

**Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the 9 months ended 30/09/2020**

	Note	Individual quarter ended		Cumulative period 9 months ended	
		30/09/2020 RM'000	30/9/2019 RM'000	30/09/2020 RM'000	30/9/2019 RM'000
Revenue	A7	<b>31,297</b>	27,252	<b>72,260</b>	76,725
Cost of sales		<b>(25,201)</b>	(22,523)	<b>(59,568)</b>	(63,923)
<b>Gross profit</b>		<b>6,096</b>	<b>4,729</b>	<b>12,692</b>	<b>12,802</b>
<b>Other income</b>		<b>98</b>	<b>37</b>	<b>151</b>	<b>128</b>
Selling and distribution expenses		<b>(424)</b>	(688)	<b>(1,577)</b>	(2,236)
Administration expenses		<b>(2,546)</b>	(2,373)	<b>(7,213)</b>	(7,291)
Other expenses		<b>(793)</b>	(530)	<b>(1,798)</b>	(1,697)
<b>Profit from operations</b>		<b>2,431</b>	<b>1,175</b>	<b>2,255</b>	<b>1,706</b>
Finance costs		<b>(332)</b>	(440)	<b>(996)</b>	(1,285)
Share of results of associate		<b>13</b>	14	<b>84</b>	43
<b>Profit before taxation</b>	B8	<b>2,112</b>	<b>749</b>	<b>1,343</b>	<b>464</b>
Income tax expense	B5	<b>(314)</b>	(28)	<b>(566)</b>	(123)
<b>Profit after taxation</b>		<b>1,798</b>	<b>721</b>	<b>777</b>	<b>341</b>
<b>Total Comprehensive income for the period</b>		<b>1,798</b>	<b>721</b>	<b>777</b>	<b>341</b>
<b>Profit Attributable To:</b>					
Owners of The Parent		<b>1,757</b>	667	<b>644</b>	264
Non-Controlling Interests		<b>41</b>	54	<b>133</b>	77
<b>Total Comprehensive income attributable to :</b>		<b>1,798</b>	<b>721</b>	<b>777</b>	<b>341</b>
Owners of The Parent		<b>1,757</b>	667	<b>644</b>	264
Non-Controlling Interests		<b>41</b>	54	<b>133</b>	77
<b>Weighted average number of ordinary shares in issue ('000)</b>	B11	<b>96,000</b>	96,000	<b>96,000</b>	96,000
<b>Earnings per share attributable to owners of the parent :</b>					
Basic (Sen)	B11	<b>1.83</b>	0.69	<b>0.67</b>	0.28
Diluted (Sen)	B11	<b>1.83</b>	0.69	<b>0.67</b>	0.28

*(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2019 and the accompanying explanatory notes attached to this interim financial report.)*

**Condensed Consolidated Statement of Financial Position as at 30/09/2020**

	Note	Unaudited As at 30/09/2020 RM'000	Audited As at 31/12/2019 RM'000
<b>ASSETS</b>			
<b>Non-current assets:</b>			
Property, plant and equipment		11,739	12,742
Investment in an associate		4,831	4,747
Trade receivables		-	387
Deferred Tax Assets		683	686
		<b>17,253</b>	<b>18,562</b>
<b>Current assets:</b>			
Inventories		58,248	58,137
Trade and other receivables		44,870	37,695
Current tax assets		989	783
Deposits, Cash and bank balances		12,373	8,609
		<b>116,480</b>	<b>105,224</b>
<b>TOTAL ASSETS</b>		<b>133,733</b>	<b>123,786</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Current Liabilities:</b>			
Trade and other payables		16,055	18,324
Current tax liabilities		82	36
Borrowings	B7	35,651	24,102
		<b>51,788</b>	<b>42,462</b>
<b>Non-current liabilities</b>			
Borrowings	B7	2,363	2,533
Deferred tax liabilities		152	138
		<b>2,515</b>	<b>2,671</b>
<b>TOTAL LIABILITIES</b>		<b>54,303</b>	<b>45,133</b>
<b>Equity:</b>			
Share capital		48,515	48,515
Retained profits		29,487	28,843
<b>Equity attributable to owners of the Parent</b>		<b>78,002</b>	<b>77,358</b>
Non-controlling interest		1,428	1,295
<b>TOTAL EQUITY</b>		<b>79,430</b>	<b>78,653</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>133,733</b>	<b>123,786</b>
<b>Net assets per share attributable to owners of the Parent (RM)</b>		<b>0.81</b>	0.81

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2019 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 9 months ended 30/09/2020**

**-- Attributable to Owners of the Parent --**

Note	Share Capital	Retained Profits	Total	Non-Controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Balance at 01/01/2019</b>	48,515	31,155	<b>79,670</b>	1,214	<b>80,884</b>
Total comprehensive income for the period	-	264	<b>264</b>	77	<b>341</b>
Dividends paid	-	(480)	<b>(480)</b>	-	<b>(480)</b>
<b>Balance at 30/09/2019</b>	<b>48,515</b>	<b>30,939</b>	<b>79,454</b>	<b>1,291</b>	<b>80,745</b>
<b>Balance at 01/01/2020</b>	48,515	28,843	<b>77,358</b>	1,295	<b>78,653</b>
Total comprehensive income for the period	-	644	<b>644</b>	133	<b>777</b>
<b>Balance at 30/09/2020</b>	<b>48,515</b>	<b>29,487</b>	<b>78,002</b>	<b>1,428</b>	<b>79,430</b>

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2019 and the accompanying explanatory notes attached to this interim financial report.)*

**Unaudited Condensed Statement of Cash Flows for the 9 months ended 30/09/2020**

	9 months ended	
	30/09/2020	30/9/2019
	RM'000	RM'000
<b>Cash Flows From Operating Activities:</b>		
<b>Profit before tax</b>	<b>1,343</b>	<b>464</b>
<i>Adjustments for :</i>		
Depreciation of property, plant and equipment	<b>1,805</b>	1,347
Gain on disposal property, plant and equipment	<b>(52)</b>	(17)
Interest expense	<b>969</b>	1,263
Interest on lease liabilities	<b>25</b>	-
Interest income	<b>(91)</b>	(128)
Share of profits of associate	<b>(84)</b>	(43)
<b>Operating profit before changes in working capital</b>	<b>3,915</b>	<b>2,886</b>
<b>Changes in Working Capital</b>		
Inventories	<b>(111)</b>	(8,981)
Trade and other receivables	<b>(6,787)</b>	457
Trade and other payables	<b>(2,268)</b>	4,243
	<b>(9,166)</b>	<b>(4,281)</b>
<b>Cash generated from operations</b>	<b>(5,251)</b>	<b>(1,395)</b>
Interest received	<b>91</b>	128
Income tax refunded	<b>303</b>	439
Income tax paid	<b>(1,013)</b>	(1,278)
	<b>(619)</b>	<b>(711)</b>
<b>Net Cash used in Operating Activities</b>	<b>(5,870)</b>	<b>(2,106)</b>
<b>Cash Flows From Investing Activities:</b>		
Proceeds from sale of property, plant and equipment	<b>52</b>	29
Purchase of property, plant and equipment	<b>(802)</b>	(470)
<b>Net cash used in Investing Activities</b>	<b>(750)</b>	<b>(441)</b>
<b>Cash Flows From Financing Activities:</b>		
Net proceeds from/(repayment to) bankers' acceptances	<b>12,707</b>	(3,142)
Payment of lease liabilities	<b>(1,329)</b>	(301)
Interest paid	<b>(994)</b>	(1,263)
Dividend paid	<b>-</b>	(480)
<b>Net cash generated from/(used in) Financing Activities</b>	<b>10,384</b>	<b>(5,186)</b>
<b>Net changes in Cash and Cash Equivalents</b>	<b>3,764</b>	<b>(7,733)</b>
<b>Cash and Cash Equivalents at Beginning of The Period</b>	<b>8,609</b>	<b>10,166</b>
<b>Cash and Cash Equivalents at End of The Period</b>	<b>12,373</b>	<b>2,433</b>
<b>Cash and Cash Equivalents Comprise:</b>		
Cash and bank balances	<b>12,373</b>	3,389
Bank overdrafts	<b>-</b>	(956)
	<b>12,373</b>	<b>2,433</b>

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2019 and the accompanying explanatory notes attached to this interim financial report.)*

## Notes of the Interim Financial Report for the 9 months ended 30/09/2020

### 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 9 months ended 30/09/2020 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 31/12/2019, 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 31/12/2019.

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 31/12/2019 except for the adoption of the following Amendments/Improvement to MFRSs which are applicable to its financial statements and are relevant to its operations:-

#### Amendments/Improvements to MFRSs

MFRS 3 Business Combinations  
 MFRS 7 Financial Instrument Disclosures  
 MFRS 101 Presentation of Financial Statements  
 MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors  
 MFRS 139 Financial Instruments: Recognition and Measurement

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 MFRS

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 16 Leases \*\*  
 MFRS 101 Presentation of Financial Statements \*\*\*  
 MFRS 107 Statements of Cash Flows\*\*\*

## Notes of the Interim Financial Report for the 9 months ended 30/09/2020

### Amendments/Improvements to MFRSs (Continued)

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 140	Investment Property***
MFRS 141	Agriculture **

\* Effective for the period beginning on or after 1 June 2020

\*\* Effective for the period beginning on or after 1 January 2022

\*\*\* Effective for the period beginning on or after 1 January 2023

(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 9 months period ended 30/09/2020.

### **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 30/09/2020.

## Notes of the Interim Financial Report for the 9 months ended 30/09/2020

### A7. Operating Segment Information

For management purposes, the Group categories its 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 30/09/2020</i>	RM'000	RM'000	RM'000	RM'000	RM'000
Revenues from external customers	11,682	8,499	7,670	3,446	<b>31,297</b>
Reportable segment gross profit	1,908	1,794	1,764	630	<b>6,096</b>
<i>3 months ended 30/09/2019</i>					
Revenues from external customers	9,642	8,828	6,893	1,889	<b>27,252</b>
Reportable segment gross profit	1,155	2,001	1,492	81	<b>4,729</b>

	Stainless steel products	Marine hardware & consumable	Other industrial hardware	Engineering Works	Total
<i>9 months ended 30/09/2020</i>	RM'000	RM'000	RM'000	RM'000	RM'000
Revenues from external customers	25,622	20,552	18,702	7,384	<b>72,260</b>
Reportable segment gross profit	3,460	4,568	4,194	470	<b>12,692</b>
<i>9 months ended 30/09/2019</i>					
Revenues from external customers	26,318	22,296	22,745	5,366	<b>76,725</b>
Reportable segment gross profit	2,758	5,124	4,617	303	<b>12,802</b>

**Notes of the Interim Financial Report for the 9 months ended 30/09/2020**

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

There were no material events subsequent to the current financial quarter ended 30/09/2020 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 30/09/2020.

**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 30/09/2020.

**A12. Related party transactions**

The Group's related party transactions in the current quarter and the cumulative period to date ended 30/09/2020 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	-	1	1	2
Total for type of transaction	-	<b>1</b>	<b>1</b>	<b>2</b>
<i>Cumulative 9 months Period:</i>				
Associate	-	1	1	2
Total for type of transaction	-	<b>1</b>	<b>1</b>	<b>2</b>



**Notes of the Interim Financial Report for the 9 months ended 30/09/2020**

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

**B1. Review of performance**

	3rd quarter ended			Cumulative period 9 months ended		
	30/9/2020 RM'000	30/9/2019 RM'000	Changes %	30/9/2020 RM'000	30/9/2019 RM'000	Changes %
Revenue	31,297	27,252	14.8	72,260	76,725	(5.8)
<b>Operating Profit</b>	<b>2,333</b>	<b>1,138</b>	<b>105.0</b>	<b>2,104</b>	<b>1,578</b>	<b>33.3</b>
Profit Before Interest and Tax	2,444	1,189	105.6	2,339	1,749	33.7
Profit Before Tax	2,112	749	182.0	1,343	464	189.4
<b>Profit After Tax</b>	<b>1,798</b>	<b>721</b>	<b>149.4</b>	<b>777</b>	<b>341</b>	<b>127.9</b>
Profit Attributable to owners of the Parent	1,757	667	163.4	644	264	143.9

The Group revenue for the 9 months cumulative period had decreased by 5.82% from RM76.73 million as reported in the corresponding preceding period in the prior financial year to RM72.26 million.

Sales of Stainless Steel Products segment and Marine Hardware & Consumable segment accounted for approximately 63.9% of its total revenue. Revenue from Other Industrial Hardware segment and Engineering Works segment constituted approximately 25.9% and 10.2% respectively.

During the quarter under review, we recorded a revenue of RM31.30 million. Revenue improved by 14.8% over the same quarter last year, mainly attributable to the improved revenue from the stainless steel products and engineering works segments.

The Group profit before tax for the 9 months cumulative period had increased from RM0.46 million in the same quarter last year to RM1.34 million representing an increase of 189%. The overall increase in profit was mainly due to an increase in revenue and an improvement in profit margin from the stainless steel products and engineering works segments during the current quarter.

**B2. Comparison with immediate preceding quarter's results**

	Individual quarter ended		
	30/9/2020 RM'000	30/6/2020 RM'000	Changes %
Revenue	31,297	18,570	68.5
<b>Operating Profit/(Loss)</b>	<b>2,333</b>	<b>(63)</b>	<b>*N/M</b>
Profit/(Loss) Before Interest and Tax	2,444	(5)	*N/M
Profit/(Loss) Before Tax	2,112	(328)	743.9
<b>Profit/(Loss) After Tax</b>	<b>1,798</b>	<b>(508)</b>	<b>453.9</b>
Profit/(Loss) Attributable to owners of the Parent	1,757	(569)	408.8

Profit before tax of RM2.11 million for the current quarter under review was improved by 743.9% compared with the loss before tax amounting to RM0.33 million in the previous quarter.

\* not meaningful

**B3. Commentary on prospects**

The remaining quarter will continue to be challenging due to the COVID-19 pandemic that has adversely affected the global economic climate and the unprecedented impact of the stringent containment measures to control the COVID-19 pandemic globally and domestically.

## Notes of the Interim Financial Report for the 9 months ended 30/09/2020

The Group will continue to be focused on the its core business activities, continuing to its efforts to improve operational efficiencies and implementing cost cutting measures in order to fulfil our customer orders and drive value for our shareholders.

Management will continue to put in efforts to sustain customer interest in our products through increased engagement interactions with our customers, delivering quality sales and after-sales service.

### 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	314	548
Deferred tax expense	-	18
Net tax charge	<b>314</b>	<b>566</b>
Reconciliation of Effective Tax Rate:		
	Current Year-to-Date RM'000	%
<b>Accounting Profit before tax</b>	<b>1,343</b>	-
Statutory tax amount / rate	322	24.0%
<i>Tax Effects of Expenses Disallowed:</i>		
Depreciation of non-qualifying property, plant & equipment	(16)	-1.2%
Other Expenses not deductible for tax purposes	34	2.5%
Share of results of an associate	20	1.5%
Deferred tax assets not recognised	202	15.0%
Over/(Under) provision of deferred tax in prior years	4	0.0%
<b>Effective tax amount / rate</b>	<b>566</b>	<b>42.1%</b>

### B6. Status of corporate proposals

On 25 August 2020, the Company proposes to undertake a private placement of up to 19,200,000 new ordinary shares in the Company ("Placement Shares"), representing 20% of the total number of issued shares of the Company, to third-party investor(s) at an issue price to be determined later ("Private Placement").

On 7 September 2020, Bursa Securities had, vide its letter dated 7 September 2020, approved the listing of and quotation for up to 19,200,000 Placement Shares to be issued pursuant to the Private Placement.

### B7. Details of Group borrowings and debts securities

The Group's borrowings securities denominated in Malaysian Ringgit as at 30/09/2020 are as follows:

	Total RM'000	Secured RM'000
Long-term:		
Lease liabilities	2,363	2,363
	<b>2,363</b>	<b>2,363</b>
Short-term:		
Bills and other trade financing liabilities	35,270	35,270
Lease liabilities	381	381
	<b>35,651</b>	<b>35,651</b>

**Notes of the Interim Financial Report for the 9 months ended 30/09/2020**

**B8. Profit/(Loss) before taxation**

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

	Individual quarter ended		Cumulative period 9 months ended	
	30/09/2020	30/9/2019	30/09/2020	30/9/2019
	RM'000	RM'000	RM'000	RM'000
1) <i>Other operating income:</i>				
Interest income	(63)	(37)	(91)	(128)
Gain on disposal of property, plant and equipment	(27)	-	(52)	(17)
2) <i>Administration expenses &amp; Cost of sales:</i>				
Depreciation of properties, plant & equipment	752	466	1,805	1,347
Employee benefit expenses	3,336	3,213	9,362	9,658
3) <i>Other expenses/(Reversal):</i>				
Realised foreign exchange losses/(gains)	52	(2)	97	70
4) <i>Finance costs:</i>				
Bank overdrafts	5	12	23	28
Bankers acceptance	261	371	820	1,090
Hire Purchase	40	48	126	145
Interest on lease liabilities	6	-	25	-

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 Company had on 23/09/2020 announced that its wholly-owned subsidiary, KSG Engineering Sdn Bhd had been served with a sealed Amended Writ of Summons No. WA-22NCC-391-08/2020 on 18/09/2020 by WRP Asia Pacific Sdn Bhd.

The Company had sought seek for legal advice on the matter and will make further announcement on any material development on the matter.

**B10. Proposed Dividends**

The Directors do not recommend any dividend for the current quarter ended 30/09/2020.

**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 30/09/2020 are as follows:

	Current Quarter RM'000	Current Year-to-Date RM'000
Profit for the financial period attributable to owners of the Parent (used as numerator for the Basic EPS)	<u>1,757</u>	<u>644</u>

**Notes of the Interim Financial Report for the 9 months ended 30/09/2020**

(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 30/09/2020 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 31/12/2019 did not contain any qualification.

**B13. Authorisation for issue**

The interim unaudited financial report was duly reviewed by Audit Committee and approved by the Board of Directors on 24/11/2020.