



**BOILERMECH HOLDINGS BERHAD**  
**Registration No. 201001013463 (897694-T)**  
**(Incorporated in Malaysia)**

**Unaudited Interim Financial Statements for the 2nd Quarter Ended 30 September 2021**

**Unaudited Condensed Consolidated Statements of Profit or Loss**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Current Year Quarter 30-Sep-2021 RM'000</b>	<b>Preceding Year Corresponding Quarter 30-Sep-2020 RM'000</b>	<b>Current Year to Date 30-Sep-2021 RM'000</b>	<b>Preceding Year Corresponding Period 30-Sep-2020 RM'000</b>
Revenue	62,324	64,331	133,238	96,359
Cost of sales	(50,816)	(48,361)	(109,463)	(72,868)
Gross profit	11,508	15,970	23,775	23,491
Other operating income and expenses	(6,558)	(5,634)	(11,368)	(9,568)
Finance costs	(64)	(166)	(125)	(212)
Profit before taxation	4,886	10,170	12,282	13,711
Income tax expense	(1,026)	(2,728)	(3,018)	(3,785)
Profit after taxation	3,860	7,442	9,264	9,926
Profit after taxation attributable to :				
Owners of the Company	3,760	6,048	9,220	8,390
Non-controlling interests	100	1,394	44	1,536
	3,860	7,442	9,264	9,926
Weighted average no. of ordinary shares in issue ('000)	516,000	516,000	516,000	516,000
Earnings per share attributable to owners of the Company:				
Basic (sen)	0.73	1.17	1.79	1.63
Diluted (sen)	0.73	1.17	1.79	1.63

**Notes :**

The Unaudited Condensed Consolidated Statements of Profit or Loss should be read in conjunction with the audited consolidated financial statements of Boilermech Holdings Berhad ("Company") for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to this interim financial statements.



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**Unaudited Interim Financial Statements for the 2nd Quarter Ended 30 September 2021**

**Unaudited Condensed Consolidated Statements of Comprehensive Income**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Current Year Quarter 30-Sep-2021 RM'000</b>	<b>Preceding Year Corresponding Quarter 30-Sep-2020 RM'000</b>	<b>Current Year to Date 30-Sep-2021 RM'000</b>	<b>Preceding Year Corresponding Period 30-Sep-2020 RM'000</b>
Profit after taxation	3,860	7,442	9,264	9,926
Other Comprehensive Income/(Expenses), Net of Tax				
<i>Items that will be reclassified subsequently to Profit or Loss</i>				
- Cash flow hedge	(253)	1,000	(376)	1,268
- Foreign currency translation differences	573	(2,101)	665	1,511
	320	(1,101)	289	2,779
<b>Total Comprehensive Income</b>	<b>4,180</b>	<b>6,341</b>	<b>9,553</b>	<b>12,705</b>
Total comprehensive income attributable to :				
Owners of the Company	4,080	4,947	9,509	11,169
Non-controlling interests	100	1,394	44	1,536
	<b>4,180</b>	<b>6,341</b>	<b>9,553</b>	<b>12,705</b>

**Notes :**

The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited consolidated financial statements of Boilermech Holdings Berhad ("Company") for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to this interim financial statements.



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**Unaudited Interim Financial Statements for the 2nd Quarter Ended 30 September 2021**

**Unaudited Condensed Consolidated Statement of Financial Position**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>As at</b>	<b>As at</b>
	<b>30-Sep-2021</b>	<b>31-Mar-2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	94,452	95,581
Investment property	5,897	5,951
Trade receivables	1,601	2,669
Deferred tax assets	700	1,018
Goodwill	5,831	5,831
	<hr/>	<hr/>
	108,481	111,050
<b>Current assets</b>		
Inventories	48,355	41,236
Contract cost assets	7,929	3,296
Contract assets	41,512	25,469
Trade receivables	58,501	72,429
Other receivables, deposits and prepayments	18,911	17,250
Current tax assets	2,021	567
Derivative assets	126	-
Cash and cash equivalents	80,744	90,044
	<hr/>	<hr/>
	258,099	250,291
	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<b>366,580</b>	<b>361,341</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	51,600	51,600
Merger deficit	(21,810)	(21,810)
Reserves	200,105	199,626
	<hr/>	<hr/>
<b>Equity attributable to owners of the Company</b>	<b>229,895</b>	<b>229,416</b>
Non-controlling interests	13,354	13,679
	<hr/>	<hr/>
<b>Total Equity</b>	<b>243,249</b>	<b>243,095</b>
<b>Non-current liabilities</b>		
Borrowings	3,959	4,193
Employee benefit	259	253
Deferred tax liabilities	1,314	1,337
	<hr/>	<hr/>
	5,532	5,783
<b>Current liabilities</b>		
Contract liabilities	59,494	66,343
Trade payables	32,114	32,535
Other payables and accruals	16,170	10,812
Short-term borrowings	991	986
Current tax liabilities	-	844
Derivative liabilities	-	943
Dividend payable	9,030	-
	<hr/>	<hr/>
	117,799	112,463
	<hr/>	<hr/>
<b>TOTAL LIABILITIES</b>	<b>123,331</b>	<b>118,246</b>
	<hr/>	<hr/>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>366,580</b>	<b>361,341</b>
	<hr/>	<hr/>
Net assets per share attributable to owners of the Company (RM)	0.45	0.44

**Notes :**

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited consolidated financial statements of Boilermech Holdings Berhad ("Company") for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to this interim financial statements.



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**Unaudited Interim Financial Statements for the 2nd Quarter Ended 30 September 2021**  
**Unaudited Condensed Consolidated Statement of Cash Flows**

	<b>Current Year to Date 30-Sep-2021 RM'000</b>	<b>Preceding Year Corresponding Period 30-Sep-2020 RM'000</b>
<b>CASH FLOW (USED IN) / FROM OPERATING ACTIVITIES</b>		
Profit before taxation	12,282	13,711
Adjustments for :		
Depreciation	2,807	2,354
Equipment written off	1	-
Interest expenses	125	212
Inventories written off	-	23
Inventories written down	131	104
Unrealised (gain)/loss on foreign exchange	(210)	948
Fair value gain on derivatives	(1,445)	(3,197)
Gain on disposal of equipment	(20)	(6)
Interest income	(688)	(728)
Net impairment gain on trade receivables	(143)	(1,282)
Operating profit before working capital changes	12,840	12,139
Increase in inventories	(7,136)	(1,983)
Increase in contract cost assets	(4,633)	-
(Increase)/Decrease in contract assets	(15,996)	4,715
Decrease in trade and other receivables	13,683	4,864
(Decrease)/Increase in contract liabilities	(7,055)	8,985
Increase in trade and other payables	4,879	5,189
Cash (used in) / from operations	(3,418)	33,909
Interest paid	(125)	(212)
Income tax paid	(5,015)	(3,288)
<b>Net cash (used in) / from operating activities</b>	<b>(8,558)</b>	<b>30,409</b>
<b>CASH FLOW USED IN INVESTING ACTIVITIES</b>		
Proceeds from disposal of equipment	20	8
Purchase of property, plant and equipment	(765)	(4,494)
Interest received	688	728
Acquisition of a new subsidiary, net of cash and cash equivalents acquired	-	(2,355)
<b>Net cash used in investing activities</b>	<b>(57)</b>	<b>(6,113)</b>
<b>CASH FLOW USED IN FINANCING ACTIVITIES</b>		
Repayment of bankers' acceptances	-	(392)
Repayment of lease liabilities	(294)	(165)
Repayment of term loan	(216)	(24)
Dividends paid to non-controlling interests of subsidiaries	(369)	(263)
<b>Net cash used in financing activities</b>	<b>(879)</b>	<b>(844)</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(9,494)</b>	<b>23,452</b>
<b>EFFECTS OF FOREIGN EXCHANGE</b>	<b>194</b>	<b>444</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<b>89,941</b>	<b>58,684</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>80,641</b>	<b>82,580</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE</b>		
Liquid investments	31,516	52,927
Short-term deposits with licensed banks	10,132	4,319
Cash and bank balances	39,096	25,334
	80,744	82,580
Less: Short-term deposits with licensed banks with tenure more than 3 months	(103)	-
	<b>80,641</b>	<b>82,580</b>

**Note :**

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited consolidated financial statements of Boilermech Holdings Berhad ("Company") for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to this interim financial statements.



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**Unaudited Interim Financial Statements for the 2nd Quarter Ended 30 September 2021**

**Unaudited Condensed Consolidated Statements of Changes in Equity**

	←		Attributable to owners of the Company			→		Non - Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Merger Deficit RM'000	Cash Flow Hedge Reserve RM'000	Other Reserve RM'000	Foreign Currency Translation Reserve RM'000	Distributable Retained Profits RM'000	Total RM'000		
Balance as at 1 April 2021	51,600	(21,810)	674	15	(1,020)	199,957	229,416	13,679	243,095
Profit after taxation for the financial period	-	-	-	-	-	9,220	9,220	44	9,264
Other comprehensive income for the financial period:									
Cash flow hedge	-	-	(376)	-	-	-	(376)	-	(376)
Foreign currency translation differences for foreign operation	-	-	-	1	664	-	665	-	665
Total comprehensive income for the financial period	-	-	(376)	1	664	9,220	9,509	44	9,553
Distributions to owners of the Company:									
Dividends	-	-	-	-	-	(9,030)	(9,030)	-	(9,030)
Dividends to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	(369)	(369)
Total transactions with owners	-	-	-	-	-	(9,030)	(9,030)	(369)	(9,399)
<b>Balance as at 30 September 2021</b>	<b>51,600</b>	<b>(21,810)</b>	<b>298</b>	<b>16</b>	<b>(356)</b>	<b>200,147</b>	<b>229,895</b>	<b>13,354</b>	<b>243,249</b>
Balance as at 1 April 2020	51,600	(21,810)	(718)	8	(3,226)	186,528	212,382	10,584	222,966
Profit after taxation for the financial period	-	-	-	-	-	8,390	8,390	1,536	9,926
Other comprehensive income for the financial period:									
Cash flow hedge	-	-	1,268	-	-	-	1,268	-	1,268
Foreign currency translation differences for foreign operation	-	-	-	1	1,510	-	1,511	-	1,511
Total comprehensive income for the financial period	-	-	1,268	1	1,510	8,390	11,169	1,536	12,705
Distributions to owners of the Company:									
Dividends	-	-	-	-	-	(9,030)	(9,030)	-	(9,030)
Dividends to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	(263)	(263)
	-	-	-	-	-	(9,030)	(9,030)	(263)	(9,293)
Non-controlling interests of a new subsidiary acquired	-	-	-	-	-	-	-	467	467
<b>Balance as at 30 September 2020</b>	<b>51,600</b>	<b>(21,810)</b>	<b>550</b>	<b>9</b>	<b>(1,716)</b>	<b>185,888</b>	<b>214,521</b>	<b>12,324</b>	<b>226,845</b>

**Note :**

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited consolidated financial statements of Boilermech Holdings Berhad ("Company") for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to this interim financial statements.



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## Unaudited Interim Financial Statements for the 2nd Quarter Ended 30 September 2021

### A. EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING

#### 1. Basis of Preparation

This condensed interim financial report is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited consolidated financial statements of the Company for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to this interim financial report.

#### (A) Standards issued and effective

During the current financial year, the Group has adopted the following new accounting standard(s) and/or IC interpretation(s) (including the consequential amendments, if any): -

- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2
- Amendment to MFRS 16: Covid-19-Related Rent Concessions
- Amendment to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021

The adoption of the accounting standard(s) and/or IC interpretation(s) (including the consequences amendments, if any) did not have any material impact on the Group’s financial statement upon its initial application.

#### (B) Standards issued and not yet effective

The Group has not applied the following accounting standard(s) and/or IC interpretation(s) (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the current financial year: -

##### i) Effective for annual periods commencing on or after 1 January 2022

- 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
- Annual Improvements to MFRS Standards 2018 – 2020

##### ii) Effective for annual periods commencing on or after 1 January 2023

- MFRS 17: Insurance Contracts
- Amendments to MFRS 17: Insurance Contracts
- Amendments to MFRS 101: Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies
- Amendments to MFRS 108: Definition of Accounting Estimates
- Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction



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## Unaudited Interim Financial Statements for the 2nd Quarter Ended 30 September 2021

### 1. Basis of Preparation (cont'd)

#### (B) Standards issued and not yet effective (cont'd)

The Group has not applied the following accounting standard(s) and/or IC interpretation(s) (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year (cont'd): -

##### iii) Deferred

- Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The adoption of the above accounting standard(s) and/or IC interpretation(s) (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon its initial application.

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

The auditors' report on the preceding annual audited financial statements of the Company and its subsidiaries for the financial year ended 31 March 2021 was not subject to any qualification.

### 3. Seasonal or Cyclical Factors

The Group's business operations were not significantly affected by any major seasonal factors save for cyclical factor in palm oil industries.

### 4. Significant Unusual Items

There were no significant unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter under review and financial year to-date.

### 5. Material Changes in Estimates

There were no material changes in estimates of amount reported that have a material effect on the current quarter under review and financial year to-date.

### 6. Details of Changes in Debts and Equity Securities

There was no issuance, cancellation, repurchase, resale or repayment of debt and/or equity securities during the current quarter under review and financial year to-date.

### 7. Dividend paid

There was no dividend paid by the Company during the current quarter.



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## Unaudited Interim Financial Statements for the 2nd Quarter Ended 30 September 2021

### 8. Segmental Reporting

	6-month Financial Period Ended 30-Sep 2021			
	Bio-Energy *	Water Treatment ^	Solar Energy #	Group
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>				
External sales	113,777	13,536	5,925	133,238
<b>RESULTS</b>				
Segments results	12,109	825	(527)	12,407
Finance costs				(125)
Profit before taxation				12,282
Income tax expense				(3,018)
Consolidated Profit after taxation				9,264

\* Bio-Energy segment is principally engaged in Engineering, Procurement & Construction (EPC) including design, manufacturing, installation and repair for Biomass boiler, Oil & Gas boilers and Heat Recovery Steam Generators.

^ Water Treatment segment is principally engaged in Engineering, Procurement & Construction (EPC) activities for Industrial effluent treatment system, Palm Oil Mill effluent treatment & Biogas capture system, Membrane system for process water and tertiary treatment, and supply of Water treatment chemical.

# Solar Energy segment is principally engaged in Engineering, Procurement & Construction (EPC) for Solar PV system for Commercial & Industrial, Residential and Independent Power Plant (IPP).

### Geographical Segments for Revenue

	Current year Quarter 30-SEP 2021 RM'000	Current Year to-Date 30-SEP 2021 RM'000
Local	37,822	82,608
Export	24,502	50,630
Total	62,324	133,238





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## Unaudited Interim Financial Statements for the 2nd Quarter Ended 30 September 2021

### 9. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter under review.

### 10. Contingent Liabilities

The Company provides unsecured financial guarantees to banks for banking facilities granted to certain subsidiaries.

Possible obligation that arise from past event and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events is a contingent liability and shall be disclosed unless the possibility of any outflow in settlement is remote.

There were no contingent liabilities require disclosure as at the end of the financial period.

### 11. Capital Commitments

There were no material capital commitments not provided for in the financial statements during the quarter under review

### 12. Material Events Subsequent to the End of the Interim Reporting Period

There were no material events subsequent to the end of current quarter that have not been reflected in the financial statements.

### 13. Related Party Disclosures

Identities of related parties

For the purpose of this financial statements, parties are considered to be related to the Group if a group or a company has the ability, directly or indirectly, to control the party or exercise significantly influence over the party in making financial and operating decisions, or vice versa, or where the Group and party are subject to common control or common significant influence. Related parties may be individuals or other entities.

	<b>Current Year to-Date 30-SEP 2021 RM'000</b>
Sales to related companies & parties	7,189
Purchase from related parties	747

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## Unaudited Interim Financial Statements for the 2nd Quarter Ended 30 September 2021

### B. ADDITIONAL INFORMATION REQUIRED PURSUANT TO THE LISTING REQUIREMENTS OF BURSA SECURITIES

#### 1. Review of Performance

	Individual Quarter			Cumulative Quarter		
	Current year Quarter 2	Preceding year Quarter 2	Variance	Current year Quarter 2	Preceding year Quarter 2	Variance
	1.7.21 to 30.9.21	1.7.20 to 30.9.20		1.4.21 to 30.9.21	1.4.20 to 30.9.20	
	<b>Revenue</b>	<b>Revenue</b>		<b>Revenue</b>	<b>Revenue</b>	
RM'000	RM'000	%	RM'000	RM'000	%	
Bio-Energy	51,937	44,770	16.0%	113,777	71,372	59.4%
Water Treatment	8,318	7,953	4.6%	13,536	12,601	7.4%
Solar Energy	2,069	11,608	(82.2%)	5,925	12,386	(52.2%)
<b>Total</b>	<b>62,324</b>	<b>64,331</b>	<b>(3.1%)</b>	<b>133,238</b>	<b>96,359</b>	<b>38.3%</b>

	Individual Quarter			Cumulative Quarter		
	Current year Quarter 2	Preceding year Quarter 2	Variance	Current year Quarter 2	Preceding year Quarter 2	Variance
	1.7.21 to 30.9.21	1.7.20 to 30.9.20		1.4.21 to 30.9.21	1.4.20 to 30.9.20	
	<b>Profit/(Loss) Before Tax</b>	<b>Profit Before Tax</b>		<b>Profit/(Loss) Before Tax</b>	<b>Profit Before Tax</b>	
RM'000	RM'000	%	RM'000	RM'000	%	
Bio-Energy	4,631	6,214	(25.5%)	12,090	9,274	30.4%
Water Treatment	714	1,313	(45.6%)	725	1,590	(54.4%)
Solar Energy	(459)	2,643	(117.4%)	(533)	2,847	(118.7%)
<b>Total</b>	<b>4,886</b>	<b>10,170</b>	<b>(52.0%)</b>	<b>12,282</b>	<b>13,711</b>	<b>(10.4%)</b>

The Group registered revenue of RM62.32 million in the current quarter, a decrease of 3.1% from the preceding year corresponding quarter. Despite of the lower revenue in current quarter, revenue in year to date was increased by RM36.88 million, 38.3%.

The PBT in current quarter and current year to date was RM4.89 million and RM12.28 million, decreased by 52.0% and 10.4% respectively.

#### Bio-Energy Segment

The revenue in current quarter and current year to date was RM51.94 million and RM113.78 million, increased by 16.0% and 59.4% respectively due to the higher boiler's deliveries and service performed during the periods under review. Besides, the business operation in the preceding year Quarter 1 was affected by the Movement Control Order ("MCO") imposed by Government to contain the COVID-19 pandemic.

Despite of the revenue increase in the current quarter, the PBT decreased by RM1.58 million due to the delivery of projects with lower profit margin.

The PBT in the current year to date increased in line with the increase of revenue.



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### 1. Review of Performance (cont'd)

#### Water Treatment Segment

The revenue in the current quarter and current year to date was RM8.32 million and RM13.54 million, an increase of 4.6% and 7.4% as compared to preceding year corresponding quarter and year to date respectively. The increase was mainly due to the higher project deliveries during the periods under review.

Despite of the increase in revenue, the PBT in the current quarter and current year to date was RM0.71 million and RM0.73 million, a decrease of RM0.60 million and RM0.87 million respectively. The decrease was mainly due to a reversal of doubtful debts being reported in the preceding year corresponding quarter and preceding year to date.

#### Solar Energy Segment

The revenue in the current quarter and current year to date was RM2.07 million and RM5.93 million, a decrease of 82.2% and 52.2% as compared to preceding year corresponding quarter and year to date respectively.

Despite of the higher sales order in hand, the business was not able to operate in full during the current quarter and current year to date due to movement restrictions under the respective MCOs. The results of current quarter and current year to date decreased by RM3.10 million and RM3.38 million respectively.

### 2. Material Changes to The Results of The Preceding Quarter

	Current year Quarter 2 (3 Months)	Current year Quarter 1 (3 Months)	Variance	Current year Quarter 2 (3 Months)	Current year Quarter 1 (3 Months)	Variance
	1.7.21 to 30.9.21	1.4.21 to 30.6.21		1.7.21 to 30.9.21	1.4.21 to 30.6.21	
	Revenue	Revenue		Profit Before Tax	Profit Before Tax	
	RM'000	RM'000	%	RM'000	RM'000	%
Bio-Energy	51,937	61,840	(16.0%)	4,631	7,459	(37.9%)
Water Treatment	8,318	5,218	59.4%	714	11	6,390.9%
Solar Energy	2,069	3,856	(46.3%)	(459)	(74)	520.3%
Total	62,324	70,914	(12.1%)	4,886	7,396	(33.9%)

The Group's revenue for the current quarter decreased by RM8.59 million to RM62.32 million while the PBT decreased by RM2.51 million to RM4.89 million as compared to preceding quarter.

#### Bio-Energy Segment

The revenue for the current quarter decreased by 16.0% as compared to the preceding quarter, mainly due to the lower project deliveries during the current period. This was partially affected by the recent MCO restrictions imposed by the Government.

The PBT in the current quarter decreased by RM2.83 million, in line with the decrease of revenue.



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### 2. Material Changes to The Results of The Preceding Quarter (cont'd)

#### Water Treatment Segment

The revenue for the current quarter increased by 59.4% as compared to the preceding quarter, due to the higher project deliveries during the current period.

The PBT for the current quarter increased in line with the increase in revenue.

#### Solar Energy Segment

The revenue for the current quarter decreased by 46.3% as compared to the preceding quarter. Given the business is not able to operate in full during the current quarter, the project delivery has accordingly reduced during the current period.

The current quarter's loss before tax increased by RM0.39 million as a result of the lower revenue and the fixed administrative cost.

### 3. Prospects

With the rapid vaccination progress carried out in the country and the resumption of business activities, we are seeing recovery in project execution activities in the second half of the financial year. However, the global commodity price increase and supply chain disruption will reduce our margins.

All in all, provided COVID-19 situation doesn't deteriorate, based on the outstanding order book coupled with positive outlook of CPO price and solar demand, the Board expects a significant recovery in the second half of the financial year and remains confident in delivering reasonable and satisfactory results for the financial year.

### 4. Profit Forecast and Profit Guarantee

The Group has not provided any profit forecast or profit guarantee in any public document.

### 5. Income Tax Expense

The taxation figures are as follows:

	Current Year Quarter 30-SEP 2021 RM'000	Current Year to-Date 30-SEP 2021 RM'000
Current tax	1,010	2,721
Deferred tax	16	297
	<u>1,026</u>	<u>3,018</u>



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### 6. Status of Corporate Proposals

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

### 7. Borrowings and Lease Liabilities

	As at 30-SEP 2021 RM'000	As at 31-MAR 2021 RM'000
<b>Short-term: -</b>		
<u>Secured</u>		
Lease liabilities	351	396
Term loan	438	435
	789	831
<u>Unsecured</u>		
Lease liabilities	202	155
	991	986
<b>Long-term: -</b>		
<u>Secured</u>		
Lease liabilities	433	513
Term loan	3,072	3,290
	3,505	3,803
<u>Unsecured</u>		
Lease liabilities	454	390
	3,959	4,193
Total borrowings and lease liabilities	4,950	5,179

The Group borrowings and lease liability consist of: -

Fixed rate	1,440	1,454
Floating rate	3,510	3,725
	4,950	5,179

All the Group's borrowings are denominated in Ringgit Malaysia.

### 8. Financial Instruments

As at 30 September 2021, the outstanding derivatives are as follows: -

Type of Derivatives	Contract / Notional Value RM'000	Fair Value RM'000
Foreign Exchange Contracts - Less than one year	47,414	47,288



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### 9. Material Litigation

There were no material litigations involving the Group as at the date of this interim report.

### 10. Dividend

A final single tier dividend of 1.75 sen per ordinary share amounting to RM9,030,000 in respect of the financial year ended 31 March 2021 was approved by the shareholder at the Annual General Meeting held on 14 September 2021. The dividend was paid on 6 October 2021 to shareholders whose names appeared in the record of depositors on 20 September 2021.

### 11. Earnings Per Share

#### i. Basic

The basic earnings per share is calculated by dividing the profit attributable to owners of the Company for the period by the weighted average number of ordinary shares in issue during the financial period under review.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year Quarter	Preceding Year Corresponding Quarter
	30-SEP 2021	30-SEP 2020	30-SEP 2021	30-SEP 2020
Profit after Taxation attributable to owners of the Company (RM'000)	3,760	6,048	9,220	8,390
Weighted average number of ordinary shares in issue ('000)	516,000	516,000	516,000	516,000
Basic earnings per share (sen)	0.73	1.17	1.79	1.63

#### ii. Diluted

The Company does not have any convertible share or convertible financial instruments for the current quarter under review and financial year to-date.



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### 12. Trade Receivables

	As at 30-SEP 2021 RM'000	As at 31-MAR 2021 RM'000
<u>Non-current</u>		
Trade receivables – third parties	1,601	2,669
<u>Current</u>		
Trade receivables – third parties	57,069	73,564
Trade receivables – related companies/parties	4,866	3,339
Retention receivables – third parties	3,204	2,878
Retention receivables – related companies	1,396	818
	66,535	80,599
Allowance for impairment loss	(8,034)	(8,170)
	58,501	72,429
	60,102	75,098

The ageing analysis of the Group is as follows: -

	As at 30-SEP 2021 RM'000	As at 31-MAR 2021 RM'000
Not past due	25,276	33,487
Past due	34,826	41,611
	60,102	75,098

The Group's normal credit terms granted to related and non-related parties range from 30 to 90 days.

### 13. Notes to the Statements of Profit or Loss and Other Comprehensive Income

Income / (Expenses)	Current Year Quarter 30-SEP 2021 RM'000	Current Year to-Date 30-SEP 2021 RM'000
Interest income	317	688
Other income including investment income	105	801
Interest expense	(64)	(125)
Depreciation and amortisation	(1,417)	(2,807)
(Provision for) / Reversal of and (write off) of receivables	(266)	143
Provision for and write off of inventories	(66)	(131)
Gain or (loss) on disposal and write off of equipment	(1)	19
Gain or (loss) on disposal of quoted or unquoted investments or properties	-	-
Impairment of assets	-	-
Foreign exchange gain or (loss)	(176)	(815)
Fair value gain or (loss) on derivatives	500	1,445
Exceptional Items (with details)	Not Applicable	Not Applicable



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### 14. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 25 November 2021.