

**BAHVEST RESOURCES BERHAD**  
**Registration no. 200401011001 (649504-D)**  
(Incorporated in Malaysia)  
**UNAUDITED INTERIM FINANCIAL STATEMENTS**  
**FOR THE FOURTH QUARTER ENDED 31 MARCH 2020**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Quarter ended 31.03.2020	Quarter ended 31.03.2019 (Audited) Restated	Year to date 31.03.2020	Year to date 31.03.2019 (Audited) Restated
	RM'000	RM'000	RM'000	RM'000
Revenue	19,565	31,819	95,131	65,052
Cost of sales	(44,884)	(19,902)	(103,016)	(53,403)
<b>Gross (loss) /profit</b>	<b>(25,319)</b>	<b>11,917</b>	<b>(7,885)</b>	<b>11,649</b>
Other income	1,138	803	2,605	2,789
Fair value (loss) / gain on biological assets	(151,737)	(2,052)	(148,697)	3,937
Impairment on financial assets	(21,194)	(115)	(21,194)	(115)
Distribution costs	(148)	(1,186)	(1,721)	(6,155)
Administrative expenses	3,743	(1,468)	(7,696)	(5,822)
<b>(Loss) / Profit from operations</b>	<b>(193,517)</b>	<b>7,899</b>	<b>(184,588)</b>	<b>6,283</b>
Finance costs	(475)	(450)	(1,673)	(1,902)
<b>(Loss) / Profit before tax</b>	<b>(193,992)</b>	<b>7,449</b>	<b>(186,261)</b>	<b>4,381</b>
Taxation	19,475	1,320	15,107	1,320
<b>(Loss) / Profit for the year</b>	<b>(174,517)</b>	<b>8,769</b>	<b>(171,154)</b>	<b>5,701</b>
<b>Other comprehensive income :</b>				
Foreign currency translation	-	-	-	-
<b>Total comprehensive (loss) / income for the year</b>	<b>(174,517)</b>	<b>8,769</b>	<b>(171,154)</b>	<b>5,701</b>
<b>(Loss) / Profit for the year attributable to owners of the Company</b>	<b>(174,517)</b>	<b>8,769</b>	<b>(171,154)</b>	<b>5,701</b>
<b>Total comprehensive (loss) / profit for the year attributable to owners of the Company</b>	<b>(174,517)</b>	<b>8,769</b>	<b>(171,154)</b>	<b>5,701</b>
<b>(Loss) / Earnings per share attributable to owners of the Company (sen)</b>				
- Basic	(14.25)	0.72	(13.98)	0.72
- Diluted	(9.29)	0.47	(9.11)	0.39

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>As at 31.03.2020</b>	<b>As at 31.03.2019 (Audited)</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	79,483	67,420
Intangible assets	72,757	92,905
Right of use assets	1,026	-
Biological assets	158	652
	<b>153,424</b>	<b>160,977</b>
<b>Current Assets</b>		
Biological assets	2,375	156,460
Inventories	3,924	2,538
Trade and other receivables	6,116	27,350
Tax refundable	187	86
Deposit with a licensed bank	1,693	1,592
Cash and bank balances	7,451	9,701
	<b>21,746</b>	<b>197,727</b>
<b>Total Assets</b>	<b>175,170</b>	<b>358,704</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Issued share capital	284,314	283,583
Employee share options reserve	10,815	10,815
(Accumulated losses) / Retained earnings	(165,425)	5,729
<b>Total equity</b>	<b>129,704</b>	<b>300,127</b>
<b>Non-Current Liabilities</b>		
Borrowings	10,691	7,020
Deferred government grants received	2,262	3,138
Deferred tax liabilities	146	22,300
Lease liability	997	-
	<b>14,096</b>	<b>32,458</b>
<b>Current Liabilities</b>		
Trade and other payables	20,067	9,476
Borrowings	11,050	14,563
Lease liability	47	-
Taxation	206	2,080
	<b>31,370</b>	<b>26,119</b>
<b>Total liabilities</b>	<b>45,466</b>	<b>58,577</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>175,170</b>	<b>358,704</b>
<b>Net asset per share attributable to ordinary equity holder ( sen )</b>	<b>10.59</b>	<b>37.66</b>

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Issued Share Capital	Share Premium	Employee share Options Reserve	Distributable Retained Earnings / (Accumulated Losses)	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	283,583	-	10,815	5,729	300,127
As at 1 April 2019	283,583	-	10,815	5,729	300,127
Exercise of employee share options	731	-	-	-	731
Total comprehensive loss for the year	-	-	-	(171,154)	(171,154)
As at 31 March 2020	284,314	-	10,815	(165,425)	129,704

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

	<b>Quarter ended 31.03.2020</b>	<b>Quarter ended 31.03.2019 (Audited)</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss) / Profit before tax	(186,261)	4,381
Adjustment for:		
Non cash items	24,431	14,468
Operating (loss) / profit before working capital changes	<u>(161,830)</u>	<u>18,849</u>
Net changes in current assets	182,696	(3,107)
Net changes in current liabilities	10,553	1,779
Income tax paid	(9,108)	(35)
Income tax refunded	<u>85</u>	<u>77</u>
Net cash generated from operating activities	<u>22,396</u>	<u>17,563</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposals of plant and equipments	80	-
Proceeds from disposals of assets held for sale	-	1,526
Purchase of plant and equipment	(14,102)	(12,069)
Additions of biological assets	<u>(189)</u>	<u>-</u>
Net cash used in investing activities	<u>(14,211)</u>	<u>(10,543)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of hire purchase payables	(3,797)	(2,604)
Interest paid	(1,673)	(1,902)
Interest income	113	1
Proceeds from exercise of employee share options	731	4,710
Repayment of revolving credit	(500)	(500)
Repayment of lease liability	(17)	-
Repayment of loan	(5,000)	(217)
Fixed deposits pledged with a licensed bank	<u>(101)</u>	<u>(405)</u>
Net cash used in financing activities	<u>(10,244)</u>	<u>(917)</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(2,059)</b>	<b>6,103</b>
<b>Cash and cash equivalents at beginning of year</b>	<b><u>3,632</u></b>	<b><u>(2,471)</u></b>
<b>Cash and cash equivalents at end of year</b>	<b><u>1,573</u></b>	<b><u>3,632</u></b>
Cash and cash equivalents comprise:		
Cash and bank balances	7,451	9,701
Bank overdraft	<u>(5,878)</u>	<u>(6,069)</u>
	<u>1,573</u>	<u>3,632</u>

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**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 :

- Business Combinations (Amendments to MFRS 3)
- 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 except for the following :

**MFRS 16**

The Group applied MFRS 16 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

The Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of MFRS 117. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 April 2019.

The Group has elected to use the simplified retrospective transition method and to apply a number of practical expedients as provided in MFRS 16. In applying the simplified retrospective transition method, the 2019 comparative information was not restated and the Group used the option to measure the right-of-use ('ROU') assets at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The comparative information continued to be reported under the previous accounting policies governed under MFRS 117 "Leases" and IC Int. 4 "Determining whether an Arrangement Contains a Lease".

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**2. Change in Accounting Policy (cont'd)**

In applying MFRS 16 for the first time, the Group has applied the following practical expedients permitted by the standard to leases previously classified as operating leases under MFRS 117:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- reliance on previous assessments on whether leases are onerous;
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases;
- the exclusion of initial direct costs for the measurement of the ROU asset at the date of initial application; and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Impact on the financial statements

The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 April 2019 was 5% per annum. The reconciliation between the operating lease commitments disclosed applying MFRS 117 at 31 March 2019 to the lease liabilities recognised at 1 April 2019 is as follows:

	RM
Operating lease commitment disclosed as at 31 March 2019	1,770,000
Discounted using the lessee's incremental borrowing rate of at the date of initial application	(808,824)
Lease liability recognised as at 1 April 2019	<u>961,176</u>
Of which are:	
Current lease liability	14,941
Non-current lease liability	946,235
	<u>961,176</u>

**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.

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**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 31.03.2020				Immediate Preceding Quarter Ended 31.12.2019 (Restated)			
	Mining RM'000	Aquaculture RM'000	Holding Company RM'000	Consolidated RM'000	Mining RM'000	Aquaculture RM'000	Holding Company RM'000	Consolidated RM'000
Revenue	19,235	330	-	19,565	24,703	457	-	25,160
Cost of sale	(16,189)	(8,547)	(20,148)	(44,884)	(18,330)	(5,593)	-	(23,923)
Gross profit / (loss)	3,046	(8,217)	(20,148)	(25,319)	6,373	(5,136)	-	1,237
Other income	208	930	-	1,138	213	219	-	432
Fair value (loss) / gain on biological assets	-	(151,737)	-	(151,737)	-	(504)	-	(504)
Impairment on financial assets	-	(21,194)	-	(21,194)	-	-	-	-
Distribution costs	-	(148)	-	(148)	-	(408)	-	(408)
Administrative expenses	(858)	(14)	4,616	3,743	(899)	(544)	(1,571)	(3,014)
Operating profit / (loss)	2,396	(180,380)	(15,533)	(193,517)	5,687	(6,373)	(1,571)	(2,257)
Finance costs	(318)	(157)	-	(475)	(215)	(135)	-	(350)
Profit / (loss) before tax	2,078	(180,537)	(15,533)	(193,992)	5,472	(6,508)	(1,571)	(2,607)
Taxation	(2,373)	21,848	-	19,475	(3,421)	(48)	-	(3,469)
(Loss) / profit after tax	(295)	(158,689)	(15,533)	(174,517)	2,051	(6,556)	(1,571)	(6,076)
(Loss) / profit attributable to the owners of the Company	(295)	(158,689)	(15,533)	(174,517)	2,051	(6,556)	(1,571)	(6,076)

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**9. Segmental Reporting (cont'd)**

**9.2 Segment review for financial year to date**

	Cumulative Period Ended 01.04.2019 - 31.03.2020				Cumulative Period Ended 01.04.2018 - 31.03.2019 (Restated)			
	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	85,839	9,292	-	95,131	39,377	25,675	-	65,052
Cost of sale	(56,731)	(26,136)	(20,149)	(103,016)	(28,326)	(21,849)	(3,228)	(53,403)
Gross profit / (loss)	29,108	(16,844)	(20,149)	(7,885)	11,051	3,826	(3,228)	11,649
Other income	834	1,643	128	2,605	1,528	1,261	-	2,789
Fair value (loss) / gain on biological assets	-	(148,697)	-	(148,697)	-	3,937	-	3,937
Impairment on financial assets	-	(21,194)	-	(21,194)	-	(115)	-	(115)
Distribution costs	-	(1,721)	-	(1,721)	-	(6,155)	-	(6,155)
Administrative expenses	(3,678)	(3,109)	(909)	(7,696)	(2,477)	(2,106)	(1,239)	(5,822)
Operating profit / (loss)	26,264	(189,922)	(20,930)	(184,588)	10,102	648	(4,467)	6,283
Finance costs	(1,119)	(554)	-	(1,673)	(1,295)	(607)	-	(1,902)
Profit / (loss) before tax	25,145	(190,476)	(20,930)	(186,261)	8,807	41	(4,467)	4,381
Taxation	(6,694)	21,801	-	15,107	(1,790)	3,110	-	1,320
Profit / (loss) after tax	18,451	(168,675)	(20,930)	(171,154)	7,017	3,151	(4,467)	5,701
Profit / (loss) attributable to the owners of the Company	18,451	(168,675)	(20,930)	(171,154)	7,017	3,151	(4,467)	5,701

**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.



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**12. Contingent Liabilities and Contingent Assets**

There were no contingent liabilities and contingent assets as at 31 March 2020.

**13. Movement in Fair Value**

	Individual quarter		Cumulative period	
	Current Year Quarter	Preceding Year Corresponding Quarter (Restated)	Current Year to Date	Preceding Year Corresponding Period (Restated)
	31.03.2020 RM'000	31.03.2019 RM'000	31.03.2020 RM'000	31.03.2019 RM'000
Opening balance fair value of fishery livestock	152,081	154,179	152,081	154,179
Increase due to purchases	(8,803)	(458)	132	5,981
Decrease due to changes in FVLCTS	(120,805)	(646)	(123,740)	(1,750)
Increase due to biological transformation	(8,956)	975	132	13,442
Decrease due to transfers to frozen products	(405)	(374)	(1,268)	(1,004)
Decrease due to sales	183	568	(1,503)	(6,035)
Decrease due to mortalities	(12,767)	(1,549)	(23,953)	(12,732)
Net changes in fair value	(151,553)	(1,484)	(150,200)	(2,098)
Closing balance fair value of fishery livestock	528	152,695	1,881	152,081
Closing stock of fish fry and eggs			100	4,780
Closing stock of crab fry			394	-
Less : Unrealised gain			-	(401)
Biological assets (Current)			2,375	156,460

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**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 (Restated) (RM'000)		Current Year to Date (RM'000)	Preceding Year Corresponding Period (Restated) (RM'000)	
	31.03.2020	31.03.2019		31.03.2020	31.03.2019	
Revenue	19,565	31,819	-38.51%	95,131	65,052	46.24%
Gross (Loss) / Profit	(25,319)	11,917	-312.46%	(7,885)	11,649	-167.69%
(Loss) / Profit Before Interest and Tax	(193,517)	7,899	-2,549.89%	(184,588)	6,283	-3,037.90%
(Loss) / Profit Before Tax	(193,992)	7,449	-2,686.24%	(186,261)	4,381	-4,351.56%
(Loss) / Profit After Tax	(174,517)	8,769	-2,090.16%	(171,154)	5,701	-3,102.18%
(Loss) / Profit Attributable to Owners of the Company	(174,517)	8,769	-2,090.16%	(171,154)	5,701	-3,102.18%

**14.2 Financial review for current quarter compared with immediate preceding quarter**

	Current Quarter	Immediate Preceding Quarter (Restated)	Changes (%)
	(RM'000)	(RM'000)	
	31.03.2020	31.12.2019	
Revenue	19,565	25,160	-22.24%
Gross (Loss) / Profit	(25,319)	1,237	-2,146.81%
Loss Before Interest and Tax	(193,517)	(2,257)	8,474.08%
Loss Before Tax	(193,992)	(2,607)	7,341.20%
Loss After Tax	(174,517)	(6,076)	2,772.24%
Loss Attributable to Owners of the Company	(174,517)	(6,076)	2,772.24%

## 15. Review of Performance

Overall the Group recorded a revenue and gross loss of RM19.565 million and RM25.319 million respectively for the current quarter ended 31 March 2020 (“Q4”), of which the performance is further explained below:

### Mining operations

The mining operations recorded a revenue and gross profit of RM19.235 million and RM3.046 million respectively under current quarter. The sales revenue of RM19.235 million represents approximately 90.46 kgs of net gold and 5.57 kgs of silver sold during the quarter under review.

Revenue and gross profit in Q4 decreased to RM19.235 million and RM3.046 million respectively as compared to RM24.703 million and gross profit of RM6.373 million recorded in immediate preceding quarter ended 31 December 2019 (“Q3”), representing a decrease of 22.13% and 52.20% respectively. The decrease is in line with the reduction in production of net gold of 90.46 kgs as compared to Q3 of 123.96 kgs, mainly due to Malaysian government implemented its Movement Control Order (“MCO”) in response to the Covid-19 pandemic from 18 March 2020. The Group’s mining and processing activities for the production of gold dore bars have been suspended from 18 March 2020 till end of the quarter under review pursuant to the MCO.

### Aquaculture operations

The Group recorded a revenue and gross loss of RM0.330 million and RM8.217 million respectively for Q4, representing a substantial decrease of 93.35% and 955.94% respectively as compared to the corresponding period in 2019 of revenue and gross profit of RM4.966 million and RM0.960 million respectively.

The substantial decrease of 93.35% in revenue for the current quarter as compared to the corresponding period in 2019 was due to the stoppage of sales to Hong Kong and China during the period under review due to the Covid-19 pandemic which escalated in China and Hong Kong in early January 2020. The Movement Control Order (“MCO”) imposed by Malaysian Government from 18 March 2020 also affected the Group’s sales of frozen products in local market in Q4.

The decrease in revenue recorded by the Group in Q4 coupled with the negative movement in fair value of the Group’s fishery stock as explained below, had resulted in the Group reporting a gross loss RM8.217 million for the Group’s aquaculture division during the period under review.

In consideration of the challenges of the Covid-19 pandemic and its impact on global economy, in particular on the economy of Hong Kong and China, the Group’s projected a significant drop in the sales of its aquaculture products, in particular to Hong Kong and China for the next 12 months to 31 March 2021 pursuant to MFRS 141. The said significant drop in projected sales has resulted in a negative movement in fair value of the Group’s fishery stock of RM151.553 million for the current period under review. The abovementioned negative movement in fair value of RM151.553 million was set-off against the Group’s profit for the year and does not have any impact on the Group’s cash flow.

As mentioned above, the huge negative movement in fair value has resulted in triggering the prescribed criteria under Guidance Note 3 (“GN3”) of the ACE Market Listing Requirements (“ACELR”) of Bursa Malaysia Securities Berhad (“Bursa”). However the Company will **not** be classified as a GN3 listed corporation as per Bursa’s letter dated 16 April 2020 pertaining to further relief measures to listed corporations with unsatisfactory financial condition that trigger any of the prescribed criteria under GN3 of the ACELR (“Suspended Criteria”) during the relief period from 17 April 2020 to 30 June 2021 and the Company will not be required to comply with the obligations pursuant to Rule 8.04 and GN3 of the ACELR for a period of 12 months from the date of triggering the Suspended Criteria.

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**16. Profit / (Loss) Before Taxation**

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

	Current Year Quarter (RM'000)	Current Year to Date (RM'000)
Interest income	17	113
Other income including investment income	411	1,782
Interest expense	(475)	(1,673)
Depreciation and amortisation	(18,709)	(32,096)
Net realised and unrealised Foreign exchange gain	1,535	20

**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 (Restated) (RM'000)		Current Year to Date (RM'000)	Preceding Year Corresponding Period (Restated) (RM'000)	
	31.03.2020	31.03.2019		31.03.2020	31.03.2019	
Other income	1,138	803	41.72%	2,605	2,789	-6.60%
Fair value (loss) / gain on biological assets	(151,737)	(2,052)	7,294.59%	(148,697)	3,937	3,876.91%
Impairment on financial assets	(21,194)	(115)	18,329.57%	(21,194)	(115)	18,329.57%
Distribution cost	(148)	(1,186)	-87.52%	(1,721)	(6,155)	-72.04%
Administrative expenses	3,743	(1,468)	354.97%	(7,696)	(5,822)	32.19%
Finance cost	(475)	(451)	5.32%	(1,673)	(1,902)	-12.04%

The positive of administrative expenses of RM3.743 million for the current quarter under review included was mainly due amount of RM4.885 million (April 2019 to December 2019) in respect to amortisation of mining rights during the quarter pursuant to MFRS 138 was reclassified to cost of sale.

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**18. Income Tax Expense**

	Current Quarter 31.03.2020 (RM'000)	Current year to date 31.03.2020 (RM'000)
Current year tax	19,475	15,107

Income tax is calculated at the Malaysian statutory rate 24% of the estimated assessable profit from mining business 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	45	64	48	23,015	23,172
Allowance for Impairment loss in previous financial year					(20,074)
Impairment on financial assets during the financial year					(605)
Total					2,493

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

During the quarter under review, the Group has collected a total sum of RM2.568 million of trade receivables from its Hong Kong customers as well as local customers.

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**22. Other Receivables**

Other Receivables consists of the following: -

	Other Receivable (RM'000)	Deposit (RM'000)	Prepayment (RM'000)	Total (RM'000)
	611	1,895	1,173	3,679
Impairment on financial assets during the financial year	(56)	-	-	(56)
<b>Total</b>	<b>555</b>	<b>1,895</b>	<b>1,173</b>	<b>3,623</b>

Other receivables included cash advances of RM0.129 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 RM0.555 million. Prepayment advance installments are for Hire Purchase facilities amounting to RM0.645 million.

**23. Loan and Borrowings**

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

	As at 31.03.2020		
	Long term (RM'000)	Short term (RM'000)	Total Borrowings (RM'000)
Bank overdraft	-	5,878	5,878
Bank loan	-	-	-
Hire purchase	10,691	5,172	15,863
<b>Total</b>	<b>10,691</b>	<b>11,050</b>	<b>21,741</b>
	As at 31.03.2019		
	Long term (RM'000)	Short term (RM'000)	Total Borrowings (RM'000)
Bank overdraft	-	6,069	6,069
Bank loan	-	5,532	5,532
Hire purchase	7,020	2,962	9,982
<b>Total</b>	<b>7,020</b>	<b>14,563</b>	<b>21,583</b>

As compared to preceding year corresponding period up to 31 March 2019, there was a net increase in total borrowings of RM0.158 million mainly due the following:

- (i) full repayment of bank loan amounting to RM5 million from Kenaga Capital Sdn. Bhd;
- (ii) full repayment of revolving credit amounting to RM0.5 million from Malayan Banking Berhad; and
- (iii) increase in hire purchase facilities of RM5.881 million for the purchase of heavy machineries and equipments by Wullersdorf Resources Sdn Bhd, to carry out the Group's mining operation at Bukit Mantri, Tawau, Sabah.

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**24. Company's Prospects**

For FYE 2021, Bahvest expects its core business of gold production to improve further as it focuses on its production from the epithermal veins as their grades are higher than those extracted from the topsoil.

In consideration of the challenges of Covid-19 pandemic and its impact on global economy, in particular on the economy of Hong Kong and China, the demand for the Group's live and frozen fishes and other related products are expected to be negatively impacted too. Pursuant thereto, the Group will try to rationalize and improve its aquaculture's operation cost efficiency to mitigate the expected slowdown.

Despite the expected challenges to the Group's 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 2021, with the improving financial performances from the Group's mining operations.

**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. (Loss) / Profit Per Share**

Basic (loss) / 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
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
(Loss) / profit for the period (RM'000)	(174,517)	8,769	(171,154)	5,701
Weighted average number of ordinary shares in issue ('000)	1,225,062	1,221,964	1,224,628	796,929
Basic (loss) / profit per share (sen)	(14.25)	0.72	(13.98)	0.72
Diluted (loss) / profit per share (sen)	(9.29)	0.47	(9.11)	0.39

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