



SCH GROUP BERHAD (972700-P)
(Incorporated in Malaysia)

Interim Financial Report
For the Third (3rd) Quarter Ended
31 May 2019

SCH GROUP BERHAD (972700-P)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THIRD (3RD) QUARTER ENDED 31 MAY 2019

	<-- Individual Quarter -->		<-- Cumulative Quarter -->	
	Unaudited 31.05.2019 RM'000	Unaudited 31.05.2018 RM'000	Unaudited 31.05.2019 RM'000	Unaudited 31.05.2018 RM'000
Revenue	35,092	9,183	91,768	27,571
Cost of Sales	(28,511)	(5,642)	(74,151)	(17,939)
Gross Profit	6,581	3,541	17,617	9,632
Other operating income	5,800	577	9,193	1,942
Administrative expenses	(5,423)	(2,481)	(15,911)	(7,265)
Selling and distribution expenses	(620)	(466)	(1,517)	(1,451)
Profit from operations	6,338	1,171	9,382	2,858
Finance costs	(1,167)	(174)	(3,158)	(494)
Profit before taxation	5,171	997	6,224	2,364
Taxation	(810)	(236)	(1,212)	(711)
Profit for the financial period	4,361	761	5,012	1,653
Other comprehensive income/(loss):				
Foreign currency translation differences	(6)	11	(3)	(83)
Total comprehensive income for the financial period	4,355	772	5,009	1,570
Profit/(Loss) for the period attributed to:				
- Owners of the company	4,386	761	5,174	1,653
- Non-controlling interest	(25)	-	(162)	-
	4,361	761	5,012	1,653
Total comprehensive income/(loss) attributable to:				
- Owners of the company	4,380	772	5,171	1,570
- Non-controlling interest	(25)	-	(162)	-
	4,355	772	5,009	1,570
Weighted average no. of ordinary shares ('000)	555,512	412,235	555,512	412,235
Earnings/(Loss) per share:				
- Basic (sen)	0.79	0.18	0.93	0.40
- Diluted (sen)	0.58	0.12	0.68	0.27

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 August 2018 and the accompanying explanatory notes attached to the interim financial report.

SCH GROUP BERHAD (972700-P)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2019

	Unaudited As at 31.05.2019 RM'000	Audited As at 31.08.2018 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	62,813	65,356
Goodwill on consolidation	28,757	28,757
	91,570	94,113
CURRENT ASSETS		
Inventories	28,225	32,580
Trade receivables	46,373	29,359
Other receivables, prepayments and deposits	3,191	2,152
Tax recoverable	1,736	2,934
Fixed deposit with licensed banks	4,754	8,367
Cash and bank balances	13,414	5,477
	97,693	80,869
Assets classified as held for sale	-	2,455
	97,693	83,324
TOTAL ASSETS	189,263	177,437
EQUITY AND LIABILITIES		
EQUITY		
Share capital	75,918	75,918
Merger deficit reserve	(23,858)	(23,858)
Foreign currency translation reserves	7	10
Retained earnings	33,043	27,869
	85,110	79,939
Non-controlling interest	3,910	4,072
TOTAL EQUITY	89,020	84,011
CURRENT LIABILITIES		
Trade payables	23,925	12,954
Other payables	3,867	3,398
Hire purchase and lease payables	797	424
Bank borrowings	13,873	13,494
Tax payable	124	32
	42,586	30,302

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2019 (CONTINUED)

	Unaudited As at 31.05.2019 RM'000	Audited As at 31.08.2018 RM'000
NON-CURRENT LIABILITIES		
Hire purchase and lease payables	453	1,144
Bank borrowings	50,650	55,450
Deferred tax liabilities	6,554	6,530
	<u>57,657</u>	<u>63,124</u>
TOTAL LIABILITIES	100,243	93,426
TOTAL EQUITY AND LIABILITIES	189,263	177,437
NET ASSET PER SHARE (sen)	16.02	15.12

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 August 2018 and the accompanying explanatory notes attached to this interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD (3RD) QUARTER ENDED 31 MAY 2019

	<i>←-- Attributable to the Owners of the Company --></i>				Total RM'000	Non Controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Merger Reserve RM'000	Translation Reserve RM'000	Retained Earnings RM'000			
Unaudited							
Balance as at 1 September 2018	75,918	(23,858)	10	27,869	79,939	4,072	84,011
Profit/(Loss) for the financial period	-	-	-	5,174	5,174	(162)	5,012
Other comprehensive income/(loss) for the financial period	-	-	(3)	-	(3)	-	(3)
Total comprehensive income/(loss) for the financial period	-	-	(3)	5,174	5,171	(162)	5,009
Balance as at 31 May 2019	75,918	(23,858)	7	33,043	85,110	3,910	89,020
Unaudited							
Balance as at 1 September 2017	52,129	(24,515)	276	36,583	64,473	-	64,473
Profit for the financial period	-	-	-	1,653	1,653	-	1,653
Other comprehensive (loss) for the financial period	-	-	(83)	-	(83)	-	(83)
Total comprehensive income/(loss) for the financial period	-	-	(83)	1,653	1,570	-	1,570
Balance as at 31 May 2018	52,129	(24,515)	193	38,236	66,043	-	66,043

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 August 2018 and the accompanying explanatory notes attached to this interim financial report.

SCH GROUP BERHAD (972700-P)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND (3rd) QUARTER ENDED 31 MAY 2019

	Unaudited 9 months ended 31.05.2019 RM'000	Unaudited 9 months ended 31.05.2018 RM'000
Cash Flows From Operating Activities		
Profit before taxation	6,224	2,364
Adjustment for:		
Depreciation of property, plant and equipment	3,187	797
Gain on disposal of property, plant and equipment	(7,715)	(1,098)
Bad debt written off	36	-
Property, plant and equipment written off	2	7
Reversal of impairment on trade receivables	(50)	(24)
Reversal of provision for slow moving inventories	(897)	-
Unrealised (gain)/loss on foreign exchange	(108)	41
Interest expenses	3,158	494
Interest income	(187)	(196)
Operating profit before working capital changes	<u>3,650</u>	<u>2,385</u>
Changes in working capital:		
Inventories	5,254	(1,704)
Trade and other receivables	(18,034)	3,188
Trade and other payables	11,426	(836)
Amount due to directors	-	(19)
	<u>(1,354)</u>	<u>629</u>
Cash generated from operations	2,296	3,014
Interest received	187	196
Interest paid	(3,158)	(494)
Tax refund	2,215	-
Tax paid	(2,138)	(911)
Exchange differences	-	(115)
	<u>(2,894)</u>	<u>(1,324)</u>
Net cash (used in)/generated from operating activities	<u>(598)</u>	<u>1,690</u>
Cash Flow From Investing Activities		
Purchase of property, plant and equipment	(2,172)	(1,590)
Proceed from disposal of property, plant and equipment	11,719	1,786
Net cash from investing activities	<u>9,547</u>	<u>196</u>

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND (3RD) QUARTER ENDED 31 MAY 2019 (CONTINUED)

	Unaudited 9 months ended 31.05.2019 RM'000	Unaudited 9 months ended 31.05.2018 RM'000
Cash Flow From Financing Activities		
(Decrease)/Increase in foreign currency trade loans	(380)	1,289
Repayment of hire purchase payables	(317)	(248)
Repayment of term loan	(4,601)	(111)
Changes on bankers' acceptance & trust receipts	2,531	(4,725)
Increase in fixed deposits pledged	(83)	(735)
Net cash used in financing activities	<u>(2,850)</u>	<u>(4,530)</u>
Net increase/(decrease) in cash and cash equivalents	6,099	(2,644)
Cash and cash equivalents at beginning of the financial period	8,603	9,614
Exchange rate adjustment	7	-
Cash and cash equivalents at end of the financial period	<u>14,709</u>	<u>6,970</u>
Cash and cash equivalents at end of the financial period comprises:		
- Fixed deposits placed with licensed banks	6,755	8,037
- Cash and bank balances	11,413	2,704
- Bank overdraft	-	(521)
	<u>18,168</u>	<u>10,220</u>
Less: Fixed deposits pledged with licensed banks	<u>(3,459)</u>	<u>(3,250)</u>
	<u>14,709</u>	<u>6,970</u>

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 August 2018 and the accompanying explanatory notes attached to this interim financial report.

NOTES TO THE INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2019

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) No. 134: Interim Financial Reporting and Paragraph 9.22 and Appendix 9B of the ACE Listing Requirements (“Listing Requirement”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 August 2018 and the accompanying explanatory notes attached to this interim financial report.

The accounting policies adopted in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 August 2018. The Group has adopted those standards, amendments and interpretations that have become effective and such adoptions do not have material impact on the financial position and performance of the Group.

The Group has not applied the following standards, amendments and interpretations under MFRS framework that have been issued by the Malaysia Accounting Standards Board as they have yet to be effective for the Group.

MFRSs and IC Interpretations (Including The Consequential Amendments)		Effective dates for financial period beginning on and after
MFRS 16	Leases	1 January 2019
Amendment to MFRS 3	Annual Improvements to MFRSs 2015 – 2017 Cycle	1 January 2019
Amendments to MFRS 9	Prepayments Features with Negative Compensation	1 January 2019
Amendments to MFRS 11	Annual Improvements to MFRSs 2015 – 2017 Cycle	1 January 2019
Amendments to MFRS 112	Annual Improvements to MFRSs 2015 – 2017 Cycle	1 January 2019
Amendments to MFRS 119	Plan Amendments, Curtailment or Settlement	1 January 2019
Amendments to MFRS 123	Annual Improvements to MFRSs 2015 – 2017 Cycle	1 January 2019
Amendments to MFRS 128	Long term Interest in Associates and Joint Ventures	1 January 2019
IC Interpretation 23	Uncertainty over Income Tax Treatment	1 January 2019
Amendments to MFRS 2	Share-based payment	1 January 2020
Amendments to MFRS 3	Business Combinations	1 January 2020
Amendments to MFRS 101	Presentation of Financial Statements	1 January 2020

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Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Error	1 January 2020
Amendments to MFRS 134	Interim Financial Reporting	1 January 2020
Amendments to MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2020
Amendments to MFRS 138	Intangible Assets	1 January 2020
Amendments to IC Interpretation 12	Service Concession Arrangements	1 January 2020
Amendments to IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	1 January 2020
Amendments to IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1 January 2020
Amendments to IC Interpretation 132	Intangible Assets – Web Site Costs	1 January 2020
MFRS 17	Insurance Contracts	1 January 2021
Amendments to MFRS 10 and MFRS 128	Sale of Contribution of Assets between an Investor and its Associate of Joint Venture	To be announced

The Group and the Company plan to apply the above mentioned standards, amendments and interpretation when they become effective in the respective period.

The directors are currently assessing the impact of the adoption of the above standards, amendments to existing standards and interpretation on the financial statements in the period of initial application.

A2. Auditors' report of preceding annual audited financial statements

The auditors' report on the preceding year audited financial statements was not subject to any qualification.

A3. Seasonal or cyclical factors

The businesses of the Group were not affected by seasonal or cyclical factors.

A4. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter and financial period-to-date.

A5. Material changes in estimates

There were no changes in the estimates of amounts reported in prior financial years that had a material effect on the current financial quarter and financial period-to-date.

A6. Debt and equity securities

There were no issuances, cancellations, repurchases, resales, repayments of debts and/or securities, shares held as treasury shares or the resale of treasury shares during the financial period ended 31 May 2019.

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A7. Segmental information

The Group's revenue was derived from four (4) main business segments, namely the following: -

9-months ended 31 May 2019

	Investment Holding RM'000	Quarry Industry RM'000	Equipment Rental Industry RM'000	Fertilizers Industry RM'000	Eliminations RM'000	Consolidated RM'000
Revenue						
External sales	-	20,657	12,175	58,936	-	91,768
Inter-segment sales	-	11,412	-	-	(11,412)	-
Total	-	32,069	12,175	58,936	(11,412)	91,768
Results						
Segment results	617	7,541	1,972	65	(1,000)	9,195
Finance costs	(1,828)	(392)	-	(938)	-	(3,158)
Finance income	14	151	22	-	-	187
Profit/(Loss) before taxation	(1,197)	7,300	1,994	(873)	(1,000)	6,224
Taxation	(2)	(640)	(468)	(102)	-	(1,212)
Profit/(Loss) after taxation	(1,199)	6,660	1,526	(975)	(1,000)	5,012

Segmental information are not presented in the corresponding quarter ended 31 May 2018 as the Group is principally engaged in one industry that is the quarry industry.

A8. Dividend Paid

No dividend was paid during the current quarter under review.

A9. Valuation of property, plant and equipment

The Group has not carried out any valuation on its property, plant and equipment in the current financial quarter.

A10. Capital commitments

There were no material capital commitments as at the date of this report.

A11. Changes in the composition of the Group

There were no material changes in the composition of the Group for the current financial quarter.

A12. Contingent liabilities and contingent assets

There were no contingent assets as at the date of this interim financial report.

Save as disclosed below, there were no other contingent liabilities incurred or known to be incurred which upon becoming enforceable, may have a material impact on the profit after tax or net assets of the Group: -

As at 31 May 2019, the Company has provided corporate guarantees amounting to RM44.68 million to various financial institutions for banking facilities granted to certain subsidiary companies.

A13. Material events subsequent to the end of the quarter

There were no other material events subsequent to the end of current quarter and financial period-to-date that have not been reflected in this interim financial report.

A14. Related party transactions

Transaction with companies in which a Director has interest for the current quarter ended 31 May 2019 was as follows: -

	Current Quarter ended 31.05.2019 RM'000	Cumulative Quarter ended 31.05.2019 RM'000
Rental of factory	169	508
Hiring of lorry	49	146
Sale of industrial products and spare parts	105	164
Purchase of raw materials	5,984	7,793
Sales of fertilisers goods	176	328

The transactions were carried out in the ordinary course of business and on normal commercial terms.

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B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1. Review of performance

	←Individual Quarter→		Changes RM'000	Changes (%)	←Cumulative Quarter→		Changes RM'000	Changes (%)
	Unaudited 31.05.2019 RM'000	Unaudited 31.05.2018 RM'000			Unaudited 31.05.2019 RM'000	Unaudited 31.05.2018 RM'000		
Revenue	35,092	9,183	25,908	282	91,768	27,571	64,197	233
Operating profit	538	594	(56)	(9)	189	916	(727)	(79)
Profit before interest and taxation	6,338	1,171	5,167	441	9,382	2,858	6,524	228
Profit before tax	5,171	997	4,174	419	6,224	2,364	3,860	163
Profit after tax	4,361	761	3,600	473	5,012	1,653	3,359	203

Q3/2019 compared to Q3/2018

For the current quarter ended 31 May 2019, the Group recorded revenue of RM35.1 million as compared to RM9.2 million in the corresponding quarter ended 31 May 2018, an increase of RM25.9 million or 282%. The increase in revenue mainly due to contribution from two business sectors namely equipment rental supply and fertilizers industry amounted to RM5.6 million and RM22.8 million respectively. The detailed information of the results of each business sector for a 9-months period is disclosed in Note A7.

The Group achieved a lower revenue in quarry industry sector mainly due to less activities from government infrastructure projects and property and construction sector.

The Group reported revenue of RM6.6 million for the quarter from quarry industry, a decrease of RM2.6 million or 28.3% as compared to the corresponding quarter of preceding year.

The Group's administration and selling & distribution expenses amounted to RM6.0 million for the quarter under review as compared to RM2.9 million recorded in the corresponding quarter of the preceding year. The increase in the operating expenses were due to the new business sectors operating costs amounted to RM3.3 million.

The Group's finance cost amounted to RM1.2 million for the quarter under review as compared to RM0.1 million. The increase is mainly due to additional interest costs incurred for term loans amounted to RM43 million secured for business acquisition purpose.

Q3/2019 compared to Q3/2018 (Continued)

The Group registered profit attributable to equity holding of the parent company of RM4.4 million as compared to RM0.8 million for the corresponding quarter last year, mainly due to gain on disposal of properties amounted to RM5.1 million as disclosed in Note B11. The related real property gain tax incurred amounted to RM0.3 million reduced the overall increase in profit attributable to equity holding.

Cumulative 9-months Q3/2019 compared to cumulative 9-months Q3/2018

For the cumulative quarter ended 31 May 2019, the Group recorded revenue of RM91.8 million as compared to RM27.6 million in the corresponding cumulative quarter ended 31 May 2018, an increase of RM64.2 million or 233%. The increase in revenue mainly due to contribution from two business sectors namely equipment rental supply and fertilizers industry amounted to RM12.2 million and RM59.0 million respectively. The detailed information of the results of each business sector is disclosed in Note A7.

The Group achieved a lower revenue in quarry industry sector mainly due to slowdown in government infrastructure projects and property and construction sector.

The Group reported revenue of RM20.6 million for the cumulative quarter from quarry industry, a decrease of RM7.0 million or 25.4% as compared to the corresponding cumulative quarter of preceding year.

The Group's administration and selling & distribution expenses amounted to RM17.4 million for the cumulative quarter under review as compared to RM8.7 million. The increase in the operating expenses were due to the new business sectors operating costs amounted to RM9.3 million.

The Group's finance cost amounted to RM3.2 million for the cumulative quarter under review as compared to RM0.5 million. The increase is mainly due to additional interest costs incurred for term loans amounted to RM43 million secured for business acquisition purpose.

The Group reported a higher profit before tax of RM6.2 million as compared to RM2.4 million of profit for the preceding corresponding financial period.

The Group registered profit attributable to equity holding of the parent company of RM5.2 million as compared to RM1.7 million of profit for the corresponding cumulative quarter last year mainly due to gain on disposal of properties amounted to RM5.1 million as disclosed in Note B11. The related real property gain tax incurred amounted to RM0.3 million reduced the overall increase in profit attributable to equity holding.

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B2. Comparison with immediate preceding quarter's results

	<-Individual Quarter->			
	Unaudited	Unaudited	Changes	Changes
	31.05.2019	28.02.2019	RM'000	(%)
	RM'000	RM'000		
Revenue	35,092	22,602	12,489	55
Operating profit/(loss)	538	(1,387)	1,925	139
Profit before interest and taxation	6,338	1,730	4,608	266
Profit before taxation	5,171	681	4,490	659
Profit after taxation	4,361	587	3,774	643

The Group revenue for the current quarter ended 31 May 2019 is increased by RM12.5 million as compared to the preceding quarter ended 28 February 2019. The increase is mainly due to increase in sales in fertilisers industry sector. This is the normal business cycle for fertilisers industry where the demand of fertilisers supply is higher as compared to immediate preceding quarter. The main reason is due to raining season and festive holiday season (i.e. non-working days) from December 2018 to January 2019.

The Group's quarry industry recorded slightly higher revenue of RM6.6 million as compared to RM6.1 million in the preceding quarter ended 28 February 2019. This is due to no significant changes to the level of activities in government infrastructure projects and property and construction sector as compared to immediate preceding quarter.

The equipment rental supply sector achieved revenue of RM5.6 million which is higher than the preceding quarter of RM3.8 million. The additional revenue achieved is derived from events and exhibitions activities held in Malaysia and overseas countries.

The Group achieved higher profit before interest and taxation of RM6.3 million as compared with preceding quarter of RM1.8 million mainly due to gain derived from disposal of properties amounted to RM5.1 million.

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B3. Prospects

The Board remain optimistic with the prospects of improving group's revenue and results because of long-term optimistic Malaysian business outlook.

In addition, the government had revised mega infrastructure projects such as East Cost Railway Link (ECRL) project which have the positive impact to quarry industry. The local economy is still looking for a firm direction and foundation with the new leadership after the country 14th general election held in last year.

The contribution from the new business sectors namely equipment rental industry shown an improved results mainly due to income earned from overseas market.

The fertilizers industry performance is affected by the crude palm oil (CPO) price, raw material price fluctuation and fluctuation in USD/RM currency exchange rate.

Management will continue to improve its own productivity, efficiency and process improvement action to mitigate the uncontrollable factors.

B4. Profit forecast

The Group does not have any profit forecast in the public documents.

B5. Taxation

	Individual Quarter		Cumulative Quarter	
	Ended 31.05.2019	31.05.2018	Ended 31.05.2019	31.05.2018
	RM'000	RM'000	RM'000	RM'000
Income tax expense				
- Current financial period	487	347	678	822
- Under provision in prior year	37	(111)	139	(111)
- Real property gain tax	286	-	395	-
	<u>810</u>	<u>236</u>	<u>1,212</u>	<u>711</u>

The applicable income tax rate is 24%. The effective tax rate is lower than the Malaysian statutory tax rate mainly due to real property gain tax rate of 5% which is charged on gain derived from disposal of properties.

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B6. Status of corporate proposals announced

There were no corporate proposals that were announced but not completed as at the date of this report.

B7. Borrowings

The Group's borrowings were as follows: -

	As at 31.05.2019 RM'000	As at 31.08.2018 RM'000
Secured		
Bank Overdraft	-	1,864
Bill payables	4,345	1,814
Hire purchases	1,250	1,568
Foreign currency loans against import	2,677	3,163
Term loan	57,501	62,103
Total bank borrowings	65,773	70,512
Short Term		
Bank Overdraft	-	1,864
Bill payables	4,345	1,814
Hire purchases	797	424
Foreign currency loans against import	2,677	3,163
Term loan	6,851	6,653
	<u>14,670</u>	<u>13,918</u>
Long Term		
Hire purchases	453	1,144
Term loan	50,650	55,450
	<u>51,103</u>	<u>56,594</u>

B8. Changes in material litigation

As at the date of this report, there is no litigation or arbitration, which has a material effect on the financial position of the Group, and the Board is not aware of any proceedings pending or of any fact likely to give rise to any proceedings.

B9. Dividend

No dividend was proposed for the financial quarter.

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B10. Earnings per share

a) Basic

The basic earnings per share is calculated based on the Group's profit attributable to equity holders of the Company divided by the weighted average number of ordinary shares as follows:

	Individual Quarter Ended		Cumulative Quarter Ended	
	31.05.2019 RM'000	31.05.2018 RM'000	31.05.2019 RM'000	31.05.2018 RM'000
Profit attributable to ordinary equity holders of the Group	4,386	761	5,174	1,653
Weighted average number of ordinary shares in issue ('000)	555,512	412,235	555,512	412,235
Basic earnings per share (sen)	0.79	0.18	0.93	0.40

b) Diluted

	Individual Quarter Ended		Cumulative Quarter Ended	
	31.05.2019 RM'000	31.05.2018 RM'000	31.05.2019 RM'000	31.05.2018 RM'000
Profit attributable to ordinary equity holders of the Group	4,386	761	5,174	1,653
Weighted average number of ordinary shares in issue ('000)	555,512	412,235	555,512	412,235
Adjustment for dilutive effect on conversion of warrants ('000)	205,839	206,116	205,839	206,116
Total Diluted earnings per share (sen)	761,351	618,351	761,351	618,351
	0.58	0.12	0.68	0.27

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B11. Disclosure on selected expense/income items as required by the Listing Requirements

	Individual Quarter Ended		Cumulative Quarter Ended	
	31.05.2019 RM'000	31.05.2018 RM'000	31.05.2019 RM'000	31.05.2018 RM'000
Profit before taxation is arrived at after charging/(crediting):-				
Depreciation of property plant and equipment	1,132	295	3,187	797
Interest expenses	1,167	174	3,158	494
Interest income	(68)	(70)	(187)	(196)
Gain on disposal of property, plant and equipment	(5,134)	(463)	(7,715)	(1,098)
(Gain) / Loss on foreign exchange (realised/unrealised)	39	39	9	(254)
Reversal of impairment on trade receivables	-	(17)	-	(24)
Reversal of provision for slow moving inventories	(423)	-	(897)	-

B12. Comparative figures

Comparatives figures, where applicable, have been modified to conform to the current presentation.

BY ORDER OF THE BOARD
29 July 2019