

# STELLA HOLDINGS BERHAD

Company No. 199701004603 (420099-X)

(Incorporated In Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Unaudited As at 30.06.2022 RM'000	Audited As at 31.03.2022 RM'000
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Property, plant and equipment	31,330	30,422
Inventories	10,655	10,472
Investment properties	18,750	18,750
Goodwill on consolidation	856	856
	<b>61,591</b>	<b>60,500</b>
<b>Current Assets</b>		
Inventories	453	694
Contract costs	4	108
Contract assets	13,222	27,035
Trade receivables	8,412	11,464
Other receivables, deposits and prepayments	12,154	12,357
Current tax assets	418	307
Deposits placed with licensed banks	4,822	4,684
Cash and bank balances	8,817	2,543
	<b>48,302</b>	<b>59,192</b>
<b>TOTAL ASSETS</b>	<b>109,893</b>	<b>119,692</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable To Owners Of The Parent</b>		
Share capital	31,713	31,713
Employee share option reserve	1,115	357
Retained earnings	17,669	20,034
Shareholders' Equity	<b>50,497</b>	<b>52,104</b>
Non-Controlling Interest	1,331	1,904
<b>Total Equity</b>	<b>51,828</b>	<b>54,008</b>
<b>Non Current Liabilities</b>		
Loans and borrowings	19,676	18,717
Deferred tax liabilities	335	335
	<b>20,011</b>	<b>19,052</b>
<b>Current Liabilities</b>		
Contract liabilities	398	1,782
Trade payables	9,105	10,707
Other payables, accruals and deposits	12,820	18,101
Loans and borrowings	15,463	15,792
Current tax liabilities	268	250
	<b>38,054</b>	<b>46,632</b>
<b>Total Liabilities</b>	<b>58,065</b>	<b>65,684</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>109,893</b>	<b>119,692</b>
Net assets per share attributable to owner of the parent	<b>0.75</b>	<b>0.78</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2022.

# STELLA HOLDINGS BERHAD

Company No. 199701004603 (420099-X)

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR TWELVE MONTHS PERIOD ENDED 30 JUNE 2022

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30.06.2022 RM'000	PRECEDING YEAR QUARTER 30.06.2021 RM'000	CURRENT YEAR TO-DATE 30.06.2022 RM'000	PRECEDING YEAR TO-DATE 30.06.2021 RM'000
Revenue	10,365	11,498	10,365	11,498
Cost of Sales	(9,034)	(9,178)	(9,034)	(9,178)
Gross Profit	1,331	2,320	1,331	2,320
Other Operating Income	496	236	496	236
Total Income	1,827	2,556	1,827	2,556
Admin Operating Costs	(4,227)	(2,478)	(4,227)	(2,478)
(Loss)/Profit from Operation	(2,400)	78	(2,400)	78
Finance Costs	(531)	(103)	(531)	(103)
Loss before taxation	(2,931)	(25)	(2,931)	(25)
Taxation	(7)	(60)	(7)	(60)
Loss after taxation	(2,938)	(85)	(2,938)	(85)
Total Comprehensive Loss For The Period	(2,938)	(85)	(2,938)	(85)
(Loss)/Profit attributable to :				
Owners of the parent	(2,365)	(136)	(2,365)	(136)
Non-controlling interest	(573)	51	(573)	51
	(2,938)	(85)	(2,938)	(85)
Total Comprehensive (Loss)/Profit attributable to :				
Owners of the parent	(2,365)	(136)	(2,365)	(136)
Non-controlling interest	(573)	51	(573)	51
Total Comprehensive Loss	(2,938)	(85)	(2,938)	(85)
Loss per share : --	sen	sen	sen	sen
- basic / diluted	(3.53)	(0.20)	(3.53)	(0.20)

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2022.

**STELLA HOLDINGS BERHAD**  
**Company No. 199701004603 (420099-X)**  
**(Incorporated In Malaysia)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**AS AT 30 JUNE 2022**

	Share capital RM'000	Employee share option reserve RM'000	Retained earnings RM'000	Sub-total RM'000	Non- controlling interest RM'000	Total Equity RM'000
<b>Group</b>						
At 1 April 2021	31,713	-	18,327	50,040	2,594	52,634
Total comprehensive profit/(loss) for the financial year	-	-	3,382	3,382	(690)	2,692
Transactions with owners						
Share option issued	-	357	-	357	-	357
Dividend paid on shares	-	-	(1,675)	(1,675)	-	(1,675)
Total transactions with owners	-	357	(1,675)	(1,318)	-	(1,318)
<b>At 31 March 2022</b>	31,713	357	20,034	52,104	1,904	54,008
Total comprehensive loss for the financial year	-	-	(2,365)	(2,365)	(573)	(2,938)
Transactions with owners						
Share option issued	-	758	-	758	-	758
Dividend paid on shares	-	-	-	-	-	-
Total transactions with owners	-	758	-	758	-	758
<b>At 30 June 2022</b>	<b>31,713</b>	<b>1,115</b>	<b>17,669</b>	<b>50,497</b>	<b>1,331</b>	<b>51,828</b>

# STELLA HOLDINGS BERHAD

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THREE MONTHS PERIOD ENDED 30 JUNE 2022

Note	3 MONTHS	3 MONTHS
	PERIOD ENDED 30.06.2022	PERIOD ENDED 30.06.2021
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(2,931)	(25)
Adjustments for :		
Non-cash items	(988)	102
Non-operating items (which are investing / financing)	491	75
Operating loss before changes in working capital	(3,428)	152
Changes in working capital :		
Net changes in current assets	17,411	4,207
Net changes in current liabilities	(8,249)	(6,784)
Cash used in operations	5,734	(2,425)
Tax paid	(118)	(63)
Net cash from / (used) in operating activities	5,616	(2,488)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net cash used in investing activities	(556)	(126)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net cash from / (used in) financing activities	1,685	(145)
Net increase / (decrease) in cash and cash equivalents	6,745	(2,759)
Cash and cash equivalents at beginning of financial year	(6,666)	8,157
Cash and cash equivalents at end of the quarter	79	5,398
Note (i) :		
Represented by :		
Cash and bank balances	8,817	8,821
Deposits placed with licensed banks	4,822	4,902
Less : Pledged deposits	(4,822)	(4,902)
	8,817	8,821
Less : Bank Overdraft	(8,738)	(3,423)
	79	5,398

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2022.

## **STELLA HOLDINGS BERHAD**

Company No. 199701004603 (420099-X)

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### **Notes to the Interim Financial Report**

#### **A1 Corporate Information**

The Company is a public limited company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

#### **A2 Basis of preparation**

The financial statements of the Group and of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRSs”), the International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia and the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements of the Group for the financial year ended 31 March 2022.

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the annual financial statements for the financial year ended 31 March 2022 except for those standards, amendments and interpretations which are effective from the annual period beginning on or after 1 April 2020 as disclosed below.

#### Amendments / Improvements to MFRSs

MFRS 3	Business Combinations
MFRS 7	Financial Instruments Disclosures
MFRS 9	Financial Instruments
MFRS 16	Leases
MFRS 101	Presentation of Financial Statement
MFRS 108	Accounting Policies, Change in Accounting Estimate and Errors
MFRS 139	Financial Instruments Recognition and Measurement

The adoption of these amendments / improvements have no material impact to these interim financial statements.

**STELLA HOLDINGS BERHAD**

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**Notes to the Interim Financial Report (cont'd)**

**A3 Seasonal or cyclical factors**

The business operations of the Group were not affected by any significant seasonal or cyclical factors.

**A4 Items affecting assets, liabilities, equity, net income or cash flows**

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

**A5 Change in estimates**

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

**A6 Debt and equity securities**

There were no issuance and repayment of debt and equity securities, share buy-back, share cancellations, share held as treasury shares and resale of treasury shares for the current financial year to-date.

**A7 Dividend paid**

No dividend was paid for the current quarter under review.

**STELLA HOLDINGS BERHAD**

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**Notes to the Interim Financial Report (cont'd)****A8 Segment Revenue and Segment Result by Business Segments**

Segment information is presented in respect of the Group's business segment. All inter-segment transactions have been entered into in the normal course of business and have been established under terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. The effects of the inter-segment transactions are eliminated on consolidation.

Business Segments	Investment Holding RM'000	Property Development RM'000	Construction RM'000	Property Investment RM'000	Maintenance, Facility Management and Services RM'000	Oil & Gas RM'000	Healthcare RM'000	Others RM'000	Elimination RM'000	Group RM'000
<b>3 months ended 30 June 2022</b>										
<b>Revenue</b>										
External sales	-	3,623	6,364	41	-	317	20	-	-	10,365
Inter-segment sales	-	-	-	-	-	-	-	-	-	-
	-	3,623	6,364	41	-	317	20	-	-	10,365
<b>Results</b>										
Segment result	(540)	(102)	(628)	(1)	9	(311)	(816)	-	(11)	(2,400)
Finance costs	(2)	(171)	(143)	-	-	(30)	(201)	-	16	(531)
(Loss)/Profit before tax	(542)	(273)	(771)	(1)	9	(341)	(1,017)	-	5	(2,931)
Tax expense	-	-	-	(4)	(3)	-	-	-	-	(7)
<b>(Loss)/Profit after tax</b>	<b>(542)</b>	<b>(273)</b>	<b>(771)</b>	<b>(5)</b>	<b>6</b>	<b>(341)</b>	<b>(1,017)</b>	<b>-</b>	<b>5</b>	<b>(2,938)</b>

**STELLA HOLDINGS BERHAD**

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**Notes to the Interim Financial Report (cont'd)****A8 Segment Revenue and Segment Result by Business Segments (cont'd)**

Business Segments	Investment Holding RM'000	Property Development RM'000	Construction RM'000	Property Investment RM'000	Maintenance, Facility Management and Services RM'000	Oil & Gas RM'000	Healthcare RM'000	Others RM'000	Elimination RM'000	Group RM'000
<b>3 months ended 30 June 2021</b>										
<b>Revenue</b>										
External sales	-	4,974	4,948	31	-	1,545	-	-	-	11,498
Inter-segment sales	-	-	-	34	-	-	-	-	(34)	-
	-	4,974	4,948	65	-	1,545	-	-	(34)	11,498
<b>Results</b>										
Segment result	(358)	654	(334)	5	5	437	(324)	(1)	(6)	78
Finance costs	-	(42)	(49)	-	-	(12)	-	-	-	(103)
(Loss)/Profit before tax	(358)	612	(383)	5	5	425	(324)	(1)	(6)	(25)
Tax expense	-	-	-	(4)	-	(56)	-	-	-	(60)
<b>(Loss)/Profit after tax</b>	<b>(358)</b>	<b>612</b>	<b>(383)</b>	<b>1</b>	<b>5</b>	<b>369</b>	<b>(324)</b>	<b>(1)</b>	<b>(6)</b>	<b>(85)</b>



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**Notes to the Interim Financial Report (cont'd)****A9 Valuation of property, plant and equipment and investment properties**

The valuation of property, plant and equipment has been brought forward without amendment from the previous annual financial statement for the year ended 31 March 2022.

**A10 Material subsequent events**

There were no material events subsequent to the end of the period under review, which are likely to affect the result of the Group's operation substantially.

**A11 Changes in composition of the Group**

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

**A12 Contingent liabilities or contingent assets**

The Company has given corporate guarantees amounting to RM54.10 million (31/03/2022: RM32.61 million) to licensed banks for banking facilities granted to a subsidiary. Consequently, the Company is contingently liable for the amount of banking facilities utilised by subsidiaries amounting to RM25.48 million (31/03/2022: RM24.74 million).

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**Additional information required by Bursa Malaysia Listing Requirements (cont'd)****B1 Review of performance**

	INDIVIDUAL PERIOD (1st QUARTER)			
	CURRENT QUARTER 30.06.2022 RM'000	PRECEDING QUARTER 30.06.2021 RM'000	Changes RM'000      %	
Revenue	10,365	11,498	(1,133)	-10%
Gross profit	1,331	2,320	(989)	-43%
Loss Before Tax	(2,931)	(25)	(2,906)	-11624%
Loss After Tax	(2,938)	(85)	(2,853)	-3356%

**Quarterly**

For the current financial quarter, the Group recorded revenue of RM10.37 million and loss before tax of RM2.93 million as compared to corresponding preceding year's quarter revenue of RM11.50 million and loss before tax of RM25,000 respectively. The decrease in performance compared to preceding year's corresponding quarter were due to losses from all operation of RM1.48 million and accounting treatment from the newly adoption of MFRS 16 Leases Right-Of-Use (ROU), interest on lease liabilities and depreciation amounting to RM695,000. In addition, the employee benefit expense (SIS) of RM759,000 further contributed to the losses before tax of RM2.93 million in the current quarter under review.

The further losses in construction segment in the quarter mainly due to the increase in raw material and labor costs of the ongoing projects which depleting the targeted profit margin for the said projects. We will continue to focus on completing current projects to mitigate the possible cost overruns. For property development segment, the affordable housing project in Taman Sengkang has been completed and most of the sales and profit recognized in previous quarters while the new mixed development project at Kuala Sungai Buloh, Kuala Selangor is targeted to launch in December 2022. The oil and gas support services and healthcare services segments recorded losses for the quarter due to lower revenue in oil and gas support services segment whilst healthcare services segment has not yet in operation.

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**Additional information required by Bursa Malaysia Listing Requirements (cont'd)****B2 Comparison of the quarterly results to the results of the immediate preceding quarter.**

	CURRENT QUARTER ENDED 30.06.2022 RM'000	IMMEDIATE PRECEDING QUARTER ENDED 31.03.2022 RM'000		Change RM'000	%
Revenue	10,365	17,666	-	7,301	-41%
Gross profit	1,331	5,120	-	3,789	74%
(Loss) / Profit Before Tax	(2,931)	3,181	-	6,112	192%
(Loss) / Profit After Tax	(2,938)	2,644	-	5,582	211%

For the current financial quarter, the Group recorded revenue of RM10.37 million and loss before tax of RM2.93 million compared to the immediate preceding quarter of revenue of RM17.67 million and profit before tax of RM3.18 million.

The revenue and loss before tax decreased by 41% and 192% respectively compared to the immediate preceding quarter. The higher profit before tax in the preceding quarter was mainly due to the recognition of most of the sales and profits from the Taman Sengkang affordable housing project as well as the recognition of additional profits from the final accounts of the old Leachate, Taman Beringin, Jinjang project. In addition, higher profit before tax in the preceding quarter was also due to gain on disposal of a leasehold factory building of RM4.58 million while in the current financial quarter is the ordinary course of business. The oil and gas support services and healthcare services segments also recorded losses for the quarter due to lower revenue in oil and gas support services segment whilst healthcare services segment has not yet in operation.

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### **Additional information required by Bursa Malaysia Listing Requirements (cont'd)**

#### **B3 Prospects**

Our Group remains focus on our existing core business segments namely construction, property development, oil and gas support services and our new business segment of healthcare services.

The Group's construction segment remains challenging due to increase in raw material prices and shortage of workers. We will continue to tender for more job and at the same time continues to ensure that existing projects can be delivered on time and within budgets.

Property development project in Taman Sengkang achieved encouraging results which is fully sold. Leveraging the success in Taman Sengkang, the upcoming mixed development in Kuala Selangor can continue to contribute positively to the Group's earnings.

Despite the continued uncertainties in the fundamental of crude oil price, we see there is an improvement in maintenance services required. We are continuing on our effort to secure more maintenance services contract despite the challenging and very competitive market.

As for our healthcare services, the construction work is still in progress and is expected to commence operation in financial year 2023.

Barring any unforeseen circumstances, the Group will focus on our strategic objective to build a sustainable organisation and execute our various business segment to achieve the Group's long-term growth. We expect to see more jobs being awarded as the economy gradually recover while continue to improve our operational efficiency to keep the Group's outlook and financial performance positive and favourable.

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**Additional information required by Bursa Malaysia Listing Requirements (cont'd)****B4 Profit forecast**

Not applicable.

**B5 Loss Before Tax**

Loss before tax is arrived at after (crediting) / charging: -

	Current Quarter 30-Jun-22 RM'000	Preceding Year Quarter 30-Jun-21 RM'000	Current YTD 30-Jun-22 RM'000	Preceding Year YTD 30-Jun-21 RM'000
Interest Income	(40)	(28)	(40)	(28)
Interest Expenses	531	103	531	103
Depreciation Expenses	197	102	197	102
Depreciation - Right of Used of Asset	256	0	256	0
Write Back of Debt	-	(21)	-	(21)
Foreign Exchange Gain	(26)	(2)	(26)	(2)

**B6 Taxation**

	Current Quarter 30-Jun-22 RM'000	Preceding Year Quarter 30-Jun-21 RM'000	Current YTD 30-Jun-22 RM'000	Preceding Year YTD 30-Jun-21 RM'000
- Current Year Tax	7	60	8	60
	7	60	8	60

Provision for tax was made in the current quarter on business and non business income derived mainly from operating income, rental, interest on repo and fixed deposit.

**B7 Unquoted investments and properties**

There was no sale of unquoted investments or properties for the current quarter and financial period to date.

**B8 Purchase or disposal of quoted investments**

There was no purchase or disposal of quoted investments for the current quarter.

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**Additional information required by Bursa Malaysia Listing Requirements (cont'd)****B9 Borrowing**

The Group borrowings are as follows: -

	As at 30-Jun-22 RM'000	As at 31-Mar-22 RM'000
<u>Short Term Borrowings (Secured)</u>		
- Bank Overdrafts	8,739	9,209
- Revolving Credit	6,000	6,000
- Lease Liabilities	656	521
- Term Loans	68	62
	15,463	15,792
<u>Long Term Borrowings (Secured)</u>		
- Lease Liabilities	18,710	17,729
- Term Loans	966	988
	19,676	18,717
Total Borrowings	35,139	34,509

**B10 Material litigation**

There is no material litigation for the financial period as at 30 June 2022.

**B11 Dividend**

No dividends were proposed or declared for the current quarter and financial year to date (2021: RM1.68 million).

**B12 Earnings per share**

The basic earnings per share for the financial period has been calculated based on the consolidated loss after taxation attributable to the owners of the parent of RM2,365,000 and on the number of ordinary shares issue of 67,000,000

By Order of the Board  
Yew @ Yeoh Siew Yen  
MAICSA 7048094  
Company Secretary  
Shah Alam  
25 August 2022