

**AMVERTON BERHAD**  
(Company No. 177214-H)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

For the financial period ended 31 March 2019

	<u>Individual Period</u> 3 months ended				<u>Cumulative Period</u> 3 months ended			
	31.03.2019	31.03.2018	Changes		31.03.2019	31.03.2018	Changes	
	(Unaudited) RM'000	(Unaudited) RM'000	RM'000	%	(Unaudited) RM'000	(Unaudited) RM'000	RM'000	%
<b>Revenue</b>	<b>22,802</b>	<b>29,936</b>	(7,134)	(23.83)	<b>22,802</b>	<b>29,936</b>	(7,134)	(23.83)
Operating profit	1,455	4,925	(3,470)	(70.46)	1,455	4,925	(3,470)	(70.46)
Interest income	561	548	13	2.37	561	548	13	2.37
Profit before interest and taxation	2,016	5,473	(3,457)	(63.16)	2,016	5,473	(3,457)	(63.16)
Interest expense	(6)	(8)	2	(25.00)	(6)	(8)	2	(25.00)
Profit before taxation	<b>2,010</b>	<b>5,465</b>	(3,455)	(63.22)	<b>2,010</b>	<b>5,465</b>	(3,455)	(63.22)
Taxation	(863)	(1,394)	531	(38.09)	(863)	(1,394)	531	(38.09)
Net profit for the period	<b>1,147</b>	<b>4,071</b>	(2,924)	(71.83)	<b>1,147</b>	<b>4,071</b>	(2,924)	(71.83)
Other comprehensive loss, net of tax: Items that will not be reclassified to profit or loss - Net fair value loss on equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the period	<b>1,147</b>	<b>4,071</b>	(2,924)	(71.83)	<b>1,147</b>	<b>4,071</b>	(2,924)	(71.83)
Profit attributable to :-								
Equity holders of parent	<b>912</b>	<b>3,607</b>	(2,695)	(74.72)	<b>912</b>	<b>3,607</b>	(2,695)	(74.72)
Non-controlling interest	235	464	(229)	(49.35)	235	464	(229)	(49.35)
	1,147	4,071	(2,924)	(71.83)	1,147	4,071	(2,924)	(71.83)
Total comprehensive income attributable to :-								
Equity holders of parent	<b>912</b>	<b>3,607</b>	(2,695)	(74.72)	<b>912</b>	<b>3,607</b>	(2,695)	(74.72)
Non-controlling interest	235	464	(229)	(49.35)	235	464	(229)	(49.35)
	1,147	4,071	(2,924)	(71.83)	1,147	4,071	(2,924)	(71.83)
<b>Earnings per share attributable to equity holders of the parent :</b>								
Basic (sen)	0.25	0.99			0.25	0.99		

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

**AMVERTON BERHAD**  
(Company No. 177214-H)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
As at 31 March 2019

	<b>As at 31.03.2019 (Unaudited) RM'000</b>	<b>As at 31.12.2018 (Audited) RM'000</b>
<b><u>ASSETS</u></b>		
<b>Non-current assets</b>		
Property, plant and equipment	158,015	156,706
Right-of-use assets	340	-
Investment properties	60,674	59,089
Investment in associated companies	2,118	2,118
Inventories - land held for property development	143,007	139,649
Other investments	68	68
Goodwill on consolidation	19,085	19,085
Fixed deposits	6,121	6,056
Deferred tax assets	717	717
	<b>390,145</b>	<b>383,488</b>
<b>Current assets</b>		
Inventories - others	99,131	94,029
Inventories - property development costs	288,778	295,200
Biological assets	183	151
Trade and other receivables	45,330	38,968
Contract assets	4,648	21,890
Income tax assets	3,082	2,892
Fixed deposits	50,225	50,357
Cash and bank balances	33,771	21,825
	<b>525,148</b>	<b>525,312</b>
<b>TOTAL ASSETS</b>	<b>915,293</b>	<b>908,800</b>

**AMVERTON BERHAD**  
(Company No. 177214-H)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**As at 31 March 2019 (Continued)**

	<b>As at 31.03.2019 (Unaudited) RM'000</b>	<b>As at 31.12.2018 (Audited) RM'000</b>
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>Equity attributable to equity holders of the company :</b>		
Share capital	217,605	217,605
Fair value adjustment reserve	(33)	(33)
Retained earnings	497,857	496,956
	<b>715,429</b>	714,528
Non-controlling interest	24,762	24,532
<b>Total equity</b>	<b>740,191</b>	739,060
<b>Non-current liabilities</b>		
Finance lease liabilities	338	365
Deferred tax liabilities	64,379	64,396
	<b>64,717</b>	64,761
<b>Current liabilities</b>		
Trade and other payables	19,194	19,452
Contract liabilities	34,602	26,960
Finance lease liabilities	108	107
Lease liabilities	356	-
Amount due to related parties	53,997	54,001
Income tax liabilities	2,128	4,459
	<b>110,385</b>	104,979
<b>Total liabilities</b>	<b>175,102</b>	169,740
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>915,293</b>	908,800
<b>Net Assets per share</b>		
attributable to equity Holders of the parent (RM)	1.96	1.96

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

**AMVERTON BERHAD**

(Company No. 177214-H)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**For the financial period ended 31 March 2019**

	Attributable to equity holders of the parent				Total Equity
	<u>Non-distributable</u>		<u>Distributable</u>		
	Share capital	Fair value adjustment reserve	Retained profits	Non-Controlling Interest	
	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2019	217,605	(33)	496,956	24,532	739,060
Impacts arising from adoption of : - MFRS 16	-	-	(11)	(5)	(16)
As at 1 January 2019 as restated	217,605	(33)	496,945	24,527	739,044
Net profit for the year	-	-	912	235	1,147
As at 31 March 2019	217,605	(33)	497,857	24,762	740,191
As at 1 January 2018	217,605	(32)	421,407	24,066	663,046
Net profit for the year	-	-	3,607	464	4,071
As at 31 March 2018	217,605	(32)	425,014	24,530	667,117

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

For the financial period ended 31 March 2019

	<u>Cumulative Period</u>	
	<b>3 months ended</b>	
	<b>31.03.2019</b>	<b>31.03.2018</b>
	(Unaudited)	(Unaudited)
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	2,010	5,465
Adjustments for :		
Non-cash items	1,445	1,401
Non-operating items	(585)	(544)
	2,870	6,322
Operating profit before working capital changes		
Working capital changes :		
Net change in current assets	12,154	4,612
Net change in current liabilities	7,380	(2,587)
Income tax refund	500	514
Income tax paid	(3,901)	(2,121)
Interest paid	(6)	(8)
Interest received	561	548
	<b>19,558</b>	<b>7,280</b>
<b>Net cash flow generated from operating activities</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(2,387)	(1,205)
Purchase of investment properties	(1,939)	-
Proceeds from disposal of property, plant & equipment	30	-
Development expenditure incurred	(3,357)	(6,384)
	<b>(7,653)</b>	<b>(7,589)</b>
<b>Net cash flow used in investing activities</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net repayment from borrowings	(26)	(55)
Placement of fixed deposit under lien	(65)	(35)
	<b>(91)</b>	<b>(90)</b>
<b>Net cash flow used in financing activities</b>		
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>	<b>11,814</b>	<b>(399)</b>
CASH AND CASH EQUIVALENTS AS AT 1 JANUARY	72,182	71,088
	<b>83,996</b>	<b>70,689</b>
<b>CASH AND CASH EQUIVALENTS AS AT 31 MARCH</b>		

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

## EXPLANATORY NOTES AS REQUIRED BY MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134

**A1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2018.

These 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 year ended 31 December 2018.

**A2. Changes in Accounting Policies**

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent annual financial statements for the year ended 31 December 2018, except for the adoption of the following MFRSs, IC Interpretation and Amendments to MFRSs during the current financial period as described below :-

MFRS 16 : Leases  
 IC INT 23 Uncertainty over Income Tax Treatments  
 Amendments to MFRS 9 : Prepayment Features with Negative Compensation  
 Amendments to MFRS 128 : Long-term Interests in Associates and Joint Ventures  
 Annual improvements to MFRSs 2015-2017 Cycle

Except for MFRS 16, the adoption of the above new/revised MFRSs and Amendments do not have any significant financial impact on the Group.

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective :

	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 3 : Definition of a Business	01 January 2020
Amendments to MFRS 101 : Definition of Material	01 January 2020
Amendments to MFRS 108 : Definition of Material	01 January 2020
MFRS 17 : Insurance Contracts	01 January 2021
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The Group has adopted MFRS 16 Leases with effective from 1 January 2019. The effects from the adoption of MFRS 16 on the financial statements are as below :

## CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	<b>As at 1 January 2019 RM'000</b>	<b>Adjustments MFRS 16 RM'000</b>	<b>As at 1 January 2019 (Restated) RM'000</b>
<b>Non-current assets</b>			
Right-of-use assets	-	394	394
<b>Current liabilities</b>			
Lease liabilities	-	410	410
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Equity attributable to equity holders of the company :</b>			
Retained earnings	496,956	(11)	496,945
Non-controlling interest	24,532	(5)	24,527

## EXPLANATORY NOTES AS REQUIRED BY MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134

**A3. Status of audit qualifications**

The audit report of the Group's most recent annual audited financial statements for the year ended 31 December 2018 was not subject to any audit qualification.

**A4. Seasonal or cyclical factors**

The Group's business operations for the financial year ended 31 December 2018 have not been materially affected by seasonal or cyclical factors.

**A5. Unusual items**

There were no unusual items that have a material effect on the assets, liabilities, equity, net income, or cash flow during the financial period under review.

**A6. Changes in estimates**

There were no changes in estimates of amounts reported in prior quarters of the current financial year or changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter.

**A7. Dividend paid**

There was no payment of dividend in the current quarter.

**A8. Segment reporting**

(a) Analysis of the Group's results by the various activities for the current financial period are as follows:-

**31 March 2019**

	Property development & investment, construction & other related services rendered RM'000	Trading RM'000	Hotel & leisure related services RM'000	Plantation RM'000	Elimination RM'000	Total RM'000
<b><u>REVENUE</u></b>						
External	9,294	8,041	4,420	1,047		22,802
Inter-segment	9	-	-	-	(9)	-
Total revenue	9,303	8,041	4,420	1,047	(9)	22,802
<b><u>RESULTS</u></b>						
Segment results	949	263	352	(109)		1,455
Unallocated income						561
Profit before interest and taxation						2,016
Interest expense						(6)
Profit before taxation						2,010
Taxation						(863)
Net profit for the period						1,147

**31 March 2018**

	Property development & investment, construction & other related services rendered RM'000	Trading RM'000	Hotel & leisure related services RM'000	Plantation RM'000	Elimination RM'000	Total RM'000
<b><u>REVENUE</u></b>						
External	16,178	7,847	4,354	1,557		29,936
Inter-segment	26	-	-	-	(26)	-
Total revenue	16,204	7,847	4,354	1,557	(26)	29,936
<b><u>RESULTS</u></b>						
Segment results	3,763	284	369	509		4,925
Unallocated income						548
Profit before interest and taxation						5,473
Interest expense						(8)
Profit before taxation						5,465
Taxation						(1,394)
Net profit for the period						4,071

(b) Analysis by geographical location is not presented as the Group's activities are carried out predominantly in Malaysia.

**A9. Property, plant and equipment**

The valuations of land and buildings have been brought forward, without amendment from the previous financial statements.

**A10. Material subsequent events**

There are no material events subsequent to the end of the period under review that have not been reflected in the quarterly financial statements.

**A11. Changes in composition of the Group**

There were no changes in composition of the Group during the current financial period ended 31 March 2019.

**A12. Changes in contingent liabilities or contingent assets**

There are no changes in the contingent liabilities or assets of the Group since the last annual balance sheet date to the date of this announcement.

**A13. Capital Commitments**

There were no capital commitments as at the date of the report.



## EXPLANATORY NOTES AS REQUIRED BY LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of performance**1st Quarter FY 2019 vs. 1st Quarter FY 2018**

The Group's revenue was RM22.80 million for the financial period ended 31 March 2019, a decrease of 23.83% as compared with RM29.94 million recorded in the previous year corresponding period. The Group's profit before taxation and before non-controlling interest for the current financial period was RM2.01 million, a decrease of 63.22% as compared to RM5.47 million recorded in the previous year corresponding period.

Performance of the respective operating business segments for the financial period ended 31 March 2019 as compared to the previous financial corresponding period are analysed as the following:

a) Property development & investment, construction & other related services

This Division registered a 42.59% decrease in revenue to RM9.30 million for the current financial period as compared to RM16.20 million recorded in the previous year corresponding period. Profit decreased by 74.78% to RM0.95 million for the current financial period as compared to RM3.76 million recorded in the previous year corresponding period. Lower sales and profit was mainly attributable to lower sales achieved in the current financial period due to the soft property market.

b) Manufacturing and trading

This Division recorded a 2.47% increase in revenue to RM8.04 million for the current financial period as compared to RM7.85 million in the previous year corresponding period. Profit decreased slightly by 7.39% to RM0.26 million as compared to RM0.28 million recorded in the previous year corresponding period. Record of higher sales and similar profit as compared to the previous year corresponding period was mainly due to product mix.

c) Hotel & leisure related services

This Division recorded a 1.52% increase in revenue to RM4.42 million for the current period as compared to RM4.35 million in the previous year corresponding period. The Division recorded RM0.35 million profit for the current financial period as compared to RM0.37 million profit in the previous year corresponding period. The closure of Puteri Garden in Klang was mitigated by the increase in sales performance for Amverton Heritage Resort in Melaka ("AHR") and Amverton Cove Golf & Island Resort at Carey Island.

d) Plantation

The plantation revenue decreased by 32.76% to RM1.05 million for the current financial period as compared to RM1.56 million in the previous year corresponding period. The Division reported a loss of RM0.11 million as compared to a profit of RM0.51 million in the previous year corresponding period. The continuous drop in CPO prices has led to the decrease in revenue and loss respectively for the current financial period.

B2. Variation of results against preceding quarter

	Current	Preceding	Changes	
	Quarter	Quarter		
	31.03.2019	31.12.2018		
	RM'000	RM'000	RM'000	%
Revenue	22,802	21,305	1,497	7.03
Operating profit	1,455	61,873	(60,418)	(97.65)
Profit before interest and taxation	2,016	62,532	(60,516)	(96.78)
Profit before taxation	2,010	62,526	(60,516)	(96.79)
Profit after taxation	1,147	52,547	(51,400)	(97.82)
Profit attributable to equity holders of the parent	912	52,301	(51,389)	(98.26)

For the 1st quarter ended 31 March 2019, the Group registered an increase in revenue to RM22.80 million as compared to RM21.31 million achieved in the preceding quarter. The Group posted a lower profit before taxation and before non-controlling interest of RM2.01 million, a decrease of 96.79% as compared to RM62.53 million for the preceding quarter.

The higher revenue for the current quarter was mainly attributed to higher revenue recognised from property division for a project completed in first quarter of current financial period. Whereas, the higher profit before taxation for the previous quarter was due to gains achieved from the compulsory government acquisition in preceding quarter.

## EXPLANATORY NOTES AS REQUIRED BY LISTING REQUIREMENTS OF BURSA SECURITIES

**B3. Prospects for the current financial year**

The Group anticipates that the property market will continue to remain soft and challenging for the coming year. The launching of new property projects will be deferred until the market sentiment improves.

**B4. Variances from Profit Forecasts and Profit Guarantee**

The Group has not provided any profit forecasts and profit guarantees in a public document.

**B5. Profit for the year**

	Current Quarter RM'000	Cumulative year to date RM'000
<b>Profit before taxation is stated after charging/(crediting) :</b>		
Depreciation of property, plant & equipment	1,431	1,431
Interest expenses	6	6
Inventories written-down	30	30
Impairment loss on financial assets		
- trade and other receivable (net)	16	16
Fair value changes in biological assets (net)	(32)	(32)
Gain on disposal of property, plant & equipment	(30)	(30)
Interest income	(561)	(561)

**B6. Taxation**

	Current Quarter RM'000	Cumulative year to date RM'000
Current taxation		
- for the period	880	880
Deferred taxation - provision	(17)	(17)
	863	863

The effective tax rate of the Group for the financial period is higher than the statutory tax rate mainly due to certain expenses are not allowable as deduction for tax deduction.

**B7. Status of Corporate Proposals**

There are no corporate exercises in progress in this quarter ended 31 March 2019.

**B8. Group Borrowings and Debt Securities**

	As at 31.03.2019		As at 31.12.2018	
	Unsecured RM'000	Secured RM'000	Unsecured RM'000	Secured RM'000
Short Term Borrowings	0	0	0	0
Hire Purchase				
- within 12 months	0	108	0	107
- after 12 months	0	338	0	365
	0	446	0	472
Total	0	446	0	472

(a) There were no foreign denominated loans as at 31 March 2019.

(b) The finance lease liabilities of the Group carry weighted average interest at the reporting date of 3.11% (2018: 3.11%) per annum.

## EXPLANATORY NOTES AS REQUIRED BY LISTING REQUIREMENTS OF BURSA SECURITIES

**B9. Material Litigation**

As at the reporting date, there was no material litigation against the Group.

**B10. Dividend**

No interim dividend has been declared for the current period under review.

**B11. Earnings Per Share****(a) Basic Earnings Per Share**

The basic earnings per share for the financial year has been calculated based on the Group's net profit for the period and divided by the weighted average number of ordinary shares in issue during the financial period.

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	3 months ended		3 months ended	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Profit for the period (RM'000)	1,147	4,071	1,147	4,071
Less : Amount attributable to non-controlling interest (RM'000)	(235)	(464)	(235)	(464)
Profit attributable to equity holders (RM'000)	912	3,607	912	3,607
Weighted average number of ordinary shares outstanding ('000)	365,064	365,064	365,064	365,064
Basic earnings per share (sen)	0.25	0.99	0.25	0.99

**(b) Diluted Earnings Per Share**

Diluted earnings per share is not disclosed as it is not applicable.

**B12. Provision of financial assistance**

The Group has not provided any financial assistance to any parties for the current financial period.

By Order of the Board

CHEAM TAU CHERN  
Secretary  
Klang  
23 May 2019