

**Perusahaan Sadur Timah Malaysia  
(Perstima) Berhad**  
(Registration No. 197901005687 (49971-D))  
(Incorporated in Malaysia)

**Interim Financial Report  
31 March 2024**

# Perusahaan Sadur Timah Malaysia (Perstima) Berhad

(Registration No. 197901005687 (49971-D))

(Incorporated in Malaysia)

## Notes to the interim financial report

### A. Explanatory Notes to the Interim Financial Statements – MFRS 134

#### 1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (MASB) and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. These interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standard Board.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2023. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2023.

#### 2. Changes in Accounting Policies

The audited financial statements of the Group for the year ended 31 March 2023 were prepared according with MFRS. The significant accounting policies adopted in preparing this condensed financial report are consistent with those of the audited financial statements for the year ended 31 March 2023.

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group and the Company:-

#### ***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023***

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Insurance Contracts - Initial application of MFRS 17 and MFRS 9 – Comparative Information*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

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***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2024***

- Amendment to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*

***MFRSs, Interpretations and amendments effective from a date yet to be confirmed***

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned accounting standards, amendments and interpretations in the respective financial year when the above accounting standards, amendments and interpretations become effective, if applicable.

The initial application of these accounting standards, amendments and interpretations are not expected to have any material financial impacts to the current period and prior periods financial statements of the Group and the Company upon their first adoption.

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### **3. Audit Report**

The most recent audited financial statements for the year ended 31 March 2023 was not subject to any qualification.

### **4. Seasonal or cyclical factors**

The business of the Group was not affected by any significant seasonal or cyclical factors in the current quarter.

### **5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

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

### **6. Changes in Estimates**

Not applicable as there were no estimates being reported during the prior periods.

### **7. Debt and equity securities**

There were no issuances, cancellations, repurchase, resale and repayments of debt and equity securities for the period under review.

### **8. Dividends paid**

There was no dividend paid for the financial period ended 31 March 2024.

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## 9. Segment information

	Revenue	Year ended 31 March 2024 Profit/(Loss) before Tax
	RM'000	RM'000
Malaysia	574,534	63,039
Vietnam	311,584	18,236
Philippines	45,601	(43,907)
	<hr/>	<hr/>
Inter-segment elimination	931,719 (15,123)	37,368 (55,271)
	<hr/>	<hr/>
<b>Segment results</b>	916,596	(17,903)
Finance costs	--	(13,910)
Interest income	--	4,168
	<hr/>	<hr/>
	<u>916,596</u>	<u>(27,645)</u>

## 10. Property, plant and equipment

The valuations of land and buildings have been brought forward, without amendment from the previous annual report.

## 11. Capital commitments

	As at 31 March 2024 RM'000
<i>Property, plant and equipment</i>	
Authorised but not contracted for	--
Contracted but not provided for in the financial statements	<hr/>
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## 12. Events subsequent to the statement of financial position date

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

## 13. Changes in composition of the Group

There were no changes in the composition of the Group during the period under review, including business combination, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.

## 14. Changes in contingent liabilities

There were no changes in contingent liabilities since the last annual statement of financial position as at 31 March 2023.

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## B. Additional information required by Bursa Securities Main Market Listing Requirements

### 1. Review of Group performance and current year prospects

*Comparison with corresponding period in the previous year*

	Jan - Mar 2024	Jan - Mar 2023	Changes		Apr-Mar 2024	Apr-Mar 2023	Changes	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue								
- Malaysia	148,543	151,158	(2,615)	(1.7)	574,534	843,215	(268,681)	(31.9)
- Vietnam	74,365	95,135	(20,770)	(21.8)	311,584	623,203	(311,619)	(50.0)
- Philippines	18,619	3,667	14,952	>100	45,601	11,617	33,984	>100
Consol Adjustment	(3,452)	(4,191)	739	17.6	(15,123)	(15,415)	292	1.9
Total	238,075	245,769	(7,694)	(3.1)	916,596	1,462,620	(546,024)	(37.3)
Profit/(loss) before tax								
- Malaysia	20,469	4,080	16,389	>100	67,231	86,211	(18,980)	(22.0)
- Vietnam	5,418	624	4,794	>100	21,713	74,364	(52,651)	(70.8)
- Philippines	(33,228)	(12,589)	(20,639)	>100	(61,081)	(39,767)	(21,314)	53.6
Consol Adjustment	(8,589)	(3,333)	(5,256)	>100	(55,508)	(59,745)	4,237	7.1
Total	(15,930)	(11,218)	(4,712)	(42.0)	(27,645)	61,063	(88,708)	(>100)

The Group's revenue for the quarter ended 31 March 2024 ("Current Quarter") compared with the quarter ended 31 March 2023 ("Previous Year Corresponding Period") decreased by RM7.7 million (3.1%) due to lower selling price despite higher sales volume. The Group's loss before taxation of RM15.9 million for the Current Quarter compared with RM11.2 million in the Previous Year Corresponding Period, increased by RM0.3 million (3.1%) was due to lower profit margin despite higher sales volume during the Current Quarter.

For Malaysia, the Company's revenue for the Current Quarter decreased by RM2.6 million (1.7%) as compared to the Previous Year Corresponding Period due to lower selling price despite higher sales volume. The Company's profit before taxation for the Current Quarter of RM20.5 million as compared to RM4.1 million in the Previous Year Corresponding Period was due to interest income to subsidiary company of RM17.0 million and higher sales volume despite lower profit margin in the Current Quarter compared with the Previous Year Corresponding Period.

For Vietnam, the subsidiary Company's revenue decreased by RM20.8 million (21.8%) compared with the Previous Year Corresponding Period due to lower sales volume and lower selling price. The subsidiary Company's profit before taxation for the Current Quarter of RM5.4 million compared with RM0.6 million in the Previous Year Corresponding Period due to year end provision of RM8.8 million in the Previous Year Corresponding Period despite lower profit margin and lower sales volume during the Current Quarter.

For Philippines, the subsidiary Company's revenue increased by RM15.0 million (more than 100%) as compared to the Previous Year Corresponding Period due to higher sales volume. The subsidiary Company's loss before taxation for the Current Quarter of RM33.2 million compared with RM12.6 million in the Previous Year Corresponding Period was due to interest expense on intercompany loan of RM17.0 million coupled with lower profit margin during the Current Quarter. Since the subsidiary started its commercial operation in August 2022, they are still fine tuning its operation.

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*Comparison with preceding quarter*

	Jan - Mar 2024	Oct - Dec 2023	Changes	
	RM'000	RM'000	RM'000	%
Revenue				
- Malaysia	148,543	145,068	3,475	2.4
- Vietnam	74,365	69,898	4,467	6.4
- Philippines	18,619	9,627	8,992	93.4
Consol Adjustment	(3,452)	(4,420)	968	21.9
Total	238,075	220,173	17,902	8.1
Profit/(loss) before tax				
- Malaysia	20,469	37,493	(17,024)	(45.4)
- Vietnam	5,418	6,213	(795)	(12.8)
- Philippines	(33,228)	(10,430)	(22,798)	>100
Consol Adjustment	(8,589)	(38,013)	29,424	77.4
Total	(15,930)	(4,737)	(11,193)	(>100)

For the Current Quarter, the Group recorded a revenue of RM238.1 million compared with RM220.2 million in the quarter ended 31 December 2023 ("Previous Quarter"). The Group's higher revenue was mainly due to higher sales volume despite lower selling price. The Group recorded a loss before tax of RM15.9 million compared with RM4.7 million in the Previous Quarter. The higher loss before tax was due to lower profit margin despite higher sales volume in the Current Quarter.

For Malaysia, the Company recorded a revenue of RM148.5 million as compared to RM145.1 million in the Previous Quarter. The Company's revenue was higher mainly due to higher sales volume despite lower selling price. The Company recorded a profit before tax of RM20.5 million compared with RM37.5 million in the Previous Quarter. The lower profit before tax for the Current Quarter was due to dividend income from subsidiary company of RM38.0 million in the Previous Quarter partly minimised by interest income to subsidiary company of RM17.0 million coupled with higher sales volume and higher profit margin in the Current Quarter.

For Vietnam, the subsidiary Company recorded a revenue of RM74.4 million as compared to RM69.9 million in the Previous Quarter. The subsidiary Company's revenue was higher due to higher sales volume despite lower selling price for the Current Quarter. The Company recorded a profit before tax of RM5.4 million compared with RM6.2 million in the Previous Quarter. The lower profit before tax for the Current Quarter was due to lower profit margin despite higher sales volume in the Current Quarter.

For Philippines, the subsidiary Company's revenue increased by RM9.0 million compared with Previous Quarter. The subsidiary Company's loss before taxation for the Current Quarter of RM33.2 million compared with RM10.4 million in the Previous Quarter was due interest expense for intercompany loan of RM17.0 million coupled with additional revaluation of inventories to net realisable value of RM4.6 million and higher exchange loss in the Current Quarter.

*Prospects*

The Board anticipates that the Group's operating environment will continue to face strong headwinds and these trends are expected to persist throughout year 2024. The continuous weakening trend of Ringgit Malaysia against United States Dollar currency remains as one of the challenges to the Group. The Group shall continue observing market fluctuation closely to mitigate and minimise the foreign exchange impact on Group financial position.

Against the strong headwinds, the Group continues to monitor vigilantly the global and regional economic conditions along with the aggregate supply and consumption patterns of the tinplate industry. The Group shall remain cautious and continue to focus into our financing structure for working capital management and will continue to intensify its sales and marketing efforts in addition to applying its best efforts to improve production efficiencies and costs savings.

## 2. Profit forecast

Not applicable as no profit forecast was published.

## 3. Tax expense

	Quarter ended 31 March		Year ended 31 March	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Income tax expense/ (recoverable)				
Current period	6,464	(4,245)	10,123	16,665
Under/ (Over) provision in prior years	--	--	--	--
	6,464	(4,245)	10,123	16,665
Deferred tax income				
Addition/(Reversal) of temporary differences	--	--	--	--
Under/ (Over) provision in prior years	--	--	--	--
	--	--	--	--
	<u>6,464</u>	<u>(4,245)</u>	<u>10,123</u>	<u>16,665</u>

The effective rate of taxation for the quarter was higher than the statutory taxation rate mainly due to certain expenses were not allowable for tax deduction and current quarter loss by subsidiary within the Group.



#### 4. Unquoted investments and properties

There were no profits on sale of unquoted investments or properties as there were no disposals of unquoted investments or properties during the quarter under review.

#### 5. Quoted investments

There were no purchases or disposals of quoted securities during the quarter under review.

#### 6. Status of corporate exercise announced

There were no corporate proposals announced nor were there any corporate proposals not completed as at the date of this quarterly report.

#### 7. Borrowing and debt securities

	<b>As at 31 March 2024 RM'000</b>	<b>As at 31 March 2023 RM'000</b>
Long Term - secured		
Term Loan	49,859	98,359
Short Term – unsecured		
Bank overdrafts	--	--
Bankers' acceptances	176,135	156,192
Term Loan	23,630	38,843
Revolving Credit	--	5,047
	<u>249,624</u>	<u>298,441</u>

#### 8. Changes in material litigations

There were no material litigations as at the date of this quarterly report.

#### 9. Dividends

No dividend has been declared for the year ended 31 March 2024.

## 10. Basic earnings/(loss) per share

### *Basic earnings/(loss) per share*

The basic earnings/(loss) per ordinary share for the period is calculated by dividing the Group's net profit/(loss) attributable to owners of the Company of RM(37,768,000) by the weighted average number of ordinary shares during the period of 129,096,136.

## 11. Profit before tax

	Quarter ended 31 March		Year ended 31 March	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Profit before tax is arrived at after charging/(crediting)</b>				
Depreciation of property, plant and equipment	7,174	7,091	28,281	22,466
Depreciation of right-of-use assets	150	146	595	586
Interest expense	2,878	2,488	13,910	11,645
Interest income	(1,031)	(1,313)	(4,168)	(2,948)
Unrealised loss/(gain) on foreign exchange	(2,859)	(1,996)	4,272	5,000
Hostel rental income	(14)	(14)	(56)	(51)
Realised loss/(gain) on foreign exchange	2,497	2,168	(2,741)	10,060

Other than the above items, there were no impairment of assets, provision for and write off of receivables and inventories, gain or loss on disposal of quoted or unquoted investments or properties, gain or loss on derivatives and exceptional items for the current quarter and financial year ended 31 March 2024.