

BAHVEST RESOURCES BERHAD (649504-D)
(FORMERLY KNOWN AS BORNEO AQUA HARVEST BERHAD)
(Incorporated in Malaysia)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Quarter ended 30.06.2019 RM'000	Quarter ended 30.06.2018 RM'000	Year to date 30.06.2019 RM'000	Year to date 30.06.2018 RM'000
Revenue	31,044	3,222	31,044	3,222
Cost of sales	(17,181)	532	(17,181)	532
Gross profit	13,863	3,754	13,863	3,754
Other income	534	1,566	534	1,566
Other expenses	-	(1,701)	-	(1,701)
Distribution costs	(1,255)	(1,444)	(1,255)	(1,444)
Administrative expenses	(4,077)	(1,675)	(4,077)	(1,675)
Profit from operations	9,065	500	9,065	500
Finance costs	(457)	(473)	(457)	(473)
Profit before tax	8,608	27	8,608	27
Taxation	(360)	-	(360)	-
Profit for the period	8,248	27	8,248	27
Other comprehensive income :				
Foreign currency translation	-	-	-	-
Total comprehensive income for the period	8,248	27	8,248	27
Profit for the period attributable to owners of the Company	8,248	27	8,248	27
Total comprehensive income for the period attributable to owners of the Company	8,248	27	8,248	27
Profit per share attributable to owners of the Company (sen)				
- Basic	0.67	*0.00	0.67	*0.00
- Diluted	0.44	*0.00	0.44	*0.00

Note * : Basic earnings per share for both preceding year corresponding quarter and period IS 0.004 sen.

BAHVEST RESOURCES BERHAD (649504-D)
(FORMERLY KNOWN AS BORNEO AQUA HARVEST BERHAD)
(Incorporated in Malaysia)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2019
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

	As at 30.06.2019 RM'000	As at 31.03.2019 (Audited) RM'000
Non-Current Assets		
Property, plant and equipment	72,062	67,420
Intangible assets	90,659	92,905
Biological assets	555	652
	163,276	160,977
Current Assets		
Biological assets	153,893	156,460
Inventories	5,493	2,538
Trade and other receivables	32,495	27,350
Tax refundable	93	86
Deposit with a licensed bank	1,693	1,592
Cash and bank balances	16,134	9,701
	209,801	197,727
Total Assets	373,077	358,704
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Issued share capital	284,091	283,583
Employee share options reserve	10,815	10,815
Retained earnings	13,977	5,729
Total equity	308,883	300,127
Non-Current Liabilities		
Borrowings	8,320	7,020
Deferred government grants received	2,919	3,138
Deferred tax liabilities	22,300	22,300
	33,539	32,458
Current Liabilities		
Trade and other payables	12,498	9,476
Borrowings	16,077	14,563
Taxation	2,080	2,080
	30,655	26,119
Total liabilities	64,194	58,577
TOTAL EQUITY AND LIABILITIES	373,077	358,704
Net asset per share attributable to ordinary equity holder (sen)	25.24	25.54

BAHVEST RESOURCES BERHAD (649504-D)
(FORMERLY KNOWN AS BORNEO AQUA HARVEST BERHAD)
(Incorporated in Malaysia)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued Share Capital	Share Premium	Employee share Options Reserve	Distributable Retained Earnings	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 April 2018 (as restated)	98,985	179,888	10,815	28	289,716
Issue of bonus shares	61,074	(61,074)	-	-	-
Exercise of employee share options	4,710	-	-	-	4,710
Transition to no par value regime under Companies Act,2016	118,814	(118,814)	-	-	-
Total comprehensive income for the year	-	-	-	5,701	5,701
As at 31 March 2019	<u>283,583</u>	<u>-</u>	<u>10,815</u>	<u>5,729</u>	<u>300,127</u>
As at 1 April 2019	283,583	-	10,815	5,729	300,127
Exercise of employee share options	508	-	-	-	508
Total comprehensive income for the period	-	-	-	8,248	8,248
As at 30 June 2019	<u>284,091</u>	<u>-</u>	<u>10,815</u>	<u>13,977</u>	<u>308,883</u>

BAHVEST RESOURCES BERHAD (649504-D)
(FORMERLY KNOWN AS BORNEO AQUA HARVEST BERHAD)
(Incorporated in Malaysia)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Quarter ended 30.06.2019 RM'000	Quarter ended 30.06.2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	8,608	27
Adjustment for:		
Non cash items	5,607	2,484
Operating profit before working capital changes	<u>14,215</u>	<u>2,511</u>
Net changes in current assets	(5,860)	(5,562)
Net changes in current liabilities	3,023	4,980
Income tax paid	(369)	(8)
Income tax refunded	2	-
Net cash generated from operating activities	<u>11,011</u>	<u>1,921</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposals of assets held for sale	-	1,506
Purchase of plant and equipment	(4,723)	(4,963)
Net cash used in investing activities	<u>(4,723)</u>	<u>(3,457)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of hire purchase payables	(773)	(557)
Interest paid	(457)	(473)
Interest income	20	-
Proceeds from exercise of employee share options	508	2,528
Repayment of loan	-	(219)
Fixed deposits pledged with a licensed bank	(101)	(200)
Net cash (used in) / generated from financing activities	<u>(803)</u>	<u>1,079</u>
Net increase / (decrease) in cash and cash equivalents	5,485	(457)
Cash and cash equivalents at beginning of period	<u>3,632</u>	<u>(2,471)</u>
Cash and cash equivalents at end of period	<u>9,117</u>	<u>(2,928)</u>
Cash and cash equivalents comprise:		
Cash and bank balances	16,134	3,131
Bank overdraft	(7,017)	(6,059)
	<u>9,117</u>	<u>(2,928)</u>

BAHVEST RESOURCES BERHAD (649504-D)
(FORMERLY KNOWN AS BORNEO AQUA HARVEST BERHAD)
(Incorporated in Malaysia)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. Basis of Preparation and Accounting Policies

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134 - Interim Financial Reporting and the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ACE Market Listing Requirement.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2019. These explanatory notes attached to the interim financial statements provides an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of Bahvest Resources Berhad ("Company" or "Bahvest") and its subsidiaries ("Group") since the year ended 31 March 2019.

2. Change in Accounting Policy

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2019, except for the adoptions of the following new Malaysian Financial Reporting Standards (MFRSs), Amendments to MFRSs and Interpretations,

Effective for annual periods commencing on or after 1 January 2019 :

- MFRS 16 Leases
- IC Interpretation 23 Uncertainty over Income Tax Treatments
- Amendments to MFRS 112 (Annual Improvements to MFRS Standards 2015-2017 Cycle)
- Amendments to MFRS 123 (Annual Improvements to MFRS Standards 2015-2017 Cycle)

Effective for annual periods commencing on or after 1 January 2020 :

- Definition of Material (Amendments to MFRS 101)
- Definition of Material (Amendments to MFRS 108)

The adoptions of above MFRSs, Amendments to MFRSs and Interpretations do not have any significant impact to the interim financial statements of the Group.

3. Auditors' Report on Preceding Annual Financial Statements

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

4. Seasonal and Cyclical Factors

The results of the Group were not materially affected by any significant seasonal and cyclical factors during the quarter under review.

5. 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 quarter under review.

6. Changes in Estimates

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

BAHVEST RESOURCES BERHAD (649504-D)
(FORMERLY KNOWN AS BORNEO AQUA HARVEST BERHAD)
(Incorporated in Malaysia)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

7. Debts and Equity Securities

Save for the shares issued pursuant to the exercise of the Employees Share Options Scheme, there were no issuance, cancellation, repurchases, resale and repayment of debt and equity securities for the current financial year-to-date.

8. Dividend Paid

No dividends were declared or paid during the quarter under review.

9. Segmental Reporting

9.1 Segment review for current quarter compared with immediate preceding quarter

	Current Quarter Ended 30.06.2019				Immediate Preceding Quarter Ended 31.03.2019 (Audited)			
	Mining	Aquaculture	Holding Company	Consolidated	Mining	Aquaculture	Holding Company	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	22,894	8,150	-	31,044	26,853	4,966	-	31,819
Cost of sale	(9,029)	(8,512)	-	(17,181)	(14,720)	(4,006)	-	(18,726)
Gross profit / (loss)	13,865	(2)	-	13,863	12,133	960	-	13,093
Other income	186	220	128	534	206	452	-	658
Other expense	-	-	-	-	-	-	-	-
Distribution costs	-	(1,255)	-	(1,255)	-	(1,186)	-	(1,186)
Administrative expenses	(1,060)	(631)	(2,386)	(4,077)	(707)	(434)	(3,525)	(4,666)
Operating profit / (loss)	12,991	(1,668)	(2,258)	9,065	11,632	(208)	(3,525)	7,899
Finance costs	(328)	(129)	-	(457)	(315)	(136)	-	(451)
Profit / (loss) before tax	12,663	(1,797)	(2,258)	8,608	11,317	(344)	(3,525)	7,448
Taxation	(360)	-	-	(360)	(1,790)	3,110	-	1,320
Profit / (loss) after tax	12,303	(1,797)	(2,258)	8,248	9,527	2,766	(3,525)	8,768
Profit / (loss) attributable to the owners of the Company	12,303	(1,797)	(2,258)	8,248	9,527	2,766	(3,525)	8,768

BAHVEST RESOURCES BERHAD (649504-D)
(FORMERLY KNOWN AS BORNEO AQUA HARVEST BERHAD)
(Incorporated in Malaysia)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

9. Segmental Reporting (cont'd)

9.2 Segment review for financial year to date

	Cumulative Period Ended 01.04.2019 - 30.06.2019				Cumulative Period Ended 01.04.2018 - 30.06.2018			
	Mining	Aquaculture	Holding Company	Consolidated	Mining	Aquaculture	Holding Company	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	22,894	8,150	-	31,044	-	3,222	-	3,222
Cost of sale	(9,029)	(8,152)	-	(17,181)	-	532	-	532
Gross profit / (loss)	13,865	(2)	-	18,814	-	3,754	-	3,754
Other income	186	220	128	534	1,344	222	-	1,566
Other expense	-	-	-	-	(1,701)	-	-	(1,701)
Distribution costs	-	(1,255)	-	(1,255)	-	(1,444)	-	(1,444)
Administrative expenses	(1,060)	(631)	(2,386)	(4,077)	(695)	(614)	(366)	(1,675)
Operating profit / (loss)	12,991	(1,668)	(2,258)	9,065	(1,052)	1,918	(366)	500
Finance costs	(328)	(129)	-	(457)	(312)	(161)	-	(473)
Profit / (loss) before tax	12,663	(1,797)	(2,258)	8,608	(1,364)	1,757	(366)	27
Taxation	(360)	-	-	(360)	-	-	-	-
Profit / (loss) after tax	12,303	(1,797)	(2,258)	8,248	(1,364)	1,757	(366)	27
Profit / (loss) attributable to the owners of the Company	12,303	(1,797)	(2,258)	8,248	(1,364)	1,757	(366)	27

10. Subsequent Events

There were no material events subsequent to the end of current quarter that has not been reflected in the interim financial statements.

11. Changes in Composition of the Group

There were no changes in the composition of the Group during the quarter under review.

12. Contingent Liabilities and Contingent Assets

There were no contingent liabilities and contingent assets as at 30 June 2019.

BAHVEST RESOURCES BERHAD (649504-D)
(FORMERLY KNOWN AS BORNEO AQUA HARVEST BERHAD)
(Incorporated in Malaysia)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

13. Movement in Fair Value

	Individual quarter		Cummulative period	
	Current year Quarter	Preceding Year Corresponding Quarter	Current Year to date	Preceding Year Corresponding period
	30.06.2019 RM'000	30.06.2018 RM'000	30.06.2019 RM'000	30.06.2018 RM'000
Opening balance fair value of fishery livestock	152,081	154,179	152,081	154,179
Increase due to purchases	2,959	5,310	2,959	5,310
(Decrease) / increase due to changes in FVLCTS	(2,774)	4,721	(2,774)	4,721
Increase due to biological transformation	3,640	3,637	3,640	3,637
Decrease due to transfers to frozen products	(223)	(215)	(223)	(215)
Decrease due to sales	(1,676)	(2,333)	(1,676)	(2,333)
Decrease due to mortalities	(3,959)	(3,813)	(3,959)	(3,813)
Net changes in fair value	(2,033)	7,307	(2,033)	7,307
Closing balance fair value of fishery livestock	150,048	161,486	150,048	161,486
Closing stock of fish fry and eggs			4,238	2,773
Less : Unrealised gain			(393)	(423)
Biological assets (Current)			153,893	163,836

Note : * Fair value less cost to sell (FVLCTS)

BAHVEST RESOURCES BERHAD (649504-D)
(FORMERLY KNOWN AS BORNEO AQUA HARVEST BERHAD)
(Incorporated in Malaysia)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

14. Profit / (Loss) Before Taxation

14.1 Financial review for current quarter and financial year to date

	Individual Period		Changes (%)	Cumulative Period		Changes (%)
	Current year Quarter (RM'000)	Preceding Year Corresponding Quarter (RM'000)		Current Year to date (RM'000)	Preceding Year Corresponding period (RM'000)	
	30.06.2019	30.06.2018		30.06.2019	30.06.2018	
Revenue	31,044	3,222	863.50%	31,044	3,222	863.50%
Gross Profit	13,863	3,754	269.29%	13,863	3,754	269.29%
Profit Before Interest and Tax	9,065	500	1,613.00%	9,065	500	1,163.00%
Profit Before Tax	8,608	27	31,781.48%	8,608	27	31,781.48%
Profit After Tax	8,248	27	30,448.15%	8,248	27	30,448.15%
Profit Attributable to Owners of the Company	8,248	27	30,448.15%	8,248	27	30,448.15%

14.2 Financial review for current quarter compared with immediate preceding quarter

	Current Quarter (RM'000)	Immediate Preceding Quarter (Audited) (RM'000)	Changes (%)
	30.06.2019	31.03.2019	
Revenue	31,044	31,819	-2.44%
Gross Profit	13,863	13,093	5.88%
Profit Before Interest and Tax	9,065	7,899	14.76%
Profit Before Tax	8,608	7,448	15.57%
Profit After Tax	8,248	8,768	-5.93%
Profit Attributable to Owners of the Company	8,248	8,768	-5.93%

BAHVEST RESOURCES BERHAD (649504-D)
(FORMERLY KNOWN AS BORNEO AQUA HARVEST BERHAD)
(Incorporated in Malaysia)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

15. Review of Performance

Overall the Group recorded a revenue and gross profit of RM31.044 million and RM13.863 million respectively for the current quarter ended 30 June 2019 (“Q1”), of which the performance is further explained below:

Mining operations

The mining operations recorded a revenue and gross profit of RM22.894 million and RM13.865 million respectively under current quarter. The sales revenue of RM22.894 million represents approximately 131.12 kgs of net gold and 29.26 kgs of silver sold during the quarter under review. The Group started extracting gold from topsoil clearing in previous quarter ended 30 September 2018 and has yet to start drilling and mining of the Sulphide and oxide rocks/ore at the identified mining site in current quarter. This explains the relatively low production currently as the Sulphide and oxide rocks are expected to have much higher gold content.

Revenue in Q1 decreased to RM22.894 million and gross profit increased to RM13.865 million respectively as compared to RM26.853 million and gross profit of RM12.133 million recorded in immediate preceding quarter ended 31 March 2019 (“Q4”), representing a decrease of 14.74% and increase of 14.28% respectively. The decrease in sales mainly due to lower grade ore extracted during the quarter for processing into gold dore bars.

Aquaculture operations

The Group recorded a revenue and gross loss of RM8.150 million and RM2,000 respectively for Q1, representing a substantial increase of 152.95% and a decrease of 100.05% respectively as compared to the corresponding period in 2018 of revenue and gross profit of RM3.222 million and RM3.754 million respectively.

The substantial increase of 152.95% in revenue for the current quarter as compared to the corresponding period in 2018 was due to the increase in sales of larger grouper fish during the festive season during the period, whereas the substantial decrease of 100.05% in gross profit was due to the negative movement in fair value of fishery stock of RM2.033 million as set out in Note 13 above, pursuant to the Group’s adoption of MFRS Framework effective on 1 January 2018, where the Group elected the early adoption of MFRS Framework for the financial year ended 31 March 2018. With the adoption of MFRS 141, the Group is required to recognise biological assets, at fair value less cost to sell. Biological assets represent fish fry, broodstock (i.e. mother fish) and fishery livestock.

Revenue in Q1 increased to RM8.150 million as compared to RM4.966 million recorded in immediate preceding quarter ended 31 March 2019 (“Q4”), representing an increase of 64.12%. The increase in revenue in Q1 was mainly due to sales of larger grouper fish during the quarter.

The negative movement in fair value of fishery stock of RM2.033 million as mentioned above, had resulted in the Group reporting a gross loss of RM2,000 as compared to a gross profit of RM0.960 million in the immediate preceding quarter ended as at 31 March 2019, representing a decrease of 100.21%.

BAHVEST RESOURCES BERHAD (649504-D)
(FORMERLY KNOWN AS BORNEO AQUA HARVEST BERHAD)
(Incorporated in Malaysia)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

16. Profit Before Taxation

The following items have been included in arriving at profit before taxation: -

	Current Quarter (RM'000)	Current Year to date (RM'000)
Interest income	20	20
Other income including investment income	514	514
Interest expense	(457)	(457)
Depreciation and amortisation	(5,063)	(5,063)
Foreign exchange gain / (loss)	(331)	(331)

17. Comments on Material Change in other income and expenses

	Individual Period		Changes (%)	Cumulative Period		Changes (%)
	Current year Quarter (RM'000)	Preceding Year Corresponding Quarter (RM'000)		Current Year to date (RM'000)	Preceding Year Corresponding period (RM'000)	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018		
Other income	534	1,566	-65.90%	534	1,566	-65.90%
Other expenses	-	(1,701)	-100.00%	-	(1,707)	-100.00%
Distribution cost	(1,255)	(1,444)	-13.09%	(1,255)	(1,444)	-13.09%
Administrative expenses	(4,077)	(1,675)	143.40%	(4,077)	(1,675)	143.40%
Finance cost	(457)	(473)	-3.38%	(457)	(473)	-3.38%

Administrative expenses of RM4.077 million which included an amount of RM2.246 million on amortisation of mining rights under MFRS 138.

BAHVEST RESOURCES BERHAD (649504-D)
(FORMERLY KNOWN AS BORNEO AQUA HARVEST BERHAD)
(Incorporated in Malaysia)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

18. Income Tax Expense

	Current Quarter 30.06.2019 (RM'000)	Current year to date 30.06.2019 (RM'000)
Current year tax expense	360	360

Income tax is calculated at the Malaysian statutory rate 24% of the estimated assessable profit for the fiscal year.

Plentiful Earnings Sdn Bhd, a subsidiary company, has been granted tax incentive under Section 127 of the Income Tax Act, 1967 for the exemption of tax on statutory income from fish breeding, fish fry hatchery and fish rearing activities for a period of 10 years commencing 1 April 2013.

19. Variance on Profit Forecast

No profit forecast was announced or published by the Group, hence, no comparison is made between actual and forecast results.

20. Material Impairment of Assets

There is no material impairment to be recognised during the quarter under review.

21. Trade Receivables

	Current (RM'000)	1 month (RM'000)	2 months (RM'000)	> 3 months (RM'000)	Total (RM'000)
Trade Receivable	84	3,280	4,684	41,622	49,670
Allowance for Impairment					(20,074)
Total					29,596

Trade receivables are non-interest bearing and the normal credit terms granted by the Group are ranging from 30 to 270 days. They are recognised at their original invoiced amounts which represent their fair values on initial recognition.

During the quarter under review, the Group has collected the total sum of RM1.260 million of trade receivables from its Hong Kong customers as well as local customers.

BAHVEST RESOURCES BERHAD (649504-D)
(FORMERLY KNOWN AS BORNEO AQUA HARVEST BERHAD)
(Incorporated in Malaysia)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

22. Other Receivables

Other Receivables consists of the following: -

	Other Receivable (RM'000)	Deposit (RM'000)	Prepayment (RM'000)	Total (RM'000)
TOTAL	1,282	622	995	2,899

Other receivables which included cash advances of RM0.638 million paid to contractors for construction of infrastructure at Bukit Mantri, Tawau, Sabah, for the Mining operations. Deposit included deposit paid for the acquisition of heavy machineries of RM0.341 million. Prepayment advance installments are for Hire Purchase facilities amounting to RM0.436 million.

23. Loan and Borrowings

The Group has no any unsecured loan and borrowings, all the secured loan and borrowing are as follows:

	As at 30.06.2019		
	Long term (RM'000)	Short term (RM'000)	Total Borrowings (RM'000)
Bank overdraft	-	7,017	7,017
Bank loan	-	5,532	5,532
Hire purchase	8,320	3,528	11,848
Total	8,320	16,077	24,397
	As at 30.06.2018		
	Long term (RM'000)	Short term (RM'000)	Total Borrowings (RM'000)
Bank overdraft	-	6,059	6,059
Bank loan	-	6,025	6,025
Hire purchase	7,410	2,278	9,688
Total	7,410	14,362	21,772

As compared to preceding year corresponding period up to 30 June 2018, there was a net increase in total borrowings of RM2.625 million mainly due to acquisition of heavy machineries and equipments under hire purchase facilities for Wullersdorf Resources Sdn Bhd, to carrying out its mining operation at Bukit Mantri, Tawau, Sabah.

BAHVEST RESOURCES BERHAD (649504-D)
(FORMERLY KNOWN AS BORNEO AQUA HARVEST BERHAD)
(Incorporated in Malaysia)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

24. Company's Prospects

For FYE 2020, Bahvest expects its core business of gold production to increase further once it starts to drill and mine the sulphide and oxide rocks/ore at the identified mining site as explained in Section 15 above as the Group now only extracting gold from the topsoil clearing above the sulphide and oxide rocks/ore which is of lower grade ore and / or gold content.

Aquaculture business will continue to face economic challenges and uncertainties for its operations both domestically as well as globally due to the stiff competitions from China producers and the current political climate in Hong Kong. Nevertheless, the Group would place great emphasis on the improvement of its operational efficiency in achieving a sustainable aquaculture business.

Barring any unforeseen circumstances, the Board of Directors anticipates that the Group would be able to achieve satisfactory operating results for the financial year ending 31 March 2020.

25. Corporate Proposals

There was no corporate proposal that has been announced but has not been completed as at the date of this report.

26. Material Litigation

As at the date of this report, there are no material litigations.

27. Profit Per Share

Basic profit per share is calculated by dividing the profit for the financial period / year under review by the weighted average number of ordinary shares in issue during the period / year.

	Individual Period		Cumulative Period	
	Current year Quarter	Preceding Year Corresponding Quarter	Current Year to date	Preceding Year Corresponding period
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
Profit for the period (RM'000)	8,248	27	8,248	27
Weighted average number of ordinary shares in issue ('000)	1,223,682	607,298	1,223,682	607,298
Basic profit per share (sen)	0.67	0.004	0.67	0.004
Diluted profit per share (sen)	0.44	0.004	0.44	0.004

As at the end of the quarter, there was only one class of shares in issue and they rank equally with each other.