

Interim report for the nine months ended 31 December 2020

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)**

	Individual Quarter			Year To Date		
	03 months ended			09 months ended		
	31/12/2020	31/12/2019	Changes	31/12/2020	31/12/2019	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	32,640	27,047	21%	76,203	78,396	-3%
Cost of sales	<u>(28,776)</u>	<u>(25,257)</u>	14%	<u>(69,540)</u>	<u>(75,469)</u>	-8%
Gross profit	3,864	1,790	>100%	6,663	2,927	>100%
Other income	121	(70)	>100%	339	412	-18%
Selling & distribution costs	(476)	(476)	0%	(1,406)	(1,742)	-19%
Administrative expenses	<u>(1,864)</u>	<u>(2,099)</u>	-11%	<u>(5,483)</u>	<u>(6,759)</u>	-19%
Operating profit/(loss)	1,645	(855)	>100%	113	(5,162)	>-100%
Finance cost	<u>(722)</u>	<u>(787)</u>	-8%	<u>(1,883)</u>	<u>(2,424)</u>	-22%
Profit/(loss) before taxation	923	(1,642)	>100%	(1,770)	(7,586)	-77%
Taxation	<u>(6)</u>	<u>12</u>	>-100%	<u>(38)</u>	<u>204</u>	>-100%
Profit/(loss) for the period / year (refer note 8)	917	(1,630)	>100%	(1,808)	(7,382)	-76%
Other comprehensive income/(loss), net of tax :						
Item that maybe classified subsequently to profit/(loss) :						
Currency translation differences	<u>0</u>	<u>0</u>		<u>0</u>	<u>0</u>	
Total comprehensive income/(loss) for period/year	<u>917</u>	<u>(1,630)</u>	>100%	<u>(1,808)</u>	<u>(7,382)</u>	-76%
Profit/(loss) attributable to :						
Owners of the Company	1,011	(1,259)	>100%	(562)	(6,018)	-91%
Non-controlling interest	<u>(94)</u>	<u>(371)</u>	-75%	<u>(1,246)</u>	<u>(1,364)</u>	-9%
	<u>917</u>	<u>(1,630)</u>	>100%	<u>(1,808)</u>	<u>(7,382)</u>	-76%
Total comprehensive income/(loss) attributable to :						
Owners of the Company	1,011	(1,259)	>100%	(562)	(6,018)	-91%
Non-controlling interest	<u>(94)</u>	<u>(371)</u>	-75%	<u>(1,246)</u>	<u>(1,364)</u>	-9%
	<u>917</u>	<u>(1,630)</u>	>100%	<u>(1,808)</u>	<u>(7,382)</u>	-76%
Earnings /(loss) per share attributable to Owners of the Company :	Sen	Sen		Sen	Sen	
- basic / diluted	0.98	(1.22)		(0.55)	(5.85)	

(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 2020)

**YLI HOLDINGS BERHAD** (Registration No. 199501038047 / 367249 A)

Interim report for the nine months ended 31 December 2020

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

	31/12/2020 RM'000	31/03/2020 RM'000
	(unaudited)	(unaudited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	75,208	76,714
<b>Total non-current assets</b>	<u>75,208</u>	<u>76,714</u>
<b>Current assets</b>		
Inventories	57,426	54,349
Trade and other receivables	56,257	53,866
Tax recoverable	387	345
Deposits, bank and cash balances	18,534	15,083
<b>Total current assets</b>	<u>132,604</u>	<u>123,643</u>
<b>TOTAL ASSETS</b>	<u>207,812</u>	<u>200,357</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	12,329	12,891
	<u>120,913</u>	<u>121,475</u>
Non-controlling interest	(11,152)	(9,906)
<b>Total equity</b>	<u>109,761</u>	<u>111,569</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	780	763
Lease payable	385	613
<b>Total non-current liabilities</b>	<u>1,165</u>	<u>1,376</u>
<b>Current liabilities</b>		
Trade and other payables	39,669	39,673
Provision of legal claim	1,178	1,178
Bank overdraft	6,000	5,491
Lease payable	304	416
Short term borrowings	49,717	40,653
Provision for taxation	18	1
<b>Total current liabilities</b>	<u>96,886</u>	<u>87,412</u>
<b>Total liabilities</b>	<u>98,051</u>	<u>88,788</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>207,812</u>	<u>200,357</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.16	1.18

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2020)

**YLI HOLDINGS BERHAD** (Registration No. 199501038047 / 367249 A)

Interim report for the nine months ended 31 December 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	Retained earnings RM'000	TOTAL RM'000	Non- controlling Interest RM'000	TOTAL EQUITY RM'000
<b>09 months ended 31 December 2020</b>								
Balance as at 1 April 2020	102,951	110,159	(1,467)	(108)	12,891	121,475	(9,906)	111,569
Total comprehensive loss for the financial year	0	0	0	0	(562)	(562)	(1,246)	(1,808)
<b>Transactions with owners :</b>								
Dividend	0	0	0	0	0	0	0	0
Balance as at 31 December 2020	<b>102,951</b>	<b>110,159</b>	<b>(1,467)</b>	<b>(108)</b>	<b>12,329</b>	<b>120,913</b>	<b>(11,152)</b>	<b>109,761</b>
<b>09 months ended 31 December 2019</b>								
Balance as at 1 April 2019	102,951	110,159	(1,467)	(108)	20,728	129,312	(7,628)	121,684
Total comprehensive loss for the financial year	0	0	0	0	(6,018)	(6,018)	(1,364)	(7,382)
<b>Transactions with owners :</b>								
Dividend	0	0	0	0	0	0	0	0
Balance as at 31 December 2019	<b>102,951</b>	<b>110,159</b>	<b>(1,467)</b>	<b>(108)</b>	<b>14,710</b>	<b>123,294</b>	<b>(8,992)</b>	<b>114,302</b>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st March 2020)

Interim report for the nine months ended 31 December 2020

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

	09 months ended	
	31/12/2020 RM'000	31/12/2019 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	(1,770)	(7,586)
Adjustments for :		
Property, plant and equipment:		
- Amortisation & depreciation	2,636	2,609
- (Gain)/Loss on disposal	(1)	16
Unrealised loss/(gain) on foreign exchange	27	(11)
Fair value gain on remeasurement of contingent consideration	0	(105)
Interest expense	1,883	2,424
Interest income	(178)	(305)
Operating profit/(loss) before changes in working capital	2,597	(2,958)
Changes in:		
Inventories	(3,077)	(1,184)
Receivables	(2,480)	2,774
Payables	31	(3,323)
Cash used in operations	(2,929)	(4,691)
Net tax (paid)/refund	(50)	381
<b>Net cash flows used in operating activities</b>	<b>(2,979)</b>	<b>(4,310)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Property, plant and equipment:		
- additions	(1,136)	(4,405)
- proceed from disposals	7	137
Interest received	211	326
<b>Net cash flows used in investing activities</b>	<b>(918)</b>	<b>(3,942)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net movement of bank borrowings	9,064	(1,351)
Net movement of hire purchase creditor	(340)	(290)
Deposit of non-short term deposits with licensed banks	(45)	(77)
Interest paid	(1,883)	(2,424)
Deposits charged for credit facilities	(493)	(168)
<b>Net cash flows generated from/(used in) financing activities</b>	<b>6,303</b>	<b>(4,310)</b>

**YLI HOLDINGS BERHAD** (Registration No. 199501038047 / 367249 A)

Interim report for the nine months ended 31 December 2020

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

	09 months ended	
	31/12/2020	31/12/2019
	RM'000	RM'000
<b>Net change in cash and cash equivalents</b>	2,406	(12,562)
Effects of exchange rate charges on cash and cash equivalents	0	0
Cash and cash equivalents:		
- at the beginning of the period	1,615	12,044
- at the end of the period	4,021	(518)
<b>CASH AND CASH EQUIVALENTS COMPRISE :-</b>		
Deposits with financial institutions	10,010	10,080
Bank and cash balances	8,524	2,720
	18,534	12,800
Less: Bank overdraft	(6,000)	(5,420)
Deposits charged for credit facilities	(4,325)	(3,776)
Non-short term deposit	(4,188)	(4,122)
	4,021	(518)

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2020)

Interim report for the nine months ended 31 December 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 2020.

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 2020.

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 2020, as following:

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

MFRS 16                      Leases

**Amendments/Improvements to MFRSs**

MFRS 3                      Business Combinations  
MFRS 9                      Financial Instruments  
MFRS 11                     Joint Arrangements  
MFRS 112                    Income Taxes  
MFRS 119                    Employee Benefits  
MFRS 123                    Borrowing Costs  
MFRS 128                    Investments in Associates and Joint Ventures

**New IC Interpretation (“IC Int”)**

IC Int 23                     Uncertainty over Income Tax Treatments

The Group has not applied in advance the following new MFRS, 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 MFRS</u>	
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 MFRS, 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 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2021#/ 1 January 2022^
MFRS 3	Business Combinations	1 January 2020/ 1 January 2021#/ 1 January 2022
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2021#
MFRS 7	Financial Instruments : Disclosures	1 January 2020/ 1 January 2021#
MFRS 9	Financial Instruments	1 January 2020/ 1 January 2021#/ 1 January 2022^
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 15	Revenue from Contracts with Customers	1 January 2021#
MFRS 16	Leases	1 June 2020@/ 1 January 2022^
MFRS 101	Presentation of Financial Statements	1 January 2020/ 1 January 2021#/ 1 January 2022
MFRS 107	Statements of Cash Flows	1 January 2021#
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Error	1 January 2020
MFRS 116	Property, Plant and Equipment	1 January 2021#/ 1 January 2022
MFRS 119	Employee Benefits	1 January 2021#
MFRS 128	Investments in Associates and Joint Ventures	Deferred/ 1 January 2021#
MFRS 132	Financial Instruments : Presentation	1 January 2021#
MFRS 136	Impairment of Assets	1 January 2021#
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2021#/ 1 January 2022

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

The Group has not applied in advance the following new MFRS, 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 (cont'd)</u>		
MFRS 138	Intangible Assets	1 January 2021#
MFRS 139	Financial Instrument : Recognition and Measurement	1 January 2020
MFRS 140	Investment Property	1 January 2021#
MFRS 141	Agriculture	1 January 2022^

^ The Annual Improvements to MFRS Standards 2018-2020

@ Earlier application in permitted, including in financial statements not authorized for issue at 28 May 2020

# Amendments as to the consequence of effective of MFRS 17 Insurance Contracts

The Group is in the process of assessing the impact which may arise from adoption of the abovementioned new MFRS, 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. Profit/(loss) for the period / year

	Individual Quarter		Year To Date	
	03 months ended		09 months ended	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
	RM'000	RM'000	RM'000	RM'000
Interest income	35	77	178	305
Interest expenses	(722)	(787)	(1,883)	(2,424)
Depreciation and amortisation	(893)	(880)	(2,636)	(2,609)
Foreign exchange gain/(loss)	17	(13)	(7)	50
Fair value (loss)/gain on remeasurement of contingent consideration payables	0	(120)	0	105
(Loss)/Gain on disposal of assets	0	(14)	1	(16)

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.

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

	Manufacturing and Trading		Construction and Project Management		Adjustment & Eliminations		TOTAL	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019	31/12/2020	31/12/2019	31/12/2020	31/12/2019
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External Revenue	72,334	71,614	3,869	6,782			76,203	78,396
Inter-segment revenue	0	96	0	0	0	(96)	0	0
<b>Total Revenue</b>	<b>72,334</b>	<b>71,710</b>	<b>3,869</b>	<b>6,782</b>			<b>76,203</b>	<b>78,396</b>
<b>Profit/(Loss) before tax</b>	<b>330</b>	<b>(7,317)</b>	<b>(2,100)</b>	<b>(269)</b>			<b>(1,770)</b>	<b>(7,586)</b>
Total Assets	192,357	177,479	21,136	20,684	(5,681)	(802)	207,812	197,361
Total Liabilities	(80,389)	(63,851)	(23,343)	(20,010)	5,681	802	(98,051)	(83,059)
<b>Total Net Assets</b>	<b>111,968</b>	<b>113,628</b>	<b>(2,207)</b>	<b>674</b>			<b>109,761</b>	<b>114,302</b>

For the 9 months under review ended 31 December 2020, the Group recorded lower sales revenue by approximately RM2.193 million or 2.80% compared to preceding year corresponding period mainly due to the lower revenue attributed by slower progress at site for on-going project during the period under review from Construction and Project Management division. However, the group recorded lower loss before tax by RM5.816 million compared to preceding year corresponding period mainly due to lower 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 period under review.

## 9. Segmental Reporting (cont'd)

### Manufacturing and Trading

Segment revenue from the Manufacturing and Trading is marginally higher by 0.87% compared to previous year corresponding period. However, the segment recorded profit before tax of RM0.330 million compare to loss before tax of RM7.317 million recorded in previous year corresponding period. This is mainly due to lower pricings for major raw materials coupled with improvement in production output attributed by completion of upgrading of machineries for the quarter under review.

### Construction and Project Management

Segment revenue from the Construction and Project Management has decrease by RM2.913 million mainly due to slower progress at site for on-going project during the period under review. The segment recorded a higher loss before tax by RM1.831 million for current period compared to preceding year corresponding period mainly due to lower revenue recorded with higher construction costs incurred.

## 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 December 2020 is RM100.70 million and the utilization of banking facilities for the Group as at reporting date is at RM60.29 million.

Analysed as follows:-

### Subsidiary companies

All the corporate guarantees of RM100.70 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 December 2020 is as follows:-

	<b>Group</b> <b>31/12/2020</b> <b>RM'000</b>
Authorised and contracted for	3,256
Authorised and not contracted for	13,327
	<hr/> <u>16,583</u>
Analysed as follows :-	
- Property, plant and equipment	<hr/> <u>16,583</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 December 2020 up to the date of this report.

#### 15. Review of Performance

For the quarter under review, the Group recorded higher sales revenue by approximately RM5.593 million or 20.68% compared to preceding year corresponding quarter mainly due to higher revenue recorded from Manufacturing & Trading division. The Group manage to record profit before tax of RM0.923 million for the current quarter compared to loss before tax of RM1.642 million for preceding year corresponding quarter mainly due to lower pricings on major raw materials coupled with improvement in production output attributed by completion of upgrading of machineries for Manufacturing and Trading division for the period under review.

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

	<b>Current Quarter 31/12/2020 RM'000</b>	<b>Preceding Quarter 30/09/2020 RM'000</b>	<b>Changes %</b>
Revenue	32,640	30,515	7%
Operating Profit/(Loss)	1,645	1,046	57%
Profit/(Loss) Before Interest and Tax	1,645	1,046	57%
Profit/(Loss) Before Taxation	923	391	>100%
Profit/(Loss) After Taxation	917	376	>100%
Profit/(Loss) Attributable to Ordinary Equity Holders of the Company	1,011	754	34%

The Group recorded higher profit after tax for current quarter under review by RM0.541 million compared to preceding quarter mainly due to higher revenue recorded and better control on operation costs.

#### 17. 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, hot rolled coils and resin attributed by recent outbreak of COVID-19 around the World including Malaysia with Movement Control Order 2.0 ("MCO 2.0") which is still on-going until 4<sup>th</sup> March 2021 for Selangor, Kuala Lumpur, Johor and Penang with Conditional Movement Control Order ("CMCO") for the rest of the state except Perlis. 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.

## 18. Profit Forecast or Profit Guarantee

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

## 19. Tax

	Individual Quarter		Year To Date	
	03 months ended		09 months ended	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
	RM'000	RM'000	RM'000	RM'000
In respect of current year :				
- income tax	6	2	21	5
- deferred tax	0	(14)	17	(209)
	<u>6</u>	<u>(12)</u>	<u>38</u>	<u>(204)</u>
In respect of prior years :				
- income tax	0	0	0	0
- deferred tax	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>6</u>	<u>(12)</u>	<u>38</u>	<u>(204)</u>

## 20. Status of Corporate Proposals

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

## 21. Bank Borrowings

	As at 31 December 2020				
	Long Term	Short Term			TOTAL
	Borrowing RM'000	Borrowing USD'000	Equivalent RM'000	Borrowing RM'000	
<b><u>Secured</u></b>					
Lease Payable	385	0	0	304	689
Revolving Credit	0	0	0	2,000	2,000
Islamic Trade Credit	0	0	0	4,200	4,200
Overdraft	0	0	0	6,000	6,000
Bankers' Acceptance	0	0	0	35,965	35,965
Trust Receipt	0	0	0	7,552	7,552
<b><u>Unsecured</u></b>					
Bank Borrowing	0	0	0	0	0
<b>Total</b>	<b>385</b>	<b>0</b>	<b>0</b>	<b>56,021</b>	<b>56,406</b>

## 21. Bank Borrowings (cont'd)

	As at 31 December 2019				
	Long Term	Short Term			TOTAL RM'000
	Borrowing RM'000	Borrowing CNY'000	Equivalent RM'000	Borrowing RM'000	
<b>Secured</b>					
Lease Payable	705	0	0	302	1,007
Revolving Credit	0	0	0	2,000	2,000
Islamic Trade Credit	0	0	0	1,650	1,650
Overdraft	0	0	0	5,420	5,420
Bankers' Acceptance	0	0	0	15,946	15,946
Trust Receipt	0	1382	812	16,423	17,235
<b>Unsecured</b>					
Bank Borrowing	0	0	0	0	0
<b>Total</b>	<b>705</b>	<b>1382</b>	<b>812</b>	<b>41,741</b>	<b>43,258</b>

The Group's total borrowings for the current financial year has increase by 30.39% 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 31/12/2020	As At 31/12/2019
USD	4.0170	4.0930
CNY	0.6137	0.5876

## 22. 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, Kumpulan Awambina Sdn Bhd ("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.

On 27 July 2020, the High Court had granted Haluan Prisma an interim stay order against the judgement dated 25 February 2020 on the conditions, amongst others, that Haluan Prisma pays the principal judgement sum to Messrs Desmond Chan & Jeff Law ("**Haluan Prisma's Solicitors**") as stakeholder within fourteen (14) days from 27 July 2020 ("**Interim Stay Order**"). Haluan Prisma had on 7 August 2020 paid the principal judgment sum of RM1,069,866.41 to Haluan Prisma's Solicitors in accordance to the Interim Stay Order.

## 22. Material Litigation (cont'd)

Haluan Prisma' application have gone through several hearings and the latest hearing date has been fixed on 30<sup>th</sup> March 2021.

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, followed by second case management on 19 June 2020 and third case management is on 21 July 2020. On 30 July 2020, the High Court has granted an order to Awambina to stay the Proceedings pending the referral of the disputes to arbitration. Haluan Prisma has issued the Notice of Arbitration to refer the disputes and/or differences between the Company and Awambina claiming, among others, the sum of RM5,122,168.96 to Arbitration to Awambina on 24 November 2020. The process of arbitration is still on-going.

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

## 23. Dividend Proposed

The Board of Directors does not recommend the payment of any dividends for the 9 months ended 31 December 2020 (2019 : Nil).

## 24. Earnings/(loss) per share

	Individual Quarter		Year To Date	
	03 months ended	03 months ended	09 months ended	09 months ended
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
<b>Basic earnings/(loss) per share for profit/(loss) attributable to Owners of the Company</b>				
Net profit/(loss) for the period (RM'000)	1,011	(1,259)	(562)	(6,018)
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 earnings/(loss) per share (sen)	0.98	(1.22)	(0.55)	(5.85)

By Order of the Board

WAN RAZMAH BINTI WAN ABD RAHMAN  
CHEW SIEW CHENG  
Joint Secretaries

Selangor, 25 February 2021