

NYLEX (MALAYSIA) BERHAD

[Registration No.: 197001000148 (9378-T)]

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE FINANCIAL QUARTER ENDED 31 AUGUST 2022 THE FIGURES HAVE NOT BEEN AUDITED

	Individual Quarter		Cumulative Quarter	
	31.08.2022 RM'000	31.08.2021 RM'000	31.08.2022 RM'000	31.08.2021 RM'000
Revenue	-	274,922	-	274,922
Cost of sales	-	(256,692)	-	(256,692)
Gross profit	-	18,230	-	18,230
Other income	62	1,104	62	1,104
Selling and distribution expenses	-	(12,970)	-	(12,970)
Administrative expenses	(428)	(4,336)	(428)	(4,336)
Other expenses	-	(37)	-	(37)
Finance costs	-	(2,130)	-	(2,130)
Share of results of associates, net of tax	-	194	-	194
(Loss)/Profit before tax	(366)	55	(366)	55
Taxation	-	593	-	593
Net (loss)/profit for the period	(366)	648	(366)	648
Net (loss)/profit attributable to:				
Owners of the parent	(366)	332	(366)	332
Non-controlling interests	-	316	-	316
	(366)	648	(366)	648
(Loss)/Earnings per share attributable to owners of the parent (sen)				
- basic	(0.20)	0.19	(0.20)	0.19
- diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statements of Profit or Loss should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2022)

NYLEX (MALAYSIA) BERHAD
 [Registration No.: 197001000148 (9378-T)]
 (Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL QUARTER ENDED 31 AUGUST 2022
THE FIGURES HAVE NOT BEEN AUDITED

	Individual Quarter		Cumulative Quarter	
	31.08.2022 RM'000	31.08.2021 RM'000	31.08.2022 RM'000	31.08.2021 RM'000
Net (loss)/profit for the period	(366)	648	(366)	648
Other comprehensive income:				
Currency translation differences	-	659	-	659
Re-measurement of defined benefit liability	-	-	-	-
Other comprehensive income for the period	-	659	-	659
Total comprehensive (loss)/income for the period	(366)	1,307	(366)	1,307
Total comprehensive (loss)/income attributable to:				
Owners of the parent	(366)	943	(366)	943
Non-controlling interests	-	364	-	364
	(366)	1,307	(366)	1,307

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2022)

NYLEX (MALAYSIA) BERHAD

[Registration No.: 197001000148 (9378-T)]
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 AUGUST 2022**

	As at 31.08.2022 RM'000 (Unaudited)	As at 31.05.2022 RM'000 (Audited)
ASSETS		
Non-current assets		
Deferred tax assets	7,785	7,785
	<u>7,785</u>	<u>7,785</u>
Current assets		
Trade and other receivables	187	-
Income tax recoverable	1,343	1,264
Short-term deposits with licensed banks	13,500	14,000
Cash and bank balances	466	477
	<u>15,496</u>	<u>15,741</u>
TOTAL ASSETS	<u>23,281</u>	<u>23,526</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	30,856	30,856
Retained profits	1,302	1,668
Less: Treasury shares, at cost	(9,678)	(9,678)
Total equity	<u>22,480</u>	<u>22,846</u>
Current liabilities		
Trade and other payables	801	680
Total liabilities	<u>801</u>	<u>680</u>
TOTAL EQUITY AND LIABILITIES	<u>23,281</u>	<u>23,526</u>
Net assets per share attributable to owners of the parent (RM)	0.13	0.13

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2022)

NYLEX (MALAYSIA) BERHAD
[Registration No.: 197001000148 (9378-T)]
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2022

	<----- Attributable to owners of the parent ----->				Total	Non- controlling interests	Total equity
	Share capital RM'000	Translation reserve RM'000	Retained profits RM'000	Treasury shares RM'000			
<u>3 month period ended 31 August 2022</u>							
Balance as at 01 June 2022	30,856	-	1,668	(9,678)	22,846	-	22,846
Net loss for the period	-	-	(366)	-	(366)	-	(366)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(366)	-	(366)	-	(366)
Balance as at 31 August 2022	<u>30,856</u>	<u>-</u>	<u>1,302</u>	<u>(9,678)</u>	<u>22,480</u>	<u>-</u>	<u>22,480</u>
<u>3 month period ended 31 August 2021</u>							
Balance as at 01 June 2021	195,143	17,322	110,769	(10,011)	313,223	9,563	322,786
Net profit for the period	-	-	332	-	332	316	648
Other comprehensive income	-	611	-	-	611	48	659
Total comprehensive income for the period	-	611	332	-	943	364	1,307
Balance as at 31 August 2021	<u>195,143</u>	<u>17,933</u>	<u>111,101</u>	<u>(10,011)</u>	<u>314,166</u>	<u>9,927</u>	<u>324,093</u>

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2022)

NYLEX (MALAYSIA) BERHAD

[Registration No.: 197001000148 (9378-T)]

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 31 AUGUST 2022**

	FY 2023 3 months ended 31.08.2022 RM'000 (Unaudited)	FY 2022 3 months ended 31.08.2021 RM'000 (Unaudited)
Cash Flows From Operating Activities		
(Loss)/Profit before tax	(366)	55
Adjustments for non-cash items	(62)	6,316
Operating cash flows before working capital changes	(428)	6,371
Working Capital Changes		
Receivables	(187)	17,061
Inventories	-	(732)
Payables	121	(31,686)
Related companies	-	(247)
Associates	-	(158)
Cash flows used in operations	(494)	(9,391)
Tax paid	(79)	(1,985)
Net Cash Flows Used In Operating Activities	(573)	(11,376)
Cash Flows From Investing Activities		
Proceeds from disposal of property, plant and equipment	-	146
Purchase of property, plant and equipment	-	(701)
Interest received	62	551
Dividend received	-	3
Net Cash Flows From/(Used In) Investing Activities	62	(1)
Cash Flows From Financing Activities		
Drawdown of borrowings	-	61,977
Repayment of borrowings	-	(59,878)
Repayment of lease liabilities	-	(4,118)
Interest paid	-	(2,130)
Net Cash Flows Used In Financing Activities	-	(4,149)
Net Decrease in Cash and Cash Equivalents	(511)	(15,526)
Effects of Exchange Rate Changes	-	1,555
Cash and Cash Equivalents at beginning of year	14,477	91,013
Effects of Exchange Rate Changes	-	(180)
	14,477	90,833
Cash and Cash Equivalents at end of period	13,966	76,862
The Cash and Cash Equivalents comprise:		
Cash and bank balances	466	63,680
Short-term deposits	13,500	16,420
	13,966	80,100
Less: Short-term deposits with maturity of more than three (3) months	-	(3,238)
	13,966	76,862

(The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2022)



Notes to the Interim Financial Report For the 1st Financial Quarter Ended 31 August 2022

A. COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134, INTERIM FINANCIAL REPORTING AND BURSA SECURITIES LISTING REQUIREMENTS
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A1. Basis of Preparation

This Interim Financial Report (“Report”) is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”). This Report complies with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board.

This Report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 May 2022.

These notes to the Report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 May 2022.

A2. Significant accounting policies

The significant accounting policies and methods of computation adopted by the Company in this Report are consistent with those adopted in the most recent audited financial statements for the year ended 31 May 2022 except for the adoption of the following Amendments/Annual Improvements to MFRSs (collectively referred to as “pronouncements”) to be applied for the financial period beginning on or after 1 January 2022:

- Annual Improvements to MFRS Standards 2018 - 2020
- Amendments to MFRS 3 Reference to the Conceptual Framework
- Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use
- Amendments to MFRS 137 Onerous Contracts - Cost of Fulfilling a Contract

The adoption of the above pronouncements will have no material impact on the financial statements of the Company.

A3. Seasonality or Cyclicity of Interim Operations

The operations of the Company were not significantly affected by seasonality and cyclicity factors.

A4. Items of Unusual Nature and Amount

There were no items affecting the assets, liabilities, equity, net income, or cash flows of the Company that are unusual because of their nature, size or incidence.

A5. Changes in Estimates Reported in Prior Interim Periods

There were no changes in estimated amounts reported in prior periods, which have a material effect on the current period.

A6. Debts and Equity Securities

There were no issuance, cancellation, repurchases, resale and repayments of debts and equity securities for the current quarter and financial year-to-date.

Treasury shares:

At the Company's 51st Annual General Meeting held on 26 October 2021, the shareholders of the Company approved the proposed renewal of shareholders' mandate for the Company to repurchase up to 10% of its own ordinary shares. The Company did not purchase any shares for the current quarter and the financial year-to-date.

As at 31 August 2022, a total of 14,550,648 treasury shares at a total cost of RM9,678,119 were held by the Company pursuant to Section 127(4)(b) of the Companies Act 2016.

A7. Dividends Paid

The Company has not paid any dividend for the current financial year-to-date.

A8. Segment Revenue and Results

The segment revenue and segment results for business segments for the current financial year-to-date are as follows:

3-Month period ended 31.08.2022	Polymer RM'000	Industrial Chemical RM'000	Logistics RM'000	Investment Holding RM'000	Eliminations RM'000	Consolidated RM'000
Revenue						
External sales	-	-	-	-	-	-
Inter-segment sales	-	-	-	-	-	-
Total revenue	-	-	-	-	-	-
Results						
Segment result	-	-	-	(366)	-	(366)
Finance costs						-
Loss before tax						(366)
Taxation						-
Net loss for the period						(366)
Non-controlling interests						-
Net loss after non-controlling interests						(366)
3-Month period ended 31.08.2021	Polymer RM'000	Industrial Chemical RM'000	Logistics RM'000	Investment Holding RM'000	Eliminations RM'000	Consolidated RM'000
Revenue						
External sales	13,040	259,147	2,735	-	-	274,922
Inter-segment sales	-	44	-	-	(44)	-
Total revenue	13,040	259,191	2,735	-	(44)	274,922
Results						
Segment result	315	3,562	(1,967)	275	-	2,185
Finance costs						(2,130)
Profit before tax						55
Taxation						593
Net profit for the period						648
Non-controlling interests						(316)
Net profit after non-controlling interests						332

A9. Property, Plant and Equipment

There were no acquisitions and disposals of property, plant and equipment during the current period.

A10. Material Events Subsequent to the End of the Current Period

There were no material events subsequent to the end of the current period up to the date of this Report that have not been reflected in the financial statements for the current period.

A11. Changes in Composition of the Group

There were no material changes in the composition of the Group for the current quarter and financial year-to-date including business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructuring or discontinuing operations.

A12. Contingent Liabilities

There were no material contingent liabilities since the last annual Statements of Financial Position as at 31 May 2022.

A13. Capital Commitment

There were no capital commitment as at 31 August 2022.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS

B1. Detailed Analysis of the Performance of All Operating Segments of the Group for the Current Quarter and Financial Year-To-Date

	Individual Quarter			Cumulative Quarter		
	Current Year	Preceding Year	Changes %	Current Year	Preceding Year	Changes %
	31.08.2022	31.08.2021		31.08.2022	31.08.2021	
	RM'million	RM'million		RM'million	RM'million	
Revenue	-	274.9	(100.0)	-	274.9	(100.0)
(Loss)/Profit before interest and tax	(0.4)	2.2	(116.8)	(0.4)	2.2	(116.8)
(Loss)/Profit before tax	(0.4)	0.1	(765.5)	(0.4)	0.1	(765.5)
(Loss)/Profit after tax	(0.4)	0.6	(156.5)	(0.4)	0.6	(156.5)
(Loss)/Profit attributable to owners of the parent	(0.4)	0.3	(210.2)	(0.4)	0.3	(210.2)

Following the completion of the disposal of all its assets and liabilities including all its subsidiaries to its holding company, Ancom Nylex Berhad (formerly known as “Ancom Berhad”)(“Disposal”) on 26 January 2022, the Company did not generate any revenue for the current financial quarter under review. The Company recorded loss before tax (“LBT”) of RM0.4 million for the quarter, mainly due to the expenses incurred relating to the LRT Project as mentioned in Note B6(1) and some corporate expenses.

B2. Material Change in the Loss Before Tax for the Current Quarter as compared with Immediate Preceding Quarter

	Current Quarter	Immediate Preceding Quarter	Changes %
	31.08.2022	31.05.2022	
	RM'million	RM'million	%
Revenue	-	-	-
Loss before interest and tax	(0.4)	(0.8)	55.7
Loss before tax	(0.4)	(0.8)	55.7
Loss after tax	(0.4)	(0.8)	55.7
Loss attributable to owners of the parent	(0.4)	(0.8)	55.7

Following the completion of the disposal of all its assets and liabilities including all its subsidiaries on 26 January 2022, the Company did not generate any revenue for the current financial quarter under review. The Company recorded LBT of RM0.4 million for the quarter, mainly due to the expenses incurred relating to the LRT Project as mentioned in Note B6(1) and some corporate expenses.

B3. Current Year’s Prospects

The challenges which include rising cost pressures, strict containment measures in China, the ongoing military conflicts in Ukraine, as well as prolonged supply-related disruptions weighed down on the global economy.

Following the completion of the Disposal, the Company has triggered Paragraph 8.03A(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirements”) whereby the Company has ceased all of its business and entire operations and accordingly, the Company is now classified as an affected listed issuer under the Listing Requirements. As stated in Note B6(1) below,

the Company has on 21 March 2022 entered into a HOA with various parties, for the LRT Project. The LRT Project is subject to the on-going feasibility study being completed and the grant of the concession award for the LRT Project by the state government of Johor. The parties are working together exclusively to agree on the terms of the definitive agreements to effect the proposals stipulated in the HOA.

The Proposal will form part of the regularisation plan to be undertaken by Nylex to regularise its affected listed issuer status.

The Company will make necessary monthly announcements to update the status of the regularisation plan.

B4. Variance of Actual Profit from Forecast Profit/Profit Guarantee

This is not applicable as there was no forecast profit or profit guarantee issued in respect of the current financial period.

B5. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year 31.08.2022	Preceding Year 31.08.2021	Current Year 31.08.2022	Preceding year 31.08.2021
	RM'000	RM'000	RM'000	RM'000
Taxation based on results for the period				
- Current				
Malaysian	-	(305)	-	(305)
Foreign	-	(64)	-	(64)
- Deferred tax	-	137	-	137
	-	(232)	-	(232)
Overprovision in prior years	-	825	-	825
	-	593	-	593

B6. Status of Corporate Proposals

There were no corporate proposals announced and not completed as at the date of this report, other than the following:

1. Heads Of Agreement entered into between Nylex, Sinar Bina Infra Sdn Bhd, LBS Bina Group Berhad, BTS Group Holdings Public Company Limited and Ancom Berhad

The Company had on 21 March 2022 entered into a Heads of Agreement (“HOA”) with Sinar Bina Infra Sdn Bhd, LBS Bina Group Berhad, BTS Group Holdings Public Company Limited and Ancom Berhad for the collaboration to build and operate a light rail transport system connected with the railway shuttle link currently being built from Singapore to Johor Bahru, with an integrated property development using the “Transit-Oriented Development” concept in Johor Bahru metropolitan region (“LRT Project”). The LRT Project is subject to the feasibility study (as defined in the HOA) being completed and the grant of the concession award for the LRT Project by the state government of Johor.

The parties are working together exclusively to agree on the terms of the definitive agreements to effect the proposals stipulated in the HOA.

B7. Utilisation of Proceeds

Other than as disclosed below, the Company has not raised any proceeds from any of its corporate exercise.

In the previous financial year, the Company has completed the disposal of the entire assets and liabilities of the Company and distribution of the proceeds to the entitled shareholders of the Company. The status of utilisation of proceeds as at 31 August 2022 are as follows:

No.	Description of use	Intended time frame for utilisation of proceeds from the date of completion of the disposal	Proposed utilisation RM'000	Actual utilisation RM'000	Balance
1.	Retained Cash				
	(a) Acquisition of new businesses	Within 12 months	11,250	375	10,875
	(b) Working capital	Within 12 months	1,250	373	877
	(c) Defraying expenses relating to the Proposals	Within 3 months	2,500	2,105 ⁽¹⁾	395
			<u>15,000</u>	<u>2,853</u>	<u>12,147</u>
2.	Distribution to non-controlling interest of Nylex	Within 3 months	35,000	35,000	-
			<u>50,000</u>	<u>37,853</u>	<u>12,147</u>

Note 1: Of which approximately RM1,507,000 has been incurred and paid by the Company before the receipt of the cash proceeds. Upon receipt of the cash proceeds, the said amount has been used to replenish the internally generated fund of the Company, which forms part of the Company's cash and bank balances of RM13,966,000 as at 31 August 2022.

B8. Borrowings

There were no borrowings as at 31 August 2022.

B9. Derivatives Financial Instruments

The Company enters into foreign exchange derivatives to manage the exposure to foreign exchange risk when the Company enter into transactions that are not denominated in Ringgit Malaysia.

The foreign exchange derivatives are recognised on the contract dates and are measured at fair value with changes in fair value recognised in profit or loss.

There were no outstanding foreign exchange derivatives as at 31 August 2022.

B10. Notes to the Consolidated Statements of Profit or Loss for the Current Quarter and Financial Year-To-Date

The Loss Before Tax was arrived at after crediting the following:

	Current Quarter 31.08.2022 RM'000	Financial Year-To-Date 31.08.2022 RM'000
Interest income	<u>62</u>	<u>62</u>

B11. Material Litigation

The Company did not engage in any material litigation since the date of the last annual Statements of Financial Position as at 31 May 2022.

B12. Dividends

The Directors do not recommend the payment of any dividend for the current financial quarter (FY 2022: Nil).

B13. Earnings per Share

Basic Earnings Per Share

The calculation of basic earnings per share was based on the net loss attributable to owners of the parent for the current quarter and financial year-to-date of RM365,537 (31.08.2021: net profit of RM332,141) as reported in the condensed consolidated statements of profit or loss of the Group, divided by the weighted average number of ordinary shares in issue during the current quarter and financial year-to-date of 179,787,212 (31.08.2021: 179,287,212).

Diluted Earnings Per Share

The Group has no potential ordinary shares in issue as at reporting date. Therefore, Diluted Earnings Per Share equals to Basic Earnings Per Share.

B14. Qualification of Auditors' Report of Preceding Financial Statements

There was no audit qualification in the auditors' report of the Group's Audited Financial Statements for the financial year ended 31 May 2022.

BY ORDER OF THE BOARD

Choo Se Eng
Stephen Geh Sim Whye
Company Secretaries

Petaling Jaya
17 October 2022