

**Condensed Consolidated Income Statement
For The Quarter Ended 31 March 2020**

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 31 Mar 2020 (Unaudited)	Preceding Year Corresponding Quarter 31 Mar 2019 (Unaudited)	Current Year 3 months ended 31 Mar 2020 (Unaudited)	Preceding Year Corresponding Period 31 Mar 2019 (Unaudited)
	RM'000	RM'000	RM'000	RM'000
Revenue	38,965	28,399	38,965	28,399
Cost of sales	(28,020)	(25,515)	(28,020)	(25,515)
Gross profit	10,945	2,884	10,945	2,884
Other operating income	14	298	14	298
Other operating expenses	(2,106)	(929)	(2,106)	(929)
Operating profit	8,853	2,253	8,853	2,253
Finance costs	(317)	(343)	(317)	(343)
Interest income	51	-	51	-
Profit before tax	8,587	1,910	8,587	1,910
Income tax expense	(1,913)	(271)	(1,913)	(271)
Profit for the period attributable to equity holders of the company	6,674	1,639	6,674	1,639
Earnings per share attributable to equity holders of the Company:	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>
Basic	1.39	0.34	1.39	0.34
Diluted	1.39	0.34	1.39	0.34

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statement of Comprehensive Income
For The Quarter Ended 31 March 2020**

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 31 Mar 2020 (Unaudited)	Preceding Year Corresponding Quarter 31 Mar 2019 (Unaudited)	Current Year 3 months ended 31 Mar 2020 (Unaudited)	Preceding Year Corresponding Period 31 Mar 2019 (Unaudited)
	RM'000	RM'000	RM'000	RM'000
Profit for the period	6,674	1,639	6,674	1,639
Other comprehensive income	-	-	-	-
Total comprehensive income for the period attributable to equity holders of the company	<u><u>6,674</u></u>	<u><u>1,639</u></u>	<u><u>6,674</u></u>	<u><u>1,639</u></u>

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statement of Financial Position
As at 31 March 2020**

	(Unaudited)	(Audited)
	End of Current Quarter 31 Mar 2020	Preceding Financial Year Ended 31 Dec 2019
	<u>RM'000</u>	<u>RM'000</u>
ASSETS		
Non-current assets		
Property, plant and equipment	360,672	363,130
Right-of-use assets	2,203	3,105
Other receivables	1,566	1,435
	<u>364,441</u>	<u>367,670</u>
Current Assets		
Inventories	3,802	5,755
Biological assets	2,745	3,856
Trade receivables	-	3,169
Other receivables	450	1,965
Tax recoverable	70	55
Fixed deposits with a licensed bank	8,543	542
Cash and bank balances	9,972	9,550
	<u>25,582</u>	<u>24,892</u>
TOTAL ASSETS	<u>390,023</u>	<u>392,562</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	239,675	239,675
Other Reserve	247	247
Retained earnings	85,209	78,535
Total equity	<u>325,131</u>	<u>318,457</u>

**Condensed Consolidated Statement of Financial Position
As at 31 March 2020 (Cont'd)**

	(Unaudited)	(Audited)
	End of Current Quarter 31 Mar 2020	Preceding Financial Year Ended 31 Dec 2019
	<u>RM'000</u>	<u>RM'000</u>
EQUITY AND LIABILITIES (CONT'D)		
Non-current liabilities		
Deferred tax liabilities	42,770	40,857
Lease liabilities	2,202	2,199
	<u>44,972</u>	<u>43,056</u>
Current liabilities		
Trade payables	3,115	3,540
Other payables	11,804	12,434
Lease liabilities	-	74
Loans and borrowings	5,000	15,000
Income tax payable	1	1
	<u>19,920</u>	<u>31,049</u>
Total liabilities	<u>64,892</u>	<u>74,105</u>
TOTAL EQUITY AND LIABILITIES	<u>390,023</u>	<u>392,562</u>

The Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statement of Changes in Equity
For the Financial Quarter ended 31 March 2020**

	Share capital	Other reserve	Retained earnings	Total equity
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
At 1 January 2020	239,675	247	78,535	318,457
Total comprehensive income for the period	-	-	6,674	6,674
At 31 March 2020	<u>239,675</u>	<u>247</u>	<u>85,209</u>	<u>325,131</u>
At 1 January 2019	239,675	391	68,459	308,525
Total comprehensive income for the period	-	-	1,639	1,639
At 31 March 2019	<u>239,675</u>	<u>391</u>	<u>70,098</u>	<u>310,164</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statement of Cash Flows
For the Quarter ended 31 March 2020**

	3 months ended 31 Mar 2020 (Unaudited) <u>RM'000</u>	3 months ended 31 Mar 2019 (Unaudited) <u>RM'000</u>
Operating activities		
Profit before tax	8,587	1,910
<u>Adjustments for :-</u>		
Depreciation of property, plant and equipment	5,334	5,255
Interest income	(51)	-
Interest expense	317	343
Fair value changes of biological assets	1,111	-
Total adjustments	<u>6,711</u>	<u>5,598</u>
Operating cash flows before changes in working capital	15,298	7,508
<u>Changes in working capital:</u>		
Decrease/(increase) in inventories	1,953	(653)
Decrease in receivables	4,552	1,318
(Decrease)/increase in payables	(1,055)	1,118
Total changes in working capital	<u>5,450</u>	<u>1,783</u>
Cash generated from operating activities	20,748	9,291
Interest received	51	-
Interest paid	(317)	(349)
Income tax paid	(15)	(15)
Net cash generated from operating activities	<u>20,467</u>	<u>8,927</u>
Investing activities		
Placement of fixed deposits	(8,000)	-
Purchase of property, plant and equipment	(2,016)	(3,583)
Net cash used in investing activities	<u>(10,016)</u>	<u>(3,583)</u>

**Condensed Consolidated Statement of Cash Flows
For the Quarter ended 31 March 2020 (Cont'd.)**

	3 months ended 31 Mar 2020 (Unaudited) <u>RM'000</u>	3 months ended 31 Mar 2019 (Unaudited) <u>RM'000</u>
Financing activities		
Drawdown of revolving credits	-	1,000
Repayment of revolving credits	(10,000)	-
Repayment of term loans	-	(6,250)
Payment of principal portion of lease liabilities	(29)	(164)
Net cash used in financing activities	<u>(10,029)</u>	<u>(5,414)</u>
Net increase/(decrease) in cash and cash equivalents	422	(70)
Cash and cash equivalents at beginning of year	<u>9,550</u>	<u>1,525</u>
Cash and cash equivalents at end of year	<u><u>9,972</u></u>	<u><u>1,455</u></u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2020

A. EXPLANATORY NOTES PURSUANT TO MFRS 134

1. BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard MFRS 134: Interim Financial Reporting and with IAS 34: Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2019.

These explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2019.

2. CHANGES IN ACCOUNTING POLICIES

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 December 2019, except for the adoption of the following new/revised MFRSs and amendments to MFRSs:

	Effective for annual periods beginning or after
MFRS 17 Insurance Contracts	1 January 2021
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 101 and MFRS 108: Definition of Material	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2022
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

These new standards and amendments are not expected to have significant impact on the Group’s financial statements.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2020

3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 December 2019 was not qualified.

4. SEGMENTAL INFORMATION

No segment information has been prepared as the Group is primarily engaged in the cultivation of oil palm and processing and sale of crude palm oil and palm kernel.

5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE, OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 31 March 2020.

6. CHANGES IN ESTIMATES

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

7. SEASONAL OR CYCLICAL FACTORS

The effects of seasonal or cyclical fluctuations, if any, are explained under Paragraphs 1 and 2 of Part B i.e. Explanatory Notes pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Securities.

8. DIVIDENDS PAID

No dividends were paid out during the current quarter.

9. CARRYING AMOUNT OF PROPERTY, PLANT AND EQUIPMENT

There were no brought forward valuations of property, plant and equipment from the financial year ended 31 December 2019 and there were no valuations of property, plant and equipment carried out during the financial period ended 31 March 2020.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2020

10. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale, and repayments of debt and equity securities during the financial period ended 31 March 2020.

11. CHANGES IN THE COMPOSITION OF THE GROUP

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

12. DISCONTINUED OPERATION

There were no discontinued operations for the Group during the current financial quarter.

13. CAPITAL COMMITMENTS

The amount of capital commitments not provided for in the interim financial statements as at 31 March 2020 are as follows:

Capital expenditure:	2020
Property, plant and equipment:	<u>RM'000</u>
Approved and contracted for	2,302
	<u><u> </u></u>

14. CONTINGENT ASSETS AND LIABILITIES

Contingent asset

On 3 June 2014, Serijaya Industri Sdn. Bhd. (SJI), a wholly-owned subsidiary of the Company, filed a notice of arbitration against Asiatic Lumber Industries Sdn. Bhd. (ALISB) for a claim approximately RM14,631,516 arising from a shortfall in guaranteed volume of log production under a Logging Sub-Contract agreement between SJI and ALISB.

The Arbitrator had on 6 October 2016 awarded SJI the whole claim amounted to RM11,619,123 for shortfall from 2011 to 2013 with interest at 10% per annum.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2020

14. CONTINGENT ASSETS AND LIABILITIES (CONT'D.)

Contingent asset (Cont'd.)

ALISB failed to pay the sums under the arbitration award. On 14 August 2017, the High Court of Sabah and Sarawak has ordered that ALISB be wound up and the Director General of Insolvency be appointed as the liquidator of ALISB. On 5 March 2019, SJI was informed by the Insolvency Department that there might be payment to be made to SJI. However, there was no amount being received as of to date.

Contingent liabilities

Claim made by Benta Wawasan Sdn. Bhd.

Based on the Agreement of Oil Palm Plantation (“AOPP”) entered between Benta Wawasan Sdn. Bhd. (Benta) and SJI dated 18 November 2005 together with the second supplementary agreement of the AOPP, SJI would need to pay a variable lease payment based on FFB production starting 2017. On 9 July 2018, SJI and Benta entered into a third supplementary agreement of the AOPP, whereby both parties mutually agreed that SJI should pay rental on the land for oil palm plantation of RM2,201,502 covering the period from year 2018 to year 2070 in an equal annual payment of RM41,538 and interest on the total outstanding rental sum at the rate of 8% per annum on a reducing balance basis.

Via a letter dated 10 January 2019, Benta has informed SJI that the third supplementary agreement of the AOPP was not approved by the board of directors of Benta. Subsequently, Benta has issued a letter dated 6 March 2019 and an invoice dated 8 March 2019, claiming the variable lease payment for year 2017 and year 2018 amounting to RM5,288,459 and RM4,261,721 respectively, based on the terms of the AOPP and second supplementary agreement. The rental for year 2017 of RM5,288,459 has been recognized by the Group. For the financial year ended 2018, other than the fixed rental amount of RM41,538, no variable lease payment was recognised. The variable lease payment for the financial year ended 2019, should the terms in AOPP and second supplementary agreement are applied, approximates to RM3,210,593. This amount is also not recognised in these financial statements.

Subsequently, there were various correspondences between the parties and a meeting has been arranged to discuss the matter. Based on latest correspondences, both parties are interested to arrive at a sound and sensible solution to the issue without further delay and expense.

SJI has been advised by its legal counsel that SJI has a strong case to continue and to maintain that the third supplemental agreement is valid and binding. Accordingly, no additional provision on variable lease payments for year 2018 to year 2070 has been made in these financial statements.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2020**

15. MATERIAL RELATED PARTY TRANSACTIONS

Group	2020
	<u>RM'000</u>
Trade transactions	
Transaction with a related party:	
Rental paid to TSH Resources Bhd., a company in which a director of the Company has an interest.	28
Sales of crude palm oil to TSH-Wilmar Sdn. Bhd.	35,727
Sales of palm kernel to TSH-Wilmar Sdn. Bhd.	3,238
Purchase of oil palm fresh fruit bunches from Benta Wawasan Sdn. Bhd.	528
Company	
Trade transaction	
Management fees paid to subsidiary - Serijaya Industri Sdn. Bhd.	27
Transaction with related party - Rental paid to Yayasan Sabah	11

16. MATERIAL LITIGATION

There were no material litigation at the end of this quarter and as at the date of this report.

17. MATERIAL EVENTS SUBSEQUENT TO THE END OF PERIOD REPORTED

There were no material events subsequent to the end of the period that have not been reflected in the financial statements for the period.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSAMALAYSIA SECURITIES BERHAD

1. PERFORMANCE REVIEW

	INDIVIDUAL QUARTER			CUMMULATIVE YEAR TO DATE		
	Current Year Quarter 31 Mar 2020	Preceding Year Quarter 31 Mar 2019	Variance	Current Year 3 months ended 31 Mar 2020	Preceding Year Period 31 Mar 2019	Variance
	RM'000	RM'000	%	RM'000	RM'000	%
FINANCIAL INFORMATION:						
Revenue	38,965	28,399	37%	38,965	28,399	37%
Operating Profit	8,853	2,253	293%	8,853	2,253	293%
Profit Before Tax	8,587	1,910	350%	8,587	1,910	350%
Profit After Tax	6,674	1,639	307%	6,674	1,639	307%
Profit Attributable to Equity Holders of the Company	6,674	1,639	307%	6,674	1,639	307%
OPERATION STATISTICS:						
Palm Products:						
FFB Production (MT)	51,949	52,395	(1%)	51,949	52,395	(1%)
CPO Production (MT)	11,639	12,753	(9%)	11,639	12,753	(9%)
PK Production (MT)	1,842	2,097	(12%)	1,842	2,097	(12%)
CPO Sold (MT)	13,073	13,150	(1%)	13,073	13,150	(1%)
PK Sold (MT)	1,987	2,180	(9%)	1,987	2,180	(9%)
CPO Oil Extraction Rate (%)	22.52	22.82	(1%)	22.52	22.82	(1%)
PK Extraction Rate (%)	3.56	3.75	(5%)	3.56	3.75	(5%)
Average CPO Price Per MT (RM)	2,733	1,956	40%	2,733	1,956	40%
Average PK Price Per MT (RM)	1,630	1,226	33%	1,630	1,226	33%

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2020

1. PERFORMANCE REVIEW (CONT'D.)

The Group recorded revenue of RM38.965 million for the current quarter and year-to-date ended 31 March 2020 representing an increase of 37% as compared to RM28.399 million for the preceding year corresponding quarter. Profit before tax for the current quarter and year-to-date also recorded a significant increase of RM6.677 million compared to preceding year corresponding quarter of RM1.910 million. The increase in revenue and profit before tax was due to higher average selling prices of CPO and PK prices by 40% and 33% respectively.

2. MATERIAL CHANGES IN PROFIT BEFORE TAXATION

	INDIVIDUAL QUARTER		
	Current Year Quarter 31 Mar 2020	Immediate Preceding Quarter 31 Dec 2019	Variance
	RM'000	RM'000	%
FINANCIAL INFORMATION:			
Revenue	38,965	36,571	7%
Operating Profit	8,853	13,229	(33%)
Profit Before Tax	8,587	12,766	(33%)
Profit After Tax	6,674	9,510	(30%)
Profit Attributable to Equity of the Company	6,674	9,510	(30%)
OPERATION STATISTICS:			
FFB Production (MT)	51,949	68,275	(24%)
CPO Production (MT)	11,639	14,499	(20%)
PK Production (MT)	1,842	2,176	(15%)
CPO Sold (MT)	13,073	13,555	(4%)
PK Sold (MT)	1,987	2,156	(8%)
CPO Oil Extraction Rate (%)	22.52	21.88	3%
PK Extraction Rate (%)	3.56	3.28	9%
Average CPO Price Per MT (RM)	2,733	2,426	13%
Average PK Price Per MT (RM)	1,630	1,321	23%

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2020

2. MATERIAL CHANGES IN PROFIT BEFORE TAXATION (CONT'D)

Profit before tax for the current quarter at RM8.587 million was 33% lower compared to RM12.766 million in the immediate preceding quarter. The decrease was mainly due to lower CPO and PK sales volume arising from lower FFB production due to seasonal trend.

3. COMMENTARY ON PROSPECT FOR 2020

FFB production in the coming quarter is expected to increase compared to first quarter due to seasonal trend despite Ramadhan month which could affect harvesting activities. Due to Covid-19 pandemic and the crashes in crude oil price, it renders more economy uncertainties and hence affecting future palm products prices. Given the current level of CPO and PK prices, group performance for the coming quarter would be challenging.

Management will continue to focus on productivity and efficiency improvement to reduce unit cost of production.

4. PROFIT FORECAST OR PROFIT GUARANTEE

There were no profit forecasts or profit guarantees released to the public.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2020**
5. INCOME TAX EXPENSE

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 31 Mar 2020 (Unaudited)	Preceding Year Corresponding Quarter 31 Mar 2019 (Unaudited)	Current Year 3 months ended 31 Mar 2020 (Unaudited)	Preceding Year Corresponding Period 31 Mar 2019 (Unaudited)
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Current year tax:				
Malaysian income tax	-	-	-	-
Deferred tax	1,913	271	1,913	271
	<u>1,913</u>	<u>271</u>	<u>1,913</u>	<u>271</u>
(Over)/underprovided in prior years:				
Malaysian income tax	-	-	-	-
Deferred tax	-	-	-	-
Total	<u>1,913</u>	<u>271</u>	<u>1,913</u>	<u>271</u>

6. SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There were no sales/disposals of unquoted investments and properties during the current financial quarter and period ended 31 March 2020.

7. QUOTED SECURITIES

- (a) There were no purchase and sale of quoted securities for the current financial quarter ended 31 March 2020.
- (b) There were no investments in quoted shares as at 31 March 2020.

8. STATUS OF CORPORATE PROPOSALS

There were no corporate proposals for the current financial quarter ended 31 March 2020.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2020

9. UTILISATION OF PROCEEDS

No proceed were raised by the Company from any corporate exercise during the period.

10. LOANS AND BORROWINGS

	As at end of current quarter 31 Mar 2020 (Unaudited) RM'000	As at 31 Dec 2019 (Audited) RM'000
Short term borrowings		
Secured:		
Revolving credits	<u>5,000</u>	<u>15,000</u>

The weighted average effective interest rate of borrowings as at 31 March 2020 was 5.71%.

Loans and borrowings of the Group are secured by the following:

- (a) Corporate guarantee given by the Company.
- (b) Assignment of rights, title and interest including but not limited to the right to occupy and develop a parcel of land.
- (c) Pledge of deposits with licensed bank (RM542,355)

All borrowings are denominated in Ringgit Malaysia.

11. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments as at 31 March 2020.

12. PROPOSED DIVIDEND

The Board had proposed a Final Dividend of 2 sen per share which subject to shareholders' approval at the forthcoming Annual General Meeting.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2020**
13. EARNINGS PER SHARE
(a) Basic earnings per share

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period:

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 31 Mar 2020 (Unaudited)	Preceding Year Corresponding Quarter 31 Mar 2019 (Unaudited)	Current Year 3 months ended 31 Mar 2020 (Unaudited)	Preceding Year Corresponding Period 31 Mar 2019 (Unaudited)
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit attributable to ordinary equity holders of the parent	6,674	1,639	6,674	1,639
Weighted average number of ordinary shares in issue ('000)	478,858	478,858	478,858	478,858
	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>
Basic earnings per share	<u>1.39</u>	<u>0.34</u>	<u>1.39</u>	<u>0.34</u>

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2020**
13. EARNINGS PER SHARE (CONT'D)
(b) Diluted earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 31 Mar 2020 (Unaudited)	Preceding Year Corresponding Quarter 31 Mar 2019 (Unaudited)	Current Year 3 months ended 31 Mar 2020 (Unaudited)	Preceding Year Corresponding Period 31 Mar 2019 (Unaudited)
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit attributable to ordinary equity holders of the parent	6,674	1,639	6,674	1,639
Weighted average number of ordinary shares in issue ('000)	478,858	478,858	478,858	478,858
Effect of ESOS ('000)	711	1,243	711	1,243
Weighted average number of ordinary shares in issue ('000)	479,569	480,101	479,569	480,101
	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>
Diluted earnings per share	1.39	0.34	1.39	0.34

The diluted earnings per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

The share options was calculated based on the number of shares which would have been acquired at the market price (average annual share price of the company's share) based on the monetary value of the subscription rights attached to the outstanding share options. No adjustment is made to the net profit attributable to shareholders for the share options calculations.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2020**

14. AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 27 May 2020.