

TA WIN HOLDINGS BERHAD

(291592-U)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 30 SEPT 2019

	Note	(Unaudited) Current Quarter 3 months ended		(Unaudited) Cumulative Quarter 3 months ended	
		30-Sep-19 RM'000	30-Sep-18 RM'000	30-Sep-19 RM'000	30-Sep-18 RM'000
Revenue	15,16	66,917	109,094	66,917	N/A
Cost of sales		(64,765)	(106,913)	(64,765)	N/A
Gross Profit		<u>2,152</u>	<u>2,181</u>	<u>2,152</u>	<u>N/A</u>
Other Income		169	827	169	N/A
Selling and distribution expenses		(360)	(482)	(360)	N/A
Administrative expenses		(3,230)	(1,450)	(3,230)	N/A
Profit/(loss) from operation		<u>(1,269)</u>	<u>1,076</u>	<u>(1,269)</u>	<u>N/A</u>
Finance costs		(839)	(686)	(839)	N/A
Profit/(loss) before tax	15,16	<u>(2,108)</u>	<u>390</u>	<u>(2,108)</u>	<u>N/A</u>
Income tax expense		(41)	(200)	(41)	N/A
Net profit/(loss) for the period		<u>(2,149)</u>	<u>190</u>	<u>(2,149)</u>	<u>N/A</u>
Other comprehensive income, net of tax					
Foreign currency translation differences for foreign operations		11	(22)	11	N/A
Other comprehensive income for the year		<u>11</u>	<u>(22)</u>	<u>11</u>	<u>N/A</u>
Total comprehensive income/(loss) for the period		<u>(2,138)</u>	<u>168</u>	<u>(2,138)</u>	<u>N/A</u>
Total income/(loss) attributable to:					
Equity holders of the parents		(2,093)	190	(2,093)	N/A
Non-controlling interests		(56)	-	(56)	N/A
		<u>(2,149)</u>	<u>190</u>	<u>(2,149)</u>	<u>N/A</u>
Total comprehensive income attributable to:					
Equity holders of the parents		(2,082)	168	(2,082)	N/A
Non-controlling interests		(56)	-	(56)	N/A
		<u>(2,138)</u>	<u>168</u>	<u>(2,138)</u>	<u>N/A</u>
Earning/(loss) per share (sen)					
- Basic	26	(0.60)	0.27	(0.60)	N/A
- Diluted	26	(0.22)	N/A	(0.22)	N/A

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the period ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements form an integral part of the financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE FIRST QUARTER ENDED 30 SEPT 2019

	(Unaudited) As at end of Current Quarter 30-Sep-19 RM'000	(Audited) Financial Period End 30-Jun-19 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	46,977	44,999
Current assets		
Inventories	47,724	32,728
Trade receivables	29,172	39,639
Other receivables, prepayment and deposits	34,592	23,979
Derivation assets	-	8
Cash and cash equivalents	39,176	36,380
	150,664	132,734
TOTAL ASSETS	197,641	177,733
EQUITY AND LIABILITIES		
Current liabilities		
Loans and borrowings	64,905	80,523
Trade payables	300	2,834
Other payables	1,916	-
Hire purchase payables	100	86
Amount due to directors	-	936
Derivative liability	82	-
Current tax liabilities	1,119	935
	68,422	85,314
Non-current liabilities		
Deferred tax liabilities	4,556	4,927
Hire purchase payables	300	339
	4,856	5,266
Total liabilities	73,279	90,580
Equity attributable to equity holders of the Company		
Share capital	95,134	73,725
Preference share - ICPS	10,969	-
Warrant reserve	6,369	-
Total loss attributable to:		
<i>Foreign exchange reserves</i>	(400)	(411)
<i>Revaluation reserves</i>	13,219	13,219
<i>Accumulated losses</i>	(3,655)	(1,562)
	121,635	84,971
Non-controlling interest	2,727	2,182
Total equity	124,362	87,153
TOTAL EQUITY AND LIABILITIES	197,641	177,733
No. of share issued as at 30 Sept 2019/June 2019	Units	357,391
Net asset per share	RM	0.35
		79,614
		1.09

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 30 SEPT 2019

	← Atributable to Equity Holders of the Parents →					Accumulated losses RM'000	Total RM'000	Non- controlling Interest RM'000	Total equity RM'000
	Share capital RM'000	ICPS share RM'000	Non-Distributable Warrant reserve RM'000	Revaluation reserve RM'000	Exchange reserve RM'000				
Balance at 1 July 2019	73,725	-	-	13,219	(411)	(1,562)	84,971	2,182	87,154
Profit/(loss) for the period	-	-	-	-	-	(2,093)	(2,093)	(56)	(2,149)
Other comprehensive income Foreign currency translation differences for foreign operation	-	-	-	-	11	-	11	-	11
Total comprehensive income for the period	-	-	-	-	11	(2,093)	(2,083)	(56)	(2,138)
<i>Contribution by and distributions to owners of the Company</i>									
Issue of ordinary shares:									
- Right issue	23,884	11,942	-	-	-	-	35,826	-	35,826
- Exercise of ICPS conversion	973	(973)	-	-	-	-	-	-	-
- Additional price of ICPS conversion	2,920	-	-	-	-	-	2,920	-	2,920
- Reclassification of free warrant reserve	(6,369)	-	6,369	-	-	-	-	-	-
Arising from business combination	21,409	10,969	6,369	-	-	-	38,746	-	38,746
Total transactions with owners of the Company	21,409	10,969	6,369	-	-	-	38,746	600	39,346
Balance at 30 September 2019	95,134	10,969	6,369	13,219	(400)	(3,655)	121,635	2,727	124,362
18 months ended									
Balance at 1 January 2018	66,084	-	-	4,320	(399)	(2,717)	67,287	-	67,287
Profit for the period	-	-	-	-	-	1,156	1,156	(268)	888
Other comprehensive income Foreign currency translation differences for foreign operation Revaluation surplus of property	-	-	-	8,899	(12)	-	8,899	-	8,899
Total comprehensive income for the period	-	-	-	8,899	(12)	1,156	10,043	(268)	9,775
<i>Contribution by and distributions to owners of the Company</i>									
Issue of ordinary shares:									
- Share option exercised	4,002	-	-	-	-	-	4,002	-	4,002
- Special issue	3,308	-	-	-	-	-	3,308	-	3,308
- Share-based payment expenses	332	-	-	-	-	-	332	-	332
Arising from business combination	7,641	-	-	-	-	-	7,641	-	7,641
Total transactions with owners of the Company	7,641	-	-	-	-	-	7,641	2,450	10,091
Balance at 30 June 2019	73,725	-	-	13,219	(411)	(1,562)	84,971	2,182	87,153

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 30 SEPT 2019

	(Unaudited) 3 months ended 30-Sep-19 RM'000	(Audited) 18 months ended 30-Jun-19 RM'000
Operating activities		
Profit/(loss) before tax	(2,108)	1,984
Adjustments for :		
Depreciation of property, plant and equipment	295	1,308
Interest expense	839	4,890
Impairment loss on inventories	-	733
Loss on fair value on derivative liability	90	838
Share-based payment expenses	-	332
Unrealised foreign exchange loss/(gain)	-	124
Interest income	(170)	(354)
Rental income	-	(119)
Gain on disposal of investment property	-	(300)
Gain on disposal of property, plant and equipment	(18)	(8,723)
Operating cash flows before changes in working capital	<u>(1,072)</u>	<u>713</u>
<u>Changes in working capital</u>		
Decrease/(increase) in receivables	(145)	5,059
(Increase)/decrease in inventories	(15,306)	(2,396)
(Decrease)/increase in payables	(1,554)	(3,365)
Cash flows (used)/from operations	<u>(18,076)</u>	<u>11</u>
Tax (paid)/refunded	94	(334)
Interest paid	(839)	(4,890)
Interest received	170	354
Net cash flows (used in)/from operating activities	<u>(18,652)</u>	<u>(4,859)</u>
Investing activities		
Purchase of property, plant and equipment	(2,355)	(13,836)
Proceeds from disposal of property plant and equipment	100	209
Placement of deposit pledged with bank	-	(13,051)
Rental received	-	119
Net cash flows used in investing activities	<u>(2,255)</u>	<u>(26,559)</u>
Financing activities		
Repayment of loans and borrowings	(82,524)	(382,667)
Drawdown of loans and borrowings	66,906	416,085
Repayment of hire purchase financing	(25)	(155)
Amount due to directors	-	764
Proceeds from issuance of shares	23,884	7,309
Proceeds from issuance of shares to non-controlling interests	600	2,450
Proceeds from issuance of ordinary shares from ICPS exercise	2,920	-
Proceeds from issuance of Preference Share - ICPS exercise	973	-
Proceeds from issuance of Preference Share - ICPS	10,969	-
Net cash flows from/(used in) financing activities	<u>23,703</u>	<u>43,786</u>

Net increase/(decrease) in cash and cash equivalents	2,796	12,368
At beginning of financial period	19,216	6,857
Effects of exchange rate changes	-	(9)
At end of financial year	<u>22,012</u>	<u>19,216</u>
Cash and bank balances	39,176	36,380
Deposit pledged with banks	<u>(17,164)</u>	<u>(17,164)</u>
Net cash and cash equivalents	<u>22,012</u>	<u>19,216</u>

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

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NOTES TO INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 SEPT 2019

1. Basis of Preparation

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysia Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (MASB) and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 : Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 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 30 June 2019.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 June 2019 except for the adoption of the following MFRSs, Amendments to MFRSs, Issues Committee Interpretations ("IC Interpretations") and Statement of Principles.

Amendments to MFRS 1	Annual Improvements to MFRS Standards 2014 - 2016 Cycle
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to MFRS 9	Financial Instruments
Amendments to MFRS 12	Annual Improvements to MFRS Standards 2014 - 2016 Cycle
Amendments to MFRS 15	Revenue from Contracts with Customers
Amendments to MFRS 128	Investments in Associates and Joint Ventures
Amendments to MFRS 140	Investment Property – Transfers of Investment Property
IC Interpretation 23, Uncertainty over Income Tax Treatment	

The adoption of the above pronouncements did not have any impact on the financial statements of the Group

MFRSs, Amendments to MFRSs and IC Interpretations issued but not yet effective

The following MFRSs, Amendments to MFRSs have been issued but are not yet effective, and have yet to be adopted by the Group:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 2, Share-based Payment	1 January 2020
Amendments to MFRS 3, Business Combinations	1 January 2020
Amendments to MFRS 3, Annual Improvements to MFRS Standards 2015 - 2017 Cycle	1 January 2019
Amendments to MFRS 6, Exploration for and Evaluation of Mineral Resources	1 January 2020
Amendments to MFRS 9, Prepayment Features with Negative Compensation	1 January 2020
Amendments to MFRS 11, Annual Improvements to MFRS Standards 2015 - 2017 Cycle	1 January 2019
Amendments to MFRS 14, Regulatory Deferral Accounts	1 January 2020
Amendments to MFRS 16, Leases	1 January 2019
Amendments to MFRS 17, Insurance Contracts	1 January 2021
Amendments to MFRS 101, Presentation of Financial Statements	1 January 2020
Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material	January 2020
Amendments to MFRS 112, Annual Improvements to MFRS Standards 2015 - 2017 Cycle	1 January 2019
Amendments to MFRS 119, Plan Amendment, Curtailment, or Settlement	1 January 2019
Amendments to MFRS 123, Annual Improvements to MFRS Standards 2015 - 2017 Cycle	1 January 2019
Amendments to MFRS 128, Long-term Interests in Associates and Joint Ventures	1 January 2019
Amendments to MFRS 134, Interim Financial Reporting	1 January 2020
Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets	1 January 2020
Amendments to MFRS 138 Intangible Assets	1 January 2020
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020

MFRSs, Interpretations and amendments effective for a date yet to be confirmed

Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

3. Audit Qualification of Preceding Annual Financial Statements

The auditors' report on the annual audited financial statements for the financial year ended 30 June 2019 was not qualified.

4. Comments About Seasonal or Cyclical Factors

The sales of copper wire and rods are not subject to significant cyclical or seasonal factors, other than mild slowdowns due to holidays, especially during festival holiday season.

5. Unusual Items Due to their Nature, Size or Incidence

During the financial period, the company has incurred the rights issue cost of RM1.6mil. There were no other material unusual items in this financial period.

6. Changes in Estimates

There were no significant changes in estimates that had a material effect in the current quarter.

7. Debt and Equity Securities

During the financial period, the company has issued new equity securities as disclosed in the note 20. Except these, there were no material issuances, repayments of debt or equity securities, or share cancellation in the current interim period under review. The Company has not implemented any share buy back scheme and it does not hold any shares as treasury shares during the current financial year.

8. Dividend Paid

No dividend was paid in the current financial year under review.

9. Carrying Amount of Revalued Assets

The valuation of property, plant and equipment had been revalued and amended from the financial statements for the period ended 30 June 2019.

10. Segmental Reporting

Segment information for the 3 months ended 30 Sept 2019 is as follows:-

	Malaysia RM'000	Hona Kona RM'000	Elimination RM'000	Total RM'000 30-Sep-19
Revenue				
External sales	66,917	-	-	66,917
Inter-segment sales	-	-	-	-
Total revenue	<u>66,917</u>	<u>-</u>	<u>-</u>	<u>66,917</u>
Results				
Operating profit/(loss)	(1,263)	(6)	-	(1,269)
Finance costs	(839)	-	-	(839)
Profit/(loss) before tax	<u>(2,102)</u>	<u>(6)</u>	<u>-</u>	<u>(2,108)</u>
Income tax expenses	(41)	-	-	(41)
Profit/(loss) for the period	<u>(2,143)</u>	<u>(6)</u>	<u>-</u>	<u>(2,149)</u>
Assets				
Segment assets	197,636	5	-	197,641
Liabilities				
Segment liabilities	73,269	569	(559)	73,279

11. Subsequent Event

There were no material events subsequent to the financial period ended 30 Sept 2019 and up to the date of this report, which affects substantially the results of the operation of the group.

12. Changes in Composition of the Group

- a) On 1 October 2019 the board announced, further to the announcement dated 11 April 2019 in respect of the Joint Venture cum with Shareholders Agreement ("JVSA") entered by Cyprium Capital Sdn. Bhd., a wholly-owned subsidiary of Ta Win Holdings Berhad with Justin Wong Chen Feng, Wong Ah Piaw and Latitude Technology Sdn. Bhd. (collectively known as "Parties"), and announcement dated 16 April 2019 in relation to the incorporation of namely Cyprium Wire Technology Sdn. Bhd.

Further to the allotment of shares to the Parties on 23 September 2019 in accordance to the terms of JVSA, The composition of the shareholdings of CWTSB after the allotments is as follows:-

No.	Name of Allottees	Shareholdings	%
1	Cyprium Capital Sdn. Bhd.	2,400,000	80%
2	Latitude Technology Sdn. Bhd.	300,000	10%
3	Wong Ah Piaw	150,000	5%
4	Justin Wong Chen Feng	150,000	5%
	Total	3,000,000	100%

Save as disclosed above, there are no other changes in the composition of the Group.

13. Changes in Contingent Liabilities and Contingent Assets

There were no material changes in contingent liabilities or contingent assets since the last annual balance sheet as at 30 Sept 2019.

14. Capital Commitments

Capital commitments of the Group in respect of capital expenditure is as follows:

Approved and contracted for	As at
Share of joint venture's capital commitments	30-Sep-19
(Cyprium Wire Technology Sdn. Bhd.)	RM'000
	<u>4,598</u>

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

15. Performance Analysis

Segment	3 months ended	
	30-Sep-19	30-Sep-18
	RM'000	RM'000
Malaysia		
Revenue	66,917	109,094
Gross profit	2,152	2,181
Profit/(loss) before tax	(2,102)	390
Hong Kong		
Revenue	-	-
Gross Profit	-	-
Loss before tax	(6)	(12)
Group Total		
Revenue	66,917	109,094
Gross Profit	2,152	2,181
Profit/(loss) before tax	(2,108)	378

For the 3 months ended 30 Sept 2019, the Group registered a low revenue of RM66.917 million as compared to RM109.094 million in the same corresponding quarter ended 30 Sept 2018. The decline in revenue of RM42.177million is mainly due sharp decline in the sales volume from 4,021 tonnes to 2,665 tonnes despite an 8.1% drop in the average price level.

The Group recorded gross profit of RM2.152 million as compared to RM2,181 million in the same corresponding quarter ended 30 Sept 2018. This was mainly due to an increase in gross margin from 2.0% to 3.2%

The Group registered a loss before tax of RM2.102 million in the current quarter as compared to the profit before tax of RM0.390 million in the same corresponding quarter ended 30 Sept 2018. The Group recorded a loss for the current quarter period primarily due to expense off the corporate exercise cost during the period under review.

16. Comparison with immediate Preceding Quarter's results

Segment	3 months ended	
	30-Sep-19	30-Jun-19
	RM'000	RM'000
Malaysia		
Revenue	66,917	104,150
Gross profit	2,152	1,895
Profit/(loss) before tax	(2,102)	8,615
Hong Kong		
Revenue	-	-
Gross profit	-	-
Loss before tax	(6)	(1)
Group Total		
Revenue	66,917	104,150
Gross profit	2,152	1,895
Profit/(loss) before tax	(2,108)	8,614

For the first quarter under review, the Group's revenue is recorded at RM66.917 million as compared to RM104.150 million in the preceding quarter. The decrease revenue was mainly due to lower sales volume.

The Group recorded a gross profit of RM2.152 million as compared to gross profit of RM1.895 million in the preceding quarter. The slightly increase in gross profit was mainly due to increase in gross margin from 1.8% to 3.2%, as the production cost are under control even the sales volume is decrease.

The Group registered a loss before tax of RM2.102 million during the first quarter as compared to profit before tax of RM8.615 million in the preceding quarter. the increae in loss before tax was mainly due to the expenses off the corporate exercise cost during this period under review.

17. Commentary on Prospects

Management is continuing to secure additional orders from existing and new customers. The newly raised funds from the recent rights issue corporate exercise are in the process of being deployed for working capital, specifically for purchase of raw materials for the Group's active subsidiaries, the board is cautiously optimistic that the financial performance for the coming period to be satisfactory.

18. Profit Forecast or Profit Guarantee

There was neither a profit forecast nor a profit guarantee issued by the Company for the current quarter ending 30 Sept 2019.

19. Income Tax Expense

	Current Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30-Sep-19 RM'000	30-Sep-18 RM'000	30-Sep-19 RM'000	30-Sep-18 RM'000
Tax expenses				
Income tax	(41)	(200)	(41)	N/A
Deferred tax	-	-	-	N/A
Total tax expenses charges in current period	(41)	(200)	(41)	N/A

20. Status of Corporate Proposals

On 11 January 2019, Mercury Securities Sdn Bhd, on behalf of the Board of Directors, has announced that the Company proposes to undertake the following:

- (i) proposed renounceable rights issue of 238,841,790 new ordinary shares ("Ta Win Share") and 477,683,580 irredeemable convertible preference shares ("ICPS") together with 159,227,860 free detachable warrants ("Warrants") on the basis of 3 Rights Shares and 6 ICPS together with 2 Warrants for every 1 existing Ta Win Share held on an entitlement date to be determined later at the issue price of RM0.10 per Rights Share and RM0.025 per ICPS ("Proposed Rights Issue"); and
- (ii) proposed amendments to the Company's Constitution to facilitate the issuance of the ICPS. ("Proposed Amendments")

On 18 January 2019, Mercury Securities Sdn Bhd, on behalf of the Board of Directors, has announced the listing application in relation to the Proposed Rights Issue has been submitted to Bursa Malaysia Securities Berhad ("Bursa Securities").

On 21 February 2019, Mercury Securities Sdn Bhd, on behalf of the Board of Directors, has announced Bursa Securities had, vide its letter dated 21 February 2019, resolved to approve the following:

- (i) admission to the Official List and listing of 477,683,580 ICPS and 159,227,860 Warrants to be issued pursuant to the Proposed Rights Issue;
- (ii) listing of 238,841,790 new Ta Win Shares to be issued pursuant to the Proposed Rights Issue;
- (iii) listing of up to 477,683,580 new Ta Win Shares to be issued pursuant to the conversion of ICPS; and
- (iv) listing of up to 159,227,860 new Ta Win Shares to be issued arising from the exercise of Warrants,

whereby the Rights Shares, ICPS and Warrants must be listed and quoted simultaneously.

On 26 March 2019, the Company held an Extraordinary General Meeting and all resolutions related to the Proposed Rights Issue and Proposed Amendments were duly passed by the shareholders of the Company.

The above corporate exercise was completed on 13 August 2019. Except the above-mentioned, there were no other corporate proposals announced.

21. Borrowings and Debts Securities

There were no debts securities for the current financial period to the date. Particular of the Group's borrowings as at 30 Sept 2019 are as follows:

	As at 30-Sep-19 RM'000	As at 30-Sep-18 RM'000
Short term borrowings		
Secured	64,905	57,891

22. Derivative Financial Instruments

(i) Disclosure of derivative liability

As at 30 Sept 2019, the Group has the following derivative financial instrument:

Type of derivative	Contract value RM'000	Fair value RM'000	Fair value loss RM'000
Commodity swap contract - less than 1 year	<u>16,606,335</u>	<u>16,523,919</u>	<u>(82,416)</u>

Commodity swap contract is used to mitigate copper commodity price risk arising from volatile market prices. There are no cash requirement risks as the Group only uses commodity swap contract as hedging instrument.

There have been no significant changes to the Group's exposure to credit risk, market risk and liquidity risk from the previous financial year. Since the previous financial year, there have been no changes to the Group's management objectives, accounting policies and processes.

(ii) Fair value changes of derivative liability

The Group determines the gains or losses from fair value changes of the derivative financial instruments (commodity swap contracts) by using the difference between the contracted value and market price.

23. Changes in Material Litigation

There was no material litigation pending as at the date of this announcement.

24. Dividend

No dividend was recommended for the current financial period under review.

25. Profit/(loss) before tax

The following items have been included in the statement of comprehensive income in arriving at loss before tax:

	Cumulative Qtr 3 months ended 30-Sep-19 RM'000
Interest income	(170)
Rental income	(7)
Gain on disposal of plant and machinery	18
Realised Foreign exchange gain	(76)
Interest expenses	839
Depreciation and amortization	295
Unrealised Foreign exchange loss	3
Fair value (gain)/loss on derivative liability	90
Professional Fee	<u>1,638</u>

26. Earnings Per Share ("EPS")

The basic EPS is calculated by dividing the profit/(loss) for the period attributable to the owners of the Company by weighted average number of ordinary issue shares in during the period as follows:

		3 months ended Current Quarter		3 months ended Cumulative Quarter	
		30-Sep-19	30-Sep-18	30-Sep-19	30-Sep-18
a) Basic earning/(loss) per share					
Loss for the period attributable to equity holders of the parent	(RM'000)	(2,149)	190	(2,149)	N/A
Weighted average number of ordinary shares in issue	('000)	357,391	70,086	357,391	N/A
Basic earnings/(loss) per share	(sen)	(0.60)	0.27	(0.60)	N/A
b) Diluted earning/(loss) per share <small>(Note 2)</small>					
Weighted average number of ordinary shares in issue after convertible securities	('000)	955,367	N/A	955,367	N/A
Diluted earnings/(loss) per share	(sen)	(0.22)	N/A	(0.22)	N/A

Note:

N/A Not Applicable.

(1) No comparative figures for the corresponding period of preceding year are presented as this is first interim financial report on the consolidated results for the period ended 30 September 2019 announced by the Company in compliance with the Main Market Listing Requirement of Bursa Malaysia Securities Berhad.

(2) For the financial period ended 30 September 2019, diluted EPS was calculated by dividing the loss attributable to owners of the Company by the weighted average diluted number of ordinary shares outstanding during the period and after accounting for the effect of all diluted potential ordinary share arising from the exercise of outstanding ICPS and warrants.

27. Corporate Proposals

a) Status of Utilisation of Proceeds from Right Issue and ICPS

During the financial period ended 30 June 2019, the Company has undertaken the Renounceable Rights Issue of 238,841,790 new ordinary shares in the Company ("Right Shares") and 477,683,580 Irredeemable Convertible Preference Shares ("ICPS") in the Company together with 159,227,860 free detachable Warrants ("Warrants") which was completed on 13 August 2019.

The status of utilisation of proceeds raised from the Rights Shares and ICPS as at 30 September 2019 are as follows:-

Purpose	Estimated time-frame for utilisation of proceeds from date of listing of Rights Share	Proposed Utilisation RM'000	Actual utilisation RM'000	Deviation RM'000
Working capital require	Within 12 months	34,576	(28,576)	6,000
Estimated expenses in relation to proposal	Immediate	1,250	(1,250)	-
		<u>35,826</u>	<u>(29,826)</u>	<u>6,000</u>

b) Status of Utilisation of Proceeds from Private Placement

During the financial period ended 30 June 2019, the Company has undertaken a private placement which was completed on 29 November 2018 where 7,237,630 new ordinary shares had been issued at an issue price of RM0.457 per placement share. The Private Placement raised a gross proceed of RM3,307,596.91.

The status of utilisation of proceeds raised from the Private Placement as at 30 September 2019 is as follows:-

Purpose	estimated time-frame for utilisation of proceeds from date of listing of Rights Share	Proposed Utilisation RM'000	Actual utilisation RM'000	Deviation RM'000
Working capital require	Within 12 months	3,289	(3,289)	-
Defrayment of expenses in relation to the proposed placement	Immediate	19	(19)	-
		<u>3,308</u>	<u>(3,308)</u>	<u>-</u>

28. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 28 November 2019.