

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2023**

The figures have not been audited

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2023**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year - To -Date	Preceding Year Corresponding Period
	31/03/2023 RM'000	31/03/2022 RM'000	31/03/2023 RM'000	31/03/2022 RM'000
<b>Revenue</b>	923,346	635,241	2,649,401	1,689,303
Cost of sales	(760,379)	(508,180)	(2,195,933)	(1,371,268)
<b>Gross profit</b>	162,967	127,061	453,468	318,035
Operating expenses	(40,276)	(41,247)	(125,951)	(113,297)
Other operating (expenses) / income	(18,586)	5,268	(18,667)	16,740
<b>Operating profit</b>	104,105	91,082	308,850	221,478
Interest income	15,343	5,961	36,493	6,795
Finance costs	(457)	(386)	(1,536)	(1,154)
Share of profit in associated companies, net of tax	11,047	12,637	43,064	20,722
<b>Profit before taxation</b>	130,038	109,294	386,871	247,841
Taxation	(33,925)	(27,497)	(87,739)	(65,316)
<b>Profit for the period</b>	96,113	81,797	299,132	182,525
<b>Profit attributable to:</b>				
Owners of the Company	65,907	63,828	221,321	138,262
Non-controlling interests	30,206	17,969	77,811	44,263
<b>Profit for the period</b>	96,113	81,797	299,132	182,525
<b>Earnings per ordinary share (sen): -</b>				
(a) Basic	20.95	20.30	70.36	43.98
(b) Diluted	N/A	N/A	N/A	N/A



**HONG LEONG INDUSTRIES BERHAD (196401000167 (5486-P))**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED**  
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**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER**  
**COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2023 (Cont'd)**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year - To -Date	Preceding Year Corresponding Period
	31/03/2023 RM'000	31/03/2022 RM'000	31/03/2023 RM'000	31/03/2022 RM'000
<b>Profit for the period</b>	96,113	81,797	299,132	182,525
Other comprehensive income/(expense), net of tax				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Net change in fair value of equity investments at fair value through other comprehensive income/(expense)	313	(28,719)	2,235	(5,104)
<i>Items that are or may be reclassified subsequently to profit or loss</i>				
Foreign currency translation differences from foreign operations	123	50	376	45
Share of other comprehensive income /(expense) of equity accounted associates, net of tax	993	1,494	(541)	2,866
Cash flow hedge	1,805	221	(467)	(364)
<b>Total other comprehensive income/(expense) for the period</b>	<b>3,234</b>	<b>(26,954)</b>	<b>1,603</b>	<b>(2,557)</b>
<b>Total comprehensive income for the period</b>	<b>99,347</b>	<b>54,843</b>	<b>300,735</b>	<b>179,968</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	68,589	36,726	223,069	135,736
Non-controlling interests	30,758	18,117	77,666	44,232
<b>Total comprehensive income for the period</b>	<b>99,347</b>	<b>54,843</b>	<b>300,735</b>	<b>179,968</b>

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the Financial Year Ended 30 June 2022.

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**HONG LEONG INDUSTRIES BERHAD (196401000167 (5486-P))**  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH**  
**2023**

	As At End of Current Quarter	As At End of Preceding Financial Year
	31/03/2023 RM'000	30/06/2022 RM'000
<b>ASSETS</b>		
Property, plant and equipment	198,893	233,250
Right-of-use assets	23,978	24,505
Investment property	4,000	4,000
Investments in associated companies	198,336	176,299
Other investments	70,733	68,726
Intangible assets	45,829	39,102
Deferred tax assets	23,875	21,829
Tax credit receivable	960	960
<b>TOTAL NON-CURRENT ASSETS</b>	<u>566,604</u>	<u>568,671</u>
Inventories	297,274	311,782
Trade and other receivables, including derivatives	327,934	279,685
Current tax assets	740	2,006
Short-term money market funds and term investment account-i	957,100	132,683
Cash and cash equivalents	692,377	1,271,174
<b>TOTAL CURRENT ASSETS</b>	<u>2,275,425</u>	<u>1,997,330</u>
<b>TOTAL ASSETS</b>	<u>2,842,029</u>	<u>2,566,001</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		
Share capital	321,217	321,217
Reserves	1,808,689	1,647,752
Treasury shares - at cost	(63,318)	(63,318)
	<u>2,066,588</u>	<u>1,905,651</u>
<b>NON-CONTROLLING INTERESTS</b>	195,851	148,432
<b>TOTAL EQUITY</b>	<u>2,262,439</u>	<u>2,054,083</u>
<b>LIABILITIES</b>		
Lease liabilities	3,540	3,843
Deferred tax liabilities	5,357	5,357
Employee benefits	23,937	24,067
<b>TOTAL NON-CURRENT LIABILITIES</b>	<u>32,834</u>	<u>33,267</u>
Borrowings (unsecured)	13,380	18,689
Lease liabilities	4,880	4,880
Trade and other payables, including derivatives	462,726	411,864
Tax payable	65,770	43,218
<b>TOTAL CURRENT LIABILITIES</b>	<u>546,756</u>	<u>478,651</u>
<b>TOTAL LIABILITIES</b>	<u>579,590</u>	<u>511,918</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>2,842,029</u>	<u>2,566,001</u>
<b>Net assets per share attributable to owners of the Company (RM)</b>	6.57	6.06

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.

**HONG LEONG INDUSTRIES BERHAD (196401000167 (5486-P))**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2023**

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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2023**

	←----- Attributable to owners of the Company -----→										
	←----- Non-distributable -----→						----- Distributable -----→				
	Share capital RM'000	Treasury shares RM'000	Exchange fluctuation reserve RM'000	Other reserves RM'000	Hedging reserve RM'000	Reserve for own shares RM'000	Executive share scheme reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interest RM'000	Total equity RM'000
<b>Current year-to-date ended 31 March 2023</b>											
At 1 July 2022	321,217	(63,318)	32,121	3,714	(58)	(15,262)	533	1,626,704	1,905,651	148,432	2,054,083
Profit for the period	-	-	-	-	-	-	-	221,321	221,321	77,811	299,132
Other comprehensive income/(expense): -											
Gain on fair value equity investments at fair value through other comprehensive income	-	-	-	-	-	-	-	2,235	2,235	-	2,235
Foreign currency translation differences	-	-	376	-	-	-	-	-	376	-	376
Share of other comprehensive expense of equity accounted associates, net of tax	-	-	(541)	-	-	-	-	-	(541)	-	(541)
Cash flow hedge	-	-	-	-	(322)	-	-	-	(322)	(145)	(467)
<b>Total comprehensive income/(expense) for the period</b>	-	-	(165)	-	(322)	-	-	223,556	223,069	77,666	300,735
Share-based payments/transactions											
Shares vested under Executive Share Scheme ("ESS")	-	-	-	-	-	309	(564)	255	-	-	-
Dividend	-	-	-	-	-	-	-	(62,904)	(62,904)	(30,589)	(93,493)
<b>Total transactions with owners of the Company</b>	-	-	-	-	-	309	208	(62,649)	(62,132)	(30,247)	(92,379)
At 31 March 2023	321,217	(63,318)	31,956	3,714	(380)	(14,953)	741	1,787,611	2,066,588	195,851	2,262,439

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**HONG LEONG INDUSTRIES BERHAD (196401000167 (5486-P))**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2023**

The figures have not been audited

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2023 (Cont'd)**

	Attributable to owners of the Company							Retained earnings RM'000	Total RM'000	Non-controlling interest RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Exchange fluctuation reserve RM'000	Other reserves RM'000	Hedging reserve RM'000	Reserve for own shares RM'000	Executive share scheme reserve RM'000				
<b>Preceding year corresponding period ended 31 March 2022</b>											
At 1 July 2021	321,217	(63,318)	24,877	3,714	404	(15,699)	1,616	1,593,628	1,866,439	147,738	2,014,177
Profit for the period	-	-	-	-	-	-	-	138,262	138,262	44,263	182,525
Other comprehensive income/(expense): -											
Loss on fair value equity investments at fair value through other comprehensive income	-	-	-	-	-	-	-	(5,104)	(5,104)	-	(5,104)
Foreign currency translation differences	-	-	45	-	-	-	-	-	45	-	45
Share of other comprehensive income of equity accounted associates, net of tax	-	-	2,866	-	-	-	-	-	2,866	-	2,866
Cash flow hedge	-	-	-	-	(333)	-	-	-	(333)	(31)	(364)
<b>Total comprehensive income/(expense) for the period</b>	-	-	2,911	-	(333)	-	-	133,158	135,736	44,232	179,968
Share-based payments/transactions											
Shares vested under Executive Share Scheme ("ESS")	-	-	-	-	-	-	483	-	483	89	572
Addition of equity interest in a subsidiary company	-	-	-	-	-	437	(1,813)	1,376	-	-	-
Dividend	-	-	-	-	-	-	-	8,616	8,616	(20,258)	(11,642)
	-	-	-	-	-	-	-	(53,444)	(53,444)	-	(53,444)
<b>Total transactions with owners of the Company</b>	-	-	-	-	-	437	(1,330)	(43,452)	(44,345)	(20,169)	(64,514)
At 31 March 2022	321,217	(63,318)	27,788	3,714	71	(15,262)	286	1,683,334	1,957,830	171,801	2,129,631

Dividend received by the Executive Share Scheme Trusts ("ESS Trusts") amounted to RM991,000 (31 March 2022- RM866,000) for the Group is eliminated against the dividend expenses of the Company upon consolidation of the ESS Trusts.

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the Financial Year Ended 30 June 2022

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**HONG LEONG INDUSTRIES BERHAD (196401000167 (5486-P))**  
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**31 MARCH 2023**

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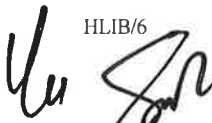
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED**  
**31 MARCH 2023**

	Current Year- To-Date 31/03/2023 RM'000	Preceding Year Corresponding Period 31/03/2022 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	386,871	247,841
Adjustments for: -		
Share of profit in associated companies, net of tax	(43,064)	(20,722)
Depreciation and amortisation	56,550	47,885
Dividend income	(705)	(12,203)
Non-cash items	17,172	(1,987)
Interest income	(36,493)	(6,795)
Finance costs	1,536	1,154
Operating profit before changes in working capital	381,867	255,173
Changes in working capital		
Net change in current assets	(33,201)	(100,690)
Net change in current liabilities	51,785	70,450
Tax paid	(65,966)	(52,614)
Interest income received	36,493	6,795
Finance costs paid	(1,536)	(1,154)
Dividend received	21,156	15,803
Retirement benefits paid	(1,178)	(674)
<b>Net cash generated from operating activities</b>	389,420	193,089
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment	(15,811)	(14,227)
Addition of intangible assets	(30,688)	(12,174)
(Placement)/Uplift in short-term money market funds and term investment account-i	(824,417)	84,918
Proceeds from disposal of property, plant & equipment	3,742	2,674
<b>Net cash (used in) / generated from investing activities</b>	(867,174)	61,191
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of lease liabilities	(2,615)	(2,720)
Acquisition of additional equity interest in a subsidiary company	-	(11,642)
Dividend paid to owners of the Company	(62,904)	(53,444)
Dividend paid to non-controlling shareholders of subsidiary companies	(30,589)	-
Drawdown of borrowings	87,750	89,660
Repayment of borrowings	(93,059)	(83,220)
<b>Net cash used in financing activities</b>	(101,417)	(61,366)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(579,171)	192,914
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	1,271,174	1,029,139
<b>EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH HELD</b>	374	28
<b>CASH &amp; CASH EQUIVALENTS AT END OF PERIOD</b>	692,377	1,222,081

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following statements of financial position amounts:

	31/03/2023 RM'000	31/03/2022 RM'000
Short-term money market fund and term investment account-i	2,007	837,043
Deposits, cash and bank balances	690,370	385,038
	692,377	1,222,081

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.

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**HONG LEONG INDUSTRIES BERHAD (196401000167 (5486-P))**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED**  
**31 MARCH 2023**

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**1. Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 “Interim Financial Reporting” and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group’s audited financial statements for the financial year ended 30 June 2022. This interim financial report also complies with International Accounting Standard 34 “Interim Financial Reporting” issued by the International Accounting Standards Board.

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2022 except for the adoption of MFRSs, amendments and interpretations that are effective for annual periods beginning on or after 1 January 2022 which are applicable to the Group. The initial adoption of these applicable MFRSs, amendments and interpretations do not have any material impact on the financial statements of the Group.

**2. Qualification of audit report of the preceding annual financial statements**

The audit report for the preceding annual financial statements was not qualified.

**3. Seasonality or cyclicity of interim operations**

There has been no material seasonal or cyclical factor affecting the results of the quarter under review.

**4. Nature and amounts of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence**

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence during the quarter under review and financial year-to-date.

**5. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years**

There were no changes in estimates of amounts reported in the prior financial years.

**6. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities**

(a) There were no shares bought back during the quarter under review and financial year-to-date. The total number of ordinary shares of the Company (“HLI Shares”) bought back as of 31 March 2023 was 8,432,500 HLI Shares and the shares are being held as treasury shares in accordance with the requirement of Section 127 of the Companies Act 2016.

(b) During the quarter under review and financial year-to-date, a total of 100,342 HLI Shares held in ESS Trusts were transferred to an eligible executive of the Group following the vesting of free HLI Shares pursuant to the ESS.

There were no additional shares purchased by the ESS Trusts during the quarter under review and financial year-to-date. The total number of HLI Shares held by the ESS Trusts as of 31 March 2023 was 4,847,877 HLI Shares.

There were no issuance of shares, shares cancellation, resale of treasury shares or repayment of debt or equity securities during the quarter under review and financial year-to-date.

**HONG LEONG INDUSTRIES BERHAD (196401000167 (5486-P))**  
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**7. Dividend paid**

During the financial year-to-date, the Company paid an interim single tier dividend of 20.0 sen per share amounting to RM63.9 million on 22 December 2022.

**8. Operating Segments**

The Group's segmental report for the financial year-to-date is as follows: -

	<b>Consumer Products RM'000</b>	
<b>Segment profit</b>	<u>306,225</u>	
<b>Included in the measure of segment profit are:</b>		
Revenue from external customers	2,450,384	
Depreciation and amortisation	<u>(51,585)</u>	
<b>Reconciliation of reportable segment profit</b>	<b>RM'000</b>	
<b>Profit</b>		
Reportable segment	306,225	
Non- reportable segment	2,625	
Interest income	36,493	
Finance costs	(1,536)	
Share of profit in associated companies, net of tax	43,064	
Consolidated profit before taxation	<u>386,871</u>	
		<b>Depreciation and amortisation RM'000</b>
	<b>External revenue RM'000</b>	
Reportable segment	2,450,384	51,585
Non-reportable segment	199,017	4,965
<b>Total</b>	<u>2,649,401</u>	<u>56,550</u>

**9. Material events not reflected in the financial statements**

There are no material subsequent events to be disclosed as at the date of this report.

**10. Changes in the composition of the Group**

There were no changes in the composition of the Group during the quarter under review, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations other than as mentioned below:

The following Company's subsidiaries have been placed under member's voluntary liquidation: -

- (i) Glenex Sdn Bhd, an indirect wholly-owned subsidiary;
- (ii) Maxider Sdn Bhd, a wholly-owned subsidiary; and
- (iii) Avenues Zone, Inc, an indirect wholly-owned subsidiary.

The liquidations are currently pending tax clearance from the Inland Revenue Board.

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**HONG LEONG INDUSTRIES BERHAD (196401000167 (5486-P))**  
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**11. Review of Performance**

For the quarter under review, the Group recorded revenue of RM923 million and profit before taxation (“PBT”) of RM130 million as compared with revenue of RM635 million and PBT of RM109 million for the corresponding quarter of the preceding financial year ended 30 June 2022 (“FY2022”).

The higher revenue and PBT for the quarter as compared with the corresponding quarter of FY2022 were primarily driven by higher sales of motorcycle business during the quarter under review. The sales of corresponding quarter of FY2022 was also low as the production of motorcycle business was affected by the supply chain disruption.

For the financial year-to-date, the Group recorded revenue of RM2,649 million and PBT of RM387 million as compared with revenue of RM1,689 million and PBT of RM248 million for the corresponding period of FY2022.

Higher revenue and PBT for the financial year-to-date as compared with the corresponding period of FY2022 were mainly contributed by higher sales of motorcycle business. The revenue and PBT of the corresponding period were also low due to the curtailment of 2 months production caused by Movement Control Order in the first quarter and the supply chain disruption which affected the production and sales of motorcycle business in the corresponding quarter.

**12. Material changes in profit before taxation against the immediate preceding quarter**

For the quarter under review, the Group recorded PBT of RM130 million as compared with PBT of RM123 million for the preceding quarter. The higher PBT as compared with the preceding quarter was mainly contributed by the higher sales of motorcycle business. This improvement was however negated by an impairment of property, plant and equipment of RM12 million made in tile’s business as a result of demolition of a portion of its existing factory building.

**13. Prospects**

Barring any unforeseen circumstances, the Board expects the Group’s performance for the financial year ending 30 June 2023 to be satisfactory.

**14. Profit forecast/profit guaranteed**

This note is not applicable.

**15. Profit before taxation**

	<b>Current Year Quarter 31/03/2023 RM'000</b>	<b>Current Year- To-date 31/03/2023 RM'000</b>
Profit before taxation is arrived at after (charging) / crediting: -		
Gross dividend income from other investments	9	705
Depreciation and amortisation	(19,858)	(56,550)
Reversal of/(impairment) loss on trade receivables	64	(82)
Provision for slow moving inventories	(1,754)	(2,133)
Gain on foreign exchange	970	1,563
Gain/(loss) on fair value of financial assets at fair value through profit or loss	45	(227)
Gain on disposal of property, plant and equipment	82	892
Impairment loss on property, plant and equipment	(12,143)	(13,837)

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16. **Taxation**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/03/2023 RM'000	Preceding Year Corresponding Quarter 31/03/2022 RM'000	Current Year-To-Date 31/03/2023 RM'000	Preceding Year Corresponding Period 31/03/2022 RM'000
Current taxation				
Malaysian - current year	36,008	27,664	89,803	65,483
- prior years	(38)	(167)	(19)	(167)
	<u>35,970</u>	<u>27,497</u>	<u>89,784</u>	<u>65,316</u>
Deferred taxation				
Malaysian - current year	(2,045)	-	(2,045)	-
- prior years	-	-	-	-
	<u>(2,045)</u>	<u>-</u>	<u>(2,045)</u>	<u>-</u>
	<u>33,925</u>	<u>27,497</u>	<u>87,739</u>	<u>65,316</u>

The Group's effective tax rate for the quarter under review is higher than statutory tax rate mainly due to certain expenses are not allowed as tax deductions. For the financial year-to-date, effective tax rate is lower than the statutory tax rate mainly due to certain income not taxable.

17. **Corporate Proposals**

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

18. **Group's borrowings and debt securities**

Particulars of the Group's borrowings and debt securities as at 31 March 2023 is as follows: -

Unsecured short-term borrowings	<b>RM'000</b> <u>13,380</u>
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There were no borrowings denominated in foreign currencies as of 31 March 2023.

19. **Changes in Material Litigation**

There are no material litigations as at the date of this report.

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**20. Dividend**

- (a) The Board has declared a second interim single tier dividend of 37.0 sen per share for the quarter ended 31 March 2023 of the financial year ending 30 June 2023 (3<sup>rd</sup> quarter FY2022: a second interim single tier dividend of 35.0 sen per share) to be paid on 20 June 2023 to holders of ordinary shares whose names appear in the Record of Depositors at the close of business on 2 June 2023.

This is to inform that a Depositor shall qualify for the entitlement only in respect of: -

- (i) shares transferred into the Depositor's securities account before 4.30 p.m. on 2 June 2023 in respect of ordinary transfers; and
- (ii) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Bursa Malaysia Securities Berhad's Listing Requirements.
- (b) For the financial year-to-date, single tier dividend of 57.0 sen per share (FY2022: single tier dividend of 52.0 sen per share), has been declared.

**21. Earnings Per Ordinary Share**

- (a) Basic earnings per ordinary share

The basic earnings per ordinary share for the quarter under review is calculated by dividing the Group's profit attributable to owners of the Company of RM65,907,000 (3<sup>rd</sup> quarter FY2022: RM63,828,000) by the weighted average number of ordinary shares during the quarter of 314,590,000 (3<sup>rd</sup> quarter FY2022: 314,421,000).

The basic earnings per ordinary share for the financial year-to-date is calculated by dividing the Group's profit attributable to owners of the Company of RM221,321,000 (year-to-date FY2022: RM138,262,000) by the weighted average number of ordinary shares during the period of 314,546,000 (year-to-date FY2022: 314,394,000).

	<i>Weighted average number of ordinary shares</i>			
	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current</b>	<b>Preceding</b>	<b>Current</b>	<b>Preceding</b>
	<b>Year</b>	<b>Year</b>	<b>Year- To-</b>	<b>Year</b>
	<b>Corresponding</b>	<b>Corresponding</b>	<b>Date</b>	<b>Corresponding</b>
	<b>Quarter</b>	<b>Quarter</b>	<b>Period</b>	<b>Period</b>
	<b>31/03/2023</b>	<b>31/03/2022</b>	<b>31/03/2023</b>	<b>31/03/2022</b>
	<b>'000</b>	<b>'000</b>	<b>'000</b>	<b>'000</b>
Issued ordinary shares at beginning of period	327,905	327,905	327,905	327,905
Treasury shares held at beginning of period	(8,432)	(8,432)	(8,432)	(8,432)
ESS Trust Shares held at beginning of period	(4,948)	(5,093)	(4,948)	(5,093)
	314,525	314,380	314,525	314,380
Effect of ESS Trust Shares vested	65	41	21	14
Weighted average number of ordinary shares (basic)	314,590	314,421	314,546	314,394

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**The figures have not been audited**

**21. Earnings Per Ordinary Share (cont'd)**

(b) Diluted earnings per ordinary share

The Group's diluted earnings per ordinary share for the quarter under review, financial year-to-date and preceding year's corresponding quarter/period approximates its basic earnings per ordinary share.

**22. Derivatives**

The Group has entered into a number of forward foreign exchange contracts by subsidiaries to hedge the cash flow risk in relation to the variations of cash flows arising from future forecasted transactions.

The forward foreign exchange contracts are stated at fair value using observable market prices in active markets, including recent market transactions and valuation techniques that include discounted cash flow models and option pricing models, as appropriate.

As at 31 March 2023, the contract amount, fair value and maturity tenor of the forward foreign exchange contracts are as follows:

	<b>Contract amount</b>	<b>Fair Value Assets / (Liabilities)</b>
	<b>RM'000</b>	<b>RM'000</b>
Less than 1 year	10,004	(551)

Derivatives (which are classified as financial assets/liabilities) categorised as fair value through profit or loss are subsequently measured at their fair values with the gains/losses recognised in profit or loss.

There is no change to the type of derivative financial contracts entered into, cash requirements of the derivatives, risk associated with the derivatives and the risk management objectives and policies to mitigate these risks since the previous financial year ended 30 June 2022.

**23. Gains/losses arising from fair value changes of financial liabilities**

Other than derivatives which are classified as financial liabilities when they are at fair value loss position, the Group does not remeasure its financial liabilities at fair value after the initial recognition.

By Order of the Board  
Hong Leong Industries Berhad

Wong Wei Fong  
Zoe Lim Hoon Hwa  
Company Secretaries

Kuala Lumpur  
18 May 2023

HLIB/12  
