



SAUDEE
Group Berhad

(Company No.: 838172-P)

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 APRIL 2020

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.4.2020 RM'000	Preceding Year Corresponding Quarter 30.4.2019 RM'000	Current Year-To-Date 30.4.2020 RM'000	Preceding Year Corresponding Period 30.4.2019 RM'000
Revenue	19,471	19,326	57,613	59,489
Cost of sales	(34,214)	(14,682)	(72,941)	(46,362)
Gross (loss)/profit	(14,743)	4,644	(15,328)	13,127
Other operating income	139	778	671	1,498
Operating expenses	(4,609)	(4,632)	(11,655)	(11,649)
Finance costs	(398)	(532)	(1,345)	(1,592)
Share of results of an associate	(3)	(44)	(71)	(12)
(Loss)/Profit before tax	(19,614)	214	(27,728)	1,372
Tax (expense)/income	(63)	149	(56)	(273)
Net (loss)/profit for the financial period	(19,677)	363	(27,784)	1,099
Other comprehensive income for the financial period	-	-	-	-
Total comprehensive income for the financial period	(19,677)	363	(27,784)	1,099
(Loss)/Earnings per share (Note B11)				
Basic (Sen)	(14.36)	0.27	(20.27)	0.83
Diluted (Sen)	(14.36)	0.27	(20.27)	0.83



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Notes to Statement of Comprehensive Income

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.4.2020 RM'000	Preceding Year Corresponding Quarter 30.4.2019 RM'000	Current Year-To-Date 30.4.2020 RM'000	Preceding Year Corresponding Period 30.4.2019 RM'000
Allowance for impairment loss on receivables	(1,900)	(16)	(3,038)	(16)
Allowance for slow moving inventories	(17,404)	-	(25,404)	-
Depreciation and amortisation	(1,175)	(1,299)	(3,688)	(3,973)
Forex (loss)/gain	(59)	398	(96)	927
Gain on disposal of property, plant and equipment	-	120	339	163
Interest expense	(398)	(532)	(1,345)	(1,592)
Interest income	16	38	67	105
Reversal of impairment loss on receivables	63	13	63	48

Notes:

The Unaudited Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 July 2019 and the accompanying explanatory notes attached to the interim financial statements.

Save as disclosed above, the other items as required under Appendix 9B, Part A (16) of the Bursa Securities Main Market Listing Requirements are not applicable.



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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2020

		UNAUDITED	AUDITED
		As at	As at
		30.4.2020	31.07.2019
	Note	RM'000	RM'000
Non-Current Assets			
Property, plant and equipment		34,113	38,381
Investment property		4,780	4,780
Investment in associate		266	337
Deferred taxation		2,583	2,583
		41,742	46,081
Current Assets			
Inventories		7,615	32,434
Receivables, deposits and prepayments		17,208	16,057
Current tax assets		1,336	815
Cash and cash equivalents		5,497	5,688
		31,656	54,994
TOTAL ASSETS		73,398	101,075
EQUITY AND LIABILITIES			
Equity			
Share capital		66,926	66,926
Treasury share		(118)	(118)
Reserves		(37,230)	(9,446)
TOTAL EQUITY		29,578	57,362
Non-Current Liabilities			
Long-term bank borrowings	B7	4,978	5,945
Deferred taxation		1,276	1,220
		6,254	7,165
Current Liabilities			
Trade and other payables and accruals		15,549	13,147
Short-term bank borrowings	B7	22,017	23,401
		37,566	36,548
TOTAL LIABILITIES		43,820	43,713
TOTAL EQUITY AND LIABILITIES		73,398	101,075
Net assets per ordinary share attributable to ordinary equity holder of the Company (RM)		0.22	0.42

Notes:

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED
30 APRIL 2020**

	Share Capital RM'000	Treasury Shares RM'000	Non Distributable Reserves Revaluation Reserve RM'000	Warrant Reserve RM'000	Merger Deficit RM'000	Distributable Retained Profits RM'000	Total RM'000
Balance as at 1.08.2019	66,926	(118)	2,637	4,500	(29,296)	12,713	57,362
Loss (representing total other comprehensive income) for the financial period						(27,784)	(27,784)
Balance as at 30.4.2020	66,926	(118)	2,637	4,500	(29,296)	(15,071)	29,578
Balance as at 1.08.2018	65,607	(118)	3,658	4,500	(29,296)	12,118	56,469
Profit (representing total other comprehensive income) for the financial period	-	-	-	-	-	1,099	1,099
Balance as at 30.4.2019	65,607	(118)	3,658	4,500	(29,296)	13,217	57,568

Notes:

The Unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 July 2019 and the accompanying explanatory notes attached to the interim financial statements.



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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE THIRD QUARTER ENDED 30 APRIL 2020

	Current Year-To-Date 30.4.2020 RM'000	Preceding Year Corresponding 30.4.2019 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	(27,728)	1,372
Adjustments:		
Allowance for impairment loss on receivables	3,038	16
Allowance for slow moving inventories	25,404	-
Amortisation and depreciation	3,668	3,973
Gain on disposal of property, plant and equipment	(339)	(163)
Interest expense	1,345	1,592
Interest income	(67)	(105)
Share of results of an associate	71	12
Reversal of impairment loss on receivables	(63)	(48)
Unrealised gain on foreign exchange	(16)	(60)
Operating profit before working capital changes	5,313	6,589
Increase in inventories	(585)	(5,361)
(Increase)/Decrease in receivables	(4,126)	2,864
Increase in payables	2,418	416
Cash generated from operations	3,020	4,508
Tax paid	(521)	(415)
Net cash from operating activities	2,499	4,093
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	67	105
Proceeds from disposal of property, plant and equipment	1,002	167
Purchase of property, plant and equipment	(63)	(16)
Net cash from investing activities	1,006	256
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term borrowings	(1,401)	(2,649)
Interest paid	(1,345)	(1,592)
(Placement)/Withdrawn of term deposits pledged as security	(728)	800
Repayment of hire purchase obligations	(433)	(569)
Repayment of term loan	(959)	(853)
Net cash used in financing activities	(4,866)	(4,863)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,361)	(514)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	(2,625)	(3,965)
CASH AND CASH EQUIVALENTS CARRIED FORWARD	(3,986)	(4,479)



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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE THIRD QUARTER ENDED 30 APRIL 2020

	Current Year-To-Date Ended 30.4.2020 RM'000	Preceding Year Corresponding Period Ended 30.4.2019 RM'000
Fixed and short-term deposits with licensed banks	5,304	4,426
Cash and bank balances	193	672
Bank overdrafts	(4,179)	(5,151)
	1,318	(53)
Less: Fixed and short-term deposits with licensed banks pledged as security for credit facilities granted to the Group	(5,304)	(4,426)
	(3,986)	(4,479)

Notes:

The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 July 2019 and the accompanying explanatory notes attached to the interim financial statements.



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UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 APRIL 2020

PART A – SELECTED EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING

1 Basis of Preparation

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

The condensed consolidated interim financial statements should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31 July 2019 and the accompanying explanatory notes attached. 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.

2. Changes in accounting policies

The significant accounting policies, methods of computation and basis of consolidation adopted by the Group for the preparation of the interim financial report are consistent with those adopted in the annual audited financial statements for the year ended 31 July 2019. The Group also applied the standards, IC Interpretations and amendment to standard that have been issued by the Malaysian Accounting Standards Board (“MASB”) with effective date for annual period beginning on or after 1 January 2019. Initial application of the standards is not expected to have any material impacts to the financial statements of the Group.

3. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the preceding audited financial statements of the Company and its subsidiaries for the financial year ended 31 July 2019 were not subject to any qualification.

4. Seasonal or Cyclical Factors

The Group’s performance is not significantly affected by seasonal or cyclical factors.

5. Unusual Items

There was no item, which is unusual because of their nature, size or incidence that has affected the assets, liabilities, equity, net income or cash flows of the Group for the current quarter.

6. Material Changes in Estimates

There were no changes in estimates of amounts that have had a material effect in the current quarter.

7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter.

8. Dividend Paid

There was no dividend paid in the current quarter.



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9. Segment Reporting

	Current Year-To-Date 30.4.2020 RM'000	Preceding Year Corresponding Period 30.4.2019 RM'000
Segment revenue		
Manufacture and sale of food products		
Manufacturing – FPP	38,703	41,539
Manufacturing – HORECA and OEM	11,761	8,849
Trading	7,149	8,618
	<hr/>	<hr/>
	57,613	59,006
Property Development	-	483
	<hr/>	<hr/>
Total Revenue for the financial period	57,613	59,489

Segmental reporting by geographical location is not applicable as the Group's operations are substantially carried out in Malaysia.

10. Events subsequent to the Balance Sheet date

There were no events subsequent to the end of the financial period ended 30 April 2020 that have not been reflected in the interim financial statements as at the date of this report except below:-

1) Disposal of investment properties

Saudi Cold Storage Sdn Bhd, a wholly-owned subsidiary of the Group, has on 29 May 2020 entered into two (2) sale and purchase agreements with Arca Edaran (M) Sdn Bhd to dispose the following:-

- (a) three (3) parcels of vacant residential land known as HS(D) 7441, Lot 3397; HS(D) 7442, Lot 3398 and HS(D) 7443, Lot 3399, Bandar Alor Setar, Daerah Kota Setar, Kedah Darul Aman with a total area measuring approximately 6,530.4169 square meters / 70,293 square feet for a cash consideration of RM2,474,313.60; and
- (b) one (1) parcel of vacant commercial land known as HS(D) 7758, Lot 3572, Bandar Alor Setar, Daerah Kota Setar, Kedah Darul Aman with a total area measuring approximately 2,738.7816 square metres / 29,480 square feet for a cash consideration of RM2,015,471.40.

2) Issued of Shares

In May 2020, the Group issued share capital of 9,322,000 shares at issued price of RM0.13 amounted to RM1,211,860 under the Employees' Share Option Scheme.



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11. Changes in the Composition of the Group

There were no changes in the composition of the Group during the quarter under review.

12. Contingent liabilities or contingent assets

A subsidiary, Perusahaan Saudee Sdn. Bhd. (“PSSB”) received a Letter of Claim from the Royal Malaysian Customs Department (“Customs Department”) under Section 30(1) of Sales Tax Act 1972 for non-payment of sales tax and late penalties as follows:-

Letter of Claim dated 19 January 2015 for sales tax amounting to RM1,333,914.62 covering period from 1 November 2011 to 31 October 2014 relating to sales of beef burgers and rabbit burgers said to be packed in air-tight containers and penalty amounting to RM323,676.19 up to 31 January 2015 (“the Claim”).

PSSB has submitted an appeal letter on 31 October 2017 for the cancellation of the Claim to Customs Department based on the lab test concluded by PSSB which supports that the requirement to be classified as “air-tight” container under the Customs Duties Order 2017 is not met. However Customs Department rejected the appeal of the Claim and instructed PSSB to make the payment. PSSB has complied with the instructions of Customs Department without prejudice and made the 10% upfront payment amounting to RM165,760 and the remaining balance shall be based on the instalment payments for 36 months approved by Customs Department.

On 2 June 2020, PSSB submitted an appeal letter on remission of sales tax and penalty as per the claim to the Ministry of Finance on the basis of PSSB has submitted for cancellation of sales tax license in 2002 due to the information received from Customs Department that sales tax is not applicable and Customs Department has accepted the cancellation.

Based on advice of the consultant, the directors are of the view that PSSB has good chance of success in the appeal for the remission, accordingly, no provision has been recognised in the financial statements.

The Group does not have any material contingent assets since the last audited financial statements for the financial year ended 31 July 2019.

13. Capital Commitments

There were no capital commitments during the current period under review.

14. Financial Instruments

Derivatives

There were no outstanding derivatives as at 30 April 2020.

Fair Value Changes of Financial Liabilities

The Group does not remeasure its financial liabilities at fair value after the initial recognition.



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14. Financial Instruments (Cont'd)

Fair Value

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The inputs to valuation techniques used to measure fair value are categorised into the following levels of fair value hierarchy:-

- (i) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- (ii) Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (iii) Level 3 - unobservable inputs for the asset or liability.

As at end of the current quarter under review, the carrying amounts of receivables, cash and cash equivalents and payables which are short-term in nature or repayable on demand are reasonable approximations of fair values.

There were no transfers between levels of fair value hierarchy during the current quarter under review.



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UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 APRIL 2020

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

1. Review of Performance

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 30.4.2020 RM'000	Preceding Year Corresponding Quarter 30.4.2019 RM'000	Changes (Amount) RM'000	Current Year-To-Date 30.4.2020 RM'000	Preceding Year Corresponding Period 30.4.2019 RM'000	Changes (Amount) RM'000
Revenue – Manufacturing (FPP)	14,967	12,631	2,336	38,703	41,539	(2,836)
Revenue – Manufacturing (HORECA and OEM)	4,290	3,231	1,059	11,761	8,849	2,912
Revenue – Trading	214	2,981	(2,767)	7,149	8,618	(1,469)
	<u>19,471</u>	<u>18,843</u>		<u>57,613</u>	<u>59,006</u>	
Property Development	-	483	(483)	-	483	(483)
Total Revenue	<u>19,471</u>	<u>19,326</u>	<u>145</u>	<u>57,613</u>	<u>59,489</u>	<u>(1,876)</u>
Earnings before interest, tax, depreciation, impairment of receivables and inventories (Loss)/Profit Before Interest and Tax	1,184	2,010	(826)	5,617	6,800	(1,183)
(Loss)/Profit Before Tax	(19,232)	708	(19,940)	(26,450)	2,859	(29,309)
(Loss)/Profit After Tax	(19,614)	214	(19,828)	(27,728)	1,372	(29,100)
	<u>(19,677)</u>	<u>363</u>	<u>(20,040)</u>	<u>(27,784)</u>	<u>1,099</u>	<u>(28,883)</u>



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1. Review of Performance (Cont'd)

Revenue for the quarter under review (Q3 2020 vs Q3 2019) increased by RM0.14 million to RM19.47 million as compared to its preceding year corresponding quarter of RM19.33 million.

The slight increase in sales were due to below:-

- 1) Low margin products of FPP sales increased as demand surge due to panic buying caused by the MCO as announced by Malaysian Government in March 2020;
- 2) Increased in low value OEM products;
- 3) Drop in trading sales which was in-line with the strategy adopted. Coupled with further decrease during the MCO period due to closure of certain market; and
- 4) Recognition of one-off revenue in property development sector in Q3 2019

Revenue for cumulative quarters (cumulative Q3 2020 vs cumulative Q3 2019) under review decreased by RM1.88 million to RM57.61 million as compared to preceding year corresponding period of RM59.49 million.

The reduction in sales were due to below:-

- 1) Low margin FPP sales dropped significantly in previous Q1 and Q2 2020;
- 2) Drop in trading sales which was in-line with the strategy adopted and coupled with further decrease during the MCO period due to closure of certain markets; and
- 3) Recognition of one-off revenue in property development sector in Q3 2019.

Nevertheless, the increase in sales of HORECA and OEM segment had mitigated the decrease of revenue. The increase in HORECA sales happened in Q1 and Q2 2020 but dropped significantly in Q3 2020.

The Group generated positive earnings before interest, tax, depreciation, impairment of receivables and inventories for both current quarter and cumulative quarters of RM1.18 million and RM5.62 million respectively. However the earnings were lower compared with the preceding year corresponding quarter and preceding year corresponding period. The Group generated positive operating cash flow for Q3 2020 of RM2.50 million (refer to unaudited condensed consolidated cash flow statement in page 5 of the quarterly report).

The loss incurred in the current quarter review was mainly due to provision of allowance for slow moving inventories, write off inventories and/or inventories write down of RM17.40 million and RM25.40 million respectively.

The provision of allowance for slow moving inventories, write off inventories and inventories write down mainly due to followings:

- 1) The huge impact of Covid 19 pandemic toward the export market especially our current and expected future order from export market has been cancelled. Therefore the Group has to provide allowance for slow moving inventories and write off the inventories for all products relate to export market;
- 2) Further to the above, the Covid 19 pandemic and MCO has impacted low demand for both premium FPP and HORECA segment locally in the current quarter under review. This resulted in writting off inventories and/or provision of slow moving inventories of these products.

However, due to the effort of the Group to rework on premium FPP, HORECA and export specification products to a lower margin FPP products, the Group able to sustain the sales of low margin FPP products and able to meet the demand from hyper market during MCO period even the Group only permitted to operate at 50% on the staff force and restricted in operation time during MCO.



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1. Review of Performance (Cont'd)

- 3) Certain FPP and HORECA products which cannot be rework had been written off; and
- 4) There was also increase of logistic cost as the Group required to support the order from local supermarket chain even no full load of delivery.

2. Variation of Results against Preceding Quarter

	Current Quarter ended 30.4.2020 RM'000	Preceding Quarter ended 31.1.2020 RM'000	Variance RM'000
Revenue – Manufacturing (FPP)	14,967	10,913	4,054
Revenue – Manufacturing (HORECA and OEM)	4,290	3,698	592
Revenue – Trading	214	4,853	(4,639)
Total revenue	19,471	19,464	7
Earnings before interest, tax, depreciation, impairment of receivables and inventories	1,184	2,336	(1,152)
(Loss)/Profit Before Interest and Tax	(19,232)	(8,057)	(11,175)
(Loss)/Profit Before Tax	(19,614)	(8,484)	(11,130)
(Loss)/Profit After Tax	(19,677)	(8,334)	(11,343)

The revenue for the current quarter ended 30 April 2020 was RM7,000 higher than preceding quarter ended 31 January 2020.

The increase in revenue were mainly due to the following reasons:-

- 1) increase in low margin FPP as explained in Part B Note 1 above; and
- 2) decrease in trading sale as explained in Part B Note 1 above

The earnings before interest, tax, depreciation, impairment of receivables and inventories for Q3 2020 was RM1.18 million, lower by RM1.15 million as compared to Q2 2020 of RM2.34 million. This was the result of higher operating cost as the Group was operated below 50% of capacity during the MCO period and higher logistic cost incurred to meet the demand from supermarket and hypermarket.

The Group recorded loss before tax of RM19.61 million during the quarter ended 30 April 2020 under review, increased of loss by RM11.13 million as compared to preceding quarter ended 31 January 2020. The reason for the loss is as explained in Part B Note 1 above.



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3. Prospects

Following the MCO, CMCO and RMCO issued by Malaysian Government on 18 March 2020 to 31 August 2020, the Group foresee a downturn of business in coming quarters following the impact on the Covid 19 pandemic and restriction imposed by the Government as follows:

- 1) there will be lost in export market sales especially our current and expected future order from export market been cancelled;
- 2) local sales from food services sector i.e HORECA also affected as most of the restaurants, caterer and hotel have been closed and the order maybe cancel now and in future for at least 12 months before the order going back to normal level;
- 3) beside that, the FPP sector such as sausages, burger and nugget also seen decrease in demand from distributors during this crisis and the Group expected the impact at least 12 months to 18 months before back to normal;
- 4) finally, the Group also expects the administrative and logistic costs will be increased in coming quarters such as in-land transport charges and also import charges such as liner or shipping charges.
- 5) however, the Group will continue its effort in cost reduction and improve efficiency program to mitigate the impact and concentrate on low margin FPP products to fulfil the demand.

4. Variance between Actual Profit and Forecast Profit

Not applicable.

5. Tax Expense/(Income)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-To-Date	Preceding Year Corresponding Period
	30.4.2020	30.4.2019	30.4.2020	30.4.2019
	RM'000	RM'000	RM'000	RM'000
Current year				
Income tax	-	(4)	-	273
Deferred tax	63	(145)	56	-
	63	(149)	56	273

The tax expense for the quarter and period under review is due to provision of deferred tax liabilities.

6. Status of Corporate Proposals

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

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7. Group Borrowings and Debt Securities

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

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings:-			
Bank overdrafts	4,179	-	4,179
Bankers' acceptances	16,441	-	16,441
Hire purchase payables	383	-	383
Term loan	891	123	1,014
	<u>21,894</u>	<u>123</u>	<u>22,017</u>
Long term borrowings:-			
Hire purchase payables	359	-	359
Term loan	4,619	-	4,619
	<u>4,978</u>	<u>-</u>	<u>4,978</u>
Total	<u>26,872</u>	<u>123</u>	<u>26,995</u>

8. Material Litigation

There were no material litigations for the current financial period to date.

9. Material Event

There were no material event for the current financial period to date.

10. Proposed Dividend

There was no dividend proposed or declared for the current quarter under review.

11. (Loss)/Earnings Per Share**Basic**

The basic (loss)/earnings per share has been calculated by dividing the Company's (loss)/profit for the current financial quarter and current financial year to-date by the number of ordinary shares in issue during the current financial quarter and current financial year under review.

	Individual Quarter		Cumulative Quarter	
	Current Quarter 30.4.2020	Preceding Year Corresponding Quarter 30.4.2019	Current Year 30.4.2020	Preceding Year Corresponding Period 30.4.2019
(Loss)/Profit attributable to ordinary equity holders of the Company (RM'000)	<u>(19,677)</u>	<u>363</u>	<u>(27,784)</u>	<u>1,099</u>
Weighted average number of ordinary shares in issue ('000)	<u>137,049</u>	<u>132,139</u>	<u>137,049</u>	<u>132,139</u>
Basic (loss)earnings per Share (sen)	<u>(14.36)</u>	<u>0.27</u>	<u>(20.27)</u>	<u>0.83</u>



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11. (Loss)/Earnings Per Share (Cont'd)

Diluted

The diluted (loss)/earnings per share equal the basic earnings per share due to the anti-dilutive effect of the share warrants which has been ignored in calculating the diluted earnings per share.

12. Authorisation for issue

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Board.