

AME Elite Consortium Berhad
(Company No. 1292815-W)
(Incorporated in Malaysia)

Interim Financial Report
First quarter ended 30 June 2019

AME Elite Consortium Berhad

(Company No. 1292815-W)
(Incorporated in Malaysia)

Unaudited condensed consolidated statement of financial position As at 30 June 2019

	unaudited 30.6.2019 RM'000	audited 31.3.2019 RM'000
Assets		
Property, plant and equipment	97,823	95,380
Inventories	8,661	8,661
Investment properties	288,438	278,796
Investment in a joint venture	31,952	32,392
Deferred tax assets	3,216	3,048
Total non-current assets	<u>430,090</u>	<u>418,277</u>
Inventories	219,410	234,097
Contract costs	9,234	11,737
Trade and other receivables	147,674	94,425
Contract assets	62,232	28,092
Current tax assets	2,521	4,265
Cash and cash equivalents	91,466	102,488
Total current assets	<u>532,537</u>	<u>475,104</u>
Total assets	<u><u>962,627</u></u>	<u><u>893,381</u></u>
Equity		
Share capital	512,538	1
Invested equity	--	4,501
Retained earnings	415,050	401,907
Merger reserve	(452,311)	--
Equity attributable to owners of the Company	<u>475,277</u>	<u>406,409</u>
Non-controlling interests	31,658	30,266
Total equity	<u>506,935</u>	<u>436,675</u>
Liabilities		
Loans and borrowings ⁽ⁱ⁾	209,244	186,948
Due to Directors	--	3,296
Due to a minority shareholder	10,000	10,000
Deferred tax liabilities	14,100	14,016
Total non-current liabilities	<u>233,344</u>	<u>214,260</u>
Loans and borrowings ⁽ⁱ⁾	28,158	28,893
Trade and other payables	149,223	138,231
Contract liabilities	40,719	21,298
Due to Directors	--	50,929
Due to a minority shareholder	668	565
Current tax liabilities	3,580	2,530
Total current liabilities	<u>222,348</u>	<u>242,446</u>
Total liabilities	<u>455,692</u>	<u>456,706</u>
Total equity and liabilities	<u><u>962,627</u></u>	<u><u>893,381</u></u>
Net assets per share attributable to owners of the Company (RM) ⁽ⁱⁱ⁾	<u>1.39</u>	<u>N/A ⁽ⁱⁱⁱ⁾</u>

(i) See Note B8.

(ii) Based on the issued share capital of 341,692,101 ordinary shares after the completion of the Restructuring Exercise but before the Public Issue.

(iii) Not disclosed since it is not comparable.

AME Elite Consortium Berhad

(Company No. 1292815-W)
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Unaudited condensed consolidated statement of profit or loss and other comprehensive income for the first quarter ended 30 June 2019

	Individual quarter 3 months ended		Cumulative quarter 3 months ended	
	30.6.2019 RM'000	30.6.2018 RM'000	30.6.2019 RM'000	30.6.2018 RM'000
Revenue	94,356	58,682	94,356	58,682
Cost of sales	(63,138)	(44,284)	(63,138)	(44,284)
Gross profit	31,218	14,398	31,218	14,398
Other income	335	647	335	647
Distribution expenses	(1,233)	(594)	(1,233)	(594)
Administrative expenses	(8,872)	(7,070)	(8,872)	(7,070)
Other expenses	(2)	(17)	(2)	(17)
Results from operating activities	21,446	7,364	21,446	7,364
Finance income	657	652	657	652
Finance costs	(4,120)	(1,152)	(4,120)	(1,152)
Net finance costs	(3,463)	(500)	(3,463)	(500)
Share of profit of an equity-accounted joint venture, net of tax	1,083	1,416	1,083	1,416
Profit before tax	19,066	8,280	19,066	8,280
Tax expense	(4,531)	(1,519)	(4,531)	(1,519)
Profit for the period/ Total comprehensive income for the period	14,535	6,761	14,535	6,761
Profit attributable to:				
Owners of the Company	13,143	6,707	13,143	6,707
Non-controlling interests	1,392	54	1,392	54
Profit for the period/ Total comprehensive income for the period	14,535	6,761	14,535	6,761
Basic earnings per ordinary share (sen) ⁽ⁱ⁾	3.85	1.96	3.85	1.96
Diluted earnings per ordinary share (sen) ⁽ⁱ⁾	3.85	1.96	3.85	1.96

(i) See Note B11.

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Unaudited condensed consolidated statement of changes in equity for the first quarter ended 30 June 2019

	← Non-distributable →			Distributable		Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Invested equity RM'000	Merger reserve RM'000	Retained earnings RM'000	Total RM'000		
At 1 April 2018	--	4,501	--	364,560	369,061	26,623	395,684
Profit and total comprehensive income for the period	--	--	--	6,707	6,707	54	6,761
At 30 June 2018	--	4,501	--	371,267	375,768	26,677	402,445
At 1 April 2019	1	4,501	--	401,907	406,409	30,266	436,675
Profit and total comprehensive income for the period	--	--	--	13,143	13,143	1,392	14,535
Capitalisation of amounts due to Directors ⁽ⁱ⁾	55,725	--	--	--	55,725	--	55,725
New shares issued by the Company as consideration for the acquisition of subsidiaries ⁽ⁱ⁾	456,812	--	(456,812)	--	--	--	--
Subscription of shares in subsidiaries ⁽ⁱ⁾	--	800	(800)	--	--	--	--
Reversal of issued and paid-up share capital of the subsidiaries ⁽ⁱ⁾	--	(5,301)	5,301	--	--	--	--
At 30 June 2019	512,538	--	(452,311)	415,050	475,277	31,658	506,935

(i) See Note B6.

AME Elite Consortium Berhad

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Unaudited condensed consolidated statement of cash flows for the first quarter ended 30 June 2019

	3 months ended	
	30.6.2019 RM'000	30.6.2018 RM'000
Cash flows from operating activities		
Profit before tax	19,066	8,280
Adjustments for:		
Property, plant and equipment:		
- depreciation	1,393	1,337
- gain on disposal	(33)	--
- written off	--	2
Share of profit of an equity-accounted joint venture, net of tax	(1,083)	(1,416)
Finance costs	4,120	1,152
Finance income	(657)	(652)
Unrealised gain on foreign exchange	(5)	(26)
Operating profit before changes in working capital	22,801	8,677
Changes in inventories	13,746	(8,156)
Changes in trade and other receivables ⁽ⁱ⁾	(53,782)	(6,212)
Changes in trade and other payables	10,992	7,652
Changes in contract assets/(liabilities)	(14,719)	16,453
Changes in contract costs	2,503	(242)
Cash (used in)/generated from operations	(18,459)	18,172
Interest received	657	652
Interest paid	(2,460)	(1,043)
Tax paid	(1,821)	(5,844)
Net cash (used in)/from operating activities ⁽ⁱⁱ⁾	(22,083)	11,937
Cash flows from investing activities		
Acquisition of:		
- property, plant and equipment	(3,536)	(840)
- investment properties	(9,642)	(2,627)
Proceeds from disposal of property, plant and equipment	33	--
Dividend received from a joint venture	1,500	--
Change in pledged deposits	(213)	(386)
Net cash used in investing activities	(11,858)	(3,853)
Cash flows from financing activities		
Repayment of finance lease liabilities	(587)	(673)
Proceeds from short term borrowings	661	--
Repayment of term loans	(16,687)	(14,138)
Drawdown from term loans	41,015	1,796
Interest paid	(54)	(109)
Due to Directors	1,500	(41)
Net cash from/(used in) financing activities	25,848	(13,165)
Net decrease in cash and cash equivalents	(8,093)	(5,081)
Cash and cash equivalents as at 1 April	78,436	85,315
Cash and cash equivalents as at 30 June	70,343	80,234

Unaudited condensed consolidated statement of cash flows for the first quarter ended 30 June 2019 (continued)

Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise the following amounts from the condensed consolidated statement of financial position:

	3 months ended	
	30.6.2019 RM'000	30.6.2018 RM'000
Cash and cash equivalents:		
- cash and bank balances	28,576	30,315
- fixed deposits with licensed banks	62,890	75,340
	<u>91,466</u>	<u>105,655</u>
Less: Pledged deposits	(18,725)	(23,497)
Bank overdrafts	(2,398)	(1,924)
	<u>70,343</u>	<u>80,234</u>

- (i) The cash used in operations arising from the increase in trade and other receivables during the current financial quarter under review was mainly due to the following:
- A differential sum of RM30.13 million paid for acquisition of a parcel of land for the Phase 3 development of i-Park @ SAC (see Note (ii) below).
 - Increase in a trade receivable balance from a customer for a construction project amounting to RM22.63 million of which a subsequent payment of RM20.00 million has been received in the following quarter.
- (ii) There was a net cash used in operating activities during the current financial quarter under review mainly due to acquisition of a parcel of land for the Phase 3 development of i-Park @ SAC at RM150.14 million of which a deposit of RM15.01 million was paid in financial year ended 31 March 2016 and a differential sum of RM30.13 million was paid using internally generated funds during the current financial quarter under review. The acquisition was completed on 27 August 2019 (see Note A15).

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Notes to the interim financial report

Part A: Explanatory notes pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134 and International Accounting Standards (“IAS”) 34 Interim Financial Reporting

A1. Basis of preparation

This interim financial report is unaudited and has been prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirements”), Malaysia Financial Reporting Standards (MFRS) 134: Interim Financial Reporting and International Accounting Standards (IAS) 34: Interim Financial Reporting.

This interim financial report should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus of the Company dated 24 September 2019 and the accompanying notes attached to the interim financial report.

A2. Significant accounting policies

The accounting policies applied by the Group in this interim financial report are the same as those applied by the Group in its audited combined financial statements for the years ended 31 March 2019, 2018, 2017 and 2016, except for the adoption of the following new accounting standards, interpretations and amendments that have been issued by the Malaysian Accounting Standards Board (“MASB”) for the period beginning on 1 April 2019.

- MFRS 16, *Leases*
- IC Interpretation 23, *Uncertainty over Income Tax Treatments*
- Amendments to MFRS 3, *Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 9, *Financial Instruments – Prepayment Features with Negative Compensation*
- Amendments to MFRS 11, *Joint Arrangements (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 112, *Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 123, *Borrowing Costs (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures – Long-term Interests in Associates and Joint Ventures*
- Amendments to MFRS 119, *Employee Benefits – Plan Amendment, Curtailment or Settlement*

The adoption of the above new accounting standards, interpretations and amendments does not have any material impact on the financial statements of the Group.

A3. Auditors’ report

The audited combined financial statements for the financial years ended 31 March 2019, 2018, 2017 and 2016 were not subject to any qualifications.

A4. Seasonal or cyclical factors

The nature of the Group’s business was not subject to any significant seasonal or cyclical factors.

Part A: Explanatory notes pursuant to MFRS 134 and IAS 34 Interim Financial Reporting (continued)**A5. Unusual items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flow of the Group for the current financial quarter under review.

A6. Changes in estimates

There were no material changes in estimates for the current financial quarter under review.

A7. Debt and equity securities

There were no debt and equity securities issued during the current financial quarter under review except for those disclosed in Note B6.

A8. Dividends paid

There were no dividends paid during the current financial quarter under review.

A9. Property, plant and equipment

There were no material acquisitions and disposals during the current financial quarter under review.

A10. Impairment losses

There were no significant impairment losses or reversal of impairment losses arising from property, plant and equipment, financial assets, assets arising from contracts with customers or other assets during the current financial quarter under review.

Part A: Explanatory notes pursuant to MFRS 134 and IAS 34 Interim Financial Reporting (continued)

A11. Segmental information

Segmental information is presented in respect of the Group's business segments as follows:

1.4.2019 to 30.6.2019	Construction RM'000	Property development RM'000	Engineering RM'000	Investment holding/ Property investment and management services RM'000	Total RM'000	Elimination RM'000	Total RM'000
Revenue from external customers	40,023	36,496	11,796	6,041	94,356	--	94,356
Inter-segment revenue	18,998	--	22,848	1,848	43,694	(43,694)	--
Total revenue	59,021	36,496	34,644	7,889	138,050	(43,694)	94,356
Segment results from operating activities	7,132	6,896	2,817	5,038	21,883	(437)	21,446
Share of profit of a joint venture							1,083
Finance income							657
Finance costs							(4,120)
Profit before tax							19,066
Tax expense							(4,531)
Profit after tax							14,535

Part A: Explanatory notes pursuant to MFRS 134 and IAS 34 Interim Financial Reporting (continued)

A12. Material events subsequent to the statement of financial position date

Saved as disclosed in Note B6 “Status of corporate proposals”, there were no other material events subsequent to the end of the current financial quarter under review that have not been reflected in the interim financial report.

A13. Changes in the composition of the Group

There were no changes in the composition of the Group for the current financial quarter under review except for those disclosed in Note B6.

A14. Contingent liabilities

	30.6.2019 RM'000	31.3.2019 RM'000
Granted to the companies in which certain Directors have financial interest		
Corporate guarantees given to licensed banks in respect of banking facilities of companies having common shareholders of the Group	<u>44,450</u>	<u>44,450</u>

The corporate guarantees of RM10.50 million and RM33.95 million have been fully discharged on 1 August 2019 and 5 August 2019 respectively.

A15. Capital commitments

	30.6.2019 RM'000	31.3.2019 RM'000
Contracted but not provided for:		
Development land	<u>105,000</u>	<u>135,126</u>

On 27 August 2019, the Group drew down a term loan amounting to RM105.00 million for financing the acquisition of a parcel of land for the Phase 3 development of i-Park @ SAC and completed the acquisition of the development land on the same date.

A16. Significant related party transactions

The significant related party transactions of the Company are shown below.

	3 months ended	
	30.6.2019 RM'000	30.6.2018 RM'000
A. Joint venture		
Contract income	713	7,792
Rental income	<u>21</u>	<u>15</u>
B. Minority shareholder of a subsidiary		
Interest expenses	<u>(103)</u>	<u>--</u>

Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements

B1. Review of performance

The Group's revenue increased from RM58.68 million in the previous corresponding financial quarter to RM94.36 million in current financial quarter under review, representing an increase of RM35.68 million which was an increase of 60.80%. It was mainly due to the increase in revenue from property development of RM33.75 million, engineering services revenue of RM7.52 million and rental income of RM1.02 million whilst there was a decrease in construction services revenue of RM6.61 million.

The revenue from property development increased to RM36.50 million in the current financial quarter under review, an increase of approximately 1,227.27%. The increase in revenue was due to sale of a parcel of industrial land and commercial shop lots in addition to the sale of industrial factory units as in the corresponding financial quarter.

The revenue from our engineering services increased to RM11.80 million in the current financial quarter under review, an increase of approximately 175.70%. The increase in revenue was due to higher contribution from both the steel engineering and precast concrete works division and the mechanical and electrical engineering works division.

The Group's rental income increased to RM6.04 million in the current financial quarter under review, an increase of 20.32%. The increase in revenue was due to additional units of factory leased by customers and the rental income from the workers' dormitories which commenced in the current financial quarter under review.

The revenue from our construction services decreased to RM40.02 million, which was a decrease of approximately 14.18%. The decrease in revenue was due to the timing of the construction projects. Some existing projects were near completion and the newly secured projects were in the initial stage during the current financial quarter under review.

In tandem with the increase in the Group's revenue, the Group's profit before tax has also increased from RM8.28 million in the previous corresponding financial quarter to RM19.07 million in the current financial quarter under review, an increase of RM10.79 million which was approximately 130.31%.

B2. Comparison with immediate preceding quarter

No comparative figures for the preceding quarter are presented as this is the first interim financial report on the Company's consolidated results announced in compliance with the Listing Requirements.

B3. Prospects for the Group for the financial year ending 31 March 2020

According to Bank Negara Malaysia ("BNM"), Malaysia's gross domestic product ("GDP") grew 4.9% in the second quarter of calendar year 2019 ("Q2"). This was higher than the 4.5% growth recorded in the first quarter of calendar year 2019 ("Q1").

Despite the challenging external environment, especially surrounding the US-China trade dispute, Malaysia's growth performance remained resilient in Q2. Growth in the manufacturing sector improved marginally, supported by the better performance of domestic-oriented industries.

BNM expects, going forward, that the Malaysian economy will remain on a steady growth path supported by private sector activity. The external sector is likely to continue to be affected by slower global growth amid ongoing trade tensions. Overall, the baseline projection is for the Malaysian economy to grow between 4.3% to 4.8% for the year.

Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

B3. Prospects for the Group for the financial year ending 31 March 2020 (continued)

For the first half of calendar year 2019 (“H1”), Malaysia’s approved foreign direct investment (“FDI”) increased by 97.2% to RM49.5 billion from RM25.1 billion in the same period last year, according to the Malaysian Investment Development Authority.

Specifically, approved manufacturing FDI rose by 74.2% to RM33.1 billion during the H1, from RM19.0 billion in the same period last year. Majority of investments, 75.8% or RM25.1 billion were from foreign investments and the remaining 24.2% or RM8.0 billion from domestic sources.

Our business has benefitted, and is expected to continue to benefit from economic growth in Malaysia, investments in the manufacturing sector and the corresponding demand for industrial properties in the country in the upcoming quarters as the Government maintains a business-friendly approach to attract investment and create quality jobs for Malaysians. The relocation of companies to Malaysia due to the US-China trade dispute is also likely to bring more direct investment into the country.

We have experienced strong demand for our construction services and industrial properties, as well as growth in rental income and value of our investment properties. We have also been able to attract more Multinational Corporations (“MNCs”) to operate in our industrial parks which we believe has helped to attract other MNCs and local enterprises to purchase or lease property units within our industrial parks.

We will remain focused on developing i-Park @ SAC (Phase 1 and Phase 2) and expanding our construction, engineering services and property investment and management services segment for improving the overall profitability. The acquisition of a parcel of land for Phase 3 development of i-Park @ SAC has been completed on 27 August 2019. We expect to commence the Phase 3 development of i-Park @ SAC by quarter 4 of this financial year after obtaining all relevant approvals for the construction.

Barring any unforeseen circumstances, the Board expects the Group to achieve a satisfactory financial results for this financial year.

B4. Profit forecast

The Group did not issue any profit forecast during the current financial quarter under review.

B5. Tax expense

Income tax expenses on continuing operations comprise the following:

	3 months ended	
	30.6.2019 RM'000	30.6.2018 RM'000
Current		
Tax expense	4,615	1,898
Deferred tax income	(84)	(379)
	<u>4,531</u>	<u>1,519</u>

Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

B6. Status of corporate proposals

In conjunction with and as an integral part of the listing of and quotation for the entire enlarged issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad, the following listing scheme was undertaken by the Company:

(i) Restructuring Exercise

(a) Acquisition of shares in respect of the subsidiaries of the Company

On 1 June 2019, the Company acquired from shareholders the ordinary shares held by them in the following subsidiaries:

	Equity interest (%)	Purchase consideration RM'000	No. of shares issued by the Company
Amsun Industries Sdn. Bhd	100	124,125	82,750,030
AME Development Sdn. Bhd.	100	184,620	123,079,906
AME Industrial Park Sdn. Bhd.	100	59,882	39,921,470
AME Engineering Industries Sdn. Bhd.	100	25,525	17,016,296
Asiamost Sdn. Bhd.	100	16,520	11,013,488
Amsun Capital Sdn. Bhd.	100	4,248	2,832,003
Tanjung Bebas Sdn. Bhd.	100	18,746	12,497,406
Twin Sunrich Sdn. Bhd.	100	4,506	3,003,690
LKL Industries Sdn. Bhd.	100	18,570	12,380,280
I Stay Management Sdn. Bhd.	70	70	46,666
		456,812	304,541,235

The purchase consideration was satisfied via the issuance by the Company of an aggregate of 304,541,235 new ordinary shares in the Company, at an issue price of RM1.50 per share.

(b) Subscription of shares in respect of the subsidiaries of the Company

On 1 June 2019, the Company completed the subscription of new ordinary shares in the following subsidiaries at a subscription price of RM0.001 per share for cash:

	No. of shares subscribed by the Company	Subscription consideration RM'000
AME Integrated Sdn. Bhd.	100,000	--
Active Gold Services Sdn. Bhd.	500,000,000	500
Symphony Square Sdn. Bhd.	300,000,000	300
	800,100,000	800

The subscription of shares will result in the Company holding 99.99% equity interest in each of the above subsidiaries.

(c) Advances by the Directors to the Company

Directors of the Company have on 18 June 2019 made advances to the Company amounting to RM1.50 million for purpose of funding the Restructuring Exercise.

Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

B6. Status of corporate proposals (continued)

(i) Restructuring Exercise (continued)

(d) Capitalisation of amount due to Directors

As part of the Restructuring Exercise, the entire amount owing by the subsidiaries to the Directors of RM55.73 million have been capitalised into 37,149,865 ordinary shares, at an issue price of RM1.50 per share.

(ii) Initial Public Offering (“IPO”)

(a) Public Issue

The public issue of 85,423,000 new ordinary shares in the Company at a price of RM1.30 per share.

(b) Offer for Sale

The offer for sale by selling shareholders of up to 42,711,800 ordinary shares in the Company at a price of RM1.30 per share.

The listing of and quotation for the entire enlarged issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad is expected to be completed on 14 October 2019.

B7. Utilisation of proceeds from the Public Issue

The gross proceeds from the Public Issue approximately RM111.05 million is expected to be utilised in the following manner:

Details of use of proceeds	Estimated timeframe for the use of proceeds upon Listing	RM'000	% of total gross proceeds from the Public Issue
Future industrial property development and investment projects including land acquisitions and joint ventures	Within 36 months	69,050	62.2
Working capital for our i-Park @ SAC development project	Within 12 to 36 months	23,000	20.7
Complete the expansion of our precast concrete fabrication capacity	Within 12 months	9,000	8.1
Estimated listing expenses	Within 6 months	10,000	9.0
		<u>111,050</u>	<u>100.0</u>

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 24 September 2019. As at the date of this interim financial report, the IPO is pending completion, hence there is no utilisation of proceeds by the Company yet.

Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

B8. Borrowings and debt securities

	30.6.2019 RM'000	31.3.2019 RM'000
Secured		
Non-current		
Term loans	207,177	184,742
Finance lease liabilities	2,067	2,206
	209,244	186,948
Current		
Term loans	23,292	21,398
Bank overdrafts	2,398	5,539
Finance lease liabilities	1,807	1,956
Bankers' acceptances	661	--
	28,158	28,893
	<u>237,402</u>	<u>215,841</u>

B9. Material litigations

There were no material litigations which would materially and adversely affect the financial position of the Group as at date of this report.

B10. Dividends

The Board of Directors does not recommend any dividend for the current financial quarter under review.

B11. Earnings per share ("EPS")

The basic and diluted EPS for the current financial quarter under review and financial period is computed as follows:

	Individual quarter 3 months ended		Cumulative quarter 3 months ended	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
Net profit attributable to the owners of the Company (RM'000)	13,143	6,707	13,143	6,707
Weighted average number of ordinary shares in issue ('000) ⁽ⁱ⁾	341,692	341,692	341,692	341,692
Basic EPS (sen) ⁽ⁱⁱ⁾	3.85	1.96	3.85	1.96
Diluted EPS (sen) ⁽ⁱⁱⁱ⁾	<u>3.85</u>	<u>1.96</u>	<u>3.85</u>	<u>1.96</u>

(i) Based on the issued share capital of 341,692,101 ordinary shares after the completion of the Restructuring Exercise but before the Public Issue.

(ii) Basic EPS is calculated by dividing the net profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial quarter under review.

(iii) The Company does not have any outstanding dilutive potential ordinary shares as at end of the financial quarter under review.

Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

B12. Revenue

Disaggregation of revenue

	3 months ended	
	30.6.2019 RM'000	30.6.2018 RM'000
Revenue with contract customers		
Construction contract		
- over time	51,819	50,915
Sales of development properties		
- over time	14,346	2,749
- at a point in time	22,150	--
	36,496	2,749
Other revenue		
Rental income	6,041	5,018
Total revenue	<u>94,356</u>	<u>58,682</u>

B13. Profit before tax

	3 months ended	
	30.6.2019 RM'000	30.6.2018 RM'000
Profit before tax is arrived at after charging/(crediting):		
Depreciation	1,393	1,337
Rental expenses of:		
- equipment	3,112	1,989
- premises	12	72
Rental income of premises	(135)	--
Property, plant and equipment:		
- gain on disposal	(33)	--
- written off	--	2
Loss/(Gain) on foreign exchange		
- realised	2	17
- unrealised	(5)	(26)
Late payment interest income from purchasers	(47)	--