

SENTORIA GROUP BERHAD (Company No : 463344-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
FINANCIAL QUARTER ENDED 31 DECEMBER 2018
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	UNAUDITED CURRENT YEAR QUARTER 31/12/2018 RM'000	UNAUDITED PRECEDING YEAR QUARTER 31/12/2017 RM'000	UNAUDITED CURRENT YEAR 31/12/2018 RM'000	UNAUDITED PRECEDING YEAR 31/12/2017 RM'000
Revenue	73,193	87,342	73,193	87,342
Cost of sales	(53,330)	(59,914)	(53,330)	(59,914)
Gross profit	19,863	27,428	19,863	27,428
Other income	203	651	203	651
Distribution expenses	(546)	(442)	(546)	(442)
Administration expenses	(11,864)	(11,875)	(11,864)	(11,875)
Finance costs	(2,084)	(1,064)	(2,084)	(1,064)
Profit before tax	5,572	14,698	5,572	14,698
Tax expense	(1,518)	(3,634)	(1,518)	(3,634)
Net profit for the financial period	4,054	11,064	4,054	11,064
Other comprehensive income, net of tax				
Items that will not be reclassified subsequently to profit or loss	-	-	-	-
Total comprehensive income	4,054	11,064	4,054	11,064
Net profit for the financial period attributable to:				
Owners of the Company	4,100	11,082	4,100	11,082
Non-controlling interests	(46)	(18)	(46)	(18)
	4,054	11,064	4,054	11,064
Total comprehensive income attributable to:				
Owners of the Company	4,100	11,082	4,100	11,082
Non-controlling interests	(46)	(18)	(46)	(18)
	4,054	11,064	4,054	11,064
Earnings per share attributable to owners of the Company:				
Basic (sen)	0.74	1.99	0.74	1.99
Diluted (sen)	0.74	1.99	0.74	1.99

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2018 and the accompanying explanatory notes attached to the interim financial report.

SENTORIA GROUP BERHAD (Company No : 463344-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
FINANCIAL QUARTER ENDED 31 DECEMBER 2018
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED AS AT END OF CURRENT YEAR TO-DATE 31/12/2018 RM'000	AUDITED AS AT PRECEDING YEAR ENDED 30/09/2018 RM'000 (Restated)
Non-Current Assets		
Property, plant and equipment	523,856	512,966
Biological assets	3,537	3,711
Property development costs	28,600	28,600
Investment properties	61,793	61,805
Deferred tax assets	60,667	60,667
Fixed deposits with licensed banks	23,227	10,242
Investment in short term funds	8,404	7,990
Goodwill on consolidation	3	3
Total Non-Current Assets	710,087	685,984
Current Assets		
Property development costs	244,044	234,511
Amount due from customers	26,680	21,491
Inventories	2,167	1,881
Trade and other receivables	288,869	281,645
Amount due from holding company	-	455
Tax recoverable	3,631	1,014
Fixed deposits with a licensed bank	8	-
Cash and bank balances	12,522	10,884
Total Current Assets	577,921	551,881
Total Assets	1,288,008	1,237,865
Equity and Liabilities		
Share capital	161,771	161,771
Treasury shares	(5,961)	(5,883)
Revaluation reserve	70,589	70,614
Warrant reserve	51,467	51,467
Retained earnings	256,756	252,631
	534,622	530,600
Non-controlling interests	905	951
Total Equity	535,527	531,551
Non-Current Liabilities		
Deferred tax liabilities	2,947	3,236
Borrowings (secured)	317,072	254,663
Total Non-Current Liabilities	320,019	257,899
Current Liabilities		
Trade and other payables	259,032	250,224
Amount due to customers	366	3,984
Tax payable	3,439	2,478
Borrowings (secured)	169,625	191,729
Total Current Liabilities	432,462	448,415
Total Liabilities	752,481	706,314
Total Equity and Liabilities	1,288,008	1,237,865
Net assets per share (RM)	0.96	0.83

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2018 and the accompanying explanatory notes attached to the interim financial statements.

SENTORIA GROUP BERHAD (Company No : 463344-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
FINANCIAL QUARTER ENDED 31 DECEMBER 2018
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to owners of the Company →						Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Distributable Treasury Shares RM'000	← Share Premium RM'000	Non-distributable Revaluation Reserve RM'000	→ Warrant Reserve RM'000	Distributable Retained Earnings RM'000			
Unaudited									
Financial quarter ended 31 December 2018									
As at 1 October 2018	161,771	(5,883)	-	70,614	51,467	257,234	535,203	951	536,154
Effects of adopting MFRS	-	-	-	-	-	(4,603)	(4,603)	-	(4,603)
As at 1 October 2018 (restated)	161,771	(5,883)	-	70,614	51,467	252,631	530,600	951	531,551
Crystallisation of revaluation reserve	-	-	-	(25)	-	25	-	-	-
Net profit for the financial period	-	-	-	-	-	4,100	4,100	(46)	4,054
Total comprehensive income	-	-	-	(25)	-	4,125	4,100	(46)	4,054
Transactions with owners									
Own shares bought	-	(78)	-	-	-	-	(78)	-	(78)
Total transactions with owners	-	(78)	-	-	-	-	(78)	-	(78)
As at 31 December 2018	161,771	(5,961)	-	70,589	51,467	256,756	534,622	905	535,527
Unaudited									
Financial quarter ended 31 December 2017									
As at 1 October 2017	152,566	(862)	-	66,175	-	228,589	446,468	953	447,421
Crystallisation of revaluation reserve	-	-	-	(145)	-	145	-	-	-
Net profit for the financial period	-	-	-	-	-	11,082	11,082	(18)	11,064
Total comprehensive income	-	-	-	(145)	-	11,227	11,082	(18)	11,064
Transactions with owners									
Exercise of Warrants-A	10,013	-	-	-	-	-	10,013	-	10,013
Total transactions with owners	10,013	-	-	-	-	-	10,013	-	10,013
As at 31 December 2017	162,579	(862)	-	66,030	-	239,816	467,563	935	468,498

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2018 and the accompanying explanatory notes attached to the interim financial statements.

SENTORIA GROUP BERHAD (Company No : 463344-K)
 QUARTERLY REPORT ON CONSOLIDATED RESULTS
 FINANCIAL QUARTER ENDED 31 DECEMBER 2018
 CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	UNAUDITED CURRENT YEAR 31/12/2018 RM'000	UNAUDITED PRECEDING YEAR YEAR 31/12/2017 RM'000
Operating Activities		
Profit before tax	5,572	14,698
Adjustments for :		
Amortisation and depreciation	3,151	2,861
Interest and commission expenses	2,084	1,064
Interest income	(68)	(181)
Operating profit before changes in working capital	10,739	18,442
Property development costs	(6,168)	(26,615)
Inventories	(286)	43
Amount due (to)/from customers	(8,419)	(6,921)
Receivables	(6,769)	(14,240)
Payables	8,808	78,217
Cash generated from operations	(2,095)	48,926
Interest and commission expenses paid	(5,896)	(3,578)
Interest income received	68	181
Tax paid	(3,463)	(3,398)
Net cash used in/(from) operating activities	(11,386)	42,131
Investing Activities		
Net movement in fixed deposits with licensed banks	(12,985)	6,539
Net movement in short term funds	(414)	(315)
Purchase of biological assets	(20)	(17)
Purchase of property, plant and equipment	(10,265)	(19,324)
Costs incurred on self-constructed investment properties	(1,904)	(99)
Net cash used in investing activities	(25,588)	(13,216)
Financing Activities		
Proceeds from issuance of shares	-	10,013
Own shares bought	(78)	-
Repayment of finance lease liabilities	(425)	(1,487)
Repayment of borrowings	(34,911)	(73,413)
Drawdown of borrowings	88,066	111,267
Net cash from financing activities	52,652	46,380
Net increase in cash and cash equivalents	15,678	75,295
Cash and cash equivalents at beginning of financial period	(33,208)	10,581
Cash and cash equivalents at end of financial period	(17,530)	85,876
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	12,522	106,623
Fixed deposit with licensed banks	8	-
Bank overdrafts	(30,060)	(20,747)
	(17,530)	85,876

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2018 and the accompanying explanatory notes attached to the interim financial statements.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL
QUARTER ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

A1 Explanation notes pursuant to Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting

The interim financial report is unaudited and is prepared in accordance with MFRS 134, Interim Financial Reporting and Paragraph 9.22 of Bursa Malaysia Securities Berhad’s Main Market Listing Requirements.

The interim financial statements should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2018 and these explanatory notes.

These explanatory notes 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 30 September 2018.

The accounting policies and methods of computation adopted by the Group in the interim financial statements are consistent with those adopted in the Audited Financial Statements for the financial year ended 30 September 2018 except for the changes in accounting policies and presentation resulting from the adoption of the MFRS Framework by the Group with effect from 1 October 2018.

This is the Group’s first interim financial statements prepared in accordance with MFRSs and MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards, retrospective adjustments have been made on the comparative financial information other than those exempted under MFRS 1. The interim financial statements of the Group prior to 1 October 2018 were prepared in accordance with Financial Reporting Standards.

The impacts arising from the adoption of MFRS are set out below:

	As previously reported as at 30.9.2018	Adjustments Effects of adoption of MFRS	Restated as at 1 October 2018
	RM'000	RM'000	RM'000
Consolidated Statement of Financial Position			
<u>Current Assets</u>			
Property development costs	219,134	15,377	234,511
Trade and other receivables	303,104	(21,459)	281,645
<u>Equity and Liabilities</u>			
Retained earnings	257,234	(4,603)	252,631
<u>Non-Current Liabilities</u>			
Deferred tax liabilities	4,715	(1,479)	3,236

The Group has not adopted the following MFRSs, Amendments to MFRSs and Interpretation issued by the Malaysian Accounting Standards Board (“MASB”):

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL
QUARTER ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

MFRS, Amendments to MFRSs and IC Interpretation effective 1 January 2019

MFRS 16	Leases
Amendments to MFRS 9*	Prepayment Features with Negative Compensation
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement
Amendments to MFRS 128*	Long-term Interests in Associates and Joint Ventures
IC Interpretation 23*	Uncertainty over Income Tax Treatments
Annual Improvements to MFRS Standards 2015 – 2017 Cycle*	

Amendments to MFRSs and Amendments to References to the Conceptual Framework in MFRSs effective 1 January 2020

Amendments to MFRS 3*	Definition of a Business
Amendments to MFRS 101 and MFRS 108	Definition of Material
Amendments to References to the Conceptual Framework in MFRS Standards (MFRSs 2, 3, 6, 14, 101, 108, 134, 138, 138 and IC Interpretation 12, 19, 20, 2, 132)	

MFRS effective 1 January 2021

MFRS 17*	Insurance Contracts
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Amendments to MFRSs - effective date to be announced by MASB

Amendments to MFRS 10* and 128*	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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* Not applicable to the Group's existing operations

The initial application of the above MFRSs, Amendments to MFRSs and Interpretation are not expected to have any significant financial impact to the Group, except for:

MFRS 16 Leases

MFRS 16 replaces MFRS 117 *Leases*. MFRS 16 eliminates the distinction between finance and operating leases for lease. As off-balance sheet leases will longer be allowed except for some limited practical exemptions, all leases will be brought onto the statement of financial position “(SOFP)” by recognising a “right-of-use” asset and a lease liability. In other words, for a lessee that has material operating leases, the assets and liabilities reported on its SOFP are expected to be different compared with the current position.

MFRS 16 also:

- Changes the definition of a lease;
- Sets requirements on how to account for the asset and liability, including complexities such as non-lease elements, variable lease payments and option periods;
- Changes the accounting for sale and leaseback arrangements;
- Largely retains MFRS 117's approach to lessor accounting; and
- Introduces new disclosure requirements.

The adoption of MFRS 16 will result in a change in accounting policy. The Group is currently assessing the financial impact of adopting MFRS 16.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL
QUARTER ENDED 31 DECEMBER 2018**

NOTES TO THE FINANCIAL STATEMENTS

A2 Auditors' report on preceding annual financial statements

The auditors' report on the audited financial statements for the financial year ended 30 September 2018 was not subject to any qualification.

A3 Seasonality or cyclicity of operations

The operations of the property development segment were not subjected to seasonal or cyclical factors. As for the leisure and hospitality segment, its operations normally peak during major festivities, and public and school holiday seasons.

A4 Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current financial year to-date.

A5 Changes in estimates

There were no changes in estimates of amounts reported in a prior financial quarter of the current financial year or a prior financial year, which have a material impact on the current financial year to-date.

A6 Changes in debt and equity securities

During the current financial year to-date, the Company bought 185,000 of its own ordinary shares from the open market at an average price of 42.2 sen per share. The total consideration paid for the purchased shares including transaction costs amounting to RM78,089 was financed by internally generated funds. These purchased shares were dealt with as treasury shares in accordance with Section 127 of the Companies Act 2016.

Other than the above, there were no issuances, cancellations, repurchases, resales and repayments of debt and equity securities during the current financial year to-date. As at 20 February 2019, out of the Company's total 567,265,891 issued ordinary shares, 9,596,900 are held as treasury shares by the Company.

A7 Dividends paid

No dividends were paid by the Company during the current financial year to-date.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

A8 Segmental information

The Group has identified property development, leisure and hospitality and others as operating segments. These segments are monitored and strategic decisions are made on the basis of adjusted segment results.

Segment results for the current financial year to-date were as follows:

	Property Development RM'000	Leisure & Hospitality RM'000	Others RM'000	Elimination/ Adjustments RM'000	Consolidated RM'000
Revenue					
External	58,233	14,960	-	-	73,193
Inter-segment	-	16	-	(16)	-
	58,233	14,976	-	(16)	73,193
Results					
Segment profit	6,710	1,272	(349)	(45)	7,588
Finance income	56	1	11	-	68
Finance costs	(867)	(1,147)	(70)	-	(2,084)
Profit before taxation	5,899	126	(408)	(45)	5,572
Taxation	(1,518)	-	-	-	(1,518)
Net profit for the financial period	4,381	126	(408)	(45)	4,054

The Group's business is operated entirely within Malaysia and as such, no segment information based on geographical location is presented.

A9 Material events subsequent to the end of the current financial quarter

There were no material events subsequent to the end of the current financial quarter which have not been reflected in the interim financial statements.

A10 Changes in the composition of the Group

There were no changes in the composition of the Group during the current financial quarter.

A11 Contingent assets and contingent liabilities

There were no material changes to the contingent assets and contingent liabilities of the Group since the end of the prior financial year.

A12 Capital commitments

The Group's capital commitments at the end of the current financial quarter were as follows:

	RM'000
Authorised and contracted for	<u>58,557</u>
Authorised but not contracted for	<u>-</u>

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL
QUARTER ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

A13 Related party transactions

- (a) The Group's significant related party transactions during the current financial year to-date were as follows:

	RM'000
<u>Transactions with companies in which certain Directors have interests:</u>	
Rental expenses paid/payable	108
Sales of food and beverages, room sales and provision of transportation services	5
Rental income received/receivable	77
<u>Transactions with holding company</u>	
Rental expenses paid/payable	12
<u>Transactions with persons connected with a Director</u>	
Rental expenses paid/payable	15
Commission paid/payable	<u>24</u>

- (b) During the current financial year to-date:
- (i) the holding company's shares in the Company were pledged as security for the construction and completion of a joint venture development project of the Group. The market value of these shares as at the end of the current financial quarter was approximately RM10.0 million. The holding company also provided a corporate guarantee and indemnity to guarantee the payment by the Group of certain sums of up to RM30.0 million due to the land owner for the project concerned.
- (ii) certain Directors jointly and severally guaranteed banking facilities granted to a subsidiary company. The amount of these facilities outstanding as at the end of the current financial quarter was approximately RM1.2 million.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

B1 Review of performance

	Individual Period		Changes +/(-) %
	Current Year Quarter	Preceding Year Quarter	
	31.12.2018	31.12.2017	
	RM'000	RM'000	
Revenue			
Property Development	58,233	72,583	-19.8
Leisure & Hospitality	14,960	14,759	+1.4
	73,193	87,342	-16.2
Profit before tax	5,572	14,698	-62.1
Net profit for the financial period	4,054	11,064	-63.4
Profit attributable to owners of the Company	4,100	11,082	-63.0

The Group's revenue for current financial quarter ("CFQ") of RM73.2 mil was 16.2% lower than that of the preceding financial year's corresponding financial quarter. The decrease in Group's revenue was mainly caused by lower billings for the developments in Kuantan and Morib as most of the Group's projects in these areas were completed and projects newly started during the preceding and current financial quarters have not reached a stage whereby their revenue can be recognised significantly.

In line with the drop in revenue year-on-year ("YoY") which was attributed to the Property Development Division, the profit before tax ("PBT") for the CFQ decreased by 62.1% YoY to RM5.6 million. This decline in profitability was also caused by reduced developer margins and higher finance cost YoY.

In tandem with decline in PBT, the net profit and profit attributable to the owners of the Company for the CFQ were also lower by 63.4% and 63.0% YoY respectively.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

B2 Comparison with immediate preceding quarter's results

	Current Year Quarter	Immediate Preceding Quarter	Changes +/-
	31.12.2018	30.9.2018	
	RM'000	RM'000	%
Revenue			
Property Development	58,233	53,000	+9.9
Leisure & Hospitality	14,960	10,509	+42.4
	73,193	63,509	+15.2
Profit before tax	5,572	2,512	+121.8
Net profit/(loss) for the financial period	4,054	(2,290)	-
Profit/(loss) attributable to owners of the Company	4,100	(2,287)	-

Group's revenue of RM73.2 million for the CFQ was 15.2% higher than that of RM63.5 million achieved in the preceding financial quarter. This quarter-on-quarter ["QoQ"] increase was mainly due to higher billings for the developments in Kuching coupled with the higher revenue from Leisure and Hospitality Division ("LHD"). This QoQ increase for LHD was a seasonal effect due to the year-end school holidays during the CFQ which saw increased visitors to the theme parks at Bukit Gambang, Kuching and Langkawi and higher room occupancy at Bukit Gambang Resort City.

PBT for the CFQ increased to RM5.6 million from that of RM2.5 million achieved in the preceding financial quarter. This increase in profit was mainly contributed by the higher revenue.

The QoQ increase in PBT turned around the net loss and loss attributable to the owners of the Company in the preceding financial quarter to a net profit and profit attributable to the owners of the Company of RM4.1 million for the CFQ.

B3 Commentary on prospects

The Group's development of affordable homes is in line with the Malaysian Government thrust to encourage ownership of affordable houses by the B40 and M40 households. Budget 2019 measures to provide concessionary financing, mortgage guarantees, stamp duties waivers and extended financing term for civil servants together with other measures such as Sales and Services Tax exemptions for construction services and certain building materials for housing units below RM300,000 should benefit the housing industry in general and affordable housing in particular. Although these are all positives to the Group's property development business, the Group is conscious that it will experience margin compression with the rising costs and the responsible lending guidelines.

The Group's unbilled sales from its on-going projects in Kuantan, Morib and Kuching stood at RM366.1 million as of 31 December 2018. These on-going projects together with the planned launches in the coming months should augur well for the Group for the current financial year.

The near term outlook for the Group's leisure and hospitality business will continue to be challenging but nevertheless it will continue its efforts to optimise its management and operational efficiencies to enhance profitability.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

B4 Profit forecast or profit guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax with profit forecast and shortfall in profit guarantee are not applicable.

B5 Taxation

	Current Year To- Date RM'000
Current income tax - Malaysian income tax	<u>1,518</u>
Effective income tax rate	<u>27.2%</u>

The Group's effective income tax rate for the current financial year to-date is more than the applicable income rate of 24% due to losses by certain subsidiary companies not available for set-off against taxable profits of other subsidiary companies.

B6 Status of corporate proposals announced

There were no corporate proposals announced but not completed as of 20 February 2019.

B7 Borrowings and debt securities

The Group's borrowings, all of which were secured and denominated in RM as at the end of the CFQ were as follows:

	Short term RM'000	Long term RM'000	Total RM'000
Bankers' acceptances	29,079	-	29,079
Bridging loan	31,503	66,705	98,208
Bank overdrafts	30,060	-	30,060
Revolving credit	38,102	13,889	51,991
Finance lease liabilities	1,690	2,226	3,916
Term loans	39,191	234,252	273,443
	<u>169,625</u>	<u>317,072</u>	<u>486,697</u>

B8 Changes in material litigation

The Group has no material litigation as of 20 February 2019.

B9 Dividends

No dividends have been declared or recommended for the current financial year to-date.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

B10 Earnings per share

(i) Basic earnings per share

The basic earnings per ordinary share for a financial period is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period concerned.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2018	Preceding Year Quarter 31.12.2017	Current Year 31.12.2018	Preceding Year 31.12.2017
Profit attributable to owners of the Company (RM'000)	4,100	11,082	4,100	11,082
Weighted average number of ordinary shares in issue ('000)	557,669	556,340	557,669	556,340
Basic earnings per share (sen)	0.74	1.99	0.74	1.99

(ii) Diluted earnings per share

The diluted earnings per ordinary share for a financial period is calculated by dividing the profit attributable to owners of the Company divided by the weighted average number of ordinary shares outstanding and the assumed conversion of warrants outstanding during and as of the end of the financial period concerned respectively.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2018	Preceding Year Quarter 31.12.2017	Current Year 31.12.2018	Preceding Year 31.12.2017
Profit attributable to owners of the Company (RM'000)	4,100	11,082	4,100	11,082
Weighted average number of ordinary shares in issue ('000)	557,669	556,688	557,669	556,688
Diluted earnings per share (sen)	0.74	1.99	0.74	1.99

The diluted earnings per share for the CFQ is the same as the basic (loss)/earnings per share as the average market prices of the ordinary shares during the CFQ was lower than the exercise price of the warrants and accordingly, the effect of the assumed conversion of warrants outstanding will be anti-dilutive and the Company has no other dilutive potential ordinary shares in issue as at the end of the CFQ.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL
QUARTER ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

B11 Profit before taxation

Profit before taxation for the current financial year to-date was arrived at after taking into account the following income/(expenses) items:

	Current Year To-Date RM'000
Interest income	68
Other income	135
Interest and commission expenses	(2,084)
Amortisation and depreciation	<u>(3,151)</u>

The following items which were not disclosed were not applicable:

- (a) Write off of receivables;
- (b) Allowance and write off of inventories;
- (c) Impairment of assets;
- (d) Foreign exchange gain or loss;
- (e) Gain or loss on derivatives; and
- (f) Exceptional items (with details).

By order of the Board

Datuk Tan Leh Kiah
Company Secretary

27 February 2019