



MUAR BAN LEE GROUP BERHAD

(Company No. 753588-P)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR FIRST QUARTER ENDED 31 MARCH 2019



MUAR BAN LEE GROUP BERHAD

(Company No. 753588-P)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 MARCH 2019

	Individual Quarter		Cumulative Quarter	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018
	RM'000	RM'000	RM'000	RM'000
Revenue	32,792	28,150	32,792	28,150
Less: Revenue from discontinued operation	(111)	(159)	(111)	(159)
Revenue from continuing operation	32,681	27,991	32,681	27,991
Cost of sales	(23,435)	(20,274)	(23,435)	(20,274)
Gross profit	9,246	7,717	9,246	7,717
Other income	158	366	158	366
Depreciation and amortisation	(318)	(307)	(318)	(307)
Distribution and administrative expenses	(6,320)	(5,866)	(6,320)	(5,866)
Operating profit	2,766	1,910	2,766	1,910
Interest Income	129	59	129	59
Interest expenses	(36)	(232)	(36)	(232)
Share of results of an associate	-	(118)	-	(118)
Profit before taxation	2,859	1,619	2,859	1,619
Taxation	(960)	(618)	(960)	(618)
Profit for the continuing operations	1,899	1,001	1,899	1,001
Discontinued operation				
Profit from discontinued operation, net of tax	44	29	44	29
Profit for the financial year	1,943	1,030	1,943	1,030
Other Comprehensive income/(loss), net of tax	(49)	(901)	(49)	(901)
Total Comprehensive Income for the financial year	1,894	129	1,894	129
Profit attributable to:				
Owners of the parent - continuing operations	2,053	1,297	2,053	1,297
- discontinued operation	44	29	44	29
	2,097	1,326	2,097	1,326
Non-controlling interests	(154)	(296)	(154)	(296)
Profit for the financial year	1,943	1,030	1,943	1,030
Total Comprehensive Income attributable to:				
Owners of the parent - continuing operations	2,028	838	2,028	838
- discontinued operation	44	29	44	29
	2,072	867	2,072	867
Non-controlling interests	(178)	(738)	(178)	(738)
Total Comprehensive Income for the financial year	1,894	129	1,894	129
Earnings per share (sen)				
- Basic - continuing operations	2.03	1.30	2.03	1.30
- discontinued operation	0.04	0.03	0.04	0.03
	2.07	1.33	2.07	1.33
- Diluted - continuing operations	1.82	1.11	1.82	1.11
- discontinued operation	0.04	0.02	0.04	0.02
	1.86	1.13	1.86	1.13

The Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Report of the Group for the year ended 31 December 2018 and the accompanying explanatory notes attached to the Interim Financial Statements.



MUAR BAN LEE GROUP BERHAD

(Company No. 753588-P)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	(Unaudited) As at 31/03/2019 RM'000	(Audited) As at 31/12/2018 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	41,173	41,849
Investment properties	639	640
Intangible assets	2,743	2,743
Deferred tax assets	134	135
Other investment	1,572	1,572
	46,261	46,939
Current assets		
Inventories	21,877	23,998
Trade and other receivables	49,519	60,991
Amount owing from contract customers	19,391	-
Tax recoverable	575	1,519
Fixed deposits with licensed banks	403	402
Cash and bank balances	35,528	27,763
	127,293	114,673
Assets included in disposal group classified as held for sale	27,172	27,124
	154,465	141,797
Total assets	200,726	188,736
EQUITY AND LIABILITIES		
Equity		
Share capital	59,272	59,272
Treasury shares	(2,302)	(597)
Revaluation reserve	6,415	6,415
Discount on shares	(12,797)	(12,797)
Warrant reserves	17,210	17,210
Foreign currency translation reserve	(842)	(817)
Fair value adjustment reserve	(420)	(420)
Retained profits	58,925	56,828
Shareholder's equity	125,461	125,094
Non-controlling interests	5,771	5,949
Total equity	131,232	131,043



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	(Unaudited) As at 31/03/2019 RM'000	(Audited) As at 31/12/2018 RM'000
LIABILITIES		
Non-current liabilities		
Finance lease liabilities	617	711
Bank borrowings	1,164	1,277
Deferred tax liabilities	2,408	2,408
	4,189	4,396
Current liabilities		
Trade and other payables	64,282	47,212
Amount owing to contract customers	-	2,473
Finance lease liabilities	446	482
Bank borrowings	478	482
Derivatives financial liabilities	54	54
Provision for taxation	-	2,547
	65,260	53,250
Liabilities included in disposal group classified as held for sale	45	47
	65,305	53,297
Total liabilities	69,494	57,693
Total equity and liabilities	200,726	188,736
Net assets per share (RM)	1.24	1.22

The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Report of the Group for the year ended 31 December 2018 and the accompanying explanatory notes attached to the Interim Financial Statements.



MUAR BAN LEE GROUP BERHAD

(Company No. 753588-P)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2019

	Attributable to owners of the parent										
	Non-Distributable						Distributable				
	Share Capital	Treasury Shares	Revaluation Reserve	Discount On Shares	Warrant Reserves	Foreign Currency Translation Reserve	Fair Value Adjustment Reserve	Retained Profits	Subtotal	Non-controlling interests	Total Equity
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2019	59,272	(597)	6,415	(12,797)	17,210	(817)	(420)	56,828	125,094	5,949	131,043
Profit for the financial year	-	-	-	-	-	-	-	2,097	2,097	(154)	1,943
Other Comprehensive Expenses	-	-	-	-	-	-	-	-	-	-	-
- Realisation of revaluation surplus	-	-	-	-	-	-	-	-	-	-	-
- Surplus in revaluation	-	-	-	-	-	-	-	-	-	-	-
- fair value on quoted investment	-	-	-	-	-	-	-	-	-	-	-
- Forex Translation Difference	-	-	-	-	-	(25)	-	-	(25)	(24)	(49)
Total comprehensive income for the financial year	-	-	-	-	-	(25)	-	2,097	2,072	(178)	1,894
<i>Contributions by and distributions to owners of the Company</i>											
<i>Proceed from issuance of Private Placement</i>	-	-	-	-	-	-	-	-	-	-	-
<i>Proceed from conversion of warrants</i>	-	-	-	-	-	-	-	-	-	-	-
<i>Purchase of treasury shares</i>	-	(1,705)	-	-	-	-	-	-	(1,705)	-	(1,705)
<i>Dividends payable to owners of the Company</i>	-	-	-	-	-	-	-	-	-	-	-
<i>Changes in ownership interest in a subsidiary</i>	-	-	-	-	-	-	-	-	-	-	-
Total transactions with owners of the Company	-	(1,705)	-	-	-	-	-	-	(1,705)	-	(1,705)
At 31 March 2019	59,272	(2,302)	6,415	(12,797)	17,210	(842)	(420)	58,925	125,461	5,771	131,232
At 1 January 2018	47,158	(571)	6,487	(13,340)	17,940	(539)	-	46,749	103,884	6,581	110,465
Profit for the financial year	-	-	-	-	-	-	-	1,326	1,326	(296)	1,030
Other Comprehensive Expenses	-	-	-	-	-	-	-	-	-	-	-
- Forex Translation Difference	-	-	-	-	-	(459)	-	-	(459)	(442)	(901)
Total comprehensive income for the financial year	-	-	-	-	-	(459)	-	1,326	867	(738)	129
<i>Contributions by and distributions to owners of the Company</i>											
<i>Proceed from issuance of Private Placement</i>	10,428	-	-	-	-	-	-	-	10,428	-	10,428
<i>Changes in ownership interest in a subsidiary</i>	-	-	-	-	-	-	-	-	-	(90)	(90)
Total transactions with owners of the Company	10,428	-	-	-	-	-	-	-	10,428	(90)	10,338
At 31 March 2018	57,586	(571)	6,487	(13,340)	17,940	(998)	-	48,075	115,179	5,753	120,932

The Unaudited Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the Annual Report of the Group for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the Interim Financial Statements.



MUAR BAN LEE GROUP BERHAD

(Company No. 753588-P)
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 MARCH 2019

	Current Year To-date 31/03/2019 RM'000	Preceding Year Corresponding Period 31/03/2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation		
- Continuing operations	2,859	1,619
- Discontinued operation	44	29
	2,903	1,648
Adjustments for non-cash items:		
Bargain purchase of subsidiary	-	(76)
Depreciation and amortisation	815	753
Interest expenses	37	232
Interest income	(129)	(59)
Share of results of an associate	-	118
Unrealised loss/(gain) on foreign exchange	37	(37)
Operating profit before working capital changes	3,663	2,579
Changes in working capital		
Inventories	2,120	770
Receivables	11,425	5,046
Payables	19,062	(1,919)
Contract customers	(21,864)	(1,756)
Cash generated from operations	14,406	4,720
Income tax paid	(2,562)	(1,032)
Net cash from operating activities	11,844	3,688
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of biological assets	-	(83)
Acquisition of property, plant and equipment	(179)	(284)
Acquisition of share from non- controlling interests	-	(15)
Interest received	129	59
Net cash used in investing activities	(50)	(323)



MUAR BAN LEE GROUP BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 MARCH 2019

	Current Year To-date 31/03/2019 RM'000	Preceding Year Corresponding Period 31/03/2018 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(2,025)	(2,008)
Interest paid	(37)	(232)
Purchase of treasury shares	(1,705)	-
(Placement)/withdrawal of pledged fixed deposits	(1)	-
(Repayment of) /proceeds from bankers acceptance	-	(2,173)
Net change of revolving credits	-	612
Repayment of term loans	(117)	(404)
Repayment of finance lease liabilities	(136)	(102)
Proceed from issue of share capital	-	10,428
Net cash from / (used in) financing activities	(4,021)	6,121
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		
Effect of exchange translation differences	(19)	(444)
Cash and cash equivalents at the beginning of the financial year	27,842	11,096
Cash and cash equivalents at the end of the financial year	35,596	20,138
Note:	<u>Cash and cash equivalents at the end of the financial year</u>	
Continuing operations		
Cash and bank balances	35,528	19,952
Short term deposits with licensed banks	403	391
Fixed deposits pledged	(403)	(391)
	35,528	19,952
Discontinued operation		
Cash and bank balances	68	186
	35,596	20,138

The Unaudited Condensed Statements of Cash Flows should be read in conjunction with the Annual Report of the Group for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the Interim Financial Statements.



MUAR BAN LEE GROUP BERHAD (Company No. 753588-P)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2019**

A. EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL STATEMENTS

A1. BASIS OF PREPARATION

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirement of Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2018. The 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 2018.

A2. CHANGES IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2018 except for those standard, amendments and IC interpretation that had become effective 1 January 2019 and such adoptions do not have material impact on the financial statements of the Group and the Company.

A3. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors’ report on the preceding audited financial statements was not subject to any qualification.

A4. SEASONALITY OR CYCLICALITY FACTORS

The performance of the Group is generally not affected by any seasonal or cyclical factors.

A5. UNUSUAL ITEMS

There were no unusual items for the current financial period under review.

A6. CHANGES IN ESTIMATES

There were no changes in estimates amount that had a material effect for the current financial period under review.



MUAR BAN LEE GROUP BERHAD (Company No. 753588-P)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2019**

A7. DEBT AND EQUITY SECURITIES

The Company repurchased 1,540,500 of its issued ordinary shares from the open market at an average price of RM1.1139 per shares. The total consideration paid for the repurchase including transaction costs was RM1,716,039 and this was financed by internally generated funds at the financial period under review. Total treasury shares held as at 31 March 2019 was 2,294,700 shares. The repurchased shares were held as treasury shares in accordance with Section 127 of the Companies Act 2016.

Other than the above, there were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial year ending 31 December 2019.

A8. DIVIDEND PAID

A single-tier second interim dividend of 2.0 cent per share for the year ended 31 December 2018 amounting to RM2,024,574.00 was declared on 25 February 2019 had been paid on 27 March 2019.

A9. SEGMENTAL INFORMATION

Segmental reporting for the 3 months ended 31 March 2019

	Investment Holding	Manu- facturing	Trading & Service	Oil Milling	Elimination	Consolidated (Continuing)	Plantation (Discontinued)	Consolidated (Total)
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Revenue								
External sales	-	25,004	-	7,677	-	32,681	111	32,792
Inter-company	-	-	-	-	-	-	-	-
Dividend income	-	-	-	-	-	-	-	-
	-	25,004	-	7,677	-	32,681	111	32,792
Segmental results								
Finance costs	(141)	3,238	(2)	(292)	(37)	2,766	44	2,810
Interest income	-	(36)	-	-	-	(36)	-	(36)
	-	129	-	-	-	129	-	129
Profit/(Loss) before Tax	(141)	3,331	(2)	(292)	(37)	2,859	44	2,903
Taxation						(960)	-	(960)
Profit for the year						1,899	44	1,943

Segmental reporting for the 3 months ended 31 March 2018

	Investment Holding	Manu- facturing	Trading & Service	Oil Milling	Elimination	Consolidated (Continuing)	Plantation (Discontinued)	Consolidated (Total)
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Revenue								
External sales	-	19,439	-	8,552	-	27,991	159	28,150
Inter-company	-	212	-	-	(212)	-	-	-
Dividend income	-	-	-	-	-	-	-	-
	-	19,651	-	8,552	(212)	27,991	159	28,150
Segmental results								
Finance costs	(135)	2,583	(31)	(550)	43	1,910	30	1,940
Interest income	-	(232)	-	-	-	(232)	(1)	(233)
Share of results of an associate	20	39	-	-	-	59	-	59
	(118)	-	-	-	-	(118)	-	(118)
Profit/(Loss) before Tax	(118)	2,390	(31)	(550)	43	1,619	29	1,648
Taxation	(233)					(618)	-	(618)
Profit for the year						1,001	29	1,030



A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no valuation of property, plant and equipment for the financial period under review.

A11. MATERIAL SUBSEQUENT EVENTS

On 23 May 2019, the Board of Directors of the Company has announced that Muar Ban Lee Group Berhad (“MBLG”) had acquired 325,000 new ordinary shares in Allin Water Technology Sdn. Bhd. (formerly known as Allin Engineering Sdn. Bhd.) (“ALLIN”) for a total consideration of RM500,000.00. After the acquisition, total shareholding held by MBLG will represented 65% equity interest in ALLIN and ALLIN is become a subsidiary company of MBLG.

A12. CHANGES IN THE COMPOSITION OF THE GROUP

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

A13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities and contingent assets in the financial period under review.

A14. CAPITAL COMMITMENTS

There were no capital commitments in the financial period under review.

A15. RELATED PARTY TRANSACTIONS

The Group’s related party transactions for current quarter and financial year-to-date are as follows:

Transacting parties	Relationship	Nature of transactions	Current quarter RM	Financial Year-to-date RM
Directors	Which the directors owned the said property and have substantial financial interests in the Company	Rental	6,000	6,000

A16. DISCLOSURE OF DERIVATIVES

There was no outstanding forward contract at the end of the quarter under review.



MUAR BAN LEE GROUP BERHAD (Company No. 753588-P)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2019**

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. REVIEW OF PERFORMANCE

	Individual Quarter (3 months ended)			Cumulative Quarter (3 months ended)		
	31/03/2019 RM '000	31/03/2018 RM '000	Changes %	31/03/2019 RM '000	31/03/2018 RM '000	Changes %
Revenue						
- Continuing operations	32,681	27,991	16.8	32,681	27,991	16.8
- Discontinued operation	111	159	(30.2)	111	159	(30.2)
	<u>32,792</u>	<u>28,150</u>	16.5	<u>32,792</u>	<u>28,150</u>	16.5
Operating profit	2,766	1,910	44.8	2,766	1,910	44.8
Profit before interest and tax	2,766	1,792	54.4	2,766	1,792	54.4
Profit/(Loss) before tax (PBT)						
- Continuing operations	2,859	1,619	76.6	2,859	1,619	76.6
- Discontinued operation	44	29	51.7	44	29	51.7
	<u>2,903</u>	<u>1,648</u>	76.2	<u>2,903</u>	<u>1,648</u>	76.2
Profit/(Loss) after tax (PAT)						
- Continuing operations	1,899	1,001	89.7	1,899	1,001	89.7
- Discontinued operation	44	29	51.7	44	29	51.7
	<u>1,943</u>	<u>1,030</u>	88.6	<u>1,943</u>	<u>1,030</u>	88.6
Profit/(loss) attributable to Ordinary Equity Holders of the Parent						
- Continuing operations	2,053	1,297	58.3	2,053	1,297	58.3
- Discontinued operation	44	29	51.7	44	29	51.7
	<u>2,097</u>	<u>1,326</u>	58.1	<u>2,097</u>	<u>1,326</u>	58.1

For the current quarter under review, the Group's revenue increased by 16.5% to RM32.79 million, while PBT surged by 76.2% to RM2.90 million as compared to the preceding year's corresponding quarter. Generally, the manufacturing segment is the core contributor to the Group's performance. The performance review by segments is as follows:

Manufacturing division posted a revenue and PBT of RM25.01 million and RM3.33 million respectively in the current quarter as compared with RM19.44 million and RM2.39 million recorded in the preceding year's quarter. The commendable result was mainly due to the higher contribution of project sales coupled with better products mix in the current quarter.

Trading and Service division recognised its revenue of cost of sales based on the stage of completion of the projects. The progress of the projects was immaterial to reflect the result of the group in the current quarter under reviewed.

Oil milling division's revenue reduced to RM7.68 million (2018: RM8.55 million) and registered a Loss before Tax of RM0.29 million (2018: RM0.55 million). The unfavorable result was mainly attributable to the scaled down production output as a result of the continued subdued selling price of Crude Palm Kernel Oil ("CPKO") in the current quarter under review.



MUAR BAN LEE GROUP BERHAD (Company No. 753588-P)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2019**

B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULT

	Current Quarter	Immediate Preceding Quarter	Changes %
	31/03/2019 RM '000	31/12/2018 RM '000	
Revenue			
- Continuing operations	32,681	51,285	(36.3)
- Discontinued operation	111	8	1,287.5
	<u>32,792</u>	<u>51,293</u>	(36.1)
Operating profit	2,766	5,474	(49.5)
Profit before interest and tax	2,766	5,650	(51.0)
Profit/(Loss) before tax (PBT)			
- Continuing operations	2,859	5,488	(47.9)
- Discontinued operation	44	(145)	(130.3)
	<u>2,903</u>	<u>5,343</u>	(45.7)
Profit/(Loss) after tax (PAT)			
- Continuing operations	1,899	3,824	(50.3)
- Discontinued operation	44	(145)	(130.3)
	<u>1,943</u>	<u>3,679</u>	(47.2)
Profit/(loss) attributable to Ordinary Equity Holders of the Parent			
- Continuing operations	2,053	3,624	(43.3)
- Discontinued operation	44	(145)	(130.3)
	<u>2,097</u>	<u>3,479</u>	(39.7)

For the current quarter under review, revenue and PBT of the Group stood at RM32.79 million and RM2.90 million respectively as compared to RM51.29 million and RM5.34 million recorded in the immediate preceding quarter.

Manufacturing division posted a revenue and PBT at RM25.01 million and RM3.33 million respectively as compared to RM32.83 million and RM5.04 million reported in the immediate preceding quarter. The lower revenue was mainly due to lesser project sales recorded coupled with the one-week Chinese New Year holiday break in the current quarter under review.

Trading and Service division's revenue and PBT were both immaterial in the current quarter as compare with RM11.00 million and RM1.61 million registered in the immediate preceding quarter. This is mainly due to the recognition principles based on the stage of completion for the on-going projects.

Oil milling division revenue and loss before tax remain flattish at RM7.68 million and RM0.29 million as compared to RM7.45 million and profit before tax recorded at RM0.31 million reported in the immediate preceding quarter respectively. The muted selling price of CPKO has prompted the management continue scale down the production of CPKO to cushion the impact of depressed CPKO pricing.



B3. COMMENTARY ON PROSPECTS

The Board expects the Group's operating environment for the financial year ending 2019 to remain challenging and competitive.

The Management will continue to focus on the Group's core business, i.e. manufacturing segment and to further strengthen our market position by expanding of customer base and market shares. The Board is optimistic that the oil milling division's performance will improve in the financial year ending 2019.

Barring any unforeseen circumstances, the Board of Directors is of the opinion that the performance of the Group will remain satisfactory for the financial year ending 2019.

B4. VARIANCE FROM PROFIT FORECAST

There is no profit forecast issued for the current financial period under review.

B5. TAXATION

Taxation for the quarter and year to date comprises:

	Current Quarter RM '000	Current YTD RM '000
Taxation		
- Current year	(960)	(960)
	<u>(960)</u>	<u>(960)</u>

Malaysian income tax is calculated at the statutory tax rate of 24% of the estimated assessable profits for the financial year. Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

B6. STATUS OF CORPORATE PROPOSALS

There was no pending corporate proposals for the financial period under review.



MUAR BAN LEE GROUP BERHAD (Company No. 753588-P)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2019**

B7. GROUP BORROWINGS AND DEBT SECURITIES

The Group's borrowings as at 31 March 2019 and 31 March 2018 are as follows:

	As at First Quarter ended 2019					
	Long Term		Short Term		Total Borrowings	
	Denominated in		Denominated in		Denominated in	
	USD Fx Rate 4.09 RM '000	RM RM '000	USD Fx Rate 4.09 RM '000	RM RM '000	USD Fx Rate 4.09 RM '000	RM RM '000
Secured						
- Term loans	-	1,164	-	478	-	1,642
- Bank overdraft	-	-	-	-	-	-
- Bankers acceptance	-	-	-	-	-	-
- Revolving credits	-	-	-	-	-	-
Total	-	1,164	-	478	-	1,642

	As at First Quarter ended 2018					
	Long Term		Short Term		Total Borrowings	
	Denominated in		Denominated in		Denominated in	
	USD Fx Rate 3.86 RM '000	RM RM '000	USD Fx Rate 3.86 RM '000	RM RM '000	USD Fx Rate 3.86 RM '000	RM RM '000
Secured						
- Term loans	-	11,662	-	1,133	-	12,795
- Bank overdraft	-	-	-	-	-	-
- Bankers acceptance	-	-	-	3,526	-	3,526
- Revolving credits	-	-	612	-	612	-
Total	-	11,662	612	4,659	612	16,321

The effective interest rates per annum at the end of the reporting period for the Group's borrowings were as follows:

	2019	2018
	%	%
Term loans	4.52 - 5.85	4.52 - 5.85
Bankers acceptance	-	4.53 - 4.82
Revolving credits	-	3.75

There were no significant changes in Group's borrowing for the financial period under review.

B8. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

As at the date of this report, the Group did not have any financial instruments with off balance sheet risks.

B9. MATERIAL LITIGATION

There was no material litigation for the current financial period to date.



MUAR BAN LEE GROUP BERHAD (Company No. 753588-P)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2019**

B10. DIVIDEND DECLARED

A single-tier first interim dividend of 2.5 sen per share for the year ending 31 December 2019 was declared on 29 May 2019 and to be paid on 3 July 2019.

B11. EARNINGS PER SHARE

The basic earnings per share ("EPS") is calculated by dividing the profit for the financial year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue during the financial year held by the Company calculated as follows:

	Current Quarter RM '000	Current YTD RM '000
a) <u>Basic EPS</u>		
Profit attributable to ordinary shareholders of the Company		
- Continuing operations	2,053	2,053
- Discontinued operation	44	44
	<u>2,097</u>	<u>2,097</u>
Weighted average number of ordinary shares (000)	100,939	100,939
Basic EPS (Sen)		
- Continuing operations	2.03	2.03
- Discontinued operation	0.04	0.04
	<u>2.07</u>	<u>2.07</u>
b) <u>Diluted EPS</u>		
Profit attributable to ordinary shareholders of the Company		
- Continuing operations	2,053	2,053
- Discontinued operation	44	44
	<u>2,097</u>	<u>2,097</u>
Weighted average number of ordinary shares (000)	112,848	112,848
Basic EPS (Sen)		
- Continuing operations	1.82	1.82
- Discontinued operation	0.04	0.04
	<u>1.86</u>	<u>1.86</u>

B12. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the preceding audited financial statements was not subject to any qualification.



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**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2019**

B13. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

	Current Quarter RM'000	Current YTD RM'000
Profit before tax is arrived at after (crediting)/charging:		
Interest income	(129)	(129)
Other income including investment income	(7)	(7)
Interest expense	36	36
Depreciation and amortization	815	815
Foreign exchange gain	(176)	(176)

B14. AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Board of Directors dated 29 May 2019.

By Order of the Board

Tan Hui Lun (LS 0010066)
Company Secretary
Muar
29 May 2019