



## KIM TECK CHEONG CONSOLIDATED BERHAD

(Company No. 1113927-H)

(Incorporated in Malaysia under the Companies Act, 1965)

### INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2019

#### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Quarter ended		Year to date ended	
	31-Mar-19 RM'000	31-Mar-18 RM'000	31-Mar-19 RM'000	31-Mar-18 RM'000
<b>Continuing operations</b>				
Revenue	155,729	122,065	459,821	322,423
Cost of sales	(136,205)	(111,039)	(402,063)	(287,753)
<b>Gross Profit</b>	<u>19,524</u>	<u>11,026</u>	<u>57,758</u>	<u>34,670</u>
Other income	2,847	1,246	3,661	2,227
Administrative expenses	(4,809)	(3,563)	(13,681)	(8,939)
Selling and distribution expenses	(8,228)	(7,394)	(24,613)	(21,680)
Other expenses	(1,429)	(9,083)	(2,730)	(9,864)
<b>Operating profit/(loss)</b>	<b>7,905</b>	<b>(7,768)</b>	<b>20,395</b>	<b>(3,586)</b>
Finance costs	(2,152)	(1,878)	(6,557)	(5,856)
<b>Profit/(Loss) before tax</b>	<u>5,753</u>	<u>(9,646)</u>	<u>13,838</u>	<u>(9,442)</u>
Tax expense	(1,688)	(1,744)	(4,117)	(1,739)
<b>Profit/(Loss) for the period</b>	<u>4,065</u>	<u>(11,390)</u>	<u>9,721</u>	<u>(11,181)</u>
<b>Other comprehensive income, net of tax</b>				
Exchange difference on translation of foreign operation	-	18	(48)	7
Revaluation surplus	-	-	18,708	-
<b>Total comprehensive income/(loss) for the period</b>	<u>4,065</u>	<u>(11,372)</u>	<u>28,381</u>	<u>(11,174)</u>
<b>Profit/(Loss) attributable to:</b>				
Owners of the Company	3,730	(11,818)	8,514	(11,615)
Non-controlling interests	335	428	1,207	434
	<u>4,065</u>	<u>(11,390)</u>	<u>9,721</u>	<u>(11,181)</u>
<b>Total comprehensive income/(loss) attributable to:</b>				
Owners of the Company	3,730	(11,800)	27,193	(11,608)
Non-controlling interests	335	428	1,188	434
	<u>4,065</u>	<u>(11,372)</u>	<u>28,381</u>	<u>(11,174)</u>
<b>Earnings/(Loss) per share attributable to equity holders of the parent:</b>				
Basic (sen)	<u>0.73</u>	<u>(2.32)</u>	<u>1.67</u>	<u>(2.28)</u>
Diluted (sen)	<u>0.56</u>	<u>(1.76)</u>	<u>1.27</u>	<u>(1.73)</u>

**Note:**

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of Kim Teck Cheong Consolidated Berhad ("**KTC Consolidated**" or the "**Company**") and its subsidiaries ("**KTC Group**" or the "**Group**") for the financial year ended ("**FYE**") ended 30 June 2018 and the accompanying explanatory notes attached to this interim financial report.



## KIM TECK CHEONG CONSOLIDATED BERHAD

(Company No. 1113927-H)  
(Incorporated in Malaysia under the Companies Act, 1965)

### INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2019

#### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at <b>31-Mar-19</b> RM'000 (Unaudited)	As at <b>30-Jun-18</b> RM'000 (Audited) (Restated)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	95,975	71,836
Goodwill on consolidation	5,981	5,981
Other intangible asset	40	79
<b>Total non-current assets</b>	<b>101,996</b>	<b>77,896</b>
<b>Current assets</b>		
Inventories	100,413	103,121
Trade and other receivables	134,837	126,611
Tax assets	-	1,628
Cash and bank balances	9,659	6,792
<b>Total current assets</b>	<b>244,909</b>	<b>238,152</b>
<b>TOTAL ASSETS</b>	<b>346,905</b>	<b>316,048</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	99,360	99,360
Other reserve	27,569	8,890
Reorganisation deficit	(47,962)	(47,962)
Retained earnings	28,109	19,034
	<b>107,076</b>	<b>79,322</b>
Non-controlling interests	4,280	4,328
<b>TOTAL EQUITY</b>	<b>111,356</b>	<b>83,650</b>
<b>Non-current liabilities</b>		
Loans and borrowings	20,273	20,419
Deferred tax liabilities	12,577	5,184
<b>Total non-current liabilities</b>	<b>32,850</b>	<b>25,603</b>
<b>Current liabilities</b>		
Trade and other payables	36,840	34,862
Loans and borrowings	164,723	171,110
Income tax liabilities	1,136	823
<b>Total current liabilities</b>	<b>202,699</b>	<b>206,795</b>
<b>TOTAL LIABILITIES</b>	<b>235,549</b>	<b>232,398</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>346,905</b>	<b>316,048</b>
<b>Net Asset per share (in RM)</b>	<b>0.21</b>	<b>0.16</b>

Note:

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the FYE 30 June 2018 and the accompanying explanatory notes attached to this interim financial report.



## KIM TECK CHEONG CONSOLIDATED BERHAD

(Company No. 1113927-H)  
(Incorporated in Malaysia under the Companies Act, 1965)

### INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2019

#### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to owners of the Company →							
	Share Capital RM'000	Revaluation reserve RM'000	Exchange reserve RM'000	Reorganisation deficit RM'000	Retained Earnings RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
<b>As At 1 July 2018</b>	99,360	9,190	(300)	(47,962)	21,492	81,780	4,328	<b>86,108</b>
Effect on adoption of MFRS 9	-	-	-	-	(2,458)	(2,458)	-	<b>(2,458)</b>
<b>Restated As At 1 July 2018</b>	<b>99,360</b>	<b>9,190</b>	<b>(300)</b>	<b>(47,962)</b>	<b>19,034</b>	<b>79,322</b>	<b>4,328</b>	<b>83,650</b>
Exchange difference on translation of foreign operation	-	-	(29)	-	-	(29)	(19)	<b>(48)</b>
Profit for the financial period	-	-	-	-	8,514	8,514	1,207	<b>9,721</b>
Revaluation surplus	-	18,708	-	-	-	18,708	-	<b>18,708</b>
Increase in stake of a subsidiary	-	-	-	-	561	561	(1,236)	<b>(675)</b>
<b>As At 31 March 2019</b>	<b>99,360</b>	<b>27,898</b>	<b>(329)</b>	<b>(47,962)</b>	<b>28,109</b>	<b>107,076</b>	<b>4,280</b>	<b>111,356</b>
<b>As At 1 July 2017</b>	99,360	9,313	(81)	(47,962)	29,497	90,127	3,139	<b>93,266</b>
Exchange difference on translation of foreign operation	-	-	(219)	-	-	(219)	(146)	<b>(365)</b>
Loss for the financial year	-	-	-	-	(8,128)	(8,128)	1,335	<b>(6,793)</b>
Realisation of revaluation reserve	-	(123)	-	-	123	-	-	-
<b>As At 30 June 2018</b>	<b>99,360</b>	<b>9,190</b>	<b>(300)</b>	<b>(47,962)</b>	<b>21,492</b>	<b>81,780</b>	<b>4,328</b>	<b>86,108</b>
Effect on adoption of MFRS 9	-	-	-	-	(2,458)	(2,458)	-	<b>(2,458)</b>
<b>Restated As At 30 June 2018</b>	<b>99,360</b>	<b>9,190</b>	<b>(300)</b>	<b>(47,962)</b>	<b>19,034</b>	<b>79,322</b>	<b>4,328</b>	<b>83,650</b>

**Note:**

The unaudited condensed consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the FYE 30 June 2018 and the accompanying explanatory notes attached to this interim financial report.



## KIM TECK CHEONG CONSOLIDATED BERHAD

(Company No. 1113927-H)

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### INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2019

#### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Year To Date Ended	
	31-Mar-19	31-Mar-18
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	13,838	(9,442)
Adjustments for:		
Depreciation of property, plant and equipment	2,483	2,606
Amortisation of intangible asset	39	59
Bad debt written off	450	-
Interest expense	6,557	5,856
Interest income	(193)	(245)
Gain on disposal of property, plant and equipment	-	(110)
Inventories written off	1,903	1,799
Impairment loss on trade receivables	(1,264)	-
Operating profit before working capital changes	<u>23,813</u>	<u>523</u>
Inventories	805	(12,102)
Trade and other receivables	(3,240)	(19,141)
Trade and other payables	<u>(2,374)</u>	<u>14,738</u>
Net cash generated from/ (used in) operations	19,004	(15,982)
Interest paid	(1,819)	(2,487)
Interest received	193	245
Tax paid	(1,026)	(6,049)
Tax refunded	211	-
<b>Net cash generated from/(used in) operating activities</b>	<u><b>16,563</b></u>	<u><b>(24,273)</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	-	157
Purchase of property, plant and equipment	<u>(2,425)</u>	<u>(3,544)</u>
<b>Net cash used in investing activities</b>	<u><b>(2,425)</b></u>	<u><b>(3,387)</b></u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(4,737)	(3,368)
Net drawdown of term loans	855	2,060
Net drawdown of bankers' acceptance	583	19,457
Net payment of finance lease liabilities	(1,244)	(704)
Net drawdown/(repayment) of trust receipts	255	(1,604)
<b>Net cash (used in) / generated from financing activities</b>	<u><b>(4,288)</b></u>	<u><b>15,841</b></u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>9,850</b>	<b>(11,819)</b>
<b>Cash and cash equivalents brought forward</b>	<b>(33,244)</b>	<b>(23,885)</b>
<b>Effect of exchange rate changes</b>	<b>-</b>	<b>(410)</b>
<b>Cash and cash equivalents carried forward</b>	<u><b>(23,394)</b></u>	<u><b>(36,114)</b></u>

**Note:**

The unaudited condensed consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of The Group for the FYE 30 June 2018 and the accompanying explanatory notes attached to this interim financial report.



## KIM TECK CHEONG CONSOLIDATED BERHAD

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### INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2019

#### PART A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD NO. 134

##### A1. Basis of Preparation

The interim financial report of the Group is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 – Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), International Accounting Standards ("IAS") 34: Interim Financial Reporting issued by the International Accounting Standards Board ("IASB"), Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").

These explanatory notes attached to the 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 FYE 30 June 2018.

##### A2. Significant accounting policies

The significant accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements for the FYE 30 June 2018, except for the adoption of the following new/revised MFRSs:

Effective for financial periods beginning on or after 1 January 2018:

MFRS 9: Financial Instruments  
MFRS 15: Revenue from Contracts with Customers  
IC Interpretation 22: Foreign Currency Transactions and Advance Consideration

The adoption of the above new/revised MFRSs has no material impacts on the amounts reported in the financial statements except the application of MFRS 9's impairment requirements at 1 July 2018 which results in an additional allowance for impairment as follows:

	RM'000
Loss allowance at 30 June 2018 under MFRS139	201
Additional impairment recognised at 1 July 2018 on:	
Trade and other receivables as at 30 June 2018	<u>2,458</u>
Loss allowance at 1 July 2018 under MFRS 9	<u>2,659</u>

##### A3. Audited Report Of Preceding Annual Financial Statements

The audited financial statements for the financial year ended 30 June 2018 was not subject to any qualification.

##### A4. Seasonal Or Cyclical Factors

The Group does not experience significant fluctuations in operations due to seasonal factors or cyclical factors during the current financial quarter and current year-to-date under review.

##### A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income Or Cash Flows

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature in size or incidence during the current quarter under review.

##### A6. Material Changes In Estimates

There were no material changes in the estimates of amounts reported that have material effect on the results for the current quarter under review.

##### A7. Issuances, Cancellations, Repurchases, Resale And Repayments Of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter under review.

##### A8. Dividend Paid

There was no dividend paid during the current quarter under review.



## KIM TECK CHEONG CONSOLIDATED BERHAD

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### INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2019

#### PART A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD NO. 134

##### A9. Segmental Reporting

a) Revenue by Business Activities:-

	<u>Revenue</u> Quarter Ended		<u>Revenue</u> Year To Date Ended	
	31-Mar-19 RM'000	31-Mar-18 RM'000	31-Mar-19 RM'000	31-Mar-18 RM'000
Distribution of consumer package goods	154,182	120,699	454,939	318,422
Manufacturing of bakery products	1,547	1,366	4,882	4,001
Total	<u>155,729</u>	<u>122,065</u>	<u>459,821</u>	<u>322,423</u>

b) Revenue by Geographical Market:-

	<u>Revenue</u> Quarter Ended		<u>Revenue</u> Year To Date Ended	
	31-Mar-19 RM'000	31-Mar-18 RM'000	31-Mar-19 RM'000	31-Mar-18 RM'000
Sabah	82,538	55,672	235,373	188,254
Sarawak	50,540	44,191	149,944	92,305
Labuan and others	22,651	22,202	74,504	41,864
Total	<u>155,729</u>	<u>122,065</u>	<u>459,821</u>	<u>322,423</u>

##### A10. Material Events Subsequent To The End Of The Quarter

There was no material event subsequent to the current quarter ended 31 March 2019.

##### A11. Changes In The Composition of The Group

The Group had on 14 February 2019 completed the acquisition of the remaining 10,000 ordinary shares or 20% shareholdings in Kim Teck Cheong (Sarawak) Sdn Bhd ("KTC Sarawak") for a total consideration of RM675,000.00 ("Acquisition"). Upon this Acquisition, KTC Sarawak has become a wholly-owned subsidiary of the Group.

##### A12. Contingent Liabilities and Contingent Assets

There were no material contingent liabilities, either secured or unsecured and contingent assets of the Group as at the end of the current quarter.

##### A13. Material Capital Commitments

There is no material capital commitments as at the end of the FPE 31 March 2019.

##### A14. Significant Related Party Transactions

There were no significant related party transactions during the current financial quarter and current year-to-date under review.



## KIM TECK CHEONG CONSOLIDATED BERHAD

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### INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2019

#### PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

##### B1. Review of Performance

	Quarter Ended		Changes		Year To Date Ended		Changes	
	31-Mar-19 RM'000	31-Mar-18 RM'000	RM'000	%	31-Mar-19 RM'000	31-Mar-18 RM'000	RM'000	%
Revenue	155,729	122,065	33,664	28%	459,821	322,423	137,398	43%
Profit/(Loss) before tax	5,753	(9,646)	15,399	160%	13,838	(9,442)	23,280	-247%

##### Comparison with preceding year's corresponding quarter

The Group's revenue for the current quarter ended 31 March 2019 ("**Q3 2019**") increased by approximately RM33.66 million or 28% to RM 155.73 million, from RM 122.07 million for preceding year quarter ended 31 March 2018 ("**Q3 2018**"). The increase in revenue contribution from the operations is mainly due to the engagement of Group by its new suppliers and retention of existing suppliers with the Company's infrastructure has helped to improve distribution and selling gaps of new agencies and stability as business partner under the Company's portfolio.

The increase in revenue by geographical segment was mainly due to the following:-

(i) the increase in revenue contribution from our operations in Sabah from RM 55.67 million (Q3 2018) to RM82.54 million (Q3 2019) mainly due to higher sales as more outlets stock up fast consumer packaged products distributed by the Group in preparation for Harvest Festival and Hari Raya Puasa. There are more sales activation plans and promotions conducted by agencies together with the Group sales team which has driven higher sales. Members' promotion in Watson and Guardian stores in view of the festive seasons also resulted in increased in sales from the Group's agencies like L'Oreal Malaysia Sdn Bhd and Procter & Gamble (Malaysia) Sdn. Bhd;

(ii) the increase in revenue contribution from our operations in Sarawak from RM44.19 million (Q3 2018) to RM50.54 million (Q3 2019) mainly due to higher sales as more outlets stock up fast consumer packaged products distributed by the Group in preparation for Gawai Festival and Hari Raya Puasa. Another factor that contributes to the increase in revenue is the upward price adjustment of Heineken Marketing Malaysia Sdn Bhd products with effect from 1 May 2019 which leads to retail customers stocking up on Heineken products, prior to the increase in price. In view of the announcement by the Malaysia Government on implementation of Sugar Tax on beverage to be enforced from 1 April 2019, this has caused outlets in Sarawak to stock up Power Root Marketing Sdn Bhd's inventories prior to the increase in price which also contribute to the increase in revenue; and

(iii) The Group recorded a significant increase in profit before tax ("**PBT**") by 160% to RM5.75 million in Q3 2019 from a loss before tax RM9.65 million in Q3 2018. The Group has rationalised and increased review of the performance portfolio of its agencies which leads to more profitable agencies with fast moving inventories and better profit margins. The support from agencies like promotion fundings and more sales activation plans by sales team during the quarter also has contributed to the surge in demand. The Management of the Group also closely tracked its sales team to ensure that they maximise the monthly and quarterly incentives given by the agencies which generated higher profit to the Group.



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### INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2019

#### PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

##### B2. Comparison with Immediate Preceding Quarter's Results

	Current Quarter 31-Mar-19 RM'000	Immediate Preceding Quarter 31-Dec-18 RM'000	Change RM'000
Revenue	155,729	150,302	5,427
Profit before tax	5,753	4,419	1,334

The Group's revenue has increased from RM 150.30 million for the immediate preceding quarter ended 31 December 2018 to RM 155.73 million (Q3 2019). This is due to the higher demand for consumer packaged products for more fast moving inventories distributed by the Group arising from more sales activation plans and promotions conducted by agencies together with the Group's sales team.

The Group's PBT increased from RM4.42 million for the immediate preceding quarter ended 31 December 2018 to RM5.75 million (Q3 2019). The increased is due to more effort and review of the Group's agencies performance which leads to higher revenue, better profit margin management and achieving incentives provided by the agencies.

##### B3. Group's Prospects For Financial Year Ending 30 June 2019

The Group is optimistic of the distribution business segment and expect it will be satisfactory and continue to be the major contributor in terms of revenue and profits to the Group.

The abolishment of the Goods and Services Tax ("GST") and the reintroduction of the Sales and Service Tax ("SST") bodes well for the Group as consumer spending is likely to rise, which is expected to increase sales. The Group is striving to serve its existing customers better by maintaining a high service standards while offering innovative service offerings, and at the same time attracting new agencies to complement the Group's highly diversified agencies portfolio.

##### B4. Variance Of Profit Forecast

The Group did not issue any profit forecast for the current financial year.





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### INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2019

#### PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

##### B5. Income Tax Expense

The breakdown of income tax expense is as follows:-

	<b>Current Quarter 31-Mar-19</b>	<b>Year to Date 31-Mar-19</b>
	RM'000	RM'000
Current year tax expense	1,688	3,353
Deferred tax expenses	-	764
	<u>1,688</u>	<u>4,117</u>

The Group's effective tax rate is higher than the statutory tax rate in Malaysia of 24% mainly due to the non-tax deductible expenses incurred by the Group as well as the under provision of deferred tax liabilities in prior year.

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

##### B6. Profit for the Period

Profit for the period is arrived at after charging/(crediting):

	<b>Quarter Ended</b>		<b>Year To Date Ended</b>	
	<b>31-Mar-19</b>	<b>31-Mar-18</b>	<b>31-Mar-19</b>	<b>31-Mar-18</b>
	RM'000	RM'000	RM'000	RM'000
Bad debts written off	450	-	450	-
Interest income	(46)	(59)	(193)	(245)
Interest expenses	2,666	1,878	6,557	5,856
Depreciation and amortisation	658	659	2,522	2,665
Impairment loss on trade receivables	(887)	-	(1,264)	-
Inventories written off	979	1,018	1,903	1,799
Gain on disposal of property, plant and equipment	-	(58)	-	(110)

##### B7. Group Borrowings and Debt Securities

The Group's borrowings as at 31 March 2019 are as follows:-

	<b>Short Term</b>	<b>Long Term</b>	<b>Total</b>
	RM'000	RM'000	RM'000
<u>Unsecured</u>			
Banker's acceptances	93,893	-	93,893
Trust receipts	17,210	-	17,210
Bank overdrafts	33,053	-	33,053
Revolving credit	18,000	-	18,000
	<u>162,156</u>	<u>-</u>	<u>162,156</u>
<u>Secured</u>			
Term loan	863	18,570	19,433
Finance lease liabilities	1,704	1,703	3,407
	<u>164,723</u>	<u>20,273</u>	<u>184,996</u>

All borrowings indicated above are denominated in Ringgit Malaysia.



## KIM TECK CHEONG CONSOLIDATED BERHAD

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### INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2019

#### PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

##### B8. Material Litigation

The Group is not engaged in any material litigation either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Group as at the date of this report.

##### B9. Dividend Proposed

No dividend has been declared or proposed during the current quarter under review.

##### B10. Earnings/(Loss) Per Share ("EPS")

The basic and diluted EPS for the current quarter and financial year-to-date are computed as follows:

	Current Quarter		Year to Date	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) attributable to ordinary equity owners of the Company	3,730	(11,818)	8,514	(11,615)
Weighted average number of ordinary shares for basic earnings/(loss) per share	510,277	510,277	510,277	510,277
Effect of dilution from:				
- redeemable convertible preference shares	<u>160,012</u>	<u>160,012</u>	<u>160,012</u>	<u>160,012</u>
	<u>670,289</u>	<u>670,289</u>	<u>670,289</u>	<u>670,289</u>
Basic EPS (sen)	0.73	(2.32)	1.67	(2.28)
Diluted EPS <sup>(1)</sup> (sen)	<u>0.56</u>	<u>(1.76)</u>	<u>1.27</u>	<u>(1.73)</u>

##### Note:

(1) The diluted EPS is computed based on the profit attributable to the owners of the Company divided by the weighted average number of ordinary shares in issue and assume the full conversion of the redeemable convertible preference shares into 160,012,387 ordinary shares in the Company.



## **KIM TECK CHEONG CONSOLIDATED BERHAD**

*(Company No. 1113927-H)  
(Incorporated in Malaysia under the Companies Act, 1965)*

### **INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2019**

#### **PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

##### **B11. Status of Corporate Proposals**

There is no corporate proposal announced but not completed as at the date of this report.

##### **B12. Utilisation of proceeds from the IPO**

The gross proceeds from the IPO amounting to RM21.30 million has been fully utilised. Details of the utilisation of proceeds are set out in the Company's announcement for its interim financial report for the first quarter ended 30 September 2018 made on 29 November 2018.