of ordinary shares in issue (Unit'000)	<u>305,051</u>	<u>305,051</u>	<u>305,051</u>	<u>305,051</u>
Basic earnings per share (Sen)	<u>(5.74)</u>	<u>4.02</u>	<u>(5.74)</u>	<u>4.02</u>

(b) Diluted

Not applicable. The Group does not have any financial instrument which may dilute its earnings per share.

14. Auditors' Report on Preceding Annual Financial Statements

There were no qualifications in auditors' report on financial statements for the financial year ended 31 December 2022.

BY ORDER OF THE BOARD

Goh Ching Yee

Lam Yoke Teng

Secretaries

24 May 2023