



**SAMCHEM HOLDINGS BERHAD**

(Company No: 797567 U)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

INTERIM FINANCIAL REPORT

FOR THE QUARTER ENDED

31 MARCH 2020

**SAMCHEM HOLDINGS BERHAD**

(Company No: 797567 U)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

FOR THE PERIOD ENDED 31 MARCH 2020

	Individual Quarter				Cumulative Quarter			
	Preceding Year		Changes		Current	Preceding Year	Changes	
	Current	Corresponding			Year	Corresponding		
	Quarter	Quarter			To Date	Period		
	31-Mar-20	31-Mar-19	RM'000	%	31-Mar-20	31-Mar-19	RM'000	%
	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000	
REVENUE	258,426	259,629	(1,203)	0%	258,426	259,629	(1,203)	0%
COST OF SALES	(228,787)	(237,587)	8,800	-4%	(228,787)	(237,587)	8,800	-4%
GROSS PROFIT	29,639	22,042	7,597	34%	29,639	22,042	7,597	34%
OTHER INCOME	2,655	4,666	(2,011)	-43%	2,655	4,666	(2,011)	-43%
ADMINISTRATIVE EXPENSES	(10,924)	(11,545)	621	-5%	(10,924)	(11,545)	621	-5%
SELLING & DISTRIBUTION EXPENSES	(4,671)	(3,595)	(1,076)	30%	(4,671)	(3,595)	(1,076)	30%
OTHER OPERATING EXPENSES	(7,994)	(1,274)	(6,720)	527%	(7,994)	(1,274)	(6,720)	527%
FINANCE COST	(2,244)	(2,850)	606	-21%	(2,244)	(2,850)	606	-21%
TOTAL EXPENSES	(25,833)	(19,264)	(6,569)	34%	(25,833)	(19,264)	(6,569)	34%
PROFIT BEFORE TAX	6,461	7,444	(983)	-13%	6,461	7,444	(983)	-13%
TAX EXPENSES	(1,709)	(1,925)	216	-11%	(1,709)	(1,925)	216	-11%
<b>PROFIT FOR THE PERIOD</b>	<b>4,752</b>	<b>5,519</b>	<b>(767)</b>	<b>-14%</b>	<b>4,752</b>	<b>5,519</b>	<b>(767)</b>	<b>-14%</b>
Other comprehensive income:								
Currency translation differences	287	(1,558)	1,845	-118%	287	(1,558)	1,845	-118%
<b>Other comprehensive income for the period, net of tax</b>	<b>287</b>	<b>(1,558)</b>	<b>1,845</b>	<b>-118%</b>	<b>287</b>	<b>(1,558)</b>	<b>1,845</b>	<b>-118%</b>
<b>Total comprehensive income for the period</b>	<b>5,039</b>	<b>3,961</b>	<b>1,078</b>	<b>27%</b>	<b>5,039</b>	<b>3,961</b>	<b>1,078</b>	<b>27%</b>
<b>Profit attributable to:</b>								
-Owners of the parent	4,326	5,246	(920)	-18%	4,326	5,246	(920)	-18%
-Non controlling interest	426	273	153	56%	426	273	153	56%
	<b>4,752</b>	<b>5,519</b>	<b>(767)</b>	<b>-14%</b>	<b>4,752</b>	<b>5,519</b>	<b>(767)</b>	<b>-14%</b>
<b>Total comprehensive income attributable to:</b>								
-Owners of the parent	4,092	3,883	209	5%	4,092	3,883	209	5%
-Non controlling interest	947	128	819	640%	947	128	819	640%
	<b>5,039</b>	<b>3,961</b>	<b>1,078</b>	<b>27%</b>	<b>5,039</b>	<b>3,961</b>	<b>1,078</b>	<b>27%</b>
Earnings per share (sen)								
- Basic	1.59	1.93	(0.34)		1.59	1.93	(0.34)	
- Diluted	1.59	1.93	(0.34)		1.59	1.93	(0.34)	

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

**SAMCHEM HOLDINGS BERHAD**

(Company No: 797567 U)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Unaudited As At 31-Mar-2020 RM'000</b>	<b>Audited As At 31-Dec-2019 RM'000</b>
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Property, plant and equipment	26,049	26,503
Right of use assets	23,304	24,690
Quoted investments	13	13
Deferred tax assets	1,966	490
	<u>51,332</u>	<u>51,696</u>
<b>Current Assets</b>		
Inventories	144,928	98,809
Trade and other receivables	250,889	229,702
Tax recoverables	382	6,777
Cash and bank balances	62,942	51,999
	<u>459,141</u>	<u>387,287</u>
<b>Total Assets</b>	<u>510,473</u>	<u>438,983</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	136,954	136,954
Retained profits	50,462	46,136
Others reserves	(26,155)	(25,921)
Total shareholders' equity	<u>161,261</u>	<u>157,169</u>
Non controlling interest	12,963	12,016
<b>Total Equity</b>	<u>174,224</u>	<u>169,185</u>
<b>Non Current Liabilities</b>		
Borrowings	7,807	7,932
Retirement benefits obligations	752	826
Lease liabilities	5,263	4,875
Deferred tax liabilities	474	394
	<u>14,296</u>	<u>14,027</u>
<b>Current Liabilities</b>		
Trade and other payables	113,680	82,825
Lease liabilities	3,155	4,637
Borrowings	202,077	166,331
Taxation	3,041	1,978
	<u>321,953</u>	<u>255,771</u>
	<u>321,953</u>	<u>255,771</u>
<b>Total Liabilities</b>	<u>336,249</u>	<u>269,798</u>
<b>Total Equity and Liabilities</b>	<u>510,473</u>	<u>438,983</u>
Net assets per ordinary share attributable to ordinary equity holders of the parent (RM)	<u>0.59</u>	<u>0.57</u>

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

**SAMCHEM HOLDINGS BERHAD**

(Company No: 797567 U)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2020**

	<b>Current Year to Date 31-Mar-20 RM'000</b>	<b>Preceding year Corresponding Period 31-Mar-19 RM'000</b>
<b>Cash Flows from operating activities</b>		
Profit before taxation	6,461	7,444
Adjustment for:		
Amortisation of right of use assets	985	159
Depreciation and amortisation	1,622	681
Gain on disposal of PPE and Investment property	(5)	(101)
Interest expenses	2,243	2,850
Interest income	(156)	(114)
Provision for doubtful debts	1	-
Unrealised loss/(gain) on foreign exchange	6,357	879
Operating profit before working capital changes	<u>17,508</u>	<u>11,798</u>
Changes in working capital:		
Inventories	(46,119)	8,443
Payables	31,206	347
Receivable	(21,503)	(9,231)
Cash (used in)/ generated from operations	<u>(18,908)</u>	<u>11,357</u>
Income taxes	(1,857)	5,661
<b>Net cash (used in)/ generated from operating activities</b>	<u>(20,765)</u>	<u>17,018</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(34)	(127)
Proceeds from disposal of PPE and investment property	5	127
Interest received	156	114
<b>Net cash used in investing activities</b>	<u>127</u>	<u>114</u>
<b>Cash flows from financing activities</b>		
Repayment of lease liabilities	(1,219)	(393)
Net drawdown/ (repayment) of borrowings	32,717	(8,282)
Dividend paid to non-controlling interest	-	(90)
Interest paid	(2,243)	(2,850)
<b>Net cash generated/ (used in) from financing activities</b>	<u>29,255</u>	<u>(11,615)</u>
<b>Net increase in cash and cash equivalents</b>	<u>8,617</u>	<u>5,517</u>
<b>Cash and cash equivalents at the beginning of period</b>	<u>51,416</u>	<u>41,229</u>
<b>Net effect of exchange rate changes</b>	<u>(394)</u>	<u>(429)</u>
<b>Cash and cash equivalents at the end of period</b>	<u>59,639</u>	<u>46,317</u>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances	62,942	46,716
Bank overdraft	(2,904)	-
Fixed deposit pledged	(399)	(399)
	<u>59,639</u>	<u>46,317</u>

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

**SAMCHEM HOLDINGS BERHAD**

(Company No: 797567 U)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2020**

	← Attributable to owners of the parent →						Total Controlling Interest	Non Total Equity
	Share Capital	Capital Reserve	Reverse Acquisition Reserve	Translation Reserve	Retained Profits	Shareholders' Equity		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b>Balance at 1 January 2020</b>	136,954	13,355	(40,726)	1,450	46,136	157,169	12,016	169,185
Profit for the period	-	-	-	-	4,326	4,326	426	4,752
Other comprehensive income for the period	-	-	-	(234)	-	(234)	521	287
<b>Total comprehensive income for the period</b>	-	-	-	(234)	4,326	4,092	947	5,039
<b>Balance at 31 March 2020</b>	136,954	13,355	(40,726)	1,216	50,462	161,261	12,963	174,224

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2019**

	← Attributable to owners of the parent →						Total Controlling Interest	Non Total Equity
	Share Capital	Capital Reserve	Reverse Acquisition Reserve	Translation Reserve	Retained Profits	Shareholders' Equity		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b>Balance at 1 January 2019</b>	136,954	13,355	(40,726)	2,247	33,253	145,083	11,360	156,443
Profit for the period	-	-	-	-	5,246	5,246	273	5,519
Other comprehensive income for the period	-	-	-	(1,413)	-	(1,413)	(145)	(1,558)
<b>Total comprehensive income for the period</b>	-	-	-	(1,413)	5,246	3,833	128	3,961
Dividend paid to non controlling interest	-	-	-	-	-	-	(90)	(90)
<b>Total changes in equity for the period</b>	-	-	-	-	-	-	(90)	(90)
<b>Balance 31 March 2019</b>	136,954	13,355	(40,726)	834	38,499	148,916	11,398	160,314

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

**SAMCHEM HOLDINGS BERHAD**

(Company No: 797567 U)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2020**

**A. NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD 134 (FRS 134): INTERIM FINANCIAL REPORTING**

A1. (i) Accounting Policies and Basis of Preparation

The condensed financial statements are unaudited and have been prepared in accordance with the Malaysia Financial Reporting Standards (“MFRSs”) 134, Interim Financial Reporting and chapter 9 Part K of the Bursa Securities Listing Requirements and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to the unaudited condensed consolidated financial statements.

The accounting policies and presentation adopted by the Group for the interim financial statements are consistent with those adopted in the Group’s audited financial statements for the financial year ended 31 December 2019. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2019.

The Group have adopted the following new MFRSs Framework (where applicable) that were issued by Malaysian Accounting Standards Board during the financial year.

Amendments to MFRS 3	Business Combination - Definition of Business
Amendment to MFRS 9	Financial Instruments, MFRS 139, Financial Instruments Recognition and Measurement and MFRS 7, Financial Instruments: Disclosure - Interest Rate Benchmark Reform
Amendments to MFRS 101	Presentation of Financial Statements and MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Materials

The adoption of new standards do not have any material financial impact to the Group.

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

MFRS 17	Insurance Contracts
---------	---------------------

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

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 1 January 2022**

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
-----------------------	--

**SAMCHEM HOLDINGS BERHAD**

(Company No: 797567 U)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2020**

**A. NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD 134 (FRS 134): INTERIM FINANCIAL REPORTING**

A2. Auditors' report

There was no qualification on the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2019.

A3. Seasonal or cyclical factors

The principal business operations of the Group are not significantly affected by seasonal or cyclical factors.

A4. Items of unusual nature and amount

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence in the current quarter under review.

A5. Material changes in estimates

There were no changes in estimates that have a material effect in the current quarter under review.

A6. Issuance, cancellation, repurchase, resale and repayment of debt and equity securities

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

A7. Dividends paid

On 18 March 2020, the Company paid a third interim single dividend of 1.0 sen per share in respect of financial year ended 31 December 2019 amounting to RM2.72 million.

**SAMCHEM HOLDINGS BERHAD**

(Company No: 797567 U)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2020****A. NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD 134 (FRS 134): INTERIM FINANCIAL REPORTING****A8. Segmental information**

## Business Segments

The Group operates mainly in the business involving the distribution of industrial chemicals with operations in the blending of customized solvents. The Company's businesses in the distribution, service and solution of Audio Video industry is mostly residual.

## Current Quarter

	Preceding Year		Changes	
	Current Quarter	Corresponding Quarter		
	31-Mar-20	31-Mar-19	RM'000	%
<b><u>(i) Segment Revenue</u></b>				
<b>Analysed by geographical segments:</b>				
<b><u>Chemical Distribution And Blending Operations:</u></b>				
Malaysia	126,349	121,489	4,860	4%
Indonesia	37,199	33,112	4,087	12%
Vietnam	93,551	99,530	(5,979)	-6%
Singapore	1,314	4,354	(3,040)	-70%
Revenue from chemical distribution and blending operations	258,413	258,485	(72)	0%
<b><u>Audio Video Operations:</u></b>				
Revenue from Audio Video Operations	13	1,144	(1,131)	-99%
<b>Total segment revenue</b>	<b>258,426</b>	<b>259,629</b>	<b>(1,203)</b>	<b>0%</b>
<b><u>(ii) Segment Profit before tax</u></b>				
<b>Analysed by geographical segments:</b>				
<b><u>Chemical Distribution And Blending Operations:</u></b>				
Malaysia	10,371	4,786	5,585	117%
Indonesia	(5,098)	1,698	(6,796)	-400%
Vietnam	1,306	1,170	136	12%
Singapore	(92)	7	(99)	-1414%
Profit before tax from chemical distribution and blending operations	6,487	7,661	(1,174)	-15%
<b><u>Audio Video Operations:</u></b>				
Loss before tax from Audio Video Operations	(26)	(217)	191	-88%
<b>Total Segment Profit before tax</b>	<b>6,461</b>	<b>7,444</b>	<b>(983)</b>	<b>-13%</b>



**SAMCHEM HOLDINGS BERHAD**

(Company No: 797567 U)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2020**

**A. NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD 134 (FRS 134): INTERIM FINANCIAL REPORTING**

A9. Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment in the current quarter under review.

A10. Capital commitments

As at 31 March 2020, there were no capital commitments.

A11. Material events subsequent to the end of period reported

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

A12. Changes in the composition of the Group

There were no changes in the composition of the Group in the current quarter under review, including business combinations, acquisition or disposal of subsidiaries and restructuring and discontinuing operations.

**SAMCHEM HOLDINGS BERHAD**

(Company No: 797567 U)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2020****A. NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD 134 (FRS 134): INTERIM FINANCIAL REPORTING****A13. Changes in contingent liabilities and contingent assets**

There were no changes in the contingent liabilities and contingent assets since the Statement of Financial Position as at 31 December 2019 except for the following:

	<b>RM'000</b>
As At 31 December 2019	207,466
Changes during the period:	
Corporate guarantee provided by the Company to financial institutions in respect of financing facilities granted to local subsidiaries	10,625
Corporate guarantee provided by the Company to overseas financial institutions in respect of financing facilities granted to foreign subsidiaries	-
Corporate guarantee provided by the Company to suppliers in respect of credit facilities granted to local subsidiaries	(728)
Corporate guarantee provided by the Company to suppliers in respect of credit facilities granted to a foreign subsidiary	10,068
As At 31 March 2020	<u>227,431</u>

**A14. Related party transactions**

The Group has the following transactions with the related parties during the current quarter under review.

	<b>Current Quarter 31-Mar-20 RM'000</b>
Purchase of products*	<u>131</u>

\* Company in which a director of the subsidiaries have substantial financial interests

In the opinion of the Directors, the above transactions have been entered into in the ordinary course of business.

**SAMCHEM HOLDINGS BERHAD**

(Company No: 797567 U)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2020****B. ADDITIONAL INFORMATION PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B1. Performance review**

## Current Quarter

	Current	Preceding Year	Changes	
	Quarter	Corresponding		
	31-Mar-20	31-Mar-19	RM'000	%
	RM'000	RM'000		
REVENUE	258,426	259,629	(1,203)	0%
COST OF SALES	(228,787)	(237,587)	8,800	-4%
GROSS PROFIT	29,639	22,042	7,597	34%
OTHER INCOME	2,655	4,666	(2,011)	-43%
ADMINISTRATIVE EXPENSES	(10,924)	(11,545)	621	-5%
SELLING & DISTRIBUTION EXPENSES	(4,671)	(3,595)	(1,076)	30%
OTHER OPERATING EXPENSES	(7,994)	(1,274)	(6,720)	527%
FINANCE COST	(2,244)	(2,850)	606	-21%
TOTAL EXPENSES	(25,833)	(19,264)	(6,569)	34%
PROFIT BEFORE TAX	6,461	7,444	(983)	-13%
TAX EXPENSES	(1,709)	(1,925)	216	-11%
<b>Profit for the period</b>	<b>4,752</b>	<b>5,519</b>	<b>(767)</b>	<b>-14%</b>

The Group recorded a revenue of RM258.43 million for the current quarter under review, compared to RM259.63 million for the corresponding quarter in the preceding year, which represents a slight decrease of 0.46%. The decrease is due to combination of factors including the negative impact of the global pandemic as well as lower average selling price in the current quarter under review.

The Group recorded a lower profit before tax for the current quarter under review of RM6.46 million, representing a decrease of RM0.98 million compared to the profit before tax for the corresponding quarter in the preceding year of RM7.44 million. This is mainly due to the unrealised foreign exchange losses caused by the steep depreciation of IDR against the USD towards the end of the current quarter under review.

**SAMCHEM HOLDINGS BERHAD**

(Company No: 797567 U)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2020****B. ADDITIONAL INFORMATION PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

- B2. Material changes in profit before taxation for the current quarter as compared with the immediate preceding quarter

	<b>Current Quarter 31-Mar-20 RM'000</b>	<b>Immediate Preceding Quarter 31-Dec-19 RM'000</b>	<b>Changes</b>	
			<b>RM'000</b>	<b>%</b>
REVENUE	258,426	294,785	(36,359)	-12%
COST OF SALES	(228,787)	(265,794)	37,007	-14%
GROSS PROFIT	29,639	28,991	648	2%
OTHER INCOME	2,655	3,743	(1,088)	-29%
ADMINISTRATIVE EXPENSES	(10,924)	(12,739)	1,815	14%
SELLING & DISTRIBUTION EXPENSES	(4,671)	(5,212)	541	10%
OTHER OPERATING EXPENSES	(7,994)	(1,425)	(6,569)	461%
FINANCE COST	(2,244)	(2,519)	275	-11%
TOTAL EXPENSES	(25,833)	(21,895)	(3,938)	18%
PROFIT BEFORE TAX	6,461	10,839	(4,378)	-40%
TAX EXPENSES	(1,709)	(3,501)	1,792	-51%
<b>Profit for the period</b>	<b>4,752</b>	<b>7,338</b>	<b>(2,586)</b>	<b>-35%</b>

The Group recorded a profit before tax of RM6.46 million for the current quarter under review as compared to the profit before tax in the immediate preceding quarter of RM10.84 million. This is mainly due to the unrealised foreign exchange losses caused by the steep depreciation of IDR against the USD towards the end of the current quarter under review.

- B3. Prospects for the current financial year

The Group has implemented business continuity measures to manage COVID-19 related issues, including safeguards for occupational health and safety, compliance with governmental regulations, directives and standard operating procedures. The management does not expect the impact on the Group's business operations, liquidity and financial position because of COVID-19 to be material.

However, the market condition is envisaged to be volatile and challenging in the current year due to concerns over global economic and other uncertainties. Nevertheless, the management is optimistic on the business growth and will continue to focus on the expansion of business and operational efficiency to improve the Group's performance.

**SAMCHEM HOLDINGS BERHAD**

(Company No: 797567 U)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2020****B. ADDITIONAL INFORMATION PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B4. Variance between actual profit and forecast profit

The Group did not issue any profit forecast in a public document during the current financial period.

B5. Profit for the period

Profit for the period is arrived at after charging/(crediting):

	Individual Quarter		Cumulative Quarter	
	Current Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
	RM'000	RM'000	RM'000	RM'000
Interest income	(156)	(114)	(156)	(114)
(Gain)/ Loss on disposal of PPE	(5)	(101)	(5)	(101)
Interest expense	2,243	2,850	2,243	2,850
Depreciation and amortization	1,622	840	1,622	840
Foreign exchange (gain)/ loss-realised	(401)	(3,236)	(401)	(3,236)
Foreign exchange (gain)/ loss-unrealised	6,357	879	6,357	879

B6. Taxation

	Current Year Quarter	Preceding year
	31-Mar-20	Corresponding quarter
	31-Mar-20	31-Mar-19
	RM'000	RM'000
Current tax expense	3,228	2,282
Deferred tax expense	(1,519)	(357)
	<u>1,709</u>	<u>1,925</u>

The effective tax rate for the current quarter under review is higher than the statutory tax rate due to certain non deductible expenses.



**SAMCHEM HOLDINGS BERHAD**

(Company No: 797567 U)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2020****B. ADDITIONAL INFORMATION PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B9. Financial Instruments**

There were no financial instruments outstanding for the current quarter under review.

**B10. Material Litigation**

As at the date of this report, neither the Company nor any of its subsidiaries is engaged in any material litigation and arbitration either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiaries and our Directors are not aware of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Company or its subsidiaries.

**B11. Proposed Dividend**

There were no dividends proposed for the current quarter under review.

**B12. Earnings per share**

	Current Quarter 31-Mar-20 RM'000	Preceding Year Corresponding Quarter 31-Mar-19 RM'000	Current Year To Date 31-Mar-20 RM'000	Preceding Year Corresponding Period 31-Mar-19 RM'000
Profit attributable to ordinary equity holders of the parent (RM'000)	4,326	5,246	4,326	5,246
Weighted average number of ordinary shares in issue ('000)	272,000	272,000	272,000	272,000
Earnings per share-basic (sen)				
- Basic	1.59	1.93	1.59	1.93
- Diluted	1.59	1.93	1.59	1.93

There are no potential dilutive ordinary shares outstanding as at end of the current quarter under review.

By Order of the Board,

Mr. Ng Thin Poh

Chairman/ CEO

Date: 25 June 2020