



**KHEE SAN BERHAD**

(Company No. 304376-A)  
(Incorporated in Malaysia)

**("KSB" or "the Company")**

**Interim Financial Statements**  
**Second Quarter Results**  
**For the Financial Period ended**  
**30 June, 2019**



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SECOND QUARTER ENDED 30 JUNE 2019**

	Individual Quarter		Cumulative Quarter	
	Current Period Quarter Ended 30.06.2019 RM'000	Preceding Period Corresponding Quarter Ended 30.06.2018 RM'000	(Unaudited) Current Period- To-Date Ended 30.06.2019 RM'000	(Unaudited) Preceding Period Corresponding Quarter Ended 30.06.2018 RM'000
<b>Revenue</b>	23,157	N/A	101,739	N/A
Cost of Sales	(26,893)	N/A	(90,439)	N/A
<b>Gross Profit</b>	(3,737)	N/A	11,300	N/A
Other income	102	N/A	181	N/A
Selling and distribution costs	4,690	N/A	(5,412)	N/A
Administrative expenses	(1,094)	N/A	(3,173)	N/A
Finance costs	(590)	N/A	(1,612)	N/A
<b>Profit Before Tax</b>	(628)	N/A	1,284	N/A
Income tax expenses	67	N/A	(633)	N/A
<b>Profit for the Period</b>	(561)	N/A	651	N/A
<b>Other Comprehensive Income</b>	-	N/A	-	N/A
<b>Total Comprehensive Income for the Period</b>	(561)	N/A	651	N/A
<b>Profit for the Period attributable to:</b>				
Owners of the Company	(561)	N/A	651	N/A
Non-controlling interest	-	N/A	-	N/A
	(561)	N/A	651	N/A
<b>Total Comprehensive Income attributable to:</b>				
Owners of the Company	(561)	N/A	651	N/A
Non-controlling interest	-	N/A	-	N/A
	(561)	N/A	651	N/A
<b>Earning per Share (Sen)</b>				
Basic	(0.54)	N/A	0.63	N/A
Diluted	N/A	N/A	N/A	N/A

There are no comparative figures disclosed for the current quarter and the cumulative period-to-date results following the change in the financial year ended from 30 June 2018 to 31 December 2018. The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December, 2018 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2019**

	(Unaudited) As at 30.06.2019 RM'000	(Audited) As at 31.12.2018 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	166,940	176,852
Intangible assets	600	600
	<u>167,540</u>	<u>177,452</u>
<b>Current Assets</b>		
Inventories	11,943	10,288
Trade and other receivables	85,214	115,766
Tax recoverable	98	103
Cash and bank balances	123	19,014
	<u>97,378</u>	<u>145,171</u>
<b>TOTAL ASSETS</b>	<u><u>264,918</u></u>	<u><u>322,623</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	106,300	106,300
Merger reserve	(17,444)	(17,444)
Revaluation reserve	34,318	22,588
Retained earnings	20,117	19,466
<b>TOTAL EQUITY</b>	<u>143,291</u>	<u>130,910</u>
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Long-term borrowings	2,646	3,472
Deferred tax liabilities	12,117	11,517
	<u>14,763</u>	<u>14,989</u>
<b>Current Liabilities</b>		
Trade and other payables	31,385	95,843
Bank Overdraft	6,644	1,484
Short-term borrowings	68,834	79,391
Tax payable	-	6
	<u>106,864</u>	<u>176,724</u>
<b>TOTAL LIABILITIES</b>	<u>121,626</u>	<u>191,713</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>264,918</u></u>	<u><u>322,623</u></u>
Net Assets per Ordinary Share	<u>1.38</u>	<u>1.26</u>

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SECOND QUARTER ENDED 30 JUNE 2019**

	<b>Attributable to Equity Holders of the Parent Entity</b>				<b>Total RM'000</b>
	<b>Non - Distributable</b>		<b>Distributable</b>		
	<b>Share Capital RM'000</b>	<b>Merger Reserve RM'000</b>	<b>Revaluation Reserve RM'000</b>	<b>Retained Earnings RM'000</b>	
<b><u>Current Quarter</u></b>					
<b>As at 01 January 2019</b>	106,300	(17,444)	22,588	19,466	130,910
Revaluation Surplus	-	-	11,730	-	11,730
Profit for the period	-	-	-	651	651
Total comprehensive income for the period	-	-	-	651	651
Dividends paid	-	-	-	-	-
<b>As at 30 June 2019</b>	<b>106,300</b>	<b>(17,444)</b>	<b>34,318</b>	<b>20,117</b>	<b>143,291</b>
<b><u>Preceding Corresponding Quarter</u></b>					
<b>As at 01 January 2018</b>	N/A	N/A	N/A	N/A	N/A
Employees share option scheme	N/A	N/A	N/A	N/A	N/A
Profit for the period	N/A	N/A	N/A	N/A	N/A
Total comprehensive income for the period	N/A	N/A	N/A	N/A	N/A
Dividends paid	N/A	N/A	N/A	N/A	N/A
<b>As at 30 June 2018</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

There are no comparative figures disclosed for the current quarter and the cumulative period-to-date results following the change in the financial year ended from 30 June 2018 to 31 December 2018. The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December, 2018 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2019**

	(Unaudited) Current Year- to-date 30.06.2019 RM'000	(Unaudited) Preceding Year Corresponding period 31.03.2018 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	1,284	N/A
Adjustments for:-		
Depreciation of property, plant and equipment	3,058	N/A
Interest expenses	1,532	N/A
Revaluation Surplus	11,729	N/A
Unrealised gain on foreign exchange	(735)	N/A
	<hr/>	<hr/>
Operating profit before changes in working capital	16,868	N/A
Changes in inventories	(1,655)	N/A
Changes in trade and other receivables	31,288	N/A
Changes in trade and other payables	(59,902)	N/A
	<hr/>	<hr/>
Cash generated from operations	(13,401)	N/A
Tax paid	(33)	N/A
Interest paid	(1,532)	N/A
	<hr/>	<hr/>
<b>Net cash from operating activities</b>	<b>(14,966)</b>	<b>N/A</b>
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>		
Purchase of property, plant and equipment	(813)	N/A
	<hr/>	<hr/>
<b>Net cash used in investing activity</b>	<b>(813)</b>	<b>N/A</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net changes in bankers' acceptance	(8,925)	N/A
Repayment of term loans	76	N/A
Repayment of hire purchase payables	(907)	N/A
	<hr/>	<hr/>
<b>Net cash used in financing activities</b>	<b>(9,756)</b>	<b>N/A</b>
	<hr/>	<hr/>
<b>Net Changes in Cash and Cash Equivalents</b>	<b>(25,535)</b>	<b>N/A</b>
<b>Cash and Cash Equivalents at beginning of the period</b>	<b>19,014</b>	<b>N/A</b>
	<hr/>	<hr/>
<b>Cash and Cash Equivalents at end of the period</b>	<b>(6,521)</b>	<b>N/A</b>
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Cash and cash equivalents included in the Unaudited Condensed Consolidated Statement of Cash Flows comprise the following:-

	30.06.2019 RM'000	31.03.2018 RM'000
Cash and bank balances	123	N/A
Bank overdrafts	(6,644)	N/A
	<hr/>	<hr/>
	<b>(6,521)</b>	<b>N/A</b>
	<hr/> <hr/>	<hr/> <hr/>

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE, 2019**

**A. EXPLANATORY NOTES PURSUANT TO 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 (“Listing Requirements”) (“Bursa Securities”).

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

**A2. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2018 except as described below. The Group has elected early adoption of MFRS 15 (Revenue from Contract with Customers) & MFRS 9 (Financial Instruments) from 1 July 2017. Other new standards with effective date from 1 January 2018 do not have material effect on the Group's

a. Adoption of MFRS 15 Revenue from Contract with Customers

The Group has elected early adoption of MFRS 15 Revenue on 1 July 2017. MFRS 15 replaces the guidance in MFRS 111 Construction Contracts MFRS 118, Revenue, IC Interpretation 13, Customer Loyalty Programs, IC Interpretation 15, Agreements for Construction of Real Estate, IC Interpretation 18, Transfer of Assets from Customers and IC Interpretation 131, Revenue - Barter Transactions Involving Advertising Services, MFRS 15 provides a single model for accounting for revenue arising from contracts with customers, focusing on the identification and satisfaction of performance obligations. The standard specifies that the revenue is to be recognised when control over the goods or services is transferred to customer, moving from the transfer of risks and rewards.

The application of MFRS 15 does not have a material effect on the Group's financial statements.

b. Adoption of MFRS 9 Financial Instruments

The Group has early adopted MFRS 9 Financial instruments on 1 July 2017. MFRS 9 replaces the guidance in MFRS 139 Financial Instruments. Recognition and Measurement on the classification and measurement of financial assets and financial liabilities, impairment of financial assets and on hedge accounting.

MFRS 9 also replaces MFRS 139 with a forward-looking expected credit loss (“ECL”) model. Under MFRS 9, loss allowances, will be measured on either 12 months ECLs or Lifetime ECLs. As allowed by the transitional provision of MFRS 9, the Group elected not to restate the comparatives.

## **A2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

The following MFRSs and Amendments to MFRSs have been issued by the MASB but has yet to be adopted by the Group:

<u>MFRSs and IC Interpretations</u> <u>(Including the Consequential Amendments, if any)</u>	<u>Effective Date</u>
• MFRS 16 Leases	1 January 2019
• IC Interpretation 23 Uncertainty over Income Tax Treatments	1 January 2019
• Amendments to MFRS 9: Prepayment Features with Negative Compensation	1 January 2019
• Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures	1 January 2019
• Annual Improvements to MFRS Standards 2015 - 2017 Cycles	1 January 2019
• Amendments to MFRS 10 and MFRS 128: Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The initial application of the abovementioned standards, amendments or interpretations are not expected to have any material impacts to the financial statements of the Group upon first adoption, except MFRS 9, MFRS 15 and MFRS 16.

## **A3. QUALIFICATION OF PRECEDING YEAR'S AUDITED FINANCIAL STATEMENTS**

The Auditors' Report of the financial statements for the preceding financial year ended 31 December 2018 was not subject to any qualification.

## **A4. SEASONALITY OR CYCLICALITY OF OPERATIONS**

The business operations of the Company were affected by seasonal and cyclical factors such as cultural festivals.

## **A5. EXCEPTIONAL / UNUSUAL ITEMS**

There were no exceptional or unusual items affecting financial statements of the Group for the current quarter under review

## **A6. MATERIAL CHANGES IN ESTIMATES**

There were no changes in estimates of amounts reported in prior financial year that have a material effect in the current quarter and financial year-to-date.

## **A7. DEBT AND EQUITY SECURITIES**

There were no issuances and repayment of debts and equity securities for current quarter and financial year-to-date.

## **A8. DIVIDENDS PAID**

There were no dividends paid during the quarter under review.

## A9. SEGMENTAL REPORTING

MFRS 8 – *Operating Segment* requires separate reporting of segmental information for operating segments. Operating segments reflect the Group’s management structure and the way financial information is regularly reviewed by the Executive Board in making decisions.

Detailed segmental reporting is not provided as the Group’s primary business segments is principally engaged in the manufacturing and trading of confectionery, sweets and candies and its operation is principally located in Malaysia.

Segment assets, segment liabilities and capital additions were not disclosed as they were not regularly provided to the chief operating decision maker for the day-to-day operation decision making.

Therefore, the Group’s operations can be segmented by business activities namely:

- a) Manufacturing and trading of confectionery, sweets and candies; and
- b) Investment holding

The segment analysis for the current financial period-to-date:

	<b>Cumulative Quarter ended 30 Jun, 2019</b>			
	<b>Investment Holding RM'000</b>	<b>Manufacturing and Trading RM'000</b>	<b>Elimination RM'000</b>	<b>Group (total) RM'000</b>
<b>Segment Revenue and Results</b>				
<b>Revenue</b>				
- Export	-	5,307	-	5,307
- Local	-	17,850	-	17,850
Total revenue	-	<b>23,157</b>	-	<b>23,157</b>
<b>Results : Operating profit</b>	-	<b>2,896</b>	-	<b>2,896</b>

	<b>Cumulative Quarter ended 30 Jun, 2018</b>			
	<b>Investment Holding RM'000</b>	<b>Manufacturing and Trading RM'000</b>	<b>Elimination RM'000</b>	<b>Group (total) RM'000</b>
<b>Segment Revenue and Results</b>				
<b>Revenue</b>				
- Export	N/A	N/A	N/A	N/A
- Local	N/A	N/A	N/A	N/A
Total revenue	N/A	N/A	N/A	N/A
<b>Results : Operating profit</b>	N/A	N/A	N/A	N/A

	<b>Cumulative Quarter</b>	
	<b>30.06.2019 RM'000</b>	<b>30.06.2018 RM'000</b>
<b>Reconciliation of reportable segment profit:</b>		
Total operating profit for reporting segment	2,896	N/A
Finance costs	(1,612)	N/A
<b>Consolidated profit before tax</b>	<b>1,284</b>	N/A



#### A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

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

The Group has carried out a revaluation on its land and buildings and investment properties during the current quarter under review. Revaluation surplus and fair value adjustments were taken up as follows:-

<b>Properties</b>	<b>Net Book Value</b>	<b>Revaluation Value</b>	<b>Revaluation Surplus / Fair Value Adjustment</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Land and buildings	32,000	42,800	10,800
Hostel land and buildings	1,040	2,110	1,070

#### A11. Subsequent Material Events

Save for the following subsequent material events, there was no other subsequent material events as at the date of this report:-

- a) On 8 August 2019, the Company has announced that the Company had on 6 August 2019 received a Writ of Summons together with the Statement of Claim dated 1 August 2019 filed by Messrs. Skrine & Co, on behalf of Bank of China (Malaysia) Berhad ("BOC") on Khee San Food Industries Sdn Bhd ("KSFI"), the wholly owned subsidiary of the Company and the Company for :-
- i) the total sum of RM14,619,684.84 as at 30 July 2019;
  - ii) the interests on the sum of RM14,619,684.84;
  - iii) cost against KSFI on a solicitor and client basis;
  - iv) cost against KSB on a full indemnity basis; and
  - v) such further or other relief as the High Court of Kuala Lumpur, deems fit and proper to grant.

The Company, being the corporate guarantor, had on the 11 July 2019 and 16 July 2019 received two (2) notices of demand, dated 8 July 2019 and 15 July 2019 respectively, for the sum of RM11,695,035.00.

The management of KSB has been actively negotiating with BOC on the terms of repayment and possibility of converting the facilities owing to BOC into term loan.

The Company has filed the memorandum of appearance on 13 August 2019 and case management has been fixed on 15 August 2019 for further directions from the court.

Notwithstanding the above, the Company was of the view that the Company would still be solvent.

- b) On 9 August 2019, the Company replied the query from Bursa Securities dated 8 August 2019, informing that the management of the Company has engaged with the banks through active discussions to reschedule the short-term borrowings to mid-term borrowings via conversion of the short-term borrowings to term loans.

Whilst the Company was in active discussion, BOC has issued the demands for repayments, including the Company's lawyer. The Company took the position that since there were active discussions with the banks and the Company, there was no theoretical default.



The Company also informed that the management are putting in place several fund-raising exercises to address the Company's current financing mismatch and its repayment obligations.

- c) On 14 August 2019, the Company has announced that further information that the Company has received the first demand on 14 June 2019 from Messrs. KH Koh Azhar & Koh where BOC has demanded RM8,518,000 as at 12 June 2019 under the said banker's facility and they also confirmed that the Company's lawyer was in communication in relation to the settlement of the outstandings.

On 8 July 2019, Messrs. Skrine, Advocates & Solicitors of BOC claimed an amount of RM11,695,035.60 for arrears up to 30 June 2019 and a further amount of RM4,554,000.00 for unmatured banking facility made due and payable as at 8 July 2019.

The Company only notified that the assets of the Company were not secured against all the banking facilities and the banks stood as unsecured creditors.

- d) On 15 August 2019, the Company has announced that both the Company and BOC have appeared before the Court on 15 August 2019 for the case management of which the Court has fixed a further Case Management on 30 September 2019 for KSFI and the Company to enter defence on or before 3 September 2019 while BOC has to enter reply to the defence on or before 17 September 2019.

#### **A12. CHANGES IN THE GROUP'S COMPOSITION**

There were no changes in the composition of the Group for the current quarter and financial year-to-date.

#### **A13. CONTINGENT ASSETS/LIABILITIES**

There were no material changes in the contingent liabilities or contingent assets of the Group since the end of the last annual balance sheet date.

**A. ADDITIONAL INFORMATION REQUIRED PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES**

**B1. REVIEW OF THE GROUP PERFORMANCE**

**Current Quarter against Previous Year Corresponding Quarter (Individual Quarter)**

The Group operates only in one business segment. Accordingly, detailed analysis of the performance of each business segment is not presented.

**B2. COMPARISON WITH PRECEDING QUARTER RESULT (2019 Q2 vs 2018 Q4)**

The Group recorded a revenue of RM 23.2 million with loss before tax of RM0.6 million for the current quarter as compared to the revenue of RM 42.9 million with profit before tax of RM 1.5 million in the preceding quarter due to lack of banking facilities.

**B3. GROUP'S CURRENT YEAR PROSPECT**

The financial year ending 31 December 2019 is another challenging year. The Management is pressing ahead with its plans to strengthen the overall position the Company by looking to carrying out a market rationalization plan on a gradual basis to re-orient our focus on revenue growth as well as profitability.

The Company is engaging the expertise of financial advisors and investment banker to explore the possibility of restructure its current loan portfolio, in order to regularise its cashflow position. The Company shall make appropriate announcement upon the finalisation of the said restructuring proposal.

Despite the challenges, the prospects of the Group remain positive with continual efforts to strengthen its domestic distribution network supported with selective marketing campaigns in key overseas markets whilst exploring new potential markets via participation in trade fairs. We anticipate that our business segments will remain good and stable for the upcoming financial year ending 31 December 2019 will continue to leverage on the chewy candy and wafer segments for future growth.

There are no changes in business direction which may have an impact on any of the business segments of the Group.

**B4. PROFIT FORECAST**

The Group has not issued any profit forecast to the relevant authorities and is not subject to any profit guarantee.

## B5. OPERATING PROFIT

Profit before tax is stated after charging/(crediting):-

	<b>Current Quarter 30.06.2019 RM'000</b>	<b>Cumulative Quarter 30.06.2019 RM'000</b>
Other income including investment income	(101)	(181)
Interest expenses	550	1,532
Depreciation of property, plant and equipment	1,549	3,058
(Gain) or loss on foreign exchange	<u>(230)</u>	<u>(736)</u>

## B6. TAXATION

Tax expense comprises of the followings:

	<b>Current Quarter 30.06.2019 RM'000</b>	<b>Cumulative Quarter 30.06.2019 RM'000</b>
<b>Income tax expense</b>		
- Current year	<u>67</u>	<u>33</u>
	67	33
<b>Deferred tax</b>		
- Current year	-	600
<b>Total income tax expense</b>	<u>67</u>	<u>633</u>

## B7. CORPORATE PROPOSAL

There was no other corporate proposal as at the date of this report:-

- a) On 3 July 2019, the Company has announced that the Company had carried out a private placement exercise for the issuance of 10,400,000 shares at RM0.3350 per share. The said private placement was listed on 9 July 2019.

The status of the utilization of proceeds raised from the above private placement is as follows :-

Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Intended Timeframe for Utilisation	Deviation		Explanation (if deviation is 5% or more)
				Amount RM'000	%	
Purchase of raw material	1,821	1,821	Within 3 months	-	-	Not Applicable
Working capital requirements	1,532	1,532	Within 3 months	-	-	Not Applicable
Expenses in relation the private placement	131	131	Within 1 months	-	-	Not Applicable
Total	3,484	3,484				



**B8. GROUP BORROWINGS AND DEBT SECURITIES**

	<b>The Group 30.06.2019 RM'000</b>
<b>Short-term Borrowings:</b>	
Bankers' acceptance	66,593
Hire-purchase payables	2,165
Term loans	76
	<u>68,834</u>
<b>Long-term Borrowings:</b>	
Hire-purchase payables	<u>2,646</u>
	<u>2,646</u>

**B9. MATERIAL LITIGATION CHANGES**

Save as disclosed below, the Company and its subsidiary companies are not engaged in any material litigations, claims or arbitration, either as plaintiff or defendant as at the date of this report :-

On 6 August 2019, the Company has received a Writ Summons together with the Statement of Claim dated 1 August 2019 ("the Writ of Summons") filed by Messrs. Skrine & Co., solicitors of Bank of China (Malaysia) Berhad ("BOC") on Khee San Food Industries Sdn Bhd ("KSFI"), the wholly-owned subsidiary of the Company, for the following claims as announced on 8 August 2019 the total sum of RM14,619,684.84 as at 30 July 2019 interests on the sum of RM14,619,684.84 at the rate of 1.25% per annum above BOC's Base Lending Rate which as at 31 July 2019 is at 6.60% per annum (and such Base Lending Rate which may be fixed from time to time) on daily rests and additional interest of 1.00% per annum thereon from 31 July 2019 till the date of full settlement, costs against KSFI on a solicitor and client basis costs against KSB on a full indemnity basis and such further or other relief as the High Court deems fit and proper to grant.

The Company has also announced that the Company is still solvent regardless of the above Writ of Summons.

On 15 August 2019, the Company has announced that the Company and BOC have appeared before the High Court of Malaya at Kuala Lumpur for the case management and the High Court has fixed for a further Case Management on 30 September 2019 of which KSFI and the Company has to enter their defense on or before 3 September 2019 and BOC to enter its reply to the defense on or before 17 September 2019.

**B10. PROPOSED DIVIDENDS**

There was no interim dividend declared for the financial quarter under review.

On 13 May 2019, the Directors has declared a Single-Tier Interim Dividend of 1% per ordinary share of the financial year ending 31 December 2019. The payment date for the interim dividend in respect of the financial year ending 31 December 2019 was on 9 August 2019. In respect of the deposited securities, entitlement to dividends will be determined on the basis of the record of depositors as at 16 July 2019.



**B11. EARNINGS PER ORDINARY SHARE ("EPS")**

**(a) Basic earnings per share**

The calculation of basic earnings per share is based on the net profit attributable to ordinary shareholders over the weighted average number of ordinary shares in issue during the period.

	Current Quarter		Cumulative Quarter	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
Net profit attributable to ordinary shareholders (RM'000)	(561)	N/A	651	N/A
Weighted average number of ordinary shares - in units ( '000)	104,000	N/A	104,000	N/A
<b>Basic EPS (Sen)</b>	<b><u>(0.54)</u></b>	<b><u>N/A</u></b>	<b><u>0.63</u></b>	<b><u>N/A</u></b>

**(b) Diluted earnings per share**

Not applicable for the Group.

**BY ORDER OF THE BOARD  
 KHEE SAN BERHAD**

**PROF. DR. HJ. MOHD AMY AZHAR BIN MOHD HARIF  
 AUDIT COMMITTEE CHAIRMAN  
 Dated: 30 August 2019**