

QUARTERLY REPORT

This is a quarterly report on consolidated results for the period ended 31 March 2024
The figures have not been audited.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2024

	QUARTER ENDED		CUMULATIVE 3 MONTHS ENDED	
	31 MAR 2024	31 MAR 2023	31 MAR 2024	31 MAR 2023
	RM '000	RM '000	RM '000	RM '000
Revenue	984,469	496,225	984,469	496,225
Other operating income	<u>4,529</u>	<u>11,932</u>	<u>4,529</u>	<u>11,932</u>
Operating profit	14,446	6,959	14,446	6,959
Finance cost	(3,535)	(3,422)	(3,535)	(3,422)
Profit before taxation	<u>10,911</u>	<u>3,537</u>	<u>10,911</u>	<u>3,537</u>
Taxation	<u>(488)</u>	<u>-</u>	<u>(488)</u>	<u>-</u>
Profit after taxation	<u>10,423</u>	<u>3,537</u>	<u>10,423</u>	<u>3,537</u>
Other comprehensive income:				
Fair value through other comprehensive income:				
Changes in fair value of hedging derivatives	<u>116</u>	<u>1,811</u>	<u>116</u>	<u>1,811</u>
Total comprehensive income for the period	<u>10,539</u>	<u>5,348</u>	<u>10,539</u>	<u>5,348</u>
Profit attributable to:				
Equity holders of the Company	10,423	3,537	10,423	3,537
Non-controlling interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>10,423</u>	<u>3,537</u>	<u>10,423</u>	<u>3,537</u>
Total comprehensive income attributable to:				
Equity holders of the Company	10,539	5,348	10,539	5,348
Non-controlling interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>10,539</u>	<u>5,348</u>	<u>10,539</u>	<u>5,348</u>
Profit per share attributable to equity holders of the Company:				
(i) Basic (sen)	0.7	0.2	0.7	0.2
(ii) Dilutive (sen)	0.7	0.2	0.7	0.2

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	31 MAR 2024	31 DEC 2023
	RM '000	RM '000
Non-current assets		
Property, plant and equipment	1,506,292	1,507,698
Right-of-use assets	193,388	195,357
Investment in joint ventures	1,516	1,516
Deferred tax assets	93,293	93,293
	<u>1,794,489</u>	<u>1,797,864</u>
Current assets		
Inventories	3,154	2,815
Trade and other receivables	1,767,329	1,291,022
Tax recoverable	1,103	48
Cash and bank balances	376,769	557,571
	<u>2,148,355</u>	<u>1,851,456</u>
TOTAL ASSETS	<u>3,942,844</u>	<u>3,649,320</u>
Equity attributable to equity holders of the Company		
Share capital	1,618,263	1,618,263
Cash flow hedge reserve	441	325
Accumulated losses	(341,634)	(352,057)
	<u>1,277,070</u>	<u>1,266,531</u>
Non-controlling interests	809	809
Total equity	<u>1,277,879</u>	<u>1,267,340</u>
Non-current liabilities		
Borrowing	251,349	261,251
Lease liabilities	7,045	7,233
	<u>258,394</u>	<u>268,484</u>
Current liabilities		
Trade and other payables	2,147,179	1,980,997
Borrowings	257,356	105,719
Lease liabilities	740	732
Derivatives	1,296	26,048
	<u>2,406,571</u>	<u>2,113,496</u>
Total liabilities	<u>2,664,965</u>	<u>2,381,980</u>
TOTAL EQUITY AND LIABILITIES	<u>3,942,844</u>	<u>3,649,320</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2024

	31 MAR 2024	31 MAR 2023
	RM '000	RM '000
Profit before taxation	10,911	3,537
Adjustments for:		
Property, plant and equipment		
- depreciation	17,385	17,780
Right-of-use assets		
- amortisation	1,969	2,025
Net allowance of impairment loss on trade receivables	1,547	456
Interest income	(1,728)	(4,804)
Net unrealised (gain)/loss on foreign exchange	(2,198)	2,781
Changes in fair value gain of hedging derivatives	(1,492)	(3,760)
Finance cost	3,535	3,422
Operating profit before working capital changes	29,929	21,437
Inventories	(339)	801
Trade and other receivables	(477,053)	(168,072)
Trade and other payables	143,889	22,329
Cash used in operations	(303,574)	(123,505)
Tax paid	(195)	-
Net cash used in operating activities	(303,769)	(123,505)
Purchase of property, plant and equipment	(15,979)	(13,788)
Interest received	926	4,804
Net cash used in investing activities	(15,053)	(8,984)
Dividends paid to equity holders of the Company	-	(24,000)
Drawdown of revolving credits	219,000	-
Repayment of revolving credits	(68,000)	-
Repayment of principal on long term borrowing	(9,265)	(8,890)
Interest paid on long term borrowing	(3,442)	(3,367)
Payment of principal portion of lease liabilities	(180)	(253)
Interest paid on lease liabilities	(93)	(55)
Net cash generated from/(used in) financing activities	138,020	(36,565)
Net change in cash & cash equivalents	(180,802)	(169,054)
Cash & cash equivalents at the beginning of the period	545,389	784,856
Cash & cash equivalents at the end of the period	364,587	615,802
Cash at banks and in hand	285,290	128,991
IFSSC bank balance	91,450	453,164
Deposits with licensed banks	29	45,829
	376,769	627,984
Less: Cash pledged with the bank - restricted	(12,182)	(12,182)
	364,587	615,802

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2024

	←-----Attributable to equity----->					Total Equity
	Share Capital	Distributable Retained Earnings/ (Accumulated Losses)	Fair Value through OCI Reserve	Total	Non-controlling Interests	
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
3 MONTHS ENDED 31 MARCH 2024						
At 1 January 2024	1,618,263	(352,057)	325	1,266,531	809	1,267,340
Total comprehensive income	-	10,423	116	10,539	-	10,539
At 31 March 2024	<u>1,618,263</u>	<u>(341,634)</u>	<u>441</u>	<u>1,277,070</u>	<u>809</u>	<u>1,277,879</u>
3 MONTHS ENDED 31 MARCH 2023						
At 1 January 2023	1,618,263	156,128	(5,700)	1,768,691	819	1,769,510
Total comprehensive income	-	3,537	1,811	5,348	-	5,348
Dividends paid to equity holders of the Company	-	(24,000)	-	(24,000)	-	(24,000)
At 31 March 2023	<u>1,618,263</u>	<u>135,665</u>	<u>(3,889)</u>	<u>1,750,039</u>	<u>819</u>	<u>1,750,858</u>

NOTES TO THE UNAUDITED CONDENSED FINANCIAL REPORT

A1. CORPORATE INFORMATION

Malaysia Marine and Heavy Engineering Holdings Berhad is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Berhad.

These unaudited condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 23 May 2024.

A2. BASIS OF PREPARATION

These unaudited condensed consolidated interim financial statements for the period ended 31 March 2024 have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirement of Bursa Malaysia Berhad. The results for this interim financial statements are unaudited and should be read in conjunction with the Group's audited consolidated financial statements and the accompanying notes for the year ended 31 December 2023.

The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to understand the changes in the financial position and performance of the Group since the financial year ended 31 December 2023.

The audited consolidated financial statements of the Group for the year ended 31 December 2023 are available upon request from the Group's registered office located at Level 31, Menara Dayabumi, Jalan Sultan Hishamuddin, 50050 Kuala Lumpur. The functional currency of the Group is Ringgit Malaysia (RM).

A3. SIGNIFICANT ACCOUNTING POLICIES

The financial information presented herein has been prepared in accordance with the accounting policies to be used in preparing the annual consolidated financial statements for the financial year ended 31 December 2024 under the MFRS framework. These policies do not differ significantly from those used in the audited consolidated financial statements for the financial year ended 31 December 2023.

At the beginning of the current financial year, the Group and the Company have adopted the following revised MFRSs and Amendments to MFRSs (collectively referred to as "pronouncements") that have been issued by the MASB:

Effective for annual periods beginning on or after 1 January 2024

Amendments to MFRS 16 Leases (Lease Liability in a Sale and Leaseback)
Amendments to MFRS 101 Presentation of Financial Statements (Non-current Liabilities with Covenants)
Amendments to MFRS 107 Statement of Cash Flows (Supplier Finance Arrangements)
Amendments to MFRS 7 Financial Instruments: Disclosures (Supplier Finance Arrangements)

The adoption of the above pronouncements has no material financial impact to the Group and the Company.

A4. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The audited financial statements of the Group for the year ended 31 December 2023 were not subjected to any audit qualification.

A5. SEASONALITY OR CYCLICALITY OF OPERATIONS

The businesses of the Group are subject to fluctuations in level of activities in the oil and gas and shipping industries.

A6. EXCEPTIONAL ITEMS

There were no exceptional items during the current period other than as disclosed in the condensed consolidated interim financial statements.

A7. MATERIAL CHANGES IN ACCOUNTING ESTIMATES

There were no material changes in estimates of the amounts reported in the most recent audited financial statements of the Group for the year ended 31 December 2023 that may have a material effect in the current quarter results.

A8. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuance or repayment of debt and equity securities made by the Group during the period ended 31 March 2024.

A9. BORROWINGS

The tenure of Group borrowings is as follows:

	31 Mar 2024	31 Dec 2023
	RM '000	RM '000
Non-current		
Secured - Term Loan	251,349	261,251
	<u>251,349</u>	<u>261,251</u>
Current		
Secured - Term Loan	38,356	37,719
Unsecured - Revolving Credits	219,000	68,000
	<u>257,356</u>	<u>105,719</u>
Total Borrowings	<u><u>508,705</u></u>	<u><u>366,970</u></u>

A10. SEGMENT REPORT

Segmental analysis for the current financial period is as follows:

	Heavy Engineering	Marine	Others	Eliminations	Total
	RM '000	RM '000	RM '000	RM '000	RM '000
REVENUE AND RESULTS					
Revenue					
External	869,086	115,383	-	-	984,469
	<u>869,086</u>	<u>115,383</u>	<u>-</u>	<u>-</u>	<u>984,469</u>
Results					
Operating profit	283	13,794	378	(9) *	14,446
	<u>283</u>	<u>13,794</u>	<u>378</u>	<u>(9) *</u>	<u>14,446</u>
Finance costs					(3,535)
Profit before taxation					<u><u>10,911</u></u>

* Inter-segment transactions are eliminated on consolidation.

A11. PROFIT FOR THE PERIOD

	Quarter Ended		Cumulative 3 Months Ended	
	31 Mar 2024 RM '000	31 Mar 2023 RM '000	31 Mar 2024 RM '000	31 Mar 2023 RM '000
Profit for the period is arrived at after charging:				
Property, plant and equipment				
- depreciation	17,385	17,780	17,385	17,780
Right-of-use assets				
- amortisation	1,969	2,025	1,969	2,025
Net unrealised loss on foreign exchange	-	2,781	-	2,781
Finance cost	3,535	3,422	3,535	3,422
Net allowance of impairment loss on trade receivables	1,547	456	1,547	456
Rental expenses				
- Plant and machineries	5,525	15,665	5,525	15,665
- Office equipment	1,197	2,341	1,197	2,341
- Transportation	1,743	1,020	1,743	1,020
- Others	113	83	113	83

	Quarter Ended		Cumulative 3 Months Ended	
	31 Mar 2024 RM '000	31 Mar 2023 RM '000	31 Mar 2024 RM '000	31 Mar 2023 RM '000
Profit for the period is arrived at after (crediting):				
Net income from scrap disposal	(558)	(1,624)	(558)	(1,624)
Interest income	(1,728)	(4,804)	(1,728)	(4,804)
Changes in fair value of hedging derivatives	(1,492)	(3,760)	(1,492)	(3,760)
Net unrealised gain on foreign exchange	(2,198)	-	(2,198)	-
Rental income	(1,366)	(455)	(1,366)	(455)

A12. VALUATION OF PROPERTY

The valuations of land and buildings have been brought forward without any amendments from the most recent annual audited financial statements as no revaluation has been carried out since 31 December 2023.

A13. SUBSEQUENT MATERIAL EVENTS

There were no material events subsequent to the period end date.

A14. CHANGES IN THE COMPOSITION OF THE GROUP

There were no material changes in the composition of the Group.

A15. DISCONTINUED OPERATIONS

There were no discontinued operations in the Group during the period under review.

A16. CONTINGENT LIABILITIES

Contingent liabilities of the Group as at 31 March 2024 comprise the following:

	31 Mar 2024 RM '000	31 Dec 2023 RM '000
Unsecured		
Bank guarantees extended to: -		
- Related companies	476,522	682,220
- Third parties	330,583	329,860
	<u>807,105</u>	<u>1,012,080</u>

A17. CAPITAL COMMITMENTS

	31 Mar 2024 RM '000	31 Dec 2023 RM '000
Approved and contracted for	71,962	131,397
Approved but not contracted for	78,782	86,613
	<u>150,744</u>	<u>218,010</u>

The outstanding capital commitments relate to the infrastructure upgrading works and other investment projects.

A18. FAIR VALUE HIERARCHY

The Group uses the following hierarchy to determine the fair value of all financial instruments carried at fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets and liabilities

Level 2 - Inputs that are based on observable market data, either directly or indirectly

Level 3 - Inputs that are not based on observable market data

As at the reporting date, the Group held the following financial asset and liability:

	Fair value of financial instruments carried at fair value				
	Level 1 RM '000	Level 2 RM '000	Level 3 RM '000	Total RM '000	
At 31 March 2024					
Financial liability					
Forward currency contracts	-	(1,296)	-	(1,296)	
At 31 December 2023					
Financial liability					
Forward currency contracts	-	(26,048)	-	(26,048)	
	Fair value of financial instruments not carried at fair value				
	Level 1 RM '000	Level 2 RM '000	Level 3 RM '000	Total RM '000	Carrying amount RM '000
At 31 March 2024					
Financial liability					
Term loan					
- fixed rate	-	(275,412)	-	(275,412)	(289,705)
At 31 December 2023					
Financial liability					
Term loan					
- fixed rate	-	(282,742)	-	(282,742)	(298,970)

A19. RELATED PARTY TRANSACTIONS

There were no significant transactions with related parties other than those disclosed in the audited consolidated financial statements of the Group for the year ended 31 December 2023.

B1. REVIEW OF PERFORMANCE

	Quarter Ended		Cumulative 3 Months Ended	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
	RM '000	RM '000	RM '000	RM '000
Revenue				
Heavy Engineering	869,086	404,155	869,086	404,155
Marine	115,383	92,070	115,383	92,070
	<u>984,469</u>	<u>496,225</u>	<u>984,469</u>	<u>496,225</u>
Results				
Heavy Engineering	283	(8,713)	283	(8,713)
Marine	13,794	12,902	13,794	12,902
Others	378	2,779	378	2,779
Eliminations/Adjustments *	(9)	(9)	(9)	(9)
Operating profit	<u>14,446</u>	<u>6,959</u>	<u>14,446</u>	<u>6,959</u>
Finance cost	(3,535)	(3,422)	(3,535)	(3,422)
Profit before taxation	<u>10,911</u>	<u>3,537</u>	<u>10,911</u>	<u>3,537</u>

* Inter-segment transactions are eliminated on consolidation.

Performance of current quarter against the quarter ended 31 March 2023 (corresponding quarter).

The Group recorded a revenue of RM984.5 million in the current quarter, increased by RM488.2 million from revenue of RM496.2 million in the corresponding quarter mainly due to higher revenue from both segments.

At the operating profit level, the Group recorded an operating profit of RM14.4 million, RM7.5 million higher compared to the operating profit of RM7.0 million in the corresponding quarter.

Segmental review of performance against the corresponding quarter is as follows:

Heavy Engineering

Heavy Engineering segment recorded revenue of RM869.1 million increased by RM464.9 million from RM404.2 million in the corresponding quarter, mainly due to higher revenue from ongoing projects.

In tandem with the increase in revenue, the segment recorded an operating profit of RM0.3 million in the current quarter compared to an operating loss of RM8.7 million in the corresponding quarter.

Marine

Revenue of RM115.4 million in the current quarter was RM23.3 million higher compared to RM92.1 million revenue in the corresponding quarter as a result of higher dry-docking and repair services.

The segment posted an operating profit of RM13.8 million in the current quarter, RM0.9 million higher compared to an operating profit of RM12.9 million in the corresponding quarter, in line with the higher revenue.

B2. COMPARISON WITH PRECEDING QUARTER'S RESULTS

	Quarter Ended	
	31 Mar 2024	31 Dec 2023
	RM '000	RM '000
Revenue		
Heavy Engineering	869,086	1,020,190
Marine	115,383	98,193
	<u>984,469</u>	<u>1,118,383</u>
Results		
Heavy Engineering	283	7,366
Marine	13,794	2,019
Others	378	1,521
Eliminations/Adjustments	(9)	(9)
Operating profit	<u>14,446</u>	<u>10,897</u>
Finance cost	(3,535)	(4,860)
Profit before taxation	<u>10,911</u>	<u>6,037</u>

The Group posted lower revenue of RM984.5 million compared to preceding quarter's revenue of RM1,118.4 million mainly due to lower revenue from the Heavy Engineering segment.

At the operating profit level, the Group recorded an operating profit of RM14.4 million, compared to RM10.9 million in Quarter 4, FY 2023 mainly due to higher contribution from the Marine segment. The Heavy Engineering segment reported lower operating profit mainly due to lower revenue as well as the recognition of cost recovery claims for an ongoing project in the prior period.

B3. REVIEW OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at	As at	Variance
	31 Mar 2024	31 Dec 2023	
	RM '000	RM '000	%
Total assets	3,942,844	3,649,320	8.0%
Total equity attributable to equity holders of the Company	1,277,070	1,266,531	0.8%
Total liabilities	2,664,965	2,381,980	11.9%

The Group's total assets increased by RM293.5 million or 8.0%, mainly due to higher trade and other receivables by RM476.3 million. The amount was partially offset by a decrease in cash and bank balances amounting to RM180.8 million.

Total equity attributable to equity holders increased by RM10.5 million or 0.8% due to comprehensive income recognised during the period.

The Group's total liabilities were higher by RM283.0 million mainly contributed by the increase in trade and other payables and borrowings amounting to RM166.2 million and RM141.7 million respectively.

B4. REVIEW OF CONSOLIDATED STATEMENT OF CASH FLOWS

	Cumulative 3 Months Ended		Variance %
	31 Mar 2024 RM '000	31 Mar 2023 RM '000	
Net cash used in operating activities	(303,769)	(123,505)	>100%
Net cash used in investing activities	(15,053)	(8,984)	68%
Net cash generated from/(used in) financing activities	138,020	(36,565)	>100%
Net change in cash & cash equivalents	(180,802)	(169,054)	7%

The Group recorded higher net cash used in operating activities of RM303.8 million against RM123.5 million in the prior period mainly due to planned payment to vendors ahead of project milestone billings in accordance to the contracts.

The Group recorded net cash used in investing activities amounting to RM15.1 million compared to RM9.0 million in the corresponding period mainly due to higher purchases of property, plant and equipment during the current period in line with the planned capital expenditure.

The Group recorded net cash generated from financing activities amounting to RM138.0 million against net cash used in financing activities of RM36.6 million in the corresponding quarter mainly due to net drawdown of revolving credit facilities.

B5. CURRENT YEAR PROSPECTS

Oil prices have been relatively stable the past three months as a result of tighter global supply from heightened geopolitical situation and the prospect of extended OPEC+'s supply restrictions which will spur oil majors spending on capital expenditure for upstream activities in 2024 given the crucial global energy security. Additionally, growing low-carbon solutions in supporting the global net-zero ambitions would continue to create more business opportunities. As such, the Group is well-positioned to capitalise on these favourable trends to achieve a balanced portfolio in both the conventional and clean energy spaces.

As for the Marine segment, the greater demand for upstream activities will benefit this segment from the conversion projects. However, intense competition amongst peers remains a challenge given the increasing number of new LNGC-repair yards in neighbouring countries and China. Considering the stable oil and gas market, the Group aims to broaden its customer base and seize opportunities in conversion projects.

It is anticipated that geopolitical and operating landscapes will remain volatile coming from supply chain disruption and price escalations. Therefore, the Group will continue the efforts to improve its contracting strategies to mitigate these risks.

B6. PROFIT FORECAST AND PROFIT GUARANTEE

The Group did not provide any profit forecast or profit guarantee in any public document.

B7. TAXATION

	31 Mar 2024 RM '000	31 Mar 2023 RM '000
Taxation for the year comprises the following:		
Income tax		
- current period	488	-
	<u>488</u>	<u>-</u>

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the period. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

B8. CHANGES IN MATERIAL LITIGATION**Malaysia Marine and Heavy Engineering Sdn Bhd (MMHE) and Kebabangan Petroleum Operating Company Sdn Bhd (KPOC)**

On 13 March 2019, MMHE received a notice of arbitration from KPOC in relation to claims arising from the Kebabangan ("KBB") field project. KPOC claimed that MMHE was in breach of contract in respect of matters relating to supply of certain valves. The valves procured by MMHE were claimed to be defective and that KPOC suffered substantial loss and damage.

Pursuant to the Statement of Claim by KPOC dated 13 October 2019, total claims of approximately RM93.1 million were made in relation to loss and damage in respect of the valves procured by MMHE. KPOC, subsequently, as part of its Closing Submissions dated 9 March 2021, identified its claim amount as RM58.9 million.

By way of Final Award dated 23 July 2021 that was made available to MMHE on 3 August 2021 ("Final Award"), the Arbitral Tribunal has ordered that MMHE shall pay KPOC the following:-

- a) The sum of RM17,241,178 as damages for the expenses incurred by KPOC for assessment, procurement and replacement of valves in the period of 2016 to 2019, together with interest at the rate of 5% per annum from 11 October 2019 to the date of payment;
- b) The sum of RM9,820,770 as damages suffered by KPOC in having to procure 1,365 valves and install 1,454 valves in the future, together with interest at the rate of 5% per annum from 11 October 2019 till the date of payment; and
- c) The sum of RM1,029,167 for its legal fees and expenses.

In the Final Award, the Arbitral Tribunal dismissed all of KPOC's claim for loss of revenue in the sum of RM28,030,906.

On 30 September 2021, MMHE filed an application to set aside the Final Award pursuant to Section 37 of the Arbitration Act 2005, whereby MMHE seeks for the Final Award to be set aside on grounds, amongst others, that there was a breach of the rules of natural justice in connection with the making of the Final Award. KPOC, in this regard, has filed an application to seek leave from the High Court to register and enforce the Final Award as a Judgment of the High Court (collectively, "Applications").

The Applications were heard by the High Court on 15 April 2022 and 20 May 2022. After the completion of the Hearing, the matter proceeded for Clarification on 21 July 2022.

On 30 August 2022, the High Court allowed MMHE's application to set aside the Final Award pursuant to Section 37 of the Arbitration Act 2005, amongst others, on grounds that there was a breach of the rules of natural justice in connection with the making of the Final Award with costs in favour of MMHE for the sum of RM30,000 and further dismissed KPOC's application for leave to register and enforce the Final Award as a Judgment of the High Court with the costs to MMHE of RM10,000.

On 27 September 2022, KPOC lodged Notices of Appeal at the Court of Appeal against the Orders of the High Court dated 30 August 2022. KPOC was instructed to obtain the Grounds of Judgment from the High Court, which was made available on 5 September 2023. In light of the above, at the last case management on 16 October 2023, the Court of Appeal fixed KPOC's Appeals for Hearing on 11 July 2024. A case management was scheduled on 27 June 2024, during which the Parties will provide an update on the status of filing the written submissions, ahead of the Hearing.

B9. DERIVATIVES

Details of the Group's derivative financial instruments outstanding as at 31 March 2024 are as follows:

	Contract/ Notional Amount as at 31 Mar 2024 (in RM '000)	Fair Value loss (in RM '000)
Forward foreign currency contracts	650,997	(1,296)

During the period, the Group recognised a net unrealised derivatives gain of RM116,000 in its equity and derivatives gain of RM1,492,000 in profit or loss for the effective and ineffective portion respectively, in relation to the fair value of the cash flow hedges.

B10. PROFIT PER SHARE

	Quarter Ended		Cumulative 3 Months Ended	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Basic profit per share is computed as follows:				
Profit for the period attributable to equity holders of the Company (RM '000)	10,423	3,537	10,423	3,537
Weighted average number of ordinary shares in issue (thousand)	1,600,000	1,600,000	1,600,000	1,600,000
Basic profit per share (sen)	<u>0.7</u>	<u>0.2</u>	<u>0.7</u>	<u>0.2</u>

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

B11. STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT NOT COMPLETED

There were no outstanding corporate proposals submitted by the Group for the quarter ended 31 March 2024.

B12. TRADE AND OTHER RECEIVABLES

	31 Mar 2024 RM '000	31 Dec 2023 RM '000
Trade receivables		
Third parties	254,202	113,799
Related companies	288,018	2,812
Amount due from customers on contracts	<u>1,181,912</u>	<u>1,179,994</u>
	1,724,132	1,296,605
Other receivables	80,528	30,201
Less: Allowance for impairment losses	<u>(37,331)</u>	<u>(35,784)</u>
	<u>1,767,329</u>	<u>1,291,022</u>
Trade and other receivables	<u>1,767,329</u>	<u>1,291,022</u>

Credit terms of trade and other receivables for the Group, including trade receivables from related companies and amounts due from joint venture range from 30 days to 60 days.

The ageing of trade receivables (excluding amount due from customers on contracts) as at reporting date are as follows:-

	31 Mar 2024 RM '000	31 Dec 2023 RM '000
Neither past due nor impaired	420,643	79,167
1 to 30 days past due not impaired	85,177	5,468
31 to 60 days past due not impaired	1,172	549
61 to 90 days past due not impaired	3,752	533
More than 90 days past due not impaired	<u>190</u>	<u>-</u>
	510,934	85,717
Impaired	<u>31,286</u>	<u>30,894</u>
Trade receivables	<u>542,220</u>	<u>116,611</u>