

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020
**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

For the period ended 31 March 2020 – unaudited

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Year To-Date Ended	Preceding Year To-Date Ended
		31 Mar 2020	31 Mar 2019	31 Mar 2020	31 Mar 2019
		RM'000	RM'000	RM'000	RM'000
Revenue		909,382	648,074	909,382	648,074
Profit from operations		90,759	71,781	90,759	71,781
Finance costs		(7,376)	(8,583)	(7,376)	(8,583)
Share of profit of associates		27	645	27	645
Profit before tax	A10	83,410	63,843	83,410	63,843
Tax expense	A11	(11,245)	(10,703)	(11,245)	(10,703)
Profit for the period		72,165	53,140	72,165	53,140
Other comprehensive income, net of tax					
Exchange differences on translation					
foreign operations		25,977	(4,491)	25,977	(4,491)
Share of other comprehensive (expense) / income					
of associates		96	(18)	96	(18)
Total other comprehensive income for the period, net of tax		26,073	(4,509)	26,073	(4,509)
Total comprehensive income for the period		98,238	48,631	98,238	48,631
Profit attributable to:					
Owners of the Company		72,165	53,140	72,165	53,140
Non-controlling interests		-	-	-	-
Profit for the period		72,165	53,140	72,165	53,140
Total comprehensive income attributable to:					
Owners of the Company		98,238	48,631	98,238	48,631
Non-controlling interests		-	-	-	-
Total comprehensive income for the period		98,238	48,631	98,238	48,631
Basic earnings per ordinary share (sen)	A12(a)	7.16	5.56	7.16	5.56
Diluted earnings per ordinary share (sen)	A12(b)	6.77	5.56	6.77	5.56

The above condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2020 – unaudited

		31 March 2020 RM'000	31 December 2019 RM'000
	Note		
Assets			
Non-current assets			
Property, plant and equipment		619,061	481,687
Prepaid lease payments	A13	11,056	10,721
Intangible assets	A14	44,282	11,955
Investment property		22,277	22,234
Investment in associates		4,600	8,121
		701,276	534,718
Current assets			
Inventories		926,410	1,035,115
Trade and other receivables		397,535	412,332
Derivative financial assets		34,136	12,196
Tax recoverable		1,319	653
Deposits, bank and cash balances		60,358	46,790
		1,419,758	1,507,086
Total assets		2,121,034	2,041,804
Equity			
Share capital		221,607	220,407
Treasury shares		(418)	(226)
Foreign currency translation reserve		65,136	39,063
Retained profits		762,543	690,378
Total equity		1,048,868	949,622
Non-current liabilities			
Loans and borrowings	A16	61,575	45,488
Provision for employee benefit		2,541	2,411
Deferred tax liabilities		45,472	44,251
Lease liabilities		1,754	1,783
		111,342	93,933
Current liabilities			
Trade and other payables		183,143	325,177
Derivative financial liabilities		10,706	9,404
Loans and borrowings	A16	734,488	637,226
Tax payable		30,742	24,340
Lease liabilities		1,745	2,102
		960,824	998,249
Total liabilities		1,072,166	1,092,182
Total equity and liabilities		2,121,034	2,041,804
Net assets per share (sen)			
attributable to owners of the Company		104.01	99.37

The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 March 2020 – unaudited

	← Non-distributable →			Distributable	
	Share Capital RM'000	Treasury Share RM'000	Foreign Currency Translation Reserve RM'000	Retained Profits RM'000	Total Equity RM'000
Balance as at 1 January 2020	220,407	(226)	39,063	690,378	949,622
Profit for the period	-	-	-	72,165	72,165
Other comprehensive income for the period:					
foreign currency translation differences	-	-	25,977	-	25,977
share of other comprehensive expense of associates	-	-	96	-	96
Total comprehensive income for the period	-	-	26,073	72,165	98,238
Transactions with owners					
Purchase of treasury shares	-	(192)	-	-	(192)
Issuance of new shares	1,200	-	-	-	1,200
Dividends	-	-	-	-	-
Contribution from/distribution to owners of the Company	1,200	(192)	-	-	1,008
Balance at 31 March 2020	221,607	(418)	65,136	762,543	1,048,868
Balance as at 1 January 2019	121,832	(5,347)	44,151	506,505	667,141
Profit for the year	-	-	-	217,948	217,948
Other comprehensive loss for the year:					
foreign currency translation differences	-	-	(5,075)	-	(5,075)
remeasurement of post-employment benefit obligation, net of tax	-	-	-	(103)	(103)
share of other comprehensive loss of associates	-	-	(13)	-	(13)
Total comprehensive income for the year	-	-	(5,088)	217,845	212,757
Transactions with owners					
Disposal of treasury shares	6,114	5,121	-	-	11,235
Issuance of new shares	92,461	-	-	-	92,461
Dividends	-	-	-	(33,972)	(33,972)
Total transactions with owners	98,575	5,121	-	(33,972)	69,724
Balance at 31 December 2019	220,407	(226)	39,063	690,378	949,622

The above condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 March 2020 – unaudited

	Three Months Ended	
	31-Mar-20	31-Mar-19
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	83,410	63,843
Adjustments for:		
Non-cash and non-operating items	(11,722)	8,899
Operating profit before working capital changes	71,688	72,742
Changes in working capital		
Net change in current assets	220,311	3,112
Net change in current liabilities	(247,092)	(215,450)
Cash generated from / (used in) operations	44,907	(139,596)
Tax paid	(5,698)	(350)
Tax refund	-	434
Interest paid	(7,322)	(8,583)
Interest received	154	100
Net cash from / (used in) operating activities	32,041	(147,995)
Cash flows from investing activities		
Purchase of property, plant and equipment	(9,178)	(10,307)
Payment to holding company	(1,860)	-
Net cash outflow from acquisition of subsidiary	(119,537)	-
Proceeds from disposal of investment in associate	32,000	
Proceeds from disposal of PPE	-	1,730
Payment for the lease rental	-	(34)
Net cash used in investing activities	(98,575)	(8,611)
Cash flows from financing activities		
Bank and other borrowings	71,838	192,958
Conversion of warrants to ordinary shares	1,200	-
Changes in Fixed deposit pledged	-	208
Purchase of treasury shares	(192)	-
Dividend paid	-	(9,556)
Repayment of lease liabilities	(573)	-
Net cash from financing activities	72,273	183,610
Net increase in cash and cash equivalents	5,739	27,004
Effect of exchange rate changes	5,863	9,613
Cash and cash equivalents at the beginning of financial period	33,073	31,358
Cash and cash equivalents at the end of financial period	44,675	67,975
Cash and cash equivalents at the end of financial period comprise of :		
Deposits, bank and cash balances	60,358	82,505
Bank overdrafts	-	-
	60,358	82,505
Less : Non-cash and cash equivalents		
Fixed deposit pledged to bank as collateral	(15,683)	(14,530)
	44,675	67,975

The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – FIRST QUARTER ENDED 31 MARCH 2020

A. Explanatory notes pursuant to MFRS 134

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of Guan Chong Berhad (“GCB” or the “Company”) and its subsidiaries (“Group”) for the financial year ended 31 December 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 year ended 31 December 2019.

A2. Significant accounting policies

The audited financial statements of the Group for the year ended 31 December 2019 were prepared in accordance with MFRS. The significant accounting policies adopted in preparing this Condensed Report are consistent with those of the audited financial statements for the financial year ended 31 December 2019, except for those standards, amendments and IC interpretations which are effective from the annual period beginning on or after 1 January 2020. The adoptions of these standards, amendments and IC interpretations have no material impact on this Condensed Report.

A3. Seasonal or cyclical factors

The cocoa processing industry is, to a certain extent, subject to the seasonal pattern of the consumption of cocoa-based products within a year.

A4. Unusual nature and amounts affecting assets, liabilities, equity, net income or cash flows

Other than those stated in the notes, there are no other items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size, or incidence.

A5. Material changes in estimates

There were no material changes in estimates of amounts reported that will have a material effect during the current quarter under review.

A6. Issuances and repayment of debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter under review.

A7. Dividends paid

There was no dividend paid by the Company during the current quarter under review.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – FIRST QUARTER ENDED 31 MARCH 2020

A8. Segmental information

The Group presenting segmental information on the basis of geographical segments, segment revenue and segment assets are based on the geographical location of the assets.

Three Months Ended 31 March 2020	Malaysia RM'000	Singapore RM'000	Indonesia RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Geographical Segments:						
Total external revenue	321,189	337,456	37,666	213,071	-	909,382
Internal segment revenue	390,743	598,172	284,732	15	(1,273,662)	-
Total revenue	711,932	935,628	322,398	213,086	(1,273,662)	909,382
Segment result	53,988	13,230	4,191	33,547	(1,677)	103,279
Interest income						154
Finance cost						(7,376)
Depreciation & amortisation						(12,647)
Profit before tax						83,410
Tax expenses						(11,245)
Profit for the period						72,165
Segment assets	887,589	162,490	665,239	404,397	-	2,119,715
Tax recoverable						1,319
Total assets						2,121,034
Segment liabilities	39,104	54,752	17,278	88,755	-	199,889
Deferred tax liabilities						45,472
Tax payables						30,742
Borrowings						796,063
						1,072,166

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NOTES TO THE INTERIM FINANCIAL STATEMENTS – FIRST QUARTER ENDED 31 MARCH 2020

A8. Segmental information – (cont'd)

Three Months Ended 31 March 2019	Malaysia RM'000	Singapore RM'000	Indonesia RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Geographical Segments:						
Total external revenue	272,793	335,581	25,154	14,546	-	648,074
Internal segment revenue	511,936	693,798	262,776	33,727	(1,502,237)	-
Total revenue	784,729	1,029,379	287,930	48,273	(1,502,237)	648,074
Segment result	32,641	38,348	10,539	31,599	(33,434)	79,693
Interest income						100
Finance cost						(8,583)
Depreciation & amortisation						(7,367)
Profit before tax						63,843
Tax expenses						(10,703)
Profit for the period						53,140
Segment assets	978,454	126,214	569,064	103,234	-	1,776,966
Tax recoverable						612
Total assets						1,777,578
Segment liabilities	46,539	134,434	37,751	1,515	-	220,239
Deferred tax liabilities						35,544
Tax payables						22,583
Borrowings						792,996
						1,071,362

A9. Changes in the composition of the Group

Sales and Purchase Agreement for acquisition of 50,000 ordinary shares, representing 100% of the total registered share capital of Schokinag Holding GmbH ("Schokinag") has been executed and completed. Hence, Schokinag is considered as a wholly-owned subsidiary of GCB Cocoa Singapore Pte Ltd, a sub-subsidiary of GCB starting Q1 2020.

On 26 February 2020, the Company had disposed whole of its 27.75% equity interest in Fuji Global Chocolate (M) Sdn. Bhd. ("FGCM") (formerly known as GCB Specialty Chocolates Sdn. Bhd.), for a total cash consideration of RM32,000,000. Hence, FGCM is no longer an associate of the Company.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – FIRST QUARTER ENDED 31 MARCH 2020

A10. Profit before tax

Included in the profit before tax are the following items:

	Current Quarter Ended 31-Mar-20 RM'000	Current Year To-Date 31-Mar-20 RM'000
Amortisation of prepaid lease payments	143	143
Amortisation of leases	499	499
Depreciation	12,005	12,005
Gain on disposal of investment in associate	(27,799)	(27,799)
Realised loss on foreign exchange	1,200	1,200
Unrealised loss on foreign exchange	10,223	10,223
Unrealised gain on forward currency contracts	(4,607)	(4,607)
Realised gain on commodity future contracts	(3,973)	(3,973)
Unrealised loss on commodity future contracts	5,978	5,978
Unrealised gain on commodity option contracts	(1,693)	(1,693)
Unrealised loss on currency option contracts	541	541
Impairment loss on trade receivables	1,804	1,804
Interest expense	7,376	7,376
Interest income	(154)	(154)

A11. Tax expense

	Current Quarter Ended		Current Year To-Date Ended	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
	RM'000	RM'000	RM'000	RM'000
Income tax expense:				
- Current period estimate	11,245	10,703	11,245	10,703
- (Over) / Under provision in prior year	-	-	-	-
	11,245	10,703	11,245	10,703

Income tax expense is recognised in each interim period based on the best estimate of the weighted average annual income tax rate expected for the full financial year.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – FIRST QUARTER ENDED 31 MARCH 2020

A12. Earnings per share

- (a) Basic earnings per share are calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the financial period as follows:-

	Current Quarter Ended		Current Year To-Date Ended	
	31-Mar-20	31-Mar-19 *(restated)	31-Mar-20	31-Mar-19 *(restated)
Profit for the financial period attributable to owners of the Company (RM'000)	72,165	53,140	72,165	53,140
Weighted average number of ordinary shares in issue ('000)	1,008,425	955,610	1,008,425	955,610
Basic earnings per share (sen)	7.16	5.56	7.16	5.56

- (b) For the purpose of calculating diluted EPS, profit for the period and the weighted average number of ordinary shares in issue during the financial period have been adjusted for the dilutive effects of all potential ordinary shares convert under warrants issued as shown below:

	Current Quarter Ended		Current Year To-Date Ended	
	31-Mar-20	31-Mar-19 *(restated)	31-Mar-20	31-Mar-19 *(restated)
Profit for the financial period attributable to owners of the Company (RM'000)	72,165	53,140	72,165	53,140
Weighted average number of ordinary shares in issue ('000)	1,008,425	955,610	1,008,425	955,610
Effect of dilution of warrants	57,314	-	57,314	-
Adjusted weighted average number of ordinary shares in issue and issuales	1,065,739	955,610	1,065,739	955,610
Diluted earnings per share (sen)	6.77	5.56	6.77	5.56

* restated due to adjustment on number of ordinary shares as a result of bonus issue during 2019.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – FIRST QUARTER ENDED 31 MARCH 2020

A13. Prepaid lease payments

	31-Mar-20	31-Dec-19
	RM'000	RM'000
Cost:		
At 1 January	10,721	10,187
Effect of adoption of MFRS 16	-	1,247
	10,721	11,434
Less: Amortisation of prepaid lease payments	(143)	(619)
Foreign exchange difference	478	(94)
At 31 March / December	11,056	10,721
Analysed as:		
Sub-leases of warehouse	1,736	1,736
Leasehold land	9,320	8,985
	11,056	10,721

A14. Intangible assets

	Goodwill	Trademark	Software	Total
	RM'000	RM'000	RM'000	RM'000
Cost:				
At 1 January 2019	11,945	13	-	11,958
Additions	-	-	-	-
Translation differences	-	-	-	-
At 31 December 2019 and 1 January 2020	11,945	13	-	11,958
Additions	-	-	-	-
Acquisition of subsidiary	25,939	-	750	26,689
Translation differences	5,614	-	24	5,638
At 31 March 2020	43,498	13	774	44,285
Accumulated amortisation and impairment				
At 1 January 2019	-	(2)	-	(2)
Amortisation	-	(1)	-	(1)
Impairment	-	-	-	-
At 31 December 2019 and 1 January 2020	-	(3)	-	(3)
Amortisation	-	-	-	-
Impairment	-	-	-	-
At 31 March 2020	-	(3)	-	(3)
Net carrying amount:				
At 31 December 2018	11,945	10	-	11,955
At 31 March 2020	43,498	10	774	44,282

NOTES TO THE INTERIM FINANCIAL STATEMENTS – FIRST QUARTER ENDED 31 MARCH 2020

A15. Fair value information

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – Inputs are unobservable inputs for the asset or liability.

As at reporting date, the Group held the following financial assets or liabilities that are measured at fair value:

	Fair value of financial instruments carried at fair value			
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
31 March 2020				
Financial assets				
Derivative assets :				
- foreign currency forward contracts	-	993	-	993
- commodity futures contract	27,645	-	-	27,645
- commodity option contracts	5,498	-	-	5,498
	33,143	993	-	34,136
Financial liabilities				
Derivative liabilities :				
- foreign currency option contracts	-	1,086	-	1,086
- commodity futures contract	3,392	-	-	3,392
- commodity option contracts	6,228	-	-	6,228
	9,620	1,086	-	10,706
31 December 2019				
Financial assets				
Derivative assets :				
- foreign currency forward contracts	-	124	-	124
- commodity futures contract	10,660	-	-	10,660
- commodity option contracts	1,412	-	-	1,412
	12,072	124	-	12,196
Financial liabilities				
Derivative liabilities :				
- foreign currency forward contracts	-	1,276	-	1,276
- foreign currency option contracts	-	2,986	-	2,986
- commodity futures contract	4,505	-	-	4,505
- commodity option contracts	637	-	-	637
	5,142	4,262	-	9,404

NOTES TO THE INTERIM FINANCIAL STATEMENTS – FIRST QUARTER ENDED 31 MARCH 2020

A16. Loans and borrowings

The Group's borrowings at the end of the current quarter are as follows:

	Denominated in currency	31-Mar-20 RM'000	31-Dec-19 RM'000
Current			
- Term loans	USD	10,604	11,024
	EUR	3,158	-
	RM	411	411
- Trade loans	USD	568,528	499,058
	EUR	14,906	-
	GBP	55,246	48,370
- Revolving credit	USD	79,635	76,363
	RM	2,000	2,000
		734,488	637,226
Non-Current			
- Term loans	USD	42,926	43,295
	EUR	16,559	-
	RM	2,090	2,193
		61,575	45,488
		796,063	682,714

A17. Contingent liabilities

	Group and company	
	31-Mar-20 RM'000	31-Dec-19 RM'000
Corporate guarantees - unsecured		
Issued to banks for banking facilities granted to subsidiaries		
- limit of guarantee	2,109,288	1,927,949
- amount utilised	(748,230)	(674,076)

The Directors are of the view that the chances of the financial institutions to call upon the corporate guarantees are remote. Accordingly, the fair values of the above corporate guarantees given to subsidiaries for banking facilities are negligible.

A18. Capital Commitments

At the end of the current quarter, capital expenditure of the Group contracted but not provided for are as follows :-

	RM'000
Authorised and contracted for :	
Property, plant and equipment	<u>95,636</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS – FIRST QUARTER ENDED 31 MARCH 2020

A19. Material events subsequent to the end of the current quarter

There was no material events subsequent to the current quarter ended 31 March 2020 that have not been reflected in this quarterly report.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS – FIRST QUARTER ENDED 31 MARCH 2020

B. Explanatory notes pursuant to Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

B1. Review of performance

The Group's revenue of RM909.4 million for the current quarter ended 31 Mar 2020 is higher than the revenue in the previous corresponding quarter ended 31 Mar 2019 of RM648.1 million. The increase of 40.3% in turnover is mainly due to increase in selling price of cocoa products and revenue contributed by new subsidiary acquired, Schokinag Holding GmbH.

B2. Comment on material change in profit before tax

The Group made a profit before tax for the quarter 31 Mar 2020 of RM72.2 million as compared with the profit before tax of RM53.1 million in the preceding year corresponding quarter ended 31 Mar 2019. This is mainly due to higher sales price of cocoa products during current quarter ended 31 Mar 2020 as compared to preceding year corresponding quarter ended 31 Mar 2019 and also gain of RM27.8 million arising from disposal of investment in associate.

B3. Commentary of prospects

The Group expects the business environment for the financial year ending 31 December 2020 to be challenging due to uncertain impact of Living Income Differential (LID) implementation and outbreak of COVID-19. The pandemic has caused slight disruptions and interruption in logistic and supply chains. Lockdown implemented worldwide has resulted in economy slows down and subsequently shrunk down the demand of chocolate consumption. Hence, we expect some delay in shipment to customer and reduce in utilisation of grinding capacity in near future.

Nevertheless, we are confident of our long term prospect and uptrend in future chocolate demand. The Group will continue to focus on efforts to explore new markets for its wide range of cocoa ingredients and optimize production according to market conditions.

B4. Profit forecast or profit guarantee

There were no profits forecast or profit guarantee issued by the Group.

B5. Corporate proposals

There were no corporate proposals announced but not completed as at the date of this report.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS – FIRST QUARTER ENDED 31 MARCH 2020

B6. Derivative financial instruments

Details of the outstanding derivative financial instruments as at 31 March 2020 are as follows:

	Derivative	Contract Amount RM'000	Fair Value - Net Gains/ (Losses) RM'000	Purpose
1	Forward Foreign Exchange Contracts: Sale Contracts - Less than 1 year Purchase Contracts - Less than 1 year	24,933 1,531	930 63	For hedging currency risk
2	Forward Foreign Currency Option: Sale Contracts - Less than 1 year Purchase Contracts - Less than 1 year	31,495 -	(1,086) -	For hedging currency risk
2	Commodity Futures Sale Contracts - Less than 1 year Purchase Contracts - Less than 1 year - 1 year to 3 years	200,133 224,406 35,174	26,457 (20,024) (1,151)	For hedging price risk

The fair values of the above derivatives are determined by using the market rates at the end of reporting period and changes in the fair values are recognised in the profit and loss. The subsequent cumulative change in the fair value of the commitment attributable to the hedged risk is recognised as an asset or a liability with the corresponding gain or loss recognised in the profit or loss.

There have been no significant changes to the Group's exposure credit risk, market risk and liquidity risk from the previous financial year. Also, there have been no changes to the Group's risk management objectives, policies and processes since the previous financial year end.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – FIRST QUARTER ENDED 31 MARCH 2020

B7. Material litigation

There was no material litigation against the Group as at the date of these interim financial statements.

B8. Dividend declared or recommended

On 29 May 2020, the board declared the first interim single-tier dividend of 1.0 sen per ordinary share in respect of financial year ending 31 December 2020 to shareholders registered in the Record of Depositors at close of business on 16 June 2020 and subsequently will be paid on 10 July 2020.

B9. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2019 was not qualified.

Tay Hoe Lian
Managing Director
Dated: 29.05.2020