



誠成集團

K. SENG SENG CORPORATION BERHAD

(Registration No. 198501000983 (133427 W))

(Incorporated in Malaysia)

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the 12 months ended 31/12/2019

	Note	Individual quarter ended		Cumulative period 12 months ended	
		31/12/2019	31/12/2018	31/12/2019	31/12/2018
		RM'000	RM'000	RM'000	RM'000
Revenue	A7	30,746	26,513	107,472	106,764
Cost of sales		(26,117)	(22,173)	(90,040)	(87,619)
Gross profit		4,629	4,340	17,432	19,145
Other income		71	95	199	455
Selling and distribution expenses		(869)	(824)	(3,105)	(2,814)
Administration expenses		(2,621)	(2,764)	(9,912)	(10,547)
Other expenses		(2,161)	(473)	(3,859)	(3,679)
		(5,651)	(4,061)	(16,876)	(17,040)
(Loss)/Profit from operations		(951)	374	755	2,560
Finance costs		(388)	(482)	(1,674)	(1,647)
		(1,339)	(108)	(919)	913
Share of results of associate		95	65	139	271
(Loss)/Profit before taxation	B8	(1,244)	(43)	(780)	1,184
Income tax expense	B5	(1,049)	(192)	(1,172)	(149)
(Loss)/Profit after taxation		(2,293)	(235)	(1,952)	1,035
Total Comprehensive income for the period		(2,293)	(235)	(1,952)	1,035
(Loss)/Profit Attributable To:					
Owners of The Parent		(2,300)	(228)	(2,036)	1,017
Non-Controlling Interests		7	(7)	84	18
		(2,293)	(235)	(1,952)	1,035
Total Comprehensive (Loss)/ income attributable to :					
Owners of The Parent		(2,300)	(228)	(2,036)	1,017
Non-Controlling Interests		7	(7)	84	18
		(2,293)	(235)	(1,952)	1,035
Weighted average number of ordinary shares in issue ('000)					
	B11	96,000	96,000	96,000	96,000
Earnings per share attributable to owners of the parent :					
Basic (Sen)	B11	(2.40)	(0.24)	(2.12)	1.06
Diluted (Sen)	B11	(2.40)	(0.24)	(2.12)	1.06

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2018 and the accompanying explanatory notes attached to this interim financial report.)



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K. SENG SENG CORPORATION BERHAD

(Registration No. 198501000983 (133427 W))

(Incorporated in Malaysia)

Condensed Consolidated Statement of Financial Position as at 31/12/2019

	Note	Unaudited As at 31/12/2019 RM'000	Audited As at 31/12/2018 RM'000
ASSETS			
Non-current assets:			
Property, plant and equipment		11,570	12,476
Investment in an associate		4,718	4,579
Right-of-use assets		1,171	-
Deferred Tax Assets		686	1,144
		<u>18,145</u>	<u>18,199</u>
Current assets:			
Inventories		58,137	52,401
Trade and other receivables		37,494	41,533
Tax recoverable		747	2,043
Deposits, Cash and bank balances		8,559	10,166
		<u>104,937</u>	<u>106,143</u>
TOTAL ASSETS		<u>123,082</u>	<u>124,342</u>
EQUITY AND LIABILITIES			
Current Liabilities:			
Trade and Other payables		17,672	10,130
Provision for taxation		-	3
Hire purchase payables	B7	941	-
Loans and borrowings	B7	22,588	30,100
Lease liabilities		573	976
		<u>41,774</u>	<u>41,209</u>
Non-current liabilities			
Hire purchase payables	B7	1,920	2,116
Lease liabilities		614	-
Loans and borrowings	B7	-	-
Deferred tax liabilities		137	133
		<u>2,671</u>	<u>2,249</u>
TOTAL LIABILITIES		44,445	43,458
Equity:			
Share capital		48,515	48,515
Retained profits		28,824	31,155
Equity attributable to owners of the parent		<u>77,339</u>	<u>79,670</u>
Non-controlling Interests		1,298	1,214
TOTAL EQUITY		<u>78,637</u>	<u>80,884</u>
TOTAL EQUITY AND LIABILITIES		<u>123,082</u>	<u>124,342</u>
Net assets per share attributable to owners of the parent (RM)		0.81	0.83

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2018 and the accompanying explanatory notes attached to this interim financial report.)



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K. SENG SENG CORPORATION BERHAD

(Registration No. 198501000983 (133427 W))
(Incorporated in Malaysia)

Unaudited Condensed Statement of Changes in Equity for the 12 months ended 31/12/2019

---- Attributable to Owners of Parent ----

Note	Share Capital	Retained Profits	Total	Non- Controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 01/01/2018	48,515	32,058	80,573	1,196	81,769
Total comprehensive income for the period	-	1,017	1,017	18	1,035
Dividends paid	-	(1,920)	(1,920)	-	(1,920)
Balance at 31/12/2018	48,515	31,155	79,670	1,214	80,884
Balance at 01/01/2019	48,515	31,155	79,670	1,214	80,884
Total comprehensive income for the period	-	(2,036)	(2,036)	84	(1,952)
Reverse of Cost of Investment in Subsidiary	-	185	185	-	185
Dividends paid	-	(480)	(480)	-	(480)
Balance at 31/12/2019	48,515	28,824	77,339	1,298	78,637

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2018 and the accompanying explanatory notes attached to this interim financial report.)

Unaudited Condensed Statement of Cash Flows for the 12 months ended 31/12/2019

	12 months ended	
	31/12/2019	31/12/2018
	RM'000	RM'000
Cash Flows From Operating Activities:		
Profit before tax	(780)	1,184
<i>Adjustments for :</i>		
Depreciation of property, plant and equipment	1,873	1,830
Depreciation of right-of-use assets	458	-
Impairment loss in trade receivables	1,584	1,237
Gain on disposal property, plant and equipment	(19)	(78)
Interest expense	1,607	1,647
Interest on lease liabilities	39	-
Interest income	(199)	(311)
Unrealised gain on foreign exchange	-	(66)
Share of profits of Associate	(139)	(268)
Operating profit before changes in working capital	<u>4,424</u>	<u>5,175</u>
Working Capital Changes		
Decrease/(Increase) in trade and other receivables	278	6,749
(Increase)/Decrease in inventories	(5,736)	(8,160)
(Decrease)/Increase in trade and other payables	9,718	(2,064)
Increase/(Decrease) in Short term Trade Banker Acceptance	(7,512)	2,018
	<u>(3,252)</u>	<u>(1,457)</u>
Cash generated from operations	1,172	3,718
Interest received	199	311
Interest paid	(1,646)	(1,647)
Income tax refunded	1,921	485
Income tax paid	(1,337)	(2,177)
	<u>(863)</u>	<u>(3,028)</u>
Net Cash generated from operating activities	<u>309</u>	<u>690</u>
Cash Flows From Investing Activities:		
Proceeds from sale of property, plant and equipment	32	78
Purchase of property, plant and equipment	(136)	(1,332)
Net cash used in Investing Activities	<u>(104)</u>	<u>(1,254)</u>
Cash Flows From Financing Activities:		
Reverse of subsidiary investment	185	-
Dividends paid on shares	(480)	(1,920)
Proceeds from bank borrowings	-	169
Payment of lease liabilities	(442)	-
Payment for hire purchase obligations	(1,075)	(1,014)
Net cash flow used in Financing Activities	<u>(1,812)</u>	<u>(2,765)</u>
Net changes in Cash and Cash Equivalents	(1,607)	(3,329)
Cash and Cash Equivalents at Beginning of The Period	<u>10,166</u>	<u>13,495</u>
Cash and Cash Equivalents at End of The Period	<u>8,559</u>	<u>10,166</u>
Cash and Cash Equivalents Comprise:		
Cash and bank balances	8,559	10,166
	<u>8,559</u>	<u>10,166</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2018 and the accompanying explanatory notes attached to this interim financial report.)

Notes of the Interim Financial Report for the 12 months ended 31/12/2019

A. Compliance with Malaysian Financial Reporting Standard (MFRS) 134, Interim Financial Reporting and Bursa Listing Requirements

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in compliance with Malaysian Financial Reporting Standards (MFRS) 134: Interim Financial Reporting, issued by the Malaysian Accounting Standards Board (MASB), International Accounting Standard (IAS) 34: Interim Financial Reporting, issued by the International Accounting Standard Board (IASB) and Chapter 9 Part K of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad (Bursa Securities). The figures for the cumulative period 12 months ended 31/12/2019 have not been audited.

The interim financial statements should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 31/12/2018, which were prepared in accordance with Malaysian Financial Reporting Standards (MFRSs) and International Financial Reporting Standards (IFRSs). 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 financial year ended 31/12/2018.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent annual financial statements for the year ended 31/12/2018 except for the adoption of the following Amendments/Improvement to MFRSs which are applicable to its financial statements and are relevant to its operations:-

New Malaysian Financial Reporting Standards ("MFRSs")

MFRS 16 Leases

Amendments/Improvements to MFRSs

MFRS 3 Business Combinations

MFRS 9 Financial Instruments

MFRS 11 Joint Arrangements

MFRS 112 Income Taxes

MFRS 119 Employee Benefits

MFRS 123 Borrowing Costs

MFRS 128 Investments in Associates and Joint Ventures

New IC Interpretation ("IC Int")

IC Int 23 Uncertainty over Income Tax Treatments

The following new MFRSs, amendments/improvements to MFRSs, new IC Int and amendments to IC Int that have been issued by MASB but not yet effective and have not been applied by the Group.

New MFRSs

MFRS 17 Insurance Contracts **

Amendments/Improvements to MFRSs

MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards**

MFRS 3 Business Combinations */**

MFRS 5 Non-current Assets Held for Sale and Discontinued Operations**

MFRS 7 Financial Instruments: Disclosures */**

MFRS 9 Financial Instruments */**

MFRS 10 Consolidated Financial Statements (1)

MFRS 15 Revenue from Contracts with Customers**

MFRS 101 Presentation of Financial Statements */**

MFRS 107 Statements of Cash Flows**

MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors *

Notes of the Interim Financial Report for the 12 months ended 31/12/2019

MFRS 116 Property, Plant and Equipment**
 MFRS 119 Employee Benefits **
 MFRS 128 Investments in Associates and Joint Ventures **/(1)
 MFRS 132 Financial Instruments: Presentation**
 MFRS 136 Impairment of Assets**
 MFRS 137 Provisions, Contingent Liabilities and Contingent Assets **
 MFRS 138 Intangible Assets **
 MFRS 139 Financial Instruments: Recognition and Measurement*
 MFRS 140 Investment Property**

Amendments to IC Int

IC Int 12 Service Concession Arrangements *
 IC Int 19 Extinguishing Financial Liabilities with Equity Instruments *
 IC Int 20 Stripping Costs in the Production Phase of a Surface Mine *
 IC Int 22 Foreign Currency Transactions and Advance Consideration *
 IC Int 132 Intangible Assets - Web Site Costs *

* Effective for the period beginning on or after 1 January 2020

** Effective for the period beginning on or after 1 January 2021

(1) Deferred

The Group will adopt the above new MFRSs and Amendments/Improvements to MFRSs when it becomes effective in the respective financial periods. The adoption of the above mentioned amendments to MFRSs are not expected to have any material effect to the financial statements of the Group upon initial recognition.

A2. Seasonality or cyclicity of interim operations

Other than lower demand for our products during the festive period particularly in the first quarter of the year, our Group does not experience any material seasonality or cyclicity in our business operations.

A3. Unusual Items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items of nature, size or incidence that affect the assets, liabilities, equity, net income or cash flows of the Group during the current quarter and cumulative 12 months period ended 31/12/2019.

A4. Material Changes in estimates

There were no changes in estimates that had materially affected the Group during the current quarter under review and financial year to date.

A5. Issuances, repurchases and repayments of debts and equity instruments

There were no issuance and repayment of debts and equity securities, shares buy-back, shares cancellation, shares held as treasury shares or resale of treasury shares during the current quarter under review and financial year to date.

A6. Dividends paid

There were no dividends paid by the Group during the current quarter ended 31/12/2019.

Notes of the Interim Financial Report for the 12 months ended 31/12/2019

A7. Operating Segment Information

For management purposes, the Group is categories its into business units based on their products and services, and has four reportable operating segments as follows:

a) The stainless steel products segment is in the business of manufacture and sales of stainless steel tubes and pipes, and processing of stainless steel sheets products;

b) The marine hardware & consumable segment is in the business of trading of marine hardware includes, amongst others, PP and PE ropes, stainless steel bars, stainless steel fasteners, GI wire, wire ropes and wire netting, nylon trammel and PE nets, copper tubes, chain, brass stern gland and propellers, square boat and shank spikes, packing and asbestos sheets, stainless steel electrode and rigging hardware such as zincked block, pulley, pin shaft, hooks and chain block;

c) The other industrial hardware segment is in the business of trading of industrial hardware including, amongst others, bronze shaft, brass tubes, other steel industrial fasteners such as HT, MS and GI bolts and nuts, screws, washers and shackles, ductile iron pipe and fittings such as flange, valves, tapers, hose clips and clamps, industrial hoses such as spring hose, PVC hose, black rubber suction and water hose and PVC reinforced air hose, alloy chain, stainless steel wire mesh, colour cotton rag, rubber conveyor belt, industrial wipes, safety absorbent and fibre ceramic blanket.

d) The engineering works segment is in the business of manufacturing and installation of Double or Single former on-line chlorination nitrile glove dipping lines and Double or Single former rubber glove dipping lines, trading of dipping lines parts and consumable including, amongst others, conveyor chain and conveyor chain parts, former holder set, worm gear and motor, and engineering services including machining, cutting, dismantle and cleaning of conveyor chain.

	Stainless steel products	Marine hardware & consumable	Other industrial hardware	Engineering Works	Total
<i>3 months ended 31/12/2019</i>	RM'000	RM'000	RM'000	RM'000	RM'000
Revenues from external customers	9,633	6,715	6,543	7,855	30,746
Reportable segment gross profit	1,227	1,581	1,525	296	4,629
<i>3 months ended 31/12/2018</i>					
Revenues from external customers	10,323	6,705	7,571	1,914	26,513
Reportable segment gross profit	774	1,693	1,554	319	4,340

	Stainless steel products	Marine hardware & consumable	Other industrial hardware	Engineering Works	Total
<i>12 months ended 31/12/2019</i>	RM'000	RM'000	RM'000	RM'000	RM'000
Revenues from external customers	35,951	29,011	29,288	13,222	107,472
Reportable segment gross profit	3,985	6,705	6,142	600	17,432
<i>12 months ended 31/12/2018</i>					
Revenues from external customers	35,655	30,146	32,426	8,537	106,764
Reportable segment gross profit	2,832	8,293	6,819	1,201	19,145

Notes of the Interim Financial Report for the 12 months ended 31/12/2019

A8. Material events subsequent to the end of the interim period

There were no material events subsequent to the current financial quarter ended 31/12/2019 up to the date of this interim financial report which may substantially affect the results of the operations of the Group.

A9. Effects of changes in the composition of the Group and financial year-to-date

There were no changes in composition of the Group during the current quarter ended 31/12/2019.

A10. Changes in contingent liabilities & assets since the last annual financial statements date

There were no changes in the contingent liabilities and assets of the Group since the last audited date of the financial statements.

A11. Capital commitment

There were no capital commitments either contracted upon or otherwise that had affected the Group as at the current quarter ended 31/12/2019.

A12. Related party transactions

The Group's related party transactions in the current quarter and the cumulative period to date ended 31/12/2019 are as follows:

Nature of Relationship	Sales of goods	Purchases of goods	Overdue Charges	Total for nature of relationship
	RM'000	RM'000	RM'000	RM'000
<i>Current quarter:</i>				
Associate	-	4	26	30
Total for type of transaction	-	4	26	30
<i>Cumulative 12 months Period:</i>				
Associate	3,361	6	115	3,482
Total for type of transaction	3,361	6	115	3,482

Notes of the Interim Financial Report for the 12 months ended 31/12/2019

B. Explanatory Notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Bhd

B1. Review of performance

	4th quarter ended			Cumulative period 12 months ended		
	31/12/2019	31/12/2018	Changes	31/12/2019	31/12/2018	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	30,746	26,513	15.97	107,472	106,764	0.66
Operating (Loss)/Profit	(1,022)	279	(466.27)	556	2,105	(73.58)
(Loss)/Profit Before Interest and Tax	(856)	439	(294.97)	894	2,831	(68.42)
(Loss)/Profit Before Tax	(1,244)	(43)	2792.79	(780)	1,184	(165.87)
(Loss)/Profit After Tax	(2,293)	(235)	875.70	(1,952)	1,035	(288.59)
(Loss)/Profit Attributable to Ordinary Equity Holders of the Parent holders of the parent	(2,300)	(228)	908.73	(2,036)	1,017	(300.19)

The Group revenue for the 12 months cumulative period had increased by 0.66% from RM106.76 million as reported in the corresponding preceding period in the prior financial year to RM107.47 million.

Sales of Stainless Steel Products segment and Marine Hardware & Consumable segment accounted for approximately 53.2% of its total revenue. Revenue from Other Industrial Hardware segment and Engineering Works segment constituted approximately 21.3% and 25.5% respectively.

During the quarter under review, we recorded revenue of RM7.86 million or increased by 310.44% for Engineering Works segment as compared to RM1.91 million as reported in corresponding preceding period in prior financial year. The increased in revenue was principally attributable to completion of fabrication & installation of Double Former Glove Dipping Lines under work in progress which was recognised in the current quarter.

The Company generated revenue of RM9.63 million or decreased by 6.68% for Stainless Steel Products segment as compared to RM10.32 million as reported in corresponding preceding period in prior financial year. However this segment contributed gross profit margin of RM1.23 million.

Revenue from Other Industrial Hardware segment decreased from RM7.57 million to RM6.54 million or 13.6% as compared to previous corresponding preceding period. The decreased in revenue was principally due to less demand in the industry.

Revenue from Marine Hardware & Consumable segment recorded almost same as previous corresponding preceding period of RM6.72 million and 6.71million, nevertheless this segment contributed gross profit of RM1.58 million.

The Group profit/(loss) before tax for the 12 months cumulative period had decreased from profit before tax of RM1.18 million in the corresponding preceding period in prior financial year to loss before tax of RM0.78 million representing a decrease of 165.87% . This was mainly attributable to impairment loss in trade receivable of 1.58 million

B2. Comparison with immediate preceding quarter's results

	Individual quarter ended		
	31/12/2019	30/9/2019	Changes
	RM'000	RM'000	%
Revenue	30,746	27,252	12.82
Operating (Loss)/Profit	(1,022)	1,138	(189.80)
(Loss)/Profit Before Interest and Tax	(856)	1,189	(171.98)
(Loss)/Profit Before Tax	(1,244)	749	(266.07)
(Loss)/Profit After Tax	(2,293)	721	(418.02)
(Loss)/Profit Attributable to Ordinary Equity Holders of the Parent holders of the parent	(2,300)	667	(444.81)

The Group loss before tax of RM-1244,000 for the current quarter under review was lower by -263.95% compared with the profit before tax amounting to RM749,000 in the immediate preceding quarter.

Notes of the Interim Financial Report for the 12 months ended 31/12/2019

B3. Commentary on prospects

The Board will continue to enhance the Group marketing strategy through expansion of the Engineering Works Segment and increase the Group products offering to increase revenue. Barring the economic uncertainty, the Board strives for the betterment.

B4. Profit forecast or profit guarantee

Not applicable as the Group has not issued any profit forecast or profit guarantee in a public document.

B5. Breakdown of tax changes

Tax charges comprise:	Current Quarter RM'000	Current Year-to-Date RM'000
Malaysian taxation based on profit for the period:		
Current tax expense	196	798
Adjustment for under provision	-	(88)
Deferred tax expense	853	462
Net tax charge	1,049	1,172
Reconciliation of Effective Tax Rate:		
Accounting Profit before tax		(780)
Statutory tax amount / rate	(91)	11.7%
<i>Tax Effects of Expenses Disallowed:</i>		
Depreciation of non-qualifying property, plant & equipment	27	-3.5%
Other Expenses not deductible for tax purposes	39	-5.0%
Other professional fee	89	-11.4%
Share of results of an associate	(33)	4.2%
Deferred tax assets not recognised	1,155	-148.1%
Over/(Under) provision of deferred tax in prior years	74	-9.0%
Over provision of tax expense in prior years	(88)	11.0%
Effective tax amount / rate	1,172	-150.3%

B6. Status of corporate proposals

(a) Corporate proposals

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

B7. Details of Group borrowings and debts securities

The Group's borrowings securities denominated in Malaysian Ringgit as at 31/12/2019 are as follows:

	Total RM'000	Secured RM'000
Long-term:		
Hire purchase liabilities	1,920	1,920
	1,920	1,920
Short-term:		
Bills and other trade financing liabilities	22,588	22,588
Hire purchase liabilities	941	941
	23,529	23,529

Notes of the Interim Financial Report for the 12 months ended 31/12/2019

B8. (Loss)/Profit before taxation

(Loss)/Profit before taxation is arrived at after charging/(crediting):

	Individual quarter ended		Cumulative period 12 months ended	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
	RM'000	RM'000	RM'000	RM'000
<i>1) Other operating income:</i>				
Interest income	(71)	(95)	(199)	311
Gain on disposal of property, plant and equipment	(3)	(22)	(19)	(78)
<i>2) Administration expenses & Cost of sales:</i>				
Depreciation of properties, plant & equipment	526	516	1,873	1,830
Depreciation of right-of-use assets	458	-	458	-
Employee benefit expenses	3,639	3,475	13,295	13,517
<i>3) Other expenses/(Reversal):</i>				
Impairment loss in trade receivable	1,584	(21)	1,584	1,237
Realised Forex (gains)/losses	(35)	(15)	35	6
<i>4) Finance costs:</i>				
Bank overdrafts	9	6	36	22
Bankers acceptance	285	427	1,375	1,434
Hire Purchase	50	45	195	192
Interest on lease liabilities	39	-	39	-

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

B9. Changes in Material Litigations

The Group is not engaged in any material litigation either as plaintiff or defendant and the directors do not have any knowledge of any proceedings pending which might materially and adversely affect the financial position or business of the Group for the current quarter ended 31/12/19.

B10. Proposed Dividends

The Directors do not recommend any dividend for the current quarter ended 31/12/2019.

B11. Earnings per share

(a) The earnings used as the numerator in calculating Basic and Diluted earnings per share (EPS) for the current quarter ended 31/12/2019 are as follows:

	Current Quarter RM'000	Current Year-to-Date RM'000
Loss for the financial period attributable to owners of the Parent (used as numerator for the Basic EPS)	<u>(2,300)</u>	<u>(2,036)</u>

Notes of the Interim Financial Report for the 12 months ended 31/12/2019

(b) The weighted average number of ordinary shares used in the denominator in calculating Basic and Diluted earnings per share for the current quarter and cumulative period ended 31/12/2019 are as follows:

	Current Quarter '000	Current Year-to-Date '000
Weighted average number of ordinary shares in issue (used as denominator for the Basic EPS)	<u>96,000</u>	<u>96,000</u>
Weighted average number of ordinary shares in issue (used as denominator for the Diluted EPS)	<u>96,000</u>	<u>96,000</u>

Diluted earnings per share is equivalent to Basic EPS as the Group does not have any dilutive potential ordinary shares in issue during the financial quarter under review and financial year to date.

B12. Audit report qualification and status of matters raised

The audit report of the Group's annual financial statements for the year ended 31/12/2018 did not contain any qualification.

B13. Authorisation for issue

The interim financial report was duly reviewed by Audit Committee and approved by the Board of Directors on 26/02/2020.