



**SPRITZER BHD**  
**(Company No. 265348-V)**  
**(Incorporated in Malaysia)**

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2019**

The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

	Quarter ended			Year-to-date ended		
	31.3.2019 RM'000	31.3.2018 RM'000	Change	31.3.2019 RM'000	31.3.2018 RM'000	Change
Revenue	95,099	82,547	15%	95,099	82,547	15%
Other gains and losses	624	749	-17%	624	749	-17%
Cost of sales and other operating expenses	(85,593)	(73,602)	16%	(85,593)	(73,602)	16%
Finance costs	(158)	(218)	-28%	(158)	(218)	-28%
Profit before tax	<u>9,972</u>	<u>9,476</u>	5%	<u>9,972</u>	<u>9,476</u>	5%
Tax expense	(2,255)	(2,693)	-16%	(2,255)	(2,693)	-16%
Profit for the period	<u><u>7,717</u></u>	<u><u>6,783</u></u>	14%	<u><u>7,717</u></u>	<u><u>6,783</u></u>	14%
<b>Profit attributable to owners of the Company</b>	<u><u>7,717</u></u>	<u><u>6,783</u></u>	14%	<u><u>7,717</u></u>	<u><u>6,783</u></u>	14%
<b>Earnings per share</b>						
Basic and diluted (sen)	<u><u>3.68</u></u>	<u><u>3.23</u></u>	14%	<u><u>3.68</u></u>	<u><u>3.23</u></u>	14%

The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying notes to the Interim Financial Report.



**SPRITZER BHD**  
**(Company No. 265348-V)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

	<u>Quarter ended</u>		<u>Year-to-date ended</u>	
	<u>31.3.2019</u>	<u>31.3.2018</u>	<u>31.3.2019</u>	<u>31.3.2018</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit for the period	7,717	6,783	7,717	6,783
<b>Other comprehensive (loss)/income</b>				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Exchange differences on translating foreign entities	(34)	17	(34)	17
<b>Total comprehensive income for the period attributable to owners of the Company</b>	<u>7,683</u>	<u>6,800</u>	<u>7,683</u>	<u>6,800</u>

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying notes to the Interim Financial Report.



**SPRITZER BHD**  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2019**

	<b>AS AT</b> <b>31.3.2019</b> <b>RM'000</b>	<b>AUDITED</b> <b>AS AT</b> <b>31.12.2018</b> <b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	255,620	244,223
Investment properties	5,170	5,170
Goodwill on consolidation	40	40
Other intangible asset	98	103
<b>Total non-current assets</b>	<u>260,928</u>	<u>249,536</u>
<b>Current assets</b>		
Other investments	76,674	92,815
Inventories	34,797	36,804
Trade and other receivables	73,369	62,780
Current tax assets	1,833	2,279
Other assets	14,533	13,804
Fixed deposits, cash and bank balances	19,352	18,343
<b>Total current assets</b>	<u>220,558</u>	<u>226,825</u>
<b>Total assets</b>	<u>481,486</u>	<u>476,361</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Share capital	216,571	216,571
Treasury shares	(14)	(14)
Translation reserve	(56)	(22)
Retained earnings	180,386	172,669
<b>Total equity</b>	<u>396,887</u>	<u>389,204</u>
<b>Non-current liabilities</b>		
Borrowings	2,668	3,171
Deferred tax liabilities	20,762	20,537
<b>Total non-current liabilities</b>	<u>23,430</u>	<u>23,708</u>
<b>Current liabilities</b>		
Trade and other payables	38,660	37,126
Borrowings	5,750	5,683
Current tax liabilities	1,323	811
Other liabilities	15,436	19,829
<b>Total current liabilities</b>	<u>61,169</u>	<u>63,449</u>
<b>Total liabilities</b>	<u>84,599</u>	<u>87,157</u>
<b>Total equity and liabilities</b>	<u>481,486</u>	<u>476,361</u>
Net assets per share attributable to owners of the Company (RM)	<u>1.8902</u>	<u>1.8536</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying notes to the Interim Financial Report.



**SPRITZER BHD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

	<b>Share Capital RM'000</b>	<b>Treasury Shares RM'000</b>	<b>Non- distributable Translation Reserve RM'000</b>	<b>Distributable Reserve Retained Earnings RM'000</b>	<b>Total Equity RM'000</b>
<b>Balance as of 1 January 2019</b>	216,571	(14)	(22)	172,669	389,204
Profit for the period	-	-	-	7,717	7,717
Other comprehensive loss for the period	-	-	(34)	-	(34)
Total comprehensive (loss)/income for the period	-	-	(34)	7,717	7,683
<b>Balance as of 31 March 2019</b>	<b>216,571</b>	<b>(14)</b>	<b>(56)</b>	<b>180,386</b>	<b>396,887</b>
<b>Balance as of 1 January 2018</b>	216,571	(14)	(78)	159,992	376,471
Profit for the period	-	-	-	6,783	6,783
Other comprehensive income for the period	-	-	17	-	17
Total comprehensive income for the period	-	-	17	6,783	6,800
<b>Balance as of 31 March 2018</b>	<b>216,571</b>	<b>(14)</b>	<b>(61)</b>	<b>166,775</b>	<b>383,271</b>

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying notes to the Interim Financial Report.



**SPRITZER BHD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

	Year-to-date ended	
	31.3.2019	31.3.2018
	RM'000	RM'000
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>		
Profit for the period	7,717	6,783
Adjustments for:		
Depreciation of property, plant and equipment	3,682	3,628
Tax expense recognised in profit or loss	2,255	2,693
Finance costs	158	218
Interest income	(51)	(43)
Investment revenue	(783)	(644)
Other non-cash items	285	(15)
	<u>13,263</u>	<u>12,620</u>
<b>Movements in working capital</b>		
Decrease/(Increase) in current assets	909	(2,570)
Decrease in current liabilities	(4,327)	(5,159)
<b>Cash generated from operations</b>	<u>9,845</u>	<u>4,891</u>
Interest received	51	43
Income tax refunded	179	-
Income tax paid	(1,252)	(2,982)
<b>Net cash from operating activities</b>	<u>8,823</u>	<u>1,952</u>
<b>CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>		
Proceeds from disposal of other investments	18,450	7,960
Proceeds from disposal of property, plant and equipment	-	17
Investment revenue received	24	24
Purchase of property, plant and equipment	(12,549)	(968)
Placement of other investments	(1,550)	(8,100)
Deposit paid for purchase of property, plant and equipment	(11,633)	-
<b>Net cash used in investing activities</b>	<u>(7,258)</u>	<u>(1,067)</u>
<b>CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>		
Repayment of borrowings	(847)	(1,307)
Finance cost paid	(158)	(218)
Proceeds from borrowings	411	1,932
<b>Net cash (used in)/from financing activities</b>	<u>(594)</u>	<u>407</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	971	1,292
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	18,321	17,286
Effect on exchange rate changes on balance of cash held in foreign currencies	38	42
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u>19,330</u>	<u>18,620</u>
Cash and cash equivalents at end of period comprise the following:		
Fixed deposits, cash and bank balances	19,352	18,641
Less : fixed deposit pledged	(22)	(21)
	<u>19,330</u>	<u>18,620</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying notes to the Interim Financial Report.



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## NOTES TO THE INTERIM FINANCIAL REPORT

### 1. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134 "Interim Financial Reporting", International Accounting Standard ("IAS") 34 "Interim Financial Reporting" and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2018.

### 2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim financial report are consistent with those applied in the Group's audited financial statements for the financial year ended 31 December 2018 except for the adoption of MFRSs and Amendments to MFRS Standards effective for annual periods beginning on or after 1 January 2019.

#### Adoption of MFRSs and Amendments to MFRS Standards

The Group has adopted the following new and amendments to MFRS Standards and IC Interpretation, with a date of initial application of 1 January 2019:

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

The application of the above MFRSs and Amendments to MFRS Standards has no material impact on the amounts reported and disclosures made in the financial statements.

#### Standards in issue but not yet effective

The Group has not elected for early adoption of the following new and revised MFRSs and Amendments to MFRS Standards which have been issued but not yet effective at the date of authorisation for issue of the interim financial report:

MFRS 17	Insurance Contracts**
Amendments to MFRS 3	Definition of a Business*
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture***
Amendments to MFRS 101 and MFRS 108	Definition of Material*

\* Effective for annual periods beginning on or after 1 January 2020, which earlier application permitted.

\*\* Effective for annual periods beginning on or after 1 January 2021, which earlier application permitted.

\*\*\* Effective for annual periods beginning on or after a date to be determined.

### 3. AUDITORS' REPORT ON PRECEDING YEAR FINANCIAL STATEMENTS

The auditors' report on the financial statements for the preceding financial year ended 31 December 2018 was unmodified and did not contain material uncertainty related to going concern.

### 4. SEASONAL AND CYCLICAL FACTORS

The operations of the Group are generally not materially affected by any seasonal nor cyclical factors. However, festive periods and hot weather do affect positively the demand of bottled water products.

### 5. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no material items of an unusual nature and amount for the current quarter and year-to-date ended 31 March 2019.

## 6. MATERIAL CHANGES IN ESTIMATES

There were no material changes in the estimates used in the current quarter compared to those used in the previous financial year which have a material effect in the current quarter and financial year-to-date ended 31 March 2019.

## 7. ISSUANCES, CANCELLATIONS, REPURCHASES, RESALE AND REPAYMENTS OF DEBT AND EQUITY SECURITIES

There were no issuance, no repayment of debt and equity securities and share buy-backs during the current quarter and year-to-date ended 31 March 2019.

The total number of the Company's ordinary shares in issue, net of treasury shares as at 31 March 2019 is 209,968,727.

As at 31 March 2019, the total shares held as treasury shares remained at 24,000 shares as none of the treasury shares were resold or cancelled during the current quarter and year-to-date ended 31 March 2019.

## 8. DIVIDEND PAID

No dividend was paid during the current quarter and year-to-date ended 31 March 2019.

## 9. SEGMENTAL REPORTING

The analysis of the Group business segments for the current quarter and year-to-date ended 31 March 2019 are as follows:

<b>Quarter and year-to-date ended 31 March 2019</b>	<b>Manufacturing RM'000</b>	<b>Trading RM'000</b>	<b>Others RM'000</b>	<b>Eliminations RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>					
External revenue	90,451	4,520	128	-	95,099
Inter-segment revenue	23,914	5	35	(23,954)	-
Total revenue	<u>114,365</u>	<u>4,525</u>	<u>163</u>	<u>(23,954)</u>	<u>95,099</u>
<b>Results</b>					
Segment results	<u>9,997</u>	<u>(519)</u>	<u>411</u>	<u>(542)</u>	<u>9,347</u>
Finance costs					(158)
Investment revenue					783
Profit before tax					9,972
Income tax expense					(2,255)
Profit for the period					<u>7,717</u>
<b>As at 31 March 2019</b>					
<b>Assets</b>					
Segment assets	410,246	7,192	263,658	(201,443)	479,653
Unallocated segment assets					1,833
Consolidated total assets					<u>481,486</u>
<b>Liabilities</b>					
Segment liabilities	134,515	7,378	2,822	(82,201)	62,514
Unallocated segment liabilities					22,085
Consolidated total liabilities					<u>84,599</u>

## 10. CARRYING AMOUNT AND ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation, amortisation and impairment losses.

Details of the Group's acquisition of property, plant and equipment are as follows:

	<b>Quarter ended 31.3.2019 RM'000</b>	<b>Year-to- date ended 31.3.2019 RM'000</b>
Total purchase of property, plant and equipment	<u>15,201</u>	<u>15,201</u>
Purchased by cash	<u>12,549</u>	<u>12,549</u>

## 11. MATERIAL SUBSEQUENT EVENTS

There were no material events subsequent to the end of the current quarter and year-to-date ended 31 March 2019 up to the date of this report.

## 12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current quarter and year-to-date ended 31 March 2019.

## 13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no material contingent liabilities and assets as at the date of this report.

## 14. CAPITAL COMMITMENTS

Capital commitments that are not provided for in the interim financial statements as at 31 March 2019 are as follows:

	<u>RM'000</u>
<i>Property, plant and equipment:</i>	
Authorised but not contracted for	5,313
Approved and contracted for	39,173
	<u>44,486</u>

## 15. NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Profit before tax is arrived at after crediting/(charging):

	Quarter ended 31.3.2019 RM'000	Year-to- date ended 31.3.2019 RM'000
Interest income	51	51
Interest expense	(95)	(95)
Investment revenue	783	783
Depreciation of property, plant and equipment	(3,682)	(3,682)
Amortisation of intangible asset	(5)	(5)
Allowance for and write off of receivables	(4)	(4)
Allowance for and write off of inventories	(218)	(218)
Gain on disposal of quoted/unquoted investments or properties	-	-
Gain on disposal of property, plant and equipment	-	-
Property, plant and equipment written off	(124)	(124)
Impairment of assets	-	-
Loss on foreign exchange	(66)	(66)
Gain/(Loss) on derivatives	-	-

## 16. REVIEW OF PERFORMANCE

### Revenue

The revenue of the Group consists of the following:

	Quarter and year-to- date ended		
	31.3.2019 RM'000	31.3.2018 RM'000	Change
Sale of bottled water and related products	86,452	73,882	17%
Sale of plastic packaging materials	8,519	8,575	-1%
Income from mini golf operation	128	90	42%
Total revenue	<u>95,099</u>	<u>82,547</u>	15%



Analysis of revenue by segment is as follows:

	Quarter and year-to-date ended		
	31.3.2019	31.3.2018	Change
	RM'000	RM'000	
Manufacturing	90,451	78,542	15%
Trading	4,520	3,915	15%
Others	128	90	42%
Total revenue	<u>95,099</u>	<u>82,547</u>	15%

The Group recorded a revenue of RM95.1 million during the current quarter and year-to-date ended 31 March 2019, which is a 15% increase from the RM82.5 million recorded in the same period in previous year. The increase in revenue is mainly due to increase in quantity sold and average selling prices of bottled water.

During the current quarter and year-to-date ended 31 March 2019, the Group's revenue from manufacturing segment of RM90.5 million represents an increase of 15% from RM78.5 million in the same period in previous year. Revenue from trading segment increased 15% from RM3.9 million to RM4.5 million in the current quarter and year-to-date ended 31 March 2019. The increase in manufacturing revenue is attributable to the increase in sales volume and average selling prices. The increase in trading revenue is mainly due to higher sales volume.

### Other gains and losses

Included in other gains and losses are the following:

	Quarter and year-to-date ended		
	31.3.2019	31.3.2018	Change
	RM'000	RM'000	
Investment revenue	783	644	22%
Allowance for and write off of inventories	(218)	(33)	561%
Loss on foreign exchange	(66)	(226)	-71%
Property, plant and equipment written off	<u>(124)</u>	<u>(43)</u>	188%

The investment revenue is derived from placement of excess funds as short term investment in money market funds.

The increase in allowance for and write off of inventories in the current quarter and year-to-date ended 31 March 2019 is in line with the sales and production increase during the period.

The increase in property, plant and equipment written off for the current quarter and the year-to-date ended 31 March 2019 is due to writing off of obsolete plant and equipment which have been replaced with new ones to increase productivity and to reduce production and operations costs, which is in line with the Group's expansion plan.

Loss on foreign exchange comprises realised and unrealised foreign currencies exchange differences arising from trade transactions. The major foreign currencies transacted by the Group in trade transactions are United States Dollar, Chinese Renminbi and Singapore Dollar.

### Cost of sales and other operating expenses

	Quarter and year-to-date ended		
	31.3.2019	31.3.2018	Change
	RM'000	RM'000	
Cost of sales	59,519	52,251	14%
Other operating expenses	26,074	21,351	22%
	<u>85,593</u>	<u>73,602</u>	16%

The increase in cost of sales of 14% for the current quarter and year-to-date ended 31 March 2019 compared to the same period in previous year is in line with the increase in sales volume. Other operating expenses increased by 22% in the current quarter and year-to-date ended 31 March 2019 compared the same period in previous year mainly due to increase in selling and distribution expenses, which is in line with the increase in sales.

## Profit before tax and segment results

Analysis of results by segment is as follows:

	Quarter and year-to-date ended		Change
	31.3.2019	31.3.2018	
	RM'000	RM'000	
Manufacturing	9,997	9,988	0%
Trading	(519)	(767)	-32%
Others	411	141	191%
Eliminations	(542)	(312)	74%
Segment results	<u>9,347</u>	<u>9,050</u>	3%
Profit before tax	<u>9,972</u>	<u>9,476</u>	5%

The Group's manufacturing segment results of RM10.0 million during the current quarter and year-to-date ended 31 March 2019 is consistent with the segment results recorded in the same period in previous year.

The Group's trading segment results has improved 32% to RM0.5 million loss during the current quarter and year-to-date ended 31 March 2019 from the RM0.8 million loss recorded in the same period in previous year. The improvement is mainly due to better sales performance and reduction in overhead costs of the China operations.

The Group recorded a profit before tax of RM10.0 million during the current quarter and year-to-date ended 31 March 2019, representing a 5% increase from the RM9.5 million recorded in the same period last year mainly due to increase in sales revenue.

## 17. MATERIAL CHANGES IN THE QUARTERLY RESULTS COMPARED TO THE RESULTS OF THE IMMEDIATE PRECEDING QUARTER

	Quarter ended		Change
	31.3.2019	31.12.2018	
	RM'000	RM'000	
Revenue	95,099	85,498	11%
Profit before tax	<u>9,972</u>	<u>4,228</u>	136%

The Group recorded a revenue of RM95.1 million during the current quarter ended 31 March 2019, which is an 11% increase from the RM85.5 million recorded in the immediate preceding quarter ended 31 December 2018. The increase in revenue is due to increase in sales volume of bottled water sold due to customers increased stock holdings in anticipation of the increase in consumer demand during Chinese New Year festive period.

The Group recorded a profit before tax of RM10.0 million during the current quarter ended 31 March 2019, representing a 136% increase from the RM4.2 million recorded in the immediate preceding quarter ended 31 December 2018 mainly due to the increase in sales volume of bottled water coupled with the reduction in raw materials and packaging material costs.

## 18. FUTURE PROSPECTS

The Group expects the market conditions to remain challenging with intensifying competition among the many bottled water brands in the market. Packaging material cost is expected to be volatile and other operating costs will remain high in 2019.

We will continue with our marketing and sales efforts so as to improve our sales of bottled water in Malaysia and in Guangzhou, China. We are currently constructing an automated warehouse at our Taiping mineral water plant to cater for the increased business volume and also to improve our operational efficiency. We will continue to improve our internal efficiency and further strengthen our capacity and capability with the addition of high speed and fully automated production lines. With our strong branding and a comprehensive and increasing range of quality bottled water products catering to the various market segments, we are hopeful that the sales of our bottled water products will be sustainable in the domestic market. We are also taking firm steps to further improve our business operations in China.

The consumption of bottled water may improve with the implementation of sugar tax in July 2019. While being mindful that the operating costs will remain high in 2019, the directors are cautiously optimistic that the Group will be able to generate a satisfactory performance in the financial year ending 31 December 2019.

**19. VARIANCE BETWEEN FORECAST AND ACTUAL PROFIT**

Not applicable.

**20. TAX EXPENSE**

	Quarter ended 31.3.2019 RM'000	Year-to- date ended 31.3.2019 RM'000
Income tax		
- current period	2,031	2,031
Deferred tax		
- current period	224	224
	<u>2,255</u>	<u>2,255</u>

The effective tax rate for the current quarter and year-to-date ended 31 March 2019 is lower than the statutory income tax rate of 24% due to tax allowances claim on property, plant and equipment acquired during the period.

**21. CORPORATE PROPOSAL AND STATUS OF UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL**

**Private Placement of 27,387,225 new ordinary shares in Spritzer Bhd**

As at 31 March 2019, the status of utilisation of proceeds raised from the Private Placement which was completed on 22 November 2017 is as follows:

Purpose	Proposed	Actual	Intended	Deviation	Deviation
	utilisation	utilisation	timeframe for utilisation		
	RM'000	RM'000		RM'000	%
Construction of an automated warehouse ("ASRS project")	45,000	15,467	November 2020	-	0%
Working capital	18,613	15,828	November 2019	-	0%
Expenses in relation to the Private Placement	200	107	December 2017	93	47%
Total	<u>63,813</u>	<u>31,402</u>			

There were no other outstanding corporate proposals as at the date of this report.

**22. GROUP BORROWINGS**

The Group's borrowings as at 31 March 2019 are as follows:

	<u>RM'000</u>
<i>Current portion (repayable in the next 12 months)</i>	
Unsecured	
- Term loans	2,113
Secured	
- Revolving credit	3,592
- Hire purchase	45
	5,750
<i>Non-current portion (repayment after next 12 months)</i>	
Unsecured	
- Term loans	2,668
	<u>8,418</u>

All outstanding borrowings are denominated in Ringgit Malaysia except for a revolving credit loan of RM3,591,964 which is denominated in Chinese Renminbi.

Group borrowings are on fixed interest rates. The average effective interest rates per annum applicable on the borrowings during the period ended 31 March 2019 are as follows:

	%
Term loans	4.50 - 5.02
Revolving credit	<u>5.00 - 5.22</u>

### 23. MATERIAL LITIGATION

There were no material litigation involving the Group as at the date of this report.

### 24. DIVIDEND

The Directors have proposed a first and final dividend of 3.5 sen per ordinary share, under the single tier system, in respect of the previous financial year ended 31 December 2018. The dividend will be paid on 21 June 2019 and has not been included as a liability in the financial statements.

### 25. EARNINGS PER SHARE ("EPS")

Basic and diluted earnings per ordinary share is calculated by dividing the profit attributable to the owners of the Company by the weighted average number of shares in issue during the period.

	Quarter ended 31.3.2019	Year-to- date ended 31.3.2019
	RM'000	RM'000
Profit attributable to owners of the Company	<u>7,717</u>	<u>7,717</u>
<b>Basic and diluted earnings per share</b>		
	<b>'000</b>	<b>'000</b>
Number of shares (excluding treasury shares) in issue at beginning of the period	209,969	209,969
Add: Weighted average number of shares issued during the period	-	-
Weighted average number of shares in issue during the period (basic)	<u>209,969</u>	<u>209,969</u>
Basic and diluted EPS (sen)	<u>3.68</u>	<u>3.68</u>

### 26. TRADE AND OTHER RECEIVABLES

	As at 31.3.2019 RM'000
Trade receivables	
- Non-related parties	19,887
- Related parties	<u>52,779</u>
	72,666
Allowance for doubtful debts	<u>(16)</u>
	72,650
Other receivables	<u>719</u>
	<u>73,369</u>

The credit terms of trade receivables granted to non-related parties and related parties are the same, with credit period ranging from 30 - 120 days.

Ageing of trade receivables which are past due but not impaired as at 31 March 2019 is as follows:

	Non-related parties RM'000	Related parties RM'000
31 - 60 days	802	-
61 - 90 days	316	-
91 - 120 days	549	-
More than 120 days	<u>116</u>	<u>3,255</u>
	<u>1,783</u>	<u>3,255</u>

## 27. RELATED PARTY DISCLOSURE

Related party transactions of the Group have been entered into in the normal course of business and are carried out on normal commercial terms.

Details of the significant related party transactions during the period are as follows:

	Quarter ended 31.3.2019 RM'000	Year-to- date ended 31.3.2019 RM'000
<i>*Yee Lee Corporation Bhd Group of Companies</i>		
Sales	40,586	40,586
Purchases	1,084	1,084
Others	28	28
<i>YLTC Sdn Bhd</i>		
Sales	5,972	5,972
<i>Cactus Marketing Sdn Bhd</i>		
Sales	2,590	2,590
Rental of premise received	27	27
<i>Yee Lee Oils &amp; Foodstuff (Singapore) Pte Ltd</i>		
Sales	1,157	1,157
<i>Unipon Enterprise Sdn Bhd</i>		
Sales	60	60
<i>Multibase Systems Sdn Bhd</i>		
Corporate secretarial fees paid	6	6
<i>Unikampar Credit And Leasing Sdn Bhd</i>		
Hire purchase interest paid	1	1
<i>Sabah Tea Garden Sdn Bhd</i>		
Sales	2	2
Purchases	27	27
Rental of premise received	15	15

*\*Yee Lee Corporation Bhd Group of Companies includes the following:*

- Yee Lee Edible Oils Sdn Bhd
- Yee Lee Trading Co Sdn Bhd
- South East Asia Paper Products Sdn Bhd
- Yee Lee Marketing Sdn Bhd
- Desa Tea Sdn Bhd

## 28. AUTHORISATION FOR ISSUE

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 May 2019.