

**Condensed Consolidated Statements of Financial Position
As at 31 December 2021**

	As at 31-Dec-21 RM'000	As at 31-Mar-21 RM'000
Assets		
Non-current assets		
Highway development expenditure ("HDE")	1,034,663	1,089,518
Plant and equipment	1,309	1,393
Other intangible assets	699	847
Investment in an associate	226,896	216,555
	<u>1,263,567</u>	<u>1,308,313</u>
Current assets		
Sundry receivables	170,431	80,574
Amount due from an associate	1,171	-
Tax recoverable	49	920
Investment securities	2,068	4,672
Cash and bank balances	470,591	621,119
	<u>644,310</u>	<u>707,285</u>
Total assets	<u>1,907,877</u>	<u>2,015,598</u>
Equity and liabilities		
Equity attributable to equity holders of the Company		
Share capital	252,783	252,695
Other reserve	9,835	7,940
Retained earnings	1,007,348	920,410
Total equity	<u>1,269,966</u>	<u>1,181,045</u>
Liabilities		
Non-current liabilities		
Deferred revenue	11,975	13,146
Deferred tax liabilities	174,426	178,653
Sukuk Musyarakah Medium Term Notes ("IMTNs")	187,575	385,254
Retirement benefit obligations	6,199	5,790
Provision for heavy repairs	20,307	20,307
	<u>400,482</u>	<u>603,150</u>
Current liabilities		
Amount due to an associate	-	93
Provision for heavy repairs	4,624	4,624
Sukuk Musyarakah Medium Term Notes ("IMTNs")	200,000	200,000
Sundry payables	13,284	26,686
Tax payable	19,521	-
	<u>237,429</u>	<u>231,403</u>
Total liabilities	<u>637,911</u>	<u>834,553</u>
Total equity and liabilities	<u>1,907,877</u>	<u>2,015,598</u>

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statements of Comprehensive Income
for the period ended 31 December 2021

	Individual Period		Cumulative Period	
	Current Year Quarter 31-Dec-21 RM'000	Preceding Year Corresponding Quarter 31-Dec-20 RM'000	Current Year To Date 31-Dec-21 RM'000	Preceding Year Corresponding Period 31-Dec-20 RM'000
Revenue	120,574	103,202	285,169	293,515
Employee benefits expenses	(4,924)	(3,534)	(17,407)	(17,080)
Maintenance expenses	(3,271)	(3,313)	(7,947)	(9,008)
Depreciation and amortisation	(23,636)	(19,654)	(55,411)	(55,519)
Other expenses	(1,993)	(1,796)	(5,607)	(5,647)
	(33,824)	(28,297)	(86,372)	(87,254)
	86,750	74,905	198,797	206,261
Interest income	2,232	2,182	6,754	7,144
Other income	53	59	148	286
Finance costs	(6,648)	(9,926)	(20,329)	(30,121)
Share of result of an associate	11,976	15,100	10,341	25,649
Profit before tax	94,363	82,320	195,711	209,219
Income tax expense	(29,543)	(17,000)	(55,486)	(46,144)
Profit for the period, representing total comprehensive income for the period	64,820	65,320	140,225	163,075
Earnings Per Share (EPS)				
Basic EPS				
attributable to equity holders of the Company (sen per share)	12.16	12.26	26.32	30.64
Diluted EPS				
attributable to equity holders of the Company (sen per share)	12.15	12.25	26.30	30.62

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statements of Changes in Equity

	← Non-distributable →		Distributable	
	Share capital	Other reserve	Retained earnings	Total equity
	RM'000	RM'000	RM'000	RM'000
FY 2022				
<u>9 months ended 31 December 2021</u>				
At 1 April 2021	252,695	7,940	920,410	1,181,045
Total comprehensive income	-	-	140,225	140,225
Transactions with owners				
Issuance of ordinary shares pursuant to ESOS	88	-	-	88
Share options granted under ESOS	-	1,895	-	1,895
Dividends	-	-	(53,287)	(53,287)
Total transactions with owners	88	1,895	(53,287)	(51,304)
At 31 December 2021	252,783	9,835	1,007,348	1,269,966
FY 2021				
<u>9 months ended 31 December 2020</u>				
At 1 April 2020	246,555	6,554	821,195	1,074,304
Total comprehensive income	-	-	163,075	163,075
Transactions with owners				
Issuance of ordinary shares pursuant to ESOS	5,233	-	-	5,233
Share options granted under ESOS	-	2,537	-	2,537
Dividends	-	-	(53,277)	(53,277)
Total transactions with owners	5,233	2,537	(53,277)	(45,507)
At 31 December 2020	251,788	9,091	930,993	1,191,872

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statements of Cash Flows
for the period ended 31 December 2021

	Current Year To Date 31-Dec-21 RM'000	Preceding Year Corresponding Period 31-Dec-20 RM'000
Cash Flows From Operating Activities		
Profit before tax	195,711	209,219
Adjustments for:		
Amortisation of HDE	54,934	54,951
Amortisation of other intangible assets	148	148
Depreciation of plant and equipment	329	420
Plant and equipment written off	2	3
Other intangible assets written off	-	3
Gain on disposal of plant and equipment	(29)	(12)
Share of result of an associate	(10,341)	(25,649)
Deferred revenue recognised	(1,171)	(1,171)
Interest income from fixed deposits	(2,751)	(1,739)
Distribution from investment securities	(52)	(236)
Profit element and fees on IMTNs	18,008	26,737
Unwinding of discount on IMTNs	2,321	3,384
Profit on Islamic investment	(4,003)	(5,405)
Provision for retirement benefits	487	448
Share options granted under ESOS	1,426	1,903
Operating profit before working capital changes	<u>255,019</u>	<u>263,004</u>
Changes in receivables	(88,938)	(91,946)
Changes in payables	(2,327)	(6,820)
Changes in amount due from/(to) an associate	(795)	191
Cash generated from operations	<u>162,959</u>	<u>164,429</u>
Income tax paid	(39,321)	(59,383)
Retirement benefits paid	(78)	(31)
Net cash generated from operating activities	<u>123,560</u>	<u>105,015</u>
Cash Flows From Investing Activities		
Payments for HDE	(79)	(130)
Purchase of plant and equipment	(247)	(441)
Payments for heavy repairs	-	(141)
Interest received	1,810	1,290
Profit received from Islamic investment	4,025	4,892
Distribution received from investment securities	52	236
Proceeds from disposal of plant and equipment	29	12
Net proceeds from disposal/(purchase) of investment securities	<u>2,604</u>	<u>811</u>
Net cash generated from investing activities	<u>8,194</u>	<u>6,529</u>

Lingkaran Trans Kota Holdings Berhad
Registration No. 199501006186 (335382-V)

Condensed Consolidated Statements of Cash Flows
for the period ended 31 December 2021

	Current Year To Date 31-Dec-21 RM'000	Preceding Year Corresponding Period 31-Dec-20 RM'000
Cash Flows From Financing Activities		
Proceeds from issuance of ordinary shares via exercise of ESOS	88	5,233
Profit element and fees paid on IMTNs	(29,083)	(40,586)
Dividends paid	(53,287)	(53,277)
Repayment of IMTNs	(200,000)	(200,000)
Net cash used in financing activities	(282,282)	(288,630)
Net decrease in cash and cash equivalents	(150,528)	(177,086)
Cash and cash equivalents at beginning of the year	621,119	626,796
Cash and cash equivalents at end of the period	470,591	449,710

Cash and cash equivalents at the end of the financial period comprise the following:		
Deposits with licensed financial institutions	335,576	263,061
Cash on hand and at banks	135,015	186,649
Cash and cash equivalents at end of the period	470,591	449,710

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.

Lingkaran Trans Kota Holdings Berhad
Registration No. 199501006186 (335382-V)

Quarterly Report On Consolidated Results
For The Period Ended 31 December 2021

Explanatory Notes to the Interim Financial Statements
(The figures have not been audited)

1. Basis of Preparation

The interim financial report has been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad.

The interim financial report is unaudited and should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2021, which have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) and the Companies Act 2016. 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 year ended 31 March 2021.

2. Changes in Accounting Policies

The accounting policies and presentation adopted for the condensed consolidated interim financial statements are consistent with those adopted for the audited financial statements for the year ended 31 March 2021.

On 1 April 2021, the Group and the Company adopted the following amended standards mandatory for annual periods beginning on or after 1 June 2020, 1 January 2021 and 1 April 2021:

Effective for annual periods beginning on or after 1 June 2020:

Amendment to MFRS 16	Covid-19-Related Rent Concessions
----------------------	-----------------------------------

Effective for annual periods beginning on or after 1 January 2021:

Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform - Phase 2
--	--

Effective for annual periods beginning on or after 1 April 2021:

Amendment to MFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021
----------------------	---

The adoption of the above amended standards did not have any material impact on the financial statements of the Group and of the Company.

Lingkaran Trans Kota Holdings Berhad
Registration No. 199501006186 (335382-V)

Quarterly Report On Consolidated Results
For The Period Ended 31 December 2021

Explanatory Notes to the Interim Financial Statements
(The figures have not been audited)

2. Changes in Accounting Policies (Cont'd)

Standards issued but not yet effective

At the date of authorisation of these condensed consolidated interim financial statements, the following new and amended standards were issued but not yet effective and have not been applied by the Group and the Company:

Effective for annual periods beginning on or after 1 January 2022:

Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract
Amendments to MFRSs	Annual Improvements to MFRS Standards 2018 - 2020

Effective for annual periods beginning on or after 1 January 2023:

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts
Amendment to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 101	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Effective date deferred indefinitely:

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
------------------------------------	---

The adoption of the above new and amended standards will not have material impact on the financial statements of the Group and of the Company in the period of initial application.

3. Audit Report of Preceding Annual Financial Statements

There was no qualification in the audit report of the financial statements of the Group for the year ended 31 March 2021.

Lingkaran Trans Kota Holdings Berhad
Registration No. 199501006186 (335382-V)

Quarterly Report On Consolidated Results
For The Period Ended 31 December 2021

Explanatory Notes to the Interim Financial Statements
(The figures have not been audited)

4. Seasonality and Cyclicity of Operations

There was no significant fluctuation in the seasonality or cyclicity of operations affecting the Group.

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

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows for the current quarter and financial year to date.

6. 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 quarter and financial year to date.

7. Debt and Equity Securities

During the financial period to date, the Company increased its issued and paid up share capital (excluding share premium) from 532,843,618 as at 31 March 2021 to 532,868,618 as at 31 December 2021 by way of issuance of 25,000 new ordinary shares pursuant to the exercise of the Employee Share Option Scheme ("ESOS") at exercise price of RM3.51 per ordinary share.

There were no cancellations, repurchases, resale of equity securities for the current period to date.

8. Dividend

On 24 February 2022, the Board of Directors has approved a second single-tier (exempt from tax) interim dividend of 15 sen per ordinary share for the financial year ending 31 March 2022.

The second interim dividend shall be paid at a date to be determined and in respect of deposited securities, entitlement to dividend will be determined on the basis of the record of depositors at the book closure date.

In the previous year corresponding quarter for the financial year ended 31 March 2021, the Board of Directors had approved a second single-tier (exempt from tax) interim dividend of 10 sen per ordinary share.

The total dividend per ordinary share for the current financial year to date ending 31 March 2022 is 25 sen inclusive of the first single-tier (exempt from tax) interim dividend of 10 sen, paid on 24 September 2021. For the preceding year corresponding period, a total single-tier (exempt from tax) dividend of 20 sen per ordinary share was declared.

Lingkar Trans Kota Holdings Berhad
Registration No. 199501006186 (335382-V)

Quarterly Report On Consolidated Results
For The Period Ended 31 December 2021

Explanatory Notes to the Interim Financial Statements
(The figures have not been audited)

9. Dividends paid

	9 months ended 31-Dec-21 RM'000	9 months ended 31-Dec-20 RM'000
<u>Interim Dividends</u>		
Interim single-tier (exempt from tax) dividend of 10 sen per ordinary share for the financial year ending 31 March 2022 was paid on 24 September 2021	53,287	-
(Interim single-tier (exempt from tax) dividend of 10 sen per ordinary share for the financial year ended 31 March 2021 was paid on 29 September 2020)	-	53,277
	53,287	53,277

10. Segment Analysis

	Highway RM'000	Others RM'000	Inter-segment Eliminations RM'000	Total RM'000
9 months ended 31 December 2021				
Revenue				
Revenue from external customers	285,169	-	-	285,169
Inter-segment revenue	-	54,795	(54,795)	-
Total revenue	285,169	54,795	(54,795)	285,169
Results				
Segment results	199,967	52,854	(53,876)	198,945
Interest/profit income	6,681	73	-	6,754
Profit from operations	206,648	52,927	(53,876)	205,699
Finance costs	(20,329)	-	-	(20,329)
Share of result of an associate	10,341	-	-	10,341
Profit before tax	196,660	52,927	(53,876)	195,711
Income tax expense	(55,287)	(199)	-	(55,486)
Profit for the period, representing total comprehensive income for the period	141,373	52,728	(53,876)	140,225

Lingkar Trans Kota Holdings Berhad
Registration No. 199501006186 (335382-V)

Quarterly Report On Consolidated Results
For The Period Ended 31 December 2021

Explanatory Notes to the Interim Financial Statements
(The figures have not been audited)

10. Segment Analysis (Cont'd)

	Highway RM'000	Others RM'000	Inter-segment Eliminations RM'000	Total RM'000
9 months ended 31 December 2020				
Revenue				
Revenue from external customers	293,515	-	-	293,515
Inter-segment revenue	-	30,875	(30,875)	-
Total revenue	293,515	30,875	(30,875)	293,515
Results				
Segment results	207,288	29,143	(29,884)	206,547
Interest/profit income	6,776	368	-	7,144
Profit from operations	214,064	29,511	(29,884)	213,691
Finance costs	(30,121)	-	-	(30,121)
Share of result of an associate	25,649	-	-	25,649
Profit before tax	209,592	29,511	(29,884)	209,219
Income tax expense	(45,858)	(286)	-	(46,144)
Profit for the period, representing total comprehensive income for the period	163,734	29,225	(29,884)	163,075

The segment assets and segment liabilities of the Group are as follows:

	Highway		Others		Inter-segment Eliminations		Total	
	31-Dec-21 RM'000	31-Mar-21 RM'000	31-Dec-21 RM'000	31-Mar-21 RM'000	31-Dec-21 RM'000	31-Mar-21 RM'000	31-Dec-21 RM'000	31-Mar-21 RM'000
Assets and liabilities								
Segment assets	1,673,570	1,792,599	59,614	58,980	(52,203)	(52,536)	1,680,981	1,799,043
Investment in an associate	226,896	216,555	-	-	-	-	226,896	216,555
Consolidated total assets	1,900,466	2,009,154	59,614	58,980	(52,203)	(52,536)	1,907,877	2,015,598
Segment liabilities	636,987	833,048	1,223	2,013	(299)	(508)	637,911	834,553

The major operating segment of the Group is the highway business. Explanatory comment on the performance of the highway business is provided in Note 21 and Note 22.

Lingkaran Trans Kota Holdings Berhad
Registration No. 199501006186 (335382-V)

Quarterly Report On Consolidated Results
For The Period Ended 31 December 2021

Explanatory Notes to the Interim Financial Statements
(The figures have not been audited)

11. Valuation of Plant and Equipment

All plant and equipment of the Group are carried at cost less accumulated depreciation and impairment losses.

12. Material Events Subsequent to the Balance Sheet Date

There were no material events subsequent to the end of the quarter under review.

13. Changes in Composition of the Group

There were no changes in the composition of the Group for the current quarter and financial year to date.

14. Changes in Contingent Liabilities or Contingent Assets

There were no significant contingent liabilities or contingent assets.

15. Capital Commitments

The amount of commitments for capital expenditure not provided for in the interim financial statements are as follows:

	As at 31-Dec-21 RM'000
Capital expenditure	
Approved but not contracted for:	
Highway development expenditure	7,509
Total	7,509

Lingkar Trans Kota Holdings Berhad
Registration No. 199501006186 (335382-V)

Quarterly Report On Consolidated Results
For The Period Ended 31 December 2021

Explanatory Notes to the Interim Financial Statements
(The figures have not been audited)

16. Income Tax Expense

	Current Quarter 31-Dec-21 RM'000	Current Year To Date 31-Dec-21 RM'000
Income tax	32,438	59,713
Deferred tax	(2,895)	(4,227)
Total	29,543	55,486

For the current quarter and financial year to date, the Group's effective tax rate (excluding the result of an associate which is equity accounted net of tax) is higher than the statutory tax rate due to certain expenditure not being allowed as a deduction for tax purposes, coupled with higher corporate tax expense due to the implementation of Cukai Makmur by the Government, which is a special one-off tax in the Year of Assessment 2022 as disclosed further in Note 23.

17. Status of Corporate Proposals

There were no corporate proposals announced but not completed at a date not earlier than 7 days from the date of issue of this announcement.

18. Group Borrowings and Debt Securities

The details of the Group's borrowings as at the end of the period are as follows:

	As at 31-Dec-21 RM'000	As at 31-Dec-20 RM'000
Secured:		
<u>Long Term Borrowings</u>		
Sukuk Musyarakah Medium Term Notes - IMTN I and IMTN II	187,575	384,125
<u>Short Term Borrowings</u>		
Sukuk Musyarakah Medium Term Notes - IMTN I and IMTN II	200,000	200,000
Total Borrowings	387,575	584,125

Lingkar Trans Kota Holdings Berhad
Registration No. 199501006186 (335382-V)

Quarterly Report On Consolidated Results
For The Period Ended 31 December 2021

Explanatory Notes to the Interim Financial Statements
(The figures have not been audited)

18. Group Borrowings and Debt Securities (Cont'd)

Sukuk Musyarakah Medium Term Notes - IMTN I and IMTN II were issued in 10 series and 3 series respectively, with maturities from April 2013 to April 2023. The interest rate/profit element is fixed ranges from 4.6% to 6.0% per annum.

The Group borrowings are denominated in Ringgit Malaysia.

The repayment during the period are as follows:

	9 months ended 31-Dec-21 RM'000	9 months ended 31-Dec-20 RM000
Repayment during the period	200,000	200,000

19. Disclosure of Derivatives

There were no derivatives at the date of issue of this announcement.

20. Material Litigations

There were no pending material litigations. There has been no change in the situation since 31 March 2021 to a date not earlier than 7 days from the date of issue of this announcement.

21. Comparison with Immediate Preceding Quarter's Results

	Current Quarter 31-Dec-21 RM'000	Immediate Preceding Quarter 30-Sep-21 RM000	Changes %
Revenue	120,574	77,543	55.5%
Profit Before Tax	94,363	49,685	89.9%
Profit After Tax	64,820	37,487	72.9%

Lingkar Trans Kota Holdings Berhad
Registration No. 199501006186 (335382-V)

Quarterly Report On Consolidated Results
For The Period Ended 31 December 2021

Explanatory Notes to the Interim Financial Statements
 (The figures have not been audited)

21. Comparison with Immediate Preceding Quarter's Results (Cont'd)

(a) Revenue

The Group registered significantly higher revenue of RM120.6 million as compared to RM77.5 million recorded in the last quarter as both Selangor and Kuala Lumpur were under National Recovery Plan ("NRP") Phase 3 from 1 October 2021 and Phase 4 from 18 October 2021. Higher tollable traffic volume in the current quarter is due to easing of travel restrictions and interstate travel which is allowed from 11 October 2021 for fully vaccinated individuals. Whereas in the immediate preceding quarter, lower traffic was recorded due to the Government imposed travel restrictions under Enhanced Movement Control Order ("EMCO") from 3 July 2021 to 16 July 2021.

(b) Profit before tax

Similarly, the Group recorded significantly higher profit before tax of RM94.4 million in the current quarter as compared to RM49.7 million recorded in the immediate preceding quarter mainly due to the higher revenue as mentioned in (a) above and higher profit in SPRINT Group; offset by higher amortisation of highway development expenditure arising from increase in tollable traffic volume.

(c) Profit after tax

The Group recorded higher profit after tax of RM64.8 million in the current quarter as compared to RM37.5 million in the immediate preceding quarter mainly due to the reasons as mentioned above and higher income tax expense in the current quarter resulting from the impact of Cukai Makmur as mentioned in Note 16 above.

22. Review of Performance for the Current Quarter and Financial Year to Date

	← Individual Period →			← Cumulative Period →		
	Current Year Quarter 31-Dec-21	Preceding Year Corresponding Quarter 31-Dec-20	Changes	Current Year To Date 31-Dec-21	Preceding Year Corresponding Period 31-Dec-20	Changes
	RM'000	RM000	%	RM'000	RM000	%
Revenue	120,574	103,202	16.8%	285,169	293,515	-2.8%
Profit Before Tax	94,363	82,320	14.6%	195,711	209,219	-6.5%
Profit After Tax	64,820	65,320	-0.8%	140,225	163,075	-14.0%

22. Review of Performance for the Current Quarter and Financial Year to Date (Cont'd)

(a) Revenue: Current Quarter

For the current quarter, the Group recorded higher revenue of RM120.6 million as compared to RM103.2 million recorded in the corresponding quarter last year. The Group recorded higher tollable traffic volume in the current quarter as mentioned in Note 21(a) above. Whereas for the same period last year, the Government imposed Conditional MCO 2 ("CMCO 2") which had a tighter travel restrictions as compared to NRP Phase 3 and Phase 4.

(b) Revenue: Current Year to Date

Various phases of travel restrictions were implemented by the Government in the current year and as well as last year. However, the adverse impact due to the travel restrictions was greater in the current year as compared to last year. For the current year to date, the Group recorded lower revenue of RM285.2 million as compared to RM293.5 million recorded in the corresponding period last year. Lower tollable traffic volume was recorded in current year mainly attributable to the impact of imposition of Full MCO ("FMCO") and Enhanced MCO ("EMCO") due to the surge in the number of new COVID-19 cases.

(c) Profit before tax: Current Quarter

Similarly, the Group recorded higher profit before tax of RM94.4 million in the current quarter as compared to RM82.3 million in the corresponding quarter last year in line with the higher revenue as mentioned in (a) above and lower finance cost pursuant to scheduled repayment of bonds in April 2021.

Nevertheless, the increase in profit before tax was offset by higher amortisation of highway development expenditure arising from higher tollable traffic volume and lower profit in SPRINT Group in the current quarter. The lower profit in SPRINT Group was also mainly attributable to lower revenue registered in the current quarter.

(d) Profit before tax: Current Year to Date

Similarly, the Group recorded lower profit before tax of RM195.7 million in the current year as compared to RM209.2 million in the same period last year as a result of the lower revenue as mentioned in (a) above and lower profit in SPRINT Group in the current year. However, the decrease in profit before tax was mitigated by lower finance cost pursuant to scheduled repayment of bonds in April 2021.

(e) Profit after tax

The variance in profit after tax recorded in the current quarter and current year to date is mainly due to the reasons as mentioned above.

Quarterly Report On Consolidated Results
For The Period Ended 31 December 2021

Explanatory Notes to the Interim Financial Statements
(The figures have not been audited)

23. Current Year Prospects

Toll rates increase

On 30 April 2021, the Government had announced that it will continue to freeze toll rates hikes for all highways which were eligible for increase in calendar year 2021. Accordingly, for the Group, toll rates on Lebuhraya Damansara-Puchong highway (“LDP”) and SPRINT Highway will remain unchanged and compensation payable by the Government will be determined in accordance with the provisions of the respective Concession Agreements.

For LDP, as there is no further scheduled toll increases until the end of the concession, revenue growth can only be achieved by tollable traffic growth. Similarly for SPRINT Highway, there is no further scheduled toll increase for PENCHALA LINK from 2019 until the end of the concession; and Damansara Link and Kerinchi Link from 1 January 2022 until the end of the concession. Hence, revenue growth can only be achieved from tollable traffic growth.

Impact of COVID-19 pandemic

The Government had implemented Movement Control Order (“MCO”) on 18 March 2020, to cope with COVID-19 pandemic. Following various permutations of the MCO implemented, the financial year 2022 began with a third CMCO from 5 March 2021 to 5 May 2021. Due to a sudden surge in the number of new COVID-19 infections, the Government had tighten movement restrictions through the implementation of MCO 3.0 from 6 May 2021, followed by FMCO (“FMCO”) from 1 June 2021 and Enhanced MCO (“EMCO”) from 3 July 2021 up to 16 July 2021. On average, the tollable traffic volume during MCO 3.0, FMCO and EMCO period dropped by approximately 55% as compared to pre-MCO traffic volume registered prior to March 2020.

On 15 June 2021, the Government has implemented Phase 1 of the NRP. Subsequently, on 15 August 2021, the Government announced that more economic activities will be allowed to re-open in states under Phase 1 of the NRP from 16 August 2021 for fully vaccinated individuals. The Phase 1 of the NRP ended on 9 September 2021, followed by Phase 2 from 10 September 2021 and Phase 3 from 1 October 2021 to 17 October 2021. Interstate travel was allowed from 11 October 2021 for fully-vaccinated individuals. From 18 October 2021, Selangor, Kuala Lumpur and Putrajaya has moved to Phase 4 of the NRP and the whole of Malaysia moved to Phase 4 of the NRP from 3 January 2022. The tollable traffic volume has increased significantly due to the easing of travel restrictions mentioned above, reopening of schools in November 2021 as well as all economic sectors are allowed to operate at 100% capacity during Phase 4 NRP.

Lingkaran Trans Kota Holdings Berhad
Registration No. 199501006186 (335382-V)

Quarterly Report On Consolidated Results
For The Period Ended 31 December 2021

Explanatory Notes to the Interim Financial Statements
(The figures have not been audited)

23. Current Year Prospects (Cont'd)

Impact of COVID-19 pandemic (Cont'd)

The Group is of the view that the tollable traffic will return to pre-MCO level with the normalizing of current conditions and eventual transition to the endemic phase. Barring the resurgence of another wave of the COVID-19 or similar pandemic resulting in lockdown restrictions, the Group has sufficient reserves and working capital to meet the debt obligations and operation expenses commitment during this challenging period.

The Group has implemented and continues to follow through the necessary steps to mitigate the risks arising from the COVID-19 pandemic, including the prudent management of its cash flows from its operating, investing and financing activities.

The Group will continue to monitor the development of COVID-19 and have implemented the following measures to mitigate the impact of COVID-19 at the work place:

- COVID-19 Steering Committee and Working Committee to continue leading and monitoring the preventive measures relating to COVID-19
- Compliance with related government agencies' guidelines and standards
- Education of employees on COVID-19 symptoms and personal hygiene awareness and practices
- Mandatory COVID-19 tests for all staff, particularly for all frontliners, on a bi-monthly basis.

Impact of the Malaysian Government's Budget 2022 from Cukai Makmur ("Prosperity Tax")

During the recent tabling of the Malaysian Government's Budget 2022 on 29 October 2021, the Government has introduced Cukai Makmur which is a special one-off tax on companies which have chargeable income above RM100 million in the Year of Assessment ("YA") 2022. The first RM100 million chargeable income will continue to be taxed at the current rate of 24% and amounts in excess of RM100 million taxed at 33%. The implementation of Cukai Makmur will have an impact on the Group due to the chargeable income of a wholly-owned subsidiary of the company, Lingkaran Trans Kota Sdn Bhd, exceeding RM100 million for YA 2022. Cukai Makmur has been gazetted in the Finance Act 2021, which was published on 31 December 2021. Accordingly, the Group has made the necessary adjustment in the current quarter.

24. Profit Forecast or Profit Guarantees

- (a) There is no profit forecast applicable for comparison.
- (b) There is no profit guarantee by the Group.

Lingkar Trans Kota Holdings Berhad
Registration No. 199501006186 (335382-V)

Quarterly Report On Consolidated Results
For The Period Ended 31 December 2021

Explanatory Notes to the Interim Financial Statements
(The figures have not been audited)

25. Earnings Per Share

	Current Quarter 31-Dec-21	Current Year To Date 31-Dec-21
Basic		
Profit attributable to equity holders (RM'000)	64,820	140,225
Weighted average number of ordinary shares in issue ('000)	532,869	532,855
Basic earnings per ordinary share (sen)	12.16	26.32
Diluted		
Profit attributable to equity holders (RM'000)	64,820	140,225
Weighted average number of ordinary shares in issue ('000)	532,869	532,855
Effect of dilution via exercise of ESOS ('000)	439	421
Adjusted weighted average number of ordinary shares for calculating diluted earnings per ordinary share ('000)	533,308	533,276
Diluted earnings per ordinary share (sen)	12.15	26.30

26. Fair Value Hierarchy

The fair value measurement hierarchies used to measure financial assets and financial liabilities carried at fair value in the statements of financial position are as follows:

Level 1 - unadjusted quoted market prices in active markets for identical assets or liabilities

Level 2 - inputs other than quoted market prices that are observable either directly or indirectly

Level 3 - inputs that are significant to the fair value measurement are unobservable

As at reporting date, the Group's and the Company's fair value for investment securities is measured at Level 1 hierarchy whereas fair values for borrowings are measured at Level 2 hierarchy.

No transfers between any levels of the fair value hierarchy took place during the current financial year and the comparative year. There were also no changes in the purpose of any financial asset and financial liability that subsequently resulted in a different classification of that asset.

Lingkar Trans Kota Holdings Berhad
Registration No. 199501006186 (335382-V)

Quarterly Report On Consolidated Results
For The Period Ended 31 December 2021

Explanatory Notes to the Interim Financial Statements
(The figures have not been audited)

27. Disclosure of Amount of Gains/Losses Arising from Fair Value Changes of Financial Liabilities

There were no gains/losses arising from fair value changes of financial liabilities at the end of the quarter. The financial liabilities of the Group are not designated at fair value through profit or loss.

The above disclosure was prepared in accordance with paragraph 19 of Appendix 9B of the MMLR of Bursa Malaysia Securities Berhad.

28. Notes to the Condensed Consolidated Statement of Comprehensive Income

Total comprehensive income for the current quarter and financial year to date is arrived at after charging/(crediting) the following items:

	Current Quarter 31-Dec-21	Current Year To Date 31-Dec-21
	RM'000	RM'000
Interest income	(2,232)	(6,754)
Other income	(53)	(148)
Finance costs	6,648	20,329
Depreciation and amortisation	23,636	55,411
Provision for and write off of receivables	-	-
Provision for and write off of inventories	-	-
Gain or loss on disposal of quoted or unquoted investments or properties	-	-
Impairment of assets	-	-
Foreign exchange gain or loss	-	-
Gain or loss on derivatives	-	-

The above disclosure was prepared in accordance with paragraph 16 of Appendix 9B of the MMLR issued by Bursa Malaysia Securities Berhad. Except for the above, the rest of the items required for disclosures pursuant to paragraph 16 of MMLR are not applicable to the Group.