

SEE HUP CONSOLIDATED BERHAD
(Registration No. 199601018726 / 391077-V)
(Incorporated in Malaysia)
(and its subsidiaries)

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE PERIOD ENDED 31 DECEMBER 2019

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		Current Year Quarter 31-Dec-19 RM'000	Preceding Year Corresponding Quarter 31-Dec-18 RM'000	Current Year To date 31-Dec-19 RM'000	Preceding Year To date 31-Dec-18 RM'000
Revenue		25,527	24,665	72,871	73,461
Other operating income		534	560	1,358	1,384
Other operating expense		(26,543)	(25,023)	(75,873)	(76,242)
Finance costs		(465)	(493)	(1,437)	(1,380)
Share of loss of associates		(47)	(55)	(319)	(68)
Loss before taxation	16	<u>(994)</u>	<u>(346)</u>	<u>(3,400)</u>	<u>(2,845)</u>
Taxation	17	(284)	(520)	(473)	(890)
Loss for the period		<u><u>(1,278)</u></u>	<u><u>(866)</u></u>	<u><u>(3,873)</u></u>	<u><u>(3,735)</u></u>
Attributable to:-					
Equity holders of the parent		(1,000)	(599)	(2,910)	(3,078)
Non-controlling interests		(278)	(267)	(963)	(657)
		<u><u>(1,278)</u></u>	<u><u>(866)</u></u>	<u><u>(3,873)</u></u>	<u><u>(3,735)</u></u>
Loss per share - sen					
- Basic		(1.24)	(0.74)	(3.62)	(3.83)
- Diluted		<u>(1.24)</u>	<u>(0.74)</u>	<u>(3.62)</u>	<u>(3.83)</u>

The condensed consolidated statements of profit or loss should be read in conjunction with the annual financial report for the year ended 31 March 2019.

SEE HUP CONSOLIDATED BERHAD
(Registration No. 199601018726 / 391077-V)
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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	(Unaudited) As at 31-Dec-19 RM'000	(Audited) As at 31-Mar-19 RM'000
Assets		
Property, plant and equipment	63,304	66,510
Investment properties	21,639	22,049
Goodwill on consolidation	704	704
Investment in associates	10,223	6,142
Other financial assets	81	81
Total non-current assets	95,951	95,486
Inventories	1,046	629
Trade and other receivables	29,133	27,656
Contract assets	1,292	-
Current tax assets	911	689
Cash and bank balances	8,853	14,857
Total current assets	41,235	43,831
Total assets	137,186	139,317
Equity		
Share capital	81,109	81,109
Treasury shares	(372)	(372)
Reserves	(1,679)	1,250
Total equity attributable to shareholders of the Company	79,058	81,987
Non-controlling interests	6,996	7,797
Total equity	86,054	89,784
Liabilities		
Borrowings	15,729	18,796
Deferred tax liabilities	1,727	1,727
Total non-current liabilities	17,456	20,523
Borrowings	17,365	15,046
Trade and other payables	16,311	13,944
Current tax liabilities	-	20
Total current liabilities	33,676	29,010
Total liabilities	51,132	49,533
Total equity and liabilities	137,186	139,317
Net assets per share attributable to ordinary equity holders of the parent (sen)	98.30	101.94

The condensed consolidated statements of financial position should be read in conjunction with the annual financial report for the year ended 31 March 2019.

SEE HUP CONSOLIDATED BERHAD
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CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2019
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	Current Year Quarter 31-Dec-19 RM'000	Preceding Year Corresponding Quarter 31-Dec-18 RM'000	Current Year To date 31-Dec-19 RM'000	Preceding Year To date 31-Dec-18 RM'000
Loss for the period	(1,278)	(866)	(3,873)	(3,735)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	<u>(1,278)</u>	<u>(866)</u>	<u>(3,873)</u>	<u>(3,735)</u>
Attributable to:				
Equity holders of the parent	(1,000)	(599)	(2,910)	(3,078)
Non-controlling interests	(278)	(267)	(963)	(657)
	<u>(1,278)</u>	<u>(866)</u>	<u>(3,873)</u>	<u>(3,735)</u>

The condensed consolidated statements of other comprehensive income should be read in conjunction with the annual financial report for the year ended 31 March 2019.

SEE HUP CONSOLIDATED BERHAD
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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2019

	31-Dec-19 RM'000	31-Dec-18 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(3,400)	(2,845)
Adjustments for:-		
Amortisation of investment properties	123	943
Bad debts recovered	(249)	(176)
Depreciation	5,960	4,995
Dividend income	(146)	(24)
Gain on disposals of investment property	(93)	(58)
Gain on disposals of property, plant and equipment	(228)	(126)
Impairment loss on trade and other receivables	-	65
Interest expense	1,437	1,380
Interest income	(187)	(213)
Reversal of impairment losses on trade receivables	(65)	-
Share of results of associates	319	68
Operating profits before working capital changes	<u>3,471</u>	<u>4,009</u>
Changes in working capital:-		
Trading inventories	(417)	(6)
Trade and other receivables	(1,163)	1,317
Contract assets	(1,292)	-
Trade and other payables	2,367	1,130
Income tax paid	(715)	(694)
Net cash from operating activities	<u>2,251</u>	<u>5,756</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash outflow from acquisition of subsidiaries	-	(7,849)
Net cash outflow from acquisition of associates	(4,400)	(2,906)
Subscription of additional shares in a subsidiary company by non-controlling interest	123	-
Purchase of property, plant and equipment	(2,758)	(8,966)
Purchase of investment properties	(120)	-
Proceeds from disposal of property, plant and equipment	232	129
Proceeds from disposal of investment property	500	315
Proceeds from disposal of non-controlling interests	20	-
Dividend received	146	24
Interest received	187	213
Net cash used in investing activities	<u>(6,070)</u>	<u>(19,040)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(1,876)	3,650
Interest paid	(1,437)	(1,380)
Net cash (used in)/from financing activities	<u>(3,313)</u>	<u>2,270</u>
Net decrease in cash and cash equivalents	<u>(7,132)</u>	<u>(11,014)</u>
Cash and cash equivalents at beginning of period	10,328	23,475
Cash and cash equivalents at end of period	<u><u>3,196</u></u>	<u><u>12,461</u></u>
<u>Cash and cash equivalent consist of:-</u>		
Deposits, cash and bank balances	8,853	17,231
Bank overdrafts	(5,657)	(4,770)
	<u>3,196</u>	<u>12,461</u>
Less: Fixed deposit pledged with licensed banks	-	-
	<u><u>3,196</u></u>	<u><u>12,461</u></u>

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2019 (continued)

Reconciliation of Liabilities Arising from Financing Activities

	At 1.4.2019 RM'000	Financing cash flows RM'000	At 31.12.2019 RM'000
Term loans	17,932	(2,458)	15,474
Finance lease liabilities	7,649	417	8,066
Revolving credits	3,480	176	3,656
Bankers' acceptances	252	(11)	241
	<u>29,313</u>	<u>(1,876)</u>	<u>27,437</u>

	At 1.4.2018 RM'000	Financing cash flows RM'000	Other changes RM'000	At 31.12.2018 RM'000
Term loans	9,762	(2,182)	11,089	18,669
Finance lease liabilities	3,347	3,236	-	6,583
Revolving credits	-	320	-	320
Bankers' acceptances	793	2,276	-	3,069
	<u>13,902</u>	<u>3,650</u>	<u>11,089</u>	<u>28,641</u>

The condensed consolidated statements of cash flows should be read in conjunction with the annual financial report for the year ended 31 March 2019.

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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2019**

Distributable

	Share capital RM'000	Retained profits RM'000	Treasury shares RM'000	Shareholders' equity RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 April 2019	81,109	1,250	(372)	81,987	7,797	89,784
Capital contribution by non-controlling interests	-	-	-	-	123	123
Loss for the financial year	-	(2,910)	-	(2,910)	(963)	(3,873)
Other comprehensive loss, net of tax	-	-	-	-	-	-
Total comprehensive loss for the financial year	-	(2,910)	-	(2,910)	(963)	(3,873)
Transactions with owners:						
Disposal of equity interest in subsidiary company	-	(19)	-	(19)	39	20
At 31 December 2019	81,109	(1,679)	(372)	79,058	6,996	86,054
At 1 April 2018	81,109	7,327	(372)	88,064	928	88,992
Adjustment on initial application of MFRS 9	-	(69)	-	(69)	-	(69)
Acquisition of subsidiaries	-	-	-	-	7,170	7,170
Loss for the financial year	-	(3,078)	-	(3,078)	(657)	(3,735)
Other comprehensive loss, net of tax	-	-	-	-	-	-
Total comprehensive loss for the financial year	-	(3,078)	-	(3,078)	(657)	(3,735)
Transaction with owners:						
Dividends to owners of the Company	-	(1,441)	-	(1,441)	-	(1,441)
At 31 December 2018	81,109	2,739	(372)	83,476	7,441	90,917

The condensed consolidated statements of changes in equity should be read in conjunction with the annual financial report for the year ended 31 March 2019.

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NOTES TO INTERIM FINANCIAL REPORT - 31 DECEMBER 2019

1 Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with the requirement of Chapter 9, Continuing Disclosure, Paragraph 9.22 of the Main Market Listing Requirement ("LR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and in compliance with Malaysian Financial Reporting Standards ("MFRSs") 134, Interim Financial Reporting issued by Malaysian Accounting Standards Board (MASB), and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 March 2019.

The explanatory notes attached to these interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 March 2019.

The financial statements of the Group and the Company for the financial year ended 31 March 2019 were prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") in Malaysia.

The Group had adopted the following Amendments to Standards:

MFRS 16 <i>Leases</i>	1 January 2019
Amendments to MFRS 9 <i>Prepayment Features with Negative Compensation</i>	1 January 2019
Amendments to MFRS 119 <i>Plan Amendment, Curtailment or Settlement</i>	1 January 2019
Amendments to MFRS 128 <i>Long-term Interests in Associates and Joint Ventures</i>	1 January 2019
IC Interpretation 23 <i>Uncertainty over Income Tax Treatments</i>	1 January 2019
Annual Improvements to MFRS Standards 2015 - 2017 Cycle:	
(i) Amendments to MFRS 3 <i>Business Combinations</i>	1 January 2019
(ii) Amendments to MFRS 11 <i>Joint Arrangements</i>	1 January 2019
(iii) Amendments to MFRS 112 <i>Income Taxes</i>	1 January 2019
(iv) Amendments to MFRS 123 <i>Borrowing Costs</i>	1 January 2019

The adoption of the above pronouncements has no material financial impact to the Group.

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent annual financial statements for the year ended 31 March 2019, except for the adoption of the following MFRSs, IC Interpretation and Amendments to MFRSs during the current financial period:

Standard issued but not yet effective

At the date of authorisation of the Condensed Report, the following Standards were issued but not yet effective and have not been adopted by the Group:

Description	Effective date for financial periods beginning on or after
<i>Amendments to References to the Conceptual Framework in MFRS Standards</i>	1 January 2020
Amendment to MFRS 3 <i>Definition of a Business</i>	1 January 2020
Amendments to MFRS 101 <i>Presentation of Financial Statements</i>	1 January 2020
Amendments to MFRS 108 <i>Definition of Material</i>	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7 <i>Interest Rate Benchmark Reform</i>	1 January 2020
MFRS 17 <i>Insurance Contracts</i>	1 January 2021
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associates or Joint Venture</i>	Deferred

The adoption of the above mentioned new standards and amendments to standards when they become effective are not expected to have significant impact on the financial statements of the Group.

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NOTES TO INTERIM FINANCIAL REPORT - 31 DECEMBER 2019

2 Qualification of audit report of the preceding annual financial statements

There were no qualifications on the audit report of the financial statements for the year ended 31 March 2019.

3 Seasonal or cyclical factors

The Group's performance in the current quarter and current year to date was not affected by any seasonal or cyclical factors.

4 Unusual items

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

5 Changes in estimates

There were no material changes in the estimates used for the preparation of this interim financial report.

6 Debts and equity securities

There were no issuance of debt or equity securities during the quarter under review.

7 Dividend paid

There were no dividend paid and proposed during the quarter under review.

8 Segmental information

Segment information is presented in respect of the Group's business segment.

Analysis by activity	Transportation and logistics services RM'000	Trading, machinery hire and subcontracting works RM'000	Property and investment holding RM'000	Total RM'000
Revenue				
Total revenue	77,768	6,402	914	85,084
Inter-segment revenue	(9,952)	(1,508)	(753)	(12,213)
	<u>67,816</u>	<u>4,894</u>	<u>161</u>	<u>72,871</u>
Result				
Segment result	(1,133)	(225)	(473)	(1,831)
Interest income	79	107	1	187
Finance costs	(375)	(240)	(822)	(1,437)
Share of loss of associates	(319)	-	-	(319)
Loss before taxation	<u>(1,748)</u>	<u>(358)</u>	<u>(1,294)</u>	<u>(3,400)</u>
Taxation	(219)	(24)	(230)	(473)
Loss for the period	<u>(1,967)</u>	<u>(382)</u>	<u>(1,524)</u>	<u>(3,873)</u>
Assets				
Segment assets	70,810	7,031	59,345	137,186
Interest-earning assets	-	-	-	-
	<u>70,810</u>	<u>7,031</u>	<u>59,345</u>	<u>137,186</u>

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NOTES TO INTERIM FINANCIAL REPORT - 31 DECEMBER 2019

9 Property, plant and equipment

The property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

There were no material write-down in property, plant and equipment during the financial period under review.

10 Events after the end of the reporting period

There were no material events subsequent to the financial period ended 31 December 2019.

11 Changes in composition of the Group

There are no changes to the composition of the Group during the quarter under review.

12 Contingent liabilities

There were no significant changes in contingent liabilities since the last annual reporting date.

13 Review of performance of current year quarter/to date vs preceding year corresponding quarter/to date

Review of Performance

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTERS</u>	
	<u>Current Year Quarter 31-Dec-19 RM'000</u>	<u>Preceding Year Corresponding Quarter 31-Dec-18 RM'000</u>	<u>Current Year To Date 31-Dec-19 RM'000</u>	<u>Preceding Year To Date 31-Dec-18 RM'000</u>
<u>Revenue</u>				
Transportation and logistics services	22,855	24,300	67,816	69,420
Trading, machinery hire and subcontracting works	2,612	443	4,894	3,754
Property and investment holding	60	(78)	161	287
	<u>25,527</u>	<u>24,665</u>	<u>72,871</u>	<u>73,461</u>
<u>Loss before taxation</u>				
Transportation and logistics services	(539)	80	(1,748)	(1,481)
Trading, machinery hire and subcontracting works	28	(128)	(358)	(286)
Property and investment holding	(483)	(298)	(1,294)	(1,078)
	<u>(994)</u>	<u>(346)</u>	<u>(3,400)</u>	<u>(2,845)</u>

Total revenue for the current year third quarter at RM25.5 million and current year to date RM 72.9 million is marginally lower as compared to the reported revenue of RM24.7 million in the preceding year corresponding quarter and RM73.5 million in the preceding year to date. The transportation and logistics business segment registered a lower revenue on the back of the lower total trade volume in line with the general economy sediment. The low volume of trading activities registered a lower revenue for trading, machinery hire and subcontracting works segment, nonetheless was supported by the contribution of subcontracting works.

The Group is reporting a loss before tax in the current year quarter of RM0.99 million against a loss of RM0.35 million in the preceding corresponding quarter and a cumulative current year to date loss of RM3.4 million compared to RM2.85 million loss in the preceding corresponding year to date. The higher loss is attributable to an increase in depreciation charge due to investment of operating assets, higher borrowing costs on its capital expenditure and working capital.

14 Prospects for the remaining quarters

The Group is well sentient of the current domestic and external economic environment and has taken several mitigations to ensure that its businesses could withstand through the challenges. To achieve a firmer foundation for sustainable long term development, the Group continue to focus on operational efficiency and continuously seeking growth opportunities through diversification.

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NOTES TO INTERIM FINANCIAL REPORT - 31 DECEMBER 2019

15 Profit forecast

Not applicable as no profit forecast was published.

16 Loss before taxation

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTERS</u>	
	Current Year Quarter 31-Dec-19 RM'000	Preceding Year Corresponding Quarter 31-Dec-18 RM'000	Current Year To Date 31-Dec-19 RM'000	Preceding Year Corresponding Quarter 31-Dec-18 RM'000
Loss before taxation is arrived at after charging:-				
Amortisation of investment properties	41	607	123	943
Depreciation	2,016	1,662	5,960	4,995
Impairment loss on trade and other receivables	-	(34)	-	65
Interest expense	465	493	1,437	1,380
and crediting:-				
Bad debts recovered	2	176	249	176
Dividend income	31	24	146	24
Gain on disposal of investment property	93	-	93	58
Gain on disposal of property, plant and equipment	107	66	228	126
Reversal of impairment losses on trade receivables	2	-	65	-
Interest income	27	70	187	213

17 Taxation

	Current Year Quarter 31-Dec-19 RM'000	Preceding Year Corresponding Quarter 31-Dec-18 RM'000	Current Year To Date 31-Dec-19 RM'000	Preceding Year Corresponding Quarter 31-Dec-18 RM'000
	Current taxation			
- Current period	284	520	473	890
- Prior years	-	-	-	-
	284	520	473	890
Deferred taxation				
- Current period	-	-	-	-
- Prior years	-	-	-	-
	-	-	-	-
	284	520	473	890

18 Status of corporate proposals announced

There were no corporate proposals announced as at the date of the issuance of this interim financial report.

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NOTES TO INTERIM FINANCIAL REPORT - 31 DECEMBER 2019

19 Group borrowings and debts securities

	As at 31-Dec-19 RM '000
Current	
- Secured	9,138
- Unsecured	8,227
	17,365
Non-current	
- Secured	11,993
- Unsecured	3,736
	15,729

The above borrowings are denominated in Ringgit Malaysia.

20 Changes in material litigation

There are no material litigations as at the end of the reporting period.

21 Capital

There are no material capital commitments not recognised in the interim financial statements as at 31 December 2019.

22 Loss per share

a. Basic

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

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	31-Dec-19 RM' 000	31-Dec-18 RM' 000	31-Dec-19 RM' 000	31-Dec-18 RM' 000
Loss attributable to ordinary equity holders of the parent	(1,000)	(599)	(2,910)	(3,078)
	3 months ended		3 months ended	
	31-Dec-19 RM' 000	31-Dec-18 RM' 000	31-Dec-19 RM' 000	31-Dec-18 RM' 000
Weighted average number of ordinary shares in issue	80,426	80,426	80,426	80,426
	3 months ended		3 months ended	
	31-Dec-19 Sen	31-Dec-18 Sen	31-Dec-19 Sen	31-Dec-18 Sen
Basic loss per share for: Loss for the period	(1.24)	(0.74)	(3.62)	(3.83)

22 Loss per share (continued)

b. Diluted

In the previous financial period/year, the Group has no dilution in their earnings per ordinary share as the exercise price of the warrants has exceeded the average market price of ordinary shares during the financial year, the options do not have any dilutive effect on the weighted average number of ordinary shares.

In the current financial period/year, the Group does not have any potential dilutive ordinary shares in issue as the warrants and irredeemable convertible unsecured loan stocks had expired.

23. Listing requirement

The external auditors had performed a limited review on the interim condensed financial statements of the Group as at 31 December 2019 pursuant to a directive issued by Bursa Malaysia Securities Berhad on 20 January 2020.

BY ORDER OF THE BOARD

Lee Chor Min
Group Managing Director

Dated this 26th day of February, 2020