

**YLI HOLDINGS BERHAD** (Company No. 367249 A)

Interim report for the twelve months ended 31 March 2020  
**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
 OTHER COMPREHENSIVE INCOME (UNAUDITED)**

	Individual Quarter 03 months ended			Year To Date 12 months ended		
	31/03/2020 RM'000	31/03/2019 RM'000	Changes %	31/03/2020 RM'000	31/03/2019 RM'000	Changes %
Revenue	18,724	26,943	-31%	97,120	113,000	-14%
Cost of sales	<u>(17,806)</u>	<u>(31,672)</u>	-44%	<u>(93,275)</u>	<u>(124,052)</u>	-25%
Gross profit/(loss)	918	(4,729)	>100%	3,845	(11,052)	>100%
Other income	952	2,063	-54%	1,363	2,697	-49%
Selling & distribution costs	(426)	(600)	-29%	(2,172)	(2,636)	-18%
Administrative expenses	<u>(3,407)</u>	<u>(4,445)</u>	-23%	<u>(10,162)</u>	<u>(12,182)</u>	-17%
Operating loss	(1,963)	(7,711)	-75%	(7,126)	(23,173)	-69%
Finance cost	(801)	(788)	2%	(3,224)	(2,758)	17%
Share of results of Joint Venture (refer note 15)	<u>0</u>	<u>0</u>		<u>0</u>	<u>(8)</u>	>-100%
Loss before taxation	(2,764)	(8,499)	-67%	(10,350)	(25,939)	-60%
Taxation	<u>30</u>	<u>4,141</u>	-99%	<u>234</u>	<u>4,197</u>	-94%
Loss for the period / year (refer note 8)	(2,734)	(4,358)	-37%	(10,116)	(21,742)	-53%
Other comprehensive income/(loss), net of tax :						
Item that maybe classified subsequently to profit/(loss) :						
Currency translation differences	0	0		0	5	>100%
Reclassification adjustment of exchange reserve	<u>0</u>	<u>(960)</u>	>-100%	<u>0</u>	<u>(960)</u>	>-100%
Total comprehensive loss for period/year	<u>(2,734)</u>	<u>(5,318)</u>	-49%	<u>(10,116)</u>	<u>(22,697)</u>	-55%
Loss attributable to :						
Owners of the Company	(1,819)	(3,017)	-40%	(7,837)	(18,028)	-57%
Non-controlling interest	<u>(915)</u>	<u>(1,341)</u>	-32%	<u>(2,279)</u>	<u>(3,714)</u>	-39%
	<u>(2,734)</u>	<u>(4,358)</u>	-37%	<u>(10,116)</u>	<u>(21,742)</u>	-53%
Total comprehensive loss attributable to :						
Owners of the Company	(1,819)	(3,977)	-54%	(7,837)	(18,983)	-59%
Non-controlling interest	<u>(915)</u>	<u>(1,341)</u>	-32%	<u>(2,279)</u>	<u>(3,714)</u>	-39%
	<u>(2,734)</u>	<u>(5,318)</u>	-49%	<u>(10,116)</u>	<u>(22,697)</u>	-55%
Loss per share attributable to Owners of the Company :	Sen	Sen		Sen	Sen	
- basic / diluted	(1.77)	(2.93)		(7.62)	(17.53)	

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2019)

**YLI HOLDINGS BERHAD** (Company No. 367249 A)

Interim report for the twelve months ended 31 March 2020

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**

	<b>31/03/2020</b>	<b>31/03/2019</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	76,713	75,809
<b>Total non-current assets</b>	<u>76,713</u>	<u>75,809</u>
<b>Current assets</b>		
Inventories	54,398	50,033
Trade and other receivables	51,916	57,855
Tax recoverable	345	1,209
Deposits, bank and cash balances	15,083	23,859
<b>Total current assets</b>	<u>121,742</u>	<u>132,956</u>
<b>TOTAL ASSETS</b>	<u><u>198,455</u></u>	<u><u>208,765</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributed to equity holders of parent</b>		
Share capital	110,159	110,159
Capital reserve	(1,467)	(1,467)
Treasury shares	(108)	(108)
Retained earnings	12,891	20,728
	<u>121,475</u>	<u>129,312</u>
Non-controlling interest	(9,907)	(7,628)
<b>Total equity</b>	<u>111,568</u>	<u>121,684</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	763	1,025
Lease payable	628	930
<b>Total non-current liabilities</b>	<u>1,391</u>	<u>1,955</u>
<b>Current liabilities</b>		
Trade and other payables	37,772	41,572
Bank overdraft	5,491	4,163
Lease payable	401	367
Contingent consideration payables	-	840
Short term borrowings	40,653	38,183
Provision for taxation	1	1
Provision	1,178	-
<b>Total current liabilities</b>	<u>85,496</u>	<u>85,126</u>
<b>Total liabilities</b>	<u>86,887</u>	<u>87,081</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>198,455</u></u>	<u><u>208,765</u></u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.18	1.26

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2019)

**YLI HOLDINGS BERHAD** (Company No. 367249 A)

Interim report for the twelve months ended 31 March 2020

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**

	Number of shares '000	Nominal value RM'000	Capital reserve RM'000	Treasury shares RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	TOTAL RM'000	Non- controlling Interest RM'000	TOTAL EQUITY RM'000
<b>12 months ended 31 March 2020</b>									
Balance as at 1 April 2019	102,951	110,159	(1,467)	(108)	0	20,728	129,312	(7,628)	121,684
Total comprehensive loss for the financial year	0	0	0	0	0	(7,837)	(7,837)	(2,279)	(10,116)
<b>Transactions with owners :</b>									
Dividend	0	0	0	0	0	0	0	0	0
Balance as at 31 March 2020	<u>102,951</u>	<u>110,159</u>	<u>(1,467)</u>	<u>(108)</u>	<u>0</u>	<u>12,891</u>	<u>121,475</u>	<u>(9,907)</u>	<u>111,568</u>
<b>12 months ended 31 March 2019</b>									
Balance as at 1 April 2018	102,951	110,159	(1,467)	(108)	955	38,756	148,295	(3,914)	144,381
Total comprehensive loss for the financial year	0	0	0	0	(955)	(18,028)	(18,983)	(3,714)	(22,697)
<b>Transactions with owners :</b>									
Dividend	0	0	0	0	0	0	0	0	0
Balance as at 31 March 2019	<u>102,951</u>	<u>110,159</u>	<u>(1,467)</u>	<u>(108)</u>	<u>0</u>	<u>20,728</u>	<u>129,312</u>	<u>(7,628)</u>	<u>121,684</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st March 2019)

**YLI HOLDINGS BERHAD** (Company No. 367249 A)

Interim report for the twelve months ended 31 March 2020

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**

	12 months ended	
	31/03/2020 RM'000	31/03/2019 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	(10,350)	(25,939)
Adjustments for :		
Property, plant and equipment:		
- Amortisation & depreciation	3,490	5,504
- Loss/(Gain) on disposal	7	(14)
Bad debts written off		274
Unrealised gain on foreign exchange	(34)	(104)
Fair value gain on remeasurement of contingent consideration	(840)	(60)
Expected credit losses on receivable	0	334
Impairment loss on property, plant and equipment	200	1,198
Reversal of expected credit losses on receivable	0	(82)
Property, plant and equipment written off	0	5
Provision of legal claim	1,178	0
Interest expense	3,224	2,758
Interest income	(422)	(572)
Gain on derecognition of a joint venture		(880)
Share of result from Joint Venture	0	8
Operating loss before changes in working capital	(3,547)	(17,570)
Changes in:		
Inventories	(4,356)	(454)
Receivables	11,472	15,623
Contract assets	0	(357)
Payables	(4,346)	(5,440)
Contract liabilities	0	(4,117)
Cash used in operations	(777)	(12,315)
Net tax refund/(paid)	830	(552)
<b>Net cash flows generated from/ (used in) operating activities</b>	<b>53</b>	<b>(12,867)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Property, plant and equipment:		
- additions	(4,661)	(1,592)
- proceed from disposals	154	22
Interest received	412	572
<b>Net cash flows used in investing activities</b>	<b>(4,095)</b>	<b>(998)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net movement of bank borrowings	(2,471)	11,120
Net movement of hire purchase creditor	(367)	(381)
Deposit of non-short term deposits with licensed banks	(99)	(155)
Interest paid	(3,224)	(2,758)
Deposits charged for credit facilities	(230)	(61)
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(6,391)</b>	<b>7,765</b>

**YLI HOLDINGS BERHAD** (Company No. 367249 A)

Interim report for the twelve months ended 31 March 2020

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)** (cont'd)

	12 months ended	
	31/03/2020	31/03/2019
	RM'000	RM'000
<b>Net change in cash and cash equivalents</b>	(10,433)	(6,100)
Effects of exchange rate charges on cash and cash equivalents	0	96
Cash and cash equivalents:		
- at the beginning of the period	12,044	18,048
- at the end of the period	1,611	12,044
<b>CASH AND CASH EQUIVALENTS COMPRISE :-</b>		
Deposits with financial institutions	10,659	14,847
Bank and cash balances	4,424	9,012
	15,083	23,859
Less: Bank overdraft	(5,491)	(3,607)
Deposits charged for credit facilities	(3,837)	(4,045)
Non-short term deposit	(4,144)	(4,163)
	1,611	12,044

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2019)

Interim report for the twelve months ended 31 March 2020  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**1. Basis of preparation and accounting policies**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 (Appendix 9B Part A) of the Main Market Listing Requirements (“Listing Requirements”) of the Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2019.

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 Company and its subsidiaries (“the Group”) since the financial year ended 31 March 2019.

The significant accounting policies adopted by the Group in this interim financial statements are consistent with those adopted in the financial statements as disclosed in the audited financial statements of the Group for the financial year ended 31 March 2019, except for the adoption of the following:

**New Malaysian Financial Reporting Standards (“MFRSs”)**

MFRS 9	Financial Instruments
MFRS 15	Revenue from Contracts with Customers

**Amendments/Improvements to MFRSs**

MFRS 1	First-time adoption of MFRSs
MFRS 2	Share-based Payment
MFRS 4	Insurance Contracts
MFRS 128	Investments in Associates and Joint Ventures
MFRS 140	Investment Property

**New IC Interpretation (“IC Int”)**

IC Int 22	Foreign Currency Transactions and Advance Consideration
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The Group has not applied in advance the following new MFRSs, amendments/improvements to MFRSs, new IC Int and amendments to IC Int that have been issued by MASB but not yet effective for the current financial year:

		<b>Effective for financial periods beginning on or after</b>
<u>New MFRSs</u>		
MFRS 16	Leases	1 January 2019
MFRS 17	Insurance Contracts	1 January 2021

## 1. Basis of preparation and accounting policies (cont'd)

The Group has not applied in advance the following new MFRSs, amendments/improvements to MFRSs, new IC Int and amendments to IC Int that have been issued by MASB but not yet effective for the current financial year (cont'd):

		<b>Effective for financial periods beginning on or after</b>
<u>Amendments/Improvements to MFRSs</u>		
MFRS 2	Share-based Payment	1 January 2020
MFRS 3	Business Combinations	1 January 2019/ 1 January 2020
MFRS 6	Exploration for and Evaluation of Mineral Resources	1 January 2020
MFRS 9	Financial Instruments	1 January 2019
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 11	Joint Arrangements	1 January 2019
MFRS 14	Regulatory Deferral Accounts	1 January 2020
MFRS 101	Presentation of Financial Statements	1 January 2020
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Error	1 January 2020
MFRS 112	Income Taxes	1 January 2019
MFRS 119	Employee Benefits	1 January 2019
MFRS 123	Borrowing Costs	1 January 2019
MFRS 128	Investments in Associates and Joint Ventures	1 January 2019/ Deferred
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2020
MFRS 138	Intangible Assets	1 January 2020
<u>New IC Int</u>		
IC Int 23	Uncertainty over Income Tax Treatments	1 January 2019
<u>Amendments to IC Int</u>		
IC Int 12	Service Concession Arrangements	1 January 2020
IC Int 19	Extinguishing Financial Liabilities with Equity Instruments	1 January 2020
IC Int 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2020
IC Int 22	Foreign Currency Transactions and Advance Consideration	1 January 2020
IC Int 132	Intangible Assets – Web Site Costs	1 January 2020

The Group is in the process of assessing the impact which may arise from adoption of the abovementioned new MFRSs, amendments/improvements to MFRSs, new IC Int and amendments to IC Int.

## 2. Disclosure of audit report qualification and status of matters raised

There was no qualification in the audit report of the preceding annual financial statements.

### 3. Seasonality and cyclicity of interim operations

The Group operations were not significantly affected by any unusual seasonality or cyclicity factors.

### 4. Unusual Item

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

### 5. Changes in Estimates of Amounts

There were no changes in the nature and estimates of amounts from those of the prior interim periods of prior financial years that have a material effect in the current interim period.

### 6. Debt and Equity Securities

There were no issuance, repurchase or repayment of debt and equity securities, share buy backs, share cancellations and resale of treasury shares except for previous share buy backs which are being held as treasury shares for the current financial year to date.

### 7. Dividends Paid

No dividend was paid for the current interim period.

### 8. Loss for the period / year

	<b>Individual Quarter</b>		<b>Year To Date</b>	
	<b>03 months ended</b>	<b>03 months ended</b>	<b>12 months ended</b>	<b>12 months ended</b>
	<b>31/03/2020</b>	<b>31/03/2019</b>	<b>31/03/2020</b>	<b>31/03/2019</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Interest income	117	161	422	572
Interest expenses	(801)	(788)	(3,224)	(2,758)
Depreciation and amortisation	(881)	(1,386)	(3,490)	(5,504)
Foreign exchange gain/(loss)	(20)	(17)	30	16
Fair value gain/(loss) on remeasurement of contingent consideration payables	735	(225)	840	60
Reclassification adjustment of exchange reserve	0	959	0	959
Expected credit losses on receivable	0	(334)	0	(334)
Impairment loss on trade receivables	0	(274)	0	(274)
Impairment loss on PPE	(200)	(1,198)	(200)	(1,198)
Provision of legal claim	(1,178)	0	(1,178)	0
(Loss)/Gain on disposal of assets	9	0	(7)	14

Saved as disclosed above, the other items as required under Appendix 9B Part A(16) of the Main Market Listing Requirements of Bursa Securities are not applicable.



## 9. Segmental Reporting

The Group is organized into the following business segments:

- Manufacturing and trading of ductile iron pipes, steel pipes, HDPE pipes, fittings and waterworks related products for waterworks and sewerage industry.
- Construction work and project management.
- Others which includes investment of the Group in a joint venture.

The reportable segment information for financial period ended 31 March 2020 is as follows:

	Manufacturing and Trading		Construction and Project Management		Others		Adjustment & Eliminations		TOTAL	
	31/03/2020	31/03/2019	31/03/2020	31/03/2019	31/03/2020	31/03/2019	31/03/2020	31/03/2019	31/03/2020	31/03/2019
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External Revenue	89,110	96,789	8,010	16,211	0	0			97,120	113,000
Inter-segment revenue	96	17	0	0	0	0	(96)	(17)	0	0
<b>Total Revenue</b>	<b>89,206</b>	<b>96,806</b>	<b>8,010</b>	<b>16,211</b>	<b>0</b>	<b>0</b>			<b>97,120</b>	<b>113,000</b>
Loss before tax	(8,507)	(25,408)	(1,843)	(523)	0	(8)			(10,350)	(25,939)
Total Assets	179,710	188,103	21,476	21,118	0	0	(2,731)	(456)	198,455	208,765
Total Liabilities	(68,035)	(68,163)	(21,583)	(19,374)	0	0	2,731	456	(86,887)	(87,081)
<b>Total Net Assets</b>	<b>111,675</b>	<b>119,940</b>	<b>(107)</b>	<b>1,744</b>	<b>0</b>	<b>0</b>			<b>111,568</b>	<b>121,684</b>

For the 12 months under review ended 31 March 2020, the Group recorded lower sales revenue by approximately RM15.880 million or 14.05% compared to preceding year corresponding period mainly due to lower revenue recorded from both Manufacturing and Construction division. However, the group recorded lower loss before tax by RM15.589 million compared to preceding year corresponding period mainly due to lower raw materials pricings for major raw materials coupled with improvement in production output attributed by completion of upgrading of machineries for Manufacturing and Trading division for the year under reviewed.

### Manufacturing and Trading

Segment revenue from the Manufacturing and Trading is lower by 7.85% compared to previous year corresponding period. However, the segment loss before tax is recorded lower by RM16.901 million mainly due to lower major raw materials pricings for most of the materials coupled with improvement in production output attributed by completion of upgrading of machineries for the year under reviewed.

### Construction and Project Management

Segment revenue from the Construction and Project Management has decrease by RM8.201 million mainly due to slower progress at site for on-going project during the current period. Coupled with one-off provision of legal claim at RM1.178 million, the segment recorded higher loss before tax of RM1.320 million compared to preceding year corresponding period.

### Others

This segment remain inactive subsequent to the disposal of water treatment business in China in preceding year. The Company namely Pinang Water Ltd. ("PWL") has been fully resolved on 5 June 2019 after the expiration of 3 months from the date of lodgement.

## 10. Changes in the Composition of the Group

There were no changes in the composition of the Group during the period under review.

## 11. Changes in Contingent Liabilities or Contingent Assets

Total corporate guarantees given by the Company as at 31 March 2020 is RM115.85 million and the utilization of banking facilities for the Group as at reporting date is at RM59.06 million.

Analysed as follows:-

### Subsidiary companies

All the corporate guarantees of RM115.85 million were given to banks and financial institution to secure borrowings and bank guarantee of the subsidiary companies.

Save for the above, there were no changes in the contingent liabilities and assets of the Group since the last financial statement.

## 12. Capital Commitment

The capital expenditure not provided for in the financial statement as at 31 March 2020 is as follows:-

	<b>Group 31/03/2020 RM'000</b>
Authorised and contracted for	3,256
Authorised and not contracted for	<u>13,327</u>
	<u><u>16,583</u></u>
Analysed as follows :-	
- Property, plant and equipment	<u><u>16,583</u></u>

## 13. Related Party Transactions

There were no related party transactions recorded during the period under review.

## 14. Material Events Subsequent to the End of the Interim Reporting Period

There were no material events subsequent to the current financial quarter ended 31 March 2020 up to the date of this report.

## 15. Share of results of joint venture

The Group has accounted for its share of results of the joint venture (37%) in the consolidated financial statements by the equity method of accounting. The Group's share of result is as follows:-

	<b>Individual Quarter</b>		<b>Year To Date</b>	
	<b>03 months ended</b>		<b>12 months ended</b>	
	<b>31/03/2020</b>	<b>31/03/2019</b>	<b>31/03/2020</b>	<b>31/03/2019</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Loss before tax	0	0	0	(7)
Less: Taxation	0	0	0	(1)
Loss after tax	0	0	0	(8)

The above joint venture entity has been fully resolved on 5 June 2019 after the expiration of 3 months from the date of lodgement.

## 16. Review of Performance

For the quarter under review, the Group recorded lower sales revenue by approximately RM8.219 million or 30.51% compared to preceding year corresponding quarter mainly due to lower revenue recorded from Manufacturing and Trading division. The loss before tax for the quarter were also recorded lower mainly due to lower major raw materials pricings coupled with improvement in production output attributed by completion of upgrading of machineries for Manufacturing and Trading division for the year under reviewed.

## 17. Material Changes in Quarterly Results as Compared with the Preceding Quarter

	<b>Current</b>	<b>Preceding</b>	<b>Changes</b>
	<b>Quarter</b>	<b>Quarter</b>	
	<b>31/03/2020</b>	<b>31/12/2019</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	18,724	27,047	-31%
Operating Loss	(1,963)	(855)	130%
Loss Before Interest and Tax	(1,963)	(855)	130%
Loss Before Taxation	(2,764)	(1,642)	68%
Loss After Taxation	(2,734)	(1,630)	68%
Loss Attributable to Ordinary Equity Holders of the Company	(1,819)	(1,259)	44%

The Group recorded higher loss after tax for current quarter under review by RM1.104 million compared to preceding quarter mainly due to one-off provision of legal claim at RM1.178 million for current quarter compared to preceding quarter.

## 18. Current Year Prospects

Water and sewerage projects are expected to be in focus under the 12<sup>th</sup> Malaysia Plan with uncompleted

projects under 11<sup>th</sup> Malaysia Plan are expected to be carried forward to 12<sup>th</sup> Malaysia Plan. In view of the fact that the Government and state water authorities are working towards improved water quality and efficiency of water supply in Malaysia, this would augur well for the Group's business.

Despite the above, the Board would expect the operating environment to remain extremely challenging in view of the softer demand on waterworks pipes, competitive pricings offered among waterworks pipe industry players for projects available and uncertain pricings trend on raw materials such as scrap metal and hot rolled coils attributed by recent outbreak of COVID-19 around the World including Malaysia with Recovery Movement Control Order ("RMCO") which is still on-going until end of Aug 20 for Malaysia. In order to address these challenges, the Group will leverage on its solid financial position, extensive customer networking and maintaining cost efficiencies in the waterworks related products and on-going construction projects.

## 19. Profit Forecast or Profit Guarantee

The Group does not issue any profit forecast or profit guarantee.

## 20. Tax

	Individual Quarter		Year To Date	
	03 months ended		12 months ended	
	31/03/2020	31/03/2019	31/03/2020	31/03/2019
	RM'000	RM'000	RM'000	RM'000
In respect of current year :				
- income tax	4	(11)	9	34
- deferred tax	(53)	(4,121)	(262)	(4,222)
	(49)	(4,132)	(253)	(4,188)
In respect of prior years :				
- income tax	19	5	19	5
- deferred tax	0	(14)	0	(14)
	(30)	(4,141)	(234)	(4,197)

## 21. Status of Corporate Proposals

There were no corporate proposals announced and not completed as at the date of issue of this report.

## 22. Bank Borrowings

	As at 31 March 2020					
	Long Term	Short Term				TOTAL RM'000
	Borrowing RM'000	Borrowing RMB'000	Borrowing USD'000	Equivalent RM'000	Borrowing RM'000	
<b><u>Secured</u></b>						
Lease Payable	628	0	0	0	401	1,029
Revolving Credit	0	0	0	0	2,000	2,000
Islamic Trade Credit	0	0	0	0	595	595
Overdraft	0	0	0	0	5,491	5,491
Bankers' Acceptance	0	0	0	0	24,273	24,273
Trust Receipt	0	775	42	631	13,154	13,785
<b><u>Unsecured</u></b>						
Bank Borrowing	0	0	0	0	0	0
<b>Total</b>	<b>628</b>	<b>775</b>	<b>42</b>	<b>631</b>	<b>45,914</b>	<b>47,173</b>

	As at 31 March 2019				
	Long Term	Short Term			TOTAL RM'000
	Borrowing RM'000	Borrowing USD'000	Equivalent RM'000	Borrowing RM'000	
<b><u>Secured</u></b>					
Lease Payable	930	0	0	367	1,297
Revolving Credit	0	0	0	2,000	2,000
Islamic Trade Credit	0	0	0	2,989	2,989
Overdraft	0	0	0	4,163	4,163
Bankers' Acceptance	0	0	0	16,940	16,940
Trust Receipt	0	134	561	15,693	16,254
<b><u>Unsecured</u></b>					
Bank Borrowing	0	0	0	0	0
<b>Total</b>	<b>930</b>	<b>134</b>	<b>561</b>	<b>42,152</b>	<b>43,643</b>

The Group's total borrowings for the current financial year has increase by 8.09% compare to preceding year corresponding quarter mainly due to higher utilization of banking facilities for purchasing of required materials for production and project for on-going orders and projects.

The Group's exchange rate as follows:-

Currency	As At 31/03/2020	As At 31/03/2019
USD	4.3130	4.0850
CNY	0.6073	0.6079

## 23. Material Litigation

The Company has on 25 June 2020 announced that its 70% owned subsidiary, Haluan Prisma Sdn Bhd

("Haluan Prisma") was served a Notice of Adjudication dated 9 May 2019 by one of its subcontractors, Awambina to claim the sum as detailed in the said announcement. On 4 October 2019, the Adjudicator decided in favour of Awambina. Haluan Prisma applied to the High Court to set aside and stay the execution of the Adjudicator Decision. Meanwhile, Awambina had applied to High Court to execute the Adjudicator's Decision.

On 25 February 2020, the High Court had made the decision and disallowed both Haluan Prisma's application and allowed Awambina's application. Haluan Prisma had filed an appeal to the Court of Appeal on 16 March 2020 and also filed an application to stay the execution of decision on 17 March 2020.

The first case management for Haluan Prisma's appeal to the Court of Appeal was fixed on 4 May 2020 and the second case management is fixed on 15 July 2020. Meanwhile the first and second case management for Haluan Prisma's application to stay the execution of decision were fixed on 4 May 2020 and 16 June 2020. The hearing date is fixed on 14 July 2020 at the High Court.

In addition, Haluan Prisma filed a Counter-claim on 19 March 2020 for damages and losses of defect works for the amount of RM6,005,517.43. The first case management was fixed on 5 May 2020 and followed by second case management on 19 June 2020. The next case management date is fixed on 21 July 2020.

The quantum of Counter-claim is subject to the court upon examination of witnesses and evidences through trail. The outcome of the Counter-claim between the Group and the subcontractor is uncertain.

The Board will update the necessary if there is any material development in relation to the litigation.

#### **24. Dividend Proposed**

The Board of Directors does not recommend the payment of any dividends for the 12 months ended 31 March 2020 (2019 : Nil).

#### **25. Loss per share**

	<b>Individual Quarter</b>		<b>Year To Date</b>	
	<b>03 months ended</b>		<b>12 months ended</b>	
	<b>31/03/2020</b>	<b>31/03/2019</b>	<b>31/03/2020</b>	<b>31/03/2019</b>
<b>Basic loss per share for loss attributable to Owners of the Company</b>				
Net loss for the period (RM'000)	(1,819)	(3,017)	(7,837)	(18,028)
Weighted average number of ordinary shares in issued excluding treasury shares held by the Company ('000)	102,830	102,830	102,830	102,830
Basic/diluted earning/(loss) per share (sen)	(1.77)	(2.93)	(7.62)	(17.53)

By Order of the Board

CHEW SIEW CHENG

Secretary

Kuala Lumpur, 25 June 2020