



KEY ALLIANCE GROUP BERHAD (609953-K)
(Incorporated in Malaysia)
THIRD QUARTER ENDED 31 DECEMBER 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>31/12/2019</u>	<u>31/12/2018</u>	%	<u>31/12/2019</u>	<u>31/12/2018</u>	%
	RM'000	RM'000		RM'000	RM'000	
REVENUE	<u>11,215</u>	<u>11,078</u>	1%	<u>25,812</u>	<u>30,122</u>	-14%
Operating expenses	(4,250)	(2,155)	97%	(9,248)	(6,768)	37%
Other income	127	139	-9%	365	418	-13%
Interest income	33	81	-59%	104	165	-37%
Interest expense	(134)	(30)	347%	(434)	(130)	234%
Fair value adjustment on investment	(993)	824	-	(993)	824	-
Profit/(Loss) before taxation	<u>(5,217)</u>	<u>(1,141)</u>	357%	<u>(10,206)</u>	<u>(5,491)</u>	86%
Taxation	0	0	-	0	0	-
Profit/(Loss) after taxation	<u><u>(5,217)</u></u>	<u><u>(1,141)</u></u>	357%	<u><u>(10,206)</u></u>	<u><u>(5,491)</u></u>	86%
Profit/(loss) attributable to:						
Equity holders of the company	(4,714)	(918)	414%	(9,066)	(5,338)	70%
Non-controlling interest	(503)	(223)	126%	(1,140)	(153)	645%
Profit/(Loss) after taxation	<u><u>(5,217)</u></u>	<u><u>(1,141)</u></u>	357%	<u><u>(10,206)</u></u>	<u><u>(5,491)</u></u>	86%
Weighted average number of shares in issue ('000)	520,712	481,567		520,712	481,567	
Earnings per share (sen) - basic	(0.91)	(0.19)		(1.74)	(1.11)	

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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THIRD QUARTER ENDED 31 DECEMBER 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT END OF CURRENT QUARTER 31/12/2019 (Unaudited) RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/3/2019 (Audited) RM'000
ASSETS		
Non-current Assets		
Property, Plant and Equipment	29,438	31,960
Right of use assets	3,167	-
Investment properties	18,352	18,352
Other investment	4,425	5,407
Goodwill	4,234	5,805
Deferred tax assets	310	310
	59,926	61,834
Current Assets		
Inventories	5,670	5,408
Trade and other receivables	52,191	31,715
Tax recoverable	516	852
Fixed deposits with licensed banks	4,134	4,035
Cash and bank balances	3,075	3,516
	65,586	45,526
TOTAL ASSETS	125,512	107,360
EQUITY AND LIABILITIES		
Capital and Reserves		
Issued capital	99,686	99,686
Accumulated loss	(49,194)	(40,128)
Share option reserve	592	592
Warrants reserve	13,842	13,842
	64,926	73,992
Non-controlling interest	798	1,938
Total Equity	65,724	75,930
Non-current Liabilities		
Deferred tax liabilities	1,231	1,231
Borrowings	8,734	682
Lease liabilities	2,475	-
	12,440	1,913
Current Liabilities		
Trade and other payables	42,561	26,709
Bank overdrafts	1,953	1,910
Borrowings	1,014	898
Lease Liabilities	1,820	-
	47,348	29,517
Total Liabilities	59,788	31,430
TOTAL EQUITY AND LIABILITIES	125,512	107,360
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.1247	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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THIRD QUARTER ENDED 31 DECEMBER 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	(9,066)	(1,140)	(10,206)
Balance as of 31 December 2019	<u>99,686</u>	<u>0</u>	<u>13,842</u>	<u>592</u>	<u>(49,194)</u>	<u>798</u>	<u>65,724</u>

	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	(5,338)	(153)	(5,491)
Warrants expired	0	0	(3,775)	0	3,775	0	0
Grant of share issuance scheme	0	0	0	500	0	0	500
Issuance of shares from share issuance scheme	2,250	0	0	(250)	250	0	2,250
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 31 December 2018	<u>99,686</u>	<u>0</u>	<u>13,842</u>	<u>842</u>	<u>(38,488)</u>	<u>2,455</u>	<u>78,337</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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THIRD QUARTER ENDED 31 DECEMBER 2019

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	9-MONTHS ENDED 31/12/19 (Unaudited) RM'000	12-MONTHS ENDED 31/3/19 (Audited) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(10,206)	(8,077)
Adjustment for:		
Non-cash items	6,463	5,272
Non-operating items	330	294
Operating loss before working capital changes	(3,413)	(2,511)
Net changes in current assets	(20,738)	(20,364)
Net changes in current liabilities	15,852	18,371
Cash generated from/(used in) operations	(8,299)	(4,504)
Interest received	104	65
Interest paid	(434)	(482)
Net tax paid	336	(283)
Net cash generated from (used in) operating activities	(8,293)	(5,204)
CASH FLOWS FOR INVESTING ACTIVITIES		
Acquisition of subsidiaries	0	(4,000)
Investment in other investment	(3,011)	(4,687)
Proceeds from disposal of subsidiary	0	(1,609)
Increase in work-in-progress	0	(5,434)
(Pledged)/Withdrawal of fixed deposit	(8)	1,269
Proceeds from disposal of plant and equipment	6	6
Proceeds from disposal of unit trusts	3,000	4,935
Purchase of property, plant and equipment	(321)	(3,170)
Net cash used in investing activities	(334)	(12,690)
CASH FLOWS FOR FINANCING ACTIVITIES		
Repayment of finance lease liabilities	(1,372)	(674)
Proceeds from term loan	9,600	0
Repayment of term loan	(85)	(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	8,143	3,912
NET DECREASE IN CASH AND CASH EQUIVALENTS	(484)	(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	1,122	1,606
CASH AND CASH EQUIVALENTS COMPRISE OF:		
Fixed deposits with licensed bank	4,134	4,035
Cash and bank balances	3,075	3,516
Bank overdrafts	(1,953)	(1,910)
	5,256	5,641
Less : Fixed deposits pledged	(4,134)	(4,035)
	1,122	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.