

Interim report for the three months ended 30 June 2024

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

	Individual Quarter			Year To Date		
	03 months ended			03 months ended		
	30/06/2024	30/06/2023	Changes	30/06/2024	30/06/2023	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	11,707	18,287	-36%	11,707	18,287	-36%
Cost of sales	(14,314)	(18,794)	-24%	(14,314)	(18,794)	-24%
Gross profit/(loss)	(2,607)	(507)	>100%	(2,607)	(507)	>100%
Other income	221	197	12%	221	197	12%
Selling & distribution costs	(419)	(257)	63%	(419)	(257)	63%
Administrative expenses	(2,810)	(1,840)	53%	(2,810)	(1,840)	53%
Operating profit/(loss)	(5,615)	(2,407)	>100%	(5,615)	(2,407)	>100%
Finance cost	(192)	(644)	-70%	(192)	(644)	-70%
Profit/(loss) before taxation	(5,807)	(3,051)	90%	(5,807)	(3,051)	90%
Taxation	(40)	-		(40)	-	
Profit/(loss) for the period / year (refer note 8)	(5,847)	(3,051)	92%	(5,847)	(3,051)	92%
Other comprehensive income/(loss), net of tax :						
Item that maybe classified subsequently to profit/(loss) :						
Currency translation differences	-	-		-	-	
Total comprehensive income/(loss) for period/year	(5,847)	(3,051)	92%	(5,847)	(3,051)	92%
Profit/(loss) attributable to :						
Owners of the Company	(5,828)	(2,359)	>100%	(5,828)	(2,359)	>100%
Non-controlling interest	(19)	(692)	-97%	(19)	(692)	-97%
	(5,847)	(3,051)	92%	(5,847)	(3,051)	92%
Total comprehensive income/(loss) attributable to :						
Owners of the Company	(5,828)	(2,359)	>100%	(5,828)	(2,359)	>100%
Non-controlling interest	(19)	(692)	-97%	(19)	(692)	-97%
	(5,847)	(3,051)	92%	(5,847)	(3,051)	92%
Profit/(loss) per share attributable to Owners of the Company :	Sen	Sen		Sen	Sen	
- basic / diluted	(5.67)	(2.29)		(5.67)	(2.29)	

(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 2024)

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

Interim report for the three months ended 30 June 2024

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

	<b>30/06/2024</b>	<b>31/03/2024</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>Non-current asset</b>		
Property, plant and equipment	45,892	47,619
<b>Total non-current asset</b>	<u>45,892</u>	<u>47,619</u>
<b>Current assets</b>		
Inventories	87,197	90,039
Trade and other receivables	19,464	20,920
Tax recoverable	379	437
Deposits, bank and cash balances	29,528	37,063
<b>Total current assets</b>	<u>136,568</u>	<u>148,459</u>
<b>TOTAL ASSETS</b>	<u>182,460</u>	<u>196,078</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	21,353	27,181
	<u>129,937</u>	<u>135,765</u>
Non-controlling interest	13,263	13,282
<b>Total equity</b>	<u>143,200</u>	<u>149,047</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	459	461
Lease liabilities	1,416	2,286
Hire Purchase Payables	364	384
<b>Total non-current liabilities</b>	<u>2,239</u>	<u>3,131</u>
<b>Current liabilities</b>		
Trade and other payables	22,590	27,843
Bank overdraft	1,036	857
Lease liabilities	3,820	3,810
Hire Purchase Payables	83	86
Short term borrowings	9,492	11,304
<b>Total current liabilities</b>	<u>37,021</u>	<u>43,900</u>
<b>Total liabilities</b>	<u>39,260</u>	<u>47,031</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>182,460</u>	<u>196,078</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.26	1.32

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2024)

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

Interim report for the three months ended 30 June 2024

**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>03 months ended 30 June 2024</b>								
Balance as at 1 April 2024	102,951	110,159	(1,467)	(108)	27,181	135,765	13,282	149,047
Total comprehensive profit for the financial year	-	-	-	-	(5,828)	(5,828)	(19)	(5,847)
<b>Transactions with owners :</b>								
Dividend	-	-	-	-	-	-	-	-
Balance as at 30 June 2024	<u>102,951</u>	<u>110,159</u>	<u>(1,467)</u>	<u>(108)</u>	<u>21,353</u>	<u>129,937</u>	<u>13,263</u>	<u>143,200</u>
<b>03 months ended 30 June 2023</b>								
Balance as at 1 April 2023	102,951	110,159	(1,467)	(108)	10,900	119,484	(13,889)	105,595
Total comprehensive loss for the financial year	-	-	-	-	(2,359)	(2,359)	(692)	(3,051)
<b>Transactions with owners :</b>								
Dividend	-	-	-	-	-	-	-	-
Balance as at 30 June 2023	<u>102,951</u>	<u>110,159</u>	<u>(1,467)</u>	<u>(108)</u>	<u>8,541</u>	<u>117,125</u>	<u>(14,581)</u>	<u>102,544</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 2024)

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

Interim report for the three months ended 30 June 2024

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

	03 months ended	
	30/06/2024	30/06/2023
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	(5,807)	(3,051)
Adjustments for :		
Property, plant and equipment:		
- Amortisation & depreciation	1,742	944
- Net gain on disposal	(19)	-
Unrealised (gain)/loss on foreign exchange	(8)	10
Interest expense	192	644
Interest income	(198)	(80)
Operating loss before changes in working capital	(4,098)	(1,533)
Changes in:		
Inventories	2,841	(2,103)
Receivables	1,478	5,256
Payables	(5,254)	(8,379)
Cash used in operations	(5,033)	(6,759)
Net tax refunded/(paid)	29	(6)
<b>Net cash flows used in operating activities</b>	<b>(5,004)</b>	<b>(6,765)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Property, plant and equipment:		
- Additions	(161)	(416)
- Net proceed from disposals	146	-
Interest received	192	102
<b>Net cash flows generated from/(used in) investing activities</b>	<b>177</b>	<b>(314)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net movement of bank borrowings	(1,812)	2,130
Net movement of lease liabilities	(932)	-
Net movement of hire purchase creditor	49	49
Interest paid	(192)	(644)
Net withdrawal of deposit charged for credit facilities	-	(15)
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(2,887)</b>	<b>1,520</b>

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

Interim report for the three months ended 30 June 2024

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

	03 months ended	
	30/06/2024	30/06/2023
	RM'000	RM'000
<b>Net change in cash and cash equivalents</b>	(7,714)	(5,559)
Cash and cash equivalents:		
- at the beginning of the period	35,406	9,878
- at the end of the period	27,692	4,319
<b>CASH AND CASH EQUIVALENTS COMPRISE :-</b>		
Deposits with financial institutions	805	9,242
Bank and cash balances	28,723	3,425
	29,528	12,667
Less: Bank overdraft	(1,036)	(5,345)
Deposits charged for credit facilities	-	(2,203)
Non-short term deposit	(800)	(800)
	27,692	4,319

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2024)

Interim report for the three months ended 30 June 2024

**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 2024.

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 2024.

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

**New MFRS**

MFRS 17 Insurance Contracts

**Amendments to MFRSs**

MFRS 101 Presentation of Financial Statements

MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

MFRS 112 Income Taxes

The Group has not applied in advance the following new MFRS and amendments to MFRSs 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>
<b><u>New MFRS</u></b>		
MFRS 18	Presentation and Disclosure in Finance Statements	1 January 2027

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

The Group has not applied in advance the following new MFRS and amendments to MFRSs 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 to MFRSs</u>		
MFRS 7	Financial Instruments : Disclosures	1 January 2024
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 16	Leases	1 January 2024
MFRS 101	Presentation of Financial Statements	1 January 2024
MFRS 107	Statements of Cash Flows	1 January 2024
MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2025
MFRS 128	Investments in Associates and Joint Ventures	Deferred

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		03 months ended	
	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	RM'000	RM'000	RM'000	RM'000
Interest income	198	80	198	80
Interest expenses	(192)	(644)	(192)	(644)
Depreciation and amortisation	(1,742)	(944)	(1,742)	(944)
Foreign exchange gain/(loss)	17	(13)	17	(13)
Gain/(Loss) on disposal of assets	19	-	19	-

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 30 June 2024 is as follows:

	Manufacturing and Trading		Construction and Project Management		Adjustment & Eliminations		TOTAL	
	30/06/2024	30/06/2023	30/06/2024	30/06/2023	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External Revenue	11,707	18,287	-	-	-	-	11,707	18,287
Inter-segment revenue	0	0	-	-	-	-	-	-
<b>Total Revenue</b>	<b>11,707</b>	<b>18,287</b>	<b>-</b>	<b>-</b>			<b>11,707</b>	<b>18,287</b>
<b>Profit/(Loss) before tax</b>	<b>(5,698)</b>	<b>(2,946)</b>	<b>(109)</b>	<b>(105)</b>			<b>(5,807)</b>	<b>(3,051)</b>
Total Assets	176,008	179,313	6,557	8,246	(105)	(4,346)	182,460	183,213
Total Liabilities	(28,087)	(72,967)	(11,278)	(12,048)	105	4,346	(39,260)	(80,669)
<b>Total Net Assets</b>	<b>147,921</b>	<b>106,346</b>	<b>(4,721)</b>	<b>(3,802)</b>			<b>143,200</b>	<b>102,544</b>

For the 3 months under review ended 30 June 2024, the Group recorded lower sales revenue by 35.98% compared to preceding year corresponding period. The Group also recorded higher loss before tax of RM2.756 million compared to preceding year corresponding period mainly due to lower sales recorded with slower market demand of the Group's products for the current period under review.



## **9. Segmental Reporting** *(cont'd)*

### Manufacturing and Trading

Segment revenue from the Manufacturing and Trading recorded lower by 35.98% compared to previous year corresponding period. The segment also recorded loss before tax of RM2.752 million compared to previous year corresponding period. This is mainly due to lower sales recorded with slower market demand of the Group's products 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 almost at par loss before tax for current period compared to preceding year corresponding period mainly because constant 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 30 June 2024 is RM51.00 million and the utilization of banking facilities for the Group as at reporting date is at RM13.377 million.

Analysed as follows:-

### Subsidiary companies

All the corporate guarantees of RM51.00 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**

There were no capital expenditure not provided for in the financial statement during the period under review.

## **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 30 June 2024 up to the date of this report except of the following:

The Company had on 3 July 2024 entered into a conditional share sale agreement with Bumiraya Armani Sdn Bhd for the proposed acquisition of 4,000,000 ordinary shares in Damini Corporation Sdn. Bhd. (“Damini”) representing 80% equity interest in Damini, for a purchase consideration of RM10.0 million to be satisfied via a combination of cash of RM3.5 million and the issuance of 10,000,000 new ordinary shares in the Company at an issue price of RM0.65 per share. As at date of this report, the proposed acquisition is pending finalization.

#### 15. Review of Performance

For the quarter under review, the Group recorded lower sales revenue by 35.98% compared to preceding year corresponding quarter mainly attributed by lower demand of waterworks pipes especially for domestic market. The Group recorded loss before tax for the current quarter at RM5.807 million compared to preceding year corresponding quarter with loss before tax at RM3.051 million mainly due to lower sales recorded for the current quarter under review.

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

	<b>Current Quarter 30/06/2024 RM'000</b>	<b>Preceding Quarter 31/03/2024 RM'000</b>	<b>Changes %</b>
Revenue	11,707	13,156	-11.0%
Operating Profit/(Loss)	(5,615)	(5,070)	10.7%
Profit/(Loss) Before Interest and Tax	(5,615)	(5,070)	10.7%
Profit/(Loss) Before Taxation	(5,807)	(5,252)	10.6%
Profit/(Loss) After Taxation	(5,847)	(4,966)	17.7%
Profit/(Loss) Attributable to Ordinary Equity Holders of the Company	(5,828)	(4,940)	18.0%

The Group recorded higher loss after tax for current quarter under review compared to preceding quarter mainly due to lower sales recorded for the current quarter compared with preceding quarter.

## 17. Current Year Prospects

Water and sewerage projects are still in focus under the 12<sup>th</sup> Malaysia Plan with uncompleted projects under 11<sup>th</sup> Malaysia Plan are 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 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		03 months ended	
	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	RM'000	RM'000	RM'000	RM'000
In respect of current year :				
- income tax	42	2	42	2
- deferred tax	(2)	(2)	(2)	(2)
	<u>40</u>	<u>-</u>	<u>40</u>	<u>-</u>
In respect of prior years :				
- income tax	-	-	-	-
- deferred tax	-	-	-	-
	<u>40</u>	<u>-</u>	<u>40</u>	<u>-</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. Loan and Borrowings

	As at 30 June 2024				
	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 Liabilities	1,416	-	-	3,820	5,236
Hire Purchase Payable	364	-	-	83	447
Revolving Credit	-	-	-	2,000	2,000
Islamic Trade Credit	-	-	-	-	-
Overdraft	-	-	-	1,036	1,036
Bankers' Acceptance	-	-	-	7,492	7,492
Trust Receipt	-	-	-	-	-
<b><u>Unsecured</u></b>					
Bank Borrowing	-	-	-	-	-
<b>Total</b>	<b>1,780</b>	<b>-</b>	<b>-</b>	<b>14,431</b>	<b>16,211</b>

	As at 30 June 2023				
	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 Liabilities	112	-	-	55	167
Hire Purchase Payable	93	-	-	100	193
Revolving Credit	-	-	-	2,000	2,000
Islamic Trade Credit	-	-	-	511	511
Overdraft	-	-	-	5,345	5,345
Bankers' Acceptance	-	-	-	39,541	39,541
Trust Receipt	-	-	-	509	509
<b><u>Unsecured</u></b>					
Bank Borrowing	-	-	-	-	-
<b>Total</b>	<b>205</b>	<b>-</b>	<b>-</b>	<b>48,061</b>	<b>48,266</b>

The Group's total borrowings for the current financial year is lower by RM32.055 million compared to preceding year corresponding period. This is mainly due to full settlement of bank borrowings by Laksana Wibawa Sdn Bhd in the previous financial year end.

The Group's exchange rate as follows:-

Currency	As At 30/06/2024	As At 30/06/2023
USD	4.7170	4.6650
SGD	3.4758	3.4345
CNY	0.6492	0.6414

## 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 03 months ended 30 June 2024 (2023 : Nil).

## 24. Profit/(loss) per share

	<b>Individual Quarter</b>		<b>Year To Date</b>	
	<b>03 months ended</b>		<b>03 months ended</b>	
	<b>30/06/2024</b>	<b>30/06/2023</b>	<b>30/06/2024</b>	<b>30/06/2023</b>
<b>Basic profit/(loss) per share for profit/(loss) attributable to Owners of the Company</b>				
Net profit/(loss) for the period (RM'000)	(5,828)	(2,359)	(5,828)	(2,359)
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)	(5.67)	(2.29)	(5.67)	(2.29)

By Order of the Board

CHEW SIEW CHENG

LAW MEE POO

Secretary

Kuala Lumpur, 29 August 2024