

**PINTARAS JAYA BERHAD**(189900H)

Interim financial statements for the six months ended 31 December 2023

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
For the Financial Period Ended 31 December 2023

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31.12.2023 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Revenue	61,574	77,237	131,868	179,137
Cost of sales	<u>(63,469)</u>	<u>(76,745)</u>	<u>(129,059)</u>	<u>(176,027)</u>
Gross (loss)/profit	(1,895)	492	2,809	3,110
Other operating income	2,653	3,122	4,774	5,936
Administrative expenses	(2,779)	(2,375)	(6,000)	(5,563)
Other operating expenses:				
- (provision)/reversal of impairment of receivables	(120)	(120)	(240)	(240)
- fair value (loss)/gain on financial assets at fair value through profit or loss	(68)	1,900	868	(1,891)
- (loss)/gain on disposals of financial assets at fair value through profit or loss	(117)	42	(26)	(17)
- others	(1,796)	(1,887)	(4,053)	(3,442)
Finance cost	<u>(257)</u>	<u>(223)</u>	<u>(520)</u>	<u>(434)</u>
(Loss)/profit before taxation	(4,379)	951	(2,388)	(2,541)
Taxation	<u>(981)</u>	<u>812</u>	<u>(1,781)</u>	<u>938</u>
(Loss)/profit for the period	<u>(5,360)</u>	<u>1,763</u>	<u>(4,169)</u>	<u>(1,603)</u>
Other comprehensive income:				
Foreign currency translation differences	<u>2,441</u>	<u>2,362</u>	<u>1,603</u>	<u>6,214</u>
	<u>2,441</u>	<u>2,362</u>	<u>1,603</u>	<u>6,214</u>
Total comprehensive income for the period	<u>(2,919)</u>	<u>4,125</u>	<u>(2,566)</u>	<u>4,611</u>
Profit attributable to:				
Equity holders of the Company	<u>(5,360)</u>	<u>1,763</u>	<u>(4,169)</u>	<u>(1,603)</u>
Total comprehensive income attributable to: Equity holders of the Company	<u>(2,919)</u>	<u>4,125</u>	<u>(2,566)</u>	<u>4,611</u>
(Loss)/earnings per share (sen)				
- Basic	<u>(3.2)</u>	<u>1.0</u>	<u>(2.5)</u>	<u>(1.0)</u>
- Diluted	<u>(3.2)</u>	<u>1.0</u>	<u>(2.5)</u>	<u>(1.0)</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 2023.

**PINTARAS JAYA BERHAD**(189900H)

Interim financial statements for the six months ended 31 December 2023

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

As at 31 December 2023

	As at 31.12.2023 RM'000	As at 30.06.2023 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	161,261	163,640
Investment properties	5,387	6,147
Financial assets at fair value through profit or loss	26,748	38,203
Deferred tax assets	3,794	4,403
	<u>197,190</u>	<u>212,393</u>
Current assets		
Contract assets	10,654	6,393
Inventories	24,535	26,993
Tax recoverable	2,529	2,539
Receivables	147,588	164,566
Short-term deposits	128,695	123,713
Cash and bank balances	10,886	14,550
	<u>324,887</u>	<u>338,754</u>
TOTAL ASSETS	<u>522,077</u>	<u>551,147</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Capital and reserves		
Share capital	180,178	180,178
Exchange translation reserve	22,082	20,479
Retained earnings	190,463	199,608
Total equity	<u>392,723</u>	<u>400,265</u>
Non-current liabilities		
Borrowings	9,013	9,041
Lease liabilities	3,402	5,036
Deferred tax liabilities	12,314	11,101
	<u>24,729</u>	<u>25,178</u>
Current liabilities		
Contract Liabilities	5,837	1,674
Payables	77,836	100,072
Borrowings	11,048	13,844
Lease liabilities	3,286	3,193
Dividend payable	4,976	3,317
Taxation	1,642	3,604
	<u>104,625</u>	<u>125,704</u>
Total liabilities	<u>129,354</u>	<u>150,882</u>
TOTAL EQUITY AND LIABILITIES	<u>522,077</u>	<u>551,147</u>
Net assets per share attributable to equity holders of the Company (RM)	2.37	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 2023.

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

Interim financial statements for the six months ended 31 December 2023

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
For The Financial Period Ended 31 December 2023

	← 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 2023	180,178	20,479	199,608	400,265
Total comprehensive income for the period	-	1,603	(4,169)	(2,566)
Dividends	-	-	(4,976)	(4,976)
At 31 December 2023	<u>180,178</u>	<u>22,082</u>	<u>190,463</u>	<u>392,723</u>
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>

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 2023.

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

Interim financial statements for the six months ended 31 December 2023

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**
For The Financial Period Ended 31 December 2023

	6 months ended	
	31.12.2023	31.12.2022
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the financial period	(4,169)	(1,603)
Adjustments for:-		
Depreciation	18,603	17,220
Provision for impairment on receivables	240	240
Loss/(gain) on disposals of property, plant and equipment	14	(33)
Loss on disposals of investment property	20	-
Loss on disposals of financial assets at fair value through profit or loss	26	17
Fair value (gain)/loss on financial assets at fair value through profit or loss	(868)	1,891
Taxation	1,781	(938)
Other non-cash items	(8,564)	6,337
Other non-operating items	(2,174)	(1,463)
	<u>4,909</u>	<u>21,668</u>
Changes in working capital:		
Net changes in current assets	18,751	10,109
Net changes in current liabilities	(12,822)	(25,131)
Cash generated from/(used in) operations	<u>10,838</u>	<u>6,646</u>
Tax paid	(1,977)	(4,513)
Interest paid	(385)	(431)
Interest income received	2,525	993
Net cash flows generated from/(used in) operating activities	<u>11,001</u>	<u>2,695</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(10,751)	(538)
Proceeds from disposal of property, plant and equipment	14	22,791
Proceeds from disposal of investment property	660	-
Purchases of financial assets at fair value through profit or loss	(51)	(1,173)
Proceeds from disposals of financial assets at fair value through profit or loss	145	867
Dividend income received	129	519
(Increase)/decrease in short-term deposits and bank balances used for investment purposes	(30)	5
Withdrawal of investment in equity funds	12,202	-
Withdrawal of investment in money market funds	-	12,798
Net cash flows generated from investing activities	<u>2,318</u>	<u>35,269</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(7,936)	(9,338)
Repayment of lease liabilities	(1,732)	(705)
Dividends paid	(3,317)	(6,635)
Net cash flows used in financing activities	<u>(12,985)</u>	<u>(16,678)</u>
NET INCREASE IN CASH & CASH EQUIVALENTS	<u>334</u>	<u>21,286</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	<u>138,236</u>	<u>111,877</u>
CURRENCY TRANSLATION DIFFERENCES	<u>954</u>	<u>2,838</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u><u>139,524</u></u>	<u><u>136,001</u></u>
Cash and cash equivalents comprise the following:		
Short-term deposits	128,695	121,741
Investment in money market funds	-	2,239
Cash and bank balances	10,886	14,356
	<u>139,581</u>	<u>138,336</u>
Less: Cash and bank balances in custodian accounts for investment purposes	(57)	(96)
Less: Investment in money market funds	-	(2,239)
	<u><u>139,524</u></u>	<u><u>136,001</u></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 2023.



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 2023. 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 2023.

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 2023 except for those standards, amendments and interpretations which are effective for financial periods beginning on or after 1 July 2023. 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 2023 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 2 sen per share amounting to RM3,317,296 in respect of the financial year ended 30 June 2023 was declared on 26 May 2023 and paid on 5 July 2023.

The final single-tier dividend of 3 sen per share amounting to RM4,975,944 in respect of the financial year ended 30 June 2023 was approved by the shareholders during the Annual General Meeting on 20 October 2023 and paid on 17 January 2024.



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

Interim financial statements for the six months ended 31 December 2023

8. Segmental Information

	Piling, civil engineering and construction works RM'000	Manufacturing RM'000	Group RM'000
6 months ended 31 December 2023			
<u>Revenue</u>			
Construction contracts	107,450	-	107,450
Sale of goods	-	24,418	24,418
Total revenue			131,868
<u>Results</u>			
Segment results	(8,579)	2,730	(5,849)
Unallocated income			4,270
Unallocated costs			(289)
Finance cost			(520)
Profit before taxation			(2,388)
Taxation			(1,781)
Loss for the financial period			(4,169)
6 months ended 31 December 2022			
<u>Revenue</u>			
Construction contracts	156,894	-	156,894
Sale of goods	-	22,243	22,243
Total revenue			179,137
<u>Results</u>			
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)

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 2023 up to the date of this report that have not been reflected in this financial statements.

11. Changes in Composition of the Group

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

There were no material capital commitments not provided for in the interim financial statements as at 31 December 2023.



14. Review of Performance

Financial review for current quarter and financial year to date

	Individual Quarter			Cumulative Quarter		
	31.12.2023 RM'000	31.12.2022 RM'000	Variance (%)	31.12.2023 RM'000	31.12.2022 RM'000	Variance (%)
Revenue						
Construction	48,946	66,752	-27%	107,450	156,894	-32%
Manufacturing	12,628	10,485	20%	24,418	22,243	10%
	<u>61,574</u>	<u>77,237</u>	-20%	<u>131,868</u>	<u>179,137</u>	-26%
Profit/(loss) Before Taxation						
Construction	(7,344)	(3,136)	-134%	(8,579)	(6,011)	-43%
Manufacturing	1,295	385	236%	2,730	1,910	43%
Others - unallocated income/(loss)- (net of finance cost)	1,670	3,702	-55%	3,461	1,560	122%
	<u>(4,379)</u>	<u>951</u>	-560%	<u>(2,388)</u>	<u>(2,541)</u>	6%

(a) **Current Year 2nd Quarter (2Q2024) versus Preceding Year 2nd Quarter (2Q2023)**

For the financial quarter ended 31 December 2023, the Group registered a total revenue of RM61.6 million which is about 20% lower compared to RM77.2 million in the preceding financial year corresponding quarter. The lower revenue recorded in the current financial quarter was primarily due to lower construction activities.

The Group recorded a loss before taxation of RM4.4 million for the current financial quarter versus RM0.95 million profit before taxation for the preceding financial year corresponding quarter mainly due to higher loss recorded by construction division coupled with lower investment income over the preceding comparative financial quarter. Contribution from the manufacturing division, however, was higher.

Construction Division

The construction division recorded a loss before taxation of RM7.3 million on revenue of RM48.9 million in 2Q2024, compared to a loss of RM3.1 million on revenue of RM66.8 million reported in 2Q2023. The higher loss was mainly due to the recognition of provision for liquidated damages for late delivery of RM8.3 million in the current financial quarter from the Malaysian operations.

Manufacturing Division

Sales from the manufacturing division grew by 20% to RM12.6 million in current financial quarter as compared to RM10.5 million in the same financial quarter last year, while profit before taxation rose significantly by 236% to RM1.3 million from RM0.4 million recorded in the same financial quarter last year. The improvement is mainly attributable to higher sales volume and better gross margins achieved.

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

For the six months ended 31 December 2023, the Group posted a revenue of RM131.9 million, a decrease of 26% over the corresponding period of the preceding financial year, mainly due to lower revenue contributed by the Group's construction division. The Group has recorded a lower loss before taxation of RM2.4 million compared to RM2.5 million in the preceding corresponding period. The slight reduction in loss over the preceding comparative financial period was mainly due to better performance achieved by the manufacturing division and higher investment income which partially offset some of the losses contributed by the construction division.

Construction Division

The construction division recorded a loss before taxation of RM8.6 million on revenue of RM107.5 million in the current financial period under review, compared to a loss of RM6.0 million on revenue of RM156.9 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 a provision for liquidated damages for delivery delays of RM8.8 million for projects in Malaysia. Consequently, the impact of the loss recognition by the Malaysian operations has exceeded the profit contribution from the Singapore operations.

Manufacturing Division

The manufacturing division achieved a revenue of RM24.4 million, a growth of 10% over last financial period's revenue, while profit before taxation rose by 43% to RM2.7 million from RM1.9 million in the last financial period. The significant increase in profits was mainly due to better gross margins achieved.



PINTARAS JAYA BERHAD (189900-H)

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Interim financial statements for the six months ended 31 December 2023

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

	Current Quarter 31.12.2023 RM'000	Immediate Preceding Quarter 30.09.2023 RM'000	Variance (%)
Revenue	61,574	70,294	-12%
(Loss)/profit before taxation	(4,379)	1,991	-320%

For the 2nd financial quarter under review, the Group recorded a lower revenue and loss before taxation of RM61.6 million and RM4.4 million respectively, representing a decrease of 12% and 320% compared to the immediate preceding quarter. The sharp decline in earnings over the immediate preceding quarter was mainly due to the recognition of provision for liquidated damages as mentioned in Note 14(a) above. The manufacturing division remained a consistent contributor to the Group's earnings.

16. Prospects for the Current Financial Year

Sentiment for the Malaysian construction industry is expected to remain muted for year 2024 as the awarding of the public sector jobs remain sluggish amidst the delayed implementation of mega-infrastructure projects such as the MRT 3. We expect that the construction sector will continue to be supported by the private sector in the near term given the increased demand of residential and industrial developments.

However, we expect a better performance from Singapore's construction industry supported by projects from the public and private sectors. The Group will be actively tendering for its projects while also remaining vigilant in our approach to maintain profit margins.

The Group's estimated outstanding construction order book as of end December 2023 is worth about RM300 million. This will help us navigate through the next few challenging months.

On the manufacturing front, the Board expects the metal container operation to continue to provide the Group with a steady source of income based on stable domestic demand.

Overall a very tough FY2024 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.

18. Taxation

Taxation comprises the following: -

	Current quarter ended 31.12.2023 RM'000	Cumulative quarter ended 31.12.2023 RM'000
Current taxation	564	(12)
Deferred taxation	(1,545)	(1,769)
	<u>(981)</u>	<u>(1,781)</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
Change in tax rate		
Tax effects of:		
- effect of tax rates in foreign jurisdictions	5	15
- income not subject to tax	8	35
- expenses not deductible for tax purposes	(7)	(28)
- over provision of taxation in prior financial year	20	37
- under provision of deferred taxation in prior financial year	(24)	(44)
- deferred tax assets not recognised	(29)	(78)
- deductible temporary differences	(19)	(36)
Effective tax rate	<u>(22)</u>	<u>(75)</u>



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Interim financial statements for the six months ended 31 December 2023

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 2023 are as follows:

	Foreign Currency SGD'000	RM Equivalent RM'000
Current portion (secured):		
Finance lease liabilities (Hire purchase)	2,852	9,931
Term loans	321	1,117
		<u>11,048</u>
Non-current portion (secured):		
Finance lease liabilities (Hire purchase)	617	2,147
Term loans	1,971	6,866
		<u>9,013</u>
		<u>20,061</u>

21. Derivative Financial Instruments

The Group has no derivative financial instruments for the current financial period ended 31 December 2023.

22. Fair Value Changes of Financial Liabilities

There are no financial liabilities measured at fair value through profit or loss as at 31 December 2023.

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.

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 31.12.2023	Cumulative quarter ended 31.12.2023
- Profit/(loss) attributable to equity holders of the Company (RM'000)	(5,360)	(4,169)
- Weighted average number of ordinary shares in issue ('000)	165,865	165,865
- Basic earnings/(loss) per share (sen)	(3.2)	(2.5)

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.



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Interim financial statements for the six months ended 31 December 2023

26. Profit/(loss) before Taxation

	Current quarter ended 31.12.2023 RM'000	Cumulative quarter ended 31.12.2023 RM'000
Profit/(loss) before taxation is arrived at after charging/(crediting):-		
(a) Interest income	(1,274)	(2,534)
(b) Other income including investment income		
- dividend income	(8)	(160)
- loss on disposals of property, plant and equipment	1	14
(c) Interest expenses	257	520
(d) Depreciation	9,318	18,603
(e) Net provision/(reversal) for impairment of receivables	120	240
(f) Inventories written off	14	30
(g) (Gain)/loss on disposals of financial assets at fair value through profit or loss	117	26
(h) Fair value gain on financial assets at fair value through profit or loss	68	(868)
(i) Net loss/(gain) on foreign exchange	(918)	(620)

By order of the Board

KHOO YOK KEE
Executive Director

Shah Alam
22 February 2024