

Interim report for the nine months ended 31 December 2023

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

| | Individual Quarter | | | Year To Date | | |
|---|--------------------|------------|---------|-----------------|------------|---------|
| | 03 months ended | | | 09 months ended | | |
| | 31/12/2023 | 31/12/2022 | Changes | 31/12/2023 | 31/12/2022 | Changes |
| | RM'000 | RM'000 | % | RM'000 | RM'000 | % |
| Revenue | 15,343 | 17,230 | -11% | 50,408 | 58,270 | -13% |
| Cost of sales | (17,584) | (16,984) | 4% | (53,508) | (56,442) | -5% |
| Gross profit/(loss) | (2,241) | 246 | >-100% | (3,100) | 1,828 | >-100% |
| Other income | 84,434 | 59 | >100% | 84,855 | 234 | >100% |
| Selling & distribution costs | (450) | (291) | 55% | (1,055) | (1,035) | 2% |
| Administrative expenses | (26,744) | (1,810) | >100% | (30,506) | (5,271) | >100% |
| Operating profit/(loss) | 54,999 | (1,796) | >100% | 50,194 | (4,244) | >100% |
| Finance cost | (372) | (618) | -40% | (1,715) | (1,680) | 2% |
| Profit/(loss) before taxation | 54,627 | (2,414) | >100% | 48,479 | (5,924) | >100% |
| Taxation | (57) | 1 | >-100% | (61) | (13) | >100% |
| Profit/(loss) for the period / year (refer note 8) | 54,570 | (2,413) | >100% | 48,418 | (5,937) | >100% |
| Other comprehensive income/(loss), net of tax : | | | | | | |
| Item that maybe classified subsequently to profit/(loss) : | | | | | | |
| Currency translation differences | 0 | 0 | | 0 | 0 | |
| Total comprehensive income/(loss) for period/year | 54,570 | (2,413) | >100% | 48,418 | (5,937) | >100% |
| Profit/(loss) attributable to : | | | | | | |
| Owners of the Company | 26,051 | (1,835) | >100% | 21,222 | (4,826) | >100% |
| Non-controlling interest | 28,519 | (578) | >100% | 27,196 | (1,111) | >100% |
| | 54,570 | (2,413) | >100% | 48,418 | (5,937) | >100% |
| Total comprehensive income/(loss) attributable to : | | | | | | |
| Owners of the Company | 26,051 | (1,835) | >100% | 21,222 | (4,826) | >100% |
| Non-controlling interest | 28,519 | (578) | >100% | 27,196 | (1,111) | >100% |
| | 54,570 | (2,413) | >100% | 48,418 | (5,937) | >100% |
| Profit/(loss) per share attributable to Owners of the Company : | Sen | Sen | | Sen | Sen | |
| - basic / diluted | 25.33 | (1.78) | | 20.64 | (4.69) | |

(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 2023)

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

Interim report for the nine months ended 31 December 2023

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

| | 31/12/2023 RM'000 | 31/03/2023 RM'000 |
|---|------------------------------------|------------------------------------|
| | (unaudited) | (unaudited) |
| ASSETS | | |
| Non-current asset | | |
| Property, plant and equipment | 42,229 | 68,077 |
| Total non-current asset | <u>42,229</u> | <u>68,077</u> |
| Current assets | | |
| Inventories | 84,997 | 79,000 |
| Trade and other receivables | 21,674 | 26,700 |
| Tax recoverable | 369 | 478 |
| Deposits, bank and cash balances | 46,416 | 17,303 |
| Total current assets | <u>153,456</u> | <u>123,481</u> |
| TOTAL ASSETS | <u>195,685</u> | <u>191,558</u> |
| EQUITY AND LIABILITIES | | |
| Equity attributed to equity holders of parent | | |
| Share capital | 110,159 | 110,159 |
| Capital reserve | (1,467) | (1,467) |
| Treasury shares | (108) | (108) |
| Retained earnings | 32,122 | 10,900 |
| | <u>140,706</u> | <u>119,484</u> |
| Non-controlling interest | 13,307 | (13,889) |
| Total equity | <u>154,013</u> | <u>105,595</u> |
| Non-current liabilities | | |
| Deferred tax liabilities | 752 | 757 |
| Lease liabilities | 430 | 114 |
| Total non-current liabilities | <u>1,182</u> | <u>871</u> |
| Current liabilities | | |
| Trade and other payables | 27,040 | 40,028 |
| Bank overdraft | 1,328 | 4,436 |
| Lease liabilities | 93 | 197 |
| Short term borrowings | 12,029 | 40,431 |
| Provision for taxation | 0 | 0 |
| Total current liabilities | <u>40,490</u> | <u>85,092</u> |
| Total liabilities | <u>41,672</u> | <u>85,963</u> |
| TOTAL EQUITY AND LIABILITIES | <u>195,685</u> | <u>191,558</u> |
| Net assets per share attributable to ordinary equity holders of the parent (RM) | 1.37 | 1.16 |

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2023)

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

Interim report for the nine months ended 31 December 2023

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 |
|--|-----------------------------|----------------------------|------------------------------|------------------------------|--------------------------------|-----------------|---|---------------------------|
| 09 months ended 31 December 2023 | | | | | | | | |
| Balance as at 1 April 2023 | 102,951 | 110,159 | (1,467) | (108) | 10,900 | 119,484 | (13,889) | 105,595 |
| Total comprehensive profit for the financial year | 0 | 0 | 0 | 0 | 21,222 | 21,222 | 27,196 | 48,418 |
| Transactions with owners : | | | | | | | | |
| Dividend | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Balance as at 31 December 2023 | <u>102,951</u> | <u>110,159</u> | <u>(1,467)</u> | <u>(108)</u> | <u>32,122</u> | <u>140,706</u> | <u>13,307</u> | <u>154,013</u> |
| 09 months ended 31 December 2022 | | | | | | | | |
| Balance as at 1 April 2022 | 102,951 | 110,159 | (1,467) | (108) | 7,509 | 116,093 | (12,351) | 103,742 |
| Total comprehensive loss for the financial year | 0 | 0 | 0 | 0 | (4,826) | (4,826) | (1,111) | (5,937) |
| Transactions with owners : | | | | | | | | |
| Dividend | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Balance as at 31 December 2022 | <u>102,951</u> | <u>110,159</u> | <u>(1,467)</u> | <u>(108)</u> | <u>2,683</u> | <u>111,267</u> | <u>(13,462)</u> | <u>97,805</u> |

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2023)

Interim report for the nine months ended 31 December 2023

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

| | 09 months ended | |
|---|-----------------|----------------|
| | 31/12/2023 | 31/12/2022 |
| | RM'000 | RM'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit/(Loss) before tax | 48,479 | (5,924) |
| Adjustments for : | | |
| Property, plant and equipment: | | |
| - Amortisation & depreciation | 2,711 | 2,741 |
| - Net gain on disposal | (66,838) | 0 |
| Impairment loss on property, plant and equipment | 3,350 | 0 |
| Unrealised (gain)/loss on foreign exchange | 20 | (27) |
| Reversal of expected credit lossess on receivable | 0 | (172) |
| Impairment loss on receivable | 1,359 | 0 |
| Interest expense | 1,715 | 1,680 |
| Interest income | (525) | (61) |
| Operating loss before changes in working capital | (9,729) | (1,763) |
| Changes in: | | |
| Inventories | (5,998) | (12,479) |
| Receivables | 4,040 | 10,670 |
| Payables | (13,386) | 4,996 |
| Cash (used in)/generated from operations | (25,073) | 1,424 |
| Net tax refunded/(paid) | 43 | (15) |
| Net cash flows (used in)/generated from operating activities | (25,030) | 1,409 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Property, plant and equipment: | | |
| - Additions | (1,380) | (850) |
| - Net proceed from disposals | 88,022 | 0 |
| Interest received | 516 | 61 |
| Net cash flows generated from/(used in) investing activities | 87,158 | (789) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Net movement of bank borrowings | (28,402) | (1,581) |
| Net movement of hire purchase creditor | 212 | (194) |
| Deposit to non-short term deposits with licensed banks | 661 | 32 |
| Interest paid | (1,715) | (1,680) |
| Deposit charged for credit facilities | 1,526 | (75) |
| Net cash flows used in financing activities | (27,718) | (3,498) |

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

Interim report for the nine months ended 31 December 2023

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

| | 09 months ended | |
|--|-----------------|------------|
| | 31/12/2023 | 31/12/2022 |
| | RM'000 | RM'000 |
| Net change in cash and cash equivalents | 34,410 | (2,878) |
| Cash and cash equivalents: | | |
| - at the beginning of the period | 9,878 | 1,719 |
| - at the end of the period | 44,288 | (1,159) |
| CASH AND CASH EQUIVALENTS COMPRISE :- | | |
| Deposits with financial institutions | 800 | 3,728 |
| Bank and cash balances | 45,616 | 3,883 |
| | 46,416 | 7,611 |
| Less: Bank overdraft | (1,328) | (5,038) |
| Deposits charged for credit facilities | - | (2,932) |
| Non-short term deposit | (800) | (800) |
| | 44,288 | (1,159) |

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2023)

Interim report for the nine months ended 31 December 2023

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 2023.

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 2023.

The significant accounting policies adopted by the Group in this interim financial statements as following:

Amendments/Improvements to MFRSs

| | |
|----------|--|
| MFRS 1 | First time Adoption of Malaysian Financial Reporting Standards |
| MFRS 3 | Business Combinations |
| MFRS 9 | Financial Instruments |
| MFRS 116 | Property, Plant and Equipment |
| MFRS 137 | Provisions, Contingent Liabilities and Contingent Assets |
| MFRS 141 | Agrilculture |

The Group has not applied in advance the following new MFRS and amendments/improvements to MFRSs that have been issued by MASB but not yet effective for the current financial year:

| | | Effective for financial periods beginning on or after |
|-----------------|---------------------|--|
| <u>New MFRS</u> | | |
| MFRS 17 | Insurance Contracts | 1 January 2023 |

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

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

| | | Effective for financial periods beginning on or after |
|---|--|--|
| <u>Amendments/Improvements to MFRSs</u> | | |
| MFRS 1 | First-time Adoption of Malaysian Financial Reporting Standards | 1 January 2023# |
| MFRS 3 | Business Combinations | 1 January 2023# |
| MFRS 5 | Non-current Assets Held for Sale and Discontinued Operations | 1 January 2023# |
| MFRS 7 | Financial Instruments : Disclosures | 1 January 2023#/ 1 January 2024 |
| MFRS 9 | Financial Instruments | 1 January 2023# |
| MFRS 10 | Consolidated Financial Statements | Deferred |
| MFRS 15 | Revenue from Contracts with Customers | 1 January 2023# |
| MFRS 16 | Leases | 1 January 2024 |
| MFRS 17 | Insurance Contracts | 1 January 2023 |
| MFRS 101 | Presentation of Financial Statements | 1 January 2023/ 1 January 2023#/ 1 January 2024 |
| MFRS 107 | Statements of Cash Flows | 1 January 2023#/ 1 January 2024 |
| MFRS 108 | Accounting Policies, Changes in Accounting Estimates and Error | 1 January 2023 |
| MFRS 112 | Income Taxes | 1 January 2023 |
| MFRS 116 | Property, Plant and Equipment | 1 January 2023# |
| MFRS 119 | Employee Benefits | 1 January 2023# |
| MFRS 128 | Investments in Associates and Joint Ventures | Deferred/ 1 January 2023# |
| MFRS 132 | Financial Instruments : Presentation | 1 January 2023# |
| MFRS 136 | Impairment of Assets | 1 January 2023# |
| MFRS 137 | Provisions, Contingent Liabilities and Contingent Assets | 1 January 2023# |

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

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

| | | Effective for financial periods beginning on or after |
|---|---------------------|--|
| <u>Amendments/Improvements to MFRSs</u> <i>(cont'd)</i> | | |
| MFRS 138 | Intangible Assets | 1 January 2023# |
| MFRS 140 | Investment Property | 1 January 2023# |

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 and amendments/improvements to MFRSs.

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 | |
| | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Interest income | 395 | 23 | 525 | 61 |
| Interest expenses | (372) | (618) | (1,715) | (1,680) |
| Depreciation and amortisation | (811) | (887) | (2,711) | (2,741) |
| Foreign exchange loss | (12) | (59) | (50) | (121) |
| Reversal of impairment loss on receivable | 0 | 0 | 0 | 172 |
| Impairment loss on receivables | (1,359) | 0 | (1,359) | 0 |
| Impairment loss on PPE | (3,350) | 0 | (3,350) | 0 |
| Gain on disposal of assets | 84,044 | 0 | 84,044 | 0 |

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 2023 is as follows:

| | Manufacturing and Trading | | Construction and Project Management | | Adjustment & Eliminations | | TOTAL | |
|--------------------------|---------------------------|-----------------|-------------------------------------|-----------------|---------------------------|------------|-----------------|-----------------|
| | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| External Revenue | 50,372 | 58,257 | 157 | 13 | (121) | 0 | 50,408 | 58,270 |
| Inter-segment revenue | 0 | 0 | (121) | 0 | 121 | 0 | 0 | 0 |
| Total Revenue | <u>50,372</u> | <u>58,257</u> | <u>36</u> | <u>13</u> | | | <u>50,408</u> | <u>58,270</u> |
| Profit/(Loss) before tax | <u>48,881</u> | <u>(5,688)</u> | <u>(402)</u> | <u>(236)</u> | | | <u>48,479</u> | <u>(5,924)</u> |
| Total Assets | 193,072 | 179,615 | 6,659 | 11,058 | (4,046) | (6,783) | 195,685 | 183,890 |
| Total Liabilities | <u>(34,960)</u> | <u>(78,684)</u> | <u>(10,758)</u> | <u>(14,184)</u> | 4,046 | 6,783 | <u>(41,672)</u> | <u>(86,085)</u> |
| Total Net Assets | <u>158,112</u> | <u>100,931</u> | <u>(4,099)</u> | <u>(3,126)</u> | | | <u>154,013</u> | <u>97,805</u> |

For the 9 months under review ended 31 December 2023, the Group recorded lower sales revenue by 13.49% compared to preceding year corresponding period. Nevertheless, the Group still recorded huge increase in profit before tax of RM54.40 million compared to preceding year corresponding period mainly due to gains from compulsory land disposal exercise and disposal of machineries for Laksana Wibawa Sdn Bhd for the current period under review.

9. Segmental Reporting *(cont'd)*

Manufacturing and Trading

Segment revenue from the Manufacturing and Trading recorded lower by 13.53% compared to previous year corresponding period. The segment recorded huge profit before tax of RM48.88 million compared to loss before tax of RM5.69 million recorded in previous year corresponding period. This is mainly due to gains from compulsory land disposal and machineries disposal exercise for the current period under review.

Construction and Project Management

Minimal segment revenue from the Construction and Project Management division recorded for both current period and previous year corresponding period mainly due to completion of Majlis Sukan Negara (“MSN”) project that had been successfully handed-over to client on 19 March 2021. The segment recorded higher loss before tax by RM0.166 million for current period compared to preceding year corresponding period mainly due to ongoing administration costs incurred during the current period under review.

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 2023 is RM102.00 million and the utilization of banking facilities for the Group as at reporting date is at RM15.259 million.

Analysed as follows:-

Subsidiary companies

All the corporate guarantees of RM102.00 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 2023 is as follows:-

| | Group 31/12/2023 RM'000 |
|-----------------------------------|--|
| Authorised and contracted for | 3,256 |
| Authorised and not contracted for | 13,327 |
| | <hr/> 16,583 <hr/> |
| Analysed as follows :- | |
| - Property, plant and equipment | <hr/> 16,583 <hr/> |

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 2023 up to the date of this report except as follow:

1) *Compulsory Acquisition of Land Under Land Acquisition Act, 1960*

The Company had on 23 May 2023 announced that Laksana Wibawa Sdn Bhd (Company No. 199601027502 (399854-W)), a 51% owned subsidiary of the Company had on 22 May 2023 received a notification on proposed acquisition of land under Borang E & F from Jabatan Ketua Pengarah Tanah Dan Galian (Persekutuan) of its intention to hold a land inquiry on 10 July 2023 pertaining to the compulsory acquisition of the following land under the Land Acquisition Act, 1960 (“the Act”).

(i) Lot 1498, Seksyen 20, PN 31977, Mukim Serendah, Hulu Serendah, Selangor measuring approximately 4.486 hectare

The Company understands that the proposed land acquisition is in relation to the “Projek Laluan Rel Pantai Timur (ECRL), Seksyen C2, Daerah Hulu Selangor, Selangor. The affected plot of land comprises of factory buildings, office building, TNB sub-station, pump house, weighbridge office, guard house and pipe storage area.

The Company has submitted a claim for compensation in accordance with the Act after attending the inquiries pending offer from the relevant authority. The Company had on 4 October 2023 announced that Laksana Wibawa Sdn Bhd had received compensation amounted to RM97,835,058.12 on 3 October 2023 pertaining to the said land acquisition. Laksana Wibawa Sdn Bhd had on 16 January 2024 hand over the premises to relevant authority.

2) *Disposal of Machines and Equipment For Total Cash Consideration Of RM7.36 million*

The Company had on 24 October 2023 announced that Laksana Wibawa Sdn. Bhd. (“Laksana” or “Vendor”), a 51% owned subsidiary of YLI had on 24 October 2023 entered into a Sale and Purchase Agreement (“Agreement”) with Mega Pipes Private Limited (“Mega Pipes” or “Purchaser”) to dispose of one (1) Large Diameter Mild Steel Pipe Forming Machines and Cranes (“Machines and Equipment”) for a total cash consideration of Ringgit Malaysia Seven Million Three Hundred Sixty Thousand (RM7,360,000.00) Only (“Disposal Consideration”) upon the terms and conditions as stipulated in the Agreement. As of now, the said disposal transaction is deemed completed with last final payment received on 29 December 2023 from the Purchaser.

15. Review of Performance

For the quarter under review, the Group recorded lower sales revenue by 10.95% compared to preceding year corresponding quarter mainly attributed by lower demand of waterworks pipes for project market. The Group however recorded higher profit before tax for the current quarter at RM54.627 million compared to preceding year corresponding quarter loss before tax at RM2.414 million mainly due to gains from compulsory land disposal and disposal of machineries by Laksana Wibawa Sdn Bhd.

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

| | Current Quarter 31/12/2023 RM'000 | Preceding Quarter 30/09/2023 RM'000 | Changes % |
|---|--|--|----------------------|
| Revenue | 15,343 | 16,778 | -8.6% |
| Operating Profit/(Loss) | 54,999 | (2,397) | >100% |
| Profit/(Loss) Before Interest and Tax | 54,999 | (2,397) | >100% |
| Profit/(Loss) Before Taxation | 54,627 | (3,097) | >100% |
| Profit/(Loss) After Taxation | 54,570 | (3,101) | >100% |
| Profit/(Loss) Attributable to Ordinary Equity Holders of the Company | 26,051 | (2,470) | >100% |

The Group recorded higher profit after tax for current quarter under review compared to preceding quarter despite lower sales recorded mainly due to gains from compulsory land disposal exercise and disposal of machineries by Laksana Wibawa Sdn Bhd.

17. Current Year Prospects

Water and sewerage projects are still in focus under the 12th Malaysia Plan with uncompleted projects under 11th Malaysia Plan are to be carried forward to 12th 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 in the future, this would augur well for the Group's business. Despite the above, the Board would expect the operating environment to remain extremely challenging moving forward in view of the softer demand on waterworks pipes, competitive pricings offered among waterworks pipe industry players for projects available, uncertain trend on raw materials such as scrap metal, plastic resin and hike in utility costs attributed by highly uncertain worldwide and domestic business environment. In order to address these challenges, the Group will leverage on its solid financial position, extensive customer networking and maintaining cost efficiencies in undertaking the related waterworks products and 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 | |
| | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| In respect of current year : | | | | |
| - income tax | 59 | 1 | 63 | 14 |
| - deferred tax | (2) | (2) | (2) | (1) |
| | <u>57</u> | <u>(1)</u> | <u>61</u> | <u>13</u> |
| In respect of prior years : | | | | |
| - income tax | 0 | 0 | 0 | 0 |
| - deferred tax | 0 | 0 | 0 | 0 |
| | <u>57</u> | <u>(1)</u> | <u>61</u> | <u>13</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 2023 | | | | |
|-------------------------|------------------------|----------------------|----------------------|---------------------|---------------|
| | Long Term | Short Term | | | TOTAL |
| | Borrowing RM'000 | Borrowing USD'000 | Equivalent RM'000 | Borrowing RM'000 | |
| <u>Secured</u> | | | | | |
| Lease Payable | 430 | 0 | 0 | 93 | 523 |
| Revolving Credit | 0 | 0 | 0 | 2,000 | 2,000 |
| Islamic Trade Credit | 0 | 0 | 0 | 3 | 3 |
| Overdraft | 0 | 0 | 0 | 1,328 | 1,328 |
| Bankers' Acceptance | 0 | 0 | 0 | 9,665 | 9,665 |
| Trust Receipt | 0 | 0 | 0 | 361 | 361 |
| <u>Unsecured</u> | | | | | |
| Bank Borrowing | 0 | 0 | 0 | 0 | 0 |
| Total | 430 | 0 | 0 | 13,450 | 13,880 |

21. Bank Borrowings (Cont'd)

| | As at 31 December 2022 | | | | |
|-------------------------|------------------------|----------------------|----------------------|---------------------|-----------------|
| | Long Term | Short Term | | | TOTAL RM'000 |
| | Borrowing RM'000 | Borrowing USD'000 | Equivalent RM'000 | Borrowing RM'000 | |
| <u>Secured</u> | | | | | |
| Lease Payable | 168 | 0 | 0 | 160 | 328 |
| Revolving Credit | 0 | 0 | 0 | 2,000 | 2,000 |
| Islamic Trade Credit | 0 | 0 | 0 | 425 | 425 |
| Overdraft | 0 | 0 | 0 | 5,037 | 5,037 |
| Bankers' Acceptance | 0 | 0 | 0 | 36,434 | 36,434 |
| Trust Receipt | 0 | 0 | 0 | 1,468 | 1,468 |
| <u>Unsecured</u> | | | | | |
| Bank Borrowing | 0 | 0 | 0 | 0 | 0 |
| Total | 168 | 0 | 0 | 45,524 | 45,692 |

The Group's total borrowings for the current financial year is lower by RM31.812 million compared to preceding year corresponding period. This is mainly due to full settlement of bank borrowings by Laksana Wibawa Sdn Bhd during the current quarter under review.

The Group's exchange rate as follows:-

| Currency | As At 31/12/2023 | As At 31/12/2022 |
|----------|---------------------|---------------------|
| USD | 4.5900 | 4.3900 |
| SGD | 3.4743 | 3.2697 |
| CNY | 0.6451 | 0.6314 |

22. Material Litigation

There was no material litigation against the Group as at the reporting date.

23. Dividend Proposed

The Board of Directors does not recommend the payment of any dividends for the 9 months ended 31 December 2023 (2022 : Nil).

24. Profit/(loss) per share

| | Individual Quarter | | Year To Date | |
|---|--------------------|------------|-----------------|------------|
| | 03 months ended | | 09 months ended | |
| | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 |
| Basic profit/(loss) per share for profit/(loss) attributable to Owners of the Company | | | | |
| Net profit/(loss) for the period (RM'000) | 26,051 | (1,835) | 21,222 | (4,826) |
| 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 profit/(loss) per share (sen) | 25.33 | (1.78) | 20.64 | (4.69) |

By Order of the Board

CHEW SIEW CHENG

LAW MEE POO

Secretary

Selangor, 27 February 2024