



**WARISAN TC HOLDINGS BERHAD**

*Registration No. 199701009338 (424834-W)*  
*(Incorporated in Malaysia)*

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2023**

*(The figures have not been audited)*



**WARISAN TC HOLDINGS BERHAD**  
 Registration No. 199701009338 (424834-W)  
 (Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)**  
**FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2023**

	Quarter Ended			Year-To-Date Period Ended		
	31.12.2023	31.12.2022	Changes	31.12.2023	31.12.2022	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	126,383	107,205	18	455,242	480,424	(5)
Cost of sales	(99,918)	(83,210)	(20)	(352,547)	(390,638)	10
Gross profit	26,464	23,995	10	102,695	89,786	14
Other income	1,398	1,077	30	3,499	3,572	(2)
Selling and distribution expenses	(4,350)	(8,074)	46	(34,886)	(36,001)	3
Administrative and general expenses	(22,357)	(22,061)	(1)	(68,462)	(66,592)	(3)
Interest expense	(2,838)	(1,978)	(43)	(10,635)	(7,531)	(41)
Interest income	625	369	69	2,312	1,098	111
Share of loss of equity-accounted associates, net of tax	(21)	(103)	80	(71)	(265)	73
Share of (loss)/profit of equity-accounted jointly controlled entities, net of tax	(110)	1,684	(107)	6,851	4,539	51
(Loss)/Profit before tax	(1,189)	(5,091)	77	1,304	(11,394)	111
Tax expense	(848)	(1,503)	44	(3,708)	(1,116)	(232)
<b>Loss for the financial year</b>	<b>(2,037)</b>	<b>(6,594)</b>	<b>69</b>	<b>(2,404)</b>	<b>(12,510)</b>	<b>81</b>
<b>Loss attributable to :</b>						
Owners of the Company	(1,938)	(6,419)	70	(1,732)	(11,535)	85
Non-controlling interests	(99)	(175)	44	(671)	(975)	31
	<b>(2,037)</b>	<b>(6,594)</b>	<b>69</b>	<b>(2,404)</b>	<b>(12,510)</b>	<b>81</b>
<b>Loss per share (sen) attributable to owners of the Company:</b>						
- Basic	(2.98)	(9.86)		(2.66)	(17.72)	
- Diluted	N/A	N/A		N/A	N/A	

The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to these interim financial statements.



**WARISAN TC HOLDINGS BERHAD**  
 Registration No. 199701009338 (424834-W)  
 (Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2023**

	Quarter Ended			Year-To-Date Period Ended		
	31.12.2023	31.12.2022	Changes	31.12.2023	31.12.2022	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Loss for the financial year	(2,037)	(6,594)	69	(2,404)	(12,510)	81
Other comprehensive income, net of tax						
<i>Items that are or may be reclassified subsequently to profit or loss</i>						
Net change in fair value of cash flow hedge	(2,223)	(1,714)	(30)	166	(286)	158
Foreign exchange differences from translation	(220)	(722)	70	511	23	2,120
	<b>(2,443)</b>	<b>(2,436)</b>	<b>(0)</b>	<b>677</b>	<b>(263)</b>	<b>357.40</b>
<i>Items that will not be reclassified subsequently to profit or loss</i>						
Remeasurement of retirement benefits obligation	682	3,722	(82)	682	3,722	(82)
Revaluation of property, plant and equipment	11,957	-	100	11,957	-	100
Share of other comprehensive income of equity-accounted jointly controlled entities	-	9	(100)	-	9	(100)
<b>Total other comprehensive income, net of tax</b>	<b>10,195</b>	<b>1,295</b>	<b>687</b>	<b>13,314</b>	<b>3,468</b>	<b>284</b>
<b>Total comprehensive profit/(loss) for the financial year</b>	<b>8,159</b>	<b>(5,299)</b>	<b>254</b>	<b>10,911</b>	<b>(9,042)</b>	<b>221</b>
<b>Total comprehensive profit/(loss) for the financial year attributable to :</b>						
Owners of the Company	8,258	(5,118)	261	11,582	(8,061)	244
Non-controlling interests	(99)	(181)	45	(671)	(981)	32
	<b>8,159</b>	<b>(5,299)</b>	<b>254</b>	<b>10,911</b>	<b>(9,042)</b>	<b>221</b>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to these interim financial statements.



**WARISAN TC HOLDINGS BERHAD**  
 Registration No. 199701009338 (424834-W)  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
**AS AT 31 DECEMBER 2023**

	As at 31.12.2023 RM'000	As at 31.12.2022 RM'000 (Audited)
<b>ASSETS</b>		
Property, plant and equipment	201,832	187,160
Right-of-use assets	29,791	26,230
Investment property	43,500	43,500
Investments in associates	852	570
Investments in jointly controlled entities	40,240	34,748
Other investments	6,132	456
Finance lease receivables	125	663
Deferred tax asset	6,479	5,216
Intangible assets	11,137	10,867
<b>Total non-current assets</b>	<b>340,089</b>	<b>309,410</b>
Inventories	148,835	128,630
Receivables, deposits and prepayments	149,007	125,141
Derivative financial asset	9	263
Current tax asset	838	6,990
Cash and cash equivalents	86,966	83,838
<b>Total current assets</b>	<b>385,655</b>	<b>344,862</b>
<b>TOTAL ASSETS</b>	<b>725,744</b>	<b>654,272</b>
<b>EQUITY</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	67,200	67,200
Reserves	40,817	28,709
Retained earnings	141,896	142,420
Treasury shares	(4,213)	(4,213)
<b>Total equity attributable to owners of the Company</b>	<b>245,699</b>	<b>234,116</b>
<b>Non-controlling interests</b>	<b>20,711</b>	<b>22,118</b>
<b>TOTAL EQUITY</b>	<b>266,411</b>	<b>256,234</b>
<b>LIABILITIES</b>		
Deferred tax liability	18,052	15,162
Retirement benefits obligation	8,429	8,313
Lease liabilities	1,124	2,937
Hire purchase liabilities	4,671	2,504
Loans and borrowings	340	1,000
<b>Total non-current liabilities</b>	<b>32,616</b>	<b>29,916</b>
Payables and accruals	158,178	123,675
Contract liabilities	8,602	11,321
Lease liabilities	3,182	3,296
Hire purchase liabilities	4,235	3,282
Loans and borrowings	250,412	224,409
Derivative financial liability	499	972
Current tax liability	1,609	1,167
<b>Total current liabilities</b>	<b>426,717</b>	<b>368,122</b>
<b>TOTAL LIABILITIES</b>	<b>459,333</b>	<b>398,038</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>725,744</b>	<b>654,272</b>
	<b>RM</b>	<b>RM</b>
<b>Net assets per share attributable to owners of the Company</b>	<b>3.77</b>	<b>3.60</b>

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



**WARISAN TC HOLDINGS BERHAD**

Registration No. 199701009338 (424834-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Attributable to owners of the Company							Total	Non-controlling interests	Total Equity
			Non-distributable			Distributable				
	Share capital	Treasury shares	Merger reserve	Translation reserve	Hedging reserve	Revaluation reserve	Retained earnings			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2023	67,200	(4,213)	(40,999)	2,962	(539)	67,285	142,420	234,116	22,118	256,234
Foreign currency translation differences for foreign operations	-	-	-	511	-	-	-	511	-	511
Remeasurement of retirement benefits obligation	-	-	-	-	-	-	682	682	-	682
Change in fair value of cash flow hedge	-	-	-	-	166	-	-	166	-	166
Revaluation of property, plant and equipment	-	-	-	-	-	11,957	-	11,957	-	11,957
Total other comprehensive income, net of tax	-	-	-	511	166	11,957	682	13,315	-	13,315
Loss for the financial year	-	-	-	-	-	-	(1,732)	(1,732)	(671)	(2,404)
Total comprehensive income/(loss) for the financial year	-	-	-	511	166	11,957	(1,050)	11,583	(671)	10,912
Dividends to Non-controlling interests	-	-	-	-	-	-	-	-	(736)	(736)
Portion of revaluation reserve transferred through depreciation	-	-	-	-	-	(526)	526	-	-	-
At 31 December 2023	67,200	(4,213)	(40,999)	3,473	(373)	78,716	141,896	245,699	20,711	266,411

The Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to these interim financial statements.



**WARISAN TC HOLDINGS BERHAD**

Registration No. 199701009338 (424834-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Attributable to owners of the Company							Total	Non-controlling interests	Total Equity
	Share capital	Treasury shares	Non-distributable		Hedging reserve	Revaluation reserve	Distributable Retained earnings			
			Merger reserve	Translation reserve						
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2022	67,200	(4,213)	(40,999)	2,939	(253)	67,811	149,698	242,183	23,093	265,276
Foreign currency translation differences for foreign operations	-	-	-	23	-	-	-	23	-	23
Remeasurement of retirement benefits obligation	-	-	-	-	-	-	3,722	3,722	-	3,722
Change in fair value of cash flow hedge	-	-	-	-	(286)	-	-	(286)	-	(286)
Share of other comprehensive loss of equity-accounted joint venture	-	-	-	-	-	-	9	9	-	9
Total other comprehensive income, net of tax	-	-	-	23	(286)	-	3,731	3,468	-	3,468
Loss for the period	-	-	-	-	-	-	(11,535)	(11,535)	(975)	(12,510)
Total comprehensive income/(loss) for the period	-	-	-	23	(286)	-	(7,804)	(8,067)	(975)	(9,042)
Portion of revaluation reserve transferred through depreciation	-	-	-	-	-	(526)	526	-	-	-
At 31 December 2022	67,200	(4,213)	(40,999)	2,962	(539)	67,285	142,420	234,116	22,118	256,234

The Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to these interim financial statements.



**WARISAN TC HOLDINGS BERHAD**  
 Registration No. 199701009338 (424834-W)  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<u>Year-To-Date Period Ended</u>	
	31.12.2023	31.12.2022
	RM'000	RM'000
<b>Cash flow from operating activities</b>		
Profit/(Loss) before tax	1,304	(11,394)
Adjustments for:		
Amortisation of intangible assets	557	205
Depreciation of property, plant and equipment	35,857	38,008
Depreciation of right-of-use assets	4,411	4,848
Property, plant and equipment written off	109	-
Gain on disposal of property, plant and equipment	(131)	(200)
Gain on disposal of property, plant and equipment (assets held for rental)	(8,184)	(7,274)
Interest expense	10,635	7,531
Interest income	(2,312)	(1,098)
Other non-cash items	(6,695)	3,211
<b>Operating profit before working capital changes</b>	<b>35,549</b>	<b>33,837</b>
Changes in working capital	(16,989)	(29,491)
Interest received	1,731	792
Tax paid, net of refunds	1,948	(5,855)
Retirement benefit paid	(174)	(358)
Acquisition of property, plant and equipment (assets held for rental)	(28,711)	(27,573)
Proceeds from disposal of property, plant and equipment (assets held for rental)	14,716	15,467
<b>Net cash generated from/(used in) operating activities</b>	<b>8,069</b>	<b>(13,181)</b>
<b>Cash flows from investing activities</b>		
Investments in an associate	(353)	(338)
Acquisition of other investment	(5,676)	(270)
Dividend received from jointly controlled entities	1,360	560
Acquisition of property, plant and equipment	(13,174)	(1,926)
Acquisition of intangible assets	(827)	(640)
Proceeds from disposal of property, plant and equipment	482	844
Interest received	581	306
<b>Net cash used in investing activities</b>	<b>(17,607)</b>	<b>(1,464)</b>
<b>Cash flows from financing activities</b>		
Drawdowns of bankers' acceptances	216,526	154,588
Drawdowns of hire purchases	7,103	2,992
Drawdowns of revolving credits	199,000	221,435
Repayments of bankers' acceptances	(196,052)	(160,392)
Repayments of term loans	(883)	(1,631)
Repayments of hire purchases	(3,983)	(6,674)
Repayments of revolving credits	(193,610)	(202,390)
Repayments of lease liabilities	(4,049)	(4,534)
Interest paid	(10,397)	(7,229)
Dividends paid to Non-Controlling Interest	(736)	-
<b>Net cash generated from/(used in) financing activities</b>	<b>12,919</b>	<b>(3,835)</b>
<b>Net changes in cash and cash equivalents</b>	<b>3,382</b>	<b>(18,480)</b>
Cash and cash equivalents at beginning of year	82,918	101,410
Effects of exchange rate fluctuation on cash and cash equivalents	(532)	(12)
<b>Cash and cash equivalents at 31 December</b>	<b>85,768</b>	<b>82,918</b>
Cash and cash equivalents comprise:		
Short term deposits	8,603	2,749
Cash at bank and in hand	47,822	37,163
Fixed deposits with licensed banks	30,542	43,926
Bank overdrafts	(1,198)	(920)
	<b>85,768</b>	<b>82,918</b>

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



**Part A: Explanatory notes as per MFRS 134: *Interim Financial Reporting***

**1. Basis of preparation**

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: *Interim Financial Reporting* in Malaysia and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2022. The explanatory notes attached to the 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 the Group since the year ended 31 December 2022.

**Adoption of Standards, Amendments and Interpretations Committee (“IC”) Interpretations**

During the current financial period, the Group has applied the following amendments and new standards that became effective mandatorily for the financial periods beginning on or after 1 January 2023:

- MFRS 17 and Amendments to MFRS 17, Insurance Contracts;
- Amendments to MFRS 101, Classification of Liabilities as Current or Non-current;
- Amendments to MFRS 101, Disclosure of Accounting Policies;
- Amendments to MFRS 108, Definition of Accounting Estimates;
- Amendments to MFRS 112, Deferred Tax related to Assets and arising from a Single Transaction; and
- Amendments to MFRS 112, International Tax Reform – Pillar Two Model Rules.

The adoption of the new standards and amendments did not have any significant impact on the disclosures or on the amounts reported in the financial statements.

The Group has not applied the following standards and amendments that have been issued by the MASB but are not yet effective :

		<i>Effective Date</i>
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101	Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced by the MASB

The adoption of the above amendments is not expected to have any significant impact on the financial position and financial performance of the Group.





**2. Audit qualification of financial statements**

The auditors' report on the preceding annual financial statements of the Group was not subject to any qualification.

**3. Seasonal or cyclical factors**

Apart from the general economic environment in which the Group operates, the businesses of the Group are not affected by any significant seasonal or cyclical factors.

**4. Nature and amount of unusual items**

There were no unusual items that have a material effect on the assets, liabilities, equity, net income, or cash flows for the year ended 31 December 2023.

**5. Significant estimates and changes in estimates**

There were no changes in estimates that have had any material effect on the condensed interim financial statements for the year ended 31 December 2023.

**6. Debt and equity securities**

There were no other issuances, repurchases and repayments of debt and equity securities, share cancellation and resale of treasury shares during the year ended 31 December 2023.

**7. Dividends paid**

No dividend was paid during the year ended 31 December 2023.

## 8. Operating segments

The Group's report on operating segments for the financial year ended is as follows:

	← Year-To-Date Period Ended 31 December →									
	<u>Machinery</u>		<u>Travel and car rental</u>		<u>Automotive</u>		<u>Other operations</u>		<u>Total</u>	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
External revenue	175,406	205,651	110,496	83,532	162,046	184,350	7,295	6,891	455,242	480,424
Segment profit/(loss)	21,218	22,723	31,337	22,599	(2,840)	(6,312)	(3,470)	(2,057)	46,246	36,953
Segment assets	266,419	236,735	189,981	182,590	143,037	107,611	79,607	85,074	679,044	612,010
Segment liabilities	204,120	171,264	140,622	125,873	98,449	86,685	3,057	2,694	446,247	386,516

## Operating segments (continued)

	<u>Year-To-Date Period Ended 31 December</u>	
	<b>2023</b>	2022
	<b>RM'000</b>	RM'000
Reconciliation of reportable segment profit or loss		
Total profit for reportable segments	<b>46,246</b>	36,953
Depreciation and amortisation	<b>(36,412)</b>	(38,213)
Depreciation of right-of-use assets	<b>(4,411)</b>	(4,848)
Interest expense	<b>(10,635)</b>	(7,531)
Interest income	<b>2,312</b>	1,098
Non-reportable segment expenses	<b>(2,576)</b>	(3,127)
Share of (loss)/profit from equity accounted investments, net of tax		
- associate	<b>(71)</b>	(265)
- jointly controlled entities	<b>6,851</b>	4,539
Consolidated profit/(loss) before tax	<b>1,304</b>	(11,394)
Reconciliation of reportable segment assets		
Total assets for reportable segments	<b>679,044</b>	612,010
Assets for other non-reportable segment	<b>5,608</b>	6,944
Share of assets from equity accounted investments		
- associate	<b>852</b>	570
- jointly controlled entities	<b>40,240</b>	34,748
Consolidated assets	<b>725,744</b>	654,272
Reconciliation of reportable segment liabilities		
Total liabilities for reportable segments	<b>446,247</b>	386,516
Liabilities for other non-reportable segment	<b>13,085</b>	11,522
Consolidated liabilities	<b>459,333</b>	398,038

## 9. Valuations of property, plant and equipment

Pursuant to the revaluation model applied for land and buildings, the Group's land and buildings are measured at revalued amount less accumulated depreciation and any accumulated impairment losses. The revaluation surplus (net of deferred tax) of RM11.96 million has been incorporated into the consolidated financial statements for the year ended 31 December 2023.

The valuation was carried out by independent firms of professional valuers, Rahim & Co International Sdn Bhd and VAS Valuation Co. Ltd., using open market value with existing use basis.

## 10. Valuation of investment property

Subsequent to initial recognition, investment property of the Group is stated at fair value which reflects market conditions at reporting date. The fair value of the investment property is based on a valuation carried out by an external valuer on 17 November 2023

## 11. Material subsequent event

There has not arisen in the interval between the end of this reporting period and the date of this announcement, any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group.



**12. Changes in composition of the Group**

There were no changes in the composition of the Group as at 31 December 2023.

**13. Changes in contingent liabilities**

There was no contingent liability as at 31 December 2023.

**14. Capital commitments**

Commitments outstanding not provided for as at the end of the quarter are as follows:

	<b>As at 31.12.2023 RM'000</b>	As at 31.12.2022 RM'000
Approved and contracted for		
Property, plant and equipment	<b>13,738</b>	9,023
Other investments	<b>1,404</b>	-
<b>Total</b>	<b>11,610</b>	<b>9,023</b>
Approved but not contracted for		
Property, plant and equipment	<b>2,867</b>	-

**15. Operating lease commitments**

As lessor – for the leases of commercial vehicles and machinery:

The future minimum lease rental receivables under non-cancellable leases are as follows:

	<b>As at 31.12.2023 RM'000</b>	As at 31.12.2022 RM'000
Not later than 1 year	<b>31,147</b>	29,975
Later than 1 year and not later than 5 years	<b>29,350</b>	28,111
	<b>60,497</b>	<b>58,086</b>

**16. Related party disclosures**

Transactions with Tan Chong Motor Holdings Berhad (“TCMH”) and APM Automotive Holdings Berhad (“APM”) groups, companies in which a Director and substantial shareholder of the Company are deemed to have substantial interests are as follows:

	Individual quarter		Cumulative quarter	
	31.12.23 RM'000	31.12.22 RM'000	31.12.23 RM'000	31.12.22 RM'000
<i>With TCMH group</i>				
Rental Income	389	421	1,814	1,657
Sales	8,454	5,845	49,047	51,310
Travel agency, car rental and workshop services	2,266	1,454	6,823	4,395
Administrative and Information Technology (“IT”) services	3,157	1,187	10,884	4,116
Assembly services and royalty fee	1,391	1,432	8,058	11,470
Insurance agency services	1,665	1,298	5,471	4,910
Lease payments	257	698	1,219	1,441
Purchases	4,982	6,918	23,425	61,049
Workshop services	744	824	2,946	2,966
<i>With APM group</i>				
Rental Income	343	342	1,348	1,295
Sales	189	-	452	614
Travel agency, car rental and workshop services	452	227	1,723	661
Lease payments	129	129	516	516
Purchases	22	339	228	693
Travel agency, car rental and workshop services	-	-	6	-
Workshop services	1	-	13	-

Related party transactions between the Group and its jointly controlled entities are as follows:

	Individual quarter		Cumulative quarter	
	31.12.23 RM'000	31.12.22 RM'000	31.12.23 RM'000	31.12.22 RM'000
Return of goods	-	-	-	-
Travel agency, car rental and air ticket	19	112	124	142

The above transactions were entered into in the ordinary course of business based on normal commercial terms. These transactions were established on terms that were not materially different from those with unrelated parties.

**Part B: Additional Information required in accordance with the Main Market Listing Requirements of Bursa Securities**
**1. Review of performance**

	Individual Quarter		Changes (%)	Cumulative Quarter		Changes (%)
	Current Year	Preceding Year		Current Year	Preceding Year	
	31.12.2023	31.12.2022		31.12.2023	31.12.2022	
	RM'000	RM'000		RM'000	RM'000	
Revenue	<b>126,383</b>	107,205	18	<b>455,242</b>	480,424	(5)
Operating Profit/(Loss)	<b>1,157</b>	(5,063)	123	<b>2,846</b>	(9,235)	131
Profit/(Loss) Before Interest and Tax	<b>1,024</b>	(3,482)	129	<b>9,626</b>	(4,961)	294
(Loss)/Profit Before Tax	<b>(1,189)</b>	(5,091)	77	<b>1,304</b>	(11,394)	111
(Loss) After Tax	<b>(2,037)</b>	(6,594)	69	<b>(2,404)</b>	(12,510)	81
Loss Attributable to Ordinary Equity Holders of the Company	<b>(1,938)</b>	(6,419)	70	<b>(1,732)</b>	(11,535)	85

**Year ended 31 December 2023**

The Malaysian economy chalked moderate growth of 3% in quarter 4, 2023, supported by resilient domestic demand, robust resurgence in tourism activities and stable labour market conditions. However, the growth momentum in 2023, when compared to 2022 of 8.7%, represented a notable deceleration largely due to weak external demand stemming from subdued global economic conditions, declining commodity prices, geopolitical uncertainties, and a sluggish outlook in the semiconductor markets (Source: Malaysian Institute of Economic Research (MIER) on 8.2.24 and key highlights for Quarter 4, 2023 by Bank Negara Malaysia). Correspondingly, the Group experienced a decline in revenue from RM480.4 million to RM455.2 million, representing a decrease of 5% compared to the previous year. Despite the revenue downturn, the Group achieved a profit before tax (PBT) of RM1.3 million, a significant improvement from the loss before tax (LBT) of RM11.4 million in the preceding year. This turnaround in profitability was driven by the commendable results from the Travel and Car Rental division coupled with higher profit margin of the business units, enhanced operational efficiencies and cost-saving initiatives implemented as part of the ongoing cost rationalization initiatives.

**Machinery Division**

The Machinery Division experienced a decline in revenue to RM175.4 million from RM205.7 million in the previous year, representing a 15% decrease. Despite the reduction in revenue, profitability saw only a marginal decrease, with profits reaching RM21.2 million compared to RM22.7 million in the prior year. The decline in performance is largely attributed to lower sales in heavy machinery.

**Travel and Car Rental Division**

In 2023, the industry witnessed a robust recovery across various sectors. The sustained demand for air travel significantly contributed to the resurgence of passenger markets. Year-over-year growth in traffic, measured

in revenue passenger-kilometers (RPKs), reflected this upward trend. (Source: IATA) The substantial increase in tourist arrivals in 2023 bolstered spending in Malaysia, consequently driving the performance of the Travel and Car Rental Division. Revenue for the division surged to RM110.5 million from RM83.6 million in the previous year. This growth led to a notable rise in segment profit, reaching RM31.3 million compared to RM22.6 million in the preceding year.

#### Automotive Division

The Automotive Division reported a decrease in revenue, totalling RM162.0 million compared to RM184.4 million in the previous year. This decline primarily stemmed from a reduced volume of vehicles transacted by MUVM. Despite the decrease in revenue, the division succeeded in reducing its losses to RM2.8 million from RM6.3 million in the prior year. This improvement was driven by enhanced profit margins on vehicles sold by ATM following price adjustments, as well as lower operating expenses resulting from restructuring initiatives implemented by MUVM.

#### Jointly controlled entities

Our joint venture entities, Shiseido Malaysia Sdn Bhd and Wacoal Malaysia Sdn Bhd, collectively reported a profit after tax of RM6.9 million, compared to RM4.5 million in the previous year. This increase in profitability was primarily due to the gain on disposal of Shiseido Professional Business (hair care line) amounting to RM5.3 million, offset by higher expenses incurred for the new outlets at Tun Razak Exchange.

#### 3 months ended 31 December 2023

In the fourth quarter of 2023, the Group achieved higher revenue of RM126.4 million, a notable increase from RM107.2 million in the corresponding quarter of the previous year. Consequently, the loss before tax improved to RM1.2 million, a significant enhancement from RM5.1 million in the corresponding quarter of the prior year. It is worth noting that the results of the preceding corresponding quarter were affected by the allowance for doubtful debts amounting to RM4 million.

## 2. Comparison with preceding quarter's results

	Current Quarter	Immediate Preceding Quarter	Changes (%)
	31.12.2023	30.09.2023	
	RM'000	RM'000	
Revenue	<b>126,383</b>	101,587	24
Operating Profit	<b>1,157</b>	862	35
Profit Before Interest and Tax	<b>1,024</b>	1,850	(44)
(Loss)/Profit Before Tax	<b>(1,189)</b>	53	(2,330)
Loss After Tax	<b>(2,037)</b>	(428)	(374)
Loss Attributable to Ordinary Equity Holders of the Company	<b>(1,938)</b>	(242)	(699)

The Group's revenue surged by 24% to RM126.4 million, compared to RM101.6 million in the previous quarter, primarily driven by increased revenue from Machinery and Automotive Divisions. Consequently, the Group reported higher operating profit of RM1.2 million, up from RM0.9 million in the preceding quarter. However, the performance of the Group at pretax level was dampened by share of losses from the jointly controlled entities, contrasting with share of profit in the previous quarter. The losses reported by Shiseido Malaysia were attributed to heightened expenses incurred in conjunction with the opening of new outlets in Tun Razak Exchange. Consequently, the Group reported higher loss before tax of RM1.2 million, compared to profit before tax of RM0.05 million in the last quarter.



### 3. Group's Prospects

The global economy sustains its expansion, driven by domestic demand amidst strong labor market dynamics. Although the electrical and electronics (E&E) sector shows promising signs of recovery, global trade continues to stagnate, influenced partly by the persistent transition in consumer spending patterns from goods to services and ongoing trade limitations. While monetary policy is expected to maintain a tight stance in the short term, the outlook for growth remains vulnerable to various downside risks, primarily stemming from an escalation of geopolitical tensions, higher-than-anticipated inflation outturns, and heightened volatility in global financial markets. (Source: Bank Negara Malaysia-Monetary Policy Statement)

The key highlights by Bank Negara Malaysia indicated that the fourth quarter for Malaysia's Gross Domestic Product ("GDP") experienced a 3.0% expansion. For the full year 2023, overall growth stabilized at 3.7%. Looking ahead to 2024, growth prospects appear favorable, supported by the recovery in exports and resilient domestic expenditure. Sustained employment and wage growth remain supportive of household spending. Furthermore, improvements in tourist arrivals and expenditures are anticipated. (Source: Bank Negara Malaysia-Monetary Policy Statement and key highlights by Bank Negara Malaysia)

The passenger aviation sector experienced robust growth in year 2023 as evidenced by International Air Transport Association (IATA), driven by sustained demand for air travel. Industry-wide, there was a remarkable 36.9% year-on-year (YoY) growth in activity, with revenue passenger-kilometer (RPK) traffic reaching 94.1% of 2019 levels. This robust rebound is anticipated to extend into 2024; indicating continued momentum and positive prospects for the sector.

The Board, together with the Management, remains committed to implementing proactive measures to enhance the Group's resilience. This involves undertaking operational optimization and cost rationalization initiatives to further improve efficiency and manage expenditures effectively. Additionally, the Group is dedicated to optimizing resource utilization, exploring new business opportunities, and promoting newly launched brands/products. These efforts are integral to sustaining the Group's growth and competitiveness in the market.

### 4. Profit forecast

This is not applicable to the Group as there was no profit forecast issued.

### 5. Tax expense / (income)

	Individual Quarter		Cumulative Quarter	
	31.12.23	31.12.22	31.12.23	31.12.22
	RM'000	RM'000	RM'000	RM'000
<b>Tax expense / (income)</b>				
Current year	<b>1,590</b>	2,259	<b>5,002</b>	3,967
Prior year	<b>20</b>	150	<b>(355)</b>	(1,898)
<b>Deferred tax expense / (income)</b>				
Current year	<b>1,760)</b>	(627)	<b>1,455</b>	(544)
Prior year	<b>(2,522)</b>	(279)	<b>(2,394)</b>	(409)
	<b>848</b>	1,503	<b>3,708</b>	1,116

The tax expense for the current year despite losses in the Group were mainly due to tax charges in certain profitable subsidiaries of the Company, certain expenses being disallowed for tax purposes and the absence of Group Tax Relief to utilize some of the tax losses in the subsidiaries of the Company.





**6. Status of corporate proposals**

There were no corporate proposals announced but not completed at the reporting date.

**7. Group borrowings**

Particulars of the Group borrowings as at the reporting date are as follows:

	As at 31.12.2023		
	Long Term	Short Term	Total borrowings
	RM'000	RM'000	RM'000
Secured			
- Hire purchase	4,671	4,235	8,906
Unsecured			
- Term loan	340	706	1,045
- Revolving credits	-	177,983	177,983
- Bankers' acceptances	-	70,525	70,525
- Bank overdrafts	-	1,198	1,198
	340	250,412	250,751
<b>Total borrowings</b>	<b>5,011</b>	<b>254,647</b>	<b>259,658</b>
Breakdown by currencies:			
RM (Ringgit Malaysia)	4,671	253,941	258,612
MMK (Burmese Kyat)	340	706	1,046
	5,011	254,647	259,658

	As at 31.12.2022		
	Long Term	Short Term	Total borrowings
	RM'000	RM'000	RM'000
Secured			
- Hire purchase	2,504	3,282	5,786
Unsecured			
- Term loan	1,000	845	1,845
- Revolving credits	-	180,528	180,528
- Bankers' acceptances	-	42,116	42,116
- Bank overdrafts	-	920	920
	1,000	224,409	225,409
<b>Total borrowings</b>	<b>3,504</b>	<b>227,691</b>	<b>231,195</b>
Breakdown by currencies:			
RM (Ringgit Malaysia)	2,504	226,846	229,350
MMK (Burmese Kyat)	1,000	845	1,845
	3,504	227,691	231,195



## 8. Material litigation

On 3 July 2002, the Company and a subsidiary claimed for damages against two former directors of the subsidiary for breaches of their fiduciary and/or contractual duties. On or about 25 June 2004, two (2) former employees of subsidiaries of the Company were added as defendants to the action.

On 7 February 2006, the plaintiffs filed an application for leave to include another party as co-defendant. The application was allowed by the Court.

The parties are awaiting further direction from the Court to set a date for mention.

## 9. Dividend

No dividend has been recommended for the year ended 31 December 2023.

## 10. Earnings/(Loss) per share

Basic earnings/(loss) per share is calculated based on the profit/(loss) for the financial year attributable to owners of the Company and weighted average number of ordinary shares in issue as at 31 December 2023.

	Individual Quarter		Cumulative Quarter	
	31.12.23	31.12.22	31.12.23	31.12.22
Profit/(Loss) attributable to owners of the Company (RM'000)	<b>(1,938)</b>	(6,419)	<b>(1,732)</b>	(11,535)
Weighted average number of ordinary shares in issue ('000)				
At beginning of period	<b>65,101</b>	65,101	<b>65,101</b>	65,101
Effect of share buyback	-	-	-	-
At end of period	<b>65,101</b>	65,101	<b>65,101</b>	65,101
Basic Earnings/(Loss) per share (sen)	<b>(2.98)</b>	(9.86)	<b>(2.66)</b>	(17.72)

## 11. Notes to the Condensed Consolidated Statement of Comprehensive Income

Loss before tax is arrived at after charging/(crediting) the following items:

	Individual Quarter		Cumulative Quarter	
	31.12.23 RM'000	31.12.22 RM'000	31.12.23 RM'000	31.12.22 RM'000
Interest Income	(625)	(369)	(2,312)	(1,098)
Interest expenses	2,838	1,978	10,635	7,531
Allowances for doubtful debts	116	4,705	210	5,116
Amortization of intangible assets	160	30	557	205
Bad debts written off	177	(77)	177	49
Depreciation and amortization	9,646	11,037	40,268	42,856
Gain on disposal of property, plant and equipment	(10)	(25)	(131)	(200)
Gain on disposal of assets held for rental	(3,069)	(1,898)	(8,184)	(7,274)
Reversal of inventories written down	(52)	1,090	(54)	1,221
Impairment of intangible assets	-	-	-	283
Net unrealized (gain)/loss on foreign exchange	3	(24)	(61)	(222)
Property, plant and equipment written off	15	21	109	21
Retirement benefits expense	513	576	1,190	1,497
Reversal of allowance for doubtful debts	137	(136)	(1,310)	(480)

## 12. Derivative financial instruments

Forward foreign currency contracts are entered into by the Group in currencies other than the functional currency to manage exposure to the fluctuation in foreign currency exchange rates.

As at 31 December 2023, the notional amount, fair value and maturity period of the forward foreign currency contracts are as follows:

	Year Ended 31.12.23		Year Ended 31.12.22	
	Notional amount RM'000	Fair value assets/ (liabilities) RM'000	Notional amount RM'000	Fair value assets/ (liabilities) RM'000
Less than 1 year	101,638	(490)	40,745	(709)

BY ORDER OF THE BOARD  
 LEE POH YEAN  
 LEE KOON SENG  
 Company Secretaries  
 Kuala Lumpur  
 22 FEBRUARY 2024