

**SYF RESOURCES BERHAD**  
**Co. No. 199501035170 (364372-H)**

**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
**For the quarter ended 31 October 2019**

(The figures have not been audited)

|  | INDIVIDUAL QUARTER                                       |  | CUMULATIVE QUARTER                                  |   |
|--|--|--|---|---|
|  | <u>FY 2020</u><br>Current<br>Quarter Ended<br>31/10/2019 | <u>FY 2019</u><br>Comparative<br>Quarter Ended<br>31/10/2018 | <u>FY 2020</u><br>3 Months<br>Cumulative<br>To Date | <u>FY 2019</u><br>3 Months<br>Cumulative<br>To Date |
|  | <u>RM'000</u>  | <u>RM'000</u>  | <u>RM'000</u>                                       | <u>RM'000</u>                                       |
| Revenue  | 42,287   | 62,763   | 42,287  | 62,763  |
| Operating Expenses   | (47,067)   | (65,576)   | (47,067)  | (65,576)  |
| Other Operating Income/(Expenses)  | 1,827  | 420  | 1,827   | 420   |
| Profit/ (Loss) from Operations   | (2,953)  | (2,393)  | (2,953)   | (2,393)   |
| Finance Costs  | (1,086)  | (1,332)  | (1,086)   | (1,332)   |
| Profit/ (Loss) Before Tax  | (4,039)  | (3,725)  | (4,039)   | (3,725)   |
| Taxation   | -  | -  | -   | -   |
| Net Profit/ (Loss) for the Period  | (4,039)  | (3,725)  | (4,039)   | (3,725)   |
| Other Comprehensive Income   | -  | -  | -   | -   |
| Total Comprehensive Profit/ (Loss) for the Period  | (4,039)  | (3,725)  | (4,039)   | (3,725)   |
| Attributable to Equity Holders of the Company:   |  |  |   |   |
| Net Profit/ (Loss)   | (4,039)  | (3,725)  | (4,039)   | (3,725)   |
| Total Comprehensive Profit/ (Loss)   | (4,039)  | (3,725)  | (4,039)   | (3,725)   |
| Earnings/ (Loss) Per Share Attributable to<br>Equity Holders of the Company (Note 17.10) |  |  |   |   |
| Basic (Sen)  | (0.65)   | (0.60)   | (0.65)  | (0.60)  |
| Diluted (Sen)  | (0.65)   | (0.60)   | (0.65)  | (0.60)  |

*(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 July 2019)*

**SYF RESOURCES BERHAD**  
**Co. No. 199501035170 (364372-H)**

**Condensed Consolidated Statement of Financial Position**

**As at 31 October 2019**

(The figures have not been audited)

|   | (UNAUDITED)<br>As At 31/10/2019<br>RM'000 | (AUDITED)<br>As At 31/07/2019<br>RM'000 |
|---|---|---|
| <b>ASSETS</b>   |   |   |
| <b>Non-Current Assets</b>   |   |   |
| Property, Plant and Equipment   | 94,554                                    | 93,749                                  |
| Inventories - Land Held for Property Development  | 70,123                                    | 70,119                                  |
| Intangible Assets   | 29,826                                    | 29,826                                  |
| Right-of-use Assets   | 1,103                                     | -                                       |
|   | <u>195,606</u>                            | <u>193,694</u>                          |
| <b>Current Assets</b>   |   |   |
| Inventories   | 31,084                                    | 36,436                                  |
| Contract Assets   | -   | 3,951                                   |
| Receivables, Deposits and Prepayments   | 101,618                                   | 101,424                                 |
| Tax Recoverable   | 2,624                                     | 5,996                                   |
| Cash and Cash Equivalents   | 37,697                                    | 35,497                                  |
|   | <u>173,023</u>                            | <u>183,304</u>                          |
| Non-Current Assets Held for Sale  | -   | 18,107                                  |
|   | <u>173,023</u>                            | <u>201,411</u>                          |
| <b>Total Assets</b>   | <u><b>368,629</b></u>                     | <u><b>395,105</b></u>                   |
| <b>EQUITY AND LIABILITIES</b>   |   |   |
| <b>Equity Attributable to Equity Holders of the Company</b>                                 |   |   |
| Share Capital   | 154,810                                   | 154,810                                 |
| Reserves  | 81,261                                    | 85,926                                  |
| <b>Total Equity</b>   | <u>236,071</u>                            | <u>240,736</u>                          |
| <b>Non-Current Liabilities</b>  |   |   |
| Loans and Borrowings  | 44,360                                    | 11,302                                  |
| Deferred Tax Liabilities  | 11,863                                    | 11,863                                  |
| Lease Liability   | 548                                       | -                                       |
|   | <u>56,771</u>                             | <u>23,165</u>                           |
| <b>Current Liabilities</b>  |   |   |
| Payables and Accruals   | 40,251                                    | 77,089                                  |
| Loans and Borrowings  | 34,944                                    | 54,115                                  |
| Lease Liability   | 592                                       | -                                       |
|   | <u>75,787</u>                             | <u>131,204</u>                          |
| <b>Total Liabilities</b>  | <u>132,558</u>                            | <u>154,369</u>                          |
| <b>Total Equity and Liabilities</b>   | <u><b>368,629</b></u>                     | <u><b>395,105</b></u>                   |
| <b>Net Assets Per Share Attributable to Ordinary<br/>Equity Holders of the Company (RM)</b> | <b>0.40</b>                               | <b>0.40</b>                             |

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 July 2019)*

**SYF RESOURCES BERHAD**  
**Co. No. 199501035170 (364372-H)**

**Condensed Consolidated Statement of Changes in Equity**  
**For the quarter ended 31 October 2019**  
(The figures have not been audited)

|  | <----- Attributable to Shareholders of the Company -----> |                                     |   |                                      |                                  |
|--|---|-------------------------------------|---|--------------------------------------|----------------------------------|
|  | <----- Non-Distributable ----->                           |                                     |   | Distributable                        |                                  |
|  | Share<br>Capital<br><u>RM'000</u>                         | Treasury<br>Shares<br><u>RM'000</u> | Assets<br>Revaluation<br>Reserve<br><u>RM'000</u> | Retained<br>Profits<br><u>RM'000</u> | Total<br>Equity<br><u>RM'000</u> |
| <b>3 months period ended</b>   |   |                                     |   |                                      |                                  |
| <b><u>31 October 2019</u></b>  |   |                                     |   |                                      |                                  |
| Balance at beginning of year<br>01 August 2019                         | 154,810   | (5,670)                             | 38,911  | 52,685                               | 240,736                          |
| Effect of adopting MFRS 16<br>At 1 August 2019, as restated            | -   | -                                   | -   | (36)                                 | (36)                             |
|  | <u>154,810</u>  | <u>(5,670)</u>                      | <u>38,911</u>                                     | <u>52,649</u>                        | <u>240,700</u>                   |
| Total comprehensive income for the period                              | -   | -                                   | -   | (4,039)                              | (4,039)                          |
| Treasury shares acquired   | -   | (590)                               | -   | -                                    | (590)                            |
| Balance at end of period<br>31 October 2019                            | <u>154,810</u>  | <u>(6,260)</u>                      | <u>38,911</u>                                     | <u>48,610</u>                        | <u>236,071</u>                   |
| <b>3 months period ended</b>   |   |                                     |   |                                      |                                  |
| <b><u>31 October 2018</u></b>  |   |                                     |   |                                      |                                  |
| Balance at beginning of year<br>01 August 2018                         | 154,810   | (1,957)                             | 42,170  | 100,383                              | 295,406                          |
| Effect of adopting MFRS 9 and MFRS 15<br>At 1 August 2018, as restated | -   | -                                   | -   | 922                                  | 922                              |
|  | <u>154,810</u>  | <u>(1,957)</u>                      | <u>42,170</u>                                     | <u>101,305</u>                       | <u>296,328</u>                   |
| Total comprehensive income for the period                              | -   | -                                   | -   | (3,725)                              | (3,725)                          |
| Treasury shares acquired   | -   | (965)                               | -   | -                                    | (965)                            |
| Balance at end of period<br>31 October 2018                            | <u>154,810</u>  | <u>(2,922)</u>                      | <u>42,170</u>                                     | <u>97,580</u>                        | <u>291,638</u>                   |

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 July 2019)*

**SYF RESOURCES BERHAD**  
**Co. No. 199501035170 (364372-H)**

**Condensed Consolidated Statement of Cash Flows**  
**For the quarter ended 31 October 2019**  
(The figures have not been audited)

|  | <b><u>FY 2020</u></b><br>3 Months Ended<br>31/10/2019<br><b><u>RM'000</u></b> | <b><u>FY 2019</u></b><br>3 Months Ended<br>31/10/2018<br><b><u>RM'000</u></b> |
|--|---|---|
| Profit/(Loss) before taxation  | (4,039)   | (3,725)   |
| Adjustments for :  |   |   |
| Depreciation of property, plant and equipment  | 1,579   | 1,741   |
| Interest expense   | 1,086   | 1,332   |
| Interest income  | (21)  | (60)  |
| (Gain)/Loss on disposal of property, plant and equipment   | (1,358)   | -   |
| Operating profit/(loss) before working capital changes   | <u>(2,753)</u>  | <u>(712)</u>  |
| Changes in working capital :   |   |   |
| Net change in current assets   | 8,802   | 12,346  |
| Net change in current liabilities  | (36,704)  | (25,968)  |
| Cash generated from/(used in) operations   | <u>(30,655)</u>   | <u>(14,334)</u>   |
| Interest paid  | (1,086)   | (1,332)   |
| Income tax paid  | (61)  | (786)   |
| Income tax refunded  | 3,300   | -   |
| Net cash generated from/(used in) operating activities   | <u>(28,502)</u>   | <u>(16,452)</u>   |
| Investing activities :   |   |   |
| Purchase of property, plant and equipment  | (3,317)   | (13)  |
| Proceeds from disposal of property, plant and equipment  | 20,854  | 61  |
| Interest received  | 21  | 60  |
| Upliftment/(Placement) of fixed deposits pledged   | (23,953)  | (3,048)   |
| Net cash flows from/(used in) investing activities   | <u>(6,395)</u>  | <u>(2,940)</u>  |
| Financing activities :   |   |   |
| Repayment of bank borrowings/changes in bills payables   | (18,356)  | -   |
| Proceeds from bank borrowings  | 39,700  | 5,249   |
| Repayment of lease liability   | (154)   | -   |
| Shares buy-back  | (590)   | (965)   |
| Net cash flows from/(used in) financing activities   | <u>20,600</u>   | <u>4,284</u>  |
| Net increase/(decrease) in cash and cash equivalents   | (14,297)  | (15,108)  |
| Cash and cash equivalents at beginning of year   | 22,513  | 22,757  |
| Cash and cash equivalents at end of period   | <u>8,216</u>  | <u>7,649</u>  |
| Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts : |   |   |
| Cash and bank balances   | 8,216   | 19,674  |
| Fixed deposits   | 29,481  | 15,651  |
| Cash and cash equivalents  | 37,697  | 35,325  |
| Bank overdrafts  | -   | (12,025)  |
| Less : Fixed deposits pledged  | (29,481)  | (15,651)  |
|  | <u>8,216</u>  | <u>7,649</u>  |

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 July 2019)*

**SYF RESOURCES BERHAD**  
**Co. No. 199501035170 (364372-H)**

**Notes To The Interim Financial Report**  
**For the quarter ended 31 October 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 2019. 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 2019.

**2 Changes in Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 July 2019, except for the adoption of the following new/revised MFRSs, Amendments to MFRS and IC Interpretations which are applicable for the Group's financial period beginning 1 August 2019 :

|  |  | <b>Effective dates for financial period beginning 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 MFRSs 2015 – 2017 Cycle |  |  |
| - Amendments to MFRS 3                         |  | 1 January 2019   |
| - Amendments to MFRS 11                        |  | 1 January 2019   |
| - Amendments to MFRS 112                       |  | 1 January 2019   |
| - Amendments to MFRS 123                       |  | 1 January 2019   |

The Group and the Company have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

**3 Preceding Audited Financial Statements**

The audit report of the preceding annual financial statements for the financial year ended 31 July 2019 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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**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) The status of the Company's Employee's Share Option Scheme ("ESOS") is as follows:-

|                       | No. of Option<br>'000 |
|-----------------------|-----------------------|
| As at 1 August 2019   | 6,310                 |
| Forfeited             | (688)                 |
| As at 31 October 2019 | <u>5,622</u>          |

b) The Company purchased 3,089,000 ordinary shares of its issued share capital from the open market at an average cost of RM0.191 each, none of the shares purchased have been sold or cancelled. Details were as follows:

| Monthly Breakdown | No of Share<br>Purchased<br>Unit ('000) | Lowest Price<br>Paid per Share<br>RM | Highest Price<br>Paid per Share<br>RM | Average Cost<br>per Share<br>RM | Total<br>Consideration<br>RM'000 |
|-------------------|---|--------------------------------------|---------------------------------------|---------------------------------|----------------------------------|
| Aug-19            | 915                                     | 0.190                                | 0.200                                 | 0.197                           | 181                              |
| Sep-19            | 1,032                                   | 0.175                                | 0.190                                 | 0.186                           | 192                              |
| Oct-19            | 1,142                                   | 0.180                                | 0.205                                 | 0.190                           | 217                              |
|                   | <u>3,089</u>                            |                                      |                                       | <u>0.191</u>                    | <u>590</u>                       |

As at 31 October 2019, the total number of treasury shares held was 26,846,800 ordinary shares.

**8 Dividends Paid**

There were no dividends paid during the current financial period under review.

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**Notes To The Interim Financial Report**  
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**9 Segmental Reporting**

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

|  | Rubberwood<br>Furniture<br>RM'000 | Property<br>Development<br>and<br>Construction<br>RM'000 | Others<br>RM'000 | Total<br>Segments<br>RM'000 | Elimination<br>RM'000 | Consolidation<br>RM'000 |
|--|-----------------------------------|--|------------------|-----------------------------|-----------------------|-------------------------|
| 3 months period ended<br>31 October 2019 |                                   |  |                  |                             |                       |                         |
| <b>Revenue</b>                           |                                   |  |                  |                             |                       |                         |
| External sales                           | 35,698                            | 6,589  | -                | 42,287                      | -                     | 42,287                  |
| Inter-segment sales                      | -                                 | -  | -                | -                           | -                     | -                       |
| Total sales                              | 35,698                            | 6,589  | -                | 42,287                      | -                     | 42,287                  |
| <b>Results</b>                           |                                   |  |                  |                             |                       |                         |
| Segment results                          | (998)                             | (1,799)  | (177)            | (2,974)                     | -                     | (2,974)                 |
| Interest income                          | 21                                | -  | -                | 21                          | -                     | 21                      |
| Finance costs                            | (537)                             | (549)  | -                | (1,086)                     | -                     | (1,086)                 |
| Profit/ (loss) before taxation           | (1,514)                           | (2,348)  | (177)            | (4,039)                     | -                     | (4,039)                 |
| Taxation                                 | -                                 | -  | -                | -                           | -                     | -                       |
| Net profit/ (loss)                       | (1,514)                           | (2,348)  | (177)            | (4,039)                     | -                     | (4,039)                 |
| 3 months period ended<br>31 October 2018 |                                   |  |                  |                             |                       |                         |
| <b>Revenue</b>                           |                                   |  |                  |                             |                       |                         |
| External sales                           | 42,375                            | 20,388   | -                | 62,763                      | -                     | 62,763                  |
| Inter-segment sales                      | 3,811                             | 2,802  | 50               | 6,663                       | (6,663)               | -                       |
| Total sales                              | 46,186                            | 23,190   | 50               | 69,426                      | (6,663)               | 62,763                  |
| <b>Results</b>                           |                                   |  |                  |                             |                       |                         |
| Segment results                          | (2,794)                           | 423  | (68)             | (2,439)                     | (14)                  | (2,453)                 |
| Interest income                          | 60                                | -  | -                | 60                          | -                     | 60                      |
| Finance costs                            | (1,170)                           | (162)  | -                | (1,332)                     | -                     | (1,332)                 |
| Profit before taxation                   | (3,904)                           | 261  | (68)             | (3,711)                     | (14)                  | (3,725)                 |
| Taxation                                 | -                                 | -  | -                | -                           | -                     | -                       |
| Net profit                               | (3,904)                           | 261  | (68)             | (3,711)                     | (14)                  | (3,725)                 |

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**Notes To The Interim Financial Report**  
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**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**

On 7 November 2019, the Company announced that it intends to undertake a renounceable rights issue of up to 451,723,359 Rights Shares together with up to 451,723,359 Warrants on the basis of 1 Rights Share and 1 Warrant for every 2 existing shares held on the entitlement date to be determined later at an issue price of RM0.19 per Rights Share.

**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.

**14 Contingent Liabilities**

a) Group

Contingent liabilities of the Group as at 31 October 2019 in respect of bank guarantees issued in favour of government authorities and utility boards totaling RM5.7m.

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 RM84.9m as at 31 October 2019.

**15 Capital Commitments**

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

**16 Significant Related Parties Transactions**

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

|   | <u>RM'000</u> |
|---|---------------|
| <u>Transaction with a director</u>  |               |
| Rental paid   | 47            |
| <u>Transaction with companies in which certain directors of the Company are also the director and have substantial financial interest</u> |               |
| Sales   | 4,194         |
| Sales commission  | 85            |
| Purchases   | 449           |
| Rental paid   | 114           |



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**Notes To The Interim Financial Report**  
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**17.1 Review of Performance**

|                          | <u>FY 2020</u> | <u>FY 2019</u> |               |          |
|--------------------------|----------------|----------------|---------------|----------|
|                          | Current        | Comparative    |               |          |
|                          | Quarter Ended  | Quarter Ended  |               |          |
|                          | 31/10/2019     | 31/10/2018     | Variance      | Variance |
|                          | <u>RM'000</u>  | <u>RM'000</u>  | <u>RM'000</u> | <u>%</u> |
| Revenue                  | 42,287         | 62,763         | (20,476)      | -32.6%   |
| (Loss)/Profit before tax | (4,039)        | (3,725)        | (314)         | -8.4%    |

The Group reported revenue of RM42.29m in the current quarter as compared to RM62.76m in the corresponding quarter last year. The decrease of RM20.47m or 32.6% was mainly due to significant drop of RM13.80m in the property development segment as most projects have been completed in last financial year. The rubberwood furniture segment showed decrease of RM6.68m due to downsizing process of downstream division and drop in selling price.

The Group posted loss before tax of RM4.04m for the current quarter as compared to loss before tax of RM3.73m in the same quarter last year. The variance was mainly due to lower revenue reported, drop in selling price and certain costs were fixed or semi-fixed in nature.

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

|                          | <u>FY 2020</u> | <u>FY 2019</u> |               |          |
|--------------------------|----------------|----------------|---------------|----------|
|                          | Current        | Preceding      |               |          |
|                          | Quarter Ended  | Quarter Ended  |               |          |
|                          | 31/10/2019     | 31/07/2019     | Variance      | Variance |
|                          | <u>RM'000</u>  | <u>RM'000</u>  | <u>RM'000</u> | <u>%</u> |
| Revenue                  | 42,287         | 68,253         | (25,966)      | -38.0%   |
| (Loss)/Profit before tax | (4,039)        | (37,306)       | 33,267        | 89.2%    |

The Group recorded revenue of RM42.29m in the current quarter as compared to the revenue of RM68.25m in the preceding quarter. The decrease of 38.0% was mainly attributed to lower revenue of RM22.0m in the property development segment as most projects have been completed in the preceding quarter. The rubberwood furniture segment showed slight decrease due to the downsizing process of downstream division.

Loss before tax of RM4.04m was reported for the current quarter, improved by RM33.27m from the preceding quarter. This was mainly due to some non-recurring expenses incurred in the preceding quarter, such as inventories written off, inventories written down and provision of compensation for voluntary separation scheme (VSS).

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**17.3 Prospects for the Current Financial Year**

As the local economic outlook gets cloudier coupled with ongoing global trade conflict and excessive financial market volatility, the Group will be more prudent and cautious in its business activities for the current financial year.

In the property market, condition remains depressed but it is expected to improve following government's moves to address a chronic oversupply. 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.

As for the rubberwood furniture segment, the Group will continue to streamline the manufacturing facilities to meet the challenges ahead. 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. At the same time, the Group intends to pare down borrowings for interest savings and to build up liquid resources to take advantage of any future opportunities that may arise.

**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 2020</u><br>Current<br>Quarter Ended<br>31/10/2019<br>RM'000 | <u>FY 2019</u><br>Comparative<br>Quarter Ended<br>31/10/2018<br>RM'000 | <u>FY 2020</u><br>3 Months<br>Cumulative<br>To Date<br>RM'000 | <u>FY 2019</u><br>3 Months<br>Cumulative<br>To Date<br>RM'000 |
|---|--|--|---|---|
| Interest income   | (21)   | (60)   | (21)  | (60)  |
| Interest expense  | 1,086  | 1,332  | 1,086   | 1,332   |
| Depreciation and amortisation                             | 1,579  | 1,741  | 1,579   | 1,741   |
| (Gain)/ loss on disposal of property, plant and equipment | (1,358)  | -  | (1,358)   | -   |
| (Gain)/ loss on foreign exchange                          | (28)   | (97)   | (28)  | (97)  |

**17.6 Taxation**

|                      | Current<br>Quarter<br>RM'000 | Financial<br>Year-to-date<br>RM'000 |
|----------------------|------------------------------|-------------------------------------|
| Tax expense          | -                            | -                                   |
| Current deferred tax | -                            | -                                   |
|                      | -                            | -                                   |

**SYF RESOURCES BERHAD**  
**Co. No. 199501035170 (364372-H)**

**Notes To The Interim Financial Report**  
**For the quarter ended 31 October 2019**

No taxation has been provided for the current financial quarter and financial year-to-date as the Group was in a tax loss position.

**17.7 Group Borrowings and Securities**

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

|                                  | <u>RM'000</u> |
|----------------------------------|---------------|
| Denominated in Ringgit           |               |
| - Secured current borrowings     | 34,944        |
| - Secured non-current borrowings | 44,360        |
|                                  | <u>79,304</u> |

**17.8 Material Litigation**

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

**17.9 Proposed Dividend**

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

**17.10 Earnings Per Share Attributable to Equity Holders of the Company**

|  | <u>FY 2020</u><br>Current<br>Quarter Ended<br>31/10/2019<br><u>RM'000</u> | <u>FY 2019</u><br>Comparative<br>Quarter Ended<br>31/10/2018<br><u>RM'000</u> | <u>FY 2020</u><br>3 Months<br>Cumulative<br>To Date<br><u>RM'000</u> | <u>FY 2019</u><br>3 Months<br>Cumulative<br>To Date<br><u>RM'000</u> |
|--|---|---|--|--|
| Net profit/ (loss) attributable to equity holders of the company | (4,039)   | (3,725)   | (4,039)  | (3,725)  |
| 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)                            | (0.65)  | (0.60)  | (0.65)   | (0.60)   |
| b) <u>Diluted</u>  |   |   |  |  |
| Weighted average number of ordinary shares ('000)                | 619,239   | 619,239   | 619,239  | 619,239  |
| Effect of dilution - ESOS ('000) *                               | -   | 1,493   | -  | 1,493  |
| Adjusted weighted average number of ordinary shares ('000)       | 619,239   | 620,732   | 619,239  | 620,732  |
| Diluted earning/ (loss) per share (sen)                          | (0.65)  | (0.60)  | (0.65)   | (0.60)   |

\* 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.