

QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		(Unaudited) Current Year Quarter 30.09.2019	(Audited) Preceding Year Corresponding Quarter 30.09.2018	(Unaudited) Current Year To Date 30.09.2019	(Audited) Preceding Year To Date 30.09.2018
		RM'000	RM'000	RM'000	RM'000
Revenue	9	10,087	7,256	10,087	7,256
Cost of sales		(5,173)	(3,617)	(5,173)	(3,617)
Gross profit		4,914	3,639	4,914	3,639
Other operating income		80	731	80	731
Operating expenses		(2,065)	(2,752)	(2,065)	(2,752)
Finance costs		(707)	(703)	(707)	(703)
Profit before taxation	9, 20	2,222	915	2,222	915
Taxation	21	(102)	(250)	(102)	(250)
Profit for the financial period		2,120	665	2,120	665
Other comprehensive income/(expense):-					
Items that may be reclassified subsequently to profit or loss:					
- Exchange differences arising from translation of foreign operations		2,586	1,793	2,586	1,793
Total comprehensive income for the financial period		4,706	2,458	4,706	2,458
Profit for the financial period attributable to:-					
- Owners of the Company		2,004	105	2,004	105
- Non-controlling interests		116	560	116	560
		2,120	665	2,120	665
Total comprehensive income attributable to:-					
- Owners of the Company		4,377	1,790	4,377	1,790
- Non-controlling interests		329	668	329	668
		4,706	2,458	4,706	2,458
Earnings per share attributable to owners of the Company:-					
Basic (sen)	25(a)	0.49	0.03	0.49	0.03
Diluted (sen)	25(b)	0.46	0.03	0.46	0.03

The Unaudited Condensed Consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2019.

The notes set out on pages 5 to 15 form an integral part of the interim financial report.

QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	(Unaudited) At End Of Current Period To Date 30.09.2019	(Audited) At End Of Preceding Year To Date 30.06.2019
		RM'000	RM'000
NON-CURRENT ASSETS			
Property, plant and equipment		2,896	2,943
Land and property development costs		74,286	73,691
Intangible assets		8,261	8,261
Trade receivables		4,839	12,205
Deferred tax assets		1,292	1,292
Total Non Current Assets		91,574	98,392
CURRENT ASSETS			
Inventories		901	887
Land and property development costs		62,930	64,278
Amount owing by customers on contracts		93,790	95,200
Trade receivables		66,460	56,556
Other receivables		24,703	28,085
Tax recoverable		75	155
Fixed deposits with licensed bank		5,381	5,447
Cash held under Housing Development Account		215	210
Cash and bank balances		1,385	4,549
Total Current Assets		255,840	255,367
CURRENT LIABILITIES			
Amount owing to customers on contracts		342	682
Trade payables		36,440	41,151
Other payables		18,583	23,474
Finance lease payables		176	245
Short term borrowings	23	39,459	37,739
Short term loans	23	18,215	18,269
Provision for taxation		776	680
Total Current Liabilities		113,991	122,240
NET CURRENT ASSETS		141,849	133,127
		233,423	231,519
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY			
Share Capital		62,330	52,977
Reserves		155,480	153,898
		217,810	206,875
NON-CONTROLLING INTERESTS		2,729	2,400
TOTAL EQUITY		220,539	209,275
NON-CURRENT LIABILITIES			
Trade payables		1,443	6,860
Long term loans	23	11,437	15,380
Deferred tax liabilities		4	4
Total Non Current Liabilities		12,884	22,244
		233,423	231,519
NET ASSETS PER SHARE (RM)		0.51	0.59

The Unaudited Condensed Statements of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2019.

The notes set out on pages 5 to 15 form an integral part of the interim financial report.

QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Owners of the Company					Total	Non-Controlling Interests	Total Equity
	Share Capital	Non - Distributable			Distributable			
		Exchange Reserve	Capital Reserve	Warrants Reserve	Retained Profits			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<u>At End Of Current Period To Date</u> <u>30.09.2019 (Unaudited)</u>								
At 1 July 2019	52,977	2,245	58,030	18,788	74,835	206,875	2,400	209,275
Issuance of shares pursuant to conversion of warrants	4,266	-	-	(2,795)	-	1,471	-	1,471
Issuance of shares pursuant to private placement	5,087	-	-	-	-	5,087	-	5,087
Profit for the financial period	-	-	-	-	2,004	2,004	116	2,120
Other comprehensive income for the period	-	2,373	-	-	-	2,373	213	2,586
Total comprehensive income for the period	-	2,373	-	-	2,004	4,377	329	4,706
At 30 September 2019	62,330	4,618	58,030	15,993	76,839	217,810	2,729	220,539
<u>At End Of Preceding Year</u> <u>Corresponding Period 30.09.2018 (Audited)</u>								
At 1 July 2018	44,885	(1,168)	58,030	24,089	74,555	200,391	1,547	201,938
Effect of adoption of MFRS 9	-	-	-	-	(2,437)	(2,437)	-	(2,437)
At 1 July 2018 (restated)	44,885	(1,168)	58,030	24,089	72,118	197,954	1,547	199,501
Profit for the financial period	-	-	-	-	105	105	560	665
Other comprehensive income for the period	-	1,685	-	-	-	1,685	108	1,793
Total comprehensive income for the period	-	1,685	-	-	105	1,790	668	2,458
At 30 September 2018	44,885	517	58,030	24,089	72,223	199,744	2,215	201,959

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2019.

The notes set out on pages 5 to 15 form an integral part of the interim financial report.

QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	(Unaudited) Current Year To Date 30.09.2019	(Audited) Preceding Year To Date 30.09.2018
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,222	915
Adjustments for:-		
Non-cash items	62	53
Non-operating items	628	(27)
Operating profit before working capital changes	2,912	941
Net change in current assets	7,139	34,426
Net change in current liabilities	(15,418)	(26,838)
Cash (used in)/generated from operations	(5,367)	8,529
Interest received	79	115
Interest paid	(1,626)	(1,396)
Tax refund	98	-
Tax paid	(23)	(447)
Net cash (used in)/generated from operating activities	(6,839)	6,801
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(13)	-
Addition in land and property development costs	(594)	(632)
Net cash used in investing activities	(607)	(632)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of finance lease liabilities	(69)	(60)
Drawdown of bank borrowings	-	1,320
Proceeds from issuance of shares	6,558	-
Repayment of bank borrowings	(3,997)	(23)
Release/(Pledged) of fixed deposits	66	(43)
Net cash generated from financing activities	2,558	1,194
NET CHANGE IN CASH AND CASH EQUIVALENTS	(4,888)	7,363
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	9	25
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	(32,980)	(37,177)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	(37,859)	(29,789)
Cash and cash equivalents at the end of period comprise:-		
Cash and bank balances	1,600	5,677
Fixed deposits with licensed banks	5,381	5,881
Less: short term borrowings	(39,459)	(35,466)
	(32,478)	(23,908)
Less: fixed deposits pledged with licensed banks	(5,381)	(5,881)
	(37,859)	(29,789)

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2019.

The notes set out on pages 5 to 15 form an integral part of the interim financial report.

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2019**

PART A: EXPLANATORY INFORMATION IN COMPLIANCE WITH FINANCIAL REPORTING STANDARD ("FRS") 134

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" and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the annual audited financial statements of the Prinsiptek Corporation Berhad Group ("the Group") for the financial year ended 30 June 2019.

These explanatory information attached to the interim financial report 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 STANDARDS

The financial statements of the Group have been prepared in accordance with the MFRS, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

The financial statements have been prepared under the historical cost convention except as disclosed in summary of significant accounting policies below.

Accounting standards, amendments to accounting standards and interpretations that are applicable for the Group in the following periods but are not yet effective:

		Effective date for financial periods beginning on or after
Amendments to MFRS 2	Share Based Payments	1 January 2020
Amendments to MFRS 3	Business Combinations	1 January 2020
Amendments to MFRS 6	Exploration for and Evaluation of Mineral Resources	1 January 2020
Amendments to MFRS 14	Regulatory Deferral Accounts	1 January 2020
Amendments to MFRS 101	Presentation of Financial Statements	1 January 2020
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2020
Amendments to MFRS 134	Interim Financial Reporting	1 January 2020

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2019**

2. CHANGES IN ACCOUNTING STANDARDS (CONT'D)

		<u>Effective date for financial periods beginning on or after</u>
Amendments to MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2020
Amendments to MFRS 138	Intangible Assets	1 January 2020
Amendments to IC Interpretation 12	Service Concession Arrangements	1 January 2020
Amendments to IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	1 January 2020
Amendments to IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2020
Amendments to IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1 January 2020
Amendments to IC interpretation 132	Intangible Assets – Web Site Costs	1 January 2020
MFRS 17	Insurance Contracts	1 January 2021
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date yet to be determined by the Malaysian Accounting Standards Board

The impact of the above is still being assessed. Aside from the above mentioned, the adoption of the accounting standards, amendments to accounting standards, IC Interpretation and amendments to IC Interpretation are not expected to have any significant impact to the financial statements of the Group.

3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the preceding audited financial statements of the Group was not subjected to any audit qualifications.

4. SEASONAL OR CYCLICAL FACTORS

The Group's performance during the current year quarter under review and year to date was not affected by unusual seasonal or cyclical fluctuations.

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2019**

5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows of the Group during the current year quarter under review and year to date.

6. CHANGES IN ESTIMATES

There were no material changes in estimates of the amounts reported by the Group in prior financial years which have a material effect in the current year quarter.

7. DEBT AND EQUITY SECURITIES

There were no issuance, cancellation, repurchases, resale and repayment of debt and equity securities by the Company during the current year quarter under review and year to date, save and except as follows:

(a) Private Placement

A total of 37,600,000 new ordinary shares were issued at RM0.1353 per share and subsequently listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on 5 August 2019.

(b) Exercise of warrants

Issuance of 14,709,813 new ordinary shares pursuant to the conversion of 14,709,813 warrants at the exercise price of RM0.10 per warrant.

8. DIVIDEND

There was no dividend paid during the current year quarter under review and year to date.

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
 FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2019**

9. SEGMENTAL INFORMATION

Segmental information for the current year to date is presented in respect of the Group's business segments as follows:-

	<u>Construction</u> RM'000	<u>Property Development</u> RM'000	<u>Trading and Others</u> RM'000	<u>Elimination</u> RM'000	<u>Total</u> RM'000
<u>Revenue</u>					
External sales	3,950	5,624	513	-	10,087
Inter-segment sales	-	872	435	(1,307)	-
Total revenue	<u>3,950</u>	<u>6,496</u>	<u>948</u>	<u>(1,307)</u>	<u>10,087</u>
<u>Results</u>					
Segment results	(1,667)	4,710	(193)	-	2,850
Interest expense					(707)
Interest income					79
Total results					<u>2,222</u>
<u>Assets</u>					
Segment assets	178,798	151,750	10,118	-	340,666
Unallocated corporate assets					6,748
Total Assets					<u>347,414</u>

10. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

The Group states its property, plant and equipment at cost less accumulated depreciation and accumulated impairment losses. The Group does not adopt a policy to revalue its property, plant and equipment.

11. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD

There were no material subsequent events from the end of the current interim financial period to the date of this report that have not been reflected in this report.

12. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in composition of the Group during the current year quarter under review and year to date.

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2019**

13. DISCONTINUED OPERATIONS

There was no discontinued operations event during the current year quarter under review / year to date.

14. CAPITAL COMMITMENT

Non-cancellable operating lease commitments are as follows:-

	Current Year To Date <u>30.09.2019</u> RM'000	Preceding Year To Date <u>30.09.2018</u> RM'000
Future minimum rentals payables:		
Within one year	77	71
Between one and two years	6	76
	<u>83</u>	<u>147</u>

15. CHANGES IN CONTINGENT ASSETS AND CONTINGENT LIABILITIES

	Current Year To Date <u>30.09.2019</u> RM'000
Secured bank guarantees given by the Group in the ordinary course of business to:-	
- trade suppliers	1,000
- authorities	670
- clients	12,730
	<u>14,400</u>

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2019**

**PART B: ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES")**

16. REVIEW OF PERFORMANCE

For the current year quarter, the Group achieved a total revenue of RM10.09 million, representing an increase of RM2.83 million or 38.98% as compared to RM7.26 million in the preceding year corresponding quarter. This was mainly attributed to the higher progress billings recognised from property development project during the current year quarter.

As a result, the Group recorded the profit after taxation of RM2.12 million, representing an increase of RM1.45 million as compared to RM0.67 million in the preceding year corresponding quarter.

The Property Development Division to be the main contributor to the Group revenue representing 55.75% of the total revenue, following by the Construction Division of 39.16% and the Trading and Others Division contributed the balance of the Group revenue.

17. COMPARISON WITH PRECEDING QUARTER'S RESULTS

The Group registered a lower revenue of RM10.09 million for the current year quarter as compared to RM74.75 million in the preceding quarter. The decrease of revenue of RM64.66 million was due to the completion of certain construction projects in the preceding quarter.

Thus, the profit before taxation was decreased to RM2.22 million in the current financial quarter as compared to RM3.03 million in the preceding quarter, representing a decrease of RM0.81 million or 26.73% of the profit before taxation.

18. PROSPECTS

With the existing balance order book in the Construction Division, the progressive recognition of sales from the Property Development Division and the potential new construction projects, the Board of Directors is cautious of the sustaining performance of the Group for the coming financial quarter.

The Group will continue to adopt a prudent approach in its investments and focus on its core activities to enhance and strengthen the synergy among its group of companies.

**19. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT AND SHORTFALL IN PROFIT
GUARANTEE**

The Group did not publish any profit forecast in respect of the current year quarter.

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
 FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2019**

20. PROFIT BEFORE TAXATION IS DERIVED AFTER CHARGING/(CREDITING)

	Current Year Quarter <u>30.09.2019</u> RM'000	Current Year To Date <u>30.09.2019</u> RM'000
Interest income	(79)	(79)
Other income	(1)	(1)
Interest expense	707	707
Depreciation and amortisation	55	55
Property, plant and equipment written off	7	7

21. TAXATION

	Current Year Quarter <u>30.09.2019</u> RM'000	Current Year To Date <u>30.09.2019</u> RM'000
Malaysia tax in respect of:-		
- current results	102	102

The effective tax rate for the Group for the current year quarter and year to date was lower than the statutory tax rate as the utilization of tax relief to set off against its taxable income

22. CORPORATE PROPOSALS - STATUS OF THE CORPORATE PROPOSALS

Save as disclosed below, there was no other corporate proposal announced but not completed as at the date of this report.

(a) The status of utilisation of proceeds from Private Placement as at 30 September 2019 is as follow:-

Purposes	Proposed utilisation RM'000	Actual utilisation RM'000	Balance unutilised RM'000
(i) Working capital	4,987	4,987	-
(ii) Estimated expenses	100	100	-
Total	5,087	5,087	-

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2019**

(b) Right issue, amendment and acquisition

On 3 September 2019, UOB Kay Hian Securities Sdn Bhd (“UOBKH”) on behalf of the board, announced that the Company proposed to undertake the following multiple proposals:-

- (i) Proposed a renounceable rights issue of up to 6,669,457,652 irredeemable convertible preferences shares (“ICPS”) on the basis of 13 ICPS for every 1 existing PCB Share held on the entitlement date to be determined later at an Issue Price of RM0.01 per ICPS (“Proposed Rights Issue”);
- (ii) Proposed amendments to the Memorandum and Articles of Association of Constitution of the Company (“Proposed Amendments”); and
- (iii) PCB and Prinsiptek Properties Sdn Bhd (“PPSB”), a wholly-owned subsidiary company of PCB, had on 3 September 2019 entered into a conditional sale and purchase agreement (“SPA”) with Daya Intelek Usahasama Sdn Bhd for the proposed acquisition by PPSB of a parcel of development land measuring 7,395 square metres identified as Lot No. PT 129 held under Title No. H.S.(D) 18991, Section 1, Town of Batu Ferringi, District of Timor Laut, Pulau Pinang (“Subject Land”) from Daya Intelek for a purchase consideration of RM57.00 million (“Purchase Consideration”) to be satisfied via combination of RM15.00 million in cash and RM42.00 million in issuance and allotment of 4,200,000,000 ICPS at an issue price of RM0.01 per ICPS (“Proposed Acquisition”);

(Collectively referred to as the “Proposals”).

On behalf of the Board of Director of PCB, UOB had announced that the listing application and draft circular in relation to the Proposals have been submitted to Bursa Malaysia Securities Berhad on 29 October 2019.

23. GROUP BORROWINGS

	Current Year To Date <u>30.09.2019</u> RM'000	Preceding Year To Date <u>30.09.2018</u> RM'000
<u>Secured</u>		
Bank overdrafts	39,459	35,466
Fixed loan	6,987	3,915
Term loan	22,665	30,013
Total bank borrowings	<u>69,111</u>	<u>69,394</u>
Analyzed as:		
<u>Secured</u>		
Short term borrowings and loans	57,674	39,268
Long term loans	11,437	30,126
	<u>69,111</u>	<u>69,394</u>

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2019**

24. MATERIAL LITIGATIONS

Since the last quarter report ended 30 June 2019, the following are the changes:-

In respect of an arbitration filed by Prinsiptek (M) Sdn Bhd (“PST”) on 22 May 2014, PST is claimed against Teamforce Builders Sdn Bhd (“Teamforce”) for a sum of RM648,526.57 being the advance payment for the construction and completion of structural and architectural works and the supply of labour and materials for the installation of cornice works rendered by Teamforce to PST.

Teamforce has filed the Statement of Defence and Counterclaim for a sum of RM2,547,603.02 for workdone on 25 July 2014.

Teamforce served on PST the Statement Of Re-Amended Defence and Re-Amended Counterclaim where the sum claimed by Teamforce has been revised to RM3,292,792.60. PST’s claim against Teamforce has now revised to RM1,412,763.39.

During the hearing on 22 February 2016, the Arbitrator directed both parties that an expert witness will be appointed to measure certain disputed items and the cost of such appointment to be shared equally by parties.

There was a site inspection held on 2 August 2016, for which the Arbitrator and the expert witness have been accompanied by both parties to having a visual inspection on the disputed items. On 12 January 2017, the expert witness was unable to complete his expert report within the time granted thus, the Arbitrator has directed all the parties that there will be a period of 3 months given to the expert witness upon agreeable by both parties. On 15 March 2017, the expert has again failed to deliver the expert report by the extended period and he has requested to withdraw from the appointment of the expert witness. To avoid further prolongation to the conclusion of this Arbitration, the Tribunal has decided to appoint a new expert witness.

On 31 July 2018, the new expert witness has come out with a report and the parties now have been directed by the Tribunal to review the expert report and advise the Tribunal, whether the party(ies) require(s) an examination session with the new expert witness with regard to the content of the report by 16 August 2018.

On 26 February 2019, the Arbitrator and the new expert witness have been accompanied by both parties to cross examined on the content of the report. Another site inspection was carried out on 4th October 2019 with the attendance of the Arbitrator, expert witness, defendant and plaintiff. Expert witness is currently in the midst of finalising the said report.

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2019**

25. EARNINGS PER SHARE

a) Basic earnings per share

The basic earnings per share is calculated by dividing the Group's profit attributable to the owners of the Company for the current year quarter / year to date by the weighted average number of ordinary shares in issue during the current year quarter / year to date under review as follows:-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2019	Preceding Year Corresponding Quarter 30.09.2018	Current Year To Date 30.09.2019	Preceding Year To Date 30.09.2018
Profit attributable to the owners of the Company (RM'000)	2,004	105	2,004	105
Weighted average number of shares in issue ('000)	410,443	348,652	410,443	348,652
Basic earnings per share (sen)	0.49	0.03	0.49	0.03

b) Diluted earnings per share

The diluted earnings per share is calculated by dividing the Group's profit attributable to the owners of the Company for the current year quarter / year to date by the weighted average number of ordinary shares, after adjusted for dilutive effects of all potential ordinary shares from the assumed full exercise of warrants at the beginning of the financial period of the Company as follows:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2019	Preceding Year Corresponding Quarter 30.09.2018	Current Year To Date 30.09.2019	Preceding Year To Date 30.09.2018
Profit attributable to the owners of the Company (RM'000)	2,004	105	2,004	105
Weighted average number of shares in issue ('000)	410,443	348,652	410,443	348,652
Adjustment for the assumed full exercise of warrants ('000)	28,058	36,224	28,058	36,224
Adjusted weighted average number of ordinary shares in issue ('000)	438,501	384,876	438,501	384,876
Diluted earnings per share (sen)	0.46	0.03	0.46	0.03

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2019**

**PART C : INFORMATION ON PROVISION OF FINANCIAL ASSISTANCE PURSUANT TO
PARAGRAPH 8.23 AND PRACTICE NOTE 11 / 2001 UNDER LISTING
REQUIREMENTS OF BURSA SECURITIES**

26. FINANCIAL ASSISTANCE

There is no financial assistance rendered by the Company and the Group for the current year quarter / year to date.

By order of the Board

Dato' Liew Kok Leong
Executive Director

Subang Jaya
Date: 25 November 2019