

PDZ HOLDINGS BHD [199501031213 (360419 - T)]

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the financial period ended 31 March 2024 (Unaudited)

	Individual Quarter		Cummulative Quarter	
	Current Year Quarter <u>31.3.2024</u> RM '000	Preceding Year Quarter <u>31.3.2023</u> RM '000	Current Year To Date <u>31.3.2024</u> RM '000	Preceding Year To Date <u>31.3.2023</u> RM '000
Revenue	2,415	2,256	2,415	2,256
Cost of sales	(2,194)	(2,048)	(2,194)	(2,048)
Gross profit	221	208	221	208
Other income/(expenses)	6,864	(166)	6,864	(166)
General and administrative expenses	(367)	(568)	(367)	(568)
Profit/(Loss) from operations	6,718	(526)	6,718	(526)
Interest income	426	306	426	306
Share of results from a joint venture	54	39	54	39
Profit/(Loss) before tax	7,198	(181)	7,198	(181)
Taxation	-	-	-	-
Profit/(Loss) after tax	7,198	(181)	7,198	(181)
Other comprehensive expense:				
Changes in fair value of financial assets	-	(132)	-	(132)
Profit/(Loss) after tax and other comprehensive expense for the financial period	7,198	(313)	7,198	(313)
Profit/(Loss) after tax attributable to:				
- Owners of the Company	7,198	(181)	7,198	(181)
- Non-controlling interests	-	-	-	-
	7,198	(181)	7,198	(181)
Profit/(Loss) after tax and other comprehensive expense attributable to:				
- Owners of the Company	7,198	(313)	7,198	(313)
- Non-controlling interests	-	-	-	-
	7,198	(313)	7,198	(313)
Earnings/(Loss) per share (sen)				
- Basic	1.22	(0.03)	1.22	(0.03)
- Diluted	N/A	N/A	N/A	N/A

(The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.)

PDZ HOLDINGS BHD [199501031213 (360419 - T)]
Condensed Consolidated Statement of Financial Position
as at 31 March 2024 (Unaudited)

	(Unaudited) As at <u>31.3.2024</u> RM '000	(Audited) As at <u>31.12.2023</u> RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	3,317	3,383
Investments in a joint venture	9,465	9,411
Other investments	-	1,190
	<u>12,782</u>	<u>13,984</u>
Current assets		
Trade receivables	4,519	6,254
Other receivables	854	596
Deposits and prepayments	30,695	29,195
Tax recoverable	691	691
Term deposits	55,455	55,527
Cash and cash equivalent	520	457
	<u>92,734</u>	<u>92,720</u>
TOTAL ASSETS	<u><u>105,516</u></u>	<u><u>106,704</u></u>
EQUITY AND LIABILITIES		
Share capital	158,573	158,573
Reserves	6,077	5,812
Accumulated losses	(66,950)	(73,883)
Equity attributable to owners of the Company	<u>97,700</u>	<u>90,502</u>
Non-controlling interests	<u>103</u>	<u>103</u>
Total equity	<u><u>97,803</u></u>	<u><u>90,605</u></u>
Non-current liabilities		
Deferred taxation	283	283
	<u>283</u>	<u>283</u>
Current liabilities		
Trade payables	4,154	5,707
Other payables and accruals	3,276	10,109
	<u>7,430</u>	<u>15,816</u>
Total liabilities	<u><u>7,713</u></u>	<u><u>16,099</u></u>
TOTAL EQUITY AND LIABILITIES	<u><u>105,516</u></u>	<u><u>106,704</u></u>
No. of ordinary shares ('000)	588,367	588,367
Net assets per share (sen)	16.61	15.38

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.)

PDZ HOLDINGS BHD [199501031213 (360419 - T)]
Condensed Consolidated Statement of Changes in Equity
for the financial period ended 31 March 2024 (Unaudited)

	<-Attributable to owners of the Company->				Non- controlling interests RM '000	Total equity RM '000
	Share capital	Reserves	Retained earnings	Total		
	RM '000	RM '000	RM '000	RM '000		
At 1 January 2024	158,573	5,812	(73,883)	90,502	103	90,605
Share issuance	-	-	-	-	-	-
Transfers	-	265	(265)	-	-	-
Profit for the financial year	-	-	7,198	7,198	-	7,198
At 31 March 2024	<u>158,573</u>	<u>6,077</u>	<u>(66,950)</u>	<u>97,700</u>	<u>103</u>	<u>97,803</u>
At 1 January 2023	158,208	6,077	(69,366)	94,919	103	95,022
Share issuance under ESOS	365	-	-	365	-	365
Loss for the financial year	-	-	(4,517)	(4,517)	-	(4,517)
Other comprehensive expenses	-	(265)	-	(265)	-	(265)
At 31 December 2023	<u>158,573</u>	<u>5,812</u>	<u>(73,883)</u>	<u>90,502</u>	<u>103</u>	<u>90,605</u>

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.)

PDZ HOLDINGS BHD [199501031213 (360419 - T)]
Condensed Consolidated Statement of Cash Flows
for the financial period ended 31 March 2024 (Unaudited)

	(Unaudited) Year To Date <u>31.3.2024</u> RM '000	(Audited) Year To Date <u>31.3.2023</u> RM '000
Cash flow from operating activities		
Profit/(loss) before tax	7,198	(181)
Adjustments for:		
Depreciation	66	72
Amortisation of intangible asset	-	216
Reversal of provision for liabilities	(6,911)	-
Interest income	(426)	(306)
Impairment loss on term deposits	(3)	-
Share of net profit from a joint venture	(54)	(39)
Unrealised loss/(gain) on foreign exchange	44	(166)
	<u>(86)</u>	<u>(404)</u>
Changes in working capital:		
Receivables	403	(7,461)
Payables	(1,512)	(2,174)
Cash used in operations	<u>(1,195)</u>	<u>(10,039)</u>
Interest received	-	908
Net cash outflows from operating activities	<u>(1,195)</u>	<u>(9,131)</u>
Cash flow from investing activities		
Disposal of/(Investment in) quoted shares	1,186	(1,455)
Withdrawal/(placements) of long-term deposits	(1,339)	4,419
Net cash (outflows)/inflows from investing activities	<u>(153)</u>	<u>2,964</u>

PDZ HOLDINGS BHD [199501031213 (360419 - T)]
Condensed Consolidated Statement of Cash Flows (continued)
for the financial period ended 31 March 2024 (Unaudited)

	(Unaudited)	(Audited)
	Year To Date	Year To Date
	<u>31.3.2024</u>	<u>31.3.2023</u>
	RM '000	RM '000
Cash flow from financing activities		
Proceeds from share issuance	-	-
Net cash inflows from financing activities	<u>-</u>	<u>-</u>
Net change in cash and cash equivalents	(1,348)	(6,167)
Cash and cash equivalents at beginning of the year	25,384	51,545
Cash and cash equivalents at end of the financial year	<u><u>24,036</u></u>	<u><u>45,378</u></u>
 Cash and cash equivalents comprise:		
Cash and bank balances	520	32
Term deposits at call	<u>55,455</u>	<u>61,243</u>
	55,975	61,275
Less: Deposits held more than 3 months	<u>(31,939)</u>	<u>(15,897)</u>
Cash equivalents as presented in the statement of cash flows	<u><u>24,036</u></u>	<u><u>45,378</u></u>

(The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.)

A. Compliance with Malaysian Financial Reporting Standards (“MFRS”) 134

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with the reporting requirements of MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board and Paragraph 9.22 Main Market Listing Requirements of the Bursa Malaysia Securities Berhad. The interim financial report also complies with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board. The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023. The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the financial statements for the financial year ended 31 December 2023.

As at 1 January 2024, the Group have adopted the following Amendments to MFRSs that have been issued by the Malaysian Accounting Standards Board (“MASB”):

- 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 and MFRS 7, Supplies Finance Arrangement

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

A2. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements of the Group for the financial period ended 31 December 2023 was not subject to any qualification.

A3. Seasonal or Cyclical Factors

The Group’s turnover is seasonal in nature, as there are low and peak demand periods during the different months of the year.

A4. Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter.

A5. Changes in Estimates

There were no material changes in estimates that have a material effect on the financial results during the current quarter.

A6. Changes in Debt and Equity securities

There were no issuances, cancellations, repurchases, resale or repayments of debt and equity securities during the current quarter.

A7. Dividend paid

There were no dividends paid during the current quarter.

A8. Valuation of Property and Equipment

The Group did not revalue any of its property, plant and equipment during the current reporting period.

A9. Subsequent Events

There were no material events subsequent to the end of the reporting period requiring adjustments.

A10. Changes in Composition of the Group

There was no change in composition of the Group during the current reporting period.

A11. Capital commitments

There were no material capital commitments as at the end of the reporting period.

A12. Contingent Liabilities and Contingent Assets

There were no contingent liabilities and contingent assets as at the end of the reporting period.

B. Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. Operating segments review

Financial review for Current Quarter and Cumulative Quarter:

	Individual and Cumulative Period (1 st Quarter)		
	Current Financial Year 31/3/24 RM'000	Preceding Financial Year 31/3/23 RM'000	Changes (Amount) RM'000
Revenue	2,415	2,256	159
Profit/(Loss) from Operations	6,718	(526)	7,244
Profit/(Loss) Before Interest and Tax	6,772	(487)	7,259
Profit/(Loss) Before Tax	7,198	(181)	7,379
Profit/(Loss) After Tax	7,198	(181)	7,379
PLAOEHC*	7,198	(181)	7,379

* Profit/(loss) Attributable to the Owners of the Company

The Group registered higher revenue for the current quarter compared to the preceding year corresponding quarter due to higher volume transported by the Group. The Group registered a Profit After Tax for the current quarter compared to the preceding year corresponding quarter due to lower administrative expenses and reversal of provision for liabilities due to outcome of a litigation matter in favor of the Group as highlighted in B7.

Financial review for Current Quarter and Immediate Preceding Quarter:

	Current Quarter 31/3/24 RM'000	Immediate Preceding Quarter 31/12/23 RM'000	Changes (Amount) RM'000
Revenue	2,415	2,104	311
Profit/(Loss) from Operations	6,718	(3,023)	9,741
Profit/(Loss) Before Interest and Tax	6,772	(2,968)	9,740
Profit/(Loss) Before Tax	7,198	(2,602)	9,800
Profit/(Loss) After tax	7,198	(2,602)	9,800
Profit/(Loss) Attributable to the Owners of the Company	7,198	(2,602)	9,800

Operating segments review (continued)

The Group registered higher revenue for the current quarter compared to the immediate preceding quarter due to the increase in volume transported by the Group. The Group registered a Profit After Tax in the current quarter compared to the immediate preceding quarter due to lower administrative expenses and reversal of provision for liabilities due to outcome of a litigation matter in favor of the Group as highlighted in B7.

B2. Prospects

The Group foresees continued challenges for the financial year 2024 given on-going global market economic challenges. The Group will remain watchful of the uncertainties in global economic environment that include higher freight costs, business development costs and logistical costs. The Group at the same time will continue to focus on servicing its customers in supporting their businesses' logistics requirements.

The joint development and operation of an e-Commerce logistic hub in Johor with Sanichi Technology Bhd is ongoing.

B3. Profit Forecast and Profit Guarantee

The Group has not issued any profit forecast or profit guarantee in any public documents.

B4. Bank borrowings and debt securities

The Group has no borrowings and debt securities as at the end of the reporting period.

B5. Dividend Payable

The Board of Directors did not recommend any dividend for the current quarter.

B6. Trade Receivables

The Group's normal trade credit terms range from 30 days to 9 months (2023: cash terms to 9 months). Other credit terms are assessed and approved on a case-by-case basis. There are no trade receivables from related parties.

	As at 31 March 2024				Total RM'000
	Current RM'000	1-3 months RM'000	3-6 months RM'000	More than 6 months RM'000	
Denominated in RM					
Trade receivables	641	2,499	1,379	-	4,519

B7. Commitments and contingent liabilities

On 21 September 2016, the Company obtained an ex parte injunction against Formosa and the Eastgate Group, amongst others, to restrain them from arresting the Company's vessels, cargo thereon or freight due therefrom. Formosa filed an application to set aside the said injunction and also for a stay of proceedings to refer this dispute to arbitration. The Court awarded Eastgate Group's counter-claim against the Company and its former subsidiary, Perkapalan Dai Zhun Sdn Bhd ("PDZSB") amounting to RM5.2 million being operational expenses incurred by Eastgate Group with interest of RM0.9 million and cost of RM0.1 million, which has been provided for in the previous financial year. The Company and PDZSB have on 18 November 2019 filed for an appeal against the said judgement and obtained a stay of execution of the High Court judgement, with a sum of RM1.2 million paid by the Company into a joint stakeholder account with a private caveat on the Company's office building. On 17 November 2022, Court of Appeal has set aside the High Court decision. Subsequently, Eastgate Group's Leave application to the Federal Court was dismissed on 9 January 2024.

B8. Taxation

	3 months ended individual and cumulative period	
	<u>31/3/24</u>	<u>31/3/23</u>
	RM '000	RM '000
Taxation	-	-

The Group's effective tax rate was below the statutory tax rate for the current and financial year mainly due to temporary differences.

B9. Earnings/(loss) per share

(a) Basic earnings/(loss) per share

Basic earnings per share of the Group is calculated by dividing the profit/(loss) attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue:

		3 months ended individual and cumulative period	
		<u>31/3/24</u>	<u>31/3/23</u>
Profit/(loss) attributable to ordinary shareholders	(RM'000)	7,198	(181)
Weighted average number of ordinary shares in issue	('000)	588,367	588,367
Basic earnings/(loss) per share	(sen)	1.22	(0.03)

(b) Basic earnings/(loss) per share

The diluted earnings/(loss) per share is not applicable as the exercise price of Warrants have exceeded the average market price of ordinary shares during the quarter.

B10. Profit Before Taxation

Profit or loss before tax is after charging/(crediting) the following:

	3 months ended individual and cumulative period	
	<u>31/3/24</u> RM '000	<u>31/3/23</u> RM '000
Interest income	(426)	(306)
Depreciation expense	66	72
Amortisation of intangible asset	-	216
Unrealised losses/(gain) on foreign exchange	44	(166)

B11. Status of utilisation of proceeds raised from Rights Issue with Warrants completed on 2 November 2021, following the listing and quotation of 400,249,551 Rights Shares, 133,416,423 Warrants C and 70,095,402 additional Warrants B on the Main Market of Bursa Securities on 2 November 2021.

No	Purpose	Proposed utilisation (RM'000)	Utilisation (RM'000)	Balance (RM'000)	Intended Timeframe for utilisation from date of receipt
(i)	Acquisition of factory building for the Gloves Business	25,000	(9,450)	15,550	Within 36 months
(ii)	Capital expenditure for the Gloves Business	36,700	(13,020)	23,680	Within 36 months
(iii)	Working capital	13,103	0	13,103	Within 36 months
(vi)	Expenses for the Corporate Exercises	1,131	(1,131)	-	Immediate
	Total	75,934	(23,601)	52,333	

B12. Status of utilisation of proceeds raised from Rights Issue with Warrants completed on 7 February 2018, following the listing and quotation of 434,660,560 Rights Shares and 325,995,328 Warrants on the Main Market of Bursa Securities on 7 February 2018.

No	Purpose	Proposed utilisation (RM'000)	Utilisation (RM'000)	Balance (RM'000)	Intended Timeframe for utilisation from date of receipt
(i)	Regional business expansion	1,800	0	1,800	Within 78 months
(ii)	Working capital	8,150	(8,150)	0	-
(iii)	Security deposit for bank guarantee to port authorities	350	0	350	Within 78 months
(iv)	Acquisition and/or investment in other complementary businesses and/or assets	12,346	(11,509)	837	Within 78 months
(v)	Estimated expenses for the Corporate Exercises	920	(920)	0	-
	Total	23,566	(20,579)	2,987	

B13. Off-balance sheet financial instruments

There were no financial instruments with off-balance sheet risks as at the reporting date.