

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

Condensed Consolidated Statements of Financial Position
As at 30 September 2022

	As at 30-Sep-22 RM'000	As at 31-Mar-22 RM'000
Assets		
Cash and bank balances	31,683	538,437
Investment securities	2,099	2,078
Sundry receivables	167	97,417
Amount due from an associate	43	1,170
Tax recoverable	-	8
Investment in an associate	-	213,928
Plant and equipment	7	1,278
Highway development expenditure ("HDE")	-	994,222
Other intangible assets	-	695
	33,999	1,849,233
Assets classified as held for sale/distribution	1,765,454	-
Total assets	1,799,453	1,849,233
Equity and liabilities		
Equity attributable to equity holders of the Company		
Share capital	280,357	253,661
Other reserve	9,576	9,576
Retained earnings	1,088,125	950,009
Total equity	1,378,058	1,213,246
Liabilities		
Sukuk Musyarakah Medium Term Notes ("IMTNs")	-	388,349
Sundry payables	1,191	21,431
Provision for heavy repairs	-	24,399
Retirement benefit obligations	518	6,361
Tax payable	98	14,384
Deferred revenue	-	11,584
Deferred tax liabilities	-	169,479
	1,807	635,987
Liabilities directly associated with assets classified as held for sale	419,588	-
Total liabilities	421,395	635,987
Total equity and liabilities	1,799,453	1,849,233

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 2022 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statements of Comprehensive Income
for the period ended 30 September 2022

	Individual Period		Cumulative Period	
	Current Year Quarter 30-Sep-22 RM'000	Preceding Year Corresponding Quarter 30-Sep-21 RM'000	Current Year To Date 30-Sep-22 RM'000	Preceding Year Corresponding Period 30-Sep-21 RM'000
Revenue	128,114	77,543	252,740	164,595
Employee benefits expenses	(5,755)	(5,520)	(11,555)	(12,483)
Maintenance expenses	(3,337)	(2,438)	(5,682)	(4,676)
Depreciation and amortisation	(9,937)	(15,070)	(39,542)	(31,775)
Other expenses	(3,856)	(1,731)	(6,252)	(3,614)
	(22,885)	(24,759)	(63,031)	(52,548)
	105,229	52,784	189,709	112,047
Interest income	2,278	2,270	4,177	4,522
Other income	53	41	607	95
Finance costs	(3,297)	(6,648)	(7,017)	(13,681)
Share of result of an associate	(1,563)	1,238	(6,927)	(1,635)
Profit before tax	102,700	49,685	180,549	101,348
Income tax expense	(21,503)	(12,198)	(42,433)	(25,943)
Profit for the period, representing total comprehensive income for the period	81,197	37,487	138,116	75,405
Earnings Per Share (EPS)				
Basic EPS				
attributable to equity holders of the Company (sen per share)	15.03	7.04	25.62	14.15
Diluted EPS				
attributable to equity holders of the Company (sen per share)	15.03	7.03	25.62	14.14

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 2022 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 2023				
<u>6 months ended 30 September 2022</u>				
At 1 April 2022	253,661	9,576	950,009	1,213,246
Total comprehensive income	-	-	138,116	138,116
Transactions with owners				
Issuance of ordinary shares pursuant to ESOS	26,696	-	-	26,696
Total transactions with owners	26,696	-	-	26,696
At 30 September 2022	280,357	9,576	1,088,125	1,378,058
FY 2022				
<u>6 months ended 30 September 2021</u>				
At 1 April 2021	252,695	7,940	920,410	1,181,045
Total comprehensive income	-	-	75,405	75,405
Transactions with owners				
Issuance of ordinary shares pursuant to ESOS	88	-	-	88
Share options granted under ESOS	-	1,894	-	1,894
Dividends	-	-	(53,287)	(53,287)
Total transactions with owners	88	1,894	(53,287)	(51,305)
At 30 September 2021	252,783	9,834	942,528	1,205,145

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 2022 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statements of Cash Flows
for the period ended 30 September 2022

	Current Year To Date 30-Sep-22 RM'000	Preceding Year Corresponding Period 30-Sep-21 RM'000
Cash Flows From Operating Activities		
Profit before tax	180,549	101,348
Adjustments for:		
Amortisation of HDE	39,322	31,461
Amortisation of other intangible assets	80	98
Depreciation of plant and equipment	140	216
Gain on disposal of plant and equipment	-	(29)
Share of result of an associate	6,927	1,635
Deferred revenue recognised	(780)	(780)
Interest income from fixed deposits	(1,327)	(1,725)
Distribution from investment securities	(21)	(37)
Profit element and other charges on IMTNs	6,223	12,134
Unwinding of discount on IMTNs	794	1,547
Profit on Islamic investment	(2,850)	(2,797)
Provision for retirement benefits	325	325
Share options granted under ESOS	-	1,426
Operating profit before working capital changes	<u>229,382</u>	<u>144,822</u>
Changes in receivables	(80,924)	(51,582)
Changes in payables	(1,708)	(548)
Changes in amount due from an associate	71	(460)
Cash generated from operations	<u>146,821</u>	<u>92,232</u>
Income tax paid	(48,005)	(28,051)
Net cash generated from operating activities	<u>98,816</u>	<u>64,181</u>
Cash Flows From Investing Activities		
Purchase of plant and equipment	(215)	(189)
Purchase of other intangible assets	(13)	-
Payments for heavy repairs	(2,211)	-
Interest income received from fixed deposits	1,977	1,552
Profit received from Islamic investment	2,926	3,196
Distribution received from investment securities	21	37
Proceeds from disposal of plant and equipment	-	29
(Purchase)/net proceeds from disposal of investment securities	(21)	1,163
Net cash generated from investing activities	<u>2,464</u>	<u>5,788</u>

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for the period ended 30 September 2022

	Current Year To Date 30-Sep-22 RM'000	Preceding Year Corresponding Period 30-Sep-21 RM'000
Cash Flows From Financing Activities		
Proceeds from issuance of ordinary shares via exercise of ESOS	26,696	88
Profit element and fees paid on IMTNs	(11,655)	(17,457)
Dividends paid	-	(53,287)
Repayment of IMTNs	(200,000)	(200,000)
Net cash used in financing activities	(184,959)	(270,656)
Net decrease in cash and cash equivalents	(83,679)	(200,687)
Cash and cash equivalents at beginning of the year	538,437	621,119
Cash and cash equivalents at end of the period	454,758	420,432

Cash and cash equivalents at the end of the financial period comprise the following:		
Deposits with licensed banks and financial institutions	254,104	286,223
Cash on hand and at banks	200,654	134,209
Cash and cash equivalents at end of the period	454,758	420,432

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 2022 and the accompanying explanatory notes attached to the interim financial statements.

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Quarterly Report On Consolidated Results
For The Period Ended 30 September 2022

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 2022, 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 2022.

On 2 April 2022, the Company received a Conditional Letter of Offer (“CLOO”) from Amanat Lebuhraya Rakyat Berhad (“ALR”) in respect of the ALR’s offer to acquire all the securities of Lingkar Trans Kota Sdn Bhd (“LITRAK”), a wholly-owned subsidiary of the Company (“LITRAK Offer”).

On the same date, Sistem Penyuraian Trafik KL Barat Holdings Sdn. Bhd. (“SPRINT Holdings”), the Company’s 50% associated company, received a CLOO from ALR in respect of ALR’s offer to acquire all the securities of SPRINT, a wholly-owned subsidiary of SPRINT Holdings (“SPRINT Offer”).

On 18 April 2022, the Board of Directors of the Company has accepted the LITRAK Offer and the Board of Directors of SPRINT Holdings has also separately accepted the SPRINT Offer.

All the conditions prior to the execution of Finalised SSPAs as set out in the respective CLOOs has been fulfilled on 5 August 2022. Accordingly, on the even date, the Company and SPRINT Holdings had entered into the respective Finalised SSPAs with ALR for the Proposed Disposals.

As of 30 September 2022, the disposal group is available for immediate sale in its present condition through the acceptance of ALR’s offer by the Board of Directors of the Company on 18 April 2022. The Company had announced the disposal of LITRAK and had obtained approvals from its shareholders on 5 August 2022. The Company expects to complete the disposal within 12 months from 30 September 2022. As the disposal meets the criterias set out in MFRS 5 Non-current Assets Held for Sale and Discontinued Operations, the assets of LITRAK shall be classified as held for sale and measured at lower of its carrying amount and fair value less cost to sell at the Company’s consolidated financial statements. In accordance with MFRS 5 Non-current Assets Held for Sale and Discontinued Operations, assets of disposal group classified as held for sale are presented separately from the other assets in the consolidated statements of financial position. The liabilities of disposal group classified as held for sale are presented separately from other liabilities in the consolidated statements of financial position.

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(The figures have not been audited)

1. Basis of Preparation (Cont'd)

Upon the completion of the disposals on 13 October 2022, the Company does not have any core business other than being an investment holding company and accordingly the Company has become a Cash Company, as defined under Practice Note 16 of the Main Market Listing Requirements. In such circumstances, the Company has a period of 12 months from the date it received the notice from Bursa Malaysia to regularise its condition. However, it is not the intention of the Company to maintain its listing status and the Company has no intentions to regularise the Company's financial condition in the event the Company had triggered Paragraphs 8.03 and/or 8.03A of the Listing Requirements. The Board intends to distribute the disposal proceeds to the shareholders of the Company by way of special cash dividend and/or capital repayment. If the proposed distribution by way of capital repayment is not approved or carried out, the Board will consider other available options to return the disposal proceeds to the shareholders of the Company through a proposal to voluntarily wind up the Company. If the proposed distribution by way of capital repayment is approved and carried out, the Board will apply to Bursa Securities for the voluntary withdrawal of the Company from the Main Market of Bursa Securities after the completion of the proposed distribution. The Company will make the appropriate announcements on any material developments on the proposed distribution pursuant to the Listing Requirements and obtain shareholders' approval at an Extraordinary General Meeting, where applicable.

Accordingly, the quarterly report on the consolidated results for the period ended 30 September 2022 have been prepared on a basis other than going concern. Where appropriate, the carrying values of the assets are written down to their realisable values and liabilities are recorded to the extent that such costs were committed at the end of the reporting period. All assets and liabilities have been classified as current and are expected to be realised within 12 months except for tax payable.

Further details of the corporate proposal are as disclosed in Note 17.

The Group presents their consolidated statement of financial position in the order of liquidity and voluntarily presents for comparative amounts.

The financial statements are presented in Ringgit Malaysia ("RM") and all values rounded to the nearest thousand (RM'000) except when otherwise indicated.

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 2022.

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2. Changes in Accounting Policies (Cont'd)

On 1 April 2022, the Group adopted the following amended standards mandatory for annual periods beginning on or after 1 January 2022:

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

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

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:

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

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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 2022.

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 period 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 period 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 533,083,618 as at 31 March 2022 to 540,519,618 as at 30 September 2022 by way of issuance of 7,436,000 new ordinary shares pursuant to the exercise of the Employee Share Option Scheme ("ESOS") at exercise prices ranging from RM3.33 to RM4.68 per ordinary share.

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

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8. Dividend

No dividend is recommended for the current quarter. No dividend was declared in the previous year corresponding quarter ended 30 September 2021.

Subsequent to the financial period ended 30 September 2022, on 25 October 2022, the Board of Directors has approved a single-tier (exempt from tax) special dividend of RM4.57 per ordinary share for the financial year ending 31 March 2023.

The special dividend was paid on 17 November 2022 and in respect of deposited securities, entitlement to dividend was determined on the basis of the record of depositors at the book closure date.

The total dividend per ordinary share for the current financial year to date ending 31 March 2023 is RM4.57. For the preceding year corresponding period, a single-tier (exempt from tax) dividend of 10 sen per ordinary share was declared.

9. Dividends paid

There was no dividend paid during the current quarter and financial period to date.

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10. Segment Analysis

	Highway RM'000	Others RM'000	Inter-segment Eliminations RM'000	Total RM'000
6 months ended 30 September 2022				
Revenue				
Revenue from external customers	252,740	-	-	252,740
Inter-segment revenue	-	530	(530)	-
Total revenue	<u>252,740</u>	<u>530</u>	<u>(530)</u>	<u>252,740</u>
Results				
Segment results	192,908	(2,690)	98	190,316
Interest/profit income	<u>3,896</u>	<u>281</u>	<u>-</u>	<u>4,177</u>
Profit/(loss) from operations	196,804	(2,409)	98	194,493
Finance costs	(7,017)	-	-	(7,017)
Share of result of an associate	<u>(6,927)</u>	<u>-</u>	<u>-</u>	<u>(6,927)</u>
Profit/(loss) before tax	182,860	(2,409)	98	180,549
Income tax expense	<u>(42,242)</u>	<u>(191)</u>	<u>-</u>	<u>(42,433)</u>
Profit/(loss) for the period, representing total comprehensive income for the period	<u>140,618</u>	<u>(2,600)</u>	<u>98</u>	<u>138,116</u>
6 months ended 30 September 2021				
Revenue				
Revenue from external customers	164,595	-	-	164,595
Inter-segment revenue	-	54,530	(54,530)	-
Total revenue	<u>164,595</u>	<u>54,530</u>	<u>(54,530)</u>	<u>164,595</u>
Results				
Segment results	112,866	53,205	(53,929)	112,142
Interest/profit income	<u>4,480</u>	<u>42</u>	<u>-</u>	<u>4,522</u>
Profit from operations	117,346	53,247	(53,929)	116,664
Finance costs	(13,681)	-	-	(13,681)
Share of result of an associate	<u>(1,635)</u>	<u>-</u>	<u>-</u>	<u>(1,635)</u>
Profit before tax	102,030	53,247	(53,929)	101,348
Income tax expense	<u>(25,812)</u>	<u>(131)</u>	<u>-</u>	<u>(25,943)</u>
Profit for the period, representing total comprehensive income for the period	<u>76,218</u>	<u>53,116</u>	<u>(53,929)</u>	<u>75,405</u>

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10. Segment Analysis (Cont'd)

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

	Highway		Others		Inter-segment Eliminations		Total	
	30-Sep-22	31-Mar-22	30-Sep-22	31-Mar-22	30-Sep-22	31-Mar-22	30-Sep-22	31-Mar-22
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Assets and liabilities								
Segment assets	-	1,627,284	84,611	60,095	(50,612)	(52,074)	33,999	1,635,305
Assets classified as held for sale/distribution	1,766,777	-	-	-	(1,323)	-	1,765,454	-
Investment in an associate	-	213,928	-	-	-	-	-	213,928
Consolidated total assets	1,766,777	1,841,212	84,611	60,095	(51,935)	(52,074)	1,799,453	1,849,233
Segment liabilities	-	634,729	1,939	1,519	(132)	(261)	1,807	635,987
Liabilities directly associated with assets classified as held for sale	419,676	-	-	-	(88)	-	419,588	-
Consolidated total liabilities	419,676	634,729	1,939	1,519	(220)	(261)	421,395	635,987

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.

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

Except for as disclosed in Note 17, 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 except for the Proposed Disposals as disclosed in Note 17.

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14. Changes in Contingent Liabilities or Contingent Assets

There were no significant contingent liabilities or contingent assets except for pursuant to the disposal of LITRAK, the Company is liable for any breach of Vendor's warranties for a period of 13 months from 31 December 2021. The aggregate liability of the Company as the Vendor shall in no event exceed the retention sum of RM17.2 million.

15. Capital Commitments

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

	As at 30-Sep-22 RM'000
Capital expenditure	
Approved but not contracted for (LITRAK):	
Highway development expenditure	8,801
Total	8,801

16. Income Tax Expense

	Current Quarter 30-Sep-22 RM'000	Current Period To Date 30-Sep-22 RM'000
Current income tax	24,898	49,667
Deferred tax	(3,395)	(7,234)
Total	21,503	42,433

For the current quarter and financial period to date, the Group's effective tax rate (excluding the result of an associate which is equity accounted net of tax) is lower than the statutory tax rate due to no depreciation and amortisation charge for LITRAK for August 2022 and September 2022 as a result of adopting MFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

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(The figures have not been audited)

17. Status of Corporate Proposals

Proposed disposal of all the securities in Lingkar Trans Kota Sdn Bhd (“LITRAK”) and Sistem Penyuraian Trafik KL Barat Sdn Bhd (“SPRINT”) to Amanat Lebuhraya Rakyat Berhad (“ALR”) (“Proposed Disposals”)

On 3 October 2022, the Company, SPRINT Holdings and ALR had mutually agreed to extend the Long Stop Date up until 31 October 2022 for the remaining conditions precedent to be satisfied, being the successful fund-raise by ALR to make all payments required to be made to the Company and SPRINT Holdings.

On 13 October 2022, the respective Finalised SSPA's has become unconditional following the fulfilment of the conditions precedent and the disposals of LITRAK and SPRINT were completed. The completion amount has been received by the Company for all securities in LITRAK. A retention sum of RM17.2 million has been retained by ALR as the purchaser and will be retained until the end of the warranty period which will fall on 31 January 2023. A total of RM57.8 million remains outstanding from the Government of Malaysia for imposition of toll rates lower than scheduled toll rates in the Concession Agreement.

Pursuant to the completion of the Proposed Disposals on 13 October 2022, LITRAK has ceased to be a subsidiary of the Company and SPRINT has ceased to be a subsidiary of SPRINT Holdings and an indirect associate company of the Company.

The Company has been classified as a Cash Company pursuant to Paragraph 8.03(1) of the Listing Requirements upon completion of the disposals of LITRAK and SPRINT.

As approved in the EGM, the Company plans to distribute the disposal considerations from the disposal of LITRAK and SPRINT by way of special cash dividend and capital repayment (“Proposed Distributions”).

The Company has on 25 October 2022 announced a Special Dividend of RM4.57 per ordinary share for payment on 17 November 2022. Subsequently, the Company will distribute the remaining cash in the Company via a capital repayment exercise. The capital repayment exercise will be subject to, amongst others, the approval of our shareholders and the order by the High Court of Malaya confirming the capital repayment exercise being obtained, the capital repayment exercise is expected to be completed within twelve (12) months from the Completion Date i.e. 13 October 2022.

As at the date of this report, the Proposed Distributions are yet to be completed.

Upon completion of the Proposed Disposals on 13 October 2022, the Group recognised gain on disposal of LITRAK of RM1,233 million.

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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 30-Sep-22 RM'000	As at 30-Sep-21 RM'000
Secured:		
<u>Long Term Borrowings</u>		
Sukuk Musyarakah Medium Term Notes		
- IMTN I and IMTN II	-	186,801
<u>Short Term Borrowings</u>		
Sukuk Musyarakah Medium Term Notes		
- IMTN I and IMTN II	189,143	200,000
	189,143	386,801
Less: Liabilities directly associated with assets classified as held for sale	(189,143)	-
Total Borrowings	-	386,801

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:

	6 months ended 30-Sep-22 RM'000	6 months ended 30-Sep-21 RM'000
Repayment during the period	200,000	200,000

19. Disclosure of Derivatives

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

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20. Material Litigations

There were no pending material litigations. There has been no change in the situation since 31 March 2022 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 30-Sep-22	Immediate Preceding Quarter 30-Jun-22	Changes
	RM'000	RM'000	%
Revenue	128,114	124,626	2.8%
Profit Before Tax	102,700	77,849	31.9%
Profit After Tax	81,197	56,919	42.7%

(a) Revenue

The Group recorded higher revenue of RM128.1 million in the current quarter as compared to RM124.6 million registered in the last quarter. Lower revenue recorded in the last quarter was mainly due to toll discounts given in conjunction with Hari Raya Aidilfitri and lower tollable traffic volume during the festive period in the last quarter.

(b) Profit before tax

The Group recorded a significant higher profit before tax of RM102.7 million in the current quarter as compared to RM77.8 million recorded in the last quarter. The increase in profit before tax of RM24.9 million is mainly attributable to the following:

- (i) Higher revenue as mentioned in (a) above; and
- (ii) No depreciation and amortisation charge for LITRAK for August 2022 and September 2022 as a result of adopting MFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

(c) Profit after tax

The Group recorded higher profit after tax of RM81.2 million in the current quarter as compared to RM56.9 million in the immediate preceding quarter mainly due to the reasons as mentioned above.

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

	← Individual Period →			← Cumulative Period →		
	Current Year Quarter 30-Sep-22	Preceding Year Corresponding Quarter 30-Sep-21	Changes	Current Year To Date 30-Sep-22	Preceding Year Corresponding Period 30-Sep-21	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	128,114	77,543	65.2%	252,740	164,595	53.6%
Profit Before Tax	102,700	49,685	106.7%	180,549	101,348	78.1%
Profit After Tax	81,197	37,487	116.6%	138,116	75,405	83.2%

(a) Revenue: Current Quarter

For the current quarter, the Group recorded a significantly higher revenue of RM128.1 million as compared to RM77.5 million recorded in the corresponding quarter last year, an increase of RM50.6 million. The improved revenue was mainly due to higher tollable traffic volume achieved in the current quarter resulting from Malaysia's transition to endemic phase of COVID-19 from 1 April 2022 onwards. The Government of Malaysia fully lifted travelling and business operating restrictions with economic and social activities resuming to normal. For the same period last year, the Group recorded lower tollable traffic volume arising from the imposition of travel restrictions by the Government in response to the COVID-19 pandemic.

(b) Revenue: Current Year to Date

For the first six months of this financial year, the Group recorded a significantly higher revenue of RM252.7 million as compared to RM164.6 million recorded in the corresponding period last year, an increase of RM88.1 million. The increase in revenue in the current year was mainly due to the Group recorded higher tollable traffic volume attributable to Malaysia transitioning to the endemic phase from 1 April 2022 onwards. The Group registered lower tollable traffic volume in last year mainly attributable to the impact of imposition of Full MCO ("FMCO") and Enhanced MCO ("EMCO") by the Government due to the surge in the number of new COVID-19 cases.

(c) Profit before tax: Current Quarter

Accordingly, the Group registered higher profit before tax of RM102.7 million in the current quarter as compared to RM49.7 million in the same period last year. The increase in profit before tax of RM53.0 million in the current quarter is mainly due to the following:

- (i) Higher revenue as mentioned in (a) above; and
- (ii) Lower depreciation and amortisation charge in the current quarter as a result of adopting MFRS 5 Non-current Assets Held for Sale and Discontinued Operations as mentioned in Note 21(b)(ii) above.

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

(d) Profit before tax: Current Year to Date

Similarly, the Group registered higher profit before tax of RM180.5 million in the current year as compared to RM101.3 million in the same period last year. The increase in profit before tax of RM79.2 million mainly due to the following:

- (i) Improved revenue as mentioned in (b) above; and
- (ii) Lower finance cost pursuant to scheduled repayment of bonds in April 2022.

Nevertheless, the increase in profit before tax was reduced by the following:

- (i) Higher amortisation of HDE recognised by LITRAK in the current year, resulting from the adoption of a revised independent traffic consultant's report since March 2022 and higher tollable traffic volume recorded in current year; and
- (ii) Higher share of loss in SPRINT Group in current year as compared to last year.

(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.

23. Current Year Prospects

Proposed Disposals of LITRAK and SPRINT

As disclosed in Note 17, the disposals of LITRAK and SPRINT were completed on 13 October 2022.

Upon the completion of the disposals on 13 October 2022, the Company does not have any core business other than being an investment holding company and accordingly the Company has become a Cash Company, as defined under Practice Note 16 of the Main Market Listing Requirements. In such circumstances, the Company has a period of 12 months from the date it receives the notice from Bursa Malaysia to regularise its condition.

24. Profit Forecast or Profit Guarantees

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

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25. Earnings Per Share

	Current Quarter 30-Sep-22	Current Year To Date 30-Sep-22
Basic		
Profit attributable to equity holders (RM'000)	81,197	138,116
Weighted average number of ordinary shares in issue ('000)	540,058	539,001
Basic earnings per ordinary share (sen)	15.03	25.62
Diluted		
Profit attributable to equity holders (RM'000)	81,197	138,116
Weighted average number of ordinary shares in issue ('000)	540,058	539,001
Effect of dilution via exercise of ESOS ('000)	145	126
Adjusted weighted average number of ordinary shares for calculating diluted earnings per ordinary share ('000)	540,203	539,127
Diluted earnings per ordinary share (sen)	15.03	25.62

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.

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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 30-Sep-22	Current Year To Date 30-Sep-22
	RM'000	RM'000
Interest income	(2,278)	(4,177)
Other income	(53)	(607)
Finance costs	3,297	7,017
Depreciation and amortisation	9,937	39,542

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.

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29. Assets Classified as Held for Sale/Distribution

As disclosed in Note 17 (Status of Corporate Proposals), the Proposed Disposals were completed on 13 October 2022.

The major classes of assets and liabilities classified as held for sale/distribution as at 30 September 2022 are as follows:

Assets

Highway development expenditure ("HDE")	954,900
Plant and equipment	1,346
Other intangible assets	628
Sundry receivables	177,448
Amount due from a related company	1,056
Cash and bank balances	423,075
Investment in an associate	207,001
Assets classified as held for sale/distribution	<u>1,765,454</u>

Liabilities

Deferred revenue	(10,804)
Deferred tax liabilities	(162,245)
Sukuk Musyarakah Medium Term Notes ("IMTNs")	(189,143)
Retirement benefit obligations	(6,168)
Provision for heavy repairs	(22,188)
Sundry payables	(13,100)
Tax payable	(15,940)
Liabilities directly associated with assets classified as held for sale	<u>(419,588)</u>

**Net assets directly associated with assets
classified as held for sale/distribution**

1,345,866