



KEY ALLIANCE GROUP BERHAD (609953-K)
(Incorporated in Malaysia)
SECOND QUARTER ENDED 30 SEPTEMBER 2018

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	2018	2017	Changes	2018	2017	Changes
	CURRENT QUARTER	PRECEDING YEAR CORRESPONDING QUARTER		CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD	
	30/09/2018	30/09/2017	%	30/09/2018	30/09/2017	%
	RM'000	RM'000		RM'000	RM'000	
REVENUE	9,584	7,797	23%	19,044	14,271	33%
Operating expenses	(1,201)	(1,454)	-17%	(4,613)	(10,169)	-55%
Other income	142	1,546	-91%	279	1,611	-83%
Interest income	62	250	-75%	84	352	-76%
Interest expense	(50)	(133)	-62%	(100)	(270)	-63%
Profit/(Loss) before taxation	(1,047)	209	-601%	(4,350)	(8,476)	-49%
Taxation	0	0	-	0	0	-
Profit/(Loss) after taxation	(1,047)	209	-601%	(4,350)	(8,476)	-49%
Profit/(loss) attributable to:						
Equity holders of the company	(973)	178	-647%	(4,420)	(8,790)	-50%
Non-controlling interest	(74)	31	-339%	70	314	-78%
Profit/(Loss) after taxation	(1,047)	209	-601%	(4,350)	(8,476)	-49%
Weighted average number of shares in issue ('000)	466,259	1,393,665		466,259	1,393,665	
Earnings per share (sen) - basic	(0.21)	0.01		(0.95)	(0.63)	

The unaudited condensed consolidated statement of profit and loss and other comprehensive income should be read in conjunction with the annual audited financial statements for the financial year ended 31 March 2018 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD (609953-K)
(Incorporated in Malaysia)
SECOND QUARTER ENDED 30 SEPTEMBER 2018

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT END OF CURRENT QUARTER 9/30/2018 (Unaudited) RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 3/31/2018 (Audited) RM'000
ASSETS		
Non-current Assets		
Property, Plant and Equipment	32,416	26,999
Investment properties	18,352	18,352
Other investment	439	5,327
Goodwill	5,805	5,805
	57,012	56,483
Current Assets		
Inventories	6,711	5,809
Trade and other receivables	26,533	10,997
Tax recoverable	707	581
Fixed deposits with licensed banks	3,973	5,304
Cash and bank balances	7,259	18,239
	45,183	40,930
TOTAL ASSETS	102,195	97,413
EQUITY AND LIABILITIES		
Capital and Reserves		
Issued capital	97,436	94,797
Accumulated loss	(37,820)	(37,175)
Share option reserve	592	592
Warrants reserve	13,842	17,617
	74,050	75,831
Non-controlling interest	2,678	2,608
Total Equity	76,728	78,439
Non-current Liability		
Deferred tax liabilities	1,345	1,515
Borrowings	1,238	4,383
	2,583	5,898
Current Liabilities		
Trade and other payables	20,279	8,643
Bank overdrafts	1,930	2,650
Bank borrowings	675	1,783
	22,884	13,076
Total Liabilities	25,467	18,974
TOTAL EQUITY AND LIABILITIES	102,195	97,413
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.1604	0.0831

The unaudited condensed consolidated Balance Sheet should be read in conjunction with the annual audited financial statements for the financial year ended 31 March 2018 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD (609953-K)
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SECOND QUARTER ENDED 30 SEPTEMBER 2018

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	6-MONTHS ENDED 30/09/18 (Unaudited) RM'000	12-MONTHS ENDED 31/3/18 (Audited) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(4,350)	(9,283)
Adjustment for:		
Non-cash items	3,110	10,195
Non-operating items	16	(75)
Operating loss before working capital changes	(1,224)	837
Net changes in current assets	(16,438)	3,281
Net changes in current liabilities	11,636	(1,941)
Cash (used in)/generated from operations	(6,026)	2,177
Interest paid	(100)	(237)
Net tax paid	(176)	(521)
Net cash (used in)/generated from operating activities	(6,302)	1,419
CASH FLOWS FOR INVESTING ACTIVITIES		
Acquisition of subsidiaries	0	(1,399)
Additional investment in non-controlling interest	0	1,025
Proceeds from disposal of subsidiary	(753)	0
Increase in work-in-progress	0	(19,973)
Interest received	84	0
Investment/(Withdrawal) in other investments	4,888	(5,050)
Proceeds from disposal of plant and equipment	44	65
Proceeds from redemption of redeemable preference shares	0	1,597
Purchase of property, plant and equipment	(6,607)	(3,416)
Net cash generated from/(used in) investing activities	(2,344)	(27,151)
CASH FLOWS FOR FINANCING ACTIVITIES		
Repayment of finance lease liabilities	(672)	(1,491)
Repayment of term loan	(3,582)	(420)
Share issuance expenses	0	(822)
Proceeds from warrant exercised	8	0
Proceeds from issuance of right shares	0	44,628
Proceeds from private placement	2,632	0
Net cash (used in)/generated from financing activities	(1,614)	41,895
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(10,260)	16,163
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD/YEAR	15,589	(574)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR	5,329	15,589
CASH AND CASH EQUIVALENTS COMPRISE OF:		
Fixed deposits with licensed bank	3,973	5,304
Cash and bank balances	7,259	18,239
Bank overdrafts	(1,930)	(2,650)
	9,302	20,893
Less : Fixed deposits pledged	(3,973)	(5,304)
	5,329	15,589

The unaudited condensed consolidated Cash Flow Statement should be read in conjunction with the annual audited financial statements for the financial year ended 31 March 2018 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD (609953-K)
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SECOND QUARTER ENDED 30 SEPTEMBER 2018

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued Capital	Share Premium	Warrant Reserve	Share Option Reserve	Accumulated Loss	Non - Controlling Interest	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as of 1 April 2018	94,797	0	17,617	592	(37,175)	2,608	78,439
Adjustment for effects of Companies Act 2016*	0	0	0	0	0	0	0
Total comprehensive loss for the period	0	0	0	0	(4,420)	70	(4,350)
Exercise of warrant	8	0	0	0	0	0	8
Warrants expired	0	0	(3,775)	0	3,775	0	0
Issuance of shares from private placement	2,631	0	0	0	0	0	2,631
Balance as of 30 September 2018	97,436	0	13,842	592	(37,820)	2,678	76,728

	Issued Capital	Share Premium	Warrant Reserve	Share Option Reserve	Accumulated Loss	Non - Controlling Interest	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as of 1 April 2017	40,953	10,037	3,775	570	(16,185)	1,429	40,579
Total comprehensive loss for the period	0	0	0	0	(8,790)	314	(8,476)
Grant of share issuance scheme	0	0	0	2,475	0	0	2,475
Issuance of right share	40,953	(821)	13,842	0	(13,842)	0	40,132
Exercise of share issuance scheme	3,675	0	0	(2,452)	2,452	0	3,675
Arising from acquisition of subsidiary	0	0	0	0	0	1,025	1,025
Balance as of 30 September 2017	85,581	9,216	17,617	593	(36,365)	2,768	79,410

* With the Companies Act 2016 ("the Act") coming into effect on 31 January 2017, the credit stating in the share premium accounts of RM9,216,098 has been transferred to the share capital account. Pursuant to subsection 618(3) and 618(4) of the Act, the Group may exercise its right to use the credit amounts being transferred from share premium within 24 months after the commencement of the Act. The Board of Directors will make a decision thereon by 31 January 2019.

The unaudited condensed consolidated Statement of Changes in Equity should be read in conjunction with the annual audited financial statements for the financial year ended 31 March 2018 and the accompanying explanatory notes attached to this interim financial statements.