

NYLEX (MALAYSIA) BERHAD

[Registration No.: 197001000148 (9378-T)]

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE FINANCIAL QUARTER ENDED 30 NOVEMBER 2022 THE FIGURES HAVE NOT BEEN AUDITED

	Individual Quarter		Cumulative Quarter	
	30.11.2022	30.11.2021	30.11.2022	30.11.2021
	RM'000	RM'000	RM'000	RM'000
Revenue	-	385,448	-	660,370
Cost of sales	-	(343,595)	-	(600,287)
Gross profit	-	41,853	-	60,083
Other income	64	1,292	126	2,396
Selling and distribution expenses	-	(15,400)	-	(28,370)
Administrative expenses	(475)	(14,503)	(903)	(18,839)
Other expenses	-	(53)	-	(90)
Finance costs	-	(2,162)	-	(4,292)
Share of results of associates, net of tax	-	240	-	434
(Loss)/Profit before tax	(411)	11,267	(777)	11,322
Taxation	-	(3,656)	-	(3,063)
Net (loss)/profit for the period	(411)	7,611	(777)	8,259
Net (loss)/profit attributable to:				
Owners of the parent	(411)	7,728	(777)	8,060
Non-controlling interests	-	(117)	-	199
	(411)	7,611	(777)	8,259
(Loss)/Earnings per share attributable to owners of the parent (sen)				
- basic	(0.23)	4.31	(0.43)	4.50
- diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statements of Profit or Loss should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2022)

NYLEX (MALAYSIA) BERHAD
 [Registration No.: 197001000148 (9378-T)]
 (Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL QUARTER ENDED 30 NOVEMBER 2022
THE FIGURES HAVE NOT BEEN AUDITED

	Individual Quarter		Cumulative Quarter	
	30.11.2022	30.11.2021	30.11.2022	30.11.2021
	RM'000	RM'000	RM'000	RM'000
Net (loss)/profit for the period	(411)	7,611	(777)	8,259
Other comprehensive income:				
Currency translation differences	-	1,471	-	2,130
Re-measurement of defined benefit liability	-	-	-	-
Other comprehensive income for the period	-	1,471	-	2,130
Total comprehensive (loss)/income for the period	(411)	9,082	(777)	10,389
Total comprehensive (loss)/income attributable to:				
Owners of the parent	(411)	9,121	(777)	10,064
Non-controlling interests	-	(39)	-	325
	(411)	9,082	(777)	10,389

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2022)

NYLEX (MALAYSIA) BERHAD
[Registration No.: 197001000148 (9378-T)]
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2022

	As at	As at
	30.11.2022	31.05.2022
	RM'000	RM'000
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Deferred tax assets	7,785	7,785
	<u>7,785</u>	<u>7,785</u>
Current assets		
Trade and other receivables	187	-
Income tax recoverable	1,412	1,264
Short-term deposits with licensed banks	12,800	14,000
Cash and bank balances	441	477
	<u>14,840</u>	<u>15,741</u>
TOTAL ASSETS	<u>22,625</u>	<u>23,526</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	30,856	30,856
Retained profits	891	1,668
Less: Treasury shares, at cost	(9,678)	(9,678)
Total equity	<u>22,069</u>	<u>22,846</u>
Current liabilities		
Trade and other payables	556	680
Total liabilities	<u>556</u>	<u>680</u>
TOTAL EQUITY AND LIABILITIES	<u>22,625</u>	<u>23,526</u>
Net assets per share attributable to owners of the parent (RM)	0.12	0.13

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2022)

NYLEX (MALAYSIA) BERHAD
[Registration No.: 197001000148 (9378-T)]
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2022

	<----- Attributable to owners of the parent ----->				Total	Non- controlling interests	Total equity
	Share capital	Translation reserve	Retained profits	Treasury shares			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>6 month period ended 30 November 2022</u>							
Balance as at 01 June 2022	30,856	-	1,668	(9,678)	22,846	-	22,846
Net loss for the period	-	-	(777)	-	(777)	-	(777)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(777)	-	(777)	-	(777)
Balance as at 30 November 2022	<u>30,856</u>	-	891	(9,678)	22,069	-	22,069
<u>6 month period ended 30 November 2021</u>							
Balance as at 01 June 2021	195,143	17,322	110,769	(10,011)	313,223	9,563	322,786
Net profit for the period	-	-	8,060	-	8,060	199	8,259
Other comprehensive income	-	2,004	-	-	2,004	126	2,130
Total comprehensive income for the period	-	2,004	8,060	-	10,064	325	10,389
Balance as at 30 November 2021	<u>195,143</u>	19,326	118,829	(10,011)	323,287	9,888	333,175

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2022)

NYLEX (MALAYSIA) BERHAD

[Registration No.: 197001000148 (9378-T)]

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 30 NOVEMBER 2022

	FY 2023 6 months ended 30.11.2022 RM'000 (Unaudited)	FY 2022 6 months ended 30.11.2021 RM'000 (Unaudited)
Cash Flows From Operating Activities		
(Loss)/Profit before tax	(777)	11,322
Adjustments for non-cash items	(126)	14,990
Operating cash flows before working capital changes	(903)	26,312
Working Capital Changes		
Receivables	(187)	(43,888)
Inventories	-	8,706
Payables	(124)	(10,619)
Related companies	-	(1,079)
Associates	-	(565)
Cash flows used in operations	(1,214)	(21,133)
Tax paid	(148)	(4,787)
Net Cash Flows Used In Operating Activities	(1,362)	(25,920)
Cash Flows From Investing Activities		
Proceeds from disposal of property, plant and equipment	-	281
Purchase of property, plant and equipment	-	(1,344)
Interest received	126	1,118
Dividend received	-	35
Withdrawal/(Placement) of short-term deposits - with maturity of more than three (3) months	-	1,040
Net Cash Flows From Investing Activities	126	1,130
Cash Flows From Financing Activities		
Drawdown of borrowings	-	101,263
Repayment of borrowings	-	(78,296)
Repayment of lease liabilities	-	(8,264)
Interest paid	-	(4,292)
Net Cash Flows From Financing Activities	-	10,411
Net Decrease in Cash and Cash Equivalents	(1,236)	(14,379)
Effects of Exchange Rate Changes	-	1,585
Cash and Cash Equivalents at beginning of year	14,477	91,013
Effects of Exchange Rate Changes	-	(652)
	14,477	90,361
Cash and Cash Equivalents at end of period	13,241	77,567
The Cash and Cash Equivalents comprise:		
Cash and bank balances	441	71,661
Short-term deposits	12,800	8,104
	13,241	79,765
Less: Short-term deposits with maturity of more than three (3) months	-	(2,198)
	13,241	77,567

(The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2022)



NYLEX (MALAYSIA) BERHAD

(Registration No.: 197001000148 (9378-T))

(Incorporated in Malaysia)

**Notes to the Interim Financial Report
For the 2nd Financial Quarter Ended 30 November 2022**

A. COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134, INTERIM FINANCIAL REPORTING AND BURSA SECURITIES LISTING REQUIREMENTS

A1. Basis of Preparation

This Interim Financial Report (“Report”) is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”). This Report complies with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board.

This Report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 May 2022.

These notes to the Report 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 May 2022.

A2. Significant accounting policies

The significant accounting policies and methods of computation adopted by the Company in this Report are consistent with those adopted in the most recent audited financial statements for the year ended 31 May 2022 except for the adoption of the following Amendments/Annual Improvements to MFRSs (collectively referred to as “pronouncements”) to be applied for the financial period beginning on or after 1 January 2022:

- Annual Improvements to MFRS Standards 2018 - 2020
- Amendments to MFRS 3 Reference to the Conceptual Framework
- Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use
- Amendments to MFRS 137 Onerous Contracts - Cost of Fulfilling a Contract

The adoption of the above pronouncements will have no material impact on the financial statements of the Company.

A3. Seasonality or Cyclicity of Interim Operations

The operations of the Company were not significantly affected by seasonality and cyclicity factors.

A4. Items of Unusual Nature and Amount

There were no items affecting the assets, liabilities, equity, net income, or cash flows of the Company that are unusual because of their nature, size or incidence.

A5. Changes in Estimates Reported in Prior Interim Periods

There were no changes in estimated amounts reported in prior periods, which have a material effect on the current period.

A6. Debts and Equity Securities

There were no issuance, cancellation, repurchases, resale and repayments of debts and equity securities for the current quarter and financial year-to-date.

Treasury shares:

At the Company's 52nd Annual General Meeting held on 27 October 2022, the shareholders of the Company approved the proposed renewal of shareholders' mandate for the Company to repurchase up to 10% of its own ordinary shares. The Company did not purchase any shares for the current quarter and the financial year-to-date.

As at 30 November 2022, a total of 14,550,648 treasury shares at a total cost of RM9,678,119 were held by the Company pursuant to Section 127(4)(b) of the Companies Act 2016.

A7. Dividends Paid

The Company has not paid any dividend for the current financial year-to-date.

A8. Segment Revenue and Results

The segment revenue and segment results for business segments for the current financial year-to-date are as follows:

6-Month period ended 30.11.2022	Polymer RM'000	Industrial Chemical RM'000	Logistics RM'000	Investment Holding RM'000	Eliminations RM'000	Consolidated RM'000
Revenue						
External sales	-	-	-	-	-	-
Inter-segment sales	-	-	-	-	-	-
Total revenue	-	-	-	-	-	-
Results						
Segment result	-	-	-	(777)	-	(777)
Finance costs						-
Loss before tax						(777)
Taxation						-
Net loss for the period						(777)
Non-controlling interests						-
Net loss after non-controlling interests						(777)
6-Month period ended 30.11.2021	Polymer RM'000	Industrial Chemical RM'000	Logistics RM'000	Investment Holding RM'000	Eliminations RM'000	Consolidated RM'000
Revenue						
External sales	39,036	613,637	7,697	-	-	660,370
Inter-segment sales	-	117	-	-	(117)	-
Total revenue	39,036	613,754	7,697	-	(117)	660,370
Results						
Segment result	2,358	17,431	(2,301)	(1,874)	-	15,614
Finance costs						(4,292)
Profit before tax						11,322
Taxation						(3,063)
Net profit for the period						8,259
Non-controlling interests						(199)
Net profit after non-controlling interests						8,060

A9. Property, Plant and Equipment

There were no acquisitions and disposals of property, plant and equipment during the current period.

A10. Material Events Subsequent to the End of the Current Period

There were no material events subsequent to the end of the current period up to the date of this Report that have not been reflected in the financial statements for the current period.

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.

A12. Contingent Liabilities

There were no material contingent liabilities since the last annual Statements of Financial Position as at 31 May 2022.

A13. Capital Commitment

There were no capital commitment as at 30 November 2022.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS

B1. Detailed Analysis of the Performance of All Operating Segments of the Group for the Current Quarter and Financial Year-To-Date

	Individual Quarter			Cumulative Quarter		
	Current Year	Preceding Year	Changes %	Current Year	Preceding Year	Changes %
	30.11.2022	30.11.2021		30.11.2022	30.11.2021	
	RM'million	RM'million		RM'million	RM'million	
Revenue	-	385.4	(100.0)	-	660.4	(100.0)
(Loss)/Profit before interest and tax	(0.4)	13.4	(103.1)	(0.8)	15.6	(105.0)
(Loss)/Profit before tax	(0.4)	11.3	(103.6)	(0.8)	11.3	(106.9)
(Loss)/Profit after tax	(0.4)	7.6	(105.4)	(0.8)	8.3	(109.4)
(Loss)/Profit attributable to owners of the parent	(0.4)	7.7	(105.3)	(0.8)	8.1	(109.6)

Following the completion of the disposal of all its assets and liabilities including all its subsidiaries to its holding company, Ancom Nylex Berhad (formerly known as “Ancom Berhad”) (“Disposal”) on 26 January 2022, the Company did not generate any revenue for the current financial quarter under review. The Company recorded loss before tax (“LBT”) of RM0.4 million for the quarter and LBT of RM0.8 million for the financial year to date, mainly due to the expenses incurred relating to the Project as mentioned in Note B6(1) and some corporate expenses.

B2. Material Change in the Loss Before Tax for the Current Quarter as compared with Immediate Preceding Quarter

	Current Quarter	Immediate Preceding Quarter	Changes %
	30.11.2022	31.08.2022	
	RM'million	RM'million	
Revenue	-	-	-
Loss before interest and tax	(0.4)	(0.4)	(12.3)
Loss before tax	(0.4)	(0.4)	(12.3)
Loss after tax	(0.4)	(0.4)	(12.3)
Loss attributable to owners of the parent	(0.4)	(0.4)	(12.3)

Following the completion of the disposal of all its assets and liabilities including all its subsidiaries on 26 January 2022, the Company did not generate any revenue for the current financial quarter under review. The Company recorded LBT of RM0.4 million for the quarter, mainly due to the expenses incurred relating to the Project as mentioned in Note B6(1) and some corporate expenses.

B3. Current Year's Prospects

Following the completion of the Disposal, the Company has triggered Paragraph 8.03A(2) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") whereby the Company has ceased all of its business and entire operations and accordingly, the Company is now classified as an affected listed issuer under the Listing Requirements. On 3 January 2023, an application for an extension of time to submit a regularisation plan to the SC ("EOT Application") has been submitted to Bursa Securities. The Company will make further announcement upon receiving the decision from Bursa Securities on the said EOT Application.

As stated in Note B6(1) below, the Company has on 21 March 2022 entered into a HOA with various parties, for the Project. The Project is subject to the on-going feasibility study being completed and the grant of the concession award for the Project by the state government of Johor.

The Proposal will form part of the regularisation plan to be undertaken by Nylex to regularise its affected listed issuer status. The Company will make further announcements accordingly as and when there is any material development to the HOA and the Project.

B4. Variance of Actual Profit from Forecast Profit/Profit Guarantee

This is not applicable as there was no forecast profit or profit guarantee issued in respect of the current financial period.

B5. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding year
	30.11.2022	30.11.2021	30.11.2022	30.11.2021
	RM'000	RM'000	RM'000	RM'000
Taxation based on results for the period				
- Current				
Malaysian	-	(3,265)	-	(3,570)
Foreign	-	(652)	-	(716)
- Deferred tax	-	261	-	398
	-	(3,656)	-	(3,888)
Overprovision in prior years	-	-	-	825
	-	(3,656)	-	(3,063)

B6. Status of Corporate Proposals

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

1. Heads Of Agreement entered into between Nylex, Sinar Bina Infra Sdn Bhd, LBS Bina Group Berhad, BTS Group Holdings Public Company Limited and Ancom Berhad

The Company had on 21 March 2022 entered into a Heads of Agreement ("HOA") with Sinar Bina Infra Sdn Bhd, LBS Bina Group Berhad, BTS Group Holdings Public Company Limited and Ancom Berhad 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 ("Project"). The Project is subject to the feasibility study being completed and the grant of the concession award for the Project by the state government of Johor.

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

For the avoidance of doubt, the terms of the definitive agreements to effect the proposals stipulated in the HOA have not been finalised.

B7. Utilisation of Proceeds

Other than as disclosed below, the Company has not raised any proceeds from any of its corporate exercise.

In the previous financial year, the Company has completed the disposal of the entire assets and liabilities of the Company and distribution of the proceeds to the entitled shareholders of the Company. The status of utilisation of proceeds as at 30 November 2022 are as follows:

No.	Description of use	Intended time frame for utilisation of proceeds from the date of completion of the disposal	Proposed utilisation RM'000	Actual utilisation RM'000	Balance
1.	Retained Cash				
	(a) Acquisition of new businesses	Within 12 months	11,250	529	10,721
	(b) Working capital	Within 12 months	1,250	958	292
	(c) Defraying expenses relating to the Proposals	Within 3 months	2,500	2,154 ⁽¹⁾	346
			<u>15,000</u>	<u>3,641</u>	<u>11,359</u>
2.	Distribution to non-controlling interest of Nylex	Within 3 months	35,000	35,000	-
			<u>50,000</u>	<u>38,641</u>	<u>11,359</u>

Note 1: Of which approximately RM1,507,000 has been incurred and paid by the Company before the receipt of the cash proceeds. Upon receipt of the cash proceeds, the said amount has been used to replenish the internally generated fund of the Company, which forms part of the Company's cash and bank balances of RM13,241,000 as at 30 November 2022.

B8. Borrowings

There were no borrowings as at 30 November 2022.

B9. Derivatives Financial Instruments

The Company enters into foreign exchange derivatives to manage the exposure to foreign exchange risk when the Company enter into transactions that are not denominated in Ringgit Malaysia.

The foreign exchange derivatives are recognised on the contract dates and are measured at fair value with changes in fair value recognised in profit or loss.

There were no outstanding foreign exchange derivatives as at 30 November 2022.

B10. Notes to the Consolidated Statements of Profit or Loss for the Current Quarter and Financial Year-To-Date

The Loss Before Tax was arrived at after crediting the following:

	Current Quarter 30.11.2022 RM'000	Financial Year-To-Date 30.11.2022 RM'000
Interest income	<u>64</u>	<u>126</u>

B11. Material Litigation

The Company did not engage in any material litigation since the date of the last annual Statements of Financial Position as at 31 May 2022.

B12. Dividends

The Directors do not recommend the payment of any dividend for the current financial quarter (FY 2022: Nil).

B13. Earnings per Share

Basic Earnings Per Share

The calculation of basic earnings per share was based on the net loss attributable to owners of the parent for the current quarter of RM411,668 (30.11.2021: net profit of RM7,727,976) and net loss of RM777,205 (30.11.2021: net profit of RM8,060,117) for the financial year-to-date as reported in the condensed consolidated statements of profit or loss of the Group, divided by the weighted average number of ordinary shares in issue during the current quarter and financial year-to-date of 179,787,212 (30.11.2021: 179,287,212).

Diluted Earnings Per Share

The Group has no potential ordinary shares in issue as at reporting date. Therefore, Diluted Earnings Per Share equals to Basic Earnings Per Share.

B14. Qualification of Auditors' Report of Preceding Financial Statements

There was no audit qualification in the auditors' report of the Group's Audited Financial Statements for the financial year ended 31 May 2022.

BY ORDER OF THE BOARD

Choo Se Eng
Stephen Geh Sim Whye
Company Secretaries

Petaling Jaya
17 January 2023