



2nd Quarter Report

UNAUDITED RESULTS FOR THE
SECOND QUARTER ENDED
30 JUNE 2024

*An Islamic business trust constituted in
Malaysia and registered with the Securities
Commission Malaysia.*



Prolintas Infra Business Trust

Contents	Page
Introduction	1
Condensed Consolidated Statement of Financial Position	2 - 3
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	4
Condensed Consolidated Statement of Changes in Equity	5
Condensed Consolidated Statement of Cash Flows	6 - 7
Part A: Explanatory Notes to the Interim Financial Statements	8 - 14
Part B: Additional Information	15 - 25

Prolintas Infra Business Trust

INTRODUCTION

PROLINTAS INFRA BUSINESS TRUST ("PROLINTAS INFRA BT")

Prolintas Infra Business Trust ("Prolintas Infra BT" or "Trust") is an Islamic business trust constituted in Malaysia under the Trust Deed and registered with the Securities Commission Malaysia ("SC") on 11 December 2023. This Trust is managed by Prolintas Managers Sdn. Bhd. as the Trustee-Manager.

Prolintas Infra BT is the first business trust in Malaysia listed on the Main Market of Bursa Malaysia Securities Berhad on 25 March 2024, with an initial portfolio comprising brownfield highways, namely Ampang - Kuala Lumpur Elevated Highway ("AKLEH"), Guthrie Corridor Expressway ("GCE"), Lebuhraya Kemuning - Shah Alam ("LKSA"), and Sistem Lingkaran-Lebuhraya Kajang SILK ("SILK").

The Trust Group consists of the concession companies, namely Projek Lintasan Kota Sdn Bhd ("AKLEH Co"), Projek Lintasan Shah Alam Sdn Bhd ("LKSA Co"), Prolintas Expressway Sdn Bhd ("GCE Co") and Sistem Lingkaran-Lebuhraya Kajang Sdn Bhd ("SILK Co").

Prolintas Infra BT is the owner of the concession companies and is principally involved in the operations and maintenance of the highways. Besides that, the Trust also provides ancillary facilities to complement the operations of the highways, as well as enhancing road users' experience and convenience.

The Trust gives investors the opportunity to invest in highway-related infrastructure assets with the key objective of delivering stable and regular distributions to the unitholders.

Prolintas Infra BT, being a business trust, is allowed to pay distributions to unitholders out of its residual cash flows, in accordance with its distribution policy. This is unlike companies which are governed by the Companies Act 2016, that can only make dividend payments out of accounting profits.

Prolintas Infra Business Trust

Unaudited results for the second quarter ended 30 June 2024

The Directors of Prolintas Managers Sdn. Bhd., as the Trustee-Manager of Prolintas Infra Business Trust, advise the following unaudited results of the Group for the second quarter ended 30 June 2024.

The Trust Group was established on 21 December 2023. SILK Co, being one of the wholly-owned subsidiaries of the Trust with the highest asset value, is the deemed accounting acquirer for the acquisition of the Trust assets. In this regard, the Trust's group financial statements have been prepared on the basis of a reverse acquisition with SILK Co being the acquirer/parent in accordance with the Malaysian Financial Reporting Standards ("MFRS").

Condensed Consolidated Statement of Financial Position as at 30 June 2024

		As at 30 June 2024 (Unaudited) RM	As at 31 Dec 2023 (Unaudited) RM
	Note		
ASSETS			
Non-current assets			
Goodwill	A2	210,568,893	210,568,893
Highway development expenditure	B7	2,834,159,211	2,854,003,000
Deferred tax assets		74,814,939	79,849,479
Other receivables		7,457,501	7,799,066
		<u>3,127,000,544</u>	<u>3,152,220,438</u>
Current assets			
Trade and other receivables		19,875,315	41,877,156
Amount due from related companies		18,928,163	14,158,000
Tax recoverable		-	168,859
Deposits, cash and bank balances	B8	527,424,296	406,651,993
		<u>566,227,774</u>	<u>462,856,008</u>
TOTAL ASSETS		<u>3,693,228,318</u>	<u>3,615,076,446</u>

Prolintas Infra Business Trust

Condensed Consolidated Statements of Financial Position as at 30 June 2024 (contd.)

	Note	As at 30 June 2024 (Unaudited) RM	As at 31 Dec 2023 (Unaudited) RM
EQUITY AND LIABILITIES			
Trust units		1,100,000,000	1,100,000,000
Accumulated losses		(174,195,351)	(180,315,897)
Reserves		(268,722,421)	(268,722,421)
Total Unitholder's Fund		<u>657,082,228</u>	<u>650,961,682</u>
Non Current Liabilities			
Deferred tax liability		272,642,674	273,997,676
Deferred liabilities		5,397,081	5,622,586
Borrowings	B6	2,319,696,502	2,319,575,340
Provision		289,906,806	298,520,574
		<u>2,887,643,063</u>	<u>2,897,716,176</u>
Current Liabilities			
Borrowings	B6	164,084	164,086
Other payables		95,823,042	30,428,293
Provision		29,215,686	27,529,905
Provision for tax		8,047,542	3,237,534
Deferred liabilities		451,011	451,011
Amount due to related companies		14,801,662	4,587,759
		<u>148,503,027</u>	<u>66,398,588</u>
Total Liabilities		<u>3,036,146,090</u>	<u>2,964,114,764</u>
Net Assets		<u>657,082,228</u>	<u>650,961,682</u>
TOTAL EQUITY AND LIABILITIES		<u>3,693,228,318</u>	<u>3,615,076,446</u>

Note:

The comparative figures of the consolidated statement of financial position as at 31 December 2023 is that of SILK Group, being SILK Co and its subsidiary, Manfaat Tetap Sdn. Bhd. ("MTSB") after consolidating the assets and liabilities (measured at fair value) of the three highways acquired.

Prolintas Infra Business Trust

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the quarter ended 30 June 2024

	Note	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
		30 June 2024 (Unaudited) RM	30 June 2023 (Unaudited) RM	30 June 2024 (Unaudited) RM	30 June 2023 (Unaudited) RM
Revenue	A12	77,620,294	33,751,040	153,420,644	65,741,876
Construction revenue		1,708,241	590,620	2,434,075	1,236,660
		<u>79,328,535</u>	<u>34,341,660</u>	<u>155,854,719</u>	<u>66,978,536</u>
Construction costs		(1,708,241)	(590,620)	(2,434,075)	(1,236,660)
Other income	A13	4,085,479	759,624	7,030,764	2,242,632
Staff costs		(5,566,157)	(1,567,322)	(10,550,295)	(2,953,836)
Amortisation of highway development expenditure		(11,707,530)	(2,860,896)	(23,123,644)	(5,614,257)
Other operating expenses		(17,887,967)	(4,401,666)	(38,773,407)	(9,440,198)
Profit from operations		<u>46,544,119</u>	<u>25,680,780</u>	<u>88,004,062</u>	<u>49,976,217</u>
Finance cost	A14	(34,630,340)	(14,117,987)	(69,233,351)	(25,456,241)
Profit before tax	B12	<u>11,913,779</u>	<u>11,562,793</u>	<u>18,770,711</u>	<u>24,519,976</u>
Income tax (expenses)/ income	B5	(7,882,103)	3,076,280	(12,650,165)	(91,661,108)
Profit/(Loss) for the financial period, representing total comprehensive income/(loss) for the financial period		<u>4,031,676</u>	<u>14,639,073</u>	<u>6,120,546</u>	<u>(67,141,132)</u>
Earnings Per Unit ("EPU") (sen)		0.37	N/A	0.56	N/A
Proposes/Declared Distribution Per Unit ("DPU") (sen)		N/A	N/A	3.18	N/A

Note:

The comparative figures of the consolidated statement of comprehensive income for the quarter ended 30 June 2023 is that of SILK Group only.

Prolintas Infra Business Trust

Condensed Consolidated Statement of Changes in Equity for the quarter ended 30 June 2024

	Share capital/ Trust units (Unaudited) RM	Accumulated losses (Unaudited) RM	Reserves (Unaudited) RM	Total (Unaudited) RM
At 1 January 2023	488,722,421	(106,322,881)	(268,722,421)	113,677,119
Total comprehensive loss for the financial period	-	(67,141,132)	-	(67,141,132)
At 30 June 2023	488,722,421	(173,464,013)	(268,722,421)	46,535,987
At 1 January 2024	1,100,000,000	(180,315,897)	(268,722,421)	650,961,682
Total comprehensive income for the financial period	-	6,120,546	-	6,120,546
At 30 June 2024	1,100,000,000	(174,195,351)	(268,722,421)	657,082,228

Note:

The comparative figures of the consolidated statement of changes in equity for the quarter ended 30 June 2023 is that of SILK Group only.

Prolintas Infra Business Trust

Condensed Consolidated Statement of Cash Flows as at 30 June 2024

	Cumulative Quarter 6 months ended	
	30 June 2024 (Unaudited) RM	30 June 2023 (Unaudited) RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from toll collection	148,867,787	63,864,064
Government compensation received	9,442,361	49,680,342
Receipts from expressway ancillary facilities	1,020,243	105,122
Payments to suppliers, contractors, employees, related companies and for other operating expenses	(38,089,201)	(36,218,648)
Payments to suppliers for lane widening and interchange	(16,936,019)	-
Tax paid	(4,351,896)	-
Finance cost paid	-	(43,589,758)
Net cash generated from operating activities	<u>99,953,275</u>	<u>33,841,122</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Income received from other investments and deposits with licensed banks	7,053,103	2,809,734
Payment for highway development expenditure	(2,434,075)	(1,236,660)
Proceeds from redemption of other investments	-	36,978,104
Net cash generated from investing activities	<u>4,619,028</u>	<u>38,551,178</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Refund received for stamp duty exemption	16,200,000	-
Payment of principal portion of lease liabilities	-	(18,232)
Repayment of Sukuk Mudharabah	-	(102,436,464)
Net cash generated from/(used in) financing activities	<u>16,200,000</u>	<u>(102,454,696)</u>

Prolintas Infra Business Trust

Condensed Consolidated Statement of Cash Flows as at 30 June 2024 (contd.)

	Cumulative Quarter 6 months ended	
	30 June 2024	30 June 2023
	(Unaudited)	(Unaudited)
	RM	RM
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	120,772,303	(30,062,396)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	404,151,993	124,909,088
CASH AND CASH EQUIVALENTS AT END OF PERIOD	524,924,296	94,846,692
Cash and cash equivalents comprise:		
Cash and bank balances	269,536,795	9,793,785
Deposit with licensed banks	257,887,501	86,552,907
	527,424,296	96,346,692
Amount pledged as security with bank guarantee	(2,500,000)	(1,500,000)
	524,924,296	94,846,692

Note:

The comparative figures of the consolidated statement of cash flow for the quarter ended 30 June 2023 is that of SILK Group only.

Prolintas Infra Business Trust

Part A: Explanatory Notes to the Interim Financial Statements (unaudited)

A1. Basis of preparation

This set of financial report is unaudited and has been prepared in compliance with the reporting requirements outlined in MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.54 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Securities").

On 11 December 2023, the Trust entered into a Sale of Business Agreement ("SBA") with its immediate holding company, Projek Lintasan Kota Holdings Sdn Bhd ("PLKHSB") to acquire the entire share capital of AKLEH Co, LKSA Co, GCE Co and SILK Co for a total consideration of RM1,100 million. The total consideration was satisfied through the issuance of 1,100 million units of the Trust. The acquisition was completed on 21 December 2023 ("Business Combination Date"), thereby forming the Trust Group.

The acquisition has been accounted for as a Reverse Acquisition under MFRS 3 Business Combinations detailed in Note A2.1 below, whereby SILK Co is considered the accounting acquirer of the Trust and its subsidiaries. Other than the Reverse Acquisition as detailed in Note A2.1 below, the accounting policies, estimates and judgements adopted in this interim financial statements are consistent with those adopted by SILK Co as disclosed in the Accountants' Report within the Prospectus of the Trust dated 6 March 2024.

Following the completion of the Reverse Acquisition, this set of financial statements is prepared as follows:

Group level

Financial period ended 30 June 2024

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income, Condensed Consolidated Statement of Changes in Equity and Condensed Consolidated Statement of Cash Flows comprised the financial results of the Trust Group for the period from 1 January 2024 to 30 June 2024.

Financial period ended 30 June 2023

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income, Condensed Consolidated Statement of Changes in Equity and Condensed Consolidated Statement of Cash Flows comprised the financial results of the accounting acquirer, SILK Co, for the period from 1 January 2023 to 30 June 2023.

Part A: Explanatory Notes to the Interim Financial Statements (unaudited) (contd.)

A2. Material Accounting Policies

A2.1 Reverse Acquisition

Having entered into a SBA with PLKHSB on 11 December 2023 and the acquisition completed on 21 December 2023, the Trust became the legal acquirer of AKLEH Co, LKSA Co, GCE Co, SILK Co and MTSB. However, the Trust is newly established on 11 December 2023 and thus does not satisfy the criteria to be treated as an acquirer for business combination under MFRS 3. Thus this acquisition has been accounted for as a Reverse Acquisition whereby for accounting purposes, SILK Co, being the largest entity under this acquisition is treated as the accounting acquirer while the accounting acquiree is the Trust and its subsidiaries, namely AKLEH Co, LKSA Co and GCE Co.

Under Reverse Acquisition, the consolidated financial statements of the combined entity are issued under the name of the legal parent, that is, the Trust, however the consolidated financial statements represent a continuation of the historical financial statements of the accounting acquirer, that is, SILK Co. Nevertheless, the legal capital of the accounting acquirer is adjusted retroactively to reflect the capital of the legal parent.

Accordingly, the consolidated financial statements reflect:

- (i) the assets and liabilities of the accounting acquirer recognised and measured at their pre-combination carrying amounts;
- (ii) the assets and liabilities of the accounting acquiree recognised and measured in accordance with this MFRS 3 Business Combination;
- (iii) the retained earnings and other equity balances of the accounting acquirer before the business combination;
- (iv) the amount recognised as issued equity interests in the consolidated financial statements determined by adding the issued equity interest of the accounting acquirer outstanding immediately before the business combination to the fair value of the legal parent. However, the equity structure reflects the equity structure of the legal parent; and
- (v) the non-controlling interest's proportionate share of the accounting acquirer's pre-combination carrying amounts of retained earnings and other equity interests.

Prolintas Infra Business Trust

Part A: Explanatory Notes to the Interim Financial Statements (unaudited) (contd.)

A2. Material Accounting Policies (contd.)

A2.1 Reverse Acquisition (contd.)

The fair value of the identifiable assets and liabilities of the Trust and its subsidiaries as at the Business Combination Date was measured provisionally, pending completion of an independent valuation on the purchase price allocation (“PPA”). In accordance with MFRS 3, Business Combinations, the Group has a period of twelve (12) months from the date of the acquisition (the “Measurement Period”) to complete the PPA. At the Business Combination Date, the Group had estimated the fair value of the identifiable assets and liabilities of the Trust and its subsidiaries as follows:

	RM
Deemed purchase consideration of the Trust and its subsidiaries by SILK Co	611,277,579
Less: Identifiable assets and liabilities acquired	
Highway development expenditure	2,112,168,339
Other non-current assets	15,628,975
Current assets	349,658,160
Non-current liabilities	(345,334,994)
Current liabilities	<u>(1,731,411,794)</u>
Total	<u>400,708,686</u>
Provisional goodwill on business combination	<u>210,568,893</u>

A2.2 Adoption of Amendments to MFRS

On 1 January 2024, the Trust Group adopted the following amendments mandatory for annual financial periods beginning on or after 1 January 2024. The accounting policies adopted are consistent with those applied by the Trust Group as disclosed in the Accountants’ Report within the Prospectus of the Trust dated 6 March 2024, except as follows:

	Effective dates for financial period beginning on or after
Classification of Liabilities as Current or Non-current (<i>Amendments to MFRS 101 Presentation of Financial Statements</i>)	1 January 2024
Lease Liability in a Sale and Leaseback (<i>Amendments to MFRS 16 Leases</i>)	1 January 2024
Disclosures: Supplier Finance Arrangements (<i>Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures</i>)	1 January 2024

Prolintas Infra Business Trust

Part A: Explanatory Notes to the Interim Financial Statements (unaudited) (contd.)

A2. Material Accounting Policies (contd.)

A2.2 Adoption of Amendments to MFRS (contd.)

The adoption of the above amendments did not result in any material impact to the financial statements of the Trust Group.

A2.3 Standards issued but not yet effective

The standards that are issued but not yet effective are disclosed below. The Trust Group intend to adopt these standards, if applicable, when they become effective.

	Effective dates for financial period beginning on or after
Lack of exchangeability (<i>Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates</i>)	1 January 2025
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (<i>Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures</i>)	Deferred

The directors of the Trust Manager are of the opinion that the amendments above would not have any material impact on the financial statements in the year of initial application.

A3. Seasonal or cyclical factors

There was no significant fluctuation in the seasonality or cyclicity of operations affecting the Trust Group's results.

A4. Exceptional or unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flow of the Group for the financial period under review.

A5. Changes in estimates

There were no material changes in estimates for the financial period under review.

Prolintas Infra Business Trust

Part A: Explanatory Notes to the Interim Financial Statements (unaudited) (contd.)

A6. Debt securities

As at 30 June 2024, the Trust Group's total outstanding financing / borrowings, are as follows:

	RM
	(Unaudited)
Secured	
Borrowings	2,326,318,701
Less: Unamortised issuance expense	<u>(6,622,199)</u>
	<u>2,319,696,502</u>

The first repayment in respect of the borrowings principal will commence in the year 2033.

A7. Income distribution

No income distribution was paid during the quarter under review.

A8. Material events subsequent to the statement of financial position date

There were no material events subsequent to the end of the financial period under review that have not been reflected in the interim financial report.

A9. Changes in the Composition of the Group

Other than the Reverse Acquisition as disclosed in Note A1 and Note A2.1 to the interim financial statements, there were no changes in the composition of the Group during the current quarter under review and financial year.

A10. Capital Commitment

The material capital commitments (being the Trust Group's contracted capital expenditures) as at 30 June 2024:

	RM
	(Unaudited)
Approved and contracted for	<u>39,545,687</u>

Prolintas Infra Business Trust

Part A: Explanatory Notes to the Interim Financial Statements (unaudited) (contd.)

A11. Related Party Transactions

Related party transactions has been entered into in the ordinary course of business and at arm's length basis.

The significant related party transactions of the Trust are shown below:

	Cumulative Quarter 6 months ended 30 June 2024 (Unaudited) RM
Trustee Manager	
Manager's trustee fees	(4,000,000)
Other related companies	
Rental and advertising income by Prolintas Highway Services Sdn. Bhd.	878,093
Corporate shared service fee by Prolintas Corporate Shared Services Sdn. Bhd.	(4,703,327)
Consultancy/contract service fee by Turnpike Synergy Sdn. Bhd.	(810,195)
IPO expenses recharged by PLKHSB	<u>(5,245,224)</u>

A12. Segmental Information

The Trust Group has two reportable sources of revenue namely toll collection which contributes 99% of the total, and the remaining is from non-toll revenue. The segmental information is as follows:

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30 June 2024 (Unaudited) RM	30 June 2023 (Unaudited) RM	30 June 2024 (Unaudited) RM	30 June 2023 (Unaudited) RM
<u>Toll collection</u>				
AKLEH	8,888,466	-	17,681,766	-
GCE	22,772,237	-	44,721,167	-
LKSA	10,832,723	-	21,629,622	-
SILK	34,690,794	33,699,399	68,509,996	65,636,754
	<u>77,184,220</u>	<u>33,699,399</u>	<u>152,542,551</u>	<u>65,636,754</u>

Note:

The comparative figure of the toll collection for the quarter ended 30 June 2023 is that of SILK Group only.

Prolintas Infra Business Trust

Part A: Explanatory Notes to the Interim Financial Statements (unaudited) (contd.)

A12. Segmental Information (contd.)

The Trust Group had recorded a total revenue of RM77.2 million in the second quarter. SILK contributed the highest collection of RM34.7 million or 45% of the total, followed by 30% from GCE amounting RM22.8 million. This consistent performance of the two highways are in tandem with the two being the longest highways covering wider range of residential areas with 4 and 3 toll plazas in operation respectively. Both, SILK's and GCE's collection increased by 2.6% and 3.8% as compared to the first quarter. LKSA and AKLEH contributed 14% or RM10.8 million and 11% or RM8.9 million, respectively. Both highways recorded a slight increase as compared to quarter one. SILK Group being the deemed acquirer, had recorded toll collection of RM33.7 million in prior corresponding quarter.

Non-toll revenue

Non-toll revenue includes revenue sharing of advertising billboards, space rental for telecommunication towers and rental from stall operators in Rest and Services Areas ("RSA"). The Trust Group recorded a total non-toll revenue of RM0.4 million. This is unchanged as compared to the preceding quarter given the constant number of operators and tenants in contract.

A13. Other income

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30 June 2024 (Unaudited) RM	30 June 2023 (Unaudited) RM	30 June 2024 (Unaudited) RM	30 June 2023 (Unaudited) RM
Profit income from placements with financial institutions	4,054,087	757,824	6,911,353	2,231,832
Others	31,392	1,800	119,411	10,800
	4,085,479	759,624	7,030,764	2,242,632

A14. Finance costs

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30 June 2024 (Unaudited) RM	30 June 2023 (Unaudited) RM	30 June 2024 (Unaudited) RM	30 June 2023 (Unaudited) RM
Finance costs on borrowings	31,696,410	12,028,516	63,392,820	20,567,451
Amortisation of issuance expense	121,162	-	121,162	-
Unwinding of discount on provisions	2,812,768	2,089,471	5,719,369	4,888,790
	34,630,340	14,117,987	69,233,351	25,456,241

Prolintas Infra Business Trust

Part B: Additional Information

B1. Review of performance

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30 June 2024 (Unaudited) RM	30 June 2023 (Unaudited) RM	30 June 2024 (Unaudited) RM	30 June 2023 (Unaudited) RM
Revenue	79,328,535	34,341,660	155,854,719	66,978,536
Profit from operations	46,544,119	25,680,780	88,004,062	49,976,217
Profit before tax	11,913,779	11,562,793	18,770,711	24,519,976
Net profit/(loss) for the quarter	4,031,676	14,639,073	6,120,546	(67,141,132)
Profit/(loss) attributable to owners	4,031,676	14,639,073	6,120,546	(67,141,132)

Comparison of current quarter against corresponding quarter (Q2'24 vs Q2'23)

For the second quarter ended 30 June 2024, the Trust Group had recorded a total revenue of RM79.3 million. Toll collection contributes 97% or RM77.2 million of the total, followed by non-toll revenue of RM0.4 million. Construction revenue is recorded at RM1.7 million which will be netted off against the construction cost of the same amount. In comparison to the second quarter ended 30 June 2023, SILK Group had recorded a total revenue of RM34.3 million, mainly derived from toll collection of RM33.7 million or 98%.

The Trust Group registered profit from operations of RM46.5 million in the current quarter. This is derived after taking into account staff costs of RM5.6 million (which includes salary, defined contribution plan and other staff related expenses), amortisation of highway development expenditure amounting RM11.7 million (being a non-cash expenses which is in correlation with traffic volume) and other operating expenses of RM17.9 million (comprises of highway operations and maintenance costs, professional fees, utilities and other related expenses). In contrast, for the second quarter ended 30 June 2023, SILK Group recorded profit from operations of RM25.7 million after taking into account other income of RM0.8 million and all other costs amounting to RM9.4 million.

Net profit of the Trust Group for the second quarter ended 30 June 2024 is recorded at RM4.03 million after deducting finance cost of RM34.6 million with regards to the financing facility with Bank Pembangunan Malaysia Berhad as well as income tax expense of RM7.9 million. SILK Group recorded a net profit of RM14.6 million for the quarter ended 30 June 2023.

Prolintas Infra Business Trust

Part B: Additional Information (contd.)

B1. Review of performance (contd.)

Year-to-Date Results

For the 6-month cumulative financial period ended 30 June 2024, the Trust Group registered a total revenue of RM155.9 million. 98% of the total is derived from toll collection (RM152.5 million) and the remainder 2% is from non-toll revenue and construction revenue. The RM6.1 million net profit recorded by the Trust Group is driven by higher toll collection, increased profit from shariah placement and lower operating expenditure, mainly relating to one-off IPO expenses of RM5.2 million in quarter one.

SILK Group's revenue was recorded at RM67.0 million in the preceding year to date, with a net loss of RM67.1 million. This was mainly caused by a one-off deferred tax reversal due to insufficient future taxable profits to utilise the unutilised business losses following the new supplemental concession agreement.

Comparison of current quarter with immediate preceding quarter (Q2'24 vs Q1'24)

	Current quarter 30 June 2024 (Unaudited) RM	Preceding quarter 31 March 2024 (Unaudited) RM
Revenue	79,328,535	76,526,184
Profit from operations	46,544,119	41,459,943
Profit before tax	11,913,779	6,856,932
Net profit for the quarter	4,031,676	2,088,870
Profit attributable to owners	<u>4,031,676</u>	<u>2,088,870</u>

The Trust Group's revenue increased by 3.7% or RM2.8 million as compared to the preceding quarter. This is in correspond to the increase in traffic volume mainly for GCE and SILK by 4.9% and 2.8%, respectively. The Trust Group had also recorded a higher profit from shariah placement in the second quarter of RM4 million as compared to RM2.9 million in quarter one. This is a result of increase in available cash with profit rate ranging up to 3.85%. Overall operating expenditure is lower for the current quarter as opposed to last quarter, mainly due to the excluded a one-off IPO expenses recognised in first quarter amounting RM5.2 million. Accordingly, the Trust Group recorded a higher net profit of RM4.0 million in current quarter as opposed to RM2.1 million in the previous quarter.

Prolintas Infra Business Trust

Part B: Additional Information (contd.)

B2. Variance of Actual Results from Forecast

The actual profit for the quarter ended 30 June 2024, the pro-rated forecast and the full year forecast are presented as following:

Condensed Consolidated Statement of Comprehensive Income

	Cumulative Quarter 6 months ended		
	Actual 30 June 2024 (Unaudited) RM	Forecast 30 June 2024 (Pro-rated) RM	Forecast 31 Dec 2024 (Full year) RM
Revenue	153,420,644	153,978,168	307,956,335
Construction revenue	2,434,075	1,100,000	2,200,000
	<u>155,854,719</u>	<u>155,078,168</u>	<u>310,156,335</u>
Construction costs	(2,434,075)	(1,100,000)	(2,200,000)
Other income	7,030,764	6,437,500	12,875,000
Staff costs	(10,550,295)	(11,086,971)	(22,173,942)
Amortisation of highway development expenditure	(23,123,644)	(23,600,301)	(47,200,602)
Other operating expenses	<u>(38,773,407)</u>	<u>(44,435,863)</u>	<u>(88,871,726)</u>
Profit from operations	88,004,062	81,292,533	162,585,065
Finance cost	<u>(69,233,351)</u>	<u>(69,757,337)</u>	<u>(139,514,673)</u>
Profit before tax	18,770,711	11,535,196	23,070,392
Income tax	<u>(12,650,165)</u>	<u>(7,396,206)</u>	<u>(14,792,411)</u>
Profit for the financial period	<u>6,120,546</u>	<u>4,138,990</u>	<u>8,277,981</u>

The Trust Group had achieved 99.6% of the forecasted revenue as at first half of the year, recording a total of RM153.4 million as compared to RM154.0 million forecasted. Construction revenue (recorded at zero margin) increased mainly due to additional work conducted for the highways, largely by LKSA. Other income which is derived principally from profit from shariah placements had exceeded the first half year forecast by 7.4%, recording a total of RM6.9 million. Staff related costs were recorded at 4.8% saving as compared to the forecast mainly due to lower medical and training expenditure costs incurred during the period. The actual amortisation of highway development expenditure is lower than the forecast due to lower traffic volume recorded for GCE and LKSA. The Trust Group is at 12.7% saving on the overall operating expenditures for the first half of the year as compared to the forecast mainly contributed by lower IPO expenses as well as lower ad hoc work performed on highway maintenance activities for the period. Actual income tax expense is recorded at RM12.7 million which is higher than the forecast amount. This is a direct effect of the increased chargeable profit as well as lower deferred tax assets.

Prolintas Infra Business Trust

Part B: Additional Information (contd.)

B2. Variance of Actual Results from Forecast (contd.)

The actual cash flows for the quarter ended 30 June 2024, and the full year forecast is presented as follows:

Condensed Consolidated Statement of Cash Flows

	Actual 30 June 2024 (Unaudited) RM	Forecast 31 Dec 2024 (Full year) RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from toll collection	148,867,787	305,609,359
Government compensation received	9,442,361	17,463,325
Receipts from expressway ancillary facilities	1,020,243	2,346,975
Payments to suppliers, contractors, employees, related companies and for other operating expenses	(38,089,201)	(93,963,745)
Payments to suppliers for lane widening and interchange	(16,936,019)	(34,715,238)
Trustee-Managers fees	-	(8,000,000)
Trust expenses	-	(500,000)
Tax paid	(4,351,896)	(13,198,424)
Finance cost paid	-	(128,033,095)
Net cash generated from operating activities	<u>99,953,275</u>	<u>47,009,157</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Income received from other investments and deposits with licensed banks	7,053,103	12,137,296
Payment for highway development expenditure	(2,434,075)	(2,200,000)
Net cash generated from investing activities	<u>4,619,028</u>	<u>9,937,296</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Refund received for stamp duty exemption	16,200,000	16,200,000
Drawdown of financing	-	24,578,389
Distribution paid to unitholders	-	(35,000,000)
IPO expenses incurred	-	(10,080,000)
Net cash generated from/(used in) financing activities	<u>16,200,000</u>	<u>(4,301,611)</u>

Prolintas Infra Business Trust

Part B: Additional Information (contd.)

B2. Variance of Actual Results from Forecast (contd.)

Condensed Consolidated Statement of Cash Flows (contd.)

	Actual 30 June 2024 (Unaudited) RM	Forecast 31 Dec 2024 (Full year) RM
NET INCREASE IN CASH AND CASH EQUIVALENTS	120,772,303	52,644,842
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	404,151,993	404,151,993
CASH AND CASH EQUIVALENTS AT END OF PERIOD	524,924,296	456,796,835
Cash and cash equivalents comprise:		
Cash and bank balances	269,536,795	456,796,835
Deposit with licensed banks	257,887,501	-
	527,424,296	456,796,835
Amount pledged as security with bank guarantee	(2,500,000)	-
	524,924,296	456,796,835

Based on the current quarter result, the Trust Group will be meeting its cash flow forecast.

Statement of board of directors with regards to forecasts attainability:

Based on the above results for quarter ended 30 June 2024 and barring any unforeseen circumstances, the directors of Prolintas Managers Sdn Bhd, being the Trustee Manager of Prolintas Infra BT are of the opinion that the Trust Group should achieve the forecasts for the financial period to 31 December 2024.

Prolintas Infra Business Trust

Part B: Additional Information (contd.)

B3. Prospects of the Trust Group

On 19 July 2024, the Department of Statistics Malaysia reported that the Gross Domestic Product (GDP) expanded by an estimated 5.8% in 2Q 2024, up from 4.2% in the previous quarter and marking the highest growth since the 7.4% recorded in Q4 2022. The estimate is consistent with BNM forecasts of the domestic economy expansion between 4.0% to 5.0% in 2024, driven by resilience of domestic expenditure and backed by external demand.

The Highways which are strategically located within the Klang Valley are expected to benefit from the economic activity centred in the Klang Valley. Frost & Sullivan forecasts the market size in terms of revenue of urban highways in Klang Valley will grow at a CAGR of 4.6% from RM3.1 billion in 2023 to RM3.7 billion in 2027 (*source: Independent Market Research on the Highway Concessionaires Industry in Klang Valley dated 9 February 2024*).

The Trustee-Manager maintains an optimistic outlook regarding the future performance of the highways.

The Trustee-Manager key focus is to complement the organic growth of the highways with value-added services and amenities along the highways to maximise its revenue-generating potential and to establish the highways as preferred routes for travel. The Trustee-Manager will also focus on achieving cost efficiencies through operational excellence.

B4. Earnings before interest, taxes, depreciation, and amortisation ("EBITDA")

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30 June 2024 (Unaudited) RM	30 June 2023 (Unaudited) RM	30 June 2024 (Unaudited) RM	30 June 2023 (Unaudited) RM
Profit before tax	11,913,779	11,562,793	18,770,711	24,519,976
<u>Add:</u>				
Amortisation of highway development expenditure	11,707,530	2,860,896	23,123,644	5,614,257
Finance cost	34,630,340	14,117,987	69,233,351	25,456,241
Listing expenses	-	-	5,245,224	-
<u>Less:</u>				
Profit income from placements with financial institutions	(4,054,087)	(757,824)	(6,911,353)	(2,231,832)
EBITDA	54,197,562	27,783,852	109,461,577	53,358,642
 EBITDA margin	68%	81%	70%	80%

Prolintas Infra Business Trust

Part B: Additional Information (contd.)

B5. Taxation

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30 June 2024 (Unaudited) RM	30 June 2023 (Unaudited) RM	30 June 2024 (Unaudited) RM	30 June 2023 (Unaudited) RM
Current income tax:				
- Malaysian income tax	(4,968,789)	-	(8,970,625)	-
	<u>(4,968,789)</u>	<u>-</u>	<u>(8,970,625)</u>	<u>-</u>
Deferred tax:				
- Origination and reversal of temporary differences	(2,772,365)	1,060,869	(4,938,872)	(93,676,519)
- Under provision in prior years	(140,949)	2,015,411	1,259,333	2,015,411
	<u>(2,913,314)</u>	<u>3,076,280</u>	<u>(3,679,539)</u>	<u>(91,661,108)</u>
Tax expense	<u>(7,882,103)</u>	<u>3,076,280</u>	<u>(12,650,164)</u>	<u>(91,661,108)</u>

The income tax expense of RM12.7 million for the first half of the year primarily resulted from SILK Co, GCE Co, and AKLEH Co. The deferred tax recognized during the quarter is attributed to temporary differences arising from changes in provisions, accruals, capital allowances, and business losses.

The Group's effective tax rate exceeded the statutory rate for the quarter mainly because certain expenses that are not allowable for tax purposes. In the corresponding quarter of the previous year, which pertained solely to SILK Co, the effect of supplemental concession agreement led to the recognition of deferred tax involving a one-time reversal of deferred tax assets arising from insufficient projected taxable profits to utilise the unutilised business losses before their expiration.

B6. Group Borrowings and Securities

	30 June 2024 (Unaudited) RM	31 Dec 2023 (Unaudited) RM
Secured		
Long-term borrowings		
Tawarruq financing	2,319,696,502	2,319,575,340
Secured		
Short-term borrowings		
Lease liabilities	164,084	164,086
Total borrowings	<u>2,319,860,586</u>	<u>2,319,739,426</u>

The first repayment in respect of the principal will commence in the year 2033.

Prolintas Infra Business Trust

Part B: Additional Information (contd.)

B7. Highway development expenditure

Highway development expenditure comprises development and upgrading expenditure incurred in relation to the concession highways and bridge (including finance costs relating to financing of the development of the highways and bridge). Highway development expenditure ("HDE") is stated at cost less amortisation and impairment losses.

	30 June 2024 (Unaudited) RM	31 Dec 2023 (Unaudited) RM
Highway development expenditure		
Land cost	405,759,801	410,459,549
Development expenditure	2,201,178,474	2,217,697,199
Other concession assets	79,245,294	80,032,171
Work in progress	147,975,642	145,814,081
Total	<u>2,834,159,211</u>	<u>2,854,003,000</u>

B8. Deposits, cash and bank balances

	30 June 2024 (Unaudited) RM	31 Dec 2023 (Unaudited) RM
Cash and cash equivalents comprise:		
Cash and bank balances	269,536,795	383,920,329
Short term deposits with licensed banks	<u>257,887,501</u>	<u>22,731,664</u>
	527,424,296	406,651,993
Deposit with licensed banks with maturity period of more than 3 months	<u>(2,500,000)</u>	<u>(2,500,000)</u>
	<u>524,924,296</u>	<u>404,151,993</u>

B9. Material Litigation

There was no material litigation as at the date of the interim financial statements.

B10. Proposed Distribution

As per the distribution policy stated in the Trust Deed, the Trustee-Manager intends to distribute at least 90% of the Trust Groups' Distributable Amount. The Trustee-Manager has proposed first interim income distribution for the six months ended 30 June 2024 of 3.18 sen per unit or RM35 million. The 2024 first interim income distribution will be payable on 18 September 2024 to the unitholders registered in the Record of Depositors on 3 September 2024.

Prolintas Infra Business Trust

Part B: Additional Information (contd.)

B11. Status of Utilisation of Proceeds

Prolintas Infra BT did not issue any new Units for the IPO, hence the Trust did not receive any proceeds from the IPO exercise. The proceeds from the Offer for Sale were entirely received by PLKHSB, being the Promoter.

B12. Profit before tax

Profit before tax is arrived as below:

	Individual Quarter 3 months ended		Cumulative Quarter Year to Date	
	30 June 2024 (Unaudited) RM	30 June 2023 (Unaudited) RM	30 June 2024 (Unaudited) RM	30 June 2023 (Unaudited) RM
Auditors' remuneration	64,111	11,459	122,834	28,620
Provisions for road resurfacing and replacement cost	2,511,901	94,801	5,407,127	1,037,543
Management fee	-	440,662	-	885,359
Corporate shared service fee	2,351,663	-	4,703,327	-
Consultancy/contract service fee	394,675	-	810,195	-
	<u>3,312,350</u>	<u>546,922</u>	<u>10,243,483</u>	<u>2,951,525</u>

Prolintas Infra Business Trust

Part B: Additional Information (contd.)

B13. Distributable Amount

	Current quarter ended 30 June 2024 (Unaudited) RM	Preceding quarter ended 31 March 2024 (Unaudited) RM	Cumulative 6 months ended 30 June 2024 (Unaudited) RM
Profit before tax	11,913,779	6,856,932	18,770,711
Adjusted for:			
<u>Add:</u>			
Amortisation of highway development expenditure	11,707,530	11,416,114	23,123,644
Unwinding discount for lane widening and construction of interchange	2,545,649	2,601,970	5,147,619
Listing expenses	-	5,245,224	5,245,224
<u>Less:</u>			
Income tax paid	(2,175,948)	(2,175,948)	(4,351,896)
Capital expenditure for upgrading and development works	(9,727,493)	(7,208,526)	(16,936,019)
Distributable Amount	<u>14,263,517</u>	<u>16,735,766</u>	<u>30,999,283</u>
Add: Utilisation of existing cash balance of the Trust Group			4,000,717
Distributions			<u>35,000,000</u>

Prolintas Infra Business Trust

Part B: Additional Information (contd.)

B14. Summary of Distribution Per Unit, Earnings Per Unit and Net Asset Value

The following financial information for the current quarter:

	Current quarter ended 30 June 2024 (Unaudited) RM	Preceding quarter ended 31 March 2024 (Unaudited) RM	Cumulative 6 months ended 30 June 2024 (Unaudited) RM
Number of units in issue (units)	1,100,000,000	1,100,000,000	1,100,000,000
Net Asset Value ("NAV")	657,082,228	653,050,552	657,082,228
NAV per unit (sen)	59.73	59.37	59.73
Total comprehensive income	4,031,676	2,088,870	6,120,546
Weighted average number of units in issue (units)	1,100,000,000	1,100,000,000	1,100,000,000
Earnings Per Unit ("EPU") (sen)	0.37	0.19	0.56
Distributable Amount	-	-	30,999,283
Distributions	-	-	35,000,000
Proposes/Declared Distribution per Unit ("DPU") (sen)	N/A	N/A	3.18
Market Price (RM) on 28 June 2024	N/A	N/A	0.88
Distribution Yield (%)*	N/A	N/A	7.23

* Distribution yield of year-to-date DPU divided by the Market Price (as at the end of the period) has been annualised.

No comparative figures are available as this is the first unaudited interim financial statements.

B15. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 19 August 2024.

By Order of the Board

Nurdiana Binti Kamarudin
Secretary
License No.: LS 0009805
SSM Practising Certificate No.: 202108000224
Kuala Lumpur
19/8/2024