

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

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income for 1st quarter from 1 August 2020 to 31 October 2020

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	31/10/2020	31/10/2019	31/10/2020	31/10/2019
	RM'000	RM'000	RM'000	RM'000
Revenue	231,443	289,799	231,443	289,799
Cost of Sales	(214,418)	(266,329)	(214,418)	(266,329)
Gross Profit	17,025	23,470	17,025	23,470
Other Income	1,037	1,920	1,037	1,920
Operating Expenses	(9,469)	(10,128)	(9,469)	(10,128)
Profit from Operations	8,593	15,262	8,593	15,262
Finance Costs	(3,542)	(6,911)	(3,542)	(6,911)
Share of profit / (loss) of equity-accounted investees, net of tax	3,868	(9,323)	3,868	(9,323)
Profit / (Loss) Before Tax	8,919	(972)	8,919	(972)
Tax expense	(1,840)	(2,226)	(1,840)	(2,226)
Profit / (Loss) for the Period	7,079	(3,198)	7,079	(3,198)
Other Comprehensive Loss				
Fair value (loss) / gain on other investments	(49)	5	(49)	5
Foreign currency translation differences for foreign operations	18	(15)	18	(15)
	(31)	(10)	(31)	(10)
Total Comprehensive Income / (Loss)	7,048	(3,208)	7,048	(3,208)
Profit / (Loss) Attributable to:				
Owners of the parent	6,966	(3,266)	6,966	(3,266)
Non-Controlling Interests	113	68	113	68
	7,079	(3,198)	7,079	(3,198)
Total Comprehensive Income / (Loss) Attributable to:				
Owners of the parent	6,935	(3,276)	6,935	(3,276)
Non-Controlling Interests	113	68	113	68
	7,048	(3,208)	7,048	(3,208)
Earning / (Loss) Per Share (EPS)				
(a) Basic (sen)	0.51	(0.24)	0.51	(0.24)
(b) Diluted (sen)	0.45	(0.20)	0.45	(0.20)

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 2020 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 Financial Position as at 31 October 2020

	31/10/2020 (Unaudited)	31/07/2020 (Audited)
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	269,472	272,532
Right-of-Use assets	438	484
Investment properties	8,673	8,728
Investment in joint venture	424,998	421,130
Other investments	680	729
	<u>704,261</u>	<u>703,603</u>
Current assets		
Inventories	343,885	354,194
Trade and other receivables	217,976	196,258
Current tax assets	12,514	13,474
Deposits with licensed banks	8,983	21,874
Cash and cash equivalents	56,097	145,197
	<u>639,455</u>	<u>730,997</u>
Total assets	<u>1,343,716</u>	<u>1,434,600</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	689,253	680,166
Treasury shares	(7,499)	(7,499)
Warrant reserves	30,341	30,341
Translation reserves	(284)	(302)
Share option reserves	5,401	5,401
Fair value reserves	(1,930)	(1,881)
RCUIDS reserves	20,846	27,752
Retained earnings	135,031	128,065
	<u>871,159</u>	<u>862,043</u>
Non-Controlling Interests	(820)	(933)
Total equity	<u>870,339</u>	<u>861,110</u>
Non-current liabilities		
Lease liabilities	-	315
Deferred tax liabilities	34,240	36,446
	<u>34,240</u>	<u>36,761</u>
Current liabilities		
Loans and borrowings	396,776	506,261
Trade and other payables	41,874	28,942
Lease liabilities	451	181
Derivative liabilities	-	1
Contract liabilities	-	1,341
Current tax payable	36	3
	<u>439,137</u>	<u>536,729</u>
Total liabilities	<u>473,377</u>	<u>573,490</u>
Total equity and liabilities	<u>1,343,716</u>	<u>1,434,600</u>
Net assets per share attributable to owners of the parent (RM)	0.63	0.64

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 July 2020 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 31 October 2020

	Current Year To-date 31/10/2020 RM'000	Preceding Year Corresponding Period 31/10/2019 RM'000
<u>Operating Activities</u>		
Profit / (Loss) Before Tax	8,919	(972)
Adjustments for:		
Depreciation of investment properties	54	54
Depreciation of property, plant and equipment	3,406	3,170
Depreciation of right-of use assets	46	-
Finance income:		
Other investments	(76)	(5)
Deposits with licensed banks	(339)	(890)
Gain on disposal of property, plant and equipment	(447)	(37)
Finance costs	3,542	6,911
Net overdue interest income	(312)	(144)
Net unrealised foreign exchange loss / (gain)	607	(220)
Property, plant and equipment written off	7	51
Reversal for impairment on trade receivables	(140)	-
Write-down of inventories to net realisable value	3,756	-
Share of (profit) / loss of equity-accounted joint venture, net of tax	(3,868)	9,323
Operating profit before changes in working capital	15,155	17,241
Net changes in current assets	(15,047)	73,637
Net changes in current liabilities	11,592	(5,248)
Cash generated from operations	11,700	85,630
Interest paid	(3,364)	(6,665)
Net overdue interest income	312	144
Net income tax paid	(872)	(2,800)
Net cash generated from operating activities	7,776	76,309
<u>Investing Activities</u>		
Finance income:		
Other investments	76	5
Deposits with licensed banks	339	890
Decrease / (Increase) in other investments	12,891	(15)
Proceeds from disposal of property, plant and equipment	1,040	60
Purchase of property, plant and equipment	(1,001)	(6,220)
Net cash generated from / (used in) investing activities	13,345	(5,280)
<u>Financing Activities</u>		
Payment of lease liabilities	(51)	-
Repayment of borrowings	(109,657)	(77,475)
Proceed from Issuance of RCUIDS	-	246
Net cash used in financing activities	(109,708)	(77,229)
Net Decrease in Cash and Cash Equivalents	(88,587)	(6,200)
Effect of exchange rate changes	(513)	392
Cash and Cash Equivalents at beginning of period	145,197	178,921
Cash and Cash Equivalents at end of period	56,097	173,113

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 July 2020 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 31 October 2020

	-----> Attributable to equity holders of the parent <-----										
	-----> Non-distributable <-----							<-Distributable->			Total Equity RM'000
	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 31 October 2020											
Opening balance as at 1 August 2020	680,166	(7,499)	30,341	(302)	5,401	(1,881)	27,752	128,065	862,043	(933)	861,110
Total comprehensive income	-	-	-	18	-	(49)	-	6,966	6,935	113	7,048
Transactions with owners											
Issuance of ordinary shares pursuant to:-											
- Conversion of RCUIDS	9,087	-	-	-	-	-	(9,087)	-	-	-	-
RCUIDS DTA adjustments	-	-	-	-	-	-	2,181	-	2,181	-	2,181
Transactions with owners	9,087	-	-	-	-	-	(6,906)	-	2,181	-	2,181
Closing balance as at 31 October 2020	689,253	(7,499)	30,341	(284)	5,401	(1,930)	20,846	135,031	871,159	(820)	870,339
As at preceding year corresponding quarter ended 31 October 2019											
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	-	-	-	(15)	-	5	-	(3,266)	(3,276)	68	(3,208)
Closing balance as at 31 October 2019	672,099	(7,499)	30,341	(157)	5,663	(1,511)	33,883	126,944	859,763	(1,179)	858,584

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 July 2020 and the accompanying explanatory notes attached to the interim financial statements.

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

Notes to the Quarterly Report – 31 October 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 2020. 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 2020.

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 2020.

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

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- Amendments to MFRS 9, *Financial Instruments*, MFRS 139, *Financial Instruments: Recognition and Measurement*, MFRS 7, *Financial Instruments: Disclosures*, MFRS 4, *Insurance Contracts* and MFRS 16, *Leases – Interest Rate Benchmark Reform – Phase 2*

2. Significant Accounting Policies (cont'd)

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*
- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018–2020)*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current*

MFRSs, interpretations and amendments effective for annual periods beginning on 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 an Investor and its Associate or Joint Venture*

The Group does not plan to apply MFRS 17, *Insurance Contracts* that is effective for the annual periods beginning on 1 January 2023 as it is not applicable to the Group.

The initial application of the abovementioned accounting standards, interpretations and amendments are not expected to have any material financial impact to the current period and prior period financial statements of the Group.

3. Audit qualification

There were no audit qualifications on the annual financial statements of the Group for the year ended 31 July 2020.

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) Conversion of 18,173,900 Five (5) - Year 5% Redeemable Convertible Unsecured Islamic Debt Securities (“RCUIDS”) to 18,173,900 new ordinary shares on the basis of one (1) RCUIDS for every one (1) ordinary share; and
- b) As at quarter ended 31 October 2020, a total of 5,492,000 buy-back shares were held as treasury shares and carried at cost.

8. Dividend paid

No dividend has been paid during the quarter under review.

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9. Segment information

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

	3 months ended 31 October 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	93,711	136,816	-	1	915	-	231,443
- Intersegment sales	-	577	2,965	731	-	(4,273)	-
Total sales	93,711	137,393	2,965	732	915	(4,273)	231,443
RESULTS							
Finance income	183	225	3	4	-	-	415
Finance costs	1,982	1,388	172	-	-	-	3,542
Depreciation & amortisation	195	2,433	462	99	317	-	3,506
Share of profit of joint venture	-	-	-	-	-	-	3,868
Segment (loss)/profit	(1,939)	7,090	(887)	200	587	3,868	8,919

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

There were no material events subsequent to the end of the interim period up to the date of this report.

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.

13. Changes in contingent liabilities and assets

The contingent liabilities as at 31 October 2020 are as follow:

Unsecured Contingent Liabilities :-	Group	
	31.10.2020 RM'000	31.10.2019 RM'000
In respect of indemnity provided for bank guarantees issued	6,825	6,825
Total	6,825	6,825

14. Capital commitments

The Group has no significant capital commitment as at 31 October 2020.

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
	31.10.2020	31.10.2020
	RM'000	RM'000
Purchases of steel products by certain wholly owned subsidiaries of the Group from JK Ji Seng Sdn.Bhd.	68,874	68,874

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.

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 31 October 2020.

	Individual Quarter		Changes		Cumulative Quarter		Changes	
	Current Year Quarter	Preceding Year Corresponding Quarter	Amount	%	Current Year To-date	Preceding Year Corresponding Period	Amount	%
	31/10/2020	31/10/2019			31/10/2020	31/10/2019		
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	231,443	289,799	(58,356)	-20%	231,443	289,799	(58,356)	-20%
Gross Profit	17,025	23,470	(6,445)	-27%	17,025	23,470	(6,445)	-27%
Profit from Operations	8,593	15,262	(6,669)	-44%	8,593	15,262	(6,669)	-44%
Profit / (Loss) Before Tax	8,919	(972)	9,891	1018%	8,919	(972)	9,891	1018%
Profit / (Loss) for the Period	7,079	(3,198)	10,277	321%	7,079	(3,198)	10,277	321%
Profit / (Loss) Attributable to:								
Owners of the parent	6,966	(3,266)	10,232	313%	6,966	(3,266)	10,232	313%
Non-Controlling Interests	113	68	45	66%	113	68	45	66%
	7,079	(3,198)	10,277	321%	7,079	(3,198)	10,277	321%

For the current quarter under review, Group revenue decreased by 20% to RM231.44 million over the preceding year corresponding quarter revenue of RM289.80 million due to lower sales achieved as the construction sector struggled to return to normal after the various Movement Control Orders (MCO) imposed by Government to contain the spread of COVID-19 viruses.

The Trading division recorded 29% decrease in revenue to RM93.77 million as compared to RM131.73 million in the preceding year corresponding quarter, whilst the Manufacturing division recorded 19% decrease in revenue to RM137.39 million as compared to the preceding year corresponding quarter revenue of RM157.46 million.

The Group registered a Profit from Operations of RM8.59 million for the current quarter as compared to Profit from Operations of RM15.26 million in the preceding year corresponding quarter attributable to lower sales recorded for the quarter under review.

For the quarter under review, the Group recorded a Profit before Tax of RM8.92 million as compared to Loss before Tax of RM0.97 million in the preceding year corresponding quarter. This significant variation was substantially due to the JV entity registering a profit of RM3.87 million for the quarter under review as compared to a loss of RM9.32 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 31/10/2020	Immediate Preceding Quarter 31/07/2020	Amount	%
	RM'000	RM'000	RM'000	%
Revenue	231,443	210,215	21,228	10%
Gross Profit	17,025	10,219	6,806	67%
Profit from Operations	8,593	6,731	1,862	28%
Profit Before Tax	8,919	12,312	(3,393)	-28%
Profit for the Period	7,079	10,364	(3,285)	-32%
Profit Attributable to:				
Owners of the parent	6,966	10,292	(3,326)	-32%
Non-Controlling Interests	113	72	41	57%
	7,079	10,364	(3,285)	-32%

For the current quarter under review, Group revenue increased by 10% to RM231.44 million from RM210.22 million in the immediate preceding quarter due to higher sales volume achieved.

Profit from Operations in the current quarter increased by 28% to RM8.59 million as compared to RM6.73 million in the immediate preceding quarter due to improved margins attributable to rising steel prices.

The Group registered a Profit before Tax of RM8.92 million in Q1 FY2021 as compared to Profit before Tax of RM12.31 million in Q4 FY2020 due to the lower share of profit of JV entity of RM3.87 million in the quarter under review as compared to share of profit RM10.20 million in the immediate preceding quarter which had included an impairment write-back of RM50.00 million at JV entity level to reflect the continued improvements of its operations.

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18. Prospects

In 2020, Worldsteel forecasted that world steel demand will contract by 2.4%, dipping to 1,725.1 million MT due to the prolong COVID-19 pandemic. In 2021, steel demand is expected to recover to 1,795.1 million MT, representing an increase of 4.1 % over 2020 mainly due to the strong recovery in China. The post lockdown recovery in steel demand in the rest of the world has been stronger than expected, but it still marks a deep contraction in 2020, both from developed and emerging economies, with partial recovery expected in 2021.

In 2020, the apparent steel consumption in Malaysia is estimated at 8.4 million MT, indicating a decline of 8% from the previous year. In H1 2020, the local steel demand dropped significantly due to the impact of Movement Control Order (MCO) implemented by the Government in March 2020 to contain the spread of COVID-19 virus. However, local steel demand is expected to improve in H2 2020 as most business activities progressively resume operations in May 2020.

The Malaysian economy is projected to recover strongly in 2021, supported by stimulus measures, continued progress in public projects and, in particular, the recent approvals of the vaccine by the US FDA. As for the country's construction sector, it was highlighted in the Economic Outlook Report 2021 that the sector is poised to grow at 13.9% in 2021 as compared to an estimated contraction of 18.7% in 2020. The construction growth in 2021 will be mainly driven by the acceleration and revival of major infrastructure projects, as well as affordable housing projects.

Budget 2021 has allocated RM69 billion for development expenditure earmarked to include the Mass Rapid Transit Line 3 (MRT3), Gemas-Johor Double Tracking Project, Rapid Transit System Link (RTS) from Johor Bahru to Woodlands, the Klang Valley First Phase Double Tracking Project and Pan Borneo Highway. These will be the catalyst to boost local steel consumption in 2021.

The Group's strategy is to remain focus, enforce strict cost discipline and to continuously enhance operational efficiency to sustain profitability while observing the stringent COVID-19 SOPs and placing top priority on employees' health and safety at this juncture. This will ensure that the Group will emerge stronger from the crisis to take advantage of any opportunity that may arise when the economy recovers.

19. Variance of actual and forecast profit

Not applicable.

20. Tax

	Group	
	Current year quarter 31.10.2020	Current year-to- date 31.10.2020
	RM'000	RM'000
Income tax	1,864	1,864
Deferred tax	(24)	(24)
	1,840	1,840

The Group's effective tax rate was lower than the statutory income tax rate of 24% mainly due to share of profit of joint venture which resulted in higher 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 profit of the joint venture.

21. Status of corporate proposal

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

22. Loans and borrowings

The Group's borrowings as at 31 October 2020 are as follows:

	Long Term RM'000	Short Term RM'000	Total RM'000
<u>Secured:</u>			
Bankers' Acceptances	-	355,441	355,441
Revolving credit	-	30,000	30,000
<u>Unsecured:</u>			
RCUIDS	-	11,335	11,335
	-	396,776	396,776

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

As at 31 October 2020, the Company has extended corporate guarantees amounting to RM385.44 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.

22. Loans and borrowings (cont'd)

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.

25. Earnings per share (“EPS”)

a) Basic EPS

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

	Current Year Quarter 31.10.2020	Current Year to-date 31.10.2020
Profit attributable to owners of the parent (RM'000)	6,966	6,966
Weighted average number of ordinary shares in issue ('000)	1,375,847	1,375,847
Basic earnings per share (sen)	0.51	0.51

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25. Earnings per share (“EPS”) (cont’d)

b) Diluted EPS

The diluted earnings per share is calculated by dividing the Group’s net profit 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 31.10.2020	Current Year- to-date 31.10.2020
Profit attributable to owners of the parent (basis) (RM'000)	6,966	6,966
Interest expense on RCUIDS, net of tax (RM'000)	131	131
Profit attributable to owners of the parent (diluted) (RM'000)	7,097	7,097
Weighted average number of ordinary shares in issue (basis) ('000)	1,375,847	1,375,847
Effect of conversion of RCUIDS	213,548	213,548
Weighted average number of ordinary shares in issue (diluted) ('000)	1,589,395	1,589,395
Diluted earnings per share (sen)	0.45	0.45

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26. Profit from operations

	Current Year Quarter 31.10.2020 RM'000	Current Year- to-date 31.10.2020 RM'000
<i>Profit for the period is arrived at after charging:</i>		
Depreciation of property, plant and equipment	3,406	3,406
Depreciation of investment properties	54	54
Depreciation of right-of-use assets	46	46
Finance costs	3,542	3,542
Write-down of inventories to net realisable value	3,756	3,756
Property, plant and equipment written off	7	7
<i>and after crediting / (charging):</i>		
Gain on disposal of property, plant and equipment	447	447
Finance income:		
Other investments	76	76
Deposits with licensed banks	339	339
Net foreign exchange (loss) / gain		
Realised	80	80
Unrealised	(607)	(607)
Net overdue interest income	312	312
Rental income	240	240
Reversal for impairment on trade receivables	140	140
Share of profit of equity-accounted joint venture, net of tax	3,868	3,868

27. Authorisation for Issue

The Interim Financial Statements were authorised for issue by the Board of Directors on 16 December 2020.

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