

Company name : WASCO BERHAD (Registration No.: 199901020946 (495846-A))
Stock name : WASCO
Financial Year Ended : 30 June 2024
Quarter : 2

Quarterly Report on Consolidated Results for the Second Quarter Ended 30 June 2024

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	Individual Quarter		Cumulative Period	
	Current Quarter Ended 30 June 2024 Unaudited RM'000	Preceding Year Corresponding Quarter Ended 30 June 2023 Unaudited RM'000 (Re-presented*)	Current Period To-date Ended 30 June 2024 Unaudited RM'000	Preceding Corresponding Period To-date Ended 30 June 2023 Unaudited RM'000 (Re-presented*)
Gross revenue	702,739	581,918	1,346,679	1,113,493
Cost of sales	(595,725)	(497,940)	(1,101,983)	(933,902)
Gross profit	107,014	83,978	244,696	179,591
Other operating income	8,207	19,163	52,907	36,963
Selling and distribution expenses	(7,663)	(7,562)	(16,111)	(13,875)
Administrative and general expenses	(62,329)	(49,554)	(129,105)	(95,521)
Impairment loss on non-financial assets	-	-	-	(19)
Reversal of impairment loss on financial assets	2,076	3,077	3,877	4,893
Other gain/(loss) - net	720	(1,355)	2,396	(149)
Profit from operations	48,025	47,747	158,660	111,883
Finance costs	(12,990)	(14,054)	(28,316)	(28,010)
Share of results of associates	8,188	4,644	7,532	5,174
Share of results of joint ventures	1,175	(1,012)	7,607	(3,697)
Profit before tax	44,398	37,325	145,483	85,350
Tax expense	(9,729)	(13,587)	(36,867)	(26,279)
Profit from continuing operations	34,669	23,738	108,616	59,071
Profit/(Loss) from discontinued operations	1,783	1,430	(2,219)	3,320
Net profit for the financial period	36,452	25,168	106,397	62,391
Net profit attributable to:				
- Owners of the Company	35,751	24,009	92,755	45,771
- Non-controlling interests	701	1,159	13,642	16,620
	36,452	25,168	106,397	62,391

Earnings per share				
- Basic earnings per share (sen)	4.62	3.10	11.98	5.91
- Diluted earnings per share (sen)	4.62	3.10	11.98	5.91

* Refer Note 17 for further details.

(The Condensed Consolidated Statements of Profit or Loss should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023)

Company name : WASCO BERHAD (Registration No.: 199901020946 (495846-A))
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 Financial Year Ended : 30 June 2024
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Quarterly Report on Consolidated Results for the Second Quarter Ended 30 June 24

CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Period	
	Current Quarter Ended 30 June 2024 Unaudited RM'000	Preceding Year Corresponding Quarter Ended 30 June 2023 Unaudited RM'000 (Re-presented*)	Current Period To-date Ended 30 June 2024 Unaudited RM'000	Preceding Corresponding Period To-date Ended 30 June 2023 Unaudited RM'000 (Re-presented*)
Net profit for the financial period	36,452	25,168	106,397	62,391
Other comprehensive (expense)/income, net of tax: <i>Items that may be subsequently reclassified to profit or loss:</i>				
Foreign currency translation differences for foreign operations	(2,469)	10,105	(4,150)	3,566
	<u>(2,469)</u>	<u>10,105</u>	<u>(4,150)</u>	<u>3,566</u>
Total comprehensive income for the financial period	<u>33,983</u>	<u>35,273</u>	<u>102,247</u>	<u>65,957</u>
Total comprehensive income attributable to:				
- Owners of the Company	33,364	31,250	87,652	46,315
- Non-controlling interests	619	4,023	14,595	19,642
	<u>33,983</u>	<u>35,273</u>	<u>102,247</u>	<u>65,957</u>
Total comprehensive income/(expense) attributable to Owners of the Company arises from:				
- Continuing operations	31,585	30,178	89,877	43,398
- Discontinued operations	1,779	1,072	(2,225)	2,917
	<u>33,364</u>	<u>31,250</u>	<u>87,652</u>	<u>46,315</u>

* Refer Note 17 for further details.

(The Condensed Consolidated Statements of Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023)

Company name : WASCO BERHAD (Registration No.: 199901020946 (495846-A))
Stock name : WASCO
Financial Year Ended : 30 June 2024
Quarter : 2

Quarterly Report on Consolidated Results for the Second Quarter Ended 30 June 2024

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at 30 June 2024 Unaudited RM'000	As at 31 December 2023 Audited RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	612,963	563,420
Right-of-use assets	268,184	276,834
Investment properties	6,354	6,412
Goodwill and other intangible assets	161,506	158,083
Deferred tax assets	20,477	26,719
Investment in associates	113,350	112,742
Investment in joint ventures	27,894	20,180
Trade and other receivables	4,244	3,603
Amounts owing by joint ventures	25,345	23,849
	1,240,317	1,191,842
Current Assets		
Inventories	279,542	186,324
Contract assets	374,027	446,339
Trade and other receivables	518,955	563,572
Amounts owing by associates	322	180
Amounts owing by joint ventures	150	146
Tax recoverable	12,736	15,478
Derivative financial assets	16	154
Time deposits	142,565	103,181
Cash and bank balances	226,499	307,163
	1,554,812	1,622,537
Assets classified as held for sale	4,790	12,090
Assets of disposal group classified as held for sale	93,438	120,181
	2,893,357	2,946,650
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Capital and Reserves Attributable to Owners of the Company		
Share capital	547,690	547,690
Treasury shares	(624)	(624)
Exchange translation reserves	8,463	13,566
Retained profits	236,929	144,174
Equity attributable to owners of the Company	792,458	704,806
Non-controlling interests	129,786	115,584
	922,244	820,390
TOTAL EQUITY		

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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (continued)

	As at 30 June 2024 Unaudited RM'000	As at 31 December 2023 Audited RM'000
LIABILITIES		
Non-Current and Deferred Liabilities		
Deferred tax liabilities	10,900	8,957
Lease liabilities	198,247	206,527
Trade and other payables	54,932	50,525
Loans and borrowings	75,788	50,916
	<u>339,867</u>	<u>316,925</u>
Current Liabilities		
Lease liabilities	22,176	20,348
Contract liabilities	329,109	319,826
Trade and other payables	546,890	595,612
Provision for warranties	40,380	35,510
Amounts owing to joint ventures	5,711	7,573
Loans and borrowings	535,901	652,046
Dividend payable	-	4,450
Current tax liabilities	76,175	68,294
Derivative financial liabilities	1,633	4,100
	<u>1,557,975</u>	<u>1,707,759</u>
Liabilities of disposal group classified as held for sale	73,271	101,576
	<u>1,971,113</u>	<u>2,126,260</u>
TOTAL LIABILITIES	<u>1,971,113</u>	<u>2,126,260</u>
TOTAL EQUITY AND LIABILITIES	<u>2,893,357</u>	<u>2,946,650</u>

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023)

Company name : WASCO BERHAD (Registration No.: 199901020946 (495846-A))
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Financial Period Ended : 30 June 2024
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Quarterly Report on Consolidated Results for the Second Quarter Ended 30 June 2024

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

These figures have not been audited

	----- Attributable to owners of the Company -----				Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Exchange translation reserves RM'000	Retained profits RM'000			
At 1 January 2024	547,690	(624)	13,566	144,174	704,806	115,584	820,390
Net profit for the financial period	-	-	-	92,755	92,755	13,642	106,397
Other comprehensive (expense)/income for the financial period	-	-	(5,103)	-	(5,103)	953	(4,150)
Total comprehensive (expense)/income for the financial period	-	-	(5,103)	92,755	87,652	14,595	102,247
Transaction with owners:							
Disposal of a subsidiary	-	-	-	-	-	(393)	(393)
Total transaction with owners	-	-	-	-	-	(393)	(393)
At 30 June 2024	547,690	(624)	8,463	236,929	792,458	129,786	922,244

Company name : WASCO BERHAD (Registration No.: 199901020946 (495846-A))
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

These figures have been audited

	----- Attributable to owners of the Company -----				Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Exchange translation reserves RM'000	Retained profits RM'000			
At 1 January 2023	547,690	(624)	8,346	24,582	579,994	98,914	678,908
Net profit for the financial period	-	-	-	45,771	45,771	16,620	62,391
Other comprehensive income for the financial period	-	-	544	-	544	3,022	3,566
Total comprehensive income for the financial period	-	-	544	45,771	46,315	19,642	65,957
Transactions with owners:							
Dividend paid to non-controlling interest	-	-	-	-	-	(1,088)	(1,088)
Acquisition of shares in existing subsidiary from non-controlling interests	-	-	-	(4,009)	(4,009)	1,981	(2,028)
Disposal of a subsidiary	-	-	45	-	45	421	466
Total transactions with owners	-	-	45	(4,009)	(3,964)	1,314	(2,650)
At 30 June 2023	547,690	(624)	8,935	66,344	622,345	119,870	742,215

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Quarterly Report on Consolidated Results for the Second Quarter Ended 30 June 2024

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Period To-date Ended 30 June 2024 Unaudited RM'000	Preceding Corresponding Period To-date Ended 30 June 2023 Unaudited RM'000
Cash flows from operating activities		
Profit/(Loss) before tax:		
Continuing operations	145,483	85,350
Discontinued operations	(2,061)	3,495
Profit before tax	143,422	88,845
Adjustments for non-operating items:		
Depreciation and amortisation	47,082	36,690
Other non-cash items	(47,989)	(16,604)
Interest expense	29,690	29,969
Interest income	(3,034)	(2,143)
Operating profit before changes in working capital	169,171	136,757
Changes in working capital:		
Net changes in current assets	55,164	(158,780)
Net changes in current liabilities	(60,792)	38,418
Cash generated from operations	163,543	16,395
Interest received	3,034	2,143
Interest paid	(29,690)	(29,969)
Tax paid	(13,456)	(12,795)
Net cash generated from/(used in) operating activities	123,431	(24,226)
Cash flows from investing activities		
Purchase of property, plant and equipment	(75,828)	(38,037)
Additional investment in subsidiary	-	(2,029)
Proceeds from disposal of property, plant and equipment	190	1,679
Proceeds from disposal of assets held for sale	40,000	24,419
Proceeds from disposal of subsidiary	-	200
Transfer from deposits and short-term investment	23,688	23,693
Dividends received from associates	9,520	2,787
Net amount from joint venture	-	304
Net cash (used in)/generated from investing activities	(2,430)	13,016
Cash flows from financing activities		
Drawdown of other bank borrowings	447,393	541,620
Repayment of other bank borrowings	(597,148)	(557,971)
Drawdown of term loans	45,396	-
Repayment of term loans	(17,582)	(12,813)
Principal elements of lease payments	(10,237)	(8,013)
Dividend paid to non-controlling interests	(4,450)	(2,588)
Net cash used in financing activities	(136,628)	(39,765)
Net changes in cash and cash equivalents	(15,627)	(50,975)
Currency translation differences	(1,985)	9,593
Cash and cash equivalents at beginning of the financial period	386,676	305,495
Cash and cash equivalents at end of the financial period	369,064	264,113

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Quarterly Report on Consolidated Results for the Second Quarter Ended 30 June 2024

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

	Current Period To-date Ended 30 June 2024 Unaudited RM'000	Preceding Corresponding Period To-date Ended 30 June 2023 Unaudited RM'000
Cash and cash equivalents at the end of the financial period comprise of the following:		
Time deposits	142,565	60,958
Cash and bank balances	226,499	203,155
	<u>369,064</u>	<u>264,113</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023)

Company name : WASCO BERHAD (Registration No.: 199901020946 (495846-A))
Stock name : WASCO
Financial Year Ended : 30 June 2024
Quarter : 2

NOTES TO INTERIM FINANCIAL REPORT

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134 “Interim Financial Reporting” and paragraph 9.22 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements. The interim financial statements are in compliance with IAS 34 “Interim Financial Reporting”.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2023.

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent annual financial statements for the financial year ended 31 December 2023.

Effective from financial year beginning on or after 1 January 2024

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current

The adoption of the revised amendments did not have any significant impact on the financial position and results of the Group.

2. Qualification of financial statements

The audited financial statements of the preceding financial year were not subject to any qualification.

3. Seasonal or cyclical factors

The Group’s operation was not affected by seasonal or cyclical factors.

4. Unusual items

There were no material items affecting assets, liabilities, equity, net income, or cash flows for the financial period that were unusual due to their nature, size, or incidence.

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5. Changes in estimates

There were no significant changes in estimates of amounts reported in prior interim periods that had a material effect in the current interim period.

6. Debt and equity securities

During the Second Quarter of 2024, the Company did not purchase any of its issued ordinary shares from the open market (period to-date: Nil). The Company held a total of 577,054 treasury shares as at 30 June 2024.

There were no other issuance and repayment of debt and equity securities, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter and financial period ended 30 June 2024.

7. Dividends

The Directors did not declare any dividend in the current/corresponding financial periods.

Company name : WASCO BERHAD (Registration No.: 199901020946 (495846-A))
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8. Segment information

RESULTS	<u>Energy Services</u> RM'000	<u>Bioenergy Services</u> RM'000	<u>Others</u> RM'000	<u>Total</u> RM'000
<u>Financial period ended 30 June 2024</u>				
Revenue	1,226,707	119,959	9,448	1,356,114
Less: Inter-segment revenue	-	-	(9,435)	(9,435)
External revenue	<u>1,226,707</u>	<u>119,959</u>	<u>13</u>	<u>1,346,679</u>
Segment profit/(loss)	124,356	45,578	(29,314)	140,620
Share of results of associates	-	-	7,532	7,532
Share of results of joint ventures	<u>6,324</u>	<u>(23)</u>	<u>1,306</u>	<u>7,607</u>
	130,680	45,555	(20,476)	155,759
Unallocated expenses relating to financing activities				(9,925)
Unallocated corporate expenses				(351)
Profit before tax				<u><u>145,483</u></u>

Notes:

- 1) The operating segments of the Group have been restructured to reflect the current management and operational structure. Correspondingly the comparative presentations have been reclassified.
- 2) Pursuant to MFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the Trading business was classified as "Discontinued Operations" in the Condensed Consolidated Statements of Profit or Loss, and as "Assets/Liabilities of disposal group classified as held for sale" in the Condensed Consolidated Statements of Financial Position, respectively. Refer Note 17 for further details.

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8. Segment information (continued)

	<u>Energy Services</u> RM'000	<u>Bioenergy Services</u> RM'000	<u>Others</u> RM'000	<u>Total</u> RM'000
TOTAL ASSETS				
<u>As at 30 June 2024</u>				
Segment assets	2,278,353	278,968	44,003	2,601,324
Investment in associates	-	-	113,350	113,350
Investment in joint ventures	9,821	4,438	13,635	27,894
Assets classified as held for sale	-	-	4,790	4,790
	<u>2,288,174</u>	<u>283,406</u>	<u>175,778</u>	<u>2,747,358</u>
Unallocated corporate assets				
- Assets of disposal group classified as held for sale				93,438
- Deferred tax assets				20,477
- Tax recoverable				12,736
- Cash and cash equivalents				17,844
- Others				1,504
				<u>2,893,357</u>

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8. Segment information (continued)

	<u>Energy Services</u> RM'000	<u>Bioenergy Services</u> RM'000	<u>Others</u> RM'000	<u>Total</u> RM'000
OTHER INFORMATION				
<u>Financial period ended 30 June 2024</u>				
Depreciation of:				
- Property, plant and equipment	30,816	1,335	439	32,590
- Investment properties	-	-	58	58
- Right-of-use assets	13,205	55	554	13,814
Additions of:				
- Property, plant and equipment	71,898	3,813	117	75,828
Reversal of impairment loss on:				
- Receivables	(3,293)	(584)	-	(3,877)
Interest income	(1,513)	(518)	(264)	(2,295)
Interest expense				
- Loans and borrowings	11,983	792	-	12,775
- Lease liabilities	5,572	-	44	5,616
	<u>5,572</u>	<u>-</u>	<u>44</u>	<u>5,616</u>

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8. Segment information (continued)

	<u>Energy Services</u> RM'000	<u>Bioenergy Services</u> RM'000	<u>Others</u> RM'000	<u>Total</u> RM'000
OTHER INFORMATION				
<u>Financial period ended 30 June 2024</u>				
Revenue comprise of:				
- Revenue from contracts with customers	1,226,567	119,959	-	1,346,526
- Revenue from other sources	140	-	13	153
	<u>1,226,707</u>	<u>119,959</u>	<u>13</u>	<u>1,346,679</u>
Revenue from contracts with customers is represented by:				
Timing of revenue recognition				
- Over time	1,118,078	39,693	-	1,157,771
- At a point in time	108,489	80,266	-	188,755
	<u>1,226,567</u>	<u>119,959</u>	<u>-</u>	<u>1,346,526</u>

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8. Segment information (continued)

RESULTS	Energy Services RM'000	Bioenergy Services RM'000	Trading RM'000	Others RM'000	Total RM'000
<u>Financial period ended 30 June 2023 (Re-presented*)</u>					
Revenue	984,653	127,754	-	12,228	1,124,634
Less: Inter segment revenue	-	-	-	(11,141)	(11,141)
External revenue	<u>984,653</u>	<u>127,754</u>	<u>-</u>	<u>1,086</u>	<u>1,113,493</u>
Segment profit/(loss)	84,807	19,883	-	(8,712)	95,978
Share of results of associates	-	-	-	5,174	5,174
Share of results of joint ventures	(45)	281	-	(3,933)	(3,697)
	<u>84,762</u>	<u>20,164</u>	<u>-</u>	<u>(7,471)</u>	<u>97,455</u>
Unallocated expenses relating to financing activities					(9,637)
Unallocated corporate expenses					(2,468)
Profit before tax					<u>85,350</u>
TOTAL ASSETS					
<u>As at 30 June 2023</u>					
Segment assets	2,231,335	193,925	153,243	27,570	2,606,073
Investment in associates	-	-	-	104,206	104,206
Investment in joint ventures	3,856	4,171	-	21,726	29,753
Assets of disposal group classified as held for sale	-	-	-	24,847	24,847
	<u>2,235,191</u>	<u>198,096</u>	<u>153,243</u>	<u>178,349</u>	<u>2,764,879</u>
Unallocated corporate assets					46,672
- Deferred tax assets					15,075
- Tax recoverable					28,168
- Cash and cash equivalents					31,120
- Others					
					<u>2,885,914</u>

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8. Segment information (continued)

	Energy Services RM'000	Bioenergy Services RM'000	Trading RM'000	Others RM'000	Total RM'000
OTHER INFORMATION					
<u>Financial period ended 30 June 2023 (Re-presented*)</u>					
Depreciation of:					
- Property, plant and equipment	22,000	1,113	-	545	23,658
- Investment properties	-	-	-	110	110
- Right-of-use assets	11,843	33	-	332	12,208
Additions of:					
- Property, plant and equipment	35,060	2,509	273	195	38,037
Impairment loss/(Reversal of impairment loss) on:					
- Investment properties	-	-	-	19	19
- Receivables	(2,638)	(153)	-	-	(2,791)
- Amount owing from associate	(9,983)	-	-	-	(9,983)
- Amount owing from joint venture	7,881	-	-	-	7,881
Allowance/(Reversal) on slow moving and obsolete inventories	2,509	(32)	-	-	2,477
Write-off on:					
- Property, plant and equipment	554	4	-	-	558
- Inventories	293	95	-	-	388
Interest income	(800)	(283)	-	(292)	(1,375)
Interest expense					
- Loans and borrowings	11,982	595	-	10	12,587
- Lease liabilities	5,748	-	-	38	2,908
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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8. Segment information (continued)

	<u>Energy Services</u> RM'000	<u>Bioenergy Services</u> RM'000	<u>Trading</u> RM'000	<u>Others</u> RM'000	<u>Total</u> RM'000
OTHER INFORMATION					
<u>Financial period ended 30 June 2023 (Re-presented*)</u>					
Revenue comprise of:					
- Revenue from contracts with customers	968,541	127,754	-	1,073	1,097,368
- Revenue from other sources	16,112	-	-	13	16,125
	<u>984,653</u>	<u>127,754</u>	<u>-</u>	<u>1,086</u>	<u>1,113,493</u>
Revenue from contracts with customers is represented by:					
Timing of revenue recognition					
- Over time	838,429	64,226	-	-	902,655
- At a point in time	130,112	63,528	-	1,073	194,713
	<u>968,541</u>	<u>127,754</u>	<u>-</u>	<u>1,073</u>	<u>1,097,368</u>

* Refer Note 17 for further details.

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9. Events after the reporting period

There were no material events subsequent to the financial period ended 30 June 2024.

10. Effects of changes in the composition of the Group during the current quarter

There were no material changes in the composition of the Group during the current quarter and financial period ended 30 June 2024, except the following:

MEMBER'S VOLUNTARY WINDING UP OF STELLAR MARKETING SDN. BHD., AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF THE COMPANY

The Company had on 31 May 2024 announced that Stellar Marketing Sdn. Bhd. [Registration No. 200401028165 (666673-V)] ("SMSB"), an indirect wholly-owned subsidiary of the Company, had at its Extraordinary General Meeting held on 31 May 2024 inter-alia, approved the special resolution to wind up SMSB by way of the Member's Voluntary Winding Up by its shareholder ("**Member's Voluntary Winding Up**").

In order to facilitate the Member's Voluntary Winding Up, Mr. Ng Eng Kiat and Mr. Ng Yong Chin of Folks Corporate Services Sdn. Bhd. [Registration No. 199501019896 (349099-U)] ("**Folks**") of Suite 1102, 11th Floor, Wisma Tun Sambanthan, No. 2, Jalan Sultan Sulaiman, 50000 Kuala Lumpur had been appointed as the Liquidators for SMSB.

SMSB was incorporated on 21 September 2004 under the Malaysian Companies Act, 1965 with its total issued and paid up share capital of RM1,070,000.00 comprising 1,070,000 ordinary shares. SMSB was principally involved in the trading and distribution of building materials. SMSB is directly wholly-owned by Petro-Pipe Industrial Corporation Sdn. Bhd. [Registration No. 200601032866 (752625-X)], a direct wholly-owned subsidiary of the Company.

11. Significant events during the reporting period

There were no significant events during the current quarter and financial period ended 30 June 2024.

12. Status of corporate proposals

There were no corporate proposals announced but not completed as at the reporting date.

13. Capital commitments

Capital commitments not provided for in the interim report:

	As at 30 June 2024 RM'000
Approved and contracted for	43,845

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Other information required by Bursa Malaysia Securities Berhad Main Market Listing Requirements

14. Review of performance of operating segments for the current quarter and financial period ended 30 June 2024

Energy Services Segment

The Energy Services Segment's external revenue for the second quarter and financial periods ended 30 June 2024 were RM634.4 million and RM1,226.7 million respectively, compared with RM510.4 million and RM984.7 million in the corresponding periods in 2023. The segment registered a profit before tax of RM47.4 million and RM130.7 million respectively, compared with RM38.0 million and RM84.8 million in the corresponding periods in 2023.

The increase in revenue and profit before tax in the current period was directly the result of increase in activities due to execution of project in the order book.

Bioenergy Services Segment

The Bioenergy Services Segment's external revenue for the second quarter and financial periods ended 30 June 2024 were RM68.3 million and RM120.0 million respectively, compared with and RM71.5 million and RM127.8 million in the corresponding periods in 2023. The profit before tax were RM11.5 million and RM45.6 million respectively, as compared with RM13.4 million and RM20.2 million in the corresponding periods in 2023.

The revenue and profit before tax in current quarter for the segment were slightly below the corresponding period in 2023 due to timing of delivery of project. Although the revenue for the financial periods ended 30 June 2024 was slightly lower, the segment generates higher profit before tax due to recognition of one-off gain on the disposal of assets held for sale in the previous quarter.

15. Material changes in the profit before taxation for the current quarter as compared with the immediate preceding quarter

The Group recorded a profit before taxation of RM44.4 million in the current quarter, compared with RM101.1 million in the previous quarter. The lower profit was a result of absence of one-off gain recognised in the previous quarter as well as lower average margin generated due to project mix executed in the current quarter.

16. Prospects

The Group's order book of RM3.7 billion, comprises of RM3.4 billion in the Energy Services segment and RM294.1 million in the Bioenergy Services segment. The Group's order book remains strong and this is expected to positively contribute to the Group's result in the coming quarters.

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17. Profit before tax

	Current Quarter Ended 30 June 2024 RM'000	Preceding Year Corresponding Quarter Ended 30 June 2023 RM'000 (Re-presented*)	Current Period To- date Ended 30 June 2024 RM'000	Preceding Corresponding Period To-date Ended 30 June 2023 RM'000 (Re-presented*)
Profit before tax is stated after charging/(crediting) the following items:				
Interest income	(775)	(194)	(2,295)	(1,375)
Depreciation and amortisation	23,692	18,758	46,462	35,976
Reversal of impairment loss on receivables - net	(2,076)	(975)	(3,877)	(2,791)
Reversal of impairment loss on amount owing from associate	-	(9,983)	-	(9,983)
Impairment loss on amount owing from joint venture	-	7,881	-	7,881
Allowance on slow moving and obsolete inventories - net	-	1,310	9	2,477
Net foreign exchange loss/(gain)	2,830	(10,036)	(1,528)	(7,677)
Gain on disposal of assets held for sale	-	-	(30,469)	(8,249)

Save as disclosed above and in the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income, the other items required by Bursa Malaysia Securities Berhad Main Market Listing Requirements, Chapter 9, Appendix 9B are not applicable to the Group.

Note*:

In the previous financial year, the Group has decided to exit from its Trading business. Pursuant to MFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the Trading segment was classified as "Discontinued Operations" in the Condensed Consolidated Statement of Profit or Loss, and as "Assets/Liabilities of disposal group classified as held for sale" in the Condensed Consolidated Statement of Financial Position, respectively.

Accordingly, the Condensed Consolidated Statement of Profit or Loss of the preceding corresponding financial period ended 30 June 2023 was re-presented to reflect the discontinued activities.

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18. Taxation

Taxation comprises the following:

	Current Quarter Ended 30 June 2024 RM'000	Financial Period To-date Ended 30 June 2024 RM'000
Tax expense		
- Malaysian tax	11,975	31,051
- Foreign tax	(2,246)	5,816
	<u>9,729</u>	<u>36,867</u>

The effective tax rate of the Group varies from the statutory tax rate due to the following:

	Current Quarter Ended 30 June 2024 RM'000	Financial Period To-date Ended 30 June 2024 RM'000
Profit before tax	<u>44,398</u>	<u>145,483</u>
Tax expense at the statutory tax rate – 24%	10,656	34,916
Other tax adjustments	<u>(927)</u>	<u>1,951</u>
Taxation	<u>9,729</u>	<u>36,867</u>

19. Profit forecast

The Group did not issue any profit forecast for the current quarter.

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20. Group's borrowings and debt securities

	As at 30 June 2024 RM'000
<u>Unsecured</u>	
Short-term borrowings	
Revolving credits	341,460
Term loans	36,060
Trade financing	137,519
Fixed rate notes	20,862
	<hr/> 535,901
Long-term borrowings	
Term loans	75,788
Total borrowings	<hr/> <hr/> 611,689

The Group's borrowings are denominated in the following currencies:

United States Dollar	404,861
Ringgit Malaysia	183,775
Australian Dollar	14,954
British Pound	4,707
Singapore Dollar	2,587
Euro	805
	<hr/> 611,689

21. Fair value of financial instruments

The fair value gains and losses arising from fair value changes in derivative financial assets and liabilities during the current quarter and financial period ended 30 June 2024 are as follows:

	Current Quarter Ended 30 June 2024 RM'000	Preceding Year Corresponding Quarter Ended 30 June 2023 RM'000	Financial Period To-date Ended 30 June 2024 RM'000	Preceding Corresponding Period To-date Ended 30 June 2023 RM'000
<u>Forward currency contracts</u>				
Balance as at				
- 1 January	-	-	(3,946)	(2,545)
- 1 April	(2,343)	(1,428)	-	-
Fair value loss recognised in profit or loss				
- Continuing operations	720	(1,355)	2,396	(149)
- Discontinued operations	-	1,550	-	1,418
Effect of changes in exchange rate	6	(69)	(67)	(26)
Balance as at 30 June	<hr/> <hr/> (1,617)	<hr/> <hr/> (1,302)	<hr/> <hr/> (1,617)	<hr/> <hr/> (1,302)

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21. Fair value of financial instruments (continued)

	As at 30 June 2024 RM'000	As at 30 June 2023 RM'000
Represented by:		
Derivative financial assets	16	2,683
Derivative financial liabilities	(1,633)	(3,985)
	<u>(1,617)</u>	<u>(1,302)</u>

Fair value hierarchy

The table below summarises all financial instruments carried at fair value as at end of the financial year, based on a hierarchy that reflects the significance of the inputs used in measuring its respective fair values. The levels are defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical financial assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the financial asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the financial asset or liability that are not based on observable market data (unobservable inputs).

	<u>Level 1</u> RM'000	<u>Level 2</u> RM'000	<u>Level 3</u> RM'000	<u>Total</u> RM'000
<u>30 June 2024</u>				
<u>Financial assets</u>				
Derivative financial assets	-	16	-	16
<u>Financial liabilities</u>				
Derivative financial liabilities	-	(1,633)	-	(1,633)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Valuation techniques used to derive Level 2 fair values

The Level 2 fair values represent an estimated valuation derived from market quotations or from proprietary models that take into consideration estimates about relevant present and future market conditions as well as the size and liquidity of the position and any related actual or potential hedging transactions.

There were no changes in valuation techniques during the financial period.

22. Material litigation

There were no material litigations pending as at this reporting date.

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23. Earnings per share (EPS)

Basic and diluted earnings per share

The basic and diluted earnings per share have been computed based on net profit attributable to the owners of the Company for the current financial quarter/period divided by the weighted average number of ordinary shares after adjusting for movements in treasury shares in the same financial quarter/period:

	Current Quarter Ended 30 June 2024	Preceding Year Corresponding Quarter Ended 30 June 2023	Current Period To-date Ended 30 June 2024	Preceding Corresponding Period To-date Ended 30 June 2023
Net profit attributable to the owners of the Company (RM'000)	35,751	24,009	92,755	45,771
Weighted average number of ordinary shares in issue after adjusting for movements in treasury shares (No. of Shares ('000))	774,311	774,311	774,311	774,311
Basic/diluted earnings per share (sen)	4.62	3.10	11.98	5.91

24. Contingent liabilities

There were no contingent liabilities arising since the last annual audited financial statements.

25. Authorisation for issue

This Quarterly Report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors passed at the Board of Directors' Meeting held on 29 August 2024.



UNTUK SIARAN SEGERA

29 OGOS 2024

Wasco Catat Lonjakan Buku Pesanan RM3.7 Bilion, Rekod Prestasi Kukuh H1 TK2024

KUALA LUMPUR, 29 Ogos – Wasco Berhad (“Wasco” atau “Kumpulan”) hari ini mengumumkan keputusan kewangannya yang belum diaudit untuk separuh pertama tahun fiskal 2024 (“H1 TK2024”), melaporkan pertumbuhan yang kukuh didorong oleh segmen Perkhidmatan Tenaga dan kemajuan ketara dalam projek-projek utamanya.

Bagi H1 TK2024, Kumpulan meneruskan trajektori pertumbuhannya dengan peningkatan sebanyak 20.9% Tahun ke Tahun (“Y-o-Y”) dalam pendapatan kepada RM1.35 bilion, berbanding RM1.11 bilion dalam separuh pertama TK2023 (“H1 TK2023”). Keuntungan Sebelum Cukai (“PBT”) melonjak 70.5% kepada RM145.5 juta, manakala Keuntungan Bersih mencecah RM106.4 juta, mencerminkan tumpuan Kumpulan terhadap kecekapan operasi dan pelaksanaan.

Buku pesanan Kumpulan meningkat sebanyak 15% berbanding suku sebelumnya dan kini berjumlah RM3.7 bilion, dengan RM3.4 bilion adalah daripada segmen Perkhidmatan Tenaga. Kontrak utama termasuk projek Tangkapan dan Penyerapan Karbon (“CCS”) sulung Malaysia di luar pantai Sarawak yang diperolehi oleh bahagian Perkhidmatan Saluran Paip kami, serta projek pembangunan luar pesisir yang signifikan di Timur Tengah, yang yang dianugerahkan kepada bahagian Perkhidmatan Kejuruteraan & Fabrikasi kami. Pencapaian ini menekankan strategi Wasco untuk meluaskan asas pendapatannya dan memanfaatkan peluang merentasi pelbagai perkhidmatannya yang diterokai. Segmen Perkhidmatan Biotenaga menyumbang sebanyak RM294.1 juta kepada buku pesanan, berikutan usaha penerokaan peluang pertumbuhan di kawasan khatulistiwa. Buku pesanan yang kukuh ini dijangka memberi kesan positif kepada prestasi kewangan Kumpulan pada suku tahun akan datang.

“Prestasi kami pada separuh pertama TK2024 menyerlahkan keupayaan kami untuk memanfaatkan aliran hasil yang pelbagai merentasi pelbagai pasaran. Pendekatan strategik ini memastikan kestabilan kami dan meletakkan kami untuk kejayaan jangka panjang yang mampan,” kata **Pengarah Urusan/Ketua Pegawai Eksekutif Kumpulan Wasco Giancarlo Maccagno**. “Segmen Perkhidmatan Tenaga telah menjadi pemacu pertumbuhan utama, disokong oleh buku pesanan yang kukuh dan pelaksanaan projek yang berkesan. Walaupun

terdapat sedikit penurunan dalam hasil dan keuntungan, prestasi bahagian Perkhidmatan Biotenaga kami kekal di landasan yang tepat, didorong oleh peningkatan permintaan dalam projek dandang tenaga biojisimnya. Berbekalkan beberapa projek baharu yang telah berjaya diperolehi, kami menjangkakan peningkatan ketara dalam prestasi bahagian dalam beberapa suku akan datang.”

Segmen Perkhidmatan Tenaga Wasco, yang merangkumi Perkhidmatan Saluran Paip dan Kejuruteraan & Fabrikasi, mencatatkan peningkatan sebanyak 24.6% dalam pendapatan kepada RM1.2 bilion untuk H1 TK2024. PBT segmen ini meningkat 54.2% kepada RM130.7 juta, disokong oleh pelaksanaan beberapa projek utama dan pengurusan kos yang berdisiplin. Pencapaian penting pada suku tersebut termasuk penyiapan fasa pemuatan untuk Projek Pembangunan Medan Blok B-17-01 JDA dan penyampaian modul kritikal yang dijadualkan lebih awal untuk projek FPSO Angola.

Dalam **segmen Perkhidmatan Biotenaga**, PBT untuk H1 TK2024 melonjak 130% kepada RM45.6 juta, walaupun terdapat sedikit penurunan dalam pendapatan kepada RM120.0 juta. Keuntungan bahagian ini terjejas oleh oleh keuntungan sekali sahaja daripada pelupusan aset yang dipegang untuk jualan pada separuh pertama tahun ini.

Untuk unjuran ke hadapan Kumpulan, Maccagno menekankan fokus strategik Wasco untuk memanfaatkan peluang yang muncul dalam sektor tenaga dan biotenaga. “Dengan buku pesanan yang kukuh dan kecemerlangan operasi yang berterusan, kami berada pada kedudukan yang baik untuk mengekalkan pertumbuhan dan memberikan nilai kepada para pemegang saham kami lantas mengemudi landskap pasaran yang semakin berkembang.”

Seiring dengan usaha Wasco untuk memperluaskan impaknya, Kumpulan dengan bangganya melaporkan bahawa visi Wasco untuk menyediakan penyelesaian yang kukuh dan kompetitif kepada industri tenaga sambil mencapai sasaran sifar karbon bersih menjelang tahun 2026 kekal berada di landasan yang tepat. Kemajuan ini mencerminkan tekad Wasco untuk memimpin dengan berbekalkan tujuan yang baik, di samping meneroka batasan inovasi dan kelestarian dalam setiap projek dan operasinya. Sebagai pengiktirafan terhadap komitmen Wasco dalam aspek alam sekitar, sosial, dan tadbir urus (“ESG”), Kumpulan telah dimasukkan dalam indeks FTSE4Good Bursa Malaysia dan FTSE4Good Bursa Malaysia Syariah pada suku ini, sekali gus meningkatkan daya tarikan kepada pelabur yang memfokuskan kepada ESG.

-tamat-

Mengenai Wasco Berhad

Wasco Berhad (wascoenergy.com), yang ditubuhkan pada tahun 1999, ialah penyedia penyelesaian tenaga terkemuka dengan kehadiran global di 16 negara. Kekuatan teras Kumpulan terletak pada dua bahagian yang berbeza. Bahagian Perkhidmatan Tenaga adalah pakar dalam salutan paip lanjutan, perlindungan kakisan, kejuruteraan, dan penghantaran projek EPC. Bahagian Perkhidmatan Biotenaga memberi tumpuan kepada penjaan tenaga biojisim, memenuhi pelbagai sektor termasuk perladangan, petchem, oleokimia dan pemain industri besar.

Sebagai entiti tersenarai Pasaran Utama di Bursa Malaysia Securities Berhad (KLSE: WASCO), Wasco menekankan kelestarian dan tanggungjawab alam sekitar. Organisasi itu telah menetapkan sasaran kukuh untuk mencapai pelepasan karbon bersih-sifar sepanjang operasinya menjelang 2026. Strategi penyahkarbonan Wasco bermula dengan mengurangkan pelepasan dalam operasi dan rantai bekalannya, ditambah dengan keupayaan untuk mengimbangi pelepasan.

Wasco mengiktiraf tumpuan penting untuk melabur dalam perlindungan dan pemulihan ekosistem semula jadi, terutamanya hutan, yang memainkan peranan penting dalam mengasingkan karbon. Usaha ini bukan sahaja menyumbang kepada pemeliharaan alam semula jadi dan kekayaan biodiversitinya, tetapi juga berfungsi sebagai penyelesaian jangka sederhana untuk mengimbangi pelepasan. Projek berasaskan alam semula jadi menjana kredit karbon, yang memainkan peranan penting dalam perjalanan kami untuk mencapai pelepasan sifar bersih menjelang 2026. Sebahagian penting daripada komitmen ini berkisar pada inisiatif 'Wasco Forest' yang dilancarkan pada 2021.

Lanjutan dedikasi terhadap tanggungjawab alam sekitar ini, Wasco bertekad dalam komitmennya terhadap peralihan tenaga dalam sektor minyak dan gas. Menyedari bahawa peralihan yang berkesan memerlukan kerjasama antara sektor awam dan swasta, Wasco secara aktif terus meneroka perkongsian strategik. Kumpulan menekankan pemacuan pertumbuhan dalam rantai nilai hijau serantau, memanfaatkan kepakaran dan keupayaan tempatan untuk membentuk masa depan yang lebih mampan bagi industri tenaga.

Disiarkan oleh **Wasco Berhad**. Untuk sebarang pertanyaan, sila hubungi Juliana Jamaluddin (juliana.jamaluddin@wascoenergy.com) / +60 12-340 9438) atau Natasha Brand (natasha.brand@wascoenergy.com) / +60 16-916 8598).

**Sekiranya terdapat sebarang percanggahan dalam Siaran Media ini, rujukan utama untuk tujuan ketepatan fakta adalah berpandukan pada Siaran Media versi Bahasa Inggeris.*



FOR IMMEDIATE RELEASE

29 AUGUST 2024

Wasco Highlights Soaring RM3.7 Billion Orderbook amid Strong H1 FY2024 Performance

KUALA LUMPUR, 29 August – Wasco Berhad (“Wasco” or the “Group”) today announced its unaudited financial results for the first half of fiscal year 2024 (“H1 FY2024”), reporting steady growth driven by its Energy Services segment and significant progress on major projects.

For H1 FY2024, the Group continued its growth trajectory with a 20.9% Year-on-Year (“Y-o-Y”) increase in revenue to RM1.35 billion, compared to RM1.11 billion in the first half of FY2023 (“H1 FY2023”). Profit Before Tax (“PBT”) surged 70.5% to RM145.5 million, while Net Profit reached RM106.4 million, reflecting the Group’s focus on operational efficiency and execution.

The Group’s orderbook grew by 15% compared to the previous quarter and now stands at RM3.7 billion, with RM3.4 billion attributed to the Energy Services segment. Key contracts include Malaysia’s inaugural Carbon Capture and Sequestration (“CCS”) project off the coast of Sarawak, secured by our Pipeline Services division, and a significant offshore development project in the Middle East, awarded to our Engineering & Fabrication Services division. These wins emphasise Wasco’s strategy of broadening its earnings base and capitalising on emerging opportunities across its diverse service offerings. The Bioenergy Services segment contributed RM294.1 million to the orderbook, as the Group continues to explore growth opportunities in the equatorial belt. This robust orderbook is expected to positively impact the Group’s financial performance in the coming quarters.

“Our performance in the first half of FY2024 highlights our ability to leverage diverse revenue streams across multiple markets. This strategic approach ensures our stability and positions us for sustained long-term success,” said **Wasco’s Managing Director/Group CEO Giancarlo Maccagno**. “The Energy Services segment has been a key growth driver, supported by a strong orderbook and effective project execution. Despite a slight decline in revenue and profit, our Bioenergy Services division performance remains on track, driven by increased demand in its biomass energy boiler projects. With new projects secured, we anticipate significant improvements in the division’s performance over the next few quarters.”

Wasco's **Energy Services segment**, which includes Pipeline Services and Engineering & Fabrication, posted a 24.6% increase in revenue to RM1.2 billion for H1 FY2024. The segment's PBT rose 54.2% to RM130.7 million, supported by the completion of several key projects and disciplined cost management. Key milestones during the quarter included the completion of the loadout phase for the JDA Block B-17-01 Field Development Project and the ahead-of-schedule delivery of critical modules for the Angola FPSO project.

In the **Bioenergy Services segment**, PBT for H1 FY2024 surged 130% to RM45.6 million, despite a slight decline in revenue to RM120.0 million. The division's profitability were impacted by a one-off gain from the disposal of assets held for sale during the first half of the year.

Looking ahead, Maccagno emphasised Wasco's strategic focus on capitalising on emerging opportunities in the energy and bioenergy sectors. "With a solid orderbook and continued operational excellence, we are well-positioned to sustain growth and deliver value to our shareholders as we navigate the evolving market landscape."

As Wasco continues to expand its impact, the Group is proud to report that its vision of delivering reliable and competitive solutions to the energy industry while achieving net zero carbon emissions by 2026 is firmly on track. This progress reflects Wasco's determination to lead with purpose, pushing the boundaries of innovation and sustainability across its projects and operations. In recognition of its dedication to environmental, social, and governance ("ESG") commitment, the Group was included in the FTSE4Good Bursa Malaysia and FTSE4Good Bursa Malaysia Syariah indices this quarter, enhancing its appeal to ESG-focused investors.

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About Wasco Berhad

Wasco Berhad (wascoenergy.com), established in 1999, is a prominent provider of energy solutions with a global presence across 16 countries. The Group's core strengths lie in two distinct divisions. The Energy Services Division specialises in advanced pipe coating, corrosion protection, engineering, and EPC project delivery. Complementing this, the Bioenergy Services Division focuses on biomass energy generation, catering to a varied sector including plantations, petchem, oleochemicals and large industrial players.

As a Main Market-listed entity on Bursa Malaysia Securities Berhad (KLSE: WASCO), Wasco emphasises sustainability and environmental responsibility. The organisation has set a bold target to achieve net-zero carbon emissions throughout its operations by 2026. Wasco's decarbonisation strategy begins with reducing emissions in its operations and supply chains, coupled with the ability to offset emissions.

Wasco recognises the crucial importance of investing in the protection and restoration of the natural ecosystems, particularly forests, which play a vital role in sequestering carbon. These efforts not only contribute to the preservation of the natural world and its rich biodiversity, but also serve as a medium-term solution for offsetting emissions. Nature-based projects generate carbon credits, which are instrumental in our journey to achieve net-zero emissions by 2026. A significant part of this commitment revolves around the 'Wasco Forest' initiative launched in 2021.

Beyond this dedication to environmental responsibility, Wasco is resolute in its commitment to energy transition within the oil and gas sector. Recognising that a successful transition necessitates collaboration between the public and private sectors, Wasco actively seeks strategic partnerships. The Group envisions driving growth within regional green value-chains, leveraging local expertise and capabilities to shape a more sustainable future for the energy industry.

Issued by **Wasco Berhad**. For media enquiries, please contact Juliana Jamaluddin (juliana.jamaluddin@wascoenergy.com / +60 12-340 9438) or Natasha Brand (natasha.brand@wascoenergy.com / +60 16-916 8598).