



MAG Holdings Berhad

(formerly known as XingHe Holdings Berhad)

200401004611 (643114-X)

(Incorporated in Malaysia)

Interim Financial Statements

for the Second Quarter

From

1 April 2020 to 30 June 2020

MAG Holdings Berhad

(formerly known as XingHe Holdings Berhad)

200401004611 (643114-X)

(Incorporated in Malaysia)

Interim Financial Statements for the Second Quarter Ended 30 June 2020

Condensed Consolidated Statement of Profit or Loss

	Individual Quarter		Cumulative Quarter	
	30-Jun-20 RM'000 (Unaudited)	30-Jun-19 RM'000 (Unaudited)	30-Jun-20 RM'000 (Unaudited)	30-Jun-19 RM'000 (Unaudited)
Continuing operations				
Revenue	14,217	-	16,454	-
Cost of sales	(12,348)	-	(13,948)	-
Gross profit	1,869	-	2,506	-
Other income	3,475	-	3,559	-
Operating expenses	(802)	(361)	(1,019)	(661)
Finance costs	(576)	-	(1,152)	-
Foreign exchange loss	(2,263)	-	(1,993)	-
Share of loss of an associate	(110)	-	(643)	-
Profit/(loss) before taxation	1,593	(361)	1,258	(661)
Taxation	-	(8)	-	(16)
Profit/(loss) from continuing operations	1,593	(369)	1,258	(677)
Discontinued operations				
Profit/(loss) from discontinued operations, net of tax	-	(1,987)	-	1,861
Profit/(loss) for the period	1,593	(2,356)	1,258	1,184
Profit/(loss) for the period attributable to:				
Owners of the Company:				
- from continuing operations	1,544	(369)	1,249	(677)
- from discontinued operations	-	(2,151)	-	1,629
	1,544	(2,520)	1,249	952
Non-controlling interests:				
- from continuing operations	49	-	9	-
- from discontinued operations	-	164	-	232
	49	164	9	232
	1,593	(2,356)	1,258	1,184
Earnings/(loss) per share:				
Basic (Sen)				
- from continuing operations	0.25	(0.11)	0.20	(0.21)
- from discontinued operations	-	(0.67)	-	0.51
	0.25	(0.78)	0.20	0.30
Diluted (Sen)				
- from continuing operations	0.23	(0.11)	0.26	(0.21)
- from discontinued operations	-	(0.67)	-	0.51
	0.23	(0.78)	0.26	0.30

The preceding corresponding quarter and year to-date's earnings/(loss) per share have been restated to reflect the effect of the share consolidation of 8 existing shares into 1 new share on 7 August 2019.

The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to these interim financial statements.

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Interim Financial Statements for the Second Quarter Ended 30 June 2020

Condensed Consolidated Statement of Comprehensive Income

	Individual Quarter		Cumulative Quarter	
	30-Jun-20 RM'000 (Unaudited)	30-Jun-19 RM'000 (Unaudited)	30-Jun-20 RM'000 (Unaudited)	30-Jun-19 RM'000 (Unaudited)
Profit/(loss) for the period	1,593	(2,356)	1,258	1,184
Other comprehensive income, net of tax:				
Items that may be reclassified subsequently to profit or loss:				
Continuing operations				
Foreign currency translations	10,088	(662)	12,364	(1,325)
Discontinued operations				
Foreign currency translations	-	(1,159)	-	793
Total other comprehensive income for the period, net of tax	<u>10,088</u>	<u>(1,821)</u>	<u>12,364</u>	<u>(532)</u>
Total comprehensive income for the period, net of tax	<u><u>11,681</u></u>	<u><u>(4,177)</u></u>	<u><u>13,622</u></u>	<u><u>652</u></u>
Total comprehensive income attributable to:				
Owners of the Company				
- from continuing operations	11,632	(1,031)	13,613	(2,002)
- from discontinued operations	-	(3,310)	-	2,422
	<u>11,632</u>	<u>(4,341)</u>	<u>13,613</u>	<u>420</u>
Non-controlling interests				
- from continuing operations	49	-	9	-
- from discontinued operations	-	164	-	232
	<u>49</u>	<u>164</u>	<u>9</u>	<u>232</u>
	<u><u>11,681</u></u>	<u><u>(4,177)</u></u>	<u><u>13,622</u></u>	<u><u>652</u></u>

The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to these interim financial statements.

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Interim Financial Statements for the Second Quarter Ended 30 June 2020

Condensed Consolidated Statement of Financial Position

	30-Jun-20	31-Dec-19
	RM'000	RM'000
	(Unaudited)	(Audited)
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	96,930	98,549
Investment in an associate	93,696	94,339
Loan to an associate	245,313	234,723
Goodwill	1,388	1,388
	<u>437,327</u>	<u>428,999</u>
CURRENT ASSETS		
Biological assets	4,898	3,118
Inventories	755	502
Trade and other receivables	27,590	11,824
Cash and bank balances	98,022	94,936
	<u>131,265</u>	<u>110,380</u>
TOTAL ASSETS	<u><u>568,592</u></u>	<u><u>539,379</u></u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	350,309	346,680
Reserves	145,179	131,566
Total equity attributable to owners of the Company	<u>495,488</u>	<u>478,246</u>
Non-controlling interest	1,698	1,689
TOTAL EQUITY	<u><u>497,186</u></u>	<u><u>479,935</u></u>
NON-CURRENT LIABILITIES		
Bank borrowings	47,614	47,976
Lease liability	64	72
	<u>47,678</u>	<u>48,048</u>
CURRENT LIABILITIES		
Trade and other payables	19,173	9,117
Bank borrowings	4,500	2,224
Lease liability	23	23
Taxation	32	32
	<u>23,728</u>	<u>11,396</u>
TOTAL LIABILITIES	<u><u>71,406</u></u>	<u><u>59,444</u></u>
TOTAL EQUITY AND LIABILITIES	<u><u>568,592</u></u>	<u><u>539,379</u></u>
Net assets per share (Sen)	<u><u>80</u></u>	<u><u>80</u></u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to these interim financial statements.

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Interim Financial Statements for the Second Quarter Ended 30 June 2020
Condensed Consolidated Statement of Changes in Equity (Unaudited)

	Attributable to owners of the Company						Total Equity RM'000
	<-----Non-distributable----->			Distributable		Non- Controlling Interests RM'000	
	Share Capital RM'000	Redeemable Convertible Notes RM'000	Exchange Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000		
At 1 January 2020	346,680	-	5,514	126,052	478,246	1,689	479,935
Total comprehensive income							
Profit for the period	-	-	-	1,249	1,249	9	1,258
Foreign currency translations	-	-	12,364	-	12,364	-	12,364
	-	-	12,364	1,249	13,613	9	13,622
Transactions with owners of the Company							
Issuance of redeemable convertible notes ("RCN")	-	4,000	-	-	4,000	-	4,000
Conversion of RCN into ordinary shares	4,000	(4,000)	-	-	-	-	-
Amortisation of RCN transaction costs	(371)	-	-	-	(371)	-	(371)
	3,629	-	-	-	3,629	-	3,629
At 30 June 2020	350,309	-	17,878	127,301	495,488	1,698	497,186

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to these interim financial statements.

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Interim Financial Statements for the Second Quarter Ended 30 June 2020
Condensed Consolidated Statement of Changes in Equity (Unaudited)

	Attributable to owners of the Company							Non-Controlling Interests	Total Equity
	<----- Non-Distributable ----->			Distributable					
	Share Capital	Capital Reserve	Statutory Reserve	Reverse Acquisition Reserve	Exchange Translation Reserve	Retained Earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2019	296,693	3,983	18,901	(154,550)	52,856	234,807	452,690	41,060	493,750
Total comprehensive income									
Profit for the period	-	-	-	-	-	952	952	232	1,184
Foreign currency translations	-	-	-	-	(532)	-	(532)	-	(532)
	-	-	-	-	(532)	952	420	232	652
Transactions with owners of the Company:									
Issue of ordinary shares pursuant to exercise of warrants	70	-	-	-	-	-	70	-	70
	70	-	-	-	-	-	70	-	70
At 30 June 2019	296,763	3,983	18,901	(154,550)	52,324	235,759	453,180	41,292	494,472

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to these interim financial statements.

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Interim Financial Statements for the Second Quarter Ended 30 June 2020
Condensed Consolidated Statement of Cash Flows

	30-Jun-20	30-Jun-19
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Cash Flows from Operating Activities		
Profit/(loss) before taxation:		
from continuing operations	1,258	(661)
from discontinued operations	-	3,137
	1,258	2,476
Adjustments for:		
Amortisation of land use rights	-	167
Depreciation of property, plant and equipment	1,990	58
Fair value adjustment on loan to an associate	(3,346)	-
Finance costs	1,152	4,576
Interest income	(84)	(296)
Impairment loss on inventories	-	546
Share of loss of an associate	643	-
Unrealised foreign exchange loss	1,993	1,264
Operating profit before working capital changes	3,606	8,791
Changes in working capital:		
Biological assets	(1,780)	-
Inventories	(253)	(5,852)
Receivables	(15,766)	(92,354)
Payables	9,110	6,060
Cash flows used in operations	(5,083)	(83,355)
Interest paid	(206)	(4,576)
Tax refund	-	131
Net cash used in operating activities	(5,289)	(87,800)
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(371)	-
Interest income	84	296
Net cash (used in)/generated from investing activities	(287)	296
Cash Flows from Financing Activities		
Proceeds from issuance of shares	-	70
Proceeds from issuance of redeemable convertible notes ("RCN")	4,000	-
RCN issuance expenses	(371)	-
Drawdown of bank borrowings	2,303	-
Repayment of bank borrowings	(389)	-
Repayment of lease liability	(8)	(11)
Net cash generated from financing activities	5,535	59
Net decrease in cash and cash equivalents	(41)	(87,445)
Effects of exchange rate changes	3,127	(1,421)
Cash and cash equivalents at beginning of period	94,936	260,556
Cash and cash equivalents at end of period	98,022	171,690
Cash and cash equivalents comprise of:		
Cash and bank balances	98,022	171,690

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to these interim financial statements.

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Interim Financial Statements for the Second Quarter Ended 30 June 2020

A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING

A1 Basis of preparation

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“**MFRS**”) 134: *Interim Financial Reporting* and Rule 9.22 of the ACE Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the explanatory notes attached to this interim financial report. The explanatory notes 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 financial year ended 31 December 2019.

A2 Significant accounting policies

The accounting policies and methods of computation adopted by the Group in the preparation of the interim financial statements are consistent with those adopted in the preparation of the Group's financial statements for the year ended 31 December 2019, except for the adoption of the following accounting standards:

Effective for financial periods beginning on or after 1 January 2020

Amendment to MFRS 3 - *Definition of a Business*

Amendment to MFRS 9 and MFRS 7 - Interest Rate Benchmark Reform

Amendments to MFRS 101 and MFRS 108 - *Definition of Material*

Amendments to References to the Conceptual Framework in MFRS Standards

Effective for financial periods beginning on or after 1 June 2020

Amendment to MFRS 16 - *Covid-19 Related Rent Concessions*

The adoption of the above new standards, amendments to published standards and interpretation, where relevant, did not have any significant impact on the financial results of the Group.

A3 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 31 December 2019 was not qualified.

A4 Segment information

The Group's reportable segments are as follows:

Continuing operations

- (a) Live prawns aquaculture and other seafood products

Discontinued operations

- (a) Raw peanuts trading
(b) Branded products - peanut oil, blended oil, repackaged soybean oil and corn oil
(c) Non-branded products - non-branded peanut oil
(d) Others - peanut protein cake (a by-product) and other peanut by-products

As the Group's chief decision maker relies on internal reports which are similar to those currently disclosed externally, no further segment analysis is available for disclosure except for the following entity-wide disclosures as required by MFRS 8:

	Individual Quarter		Cumulative Quarter	
	30-Jun-20	30-Jun-19	30-Jun-20	30-Jun-19
	RM'000	RM'000	RM'000	RM'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue by products:				
<u>Continuing operations</u>				
Sale of live prawns and other seafood products	14,217	-	16,454	-
<u>Discontinued operations</u>				
Raw peanuts trading	-	166,701	-	432,340
Branded products	-	2,217	-	3,301
Non-branded products	-	2,727	-	4,263
Others	-	625	-	822
	-	172,270	-	440,726
	14,217	172,270	16,454	440,726

Gross profit/(loss) by products:

Continuing operations

Sale of live prawns and other seafood products	1,869	-	2,506	-
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Discontinued operations

Raw peanuts trading	-	4,753	-	9,657
Branded products	-	567	-	1,016
Non-branded products	-	788	-	1,446
Others	-	82	-	(66)
	-	6,190	-	12,053
	1,869	6,190	2,506	12,053

The Group's assets and liabilities are managed on a group-wide basis and are not allocated to any of the operating segments.

The Group's continuing operations are entirely operated in Malaysia, and therefore segment information based on geographical location is not presented.

A5 Unusual items due to their nature, size or incidence

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

A6 Changes in estimates

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

A7 Seasonality or cyclicity of operations

Live prawn aquaculture are affected by rainy season where the prawn fries supply is reduced by the lower productivity of the vendors' broodstock. In addition, the quality of prawn fries supplied is lower and the growth rate of prawn fries is also diminished during rainy season.

A8 Dividends paid

No dividends were paid by the Company during the current quarter and year to-date.

A9 Changes in debt and equity securities

Save as disclosed below, there were no issuances, cancellations, repurchases, resales and repayments of debt and equity securities during the current financial year to-date:

- (a) The Company issued RM4 million of redeemable convertible notes ("RCN"). These RCNs have been converted into 20 million ordinary shares at an issue price of RM0.20 per share, thereby increasing the Company's issued share capital from RM346.68 million to RM350.31 million.

Subsequent to the end of current quarter till 21 August 2020, being the latest practicable date which is not more than 7 days from the date of this quarterly report ("LPD"), the Company issued a further RM9 million RCNs which have also been converted into 45 million ordinary shares at an issue price of RM0.20 per share.

A10 Changes in the composition of the Group

There were no material changes in the composition of the Group during the current quarter and year to-date.

A11 Capital commitments

The Group has no material capital commitments as at the end of current quarter.

A12 Contingent assets or liabilities

The Group has no material contingent assets or liabilities since the end of the previous financial year.

A13 Material events subsequent to the end of current quarter

There were no material events subsequent to the end of current quarter, which have not been reflected in the interim financial statements for the second quarter ended 30 June 2020.

A14 Significant related party transactions

The related parties transactions of the Group have been entered into in the normal course of business and were carried out on normal commercial terms. List below are the significant transactions with related parties:

	Individual Quarter		Cumulative Quarter	
	30-Jun-20 RM'000 (Unaudited)	30-Jun-19 RM'000 (Unaudited)	30-Jun-20 RM'000 (Unaudited)	30-Jun-19 RM'000 (Unaudited)
With companies in which a Director who is also a substantial shareholder of the Company:				
- Rental of office space	22	-	45	-
- Sale of live prawns	2,220	-	3,975	-

A15 Fair value of financial instruments

Save for the fair value adjustment of RM3.35 million in 6M2020 on loan to an associate, there were no gain or loss arising from fair value changes on financial assets and liabilities for the current quarter and year to-date.

B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1 Review of performance

3 months ended 30 June 2020 ("2Q2020")

The Group recorded a profit before taxation of RM1.65 million in 2Q2020 on the back of RM14.22 million revenue from the prawn aquaculture and other seafood products business. The prawn aquaculture and other seafood products business shows encouraging performance, recording an EBITDA of RM2.80 million in 2Q2020.

The financial performance of edible oil and peanut trading business is reflected as a share of result of an associate, following the classification from a subsidiary to an associate of the Group. The edible oil and peanut trading continued to operate under difficult and challenging market conditions, the Group shared a loss of RM0.11 million in 2Q2020.

Other income of RM3.47 million in 2Q2020 came largely from the fair value adjustment on loan to an associate, Henan XingHe Oil and Fat Company Limited ("Henan XingHe").

The previous year's quarter ended 30 June 2019 comprised of the financial performance of edible oil and peanut trading business under Henan XingHe, is presented as discontinued operations following the classification from a subsidiary to an associate.

6 months ended 30 June 2020 ("6M2020")

The Group recorded a profit before taxation of RM1.26 million in 6M2020 on the back of RM16.45 million revenue from the prawn aquaculture and other seafood products business which recorded an EBITDA of RM4.0 million in 6M2020. The Group is working on achieving a better gross profit margin for its prawn aquaculture farming through improvement in operational efficiency and cost management.

The 6M2020 results saw a foreign exchange loss of RM1.99 million, attributed largely to inter-company balances' exchange rate fluctuations which is a non-cash item.

B2 Comparison with immediate preceding quarter's results

	Current Quarter 30-Jun-20 RM'000 (Unaudited)	Preceding Quarter 31-Mar-20 RM'000 (Unaudited)
Revenue	14,217	2,237
Cost of sales	(12,348)	(1,600)
Gross profit	<u>1,869</u>	<u>637</u>
Other income	3,475	84
Operating expenses	(802)	(217)
Finance costs	(576)	(576)
Foreign exchange (loss)/gain	(2,263)	270
Share of loss of an associate	(110)	(533)
Profit/(loss) before taxation	<u><u>1,593</u></u>	<u><u>(335)</u></u>

The prawn aquaculture and other seafood products business demonstrates encouraging results amidst a challenging operating environment with the mandated Government of Malaysia's movement control order. Revenue grew more than 100% from preceding quarter.

Other income relates mainly to fair value adjustment of RM3.35 million on loan to an associate.

The financial results of edible oil and peanut trading business is reflected in the share of loss of an associate amounting to RM0.11 million and RM0.533 million for the current quarter and preceding quarter respectively.

B3 Commentary on prospects

As part of the diversification, the Group had on 12 December 2019 completed the acquisition of Wakuba Farm, a prawn farm, for RM100.0 million. Wakuba Farm is a matured asset, which is revenue-generating and is expected to contribute meaningfully to the Group's financial performance in the current and future financial years. The Group premised this on the fact that notwithstanding the COVID-19 pandemic, the marine shrimp aquaculture market will continue growing due to a persistent increase in global and local demand for shrimps, declining levels of captured fisheries as well as growing consumer health consciousness. Nevertheless, the Group remains cautious on its short-term prospects which are challenging due to the COVID-19 pandemic which has resulted in uncertainties in the global economy.

In the longer term plan, the Group will look into the setting up of a processing plant to process prawns harvested from its farms. This will enable the Group to add value to its produce with better margin products such as "peeled and deveined" and "cooked" prawns to a wider market. The timeframe and financial resources required for this processing plant have yet to be determined at this juncture.

The Group envisaged that its prawn aquaculture business will be the main driver of its financial performance going forward. At the same time, maintaining Henan XingHe as an associate will enable the Group to work with the other shareholders to improve the edible oil business.

B4 Profit forecast or profit guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax with profit forecast and shortfall in profit guarantee are not applicable.

B5 Tax (income)/expense

	Individual Quarter		Cumulative Quarter	
	30-Jun-20 RM'000 (Unaudited)	30-Jun-19 RM'000 (Unaudited)	30-Jun-20 RM'000 (Unaudited)	30-Jun-19 RM'000 (Unaudited)
Income tax:				
Malaysian income tax	-	8	-	16
Republic of China income tax	-	595	-	1,163
	-	603	-	1,179
Deferred tax:				
Origination of temporary differences	-	(55)	-	113
	-	548	-	1,292

The effective tax rate of the Group for the current quarter and year to-date is lower than the statutory tax rate on non-taxable gain and availability of tax allowances.

B6 Status of corporate proposals announced but not completed

- (a) On the issuance of redeemable convertible notes ("RCN") with an aggregate principal amount of up to RM120 million, as at the current quarter ended 30 June 2020, RCN with an aggregate principal amount of RM59 million were issued and converted into new ordinary shares of the Company at a conversion price of RM0.20 per share. The utilisation of proceeds raised is as follows:

Purpose	Proposed Utilisation RM'000	Utilisation as at		Estimated timeframe *
		30 June 2020 RM'000		
(a) Financing the acquisition of a prawn farm	101,000	50,037		within 3 years
(b) Working capital for the prawn farm	9,000	867		within 6 months
(c) Estimated expenses in relation to the issuance of RCN:				
(i) Setting up costs	1,600	1,600		within 1 month
(ii) Implementation costs	8,400	6,437		within 3 years
	<u>120,000</u>	<u>58,941</u>		

* The estimated timeframe for the utilisation is from the date of issuance of the respective sub-tranches of the RCN.

- (b) On 10 April 2020, the Company announced a proposed issuance of up to 460,887,432 free warrants ("Warrant(s)") on the basis of one Warrant for every two existing ordinary shares of the Company. All the relevant approvals had been obtained and the entitlement date has been fixed on 26 August 2020. The exercise price of the Warrant has also been fixed at RM0.23.

B7 Borrowings and debt securities

The Group's borrowings, all of which are secured and denominated in Ringgit Malaysia, were as follows:

	30-Jun-20 RM'000 (Unaudited)	31-Dec-19 RM'000 (Audited)
Current:		
Trade working capital- <i>i</i>	2,005	-
Term financing - <i>i</i>	1,997	2,024
Cashline- <i>i</i>	498	200
	<u>4,500</u>	<u>2,224</u>
Non-current:		
Term financing - <i>i</i>	47,614	47,976
	<u>47,614</u>	<u>47,976</u>
Total	<u><u>52,114</u></u>	<u><u>50,200</u></u>

B8 Material litigations

The Group has no material litigation pending as at the LPD.

B9 Proposed dividends

No dividends have been declared or recommended for the current quarter ended 30 June 2020.

B10 Basic and diluted earnings/(loss) per share

	Individual Quarter		Cumulative Quarter	
	30-Jun-20 (Unaudited)	30-Jun-19 (Unaudited)	30-Jun-20 (Unaudited)	30-Jun-19 (Unaudited)
<u>Basic earnings/(loss) per share</u>				
Profit/(loss) attributable to owners of the Company (RM'000)				
- from continuing operations	1,544	(369)	1,249	(677)
- from discontinued operations	-	(2,151)	-	1,629
	<u>1,544</u>	<u>(2,520)</u>	<u>1,249</u>	<u>952</u>
Weighted average number of shares in issue ('000)	613,441	321,775	610,941	321,659
Basic earning/(loss) per share (Sen)				
- from continuing operations	0.25	(0.11)	0.20	(0.21)
- from discontinued operations	-	(0.67)	-	0.51
	<u><u>0.25</u></u>	<u><u>(0.78)</u></u>	<u><u>0.20</u></u>	<u><u>0.30</u></u>

B10 Basic and diluted earnings/(loss) per share (Cont'd)

	Individual Quarter		Cumulative Quarter	
	30-Jun-20 (Unaudited)	30-Jun-19 (Unaudited)	30-Jun-20 (Unaudited)	30-Jun-19 (Unaudited)
<u>Diluted earnings/(loss) per share</u>				
Profit/(loss) attributable to owners of the Company (RM'000)				
- from continuing operations	2,120	(369)	2,401	(677)
- from discontinued operations	-	(2,151)	-	1,629
	<u>2,120</u>	<u>(2,520)</u>	<u>2,401</u>	<u>952</u>
Weighted average number of shares in issue ('000)	918,441	321,692	915,941	321,692
Diluted earning/(loss) per share (Sen)				
- from continuing operations	0.23	(0.11)	0.26	(0.21)
- from discontinued operations	-	(0.67)	-	0.51
	<u>0.23</u>	<u>(0.78)</u>	<u>0.26</u>	<u>0.30</u>

B11 Notes to the statement of comprehensive income

Profit/(loss) before tax is derived after taking into account of the following income/(expense) items:

	Individual Quarter		Cumulative Quarter	
	30-Jun-20 RM'000 (Unaudited)	30-Jun-19 RM'000 (Unaudited)	30-Jun-20 RM'000 (Unaudited)	30-Jun-19 RM'000 (Unaudited)
Amortisation of land use rights	-	(84)	-	(167)
Depreciation of property, plant and equipment	(1,005)	(29)	(1,990)	(58)
Foreign exchanges loss	(2,263)	(3,636)	(1,993)	(1,264)
Impairment loss on inventories	-	(36)	-	(546)
Interest and profit charges on borrowings	(576)	(2,420)	(1,152)	(4,576)
Interest income	-	60	84	296

B12 Discontinued operations

Profit/(loss) attributable to the discontinued operations:

	Individual Quarter		Cumulative Quarter	
	30-Jun-20 RM'000 (Unaudited)	30-Jun-19 RM'000 (Unaudited)	30-Jun-20 RM'000 (Unaudited)	30-Jun-19 RM'000 (Unaudited)
Revenue	-	172,270	-	440,726
Cost of sales	-	(166,080)	-	(428,673)
Gross profit	-	6,190	-	12,053
Other income	-	126	-	362
Operating expenses	-	(1,707)	-	(3,438)
Finance cost	-	(2,420)	-	(4,576)
Foreign exchange loss	-	(3,636)	-	(1,264)
Profit/(loss) from operation	-	(1,447)	-	3,137
Taxation	-	(540)	-	(1,276)
Profit/(loss) for the period	-	(1,987)	-	1,861

By Order of the Board
Wong Yuet Chyn
Company Secretary
27 August 2020