

XIN HWA HOLDINGS BERHAD

(Incorporated in Malaysia) Registration no.: 201301002265 (1032102-P)

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Financial Period Ended 30 SEPTEMBER 2022

XIN HWA HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No.: 201301002265 (1032102-P)

**INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED
30 SEPTEMBER 2022**

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XIN HWA HOLDINGS BERHAD

(Incorporated in Malaysia) Registration no.: 201301002265 (1032102-P)

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Financial Period Ended 30 SEPTEMBER 2022

	Note	Second Quarter Ended		Cumulative Quarter Ended	
		30.9.2022 RM'000 Unaudited	30.9.2021 RM'000 Unaudited	30.9.2022 RM'000 Unaudited	30.9.2021 RM'000 Unaudited
REVENUE	A9	28,815	19,969	58,089	43,067
COST OF SALES		(22,680)	(13,533)	(46,387)	(29,252)
GROSS PROFIT		6,135	6,436	11,702	13,815
OTHER INCOME		264	937	380	1,015
		6,399	7,373	12,082	14,830
ADMINISTRATIVE EXPENSES		(7,020)	(6,254)	(13,611)	(12,319)
SELLING AND DISTRIBUTION EXPENSES		(373)	(209)	(639)	(384)
FINANCE COSTS		(1,438)	(1,038)	(2,793)	(2,106)
(LOSS)/ PROFIT BEFORE TAX	B5	(2,432)	(128)	(4,961)	21
INCOME TAX EXPENSE	B6	(211)	(96)	(365)	(422)
LOSS AFTER TAX		(2,643)	(224)	(5,326)	(401)
OTHER COMPREHENSIVE INCOME/ (EXPENSES)		114	(64)	114	(64)
TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD		(2,529)	(288)	(5,212)	(465)
LOSS AFTER TAX ATTRIBUTABLE TO:-					
- Owners of the Company		(2,859)	(138)	(5,512)	(324)
- Non-controlling interests		216	(86)	186	(77)
		(2,643)	(224)	(5,326)	(401)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:-					
- Owners of the Company		(2,745)	(196)	(5,398)	(386)
- Non-controlling interests		216	(92)	186	(79)
		(2,529)	(288)	(5,212)	(465)
Loss per share (sen) attributable to owners of the Company:-	B11				
- Basic		(1.16)	(0.06)	(2.24)	(0.14)
- Diluted		(1.16)	(0.05)	(2.24)	(0.13)

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

XIN HWA HOLDINGS BERHAD

(Incorporated in Malaysia) Registration no.: 201301002265 (1032102-P)

Unaudited Condensed Consolidated Statement of Financial Position as at 30 SEPTEMBER 2022

	Note	As at 30.9.2022 RM'000 Unaudited	As at 31.3.2022 RM'000 Audited
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		271,218	233,688
Right-of-use assets		38,203	42,480
Goodwill		4,413	-
Prepayments		-	27,065
		<u>313,834</u>	<u>303,233</u>
CURRENT ASSETS			
Inventories		8,570	370
Trade receivables		25,869	25,402
Other receivables, deposits and prepayments		8,785	7,343
Current tax assets		2,792	2,353
Fixed deposits with licensed banks		9,158	10,162
Cash and bank balances		12,792	31,095
		<u>67,966</u>	<u>76,725</u>
TOTAL ASSETS		<u>381,800</u>	<u>379,958</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital		120,905	117,905
Reserves		78,111	83,509
		<u>199,016</u>	<u>201,414</u>
Equity attributable to owners of the Company		199,016	201,414
Non-controlling interests		5,817	1,554
		<u>204,833</u>	<u>202,968</u>
NON-CURRENT LIABILITIES			
Lease liabilities		36,601	41,438
Hire purchase payables	B8	1,730	699
Term loans	B8	77,798	84,135
Deferred tax liabilities		5,852	5,251
		<u>121,981</u>	<u>131,523</u>
CURRENT LIABILITIES			
Trade payables		12,333	6,899
Other payables and accruals		9,671	17,139
Lease liabilities		5,500	4,708
Hire purchase payables	B8	241	259
Term loans	B8	16,967	11,716
Bankers' acceptances	B8	2,660	2,660
Bank overdrafts	B8	7,603	1,868
Current tax liabilities		11	218
		<u>54,986</u>	<u>45,467</u>
TOTAL LIABILITIES		<u>176,967</u>	<u>176,990</u>
TOTAL EQUITY AND LIABILITIES		<u>381,800</u>	<u>379,958</u>
Net assets per share attributable to ordinary equity holders of the parent (RM) (1)		<u>0.81</u>	<u>0.82</u>

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

(1) - Based on the issued share capital of 255,657,879 ordinary shares.

XIN HWA HOLDINGS BERHAD

(Incorporated in Malaysia) Registration no.: 201301002265 (1032102-P)

Unaudited Condensed Consolidated Statement of Changes in Equity for the Financial Period Ended 30 SEPTEMBER 2022

		----- Attributable to owners of the Company -----								
		----- Non-Distributable -----			----- Distributable -----					
	Note	Share Capital RM'000	Merger Deficit RM'000	Revaluation Reserve RM'000	Foreign Exchange Translation Reserve RM'000	Retained Profits RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000	
As at 1 April 2022		117,905	(68,979)	37,330	(2)	115,160	201,414	1,554	202,968	
Contributions by owners of the Company:-										
- Issuance of ordinary shares	A7	3,000	-	-	-	-	3,000	-	3,000	
- Acquisition of a subsidiary company		-	-	-	-	-	-	4,077	4,077	
Total transaction with owners		3,000	-	-	-	-	3,000	4,077	7,077	
Loss after tax for the financial period		-	-	-	-	(5,512)	(5,512)	186	(5,326)	
Other comprehensive income for the financial period:-										
- Foreign currency translation differences		-	-	-	114	-	114	-	114	
Total comprehensive loss for the financial period		-	-	-	114	(5,512)	(5,398)	186	(5,212)	
As at 30 September 2022		120,905	(68,979)	37,330	112	109,648	199,016	5,817	204,833	
As at 1 April 2021		109,458	(68,979)	49,538	42	94,783	184,842	2,608	187,450	
Contributions by owners of the Company:-										
- Issuance of ordinary shares		8,447	-	-	-	-	8,447	-	8,447	
Loss after tax for the financial period		-	-	-	-	(324)	(324)	(77)	(401)	
Other comprehensive expenses for the financial period:-										
- Foreign currency translation differences		-	-	-	(62)	-	(62)	(2)	(64)	
Total comprehensive loss for the financial period		-	-	-	(62)	(324)	(386)	(79)	(465)	
As at 30 September 2021		117,905	(68,979)	49,538	(20)	94,459	192,903	2,529	195,432	

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

XIN HWA HOLDINGS BERHAD

(Incorporated in Malaysia) Registration no.: 201301002265 (1032102-P)

Unaudited Condensed Consolidated Statement of Cash Flows for the Financial Period Ended 30 SEPTEMBER 2022

	Note	As at 30.9.2022 RM'000 Unaudited	As at 30.9.2021 RM'000 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss)/ Profit before tax		(4,961)	21
Adjustments for:-			
Depreciation expenses		8,103	5,986
Interest expenses		2,716	2,057
Interest income		(206)	(6)
Gain on disposal of property, plant and equipment		-	(921)
Gain on lease modification		(20)	-
Operating profit before working capital changes		5,632	7,137
(Increase)/ Decrease in inventories		(5,598)	342
Decrease/ (Increase) in trade and other receivables		1,687	(2,083)
Increase in trade and other payables		3,634	5,186
CASH FROM OPERATIONS		5,355	10,582
Income tax paid		(688)	(658)
NET CASH FROM OPERATING ACTIVITIES		4,667	9,924
CASH FLOWS FOR INVESTING ACTIVITIES			
Addition to right-of-use assets		-	(446)
Acquisition of subsidiary company		(13,072)	-
Interest income received		206	6
Withdrawal/ (Placement) of fixed deposits		4,986	(4)
Proceeds from disposal of property, plant and equipment		-	819
Purchase of property, plant and equipment		(15,683)	(7,488)
Reduction on right-of-use assets		1,775	-
NET CASH FOR INVESTING ACTIVITIES		(21,788)	(7,113)
CASH FLOWS FOR FINANCING ACTIVITIES			
Draw down of bankers' acceptances		12,197	-
Draw down of hire purchase payables		1,151	-
Draw down of term loans		5,636	-
Interest paid		(2,716)	(2,057)
Net repayment of bankers' acceptance		(12,197)	(542)
Net repayment of hire purchase payables		(138)	-
Net repayment of lease liabilities		(2,256)	(345)
Net repayment of term loans		(6,914)	(6,032)
Proceeds from the issuance of ordinary shares	A7	-	8,447
Reduction on lease liabilities		(1,775)	-
NET CASH FOR FINANCING ACTIVITIES		(7,012)	(529)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS		(24,133)	2,282
EFFECT OF FOREIGN EXCHANGE TRANSLATION		96	(64)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD		29,235	(7,633)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD		5,198	(5,415)
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD COMPRISE:-			
- Deposit with financial institutions		9	161
- Cash and bank balances		12,792	10,550
- Bank overdraft		(7,603)	(16,126)
		5,198	(5,415)

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

Interim Financial Report for the Financial Period Ended 30 SEPTEMBER 2022**Part B – Explanatory Notes Pursuant to the Main Market Listing Requirements of Bursa Securities**

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22, Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

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

The accounting policies and methods of computations adopted in these interim financial statements are consistent with those adopted in the financial statements for the financial year ended 31 March 2022.

A2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those adopted as disclosed in the financial statements for the year ended 31 March 2022 except for the following :-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 3: Reference to Conceptual Framework	1 January 2022
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022

The above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

A3. Auditors' Report on Preceding Annual Financial Statements

There was no qualification to the audited financial statements of the Company and its subsidiaries for the financial year ended 31 March 2022.

A4. Seasonal or Cyclical Factors

The financial performance of the Group is not significantly affected by any seasonal or cyclical factors.

A5. Item of Unusual Nature

There were no unusual items affecting the assets, liabilities, equity, net income or cash flow because of their nature, size or incidence for the financial quarter under review.

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Interim Financial Report for the Financial Period Ended 30 SEPTEMBER 2022**Part B – Explanatory Notes Pursuant to the Main Market Listing Requirements of Bursa Securities****A6. Material Changes in Estimates**

There were no changes in estimates of amounts reported in prior financial years that have had a material effect in the current financial quarter.

A7. Changes in Debt and Equity Securities

On 27 July 2022, the Company issued 10,507,881 new ordinary shares as part of purchase consideration for acquisition of Micron Metal Engineering Sdn Bhd at an issue price of RM0.2855 that were listed and quoted on the Main Market.

Other than that, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current financial quarter.

A8. Dividend Paid

There was no dividend paid during the current quarter under review.

A9. Segmental Information

The Group has two reportable segments as shown below, which are the Group's strategic business units in three principal geographical areas. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

Business activities

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.9.2022	30.9.2021	30.9.2022	30.9.2021
	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>				
Land transport, warehousing and other services	25,838	19,969	55,112	43,067
Manufacturing	2,977	-	2,977	-
Total	28,815	19,969	58,089	43,067
<u>(Loss)/ Profit before tax</u>				
Land transport, warehousing and other services	(2,890)	(128)	(5,418)	21
Manufacturing	457	-	457	-
Total	(2,433)	(128)	(4,961)	21

Geographical area

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.9.2022	30.9.2021	30.9.2022	30.9.2021
	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>				
Malaysia	26,679	18,125	53,683	39,261
Singapore	1,796	1,786	3,804	3,692
Indonesia	340	58	602	114
Total	28,815	19,969	58,089	43,067

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Interim Financial Report for the Financial Period Ended 30 SEPTEMBER 2022

Part B – Explanatory Notes Pursuant to the Main Market Listing Requirements of Bursa Securities

A10. Valuation of Property, Plant and Equipment

As at 30 Sep 2022, all property, plant and equipment other than land and buildings are stated at cost less accumulated depreciation. Land and buildings are stated at valuation, which are the fair values at the date of revaluation.

A11. Material Events Subsequent To the End of Interim Period

There were no material events that have occurred subsequent to the end of the current financial quarter from 1 October 2022 to the date of this report.

A12. Changes in Composition of the Group

During the current financial quarter, Xin Hwa Holdings Berhad ("Company") had on 26 July 2022, acquired 79% equity interest in Micron Metal Engineering Sdn Bhd ("Micron") which intended principal activity is manufacturing of precision machining components and parts.

Save for the above, there were no changes in the composition of the Group during the current financial quarter under review.

A13. Contingent Liabilities or Contingent Assets

No provisions are recognised on the following matters as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement:-

	RM'000
Secured:	
- Corporate guarantee given to licensed bank for credit facilities granted to subsidiary	105,028

A14. Capital Commitments

Capital commitments for property, plant and equipment not provided for as at 30 September 2022 are as follows:-

	RM'000
Approved and contracted for:	
- Property, plant and equipment	9,766

A15. Related party transactions

There were no material related party transactions during the current financial quarter under review.

Interim Financial Report for the Financial Period Ended 30 SEPTEMBER 2022**Part B – Explanatory Notes Pursuant to the Main Market Listing Requirements of Bursa Securities****B1. Review of Performance of the Group**

For the current financial quarter ended 30 September 2022, the Group recorded revenue of RM28.81 million and loss before tax (“LBT”) of RM2.43 million. The revenue was mainly derived from land transport, warehousing and other services, which accounted for approximately 89.7% of the Group’s total revenue. The land transport, warehousing and other services achieved a LBT of RM2.89 million due to increase of depreciation of right-of-use assets and salaries expenses with compared to the same quarter in the preceding year, the salaries expenses of same quarter in the preceding year were reduced mainly from the wage subsidy program during the movement control order period.

For the current quarter ended 30 September 2022, land transport services accounted for approximately 70.2% of the Group’s total revenue whilst warehousing services accounted for approximately 18.2% of the Group’s total revenue. The period of warehousing varies between customers and the warehousing rental rate is charged based on a weekly or monthly basis. For the financial quarter under review, rental rate of the warehousing services has remained relatively constant. The demand for warehousing for the current quarter has increased and contributed additional revenue of RM0.89 million as compared to the previous year corresponding period.

Revenue derived from other services which comprise of manufacturing and fabrication of trailers have generated a revenue of RM0.37 million for the 3-month period ended 30 September 2022.

A new manufacturing segment was added in this financial quarter, which is manufacturing of precision machining components and parts. The manufacturing segment accounted for approximately 10.3% of the Group’s total revenue and achieved a profit before tax (“PBT”) of RM0.46 million for current quarter ended 30 September 2022.

Overall, the revenue for the 3-month financial period ended 30 September 2022 has increased by approximately RM8.85 million (representing a 44.3% increase) as compared to the corresponding preceding financial period. This is as a result of higher revenue generated from the land transport services and new manufacturing segment.

The Group achieved a loss after tax of RM2.64 million for the current financial period as compared to a loss after tax of RM0.22 million for the corresponding preceding financial period. The increase in loss after tax as compared to the corresponding preceding financial period was mainly due to a higher depreciation of right-of-use assets and salaries expenses in current financial quarter, and gain on disposal of property, plant and equipment in corresponding preceding financial period.

B2. Variation of Quarterly Results Compared To the Results of the Preceding Quarter

	3 Months Ended		Deviation	
	30.09.2022	30.06.2022	Amount	
	RM’000	RM’000	RM’000	%
Revenue	28,815	29,274	(459)	(1.58)
Loss After Tax	(2,643)	(2,683)	40	1.49

The Group’s total revenue decreased by 1.58% from RM29.27 million recorded for the immediate preceding financial quarter to RM28.82 million for the current financial quarter. The decrease in revenue as compared to immediate preceding quarter was derived by minimum revenue generated from manufacturing and fabrication of trailers.

The Group achieved a loss after tax of RM2.64 million for the current quarter as compared to a loss after tax of RM2.68 million for the immediate preceding quarter. The slightly decrease in loss after tax as compared to the immediate preceding quarter was mainly contributed from the profit after tax generated from new manufacturing segment.

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Interim Financial Report for the Financial Period Ended 30 SEPTEMBER 2022

Part B – Explanatory Notes Pursuant to the Main Market Listing Requirements of Bursa Securities

B3. Prospects of the Group

The Malaysia's gross domestic product (GDP) grew strongly by 8.9% in the third quarter of 2022 (2Q 2022: 8.9%). This is driven by strong domestic demand as well as improvements in labour market. The growth for the whole year of 2022 is expected to remain robust given the strong outturns in the first three quarters of the year. However, Malaysia's growth remains susceptible to a weaker-than-expected global growth, higher risk aversion in global financial markets, further escalation of geopolitical conflicts and re-emergence of supply chain disruptions. (Source: *Economic and Financial Developments in Malaysia in the Third Quarter of 2022*, Bank Negara Malaysia).

Notwithstanding the impact caused by geopolitical circumstances and the pandemic, the Group continues to actively engage with businesses, ensure cost-savings and reductions to combat the challenging economic environment whilst continuously monitor the changes in business environment and supply chains.

The Group is committed to expand that is in line with the current economic environment through the following business expansion plans:

- Expansion of the Group's fleet of vehicles;
- Expansion into the Indonesian market;
- Enhance the warehousing facilities of the Group;
- Expansion of the external haulage division in Penang and Kuantan;
- Setting-up the "Integrated Logistic Solution Hub" in Pasir Gudang, Johor Bahru, and
- Diversify to manufacturing sectors

B4. Profit Forecast and Profit Estimate

The Group did not issue any profit forecast or profit estimate previously in any public document.

B5. Loss before tax

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.9.2022	30.9.2021	30.9.2022	30.9.2021
	RM'000	RM'000	RM'000	RM'000
Depreciation expenses	3,972	3,085	8,103	5,986
Interest expense	1,418	1,020	2,716	2,057
Interest income	(130)	(5)	(206)	(6)

Save for the above, the other items as required under Paragraph 16, Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Securities are not applicable.

B6. Income Tax Expense

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.9.2022	30.9.2021	30.9.2022	30.9.2021
	RM'000	RM'000	RM'000	RM'000
<u>Income tax expense</u>				
Current tax expense	211	46	365	122
Deferred tax expense	-	50	-	300
Total	211	96	365	422

The Company has been granted investment tax allowance of 60% in respect of qualifying capital expenditure incurred for the period of 5 years from 19 January 2018 until 18 January 2023.

Interim Financial Report for the Financial Period Ended 30 SEPTEMBER 2022

Part B – Explanatory Notes Pursuant to the Main Market Listing Requirements of Bursa Securities

B7. Status of Corporate Proposals

a) Acquisition and diversification

On 10 May 2022, the company ("XHH") had entered into the conditional share sale agreement ("SSA") with Hoon Eel An, Chia Ming How and See Kai Mun (collectively referred to as the "Vendors") for the acquisition by XHH of 355,500 ordinary shares in Micron Metal Engineering Sdn Bhd ("Micron") ("Micron Share(s)", representing 79% equity interest in Micron ("Sale Shares") for a purchase consideration of RM19,750,000 ("Purchase Consideration"), to be satisfied via a combination of cash payment of RM16,750,000 and issuance of 10,507,881 new ordinary shares in XHH ("XHH Share(s)" or "Share(s)") at an issue price of RM0.2855 per XHH Share ("Consideration Share(s)") amounting to RM3,000,000, with a put option granted by XHH to the Vendors for the sale of the remaining 94,500 ordinary shares in Micron representing 21% equity interest in Micron ("Option Shares") with a cash consideration of RM5,250,000 ("Put Option"), subject to the terms and conditions contained in the SSA ("Proposed Acquisition").

Moreover, the Company had on even date entered into a shareholders' agreement with the Vendors to regulate the relationship of the shareholders and govern the management and operation of Micron between the shareholders of Micron upon completion of the Proposed Acquisition.

In conjunction with the Proposed Acquisition, the Company proposes to undertake a diversification of the existing principal activities of XHH and its subsidiaries ("XHH Group" or the "Group") to include the manufacturing of precision machining components and parts ("Precision Machining Business") ("Proposed Diversification").

On 26 July 2022, all conditions precedent pursuant to the SSA have been fulfilled, and that the payment for the balance purchase consideration (comprising balance cash payment of RM14,250,000 and issuance and allotment of 10,507,881 Consideration Shares at an issue price of RM0.2855) has been fully effected and vested in favour of the Vendors. Pursuant thereto, the Acquisition is deemed completed on 26 July 2022.

Further, a total of 10,507,881 Consideration Shares were listed and quoted on the Main Market of Bursa Securities on 27 July 2022.

Save for the above, there was no other corporate proposal announced and not completed as at the date of this report.

B8. Group Borrowings

The Group's borrowings as at 30 September 2022 are as follows:

	As at 30.9.2022 RM'000 Unaudited	As at 31.3.2022 RM'000 Audited
<u>Long-term borrowings (Secured)</u>		
Hire purchase payables	1,730	699
Term loans	77,798	84,135
	<u>79,528</u>	<u>84,834</u>
<u>Short-term borrowings (Secured)</u>		
Hire purchase payables	241	259
Term loans	16,967	11,716
Banker acceptance	2,660	2,660
Bank overdrafts	7,603	1,868
	<u>27,471</u>	<u>16,503</u>
Total borrowings	<u>106,999</u>	<u>101,337</u>

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Interim Financial Report for the Financial Period Ended 30 SEPTEMBER 2022**Part B – Explanatory Notes Pursuant to the Main Market Listing Requirements of Bursa Securities****B9. Material Litigation**

The Group does not have any material litigation and the Directors are not aware of any proceedings pending or threatened against the Group as at the date of issuance of this interim financial report.

B10. Dividends

No dividend was declared or paid for the financial quarter under review.

B11. Loss Per Share

Basic and Diluted Loss Per Share

The basic and diluted loss per share for the current quarter and financial period to date are computed as follows:-

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.9.2022	30.9.2021	30.9.2022	30.9.2021
	RM'000	RM'000	RM'000	RM'000
Loss after tax attributable to owners of the Company	(2,859)	(138)	(5,512)	(324)
Weighted average number of ordinary shares in issue ('000) (basic)	247,270	234,737	246,221	230,244
Effects of conversion of warrants	-	16,700	-	17,522
Weighted average number of ordinary shares in issue ('000) (diluted)	247,270	251,437	246,221	247,766
Basic loss per share (sen)	(1.16)	(0.06)	(2.24)	(0.14)
Diluted loss per share (sen)	(1.16)	(0.05)	(2.24)	(0.13)