

Quarterly report on consolidated results for the second financial quarter ended 31 December 2019

Part A - EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 Basis of Preparation & Significant Accounting Policies

This Quarterly Report is unaudited and has been prepared in accordance with the Malaysian Financial Reporting Standard (“MFRS”) 134 - Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 and Appendix 9B of the Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirements. In addition, the financial statements comply with IFRS as issued by IASB. The report should be read in conjunction with the Group’s audited financial statements for the financial year ended 30 June 2019 which was prepared in accordance with the MFRS.

The explanatory notes attached to the unaudited interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2019.

The significant accounting policies and methods adopted for this unaudited interim financial report are consistent with those adopted for the audited financial statements for the financial year ended 30 June 2019, except for the following new amendments to the MFRS (“standards”) effective from 1 January 2019 which the Group has only adopted since the commencement of the current financial year on 1 July 2019:

- MFRS 16 supersedes MFRS 117 ‘Leases’ and the related interpretations.
- IC Interpretation 23 ‘Uncertainty over Income Tax Treatments’ which provides guidance on how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment.
- Amendments to MFRS 9 ‘Prepayment features with negative compensation’ allow companies to measure some prepayable financial assets with negative compensation at amortised cost.
- Annual Improvements to MFRSs 2015 – 2017 Cycle:
 - Amendments to MFRS 3 ‘Business Combinations’
 - Amendments to MFRS 112 ‘Income Taxes’
 - Amendments to MFRS 123 ‘Borrowing Costs’

The adoption of the above did not have any material impact on the Group’s financial statements to-date, other than some reclassifications and adjustments to the Statement of Financial Position pursuant to MFRS 16 as outlined hereinafter.

- MFRS 16

MFRS 16 eliminates the classification of leases either by finance lease (on balance sheet) or operating lease (off balance sheet) by the lessee, and requires the lessee to recognize both the “rights” and “obligations” of the underlying lease on balance sheet. The lease “rights” is depreciated in accordance with the principles in MFRS116 whilst the lease liability is accreted over time with interest expense recognized in profit or loss. Lessor’s accounting of leases under MFRS 16 retains most of the requirements of MFRS 117.

The Group adopted MFRS 16 retrospectively from 1 July 2019 using the simplified transition approach and has not restated comparatives for the 2019 reporting period as permitted under the specific transitional provisions in the standard. As such, the reclassifications and adjustments arising from the new leasing rules are recognised in the opening balances of the Statement of Financial Position as at 1 July 2019. Impact from the Group’s adoption of MFRS 16 mainly involved its non-cancellable operating rental lease commitments on land and buildings as lessee. The Group’s method of accounting for assets leased-out as a lessor remains the same as the preceding periods.

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A1 Basis of Preparation & Significant Accounting Policies (continued)

The table below shows the impact of changes to the condensed consolidated Statement of Financial Position of the Group resulting from the adoption of MFRS 16 as at 1 July 2019:

<u>Group</u>	As at 30 June 2019 RM'000	Effects of adoption of MFRS 16 RM'000	As at 1 July 2019 RM'000
Non-current assets			
- Right-of-use assets	-	1,801	1,801
- Net investment in subleases	-	436	436
Current assets			
- Trade and other receivables	94,018	(37)	93,981
Non-current liabilities			
- Lease liabilities	-	1,676	1,676
- Deferred tax liabilities	47,109	8	47,117
Current liabilities			
- Lease liabilities	-	524	524
Shareholders' equity			
- Retained earnings	3,778	(8)	3,770

The Group has not adopted the following new standards, amendments to standards and interpretations that have been issued but not yet effective for the current financial year.

- Amendments to MFRS 3 'Definition of a Business' (effective 1 January 2020) revise the definition of a business. To be considered a business, an acquisition would have to include an input and a substantive process that together significantly contribute to the ability to create outputs.

The initial adoption of the above pronouncement in the next financial year is not expected to have any significant impact on the financial statements of the Group.

A2 Audit qualification

The audit report of the Group in respect of the annual financial statements for the financial year ended 30 June 2019 was not subject to any audit qualification.

A3 Seasonality or cyclical nature of operations

The business of the Group and the Company is generally neither cyclical nor seasonal except for decreased activities during the Ramadan and Chinese New Year festive months.

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A4 Unusual items

There are no unusual items affecting assets, liabilities, equity, net income or cash flows attributable to its nature, size or incidence during the current financial quarter.

A5 Changes in estimates

The Group's Engineering subsidiary applies critical estimates and judgement in accounting for its construction contracts. Over the current financial quarter, there were no material changes made on past estimates. Its last on-going engineering construction contract (Project #2) remains outstanding with minor progression from 98.2% completion at the end of the preceding financial quarter to 98.5% at the end of the current financial quarter. The Engineering subsidiary reported that the client has signed-off acceptance of Phase 1 of Project #2 in November 2019, with Phase 2 remaining outstanding. Past provisions made for Liquidated Ascertained Damages and Defects Liability Provisions on Project #2 totaling RM1.69 million would only be reassessed upon the signed-off and release of the final Phase 2.

A6 Debts and equity securities

There are no issuances, cancellations, repurchases, or resale of the Company's equity securities during the current financial quarter.

The Group has a policy to maintain its Gearing Ratio (measured as interest bearing debts over equity adjusted for the exclusion of intangibles) at below 1.25 times.

	<u>31/12/2019</u>	<u>30/06/2019</u>
Total interest bearing debts in RM'million	153.5	119.6
Adjusted Equity in RM'million	467.1	471.8
Absolute Gearing Ratio	0.33	0.25

Of the total interest bearing debts as at 31 December 2019, around RM117.8 million is represented by the respective debenture at its Steel Tube and Cold Rolled subsidiaries, whilst RM35 million is represented by unsecured interest-bearing supplier's credit also at the respective operating subsidiaries. (See Note B10). Lease liability classification pursuant to MFRS 16 are excluded from the ratio computation as these are contractually non-interest bearing.

Debt covenants where applicable are in full compliance for the current financial quarter ended 31 December 2019, except for the Cold Rolled subsidiary's Debt Service Cover Ratio due to its preceding year's operating loss position, which cuts into the rolling 12 months.

A7 Dividends paid

No dividend was declared or paid in the current financial quarter.

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A8 Segmental reporting

The Group's 'year-to-date' segmental information based on the nature-of-business is as follows:

	<u>Steel Tube</u>	<u>Cold Rolled</u>	<u>Engineering</u>	<u>Investment Holding</u>	<u>Others</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
Total revenue	123,246	249,697	213	5,362	824	379,342
Inter segment	(833)	(15,001)	-	(4,980)	(692)	(21,506)
External revenue	<u>122,413</u>	<u>234,696</u>	<u>213</u>	<u>382</u>	<u>132</u>	<u>357,836</u>
Pre-tax profit/(losses)	<u>3,898</u>	<u>(819)</u>	<u>(949)</u>	<u>(3,755)</u>	<u>(321)</u>	<u>(1,946)</u>
Segment assets	<u>218,850</u>	<u>427,079</u>	<u>3,717</u>	<u>89,353</u>	<u>3,110</u>	<u>742,109</u>

Reconciliation of segment assets to total assets is as follows:

	RM'000
Segment assets	742,109
Deferred tax assets	1,192
Derivative financial asset	5
Tax recoverable	899
	<u>744,205</u>

A9 Valuation of Property, Plant and Equipment (PPE)

The valuation of PPE has been brought forward from the audited financial statements for the financial year ended 30 June 2019 and adjusted for depreciation where applicable to reflect the current period's ending net carrying value.

A10 Fair value measurement

Except for the financial instruments disclosed below which are fair valued, the carrying value of short-term maturity financial instruments like cash deposits and bank balances, receivables, and short-term borrowings and payables approximate their fair values.

Financial instruments subjected to fair valuation are categorised into the following fair value hierarchy and are represented in the table below as at 31 December 2019:

- Level 1: based on unadjusted quoted prices in active markets for identical assets and liabilities
- Level 2: based on observable inputs not included within level 1
- Level 3: based on unobservable inputs

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A10 Fair value measurement (continue)

Financial instruments subjected to fair valuation are categorised into the following fair value hierarchy and are represented in the table below as at 31 December 2019: (continued)

<u>Recurring fair value measurement</u>	Fair Value RM'000		
	Level 1	Level 2	Level 3
Foreign Currency Forwards			
as Assets (not hedge accounted)	-	4.6	-
as Liabilities (hedge accounted)	-	(2,474.0)	-
Total	-	(2,469.4)	-

The Foreign Currency Forwards are fair valued by way of marking-to-market using reference bank's published forward rates.

A11 Significant events and transactions

There are no significant events or transactions for the current quarter affecting the Group's financial position and performance of its entities.

A12 Subsequent material events

There are no known material subsequent events up-till the date of this report which may affect the Group's financial position and performance of its entities.

A13 Changes in the composition of the Group

There were no changes to the composition of the Group during the current financial quarter.

A14 Contingent liabilities

There were no contingent liabilities for the current financial quarter.

A15 Capital commitments

At the end of the current reporting quarter, the Group's Cold Rolled subsidiary has an outstanding capital commitment balance of around RM24.2 million. From this amount, RM11.8 million has been committed for the construction of a new Acid Regeneration Plant and RM12.4 million for the revamp of Continuous Pickling Line. The Group's Steel Tube subsidiary has an outstanding capital commitment balance of around RM2.2 million for plant-equipment. These capital commitments will be payable over established milestones in the current financial year.

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PART B - EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENT – PART A OF APPENDIX 9B)

B1 Review of the performance of the Company and its principal subsidiaries

	Individual Period (2 nd quarter)		Changes		Cumulative Period		Changes	
	Current Year Quarter 31/12/2019	Preceding Year Corresponding Quarter 31/12/2018			Current Year To-date 31/12/2019	Preceding Year Corresponding Period 31/12/2018		
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	173,842	188,851	(15,009)	-8%	357,836	385,426	(27,590)	-7%
Operating (Loss)/Profit	(1,487)	(4,978)	3,491	70%	822	(2,386)	3,208	134%
Loss Before Interest and Tax	(1,615)	(4,978)	3,363	68%	649	(2,493)	3,142	126%
Loss Before Tax	(3,164)	(6,314)	3,150	50%	(1,946)	(5,187)	3,241	62%
Loss After Tax	(3,473)	(5,213)	1,740	33%	(2,867)	(6,139)	3,272	53%
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	(2,681)	(4,096)	1,415	35%	(2,173)	(5,485)	3,312	60%

The Group's revenue for the second financial quarter ended 31 December 2019 is 8% lower at RM173.8 million as compared to RM188.9 million achieved in the preceding year's corresponding quarter. At segment level, the revenue contribution from the Cold Rolled segment has drop significantly by 11% whilst the Steel Tube segment has decreased slightly by 1% for the current financial quarter compared to the preceding year's corresponding quarter. Both the Cold Rolled and the Steel Tube segments suffered sharp decline in average selling price by around 11% with the Steel Tube segment's performance mitigated by higher sales volume achieved for the current quarter by around 12%. The Engineering segment's revenue contribution further decreased with a significant dropped of 86% due to the tail end of its remaining construction contract (i.e. Project #2) and the absence of any new engagements as reported previously.

The Group recorded a lower pre-tax loss of RM3.2 million for the current financial quarter compared to the pre-tax loss of RM6.3 million in the preceding year's corresponding quarter. The lower pre-tax loss for the current financial quarter is mainly due to the Cold Rolled segment's lower loss at RM2.3 million compared to the preceding year's corresponding quarter's loss at RM4.6 million. In addition, the absence of a depreciation charged on one of the Group's factory building which has reached the end of its accounting useful life further mitigated losses in the current financial quarter's results. At the post-tax level, the Group recorded an after-tax losses of RM3.5 million for the current financial quarter compared to the preceding year's corresponding quarter after-tax losses of RM5.2 million.

The Group recorded a higher EBITDA of RM2.5 million for the current financial quarter compared to the preceding year's corresponding quarter's EBITDA of RM0.1 million.

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PART B - EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENT – PART A OF APPENDIX 9B)

B2 Material change in the loss before tax as compared to the immediate preceding quarter

	Current Quarter 31/12/2019	Immediate Preceding Quarter 30/09/2019	Changes	
	RM'000	RM'000	RM'000	%
Revenue	173,842	183,994	(10,152)	-6%
Operating (Loss)/Profit	(1,487)	2,309	(3,796)	-164%
(Loss)/Profit Before Interest and Tax	(1,615)	2,263	(3,878)	-171%
(Loss)/Profit Before Tax	(3,164)	1,218	(4,382)	-360%
(Loss)/Profit After Tax	(3,473)	606	(4,079)	-673%
(Loss)/Profit Attributable to Ordinary Equity Holders of the Parent	(2,681)	508	(3,189)	-628%

The Group's revenue for the current financial quarter at RM173.8 million is 6% lower compared to the immediate preceding quarter's at RM184 million, mainly due to the significant reduction in contribution from its Cold Rolled segment (down by RM13 million or 11%). The Cold Rolled segment's poorer performance is mainly due to lower sales volume (down by 5%) and lower average selling price (down by 6%) for the current financial quarter compared with the immediate preceding quarter. However, the Steel Tube segment's sales volume has increased by 13% compared with the preceding financial quarter and has resulted in a positive contribution to the Group (up by 6%) despite achieving a lower average selling price (down by 6%) for the current quarter.

The Group registered a pre-tax losses of RM3.2 million compared with the immediate preceding quarter's pre-tax profit of RM1.2 million. The drop in performance is due to the RM2.3 million pre-tax loss suffered by the Cold-Rolled segment (compared to the pre-tax profit of RM1.5 million registered in the immediate preceding quarter) due to lower sales volume and margins squeeze on its bottom-line. Consequently, the Group recorded a post-tax losses of RM3.5 million for the current quarter as compared to a post-tax profit of RM0.6 million in the immediate preceding quarter.

The Group recorded a lower EBITDA of RM2.5 million for the current financial quarter compared to the immediate preceding quarter's EBITDA of RM6.3 million.

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PART B - EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENT – PART A OF APPENDIX 9B)

B3 Prospects for the remaining financial year

The Country's GDP growth for the 4th fiscal quarter (which corresponds with the Group's 2nd financial quarter for the financial year 2020) decelerated to 3.6% quarter-on-quarter – contributing to a 10-year low annual growth rate of 4.3% (2018 at 4.7%). The weaker growth was largely attributed to 'supply disruption' caused by the long running US-China trade conflict. Just when the resolution of the latter with the '1st phase deal' in mid- January brought respite and hope for 2020, the highly contagious novel coronavirus outbreak struck - hitting hard major regional trading partners and the domestic economy. To add to the woes, the recent political upheaval provided a further major blow on market and business sentiments.

The steel industry in general deteriorated in the 2nd financial quarter in tandem with the sharply slower economic growth, and this is duly reflected in the Group's steel segments' performance. The Cold Rolled unit recorded a 5% drop in sales volume for the quarter and sharply narrower selling price spread over raw coil costs due to increased predatory pricing pressure from an ASEAN based cold-roller taking advantage of preferential tariff and low anti-dumping duties. The Steel Tube unit also faced margin pressure due to skittish demand weighted down by declining price trend of raw steel.

Moving into the next financial quarter, the Cold-Rolled unit performance is unlikely to see material improvement despite the latest anti-dumping AD imposition (in December 2019) until certain AD gap for a particular foreign manufacturer is addressed. In addition, the scheduled line-shutdown for capital asset replacement during the 3rd financial quarter would also likely contribute to a weaker performance for the Cold Rolled unit. Whilst the Steel Tube unit may continue with its positive run, downside risk is on the rise due to market disruption (on supply and demand) attributed to the coronavirus outbreak. The seasonal lows of the Chinese New Year festive period will further weigh down the steel units' performance for the 3rd financial quarter.

Moving into the 4th financial quarter, outlook may improve if a stable government can be re-established and in time to stimulate the economy, and coupled with the likelihood of the coronavirus outbreak tapering out towards summer. But any performance improvement in the 4th financial quarter would likely be moderate considering the onset of the Ramadan and Hari Raya festive period in May. Regardless, the Group will intensify its engagement with the Authorities to address domestic-trade injury relating to CRC, amidst heightened global trade protectionism. Whilst the Engineering unit will likely remain muted for the remaining financial year, the final closure of its Project #2 may result in some write-back of past provisions relating to project delay and defects liability. See Note A5.

B4 Variance of actual profit from forecast profit

The Group did not issue any profit forecast or profit guarantee.

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PART B - EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENT – PART A OF APPENDIX 9B)

B5 Profit/(Loss) before tax

The following expenses have been charged in arriving at profit/(loss) before tax:

	Current year quarter 31/12/2019 RM'000	Preceding year corresponding quarter 31/12/2018 RM'000	Current year to-date 31/12/2019 RM'000	Preceding year corresponding period 31/12/2018 RM'000
Depreciation and amortisation	(4,017)	(5,123)	(8,053)	(10,177)
Interest expenses	(1,901)	(1,683)	(3,388)	(3,283)
Interest income	352	347	793	589
Loss provision reversed on onerous contracts	54	289	147	952
FX differences (loss)/gain	3,391	384	1,634	(3,546)
FX derivatives gain/(loss)	(3,109)	(507)	(1,541)	3,211

B6 Taxation

Taxation comprises:

	Current year quarter 31/12/2019 RM'000	Preceding year corresponding quarter 31/12/2018 RM'000	Current year to date 31/12/2019 RM'000	Preceding year corresponding period 31/12/2018 RM'000
Current tax expense				
Current year	(714)	(785)	(1,248)	(3,406)
Deferred tax expense				
Current year	405	1,886	327	2,454
	(309)	1,101	(921)	(952)

B7 Profit on sale of unquoted investments and / or properties

The Group did not engage in any sale of unquoted investments and / or properties in the current financial quarter.

B8 Purchase or disposal of quoted securities

There are no purchases or disposals of quoted securities in the current financial quarter.

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PART B - EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENT – PART A OF APPENDIX 9B)

B9 Status of corporate proposals

There are no outstanding corporate proposals as at the date of this announcement.

B10 Group borrowings and debt securities

The Group's borrowings, denominated entirely in Ringgit Malaysia from lending institutions as at 31 December 2019 undertaken by its Steel subsidiaries are as follows:

	<u>RM'000</u>
<u>Short-term borrowings</u>	
Secured	96,567
<u>Long-term borrowings</u>	
Secured	21,890
Total borrowings	<u>118,457</u> =====

Cash-flow movement in-relation to 'changes in liabilities arising from financing activities' on a year-to-date basis is outlined below:

	<u>RM'000</u>
Total Borrowings' opening balance at 1 July 2019	110,139
Inflow from drawdown	119,670
Outflow on repayment	<u>(111,352)</u>
Closing balance at 31 December 2019	<u>118,457</u>

Based on the above borrowings, the Group's gearing ratio is around 0.25 times. The Group's Steel Tube subsidiary also draw on interest-bearing trade credits from its raw-coil suppliers with an outstanding amount of RM35 million as at 31 December 2019. Inclusive of these interest bearing trade credits, the Group's absolute gearing ratio as at 31 December 2019 is around 0.33 times.

B11 Outstanding derivatives

The Group has entered into forward foreign currency exchange contracts (FX forwards) to manage its foreign currency exchange exposure arising from purchases of raw materials denominated in US Dollar ("USD") and certain sales denominated in Singapore Dollar ("SGD"). In this regard, the Group covers its USD exposure at the range of 80% to 90% depending on the length of the forward period and the availability of FX facilities.

The Group designates eligible hedge relations on FX forwards incepted to cover its USD and/or SGD exposure for the purpose of hedge accounting. These are designated as fair value hedges with the arising mark-to-market foreign currency fair value gain/(loss) of both the hedging instruments (i.e. FX Forwards) and the hedged items (i.e. forward purchases of raw material and or accounts payables in USD or accounts receivables in SGD) being charged to the Statement of Profit or Loss.

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PART B - EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENT – PART A OF APPENDIX 9B)

B11 Outstanding derivatives (continued)

Details on outstanding derivative FX forward contracts for both the non-designated and designated for hedge accounting as at 31 December 2019 are outlined below:

Non-designated

FX Forward Contracts (SGD/RM) as non-designated hedging instrument				
	Notional Value '000		Fair Value RM'000	
Maturity	Short SGD	Long RM	Financial Asset	Financial Liability
Less than 1 year	360	1,099	4.6	-

Designated

FX Forward Contracts as designated hedging Instrument					Forward purchase of raw material and/or a/c payable as hedge items				
	Notional Value '000		Fair Value RM'000			Notional Value '000		Fair Value RM'000	
Maturity	Long USD	Short RM	Financial Asset	Financial Liability	Maturity	Short USD	n.a.	Financial Asset	Financial Liability
Less than 1 year	30,902	124,490	-	2,474.0	Matching	30,902	n.a.	2,474.0	-

Besides the above unrealised positions, the Group has recorded a total realised net gain of around RM0.9 million from its FX Forward Contracts as hedging instruments with corresponding realised net loss of around RM1.0 million from its hedged items over the current financial year.

(i) Risk associated with the derivatives

Counter-Party Risk

The Forward FX contracts are entered into with domestic licensed financial institutions which have extended FX lines to the Group. The associated Counter-Party risk is negligible.

(ii) Cash requirements of the derivatives

There is no cash movement from the Group to the counterparties when the Forward FX contracts are inception. Upon maturity of the Forward FX contracts, domestic currency is exchanged for the foreign currency at the contracted rate to meet its obligations.

(iii) Policies in place for mitigating or controlling the risk associated with the derivatives

The Group uses derivative financial instruments to hedge specific risk exposures of the underlying hedge items and does not enter into derivative financial instruments for speculative purposes. The Group monitors the fluctuations in foreign currency exchange rates closely with the objective to minimise potential adverse effects on the financial performance of the Group. The Board of Directors regularly reviews the risk and approves the policy for managing the risk.

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PART B - EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENT – PART A OF APPENDIX 9B)

B12 Off balance sheet financial instruments and commitments

At the Group level, off balance sheet financial instruments as at the close of the current financial quarter are bank guarantees issued by its indirect subsidiaries amounting to RM3.8 million as security for inbound supply of goods and services; and corporate guarantees issued by its listed Mycron Steel Bhd to lenders for borrowings extended to the steel subsidiaries amounting to RM113.7 million as at 31 December 2019.

At Company level, there are no off balance sheet financial instruments and commitments at the close of the current financial quarter.

B13 Material litigation

At the close of the current financial quarter, there are no material litigation, either as a plaintiff or defendant, claims or arbitration which have a material effect on the financial position of the Group. The Board is not aware of any proceedings pending or threatened against the Group or of any other facts likely to give rise to any proceedings which may materially and/or adversely affect the financial position and business of the Group as at the date of this report.

B14 Dividends

The Company did not declare or pay any interim dividend in the current financial quarter.

B15 Loss per share

(i) Basic loss per ordinary share

	Current year quarter 31/12/2019	Preceding year corresponding quarter 31/12/2018	Current year to date 31/12/2019	Preceding year corresponding period 31/12/2018
Loss attributable to owners of the Company (RM'000)	(2,681)	(4,096)	(2,173)	(5,485)
Weighted average number of ordinary shares in issue ('000)	359,418	322,975	359,418	322,975
Basic loss per share (sen)	(0.75)	(1.27)	(0.60)	(1.70)

(ii) Diluted loss per ordinary share

No diluted loss per share is presented as the issued and listed warrants are in an anti-dilutive position given that its exercisable price (at 40 sens) is above the market price of the listed mother share at the close of the current financial quarter.

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This interim financial report has been authorised for issue by the Board of Directors on the date set-forth below.

By order of the Board
LILY YIN KAM MAY (MAICSA 0878038)
Secretary
Kuala Lumpur
28 February 2020