



SIG GASES BERHAD

(200901031973)(Company No.: 875083 - W)

(Incorporated in Malaysia)

**Financial Report
For the Three-Month Period Ended
31 March 2020**

**Unaudited Condensed Consolidated Statement of Comprehensive Income
for the three-month period ended 31 March 2020**

	Current quarter		Cumulative quarter	
	3 months ended		3 months ended	
	31 Mar	31 Mar	31 Mar	31 Mar
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue	-	-	-	-
Cost of sales	-	-	-	-
Gross profit	-	-	-	-
Other income	1,011	-	1,011	-
Selling and administrative expenses	(149)	(134)	(149)	(134)
Finance costs	-	-	-	-
Share of profit of an associate	-	-	-	-
Profit/(Loss) before tax from continuing operations	862	(134)	862	(134)
Income tax expenses	-	-	-	-
Profit/(Loss) after tax from continuing operations	862	(134)	862	(134)
Discontinued operation				
Profit after tax from discontinued operations	-	387	-	387
Profit after tax and total comprehensive income for the period	862	253	862	253
Total comprehensive income attributable to :				
Equity holders of the company	862	253	862	253
Non-controlling interests	-	-	-	-
	862	253	862	253
Earning per share (Sen)				
- Basic	0.46	0.13	0.46	0.13
- Diluted	0.46	0.13	0.46	0.13
Earning/(Loss) per share from continuing operations (Sen)				
- Basic	0.46	(0.07)	0.46	(0.07)
- Diluted	0.46	(0.07)	0.46	(0.07)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction the accompanying explanatory notes attached to the interim financial statements.



SIG Gases Berhad
(Company No:875083-W)

**Unaudited Condensed Consolidated Statements of Financial Position
as at 31 March 2020**

	Unaudited As at 31 Mar 2020 RM'000	Audited As at 31 Dec 2019 RM'000
Assets		
Non-current assets		
Property, plant and equipment	20	21
	<u>20</u>	<u>21</u>
Current assets		
Trade and other receivables	92	17
Cash and bank balances	103,495	207,911
	<u>103,587</u>	<u>207,928</u>
TOTAL ASSETS	<u><u>103,607</u></u>	<u><u>207,949</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	94,770	94,770
Reserves	8,625	7,769
	<u>103,395</u>	<u>102,539</u>
Current liabilities		
Trade and other payables	212	105,400
Income tax payable	-	10
	<u>212</u>	<u>105,410</u>
Total liabilities	<u>212</u>	<u>105,410</u>
TOTAL EQUITY AND LIABILITIES	<u><u>103,607</u></u>	<u><u>207,949</u></u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.55	0.55

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

**Unaudited Condensed Consolidated Statements of Changes in Equity
for the three-month period ended 31 March 2020**

	Non- distributable Share Capital RM'000	Distributable Retained Earnings RM'000	Non- controlling interest RM'000	Total RM'000
As at 1 January 2020	94,770	7,769	-	102,539
Total comprehensive income for the period	-	862	-	862
Dividend	-	(6)	-	(6)
As at 31 March 2020	<u>94,770</u>	<u>8,625</u>	<u>-</u>	<u>103,395</u>
As at 1 January 2019	94,770	33,216	-	127,986
Total comprehensive income for the period	-	253	-	253
As at 31 March 2019	<u>94,770</u>	<u>33,469</u>	<u>-</u>	<u>128,239</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

**Unaudited Condensed Consolidated Statements of Cash Flows
for the three-month period ended 31 March 2020**

	Financial period ended	
	31 Mar 2020 RM'000	31 Mar 2019 RM'000
Cash flows from operating activities		
Profit/(loss) before tax from continuing operations	862	(134)
Profit before tax from discontinued operation	-	410
Profit before tax	<u>862</u>	<u>276</u>
Adjustments for:		
Depreciation and amortisation	1	1,755
Gain on disposal of property, plant and equipment	-	(47)
Reversal of impairment loss on trade receivables	-	(91)
Impairment loss on trade receivables	-	97
Property, plant and equipment written off	-	30
Interest expenses	-	355
Interest income	(1,011)	(2)
Share of profit of an associate	-	(535)
Unrealised foreign exchange gain	-	(61)
Operation (loss)/profit before working capital changes	<u>(148)</u>	<u>1,777</u>
Decrease in inventories	-	489
(Increase)/decrease in receivables	(16)	1,998
Decrease in payables	<u>(757)</u>	<u>(4,425)</u>
Cash used in operations	(921)	(161)
Interest paid	-	(355)
Tax paid	<u>(69)</u>	<u>(137)</u>
Net cash used in operating activities	<u>(990)</u>	<u>(653)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	-	(358)
Proceeds from disposal of property, plant and equipment	-	62
Dividend received from associate company	-	1,200
Interest received	1,011	2
Net cash generated from investing activities	<u>1,011</u>	<u>906</u>
Cash flows from financing activities		
Net repaying of borrowings	-	(581)
Dividend paid	<u>(104,437)</u>	<u>-</u>
Net cash used in investing activities	<u>(104,437)</u>	<u>(581)</u>



SIG Gases Berhad
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**Unaudited Condensed Consolidated Statements of Cash Flows (Cont'd)
for the three-month period ended 31 March 2020**

	Financial period ended	
	31 Mar	31 Mar
	2020	2019
	RM'000	RM'000
Net decrease in cash and cash equivalents	(104,416)	(328)
Cash and cash equivalents at beginning of financial period	187,830	3,894
Cash and cash equivalents at the end of financial period	<u>83,414</u>	<u>3,566</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	103,495	3,566
Less: restricted cash	(20,081)	-
	<u>83,414</u>	<u>3,566</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.



SIG Gases Berhad
(Company No:875083-W)

NOTES TO THE REPORT

PART A - EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING

A1. Corporate information

SIG Gases Berhad is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad.

These condensed consolidated interim financial statements were approved by the Board of Directors on 22 May 2020.

A2. Basis of Preparation

These condensed consolidated interim financial statements, for the quarter ended 31 March 2020 have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2019. The explanatory notes attached to these condensed consolidated 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.

A2.1 Significant accounting policies

The accounting policies adopted are consistent with those of the previous financial year, except as follows:

On 1 January 2020, the Group adopted the following new and amended MFRS's mandatory for annual financial period beginning on or after 1 January 2020.

(I) Adoption of standards and interpretations:

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
Amendments to references to the Conceptual Framework in MFRS Standards	1 January 2020
Amendments to MFRS 3 Business Combinations	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7 Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 101 and MFRS 108 : Definition of Material	1 January 2020

A2.2 Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

MFRS 17 Insurance Contracts	1 January 2021
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2022

NOTES TO THE REPORT

PART A - EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING (CONT'D)

A2.2 Standards issued but not yet effective (Cont'd)

The directors expect that the adoption of the above Standards, Amendments, Annual Improvements and IC Interpretation will have no material impact on the financial statements in the period of initial application.

A3. Auditor's report on preceding annual financial statements

There was no qualification to the audited financial statements of the Company for the financial year ended 31 December 2019.

A4. Seasonal or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

A5. Items of unusual nature

Reference is made to the announcements made on 28 March 2019, 14 June 2019 and 31 October 2019.

SIGGAS had completed the proposed disposal of its subsidiary company, SOUTHERN INDUSTRIAL GAS SDN BHD together with its 40% owned associated company, IWATANI-SIG INDUSTRIAL GASES SDN BHD at a sale consideration of RM226,580,000.

Except for the item disclosed above, there were no significant unusual items affecting the assets, liabilities, equity, net income or cash flow for the financial year ended 31 December 2019 and period ended 31 March 2020.

A6. Material changes in estimates

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

A7. Changes in debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt for the financial period-to-date.

A8. Dividend paid

On 13 December 2019, the Shareholders approved a special tax exempt (single-tier) dividend in respect of the financial year ended 31 December 2019 on 187,500,000 ordinary shares, amounting to a dividend payable of RM104,431,084 (55.696578 sen per ordinary share) which was paid on 13 January 2020.

NOTES TO THE REPORT**PART A -
EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS
("MFRS") 134, INTERIM FINANCIAL REPORTING (CONT'D)****A9. Segment information**

The Group is organized into business units based on their products and services, and it has three operating segments as follows

- (1) Manufacturing
- (2) Refilling and Distribution
- (3) Other Products and Services

For the detailed analytical review of the segmental information, please refer to Part B1 and B2 for explanation.

for the three-month period ended 31 March 2020

	Manufacturing	Refilling and Distribution	Other Products and Services	Total
	RM'000	RM'000	RM'000	RM'000
REVENUE	-	-	-	-
RESULTS				
Profit for reportable segment				-
Other income				1,011
Selling and administrative expenses				(149)
Finance costs				-
Share of profit of an associate				-
Profit before tax				<u>862</u>
Income tax expenses				-
Profit before tax from continuing operations				<u>862</u>
Profit after tax from discontinued operations				-
Total comprehensive income				<u><u>862</u></u>

NOTES TO THE REPORT**PART A -
EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS
("MFRS") 134, INTERIM FINANCIAL REPORTING (CONT'D)****A9. Segment information (cont'd)****for the three-month period ended 31 March 2019**

	Manufacturing	Refilling and Distribution	Other Products and Services	Total
	RM'000	RM'000	RM'000	RM'000
REVENUE	-	-	-	-
RESULTS				
Profit for reportable segment				-
Other income				-
Selling and administrative expenses				(134)
Finance costs				-
Share of profit of an associate				-
Profit before tax				(134)
Income tax expenses				-
Loss before tax from continuing operations				(134)
Profit after tax from discontinued operations				387
Total comprehensive income				<u>253</u>

NOTES TO THE REPORT**PART A -
EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING
STANDARDS
("MFRS") 134, INTERIM FINANCIAL REPORTING (CONT'D)****A10. Valuation of property, plant and equipment**

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

A11. Capital commitments

There **was** no capital commitments as at 31 March 2020.

A12. Property, plant and equipment

The Group **did** not acquire any property, plant and equipment during the current quarter.

A13. Material events subsequent to the end of period reported

There **was** no material event subsequent to the end of period reported.

A14. Contingent liabilities or contingent assets

There **was** no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

A15. Cash and bank balances

	As at 31 Mar 2020 RM'000	As at 31 Mar 2019 RM'000
Cash in hand and at banks	<u>103,495</u>	<u>207,911</u>

NOTES TO THE REPORT

PART A - EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS

("MFRS") 134, INTERIM FINANCIAL REPORTING (CONT'D)

A16. Profit before tax

Included in the profit before tax are the following items:

	Current quarter		Cumulative quarter	
	<u>3 months ended</u>		<u>3 months ended</u>	
	31 Mar	31 Mar	31 Mar	31 Mar
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
(a) Interest income	(1,011)	(2)	(1,011)	(2)
- Continuing	(1,011)	-	(1,011)	-
- Discontinuing	-	(2)	-	(2)
(b) Other income including investment income	-	(119)	-	(119)
- Continuing	-	-	-	-
- Discontinuing	-	(119)	-	(119)
(c) Interest expense	-	355	-	355
- Continuing	-	-	-	-
- Discontinuing	-	355	-	355
(d) Depreciation and amortisation	1	1,755	1	1,755
- Continuing	1	-	1	-
- Discontinuing	-	1,755	-	1,755
(e) Reversal for and write off of receivables	-	6	-	6
- Continuing	-	-	-	-
- Discontinuing	-	6	-	6

NOTES TO THE REPORT

PART A - EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS

("MFRS") 134, INTERIM FINANCIAL REPORTING (CONT'D)

A16. Profit before tax (Cont'd)

Included in the profit before tax are the following items (cont'd):

	Current quarter		Cumulative quarter	
	<u>3 months ended</u>		<u>3 months ended</u>	
	31 Mar	31 Mar	31 Mar	31 Mar
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
(f) Foreign exchange (gain)/loss				
- Realised	-	25	-	25
- Continuing	-	-	-	-
- Discontinuing	-	25	-	25
- Unrealised	-	(61)	-	(61)
- Continuing	-	-	-	-
- Discontinuing	-	(61)	-	(61)
(g) Write off of property, plant and equipment	-	30	-	30
- Continuing	-	-	-	-
- Discontinuing	-	30	-	30
(h) Gain on disposal of property, plant & equipment	-	(47)	-	(47)
- Continuing	-	-	-	-
- Discontinuing	-	(47)	-	(47)

A17. Significant related party transactions

Transactions that have been entered into are in the normal course of business and have been established under mutually agreed terms that are not materially different from those obtainable in transactions with unrelated parties

The disposal of subsidiaries to Air Liquide Malaysia Sdn Bhd ("ALM") was completed on 31 October 2019.

Following the disposal of subsidiaries, there was no significant related party transactions in the current financial quarter.



SIG Gases Berhad
(Company No:875083-W)

NOTES TO THE REPORT

PART B –

ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review Of Performance Of The Group

Current Quarter 3 months ended 31 March 2020 vs. Preceding year corresponding Quarter 3 months ended 31 March 2019

The Group had disposed the wholly owned subsidiary, Southern Industrial Gas Sdn Bhd (SIGSB) and its associate company, Iwatani-SIG Industrial Gases Sdn Bhd on 31/10/2019. The current quarter profit was derived wholly from interest income.

B2. Current Year Prospects

Upon the sale of its subsidiary (please refer to A5 above), the Company is now directed by Bursa Malaysia Securities Berhad, to be classified under PN 16, a cash company with no material business activities and is required to acquire a new business or assets to retain its listing status by 31st October 2020. The future prospect of the Company is dependent on whether the Company is able to successfully acquire a new business or assets to retain its listing status.

B3. Profit Forecast And Profit Estimate

The Group did not issue any profit forecast or profit estimate previously in any public document.

B4. Material Litigation

There was no material litigation as at the date of issuance of this quarterly report.

B5. Dividends

On 13 December 2019, the Shareholders approved a special tax exempt (single-tier) dividend in respect of the financial year ended 31 December 2019 on 187,500,000 ordinary shares, amounting to a dividend payable of RM104,431,084 (55.696578 sen per ordinary share) which was paid on 13 January 2020.

NOTES TO THE REPORT

PART B –

ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B6. Earnings Per Share

Basic earnings per share are calculated based on weighted average number of ordinary shares in issue and profit/(loss) attributable to equity holders of the Group.

The number of ordinary shares used in the computation of EPS is as follows:-

	<u>Current quarter</u>		<u>Cumulative quarter</u>	
	<u>3 months ended</u>		<u>3 months ended</u>	
	<u>31 Mar</u>	<u>31 Mar</u>	<u>31 Mar</u>	<u>31 Mar</u>
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
(a) Basic				
Profit/(Loss) for the period (RM'000)				
- Continuing operations	862	(134)	862	(134)
- Discontinued operations	-	387	-	387
	<u>862</u>	<u>253</u>	<u>862</u>	<u>253</u>
Weighted average number of ordinary share for earnings per share ('000)				
	187,500	187,500	187,500	187,500
Basic earnings per share (sen)				
- Continuing operations	0.46	(0.07)	0.46	(0.07)
- Discontinued operations	-	0.21	-	0.21
	<u>0.46</u>	<u>0.14</u>	<u>0.46</u>	<u>0.14</u>
(a) Diluted				
Diluted earnings per share (sen)				
- Continuing operations	0.46	(0.07)	0.46	(0.07)
- Discontinued operations	-	0.21	-	0.21
	<u>0.46</u>	<u>0.14</u>	<u>0.46</u>	<u>0.14</u>