

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
 FOR THE QUARTER ENDED 30 SEPTEMBER 2019**

PART A – NOTES TO THE INTERIM FINANCIAL REPORT

A1. ACCOUNTING POLICIES AND BASIS OF PREPARATION

This condensed consolidated interim financial statements (“Condensed Report”) have been prepared in accordance with MFRS 134: Interim Financial Reporting, IAS 34: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the Group’s annual audited financial statements for the year ended 31 December 2018. The explanatory notes attached to these condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2018.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent annual financial statements for the financial year ended 31 December 2018, except for the adoption of the following MFRS:

Descriptions	Effective for annual periods commencing on or after
MFRS 16 Leases	1 January 2019

The main effects of the adoption of MFRS 16 Leases are summarised as below:

MFRS 16 Leases

MFRS 16 - Leases supersedes MFRS 117 - Leases and its related interpretations. MFRS 16 requires lessee to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under MFRS 117. The standard includes two recognition exemptions for lessee – leases of ‘low-value’ assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessee will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessee will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under MFRS 16 is substantially unchanged from today’s accounting under MFRS 117. Lessors will continue to classify all leases using the same classification principle as in MFRS 117 and distinguish between two types of leases: operating and finance leases.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
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A1. ACCOUNTING POLICIES AND BASIS OF PREPARATION (CONT'D)

The main effects of the adoption of MFRS 16 Leases are summarised as below (cont'd):

MFRS 16 Leases (cont'd)

MFRS 16, which is effective for annual periods beginning on or after 1 January 2019, requires lessee and lessor to make more extensive disclosures than under MFRS 117.

The changes in accounting policies have been applied retrospectively from 1 January 2019. The Group elected to use the exemptions proposed by the standard on lease contracts for which the lease terms ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value. The Group has leases of certain office equipment (i.e., personal computers, printing and photocopying machines) that are considered of low value. In accordance with the transition requirements, comparatives are not restated.

The Group has performed a detailed impact assessment of MFRS 16 and in the opinion that there is no material impact for the Group.

A2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the preceding annual financial statements for the FYE 31 December 2018 was not subject to any qualification.

A3. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items during this quarter.

A4. SEASONAL OR CYCLICAL FACTORS

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

A5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have had a material effect in the current quarter results.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
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A6. SHARE CAPITAL AND SHARE PREMIUM

Included in share capital is share premium amounting to RM14,538,275 of which has been expired on 30 January 2019 under Section 74 of Companies Act 2016. The Company had filed with the Companies Commission of Malaysia (“CCM”) the Notice of Share Capital under Section 618 of the Companies Act 2016 to confirm the amount standing to the credit of Share Premium Account had become part of share capital of the Company.

A7. DEBT AND EQUITY SECURITIES

There were no issuance or repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares for the quarter ended 30 September 2019 save for the following:

Details of treasury shares held

	Number of Treasury Shares
Balance as at 30 June 2019	<u>12,698,000</u>
Repurchased during the quarter ended 30 September 2019	<u>-</u>
Balance as at 30 September 2019	<u>12,698,000</u>

A8. DIVIDEND PAID

During the financial period-to-date, the Company paid a final single-tier dividend of 0.5 sen per share for the financial year ended 31 December 2018 amounting to RM2.4 million on 19 July 2019.

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**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019**

A9. OPERATING REVENUE

OPERATING REVENUE BY GEOGRAPHICAL AREA FOR THE QUARTER ENDED

	Malaysia			Others [#]			Total		
	30/9/2019 RM'000	30/9/2018 RM'000	Changes %	30/9/2019 RM'000	30/9/2018 RM'000	Changes %	30/9/2019 RM'000	30/9/2018 RM'000	Changes %
Major segments:									
EDCCS*	10,482	18,958	(44.7)	1,518	2,133	(28.8)	12,000	21,091	(43.1)
Properties	18,234	850	2045.2	-	-	-	18,234	850	2045.2
Total revenue	28,716	19,808	45.0	1,518	2,133	(28.8)	30,234	21,941	37.8

OPERATING REVENUE BY GEOGRAPHICAL AREA FOR PERIOD ENDED

	Malaysia			Others [#]			Total		
	30/9/2019 RM'000	30/9/2018 RM'000	Changes %	30/9/2019 RM'000	30/9/2018 RM'000	Changes %	30/9/2019 RM'000	30/9/2018 RM'000	Changes %
Major segments:									
EDCCS*	40,357	40,340	0.0	7,950	7,733	2.8	48,307	48,073	0.5
Properties	49,713	6,688	643.3	-	-	-	49,713	6,688	643.3
Total revenue	90,070	47,028	91.5	7,950	7,733	2.8	98,020	54,761	79.0

* Enterprise Data Collection and Collation System ("EDCCS")

Based on an exchange rate of HKD100 : RM53.44, being the closing rate quoted by the Bank Negara Malaysia ("BNM") as at 30 September 2019.

A10. OTHER INCOME

	Quarter Ended			Period Ended		
	30/9/2019 RM'000	30/9/2018 RM'000	Changes %	30/9/2019 RM'000	30/9/2018 RM'000	Changes %
Interest income	65	166	(60.8)	326	543	(40.0)
Gain on foreign exchange	(8)	26	(130.8)	20	89	(77.5)
Gain on disposal of property plant & equipment ("PPE")	-	-	-	-	3	(100.0)
Net gain on disposal of an associate	-	-	-	997	-	100.0
Reversal of allowance for expected credit losses on trade receivables	10	27	100.0	11	53	(79.2)
Rental income	34	34	0.0	104	104	0.0
Miscellaneous income	(2)	7	(128.6)	25	27	(7.4)
Total other income	99	260	(61.9)	1,483	819	81.1

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019**

A11. OTHER SEGMENTAL INFORMATION

OPERATING SEGMENT BY PRODUCT FOR THE QUARTER ENDED

	EDCCS			Properties			Total		
	30/9/2019 RM'000	30/9/2018 RM'000	Changes %	30/9/2019 RM'000	30/9/2018 RM'000	Changes %	30/9/2019 RM'000	30/9/2018 RM'000	Changes %
Revenue (note A9)	12,000	21,091	(43.1)	18,234	850	2045.2	30,234	21,941	37.8
Other income (note A10)	92	240	(61.7)	7	20	(65.0)	99	260	(61.9)
Direct costs	(13,027)	(18,597)	(30.0)	(16,806)	(1,289)	1203.8	(29,833)	(19,886)	50.0
Segmental profit before	(935)	2,734 ✓	(134.2)	1,435	(419) ✓	442.5	500	2,315	(78.4)
Finance cost	(29)	(34)	(14.7)	-	(31)	(100.0)	(29)	(65)	(55.4)
Depreciation and amortisation	(116)	(113)	2.7	-	-	-	(116)	(113)	2.7
Inventories written off/down	(405)	-	100.0	-	-	-	(405)	-	100.0
Share of results of associates	-	198	(100.0)	-	-	-	-	198	(100.0)
Income tax expenses	102	(404)	125.2	(316)	80	(495.0)	(214)	(324)	(34.0)
Segmental net profit	(1,383)	2,381 ✓	(158.1)	1,119	(370) ✓	402.4	(264)	2,011	(113.1)

OPERATING SEGMENT BY PRODUCT FOR PERIOD ENDED

	EDCCS			Properties			Total		
	30/9/2019 RM'000	30/9/2018 RM'000	Changes %	30/9/2019 RM'000	30/9/2018 RM'000	Changes %	30/9/2019 RM'000	30/9/2018 RM'000	Changes %
Revenue (note A9)	48,307	48,073	0.5	49,713	6,688	643.3	98,020	54,761	79.0
Other income (note A10)	1,450	758	91.3	33	61	(45.9)	1,483	819	81.1
Direct cost	(46,737)	(44,623)	4.7	(43,890)	(6,719)	553.2	(90,627)	(51,342)	76.5
Segmental profit before	3,020	4,208 ✓	(28.2)	5,856	30 ✓	19420.0	8,876	4,238	109.4
Finance cost	(57)	(198)	(71.2)	-	(37)	(100.0)	(57)	(235)	(75.7)
Depreciation and amortisation	(352)	(340)	3.5	-	-	-	(352)	(340)	3.5
Inventories written off/down	(506)	-	100.0	-	-	-	(506)	-	100.0
Share of results of associates	50	394	(87.3)	-	-	-	50	394	(87.3)
Income tax expenses	(672)	(406)	65.5	(1,307)	(78)	1575.6	(1,979)	(484)	308.9
Segmental net profit	1,483	3,658 ✓	(59.5)	4,549	(85) ✓	5451.8	6,032	3,573	68.8

Other than the items mentioned above which have been included in the statement of profit or loss and other comprehensive income, there were no other income including investment income, provision for and write off of receivables and inventories, gain or loss on disposal of unquoted investments or properties, impairment of assets, gain or loss on derivatives and exceptional items for the current quarter and period ended 30 September 2019.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019**

A12. CARRYING AMOUNT OF REVALUED ASSETS

The valuations of property, plant and equipment (“PPE”) have been brought forward without amendment from the financial statement for the year ended 31 December 2018. All PPE, except for land and building, are stated at cost less accumulated depreciation and less any impairment losses. Land and building are shown at fair values, based on valuations by external independent valuers, less subsequent accumulated depreciation on buildings and any accumulated impairment losses.

A13. SUBSEQUENT EVENTS

Grand-Flo had on 14 October 2019 announced that Innoceria Sdn Bhd, a wholly-owned subsidiary of the Company had entered into a conditional joint venture agreement with Pembinaan Maka Cemerlang Sdn Bhd to jointly develop 381 pieces of leasehold land located in Kampar, Perak into a mixed development project comprising single-storey terrace houses and double-storey shop houses (“Proposed Joint Venture”).

Concurrently with the Proposed Joint Venture, Grand-Flo also proposes to undertake a proposed private placement of up to 47,041,771 new ordinary shares in Grand-Flo, representing up to approximately 10.0% of the total number of issued shares of Grand-Flo (excluding treasury shares) at an issue price to be determined later (“Proposed Private Placement”). Bursa had on 30 October 2019 and 13 November 2019 approved the listing and quotation of the Proposed Private Placement and the Proposed Joint Venture respectively.

The Proposed Joint Venture is subject to the non-interested shareholders’ approval in an Extraordinary General Meeting (“EGM”) which will be held on 9 December 2019.

Save from the above, there were no significant subsequent events from 30 September 2019 to the date of this report, which will have a material effect on the financial results of the Group for the quarter under review.

A14. CHANGES IN COMPOSITION OF THE GROUP

Grand-Flo had on 11 March 2019 announced that Labels Network Sdn. Bhd. (“LNSB”), a wholly-owned subsidiary of Grand-Flo, had entered into a Share Purchase Agreement with Simat Technologies Public Company Limited (“Simat”) for the disposal of LNSB’s entire shareholding comprising 480,000 ordinary shares of THB10.00 each, representing 14.12% of the total issued share capital of Simat Label Company Limited (“Simat Labels”), for a cash consideration of THB26,000,000 (equivalent to approximately RM3,309,800). The sale was completed on 18 March 2019.

Save from the above, there were no other material changes in the composition of the Group for the quarter under review.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
 FOR THE QUARTER ENDED 30 SEPTEMBER 2019**

A15. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities or contingent assets of the Group during the quarter under review.

A16. CAPITAL COMMITMENTS

There were no material commitments as at the end of the current quarter under review.

A17. RELATED PARTY TRANSACTIONS

There were no related party transactions which would have a material impact on the financial position and the business of the Group during the current quarter under review except for the following:

	Quarter ended 30/9/2019 RM'000	Period ended 30/9/2019 RM'000
Management fees to a related party	328	963
Sales to a related party	5,350	5,367
Purchases from a related party	-	7
	<hr/>	<hr/>

The above related party transactions are recurrent transactions of a revenue or trading nature and are at arm's length entered in the ordinary course of business on terms not more favourable to the related party than those generally available to the public.

A18. STATUS OF UTILISATION OF PROCEEDS

- a) Grand-Flo had on 19 October 2017, 3 November 2017 and 7 November 2017 disposed of entire shareholding comprising 48,899,373 Simat Shares, representing approximately 12.31% equity interest in Simat, at a disposal price of THB2.70 per shares for a total cash consideration of RM15,002,313 (THB132,028,307). The sale proceeds had been fully utilized as working capital purpose in June 2019.
- b) On 11 March 2019, LNSB had entered into a Share Purchase Agreement with Simat for the disposal of LNSB's entire shareholding comprising 480,000 ordinary shares of THB10.00 each, representing 14.12% of the total issued share capital of Simat Label, for a cash consideration of RM3,309,800 (THB26,000,000). The sale proceeds had been fully utilized as working capital purpose in July 2019.

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PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE MAIN MARKET

B1. REVIEW OF OVERALL PERFORMANCE

	Quarter Ended			Period Ended		
	30/9/2019 RM'000	30/9/2018 RM'000	Changes %	30/9/2019 RM'000	30/9/2018 RM'000	Changes %
Revenue	30,234	21,941	37.8	98,020	54,761	79.0
Cost of sales	(23,975)	(15,583)	53.9	(73,281)	(38,257)	91.5
Gross profit	6,259	6,358	(1.6)	24,739	16,504	49.9
(Loss)/Profit before taxation ("LBT"/"PBT")	(50)	2,335	(102.1)	8,011	4,057	97.5
(Loss)/Profit after taxation ("LAT"/"PAT")	(264)	2,011	(113.1)	6,032	3,573	68.8

For the quarter ended 30 September 2019

Revenue for the current quarter ended 30 September 2019 increased 37.8% from RM21.9 million in the preceding year's corresponding quarter to RM30.2 million for the current quarter under review mainly due to higher sales from the Property Development division.

The Group's LBT for the current quarter was attributed to lower sales hence a loss from the EDCCS division for the current quarter under review.

For the period ended 30 September 2019

The Group's revenue for the current period ended 30 September 2019 increased by 79.0% to RM98.0 million as compared to the previous year's corresponding quarter mainly contributed by strong sales from the Property Development division.

The Group PBT grew 97.5% to RM8.0 million (included a gain on disposal of an associate company of RM1.0 million) from PBT of RM4.1 million for the same period last year. Had the gain been excluded, the PBT would have been RM7.0 million in the current period ended 30 September 2019.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019**

B1. REVIEW OF OVERALL PERFORMANCE (CONT'D)

i) EDCCS

	Quarter Ended			Period Ended		
	30/9/2019 RM'000	30/9/2018 RM'000	Changes %	30/9/2019 RM'000	30/9/2018 RM'000	Changes %
Revenue	12,000	21,091	(43.1)	48,307	48,073	0.5
Cost of sales	(8,642)	(14,916)	(42.1)	(32,836)	(33,376)	(1.6)
Gross profit	3,358	6,175	(45.6)	15,471	14,697	5.3
(Loss)/Profit before taxation ("LBT"/"PBT")	(1,485)	2,785	(153.3)	2,155	4,064	(47.0)
(Loss)/Profit after taxation ("LAT"/"PAT")	(1,383)	2,381	(158.1)	1,483	3,658	(59.5)

For the quarter ended 30 September 2019

The EDCCS division recorded revenue of RM12.0 million in the current quarter as compared to revenue of RM21.1 million in the preceding year's corresponding quarter, decreased by 43.1%. The lower sales for the current quarter had resulted a LBT of RM1.5 million as compared to the PBT of RM2.8 million in the preceding year's corresponding quarter.

For the period ended 30 September 2019

The EDCCS division recorded revenue of RM48.3 million and PBT of RM2.2 million for the current period ended 30 September 2019 compared to revenue of RM48.1 million and PBT of RM4.1 million in the corresponding period ended 30 September 2018, representing a marginal increase in revenue of 0.5% and reduction in PBT of 47.0% respectively. Included in the PBT of RM2.2 million in the current period was a gain of RM1.0 million from disposal of an associate company.

With the exclusion of the gain, the PBT would have been RM1.2 million for the current period ended 30 September 2019 as compared to PBT of RM4.1 million for the preceding year's corresponding period under review. This reduction was mainly attributed to lower sales margin from the sales mix of the current period.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019**

B1. REVIEW OF OVERALL PERFORMANCE (CONT'D)

i) Property Development

	Quarter Ended			Period Ended		
	30/9/2019 RM'000	30/9/2018 RM'000	Changes %	30/9/2019 RM'000	30/9/2018 RM'000	Changes %
Revenue	18,234	850	2045.2	49,713	6,688	643.3
Cost of sales	(15,333)	(667)	2198.8	(40,365)	(4,881)	727.0
Gross profit	2,901	183	1485.2	9,348	1,807	417.3
Profit/(Loss) before taxation ("PBT"/"LBT")	1,435	(450)	418.9	5,856	(7)	83757.1
Profit/(Loss) after taxation ("PAT"/"LAT")	1,119	(370)	402.4	4,549	(85)	5451.8

For the quarter ended 30 September 2019

Property Development division's revenue for the quarter ended 30 September 2019 of RM18.2 million which 75% of the sales were contributed from the sales of Vortex Business Park units.

For the quarter under review, the division posted PBT of RM1.4 million as compared to the LBT of RM0.5 million in the previous year's corresponding quarter, mainly attributed to the higher revenue for the quarter under review.

For the period ended 30 September 2019

Property Development division's revenue for current period ended 30 September 2019 were derived from sales of The Glades and Vortex Business Park units. As a result of stronger sales from both the projects, the division posted PBT of RM5.9 million as compared to a LBT of RM0.1 million in the previous year's corresponding period.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
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B2. MATERIAL CHANGES IN QUARTERLY RESULTS

Group	Quarter Ended		
	30/9/2019 RM'000	30/6/2019 RM'000	Changes %
Revenue	30,234	23,583	28.2
Cost of sales	(23,975)	(16,303)	47.1
Gross profit	6,259	7,280	(14.0)
(Loss)/Profit before taxation ("LBT"/"PBT")	(50)	1,755	(102.8)
(Loss)/Profit after taxation ("LAT"/"PAT")	(264)	1,222	(121.6)

The Group recorded revenue of RM30.2 million and LBT of RM0.1 million for the current quarter compared to revenue of RM23.6 million and PBT of RM1.8 million in the preceding quarter, representing an increase in revenue of 28.2% and reduction of PBT of 102.8%. This was mainly due to the lower sales margin from the EDCCS division.

EDCCS	Quarter Ended		
	30/9/2019 RM'000	30/6/2019 RM'000	Changes %
Revenue	12,000	12,539	(4.3)
Cost of sales	(8,642)	(7,088)	21.9
Gross profit	3,358	5,451	(38.4)
(Loss)/Profit before taxation ("LBT"/"PBT")	(1,485)	774	(291.9)
(Loss)/Profit after taxation ("LAT"/"PAT")	(1,383)	490	(382.2)

For the current quarter under review, EDCCS division recorded a marginally decrease in revenue of 4.3% as compared with the preceding quarter. PBT reduced by 291.9% for the current quarter under review mainly attributed to the lower sales margin and inventory written off of RM0.5 million.

Property Development	Quarter Ended		
	30/9/2019 RM'000	30/6/2019 RM'000	Changes %
Revenue	18,234	11,044	65.1
Cost of sales	(15,333)	(9,215)	66.4
Gross profit	2,901	1,829	58.6
Profit before taxation ("PBT")	1,435	981	46.3
Profit after taxation ("PAT")	1,119	732	52.9

For the quarter under review, the division posted PBT of RM1.4 million as compared to RM1.0 million in the preceding quarter, mainly contributed by its higher sales for the current quarter under review.

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B3. COMMENTARY ON PROSPECTS

For the current financial year, the Board is optimistic that the Property Development division will continue to contribute positively to the Group's top and bottom line whilst the EDCCS business is anticipated to remain competitive.

B4. TAXATION

	Quarter ended 30/9/2019 RM'000	Period ended 30/9/2019 RM'000
Estimated income tax :		
Malaysia income tax	231	1,936
Foreign income tax	(17)	43
	<hr/> 214	<hr/> 1,979

The effective tax rate is higher than the statutory tax rate for the quarter under review due to certain expenses which are not deductible for tax purposes.

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2018: 24%) of the estimated assessable profit for the quarter and the year.

B5. STATUS OF CORPORATE PROPOSALS AS AT 20 NOVEMBER 2019

Save from the Proposed Joint Venture and the Proposed Private Placement mentioned in Note A13, there were no corporate proposals announced but not completed as at 20 November 2019, being the latest practicable date, not earlier than seven (7) days from the date of issuance of this report.

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**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019**

B6. BORROWINGS

The borrowings of the Company as at 30 September 2019 were as follows:

	As at 30/9/2019 RM'000	As at 30/9/2018 RM'000
Secured Short-term (due within 12 months):		
Bankers' acceptance / factoring	1,276	2,533
Term loan	126	126
Hire purchase & lease payables	19	51
	<u>1,421</u>	<u>2,710</u>
Secured Long-term (due after 12 months):		
Term loan	572	655
Hire purchase & lease payables	22	-
	<u>594</u>	<u>655</u>
Total Borrowings	<u>2,015</u>	<u>3,365</u>

There was no unsecured borrowing for the current quarter. All borrowings were denominated in Ringgit Malaysia.

The effective annual interest rates at the reporting date for borrowings are as follows:

	2019	2018
	%	%
Bankers' Acceptance	5.29 – 5.50	5.29 – 5.50
Overdraft	-	-
Term loan	5.35 – 8.26	5.35 – 8.26
Hire purchase & lease payables	<u>4.66 – 6.99</u>	<u>4.66 – 6.99</u>

B7. MATERIAL LITIGATION

The Directors are not aware of any material litigations or claims against the Group and Company as at 20 November 2019, being the latest practicable date, not earlier than seven (7) days from the date of issuance of this report.

B8. DIVIDEND

(a) The Board does not recommend any interim dividend for the quarter ended 30 September 2019 of the financial year ending 31 December 2019 (3rd quarter 2018: Nil).

(b) For the financial year-to-date, no dividend has been declared (2018: 0.60 sen).

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
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B9. EARNINGS PER SHARE

(a) **Basic earnings per share**

The basic earnings per share is calculated based on Group's net profit attributable to the owners of the Company divided by the weighted average number of ordinary shares in issue during the period as follows:-

	Quarter ended 30/9/2019	Period ended 30/9/2019
Net profit attributable to ordinary equity holders of the parent (RM'000)	(418)	5,045
Weighted average number of ordinary shares in issue ('000)	470,848	470,532
Basic earnings per share (sen)	(0.09)	1.07

(b) **Diluted earnings per share**

Diluted earnings per share is not applicable as there were no potential ordinary shares in issue for the current quarter and cumulative quarter.

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