

HIAP TECK VENTURE BERHAD
(Registration No. 199701005844 (421340-U))
(Incorporated in Malaysia)

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income for 3rd quarter from 1 February 2020 to 30 April 2020

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	30/04/2020	30/04/2019	30/04/2020	30/04/2019
	RM'000	RM'000	RM'000	RM'000
Revenue	164,590	296,677	722,658	876,731
Cost of Sales	(152,577)	(272,596)	(677,327)	(800,817)
Gross Profit	12,013	24,081	45,331	75,914
Other Income	1,401	1,521	3,545	11,373
Operating Expenses	(8,897)	(10,236)	(29,816)	(33,139)
Profit from Operations	4,517	15,366	19,060	54,148
Finance Costs	(4,142)	(5,578)	(16,318)	(19,354)
Share of profit / (loss) of equity-accounted investees, net of tax	4,851	(16,516)	(6,365)	(31,338)
Profit / (Loss) Before Tax	5,226	(6,728)	(3,623)	3,456
Tax expense	(225)	(2,668)	(2,140)	(8,574)
Profit / (Loss) for the Period	5,001	(9,396)	(5,763)	(5,118)
Other Comprehensive Income / (Loss)				
Fair value loss on other investments	(174)	-	(256)	(136)
Foreign currency translation differences for foreign operations	(129)	690	(218)	632
	(303)	690	(474)	496
Total Comprehensive Income / (Loss)	4,698	(8,706)	(6,237)	(4,622)
Profit / (Loss) Attributable to:				
Owners of the parent	4,918	(9,179)	(6,005)	(4,262)
Non-Controlling Interests	83	(217)	242	(856)
	5,001	(9,396)	(5,763)	(5,118)
Total Comprehensive Income / (Loss) Attributable to:				
Owners of the parent	4,615	(8,489)	(6,479)	(3,766)
Non-Controlling Interests	83	(217)	242	(856)
	4,698	(8,706)	(6,237)	(4,622)
Earning / (Loss) Per Share (EPS)				
(a) Basic (sen)	0.37	(0.69)	(0.45)	(0.32)
(b) Diluted (sen)	(0.32)	(0.57)	(0.35)	(0.22)

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 July 2019 and the accompanying explanatory notes attached to the interim financial statements.

HIAP TECK VENTURE BERHAD
(Registration No. 199701005844 (421340-U))
(Incorporated in Malaysia)

Condensed Consolidated Statements of Financial Position as at 30 April 2020

	30/04/2020 (Unaudited)	31/07/2019 (Audited)
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	275,194	270,872
Investment properties	8,782	8,945
Investment in joint venture	410,926	417,292
Other investments	838	1,093
Trade and other receivables (Finance lease receivables)	-	3,510
	<u>695,740</u>	<u>701,712</u>
Current assets		
Inventories	344,670	438,775
Trade and other receivables	196,383	257,441
Current tax assets	14,419	11,114
Deposits with licensed banks	11,764	1,509
Cash and cash equivalents	91,143	178,921
	<u>658,379</u>	<u>887,760</u>
Total assets	<u>1,354,119</u>	<u>1,589,472</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	672,099	672,099
Treasury shares	(7,499)	(7,499)
Warrant reserves	30,341	30,341
Translation reserves	(360)	(142)
Share option reserves	5,663	5,663
Fair value reserves	(1,772)	(1,516)
RCUIDS reserves	33,883	33,883
Retained earnings	117,511	130,210
	<u>849,866</u>	<u>863,039</u>
Non-Controlling Interests	(1,005)	(1,247)
Total equity	<u>848,861</u>	<u>861,792</u>
Non-current liabilities		
Loans and borrowings	13,779	19,062
Deferred tax liabilities	37,928	37,964
	<u>51,707</u>	<u>57,026</u>
Current liabilities		
Loans and borrowings	423,373	607,004
Trade and other payables	30,061	61,824
Current tax payable	117	1,826
	<u>453,551</u>	<u>670,654</u>
Total liabilities	<u>505,258</u>	<u>727,680</u>
Total equity and liabilities	<u>1,354,119</u>	<u>1,589,472</u>
Net assets per share attributable to owners of the parent (RM)	0.63	0.62

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 July 2019 and the accompanying explanatory notes attached to the interim financial statements.

HIAP TECK VENTURE BERHAD
(Registration No. 199701005844 (421340-U))
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Condensed Consolidated Statements of Cash Flows for the period ended 30 April 2020

	Current Year To-date 30/04/2020 RM'000	Preceding Year Corresponding Period 30/04/2019 RM'000
<u>Operating Activities</u>		
(Loss) / Profit Before Tax	(3,623)	3,456
Adjustments for:		
Amortisation of mining exploration and evaluation assets	-	416
Depreciation of investment properties	163	156
Depreciation of property, plant and equipment	10,231	9,322
Finance income:		
Other investments	(14)	(288)
Deposits with licensed banks	(1,706)	(1,323)
Amount due from joint venture	-	(2,584)
Loss / (Gain) on disposal of property, plant and equipment	658	(2,423)
Finance costs	16,318	19,354
Net overdue interest income	(301)	(661)
Net unrealised foreign exchange gain	(423)	(1,782)
Property, plant and equipment written off	54	9
Reversal of impairment loss on trade receivables	-	(273)
Write-down of inventories to net realisable value	1,962	2,738
Share of loss of equity-accounted joint venture, net of tax	6,365	31,338
Operating profit before changes in working capital	29,684	57,455
Net changes in current assets	156,418	193,900
Net changes in current liabilities	(31,764)	2,400
Cash generated from operations	154,338	253,755
Interest paid	(15,630)	(18,455)
Net overdue interest income	301	661
Net income tax paid	(7,190)	(17,176)
Net cash generated from operating activities	131,819	218,785
<u>Investing Activities</u>		
Finance income:		
Other investments	14	288
Deposits with licensed banks	1,706	1,323
(Increase) / Decrease in other investments	(10,255)	10,716
Proceeds from disposal of property, plant and equipment	273	238
Proceeds from disposal of investment in JV	-	135,711
Purchase of property, plant and equipment	(15,536)	(6,171)
Additional investment in joint venture	-	(135,802)
Additions to mining exploration and evaluation asset	-	1
Net cash (used in) / generated from investing activities	(23,798)	6,304
<u>Financing Activities</u>		
Dividends paid	(6,694)	(6,694)
Repayment of borrowings	(187,411)	(137,403)
Proceed from Issuance of RCUIDS	(2,191)	(1,979)
Net cash used in financing activities	(196,296)	(146,076)
Net (Decrease)/Increase in Cash and Cash Equivalents	(88,275)	79,013
Effect of exchange rate changes	497	2,372
Cash and Cash Equivalents at beginning of period	178,921	59,635
Cash and Cash Equivalents at end of period	91,143	141,020

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 July 2019 and the accompanying explanatory notes attached to the interim financial statements.

HIAP TECK VENTURE BERHAD
(Registration No. 199701005844 (421340-U))
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Condensed Consolidated Statements of Changes in Equity for the period ended 30 April 2020

	-----> Attributable to equity holders of the parent <----->										Total Equity RM'000
	-----> Non-distributable <----->					<-----> Distributable <----->					
	Share Capital RM'000	Treasury Shares RM'000	Warrant Reserves RM'000	Translation Reserves RM'000	Share Option Reserves RM'000	Fair Value Reserves RM'000	RCUIDS Reserves RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling Interests RM'000	
As at end of current quarter ended 30 April 2020											
Opening balance as at 1 August 2019	672,099	(7,499)	30,341	(142)	5,663	(1,516)	33,883	130,210	863,039	(1,247)	861,792
Total comprehensive loss	-	-	-	(218)	-	(256)	-	(6,005)	(6,479)	242	(6,237)
Transactions with owners											
Final dividend for the financial year ended 31 July 2019 (Single tier of 0.5 sen)	-	-	-	-	-	-	-	(6,694)	(6,694)	-	(6,694)
Transactions with owners	-	-	-	-	-	-	-	(6,694)	(6,694)	-	(6,694)
Closing balance as at 30 April 2020	672,099	(7,499)	30,341	(360)	5,663	(1,772)	33,883	117,511	849,866	(1,005)	848,861
As at preceding year corresponding quarter ended 30 April 2019											
Opening balance as at 1 August 2018	668,527	(7,499)	30,341	904	5,346	(1,244)	30,796	111,172	838,343	(761)	837,582
Total comprehensive income	-	-	-	-	-	(136)	-	(4,262)	(4,398)	(856)	(5,254)
Transactions with owners											
Issuance of ordinary shares pursuant to:- - Conversion of RCUIDS	3,572	-	-	(478)	-	-	(3,572)	-	(478)	-	(478)
Final dividend for the financial year ended 31 July 2018 (Single tier of 0.5 sen)	-	-	-	-	-	-	-	(6,693)	(6,693)	-	(6,693)
Transactions with owners	3,572	-	-	(478)	-	-	(3,572)	(6,693)	(7,171)	-	(7,171)
Closing balance as at 30 April 2019	672,099	(7,499)	30,341	426	5,346	(1,380)	27,224	100,217	826,774	(1,617)	825,157

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 July 2019 and the accompanying explanatory notes attached to the interim financial statements.

HIAP TECK VENTURE BERHAD
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Notes to the Quarterly Report – 30 April 2020

**PART A : EXPLANATORY NOTES AS PER MALAYSIAN FINANCIAL REPORTING
STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING**

1. Basis of preparation

These interim financial statements are unaudited and have been prepared in accordance with MFRS 134 “Interim Financial Reporting” issued by Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirement of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the Company’s annual audited financial statements for the year ended 31 July 2019. These explanatory notes attached 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 since the financial year ended 31 July 2019.

2. Significant Accounting Policies

This interim financial report has been prepared based on accounting policies and methods of computation which are consistent with those adopted in the annual audited financial statements for the year ended 31 July 2019.

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2020

- Amendments to MFRS 3, *Business Combinations – Definition of a Business*
- Amendments to MFRS 101, *Presentation of Financial Statements* and MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material*
- Amendments to MFRS 7, *Financial Instruments: Disclosures*; MFRS 9, *Financial Instruments* and MFRS 139, *Financial Instruments: Recognition and measurement – Interest Rate Benchmark Reform*

MFRS effective for annual periods beginning on or after 1 January 2021

- MFRS 17, *Insurance Contracts*

2. Significant Accounting Policies (cont'd)

MFRSs, interpretations and amendments effective for annual periods beginning or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between and Investor and its Associate or Joint Venture*

The initial application of the abovementioned accounting standards, amendments or interpretations are not expected to have any material impacts to the financial statements of the Group and the Company.

3. Audit qualification

There were no audit qualifications on the annual financial statements of the Group for the year ended 31 July 2019.

4. Seasonal or cyclical factors

The Group's business operations are not materially affected by any major seasonal factors except during Hari Raya and Chinese New Year festive seasons where business activities generally slow down.

5. Material unusual items

There were no items of an unusual nature or amount affecting assets, liabilities, equity, net income or cash flows during the quarter.

6. Material changes in estimates

There were no material changes in estimates of amount reported in prior interim period that have material impact in the current quarter under review.

7. Issuances, cancellation, repurchase, resale and repayment of debt and equity securities

There were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter under review except the following:

- a) As at quarter ended 31 January 2020, a total of 5,492,000 buy-back shares were held as treasury shares and carried at cost.

8. Dividend paid

A single tier final dividend of 0.5 sen per ordinary share in respect of the financial year ended 31 July 2019 was approved by the shareholders at the 23rd Annual General Meeting of the Company held on 17 December 2019. A total amount of RM6,693,533.79 was paid on 23 January 2020 to depositors registered in the Record of Depositors at the close of business on 2 January 2020.

9. Segment information

The Group's activities are identified into the following business segments:

	9 months ended 30 April 2020						
	Trading	Manufac- turing	Property and Investment	Transport- ation	Mining explor- ation	Elimina- tion	Group
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
SALES							
- External sales	450,856	269,562	-	9	2,231	-	722,658
- Intersegment sales	-	22,917	8,894	1,528	-	(33,339)	-
Total sales	450,856	292,479	8,894	1,537	2,231	(33,339)	722,658
RESULTS							
Finance income	673	1,029	5	13	-	-	1,720
Finance costs	8,173	6,654	1,491	-	-	-	16,318
Depreciation & amortisation	615	7,310	1,386	322	761	-	10,394
Share of loss of joint venture	-	-	-	-	-	-	(6,365)
Segment (loss)/profit	(4,070)	10,110	(4,114)	(96)	912	(6,365)	(3,623)

10. Valuation of property, plant and equipment

The valuations of property, plant and equipment have been brought forward without amendments from the previous annual report.

11. Significant events

All the Group's business activities namely manufacturing, trading and transportation segments were shut down on 18 March 2020 with the imposition of the Movement Control Order ("MCO"), and resumed operations on 4 May 2020 by observing stringent SOP under the Conditional MCO. During the MCO period, the Group registered sales volume of close to nil.

12. Changes in the composition of the Group

There were no significant changes in the composition of the Group as at the date of this report, except for the following:

On 2 March 2020, the Group's wholly-owned subsidiary, Huatraco Scaffold Sdn. Bhd., had incorporated a 100% equity interest owned subsidiary, Huatraco Scaffold (Sabah) Sdn. Bhd. The objective of this new company is part of the Group's expansion into East Malaysia for the manufacturing, selling, renting scaffold equipment and a range of steel products.

13. Changes in contingent liabilities and assets

The contingent liabilities as at 30 April 2020 are as follow:

Unsecured Contingent Liabilities :-	Group	
	30.04.2020 RM'000	30.04.2019 RM'000
In respect of indemnity provided for bank guarantees issued	6,825	6,525
Total	6,825	6,525

14. Capital commitments

The Group has no significant capital commitment as at 30 April 2020.

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15. Related party transactions

Related party transactions for the quarter under review in which certain Directors have direct/indirect interest are as follows:

	Group	
	Current year quarter	Current year-to- date
	30.04.2020	30.04.2020
	RM'000	RM'000
Purchases of steel products by certain wholly owned subsidiaries of the Group from JK Ji Seng Sdn.Bhd.	22,976	132,556

These transactions have been entered into in the normal course of business and at arm's length basis and on terms no more favourable to the related party than those generally available to the public and are not detrimental to minority shareholders.

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PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

16. Review of performance

Table 1: Financial review for current quarter and financial year to date for the quarter ended 30 April 2020.

	Individual Quarter		Changes		Cumulative Quarter		Changes	
	Current Year Quarter	Preceding Year Corresponding Quarter	Amount	%	Current Year To-date	Preceding Year Corresponding Period	Amount	%
	30/04/2020	30/04/2019			30/04/2020	30/04/2019		
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	164,590	296,677	(132,087)	-45%	722,658	876,731	(154,073)	-18%
Gross Profit	12,013	24,081	(12,068)	-50%	45,331	75,914	(30,583)	-40%
Profit from Operations	4,517	15,366	(10,849)	-71%	19,060	54,148	(35,088)	-65%
Profit / (Loss) Before Tax	5,226	(6,728)	11,954	178%	(3,623)	3,456	(7,079)	-205%
Profit / (Loss) for the Period	5,001	(9,396)	14,397	153%	(5,763)	(5,118)	(645)	-13%
Profit / (Loss) Attributable to:								
Owners of the parent	4,918	(9,179)	14,097	154%	(6,005)	(4,262)	(1,743)	-41%
Non-Controlling Interests	83	(217)	300	138%	242	(856)	1,098	128%
	5,001	(9,396)	14,397	153%	(5,763)	(5,118)	(645)	-13%

For the current quarter under review, Group revenue decreased by 45% to RM164.59 million over the preceding year corresponding quarter revenue of RM296.68 million due to lower sales volume attributable to the Movement Control Order (MCO) imposed by Government on 18 March 2020 and will continue till 31 August 2020 under the Recovery MCO. The Group resumed operation on 4 May 2020 under the Conditional MCO with MITI approval.

The Trading division reported 38% decrease in revenue to RM103.88 million as compared to RM166.59 million in the preceding year corresponding quarter, whilst the Manufacturing division recorded 58% decrease in revenue to RM59.24 million as compared to the preceding year corresponding quarter revenue of RM141.45 million.

The Group registered a Profit from Operations of RM4.52 million for the current quarter as compared to Profit from Operations of RM15.37 million in the preceding year corresponding quarter attributable to lower sales volume for the quarter under review.

For the quarter under review, the Group recorded a Profit before Tax of RM5.23 million as compared to Loss before Tax of RM6.73 million in the preceding year corresponding quarter. This significant variation was substantially due to the JV entity registering a profit of RM4.85 million for the quarter under review as compared to a loss of RM16.52 million in the preceding year corresponding quarter.

17. Comparison with immediate preceding quarter's results

Table 2: Financial review for current quarter compared with immediate preceding quarter

	Individual Quarter		Changes	
	Current Year Quarter	Immediate Preceding Quarter	Amount	%
	30/04/2020	31/01/2020		
	RM'000	RM'000	RM'000	%
Revenue	164,590	268,269	(103,679)	-39%
Gross Profit	12,013	9,848	2,165	22%
Profit / (Loss) from Operations	4,517	(719)	5,236	728%
Profit / (Loss) Before Tax	5,226	(7,877)	13,103	166%
Profit / (Loss) for the Period	5,001	(7,566)	12,567	166%
Profit / (Loss) Attributable to:				
Owners of the parent	4,918	(7,657)	12,575	164%
Non-Controlling Interests	83	91	(8)	-9%
	5,001	(7,566)	12,567	166%

For the current quarter under review, Group revenue decreased by 39% to RM164.59 million from RM268.26 million in the immediate preceding quarter due to lower sales volume directly attributable to Covid-19 pandemic and the enforcement of the MCO.

Profit from Operations registered in the current quarter of RM4.52 million as compared to a marginal loss of RM0.72 million was mainly due to improvement in steel prices during the quarter under review before the MCO.

The Group registered a Profit before Tax of RM5.23 million in Q3 FY2020 as compared to Loss before Tax of RM7.88 million in Q2 FY2020 due to the higher Profit from Operations and the share of profit of JV entity of RM4.85 million in the quarter under review as compared to share of loss RM1.89 million in the immediate preceding quarter.

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18. Prospects

The short term outlook of World Steel Association for 2020 and 2021 is that global steel demand will contract by 6.4%, dipping to 1,654 million mt in 2020 due to the COVID-19 crisis. However, the steel demand in 2021 is expected to recover to 1,717 million mt, an increase of 3.8 % over 2020.

In 2020, the reduction in global steel demand will be mitigated by an expected faster recovery in China as compared to the rest of the world. The forecast assumed that most countries' lockdown measures will continue to ease during June and July 2020, with social distancing controls remain in place, and the major steelmaking economies do not suffer from substantial second waves of the pandemic.

The COVID-19 crisis, with its disastrous consequences for public health represents an enormous disruption to the world economy. With the easing of restrictions that started in May 2020, we expect the situation to gradually improve, but the recovery path will remain slow.

In 2019, steel consumption in Malaysia contracted by 3% to 9.46 million mt and is expected to contract further to below 9.0 million mt in 2020 due to the slowdown in the construction sector. Construction sector recorded a contraction of 7.9% in the 1st Quarter of 2020. A further contraction of the construction sector in the 2nd Quarter of 2020 due the Covid-19 Movement Control Order imposed by Government from 18 March 2020 and will continue until 31 August 2020 under the Recovery Movement Control Order.

Supported by stimulus measures, policy rate cuts and continued progress in public projects, the Malaysian economy is expected to recover in 2021 but will be critically dependent on the pandemic fading, allowing recovery efforts to be further imposed and gradually restoring normalcy, and consumer/investor confidence

Under this severe and uncertain environment, the Group's strategy is to enhance operational efficiency and to contain costs to preserve profitability given a lower revenue scenario, and to safeguard its balance sheet strength and cash flow to withstand the difficult conditions and to be able to take advantage of any opportunities that may arise when the economy recovers.

19. Variance of actual and forecast profit

Not applicable.

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20. Tax

	Group	
	Current year quarter 30.04.2020	Current year-to- date 30.04.2020
	RM'000	RM'000
	Income tax	211
Deferred tax	14	(35)
	225	2,140

The Group's effective tax rate was higher than the statutory income tax rate of 24% mainly due to share of loss of joint venture which resulted in lower profit before tax at Group level. The Group's effective tax rate was approximate the statutory income tax rate should the calculation exclude the share of loss of the joint venture and certain loss making subsidiaries.

21. Status of corporate proposal

There was no corporate proposal as at the date of this announcement.

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22. Loans and borrowings

The Group's borrowings as at 30 April 2020 are as follows:

	Long Term RM'000	Short Term RM'000	Total RM'000
<u>Secured:</u>			
Bankers' Acceptances	-	388,373	388,373
Bank overdrafts	-	-	-
Revolving credit	-	35,000	35,000
<u>Unsecured:</u>			
RCUIDS	13,779	-	13,779
	13,779	423,373	437,152

Bankers' Acceptances and revolving credit are secured by corporate guarantees of the Company.

As at 30 April 2020, the Company has extended corporate guarantees amounting to RM423.37 million to financial institutions for banking facilities granted to certain subsidiaries. The financial impact of the guarantees is not material as the subsidiaries concerned are in positive financial standings to meet their obligations as and when they fall due.

The redeemable convertible unsecured Islamic debt securities ("RCUIDS") are constituted by a Trust Deed entered into between the Company and the trustee on 10 May 2016.

23. Material litigation

There is no material litigation for the quarter under review.

24. Dividend

The Board of Directors does not recommend any dividend for the period under review.

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25. Earnings per share (“EPS”)

a) Basic EPS

The basic losses per share is calculated by dividing the Group’s net loss attributable to ordinary equity holders for the period by the weighted average number of ordinary shares in issue.

	Current Year Quarter 30.04.2020	Current Year- to-date 30.04.2020
Profit / (Loss) attributable to owners of the parent (RM'000)	4,918	(6,005)
Weighted average number of ordinary shares in issue ('000)	1,338,707	1,338,707
Basic earnings / (losses) per share (sen)	0.37	(0.45)

b) Diluted EPS

The diluted losses per share is calculated by dividing the Group’s net loss attributable to ordinary equity holders for the period by the weighted average number of ordinary shares that would have been in issue upon full exercise of the remaining options under ESOS, warrants and redeemable convertible secured bonds, adjusted for the number of such ordinary shares that would have been issued at fair value.

	Current Year Quarter 30.04.2020	Current Year- to-date 30.04.2020
Profit / (Loss) attributable to owners of the parent (basis) (RM'000)	4,918	(6,005)
Interest expense on RCUIDS, net of tax (RM'000)	157	523
Profit / (Loss) attributable to owners of the parent (diluted) (RM'000)	5,075	(5,482)
Weighted average number of ordinary shares in issue (basis) ('000)	1,338,707	1,338,707
Effect of conversion of RCUIDS	229,682	229,682
Weighted average number of ordinary shares in issue (diluted) ('000)	1,568,389	1,568,389
Diluted earnings / (losses) per share (sen)	0.32	(0.35)

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26. Loss from operations

	Current Year Quarter 30.04.2020 RM'000	Current Year- to-date 30.04.2020 RM'000
<i>Loss for the period is arrived at after charging:</i>		
Depreciation of property, plant and equipment	3,535	10,231
Depreciation of investment properties	54	163
Finance costs	4,141	16,318
<i>and after crediting/(charging):</i>		
Loss on disposal of property, plant and equipment	641	658
Finance income:		
Other investments	5	14
Deposits with licensed banks	149	1,706
Net foreign exchange (loss) / gain		
Realised	(3)	628
Unrealised	900	423
Rental income	236	711

27. Authorisation for Issue

The Interim Financial Statements were authorised for issue by the Board of Directors on 25 June 2020.

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