



KEY ALLIANCE GROUP BERHAD (609953-K)
(Incorporated in Malaysia)
SECOND QUARTER ENDED 30 SEPTEMBER 2019

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

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	2019	2018	Changes	2019	2018	Changes
	CURRENT QUARTER	PRECEDING YEAR CORRESPONDING QUARTER		CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD	
	<u>30/09/2019</u>	<u>30/09/2018</u>	%	<u>30/09/2019</u>	<u>30/09/2018</u>	%
	RM'000	RM'000		RM'000	RM'000	
REVENUE	<u>7,999</u>	<u>9,584</u>	-17%	<u>14,597</u>	<u>19,044</u>	-23%
Operating expenses	(2,044)	(1,201)	70%	(4,998)	(4,613)	8%
Other income	112	142	-21%	238	279	-15%
Interest income	38	62	-39%	71	84	-15%
Interest expense	(230)	(50)	360%	(300)	(100)	200%
Fair value adjustment on investment	993	0	-	0	0	-
Profit/(Loss) before taxation	<u>(1,131)</u>	<u>(1,047)</u>	8%	<u>(4,989)</u>	<u>(4,350)</u>	15%
Taxation	0	0	-	0	0	-
Profit/(Loss) after taxation	<u><u>(1,131)</u></u>	<u><u>(1,047)</u></u>	8%	<u><u>(4,989)</u></u>	<u><u>(4,350)</u></u>	15%
Profit/(loss) attributable to:						
Equity holders of the company	(854)	(973)	-12%	(4,352)	(4,420)	-2%
Non-controlling interest	(277)	(74)	274%	(637)	70	-1010%
Profit/(Loss) after taxation	<u><u>(1,131)</u></u>	<u><u>(1,047)</u></u>	8%	<u><u>(4,989)</u></u>	<u><u>(4,350)</u></u>	15%
Weighted average number of shares in issue ('000)	520,712	466,259		520,712	466,259	
Earnings per share (sen) - basic	(0.16)	(0.21)		(0.84)	(0.95)	

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 2019 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 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT END OF CURRENT QUARTER 30/9/2019 (Unaudited) RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/3/2019 (Audited) RM'000
ASSETS		
Non-current Assets		
Property, Plant and Equipment	29,561	31,960
Right of use assets	3,531	-
Investment properties	18,352	18,352
Other investment	8,415	5,407
Goodwill	5,805	5,805
Deferred tax assets	310	310
	65,974	61,834
Current Assets		
Inventories	5,126	5,408
Trade and other receivables	32,919	31,715
Tax recoverable	795	852
Fixed deposits with licensed banks	4,096	4,035
Cash and bank balances	1,830	3,516
	44,766	45,526
TOTAL ASSETS	110,740	107,360
EQUITY AND LIABILITIES		
Capital and Reserves		
Issued capital	99,686	99,686
Accumulated loss	(44,480)	(40,128)
Share option reserve	592	592
Warrants reserve	13,842	13,842
	69,640	73,992
Non-controlling interest	1,301	1,938
Total Equity	70,941	75,930
Non-current Liabilities		
Deferred tax liabilities	1,231	1,231
Borrowings	57	682
Lease liabilities	2,340	-
	3,628	1,913
Current Liabilities		
Trade and other payables	32,528	26,709
Bank overdrafts	1,888	1,910
Borrowings	231	898
Lease Liabilities	1,524	-
	36,171	29,517
Total Liabilities	39,799	31,430
TOTAL EQUITY AND LIABILITIES	110,740	107,360
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.1337	0.1511

The unaudited condensed consolidated Balance Sheet should be read in conjunction with the annual audited financial statements for the financial year ended 31 March 2019 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 2019

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	99,686	0	13,842	592	(40,128)	1,938	75,930
Total comprehensive loss for the period	0	0	0	0	(4,352)	(637)	(4,989)
Balance as of 30 September 2019	99,686	0	13,842	592	(44,480)	1,301	70,941

	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
Total comprehensive loss for the period	0	0	0	0	(4,420)	70	(4,350)
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
Exercise of warrant	8	0	0	0	0	0	8
Balance as of 30 September 2018	97,436	0	13,842	592	(37,820)	2,678	76,728

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 2019 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 2019

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	6-MONTHS ENDED 30/09/19 (Unaudited) RM'000	12-MONTHS ENDED 31/3/19 (Audited) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(4,989)	(8,077)
Adjustment for:		
Non-cash items	2,647	5,272
Non-operating items	229	294
Operating loss before working capital changes	(2,113)	(2,511)
Net changes in current assets	(922)	(20,364)
Net changes in current liabilities	5,819	18,371
Cash generated from/(used in) operations	2,784	(4,504)
Interest received	71	65
Interest paid	(300)	(482)
Net tax paid	56	(283)
Net cash generated from (used in) operating activities	2,611	(5,204)
CASH FLOWS FOR INVESTING ACTIVITIES		
Acquisition of subsidiaries	0	(4,000)
Investment in other investment	(3,000)	(4,687)
Proceeds from disposal of subsidiary	0	(1,609)
Increase in work-in-progress	0	(5,434)
Withdrawal of fixed deposit	0	1,269
Proceeds from disposal of plant and equipment	0	6
Proceeds from disposal of unit trusts	0	4,935
Purchase of property, plant and equipment	(269)	(3,170)
Net cash used in investing activities	(3,269)	(12,690)
CASH FLOWS FOR FINANCING ACTIVITIES		
Repayment of finance lease liabilities	(949)	(674)
Repayment of term loan	(57)	(304)
Proceeds from warrant exercised	0	8
Proceeds from exercise of share issuance scheme	0	2,250
Proceeds from private placement	0	2,632
Net cash (used in)/generated from financing activities	(1,006)	3,912
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,664)	(13,982)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD/YEAR	1,606	15,588
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR	(58)	1,606
CASH AND CASH EQUIVALENTS COMPRISE OF:		
Fixed deposits with licensed bank	4,096	4,035
Cash and bank balances	1,830	3,516
Bank overdrafts	(1,888)	(1,910)
	4,038	5,641
Less : Fixed deposits pledged	(4,096)	(4,035)
	(58)	1,606

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 2019 and the accompanying explanatory notes attached to this interim financial statements.