

Notes to the Interim Financial Report

A1 Corporate Information

The Company is a public limited company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

A2 Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with MFRS 134 : Interim Financial Reporting in Malaysia and the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements of the Group for the financial year ended 31 March 2018.

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the annual financial statements for the financial year ended 31 March 2018 except for those standards, amendments and interpretations which are effective from the annual period beginning on or after 1 January 2018 as disclosed below.

New MFRSs

MFRS 9	Financial Instruments
MFRS 15	Revenue from Contracts with Customers

Amendments / Improvements to MFRSs

MFRS 1	First-time adoption of MFRSs
MFRS 2	Share-based Payment
MFRS 4	Insurance Contracts
MFRS 128	Investments in Associates and Joint Ventures
MFRS 140	Investment Property

New IC Int

IC Int 22	Foreign Currency Transactions and Advance Consideration
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The adoption of these new standards, amendments / improvements and new IC Int interpretations have no material impact to these interim financial statements.

A3 Seasonal or cyclical factors

The business operations of the Group were not affected by any significant seasonal or cyclical factors.

A4 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, size or incidence during the current financial quarter.

A5 Change in estimates

There were no significant changes in the estimates of amounts reported in the interim periods of prior financial years that have a material effect in the current financial period.

A6 Debt and equity securities

There were no issuance and repayment of debt and equity securities, share buy-back, share cancellations, share held as treasury shares and resale of treasury shares for the current financial year to-date.

A7 Dividend paid

No dividends were paid for the current quarter under review.

A8 Segment Revenue and Segment Result by Business Segments

Segment information is presented in respect of the Group's business segment. All inter-segment transactions have been entered into in the normal course of business and have been established under terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. The effects of the inter-segment transactions are eliminated on consolidation.

Business Segments	Investment Holding RM'000	Construction RM'000	Property Investment RM'000	Maintenance, Facility Management and Services RM'000	Oil & Gas RM'000	Auto Service and Maintenance Workshop RM'000	Others RM'000	Elimination RM'000	Group RM'000
12 months ended 31 March 2019									
Revenue									
External sales	-	44,353	65	3,207	6,068	922	-	-	54,615
Inter-segment sales	-	-	234	286	-	113	-	(633)	-
	<u>-</u>	<u>44,353</u>	<u>299</u>	<u>3,493</u>	<u>6,068</u>	<u>1,035</u>	<u>-</u>	<u>(633)</u>	<u>54,615</u>
Segment Profit / (Loss)	(172)	(2,367)	(267)	(652)	1,210	(425)	(10)	(1,104)	(3,787)
Finance costs	-	(462)	-	(15)	(66)	-	-	-	(543)
Share of results of Associate	-	-	-	-	-	-	-	-	-
Profit / (Loss) before tax	<u>(172)</u>	<u>(2,829)</u>	<u>(267)</u>	<u>(667)</u>	<u>1,144</u>	<u>(425)</u>	<u>(10)</u>	<u>(1,104)</u>	<u>(4,330)</u>
Taxation	-	-	(28)	-	(272)	(5)	-	-	(305)
Deferred Taxation	-	-	15	-	(21)	-	-	(15)	(21)
Zakat	-	-	-	-	-	-	-	-	-
Profit / (Loss) after taxation	<u><u>(172)</u></u>	<u><u>(2,829)</u></u>	<u><u>(280)</u></u>	<u><u>(667)</u></u>	<u><u>851</u></u>	<u><u>(430)</u></u>	<u><u>(10)</u></u>	<u><u>(1,119)</u></u>	<u><u>(4,656)</u></u>

A8 Segment Revenue and Segment Result by Business Segments (cont'd)

Business Segments	Investment Holding RM'000	Construction RM'000	Property Investment RM'000	Maintenance, Facility Management and Services RM'000	Oil & Gas RM'000	Auto Service and Maintenance Workshop RM'000	Others RM'000	Elimination RM'000	Group RM'000
12 months ended 31 March 2018									
Revenue									
External sales	-	16,434	65	3,285	3,600	1,227	-	-	24,611
Inter-segment sales	-	-	174	242	-	212	-	(628)	-
	<u>-</u>	<u>16,434</u>	<u>239</u>	<u>3,527</u>	<u>3,600</u>	<u>1,439</u>	<u>-</u>	<u>(628)</u>	<u>24,611</u>
Segment Profit / (Loss)	519	(4,591)	(55)	(639)	(285)	(815)	(10)	(696)	(6,572)
Finance costs	-	(330)	-	(15)	(67)	-	-	-	(412)
Share of results of Associate	-	-	-	-	-	-	-	(3,430)	(3,430)
Profit / (Loss) before tax	<u>519</u>	<u>(4,921)</u>	<u>(55)</u>	<u>(654)</u>	<u>(352)</u>	<u>(815)</u>	<u>(10)</u>	<u>(4,126)</u>	<u>(10,414)</u>
Taxation	-	(20)	(15)	102	133	(21)	-	-	179
Deferred Taxation	-	214	(127)	46	23	10	-	-	166
Zakat	-	(2)	-	(55)	(10)	(5)	-	-	(72)
Profit / (Loss) after taxation	<u><u>519</u></u>	<u><u>(4,729)</u></u>	<u><u>(197)</u></u>	<u><u>(561)</u></u>	<u><u>(206)</u></u>	<u><u>(831)</u></u>	<u><u>(10)</u></u>	<u><u>(4,126)</u></u>	<u><u>(10,141)</u></u>

A9 Valuation of property, plant and equipment and investment properties

The valuation of property, plant and equipment has been brought forward without amendment from the previous annual financial statements for the year ended 31 March 2018.

A10 Material subsequent events

The Group had on 24 May 2019 made an announcement that Mewah Kota Sdn Bhd (MKSB), a wholly owned subsidiary, had entered into a conditional sale and purchase agreement with various purchasers, for the proposed disposal of various parcels of lands which are located at Bandar Serendah, Daerah Ulu Selangor, Selangor for a total consideration of RM7,189,184.00.

Table below are the details of the Purchasers, Disposal Price and Information of the lands:

	Purchasers	Lot No	Disposal Price (RM)	Land Area (sq metres)
Transaction 1	Goldhill Venture Sdn Bhd	1469-1480	171,713	2,127
Transaction 2	Lim Mei Kong	1487	356,500	2,208
Transaction 3	Lim Mei Kong	1488	323,725	2,005
Transaction 4	Lim Mei Kong	1489	347,459	2,152
Transaction 5	Safelight & Electrical Sdn Bhd	1490	429,157	2,658
Transaction 6	Safelight & Electrical Sdn Bhd	1491	413,980	2,564
Transaction 7	Wong Chee Feng	1492	461,610	2,859
Transaction 8	Bonanza Chemicals Sdn Bhd	1494	3,214,965	19,912
Transaction 9	Nozomi Marketing Sdn Bhd	1495-1496	1,470,075	9,105

Saved as disclosed above, there were no other material events subsequent to the end of the period under review, which are likely to affect the result of the Group's operation substantially.

A11 Changes in composition of the Group

There were no changes in the composition of the Group for the current period under review.

A12 Contingent liabilities or contingent assets

The Company has given corporate guarantees amounting to RM50.83 million (31/03/2018 : RM49.61 million) to licensed banks for banking and suppliers credit facilities granted to a subsidiary company. Consequently, the Company is contingently liable for the amount of banking facilities utilized by subsidiaries company amounting to RM14.52 million (31/03/2018 : RM14.24 million)

Additional information required by Bursa Malaysia Listing Requirements

B1 Review of performance

	INDIVIDUAL PERIOD (4th quarter)			CUMULATIVE PERIOD		
	CURRENT YEAR QUARTER	PRECEDING YEAR QUARTER		CURRENT YEAR TO-DATE	PRECEDING YEAR TO-DATE	
	31.03.2019 RM'000	31.03.2018 RM'000	Change %	31.03.2019 RM'000	31.03.2018 RM'000	Change %
Revenue	16,480	6,388	158%	54,615	24,611	122%
Operating Profit / (Loss)	(2,033)	(3,064)	-34%	(3,787)	(6,572)	-42%
Profit / (Loss) Before Interest and Tax	(2,033)	(6,319)	-68%	(3,787)	(10,002)	-62%
Profit / (Loss) Before Tax	(2,188)	(6,411)	-66%	(4,330)	(10,414)	-58%
Profit / (Loss) After Tax	(2,478)	(6,169)	-60%	(4,656)	(10,141)	-54%
Profit / (Loss) Attributable to Owners of the Company	(2,602)	(6,239)	-58%	(5,013)	(9,973)	-50%

Quarterly

For the current quarter under review, the Group recorded revenue of RM16.48 million and loss before tax of RM2.03 million as compared to corresponding preceding year quarter revenue of RM6.39 million and loss before tax of RM6.41 million respectively.

The revenue increased by 158% mainly contributed by new on going project Loji Rawatan Air Pagoh, Iris Synergy Sdn Bhd. In line with the increased in revenue, the loss before tax reduced by 66% as compared to corresponding quarter.

Year-to-date

For the twelve months ended 31 March 2019 the Group recorded accumulated revenue of RM54.62 million and loss before tax of RM4.33 million as compared to corresponding preceding year twelve months period ended 31 March 2018 revenue of RM24.61 million and loss before tax of RM10.41 million respectively.

The revenue increased by 122% mainly contributed by the new on going project Loji Rawatan Air Pagoh, Iris Synergy Sdn Bhd and finalization of the completed projects. In line with the increased in revenue, the effectiveness of monitoring the project and stringent administrative cost control, the loss before tax were mitigated.

B2 Comparison of the quarterly results to the results of the immediate preceding quarter

	CURRENT QUARTER ENDED 31.03.2019 RM'000	IMMEDIATE PRECEDING QUARTER ENDED 31.12.2018 RM'000	Change %
Revenue	16,480	14,466	14%
Operating Profit / (Loss)	(2,033)	(288)	606%
Profit / (Loss) Before Interest and Tax	(2,033)	(288)	606%
Profit / (Loss) Before Tax	(2,188)	(438)	400%
Profit / (Loss) After Tax	(2,478)	(444)	458%
Profit / (Loss) Attributable to Owners of the Company	(2,602)	(471)	452%

Despite, the Group current quarter recorded higher revenue of RM16.48 million compared to the preceding quarter revenue of RM14.47 million, the loss before tax of RM2.19 million has been increase by 400% from the preceding quarter of RM438,000 mainly due to lower gross profit, provision of doubtful debts of RM1.03 million and loss on fair value land and properties of RM194,000.

B3 Prospects

The Group will continue to focus on its construction segment as the Group's core revenue generating segment by tendering for the new projects and also exploring opportunities either by way of tender, joint ventures and/or collaborating with other industry players.

The Group has started an internal restructuring plan to divest non-core assets and businesses in order to strengthen its cash position including cost cutting measurement. The Group would continue to focus on its existing core businesses and operations which include the water infrastructure works as well as oil and gas business as a measure to strengthen the financial position of the Group while ensuring sustainability of the Group's businesses.

The Board of Directors are positive on the outlook of the Group barring the challenges.

B4 Profit forecast

Not applicable as no profit forecast was published.

B5 Profit Before Tax

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

	Current Quarter 31-Mar-19 RM'000	Preceding Year Quarter 31-Mar-18 RM'000	Current YTD 31-Mar-19 RM'000	Preceding Year YTD 31-Mar-18 RM'000
Interest (Income)/ Loss	(48)	(42)	(150)	(163)
Interest Expenses	155	92	543	412
Depreciation Expenses	173	337	1,095	1,241
Provision of doubtful debts	1,030	141	1,030	141
Foreign Exchange (Gain) / Loss	(2)	18	(5)	(7)
Loss on disposal of Arena Terbaik Sdn Bhd	0	0	9	0
Loss on fair value of land and properties	194	0	194	0

B6 Taxation

	Current Quarter 31-Mar-19 RM'000	Preceding Year Quarter 31-Mar-18 RM'000	Current YTD 31-Mar-19 RM'000	Preceding Year YTD 31-Mar-18 RM'000
- Prior Year Tax	(1)	(152)	4	(192)
- Current Year Tax	270	4	301	13
- Deferred Tax	21	(166)	21	(166)
	290	(314)	326	(345)

Provision for tax was made in the current quarter on business and non business income derived mainly from operating income, rental, interest on repo and fixed deposit.

B7 Unquoted investments and properties

There was no sale of unquoted investments or properties for the current quarter and financial year to date.

B8 Purchase or disposal of quoted investments

There was no purchase or disposal of quoted investments for the current quarter.

B9 Borrowing

The Group borrowings are as follows: -

	As at 31-Mar-19 RM'000	As at 31-Mar-18 RM'000
<u>Short Term Borrowing (Secured)</u>		
- Bank Overdraft	4,260	3,259
- Hire Purchase	271	308
- Term Loan	106	40
<u>Long Term Borrowing (Secured)</u>		
- Hire Purchase	348	599
- Term Loan	1,062	1,171
Total Borrowing	6,047	5,377

B10 Material litigation

There is no material litigation for the financial year as at 31 March 2019.

B11 Dividend

No dividends were proposed or declared for the current quarter and financial year to date. (2018 : Nil).

B12 Earnings per share

The basic losses per share for the financial year has been calculated based on the consolidated losses after taxation attributable to the owner of the parent of RM5.01 million and on the number of ordinary shares issue of 67,000,000.

By Order of the Board
Hani Syamira Abdul Hamid
LS 0009872
Company Secretary
Shah Alam
28 May 2019