



FACB INDUSTRIES INCORPORATED BERHAD (48850-K)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME For The Fourth Quarter Ended 30 June 2019**  
*(The figures have not been audited)*

	<b>Current Quarter Ended 30/06/2019 RM'000</b>	<b>Comparative Quarter Ended 30/06/2018 RM'000</b>	<b>Current Year Ended 30/06/2019 RM'000</b>	<b>Comparative Year Ended 30/06/2018 RM'000</b>
<b>Continuing Operations</b>				
Revenue	9,364	9,812	38,870	37,901
Cost of sales	(6,182)	(6,530)	(24,795)	(24,168)
Gross profit	3,182	3,282	14,075	13,733
Other income	2,170	2,050	7,008	6,556
Operating expenses	(4,468)	(6,018)	(16,972)	(17,413)
Share of results of associates	(1,160)	1,013	105	3,399
(Loss)/Profit before tax	(276)	327	4,216	6,275
Taxation	(1,026)	(1,438)	(1,960)	(2,833)
Net (loss)/profit for the period from continuing operations	(1,302)	(1,111)	2,256	3,442
<b>Discontinued Operation</b>				
Loss from discontinued operation, net of tax	-	(1,176)	-	(5,222)
Net (loss)/ profit for the period	(1,302)	(2,287)	2,256	(1,780)
<b>Other comprehensive income/ (loss)</b>				
Foreign currency translation	(200)	(134)	(1,063)	156
Fair value gain on remeasuring of financial assets	1,696	1,696	1,696	8,480
Total comprehensive income/ (loss) for the period	194	(725)	2,889	6,856
<b>(Loss)/Profit attributable to:</b>				
Owners of the parent	(1,663)	(2,467)	1,095	(2,792)
Non-controlling interests	361	180	1,161	1,012
	(1,302)	(2,287)	2,256	(1,780)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME For The Fourth Quarter Ended 30 June 2019 (Cont'd)**  
*(The figures have not been audited)*

	<b>Current Quarter Ended 30/06/2019 RM'000</b>	<b>Comparative Quarter Ended 30/06/2018 RM'000</b>	<b>Current Year Ended 30/06/2019 RM'000</b>	<b>Comparative Year Ended 30/06/2018 RM'000</b>
Total comprehensive income/ (loss) attributable to:				
Owners of the parent	(77)	(960)	2,156	5,746
Non-controlling interests	271	235	733	1,110
	<u>194</u>	<u>(725)</u>	<u>2,889</u>	<u>6,856</u>
<b>(Loss)/ Earning per share for (loss)/profit attributable to owners of the parent:</b>				
Basic and diluted (sen) from:				
- Continuing operations	(1.98)	(1.54)	1.31	2.90
- Discontinued operation	-	(1.40)	-	(6.23)
	<u>(1.98)</u>	<u>(2.94)</u>	<u>1.31</u>	<u>(3.33)</u>

**(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2018)**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As At 30 June 2019**

	Unaudited As At 30/06/2019 RM'000	Audited As At 30/06/2018 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	3,548	3,600
Intangible assets	236	124
Investment in associates	19,191	23,677
Financial asset at amortised cost	9,935	9,925
Financial asset at fair value through other comprehensive income ("FVTOCI")	30,527	28,831
	63,437	66,157
<b>Current Assets</b>		
Inventories	5,915	5,602
Trade and other receivables	11,055	11,115
Deposits, cash and bank balances	160,141	154,400
	177,111	171,117
<b>Total Assets</b>	240,548	237,274
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	114,152	114,152
Treasury shares	(1,225)	(1,225)
Other reserves	(2,520)	15,405
Retained earnings	107,344	87,476
Equity attributable to owners of the parent	217,751	215,808
Non-controlling interests	15,803	15,170
<b>Total equity</b>	233,554	230,978
<b>Non-Current Liability</b>		
Deferred tax liabilities	154	156
	154	156
<b>Current Liabilities</b>		
Trade and other payables	6,520	6,056
Tax liabilities	320	84
	6,840	6,140
<b>Total liabilities</b>	6,994	6,296
<b>Total Equity and Liabilities</b>	240,548	237,274
Net Assets per share (RM)	2.60	2.57

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2018)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**For The Period Ended 30 June 2019**

*(The figures have not been audited)*

	← Attributable to Owners of the Parent →				Non-Controlling Interests	Total Equity	
	Share Capital	Treasury Shares	Other Reserves	Retained Earnings			Total
<b>In RM'000</b>							
<b>At 1 July 2018</b>	114,152	(1,225)	15,405	87,476	215,808	15,170	230,978
Effect of MFRS 9 adoption (Note A1(a))	-	-	(19,028)	18,898	(130)	(21)	(151)
Effect of MFRS 15 adoption (Note A1(b))	-	-	-	(83)	(83)	(14)	(97)
<b>At 1 July 2018 (restated)</b>	114,152	(1,225)	(3,623)	106,291	215,595	15,135	230,730
Net profit for the period	-	-	-	1,095	1,095	1,161	2,256
Other comprehensive income/(loss)							
- Foreign currency translation	-	-	(635)	-	(635)	(428)	(1,063)
- Fair value gain on remeasuring of financial assets	-	-	1,696	-	1,696	-	1,696
Total comprehensive income for the period	-	-	1,061	1,095	2,156	733	2,889
Transfer of reserves of a subsidiary	-	-	42	(42)	-	-	-
Dividend to non-controlling interest	-	-	-	-	-	(65)	(65)
Total transactions with owners	-	-	42	(42)	-	(65)	(65)
<b>At 30 June 2019</b>	114,152	(1,225)	(2,520)	107,344	217,751	15,803	233,554
<b>At 1 July 2017</b>	114,152	(1,225)	6,863	93,628	213,418	18,582	232,000
Net (loss)/profit for the period	-	-	-	(2,792)	(2,792)	1,012	(1,780)
Other comprehensive income							
- Foreign currency translation	-	-	57	-	57	99	156
- Fair value gain on remeasuring of financial assets	-	-	8,480	-	8,480	-	8,480
Total comprehensive income/(loss) for the period	-	-	8,537	(2,792)	5,745	1,111	6,856
Transfer of reserves of a subsidiary	-	-	5	(5)	-	-	-
Dividend paid	-	-	-	(3,355)	(3,355)	-	(3,355)
Dividend to non-controlling interest	-	-	-	-	-	(4,523)	(4,523)
Total transactions with owners	-	-	5	(3,360)	(3,355)	(4,523)	(7,878)
<b>At 30 June 2018</b>	114,152	(1,225)	15,405	87,476	215,808	15,170	230,978

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2018)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS****For The Period Ended 30 June 2019***(The figures have not been audited)*

	<b>Current Year Ended 30/06/2019 RM'000</b>	<b>Comparative Year Ended 30/06/2018 RM'000</b>
<b>Cash Flows from Operating Activities</b>		
Profit/(Loss) before tax from - continuing operations	4,216	6,275
- discontinued operation	-	(5,222)
Adjustments for :-		
Share of results of associates	(105)	(3,399)
Accretion of discount on financial asset at amortised cost	(10)	-
Amortisation of intangible assets	155	28
Depreciation of property, plant and equipment	311	625
Impairment loss on trade receivables	161	609
Impairment loss on amount owing by associates	425	-
Impairment loss on investment in associate	382	-
Interest income	(6,329)	(6,048)
(Gain)/Loss on disposal of property, plant and equipment	(56)	616
Inventories written down	206	223
Property, plant and equipment written off	-	16
Reversal of impairment loss on trade receivables	(371)	(496)
Other non-cash items	(1)	2
Operating loss before working capital changes	(1,016)	(6,771)
Net changes in current assets	2,326	10,593
Net changes in current liabilities	369	(1,350)
Cash generated from operations	1,679	2,472
Tax paid	(1,746)	(2,298)
Tax refunded	1	467
Net cash (used in)/generated from operating activities	(66)	641
<b>Cash Flows from Investing Activities</b>		
Acquisition of held-to-maturity investment	-	(9,925)
Interest received	6,362	6,095
Net placement of deposits placed with licensed banks with maturity more than three (3) months	(4,542)	(57,142)
Purchase of property, plant and equipment	(203)	(204)
Dividend received from associates	-	4,546
Purchase of intangible assets	(267)	(57)
Proceeds from disposal of property, plant and equipment	-	535
Repayment from associates	-	114
Withdrawal of deposits pledged to a licensed bank	-	1,570
Net cash generated from /(used in) investing activities	1,350	(54,468)
<b>Cash Flows from Financing Activities</b>		
Dividend paid	-	(3,355)
Dividend paid to non-controlling interest by a subsidiary	(65)	(4,523)
Net cash used in financing activity	(65)	(7,878)
Net increase/(decrease) in cash and cash equivalents	1,219	(61,705)
Effects of exchange rate changes on cash and cash equivalents	(20)	(12)
Cash and cash equivalents at beginning of the period	9,032	70,749
Cash and cash equivalents at end of the period	10,231	9,032

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For The Period Ended 30 June 2019 (Cont'd)**

(The figures have not been audited)

	Current Year Ended 30/06/2019 RM'000	Comparative Year Ended 30/06/2018 RM'000
Cash and cash equivalents comprise :-		
Deposits with licensed financial institutions	152,767	148,830
Cash and bank balances	7,374	5,570
	<u>160,141</u>	<u>154,400</u>
Deposits placed with licensed banks with maturity more than three (3) months	(149,910)	(145,368)
Deposits pledged to a licensed bank	-	
	<u>10,231</u>	<u>9,032</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2018)

**NOTES (IN COMPLIANCE WITH MFRS 134)**

**A1 Basis of Preparation**

The unaudited condensed consolidated interim financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB"). The unaudited condensed consolidated interim financial statements also comply with IAS 34 *Interim Financial Reporting* issued by International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2018.

The explanatory notes to the 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.

The significant accounting policies and methods of computation adopted are consistent with those of the audited financial statements for the financial year ended 30 June 2018 except for the adoption of the following Standards and Amendments of the MFRS Framework that were issued by the MASB during the financial period:-

Title		Effective date
MFRS 9	Financial Instruments (IFRS as issued by IASB in July 2014)	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
Clarifications to MFRS 15		1 January 2018
Amendments to MFRS 1	Annual Improvements to MFRS Standards 2014 – 2016 Cycle	1 January 2018
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	See MFRS 4 Paragraphs 46 and 48
Amendments to MFRS 128	Annual Improvements to MFRS Standards 2014 – 2016 Cycle	1 January 2018
Amendments to MFRS 140	Transfers of Investment Property	1 January 2018
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1 January 2018

**NOTES (IN COMPLIANCE WITH MFRS 134)****A1 Basis of Preparation (cont'd)**

The adoption of the above accounting standards and interpretation (including the consequential amendments) did not have any material impact on the Group's financial statements, except for the following:-

**(a) MFRS 9 Financial Instruments ("MFRS 9")**

The adoption of MFRS 9 resulted in changes in accounting policies and adjustments to the financial statements. The accounting policies that relate to the recognition, classification, measurement and derecognition of financial instruments and impairment of financial assets are amended to comply with MFRS 9. In accordance with the transition requirements under MFRS 9, comparative figures are not restated and the financial impact on the adoption of this Standard is recognised in retained earnings as at 1 July 2018.

**(i) Classification and measurement**

MFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics. The new standard contains three primary classification and measurement categories for financial assets : measured at amortised cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit or loss ("FVTPL"), and eliminates the existing MFRS 139 categories of held-to-maturity, loans and receivables and available-for-sale. Upon adoption of MFRS 9, financial assets previously measured at available-for-sale is now measured using FVTOCI and financial assets previously measured at held-to-maturity is now measured at amortised cost.

**(ii) Impairment of financial assets**

MFRS 9 requires impairment assessments to be based on the Expected Credit Loss ("ECL") model, replacing the incurred loss model under MFRS 139. The Group applied the simplified approach prescribed by MFRS 9, which requires expected lifetime losses to be recognised on the receivables.

The following table is a reconciliation of the carrying amount of the Group's statement of financial position from MFRS 139 to MFRS 9 as at 1 July 2018:-

	<b>MFRS 139</b>	<b>Remeasurement</b>	<b>MFRS 9</b>
	Carrying Amount as at <u>30 June 2018</u>		Carrying Amount as at <u>1 July 2018</u>
	RM'000	RM'000	RM'000
<u>Trade receivables</u>			
Opening balance	9,115	-	9,115
Impairment losses *	-	(151)	(151)
Total trade receivables	<u>9,115</u>	<u>(151)</u>	<u>8,964</u>
<u>Other reserves</u>			
Opening balance	15,405	-	15,405
Fair value reserve	-	(19,028)	(19,028)
Total other reserves	<u>15,405</u>	<u>(19,028)</u>	<u>(3,623)</u>

**NOTES (IN COMPLIANCE WITH MFRS 134)****A1 Basis of Preparation (cont'd)****(a) MFRS 9 Financial Instruments (“MFRS 9”) (cont'd)**

The following table is a reconciliation of the carrying amount of the Group’s statement of financial position from MFRS 139 to MFRS 9 as at 1 July 2018 (cont'd):-

<u>Retained earnings</u>			
Opening balance	87,476	-	87,476
Fair value reserve	-	19,028	19,028
Impairment losses *	-	(130)	(130)
Total retained earnings	87,476	18,898	106,374
<u>Non-controlling interests</u>			
Opening balance	15,170	-	15,170
Impairment losses *	-	(21)	(21)
Total non-controlling interests	15,170	(21)	15,149

\* The Group applied the simplified approach in providing the ECL model.

**(b) MFRS 15 Revenue from Contracts with Customers**

MFRS 15 establishes a comprehensive framework for revenue recognition and measurement. It replaces MFRS 118 *Revenue*, MFRS 111 *Construction Contracts*, and related Interpretations. Under MFRS 15, revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control, at a point in time or over time, requires significant judgement.

The Group adopted MFRS 15 using the modified retrospective method (without practical expedients), with the effect of initially applying this Standard at the date of initial application of 1 July 2018. The cumulative effect of initially applying MFRS 15 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under MFRS 111, MFRS 118 and related Interpretations.

The effect of adopting MFRS 15 as at 1 July 2018 was, as follows:

	Increase/ (decrease) RM'000
<b>Current assets</b>	
Trade receivables	(97)
<b>Equity</b>	
Retained Earnings	(83)
Non-controlling interests	(14)
	(97)



**NOTES (IN COMPLIANCE WITH MFRS 134)**

**A1 Basis of Preparation (cont'd)**

As at the date of authorisation of the interim financial statements, the Group has not applied the following Standards and Amendments of the MFRS Framework that have been issued by the MASB but are not yet effective for the Group:-

<b>Title</b>	<b>Effective date</b>	
MFRS 16	Leases	1 January 2019
Amendments to MFRS 3	Annual Improvements to MFRS Standards 2015 – 2017 Cycle	1 January 2019
Amendments to MFRS 9	Prepayment Features with Negative Compensation	1 January 2019
Amendments to MFRS 11	Annual Improvements to MFRS Standards 2015 – 2017 Cycle	1 January 2019
Amendments to MFRS 112	Annual Improvements to MFRS Standards 2015 – 2017 Cycle	1 January 2019
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement	1 January 2019
Amendments to MFRS 123	Annual Improvements to MFRS Standards 2015 – 2017 Cycle	1 January 2019
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures	1 January 2019
IC Interpretation 23	Uncertainty over Income Tax Treatments	1 January 2019
Amendments to References to the Conceptual Framework in MFRS Standards		1 January 2020
Amendments to MFRS 3	Definition of a Business	1 January 2020
Amendments to MFRS 101 and MFRS 108	Definition of Material	1 January 2020
MFRS 17	Insurance Contracts	1 January 2021
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Group is in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for future financial years.

**A2 Qualification of Financial Statements**

The Group's most recent annual audited financial statements for the financial year ended 30 June 2018 was not qualified.

**A3 Seasonal or Cyclical Factors**

The Group's operations for the current quarter and financial year ended 30 June 2019 were not materially affected by any seasonal or cyclical factors.

**A4 Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter and financial year ended 30 June 2019.

**A5 Nature and Amount of Changes in Estimates**

There were no changes in estimates of amounts reported in the previous interim period of the current financial year or changes in estimate of amounts reported in the previous financial years which have a material effect in the current quarter or the current financial year ended 30 June 2019.

**NOTES (IN COMPLIANCE WITH MFRS 134)****A6 Debt and Equity Securities**

There were no issuance, repurchase and repayment of debts and equity securities during the current quarter. As at 30 June 2019, total shares repurchased were 1,279,700 and all the shares repurchased were held as treasury shares.

**A7 Dividend Paid**

No dividend was paid during the current quarter and financial year ended 30 June 2019.

**A8 Reportable Segments**

	<u>Bedding</u>	<u>Steel</u>	<u>All Other Segments</u>	<u>Eliminations</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>For Current Year</b>					
<b>Ended 30 June 2019</b>					
External revenue	38,870	-	-	-	38,870
Inter-segment revenue	-	-	30	(30)	-
<b>Total</b>	<b>38,870</b>	<b>-</b>	<b>30</b>	<b>(30)</b>	<b>38,870</b>
Segment results:					
Interest income	23	-	6,306	-	6,329
Amortisation of intangible assets	155	-	-	-	155
Depreciation	308	-	3	-	311
Reportable segment profit before tax	1,262	-	2,849	-	4,111
Share of results of associates	(2,009)	-	2,114	-	105
<b>Total</b>	<b>(747)</b>	<b>-</b>	<b>4,963</b>	<b>-</b>	<b>4,216</b>
<b>For Comparative Year</b>					
<b>Ended 30 June 2018</b>					
Revenue from					
continuing operations:					
External revenue	37,901	-	-	-	37,901
Inter-segment revenue	-	-	30	(30)	-
	-	-	-	-	-
Revenue from discontinued operation	-	10,750	12	(12)	10,750
<b>Total</b>	<b>37,901</b>	<b>10,750</b>	<b>42</b>	<b>(42)</b>	<b>48,651</b>
Results from continuing operations:					
Interest income	39	-	5,949	-	5,988
Amortisation of intangible assets	27	-	1	-	28
Depreciation	349	-	3	-	352
Reportable segment profit before tax	792	-	2,084	-	2,876
Share of results of associates	299	-	3,100	-	3,399
<b>Profit before tax</b>	<b>1,091</b>	<b>-</b>	<b>5,184</b>	<b>-</b>	<b>6,275</b>
Loss before tax from discontinued operation	-	(5,222)	-	-	(5,222)
<b>Total</b>	<b>1,091</b>	<b>(5,222)</b>	<b>5,184</b>	<b>-</b>	<b>1,053</b>

**NOTES (IN COMPLIANCE WITH MFRS 134)****A9 Material Events Subsequent to the End of the Quarter under Review**

There were no material events from the end of the quarter to 22 August 2019 (the latest practicable date which shall not be earlier than 7 days from the date of issue of this quarterly report) that has not been reflected in the current quarter and financial year ended 30 June 2019.

**A10 Effect of Changes in the Composition of the Group**

There were no changes in the composition of the Group during the current quarter and financial year ended 30 June 2019 except as disclosed below.

On 26 September 2018, FACB Industries Incorporated Berhad announced that its wholly-owned subsidiary, Kanzen Kagu Sdn Bhd (“KKSBB”) had convened a Final Meeting to conclude the winding up proceedings. KKSBB shall be deemed dissolved on the expiration of three (3) months after lodgement of statutory returns by the Liquidator relating to the Final Meeting on 26 September 2018 with the Companies Commission of Malaysia.

The effect of liquidation on the financial position of the Group was as follows:-

	RM'000
Net asset	1,082
Distribution from liquidation	1,082
Less : Cash and bank balances liquidated	(1,082)
Net cash outflow on liquidation of a subsidiary	-

**A11 Changes in Contingent Liabilities or Contingent Assets**

There were no contingent liabilities or contingent assets as at the date of this report which may have a material impact on the financial position of the Group.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BMSB****B1 Performance Review****(a) Current Quarter vs Preceding Year Comparative Quarter**

For the current quarter, the Group reported a net loss of RM1.30 million on the back of RM9.36 million in revenue compared with the net loss of RM2.29 million and revenue of RM9.81 million in the preceding year comparative quarter.

Revenue for bedding operations in Malaysia contracted 5% to RM8.64 million due to lower customer sales. Net loss recorded attributed to the Group's share of associates net loss in current quarter and additional allowance for impairment loss to investment in associates totaled RM1.78 million.

**(b) Current Year vs Preceding Year**

For the current financial year ended 30 June 2019, the Group reported a net profit of RM2.26 million compared with the net loss of RM1.78 million in the preceding year. Revenue increase by 3% to RM38.87 million whilst gross profit margin was maintain at 36% compared to preceding year. The better net profit performance was due to discontinuance of the loss making stainless steel operation.

The bedding operation in Malaysia reported higher revenue and profit before tax mainly due to improved sales from events sales division. Associates in China contributed lower operating net profit. Impairment to investment in associates amounted to RM1.93 million.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BMSB****B2 Material Change in the Profit Before Tax as compared with the Immediate Preceding Quarter**

The Group registered lower revenue of RM9.36 million for the current quarter compared with RM10.50 million registered in the immediate preceding quarter ended 31 March 2019. Lower profit before tax recorded mainly due to losses incurred in bedding business in associate company in China and additional provision of impairment loss in current quarter.

**B3 Prospects of Next Financial Year**

The current market condition is affected by poor consumer sentiment and spending confidence for the bedding operations. The next financial year is expected to be challenging for the Group.

The bedding operation will continue to strengthen “Dreamland” and “Chiro” brand and offer innovative products.

The Group would continue to look for new business opportunities.

**B4 Achievability of Forecast Profit**

This note is not applicable.

**B5 Variance of Actual Profit from Forecast Profit or Profit Guarantee**

This note is not applicable.

**B6 Notes to the Condensed Consolidated Statement of Profit or Loss**

(Loss)/Profit before tax is arrived at after charging/(crediting):-

	Current Quarter Ended <u>30/06/2019</u> RM'000	Comparative Quarter Ended <u>30/06/2018</u> RM'000	Current Year Ended <u>30/06/2019</u> RM'000	Comparative Year Ended <u>30/06/2018</u> RM'000
<u>Continuing Operations:</u>				
Amortisation of intangible assets	134	28	155	28
Depreciation of property, plant and equipment	(21)	74	311	352
Inventories written down	206	18	206	18
Impairment loss on trade receivables	(144)	336	161	609
(Gain)/ Loss on foreign exchange	(1)	2	5	4
Interest income	(1,573)	(1,554)	(6,329)	(5,988)
Gain on disposal of property, plant and equipment	-	-	(56)	(3)
Reversal of impairment loss on trade receivables	(371)	(496)	(371)	(496)
Impairment loss on investment in associates	382	-	382	-

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BMSB****B6 Notes to the Condensed Consolidated Statement of Profit or Loss (cont'd)**

(Loss)/Profit before tax is arrived at after charging/(crediting) (cont'd):-

	Current Quarter Ended 30/06/2019 RM'000	Comparative Quarter Ended 30/06/2018 RM'000	Current Year Ended 30/06/2019 RM'000	Comparative Year Ended 30/06/2018 RM'000
<u>Discontinued Operation:</u>				
Depreciation of property, plant and equipment	-	6	-	273
Inventories written down		205		205
Loss on disposal of property, plant and equipment		619		619
Loss on foreign exchange	-	-	-	190
Property, plant and equipment written off	-	16	-	16
Interest income	-	(3)	-	(60)

Apart from the above, there was no interest expense, write off of receivables, write off of inventories, impairment of assets, gain or loss on disposal of quoted investments, gain or loss on derivatives and other material items for the current quarter and financial year ended 30 June 2019.

**B7 Taxation**

Taxation comprises the following:-

	Current Quarter Ended 30/06/2019 RM'000	Comparative Quarter Ended 30/06/2018 RM'000	Current Year Ended 30/06/2019 RM'000	Comparative Year Ended 30/06/2018 RM'000
<u>Current tax</u>				
Current year - Malaysia	718	407	1,595	1,363
- Foreign	277	8	334	477
Under/(Over)provision in prior year				
- Malaysia	33	(83)	33	(113)
<u>Deferred tax – Malaysia</u>				
Origination and reversal of temporary differences	-	6	-	6
(Over)/Under provision in prior year	(2)	1,100	(2)	1,100
Total tax expense	1,026	1,438	1,960	2,833

The effective tax rate of the Group (excluding the share of results of associates) for the current quarter and the financial year ended 30 June 2019 were higher than the statutory rate due principally to certain expenses not being deductible for tax purposes.

**B8 Status of Corporate Proposals**

There were no outstanding corporate proposals that has been announced but not completed as at the date of this quarterly report.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BMSB****B9 Group Borrowing**

There was no borrowing as at 30 June 2019.

**B10 Derivative Financial Instruments**

The Group has no outstanding derivative financial instruments as at 30 June 2019.

**B11 Changes in Material Litigation**

The Group is not engaged in any material litigation as at the date of this report which will have a material effect on the financial position of the Group.

**B12 Dividend Proposed or Declared**

The Directors recommend a final single-tier dividend of 1 sen per ordinary share in respect of the financial year ended 30 June 2019, subject to the approval of the shareholders at the forthcoming Annual General Meeting. The financial statements do not reflect this proposed dividend which will be recognised as an appropriation of retained earnings in the financial year ending 30 June 2020 when approved by shareholders.

**B13 (Loss)/ Earnings per Share**

The (loss)/earnings per share (basic) for the current quarter and financial year ended 30 June 2019 are calculated by dividing the Group's net (loss)/ profit for the period attributable to owners of the parent with the weighted average number of shares in issue (excluding treasury shares) of 83,882,800.

	Current Quarter Ended <u>30/06/2019</u> RM'000	Comparative Quarter Ended <u>30/06/2018</u> RM'000	Current Year Ended <u>30/06/2019</u> RM'000	Comparative Year Ended <u>30/06/2018</u> RM'000
Net (loss)/profit attributable to owners of the parent				
- continuing operations	(1,663)	(1,291)	1,095	2,430
- discontinued operation	-	(1,176)	-	(5,222)
	<u>(1,663)</u>	<u>(2,467)</u>	<u>1,095</u>	<u>(2,792)</u>

By Order of the Board

**FACB INDUSTRIES INCORPORATED BERHAD**

LEE BOO TIAN (LS 0007987)

Group Company Secretary

Kuala Lumpur

Date : 28 August 2019