

# ORIENTAL INTEREST BERHAD [Company No. 272144-M]

## QUARTERLY REPORT

The Board of Directors is pleased to announce the interim financial statements on consolidated results for the first quarter of financial year ending 30 June 2020.

### Condensed consolidated statement of profit or loss and other comprehensive income for the financial period ended 30 September 2019

[The figures have not been audited.]

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/09/2019 RM'000	Preceding Year Corresponding Quarter 30/09/2018 RM'000	Current Year To Date 30/09/2019 RM'000	Preceding Year Corresponding Year To Date 30/09/2018 RM'000
<b>Revenue</b>	43,759	71,638	43,759	71,638
<b>Cost of sales</b>	(10,440)	(45,208)	(10,440)	(45,208)
<b>Gross profit</b>	33,319	26,430	33,319	26,430
Other income	846	1,380	846	1,380
Selling and distribution expenses	(1,722)	(884)	(1,722)	(884)
Administrative expenses	(6,139)	(4,734)	(6,139)	(4,734)
Other expenses	(868)	(1,555)	(868)	(1,555)
<b>Results from operating activities</b>	25,436	20,637	25,436	20,637
Finance costs	(1,600)	(1,523)	(1,600)	(1,523)
Share of results of an associate	7	7	7	7
<b>Profit before tax</b>	23,843	19,121	23,843	19,121
Taxation	(5,562)	(5,063)	(5,562)	(5,063)
<b>Profit for the financial period/ Total comprehensive income</b>	18,281	14,058	18,281	14,058
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	11,128	11,676	11,128	11,676
Non-controlling interests	7,153	2,382	7,153	2,382
	18,281	14,058	18,281	14,058
<b>Basic and diluted earnings per ordinary share (sen)</b>	7.19	7.54	7.19	7.54

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 June 2019 and the accompanying explanatory notes attached to the interim financial report.

**ORIENTAL INTEREST BERHAD**

[Company No. 272144-M]

**Condensed consolidated statement of financial position as at 30 September 2019**

[The figures have not been audited.]

	30/09/2019 RM'000	30/06/2019 RM'000
<b>ASSETS</b>		
Property, plant and equipment	61,003	61,246
Right-of-use assets	1,367	-
Investment properties	29,182	29,237
Investment in an associate	5,302	5,295
Deferred tax assets	40,463	39,098
Inventories-Land held for property development	490,439	490,854
<b>Total non-current assets</b>	<b>627,756</b>	<b>625,730</b>
Inventories-Developed properties	26,438	24,768
Inventories-Property development costs	176,680	158,523
Inventories-Plantation supplies	12	15
Contract costs	22,638	20,569
Contract assets	119,249	132,823
Trade and other receivables	87,897	96,616
Tax recoverable	4,969	4,401
Short term investments	24,753	10,204
Cash and bank balances	32,424	20,738
<b>Total current assets</b>	<b>495,060</b>	<b>468,657</b>
<b>Total assets</b>	<b>1,122,816</b>	<b>1,094,387</b>
<b>EQUITY</b>		
Share capital	169,838	169,838
Reserves	279,831	268,703
<b>Equity attributable to owners of the Company</b>	<b>449,669</b>	<b>438,541</b>
<b>Non-controlling interests</b>	<b>90,959</b>	<b>87,093</b>
<b>Total equity</b>	<b>540,628</b>	<b>525,634</b>
<b>LIABILITIES</b>		
Loans and borrowings	94,069	97,714
Lease liabilities	896	-
Trade payables	206,467	215,623
Deferred tax liabilities	264	453
<b>Total non-current liabilities</b>	<b>301,696</b>	<b>313,790</b>
Loans and borrowings	159,855	149,620
Lease liabilities	474	-
Trade and other payables	105,290	96,519
Contract liabilities	10,832	6,147
Tax payable	4,041	2,677
<b>Total current liabilities</b>	<b>280,492</b>	<b>254,963</b>
<b>Total liabilities</b>	<b>582,188</b>	<b>568,753</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,122,816</b>	<b>1,094,387</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>2.90</b>	<b>2.83</b>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial report.

**ORIENTAL INTEREST BERHAD**

[Company No. 272144-M]

**Condensed consolidated statement of changes in equity  
for the financial period ended 30 September 2019**

[The figures have not been audited.]

-----Attributable to owners of the Company-----

	<u>Non- distributable</u> <u>Distributable</u>			<b>Total</b> RM'000	<b>Non- controlling interests</b> RM'000	<b>Total equity</b> RM'000
	<b>Share capital</b> RM'000	<b>Revaluation reserve</b> RM'000	<b>Retained earnings</b> RM'000			
<b>At 01 July 2018</b>	169,838	8,557	214,128	392,523	76,905	469,428
Profit for the financial period	-	-	11,676	11,676	2,382	14,058
Realisation of revaluation reserve	-	(66)	66	-	-	-
<b>At 30 September 2018</b>	169,838	8,491	225,870	404,199	79,287	483,486
<b>At 01 July 2019</b>	169,838	8,297	260,406	438,541	87,093	525,634
Profit for the financial period	-	-	11,128	11,128	7,153	18,281
<i>Transaction with owners:</i>						
Dividend paid to non-controlling interests of a subsidiary	-	-	-	-	(3,287)	(3,287)
<b>Total transaction with owners of the Company</b>	-	-	-	-	(3,287)	(3,287)
Realisation of revaluation reserve	-	(19)	19	-	-	-
<b>At 30 September 2019</b>	169,838	8,278	271,553	449,669	90,959	540,628

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial report.

**ORIENTAL INTEREST BERHAD**

[Company No. 272144-M]

**Condensed consolidated statement of cash flows  
for the financial period ended 30 September 2019**

[The figures have not been audited.]

	Period Ended	
	30/09/2019 RM'000	30/09/2018 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	23,843	19,121
Adjustments for:-		
Depreciation	779	708
Interest income	(567)	(1,661)
Interest expense	1,600	1,523
Other non-cash items	(8)	(7)
Operating profit before changes in working capital	25,647	19,684
Net change in current assets	(7,340)	3,256
Net change in current liabilities	13,456	12,612
Cash generated from operations	31,763	35,552
Interest received	345	987
Tax paid	(6,642)	(6,222)
Tax refunded	323	15
<b>Net cash from operating activities</b>	25,789	30,332
<b>Cash flows from investing activities</b>		
Interest received	222	674
Proceeds from disposal of property, plant and equipment	15	-
Additions to property, plant and equipment	(380)	(228)
Additions to inventories-land held for property development	(985)	(2,259)
Additions to investment properties	(7)	(9)
<b>Net cash used in investing activities</b>	(1,135)	(1,822)
<b>Cash flows from financing activities</b>		
Interest paid	(1,600)	(1,523)
Dividend paid to non-controlling interests	(3,287)	-
Repayment of lease liabilities	(122)	-
Repayment of loans and borrowings	(3,610)	(18,287)
Drawdown of loans and borrowings	10,200	25,150
<b>Net cash from financing activities</b>	1,581	5,340
<b>Net change in cash and cash equivalents during the financial period</b>	26,235	33,850
Cash and cash equivalents		
- at the beginning of the period	30,942	31,034
- at the end of the period	57,177	64,884
<b>Cash and cash equivalents included in the cash flows comprise the following:-</b>		
Short term investments	24,753	15,464
Cash and bank balances	32,424	49,420
	57,177	64,884

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial report.

**ORIENTAL INTEREST BERHAD**

[Company No. 272144-M]

**Notes to the quarterly report - 30 Sept 2019****A. Selected Explanatory Notes to the Interim Financial Statements as required under MFRS 134**

[The figures have not been audited.]

**A.1. Basis of Preparation**

The interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 "Interim Financial Reporting" and Paragraph 9.22 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), and should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2019. 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 financial year ended 30 June 2019.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted for the annual financial statements for the financial year ended 30 June 2019 except for the changes in accounting policies and presentation resulting from the adoption of relevant MFRSs and amendments to MFRSs that are applicable and effective for the Group's financial year beginning on or after 1 July 2019 as follows:-

- 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 119, *Employee Benefits – Plan Amendment, Curtailment or Settlement*
- 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*

The adoption of the above accounting standards, amendments and improvements to published standards and interpretations does not have any material impact on the financial statements of the Group except as mentioned below:

**MFRS 16, *Leases***

MFRS 16 replaces the guidance in MFRS 117, *Leases*, IC Interpretation 4, *Determining whether an Arrangement contains a Lease*, IC Interpretation 115, *Operating Leases – Incentives* and IC Interpretation 127, *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

MFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligations to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard which continues to be classified as finance or operating lease.

The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value items. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate of the Group.

**A.2. Seasonal or Cyclical Factors**

Seasonal or cyclical factors do not have any material impact on the Group's business operations.

**A.3. Unusual Items Due to Nature, Size or Incidence**

There were no unusual items affecting the assets, liabilities, equity, net income, or cash flows for the financial period under review.

**ORIENTAL INTEREST BERHAD**

[Company No. 272144-M]

**Notes to the quarterly report - 30 Sept 2019**
**A.4. Changes in Estimates**

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

**A.5. Debt and Equity Securities**

There were no issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the financial period under review.

**A.6. Dividend Paid**

An interim single-tier dividend of 8 sen per ordinary share in respect of the financial year ended 30 June 2019 was declared on 22 August 2019. The dividend, which amounted to RM12.39 million, was paid on 10 October 2019.

**A.7. Material Events Subsequent to the Interim Reporting Period**

There were no material events that have arisen subsequent to the end of the interim reporting period, which have not been reflected in the interim financial statements.

**A.8. Changes in the Composition of the Group**

There were no changes in the composition of the entity during the interim reporting period.

**A.9. Operating Segments**

	Property Development RM'000	General Construction RM'000	Oil Palm Cultivation RM'000	Investment Holding RM'000	Others RM'000	Consolidated RM'000
<b>Current period ended</b>						
30 September 2019						
<b>Revenue</b>						
Total revenue	41,940	23,964	421	8,695	948	75,968
Inter-segment revenue	-	(23,514)	-	(8,695)	-	(32,209)
Revenue from external customers	<u>41,940</u>	<u>450</u>	<u>421</u>	<u>-</u>	<u>948</u>	<u>43,759</u>
<b>Segment profit/(loss)</b>						
Reportable segment profit/(loss)	24,091	9	39	(211)	(92)	23,836
Share of results of an associate	-	-	-	7	-	7
Profit before tax						<u>23,843</u>
<b>Corresponding period ended</b>						
30 September 2018						
<b>Revenue</b>						
Total revenue	68,506	42,639	646	3,426	965	116,182
Inter-segment revenue	-	(41,118)	-	(3,426)	-	(44,544)
Revenue from external customers	<u>68,506</u>	<u>1,521</u>	<u>646</u>	<u>-</u>	<u>965</u>	<u>71,638</u>
<b>Segment profit/(loss)</b>						
Reportable segment profit/(loss)	18,759	(82)	315	186	(64)	19,114
Share of results of an associate	-	-	-	7	-	7
Profit before tax						<u>19,121</u>

**ORIENTAL INTEREST BERHAD**

[Company No. 272144-M]

**Notes to the quarterly report - 30 Sept 2019**
**A.10. Commitments**

There were no changes in commitments since the last annual reporting date as at 30 June 2019, except for the following:

	01/07/2019 RM'000	Changes RM'000	30/09/2019 RM'000
<b>Unsecured</b>			
Bankers' guarantee issued to third parties in favour of subsidiaries	<u>9,747</u>	<u>1,317</u>	<u>11,064</u>
<b>Development land</b>			
Contracted but not provided for	<u>700</u>	<u>36,095</u>	<u>36,795</u>

**A.11. Related Party Transactions**

The Group's related party transaction in the current financial year to date are as follows:

	30/09/2019 RM'000
<b>Sale/(Purchase) of goods and services to/ (from):</b>	
- Entities in which substantial interests are owned directly by persons connected with Directors of a subsidiary of the Company	(28)
- Entity in which substantial interests are owned directly by persons connected with Directors of a subsidiary of the Company	7
- Entities in which substantial interests are owned indirectly by Directors/major shareholders of the Company	(9,643)
- Entities in which substantial interests are owned indirectly by Directors/major shareholders of the Company	943
<b>Rental income/(expenses) from/(to):</b>	
- Entity in which substantial interests are owned indirectly by Directors/major shareholders of the Company	30
- Entities in which substantial interests are owned indirectly by Directors/major shareholders of the Company	(123)

**ORIENTAL INTEREST BERHAD**

[Company No. 272144-M]

**Notes to the quarterly report - 30 Sept 2019**
**B. Additional Information required by the Bursa Malaysia Securities Berhad Listing Requirements in relation to the issuance of the Interim Financial Statements**

[The figures have not been audited.]

**B.1. Financial Review for Current Quarter and Financial Year to Date**

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 30/09/2019 RM'000	Preceding Year Corresponding Quarter 30/09/2018 RM'000	Changes %	Current Year To Date 30/09/2019 RM'000	Preceding Year Corresponding Year To Date 30/09/2018 RM'000	Changes %
<b>Revenue</b>						
Property Development	41,940	68,506	(39)	41,940	68,506	(39)
General Construction	450	1,521	(70)	450	1,521	(70)
Oil Palm Cultivation	421	646	(35)	421	646	(35)
Others	948	965	(2)	948	965	(2)
<b>Total</b>	<b>43,759</b>	<b>71,638</b>	<b>(39)</b>	<b>43,759</b>	<b>71,638</b>	<b>(39)</b>
<b>Profit/(Loss) before tax</b>						
Property Development	24,091	18,759	28	24,091	18,759	28
General Construction	9	(82)	111	9	(82)	111
Oil Palm Cultivation	39	315	(88)	39	315	(88)
Investment Holding	(204)	193	(206)	(204)	193	(206)
Others	(92)	(64)	(44)	(92)	(64)	(44)
<b>Total</b>	<b>23,843</b>	<b>19,121</b>	<b>25</b>	<b>23,843</b>	<b>19,121</b>	<b>25</b>

Revenue of the Group for the reporting financial quarter was RM43.76 million, a decrease of 39% compared with RM71.64 million for the preceding year corresponding quarter. Notwithstanding the drop in revenue, the Group achieved growth of 25% in profit before taxation ("PBT") to RM23.84 million compared with RM19.12 million reported in the preceding year corresponding quarter.

Revenue from Property Development segment shrank by 39% compared with preceding year corresponding quarter but PBT increased by 28% over the same comparative quarters. The better earning results for the reporting financial quarter were contributed by some higher margin contribution projects where availability of amortisation of grant income to reduce the cost of sales of these projects.

Although revenue from General Construction segment shrank, its PBT increased by 111% largely due to comparison against losses incurred in the preceding year corresponding quarter which arose from high administrative costs.

Revenue and PBT for Oil Palm Cultivation segment decreased by 35% and 88% respectively against preceding year corresponding quarter due to lower tonnage harvested and sliding prices of crude palm oil.



**ORIENTAL INTEREST BERHAD**

[Company No. 272144-M]

**Notes to the quarterly report - 30 Sept 2019**
**B.2. Financial Review for Current Quarter Compared with Immediate Preceding Quarter**

	<b>Current Year Quarter 30/09/2019 RM'000</b>	<b>Immediate Preceding Quarter 30/06/2019 RM'000</b>	<b>Changes %</b>
<b>Revenue</b>			
Property Development	41,940	92,519	(55)
General Construction	450	-	100
Oil Palm Cultivation	421	541	(22)
Others	948	755	26
Total	<u>43,759</u>	<u>93,815</u>	(53)
<b>Profit/(Loss) before tax</b>			
Property Development	24,091	23,120	4
General Construction	9	32	(72)
Oil Palm Cultivation	39	263	(85)
Investment Holding	(204)	(179)	(14)
Others	(92)	(333)	72
Total	<u>23,843</u>	<u>22,903</u>	4

The Group reported a 53% decrease in revenue when compared against immediate preceding quarter owing to timing difference in recognition of sales following efforts to clear inventory and launch of projects. Over the same comparative quarters, PBT increased by 4% largely due to higher margin contribution projects as mentioned under B.1 above which also mitigated the impact from higher administration costs incurred in the General Construction segment. Revenue and PBT from Oil Palm Cultivation segment were lower by 22% and 85% respectively, mainly due to lower harvesting in the reporting financial quarter.

**B.3. Prospects for the Current Financial Year**

In line with our long term sustainability plan to expand our land-banking in strategic areas in the Klang Valley, the Group kick-started the new financial year ending 30 June 2020 ("FY2020") with the acquisition of 104 acres of freehold land for RM40.11 mil located in Kuala Langat, Selangor from Sime Darby Plantation Berhad.

During the quarter under review, we focussed on aggressive marketing initiatives, through capitalising on the Home Ownership Campaign ("HOC"), to clear inventory and launch new projects. This had resulted in 100% take up rate for the Taman Belia Antarabangsa project in Ayer Keroh, Melaka and Taman Delima project in Kulim, Kedah. The Group also delivered vacant possession for 3 projects, namely, Seroja Hills apartments and Taman Seri Bestari double storey terrace homes, both around Salak Tinggi, Selangor and double storey terrace homes under the PPAM Taman Sinar Intan 3 in Sungai Petani, Kedah.

At the same, 3 new projects with total GDV (gross development value) of RM165 million were launched. 2 of these projects are under the Myhome Scheme where eligible buyers will receive government subsidy of RM30,000 per home unit. Underpinning these successful launches and more to come coupled with strong market demand for our affordably priced homes, we planned to translate these into tangible sales in the next 9 months.

Despite a slower start owing to the cautious sentiment of the property sector and overall sluggish economy presently, the Group can still maintain its performance for FY2020 aided by exciting property launches in the pipeline and strong demand seen for ongoing projects as well as at the new launches.

As of now, the Group's land banks, including land banks under land owners and developer agreements, amounts in totality to 1,998 acres. These land banks are expected to contribute positively to the Group's future. The Group's unbilled property sales is about RM105.62 million as at close of the reporting financial quarter.

**ORIENTAL INTEREST BERHAD**

[Company No. 272144-M]

**Notes to the quarterly report - 30 Sept 2019**
**B.4. Variance of Actual Profit from Forecast Profit**

The Group has not given any profit forecast nor profit guarantee in respect of any corporate proposals.

**B.5. Profit Before Taxation**

	Current Year Quarter 30/09/2019 RM'000	Current Year To Date 30/09/2019 RM'000
Profit before taxation is arrived at after (charging)/crediting:-		
Depreciation	(779)	(779)
Interest expense	(1,600)	(1,600)
Rental income	51	51
Interest income	567	567
Other income	228	228
	<u>228</u>	<u>228</u>

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

**B.6. Taxation**

	Current Year Quarter 30/09/2019 RM'000	Current Year To Date 30/09/2019 RM'000
Malaysian income tax based on the profit for the financial period	7,486	7,486
Deferred taxation	(1,924)	(1,924)
	<u>5,562</u>	<u>5,562</u>

The effective tax rate of the Group for the financial period is approximate to the statutory income tax rate.

**B.7. Status of Corporate Proposals**

There were no corporate proposals that have been announced but not completed as at 12 November 2019, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial statements.

**ORIENTAL INTEREST BERHAD**

[Company No. 272144-M]

**Notes to the quarterly report - 30 Sept 2019**
**B.8. Group Borrowings and Debt Securities**

	<b>Long Term RM'000</b>	<b>Short Term RM'000</b>	<b>Total RM'000</b>
<b>Current period ended</b>			
30 September 2019			
<b>Secured</b>			
Term loans	46,269	5,655	51,924
Revolving credit	-	104,200	104,200
<b>Unsecured</b>			
Revolving credit	-	50,000	50,000
Non-convertible redeemable preference shares	47,800	-	47,800
	<u>94,069</u>	<u>159,855</u>	<u>253,924</u>
<b>Corresponding period ended</b>			
30 September 2018			
<b>Secured</b>			
Term loans	58,024	6,413	64,437
Revolving credit	-	91,150	91,150
<b>Unsecured</b>			
Revolving credit	-	50,000	50,000
Non-convertible redeemable preference shares	47,800	-	47,800
	<u>105,824</u>	<u>147,563</u>	<u>253,387</u>

The weighted average interest rate at the end of the reporting period are as follows:

	As at 30/09/2019	As at 30/09/2018
<b>Floating interest rate</b>		
Term loans	4.91%	5.19%
Revolving credit	4.58%	4.97%
<b>Fixed interest rate</b>		
Non-convertible redeemable preference shares	<u>4.00%</u>	<u>4.00%</u>

- (a) The borrowings is to finance certain on-going housing projects and acquisition of the lands.  
 (b) There were no bank borrowings denominated in foreign currencies as at the reporting date.

**B.9. Derivative Financial Instrument**

The Group did not have any derivative financial instruments as at the end of the reporting period.

**ORIENTAL INTEREST BERHAD**

[Company No. 272144-M]

**Notes to the quarterly report - 30 Sept 2019**

**B.10. Gain and Losses Arising from Fair Value Changes of Financial Liabilities**

There were no gain and losses arising from fair value changes of financial liabilities for the financial period under review.

**B.11. Material Litigation**

There were no pending material litigations as at 12 November 2019, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial statements.

**B.12. Dividend**

Other than the dividend paid as disclosed in Note A6 herein, the Board of Directors does not recommend any payment of dividend in respect of the current financial year ending 30 June 2020.

**B.13. Earnings Per Share ("EPS")**

	Current Year To Date 30/09/2019	Preceding Year Corresponding Year To Date 30/09/2018
(a) <b>Basic</b>		
Profit attributable to owners of the Company (RM'000)	<u>11,128</u>	<u>11,676</u>
Number of ordinary shares in issue ('000)	<u>154,858</u>	<u>154,858</u>
Basic EPS (sen)	<u>7.19</u>	<u>7.54</u>

(b) **Diluted**

The Group has no dilution in its earnings per ordinary share in the quarter under review / financial year to date as there are no dilutive potential ordinary shares.

**B.14. Auditors' Report for the Preceding Annual Financial Statements**

There was no qualification on the report of the auditors on the annual financial statements of the Company for the immediate preceding financial year.

**By order of the Board**

**Tai Yit Chan (MAICSA 7009143)**

**Ong Tze-En (MAICSA 7026537)**

[Joint Company Secretaries]

19 November 2019