

SYF RESOURCES BERHAD (Co. No. 364372-H)

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 July 2019

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	<u>FY 2019</u> Current Quarter Ended 31/07/2019	<u>FY 2018</u> Comparative Quarter Ended 31/07/2018 (Restated)	<u>FY 2019</u> 12 Months Cumulative To Date	<u>FY 2018</u> 12 Months Cumulative To Date (Restated)
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Continuing Operations				
Revenue	70,182	43,610	243,736	250,420
Operating Expenses	(108,892)	(54,663)	(296,027)	(263,573)
Other Operating Income/(Expenses)	1,628	5,360	4,296	13,478
Profit/ (Loss) from Operations	(37,082)	(5,693)	(47,995)	325
Finance Costs	(1,114)	(1,844)	(4,907)	(7,457)
Profit/ (Loss) Before Tax	(38,196)	(7,537)	(52,902)	(7,132)
Taxation	7,776	1,594	7,779	(1,632)
Net Profit/ (Loss) from Continuing Operations	(30,420)	(5,943)	(45,123)	(8,764)
Net Profit/ (Loss) from Discontinued Operation	-	(157)	-	(5,125)
Net Profit/ (Loss) for the Period	(30,420)	(6,100)	(45,123)	(13,889)
Other Comprehensive Income	-	(3,068)	-	-
Total Comprehensive Profit/ (Loss) for the Period	(30,420)	(9,168)	(45,123)	(13,889)
Attributable to Equity Holders of the Company:				
Net Profit/ (Loss)	(30,420)	(6,100)	(45,123)	(13,889)
Total Comprehensive Profit/ (Loss)	(30,420)	(9,168)	(45,123)	(13,889)
Earnings/ (Loss) Per Share Attributable to Equity Holders of the Company (Note 17.11)				
Basic (Sen)				
- from continuing operations	(4.91)	(0.96)	(7.29)	(1.42)
- from discontinued operation	-	(0.03)	-	(0.83)
	(4.91)	(0.99)	(7.29)	(2.24)
Diluted (Sen)				
- from continuing operations	(4.91)	(0.96)	(7.29)	(1.41)
- from discontinued operation	-	(0.03)	-	(0.82)
	(4.91)	(0.98)	(7.29)	(2.24)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 July 2018)

SYF RESOURCES BERHAD (Co. No. 364372-H)

Condensed Consolidated Statement of Financial Position

As at 31 July 2019

(The figures have not been audited)

	As At 31/07/2019 RM'000	As At 31/07/2018 RM'000 (Restated)	As At 01/08/2017 RM'000 (Restated)
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	94,295	110,803	132,354
Land Held for Property Development	70,119	16,770	13,247
Goodwill	20,318	-	-
	<u>184,732</u>	<u>127,573</u>	<u>145,601</u>
Current Assets			
Inventories	37,518	76,619	64,776
Land and Property Development Costs	496	30,511	21,379
Receivables, Deposits and Prepayments	101,816	151,477	203,477
Tax Recoverable	5,964	5,495	-
Cash and Cash Equivalents	35,498	46,197	9,549
	<u>181,292</u>	<u>310,299</u>	<u>299,181</u>
Non-Current Assets Held for Sale	18,106	14,513	8,587
Assets included in disposal group held for sale and and discontinued operation	-	-	160,783
	<u>199,398</u>	<u>324,812</u>	<u>468,551</u>
Total Assets	<u>384,130</u>	<u>452,385</u>	<u>614,152</u>
EQUITY AND LIABILITIES			
Equity Attributable to Equity Holders of the Company			
Share Capital	154,810	154,810	154,810
Reserves	85,128	141,562	164,267
Assets included in disposal group held for sale and and discontinued operation	-	-	2,070
Total Equity	<u>239,938</u>	<u>296,372</u>	<u>321,147</u>
Non-Current Liabilities			
Loans and Borrowings	7,122	19,765	21,406
Deferred Tax Liabilities	5,031	12,849	12,246
	<u>12,153</u>	<u>32,614</u>	<u>33,652</u>
Current Liabilities			
Payables and Accruals	73,757	65,072	86,987
Loans and Borrowings	58,282	58,322	79,025
Tax Payable	-	5	7,976
	<u>132,039</u>	<u>123,399</u>	<u>173,988</u>
Liabilities included in disposal group held for sale and discontinued operation	-	-	85,365
	<u>132,039</u>	<u>123,399</u>	<u>259,353</u>
Total Liabilities	<u>144,192</u>	<u>156,013</u>	<u>293,005</u>
Total Equity and Liabilities	<u>384,130</u>	<u>452,385</u>	<u>614,152</u>
Net Assets Per Share Attributable to Ordinary Equity Holders of the Company (RM)	0.40	0.48	0.52

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 July 2018)

SYF RESOURCES BERHAD (Co. No. 364372-H)
Condensed Consolidated Statement of Changes in Equity
For the year ended 31 July 2019

(The figures have not been audited)

	Attributable to Shareholders of the Company					Distributable
	Non-Distributable			Reserve Included in Disposal Group Held for Sale and Discontinued Operation		
	Share Capital RM'000	Treasury Shares RM'000	Assets Revaluation Reserve RM'000	RM'000	Retained Profits RM'000	Total Equity RM'000
12 months period ended						
31 July 2019						
Balance at beginning of year 01 August 2018	154,810	(1,957)	42,170	-	100,383	295,406
Effects on adoption of MFRS 15					932	932
As at 01 August 2018 (as restated)	154,810	(1,957)	42,170	-	101,315	296,338
Net loss for the financial period	-	-	-	-	(45,123)	(45,123)
Realisation of assets revaluation reserve	-	-	(3,019)	-	3,019	-
Treasury shares acquired	-	(3,713)	-	-	-	(3,713)
Dividend paid	-	-	-	-	(7,564)	(7,564)
Balance at end of period 31 July 2019	<u>154,810</u>	<u>(5,670)</u>	<u>39,151</u>	<u>-</u>	<u>51,647</u>	<u>239,938</u>
12 months period ended						
31 July 2018						
Balance at beginning of year 01 August 2017	154,810	(5)	46,503	2,070	117,393	320,771
Effects on adoption of MFRS 15					731	731
As at 01 August 2018 (as restated)	154,810	(5)	46,503	2,070	118,124	321,502
Net loss for the financial period	-	-	-	-	(13,889)	(13,889)
Realisation of assets revaluation reserve	-	-	(4,333)	(2,070)	6,403	-
Treasury shares acquired	-	(1,952)	-	-	-	(1,952)
Realised on disposal of subsidiary	-	-	-	-	-	-
Dividend	-	-	-	-	(9,289)	(9,289)
Balance at end of period 31 July 2018	<u>154,810</u>	<u>(1,957)</u>	<u>42,170</u>	<u>-</u>	<u>101,349</u>	<u>296,372</u>

SYF RESOURCES BERHAD (Co. No. 364372-H)

Condensed Consolidated Statement of Cash Flows

For the year ended 31 July 2019

(The figures have not been audited)

	FY 2019 12 Months Ended 31/07/2019 RM'000	FY 2018 12 Months Ended 31/07/2018 RM'000 Restated
Profit/(Loss) before taxation		
Continuing Operations	(52,902)	(7,132)
Discontinued Operation	-	(4,852)
	<u>(52,902)</u>	<u>(11,984)</u>
Adjustments for :		
Bad debts written off	-	701
Depreciation of property, plant and equipment	6,374	11,201
Interest expense	4,907	10,365
Interest income	(99)	(297)
Stocks written down	6,797	181
Stocks written off	12,960	-
Impairment on trade debtors	-	95
(Gain)/Loss on disposal of property, plant and equipment	(2,731)	(4,417)
(Gain)/Loss on disposal of subsidiary company	-	(3,372)
Provision for liquidated ascertained damages	-	3,747
Property, plant and equipment written off	122	550
Unrealised (gain) / loss on foreign exchange	-	(745)
Operating profit/(loss) before working capital changes	<u>(24,572)</u>	<u>6,025</u>
Changes in working capital :		
Net change in current assets	98,324	14,643
Net change in current liabilities	(53,004)	29,731
Cash generated from/(used in) operations	<u>20,748</u>	<u>50,399</u>
Interest paid	(4,907)	(10,365)
Income tax paid	(515)	(14,504)
Payment of liquidated ascertained damages	(4,136)	(1,587)
Net cash generated from/(used in) operating activities	<u>11,190</u>	<u>23,943</u>
Investing activities :		
Purchase of property, plant and equipment	(1,081)	(22,984)
Proceeds from disposal of property, plant and equipment	9,530	14,299
Interest received	99	297
Upliftment/(Placement) of fixed deposits pledged	7,075	(8,573)
Proceeds from disposal of subsidiary company	-	5,449
Acquisition of subsidiary, net of cash acquired	(6,479)	-
Net cash flows from/(used in) investing activities	<u>9,144</u>	<u>(11,512)</u>
Financing activities :		
Repayment of bank borrowings/changes in bills payables	(9,300)	(5,089)
Proceeds from bank borrowings	-	47,250
Shares buy-back	(3,713)	(1,952)
Dividend paid	(7,564)	(9,289)
Net cash flows from/(used in) financing activities	<u>(20,577)</u>	<u>30,920</u>
Net increase/(decrease) in cash and cash equivalents	(243)	43,351
Cash and cash equivalents at beginning of year	22,757	(20,594)
Cash and cash equivalents at end of period	<u>22,514</u>	<u>22,757</u>
Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts :		
Cash and bank balances	29,970	33,594
Fixed deposits	5,528	12,603
Cash and cash equivalents	35,498	46,197
Bank overdrafts	(7,456)	(10,837)
Less : Fixed deposits pledged	(5,528)	(12,603)
	<u>22,514</u>	<u>22,757</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 July 2018)

**Notes To The Interim Financial Report
For the year ended 31 July 2019**

1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 July 2018. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 July 2018.

2 Changes in Accounting Policies

The Group has adopted the MFRS Framework for the financial year ended 31 July 2019. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of the MFRS Framework.

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 July 2018 except for the adoption of the following new MFRSs which are applicable for the Group's financial period beginning 1 August 2018:

Adoption of MFRSs		Effective dates for financial period beginning or after
MFRS 9	Financial Instruments	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018

3 Preceding Audited Financial Statements

The audit report of the preceding annual financial statements for the financial year ended 31 July 2018 was not subject to any qualification.

4 Seasonal or Cyclical Factors

Traditionally the quarter under review is a peak period for the furniture industry due to high demand from customers in western countries in preparation of Christmas and New Year.

5 Nature and Amount of Unusual Items

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

6 Changes in Estimates

There were no material changes in the nature and amount of estimates used in the prior interim periods of the current financial year or material changes in nature and amount of estimates used in prior financial years.

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Notes To The Interim Financial Report For the year ended 31 July 2019

7 Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt securities for the current quarter and financial year-to-date except the following:

- a) There is no change in the outstanding number of options of the Company's Employee's Share Option Scheme ("ESOS"). As at 31 July 2019, the outstanding number of options is 6,310,000; and
- b) The Company purchased 17,233,400 ordinary shares of its issued share capital from the open market at an average cost of RM0.215 each, none of the shares purchased have been sold or cancelled. Details were as follows:

Monthly Breakdown	No of Share Purchased Unit	Lowest Price Paid per Share RM	Highest Price Paid per Share RM	Average Cost per Share RM	Total Consideration RM'000
Oct-18	4,111,300	0.225	0.240	0.235	965
Nov-18	410,000	0.220	0.240	0.232	95
Dec-18	2,618,100	0.220	0.240	0.231	604
Jan-19	562,000	0.225	0.240	0.231	130
Apr-19	200,000	0.215	0.220	0.220	44
May-19	9,092,000	0.185	0.225	0.201	1,826
Jun-19	240,000	0.200	0.200	0.200	48
	<u>17,233,400</u>			<u>0.215</u>	<u>3,712</u>

As at 31 July 2019, the total number of treasury shares held was 23,757,800 ordinary shares.

8 Dividends Paid

On 24 January 2019, the Company paid a first interim single-tier dividend of 1.25 sen per ordinary share amounted to RM7.6m in respect of the current financial year.

**Notes To The Interim Financial Report
For the year ended 31 July 2019**

9 Segmental Reporting

Analysis by activities for the financial year-to-date is as follows:

	<-----Continuing Operations----->			Discontinued	Total	Elimination	Consolidation
	Rubberwood Furniture RM'000	Property Development and Construction RM'000	Others RM'000	Operation Boards RM'000			
12 months period ended 31 July 2019							
Revenue							
External sales	166,338	77,398	-	-	243,736	-	243,736
Inter-segment sales	12,162	12,137	130	-	24,429	(24,429)	-
Total sales	178,500	89,535	130	-	268,165	(24,429)	243,736
Results							
Segment results	(38,502)	(10,994)	(1,250)	-	(50,746)	2,652	(48,094)
Interest income	99	-	-	-	99	-	99
Finance costs	(4,198)	(709)	-	-	(4,907)	-	(4,907)
Profit/ (loss) before taxation	(42,601)	(11,703)	(1,250)	-	(55,554)	2,652	(52,902)
Taxation	7,835	(1)	2	-	7,836	(57)	7,779
Net profit/ (loss)	(34,766)	(11,704)	(1,248)	-	(47,718)	2,595	(45,123)
12 months period ended 31 July 2018							
Revenue							
External sales	174,131	76,289	-	47,853	298,273	(#) (47,853)	250,420
Inter-segment sales	17,032	45,708	3,130	-	65,870	(65,870)	-
Total sales	191,163	121,997	3,130	47,853	364,143	(113,723)	250,420
Results							
Segment results	3,302	(7,056)	21	(1,946)	(5,679)	3,763	(1,916)
Interest income	144	103	48	2	297	-	297
Finance costs	(4,138)	(2,736)	(583)	(2,908)	(10,365)	-	(10,365)
Profit before taxation	(692)	(9,689)	(514)	(4,852)	(15,747)	3,763	(11,984)
Taxation	(1,382)	(97)	(10)	(273)	(1,762)	(143)	(1,905)
Net profit	(2,074)	(9,786)	(524)	(5,125)	(17,509)	3,620	(13,889)

(#) The amount relating to the Boards segment has been excluded from the consolidated revenue and is presented separately in the statement of profit or loss and other comprehensive income within one line item as "net profit/(loss) from discontinued operation".

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Notes To The Interim Financial Report For the year ended 31 July 2019

10 Valuations of Property, Plant and Equipment

The Group has adopted the revaluation policy to review the carrying value of its land and buildings every five years. Surplus arising from revaluation are reflected in the revaluation reserve account. The last revaluation was done in financial year 2017.

11 Material Events Subsequent to the end of the Interim Period

There were no material events subsequent to the end of the interim period.

12 Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial year-to-date.

13 Significant Events

There were no significant events for the period under review except the corporate proposal as mentioned in note 17.8.

14 Contingent Liabilities

a) Group

Contingent liabilities of the Group as at 31 July 2019 in respect of bank guarantees issued in favour of government authorities and utility boards totaling RM6.0m.

b) Company

The Company has contingent liabilities in the form of corporate guarantees given to financial institutions in respect of credit facilities granted to subsidiaries amounting to RM71.1m as at 31 July 2019.

15 Capital Commitments

There were no material capital commitments of the Group as at 31 July 2019.

16 Significant Related Parties Transactions

The Group had the following transactions with related parties during the financial year-to-date:

	<u>RM'000</u>
<u>Transaction with a director</u>	
Rental paid	190
<u>Transaction with companies in which certain directors of the Company are also the director and have substantial financial interest</u>	
Sales	15,969
Sales commission	236
Purchases	6,794
Rental paid	516

**Notes To The Interim Financial Report
For the year ended 31 July 2019**

17.1 Review of Performance

	<u>FY 2019</u> Current Quarter Ended 31/07/2019 <u>RM'000</u>	<u>FY 2018</u> Comparative Quarter Ended 31/07/2018 <u>RM'000</u>	Variance <u>RM'000</u>	Variance <u>%</u>
Revenue	70,182	43,610	26,572	60.9%
(Loss)/Profit before tax	(38,196)	(7,537)	(30,659)	-406.8%

The Group reported revenue of RM70.18m in the current quarter as compared to RM43.61m in the corresponding quarter last year. The increase of RM26.57m or 60.9% was mainly attributed to higher revenue of RM23.01m from the property development segment due to stronger sales as further sales discount was offered. Apart from that, the percentage of revenue recognition was higher due to certificate of completeness (CCC) for Iris Residence project was obtained in this quarter .

The rubberwood furniture showed slight decrease of 5.0% due to the downsizing process of downstream division and drop in selling price.

The Group posted loss before tax of RM38.19m for the current quarter as compared to loss before tax of RM7.54m in the same quarter last year, the increase of RM30.65m loss was mainly due to:

- a) stocks written off due to obsolete amounting to RM12.96m;
- b) stocks written down due to slow moving amounting to RM6.80m;
- c) stocks clearance sales due to cessation of operation of a downstream division, the bedroom set division;
- d) provision of compensation for voluntary separation scheme (VSS) of RM1.29m due to cessation of operation of the downstream division;
- e) drop in selling price and higher proportion of low margin products mix in the rubberwood furniture segment;
- f) shortage of foreign workers that affected the production efficiency of rubberwood furniture segment and increase of the labour costs;
- g) further sales discount of RM1.71m to boost the sales in the property development segment;
- h) provision of free first year maintenance fee and sinking fund of RM0.78m for Iris Residence project which obtained the CCC; and
- i) financial impact from adoption of MFRS 15 amounting to RM0.93m.

17.2 Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter

	<u>FY 2019</u> Current Quarter Ended 31/07/2019 <u>RM'000</u>	<u>FY 2019</u> Preceding Quarter Ended 30/04/2019 <u>RM'000</u>	Variance <u>RM'000</u>	Variance <u>%</u>
Revenue	70,182	55,747	14,435	25.9%
(Loss)/Profit before tax	(38,196)	(5,772)	(32,424)	-561.7%

The Group recorded revenue of RM70.18m in the current quarter as compared to the revenue of RM55.75m in the preceding quarter. The increase of 25.9% was mainly attributed to higher revenue of RM10.70m in the property development segment as a result of stronger sales as further sales discount was offered. The rubberwood furniture showed slight improvement due to stocks clearance sales.

Loss before tax of RM38.19m was reported for the current quarter, worsen by RM32.42m from the preceding quarter. This was mainly due to the factors that mentioned in the note 17.1 above.

**Notes To The Interim Financial Report
For the year ended 31 July 2019**

17.3 Prospects for the Next Financial Year

With current economic and business conditions unlikely to improve in the next financial year, the Group will continue to exercise caution in carrying out the adopted strategy to focus on property development and downsize the manufacturing segment.

As all existing property projects have been completed and subsequent ones not ready for development yet, the Group has been actively sourcing for suitable projects with a shorter time frame to launch. Such potential projects would need to fit the criteria of being in line with market demand and with the ability to raise end-financing. In addition, the Group will leverage on its proven track record particularly in the development of industrial factories whilst ensuring that any project undertaken, whether through outright purchase or joint venture, would not be beyond the financial resources available.

Over in manufacturing, the downsizing exercise to move out of the downstream furniture export activities is in progress with the disposals of assets relating thereto. The current downsizing will not affect the Group's existing upstream materials processing activities which will continue to be operated. The Group has an established and stronger presence in the materials processing segment and not in the downstream furniture industry that is more competitive and is dominated by major players.

The Group will persevere in executing and implementing out the strategy formulated to meet the challenging conditions in the next financial year.

17.4 Variance of Actual Profit from Profit Forecast or Profit Guarantee

Not applicable as there was no profit forecast or profit guarantee.

17.5 Profit/ (Loss) Before Tax

Profit/ (loss) before tax is derived after charging/ (crediting):

	<u>FY 2019</u> Current Quarter Ended 31/07/2019 <u>RM'000</u>	<u>FY 2018</u> Comparative Quarter Ended 31/07/2018 <u>RM'000</u>	<u>FY 2019</u> 12 Months Cumulative To Date <u>RM'000</u>	<u>FY 2018</u> 12 Months Cumulative To Date <u>RM'000</u>
Continuing operations and discontinued operation				
Interest income	-	(182)	(99)	(297)
- continuing operations	-	(182)	(99)	(295)
- discontinued operation	-	-	-	(2)
Interest expense	1,114	1,844	4,907	10,365
- continuing operations	1,114	1,844	4,907	7,457
- discontinued operation	-	-	-	2,908
Depreciation and amortisation	1,485	1,969	6,374	11,201
- continuing operations	1,485	1,969	6,374	7,935
- discontinued operation	-	-	-	3,266
(Gain)/ loss on disposal of property, plant and equipment	(1,323)	4,038	(2,731)	(156)
(Gain)/ loss on disposal of subsidiary company	-	(3,068)	-	(3,372)
Property, plant and equipment written off	-	(1)	-	550
Stocks written down	6,797	(698)	6,797	181
Stocks written off	12,960	-	12,960	-
(Gain)/ loss on foreign exchange	-	(1,283)	(53)	(404)
- continuing operations	-	(688)	(53)	(212)
- discontinued operation	-	(595)	-	(192)

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Notes To The Interim Financial Report For the year ended 31 July 2019

17.6 Taxation

	Current Quarter RM'000	Financial Year-to-date RM'000
Tax expense	42	40
Current deferred tax	(7,818)	(7,819)
	<u>(7,776)</u>	<u>(7,779)</u>

17.7 Group Borrowings and Securities

The Group borrowings as at 31 July 2019 are as follows :

	RM'000
Denominated in Ringgit	
- Secured current borrowings	58,282
- Secured non-current borrowings	7,122
	<u>65,404</u>

17.8 Corporate Proposals

The Company's wholly-owned subsidiary, SYF Development Sdn Bhd entered into a conditional share sale agreement on 29 January 2019 with Kiara Susila Sdn Bhd ("KSSB") for proposed acquisition of its entire equity interest in Giat Armada Sdn Bhd ("GASB"), a wholly-owned subsidiary, for a cash purchase price of RM6,500,000 together with the settlement of advances owing by GASB to KSSB amounting to RM64,535,134. This transaction was announced to Bursa Malaysia Securities Berhad ("Bursa") on the same date.

The above proposal was approved by the shareholders of the Company at Extraordinary General Meeting held on 8 May 2019 and the acquisition was completed on 5 July 2019.

17.9 Material Litigation

There was no material litigation or pending litigation as at the date of the interim financial statements.

17.10 Proposed Dividend

The Board of Directors does not propose any dividend for the quarter under review.

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**Notes To The Interim Financial Report
For the year ended 31 July 2019**

17.11 Earnings Per Share Attributable to Equity Holders of the Company

	<u>FY 2019</u> Current Quarter Ended 31/07/2019 RM'000	<u>FY 2018</u> Comparative Quarter Ended 31/07/2018 RM'000	<u>FY 2019</u> 12 Months Cumulative To Date RM'000	<u>FY 2018</u> 12 Months Cumulative To Date RM'000
Net profit/ (loss) attributable to equity holders of the company				
- from continuing operations	(30,420)	(5,943)	(45,123)	(8,764)
- from discontinued operation	-	(157)	-	(5,125)
	<u>(30,420)</u>	<u>(6,100)</u>	<u>(45,123)</u>	<u>(13,889)</u>
a) <u>Basic</u>				
Weighted average number of ordinary shares ('000)	619,239	619,239	619,239	619,239
Basic earning/ (loss) per share (sen)				
- from continuing operations	(4.91)	(0.96)	(7.29)	(1.42)
- from discontinued operation	-	(0.03)	-	(0.83)
	<u>(4.91)</u>	<u>(0.99)</u>	<u>(7.29)</u>	<u>(2.24)</u>
b) <u>Diluted</u>				
Weighted average number of ordinary shares ('000)	619,239	619,239	619,239	619,239
Effect of dilution - ESOS ('000) *	-	1,978	-	1,978
Adjusted weighted average number of ordinary shares ('000)	<u>619,239</u>	<u>621,217</u>	<u>619,239</u>	<u>621,217</u>
Diluted earning/ (loss) per share (sen)				
- from continuing operations	(4.91)	(0.96)	(7.29)	(1.41)
- from discontinued operation	-	(0.03)	-	(0.82)
	<u>(4.91)</u>	<u>(0.98)</u>	<u>(7.29)</u>	<u>(2.24)</u>

* The effect of potential ordinary shares arising from the exercise of ESOS and conversion of warrants are anti-dilutive and accordingly is excluded in the computation of diluted earning per share.

17.12 Comparative Figures

Certain comparatives were restated due to the adoption of the new MFRSs.