

**KOTRA INDUSTRIES BERHAD (497632-P)**  
 QUARTERLY REPORT ON CONSOLIDATED RESULTS  
 FOR THE FORTH FINANCIAL QUARTER ENDED 30 JUNE 2019  
 (The figures have not been audited)

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

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30-06-19 RM'000	Corresponding Quarter Ended 30-06-18 RM'000	12 Months Cumulative To Date 30-06-19 RM'000	12 Months Cumulative To Date 30-06-18 RM'000
Revenue	39,802	44,298	172,550	178,476
Operating expenses	(35,120)	(39,481)	(152,221)	(160,834)
Other operating income	1,477	1,900	3,518	3,103
Profit from operations	6,159	6,717	23,847	20,745
Finance cost	(576)	(1,064)	(2,483)	(4,842)
Profit before tax	5,583	5,653	21,364	15,903
Tax expense	942	(79)	831	(154)
Profit after tax, representing total comprehensive income for the period	<u>6,525</u>	<u>5,574</u>	<u>22,195</u>	<u>15,749</u>
Earnings per share (sen)				
(a) Basic	4.68	4.19	15.93	11.85
(b) Diluted	4.60	3.93	15.66	11.10

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with  
 the Audited Financial Statements for the year ended 30 June 2018 and the accompanying  
 explanatory notes attached to this interim financial report)

**KOTRA INDUSTRIES BERHAD (497632-P)**  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	Unaudited As at 30/06/2019  RM '000	Audited As at 30/06/2018 (restated) RM '000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		143,001	144,489
Investment properties		1,416	1,441
Deferred tax assets		1,034	-
		145,451	145,930
<b>Current Assets</b>			
Derivative assets		12	-
Inventories		38,323	35,717
Trade receivables		31,781	36,218
Other receivables, deposits and prepayments		2,121	2,671
Fixed deposit with licensed bank		21,685	12,800
Cash and bank balances		7,070	8,076
		100,992	95,482
<b>TOTAL ASSETS</b>		246,443	241,412
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital		80,115	68,660
Share option reserve		1,870	6,572
Retained earnings		90,175	76,608
		172,160	151,840
<b>Non-Current Liabilities</b>			
Long term borrowings	( B8 )	31,445	45,893
Deferred Income		2,002	2,297
		33,447	48,190
<b>Current Liabilities</b>			
Trade payables		17,565	19,529
Other payables and accruals		10,179	10,015
Current tax liabilities		89	29
Short term borrowings	( B8 )	13,003	11,809
		40,836	41,382
<b>Total Liabilities</b>		74,283	89,572
<b>TOTAL EQUITY AND LIABILITIES</b>		246,443	241,412
<b>Net assets per share attributable to ordinary equity holders of the parent (RM)</b>		1.20	1.14

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to this interim financial report)

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 (The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

	<b>12 Months Ended 30-06-19 RM '000</b>	<b>12 Months Ended 30-06-18 RM '000</b>
<b>Cash Flows From Operating Activities</b>		
Profit before taxation	21,364	15,903
Adjustment for:		
Property, plant and equipment written off	28	12
Impairment loss on trade receivables	324	209
Reversal of impairment loss on trade receivables	(272)	(562)
Bad debts written off	-	3
Depreciation and amortisation	13,991	13,523
Fair value gain on derivatives financial instrument	(12)	-
Government grant received	(163)	(117)
Unrealised loss / (gain) on foreign exchange	301	(677)
Inventories written down	977	233
Amortisation of deferred income	(295)	(282)
Gain on disposal of property, plant and equipment	(43)	(49)
Interest expense	2,483	4,842
Interest income	(646)	(330)
Rental income from investment properties	(60)	(89)
Share based payment under ESOS	18	550
Operating profit before working capital changes	<u>37,995</u>	<u>33,169</u>
(Increase) / Decrease in inventories	(3,583)	4,952
Decrease in receivables	4,560	2,191
Decrease in payables	<u>(1,789)</u>	<u>(4,484)</u>
Cash generated from operations	<u>37,183</u>	<u>35,828</u>
Tax paid	(155)	(159)
Tax refunded	12	-
Net cash from operating activities	<u>37,040</u>	<u>35,669</u>
<b>Cash Flows For Investing Activities</b>		
Interest received	646	330
Purchase of property, plant and equipment	(12,513)	(6,388)
Rental received	60	89
Proceed from disposal of property, plant and equipment	50	57
Net cash for investing activities	<u>(11,757)</u>	<u>(5,912)</u>

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (continued)**

	<b>12 Months</b>	<b>12 Months</b>
	<b>Ended</b>	<b>Ended</b>
	<b>30-06-19</b>	<b>30-06-18</b>
	<b>RM '000</b>	<b>RM '000</b>
<b>Cash Flows For Financing Activities</b>		
Dividend paid	(8,628)	(5,344)
Repayment of hire purchase payables	(305)	(638)
Repayment of term loans	(12,662)	(9,027)
Repayment of other short term borrowings	(287)	(6,678)
Proceeds from issuance of shares	6,735	216
Government grant received	163	491
Interest paid	(2,483)	(4,842)
Net cash for financing activities	(17,467)	(25,822)
<b>Net Increase in Cash &amp; Cash Equivalents</b>	7,816	3,935
<b>Effect of Exchange Rate Changes on Cash &amp; Cash Equivalents</b>	63	43
<b>Cash &amp; Cash Equivalents at beginning of the financial period</b>	20,876	16,898
<b>Cash &amp; Cash Equivalents at end of financial period</b>	28,755	20,876
<b>The Cash &amp; Cash Equivalents Comprise The Following :-</b>		
Fixed deposit with licensed bank	21,685	12,800
Cash and bank balances	7,070	8,076
	28,755	20,876

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to this interim financial report)

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Share Capital RM '000	Non - distributable Share Option Reserve RM '000	Distributable Retained Profits RM '000	Total RM '000
<b>As at 30 June 2019</b>				
Balance as 30 June 2018, as previously reported	68,660	6,572	78,022	153,254
Effect of MRFS 9 adoption (Note A1.1)	-	-	(1,414)	(1,414)
As at 1 July 2018 (Restated)	68,660	6,572	76,608	151,840
Profit after tax, representing total comprehensive income for the year	-	-	22,195	22,195
Dividend paid	-	-	(8,628)	(8,628)
Share options exercised	11,455	(4,720)	-	6,735
Share based payment transactions	-	18	-	18
Balance at 30 June 2019	80,115	1,870	90,175	172,160
<b>As at 30 June 2018</b>				
Balance at 1 July 2017	68,293	6,173	67,617	142,083
Profit after tax, representing total comprehensive expense for the year	-	-	15,749	15,749
Dividend paid	-	-	(5,344)	(5,344)
Share options exercised	367	(151)	-	216
Share based payment transactions	-	550	-	550
Balance at 30 June 2018	68,660	6,572	78,022	153,254

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to this interim financial report)

**KOTRA INDUSTRIES BERHAD (497632-P)**  
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**A. Explanatory Notes pursuant to MFRS 134 Interim Financial Reporting**

**A1. Accounting Policies and Methods of Computation**

The interim financial statements have been prepared in accordance with MFRS 134, Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements. The figures for the cumulative period in the current quarter to 30 June 2019 have not been audited. The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2018.

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the financial year ended 30 June 2018.

**A1.1** During the current financial period, the Group has adopted the following new Malaysian Financial Reporting Standards and interpretations (including the consequential amendments, if any) :-

- MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)
- MFRS 15 Revenue from Contracts with Customers
- IC Interpretation 22 Foreign Currency Transactions and Advance Consideration
- Amendments to MFRS 2: Classification and Measurement of share based payment transactions
- Amendments to MFRS 15: Effective Date of MFRS 15
- Amendments to MFRS 15: Clarifications to MFRS 15 'Revenue from Contracts with Customers
- Amendments to MFRS 140 - Transfers of Investment Property
- Annual Improvements to MFRS Standards 2014 - 2016 Cycles:
  - Amendments to MFRS 1: Deletion of Short-Term Exemption for First-Time Adoptions

The initial application of the above new Malaysian Financial Reporting Standards and interpretations (including the consequential amendments, if any) did not have any material impact to the Group's financial statements, except as mentioned below :

**MFRS 9 Financial Instruments**

MFRS 9 introduces a new classification and measurement requirements for financial assets that reflects the business model in which the financial assets are managed and their cash flow characteristics. MFRS 9 contains 3 principal classification categories for financial assets, i.e. measured at amortised cost, fair value through profit or loss, fair value through other comprehensive income and eliminates the previous categories of held to maturity, loans and receivables and available-for-sale financial assets.

In addition, MFRS 9 replaces the 'incurred loss' model in MFRS 139 with an 'expected credit loss' ("ECL") model. This new impairment model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised. The Group applies the simplified approach prescribed by MFRS 9, which requires expected lifetime losses to be recognised on the receivables.

In accordance with the transition requirements under MFRS 9, the Group elects not to restate the comparatives. Financial impact arising from the initial application of the new impairment model has been recognised in the opening balance of the retained earnings and the carrying amount of the financial assets as at 1 July 2018 as disclosed below:

	MFRS 139 Carrying amount as at 30 June 2018 RM '000	Remeasurement RM'000	MFRS 9 Carrying amount as 1 July 2018 RM'000
Trade Receivables	37,632	(1,414)	36,218
Retained profits	<u>(78,022)</u>	<u>1,414</u>	<u>(76,608)</u>

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**A1.2** The Group has not applied in advance the following Malaysian Financial Reporting Standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:

<b>MFRSs and IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 16 Leases	01-Jan-19
MFRS 17 Insurance Contracts	01-Jan-21
IC Interpretation 23 Uncertainty Over Income Tax Treatments	01-Jan-19
Amendments to MFRS 3: Definition of a Business	01-Jan-20
Amendments to MFRS 9: Prepayment Features with Negative Compensation	01-Jan-19
Amendments to MFRS 10 and MFRS 128 (2011): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 101 and MFRS 108 : Definition of material	01-Jan-20
MFRS 119 : Plan Amendment, Curtailment or Settlement	01-Jan-19
Amendments to References to the Conceptual Framework in MFRS Standards	01-Jan-20
Annual Improvements to MFRS Standards 2015 – 2017 Cycles	01-Jan-19

The adoption of the above-mentioned Malaysian Financial Reporting Standards and interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

**A2. Seasonal or Cyclical Factors**

The business operation of the Group was not materially affected by any seasonal or cyclical factors.

**A3. Unusual items affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There are no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

**A4. Changes in Estimates**

There are no changes in estimates reported in prior interim periods of the current financial year or prior financial years which have a material effect in the current interim period.

**A5. Issues, Repurchases and Repayments of Debt and Equity Securities**

There were no issues, repurchases or repayments of debt and equity securities, for the period ended 30 June 2019 except for the issuance of 10,360,880 ordinary shares pursuant to the Company's Employee Share Option Scheme at the exercise price of RM0.65 each.

**A6. Dividend Paid**

A final dividend of 3 sen per share in respect of the financial year ended 30 June 2018 amounting to RM4,311,671 was paid on 18 December 2018

An interim dividend of 3 sen per share in respect of the financial year ended 30 June 2019 amounting to RM 4,316,171 was paid on 22 March 2019.

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**A7. Segmental Information**

The segment information in respect of the Group's operating segments for the period ended 30 June 2019 is as follows:

	Current Quarter		12 Months	
	Ended 30 Jun		Ended 30 Jun	
	2019	2018	2019	2018
	RM'000	RM'000	RM'000	RM'000
Local	23,380	26,877	99,582	106,234
Export	16,422	17,421	72,968	72,242
External revenue	<u>39,802</u>	<u>44,298</u>	<u>172,550</u>	<u>178,476</u>
Local	2,902	4,694	16,545	17,366
Export	5,746	2,595	15,754	10,374
Profit from operations	<u>8,648</u>	<u>7,289</u>	<u>32,299</u>	<u>27,740</u>

A reconciliation of total profit from operations to total consolidated profit before tax is provided as follows:

	Current Quarter		12 Months	
	Ended 30 Jun		Ended 30 Jun	
	2019	2018	2019	2018
	RM'000	RM'000	RM'000	RM'000
Profit from operations for reportable segments	8,648	7,289	32,299	27,740
Expenses managed on a central basis	(3,966)	(2,472)	(11,970)	(10,098)
Other operating income	1,477	1,900	3,518	3,103
Consolidated profit from operations	<u>6,159</u>	<u>6,717</u>	<u>23,847</u>	<u>20,745</u>
Finance cost	(576)	(1,064)	(2,483)	(4,842)
Consolidated Profit before tax	<u>5,583</u>	<u>5,653</u>	<u>21,364</u>	<u>15,903</u>

**A8. Events After the Interim Period**

There were no material events after the interim period which have not been reflected in the financial statements for the interim period.

**A9. Effect of Changes in the Composition of the Group**

There were no changes in the composition of the Group, including business combinations, acquisition or disposal of subsidiaries and long term investments, restructurings and discontinuing operations during the interim period under review.

**A10. Changes in Contingent Liabilities or Contingent Assets**

There were no contingent liabilities or contingent assets at the end of this reporting period and end of last financial year.

**A11. Capital Commitments**

The amounts committed for the purchase of property, plant and equipment not provided for in the interim financial statements are as follows:

	As at	As at
	30-06-19	30-06-18
	RM'000	RM'000
Approved but not contracted for	-	-
Contracted but not provided for	692	2,000
	<u>692</u>	<u>2,000</u>

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**A12 Significant Related Party Transactions**

The Group's significant related party transactions in the current financial period ended 30 June 2019 are as follows:

	Current Quarter		12 Months	
	Ended 30 Jun		Ended 30 Jun	
	2019	2018	2019	2018
	RM'000	RM'000	RM'000	RM'000
Companies in which certain key management personnel have significant financial interests:				
- Rental of premises paid/payable	264	262	1,052	1,047
- Royalty paid/payable	1	4	14	14
- Contract manufacturing cost paid / payable	-	-	9	10
A company in which a close member of the family of certain key management personnel has significant financial interests:				
- Rental of premises paid/payable	1	2	7	7
- Rental of premises received/receivable	-	(14)	(29)	(57)
- Sales of goods	(45)	(64)	(549)	(668)

**B. Explanatory Notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

**B1. Review of the Performance of the Group**

**(a) Performance of the current quarter against the preceding year corresponding quarter**

	Current Quarter		Changes %
	Ended 30 Jun		
	2019	2018	
	RM'000	RM'000	
Turnover	39,802	44,298	-10.15%
Profit from operations	6,159	6,717	-8.31%
Profit before tax	5,583	5,653	-1.24%
Profit after tax (PAT)	6,525	5,574	17.06%
Net PAT margin	<u>16.39%</u>	<u>12.58%</u>	

The Group recorded a decrease in turnover of 10.15% for the current quarter ended 30 June 2019 as compared to the corresponding quarter ended 30 June 2018. This was attributed to decrease in sales to local markets for all products range and lower sales of health supplement products to export markets.

The Group recorded a profit before tax of RM5.58 million for the current quarter ended 30 June 2019 as compared to a profit before tax of RM5.65 million in corresponding quarter of the preceding year. The decrease in profit before tax was mainly due to decrease in sales offset by lower advertisement & promotional expenses and finance cost incurred in current quarter.

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**(b) Performance of the current period against the preceding year corresponding period**

	12 Months		Changes %
	Ended 30 Jun		
	2019 RM'000	2018 RM'000	
Turnover	172,550	178,476	-3.32%
Profit from operations	23,847	20,745	14.95%
Profit before tax	21,364	15,903	34.34%
Profit after tax (PAT)	22,195	15,749	40.93%
Net PAT margin	<u>12.86%</u>	<u>8.82%</u>	

The Group recorded a decrease in turnover of 3.32% for the current period ended 30 June 2019 as compared to the corresponding 12 months ended 30 June 2018. This was mainly due to decrease in tender supply to local markets and sales of pharmaceutical products to both local and export markets offset by higher sales of health supplement to export markets.

The Group recorded a profit before tax of RM21.36 million for the 12 months ended 30 June 2019 as compared to a profit of RM15.90 million for the 12 months ended 30 June in the preceding year. The increase was mainly due to rationalisation of selling and administration expenses, higher foreign exchange gain and lower finance cost incurred in current year.

**B2. Comparison with Preceding Quarter's Results**

	Quarter Ended		Changes %
	30 Jun 2019 RM'000	31 Mar 2019 RM'000	
	Turnover	39,802	
Profit from operations	6,159	5,824	5.75%
Profit before tax	5,583	5,210	7.16%
Profit after tax (PAT)	6,525	5,167	26.28%
Net PAT margin	<u>16.39%</u>	<u>12.69%</u>	

For the quarter ended 30 June 2019, the Group recorded a decrease in revenue of 2.28% to RM39.80 million as compared to RM40.73 million in the preceding quarter. This was mainly due to decrease in sales of health supplement products to export markets, offset by higher sales achieved for pharmaceutical products in export markets.

The Group recorded a profit before tax of RM5.58 million in the current quarter as compared to the profit before tax of RM5.21 million in the preceding quarter. Increase in net profit margin in current quarter as compared to preceding quarter was mainly due to rationalisation of selling and administration expenses, higher foreign exchange gain and lower advertisement & promotional expenses incurred in current quarter offset by lower sales achieved.

**B3. Commentary on Prospects**

As the current economic conditions remain challenging, going into the new financial year, the Group will continue to strive to increase its revenue in both the local and export markets. It will also seek to secure new tenders and contract manufacturing to utilise its available production capacity while leveraging the R&D activities for new products.

The Board is of the view that the Group will remain profitable for the new financial year ending 30 June 2020 on the assumption that the economic conditions remain relatively unchanged.

**B4. Variance of Actual Profit from Forecast Profit or Profit Guarantee**

The Group did not issue any profit forecast or profit guarantee in the current quarter or in the prior financial period.

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**B5. Statement by Directors**

The Group did not disclose or announce any profit forecast or projection in a public document in the current quarter or prior financial period.

**B6. Breakdown of Tax Charges**

	Quarter		12 Months	
	Ended 30 Jun		Ended 30 Jun	
	2019	2018	2019	2018
	RM'000	RM'000	RM'000	RM'000
Income tax:				
- Current tax expense	94	69	205	144
- (Over)/Under provision in prior period	(2)	10	(2)	10
Deferred Taxation	(1,034)	-	(1,034)	-
Total tax expenses	<u>(942)</u>	<u>79</u>	<u>(831)</u>	<u>154</u>

The effective tax rate of the Group is lower than the statutory rate due to the utilisation of double deduction tax incentives for the eligible expenses provided under the Promotion of Investments Act 1986. Deferred tax assets have been recognised for the unused tax credit to the extent that it is probable that the future taxable profit will be available against which the unused tax credit can be utilised.

**B7. Status of Corporate Proposals**

There were no corporate proposals announced by the Company as at the date of the issue of this quarterly report.

**B8. Details of Group Borrowings and Debt Securities**

The Group's borrowings as at the end of this financial period were as follows:

	As at	As at
	30-06-19	30-06-18
	RM'000	RM'000
(a) Short Term Borrowings		
<u>Unsecured</u>		
Bills and other trade financing liabilities		
- Denominated in Ringgit Malaysia	-	287
	<u>-</u>	<u>287</u>
<u>Secured</u>		
HP Creditors	103	305
Term loan	12,900	11,217
	<u>13,003</u>	<u>11,809</u>
(b) Long Term Borrowings		
<u>Secured</u>		
HP Creditors	44	147
Term loan	31,401	45,746
	<u>31,445</u>	<u>45,893</u>

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**B9. Derivative Financial Instruments**

- (a) Derivative financial instruments are categorised as fair value through profit or loss and measured at their fair value with the changes in fair value recognised in the income statement at each reporting date. Financial instruments are viewed as risk management tools by the Group and are not used for trading or speculative purposes.

The outstanding Forward Foreign Exchange Contract as at 30 June 2019 are as follows:

	<b>Contract Amount RM'000</b>	<b>Fair Value RM'000</b>	
Foreign Exchange Forward Contracts			
- Less than 1 year	<u>1,730</u>	<u>1,718</u>	USD 0.415 million

These forward foreign exchange contracts were entered into to hedge against fluctuations in exchange rates. The settlement dates of these contracts range from July 2019 to September 2019.

- (b) There have been no changes since the end of the previous financial year in respect of the following:
- the types of derivative financial contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts;
  - the risk management policies in place for mitigating and controlling the risks associated with these financial derivative contracts; and
  - the related accounting policies.

**B10. Material Litigation**

There was no material litigation since the last financial period ended 30 June 2019 and up to 21 August 2019.

**B11. Dividend Declared**

No dividend has been proposed in respect of the current financial period ended 30 June 2019.

**B12. Profit before tax**

	<b>Quarter Ended 30 Jun</b>		<b>12 Months Ended 30 Jun</b>	
	<b>2019 RM'000</b>	<b>2018 RM'000</b>	<b>2019 RM'000</b>	<b>2018 RM'000</b>
Profit before tax is arrived at after (crediting)/charging:				
Interest income	(211)	(104)	(646)	(330)
Other income	(39)	(35)	(435)	(561)
Depreciation and amortisation	3,629	3,407	13,991	13,523
Amortisation of deferred income	(74)	(73)	(295)	(282)
Bad debts written off	-	-	-	3
Rental income from investment properties	(7)	(22)	(60)	(89)
Reversal of impairment loss on trade receivables	23	(562)	(272)	(562)
Impairment loss on trade receivables	324	209	324	209
Gain on disposal of property, plant and equipment	(27)	-	(43)	(49)
Property, plant and equipment written off	4	6	28	12
Inventories written down	-	233	977	233
Foreign exchange (gain) / loss				
- realised	(494)	138	(1,588)	1,068
- unrealised	(154)	(1,199)	301	(677)
Fair value gain on derivatives financial instrument	(12)	-	(12)	-
Government grant received	-	-	(163)	(117)

There was no gain or loss on disposal of quoted or unquoted investment or properties nor any exceptional items for the current quarter and financial period ended 30 June 2019.

**KOTRA INDUSTRIES BERHAD (497632-P)**  
 QUARTERLY REPORT ON CONSOLIDATED RESULTS  
 FOR THE FORTH FINANCIAL QUARTER ENDED 30 JUNE 2019

**B13. Earnings Per Share**

	Quarter Ended 30 Jun		12 Months Ended 30 Jun	
	2019	2018	2019	2018
<b>(a) Basic Earnings Per Share</b>				
Net Profit attributable to shareholders (RM'000)	6,525	5,574	22,195	15,749
Weighted average number of ordinary shares ('000)	139,359	132,943	139,359	132,943
Basic Earnings per share (sen)	4.68	4.19	15.93	11.85
<b>(b) Diluted Earnings Per Share</b>				
Net Profit attributable to shareholders (RM'000)	6,525	5,574	22,195	15,749
Weighted average number of ordinary shares ('000)	139,359	132,943	139,359	132,943
Adjustment for ESOS ('000)	2,369	8,938	2,369	8,938
	141,728	141,881	141,728	141,881
Diluted Earnings per share (sen)	4.60	3.93	15.66	11.10

**B14. Audit Report**

The auditors' report of the Group's annual financial statements for the year ended 30 June 2018 did not contain any qualification.

**BY ORDER OF THE BOARD**

**CHUA SIEW CHUAN**  
 Secretary

Date : 22 August 2019