

**KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)**  
(Incorporated in Malaysia)

**Consolidated Statement Of Comprehensive Income**  
**For the Financial Period Ended 31 December 2019**  
(The figures have not been audited)

	Note	Individual Quarter 3 months ended		Change (Unfavourable)/ Favourable		Period-to-Date 6 months ended		Change (Unfavourable)/ Favourable	
		31.12.19 RM'000	31.12.18 RM'000	RM'000	%	31.12.19 RM'000	31.12.18 RM'000	RM'000	%
<b>Revenue</b>	4	4,594	3,739	855	23	9,551	8,660	891	10
Other income		2	1	1	100	7	2	5	250
Changes in inventories		(372)	(636)	264	42	65	107	(42)	-39
Staff costs		(871)	(731)	(140)	-19	(1,797)	(1,807)	10	1
Depreciation		(626)	(211)	(415)	-197	(1,247)	(390)	(857)	-220
Subcontract labour costs, fertilizer and chemical costs		(2,070)	(1,419)	(651)	-46	(5,245)	(2,518)	(2,727)	-108
Foreign exchange gain		3,603	357	3,246	909	583	787	(204)	-26
Other expenses		(1,489)	(1,039)	(450)	-43	(3,710)	(3,712)	2	0
Finance lease expense		(38)	-	(38)	-100	(76)	-	(76)	-100
Fair value gain/(loss) on biological assets		10	(57)	67	118	43	(33)	76	230
Fair value gain/(loss) on investments		4,161	(4,400)	8,561	195	4,113	(6,068)	10,181	168
<b>Profit/(Loss) from operations</b>	4	6,904	(4,396)	11,300	257	2,287	(4,972)	7,259	146
Share of profit/(loss) of associates		4,164	(8,327)	12,491	150	2,355	(11,809)	14,164	120
<b>Profit/(Loss) before tax</b>	20	11,068	(12,723)	23,791	187	4,642	(16,781)	21,423	128
Income tax expense	21	(40)	(69)	29	42	(85)	(124)	39	31
<b>Profit/(Loss) after tax</b>		11,028	(12,792)	23,820	186	4,557	(16,905)	21,462	127
<b>Other comprehensive (loss)/income</b>									
Investments:									
- Fair value loss		(12,701)	(34,146)	21,445	63	(56,008)	(57,470)	1,462	3
Share of other comprehensive income of associates		-	-	-	-	194	-	194	100
Foreign currency translation		(6,658)	512	(7,170)	-1400	(5,904)	17,154	(23,058)	-134
<b>Other comprehensive loss for the period, net of tax</b>		(19,359)	(33,634)	14,275	42	(61,718)	(40,316)	(21,402)	-53
<b>Total comprehensive loss for the period</b>		(8,331)	(46,426)	38,095	82	(57,161)	(57,221)	60	0
<b>Profit/(Loss) attributable to:</b>									
Owners of the parent		6,071	(10,534)	16,605	158	2,460	(12,940)	15,400	119
Non-controlling interest		4,957	(2,258)	7,215	320	2,097	(3,965)	6,062	153
		11,028	(12,792)	23,820	186	4,557	(16,905)	21,462	127
<b>Total comprehensive loss attributable to:</b>									
Owners of the parent		(3,131)	(25,863)	22,732	88	(25,342)	(30,614)	5,272	17
Non-controlling interest		(5,200)	(20,563)	15,363	75	(31,819)	(26,607)	(5,212)	-20
		(8,331)	(46,426)	38,095	82	(57,161)	(57,221)	60	0
<b>Earnings/(Loss) per share attributable to</b>									
<b>owners of the parent:</b>									
Basic (Sen)	26(a)	9.61	(16.68)			3.89	(20.48)		
Diluted (Sen)	26(b)	9.61	(16.68)			3.89	(20.48)		

The consolidated statement of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the financial

**KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)**

(Incorporated in Malaysia)

**Consolidated Statement of Financial Position****As at 31 December 2019**

	(Unaudited) As at <b>31.12.2019</b> RM'000	(Audited) As at <b>30.6.2019</b> RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	302,923	302,836
Bearer plants	38,629	39,010
Right-of-use asset	3,160	-
Investment properties	65,863	66,429
Investment in associates	95,900	96,500
Investments	429,305	453,411
	<u>935,780</u>	<u>958,186</u>
<b>Current assets</b>		
Inventories	85	19
Biological assets	273	230
Trade and other receivables	4,054	1,926
Prepayments	261	835
Tax recoverable	672	657
Cash and bank balances	233,885	267,951
	<u>239,230</u>	<u>271,618</u>
<b>TOTAL ASSETS</b>	<u>1,175,010</u>	<u>1,229,804</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	68,388	68,388
Reserves	578,946	608,078
	<u>647,334</u>	<u>676,466</u>
Non-controlling interests	483,243	516,447
<b>Total equity</b>	<u>1,130,577</u>	<u>1,192,913</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	31,011	31,014
Other payables	765	725
Provision for retirement benefits	69	61
Lease rent liabilities	2,881	-
	<u>34,726</u>	<u>31,800</u>
<b>Current liabilities</b>		
Trade and other payables	4,107	4,874
Dividend payables	5,175	-
Tax payable	175	217
Lease rent liabilities	250	-
	<u>9,707</u>	<u>5,091</u>
<b>Total liabilities</b>	<u>44,433</u>	<u>36,891</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,175,010</u>	<u>1,229,804</u>

The consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to the financial statements.

**KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)**

(Incorporated in Malaysia)

**Consolidated Statement of Changes in Equity  
For the Financial Period Ended 31 December 2019**

(The figures have not been audited)

	← Non distributable →						Distributable			
	Equity, Total RM'000	Equity Attributable to Owners of the Parent, Total RM'000	Share Capital RM'000	Share Premium RM'000	Capital Reserve RM'000	Fair Value Reserve RM'000	Foreign Exchange Fluctuation Reserves RM'000	Equity Interest in the Company held by subsidiaries RM'000	Retained Earnings RM'000	Non- Controlling Interests RM'000
<b>Balance at 1 July 2019</b>	1,192,913	676,466	68,388	-	198,114	146,772	61,606	-	201,586	516,447
Total comprehensive (loss)/income for the period	(57,161)	(25,342)	-	-	84	(25,023)	(2,863)	-	2,460	(31,819)
Dividend	(5,175)	(3,790)	-	-	-	-	-	-	(3,790)	(1,385)
<b>Balance at 31 December 2019</b>	<b>1,130,577</b>	<b>647,334</b>	<b>68,388</b>	<b>-</b>	<b>198,198</b>	<b>121,749</b>	<b>58,743</b>	<b>-</b>	<b>200,256</b>	<b>483,243</b>
<b>Balance at 1 July 2018</b>	1,236,418	684,976	63,172	5,216	198,114	165,368	53,256	(25,813)	225,663	551,442
Total comprehensive (loss)/income for the period	(57,221)	(30,614)	-	-	-	(25,749)	8,075	-	(12,940)	(26,607)
Dividend	(14,975)	(584)	-	-	-	-	-	-	(584)	(14,391)
<b>Balance at 31 December 2018</b>	<b>1,164,222</b>	<b>653,778</b>	<b>63,172</b>	<b>5,216</b>	<b>198,114</b>	<b>139,619</b>	<b>61,331</b>	<b>(25,813)</b>	<b>212,139</b>	<b>510,444</b>

The consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes attached to the financial statements.

**KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)**  
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**Consolidated Statement of Cash Flows**  
**For the Financial Period Ended 31 December 2019**  
(The figures have not been audited)

	<b>6 months ended</b>	
	<b>31.12.19</b>	<b>31.12.18</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	4,642	(16,781)
Adjustments for:		
Depreciation	1,247	390
Provision for retirement benefit	7	5
Dividend income	(1,874)	(1,891)
Interest income	(1,876)	(1,437)
Finance lease expense	76	-
Share of (profit)/loss of associates	(2,355)	11,809
Fair value (gain)/loss on biological assets	(43)	33
Fair value (gain)/loss on other investments	(4,113)	6,068
Unrealised foreign exchange gain	(586)	(789)
Operating cash flows before working capital changes	<u>(4,875)</u>	<u>(2,593)</u>
Receivables	(261)	(10,697)
Prepayments	387	467
Inventories	(65)	(107)
Payables	(722)	(740)
Cash flows used in operations	<u>(5,536)</u>	<u>(13,670)</u>
Taxes refunded	168	-
Taxes paid	(306)	(399)
Net cash flows used in operating activities	<u>(5,674)</u>	<u>(14,069)</u>
<b>INVESTING ACTIVITIES</b>		
Dividends received	1,874	4,525
Interest received	1,986	1,428
Uplift of/(placement in) fixed deposits	15,320	(782)
Purchase of investments	(29,981)	-
Purchase of property, plant and equipment	(325)	(1,140)
Addition to bearer plants	(546)	(3,122)
Cash flows (used in)/generated from investing activities	<u>(11,672)</u>	<u>909</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(17,346)</b>	<b>(13,160)</b>
<b>EFFECTS OF EXCHANGE RATE CHANGES</b>	<b>(1,400)</b>	<b>5,882</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	<b>135,924</b>	<b>120,526</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD (Note 27)</b>	<b><u>117,178</u></b>	<b><u>113,248</u></b>

The consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to the financial statements.

**KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)**  
**(Incorporated in Malaysia)**

**Part A - Explanatory Notes Pursuant to MFRS 134**

**1. Basis of Preparation**

The interim financial statements of the Group for the financial period ended 31 December 2019 are prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), including MFRS 16: Leases.

The interim financial statements have been prepared on a historical cost basis, investment properties, certain investments and biological assets that have been measured at their fair values.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

**2. Significant accounting policies**

**Changes in accounting policies**

During the financial period, the Group has considered the new accounting policies in the preparation of the financial statements, as follows:

Amendments to MFRS 9: Prepayment Features with Negative Compensation  
MFRS 16: Leases

Amendments to MFRS 119: Plan Amendment, Curtailment or Settlement

Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures

IC Interpretation 23 Uncertainty over Income Tax Treatments

Annual Improvements to MFRS Standards 2015–2017 Cycle: Amendments to MFRS 3,  
MFRS 11, MFRS 112 and MFRS 123

**3. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the year ended 30 June 2019 was not qualified.

**KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)**  
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**Part A - Explanatory Notes Pursuant to MFRS 134**

**4. Segmental Information**

	<b>6 months ended</b>	
	<b>31.12.19</b>	<b>31.12.18</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Segment Revenue</b>		
Plantation	4,998	4,527
Investment	4,553	4,133
	<u>9,551</u>	<u>8,660</u>
<b>Segment results</b>		
Plantation	(2,173)	793
Investment	7,871	(2,490)
	<u>5,698</u>	<u>(1,697)</u>
Unallocated corporate expenses	(3,411)	(3,275)
Profit/(Loss) from operations	<u>2,287</u>	<u>(4,972)</u>
<b>Segment assets</b>		
Plantation	376,689	380,061
Investment	797,621	821,466
	<u>1,174,310</u>	<u>1,201,527</u>
Unallocated corporate asset	700	723
Total assets	<u>1,175,010</u>	<u>1,202,250</u>

**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 financial period ended 31 December 2019.

**6. Changes in Estimates**

There were no changes in estimates that have had a material effect on the current quarter and period-to-date results.

**7. Comments about Seasonal or Cyclical Factors**

The revenue and earnings are impacted by the production of fresh fruit bunches and volatility of the selling price of crude palm oil. The production of fresh fruit bunches is influenced by weather conditions, production cycle and age of palms.

**8. Dividend Paid**

No dividend was paid during the current quarter.

**9. Debt and Equity Securities**

There were no issuance, repurchase and repayment of debts and equity securities for the financial period ended 31 December 2019.

**KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)**  
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**Part A - Explanatory Notes Pursuant to MFRS 134**

**10. Changes in Composition of the Group**

There were no changes in the composition of the Group for the financial period ended 31 December 2019.

**11. Capital Commitments**

There are no commitments for the purchase of property, plant and equipment not provided for in the financial statements as at 31 December 2019.

**12. Changes in Contingent Liabilities and Contingent Assets**

There were no contingent liabilities or contingent assets as at 31 December 2019.

**13. Related Party Transactions**

Transactions with related parties are as follows:

	<b>Individual Quarter</b>		<b>Period-To-Date</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>31.12.19</b>	<b>31.12.18</b>	<b>31.12.19</b>	<b>31.12.18</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Rental income from Ice Cold Beer Pte. Ltd., a company in which a director, Lee Chung-Shih Justin has an interest (recurrent)	239	237	475	470
Estate agency fee payable to Kluang Estates (1977) Sdn Bhd, a company in which a director, Lee Chung-Shih Justin has an interest (recurrent)	-	50	-	114
Rental expense payable to Kluang Estates (1977) Sdn Bhd, a company in which a director, Lee Chung-Shih Justin has an interest (recurrent)	60	-	60	-
Administration and accounting support services payable to The Nyalas Rubber Estates Limited, a company in which a director, Lee Chung-Shih Justin has an interest (recurrent)	501	481	1,087	1,066
Administration and support services payable to Estate & Trust Agencies (1927) Limited, a company in which a director, Lee Chung-Shih Justin has an interest (recurrent)	67	77	154	175
Land lease rental payable to Kuala Pergau Rubber Plantations Plc, a company in which a director, Lee Chung-Shih Justin, has an interest and Balaraman A/L Annamaly is a common director (recurrent)	62	62	125	125

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**Part A - Explanatory Notes Pursuant to MFRS 134**

**14. Subsequent Events**

There were no material events subsequent to the end of the current quarter.

**15. Fair Value Hierarchy**

The Group uses the following hierarchy for determining the fair value of all assets and liabilities carried at fair value:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>31.12.19</b>				
Investments in financial instruments	329,231	45,219	-	374,450
Investment in precious metal	24,941	-	-	24,941
Investment properties	-	-	65,863	65,863
Biological assets	-	-	273	273
	<u>354,172</u>	<u>45,219</u>	<u>66,136</u>	<u>465,527</u>
<b>30.06.19</b>				
Investments in financial instruments	388,374	41,595	-	429,969
Investment in precious metal	23,442	-	-	23,442
Investment properties	-	-	66,429	66,429
Biological assets	-	-	230	230
	<u>411,816</u>	<u>41,595</u>	<u>66,659</u>	<u>520,070</u>

There have been no transfers between Level 1, Level 2 and Level 3 fair value measurements during the current financial period and the comparative period. There was no change in the purpose of any financial asset that subsequently resulted in a different classification of that asset.



**KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)**  
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**Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

**16. Performance Review**

The Group's revenue of RM4.59 million and RM9.55 million for the current quarter and period-to-date respectively were higher than last year's corresponding quarter of RM3.74 million and period-to-date of RM8.66 million. The increases in revenue were mainly due to higher interest income and higher crop sales on account of increase in average price of fresh fruit bunches ("FFB") and higher tonnage harvested. Interest income from the investment in bonds was RM160,000 and RM235,000 for the current quarter and period-to-date respectively while there was none a year ago.

The Group recorded an after-tax profit of RM11.03 million and RM4.56 million for the current quarter and period-to-date respectively. These were positive turnarounds from the last year corresponding's quarter's loss of RM12.79 million and period-to-date's loss of RM16.91 million, mainly due to:-

- 1) Higher revenue achieved for the current quarter and period-to-date.
- 2) Revaluation on its fair value through profit or loss investments for the current quarter and period-to-date were gains of RM4.16 million and RM4.11 million respectively while there were losses of RM4.40 million and RM6.07 million reported for last year's corresponding quarter and period-to-date.
- 3) Share of the associates' financial results were profits of RM4.16 million and RM2.36 million for the current quarter and period-to-date respectively as compared to the losses of RM8.33 million and RM11.81 million reported for last year corresponding's quarter and period-to-date respectively.
- 4) The foreign exchange gain of RM3.60 million for the current quarter was significantly higher than last year corresponding's quarter's gain of RM357,000. Meanwhile, the foreign exchange difference for the current period-to-date was a gain of RM583,000 but was lower than last year's corresponding period-to-date's gain of RM787,000.

However, depreciation was higher due to the amortisation of the Bearer Plants from the Kuala Pergau plantation and amortisation from Right-of-use asset which commenced on 1 July 2019. In addition, subcontract costs of RM2.07 million and RM5.25 million for the current quarter and period-to-date respectively were higher than last year corresponding's quarter's costs of RM1.42 million and period-to-date's costs of RM2.52 million. The higher subcontract costs were mainly due to increased use of fertilizers on newly matured plants.

During the current quarter, the Group posted a total other comprehensive loss of RM19.36 million which was lower than last year's corresponding quarter's loss of RM33.63 million. This was mainly due to fair value loss of RM12.70 million arising from revaluation on investments at FVTOCI for the current quarter was lower than last year's corresponding's quarter's loss of RM34.15 million. However, foreign currency translation for the current quarter was a loss of RM6.66 million while it was a gain of RM512,000 recorded during last year's corresponding quarter.

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**Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

**16. Performance Review (Cont'd)**

For the current 6-month period, the Group posted a total other comprehensive loss of RM61.72 million which was higher than last year's corresponding period-to-date's loss of RM40.32 million. This was mainly due to foreign currency translation for the current period-to-date was a loss of RM5.90 million while it was a gain of RM17.15 million a year ago. However, fair value loss of RM56.01 million arising from the revaluation on investments at FVTOCI for the current period-to-date was lower than last year's corresponding period-to-date's loss of RM57.47 million.

**17. Comment on Material Change in Profit Before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter**

	<b>Current Quarter 31.12.19 RM'000</b>	<b>Preceding Quarter 30.09.19 RM'000</b>	<b>Change (Unfavourable)/Favourable</b>	
			<b>RM'000</b>	<b>%</b>
Revenue	4,594	4,957	(363)	-7
Operating profit/(loss)	6,904	(4,617)	11,521	250
Share of profit/(loss) of associates	4,164	(1,809)	5,973	330
Profit/(Loss) before tax	11,068	(6,426)	17,494	272
Profit/(Loss) after tax	11,028	(6,471)	17,499	270
<b>Profit/(Loss) attributable to:</b>				
Owners of the parent	6,071	(3,611)	9,682	268
Non-controlling interest	4,957	(2,860)	7,817	273
	<u>11,028</u>	<u>(6,471)</u>		

For the current quarter under review, the Group's revenue of RM4.59 million was lower than the immediate preceding quarter's RM4.96 million despite higher crop sales. This was mainly due to the receipt of dividend income of RM429,000 for the current quarter was lower than the immediate preceding quarter's RM1.45 million.

The Group posted a pre-tax profit of RM11.07 million for the current quarter as compared to the immediate preceding quarter's pre-tax loss of RM6.47 million. This was mainly due to:-

- 1) The foreign exchange difference for the current quarter was a gain of RM3.60 million while it was a loss of RM3.02 million in the immediate preceding quarter.
- 2) Share of the associates' financial results was a gain of RM4.16 million for the current quarter while it was a loss of RM1.81 million during the immediate preceding quarter.
- 3) Revaluation on its fair value through profit or loss investments for the current quarter was a gain of RM4.16 million while it was a loss of RM48,000 reported for the immediate preceding quarter.

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**Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

**18. Commentary on Prospects**

Although the Group expects FFB production for the current financial year to be higher than the financial year ended 30 June 2019, FFB prices and global demand remain challenging.

Plantation operations may be impacted by adverse weather conditions, supply of labour and pest attacks.

The Group's results are also dependent on dividend income receivable from its investments, market valuation of its publicly listed investments and the effect of currency fluctuations.

The results of the associated companies may be affected by the market valuations of its investments and currency fluctuations.

**19. Profit Forecast or Profit Guarantee**

There is no profit forecast or profit guarantee.

**20. Profit/(Loss) before tax**

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

	<b>Individual Quarter</b>		<b>Period-To-Date</b>	
	<b>31.12.19</b>	<b>31.12.18</b>	<b>31.12.19</b>	<b>31.12.18</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Interest income	(939)	(751)	(1,876)	(1,437)
Other income including investment income	(3,616)	(869)	(2,684)	(2,698)
Fair value (gain)/loss on investment	(4,161)	4,400	(4,113)	6,068
Fair value (gain)/loss on biological asset	(10)	57	(43)	33
Depreciation	626	211	1,247	390
Foreign exchange gain	(3,603)	(357)	(583)	(787)

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**Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

**21. Income Tax Expense**

	Individual Quarter 3 months ended		Period-To-Date 6 months ended	
	31.12.19 RM'000	31.12.18 RM'000	31.12.19 RM'000	31.12.18 RM'000
Current tax:				
Malaysian income tax	-	30	3	70
Foreign tax	40	39	90	89
	<u>40</u>	<u>69</u>	<u>93</u>	<u>159</u>
Over provision of income tax in prior years				
prior years				
Foreign tax	-	-	(8)	(35)
	<u>-</u>	<u>-</u>	<u>(8)</u>	<u>(35)</u>
Total income tax expense	<u>40</u>	<u>69</u>	<u>85</u>	<u>124</u>

The effective tax rates for the current quarter and current period-to-date were lower than the statutory tax rate applicable in Malaysia as certain income were not subject to income tax. As for the effective tax rates for last year's corresponding quarter and period-to-date were higher due to the non-deductible expenses even though the Group was in a loss position.

**22. Corporate Proposals**

There was no corporate proposal announced by the Company as at the date of the issue of this quarterly report.

**23. Borrowings**

There were no borrowings and debt securities as at 31 December 2019.

**24. Changes in Material Litigation**

There was no pending material litigation as at the date of the issue of this quarterly report.

**25. Dividend Payable**

The following dividends in respect of the financial year ended 30 June 2019 on 63,171,977 ordinary shares have been approved by the shareholders at the Annual General Meeting on 28 November 2019 and payable on 6 January 2020:

	Net dividend	
	Amount RM	per share Sen
First and final tax exempt single-tier dividend	631,720	1.00
Special tax exempt single-tier dividend	3,158,599	5.00
	<u>3,790,319</u>	<u>6.00</u>

**KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)**  
**(Incorporated in Malaysia)**

**Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

**26. Earnings/(Loss) Per Share**

**(a) Basic**

Basic earnings/(loss) per share amounts are calculated by dividing profit/(loss) for the period attributable to owners of the parent by the weighted average number of ordinary shares in issue during the financial period.

	<b>Individual Quarter</b>		<b>Period-To-Date</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>31.12.19</b>	<b>31.12.18</b>	<b>31.12.19</b>	<b>31.12.18</b>
Profit/(Loss) attributable to owners of the parent (RM'000)	<u>6,071</u>	<u>(10,534)</u>	<u>2,460</u>	<u>(12,940)</u>
Weighted average number of ordinary shares in issue ('000)	<u>63,172</u>	<u>63,172</u>	<u>63,172</u>	<u>63,172</u>
Basic earnings/(loss) per share (Sen)	<u>9.61</u>	<u>(16.68)</u>	<u>3.89</u>	<u>(20.48)</u>

**(b) Diluted**

Diluted earnings/(loss) per share is the same as basic earnings/(loss) per share as there are no dilutive potential ordinary shares outstanding as at 31 December 2019.

**27. Cash and cash equivalents**

For the purposes of the statements of cash flows, cash and cash equivalents comprise the following:

	<b>31.12.19</b>	<b>31.12.18</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash and bank balances	233,885	258,926
Less: Short-term deposits with a licensed bank with maturities more than 90 days	(116,707)	(145,678)
Cash and cash equivalents	<u>117,178</u>	<u>113,248</u>

**28. Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 21 February 2020.