



**KEY ALLIANCE GROUP BERHAD (609953-K)**  
(Incorporated in Malaysia)  
FIRST QUARTER ENDED 30 JUNE 2019

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

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	2019	2018	<i>Changes</i>	2019	2018	<i>Changes</i>
	CURRENT QUARTER	PRECEDING YEAR CORRESPONDING QUARTER		CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD	
	<u>30/06/2019</u>	<u>30/06/2018</u>	%	<u>30/06/2019</u>	<u>30/06/2018</u>	%
	RM'000	RM'000		RM'000	RM'000	
REVENUE	<u>6,598</u>	<u>9,460</u>	-30%	<u>6,598</u>	<u>9,460</u>	-30%
Operating expenses	(2,954)	(3,412)	-13%	(2,954)	(3,412)	-13%
Other income	126	137	-8%	126	137	-8%
Interest income	33	22	50%	33	22	50%
Interest expense	(70)	(50)	40%	(70)	(50)	40%
Fair value adjustment on investment	(993)	0	-	(993)	0	-
<b>Profit/(Loss) before taxation</b>	<u>(3,858)</u>	<u>(3,303)</u>	17%	<u>(3,858)</u>	<u>(3,303)</u>	17%
Taxation	0	0	-	0	0	-
<b>Profit/(Loss) after taxation</b>	<u><u>(3,858)</u></u>	<u><u>(3,303)</u></u>	17%	<u><u>(3,858)</u></u>	<u><u>(3,303)</u></u>	17%
<b>Profit/(loss) attributable to:</b>						
Equity holders of the company	(3,498)	(3,447)	1%	(3,498)	(3,447)	1%
Non-controlling interest	(360)	144	-350%	(360)	144	-350%
<b>Profit/(Loss) after taxation</b>	<u><u>(3,858)</u></u>	<u><u>(3,303)</u></u>	17%	<u><u>(3,858)</u></u>	<u><u>(3,303)</u></u>	17%
Weighted average number of shares in issue ('000)	520,712	461,758		520,712	461,758	
Earnings per share (sen) - basic	(0.67)	(0.75)		(0.67)	(0.75)	

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.



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>AS AT END OF CURRENT QUARTER 31/3/2019 (Unaudited) RM'000</b>	<b>AS AT PRECEDING FINANCIAL YEAR ENDED 31/3/2019 (Audited) RM'000</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, Plant and Equipment	31,262	31,960
Investment properties	18,352	18,352
Other investment	4,416	5,407
Goodwill	5,805	5,805
Deferred tax assets	310	310
	<b>60,145</b>	<b>61,834</b>
<b>Current Assets</b>		
Inventories	5,602	5,408
Trade and other receivables	32,229	31,715
Tax recoverable	729	852
Fixed deposits with licensed banks	4,066	4,035
Cash and bank balances	4,706	3,516
	<b>47,332</b>	<b>45,526</b>
<b>TOTAL ASSETS</b>	<b>107,477</b>	<b>107,360</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Issued capital	99,686	99,686
Accumulated loss	(43,626)	(40,128)
Share option reserve	592	592
Warrants reserve	13,842	13,842
	<b>70,494</b>	<b>73,992</b>
Non-controlling interest	1,578	1,938
<b>Total Equity</b>	<b>72,072</b>	<b>75,930</b>
<b>Non-current Liability</b>		
Deferred tax liabilities	1,231	1,231
Borrowings	342	682
	<b>1,573</b>	<b>1,913</b>
<b>Current Liabilities</b>		
Trade and other payables	30,974	26,709
Bank overdrafts	1,899	1,910
Bank borrowings	959	898
	<b>33,832</b>	<b>29,517</b>
<b>Total Liabilities</b>	<b>35,405</b>	<b>31,430</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>107,477</b>	<b>107,360</b>
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.1354	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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FIRST QUARTER ENDED 30 JUNE 2019

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	<b>Issued Capital</b>	<b>Share Premium</b>	<b>Warrant Reserve</b>	<b>Share Option Reserve</b>	<b>Accumulated Loss</b>	<b>Non - Controlling Interest</b>	<b>Total</b>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Balance as of 1 April 2018</b>	99,686	0	13,842	592	(40,128)	1,938	75,930
Total comprehensive loss for the period	0	0	0	0	(3,498)	(360)	(3,858)
<b>Balance as of 30 June 2019</b>	<u>99,686</u>	<u>0</u>	<u>13,842</u>	<u>592</u>	<u>(43,626)</u>	<u>1,578</u>	<u>72,072</u>
	<b>Issued Capital</b>	<b>Share Premium</b>	<b>Warrant Reserve</b>	<b>Share Option Reserve</b>	<b>Accumulated Loss</b>	<b>Non - Controlling Interest</b>	<b>Total</b>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Balance as of 1 April 2018</b>	94,797	0	17,617	592	(37,175)	2,608	78,439
Total comprehensive loss for the period	0	0	0	0	(3,447)	144	(3,303)
Issuance of shares from private placement	2,631	0	0	0	0	0	2,631
<b>Balance as of 30 June 2018</b>	<u>97,428</u>	<u>0</u>	<u>17,617</u>	<u>592</u>	<u>(40,622)</u>	<u>2,752</u>	<u>77,767</u>

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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FIRST QUARTER ENDED 30 JUNE 2019

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	3-MONTHS ENDED 30/06/19 (Unaudited) RM'000	12-MONTHS ENDED 31/3/19 (Audited) RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	(3,858)	(8,077)
Adjustment for:		
Non-cash items	1,923	5,272
Non-operating items	37	294
<b>Operating (loss)/profit before working capital changes</b>	<b>(1,898)</b>	<b>(2,511)</b>
Net changes in current assets	(708)	(20,364)
Net changes in current liabilities	4,265	18,371
<b>Cash (used in)/generated from operations</b>	<b>1,659</b>	<b>(4,504)</b>
Interest received	33	65
Interest paid	(70)	(482)
Net tax paid	118	(283)
<b>Net cash (used in)/generated from operating activities</b>	<b>1,740</b>	<b>(5,204)</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Acquisition of subsidiaries	0	(4,000)
Investment in other investment	0	(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	(260)	(3,170)
<b>Net cash used in investing activities</b>	<b>(260)</b>	<b>(12,690)</b>
<b>CASH FLOWS FOR FINANCING ACTIVITIES</b>		
Repayment of finance lease liabilities	(250)	(674)
Repayment of term loan	(29)	(304)
Proceeds from warrant exercised	0	8
Proceeds from exercise of share issuance scheme	0	2,250
Proceeds from private placement	0	2,632
<b>Net cash generated from financing activities</b>	<b>(279)</b>	<b>3,912</b>
<b>NET (DECREASE)/DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>1,201</b>	<b>(13,982)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD/YEAR</b>	<b>1,606</b>	<b>15,588</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR</b>	<b>2,807</b>	<b>1,606</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE OF:</b>		
Fixed deposits with licensed bank	4,066	4,035
Cash and bank balances	4,706	3,516
Bank overdrafts	(1,899)	(1,910)
	6,873	5,641
Less : Fixed deposits pledged	(4,066)	(4,035)
	<b>2,807</b>	<b>1,606</b>

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.