

**PINTARAS JAYA BERHAD**(189900H)

Interim financial statements for the six months ended 31 December 2022

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
For the Financial Period Ended 31 December 2022

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000
Revenue	77,237	134,103	179,137	243,009
Cost of sales	<u>(76,745)</u>	<u>(111,259)</u>	<u>(176,027)</u>	<u>(205,440)</u>
Gross profit	492	22,844	3,110	37,569
Other operating income	3,122	1,967	5,936	5,177
Administrative expenses	(2,375)	(2,795)	(5,563)	(5,910)
Other operating expenses	(65)	(5,128)	(5,590)	(8,395)
Finance cost	<u>(223)</u>	<u>(247)</u>	<u>(434)</u>	<u>(527)</u>
(Loss)/profit before taxation	951	16,641	(2,541)	27,914
Taxation	<u>812</u>	<u>(3,779)</u>	<u>938</u>	<u>(5,401)</u>
(Loss)/profit for the period	<u>1,763</u>	<u>12,862</u>	<u>(1,603)</u>	<u>22,513</u>
Other comprehensive income:				
Foreign currency translation differences	<u>2,362</u>	<u>415</u>	<u>6,214</u>	<u>(72)</u>
	<u>2,362</u>	<u>415</u>	<u>6,214</u>	<u>(72)</u>
Total comprehensive income for the period	<u>4,125</u>	<u>13,277</u>	<u>4,611</u>	<u>22,441</u>
(Loss)/profit attributable to:				
Equity holders of the Company	<u>1,763</u>	<u>12,862</u>	<u>(1,603)</u>	<u>22,513</u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>4,125</u>	<u>13,277</u>	<u>4,611</u>	<u>22,441</u>
(Loss)/earnings per share (sen)				
- Basic	<u>1.0</u>	<u>7.8</u>	<u>(1.0)</u>	<u>13.6</u>
- Diluted	<u>1.0</u>	<u>7.8</u>	<u>(1.0)</u>	<u>13.6</u>

*The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022.*

**PINTARAS JAYA BERHAD**(189900H)

Interim financial statements for the six months ended 31 December 2022

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 31 December 2022

	As at 31.12.2022 RM'000	As at 30.06.2022 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	160,206	171,836
Investment properties	6,089	3,256
Financial assets at fair value through profit or loss	44,917	46,476
Deferred tax assets	11,714	7,373
	<u>222,926</u>	<u>228,941</u>
<b>Current assets</b>		
Contract assets	11,711	7,040
Inventories	29,745	22,889
Tax recoverable	1,330	1,632
Receivables	163,247	203,737
Short-term deposits	121,741	66,539
Investment in money market funds	2,239	15,037
Cash and bank balances	14,356	45,439
	<u>344,369</u>	<u>362,313</u>
<b>TOTAL ASSETS</b>	<u>567,295</u>	<u>591,254</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
<b>Capital and reserves</b>		
Share capital	180,178	180,178
Exchange translation reserve	11,243	5,029
Retained earnings	203,441	214,996
<b>Total equity</b>	<u>394,862</u>	<u>400,203</u>
<b>Non-current liabilities</b>		
Borrowings	14,479	18,600
Deferred tax liabilities	10,033	7,214
	<u>24,512</u>	<u>25,814</u>
<b>Current liabilities</b>		
Contract Liabilities	13,498	4,188
Payables	102,949	128,711
Borrowings	15,405	15,027
Lease liabilities	-	685
Dividend payable	9,952	6,635
Taxation	6,117	9,991
	<u>147,921</u>	<u>165,237</u>
<b>Total liabilities</b>	<u>172,433</u>	<u>191,051</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>567,295</u>	<u>591,254</u>
Net assets per share attributable to equity holders of the Company (RM)	2.38	2.41

*The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022.*

**PINTARAS JAYA BERHAD**<sup>(189900H)</sup>

Interim financial statements for the six months ended 31 December 2022

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
For The Financial Period Ended 31 December 2022

	← Attributable to equity holders of the Company →			
	Share capital RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total equity RM'000
At 1 July 2022	180,178	5,029	214,996	400,203
Total comprehensive income for the period	-	6,214	(1,603)	4,611
Dividends	-	-	(9,952)	(9,952)
At 31 December 2022	<u>180,178</u>	<u>11,243</u>	<u>203,441</u>	<u>394,862</u>
At 1 July 2021	180,178	1,623	190,380	372,181
Total comprehensive income for the period	-	(72)	22,513	22,441
Dividends	-	-	(9,952)	(9,952)
At 31 December 2021	<u>180,178</u>	<u>1,551</u>	<u>202,941</u>	<u>384,670</u>

*The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022.*

**PINTARAS JAYA BERHAD**<sup>(189900H)</sup>

Interim financial statements for the six months ended 31 December 2022

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
For The Financial Period Ended 31 December 2022

	6 months ended	
	31.12.2022	31.12.2021
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss)/profit for the financial period	(1,603)	22,513
Adjustments for:-		
Depreciation	17,220	16,583
Provision for impairment on receivables	240	246
Reversal of provision for impairment on receivables	-	(1,086)
Gain on disposals of property, plant and equipment	(33)	(44)
Loss on disposals of financial assets at fair value through profit or loss	17	5,876
Fair value loss/(gain) on financial assets at fair value through profit or loss	1,891	(1,032)
Taxation	(938)	5,401
Other non-cash items	6,337	3,790
Other non-operating items	(1,463)	(381)
	<u>21,668</u>	<u>51,866</u>
Changes in working capital:		
Net changes in current assets	12,904	(43,838)
Net changes in current liabilities	(25,131)	15,950
	<u>9,441</u>	<u>23,978</u>
Cash generated from/(used in) operations	9,441	23,978
Tax paid	(4,513)	(4,905)
Tax refunded	-	4
Interest paid	(431)	(517)
Interest income received	993	300
	<u>5,490</u>	<u>18,860</u>
Net cash flows generated from/(used in) operating activities	5,490	18,860
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property, plant and equipment	(538)	(7,819)
Proceeds from disposal of property, plant and equipment	22,791	129
Purchases of investment properties	(2,795)	-
Purchases of financial assets at fair value through profit or loss	(1,173)	(39,108)
Proceeds from disposals of financial assets at fair value through profit or loss	867	72,160
Dividend income received	519	688
Decrease/(increase) in short-term deposits and bank balances used for investment purposes	5	(20,990)
Withdrawal of investment in money market funds	12,798	47,391
	<u>32,474</u>	<u>52,451</u>
Net cash flows generated from/(used in) investing activities	32,474	52,451
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	(9,338)	(13,613)
Repayment of lease liabilities	(705)	(809)
Dividends paid	(6,635)	(6,635)
	<u>(16,678)</u>	<u>(21,057)</u>
Net cash flows used in financing activities	(16,678)	(21,057)
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>	21,286	50,254
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	111,877	94,515
<b>CURRENCY TRANSLATION DIFFERENCES</b>	2,838	(186)
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<u>136,001</u>	<u>144,583</u>
Cash and cash equivalents comprise the following:		
Short-term deposits	121,741	135,077
Investment in money market funds	2,239	-
Cash and bank balances	14,356	41,534
	<u>138,336</u>	<u>176,611</u>
Less: Cash and bank balances in custodian accounts for investment purposes	(96)	(32,028)
Less: Investment in money market funds	(2,239)	-
	<u>136,001</u>	<u>144,583</u>

*The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022.*



## **Notes to the Interim Financial Statements**

### **1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (MFRS) No. 134 - Interim Financial Reporting 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 30 June 2022. 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 30 June 2022.

The 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 30 June 2022 except for those standards, amendments and interpretations which are effective for financial periods beginning on or after 1 July 2022. The initial adoption of these applicable standards, amendments and interpretations do not have any material impact on the financial statements of the Group.

### **2. Auditors' Report on Preceding Annual Financial Statements**

The audit report of the Group's most recent annual audited financial statements for the financial year ended 30 June 2022 was not qualified.

### **3. Seasonal or Cyclical Factors**

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

### **4. Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the financial period under review.

### **5. Changes in Estimates**

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter.

### **6. Changes in Debt and Equity Securities**

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the financial period under review.

### **7. Dividend Paid**

An interim single-tier dividend of 4 sen per share amounting to RM6,634,592 in respect of the financial year ended 30 June 2022 was declared on 27 May 2022 and paid on 6 July 2022.

The final single-tier dividend of 6 sen per share amounting to RM9,951,888 in respect of the financial year ended 30 June 2022 was approved by the shareholders during the Annual General Meeting on 21 October 2022 and paid on 9 January 2023.



**PINTARAS JAYA BERHAD (189900-H)**  
(Incorporated in Malaysia)

Interim financial statements for the six months ended 31 December 2022

**8. Segmental Information**

	Piling, civil engineering and construction works RM'000	Manufacturing RM'000	Group RM'000
<b>6 months ended 31 December 2022</b>			
<b>Revenue</b>			
Construction contracts	156,894	-	156,894
Sale of goods	-	22,243	22,243
Total revenue			179,137
<b>Results</b>			
Segment results	(6,011)	1,910	(4,101)
Unallocated income			4,234
Unallocated costs			(2,240)
Finance cost			(434)
Loss before taxation			(2,541)
Taxation			938
Loss for the financial period			(1,603)
<b>6 months ended 31 December 2021</b>			
<b>Revenue</b>			
Construction contracts	225,168	-	225,168
Sale of goods	-	17,841	17,841
Total revenue			243,009
<b>Results</b>			
Segment results	29,471	3,248	32,719
Unallocated income			2,348
Unallocated costs			(6,626)
Finance cost			(527)
Profit before taxation			27,914
Taxation			(5,401)
Profit for the financial period			22,513

**9. Valuation of Property, Plant and Equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

**10. Material Events Subsequent to the End of Financial Period**

There were no material events subsequent to the end of the current financial period ended 31 December 2022 up to the date of this report that have not been reflected in this financial statements.

**11. Changes in Composition of the Group**

In December 2022, the subsidiary of the Company, Pintary International Pte. Ltd. incorporated a new wholly-owned subsidiary, namely Pintary Realty Pte. Ltd. with an issued and paid-up capital of SGD2 comprising two ordinary shares.

Other than the above, there were no changes in the composition of the Group during the financial period under review.

**12. Contingent Liabilities or Contingent Assets**

There were no contingent liabilities or contingent assets since the last audited financial statements of the Group.

**13. Capital Commitments**

Authorised capital commitments not recognised in the financial statements as at 31 December 2022 are as follows:

Approved and contracted for	RM'000
	<u>9,468</u>



**PINTARAS JAYA BERHAD (189900-H)**

(Incorporated in Malaysia)

Interim financial statements for the six months ended 31 December 2022

#### 14. Review of Performance

##### Financial review for current quarter and financial year to date

	Individual Quarter			Cumulative Quarter		
	31.12.2022 RM'000	31.12.2021 RM'000	Variance (%)	31.12.2022 RM'000	31.12.2021 RM'000	Variance (%)
<b>Revenue</b>						
Construction	66,752	123,215	-46%	156,894	225,168	-30%
Manufacturing	10,485	10,888	-4%	22,243	17,841	25%
	<u>77,237</u>	<u>134,103</u>	-42%	<u>179,137</u>	<u>243,009</u>	-26%
<b>(Loss)/profit Before Taxation</b>						
Construction	(3,136)	17,704	-118%	(6,011)	29,471	-120%
Manufacturing	385	2,084	-82%	1,910	3,248	-41%
Others - unallocated income/(loss)- (net of finance cost)	3,702	(3,147)	-	1,560	(4,805)	-
	<u>951</u>	<u>16,641</u>	-94%	<u>(2,541)</u>	<u>27,914</u>	-109%

(a) **Current Year 2nd Quarter (2Q2023) versus Preceding Year 2nd Quarter (2Q2022)**

The Group recorded a revenue and PBT of RM77.2 million and RM0.95 million in 2Q2023, representing a decrease of 42% and 94% respectively compared to 2Q2022. The decline was attributable mainly due to lower contribution from both the construction and manufacturing divisions. Contribution from investment income was higher.

Construction Division

The construction division recorded a loss before taxation of RM3.1 million on revenue of RM66.8 million in 2Q2023 against PBT of RM17.7 million on revenue of RM123.2 million reported in 2Q2022. The shortfall was mainly due to decreased volume of construction works as a result of fewer projects secured coupled with low productivity from on-going projects. Our rates are also generally lower as competition remains fierce. Additionally, the margin of the current on-going projects continued to be affected by higher raw material prices, labour and low productivity.

Manufacturing Division

The manufacturing division recorded a revenue and PBT of RM10.5 million and RM0.4 million in 2Q2023, representing a decrease of 4% and 82% respectively compared to 2Q2022. The significant decrease in PBT was mainly due to margin compressions from higher material and operating costs coupled with lower sales volume.

(b) **Current Year-to-date versus Preceding Year Corresponding Period**

For the six months ended 31 December 2022, the Group's revenue dipped 26% to RM179.1 million from RM243.0 million in the preceding financial year, whilst earnings fell by 109% to a loss before taxation of RM2.5 million compared to a profit before taxation in the previous corresponding period of RM27.9 million. Both the construction and manufacturing businesses contributed to the reduction in Group earnings. Contribution from investment income was higher.

Construction Division

The construction division recorded a loss before taxation of RM6.0 million on revenue of RM156.9 million in the current financial period under review against profit before taxation of RM29.5 million on revenue of RM225.2 million reported in the same financial period last year. The shortfall was mainly due to reduced construction activities and generally more competitive rates for newly secured contracts. This was further compounded by the recognition of foreseeable losses for some on-going projects in Malaysia as a result of higher construction costs and low productivity. Consequently, the impact of the loss recognition by the Malaysian operations has exceeded the profit contribution from the Singapore operations.

Manufacturing Division

Sales from the manufacturing division grew by 25% to RM22.2 million in the current financial period as compared to RM17.8 million in the same financial period last year. Despite higher revenue generated, PBT declined by 41% to RM1.9 million during the current financial period as selling price adjustments have not fully offset the significantly higher input costs like tinplates, printing inks and labour.



**PINTARAS JAYA BERHAD (189900-H)**  
(Incorporated in Malaysia)

**Interim financial statements for the six months ended 31 December 2022**

#### 15. Material Changes in the Quarterly Results compared to the results of the Immediate Preceding Quarter

	Current Quarter 31.12.2022 RM'000	Immediate Preceding Quarter 30.09.2022 RM'000	Variance (%)
Revenue	77,237	101,900	-24%
Profit/(loss) before taxation	951	(3,492)	127%

For the 2nd financial quarter under review, the Group recorded a lower revenue of RM77.2 million, representing a decrease of 24% over the immediate preceding quarter. The decline in revenue was mainly attributed to lower progress billings and weaker sales recorded by both the construction and manufacturing division. The lower contribution from both the construction and manufacturing division was mitigated by improved performance of quoted investments which resulted in a profit of RM0.95 million recorded in the current quarter.

#### 16. Prospects for the Current Financial Year

A unity Government comprising various political parties have now been formed in Malaysia. The Budget 2023 will be re-tabled in February likely focusing on measures to alleviate the rising cost of living. We do not expect significant pump priming of the economy nor major expenditures for infrastructure projects. The residential and commercial sectors remain subdued due to increasing cost of funds, high inventory levels and high construction costs. The debilitating labour shortage issue has eased further and should normalize in the coming months. However, labour, material and fuel costs remain elevated and hence current projects secured earlier continues to suffer from cost overruns. Competition for new projects is very intense due to the scarcity of new projects and we see the remaining financial year to be very challenging.

Singapore has just proposed their 2023 Budget focusing on measures to deal with inflation to assist households, workers and businesses. No new major projects were announced. However, the BCA in January projected Singapore's construction demand to range between S\$27 - 32 billion for 2023, much similar to 2022. This projection excludes Changi Airport T5 development as well as the 2 Integrated Resorts' expansion. We expect tender rates to remain very competitive but construction costs to stabilize further.

The Group's estimated outstanding construction order book as of end December 2022 is worth about RM275 million. This will help us navigate through the next few challenging months.

Our manufacturing business is also facing downward pressures on selling prices whilst material and operating costs remain elevated. Margin will be tight.

Overall a very tough FY2023 can be expected for the Group.

#### 17. Variance of Actual Profit from Forecast Profit/Profit Guarantee

There was no profit forecast/profit guarantee issued by the Group.





**PINTARAS JAYA BERHAD (189900-H)**

**(Incorporated in Malaysia)**

**Interim financial statements for the six months ended 31 December 2022**

#### 18. Taxation

Taxation comprises the following: -

	Current quarter ended 31.12.2022 RM'000	Cumulative quarter ended 31.12.2022 RM'000
Current taxation	(1,289)	622
Deferred taxation	477	(1,560)
	<u>(812)</u>	<u>(938)</u>

The reconciliation between the effective tax rate and the Malaysian statutory tax rate are as follows:

	Current quarter ended %	Cumulative quarter ended %
Statutory income tax rate	24	24
Tax effects of:		
- effect of tax rates in foreign jurisdictions	(34)	21
- income not subject to tax	(45)	26
- expenses not deductible for tax purposes	(39)	(28)
- deferred tax assets not recognised	11	(9)
- tax incentives and rebates	(2)	3
Effective tax rate	<u>(85)</u>	<u>37</u>

#### 19. Status of Corporate Proposals

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

#### 20. Group borrowings and Debt Securities

The Group's borrowings as at 31 December 2022 are as follows:

	Foreign Currency SGD'000	RM Equivalent RM'000
Current portion (secured):		
Finance lease liabilities (Hire purchase)	4,542	14,907
Term loans	152	498
		<u>15,405</u>
Non-current portion (secured):		
Finance lease liabilities (Hire purchase)	3,468	11,383
Term loans	943	3,096
		<u>14,479</u>
		<u>29,884</u>

#### 21. Derivative Financial Instruments

The Group has no derivative financial instruments for the current financial period ended 31 December 2022.

#### 22. Fair Value Changes of Financial Liabilities

There are no financial liabilities measured at fair value through profit or loss as at 31 December 2022.

#### 23. Changes in Material Litigation

There have been no significant developments in material litigation since the date of the last audited statement of financial position to the date of this announcement.

#### 24. Dividend

The Directors do not recommend any interim dividend for the current financial quarter under review.



**PINTARAS JAYA BERHAD (189900-H)**

**(Incorporated in Malaysia)**

**Interim financial statements for the six months ended 31 December 2022**

## 25. Earnings/(loss) Per Share

Basic earnings/(loss) per share is calculated by dividing the Group's profit/(loss) attributable to equity holders by the weighted average number of ordinary shares in issue during the financial period.

	Current quarter ended 31.12.2022	Cumulative quarter ended 31.12.2022
- Profit/(loss) attributable to equity holders of the Company (RM'000)	1,763	(1,603)
- Weighted average number of ordinary shares in issue ('000)	165,865	165,865
- Basic earnings/(loss) per share (sen)	1.0	(1.0)

The Group does not have in issue any financial instruments or other contracts that may entitle its holder to ordinary shares and therefore dilute its basic earnings per share.

## 26. Profit/(loss) before Taxation

	Current quarter ended 31.12.2022 RM'000	Cumulative quarter ended 31.12.2022 RM'000
Profit/(loss) before taxation is arrived at after charging/(crediting):-		
(a) Interest income	(940)	(1,391)
(b) Other income including investment income		
- dividend income	(369)	(506)
- gain on disposals of property, plant and equipment	(1)	(33)
(c) Interest expenses	(223)	(434)
(d) Depreciation	8,625	17,220
(e) Net provision/(reversal) for impairment of receivables	120	240
(f) Inventories written off	58	72
(g) (Gain)/loss on disposals of financial assets at fair value through profit or loss	(42)	17
(h) Fair value (gain)/loss on financial assets at fair value through profit or loss	(1,900)	1,891
(i) Net (gain)/loss on foreign exchange	(889)	(2,434)

By order of the Board

**KHOO YOK KEE**  
Executive Director

Shah Alam  
24 February 2023