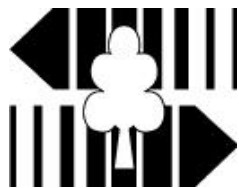


**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income**  
**For the period ended 30 April 2020**

	(UNAUDITED)		(UNAUDITED)	
	INDIVIDUAL QUARTER	PRECEDING YEAR	CUMULATIVE QUARTER	PRECEDING YEAR
	CURRENT YEAR QUARTER 30/04/2020 RM'000	CORRESPONDING QUARTER 30/04/2019 RM'000	CURRENT YEAR TO DATE 30/04/2020 RM'000	CORRESPONDING PERIOD 30/04/2019 RM'000
<b>Revenue</b>	78,457	81,683	257,699	242,347
Cost of sales	(68,593)	(78,047)	(210,965)	(215,636)
<b>Gross Profit</b>	9,864	3,636	46,734	26,711
Other income	5,412	5,487	22,101	22,251
Administrative expenses	(6,054)	(9,006)	(20,975)	(27,770)
Selling and distribution expenses	(9,653)	(10,161)	(31,820)	(31,437)
Finance costs	(4,884)	(5,091)	(14,898)	(13,636)
<b>(Loss)/Profit before taxation</b>	(5,315)	(15,135)	1,142	(23,881)
Income tax expenses	4,300	3,982	755	4,033
<b>(Loss)/Profit after taxation</b>	(1,015)	(11,153)	1,897	(19,848)
<b>Other Comprehensive Income</b>				
<u>Items that will not be reclassified subsequently to profit or loss</u>				
Fair value changes of financial assets measured at fair value through other comprehensive income	(1,162)	2,070	4,334	(3,499)
<b>Total comprehensive income for the period</b>	(2,177)	(9,083)	6,231	(23,347)
<b>(Loss)/Profit after taxation attributable to:</b>				
Owners of the Company	(1,025)	(10,900)	1,684	(19,459)
Non-controlling interests	10	(253)	213	(389)
	(1,015)	(11,153)	1,897	(19,848)
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	(2,187)	(8,830)	6,018	(22,958)
Non-controlling interests	10	(253)	213	(389)
	(2,177)	(9,083)	6,231	(23,347)
	Sen	Sen	Sen	Sen
<b>(Loss)/Earnings per share:</b>				
- Basic	(0.54)	(5.79)	0.90	(10.34)
- Diluted	N/A	N/A	N/A	N/A

Note: N/A: Not Applicable

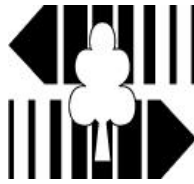
The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 July 2019 and the accompanying explanatory notes attached to the quarterly report.



**Condensed Consolidated Statements of Financial Position**

**As at 30 April 2020**

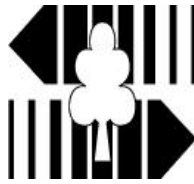
	(UNAUDITED) AS AT END OF CURRENT QUARTER 30/04/2020 RM'000	(AUDITED) AS AT PRECEDING FINANCIAL YEAR END 31/07/2019 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,003,770	1,003,081
Investment properties	149,094	147,094
Land held for property development	6,628	6,628
Intangible assets	20,593	20,944
Biological assets	60,762	56,991
Investment securities	8,013	15,583
Goodwill	2,720	2,720
Long-term receivable	2,597	2,117
Deferred tax assets	6,554	6,554
	1,260,731	1,261,712
<b>Current assets</b>		
Inventories	102,262	119,084
Biological assets	2,383	2,776
Trade receivables	44,300	29,252
Other receivables, deposits and prepayments	26,361	37,027
Current tax assets	3,112	4,938
Deposits with licensed banks	1,058	4,721
Cash and bank balances	5,379	6,604
	184,855	204,402
<b>TOTAL ASSETS</b>	1,445,586	1,466,114
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	268,680	268,680
Treasury shares	(55,171)	(55,172)
Reserves	348,335	342,317
Equity attributable to owners of the Company	561,844	555,825
Non-controlling interests	4,976	4,763
<b>Total equity</b>	566,820	560,588
<b>Non-current liabilities</b>		
Bank borrowings	242,780	229,202
Deferred tax liabilities	28,972	35,079
	271,752	264,281
<b>Current liabilities</b>		
Trade payables	102,654	106,912
Other payables, deposits and accruals	31,056	35,981
Bank borrowings	469,825	498,056
Current tax liabilities	3,479	296
	607,014	641,245
<b>Total liabilities</b>	878,766	905,526
<b>TOTAL EQUITY AND LIABILITIES</b>	1,445,586	1,466,114
<b>Net assets per share attributable to ordinary equity holders of the Company (RM)</b>	3.01	2.98
Number of shares net of treasury shares ('000)	188,113	188,108



**Condensed Consolidated Statements of Changes in Equity**  
**For the period ended 30 April 2020**

	Share Capital	Treasury Shares	Non- Distributable Fair Value Reserves	Distributable Retained Profits	Attributable to Owners of the Company	Non- controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Nine Months Ended 30 April 2020							
Balance as at 1 August 2019	268,680	(55,172)	(42,583)	384,900	555,825	4,763	560,588
Profit for the financial period	-	-	-	1,684	1,684	213	1,897
Other comprehensive income:-							
- Fair value changes of financial assets measured at fair value through other comprehensive income	-	-	4,334	-	4,334	-	4,334
Total comprehensive income	-	-	4,334	1,684	6,018	213	6,231
Contributions by and distributions to owners of the Company:-							
- Purchase of treasury shares	-	(3)	-	-	(3)	-	(3)
- Sale of treasury shares	-	4	-	-	4	-	4
Total transactions with owners	-	1	-	-	1	-	1
Balance as at 30 April 2020	<u>268,680</u>	<u>(55,171)</u>	<u>(38,249)</u>	<u>386,584</u>	<u>561,844</u>	<u>4,976</u>	<u>566,820</u>

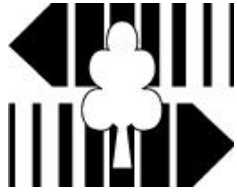
The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 July 2019 and the accompanying explanatory notes attached to the quarterly report.



**Condensed Consolidated Statements of Changes in Equity**  
**For the period ended 30 April 2019**

	<u>Share Capital</u>	<u>Treasury Shares</u>	<u>Non- Distributable Fair Value Reserves</u>	<u>Distributable Retained Profits</u>	<u>Attributable to Owners of the Company</u>	<u>Non- controlling Interests</u>	<u>Total Equity</u>
Nine Months Ended 30 April 2019							
Balance as at 1 August 2018	268,680	(55,166)	(35,844)	425,877	603,547	3,786	607,333
Loss for the financial period	-	-	-	(19,459)	(19,459)	(389)	(19,848)
Other comprehensive income:-							
- Fair value changes of financial assets measured at fair value through other comprehensive income	-	-	(3,499)	-	(3,499)	-	(3,499)
Total comprehensive income	-	-	(3,499)	(19,459)	(22,958)	(389)	(23,347)
Contributions by and distributions to owners of the Company:-							
- Purchase of treasury shares	-	(7)	-	-	(7)	-	(7)
Total transactions with owners	-	(7)	-	-	(7)	-	(7)
Balance as at 30 April 2019	<u>268,680</u>	<u>(55,173)</u>	<u>(39,343)</u>	<u>406,418</u>	<u>580,582</u>	<u>3,397</u>	<u>583,979</u>

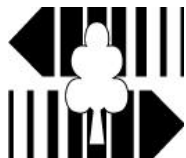
The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 July 2019 and the accompanying explanatory notes attached to the quarterly report.



**Condensed Consolidated Statements of Cash Flows**  
**For the period ended 30 April 2020**

	(UNAUDITED) CURRENT YEAR-TO-DATE 30/04/2020 RM'000	(UNAUDITED) CORRESPONDING YEAR-TO-DATE 30/04/2019 RM'000
<b>Cash Flows from Operating Activities</b>		
Profit/(Loss) before taxation	1,142	(23,881)
Adjustments for :		
Allowance for slow-moving inventories	830	355
Amortisation of intangible assets	352	-
Depreciation of property, plant and equipment	36,979	41,101
Dividend income	(13)	(9)
Fair value gain on investment properties	(2,000)	(11,700)
Fair value change in biological assets	393	(1,029)
Interest expense	14,898	13,636
Interest income	(494)	(242)
Gain on disposal of property, plant and equipment	(3,765)	(5,998)
Property, plant and equipment written off	11	3,155
Unrealised loss/(gain) on foreign exchange	6	(94)
Write-down of inventories no longer required	(806)	-
Operating profit before working capital changes	<u>47,533</u>	<u>15,294</u>
Changes in working capital :		
Decrease/(increase) in inventories	16,798	(12,191)
(Increase)/decrease in trade and other receivables	(4,868)	42,452
(Decrease)/increase in trade and other payables	(9,181)	22,150
Cash from operations	<u>50,282</u>	<u>67,705</u>
Taxes paid, net of refund	(344)	(4,093)
Interest paid	(10,445)	(13,636)
Interest received	494	242
Net cash from operating activities	<u>39,987</u>	<u>50,218</u>
<b>Cash Flows from Investing Activities</b>		
Costs incurred on biological assets	(3,771)	-
Dividend received	13	2
Proceeds from disposal of investment securities	11,903	3,022
Proceeds from disposal of property, plant and equipment	11,344	9,510
Purchase of property, plant and equipment	(38,988)	(222,732)
Net cash for investing activities	<u>(19,499)</u>	<u>(210,198)</u>
<b>Cash Flows from Financing Activities</b>		
Net of drawdown/(repayment) of bankers' acceptance	(3,274)	2,349
Net of drawdown/(repayment) of revolving credit	(17,425)	6,000
Proceeds from drawdown of term loans	9,599	166,891
Payment of interests on long-term borrowings	(10,722)	-
Repayment of term loans	(14,898)	(9,742)
Purchase of treasury shares	(3)	(7)
Proceed from disposal of treasury shares	4	-
Proceeds from drawdown of hire purchase financing	16,190	-
Repayment of hire purchase obligations	(7,895)	(5,638)
Net cash (for)/from financing activities	<u>(28,424)</u>	<u>159,853</u>
<b>Net change in cash and cash equivalents</b>	<u>(7,936)</u>	<u>(127)</u>
<b>Cash and cash equivalents at beginning of period</b>	<u>10,737</u>	<u>10,321</u>
<b>Cash and cash equivalents at end of period</b>	<u>2,801</u>	<u>10,194</u>
Cash and cash equivalents included in the Condensed Consolidated Statements of Cash Flows comprise:-		
Cash and bank balances	5,379	1,135
Deposits with licensed banks	1,058	9,059
Bank overdrafts	(3,636)	-
	<u>2,801</u>	<u>10,194</u>

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



**NOTES :**

**Note 1 Basis of Preparation**

The quarterly report is unaudited and has been prepared in accordance with MFRS 134 “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The quarterly report should be read in conjunction with the Group’s audited financial statements for the year ended 31 July 2019. These explanatory notes attached to the quarterly report provide an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the year ended 31 July 2019.

**Note 2 Significant Accounting Policies**

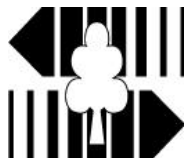
The significant accounting policies adopted in the quarterly report are consistent with those adopted in the Group’s audited financial statements for the financial year ended 31 July 2019, except for the adoption of the following new and revised Malaysian Financial Reporting Standards (“MFRSs”), Amendments to MFRSs and Issues Committee Interpretations (“IC Interpretations”) effective for financial year beginning 1 January 2019.

**(a) Changes in accounting policies**

On 1 August 2019, the Group adopted the relevant and applicable new and revised MFRSs mandatory for annual financial periods beginning on or after 1 January 2019 as follows:

<b>MFRSs and/or IC Interpretations (Including the Consequential Amendments)</b>	<b>Effective for annual periods beginning on or after</b>
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 119: Plan Amendment, Curtailment or Settlement	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

The adoption of the new/revised MFRSs, Amendments to MFRSs and IC Interpretation did not result in any material financial impact to the Group.



**Note 2 Significant Accounting Policies (cont'd)**

**(b) Standards issued but not yet effective**

The Group has not adopted the following accounting standards that have been issued by the Malaysian Accounting Standards Board (MASB). The Group will adopt these amendments/standards, if applicable, when they become effective.

<b>MFRSs and/or IC Interpretations (Including the Consequential Amendments)</b>	<b>Effective for annual periods beginning on or after</b>
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 References to the Conceptual Framework in MFRS Standards	1 January 2020
MFRS 17: Insurance Contracts	1 January 2021
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

**Note 3 Auditors' Report on Preceding Annual Financial Statements**

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

**Note 4 Seasonal or Cyclical factors**

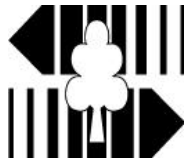
Production of fresh fruit bunches ("FFB") is subject to the cropping pattern and age of the palms. The prices for the Group's products are not within the control of the Group. The timber and timber products prices are determined by the global demand and buying patterns of the buyers. The FFB prices are affected by the edible oils demand in the market.

**Note 5 Unusual Items**

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

**Note 6 Changes in Estimates**

There were no changes in estimates that have a material effect on the results of the Group for the period under review.



## Note 7 Debt and Equity Securities

During the financial year-to-date, 5,700 shares were purchased and retained as treasury shares. The monthly breakdown of shares bought back were as follows:

Month	No. of shares	Purchase price per share		Average price per share RM	Total consideration RM
		Lowest RM	Highest RM		
September 2019	5,000	0.44	0.44	0.44	2,233
October 2019	700	0.39	0.39	0.39	304
<b>TOTAL</b>	<b>5,700</b>	<b>0.39</b>	<b>0.44</b>	<b>0.43</b>	<b>2,537</b>

During the financial year-to-date, 10,000 shares were resold in the open market. The monthly breakdown of shares resold were as follows:

Month	No. of shares	Selling price per share		Average price per share RM	Total consideration RM
		Lowest RM	Highest RM		
October 2019	9,000	0.40	0.45	0.43	3,705
November 2019	1,000	0.47	0.47	0.47	439
<b>TOTAL</b>	<b>10,000</b>	<b>0.40</b>	<b>0.47</b>	<b>0.43</b>	<b>4,144</b>

As at 30 April 2020, the number of shares retained as treasury shares amounted to 20,887,300.

Apart from the above, there were no issuances and repayments of debt and equity securities for the period under review.

## Note 8 Dividends Paid

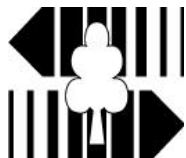
There were no dividends paid during the period under review.

## Note 9 Segmental Information

Segmental revenue and profit/(loss) before taxation for the current financial year-to-date and preceding year corresponding period by the respective operating segments as follows:

	Financial year-to-date ended			
	30.04.2020		30.04.2019	
	Revenue	Profit/(Loss)	Revenue	Profit/(Loss)
		Before Tax		Before Tax
	RM'000	RM'000	RM'000	RM'000
Plantation	97,699	17,973	74,934	(4,735)
Timber	153,620	(14,065)	162,809	(24,355)
Others	6,380	(2,766)	4,604	5,209
	<u>257,699</u>	<u>1,142</u>	<u>242,347</u>	<u>(23,881)</u>





**Note 9 Segmental Information (cont'd)**

The Group is organised into business units based on their products and services provided, and has three reportable operating segments as follows:

The timber segment is involved in extraction, sale of logs, subcontractor for tree planting (reforestation), and the business of manufacturing and trading of plywood, veneer, raw and laminated particleboard, sawn timber, finger-joint moulding and charcoal for its manufacturing activities.

The plantation segment is involved in cultivation of oil palm and sale of fresh fruit bunches.

The others segment is involved in provision of towage and transportation services, insurance services, property holding and development, and manufacturing and trading of drinking water.

**Note 10 Valuations of Property, Plant and Equipment**

There has been no valuation undertaken for the Group's property, plant and equipment since the last annual financial statements.

**Note 11 Valuations of Investment Properties**

Investment properties are stated at fair value, which have been determined based on valuations performed by independent professional valuers at the end of the reporting date using the market comparison approach. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size, location, tenure and market trends. The most significant input into this valuation approach is price per acre of comparable properties. There has been no change to the valuation technique during the financial year.

The fair values of the investment properties are within level 2 of the fair value hierarchy.

There were no transfers between level 1 and level 2 during the financial year.

The fair value measurements of the investment properties are based on the highest and best use which does not differ from their actual use.

There has been no valuation undertaken for the Group's investment properties since the last annual financial statements.

**Note 12 Subsequent Events**

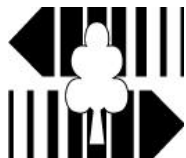
There were no material events subsequent to the end of the current quarter that have not been reflected in the financial statement.

**Note 13 Changes in the Composition of the Group**

On 6 November 2019, Enerrich Sdn. Bhd. (formerly known as Merri Mee Sdn. Bhd.), a wholly-owned subsidiary of the Company, acquired 100% equity interest in Powerpuff Alliance Sdn. Bhd. ("PWF"), a company incorporated in Malaysia, for a total cash consideration of RM410. PWF is currently a dormant company and its intended principal activities are related to oil palm business.

**Note 14 Changes in Contingent Liabilities and Contingent Assets**

There were no material changes in the contingent liabilities or assets since the last annual reporting date.



**Note 15 Capital Commitments**

	As at 30.04.2020 RM'000	As at 31.07.2019 RM'000
Purchase of property, plant and equipment	506	1,576
Construction of property, plant and equipment	299	271
	805	1,847

**Note 16 Review of Performance**

**Comparison of Results with Previous Year Corresponding Quarter and Financial Year-to-date**

For the current quarter under review, the Group recorded lower pre-tax loss of RM5.3 million as compared to previous year corresponding period of RM15.1 million while revenue reduced slightly by 4%. For 9 months ended 30 April 2020, the Group recorded higher revenue of RM257.7 million as compared to RM242.3 million in the preceding year corresponding period and also reported turnaround of pre-tax profit of RM1.1 million as compared to pre-tax loss of RM23.9 million in the preceding year corresponding period.

Segmental performance:

	Individual Quarter			Cumulative Quarter		
	3 months ended		Q-o-Q	9 months ended		Y-o-Y
	30.04.2020	30.04.2019		30.04.2020	30.04.2019	
	RM'000	RM'000	%	RM'000	RM'000	%
<b>Revenue</b>						
Oil Palm	26,464	19,776	34%	97,699	74,934	30%
Timber	49,927	60,259	-17%	153,620	162,809	-6%
Others	2,066	1,648	25%	6,380	4,604	39%
	<b>78,457</b>	<b>81,683</b>	<b>-4%</b>	<b>257,699</b>	<b>242,347</b>	<b>6%</b>
<b>Profit/(Loss) Before Tax</b>						
Oil Palm	1,579	(5,676)	>100%	17,973	(4,735)	>100%
Timber	(5,745)	(9,621)	40%	(14,065)	(24,355)	42%
Others	(1,149)	162	> -100%	(2,766)	5,209	> -100%
	<b>(5,315)</b>	<b>(15,135)</b>	<b>65%</b>	<b>1,142</b>	<b>(23,881)</b>	<b>&gt;100%</b>

**Oil Palm**

For quarter-on-quarter (Q-o-Q) review, revenue and profit before tax increased by RM6.7 million and RM7.3 million respectively, mainly contributed by:

- 11% increase in fresh fruit bunch (“FFB”) sales volume from 53,365 MT to 59,370 MT.
- 23% increase in crude palm oil (“CPO”) price from RM2,009/MT to RM2,467/MT.

For year-on-year (Y-o-Y) review, revenue and profit before tax increased by RM22.8 million and RM22.7 million respectively, mainly contributed by:

- 15% increase in FFB sales volume from 196,512 MT to 225,833 MT.
- 21% increase in CPO price from RM2,017/MT to RM2,446/MT.

Profit margin improved due to lower unit production cost of FFB resulting from higher FFB production volume.



## Note 16 Review of Performance (cont'd)

### Timber

The improvement in timber segment was mainly due to the implementation of cost effectiveness program. Timber segment improved by recording lower loss by 40% and 42% respectively as compared to preceding year corresponding quarter and financial year-to-date.

For Q-o-Q and Y-o-Y review, revenue decreased by RM10.3 million and RM9.2 million respectively, mainly due to:

- Lower average selling price of logs.
- Weaker demand of timber products from international markets.

However, the reduction of revenue was partially offset by higher sales volume of logs.

## Note 17 Material Changes in Quarterly Results Compared to the Results of the Immediate Preceding Quarter

The Group reported revenue of RM78.5 million in the current quarter as compared to RM84.4 million reported in the immediate preceding quarter. The Group recorded loss before tax of RM5.3 million as compared to profit before tax of RM4.1 million in the immediate preceding quarter.

Segmental performance:

	<b>Current Quarter 30.04.2020 RM'000</b>	<b>Immediate Preceding Quarter 31.01.2020 RM'000</b>	<b>Changes %</b>
<b><u>Revenue</u></b>			
Oil Palm	26,464	37,006	-28%
Timber	49,927	45,202	10%
Others	2,066	2,150	-4%
	<b>78,457</b>	<b>84,358</b>	<b>-7%</b>
<b><u>Profit/(Loss) Before Tax</u></b>			
Oil Palm	1,579	11,832	-87%
Timber	(5,745)	(7,464)	23%
Others	(1,149)	(269)	> -100%
	<b>(5,315)</b>	<b>4,099</b>	<b>&gt; -100%</b>

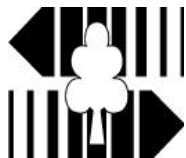
### Oil Palm

Revenue and profit decreased by RM10.5 million and RM10.3 million respectively, mainly due to:

- 11% decrease in CPO price from RM2,780/MT to RM2,467/MT.
- 16% decrease in FFB sales volume during the low crop season.

### Timber

Revenue increased by RM4.7 million and loss decreased by RM1.7 million, mainly due to higher sales volume of logs and higher average selling price of manufactured products in the current quarter.



## Note 18 Commentary on Prospects

The Group expects a better performance in oil palm segment as FFB production improves in line with the upcoming peak crop season. CPO price is expected to rise in the short term in view of the recent improvement in diplomatic relations between India and Malaysia. Besides, Malaysia has reduced the CPO export duty to zero percent, which will help to boost CPO demand.

The Covid-19 global pandemic has adversely affected global economic activity because some countries have implemented lockdown and closed non-essential businesses. The uncertainty caused by the pandemic has resulted in weak timber exports in the short term. During this period, the Group continues its operation with the implementation of Standard Operating Procedure (SOP) that complies with the Movement Control Order (MCO). This will ensure that our businesses can fulfill buyer demand upon the recovery from the pandemic.

The Group is committed to continuously review and improve the effectiveness of our group strategic transformation plans. Our Group adopts a lean business model to improve process across the value stream in order to eliminate waste and deliver optimized value to the stakeholders.

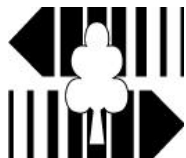
## Note 19 Financial Estimate, Forecast, Projection or Internal Targets

The disclosure requirements for explanatory notes on the variation of actual profit after tax and profit forecast stated in the financial estimate, forecast, projection or internal targets and shortfall in profit guarantee are not applicable.

## Note 20 (Loss)/Profit Before Taxation

(Loss)/Profit before taxation was derived after taking into consideration of the following:

	Quarter ended		Financial year-to-date ended	
	30.04.2020	30.04.2019	30.04.2020	30.04.2019
	RM'000	RM'000	RM'000	RM'000
Allowance for slow-moving inventories	-	-	830	355
Amortisation of commercial rights	118	-	352	-
Depreciation of property, plant and equipment	12,371	15,158	36,979	41,101
Dividend income	-	(3)	(13)	(9)
Fair value change in biological assets	509	(499)	393	(1,029)
Fair value gain on investment properties	-	(3,000)	(2,000)	(11,700)
Interest expenses	4,884	5,091	14,898	13,636
Interest income	(170)	(89)	(494)	(242)
Gain on disposal of property, plant and equipment	(33)	(276)	(3,765)	(5,998)
Property, plant and equipment written off	6	4	11	3,155
Rental income	(124)	(113)	(400)	(396)
Write-down of inventories no longer required	(806)	-	(806)	-
Loss/(gain) on foreign exchange				
- realised	109	-	911	795
- unrealised	(100)	19	6	(94)



**Note 21 Taxation**

The Group's taxation for the period under review was as follows:

	Quarter ended		Financial year-to-date ended	
	30.04.2020 RM'000	30.04.2019 RM'000	30.04.2020 RM'000	30.04.2019 RM'000
Income tax:				
Current period provision	1,618	(2,541)	5,352	(2,439)
Under provision	-	7,497	-	7,497
Deferred tax:				
Current period provision	(5,918)	(8,938)	(6,107)	(9,091)
	<u>(4,300)</u>	<u>(3,982)</u>	<u>(755)</u>	<u>(4,033)</u>

Income tax expense is recognised in each quarter based on the best estimate of the weighted average annual income tax rate expected for the full financial year.

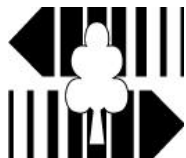
**Note 22 Status of Corporate Proposals**

There were no outstanding corporate proposals that have been announced but not completed as at the date of this announcement.

**Note 23 Borrowings and Debt Securities**

		As at 30.04.2020 RM'000	As at 31.07.2019 RM'000
<b>Short term borrowings:</b>			
Unsecured	- Bank overdrafts	2,830	-
	- Bankers' acceptance	63,517	60,514
	- Revolving credit	299,275	330,700
Secured	- Bank overdrafts	806	588
	- Bankers' acceptance	-	6,277
	- Hire purchase obligations	2,909	6,788
	- Revolving credit	86,000	72,000
	- Term loans	14,488	21,189
		<u>469,825</u>	<u>498,056</u>
<b>Long term borrowings:</b>			
Secured	- Term loans	218,087	216,684
	- Hire purchase obligations	24,693	12,518
		<u>242,780</u>	<u>229,202</u>
<b>Total borrowings</b>		<u>712,605</u>	<u>727,258</u>

There were no borrowings denominated in foreign currency.



**Note 24 Fair Value of Financial Liabilities**

The Group has entered into forward foreign exchange contracts to limit its exposure on foreign currency receipts, when it is deemed necessary.

As at 30 April 2020, there was no outstanding foreign exchange contracts.

There was no significant change for the financial derivatives in respect of the followings since the last financial year ended 31 July 2019:

- (a) the credit risk, market risk and liquidity risk associated with these financial derivatives;
- (b) the cash requirements of the derivatives;
- (c) the policies in place for mitigating or controlling the risks associated with these financial derivative; and
- (d) the related accounting policies.

**Note 25 Profit/Loss Arising from Fair Value Changes of Financial Liabilities**

There were no gains or losses arising from fair value changes of financial liabilities for the current quarter ended 30 April 2020.

**Note 26 Changes in Material Litigation**

There was no pending material litigation as at the date of this announcement.

**Note 27 Dividend Payable**

The Board of Directors did not declare any dividend for the quarter ended 30 April 2020 (previous corresponding period: Nil).

**Note 28 (Loss)/Earnings Per Share**

- (a) Basic (loss)/earnings per share

Basic (loss)/earnings per share is calculated by dividing the net profit or loss for the period attributable to ordinary equity holders of the Company over the weighted average number of ordinary shares in issue during the period, excluding treasury shares held by the Company.

	<b>Quarter ended 30.04.2020</b>	<b>Financial year-to-date ended 30.04.2020</b>
(Loss)/Profit for the period attributable to ordinary equity holders of the Company (RM'000)	(1,025)	1,684
Weighted average number of ordinary shares in issue excluding treasury shares ('000)	188,113	188,111
Basic (loss)/earnings per share (Sen)	(0.54)	0.90

- (b) Diluted earnings per share

N/A

**Note 29 Authorisation for Issue**

The quarterly report was authorised for issue by the Board of Directors in accordance with a resolution of the directors on 26 June 2020.