

**HARALEGA HOLDINGS BERHAD**

Registration No. 200601022130 (741883-X)

**Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income  
For the fourth quarter ended 31 March 2023**

	Current Quarter Ended 31 Mar 2023 RM'000	Corresponding Quarter Ended 31 Mar 2022 RM'000	Current Year-To-Date 31 Mar 2023 RM'000	Corresponding Year-To-Date 31 Mar 2022 RM'000
Revenue	515,739	968,693	2,407,811	7,888,286
Operating expenses	(500,522)	(762,361)	(2,226,986)	(3,318,189)
<b>Operating profit</b>	<u>15,217</u>	<u>206,332</u>	<u>180,825</u>	<u>4,570,097</u>
Other operating (expenses)/income	(344,191)	12,721	(363,946)	71,559
<b>(Loss)/Profit before interest and tax</b>	<u>(328,974)</u>	<u>219,053</u>	<u>(183,121)</u>	<u>4,641,656</u>
Finance costs	(2,464)	(1,008)	(7,574)	(4,774)
<b>(Loss)/Profit before tax</b>	<u>(331,438)</u>	<u>218,045</u>	<u>(190,695)</u>	<u>4,636,882</u>
Taxation	21,769	(408,122)	(29,755)	(1,394,604)
<b>Net (loss)/profit for the period</b>	<u>(309,669)</u>	<u>(190,077)</u>	<u>(220,450)</u>	<u>3,242,278</u>
<b>Other comprehensive (loss)/income</b>				
Items that may be reclassified subsequently to profit or loss:				
Foreign currency translation difference for foreign operations	(1,421)	3,018	(8,516)	(1,877)
Total comprehensive (loss)/income for the period	<u>(311,090)</u>	<u>(187,059)</u>	<u>(228,966)</u>	<u>3,240,401</u>
<b>(Loss)/Profit attributable to:</b>				
Owners of the Company	(302,757)	(198,152)	(218,043)	3,234,453
Non-controlling interest	(6,912)	8,075	(2,407)	7,825
	<u>(309,669)</u>	<u>(190,077)</u>	<u>(220,450)</u>	<u>3,242,278</u>
<b>Total comprehensive (loss)/income attributable to:</b>				
Owners of the Company	(303,906)	(195,686)	(224,968)	3,232,868
Non-controlling interest	(7,184)	8,627	(3,998)	7,533
	<u>(311,090)</u>	<u>(187,059)</u>	<u>(228,966)</u>	<u>3,240,401</u>
 (Loss)/Earnings per share (sen)	 (8.86)	 (5.80)	 (6.38)	 94.63

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2022 and the accompanying notes attached to this interim financial report.)

# HARTALEGA HOLDINGS BERHAD

Registration No. 200601022130 (741883-X)

## Condensed Consolidated Statement of Financial Position as at 31 March 2023

	<i>Unaudited</i> <i>At 31 Mar 2023</i> <i>RM'000</i>	<i>Audited</i> <i>At 31 Mar 2022</i> <i>RM'000</i>
<b>ASSETS</b>		
<b>Non current assets</b>		
Property, Plant & Equipment	1,942,808	2,367,032
Capital work in progress	951,532	743,728
Intangible assets	42,614	30,801
Right-of-use assets	4,367	4,923
Deferred tax assets	3,393	3,566
	<u>2,944,714</u>	<u>3,150,050</u>
<b>Current assets</b>		
Inventories	253,517	396,947
Trade receivables	200,418	338,736
Other receivables, deposits and prepayments	123,667	79,870
Tax assets	80,070	2,090
Derivatives financial assets	-	1,576
Cash and cash equivalents	1,724,487	2,378,127
	<u>2,382,159</u>	<u>3,197,346</u>
<b>TOTAL ASSETS</b>	<u>5,326,873</u>	<u>6,347,396</u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	1,692,061	1,692,061
Reserves	2,965,056	3,429,246
<b>Equity attributable to owners of the Company</b>	<u>4,657,117</u>	<u>5,121,307</u>
<b>Non-controlling interests</b>	<u>19,569</u>	<u>23,567</u>
<b>Total Equity</b>	<u>4,676,686</u>	<u>5,144,874</u>
<b>Non current liabilities</b>		
Loans and borrowings	62,302	136,658
Lease liabilities	1,953	3,190
Deferred tax liabilities	233,545	245,839
	<u>297,800</u>	<u>385,687</u>
<b>Current liabilities</b>		
Trade payables	88,645	117,910
Other payables and accruals	161,527	260,272
Loans and borrowings	87,269	102,110
Lease liabilities	2,546	1,829
Derivatives financial liabilities	80	160
Tax liabilities	12,320	334,554
	<u>352,387</u>	<u>816,835</u>
<b>Total Liabilities</b>	<u>650,187</u>	<u>1,202,522</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>5,326,873</u>	<u>6,347,396</u>
Net assets per share attributable to the owners of the Company (RM)	1.36	1.50

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2022 and the accompanying notes attached to this interim financial report.)

# HARALEGA HOLDINGS BERHAD

Registration No. 200601022130 (741883-X)

## Unaudited Condensed Consolidated Statement of Changes in Equity

For the fourth quarter ended 31 March 2023

	← Attributable to Owners of the Company →				Sub Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Translation Reserve RM'000	Retained Profits RM'000			
<b>12 Months Ended 31 March 2023</b>							
<b>Balance as at 1 April 2022</b>	1,692,061	(97,474)	4,753	3,521,967	5,121,307	23,567	5,144,874
<b>Comprehensive loss</b>							
Loss for the financial year	-	-	-	(218,043)	(218,043)	(2,407)	(220,450)
<b>Other comprehensive loss</b>							
Foreign currency translation	-	-	(6,925)	-	(6,925)	(1,591)	(8,516)
Total comprehensive loss for the year	-	-	(6,925)	(218,043)	(224,968)	(3,998)	(228,966)
<b>Transaction with owners</b>							
Dividends	-	-	-	(239,222)	(239,222)	-	(239,222)
Total transaction with owners	-	-	-	(239,222)	(239,222)	-	(239,222)
<b>Balance as at 31 March 2023</b>	<b>1,692,061</b>	<b>(97,474)</b>	<b>(2,172)</b>	<b>3,064,702</b>	<b>4,657,117</b>	<b>19,569</b>	<b>4,676,686</b>

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2022 and the accompanying notes attached to this interim financial report.)

# HARTALEGA HOLDINGS BERHAD

Registration No. 200601022130 (741883-X)

## Unaudited Condensed Consolidated Statement of Changes in Equity

For the fourth quarter ended 31 March 2023

	← Attributable to Owners of the Company →				<i>Non-controlling Interest</i> RM'000	<i>Total Equity</i> RM'000	
	<i>Share Capital</i> RM'000	<i>Treasury Shares</i> RM'000	<i>Translation Reserve</i> RM'000	<i>Retained Profits</i> RM'000			<i>Sub Total</i> RM'000
<b>12 Months Ended 31 March 2022</b>							
<b>Balance as at 1 April 2021</b>	1,692,061	-	6,338	3,276,501	4,974,900	24,212	4,999,112
<b>Comprehensive income</b>							
Profit for the financial year	-	-	-	3,234,453	3,234,453	7,825	3,242,278
<b>Other comprehensive loss</b>							
Foreign currency translation	-	-	(1,585)	-	(1,585)	(292)	(1,877)
Total comprehensive income for the year	-	-	(1,585)	3,234,453	3,232,868	7,533	3,240,401
<b>Transaction with owners</b>							
Dividends	-	-	-	(2,988,987)	(2,988,987)	(8,178)	(2,997,165)
Acquisition of treasury shares	-	(97,474)	-	-	(97,474)	-	(97,474)
Total transaction with owners	-	(97,474)	-	(2,988,987)	(3,086,461)	(8,178)	(3,094,639)
<b>Balance as at 31 March 2022</b>	<b>1,692,061</b>	<b>(97,474)</b>	<b>4,753</b>	<b>3,521,967</b>	<b>5,121,307</b>	<b>23,567</b>	<b>5,144,874</b>

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2022 and the accompanying notes attached to this interim financial report.)

# HARTALEGA HOLDINGS BERHAD

Registration No. 200601022130 (741883-X)

## Unaudited Condensed Consolidated Statement of Cash Flows

For the fourth quarter ended 31 March 2023

	Current Year-To-Date 31 Mar 2023 RM'000	Corresponding Year-To-Date 31 Mar 2022 RM'000
<b>Cash Flows (used in)/from Operating Activities</b>		
(Loss)/Profit before tax	(190,695)	4,636,882
Adjustments for:		
Depreciation and amortisation	163,156	151,863
Income from fixed income fund	(502)	(25,663)
Interest received	(42,791)	(10,491)
Interest expense	7,574	4,774
Impairment of property, plant and equipment	346,892	-
Other adjustments	11,991	(54,141)
<b>Operating profit before changes in working capital</b>	<b>295,625</b>	<b>4,703,224</b>
<b>Changes in working capital</b>		
Net change in inventories	143,430	236,508
Net change in receivables	81,898	658,791
Net change in payables	(117,069)	(712,614)
<b>Cash generated from operations</b>	<b>403,884</b>	<b>4,885,909</b>
Tax paid	(441,976)	(1,169,506)
<b>Net cash (used in)/from operating activities</b>	<b>(38,092)</b>	<b>3,716,403</b>
<b>Cash Flows used in Investing Activities</b>		
Proceeds from disposal of property, plant and equipment	1,051	1,076
Addition to:		
Property, plant and equipment	(18,192)	(57,354)
Capital work-in-progress	(288,070)	(789,823)
Intangible assets	(783)	(81)
Income received from fixed income fund	502	25,663
Interest received	42,791	10,491
<b>Net cash used in investing activities</b>	<b>(262,701)</b>	<b>(810,028)</b>
<b>Cash Flows used in Financing Activities</b>		
Repayment of term loan	(102,082)	(108,786)
Repayment of lease liabilities	(2,802)	(2,218)
Interest paid	(7,413)	(4,636)
Acquisition of treasury shares	-	(97,474)
Dividend paid to non-controlling interests by a subsidiary	-	(8,178)
Dividend paid	(239,222)	(2,988,987)
<b>Net cash used in financing activities</b>	<b>(351,519)</b>	<b>(3,210,279)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(652,312)</b>	<b>(303,904)</b>
<b>Effect of exchange rate fluctuations on cash and cash equivalents</b>	<b>(3,536)</b>	<b>(1,877)</b>
<b>Fair value gain on short-term investments</b>	<b>2,208</b>	<b>15,167</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>2,378,127</b>	<b>2,668,741</b>
<b>Cash and cash equivalents at end of period</b>	<b>1,724,487</b>	<b>2,378,127</b>
<b>Cash and cash equivalents at end of period comprise:</b>		
Licensed Fund Management Companies-Fixed income fund	-	1,549,506
Cash in hand and at banks	1,724,487	828,621
	<b>1,724,487</b>	<b>2,378,127</b>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2022 and the accompanying notes attached to this interim financial report.)

**Notes to the Interim financial report for the Fourth Quarter ended 31 March 2023****A. NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD 134 (MFRS 134): INTERIM FINANCIAL REPORTING****A1. Basis of Preparation**

The interim financial report is unaudited and has been prepared in accordance with requirements of paragraph 9.22 (Appendix 9B part A) of the Main Market Listing Requirements (“Listing Requirements”) of the Bursa Malaysia Securities Berhad (“Bursa Securities”) and complies with requirements of the Malaysian Financial Reporting Standards 134 (MFRS 134): Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), International Accounting Standard (“IAS”) 34: Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”), Companies Act 2016 in Malaysia.

The significant accounting policies and methods of computation adopted in the preparation of this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 March 2022, except for the adoption of the following amendments to Malaysian Financial Reporting Standards (“MFRS”):

Amendments to:

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

The adoption of these amendments to MFRSs did not result in significant changes in the accounting policies of the Group and had no significant effect on the financial performance or position of the Group.

**Standards and Amendments in Issue But Not Yet Effective**

At the date of authorisation for issue of these financial statements, the new MFRS and amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group are as listed below:

MFRS 17	Insurance Contracts <sup>2</sup>
Amendments to:	
MFRS 4	Extension of the Temporary Exemption from Applying MFRS 9 <sup>1</sup>
MFRS 17	Insurance Contracts <sup>2</sup>
MFRS 17	Initial application of MFRS 27 and MFRS 9 Comparative Information <sup>2</sup>
MFRS 101	Disclosure of Accounting Policies <sup>2</sup>
MFRS 101	Classification of Liabilities as Current or Non-current <sup>3</sup>
MFRS 101	Non-current Liabilities with Covenants <sup>3</sup>
MFRS 108	Definition of Accounting Estimates <sup>2</sup>
MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction <sup>2</sup>
MFRS 16	Lease Liability in a Sale and Leaseback <sup>3</sup>
MFRS10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>

- <sup>1</sup> Effective immediately for annual periods beginning before 1 January 2023, with earlier application permitted.
- <sup>2</sup> Effective for annual periods beginning before 1 January 2023, with earlier application permitted.
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2024, with earlier application permitted.
- <sup>4</sup> Effective date deferred to a date to be announced by MASB.

The directors anticipate that the abovementioned MFRSs and amendments to MFRSs will be adopted in the annual financial statements of the Group when they become effective. The adoption of these Standards and amendments may have an impact on the financial statements of the Group in the period of initial application. However, it is not practicable to provide a reasonable estimate of these effect from the adoption of the said MFRSs and amendments to MFRSs until the Group undertake a detailed review.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2022 and the accompanying explanatory notes attached to this interim financial report.

**A2. Auditors' Report**

The auditors' report for the immediate preceding annual financial statements of the Group for the financial year ended 31 March 2022 is not subject to any qualification.

**A3. Seasonal and Cyclical Factors**

The principal business operations of the Group were not affected by any seasonal and cyclical factors.

**A4. Items of Unusual Nature and Amount**

There were no items affecting the assets, liabilities, equity, net income or cash flows of the Group that are unusual because of their nature, size or incidence for the current quarter and financial year-to-date, other than the matters as disclosed in A11 and A12.

**A5. Changes in Estimates of amount reported previously**

There were no changes in the estimates of amounts reported in the prior interim period of the current financial year or changes in the estimates of amounts reported in the prior financial years that have a material effect in the current quarter or financial year-to-date.

**A6. Issuances, Repurchases and Repayments of Debt and Equity Securities**

As at 31 March 2023, out of the total of 3,427,606,863 issued and fully paid ordinary shares, 10,145,000 ordinary shares were held as treasury shares in accordance with the requirement of Section 127 of the Companies Act 2016.

Other than the above, there were no issuance and repayments of debt and equity securities, share buy-backs, share cancellations and shares held as treasury shares.



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## A7. Dividends Paid

Dividend paid by the Company during the financial year were as follows:

- (a) Third interim single tier exempt dividend of 3.50 sen per share amounting to RM 119,611,165 in respect of the financial year ended 31 March 2022, declared on 10 May 2022 and paid on 9 June 2022; and
- (b) Final single tier exempt dividend of 3.50 sen per share amounting to RM 119,611,165 in respect of the financial year ended 31 March 2022, approved at the last Annual General Meeting on 1 September 2022 and paid on 29 September 2022.

## A8. Segment Information

The Group's business mainly comprises the manufacturing and sale of latex gloves and its manufacturing activities are operated solely in Malaysia. On this basis, the Chief Executive Officer reviews the operating results of the Group as a whole. Accordingly, no reportable operating segment is presented.

## A9. Valuation of property, plant and equipment

The valuations of property plant and equipment have been brought forward without amendment from the previous annual financial statements.

## A10. Capital Commitments

Capital commitment in respect of Property, Plant and Equipment as at end of the current quarter and financial year-to-date are as follows: -

	<b>31 Mar 2023</b>
	<b>RM'000</b>
Approved and contracted for	472,163

## A11. Material Events Subsequent to the End of Period Reported

On 8 May 2023, the Group has announced its plan to decommission four production plants located in Bestari Jaya, under Hartalega Sdn Bhd ("HSB") as part of the ongoing operational rationalisation exercise. Management has reviewed the carrying amount of its property, plant and equipment, capital work-in-progress and intangible assets and has recognised an impairment loss of RM 347 million in the current financial year 2023. The Group is expected to recognise further provision for retrenchment cost and contract obligation expenses of approximately RM70 million in financial year 2024.

Other than the above, there were no material events after 31 March 2023 up to latest practicable date 8 May 2023 that have not been reflected in the financial statements for the current quarter and financial year-to-date.





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**A12. Changes in the Composition of the Group**

The Group's China subsidiary, Yancheng Mun Medical Equipment Co. Ltd. ("Mun China") is currently going through compulsory liquidation process. The Group, based on assessment of recoverability, has made a provision against certain financial assets and written off the inventories related to Mun China during the year.

Other than the above, there were no changes in the composition of the Group during the current quarter under review.

**A13. Contingent liabilities and Contingent Assets**

There were no contingent liabilities or contingent assets that had arisen since the last annual statement of financial position date.



# Hartalega

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## B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

### B1. Review of Performance of the Company and its Subsidiaries

	4 <sup>th</sup> Quarter Ended				Year-To-Date			
	31 Mar 2023	31 Mar 2022	Variance		31 Mar 2023	31 Mar 2022	Variance	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	515,739	968,693	(452,954)	(46.8)	2,407,811	7,888,286	(5,480,475)	(69.5)
Operating profit	15,217	206,332	(191,115)	(92.6)	180,825	4,570,097	(4,389,272)	(96.0)
(Loss)/Profit before interest and tax	(328,974)	219,053	(548,027)	(250.2)	(183,121)	4,641,656	(4,824,777)	(103.9)
(Loss)/Profit before tax	(331,438)	218,045	(549,483)	(252.0)	(190,695)	4,636,882	(4,827,577)	(104.1)
(Loss)/Profit after tax	(309,669)	(190,077)	(119,592)	(62.9)	(220,450)	3,242,278	(3,462,728)	(106.8)
(Loss)/Profit attributable to ordinary equity holders of the parents	(302,757)	(198,152)	(104,605)	(52.8)	(218,043)	3,234,453	(3,452,496)	(106.7)

#### Q4 FY2023 vs Q4 FY2022 12M FY2023 vs 12M FY2022

For the current quarter ended 31 March 2023 (Q4FY23), the Group registered a lower revenue of RM 516 million, a decrease of RM 453 million or 47% from the corresponding quarter in the preceding year (Q4FY22).

For the 12 months ended 31 March 2023 (12MFY23), the Group registered a lower revenue of RM 2.4 billion, a decrease of RM 5.5 billion or 69.5% from the corresponding period in the preceding year (12MFY22).

The drop in sales revenue for both Q4FY23 and 12MFY23 was primarily attributed to the lower average selling price (ASP) and sales volume as the Group continued to face oversupply situation and supply chain inventory adjustment.

For Q4FY23, the Group recorded a loss before tax of RM 331 million as compared to a profit before tax of RM 218 million in Q4FY22. For 12MFY23, the Group's profit before tax also decreased by RM 4.8 billion as compared to the corresponding period (12MFY22), recording a loss before tax of RM 191 million for the financial year 2023.

The loss before tax recorded for both Q4FY23 and 12MFY23 was mainly due to a one-off impairment loss of assets totalling RM 347 million of a local subsidiary in addition to the decrease in revenue, lower production utilisation as well as higher operating costs such as energy and labour costs.

**B2. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter**

	<b>Current Quarter Ended 31 Mar 2023</b>	<b>Preceding Quarter Ended 31 Dec 2022</b>	<b>Variance</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	515,739	461,837	53,902	11.7
Operating profit/(loss)	15,217	(30,547)	45,764	(149.8)
Loss before interest and tax	(328,974)	(28,474)	(300,500)	(1,055.3)
Loss before tax	(331,438)	(30,709)	(300,729)	(979.3)
Loss after tax	(309,669)	(31,106)	(278,563)	(895.5)
Loss attributable to ordinary equity holders of the parents	(302,757)	(31,910)	(270,847)	(848.8)

**Q4 FY2023 vs Q3 FY2023**

Revenue for the current quarter increased by RM 54 million or 12% as compared to the preceding quarter (Q3FY23). The higher revenue was mainly due to the higher sales volume recorded, despite a decline in ASP.

For Q4FY23, the Group recorded a loss before tax of RM 331 million, an increase of RM 301 million as compared to the preceding quarter (Q3FY23), mainly due to the one-off impairment loss of assets of a local subsidiary as mentioned earlier.

**B3. Commentary on Prospects and Targets**

Strong headwinds in the glove sector persist amid the global oversupply situation. The sector saw aggressive capacity expansion and excessive inventory build up during the pandemic, which has led to the current market supply-demand imbalance and industry-wide suboptimal operating level.

In addition to the rising cost environment, the glove industry must also contend with higher operating costs, such as energy and labour costs. Glove manufacturers have sought to pass on certain the incremental costs albeit with varying degrees of success given the intense market competition. Hence, pressure on operating margins is expected to continue as the average selling price for rubber gloves remains very competitive.

While capacity rationalisation within the sector is expected to continue, hurdles facing the sector are likely to persist in the short to medium term. In light of the challenging landscape and as part of its commitment to sustainable growth, the Group has embarked on a 5-Year Strategic Plan. This will entail an operational rationalisation exercise, whereby the Group will decommission its Bestari Jaya facility and consolidate operations at its Next Generation Integrated Glove Manufacturing Complex (NGC) in Sepang. The decommissioning of the Bestari Jaya facility, which comprises four production plants, some of which have been operational since 2004, is expected to be completed by end-2023. Once the exercise is completed, the Group expects to see a reduction in operating costs, thus improving the Group's overall competitiveness moving forward.

The glove market typically undergoes an adjustment period following a pandemic-driven demand surge. Notwithstanding the current sentiment, glove consumption is expected to grow over the long term in line with increased glove usage, especially from emerging markets that have a low glove consumption base. The increase in demand could also be driven by the higher awareness of hygiene and health consciousness among healthcare practitioners post-pandemic.

In view of the increasingly challenging business landscape, the Group will continue to emphasise better cost management, improve operational efficiencies and scale up automation initiatives across our operations. The Group will also continue to focus on enhancing our sustainability and social compliance practices as part of our ESG agenda. Looking ahead, the Group remains cautiously optimistic about the long-term prospects for the sector.

**B4. Variance of Profit Forecast/Profit Guarantee**

Not applicable as no profit forecast/profit guarantee was issued.

**B5. (Loss)/Profit For The Period**

(Loss)/Profit for the period is arrived at after crediting/(charging):

	4 <sup>th</sup> Quarter Ended		Year-To- Date	
	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
	RM'000	RM'000	RM'000	RM'000
Interest income	21,307	1,046	42,791	10,494
Other income including investment income	7,820	15,106	19,026	46,084
Interest expense	(2,464)	(1,008)	(7,574)	(4,774)
Depreciation and amortisation	(41,558)	(39,489)	(163,156)	(151,873)
Gain/(loss) on disposal of property, plant and equipment	243	(15)	612	284
Property, plant and equipment written off	(62)	-	(3,819)	-
Impairment of assets	(346,892)	-	(346,892)	-
Realised foreign exchange (loss)/gain	(5,285)	1,180	(34,892)	(23,352)
Unrealised foreign exchange gain/(loss)	8,300	2,457	(9,494)	(37,272)
Fair value (loss) /gain on derivatives	(292)	(2,405)	(1,496)	75,964

**B6. Taxation**

	<b>Current quarter</b>	<b>Current year-</b>
	<b>RM'000</b>	<b>to-date</b>
		<b>RM'000</b>
Current tax expense	(7,841)	(33,612)
Deferred tax income	37,760	12,007
Under-provision of current tax in prior years	(8,150)	(8,150)
	21,769	(29,755)

The effective tax rate of the Group during the quarter is disproportionate to the statutory tax rate mainly due to deferred tax assets on losses incurred by certain subsidiaries not being fully recognised.

The effective tax rate of the Group for the current year-to-date is disproportionate to the statutory tax rate mainly due to non-availability of group-relief for set off against taxable income recorded by certain subsidiaries within the Group.

**B7. Status of Corporate Proposal**

As at the latest practicable date, 8 May 2023, there was no corporate proposal announced and not completed in the current quarter and financial year-to-date.

**B8. Group Borrowings and Debt Securities**

Total Group borrowings as at 31 March 2023 are as follows:

	<b>4<sup>th</sup> Quarter Ended</b>			<b>4<sup>th</sup> Quarter Ended</b>		
	<b>31 Mar 2023</b>			<b>31 Mar 2022</b>		
	<b>Foreign</b>		<b>RM</b>	<b>Foreign</b>		<b>RM</b>
	<b>denomination</b>		<b>'000</b>	<b>denomination</b>		<b>'000</b>
<u>Short term borrowings</u>						
Term Loans – secured	USD	19,758	87,269	USD	24,277	102,110
<u>Long term borrowings</u>						
Term Loans – secured	USD	14,105	62,302	USD	32,491	136,658
<u>Total borrowings</u>						
Term Loans – secured	USD	33,863	149,571	USD	56,768	238,768
Exchange Rate RM to USD1.00			4.42			4.21

**B9. Financial Derivative Instruments**

As at 31 March 2023, the outstanding foreign currency forward contracts are as follows:

<b>Type of Derivatives</b>	<b>Contract/Notional Value RM'000</b>	<b>Fair Value RM'000</b>
<b>Derivative Financial Assets</b>		
Non-hedging derivative at fair value through profit or loss:		
- USD denominated	21,650	(80)

The Group enters into foreign currency forward contracts to hedge its estimated net exposure to movements in exchange rates arising mainly from sales and purchases denominated in foreign currencies.

As foreign currencies contracts are hedged with creditworthy financial institutions in line with the Group's policy, the Group does not foresee any significant credit risks.

During the current quarter and financial year-to-date ended 31 March 2023, the Group recognised a loss of RM 0.3 million and RM 1.5 million respectively arising from the fair value changes of the derivative financial instruments.

**B10. Material Litigation**

As at the latest practicable date, 8 May 2023, there are no material litigations against the Group or taken by the Group.

**B11. Dividend**

No dividend was proposed or declared for the current quarter under review.

**B12. Earnings per Share**

<b>Earnings Per Share</b>	<b>Current Quarter Ended 31 Mar 2023</b>	<b>Corresponding Quarter Ended 31 Mar 2022</b>	<b>Current Year-To- Date 31 Mar 2023</b>	<b>Corresponding Year-To-Date 31 Mar 2022</b>
(Loss)/Profit attributable to owners of the parent (RM'000)	(302,757)	(198,152)	(218,043)	3,234,453
Weighted average number of ordinary shares in issue ('000)	3,417,462	3,417,899	3,417,462	3,417,899
(Loss)/Earnings per share (sen)	(8.86)	(5.80)	(6.38)	94.63

The diluted (loss)/earnings per share of the Group is the same as the basic earnings per share as the Group does not have any potential dilutive ordinary shares in issue.

**Date: 9 May 2023**