

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

Condensed Consolidated Statements of Financial Position
As At 31 March 2023

	As at 31-Mar-23 RM'000	As at 31-Mar-22 RM'000
Assets		
Cash and bank balances	233,970	538,437
Investment securities	2,133	2,078
Sundry receivables	69,509	97,417
Amount due from an associate	-	1,170
Tax recoverable	-	8
Investment in an associate	-	213,928
Plant and equipment	8	1,278
Highway development expenditure ("HDE")	-	994,222
Other intangible assets	-	695
Total assets	305,620	1,849,233
Equity and liabilities		
Equity attributable to equity holders of the Company		
Share capital	289,645	253,661
Other reserve	4,921	9,576
Retained earnings	1,433	950,009
Total equity	295,999	1,213,246
Liabilities		
Sukuk Musyarakah Medium Term Notes ("IMTNs")	-	388,349
Sundry payables	9,386	21,431
Provision for heavy repairs	-	24,399
Retirement benefit obligations	129	6,361
Tax payable	106	14,384
Deferred revenue	-	11,584
Deferred tax liabilities	-	169,479
Total liabilities	9,621	635,987
Total equity and liabilities	305,620	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 year ended 31 March 2023

	Individual Period		Cumulative Period	
	Current Year Quarter 31-Mar-23 RM'000	Preceding Year Corresponding Quarter 31-Mar-22 RM'000	Current Year To Date 31-Mar-23 RM'000	Preceding Year Corresponding Period 31-Mar-22 RM'000
Revenue (Note 1)	-	115,763	269,461	400,932
Employee benefits expenses	16	(4,885)	(12,826)	(22,292)
Maintenance expenses	30	(4,745)	(6,121)	(12,692)
Depreciation and amortisation	(2)	(40,657)	(39,643)	(96,068)
Other expenses	(451)	(3,042)	(7,274)	(8,649)
	(407)	(53,329)	(65,864)	(139,701)
	(407)	62,434	203,597	261,231
Interest income	1,723	2,857	13,694	9,611
Other income	36	765	723	913
Gain on disposal of a subsidiary company	(11,759)	-	1,123,811	-
Gain on disposal of an associate (Note 1)	26,001	-	250,500	-
Finance costs	-	(6,520)	(7,446)	(26,849)
Share of result of an associate	-	(12,968)	(6,927)	(2,627)
Profit before tax	15,594	46,568	1,577,952	242,279
Income tax expense	1,668	(23,945)	(51,331)	(79,431)
Profit for the year, representing total comprehensive income for the year	17,262	22,623	1,526,621	162,848
Earnings Per Share (EPS)				
Basic EPS				
attributable to equity holders of the Company (sen per share)	3.19	4.24	282.59	30.56
Diluted EPS				
attributable to equity holders of the Company (sen per share)	3.18	4.24	282.09	30.54

Note 1: Reclassification in prior period's presentation

The reclassification has been made due to the change in accounting treatment and to reflect the substance of the disposal of SPRINT which was completed on 13 October 2022. The reclassification does not affect the Group consolidated profit before tax for the relevant quarter/period. The affected line items are as follows:

	FY 2023	Q4 FY 2023	Cumulative period to Q3 FY2023		
	Current year to date	Current year quarter	As restated	As reported	Reclassification
	31-Mar-23 RM'000	31-Mar-23 RM'000	31-Dec-22 RM'000	31-Dec-22 RM'000	(Decrease)/Increase RM'000
	(a) + (b)	(a)	(b)		
Revenue	269,461	-	269,461	378,961	(109,500)
Reversal of share of losses upon redemption of preference shares in an associate	-	-	-	114,999	(114,999)
Gain on disposal of an associate	250,500	26,001	224,499	-	224,499
					-

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>12 months ended 31 March 2023</u>				
At 1 April 2022	253,661	9,576	950,009	1,213,246
Total comprehensive income	-	-	1,526,621	1,526,621
Transactions with owners				
Issuance of ordinary shares pursuant to ESOS	31,346	-	-	31,346
Share options exercised	4,638	(4,655)	-	(17)
Dividends	-	-	(2,475,197)	(2,475,197)
Total transactions with owners	35,984	(4,655)	(2,475,197)	(2,443,868)
At 31 March 2023	289,645	4,921	1,433	295,999
FY 2022				
<u>12 months ended 31 March 2022</u>				
At 1 April 2021	252,695	7,940	920,410	1,181,045
Total comprehensive income	-	-	162,848	162,848
Transactions with owners				
Issuance of ordinary shares pursuant to ESOS	843	-	-	843
Share options granted under ESOS	-	1,759	-	1,759
Share options exercised	123	(123)	-	-
Dividends	-	-	(133,249)	(133,249)
Total transactions with owners	966	1,636	(133,249)	(130,647)
At 31 March 2022	253,661	9,576	950,009	1,213,246

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 year ended 31 March 2023

	Current Year To Date 31-Mar-23 RM'000	Preceding Year Corresponding Period 31-Mar-22 RM'000
Cash Flows From Operating Activities		
Profit before tax	1,577,952	242,279
Adjustments for:		
Amortisation of HDE	39,420	95,400
Amortisation of other intangible assets	80	202
Depreciation of plant and equipment	143	466
Plant and equipment written off	-	2
Gain on disposal of plant and equipment	-	(31)
Share of result of an associate	6,927	2,627
Deferred revenue recognised	(831)	(1,562)
Interest income from fixed deposits	(2,600)	(4,063)
Interest income in respect of retention sum by ALR	(138)	-
Distribution from investment securities	(55)	(61)
Profit element and other charges on IMTNs	6,601	23,754
Unwinding of discount on IMTNs	845	3,095
Profit on Islamic investment	(10,956)	(5,548)
Decrease in provision for short term accumulating compensated absences	(60)	(41)
Provision for retirement benefits	(44)	649
Gain on disposal of a subsidiary company	(1,123,811)	-
Gain on disposal of an associate	(250,500)	-
Share options granted under ESOS	-	1,329
Operating profit before working capital changes	242,973	358,497
Changes in receivables	(79,539)	(16,358)
Changes in payables	6,226	(998)
Changes in amount due from an associate	104	(833)
Cash generated from operations	169,764	340,308
Income tax paid	(49,946)	(73,309)
Retirement benefits paid	-	(78)
Net cash generated from operating activities	119,818	266,921
Cash Flows From Investing Activities		
Payments for HDE	-	(104)
Purchase of plant and equipment	(268)	(353)
Purchase of other intangible assets	(13)	(50)
Payments for heavy repairs	(3,315)	(532)
Interest income received from fixed deposits	3,176	4,086
Interest income in respect of retention sum by ALR	138	-
Profit received from Islamic investment	10,795	6,179
Distribution received from investment securities	-	61
Proceeds from disposal of plant and equipment	-	31
Net proceeds from disposal of investment securities	-	2,594
Proceeds from disposal of a subsidiary company	1,771,131	-
Proceeds from disposal of an associate	455,250	-
Net cash generated from investing activities	2,236,894	11,912

**Condensed Consolidated Statements of Cash Flows
 for the year ended 31 March 2023**

	Current Year To Date 31-Mar-23 RM'000	Preceding Year Corresponding Period 31-Mar-22 RM'000
Cash Flows From Financing Activities		
Proceeds from issuance of ordinary shares via exercise of ESOS	31,346	843
Share option forfeited	(17)	-
Profit element and fees paid on IMTNs	(17,311)	(29,109)
Dividends paid	(2,475,197)	(133,249)
Repayment of IMTNs	(200,000)	(200,000)
Net cash used in financing activities	(2,661,179)	(361,515)
Net decrease in cash and cash equivalents	(304,467)	(82,682)
Cash and cash equivalents at beginning of the year	538,437	621,119
Cash and cash equivalents at end of the year	233,970	538,437

Cash and cash equivalents at the end of the financial year comprise the following:

Deposits with licensed banks and financial institutions (Note 2)	233,468	367,618
Cash on hand and at banks	502	170,819
Cash and cash equivalents at end of the year	233,970	538,437
Short-dated investment securities	2,133	2,078
Cash and short-dated securities	236,103	540,515

Note 2:

Included in the deposits with licensed banks and financial institutions for the current year, is an amount of RM214.6 million placed with a financial institution licensed by Bank Negara Malaysia and operated by MTrustee Berhad as a custodian, representing 91% of its cash and short-dated securities, in compliance with Paragraph 8.03(4) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

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 Year Ended 31 March 2023

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

1. Basis of Preparation

This interim financial report of Lingkaran Trans Kota Holdings Berhad (“LITRAK Holdings” or “Company”) has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial report is unaudited and should be read in conjunction with the audited financial statements of the LITRAK Holdings Group (“Group”) for the year ended 31 March 2022, which have been prepared in accordance with MFRSs 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 Lingkaran Trans Kota Sdn Bhd (“LITRAK”), then 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% owned associated company, received a CLOO from ALR in respect of ALR’s offer to acquire all the securities of Sistem Penyuraian Trafik KL Barat Sdn Bhd (“SPRINT”), then a wholly-owned subsidiary of SPRINT Holdings (“SPRINT Offer”).

(Both the LITRAK Offer and the SPRINT Offer are collectively referred to as “Disposals”).

On 18 April 2022, the Board of Directors of the Company (“Board”) accepted the LITRAK Offer and the Board of Directors of SPRINT Holdings also separately accepted the SPRINT Offer.

All the conditions prior to the execution of the Finalised Share Sale and Purchase Agreements (“SSPAs”) as set out in the respective CLOOs had been fulfilled on 5 August 2022. Accordingly, on the even date, the Company and SPRINT Holdings entered into the respective SSPAs with ALR for the Disposals. The Disposals were completed on 13 October 2022.

As of 31 July 2022, the disposal group was available for immediate sale in its present condition through the acceptance of LITRAK Offer and SPRINT Offer by the respective Board of Directors of the Company and SPRINT Holdings on 18 April 2022. The Company announced that the Disposals had obtained approvals from the shareholders of respective companies on 5 August 2022. As the Disposals meet the criteria set out in MFRS 5 Non-current Assets Held for Sale and Discontinued Operations, the assets and liabilities directly associated with LITRAK and SPRINT Holdings shall be classified as held for sale/ distribution and measured at lower of its carrying amount or fair value less cost to sell in the Company’s consolidated financial statements.

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1. Basis of Preparation (Cont'd)

Upon the completion of the Disposals on 13 October 2022, LITRAK ceased to be a subsidiary of the Company, and the Group shall derecognise the assets and liabilities of LITRAK in the Group's consolidated financial statements.

As a result, the Company does not have any core business other than being an investment holding company. Furthermore, the Company has been notified by Bursa Securities that it would become a Cash Company, as defined under Paragraph 8.03 of the MMLR, upon completion of the Disposals. In such circumstances, the Company has a period of 12 months from the date it received the notice from Bursa Securities to regularise its condition. However, it is not the intention of the Company to maintain its listing status and the Company has no intention to regularise its financial condition pursuant to Paragraphs 8.03 and/or 8.03A of the MMLR.

Accordingly, the Board intends to distribute the proceeds from the Disposals to the shareholders of the Company by way of special cash dividend and/or capital repayment.

Hence, the quarterly report on the consolidated results for the year ended 31 March 2023 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.

Details of the Group's corporate proposals are 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.

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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.

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

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2. Changes in Accounting Policies (Cont'd)

Effective for annual periods beginning on or after 1 January 2024:

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Non-current Liabilities with Covenants

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.

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

Other than the disposal of LITRAK and SPRINT, 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.

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7. Debt and Equity Securities

During the financial year to date, the Company increased its issued and paid-up share capital from 533,083,618 ordinary shares as at 31 March 2022 to 541,618,618 ordinary shares as at 31 March 2023 by way of issuance of 8,535,000 new ordinary shares pursuant to the exercise of options under the Company's Employee Share Option Scheme 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 year to date.

8. Dividend

No dividend has been recommended for the current quarter. Dividend for the current financial year and the preceding year are as follows: -

FY 2023	FY 2022
(i) Single-tier (exempt from tax) special dividend of RM4.57 per ordinary share	(i) Single-tier (exempt from tax) first interim dividend of 10 sen per ordinary share (ii) Single-tier (exempt from tax) second interim dividend of 15 sen per ordinary share
Total dividend declared for the financial year was RM4.57 per ordinary share	Total dividend declared for the financial year was 25 sen per ordinary share

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9. Dividends paid

	12 months ended 31-Mar-23 RM'000	12 months ended 31-Mar-22 RM'000
<u>Special Dividend</u>		
Single-tier (exempt from tax) special dividend of RM4.57 per ordinary share for the financial year ended 31 March 2023 was paid on 17 November 2022	2,475,197	-
<u>Interim Dividends</u>		
First interim single-tier (exempt from tax) dividend of 10 sen per ordinary share for the financial year ended 31 March 2022 was paid on 24 September 2021	-	53,287
Second interim single-tier (exempt from tax) dividend of 15 sen per ordinary share for the financial year ended 31 March 2022 was paid on 30 March 2022	-	79,962
	2,475,197	133,249

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10. Segment Analysis

	Highway RM'000	Others RM'000	Inter-segment Eliminations RM'000	Total RM'000
12 months ended				
31 March 2023				
Revenue				
Revenue from external customers	269,461	-	-	269,461
Inter-segment revenue	-	394,255	(394,255)	-
Total revenue	269,461	394,255	(394,255)	269,461
Results				
Segment results	208,223	390,352	(394,255)	204,320
Interest/profit income	4,036	9,658	-	13,694
Profit from operations	212,259	400,010	(394,255)	218,014
Gain on disposal of a subsidiary company	-	1,123,811	-	1,123,811
Gain on disposal of an associate	-	250,500	-	250,500
Finance costs	(7,446)	-	-	(7,446)
Share of result of an associate	(6,927)	-	-	(6,927)
Profit before tax	197,886	1,774,321	(394,255)	1,577,952
Income tax expense	(49,190)	(2,141)	-	(51,331)
Profit for the year, representing total comprehensive income for the year	148,696	1,772,180	(394,255)	1,526,621
12 months ended				
31 March 2022				
Revenue				
Revenue from external customers	400,932	-	-	400,932
Inter-segment revenue	-	135,191	(135,191)	-
Total revenue	400,932	135,191	(135,191)	400,932
Results				
Segment results	263,507	132,422	(133,785)	262,144
Interest/profit income	9,462	149	-	9,611
Profit from operations	272,969	132,571	(133,785)	271,755
Finance costs	(26,849)	-	-	(26,849)
Share of result of an associate	(2,627)	-	-	(2,627)
Profit before tax	243,493	132,571	(133,785)	242,279
Income tax expense	(79,117)	(314)	-	(79,431)
Profit for the year, representing total comprehensive income for the year	164,376	132,257	(133,785)	162,848

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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	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	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	306,155	60,095	(535)	(52,074)	305,620	1,635,305
Investment in an associate	-	213,928	-	-	-	-	-	213,928
Consolidated total assets	-	1,841,212	306,155	60,095	(535)	(52,074)	305,620	1,849,233
Segment liabilities	-	634,729	9,786	1,519	(165)	(261)	9,621	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 as disclosed in Note 17, there is no material event subsequent to the end of the quarter under review.

13. Changes in Composition of the Group

There has been no change in the composition of the Group for the current quarter and financial year to date except for the Disposals as disclosed in Note 17.

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14. Changes in Contingent Liabilities or Contingent Assets

There are no significant contingent liabilities or contingent assets.

15. Capital Commitments

There is no capital commitment in the current quarter and financial year to date.

16. Income Tax Expense

	Current Quarter 31-Mar-23 RM'000	Current Year To Date 31-Mar-23 RM'000
Current income tax	(12,585)	49,148
Deferred tax	10,917	2,183
Total	(1,668)	51,331

For the current quarter and financial year to date, the Group's effective tax rate is lower than the statutory tax rate as a result of capital gains recognised upon completion of the Disposals, which are not taxable.

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(The figures have not been audited)

17. Status of Corporate Proposals

A. Disposal of LITRAK and SPRINT

On 13 October 2022, the respective SSPAs in relation to LITRAK Offer and SPRINT Offer have become unconditional following the fulfilment of the conditions precedent and the Disposals were completed on the even date. The completion amount has been received by the Company for all securities in LITRAK.

Pursuant to the Disposals, ALR has withheld retention sums amounting to RM17.24 million and RM6.61 million respectively from the disposal consideration to be received by the Company and SPRINT Holdings as a safeguard to the warranties provided to ALR in respect of LITRAK and SPRINT.

On 24 February 2023, ALR notified the Company and SPRINT Holdings of the warranty claims for a sum of RM10.06 million and RM2.02 million respectively. On 28 February 2023, ALR paid the Company and SPRINT Holdings the net retention sums (inclusive of interest) of RM7.31 million and RM4.68 million respectively.

On 4 April 2023, the Company announced that:-

- (a) the Company has agreed to accept certain warranty claims from ALR for a total sum of RM1.65 million. Pending the resolution of the remaining warranty claims, ALR has retained the balance retention sum of RM8.41 million; and
- (b) SPRINT Holdings has agreed to accept all the warranty claims in respect of SPRINT for the total sum of RM2.02 million.

In addition, the Company had on 6 April 2023 received an amount of RM57.94 million from ALR representing the balance of toll compensation from the government in respect of LITRAK.

Accordingly, other than the balance retention sum of RM8.41 million, the Company has received all the proceeds from disposal of LITRAK and SPRINT Holdings has received all the proceeds from disposal of SPRINT.

Upon the completion of the 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 Group hence had recognised a gain on disposal of LITRAK and SPRINT of RM1,123.8 million and RM250.5 million respectively.

Further details of the Disposals are disclosed in Note 29.

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

17. Status of Corporate Proposals (Cont'd)

B. Proposed Capital Reduction and Repayment and Proposed Delisting

Upon completion of the Disposals, the Company has become a Cash Company pursuant to Paragraph 8.03(1) of the MMLR as notified by Bursa Securities. Accordingly, the Company must strictly comply with the provisions and requirements of Paragraph 8.03 of the MMLR and Practice Note 16 of the MMLR.

In accordance with Paragraph 8.03(4) of the MMLR, the Company has placed 91.0% of its cash reserves (comprising the cash and short-dated securities) in a custodian account as at 31 March 2023.

Nevertheless, the Company has no intention to regularise its financial conditions as a Cash Company and it is also not the intention of the Company to maintain its listing status on Bursa Securities. The Company further intended to distribute the Disposals proceeds to its shareholders by way of special dividend and/or capital repayment.

In line with this, on 17 November 2022, the Company paid a special dividend of RM4.57 per share to its shareholders.

On 6 April 2023, the Company announced that it proposes to undertake:

- (i) A proposed capital reduction and repayment which involves a cash distribution of RM275.78 million on a pro-rata basis to its entitled shareholders on an entitlement date to be determined later (“Proposed Capital Reduction and Repayment”); and
- (ii) Upon the completion of the Proposed Capital Reduction and Repayment, the Company proposes to submit an application to Bursa Securities for the proposed voluntary withdrawal of the Company’s listing from the official list of Main Market of Bursa Securities (“Proposed Delisting”).

(The Proposed Capital Reduction and Repayment and Proposed Delisting are collectively referred to as the “Proposals”).

The Proposals are subject to the following being obtained:

- (a) Approval of the shareholders of the Company for the Proposals at the forthcoming Extraordinary General Meeting on 6 June 2023;
- (b) Approval of Bursa Securities for the Proposed Delisting; and
- (c) Confirmation of the Proposed Capital Reduction and Repayment by the High Court under Section 116 of the Companies Act 2016 and the lodgement of the official copy of the sealed order obtained pursuant thereto with the Registrar of Companies Malaysia.

Barring any unforeseen circumstances and subject to all requisite approvals being obtained, the Proposals are expected to be completed by the end of the third quarter of 2023.

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18. Group Borrowings and Debt Securities

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

	As at 31-Mar-23 RM'000	As at 31-Mar-22 RM'000
Secured:		
<u>Long Term Borrowings</u>		
Sukuk Musyarakah Medium Term Notes		
- IMTN I and IMTN II	-	188,349
<u>Short Term Borrowings</u>		
Sukuk Musyarakah Medium Term Notes		
- IMTN I and IMTN II	-	200,000
Total Borrowings	-	388,349

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 has been fixed at between 4.6% and 6.0% per annum.

The Group borrowings were denominated in Ringgit Malaysia.

The repayment made during the year was as follows:

	12 months ended 31-Mar-23 RM'000	12 months ended 31-Mar-22 RM'000
Repayment during the year	200,000	200,000

Following the completion of disposal of LITRAK on 13 October 2022, the borrowings have been deconsolidated.

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19. Disclosure of Derivatives

There are no derivatives as at the date of issue of this announcement.

20. Material Litigations

There are 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.

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21. Comparison with Immediate Preceding Quarter's Results

	Current Quarter 31-Mar-23	Immediate Preceding Quarter 31-Dec-22		Changes
	RM'000	As restated	As reported last quarter	Reclassification Increase/(Decrease)
		RM'000	RM'000	RM'000
<u>Revenue</u>	(A)	(B)		(A-B)/B
- Toll revenue	-	16,721	16,721	-100%
- Dividend from an associate	-	-	109,500 *	0%
	<u>-</u>	<u>16,721</u>	<u>126,221</u>	
* Reclassification to gain on disposal of an associate				
<u>Profit Before Tax</u>				
- Toll operations and others	1,352	21,740	21,740	-
- Gain on disposal of a subsidiary company	(11,759)	1,135,570	1,135,570	-
- Gain on disposal of an associate	26,001	224,499	-	224,499
- Reversal of losses upon redemption of preference shares and dividend from an associate	-	-	224,499	(224,499)
	<u>15,594</u>	<u>1,381,809</u>	<u>1,381,809</u>	-
Profit After Tax	<u>17,262</u>	<u>1,371,243</u>	<u>1,371,243</u>	-99%

(a) Revenue

The Group's revenue recorded as nil in current quarter due to the absence of toll revenue in the current quarter following the disposal of LITRAK in October 2022.

(b) Profit before tax and Profit after tax

The Group profit before tax and profit after tax were reduced by 99%, as compared to the preceding quarter, mainly due to the recognition of gain on disposal of LITRAK and SPRINT in the preceding quarter.

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

	← Individual Period →			← Cumulative Period →		
	Current Year Quarter 31-Mar-23 RM'000	Preceding Year Corresponding Quarter 31-Mar-22 RM'000	Changes %	Current Year To Date 31-Mar-23 RM'000	Preceding Year Corresponding Period 31-Mar-22 RM'000	Changes %
Revenue	-	115,763	-100%	269,461	400,932	-33%
<u>Profit Before Tax</u>						
- Toll operations and others	1,352	46,568	-97%	203,641	242,279	-16%
- Gain on disposal of a subsidiary company	(11,759)	-	100%	1,123,811	-	100%
- Gain on disposal of an associate (net of reclassification above)	26,001	-	100%	250,500	-	100%
	<u>15,594</u>	<u>46,568</u>	<u>-67%</u>	<u>1,577,952</u>	<u>242,279</u>	<u>551%</u>
Profit After Tax	<u>17,262</u>	<u>22,623</u>	<u>-24%</u>	<u>1,526,621</u>	<u>162,848</u>	<u>837%</u>

(a) Revenue: Current Quarter

The Group's revenue for the current quarter recorded as nil due to the absence of toll revenue following the disposal of LITRAK in October 2022.

(b) Revenue: Current Year to Date

For the current year to date, the Group recorded revenue of RM269.5 million as compared to RM400.9 million recorded in the preceding year corresponding period. The decrease in revenue of 33% is due to lower recognition of toll revenue resulting from the disposal of LITRAK.

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

(c) Profit before tax: Current Quarter

The Group registered a profit before tax of RM15.6 million in the current quarter as compared to RM46.6 million in the preceding year corresponding quarter. The reduction in profit by 67% is mainly due to the disposal of LITRAK and SPRINT in October 2022.

(d) Profit before tax: Current Year to Date

The Group registered a significant increase in profit before tax of RM1,578.0 million in the current year as compared to RM242.3 million in the preceding year corresponding period. The increase in profit before tax is mainly due to the recognition of gain on disposal of LITRAK and SPRINT.

(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. Next Year Prospects

Upon the completion of the Disposals on 13 October 2022, the Company ceased to have any core business other than being an investment holding company. As disclosed in Note 17(B), the Company has no intention to regularise its financial condition as a Cash Company and also does not intend to maintain its listing status on Bursa Securities. The Company further intended to distribute the proceeds from the Disposal to its shareholders.

Accordingly, the Company is undertaking the Proposed Capital Reduction and Repayment to distribute most of the Company's available cash to its shareholders as soon as practicable and the Proposed Delisting to facilitate the withdrawal of the Company's listing from Bursa Securities.

The Board intends to eventually voluntarily wind-up the Company.

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 31-Mar-23	Current Year To Date 31-Mar-23
Basic		
Profit attributable to equity holders (RM'000)	17,262	1,526,621
Weighted average number of ordinary shares in issue ('000)	541,619	540,229
Basic earnings per ordinary share (sen)	3.19	282.59
Diluted		
Profit attributable to equity holders (RM'000)	17,262	1,526,621
Weighted average number of ordinary shares in issue ('000)	541,619	540,229
Effect of dilution via exercise of ESOS ('000)	953	953
Adjusted weighted average number of ordinary shares for calculating diluted earnings per ordinary share ('000)	542,572	541,182
Diluted earnings per ordinary share (sen)	3.18	282.09

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 the 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 Gain/Loss Arising from Fair Value Changes of Financial Liabilities

There is no gain/loss arising from fair value changes of the 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.

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-Mar-23	Current Year To Date 31-Mar-23
	RM'000	RM'000
Interest income	(1,723)	(13,694)
Other income	(36)	(723)
Gain on disposal of a subsidiary company	11,759	(1,123,811)
Gain on disposal of an associate	(26,001)	(250,500)
Finance costs	-	7,446
Depreciation and amortisation	2	39,643

The above disclosure was prepared in accordance with Paragraph 16 of Appendix 9B of the MMLR. Other than the above, the rest of the items required for disclosures pursuant to Paragraph 16 of the MMLR are not applicable to the Group.

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29(a) Disposal of a Subsidiary Company

On 13 October 2022, the Company completed the disposal of LITRAK for a total consideration of RM2,280.6 million.

As such, LITRAK ceased to be a subsidiary company of the Group and the disposal resulted in a gain on disposal of RM1,123.8 million to the Group. The results and cash flows of LITRAK (including the gain on disposal) up to the date of disposal are shown below:

	Financial period ended 12 October 2022 RM'000
Revenue	269,461
Employee benefits expenses	(10,921)
Maintenance expenses	(6,121)
Depreciation and amortisation	(39,637)
Other expenses	(5,210)
	(61,889)
	<hr/> 207,572
Other income	4,686
Finance costs	(7,446)
Profit before tax	<hr/> 204,812
Income tax expense	(49,190)
Profit for the period, representing	<hr/>
total comprehensive income for the period	<hr/> 155,622

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29(a) Disposal of a Subsidiary Company (Cont'd)

	As at
	12 October 2022
	RM'000
Highway development expenditure ("HDE")	963,208
Plant and equipment	1,395
Other intangible assets	628
Sundry receivables	182,689
Amount due from a related company	1,066
Cash and bank balances	39,427
Deposits with licensed financial institutions	1,305
Provision for tax	(13,471)
Deferred revenue	(10,753)
Deferred tax liabilities	(171,662)
Sukuk Musyarakah Medium Term Notes ("IMTNs")	(189,194)
Retirement benefit obligations	(6,188)
Provision for heavy repairs	(21,085)
Sundry payables	(14,248)
Share of net assets disposed	<u>763,117</u>
Gain on disposal	<u>1,123,811</u>
Total adjusted sales consideration	1,886,928
Less: Receivable from ALR	(75,065)
Less: Cash, bank balances and deposits of the subsidiary disposed	<u>(40,732)</u>
Net cash inflow from disposal	<u>1,771,131</u>
 <u>Reconciliation of sales consideration on disposal of LITRAK:</u>	
Total sales consideration	2,280,630
Less: Pre-completion dividend	<u>(393,702)</u>
Total adjusted sales consideration	1,886,928
Less: Receivable from ALR	(75,065)
Less: Cash, bank balances and deposits of the subsidiary disposed	<u>(40,732)</u>
Net cash inflow from disposal	<u>1,771,131</u>

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29(b) Disposal of an Associate

On 13 October 2022, SPRINT Holdings completed the disposal of SPRINT and SPRINT has ceased to be a subsidiary of SPRINT Holdings and an indirect associate company of the Company.

Following the disposal of SPRINT by SPRINT Holdings, the Group recognised a gain on disposal of an associate of RM 250.5 million.

	RM'000
Share of sales consideration	457,500
Less: Carrying value of investment in an associate on 12 October 2022	<u>(207,000)</u>
Gain on disposal of an associate	<u>250,500</u>