

POH HUAT RESOURCES HOLDINGS BERHAD [199701027671 (443169-X)]
Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income (Unaudited)
For The Quarter Ended 30 April 2020

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	30-Apr-2020	30-Apr-2019	30-Apr-2020	30-Apr-2019
	RM	RM	RM	RM
Revenue	121,178,836	147,012,861	309,979,998	344,070,746
Cost of Sales	(102,508,159)	(121,665,961)	(262,252,542)	(284,783,049)
Gross Profit	<u>18,670,677</u>	<u>25,346,900</u>	<u>47,727,456</u>	<u>59,287,697</u>
Selling and distribution expenses	(5,933,769)	(8,330,170)	(14,479,109)	(17,759,175)
Administration expenses	(6,590,925)	(5,784,196)	(12,938,865)	(12,122,351)
Other income / (expenses)	3,307,974	1,072,083	3,707,761	1,656,340
Finance costs	(171,673)	(333,071)	(431,531)	(642,851)
Profit / (Loss) before tax	9,282,284	11,971,546	23,585,712	30,419,660
Income tax expenses	(2,328,600)	(2,437,515)	(5,293,356)	(5,624,608)
Profit / (Loss) for the period	<u>6,953,684</u>	<u>9,534,031</u>	<u>18,292,356</u>	<u>24,795,052</u>
Other Comprehensive Income/(Expenses) net of tax - Foreign currency translation	7,378,662	916,434	2,537,939	(1,307,753)
Total Comprehensive Income/(Loss) for the period	<u>14,332,346</u>	<u>10,450,465</u>	<u>20,830,295</u>	<u>23,487,299</u>
Profit / (Loss) after tax attributable to :				
Owners of the Company	6,953,684	9,534,884	18,292,356	24,798,382
Non-Controlling Interests	-	(853)	-	(3,330)
Profit / (Loss) for the period	<u>6,953,684</u>	<u>9,534,031</u>	<u>18,292,356</u>	<u>24,795,052</u>
Total Comprehensive Income / (Loss) attributable to :				
Owners of the Company	14,332,346	10,453,161	20,830,295	23,490,007
Non-Controlling Interests	-	(2,696)	-	(2,708)
Total Comprehensive Income/(Loss) for the period	<u>14,332,346</u>	<u>10,450,465</u>	<u>20,830,295</u>	<u>23,487,299</u>
Basic Earnings Per Share (in sen)	3.02	4.33	7.94	11.26
Diluted Earnings Per Share (in sen)	2.93	4.04	7.72	10.51

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 October 2019)

POH HUAT RESOURCES HOLDINGS BERHAD [199701027671 (443169-X)]

Condensed Consolidated Statements of Financial Position

As At 30 April 2020

	Unaudited	Audited
	As At	As At
	30-Apr-2020	31-Oct-2019
	RM	RM
ASSETS		
Non-current assets		
Property, plant and equipment	160,385,650	173,087,335
Prepaid lease payments	-	2,625,670
Right-of-use assets	12,807,141	-
Land held for property development	20,912,187	20,912,187
Investment properties	12,002,689	12,095,591
Deferred tax assets	27,908	37,257
	<u>206,135,575</u>	<u>208,758,040</u>
Current assets		
Inventories	88,295,378	74,715,071
Trade and other receivables	34,149,245	64,412,833
Deposits, bank and cash balances	154,898,790	133,078,581
	<u>277,343,413</u>	<u>272,206,485</u>
TOTAL ASSETS	<u>483,478,988</u>	<u>480,964,525</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	131,022,500	128,718,591
Treasury shares	(2,836,481)	(2,836,481)
Translation reserve	(6,533,643)	(9,071,582)
Reserves	256,699,861	245,340,935
TOTAL EQUITY	<u>378,352,237</u>	<u>362,151,463</u>
Non-current liabilities		
Hire purchase payables	-	119,714
Lease liabilities	119,714	-
Deferred tax liabilities	6,234,000	6,234,000
	<u>6,353,714</u>	<u>6,353,714</u>
Current liabilities		
Trade and other payables	74,289,033	88,872,751
Bank borrowings	14,773,408	12,483,973
Hire purchase payables	-	234,847
Lease liabilities	66,892	-
Dividend payable	4,621,640	6,863,343
Current tax liabilities	5,022,064	4,004,434
	<u>98,773,037</u>	<u>112,459,348</u>
TOTAL LIABILITIES	<u>105,126,751</u>	<u>118,813,062</u>
TOTAL EQUITY AND LIABILITIES	<u>483,478,988</u>	<u>480,964,525</u>

(The Condensed Consolidated of Financial Position should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2019)

POH HUAT RESOURCES HOLDINGS BERHAD [199701027671 (443169-X)]
Condensed Consolidated Statements of Changes In Equity (Unaudited)
For The Quarter Ended 30 April 2020

	←----- Attributable to Owners of the Company ----->				Total RM	Non- controlling interests RM	Total equity RM
	<----- Non-distributable ----->			Distributable			
	Share capital RM	Treasury shares RM	Translation reserve RM	Retained profits RM			
At 1 November 2018	119,845,505	(2,836,481)	(10,217,694)	210,199,736	316,991,066	36,583	317,027,649
Profit after tax for the period				24,798,382	24,798,382	(3,330)	24,795,052
Other comprehensive income for the period - Foreign currency translation			(1,308,375)		(1,308,375)	622	(1,307,753)
Total comprehensive income for the period	-	-	(1,308,375)	24,798,382	23,490,007	(2,708)	23,487,299
Dividends by the Company				(4,427,221)	(4,427,221)		(4,427,221)
Exercise of Warrants 2015/2020	695,862				695,862		695,862
At 30 April 2019	120,541,367	(2,836,481)	(11,526,069)	230,570,897	336,749,714	33,875	336,783,589
At 1 November 2019	128,718,591	(2,836,481)	(9,071,582)	245,340,935	362,151,463		362,151,463
Profit after tax for the period				18,292,356	18,292,356		18,292,356
Other comprehensive income for the period - Foreign currency translation			2,537,939	-	2,537,939		2,537,939
Total comprehensive income for the period	-	-	2,537,939	18,292,356	20,830,295		20,830,295
Dividends by the Company				(6,933,430)	(6,933,430)		(6,933,430)
Exercise of Warrants 2015/2020	2,303,909				2,303,909		2,303,909
At 31 January 2020	131,022,500	(2,836,481)	(6,533,643)	256,699,861	378,352,237		378,352,237

(The Condensed Consolidated Statement of Change In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 October 2019)

POH HUAT RESOURCES HOLDINGS BERHAD [199701027671 (443169-X)]

Condensed Consolidated Statements of Cash Flows (Unaudited)

For The Quarter Ended 30 April 2020

	30-Apr-2020	30-Apr-2019
	RM	RM
Cash flows from / (for) operating activities		
Profit / (Loss) before tax	23,585,712	30,419,660
Adjustments for :		
Depreciation and amortisation	5,472,981	4,702,523
Property, plant and equipment written off	349,576	604,289
(Gain) / loss on disposal of PPE	(515,549)	(419,960)
(Gain) / loss on disposal of unit trust		
Dividend (Income)	(858,050)	(354,001)
Unrealised (gain) / loss on forex	(1,272,073)	(1,627,316)
Net interest (income) / expense	20,863	228,447
Operating profit/ (loss) before working capital changes	26,783,460	33,553,642
Inventories	(13,580,307)	(5,962,559)
Trade and other receivables	31,535,661	4,577,942
Trade and other payables	(14,583,718)	(9,420,967)
Cash from / (for) operations	30,155,096	22,748,058
Net interest received / (paid)	(20,863)	(228,447)
Tax (paid) / refund	(4,275,726)	(4,819,289)
Net cash from / (for) operating activities	25,858,507	17,700,322
Cash flows from / (for) investing activities		
Net proceeds / (purchase) of property, plant and equipment	(1,762,657)	(9,156,738)
Net (Purchases) / Proceeds from disposal of unit trust	-	-
Dividends received	858,050	354,001
Net decrease / (increase) in fixed deposits pledged	(140,656)	(6,891)
Net cash from / (for) investing activities	(1,045,263)	(8,809,628)
Cash flow from / (for) financing activities		
Net movements in bank borrowings	2,121,480	7,381,464
Issue of shares from exercise of Warrants	2,303,909	695,862
Dividends paid	(9,175,132)	(4,398,100)
Net cash from / (for) financing activities	(4,749,743)	3,679,226
Net increase/ (decrease) in cash and cash equivalents	20,063,501	12,569,920
Effects on foreign exchange translation	1,616,052	(469,875)
Cash and cash equivalents at beginning of the financial year	128,239,480	85,386,024
Cash and cash equivalents at end of the financial period	149,919,033	97,486,069
Cash and cash equivalents at end of the financial period consists of		
Bank and cash balances	154,898,790	101,994,567
Less : Fixed deposit pledged to bank	(4,979,757)	(4,508,498)
	149,919,033	97,486,069

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 October 2019)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1. ACCOUNTING POLICIES

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 Bursa Malaysia Securities Berhad Main Board Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 October 2019.

The significant accounting policies and presentation adopted for the interim financial statements are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 October 2019 except for the changes in accounting policies and presentation resulting from the adoption of relevant MFRSs, Amendment to MFRSs and IC Interpretations that are effective for the financial periods beginning on 1 November 2019.

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group’s financial statements other than the adoption of MFRS 16 Leases.

The Group have adopted MFRS 16 retrospectively from 1 November 2019 and has not restated the comparative information as permitted under the specific transition provisions in the standard. The impact arising from the adoption of MFRS 16 on opening balance as at 1 November 2019 are as follows:

	At 31-Oct-2019	Adoption of MFRS 16	At 1-Nov-2019
Property, plant and equipment	173,087,335	(10,415,663)	162,671,672
Prepaid lease payments	2,625,670	(2,625,670)	-
Right-of-use assets	-	13,041,333	13,041,333
Hire purchase payables	(354,561)	354,561	-
Lease liabilities	-	(354,561)	(354,561)

The Group has not applied in advance any accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the financial year ended 31 October 2019.

A2. SEASONAL OR CYCLICAL FACTORS

The principal business operations of the Group have historically shown moderate seasonality, where production and sales of home furniture are generally lower in the beginning of the calendar year due to the local festive period as well as the summer holiday in the middle of the year.

A3. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE AND INCIDENCE

There were no unusual items of nature, size or incidence that affect the assets, liabilities, equity, net income or cash flow of the Group during the reporting period.

A4. MATERIAL CHANGES IN ESTIMATES

The Company has not issued any revenue or profit estimate, forecast or target.

A5. ISSUANCE, REPURCHASE AND CANCELLATION OF SHARES

Re-Purchase of Own Shares

The Company has been authorised by shareholders to re-purchase its own shares.

The total number of shares repurchased by the Company as at end of current reporting period are 13,327,600 ordinary shares. All the repurchased shares are held as treasury shares and treated in accordance with the requirement of Section 127 of the Companies Act 2016. None of the treasury shares was resold or cancelled during the reporting period. The repurchase transactions were financed by internally generated funds. The Company has not purchased any of its own shares during the reporting period under review.

Save for the above, the Company has not issued any shares, debts or convertible securities during the current reporting period.

A6. DIVIDEND PAID

The dividends paid during the financial period-to-date were as follows:

Type of Dividend	Dividend per share	For the year ended	Amount RM	Payment date
Second Interim	2 sen	31-Oct-19	4,575,562	14-Nov-19
Special Interim	1 sen	31-Oct-19	2,287,781	3-Jan-20
First Interim	1 sen	31-Oct-20	2,311,789	3-Jan-20

A7. OPERATING SEGMENTS

The Group adopted geographical segment as its reporting format. The segment information for the financial period-to-date is as below: -

(RM'000)	Malaysia	Vietnam	Australia	Others	Total
Sales	150,115	159,865	0	0	309,980
Profit / (Loss) Before Tax	14,406	9,511	(211)	(120)	23,586
Profit / (Loss) After Tax	11,007	7,617	(211)	(121)	18,292
Assets	236,532	212,600	28,949	5,398	483,479
Liabilities	52,137	52,990	0	0	105,127

A8. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The valuation of the property, plant and equipment has been brought forward without amendment from the audited financial statements for the year ended 31 October 2019.

A9. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE YEAR

No material events subsequent to the current reporting period that have not been reflected in the financial statements of the financial year.

A10. CHANGES IN THE COMPOSITION OF THE GROUP

There are no other changes in the composition of the Group during the current reporting period.

A11. CHANGES IN CONTINGENT LIABILITIES / ASSETS

There were no changes in contingent liabilities/ assets since the last financial year ended at 31 October 2019 other than corporate guarantee granted to financial institutions amounting to RM115.88 million at current reporting period.

A12. CAPITAL COMMITMENTS

There is no capital commitment not recognised in the current interim financial statements and during the current reporting period.

A13. RELATED PARTY TRANSACTIONS

The Group related party transactions in the current quarter and financial period-to-date are as follows:

Subsidiary	Transacting Party	Relationship	Nature of Transaction	Current quarter (RM)	Financial period-to-date (RM)
Poh Huat Furniture Industries (M) Sdn Bhd	Tay Kim Huat	Director	Rental of Showroom	36,000	72,000

BMSB LISTING REQUIREMENTS

B1. PERFORMANCE REVIEW

Revenue	Individual quarter			Cumulative quarters		
	30-Apr-20 RM'000	30-Apr-19 RM'000	+ / - %	30-Apr-20 RM'000	30-Apr-19 RM'000	+ / - %
Malaysia	50,569	73,501	(31.2)	150,115	163,436	(8.2)
Vietnam	70,610	73,512	(3.9)	159,865	180,635	(11.5)
Total	121,179	147,013	(17.6)	309,980	344,071	(9.9)

Our operations were affected by the Covid-19 pandemic during the financial period under review. The disruption in business and daily activities has resulted in sharp contraction in both aggregate supply and demand due to movement restrictions, health concerns and economic uncertainties. Despite these challenges, we managed a turnover of RM121.18 million compared to RM147.01 million recorded in the previous year corresponding quarter ended 30 April 2019.

In compliance with the movement control order (“MCO”) imposed by the Malaysian government, our manufacturing activities in our Malaysia factories were suspended from 18 March 2020 to 4 May 2020. Turnover dropped by 31.2% from RM73.50 million in the current reporting period to RM50.57 million recorded in the previous year corresponding quarter ended 30 April 2019. We have also rescheduled the original shipments during the MCO period to a later date, due to lockdown or shutdown of activities in the affected countries.

While Vietnam were not spared from the Covid-19 pandemic, our operations in Vietnam for the period under review were less affected due to better containment measures implemented by the Vietnam government. Despite the lower production downtime, our shipments of furniture from our Vietnam operations were also similarly affected as our US customers rescheduled shipment in line with the severe drop in retail activities including furniture sales during Covid-19 pandemic.

Profit / (Loss) Before Tax	Individual quarter			Cumulative quarters		
	30-Apr-20 RM'000	30-Apr-19 RM'000	+ / - %	30-Apr-20 RM'000	30-Apr-19 RM'000	+ / - %
Malaysia	5,180	10,075	(48.6)	14,406	19,648	(26.7)
Vietnam	4,085	1,867	118.8	9,511	10,661	(10.8)
Australia	(179)	181	(198.9)	(211)	175	(220.6)
Others	196	(151)	229.8	(120)	(64)	(87.5)
Total	9,282	11,972	(22.5)	23,586	30,420	(22.5)

In line with the lower turnover, we recorded lower profit before tax of RM9.28 million in the current reporting period compared to RM11.97 million in the previous corresponding reporting period ended 30 April 2019.

Reflective of the drop in sales and manufacturing activities, gross profit from our Malaysia operations were significantly lower at RM8.60 million compared to RM16.71 million in the previous corresponding reporting period ended 30 April 2019. The drop in gross margin were inevitable as we have continued to pay wages to workers during the MCO. The lower level of activities also translated to higher absorption of fixed manufacturing overheads. The lower gross margin coupled with the fixed administrative overhead have resulted in significantly lower operating profits. The weakening of the Malaysian Ringgit brought on by economic shock of the Covid-19 pandemic, however gave rise to a forex gain of RM2.56 million which boosted our bottom line. The Malaysian operations ended with a profit before tax of RM5.18 million in current reporting period.

Despite the lower level of manufacturing activities, the operations in our Vietnam factories recorded with an absolute gross profit of RM10.06 million in the current reporting period compared to RM8.64 million in the previous corresponding reporting period. The moderation of raw material prices, which has started since the end of 2019 and our quick response in managing our workforce and overheads during the period, has resulted

in the improvement in our gross margins. While selling and administrative expenses inched up slightly as percentage of sales, the better manufacturing results have resulted in our Vietnam operations to record a higher profit before tax of RM4.08 million for the current reporting period compared to RM1.87 million in the previous corresponding reporting period.

B2. MATERIAL CHANGE IN PROFIT BEFORE TAX

Profit / (Loss) Before Tax	Individual quarter	Preceding quarter	+ / - %
	30-Apr-20 RM'000	31-Jan-20 RM'000	
Malaysia	5,180	9,226	(43.9)
Vietnam	4,085	5,426	(24.7)
Australia	(179)	(32)	(459.4)
Others	196	(317)	161.8
Total	9,282	14,303	(35.1)

The Group recorded a significant decline in turnover from RM188.80 million recorded in the preceding reporting period to RM121.18 million for the current reporting period under review.

In Malaysia, turnover dropped from RM99.55 million in the preceding reporting period to RM50.65 million in the current reporting period due partly to post festive seasonal low shipment and more significantly the severe contraction in operations and shipments of furniture as a result of the Covid-19 pandemic. The lower level of operations has resulted in a severe dropped in manufacturing efficiency. While direct material as a percentage of sales were relatively stable, fixed direct labour costs and manufacturing overheads as a percentage of sales increased substantially. Absolute gross profit shrunk nearly half from RM17.44 million in the preceding reporting period to RM8.60 million in the current reporting period. The Malaysia operations however recorded a higher Other Income of RM2.90 million, mainly from forex gain of RM2.56 million during the period. All in all, profit before tax for the Malaysia operations declined from RM9.23 million in the preceding reporting period to RM5.18 million in the current reporting period.

In Vietnam, we also recorded significant contraction in sales from RM89.26 million in the preceding quarter to RM70.61 million in the current reporting period. Due to our continuous efforts in managing direct material furniture parts purchases and downsizing of our labour force during the Covid-19 pandemic, gross profit margin improved from 13.0% for the preceding reporting period to 14.3% for the current reporting period. Absolute gross profit however declined slightly from RM11.61 million to RM10.07 million for the current reporting period. In line with the lower gross profit, profit before tax for our Vietnamese operations declined from RM5.42 million in the preceding reporting period to RM2.59 million in the current reporting period.

B3. PROSPECT FOR THE CURRENT FINANCIAL YEAR

The Covid-19 pandemic has brought on unprecedented economic and social hardship globally. Since March 2020, almost all countries have imposed broad based shut down in hospitality, retail, tourism and manufacturing sectors causing aggregate demand and supply to drop globally. The World Bank has predicted double-digit declines in exports and imports in 2020 from the economic shock of the COVID-19 pandemic and states that the extent of economic uncertainties is very high for both 2020 and 2021.

The US housing and furniture sectors were not spared by the Covid-19 pandemic. New orders for furniture plummeted in March 2020 as the COVID-19 pandemic took hold, falling 29% compared with March 2019, and off 23% from February 2020. During the Covid-19 lockdown period, traffic at brick-and-mortar stores in the US dropped as much as 60%. While we do not have April 2020 results as yet, poll amongst manufacturers and distributors in early April indicated over a 70% decline in orders with expectations for May in the 50% decline range.

In Malaysia, the MCO has resulted in us shutting our manufacturing operations from 18 March 2020 to 4 May 2020. In Vietnam, the Covid-19 pandemic similarly has forced us to operate at significantly reduced capacity since March 2020. As mentioned in Paragraphs B1 and B2 above, the disruptions in our operations have result in lower revenue and bottom line for the quarter under review. The supply chain had been severely disrupted by the lockdown around the world and will most likely to continue to be disrupted to varying degrees.

With no clear resolution of the Covid-19 pandemic, the outlook in the months ahead remain highly unpredictable. Despite the recent lifting of the movement control, normal brick-and -mortar businesses are slow in returning to normal as consumers remain cautious over infections and the added requirements on social distancing. While government stimulus programs have certainly helped individuals and families in the US, many people remain in bad financial shape and suffer other effects of stay-at-home orders. Going forward, weaker demand, pay cuts and add job losses from the COVID-19 crisis are impacting all consumers' ability to purchase home furnishings. The recent protests and riots in cities across the country, add further challenges to the industry as more and more furniture retailers are joining the list of impacted businesses.

There are indications that several states in the US and countries in South America are experiencing sustained increase in Covid-19 infections and deaths, making full recovery of opening up of the world economy rather uncertain. Meanwhile, the fear of a second wave and reinstatement of lockdowns are adding to the uncertainty, making our second half performance equally unpredictable.

The Covid-19 pandemic has greatly affected our results for the current financial period under review. We expect the full impact of the Covid-19 pandemic will be reflected in the second half of our current financial year. Although orders are slowly returning, when our production will return to normalcy is questionable. Operations have yet to return to capacity and is unlikely any time soon. Our immediate priority is to ensure resumption of operations and stable shipments. We are working with our customers to manage production schedule vis-à-vis new supply and logistic arrangement. In view of the slow recovery expected from the global furniture trade, we have taken measures to reduce our operating hours and workforce in all our manufacturing activities in Malaysia and Vietnam. We are also working with our customers to focus on products more suited to the aforementioned trends and requirements.

B4. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

No profit forecast or profit guarantee were issued for the current reporting period.

B5. TAXATION

	Current quarter RM'000	Financial period-to-date RM'000
Current taxation - Malaysian	1,278	3,399
Current taxation - Overseas	1,041	1,884
Deferred taxation	10	10
Total Taxation	2,329	5,293

Malaysia current income tax rate was estimated at 23% which is closed to statutory rate of 24% during the period under review. Taxation for Vietnamese subsidiary was estimated at 20% which is in-line with the country's statutory tax.

B6. STATUS OF CORPORATE PROPOSALS / UTILISATION OF PROCEEDS

There are no other corporate proposals or utilisation of proceeds announced but not completed as at the date of the report.

B7. GROUP BORROWINGS

The Group borrowings, as at end of the reporting period were as below: -

Currency denominations	Current RM'000	Non-Current RM'000	Total RM'000
Secured trade bills - US Dollar	14,773	0	14,773
Unsecured trade bills - Malaysian Ringgit	0	0	0
Total	14,773	0	14,773

The weighted average fixed interest rate for the trade bills ranged from 2.00% to 3.20%.

USD denominated loans were not hedged against the Ringgit as most of our sales proceeds are transacted in USD currency. The USD denominated loans were translated at RM4.30 per USD during the current reporting period.

B8. MATERIAL LITIGATION

There is no material litigation, pending or threatening, by or against the Company and its subsidiaries (as plaintiff or defendant) since the last financial year ended 31 October 2019.

B9. DIVIDENDS

The Directors have not declared any dividend in respect of the current financial period ending 30 April 2020 (against a declaration of dividend of 2 sen per ordinary share in the previous financial period ended 30 April 2019).

Total dividend declared for the current financial year-to-date is 1 sen per ordinary share.

B10. EARNINGS PER SHARE

Basic earnings per share

The basic earnings per share are calculated by dividing the profit attributable to Owners of the Company by the weighted average number of ordinary shares in issue (excluding treasury shares) during the current financial period under review.

		Current quarter	Financial period-to-date
Profit attributable to Owners of the Company	(RM'000)	6,954	18,292
Weighted average number of shares	('000 shares)	230,619	230,619
Basic earnings per share	(sen)	3.02	7.94

Diluted earnings per share

The diluted earnings per share are calculated by dividing the profit attributable to Owners of the Company by the weighted average number of ordinary shares in issue (excluding treasury shares) that would have been issued upon full conversion of Warrants 2015/2020.

		Current quarter	Financial year-to-date
Profit attributable to Owners of the Company	(RM'000)	6,954	18,292
Weighted average number of shares	('000 shares)	230,619	230,619
<u>Effect of dilution from Warrants 2015/2020</u>	<u>('000 shares)</u>	<u>6,759</u>	<u>6,759</u>
Adjusted weighted average number of shares	('000 shares)	237,378	237,378
Diluted earnings per share	(sen)	2.93	7.72

B11. AUDIT QUALIFICATION REPORT

The preceding financial statements for the year ended 31 October 2019 were reported on without any qualification.

B12. FINANCIAL INSTRUMENTS - DERIVATIVES

There is no outstanding forward foreign currency contract during the current reporting period. There is no change in financial instruments disclosure since the preceding audited financial statements for the year ended 31 October 2019.

B13. OTHER DISCLOSURES

Items which have been included in the Condensed Consolidated Statements of Profit or Loss for the current quarter and current financial period-to-date were below: -

	Current quarter RM'000	Financial period-to-date RM'000
(a) Interest income	82	215
(b) Other income including investment income	1,598	2,604
(c) Interest expense	(95)	(236)
(d) Depreciation and amortization	(2,767)	(5,473)
(e) Provision for and write off of receivables	nil	nil
(f) Provision for and write off of inventories	nil	nil
(g) Gain / (loss) on disposal of unquoted investments / properties	nil	516
(h) Impairment of assets	nil	nil
(i) Foreign exchange gain / (loss)	2,745	1,525
(j) Gain / (loss) on derivatives	nil	nil
(k) Exceptional items	nil	nil

For and on behalf of the Board
Poh Huat Resources Holdings Berhad

CHUA SYER CIN
Independent Non-Executive Director
Chairman
Audit Committee

23 June 2020
Muar, Johor Darul Takzim.