

# **PANSAR BERHAD** [Registration No. 197401002551 (18904-M)]

INTERIM FINANCIAL STATEMENTS  
FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2022

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**PANSAR BERHAD** [Registration No. 197401002551 (18904-M)]CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2022

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31.03.2022	Preceding year corresponding quarter 31.03.2021	Current year to date 31.03.2022	Preceding year corresponding year to date 31.03.2021
	RM'000	RM'000	RM'000	RM'000
Revenue	171,253	78,684	601,333	303,995
Cost of sales	(154,256)	(68,846)	(537,207)	(262,157)
<b>Gross profit</b>	16,997	9,838	64,126	41,838
Other income	5,431	9,097	13,565	20,209
Selling and distribution expenses	(2,609)	(2,277)	(9,630)	(9,118)
Administrative expenses	(15,358)	(9,287)	(53,176)	(33,651)
Other operating expenses	(4,037)	(3,852)	(6,024)	(6,511)
Finance costs	(1,796)	(183)	(6,138)	(883)
Share of results in jointly controlled entities	(28)	-	192	-
Share of results in an associate	185	-	596	116
<b>(Loss)/profit before taxation</b>	(1,215)	3,336	3,511	12,000
Income tax expense	(607)	334	(2,822)	(1,230)
<b>(Loss)/profit after taxation</b>	(1,822)	3,670	689	10,770
Other comprehensive income				
<u>Items that will be reclassified subsequently to profit or loss</u>				
Cash flow hedge	(338)	(164)	(323)	(260)
Foreign currency translation	111	121	205	154
Foreign currency translation reserve transferred to profit & loss due to disposal of an associated company	-	-	-	(181)
<b>Total other comprehensive income</b>	(227)	(43)	(118)	(287)
<b>Total comprehensive (expenses)/income for the period</b>	(2,049)	3,627	571	10,483

**PANSAR BERHAD** [Registration No. 197401002551 (18904-M)]CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2022 (CONT'D)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31.03.2022 RM'000	Preceding year corresponding quarter 31.03.2021 RM'000	Current year to date 31.03.2022 RM'000	Preceding year corresponding year to date 31.03.2021 RM'000
<b>(Loss)/profit after taxation attributable to:-</b>				
- Owners of the Company	(1,831)	3,707	920	10,707
- Non-controlling interests	9	(37)	(231)	63
	(1,822)	3,670	689	10,770
<b>Total comprehensive (expenses)/income attributable to:-</b>				
- Owners of the Company	(2,058)	3,664	802	10,420
- Non-controlling interests	9	(37)	(231)	63
	(2,049)	3,627	571	10,483
<b>Weighted average number of shares in issue ('000)</b>	460,057	458,722	460,055	458,445
<b>(Loss)/earnings per ordinary share (sen):-</b>				
-Basic	(0.40)	0.81	0.20	2.34
-Diluted	(0.20)	0.53	0.10	1.55

The condensed consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.

**PANSAR BERHAD** [Registration No. 197401002551 (18904-M)]CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AT 31 MARCH 2022

	31.03.2022	31.03.2021
	RM'000	RM'000
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment in an associate	8,500	-
Investment in jointly controlled entities	1,638	-
Property, plant and equipment	18,871	6,946
Right-of-use assets	21,203	12,357
Investment properties	8,467	8,149
Intangible assets	32,567	1,016
Other investments	13,672	19,940
Deferred tax assets	4,842	5,001
Goodwill	53,138	453
Trade receivables	11,774	-
	<hr/> 174,672	<hr/> 53,862
<b>Current assets</b>		
Inventories	52,461	46,551
Trade and other receivables	326,105	108,365
Short term investments	19,913	20,889
Derivative assets	77	162
Current tax assets	5,707	740
Deposits, cash and bank balances	21,567	141,843
	<hr/> 425,830	<hr/> 318,550
<b>TOTAL ASSETS</b>	<hr/> <b>600,502</b>	<hr/> <b>372,412</b>

**PANSAR BERHAD** [Registration No. 197401002551 (18904-M)]CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AT 31 MARCH 2022 (CONT'D)

	31.03.2022	31.03.2021
	RM'000	RM'000
	(Unaudited)	(Audited)
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	153,182	153,121
Treasury shares	(2,313)	(2,313)
Redeemable convertible preference shares	121,543	121,543
Reserves	29,008	31,656
	<hr/>	<hr/>
<b>Equity attributable to owners of the Company</b>	301,420	304,007
Non-controlling interests	457	688
	<hr/>	<hr/>
<b>Total equity</b>	301,877	304,695
	<hr/>	<hr/>
<b>Non-current liabilities</b>		
Bank borrowings	19,000	204
Deferred tax liabilities	9,205	-
Lease liabilities	8,846	5,800
	<hr/>	<hr/>
	37,051	6,004
	<hr/>	<hr/>
<b>Current liabilities</b>		
Lease liabilities	4,822	2,790
Trade and other payables	89,417	51,437
Derivative liabilities	708	-
Bank borrowings:-		
- bank overdrafts	2,161	2,776
- other borrowings	160,979	3,054
Provision for employee benefits	3,478	1,568
Current tax liabilities	9	88
	<hr/>	<hr/>
	261,574	61,713
	<hr/>	<hr/>
<b>Total liabilities</b>	298,625	67,717
	<hr/>	<hr/>
<b>TOTAL EQUITY AND LIABILITIES</b>	600,502	372,412
	<hr/> <hr/>	<hr/> <hr/>
<b>Net assets per ordinary share attributable to owners of the Company (RM)</b>	0.66	0.66
	<hr/> <hr/>	<hr/> <hr/>

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.

**PANSAR BERHAD** [Registration No. 197401002551 (18904-M)]

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEAR TO DATE ENDED 31 MARCH 2022

12-month period ended	Share Capital RM'000	Treasury Shares RM'000	Redeemable Convertible Preference Shares RM'000	< ----- Non-distributable ----- >			<distributable>		Non- Controlling Interests RM'000	Total Equity RM'000
				Reverse Acquisition Reserve RM'000	Foreign Exchange Translation Reserve RM'000	Cash Flow Hedge Reserve RM'000	Retained Profits RM'000	Attributable to Owners of the Company RM'000		
Balance at 01.04.2021	153,121	(2,313)	121,543	(116,732)	4,659	(98)	143,827	304,007	688	304,695
Profit after taxation for the period	-	-	-	-	-	-	920	920	(231)	689
Other comprehensive income for the period, net of tax:-										
- Foreign currency translation	-	-	-	-	205	-	-	205	-	205
- Cash flow hedge	-	-	-	-	-	(323)	-	(323)	-	(323)
Total comprehensive income for the period	-	-	-	-	205	(323)	920	802	(231)	571
Contributions by and distributions to owners of the Company:-										
- Issuance of shares	61	-	-	-	-	-	-	61	-	61
- Dividends	-	-	-	-	-	-	(3,450)	(3,450)	-	(3,450)
Total transactions with owners	61	-	-	-	-	-	(3,450)	(3,389)	-	(3,389)
Balance at 31.03.2022	153,182	(2,313)	121,543	(116,732)	4,864	(421)	141,297	301,420	457	301,877

# PANSAR BERHAD [Registration No. 197401002551 (18904-M)]

## CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR TO DATE ENDED 31 MARCH 2022 (CONT'D)

12-month period ended	Share Capital RM'000	Treasury Shares RM'000	Redeemable Convertible Preference Shares RM'000	< ----- Non-distributable ----- >			< distributable >		Non- Controlling Interests RM'000	Total Equity RM'000
				Reverse Acquisition Reserve RM'000	Foreign Exchange Translation Reserve RM'000	Cash Flow Hedge Reserve RM'000	Retained Profits RM'000	Attributable to Owners of the Company RM'000		
Balance at 01.04.2020	151,956	(2,313)	-	(116,732)	4,686	162	140,000	177,759	-	177,759
Profit after taxation for the period	-	-	-	-	-	-	10,707	10,707	63	10,770
Other comprehensive income for the period, net of tax:-										
- Foreign currency translation reserve transferred to profit or loss due to disposal of an associated company	-	-	-	-	(181)	-	-	(181)	-	(181)
- Foreign currency translation	-	-	-	-	154	-	-	154	-	154
- Cash flow hedge	-	-	-	-	-	(260)	-	(260)	-	(260)
Total comprehensive income for the period	-	-	-	-	(27)	(260)	10,707	10,420	63	10,483
Contributions by and distributions to owners of the Company:-										
- Acquisition of a subsidiary company	-	-	-	-	-	-	-	-	625	625
- Issuance of shares	1,165	-	-	-	-	-	-	1,165	-	1,165
- Dividends	-	-	-	-	-	-	(6,880)	(6,880)	-	(6,880)
Total transactions with owners	1,165	-	-	-	-	-	(6,880)	(5,715)	625	(5,090)
Issuance of redeemable convertible preference shares	-	-	121,543	-	-	-	-	121,543	-	121,543
Balance at 31.03.2021	153,121	(2,313)	121,543	(116,732)	4,659	(98)	143,827	304,007	688	304,695

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.

**PANSAR BERHAD** [Registration No. 197401002551 (18904-M)]CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEAR TO DATE ENDED 31 MARCH 2022

	<b>Current year to date 31.03.2022 RM'000</b>	<b>Preceding year corresponding year to date 31.03.2021 RM'000</b>
<b>CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES</b>		
Profit before taxation	3,511	12,000
<b>Adjustments for:-</b>		
Allowance for impairment losses on receivables	4,051	5,936
Allowance for impairment losses on receivables no longer required	(7,320)	(4,600)
Allowance for slow-moving inventories	87	571
Allowance for slow-moving inventories no longer required	(1,866)	(65)
Amortisation of intangible assets	3,526	18
Bad debts written off	415	4
Depreciation of property, plant and equipment	4,508	1,368
Depreciation of investment properties	151	157
Depreciation of right-of-use assets	5,334	3,004
Dividend income	(147)	(220)
Fair value loss on derivatives	145	2
Fair value loss/(gain) on other investments	6,268	(7,893)
Fair value gain on short-term investments	(219)	(59)
Gain on disposal of an associated company	-	(1,969)
Gain on disposal of investment properties	(37)	(146)
Gain on disposal of other investments	-	(75)
Gain on disposal of right-of-use assets	(78)	(30)
Gain on disposal of property, plant and equipment	(117)	(253)
Goodwill written off	4	-
Impairment losses on intangible assets	1,684	-
Interest expense	6,138	883
Interest income	(1,170)	(1,025)
Property, plant and equipment written off	10	-
Provision for employee benefits	3,487	383
Share of results in jointly controlled entities	(192)	-
Share of results in an associate	(596)	(116)
Unrealised (gain)/loss on foreign exchange	(130)	106
Operating profit before working capital changes	27,447	7,981
Increase in inventories	(4,118)	(3,735)
(Increase)/decrease in trade and other receivables	(121,546)	13,435
Increase/(decrease) in trade and other payables	10,688	(7,543)
Employee benefits paid	(1,579)	(1,119)
<b>CASH (FOR)/FROM OPERATING ACTIVITIES / BALANCE CARRIED FORWARD</b>	<b>(89,108)</b>	<b>9,019</b>



**PANSAR BERHAD** [Registration No. 197401002551 (18904-M)]CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEAR TO DATE ENDED 31 MARCH 2022 (CONT'D)

	<b>Current year to date 31.03.2022 RM'000</b>	<b>Preceding year corresponding year to date 31.03.2021 RM'000</b>
CASH (FOR)/FROM OPERATING ACTIVITIES / BALANCE CARRIED FORWARD	(89,108)	9,019
Interest paid	(6,007)	(236)
Interest received	569	541
Income tax paid	(4,622)	(3,172)
Income tax refunded	56	49
<b>NET CASH (FOR)/FROM OPERATING ACTIVITIES</b>	<b>(99,112)</b>	<b>6,201</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Acquisition of a subsidiary, net of cash and cash equivalents acquired	(147,266)	(332)
Dividend received from jointly controlled entities, associate and other investments	2,647	220
Increase in pledged fixed deposits with licensed bank	(4)	(4)
Proceeds from disposal of property, plant and equipment	146	413
Proceeds from disposal of an associated company	-	6,540
Proceeds from disposal of investment properties	160	680
Proceeds from disposal of other investments	-	174
Proceeds from disposal of right-of-use assets	94	-
Purchase of intangible assets	(26)	(739)
Purchase of investment properties	(592)	-
Purchase of property, plant and equipment	(8,930)	(2,020)
Purchase of right-of-use assets	(489)	-
Disposal/(purchase) of short-term investments	1,195	(15,813)
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<b>(153,065)</b>	<b>(10,881)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(3,450)	(6,880)
Net proceeds from issuance of redeemable convertible preference shares	-	121,543
Net of drawdown/(repayment) of bankers' acceptance	30,178	(1,700)
Net of drawdown of invoice financing	31,630	-
Net of drawdown/(repayment) of revolving credit	54,550	(3,000)
Net of drawdown of term loans	24,742	1
Proceeds from issuance of ordinary shares	61	1,165
Repayment of lease liabilities	(5,209)	(3,218)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>132,502</b>	<b>107,911</b>

**PANSAR BERHAD** [Registration No. 197401002551 (18904-M)]CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEAR TO DATE ENDED 31 MARCH 2022 (CONT'D)

	<b>Current year to date 31.03.2022 RM'000</b>	<b>Preceding year corresponding year to date 31.03.2021 RM'000</b>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(119,675)	103,231
EFFECTS OF FOREIGN EXCHANGE TRANSLATION	10	(3)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	138,802	35,574
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	19,137	138,802
<b>CASH AND CASH EQUIVALENTS COMPRISE:-</b>		
Cash and bank balances	21,298	141,578
Bank overdrafts	(2,161)	(2,776)
	19,137	138,802

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.

# PANSAR BERHAD [Registration No. 197401002551 (18904-M)]

## NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2022

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### PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

#### A1 Basis of preparation

The unaudited interim financial statements have been prepared in accordance with *MFRS 134: Interim Financial Reporting* issued by Malaysian Accounting Standards Board, *IAS 34: Interim Financial Reporting* issued by International Accounting Standards Board and *paragraph 9.22 of the Main Market Listing Requirements* of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 March 2021. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2021.

The significant accounting policies and methods of computation adopted by the Group in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 March 2021, except as follows:

On 1 April 2021, the Group adopted the following Amendments to MFRSs mandatory for annual financial periods beginning on or after 1 January 2021:-

- Amendments to *MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2*
- Amendments to *MFRS 16 Leases – Covid-19-Related Rent Concessions beyond 30 June 2021*

The adoption of the abovementioned Amendments to MFRSs did not have any material impact on the financial statements of the Group.

#### A2 Comments about seasonality or cyclical of operations

The business of the Group is not subject to seasonal or cyclical fluctuations.

#### A3 Unusual items due to their nature, size and incidence

There were no unusual items affecting the assets, liabilities, equity, net income, or cash flows due to their nature, size or incidence during the current quarter under review.

#### A4 Changes in estimates

There were no changes in the estimates that have had a material effect in the current quarter under review.

#### A5 Debt and equity securities

There were no issuances, repurchases and repayments of debt and equity securities for the current quarter under review.

#### A6 Dividend paid

There was no dividend paid by the Company during the quarter under review.

# PANSAR BERHAD [Registration No. 197401002551 (18904-M)]

NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2022

## PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

### A7 Segmental information

The following is an analysis of the Group's revenue and results by reportable segments:-

#### (a) Business segments

	Marine & Industrial RM'000	Building & Construction Materials RM'000	Agro Engineering RM'000	Electrical & Air Conditioning RM'000	Heavy Equipment RM'000	Mechanical & Electrical RM'000	Construction & Infrastructure RM'000	Year to date 31.03.2022 RM'000
<b>Revenue</b>								
External revenue	96,525	90,844	34,244	27,623	27,929	94,715	229,453	601,333
Inter-segment revenue	287	8,997	-	1,615	24,539	1,350	-	36,788
	96,812	99,841	34,244	29,238	52,468	96,065	229,453	638,121
Adjustments and eliminations								(36,788)
Consolidated revenue								601,333
<b>Results</b>								
Segment results	17,057	6,885	2,574	1,704	1,651	6,359	1,394	37,624
Adjustments and eliminations	-	-	-	-	529	1,616	-	2,145
	17,057	6,885	2,574	1,704	2,180	7,975	1,394	39,769
Share of results in jointly controlled entities								192
Share of results in an associate								596
Unallocated income								1,198
Unallocated expenses								(38,244)
Consolidated profit before taxation								3,511

# PANSAR BERHAD [Registration No. 197401002551 (18904-M)]

NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2022

## PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

### A7 Segmental information (cont'd)

#### (a) Business segments (cont'd)

	Marine & Industrial RM'000	Building & Construction Materials RM'000	Agro Engineering RM'000	Electrical & Air Conditioning RM'000	Heavy Equipment RM'000	Mechanical & Electrical RM'000	Construction & Infrastructure RM'000	Year to date 31.03.2022 RM'000
<b>Assets</b>								
Segment assets	36,009	40,336	18,820	12,025	9,373	55,099	279,380	451,042
Investment in an associate								8,500
Investment in jointly controlled entities								1,638
Goodwill								53,138
Unallocated assets								81,342
Deferred tax assets								4,842
Consolidated total assets								600,502

# PANSAR BERHAD [Registration No. 197401002551 (18904-M)]

## NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2022

### PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

#### A7 Segmental information (cont'd)

##### (a) Business segments (cont'd)

	Marine & Industrial RM'000	Building & Construction Materials RM'000	Agro Engineering RM'000	Electrical & Air Conditioning RM'000	Heavy Equipment RM'000	Mechanical & Electrical RM'000	Year to date 31.03.2021 RM'000
<b>Revenue</b>							
External revenue	88,213	82,028	25,692	22,166	16,654	69,242	303,995
Inter-segment revenue	517	670	-	817	10,773	20	12,797
	88,730	82,698	25,692	22,983	27,427	69,262	316,792
Adjustments and eliminations							(12,797)
Consolidated revenue							303,995
<b>Results</b>							
Segment results	13,787	5,565	2,061	470	807	1,523	24,213
Adjustments and eliminations	-	-	-	-	535	1,920	2,455
	13,787	5,565	2,061	470	1,342	3,443	26,668
Share of results in an associate							116
Unallocated income							12,597
Unallocated expenses							(27,381)
Consolidated profit before taxation							12,000
<b>Assets</b>							
Segment assets	51,194	34,032	13,891	12,011	9,031	43,653	163,812
Goodwill							453
Unallocated assets							203,146
Deferred tax assets							5,001
Consolidated total assets							372,412

##### (b) Geographical segments

	Year to date	
	31.03.2022 RM'000	31.03.2021 RM'000
Total revenue from external customers		
- Malaysia	589,636	295,981
- Singapore	11,697	8,014
	601,333	303,995

# PANSAR BERHAD [Registration No. 197401002551 (18904-M)]

## NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2022

### PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

#### A8 Property, plant and equipment

##### (a) Acquisition and disposal of property, plant and equipment

There was no material acquisition or disposal of property, plant and equipment since the end of last financial year.

##### (b) Impairment losses

Neither loss from impairment of property, plant and equipment nor reversal of such impairment losses was recognised since the end of last financial year.

##### (c) Valuation

As at 31 March 2022, the Group did not have any revalued assets.

#### A9 Subsequent events

There were no material subsequent events as at 23 May 2022.

#### A10 Changes in the composition of the Group

On 13 April 2021, the Company has acquired 100% equity interest in Perbena Emas Sdn Bhd (“PESB”) from PE Holdings Sdn Bhd for a purchase consideration of RM151.0 million settled entirely in cash.

PESB was incorporated in Malaysia on 7 November 1977 as a private limited company under the laws of Malaysia. PESB is principally engaged in the business of construction and property development.

#### A11 Contingent liabilities

As at 23 May 2022, there were no material contingent liabilities or contingent assets which, upon being enforceable, might have a material impact on the financial position or business of the Group.

#### A12 Capital commitment

The capital commitments of the Group as at 31 March 2022 were as follows:

	<b>RM'000</b>
Purchase of investment properties	388

#### A13 Significant related party transactions

	<b>Quarterly ended</b>		<b>Year to date</b>	
	<b>31.03.2022</b>	<b>31.03.2021</b>	<b>31.03.2022</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Transactions with holding company	529	550	2,175	2,105
Transactions with other related parties	18,826	7,698	41,638	27,588

# PANSAR BERHAD [Registration No. 197401002551 (18904-M)]

## NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2022

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### PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

#### B1 Review of performance

The Group registered stronger revenue of RM601.3 million for the year ended 31 March 2022, an increase of 97.8% or RM297.3 million compared to RM304.0 million reported in the previous year. The significant increase was primarily due to the broad-based growth in revenue across all business segments and the addition of construction and infrastructure revenue from newly acquired subsidiary.

The Group posted a net profit of RM0.7 million compared with RM10.8 million a year earlier, mainly due to the recognition of fair value loss on quoted equity investment, amortization and impairment of intangible assets.

#### Marine & Industrial Segment

##### Quarterly results

Marine & Industrial segment achieved revenue and operating profit for the current quarter of RM25.8 million and RM3.5 million respectively. This represents 24.4% and 18.4% increase in revenue and operating profit respectively over the previous corresponding quarter.

##### Financial year-to-date

The segment saw its operating profit for FY22 rose 23.7% to RM17.1 million from RM13.8 million in FY21, while revenue increased 9.4% to RM96.5 million from RM88.2 million a year earlier.

#### Building & Construction Materials Segment

##### Quarterly results

For 4QFY22, Building & Construction Materials segment's revenue increased 10.4% to RM23.3 million while operating profit decreased 31.7% to RM0.8 million from RM1.2 million on the back of higher allowances for impairment loss on receivables.

##### Financial year-to-date

The segment's operating profit grew 23.7% to RM6.9 million, against RM5.6 million in FY21. This operating profit was achieved on the back of lower operating expenses and higher revenue that increased 10.8% to RM90.8 million from RM82.0 million a year earlier, on stronger demand from the construction sector.

#### Agro Engineering Segment

##### Quarterly results

Agro Engineering segment's revenue increased 56.8% to RM10.9 million from RM7.0 million in the previous corresponding quarter.

Despite higher revenue, operating profit for the quarter decreased slightly by 1.7% y-o-y to RM0.5 million due to higher impairment losses on receivables.

##### Financial year-to-date

For FY22, Agro Engineering segment's revenue increased 33.3% to RM34.2 million from RM25.7 million in the previous year.

With the increase in revenue, operating profit for FY22 increased 24.9% to RM2.6 million from RM2.1 million reported a year earlier.



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## NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2022

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### PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

#### B1 Review of performance (Cont'd)

##### Electrical & Air Conditioning Segment

###### Quarterly results

Electrical & Air Conditioning segment's revenue improved slightly year-on-year to RM6.6 million from RM6.1 million previously.

The segment posted a turnaround operating profit of RM0.6 million in 4QFY22 from an operating loss of RM0.4 million in 4QFY21. The improvement in operating profit was largely owing to lower impairment of trade receivables.

###### Financial year-to-date

For FY22, operating profit was more than triple at RM1.7 million from RM0.5 million a year earlier, mainly attributable to higher revenue which increased by 24.6%, coupled with lower doubtful debts provision.

##### Heavy Equipment Segment

###### Quarterly results

Heavy Equipment segment posted an operating profit of RM0.5 million in 4QFY22, an increase of 30.7% from RM0.4 million a year ago, attributed to higher revenue that increased 78.7% to RM10.0 million from RM5.6 million in the previous corresponding quarter.

###### Financial year-to-date

The segment posted a record-high revenue and operating profit of RM27.9 million and RM2.2 million respectively for FY22. This represents 67.7% and 62.4% increase in revenue and operating profit respectively as compared to the same period last year, underpinned by higher sales orders from key customers.

##### Mechanical & Electrical Segment

###### Quarterly results

In tandem with the surge in revenue, Mechanical & Electrical segment posted an operating profit of RM4.6 million for the current quarter as compared to an operating loss of RM0.8 million over the same period last year.

Revenue was up 118.9% y-o-y to RM39.7 million from RM18.1 million, on account of higher work performed from the on-going projects.

###### Financial year-to-date

The segment's operating profit jumped more than double to RM8.0 million for FY22 against RM3.4 million a year ago. Revenue rose 36.8% y-o-y to RM94.7 million from RM69.2 million.

##### Construction & Infrastructure Segment

###### Quarterly results

No comparative financial results were available as this business segment from the newly acquired subsidiary only came in during the first quarter of current financial year.

For the quarter under review, the segment posted an operating profit of RM0.5 million on the back of revenue of RM39.7 million.

###### Financial year-to-date

The segment recorded a revenue of RM229.5 million and an operating profit of RM1.4 million for FY22.

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## NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2022

### PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

#### B2 Material changes in profit before tax for the quarter

Quarterly revenue was nearly flat at RM171.3 million against RM168.5 million in the immediate preceding quarter.

The Group reported a loss before tax of RM1.2 million for the fourth quarter ended 31 March 2022 against a profit before tax of RM2.5 million in the immediate preceding quarter. The loss in the current quarter was mainly due to the recognition of fair value loss on quoted equity investment of RM3.9 million and impairment loss on intangible assets of RM1.7 million.

#### B3 Commentary on prospects

The impact of Covid has led to delays to projects progress leading to slower revenue recognition. Global supply chain disruptions and uncertainties have also increased material costs. Having said that the easing of movement restrictions has led to a positive impact on economic activities. We have sufficient projects in hand to tide over this period.

#### B4 Profit forecast and profit guarantee

Not applicable as no profit forecast was announced.

#### B5 Income tax expense

	Quarter ended		Year to date	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
Income tax:-				
- Malaysian tax	510	(186)	2,960	1,673
- Foreign tax	5	5	9	8
	<u>515</u>	<u>(181)</u>	<u>2,969</u>	<u>1,681</u>
(Over)/Under provision in the previous financial year:-				
- Malaysian tax	-	-	(100)	14
	<u>515</u>	<u>(181)</u>	<u>2,869</u>	<u>1,695</u>
Deferred tax:-				
- Origination and reversal of temporary differences	85	(153)	(239)	(494)
- Under provision in the previous financial year	7	-	192	29
	<u>92</u>	<u>(153)</u>	<u>(47)</u>	<u>(465)</u>
	<u>607</u>	<u>(334)</u>	<u>2,882</u>	<u>1,230</u>

#### B6 Corporate proposals

As at 23 May 2022, there were no corporate proposals announced.

# PANSAR BERHAD [Registration No. 197401002551 (18904-M)]

## NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2022

### PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

#### B7 Bank borrowings

The Group's bank borrowings as at 31 March 2022 were as follows:-

	Short-term RM'000	Long-term RM'000	Total RM'000
<b>Secured:-</b>			
Bank overdrafts	2,161	-	2,161
Bankers' acceptance	36,087	-	36,087
Invoice financing	32,907	-	32,907
Revolving credit	84,050	-	84,050
Term loans	6,000	19,000	25,000
	161,205	19,000	180,205
<b>Unsecured:-</b>			
Invoice financing	1,935	-	1,935
<b>Total bank borrowings</b>	<b>163,140</b>	<b>19,000</b>	<b>182,140</b>

#### B8 Derivative financial instruments

The outstanding foreign currency forward contracts as at 31 March 2022 were as follows:-

	Contract / notional amount RM'000	Assets RM'000	Liabilities RM'000
<u>Derivative not designated as hedging instruments:-</u>			
Forward foreign currency contracts			
- Less than 1 year	7,844	67	(196)
<u>Derivative designated as hedging instruments:-</u>			
Forward foreign currency contracts			
- Less than 1 year	12,963	10	(512)
	20,807	77	(708)

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## NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2022

### PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

#### B8 Derivative financial instruments (Cont'd)

The Group enters into foreign currency forward contracts to hedge against the Group's exposure to foreign currency risks as a result of purchases denominated in currencies other than its functional currency for which firm commitments existed at the end of the reporting period.

There were no cash requirements for these derivatives and they are not subject to significant credit risk, market risk and liquidity risk.

In line with the Group's foreign currency hedging policy, hedging is only considered for firm commitments. These derivatives and their underlying exposures will be monitored on an on-going basis.

With respect to derivatives not designated as hedging instruments, they are stated at fair value, with any gains/losses arising on remeasurement recognised in profit or loss. These fair value changes are attributable to changes in foreign exchange spot and forward rates.

For those derivatives designated as hedging instruments (cash flow hedge), the effective portion of changes in fair value of those derivatives is recognised in other comprehensive income. The gain or loss in relation to ineffective portion is recognised immediately in profit or loss.

#### B9 Gain / (loss) arising from fair value changes in financial liabilities

	<b>Current quarter loss RM'000</b>	<b>Year to date loss RM'000</b>
Foreign currency forward contracts	(658)	(708)

#### B10 Changes in material litigation

As at 23 May 2022, save as disclosed below, our Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and our Board is not aware and has no knowledge of any proceedings pending or threatened against our Group, or of any facts likely to give rise to any proceedings, which might materially or adversely affect the financial position or business of our Group:-

Via a Writ Summons dated 27 July 2020, the wholly owned subsidiary, Pansar Engineering Services Sdn Bhd ("PESSB") brought an action (Suit No. BKI-22 NCvC-59/7 of 2020) against Bina Puri Sdn Bhd ("BPSB") for the outstanding balance of RM2,846,951.28 being total final payment for works done under 2 Letters of Award in respect of the air conditioning and mechanical ventilation system for Blocks A, B and C and Interior Design Works for Blocks A and C at Pusat Pentadbiran Negeri Sabah.

Further in the same suit, PESSB claimed against BPSB for the sum of RM17,196.65 being costs and expenses incurred in the sub-sales of the Apartment Units purportedly as payment in kind by BPSB to PESSB which sub-sales were rescinded.

On 14 August 2020, PESSB applied to enter summary judgement. BPSB then applied to stay proceedings of the suit pending arbitration. PESSB and BPSB have agreed to proceed to arbitration and an arbitrator has been appointed.

In the same arbitration, BPSB counterclaimed PESSB for the alleged sum of RM2,386,714.59 alleging delayed by PESSB and defects not completed by PESSB, which were denied.

Arbitration hearing of the claim and counterclaim has been held via zoom from 11 October 2021 to 16 October 2021 and 22 October 2021. Both parties have completed with the final submission of claims on 17 December 2021.

# PANSAR BERHAD [Registration No. 197401002551 (18904-M)]

## NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2022

### PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

#### B10 Changes in material litigation (Cont'd)

On 10 May 2022, a Final Award was obtained in favour of PESSB in which BPSB shall pay PESSB the sum of RM2,685,112.92 as full and final settlement within 21 days after the day upon which either party shall have taken up the Final Award.

BPSB shall also pay to PESSB, interest at the rate of 5% simple interest per annum on the sum of RM2,685,112.92 from 22 July 2020 until the actual realization.

Despite the above, the Board is of the view that the abovementioned case has no material adverse impact on the financial position or business of the Company and/or the Group.

#### B11 Dividend payable

No interim dividend has been declared for the financial period ended 31 March 2022.

#### B12 (Loss)/Earnings per share

##### (a) Basic (loss)/earnings per share

	Quarter ended		Year to date	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
(Loss)/profit for the period attributable to the owners of the Company (RM'000)	(1,831)	3,707	920	10,707
Weight average number of ordinary shares in issue ('000)	460,057	458,722	460,055	458,445
Basic (loss)/earnings per share based on weighted average number of issue (sen)	(0.40)	0.81	0.20	2.34

##### (b) Diluted (loss)/earnings per share

	Quarter ended		Year to date	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
(Loss)/profit for the period attributable to the owners of the Company (RM'000)	(1,831)	3,707	920	10,707
Weight average number of ordinary shares in issue ('000)	918,303	696,621	918,303	690,862
Basic (loss)/earnings per share based on weighted average number of issue (sen)	(0.20)	0.53	0.10	1.55

#### B13 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the Company and its subsidiaries for the financial year ended 31 March 2021 was not subject to any qualification.

# PANSAR BERHAD [Registration No. 197401002551 (18904-M)]

## NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2022

### PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

#### B14 Profit for the year

Profit before taxation is arrived at after charging / (crediting):-

	Quarter ended		Year to date	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
Allowance for slow-moving inventories	(16)	9	87	571
Allowance for slow-moving inventories no longer required	(1,781)	(18)	(1,866)	(65)
Bad debts written off	412	-	415	4
Collective impairment losses on receivables	2,384	2,352	2,384	2,352
Collective impairment losses on receivables no longer required	(278)	(26)	(278)	(26)
Depreciation and amortisation	2,188	1,188	13,519	4,547
Dividend income	-	-	(147)	(220)
Fair value loss/(gain) on other investments	3,922	(5,864)	6,268	(7,893)
Fair value gain on short-term investments	(114)	(31)	(219)	(59)
Goodwill written off	4	-	4	-
Impairment loss on intangible assets	1,684	-	1,684	-
Individual impairment losses on receivables	(214)	1,492	1,667	3,584
Individual impairment losses on receivables no longer required	(2,048)	(1,224)	(7,042)	(4,574)
Interest expense on lease liabilities	197	149	862	648
Interest expense on borrowings	1,599	(483)	5,276	235
Interest income	(585)	(204)	(1,170)	(1,025)
Loss/(gain) on forward foreign currency contracts	247	(1)	374	20
Loss/(gain) on disposal of property, plant and equipment	11	(101)	(117)	(253)
Gain on disposal of an associated company	-	-	-	(1,969)
Gain on disposal of investment properties	(37)	(146)	(37)	(146)
Gain on disposal of other investments	-	-	-	(75)
Gain on disposal of right-of-use assets	(58)	-	(78)	(30)
Property, plant and equipment written off	9	-	10	-
Provision for employee benefits no longer required	-	(1,185)	(197)	(1,185)
Realised gain on foreign exchange	(154)	(69)	(548)	(1,053)
Realised loss on derivatives	-	-	16	18
Unrealised (gain)/loss on foreign exchange	(83)	81	(130)	106
Unrealised loss/(gain) on derivatives	145	-	129	(16)