

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR FINANCIAL QUARTER ENDED 30 NOVEMBER 2023**

	Individual quarter ended		Year-to-date ended	
	30.11.2023	30.11.2022	30.11.2023	30.11.2022
	RM'000	RM'000	RM'000	RM'000
Revenue	505,159	531,252	992,517	1,081,057
Cost of sales	(428,030)	(452,275)	(840,120)	(920,729)
Gross profit	77,129	78,977	152,397	160,328
Other income	2,086	2,598	4,932	5,392
Distribution expenses	(22,600)	(27,695)	(46,212)	(58,823)
Administrative expenses	(22,655)	(19,218)	(40,193)	(39,578)
Other operating expenses	(1,040)	(3,722)	(3,260)	(4,434)
Finance costs	(4,935)	(4,392)	(10,316)	(9,035)
Share of results of associates	(16)	6	(30)	(1)
Profit before taxation	27,969	26,554	57,318	53,849
Tax expense	(5,330)	(5,251)	(13,763)	(12,194)
Net profit for the financial period	22,639	21,303	43,555	41,655
Net profit attributable to				
Owners of the parent	22,120	20,560	42,922	40,591
Non-controlling interests	519	743	633	1,064
	22,639	21,303	43,555	41,655
Earnings per share attributable to owners of the parent				
Basic earnings per share (sen)	2.33	2.30	4.52	4.62

The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2023 and the accompanying notes to this Interim Financial Report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR FINANCIAL QUARTER ENDED 30 NOVEMBER 2023**

	Individual quarter ended		Year-to-date ended	
	30.11.2023	30.11.2022	30.11.2023	30.11.2022
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period	22,639	21,303	43,555	41,655
Other comprehensive income				
Item that may be reclassified subsequently to profit or loss				
Foreign currency translation	(604)	(2,406)	(740)	(724)
Other comprehensive (loss)/profit, net of tax	(604)	(2,406)	(740)	(724)
Total comprehensive income	22,035	18,897	42,815	40,931
Total comprehensive income attributable to				
Owners of the parent	21,516	18,154	42,182	39,867
Non-controlling interests	519	743	633	1,064
	22,035	18,897	42,815	40,931

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2023 and the accompanying notes to this Interim Financial Report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2023**

	Unaudited 30.11.2023 RM'000	Audited 31.05.2023 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	232,365	221,289
Investment properties	1,924	2,287
Investment in associates	1,555	1,586
Investment in joint ventures	-	-
Other investments	7,899	3,165
Intangible assets	4,152	4,504
Goodwill on consolidation	86,010	86,010
Rights-of-use assets	89,342	98,424
Deferred tax assets	10,198	22,614
	433,445	439,879
Current assets		
Inventories	194,792	211,097
Receivables	369,805	369,479
Amounts owing by associates	6,204	5,080
Current tax assets	9,358	9,875
Other investments	1,164	1,101
Short term deposits	28,000	62,520
Cash and bank balances	106,612	105,691
	715,935	764,843
TOTAL ASSETS	1,149,380	1,204,722
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	405,357	397,624
Reserves	150,450	119,007
Less : Treasury shares, at cost	(31,058)	(25,123)
	524,749	491,508
Non-controlling interests	33,056	32,423
TOTAL EQUITY	557,805	523,931
LIABILITIES		
Non-current liabilities		
Borrowings	47,818	70,989
Lease liabilities	3,042	6,768
Deferred tax liabilities	10,912	19,525
Provision for retirement benefits	5,164	5,143
	66,936	102,425
Current liabilities		
Payables	225,331	237,729
Amounts owing to associates	1,604	694
Borrowings	278,705	312,921
Lease liabilities	10,542	17,077
Contract liabilities	2,384	4,666
Current tax liabilities	6,073	5,279
	524,639	578,366
TOTAL LIABILITIES	591,575	680,791
TOTAL EQUITY AND LIABILITIES	1,149,380	1,204,722
Net assets per share attributable to owners of the parent (RM)	0.55	0.53

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2023 and the accompanying notes to this Interim Financial Report.

ANCOM NYLEX BERHAD (Registration No. 196901000122 (8440-M))
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 30 NOVEMBER 2023**

	Attributable to owners of the parent						Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Capital reserve RM'000	Exchange translation reserve RM'000	Share options reserve RM'000	Treasury shares RM'000	Retained earnings RM'000			
Balance as at 1 June 2022	377,892	273	13,232	2,509	(30,711)	24,392	387,587	40,674	428,261
Total comprehensive income	-	-	15,128	-	-	68,473	83,601	1,700	85,301
Transactions with owners									
Ordinary shares issued pursuant to:									
- ESOS	6,546	-	-	(1,900)	-	-	4,646	-	4,646
- Warrants B	13,186	-	-	-	-	-	13,186	-	13,186
Acquisition of subsidiaries	-	-	-	-	-	-	-	3,302	3,302
Acquisition of additional equity interests in subsidiaries	-	-	-	-	-	(5,650)	(5,650)	(11,325)	(16,975)
Net resold of treasury shares of the Company	-	-	-	-	5,588	6,032	11,620	-	11,620
Disposal of a subsidiary	-	-	-	-	-	-	-	(725)	(725)
Disposal of equity interest of a subsidiary	-	-	-	-	-	143	143	(143)	-
Share options granted under ESOS	-	-	-	615	-	-	615	-	615
Dividend paid to non-controlling interests of a subsidiary	-	-	-	-	-	(4,240)	(4,240)	(1,060)	(5,300)
Total transactions with owners	19,732	-	-	(1,285)	5,588	(3,715)	20,320	(9,951)	10,369
Balance as at 31 May 2023/1 June 2023	397,624	273	28,360	1,224	(25,123)	89,150	491,508	32,423	523,931
Total comprehensive (loss)/income	-	-	(740)	-	-	42,922	42,182	633	42,815
Transactions with owners									
Ordinary shares issued pursuant to:									
- ESOS	3,905	-	-	(1,397)	-	-	2,508	-	2,508
- Warrants B	3,828	-	-	-	-	-	3,828	-	3,828
Dividend paid	-	-	-	-	-	(10,392)	(10,392)	-	(10,392)
Net resold of treasury shares of the Company	-	-	-	-	(5,935)	1,050	(4,885)	-	(4,885)
Total transactions with owners	7,733	-	-	(1,397)	(5,935)	(9,342)	(8,941)	-	(8,941)
Balance as at 30 November 2023	405,357	273	27,620	(173)	(31,058)	122,730	524,749	33,056	557,805

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2023 and the accompanying notes to this Interim Financial Report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL QUARTER ENDED 30 NOVEMBER 2023**

	Year-to-date ended	
	30.11.2023 RM'000	30.11.2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	57,318	53,849
Adjustments for non-cash items	28,421	31,316
Operating profit before working capital changes	<u>85,739</u>	<u>85,165</u>
Inventories	17,271	(19,957)
Receivables	2,125	(430)
Payables	(14,676)	(4,820)
Associates	(1,124)	(163)
Net cash generated from operations	<u>89,335</u>	<u>59,795</u>
Income tax paid	(8,650)	(13,515)
Retirement benefit paid	(189)	-
Net cash from operating activities	<u>80,496</u>	<u>46,280</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(23,362)	(9,603)
Interest received	533	343
Purchase of intangible assets	(61)	-
Proceeds from disposal of property, plant and equipment	472	146
Proceeds from disposal of investment properties	250	-
Acquisition of additional equity interest in subsidiaries	-	(8,866)
Net cash inflows on acquisition of subsidiaries	-	4,995
Net cash outflow on disposal of subsidiaries	-	(14)
Purchase of other investments	(4,735)	(748)
Placement of short term deposits:		
- pledged with licensed banks	(23)	(3)
- with maturity period more than three (3) months	(9,064)	(2,034)
Net cash used in investing activities	<u>(35,990)</u>	<u>(15,784)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(10,392)	-
Interest paid	(9,398)	(7,629)
Repayment of lease liabilities	(11,006)	(14,105)
Net repayment of borrowings	(52,636)	(6,612)
Proceed from issuance of ordinary shares pursuant to:		
- ESOS	2,508	378
- Warrants B	3,828	8,039
Net (repurchased)/resold of treasury shares in open market	(4,883)	2,062
Net cash used in financing activities	<u>(81,979)</u>	<u>(17,867)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(37,473)</u>	<u>12,629</u>
Cash and cash equivalents at the beginning of the financial period	<u>150,476</u>	<u>106,820</u>
Effect of exchange rate changes	<u>(462)</u>	<u>(205)</u>
Cash and cash equivalents at the end of the financial period	<u>112,541</u>	<u>119,244</u>
Cash and cash equivalents include the following:		
	RM'000	RM'000
Cash and bank balances	106,612	103,298
Bank overdrafts	(7,999)	(15,500)
Short term deposits	28,000	37,068
	<u>126,613</u>	<u>124,866</u>
Less : Short term deposits pledged with licensed banks	(623)	(624)
Short term deposits with maturity period more than three (3) months	(13,448)	(4,998)
	<u>112,542</u>	<u>119,244</u>

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2023 and the accompanying notes to this Interim Financial Report.



(Registration No. 196901000122 (8440-M))
Incorporated in Malaysia

A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 NOVEMBER 2023

A1. Basis of preparation

This Interim Financial Report of Ancom Nylex Berhad ("ANB" or "the Company") and its subsidiaries ("Group") is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting and Rule 9.22(2) of the Main Market Listing Requirements ("Listing Requirement") of Bursa Malaysia Securities Berhad ("Bursa Securities").

This Interim Financial Report of the Group should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 31 May 2023. These explanatory notes attached to the Interim Financial Report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 May 2023.

For the financial periods up and including the financial year ended 31 May 2023, the Group prepared its financial report in accordance with Malaysian Financial Reporting Standards ("MFRSs") and International Financial Reporting Standards ("IFRSs"). The accounting policies and methods of computation adopted by the Group in this Interim Financial Report are consistent with those adopted in the most recent Audited Financial Statements for the financial year ended 31 May 2023 except for the adoption of the following Amendments to MFRSs and IC Interpretation (collectively referred to as "pronouncements") which are applicable to the Group for the financial year beginning 1 June 2023:

MFRSs and Amendments to MFRSs:

MFRS 7 Insurance Contracts
Amendments to MFRS 7 Insurance Contracts
Initial application of MFRS 17 and MFRS 9 - Comparative Information (Amendments to MFRS 17 Insurance Contracts)
Disclosure of Accounting Policies (Amendments to MFRS 101 Presentation of Financial Statements)
Definition of Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 Income Taxes)

The adoption of the above pronouncements did not have any material impact on the Financial Statements of the Group.

A2 Auditors' report

The Audited Financial Statements of ANB and its subsidiaries for the financial year ended 31 May 2023 were not subject to any audit qualification.

A3. Seasonality or cyclicity

The operations of the Group were not significantly affected by any seasonal and cyclical factors.

A4. Items of unusual nature and amount

During the financial quarter ended 30 November 2023, there were no items affecting the Group's assets, liabilities, equity, net income or cash flows that are material and unusual because of their nature, size or incidence.

A5. Changes in estimates

There were no material changes in estimates amounts reported that have a material effect on the financial quarter ended 30 November 2023.

A6. Debt and equity securities

There was no issuance, cancellation, repurchase, resale or repayment of debt securities and equity securities during the financial quarter ended 30 November 2023 except for the following:

(a) Issued and paid up ordinary shares

During the financial quarter ended 30 November 2023, the issued and paid up ordinary shares of the Company was increased from 972,776,411 to 996,283,536 pursuant to the following:

- (i) 9,836,310 new ordinary shares arising from the exercise of ESOS at exercise price of RM0.255 each for cash totalling of RM2,508,000; and
- (ii) 13,670,815 new ordinary shares arising from the exercise of Warrants B at RM0.28 each for cash totalling of RM3,828,000.

(b) Treasury shares

During the financial quarter ended 30 November 2023, the Company (resold)/repurchased its own shares as follows:

	Number of shares (resold)/resale	Price per share			(Cost of disposal)/ Consideration paid RM
		Highest RM	Lowest RM	Average RM	
Shares resold					
July 2023	(3,484,600)	1.050	0.940	1.030	(2,300,394)
August 2023	(1,200,000)	1.120	0.985	1.050	(813,434)
Shares repurchased					
June 2023	2,584,500	1.030	0.935	0.950	2,508,141
September 2023	943,300	1.240	1.130	1.196	1,037,633
October 2023	2,379,000	1.200	1.110	1.156	2,842,165
November 2023	<u>2,311,500</u>	1.160	1.090	1.135	<u>2,660,678</u>
Net shares resold for the financial period	<u>3,533,700</u>				<u>5,934,789</u>

As at 30 November 2023, the Company holds 36,168,577 Treasury Shares at a cost of RM24,517,000 pursuant to Section 127(4)(b) of the Companies Act 2016.

A7. Segmental results

Segmental information for the financial period ended 30 November 2023.

YTD - 30 November 2023							
	Investment					Elimination RM'000	Total RM'000
	Holdings and Others RM'000	Agricultural Chemicals RM'000	Industrial Chemicals RM'000	Logistics RM'000	Polymer RM'000		
30 November 2023							
Revenue							
External revenue	33,880	266,581	628,112	24,375	39,569	-	992,517
Inter-segment revenue	11,419	76,049	276	3,506	-	(91,250)	-
Total revenue	<u>45,299</u>	<u>342,630</u>	<u>628,388</u>	<u>27,881</u>	<u>39,569</u>		<u>992,517</u>
Segment results	(5,552)	51,702	11,513	5,515	4,348	138	67,664
Finance costs							(10,316)
Share of results of associates							(30)
Profit before taxation							<u>57,318</u>
Tax expense							<u>(13,763)</u>
Net profit for the financial period							<u>43,555</u>
30 November 2022							
Revenue							
External revenue	28,536	304,173	680,204	29,761	38,383	-	1,081,057
Inter-segment revenue	14,911	120,275	104	3,855	-	(139,145)	-
Total revenue	<u>43,447</u>	<u>424,448</u>	<u>680,308</u>	<u>33,616</u>	<u>38,383</u>		<u>1,081,057</u>
Segment results	(5,116)	44,504	10,162	6,168	3,261	3,906	62,885
Finance costs							(9,035)
Share of results of associates							(1)
Profit before taxation							<u>53,849</u>
Tax expense							<u>(12,194)</u>
Net profit for the financial period							<u>41,655</u>

A8. Dividends paid

A first interim dividend of 1.0 sen per ordinary share, amounting to RM9,493,000 in respect of the financial year ended 31 May 2023 was paid on 30 August 2023.

A9. Valuation of property, plant and equipment

The Group did not carry out any valuation on its property, plant and equipment during the financial quarter ended 30 November 2023.

A10. Subsequent events

There were no material events subsequent to the end of the financial year up to the date of this Report that have not been reflected in the Interim Financial Report.

A11. Changes in composition of the Group

There were no material changes in the composition of the Group for the current quarter and financial year-to-date including business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructuring or discontinuing operations other than as disclosed below.

- ANB via its wholly-owned subsidiary, Ancom Crop Care Sdn. Bhd. ("ACC"), had entered into a Share Sale Agreement with H.J. Unkel (M) Sdn. Bhd., Chong Sau Kin and Ye Suping for the acquisition of 350,000 ordinary shares or 70% equity interest in H.J. Unkel Chemicals Sdn. Bhd. (H.J. Unkel) for a cash consideration of RM9,000,000.

The acquisition of H.J. Unkel have been completed on 10 January 2024.

A12. Changes in contingent liabilities

There were no material changes to the contingent liabilities disclosed since the last Audited Financial Statements for the financial year ended 31 May 2023.

A13. Capital commitments

The capital commitments as at the end of the reporting date are as follows:

	RM'000
Property, plant and equipment	
- Approved and contracted for	15,368
- Approved but not contracted for	40,223
	<u>55,591</u>

B. ADDITIONAL INFORMATION PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of Group's performance

Overall review for the financial quarter ended 30 November 2023

For the six months ended 30 November 2023, the Group recorded lower revenue of RM0.99 billion as compared with RM1.08 billion in the corresponding period last year. Nevertheless, the Group reported higher profit before taxation ("PBT") of RM57.3 million as compared with RM53.8 million in the corresponding period last year.

For the financial quarter ended 30 November 2023, the Group recorded lower revenue of RM505.2 million as compared with RM531.3 million in the corresponding quarter last year. Nevertheless, the profit before taxation ("PBT") increased to RM28.0 million compared to RM26.6 million in the corresponding quarter last year.

Review of business segments for the financial quarter ended 30 November 2023

Investment Holding and Others

This division comprises investment holding, information technology ("IT"), media and electrical businesses. For the current financial quarter, the division posted higher revenue of RM21.8 million compared with RM19.7 million in the corresponding quarter last year. The division reported higher segmental loss of RM3.2 million for the current financial quarter compared with RM2.6 million in the corresponding quarter last year mainly due to higher operating expenses.

Agricultural Chemicals

The Agricultural Chemicals Division reported lower revenue of RM130.2 million for the current financial quarter compared to RM141.9 million in the corresponding quarter last year due to lower sales in the Southeast Asia market. Nevertheless, segmental profit increased to RM24.8 million in the current financial quarter from RM21.3 million last year mainly due to improvement in sales for products with higher profit margins.

Industrial Chemicals

The Industrial Chemicals Division posted lower revenue of RM320.7 million compared with RM336.5 million in the corresponding quarter last year mainly due to lower selling prices and volume for most of its products. Despite lower revenue, the division recorded higher segmental profit of RM7.9 million for the current quarter compared to RM4.2 million in the corresponding quarter due to improvement in profit margins from the lower cost of sales of its products.

Logistics

The Logistics Division recorded lower revenue of RM12.4 million for the current financial quarter as compared with RM14.5 million in the corresponding quarter last year mainly due to lower chartered volume from its chemical tanker. Consequently, the division reported lower segmental profit of RM2.9 million compared to RM3.1 million in the corresponding quarter last year.

Polymer

The Polymer Division recorded higher revenue of RM20.0 million for the current financial quarter as compared with RM18.7 million in the corresponding quarter last year. The segmental profit remained at RM1.6 million for the current financial quarter compared to corresponding quarter last year.

B2. Material change in the results for the current quarter as compared with the immediate preceding quarter

For the current financial quarter ended 30 November 2023, the Group posted higher revenue of RM505.2 million compared with RM487.4 million in the immediate preceding quarter. Nevertheless, the Group reported lower PBT of RM28.0 million in the current financial quarter compared to PBT of RM29.3 million in the immediate preceding quarter.

B3. Current year prospects

The El Niño weather phenomenon, which brings prolonged hot and dry weather, is expected to continue into 2024. Furthermore, global economic is expected to remain volatile due to the on-going geopolitical tensions and tighter monetary policy. These factors may affect the businesses of the Group for the remaining of the financial year.

The Board will continue to be vigilant in managing these risks and continue to explore and expand opportunities for our business. Barring any unforeseen, the Group should perform satisfactorily for the remaining of the financial year.

B4. Forecast profit, profit guarantee and internal targets

The Group did not provide any profit forecast, profit guarantee and internal targets in any publicly available documents or announcements.

B5. Profit before taxation

	Individual quarter ended 30.11.2023 RM'000	Year-to-date ended 30.11.2023 RM'000
The profit before taxation is stated after charging/(crediting):		
Depreciation and amortisation	11,618	21,199
Fair value gain on investment	(31)	(63)
Finance costs	4,935	10,316
Interest income	(248)	(533)
Loss on disposal of investment properties	-	97
Net gain on disposal of property, plant and equipment	(161)	(357)
Net loss on foreign exchange	325	730
Net reversal of impairment loss on receivables	(173)	(341)
Reversal of provision for inventories written off	99	(867)

B6. Tax expense

	Individual quarter ended		Year-to-date ended	
	30.11.2023	30.11.2022	30.11.2023	30.11.2022
	RM'000	RM'000	RM'000	RM'000
Current tax expense based on profit for the financial period:				
Malaysian income tax	3,363	5,644	11,601	12,739
Foreign income tax	413	382	826	582
	3,776	6,026	12,427	13,321
Over provision in prior years	(2,440)	(3)	(2,440)	(3)
	1,336	6,023	9,987	13,318
Deferred taxation:				
Relating to origination and reversal of temporary differences	3,994	(772)	3,776	(1,124)
	5,330	5,251	13,763	12,194

The effective rate of taxation for the Group is higher than the statutory tax rate mainly due to losses in certain subsidiaries that are not available for set-off against taxable profits in other companies within the Group.

B7. Status of corporate proposals

There were no corporate proposals announced and not completed as at the date of this report other than the following:

- a. ANB and its subsidiary, Nylex (Malaysia) Berhad ("Nylex"), had on 21 March 2022 entered into a Heads of Agreement ("HOA") with Sinar Bina Infra Sdn. Bhd., LBS Bina Group Berhad and BTS Group Holdings Public Company Limited (collectively referred to as "Parties") for the collaboration to build and operate a light rail transport system connected with the railway shuttle link currently being built from Singapore to Johor Bahru, with an integrated property development using the "Transit-Oriented Development" concept in Johor Bahru metropolitan region ("LRT Project"). The Parties are working together exclusively to agree on the terms of the definitive agreements to effect the proposals stipulated in the HOA ("Proposal"). The LRT Project is subject to an ongoing feasibility study (as defined in the HOA) being completed and the grant of the concession award for the Project by the state government of Johor. The Proposals will form part of the

regularization plan to be undertaken by Nylex to regularize its affected listed issuer status.

Nylex had on 13 December 2022, signed a Letter of Intent ("LOI") with CRRC Changchun Railway Vehicles Co., Ltd ("CRRC Changchun") for the purposes of entering into good faith discussions and negotiations with regards to the construction, commissioning, installation and testing of the LRT Project. The LOI is entered by Nylex as a part of its efforts to complete the feasibility study for the LRT Project.

Bursa Securities had via its letter dated 30 January 2023, granted Nylex an extension of time of six (6) months up to 26 July 2023 for Nylex to submit its regularisation plan to the regulatory authorities.

On 22 March 2023, the Parties have agreed to extend the long stop date of the HOA by another three (3) months to 21 June 2023. On 21 June 2023, the Parties have further agreed to extend the long stop date of the HOA to 31 January 2024.

On 16 August 2023, Bursa Securities has rejected Nylex's extension of time application as Nylex has not demonstrated to the satisfaction of Bursa Securities any material development towards the finalisation and submission of the regularisation plan to the regulatory authorities. On the same day, Nylex has received a notice to show cause on commencement of suspension and de-listing procedures pursuant to Paragraph 8.03a(3)(b) of the Listing Requirements from Bursa Securities ("Notice").

Nylex had on 23 August 2023 submitted the written representations to Bursa Securities in relation to why a suspension should not be imposed on the trading of the securities of Nylex; and why the securities of Nylex should not be de-listed from the Official List of Bursa Securities.

On 13 October 2023, Bursa Securities had decided to grant Nylex a further extension of time until 26 January 2024 to submit the regularisation plan to the relevant authorities for approval ("Extended Timeframe"). Bursa Securities has further decided to suspend and de-list the securities of Nylex from the Official List of Bursa Securities pursuant to paragraph 8.03(3A) of the Listing Requirements in the event:

- (i) Nylex fails to submit the proposed regularisation plan to the relevant authorities for approval within the Extended Timeframe;
- (ii) Nylex fails to obtain the approval for the implementation of its regularisation plan and does not appeal within the timeframe (or extended timeframe, as the case may be) prescribed to lodge an appeal;
- (iii) Nylex does not succeed in its appeal; or
- (iv) Nylex fails to implement its regularisation plan within the timeframe or extended timeframes stipulated by the relevant authorities.

As at the date of this report, the Proposed Project is yet to be completed.

- b. ANB had on 12 April 2023 announced that its wholly-owned subsidiary, ACC, had entered into a Share Sale Agreement with H.J. Unkel (M) Sdn. Bhd., Chong Sau Kin and Ye Siping for the acquisition of 350,000 ordinary shares or 70% equity interest in H.J. Unkel for a cash consideration of RM9,000,000. ("Proposed Acquisition")

The Proposed Acquisition have been completed on 10 January 2024.

B8. Utilisation of proceeds

The Company does not have any unutilised proceeds raised from any corporate exercise.

B9. Borrowings

	30.11.2023	31.05.2023
	RM'000	RM'000
LONG TERM BORROWINGS		
Secured:		
Ringgit Malaysia	40,130	52,034
United States Dollar	-	18,955
	40,130	70,989
Unsecured:		
Ringgit Malaysia	7,688	-
Total long term borrowings	47,818	70,989
SHORT TERM BORROWINGS		
Secured:		
Ringgit Malaysia	58,528	71,610
United States Dollar	22,402	6,035
Vietnamese Dong	4,329	13,885
	85,259	91,530
Unsecured:		
Ringgit Malaysia	145,294	172,637
United States Dollar	48,152	48,754
	193,446	221,391
Total short term borrowings	278,705	312,921
TOTAL BORROWINGS	326,523	383,910

Borrowings denominated in foreign currencies are stated at Ringgit Malaysia equivalent as at the reporting dates stated above.

B10. Material litigation

There was no change in material litigation since the date of the last financial quarter except for the following:

(i) High Court of Malaya at Kuala Lumpur Suit No. WA-22NCVC-87-02/2018

On 12 February 2018, ACC and Hamshi Plantation Sdn. Bhd. initiated a legal action at the High Court of Malaya at Kuala Lumpur as plaintiffs against Logix World (M) Sdn. Bhd. and Citra Semerbak Sdn. Bhd. as defendants to claim against and to hold the defendants jointly and severally liable for a principal sum of RM2,702,500, being the unpaid amount for goods sold and delivered by the plaintiffs to the defendants, and interest at the rate of 12.0% per annum from 24 October 2017 until full and final settlement.

On 21 May 2019, the plaintiffs filed the Substantive Application for Contempt against the directors of Logix World (M) Sdn. Bhd. The court had on 13 July 2020 found the directors of Logix World (M) Sdn. Bhd. guilty of contempt and that the plaintiffs have proven their case against the aforesaid directors for interference with the administration of justice beyond reasonable doubt. The court has on 15

October 2021, sentenced the directors and awarded costs of RM15,000 and imposed a fine of RM10,000 per person.

Full trials for the matter are fixed on 22 April 2024 to 3 May 2024 and a case management date is fixed on 4 March 2024. The matter is not expected to have a material impact on the earnings, net assets and gearing of our Group as the principal sum of RM2,702,500 has been fully provided and accounted for in prior years.

(ii) High Court of Malaya at Kuala Lumpur Suit No. WA-25-341-10/2021

On 14 October 2021, Fermpro Sdn Bhd ("Fermpro"), a wholly-owned subsidiary of Nylex Holdings Sdn Bhd, submitted an application for Judicial Review to High Court of Malaya at Kuala Lumpur as Applicant against Royal Malaysian Customs Department ("Customs") as Respondent, in regard to Customs decision dated 3 August 2021 that affirmed Customs earlier decisions dated 15 June 2020 to issue four Bills of Demand ("BODs") for indirect taxes totalling RM7.8 million, comprising import duty, excise duty, Goods and Services Tax ("GST") and sales tax (collectively referred to as "the indirect taxes").

The BODs were issued by Customs due to the alleged liability of Fermpro for the indirect taxes in the removal of goods from Westport Free Commercial Zone ("FCZ") to Licensed Manufacturing Warehouse ("LMW") for the period January 2017 to August 2019.

Upon consulting its tax consultants, the Company is of the view that the BODs are without any technical basis and there are reasonably strong grounds for Fermpro to challenge the validity of the said BODs raised by the Customs, amongst others, the removal of goods from FCZ to LMW should not be liable to import duty, excise duty and sales tax under established general principles in indirect tax law and practice. The GST demanded by Customs is effectively levied on the import duty and excise duty elements and hence, should not be applicable as well, since import duty and excise duty should not be applicable in the removal of goods from FCZ to LMW.

The High Court had on 25 August 2023 dismissed Fermpro's application. Subsequent to the High Court's decision, Fermpro has seek for legal advice and the solicitor is of the view that it has a fair chance to defend against the High Court's decision as the High Court has ignored all the ground above and gave no reason for the judgement. Furthermore, there is no evidence given by the Custom to prove Fermpro has transferred the goods from FCZ to LMW. Therefore, the Group has filed an appeal with Court of Appeal to against the judgement of the High Court and the case management date is fixed on 7 February 2024.

The Group has not recognised any potential liability in respect of the claims in the financial statements of the Group up to the reporting date as the Group believes that there are strong grounds to argue the case.

B11. Dividend

The Board of Directors has proposed a first interim dividend for the financial year ending 31 May 2024 by way of distribution of treasury shares of the Company by way of dividend-in-specie to the shareholders of the Company on the basis of one (1) treasury share of the Company for every one hundred (100) ANB shares held by shareholders whose names appear in the Record of Depositors of the Company on 16 February 2024.

B12. Earnings per shareBasic earnings per share

The basic earnings per share is calculated by dividing the net profit attributable to the owners of the parents by the weighted average number of ordinary shares in issue during the financial period as follows:

	Individual quarter ended		Year-to-date ended	
	30.11.2023	30.11.2022	30.11.2023	30.11.2022
Number of ordinary shares ('000)	996,284	937,656	996,284	937,656
Less: Treasury shares ('000)	(41,802)	(46,266)	(41,802)	(46,266)
	954,482	891,390	954,482	891,390
	Individual quarter ended		Year-to-date ended	
	30.11.2023	30.11.2022	30.11.2023	30.11.2022
Net profit attributable to owners of the parent	22,120	20,560	42,922	40,591
Weighted average number of ordinary shares in issue ('000)	948,979	879,456	948,979	879,456
Basic earnings per share (sen)	2.33	2.30	4.52	4.62

Diluted earnings per share

	Individual quarter ended		Year-to-date ended	
	30.11.2023	30.11.2022	30.11.2023	30.11.2022
Net profit attributable to owners of the parent	22,120	20,560	42,922	40,591
Weighted average number of ordinary shares in issue ('000)	948,979	879,456	948,979	879,456
Dilutive potential ordinary shares				
- ESOS	4,747	24,033	4,747	24,033
- Warrants	74,338	91,710	74,338	91,710
Adjusted weighted average number of ordinary shares in issues ('000)	1,028,064	995,199	1,028,064	995,199
Diluted earnings per share (sen)	2.16	2.07	4.18	4.08