

B. I. G. INDUSTRIES BERHAD (195285-D)

(Incorporated in Malaysia)

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

| | (UNAUDITED) 30.6.2019 RM' 000 | (RESTATED) 30.6.2018 RM' 000 | (RESTATED) 1.7.2017 RM' 000 |
|--|-------------------------------------|------------------------------------|-----------------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 30,597 | 33,664 | 38,000 |
| Land held for property development | 1,225 | 896 | 834 |
| Other investments | - | 10 | 10 |
| | 31,822 | 34,570 | 38,844 |
| Current assets | | | |
| Inventories | 6,118 | 7,807 | 7,143 |
| Trade receivables | 9,020 | 10,956 | 11,435 |
| Other receivables, deposits and prepayments | 1,334 | 1,158 | 1,804 |
| Tax recoverable | - | 1,204 | 1,638 |
| Short term deposits placed with licensed banks | 728 | 653 | 100 |
| Short term deposits held as security value | 1,382 | 247 | 258 |
| Cash held pursuant to Housing Development Act | 216 | 658 | 678 |
| Investment securities | 8 | 7 | 7 |
| Cash and bank balances | 2,219 | 2,219 | 1,867 |
| | 21,025 | 24,909 | 24,930 |
| TOTAL ASSETS | 52,847 | 59,479 | 63,774 |
| EQUITY AND LIABILITIES | | | |
| Equity attributable to Equity Holders of the Company | | | |
| Share capital | 48,242 | 48,242 | 48,242 |
| (Accumulated losses)/ Revenue reserve | (21,379) | (22,334) | (17,816) |
| TOTAL EQUITY | 26,863 | 25,908 | 30,426 |
| Non-current liabilities | | | |
| Lease payables | 676 | 544 | 1,275 |
| Term loans | 112 | 238 | 354 |
| Other Payable | 3,327 | 5,216 | 3,049 |
| Deferred tax liabilities | 3,458 | 3,435 | 4,361 |
| | 7,573 | 9,433 | 9,039 |
| Current liabilities | | | |
| Bank overdrafts | - | 489 | 1,693 |
| Term loans | 128 | 117 | 936 |
| Borrowings | 2,882 | 6,184 | 5,326 |
| Trade payables | 4,595 | 5,464 | 4,424 |
| Cylinder deposits received | 4,698 | 4,302 | 3,953 |
| Other payables and accruals | 5,533 | 6,545 | 6,460 |
| Amount due to related companies | - | 45 | 45 |
| Lease payables | 325 | 992 | 1,464 |
| Income tax payable | 251 | - | 8 |
| | 18,412 | 24,138 | 24,309 |
| TOTAL LIABILITIES | 25,985 | 33,571 | 33,348 |
| TOTAL EQUITY AND LIABILITIES | 52,847 | 59,479 | 63,774 |
| Net assets per share attributable to Equity Holders of the Company (RM) | 0.56 | 0.54 | 0.63 |

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

B. I. G. INDUSTRIES BERHAD (195285-D)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 30 JUNE 2019**

| | Quarter Ended | | | Year-To-Date Ended | | |
|---|---------------------|---------------------|-----------------|---------------------|---------------------|---------------|
| | 30.6.2019 RM'000 | 30.6.2018 RM'000 | Changes % | 30.6.2019 RM'000 | 30.6.2018 RM'000 | Changes % |
| Revenue | 9,945 | 10,260 | (3.07) | 45,990 | 39,909 | 15.24 |
| Other income | 558 | 970 | (42.47) | 3,756 | 1,934 | 94.21 |
| Interest income | 17 | 30 | (43.33) | 38 | 39 | (2.56) |
| Inventories purchased and raw materials consumed | (5,095) | (5,594) | (8.92) | (22,804) | (21,922) | 4.02 |
| Carriage outwards | (20) | (228) | (91.23) | (273) | (567) | (51.85) |
| Employee salaries and other benefits expenses | (1,944) | (1,962) | (0.92) | (8,232) | (8,690) | (5.27) |
| Depreciation of plant, property and equipment | (806) | (1,180) | (31.69) | (3,391) | (4,758) | (28.73) |
| Development costs | (329) | (165) | 99.39 | (927) | - | 0.00 |
| Other expenses | (3,182) | (3,601) | (11.64) | (12,006) | (10,710) | 12.10 |
| Operating profit/(loss) | (856) | (1,470) | 41.77 | 2,151 | (4,765) | 145.14 |
| Finance costs | (103) | (132) | (21.97) | (442) | (683) | (35.29) |
| Profit/(Loss) before tax | (959) | (1,602) | 40.14 | 1,709 | (5,448) | 131.37 |
| Income tax expense | (730) | 930 | (178.49) | (754) | 930 | (181.08) |
| Profit/(Loss) net of tax, representing total comprehensive income for the period | (1,689) | (672) | (151.34) | 955 | (4,518) | 121.14 |
| Total comprehensive income for the period | | | | | | |
| Profit/(Loss) attributable to: Owners of the Company | (1,689) | (672) | (151.34) | 955 | (4,518) | 121.14 |
| Earning per share attributable to equity holders of the Company: | | | | | | |
| Earnings/(Loss) per share (sen) | | | | | | |
| - Basic | (3.51) | (1.40) | | 1.99 | (9.39) | |
| - Diluted | NA | NA | | NA | NA | |

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

B. I. G. INDUSTRIES BERHAD (195285-D)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 30 JUNE 2019**

| | -----Attributable to Equity Holders of Company----- | | |
|-----------------------------------|---|--|---------------|
| | -----Non-distributable----- | Distributable | Total |
| | Share Capital RM'000 | Revenue Reserve/ (Accumulated losses) RM'000 | RM'000 |
| At 1 July 2018 | 48,242 | (22,334) | 25,908 |
| Total comprehensive profit/(loss) | - | 955 | 955 |
| At 30 June 2019 | <u>48,242</u> | <u>(21,379)</u> | <u>26,863</u> |
| | | | |
| At 1 July 2017 | 48,242 | (12,540) | 35,702 |
| Prior year adjustment | - | (5,276) | (5,276) |
| Total comprehensive loss | - | (4,518) | (4,518) |
| At 30 June 2018 | <u>48,242</u> | <u>(22,334)</u> | <u>25,908</u> |

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

B. I. G. INDUSTRIES BERHAD (195285-D)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 30 JUNE 2019

| | 12 Months Ended 30.6.2019 RM'000 | 12 Months Ended 30.6.2018 RM'000 |
|--|---|---|
| Profit/(Loss) before tax | 1,709 | (5,448) |
| Adjustments for : | | |
| Depreciation of property, plant and equipment | 3,391 | 4,758 |
| Bad debts written off | 15 | 92 |
| Property, plant and equipment written off | 30 | 82 |
| Net gain on disposal of property, plant and equipment | (2,713) | (427) |
| Gain on financial liabilities measured at amortised cost | (78) | (161) |
| Impairment loss on property, plant and equipment | - | 122 |
| Impairment loss on trade receivables, net of reversal | 686 | 106 |
| Impairment loss on other investments | 10 | - |
| Impairment loss on inventories | 117 | - |
| Interest expenses | 442 | 683 |
| Interest income | (38) | (39) |
| Operating cash flows before working capital changes | 3,571 | (232) |
| Changes in working capital: | | |
| Inventories | 1,573 | (664) |
| Receivables | 1,050 | 929 |
| Payables | (3,331) | 3,801 |
| Cash flows from operations | 2,863 | 3,834 |
| Interest received | 38 | 39 |
| Interest paid | (26) | (31) |
| Income tax paid, net of refunds | 724 | 429 |
| Net cash flows from operating activities | 3,599 | 4,271 |
| Investing activities | | |
| Purchase of property, plant & equipment | (121) | (705) |
| Proceeds from disposal of property, plant & equipment | 3,019 | 707 |
| Net advance to associate | - | (1) |
| Subsequent expenditure on land held for development | (330) | (62) |
| Net cash flows from/ (used in) investing activities | 2,568 | (61) |
| Financing activities | | |
| Repayment of loans and borrowings | (115) | (936) |
| Net change of short term borrowings | (3,302) | 859 |
| (Increase)/decrease in fixed deposits pledged | (693) | 31 |
| Interest paid | (417) | (652) |
| Repayment of lease payables | (1,075) | (1,403) |
| Net cash flows used in financing activities | (5,602) | (2,101) |

B. I. G. INDUSTRIES BERHAD (195285-D)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 30 JUNE 2019
(Cont....)

| | 12 Months Ended 30.6.2019 RM'000 | 12 Months Ended 30.6.2018 RM'000 |
|--|---|---|
| Net increase/(decrease) in cash and cash equivalents | 565 | 2,109 |
| Cash and cash equivalents at 1 July | 2,382 | 273 |
| Cash and cash equivalents at 30 June | 2,947 | 2,382 |
| Analysis of cash and cash equivalents: | | |
| Cash and bank balances | 2,947 | 2,871 |
| Bank overdrafts | - | (489) |
| | 2,947 | 2,382 |

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

B. I. G. INDUSTRIES BERHAD (195285-D)

(Incorporated in Malaysia)

PART A –EXPLANATORY NOTES PURSUANT TO FRS134**A1 Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards (“FRS”) No.134, “Interim Financial Reporting” and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018. These explanatory notes 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 30 June 2018.

A2. Prior year adjustment

During the current financial year ended 30 June 2019, the group obtained a solicitor confirmation on the development rights of Tani Kukuh Sdn Bhd (“TKSB”), a wholly owned subsidiary of B.I.G. Industries Berhad.

Based on the solicitor confirmation, out of the development cost of RM5.376 million, RM0.100 million was on the land premium and RM5.276 million was related to development cost.

The Board has decided to make a prior year adjustment to write down RM5.276 million being the development cost recorded by TKSB.

The financial effects arising from the Group’s prior year adjustments are as follows:

| | As previously reported | Prior year adjustments | As Restated |
|--|------------------------------|---------------------------|----------------|
| | RM'000 | RM'000 | RM'000 |
| At 1 July 2017 | | | |
| Statement of financial position | | | |
| Non-current assets | | | |
| Land held for property development | 6,210 | (5,376) | 834 |
| Current assets | | | |
| Other receivables, deposit and prepayments | 1,704 | 100 | 1,804 |
| Equities | | | |
| Accumulated losses | (12,540) | (5,276) | (17,816) |

| | | | |
|--|----------|---------|----------|
| At 30 June 2018 | | | |
| Statement of financial position | | | |
| Non-current assets | | | |
| Land held for property development | 6,272 | (5,376) | 896 |
| Current assets | | | |
| Other receivables, deposit and prepayments | 1,058 | 100 | 1,158 |
| Equities | | | |
| Accumulated losses | (17,058) | (5,276) | (22,334) |

A3. Changes in Accounting Policies

The Group has adopted the following MFRSs, new IC Interpretation (“IC Int”) and amendments to IC Int which are effective on or after 1 January 2018:

New MFRSs

| | |
|---------|---------------------------------------|
| MFRS 9 | Financial Instruments |
| MFRS 15 | Revenue from Contracts with Customers |

Amendments/Improvements to MFRSs

| | |
|--------|------------------------------|
| MFRS 1 | First-time Adoption of MFRSs |
|--------|------------------------------|

The adoption of the above MFRSs and amendments/improvements to MFRSs did not have any significant effect on the financial statements of the Group and did not result in significant changes to the Group’s existing accounting policies.

A4. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements of the Company and its subsidiaries for the financial year ended 30 June 2018 were not subject to any qualification.

A5. Comments about Seasonal or Cyclical Factors

The business operations of the Group were not affected by any significant seasonal or cyclical factors.

A6. Unusual Items due to their Nature, Size or Incidence

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

A7. Changes in Estimates

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and year-to-date under review.

A8. Debts and Equity Securities

There were no debt and equity securities issued, cancelled, repurchased, resold or repaid during the current quarter under review.

A9. Dividends Paid

There was no dividend paid for the quarter under review.

A10. Segmental Information

| | Revenue | | | Profit/(Loss) before tax | | |
|--------------|---|----------------|---------------|--------------------------|----------------|--------------|
| | --- 3 months ended 30 Jun --- (Individual Quarter) | | | | | |
| SEGMENT | 2019 RM'000 | 2018 RM'000 | Changes % | 2019 RM'000 | 2018 RM'000 | Changes % |
| Gas | 6,390 | 5,999 | 6.52 | (769) | (1,350) | 43.04 |
| Concrete | 2,974 | 4,261 | (30.20) | (376) | (316) | (18.99) |
| Property | 581 | - | 100.00 | 259 | 109 | 137.61 |
| Others | - | - | - | (73) | (45) | (62.22) |
| Total | 9,945 | 10,260 | (3.07) | (959) | (1,602) | 40.14 |

| | Revenue | | | Profit/(Loss) before tax | | |
|--------------|--|----------------|--------------|--------------------------|----------------|---------------|
| | --- 12 months ended 30 Jun --- (Cumulative Quarter) | | | | | |
| SEGMENT | 2019 RM'000 | 2018 RM'000 | Changes % | 2019 RM'000 | 2018 RM'000 | Changes % |
| Gas | 31,139 | 22,739 | 36.94 | 2,068 | (3,645) | 156.74 |
| Concrete | 12,648 | 17,170 | (26.34) | (1,225) | (1,788) | 31.49 |
| Property | 2,203 | - | 100.00 | 1,033 | 89 | 1060.67 |
| Others | - | - | - | (167) | (104) | (60.58) |
| Total | 45,990 | 39,909 | 15.24 | 1,709 | (5,448) | 131.37 |

A11. Carrying Amount of Revalued Assets

The valuation of property, plant and equipment was brought forward without amendment from the previous annual financial statements.

A12. Material Subsequent Events

There are no material events subsequent to the end of the current quarter under review.

A13. Changes in Composition of the Group

Except for the following, there were no changes in the composition of the Group:

- i) On 18 September 2017, the Company announced that the following companies are applying for striking off their names from the Registry pursuant to Section 550 of the Companies Act 2016:
 - a) B.I.G. Marine Sdn. Bhd., a wholly-owned subsidiary; and
 - b) Sistem SDS Sdn. Bhd., a wholly-owned subsidiary.

The final notice of the striking off of B.I.G. Marine Sdn. Bhd. was dated 25 September 2018. It was dissolved on 22 October 2018.

The final notice of the striking off of Sistem SDS Sdn. Bhd. was dated 29 October 2018. It was dissolved on 15 November 2018.

- ii) On 8 February 2019, the Company announced that the following company is applying for striking off from the Registry pursuant to Section 550 of the Companies Act 2016:
 - a) B.I.G. Construction Sdn. Bhd., a wholly-owned subsidiary.

The above company is dormant and non-operating. It has no intention to carry out any business in the future.

A14. Changes in Contingent Liabilities and Contingent Assets

There are no material changes in the contingent liabilities or contingent assets since the last balance sheet date.

A15. Capital Commitments

Capital expenditure of the Group approved and contracted but not provided for as at 30 June 2019 in relation to property, plant and equipment amounted to RM0.192 million.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Performance Review

For the quarter under review, the Group recorded a gross revenue of RM9.945 million as compared to RM10.260 million recorded in the preceding year corresponding quarter. The lower revenue was mainly caused by the Concrete Division with lower demand of our concrete products due to lesser projects launches and intense competition while the revenue of the Gas Division increased marginally on higher sales of liquefied gas for the maintenance activities of oil and gas industry.

For the current financial year, the Group recorded a gross revenue of RM45.990 million as compared to RM39.909 million recorded in the preceding corresponding year, an increase of RM6.081 million or 15.24%. The increase was mainly contributed by the Gas Division as its revenue surged by RM8.400 million while the Concrete Division reported a lower revenue of RM4.522 million.

For the current quarter under review, the Group recorded a loss before tax of RM0.959 million as compared to a loss before tax of RM1.602 million recorded in the preceding year corresponding quarter. The lower loss before tax was due to higher contribution from the Property Division on sales of completed houses in Kuching, Sarawak and lesser impairment loss for the Gas Division.

For the current financial year, the Group reported a profit before tax of RM1.709 million as compared to a loss before tax of RM5.448 million for the preceding corresponding year. The profit before tax was mainly resulted by the gain on disposal of vacant lands by the Gas Division.

- **Gas Division**

During the current quarter under review, the Gas Division recorded a gross revenue of RM6.390 million as compared to RM5.999 million for the preceding year corresponding quarter. Revenue of cylinder gas was constant while liquefied gas improved marginally. For the current financial year, the Gas Division recorded a gross revenue of RM31.139 million as compared to RM22.739 million reported in the preceding year, an increase of RM8.400 million or 36.94%. The higher revenue was attributable to higher demand of liquefied gas from the oil and gas industry for maintenance services.

The division recorded a loss before tax of RM0.769 million for the current quarter under review as compared to loss before tax of RM1.350 million for the preceding year corresponding quarter. The lower loss for current quarter was mainly due to lower impairment loss. For the current financial year, the Gas Division recorded a profit before tax of RM2.068 million as compared to loss before tax of RM3.645 million for the preceding corresponding year. The higher profit was attributable to gain on disposal of vacant land and lower impairment loss.

- **Concrete Division**

During the current quarter under review, the Concrete Division registered a gross revenue of RM2.974 million as compared to a revenue of RM4.261 million for the preceding year corresponding quarter. For the current financial year, the Concrete Division recorded a gross revenue of RM12.648 million as compared to RM17.170 million for the preceding corresponding year, a decrease of RM4.522 million or 26.34%. The lower revenue was caused by low market demand of our concrete products.

The Concrete Division reported a loss before tax of RM0.376 million as compared to a loss before tax of RM0.316 million for the preceding year corresponding period. For the current financial year, the Concrete Division recorded a loss before tax of RM1.225 million as compared to RM1.788 million for the preceding corresponding period. The lower loss was resulted by various cost rationalization measures taken by the Division.

- **Property Division**

During the quarter under review, the Property Division recorded a revenue of RM0.581 million from sales of single-storey terraced houses. No revenue was recorded in the previous corresponding quarter. For the current financial year, the Property Division registered a gross revenue of RM2.203 million. No revenue was recorded in the preceding financial year.

The advertising permit and developer license for our new project in Melalin has been approved. The division is actively marketing the sales of houses.

B2. Comparison of Material Change with Preceding Quarter's Results

| Group Results | Current Quarter ended 30.6.2019 | Preceding Quarter ended 31.3.2019 | Changes |
|--------------------------|--|--|----------------|
| | (RM'000) | (RM'000) | % |
| Revenue | 9,945 | 9,967 | (0.22) |
| (Loss)/Profit Before Tax | (959) | 603 | (259.04) |

Revenue for the current quarter under review was RM9.945 million as compared to RM9.967 million for the preceding quarter. The Gas Division recorded a lower revenue of RM0.865 million while the Concrete and Property Division recorded a higher revenue of RM0.517 million and RM0.326 million respectively.

The Group reported a loss before tax of RM0.959 million as compared to a profit before tax of RM0.603 million for the preceding quarter ended 31 March 2019. The higher losses for the current quarter was due to impairment loss on trade receivables. The higher profit for the preceding quarter also contributed by the gain on disposal of vacant land.

B3. Current Year Prospects

The Group expects the coming year will be challenging due to the prolonged and escalating trade war between the United States of America and China and weak market conditions. Despite these challenges, the Group will continue its prudent policy on costs, enhance its operational efficiencies and explore more markets for our products.

An optimistic outlook for the Gas Division as most oil and gas production activities continue to improve moderately.

The prospect of the Concrete Division remains weak for the coming financial year due to subdued construction activities, acute sand shortage and overcapacity in the ready-mixed concrete industry. The Group will continue to be cautious in its expenditures and optimizing its operational efficiency.

The Property Division will continue to push for the sales of remaining unit of single-storey houses in Kuching, Sarawak and launching of Melalin project in Sabah.

B4. Statement of the Board of Directors' Opinion on Achievement of Forecast or Target

The disclosure requirement is not applicable for the current quarter.

B5. Profit Forecast

The Company has not provided any profit forecast in any public document.

B6. Taxation

| | Current Year Quarter 30.6.2019 (RM'000) | Preceding Year Quarter 30.6.2018 (RM'000) | Changes % | Current Year To date 30.6.2019 (RM'000) | Preceding Year To date 30.6.2018 (RM'000) | Changes % |
|----------------------------|---|---|--------------|---|---|--------------|
| Taxation comprises: | | | | | | |
| Current tax | (707) | 930 | (176.02) | (731) | 930 | (178.60) |
| Deferred tax | (23) | - | (100.00) | (23) | - | (100.00) |
| Total | (730) | 930 | (178.49) | (754) | 930 | (181.08) |

The Group's effective tax rate for the current quarter under review is lower than the statutory rate as certain wholly-owned subsidiary companies of the Company have sufficient capital allowances and trading losses to offset taxable profits.

B7. Corporate Proposals

There are no pending corporate proposals as at the date of this report.

B8. Borrowings

a) Short Term Borrowings

| | 30 June 2019 | | | 30 June 2018 | | |
|---|--------------|-----------|--------------|--------------|-----------|--------------|
| | Secured | Unsecured | Total | Secured | Unsecured | Total |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Bank overdraft | - | - | - | 489 | - | 489 |
| Bankers' acceptance and revolving credits | 2,882 | - | 2,882 | 6,184 | - | 6,184 |
| Term loans | 128 | - | 128 | 117 | - | 117 |
| Lease payables | 325 | - | 325 | 992 | - | 992 |
| Total | 3,335 | - | 3,335 | 7,782 | - | 7,782 |

b) Long Term Borrowings

| | 30 June 2019 | | | 30 June 2018 | | |
|----------------|--------------|-----------|------------|--------------|-----------|------------|
| | Secured | Unsecured | Total | Secured | Unsecured | Total |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Term loans | 112 | - | 112 | 238 | - | 238 |
| Lease payables | 676 | - | 676 | 544 | - | 544 |
| Total | 788 | - | 788 | 782 | - | 782 |

None of the Group's borrowings as at the financial year ended are denominated in foreign currencies.

B9. Changes in Material Litigations

There was no litigation at the date of issue of these interim financial statements except for the following:

On 26 June 2012, the Company's wholly-owned subsidiary, B.I.G. Industrial Gas Sdn. Bhd. ("BIGG") entered into a conditional Sale and Purchase Agreement ("SPA") with Pan Wijaya Property Sdn. Bhd. ("PWPSB") subject to the consent from the Director of Lands and Surveys for the disposal of a piece of vacant leasehold land held under Lot 2072, Block 26, Kemena Land District, Kidurong Industrial Area, Bintulu, Sarawak measuring approximately 1.2243 hectares in area for a cash consideration of RM3.1 million.

Director of Lands and Surveys, Sarawak via its letter dated 12 March 2013 rejected the application for consent to transfer ownership of land title held under Lot 2072. Accordingly, the conditional SPA dated 26 June 2012 on the proposed disposal was treated as cancelled, null and void.

On 5 February 2013, PWPSB created a caveat instrument registered as Instrument No. L703/2013 at Bintulu Land District on 5 February 2013 (“Caveat”) forbidding the registration of any dealing with the estate or the interest of the land held under Lot 2072. In view of the cancellation of proposed disposal and refusal of PWPSB to remove the caveat, BIGG had on 26 July 2013 commenced a legal proceeding against PWPSB for the removal of the caveat. On 3 September 2013, PWPSB sued BIGG for specific performance of the SPA and in the alternative for damages for breach of contract. BIGG refuted the claim as the Director of Lands and Surveys, Sarawak had refused to grant the consent and thus it was impossible to perform the SPA and therefore void. In the event the High Court ruled in favour of PWPSB, the financial impact to BIGG would be RM0.620 million as pre-estimated liquidated damages.

On 10 April 2014, the High Court had ordered (“Court Order”):

- i) the removal of the said caveat from the Register of the Department of Lands and Surveys Bintulu Division (“DLS-Bintulu”) with costs; and
- ii) BIGG was entitled to damages subject to proofs.

On 11 August 2014, the solicitors of BIGG had sent a sealed copy of the Court Order to the DLS-Bintulu for the aforesaid removal of caveat.

On 10 September 2014, PWPSB filed an appeal against the High Court’s ruling of 10 April 2014 and on 17 October 2014, the Court of Appeal had ordered for a full hearing at the High Court.

The full trial at the High Court was held on 11 May 2015 and 12 May 2015. The High Court fixed the ruling date on 23 July 2015 which was re-scheduled to 17 August 2015. However, on 17 August 2015 and 15 September 2015, the High Court again scheduled the ruling date to 15 September 2015 and 18 November 2015 respectively.

The Bintulu High Court had again re-scheduled the ruling date to 28 December 2015 and later 4 February 2016. Subsequently on 4 February 2016, the ruling date was postponed to 26 February 2016. On 26 February 2016, the ruling date was again postponed to 18 March 2016.

On 18 March 2016, the High Court ruled as follows:

1. The Caveat to be withdrawn upon receipt of RM620,000.00 from BIGG;
2. No specific performance was granted against BIGG;
3. Global costs of RM55,000.00 payable to PWPSB;
4. BIGG to pay damages (to be assessed by Registrar) under Section 75 of Contract Act 1950 or Clause 6 of SPA.

BIGG had on 14 April 2016 filed an appeal to the Court of Appeal against the High Court decision.

The Court of Appeal hearing was held on 15 February 2017 and the judgement was as follows:

1. The Caveat to be withdrawn upon receipt of RM620,000.00 from BIGG;
2. No specific performance was granted against BIGG;
3. BIGG to pay damages (to be assessed by Registrar) under Section 75 of the Contract Act 1950 or Clause 6 of SPA; and
4. Each party to bear their own costs.

On 15 May 2017, the High Court in Bintulu had allowed BIGG's application to stay the PWPSB's Notice for Directions for assessment of damages dated 16 March 2017 pending the final disposal of BIGG's Notice of Motion for leave to appeal to the Federal Court dated 14 March 2017.

The hearing of the Notice of Motion for Leave before Federal Court was fixed on 14 September 2017.

On 14 September 2017, the Federal Court granted leave to BIGG against the decision of the Court of Appeal. On 6 October 2017, BIGG had filed and served a Notice of Appeal.

BIG had filed the Memorandum and Record of Appeal to the Federal Court. The hearing of the appeal before the Federal Court was fixed on 18 July 2018.

On 18 July 2018, the Federal Court dismissed the appeal of BIGG. The Federal Court was not prepared to consider the question of law posed as it held that BIGG ought to have appealed against the decision of the Director of Land & Survey, Sarawak.

The High Court in Bintulu had fixed the trial date on 3rd and 4th January 2019. The trial was held on 3 January 2019 and to be continued in early April 2019. At the case management held on 28 February 2019, the High Court in Bintulu had fixed new trial dates on 13 August 2019 to 16 August 2019. The continued trial in early April 2019 was vacated.

On 16 July 2019, the High Court in Bintulu again postponed the trial dates to 16 December 2019 to 20 December 2019 and the trial dates on 13 August 2019 to 16 August 2019 were vacated.

B10. Dividend Payable

No interim ordinary dividend has been recommended for the quarter under review.

B11. Earnings Per Share

| | Current Quarter Ended 30.6.2019 | Preceding Year Ended 30.6.2018 | Current Year To-Date 30.6.2019 | Preceding Year To-Date 30.6.2018 |
|--|--|---|---|---|
| a) Basic | | | | |
| Profit/(Loss) net of tax, attributable to Equity Holders of the Company (RM'000) | (1,689) | (672) | 955 | (4,518) |
| Weighted average number of ordinary shares, in issue ('000) | 48,092 | 48,092 | 48,092 | 48,092 |
| Basic earnings/(loss) per share (sen) | (3.51) | (1.40) | 1.99 | (9.39) |
| b) Diluted | | | | |
| Profit/(Loss) net of tax, attributable to Equity Holders of the Company (RM'000) | N/A | N/A | N/A | N/A |
| Weighted average number of ordinary shares, in issue ('000) | N/A | N/A | N/A | N/A |
| Fully diluted earnings per share (sen) | N/A | N/A | N/A | N/A |