CHIN HIN GROUP PROPERTY BERHAD ("CHGP")
(formerly known as BOON KOON GROUP BERHAD)
Company No. 553434-U

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 MARCH 2019
(The figures have not been audited)

	Note	Quarter ended 31.03.19 RM'000	Quarter ended 31.03.18 RM'000 (#)	Year to date 31.03.19 RM'000	Year to date 31.03.18 RM'000 (#)
Revenue	**17**	39,568	42,423	151,436	124,646
Operating expenses		(36,923)	(40,076)	(145,097)	(131,431)
Other income		230	986	1,146	17,994
Operating income		2,875	3,333	7,485	11,209
Finance costs		(270)	(231)	(1,084)	(1,235)
Profit after finance costs		2,605	3,102	6,401	9,974
Share of results of associates		-	(877)	-	(784)
Profit before taxation	**18**	2,605	2,225	6,401	9,190
Taxation	**19**	(2,418)	484	(3,014)	(184)
Profit for the period		187	2,709	3,387	9,006
Other comprehensive income					
Revaluation surplus on land and buildings		2,963	-	2,963	-
Foreign currency translation differences on foreign operations		-	324	(1)	234
Realisation of revaluation surplus upon:					
- Depreciation		35	36	142	142
- Property, plant and equipment written off		-	-	-	10
Transfer from realisation of revaluation surplus to retained profits		(35)	(36)	(142)	(152)
Total comprehensive income for the period		3,150	3,033	6,349	9,240
Attributable to :					
Owners of the Parent		177	2,649	3,410	8,933
Non-controlling interests		10	60	(23)	73
Profit for the period		187	2,709	3,387	9,006
Attributable to :					
Owners of the Parent		3,140	2,973	6,372	9,167
Non-controlling interests		10	60	(23)	73
Total comprehensive income for the period		3,150	3,033	6,349	9,240
Earnings per share attributable to owners of the parent					
- Basic (sen)	**24**	0.06	0.94	1.15	3.17
- Diluted (sen)	**24**	0.06	0.89	0.93	2.51

Notes:
(#) Certain figure has been restated to conform to audited financial statements ended 31 March 2018.

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statement for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

CHIN HIN GROUP PROPERTY BERHAD ("CHGP")
(formerly known as BOON KOON GROUP BERHAD)
Company No. 553434-U

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2019
(The figures have not been audited)

	Note	As At 31.03.19 RM'000	(Audited) As At 31.03.18 RM'000
ASSETS			
Non-current assets			
Land held for development		884	884
Property, plant and equipment		45,142	43,685
Investment properties		28,800	28,800
Investment in associates		-	-
Deferred tax assets		2,688	4,558
		77,514	77,927
Current assets			
Inventories		22,492	32,368
Property development cost		38,167	19,407
Trade receivables		75,407	44,704
Other receivables, deposits and prepayments		12,278	11,713
Tax recoverable		23	207
Fixed deposit with licensed banks		110	107
Cash and bank balances	**21**	10,505	8,573
		158,982	117,079
TOTAL ASSETS		**236,496**	**195,006**
EQUITY AND LIABILITIES			
Equity attributable to owners of the Parent			
Share capital		62,449	62,449
Treasury shares		(255)	-
Foreign currency translation reserve		176	177
Revaluation reserve		16,001	13,180
Capital reserve		(28)	(28)
Warrant reserve		7,740	7,740
Retained profits		33,564	30,012
		119,647	113,530
Non-controlling interest		385	408
Total equity		120,032	113,938
Non-current liabilities			
Borrowings	**23**	978	1,337
Deferred revenue		56	-
Deferred tax liabilities		3,900	5,142
		4,934	6,479
Current liabilities			
Trade payables		64,090	36,177
Other payables and accruals		15,054	14,908
Borrowings	**23**	30,512	22,375
Deferred revenue		19	-
Tax Payable		1,855	1,129
		111,530	74,589
Total liabilities		116,464	81,068
TOTAL EQUITY AND LIABILITIES		**236,496**	**195,006**
Net assets per share attributable to owners of the Parent (RM)		0.40	0.38

Notes:
The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

CHIN HIN GROUP PROPERTY BERHAD
(formerly known as BOON KOON GROUP BERHAD)
Company No. 553434-U

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2019
(The figures have not been audited)

	Year to date 31.03.19 RM'000	Year to date 31.03.18 RM'000 (#)
Cash Flows From Operating Activities		
Profit before taxation	6,401	9,190
Adjustments for :		
Bad debts written off	9	-
Depreciation	2,169	3,130
Gain on disposal of property, plant and equipment	(158)	(577)
Gain on disposal of investment in an associate	-	(15,050)
Gain on disposal of investment in a subsidiary company	-	(6)
Impairment loss on receivables	499	308
Interest expense	1,084	1,235
Interest income	(78)	(262)
Inventories written down	-	11,371
Loss on liquidation of a subsidiary company	-	187
Property, plant and equipment written off	4	181
Reversal of impairment loss on receivables	(155)	(129)
Share of results of associates	-	783
Unrealised loss/(gain) on foreign exchange	268	(701)
Operating profit before changes in working capital	10,043	9,660
Changes in working capital		
Changes in property development cost	(18,760)	(18,014)
Changes in deferred revenue	75	-
Changes in inventories	9,876	(1,576)
Changes in trade and other receivables	(31,547)	(26,861)
Changes in trade and other payables	27,712	19,319
Interest received	8	225
Interest paid	(1,084)	(1,235)
Tax refund	102	15
Tax paid	(2,164)	(118)
Net cash flows used in operating activities	(5,739)	(18,585)
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(85)	(698)
Proceeds from disposals of property, plant and equipment	163	1,345
Proceeds from disposal of investment in an associate	-	22,000
Net cash outflow from disposal of a subsidiary company (1)	-	(697)
Interest received	70	37
(Placement)/Withdrawal of short-term deposits pledged	(3)	27
Net cash flows from investing activities	145	22,014
Cash Flows From Financing Activities		
Repayment of finance lease payables	(471)	(422)
Drawdown/(Repayment) of banker acceptances	8,272	(6,867)
Repayment of term loans	(23)	(23)
Proceeds from issuance of shares	-	4,400
Proceeds from exercise of Warrants	-	2,072
Purchase of treasury shares	(255)	-
Net cash flows from/(used in) financing activities	7,523	(840)
Net increase in cash and cash equivalents	1,929	2,589
Effects of changes in exchange rates	3	(151)
Cash and cash equivalents at beginning of the period	8,573	6,135
Cash and cash equivalents at end of the period	10,505	8,573
Cash and cash equivalents at end of the financial year comprises:		
Cash and bank balances	10,505	8,573
Fixed deposit with licensed banks	110	107
	10,615	8,680
Less: Fixed deposit pledged with licensed banks	(110)	(107)
	10,505	8,573

CHIN HIN GROUP PROPERTY BERHAD
(formerly known as BOON KOON GROUP BERHAD)
Company No. 553434-U

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2019
(The figures have not been audited)

Notes to Consolidated Statement of Cash Flows

Net cash outflow from disposal of a subsidiary company

During the financial year, the fair values of net assets of subsidiary disposed of was as follows:

		Year to date 31.03.19 RM'000	Year to date 31.03.18 RM'000 (#)
(1)	Trade and other receivables	-	572
	Cash and bank balances	-	944
	Trade and other payables	-	(1,012)
	Tax payable	-	(89)
	Foreign currency translation reserve	-	(13)
	Net assets	-	402
	Less: Non-controlling interest	-	(161)
	Total net assets disposed	-	241
	Less: Cash proceeds from disposal	-	(247)
	Gain on disposal	-	(6)
	Proceeds from disposal	-	247
	Less: Cash and bank balances disposed	-	(944)
	Net cash outflow from the disposal	-	(697)

Notes :
(#) Certain figure has been restated to conform to audited financial statements ended 31 March 2018.

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

CHIN HIN GROUP PROPERTY BERHAD ("CHGP")
(formerly known as BOON KOON GROUP BERHAD)
Company No. 553434-U

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 MARCH 2019
(The figures have not been audited)

	Attributable to Owners of the Parent									
	Non-Distributable						Distributable			
	Share Capital RM'000	Treasury Shares RM'000	Warrant Reserve RM'000	Foreign Currency Translation Reserve RM'000	Other Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total RM'000
12 months period ended 31 March 2018										
At 1 April 2017	55,350	-	8,367	(57)	(28)	13,332	20,927	97,891	652	98,543
Total comprehensive income for the period	7,099	-	(627)	234	-	(152)	9,085	15,639	(244)	15,395
Profit for the period	-	-	-	-	-	-	8,933	8,933	73	9,006
Foreign currency translation reserve	-	-	-	234	-	-	-	234	-	234
Transfer of realisation of revaluation reserve to retained profits upon:										
- Depreciation	-	-	-	-	-	-	142	142	-	142
- Property, plant and equipment written off	-	-	-	-	-	-	10	10	-	10
Realisation of revaluation surplus	-	-	-	-	-	(152)	-	(152)	-	(152)
Arising from conversion of warrants	2,699	-	(627)	-	-	-	-	2,072	-	2,072
Issuance of ordinary shares	4,400	-	-	-	-	-	-	4,400	-	4,400
Disposal of a subsidiary	-	-	-	-	-	-	-	-	(317)	(317)
At 31 March 2018	62,449	-	7,740	177	(28)	13,180	30,012	113,530	408	113,938

Notes:
The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

CHIN HIN GROUP PROPERTY BERHAD ("CHGP")
(formerly known as BOON KOON GROUP BERHAD)
Company No. 553434-U

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 MARCH 2019
(The figures have not been audited)

	Attributable to Owners of the Parent									
	Non-Distributable						Distributable			
	Share Capital RM'000	Treasury Shares RM'000	Warrant Reserve RM'000	Foreign Currency Translation Reserve RM'000	Other Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total RM'000
12 months period ended 31 March 2019										
At 1 April 2018	62,449	-	7,740	177	(28)	13,180	30,012	113,530	408	113,938
Total comprehensive income for the period	-	(255)	-	(1)	-	2,821	3,552	6,117	(23)	6,094
Profit for the period	-	-	-	-	-	-	3,410	3,410	(23)	3,387
Treasury shares acquired	-	(255)	-	-	-	-	-	(255)	-	(255)
Foreign currency translation reserve	-	-	-	(1)	-	-	-	(1)	-	(1)
Realisation of revaluation surplus	-	-	-	-	-	(142)	142	-	-	-
Revaluation surplus on land and buildings, net of tax	-	-	-	-	-	2,963	-	2,963	-	2,963
Balance at 31 March 2019	62,449	(255)	7,740	176	(28)	16,001	33,564	119,647	385	120,032

Notes:
The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

Notes to the Interim Financial Statements for the fourth quarter ended 31 March 2019

1. Basis of Preparation

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

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2018 and the accomplying explanatory notes attached to this interim financial report.

2. Changes in Accounting Policies

The accounting policies adopted in the interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 March 2018, except for the adoption of standards and interpretations that are mandatory for the Group for the financial period beginning on or after 1 January 2018:-

MFRS 9	Financial Instruments - Classification and Measurement if Financial Assets and Financial Liabilities
Amendments to MFRS 2	Share-based Payments
Amendments to MFRS 140	Investment Properties - Classification on Change In Use
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration
Annual Improvements to	Amendments to MFRS 1
MFRSs 2014 - 2016 Cycle	Amendments to MFRS 128

The adoption of these new MFRSs, amendments and IC Interpretations did not have any material impact on the interim financial report of the Group except for the following:

(i) <u>MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)</u>

MFRS 9 (IFRS 9 issued by IASB in July 2014) replaces earlier versions of MFRS 9 and introduces a package of improvements which includes a classification and measurement model, a single forward looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. MFRS 9 when all effective will replace MFRS 139 Financial Instruments: Recognition and Measurement.

MFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity’s business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in MFRS 139. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. MFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the ‘hedged ratio’ to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under MFRS 139.

The Group and the Company have performed an impact assessment of all three aspects of MFRS 9. This assessment is based on the currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the Group and the Company for the financial year 2019 when the Group and the Company adopt MFRS 9.

Based on the analysis of the Group’s and the Company’s financial assets and financial liabilities as at 31 March 2019 on the basis of facts and circumstances that exist at that date, the Directors of the Group and of the Company have assessed the impact of MFRS 9 to the Group’s and the Company’s financial statements as follows:

(a) Classification and measurement of financial assets

MFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which the assets are managed and their cash flow characteristics.

MFRS 9 contains three (3) principal classification categories for financial assets:

- Amortised Cost (“AC”);
- Fair Value through Other Comprehensive Income (“FVOCI”); and
- Fair Value through Profit or Loss (“FVTPL”).

The standard eliminates the existing MFRS 139 categories of Held-to-Maturity (“HTM”), Loans and Receivables (“L&R”) and Available-for-Sale (“AFS”).

(i) MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014) (Cont'd)

(a) Classification and measurement of financial assets (Cont'd)

Based on its assessment, the financial assets held by the Group and the Company as at 31 March 2019 will be reclassified to the following classifications:

Group	31 March 2019 RM'000	Existing classification under MFRS 139	New classification under MFRS 9
Financial assets			
Trade receivables	75,407	L&R	AC
Other receivables	12,278	L&R	AC
Fixed deposit with licensed banks	110	L&R	AC
Cash and bank balances	10,505	L&R	AC

(b) Impairment of financial assets

MFRS 9 replaces the “incurred loss” model in MFRS 139 with a forward-looking “expected credit loss” (“ECL”) model. This will require considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis.

The new impairment model will apply to financial assets measured at AC or FVOCI, except for investment securities.

Under MFRS 9, loss allowances will be measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; or

- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Group and the Company will apply the lifetime expected credit losses on all trade and other receivables. The Group and the Company have determined that there will be no significant impact on the Group’s and the Company’s financial statements.

(c) Classification of financial liabilities

MFRS 9 largely retains the existing requirements in MFRS 139 for the classification of financial liabilities.

The Group and the Company are currently finalising the quantitative effects of applying the standard on the financial statements of the Group and of the Company.

(ii) MFRS 16 Leases

MFRS 16, which upon the effective date will supersede MFRS 117 Leases, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under MFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, MFRS 117.

In respect of the lessor accounting, MFRS 16 substantially carries forward the lessor accounting requirements in MFRS 117. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The impact of the new MFRSs, amendments and improvements to published standard on the financial statements of the Group and of the Company are currently being assessed by management.

Notes to the Interim Financial Statements for the fourth quarter ended 31 March 2019

3. Audit Report

The auditors' report on the financial statements for the year ended 31 March 2018 was not subject to any qualification.

4. Seasonality or Cyclicality

The Group's performance was not significantly affected by any seasonal or cyclical factor for the financial period under review.

5. Exceptional Items

There were no exceptional items for the financial period under review.

6. Estimates

There were no material changes in the estimates for the financial period under review.

7. Issuance and Repayment of Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities except for the following:-

During the current financial quarter and period to date, the Company repurchase 700,000 ordinary shares of its issued share capital from open market at an average price of RM0.3646 per share. The total consideration paid for the share buy-back and transaction costs amounted to RM255,208 and RM739 respectively were financed by internally generated funds. The shares repurchased are held as treasury shares in accordance with Section 127 (6) of the Companies Act 2016.

During the financial quarter and period to date, none of the treasury shares is distributed as share dividend to the shareholders.

As at 31 March 2019, the number of treasury shares held was 700,000 ordinary shares.

8. Dividend

No dividend was declared or paid for the financial period under review.

9. Valuation of Property, Plant and Equipment

The values captured are based on upon a valuation exercise carried out by independent firms of professional valuer. The valuations were arrived at reference to market evidence of transaction prices for similar properties. This was in line with our policy upon adoption of MFRS 116, that freehold lands, leasehold lands & buildings in the property, plant and equipment are revalued regular intervals of at least once every five (5) year. The resultant revaluation surplus of approximately RM2,963,000 were recognised in revaluation reserve during the financial quarter and financial quarter period to date.

10. Valuation of Investment Properties

There were no changes in the valuation of investment properties since the last audited financial statements for the financial year ended 31 March 2018.

11. Changes in the Composition of the Group

There were no changes in the composition of the Group for the financial period under review except for:

BKG Development Sdn. Bhd. (Company No. 1070270-M) ("BKG"), a wholly-owned subsidiary of the Company had on 10 December 2018 entered into a Share Sale Agreement ("SSA") with Dato' Cheah Suan Lee and Mr. Goh Chin Aun (hereinafter collectively referred to as "the Vendors") for the proposed acquisition of the remaining 50% equity interest in BKHS Capital Sdn. Bhd. (Company No. 966615-K) (BKHS") from the Vendors for a total cash consideration of Ringgit Malaysia Five Hundred Twenty Five Thousand Eight Hundred Seventy and Cents Twenty Six (RM525,870.26) only ("Purchase Consideration for the Sale Shares"), upon the terms and conditions as stipulated in the SSA ("Proposed Acquisition").

Upon the completion of the Proposed Acquisition, BKHS shall become a wholly-owned subsidiary of BKG, which in turn a wholly-owned subsidiary of the Company.

The Proposed Acquisition has been completed on 3 May 2019.

12. Contingencies

Corporate guarantee extended by the Company to banks and financial institutions for credit facilities granted to subsidiaries as at the end of current quarter under review were as follows :-

	As At 31.03.19 RM'000	As At 31.03.18 RM'000
- Limit of guarantee	87,121	32,539
- Amount utilised	30,955	23,011

13. Capital Commitments

There were no outstanding capital commitments at the end of current quarter under review.

14. Profit Forecast Variance

Not applicable.

15. Corporate Proposals, Status of Corporate Proposals and Utilisation of Proceeds

There were no corporate proposals announced but yet to be completed by the Company for the financial period under review except for:

A) Multiple Proposals

The Company had on 24 May 2019 announced that the Company is proposing to undertake the followings:-

(i) Proposed Subscription of Redeemable Preference Shares

The proposed subscription of RM35,000,000 new redeemable preference shares ("RPS") in Midas Prosperity Sdn Bhd ("Midas Prosperity") via a conditional subscription agreement between Midas Prosperity and BKG Development Sdn Bhd ("BKG"), a wholly-owned subsidiary of CHGP.

(ii) Proposed Joint Development

The proposed joint development via a conditional joint venture agreement between Midas Prosperity and BKG for the implementation and completion of a mixed and integrated residential and commercial development project known as 8th & Stellar ("Development Project") ("Proposed Joint Development").

(iii) Proposed Special Issue of Shares

The proposed special issue of shares of up to 84,885,000 new ordinary shares in CHGP to independent third party investor(s) to be identified at an issue price to be determined at a later date.

B) Status of Corporate Proposals

Proposed Special Issue of Shares

On 29 June 2017, the Company announced a proposed special issue of shares up to 55,300,000 new ordinary shares in the Company to independent third party investor(s) to be identified at an issue price to be determined at a later date.

Subsequently, the listing application for the Proposed Special Issue of Shares was submitted to Bursa Malaysia Securities Berhad on 12 September 2017. On 3 October 2017, Bursa Malaysia Securities Berhad ("Bursa Securities") had approved the lisitng and quotation of up to 55,350,000 new ordinary shares in CHGP to be issued pursuant to the Proposed Special Issue of Shares.

The shareholders had on 21 November 2017 approved the Proposal.

On 16 March 2018, the Company had submitted an application to Bursa Securities to seek an extension of time of six (6) months up to 2 October 2018 to complete the implementation of the Special Issue of Shares and the said application was approved by Bursa Securities on 22 March 2018.

On 27 March 2018, the first tranche of Special Issue of Shares comprised of 10,000,000 new ordinary shares of the Company has been issued and allotted to the independent third party at an issued price of RM0.44 each. On the same day, the 10,000,000 new ordinary shares were listed on Bursa Securities.

On 14 September 2018, the Company had submitted an application to Bursa Securities to seek an extension of time to complete the implementation of Special Issue of Shares and the said application was approved by Bursa Securities on 3 October 2018 with an extension of 5 months from 3 October 2018 until 2 March 2019.

On 15 February 2019, the Company had submitted an application to Bursa Securities to seek an extension of time to complete the implementation of Special Issue of Shares and the said application was withdrawn on 21 February 2019.

The Proposed Special Issue of Shares has lapsed on 2 March 2019.

C) Utilisation of Proceeds from Special Issue of Shares

As at 31 March 2019, the total proceeds of RM4.4 million raised from the first tranche of Special Issue of Shares has been utilised by the Company as follows:

	RM'000	Estimated timeframe for utilisation from the listing date
Proceeds raised from first tranche of Special Issue of Shares	4,400	-
Participation fee pursuant to the Joint Venture Agreement dated 29 June 2017 entered with Platinum Eminent Sdn Bhd for the proposed joint development. *	(3,899)	Wtihin one (1) month
Future property developments projects	-	Within twenty four (24) months
Payment of the relevant expenses incurred for Special Issue of Shares	(501)	Wtihin one (1) month
Balance Unutilised	-	

* To reimburse partially the internal fund used for payment of participation fee of RM10 million.

16. Related Party Transactions

There were no related party transactions during the current quarter under review except as follows :-

	Quarter ended 31.03.19 RM'000	Year to date 31.03.19 RM'000	Quarter ended 31.03.18 RM'000	Year to date 31.03.18 RM'000
Rental expense paid to other related party*	(17)	(71)	-	(52)
Rental income received from other related party*	5	19	-	-
Sales to other related party*	18,693	40,270	18,913	18,913
Purchases from other related party*	(34,166)	(52,292)	(15,312)	(15,312)
Road tax and insurance paid to other related party*	(29)	(61)	-	-
Other expenses paid to other related party*	(2)	(2)	-	-
Transportation charges income received from other related party*	-	-	1	1
Purchases from a person connected to a director of the Company	-	(349)	-	-
Rental expense paid to a person connected to a director of the Company	(4)	(16)	(5)	(65)
Hire purchase interest paid to an associate	-	-	-	(2)

* Being corporations in which certain directors of the Company have financial interest.

17. Detailed Analysis of Performance

Segmental information is presented in respect of the Group's business segments.

The Group comprises of the following main business segments :

(a)	Commercial vehicles and bodyworks	Manufacturing and trading of rebuilt and new commercial vehicles, bodyworks and their related services
(b)	Rental and fleet management services	Rental of commercial vehicles and forklift, provision of fleet management and other related services
(c)	Property development	Property development activities
(d)	Other Segment	Investment holding and the provision of management services

		Quarter ended 31.03.19 RM'000	Quarter ended 31.12.18 RM'000	Quarter ended 31.03.18 RM'000 (#)	Year to date 31.03.19 RM'000	Year to date 31.03.18 RM'000 (#)
Revenue						
(a)	Commercial vehicles and bodyworks	20,152	23,828	22,431	107,443	100,458
(b)	Rental and fleet management services	982	986	1,242	4,089	5,331
(c)	Property development	18,429	4,267	18,748	39,886	18,748
(d)	Other Segment	176	176	171	710	932
		39,739	29,257	42,592	152,128	125,469
	Less : Elimination	(171)	(177)	(169)	(692)	(823)
	Total	39,568	29,080	42,423	151,436	124,646
Profit before taxation						
(a)	Commercial vehicles and bodyworks	372	730	(294)	2,918	(7,391)
(b)	Rental and fleet management services	168	9	582	(104)	631
(c)	Property development	2,263	469	3,438	4,651	3,438
(d)	Other Segment	(198)	(234)	(613)	(1,064)	13,301
		2,605	974	3,113	6,401	9,979
	Less : Elimination	-	-	(11)	-	(5)
		2,605	974	3,102	6,401	9,974
	Share of results of associates	-	-	(877)	-	(784)
	Total	2,605	974	2,225	6,401	9,190

(#) Certain figure has been restated to conform to audited financial statements ended 31 March 2018.

Comparison with corresponding period in the previous year

(a) For commercial vehicles and bodyworks segment, revenue for the current quarter was RM20.15 million, a decrease of 10.16% compared to RM22.43 million in the previous year's corresponding quarter. The lower revenue was due to mainly due to lower demand for rebuilt commercial vehicles in the current quarter. Profit before taxation in the current quarter was RM0.37 million, an increase of RM0.66 million compared to loss before taxation of RM0.29 million in the previous year's corresponding quarter. The higher profit before taxation was mainly due to higher gross profit margin, lower unrealised loss on foreign exchange and lower administrative expenses incurred in the current quarter. However, the impact on profit before taxation was partially mitigated by the higher impairment loss on receivables by RM0.24 million incurred in the current quarter as compared to the previous year's corresponding quarter.

(b) For rental and fleet management services segment, revenue for the current quarter was RM0.98 million, a decrease of RM0.26 million compared to RM1.24 million in the previous year's corresponding quarter. The lower revenue was mainly due to weaker demand for this service in the current quarter. Profit before taxation in the current quarter was RM0.17 million, a decrease of RM0.41 million compared to the profit before taxation of RM0.58 million in the previous year's corresponding quarter. The lower profit before taxation was attributable to lower gain on disposal of forklift assets which was mitigated by the lower administrative expenses incurred in the current quarter. In additions, there were deposit forfeited of RM0.34 million and reversal of accrued commission of RM0.13 million in the previous year's corresponding quarter. There were no such transactions occured in the current quarter.

(c) For property development segment, revenue for the current quarter was RM18.43 million, a decrease RM0.32 million compared to RM18.75 million in the previous year's corresponding quarter. The revenue was recognised from the development project jointly developed with Platinum Eminent Sdn Bhd. The stage of completion of the project was 31.29% as at 31 March 2019 (10.14% as at 31 March 2018). Profit before taxation was RM2.26 million, a decrease of RM1.18 million compared to RM3.44 milion in the previous year's corresponding quarter. The lower profit before taxation was mainly due to higher administrative expenses incurred in the current quarter.

(d) Other Segment's revenue for the current quarter was RM0.18 million, a decrease of RM0.01 million compared to RM0.17 million in the previous year's corresponding quarter. Loss before taxation in the current quarter was RM0.20 million, a decrease of RM0.41 million as compared to loss before taxation of RM0.61 million in the previous year's corresponding quarter. The lower loss before taxation was mainly due to lower administrative expenses incurred in the current quarter.

Comparison with preceding quarter

(a) For commercial vehicles and bodyworks segment, revenue for the current quarter was RM20.15 million, a decrease of 15.44% compared to RM23.83million in the preceding quarter. Lower revenue was recorded due to lower demand for rebuilt commercial vehicles in the current quarter. Profit before taxation in the current quarter was RM0.37 million, a decrease of RM0.36 million compared to profit before taxation of RM0.73 million in the preceding quarter. The lower profit before taxation in the current quarter was mainly attributable to impairment loss on trade receivables of RM0.47 million incurred in the current quarter. However, the impact on profit before taxation was partially mitigated by the lower administrative expenses incurred in the current quarter.

(b) For rental and fleet management services segment, revenue for the current quarter was RM0.98 million which was fairly consistent with the preceding quarter. Profit before taxation in the current quarter was RM0.17 million, an increase of RM0.16 million as compared to profit before taxation of RM0.01 million in the preceding quarter. The improvement in profit before taxation was mainly attributable to higher gross profit margin as a result of lower depreciation charged on forklift assets, lower direct labour costs and lower repair and maintenance costs for repairing forklifts incurred in the current quarter.

(c) For property development segment, revenue for the current quarter was RM18.43 million, an increase of RM14.16 million compared to RM4.27 million in the preceding quarter. The revenue was recognised from the development project jointly developed with Platinum Eminent Sdn Bhd. The stage of completion of the project was 31.29% as at 31 March 2019 (as at 31 December 2018: 21.45%). Profit before taxation in the current quarter was RM2.26 million, an increase of RM1.79 million compared to profit before taxation of RM0.47 million in the preceding quarter. The higher profit before taxation was attributable to higher revenue recognised in the current quarter.

(d) Other Segment's revenue for the current quarter of RM0.18 million was consistent with preceding quarter. Loss before taxation in the current quarter was RM0.20 million, a decrease of RM0.04 million as compared to preceding quarter. The improvement in loss before taxation was mainly due to lower administrative expenses incurred in the current quarter.

18. Profit before taxation

This was arrived at :

	Quarter ended 31.03.19 RM'000	Year to date 31.03.19 RM'000	Quarter ended 31.03.18 RM'000 (#)	Year to date 31.03.18 RM'000 (#)
After charging :				
Bad debts written off	9	9	-	-
Depreciation	464	2,169	651	3,130
Impairment loss on receivables	499	499	308	308
Inventories written down to net realisable value	-	-	(200)	11,371
Interest expenses	270	1,084	231	1,235
Loss on liquidation of a subsidiary company	-	-	187	187
Property, plant and equipment written off	-	4	77	181
Rental of hostel	12	44	10	28
Rental of premises	53	201	44	261
Rental of vehicles	16	75	21	110
And crediting :				
Interest income	25	78	12	262
Gain on disposal of property, plant and equipment	40	158	167	577
Gain on disposal of investment in a subsidiary	-	-	2	6
Gain on disposal of investment in an associate	-	-	-	15,050
Realised gain on foreign exchange	128	677	198	675
Rental income	-	90	26	105
Reversal of impairment loss on receivables	35	155	-	129
Unrealised (loss)/gain on foreign exchange	209	(268)	(15)	701

(#) Certain figure has been restated to conform to audited financial statements ended 31 March 2018.

19. Taxation

	Quarter ended 31.03.19 RM'000	Year to date 31.03.19 RM'000	Quarter ended 31.03.18 RM'000 (#)	Year to date 31.03.18 RM'000 (#)
Malaysian taxation based on profit for the period:				
-Current tax	(1,885)	(2,557)	(1,129)	(1,219)
-Deferred tax	(682)	(684)	901	299
(Under)/Over provision in prior years:				
-Current tax	(492)	(414)	-	24
-Deferred tax	641	641	712	712
	(2,418)	(3,014)	484	(184)

(#) Certain figure has been restated to conform to audited financial statements ended 31 March 2018.

20. Commentary of Prospects

For automotive segment, the Group anticipate the commercial vehicles market to remain challenging due to uncertainty of the local and global economy. The Group expect the current weakening Ringgit against USD and other major currencies, couples with stringent lending guideline from financial institutions may have an adverse impact to the Group' automotive business. However, with the recent announcement by the Government on the revival of certain mega infrastructure projects that have been put on hold previously, the Group foresee there will be a positive sentiment to the Group's revenue and profits margins. Nonetheless, the Group will continue to explore for more option available and continue implementing cost control to ensure sustainability of the automotive business and financial performance.

For property segment, the Group anticipate the current joint development with Platinum Eminent Sdn Bhd may contribute a positive result for financial year ended 2020 as the project had achieved an approximately 90% take-up rate for its service residences. With the current Government’s initiative on stamp duty exemptions for residential units priced between RM300,000 and RM1 million, the Group foresee the take-up rate to further increase before the campaign end in June 2019.

21. Cash and Bank Balances

	As At 31.03.19 RM'000	As At 31.03.18 RM'000 (#)
Cash and bank balances	2,890	3,696
Short-term funds with licensed financial institutions	7,615	4,877
	10,505	8,573

(#) Certain figure has been restated to conform to audited financial statements ended 31 March 2018.

22. Material Litigation

There were no material litigation for the financial year under review except for :

On 22 January 2016, Dato' Seri Kasmi Bin Mat Arsat ("Plaintiff") had served a writ of summon and statement of claim for a sum of RM2,238,000 to Boon Koon Vehicles Industries Sdn. Bhd. ("BKVI"), a subsidiary of the Company, for outstanding sum due by BKVI for negotiation works for securing of Approved Permit for BKVI. On 17 June 2016, the Plaintiff had withdrawn his claim against BKVI. However, the Plaintiff had on 13 March 2017 filed an amended writ of summon and statement of claim for the same reason above. On 27 April 2017, the High Court of Penang allowed the Plaintiff's amended statement of claim and trial dates have been fixed on 22 to 24 August 2017, and subsequently on 27 October 2017, where the High Court had ruled in favour of BKVI together with an order of costs of RM30,000. On 22 November 2017, the Plaintiff submitted a Notice of Appeal to the Court of Appeal of Malaysia at Putrajaya. On 23 July 2018, the Court of Appeal of Malaysia at Putrajaya has ruled in favour of BKVI together with an order of costs of RM10,000.

23. Group Borrowings and Debt Securities

Group borrowings as at 31 March 2019 were as below:-

	Secured RM'000	Unsecured RM'000	Total RM'000
Current liabilities			
Bankers acceptances	30,209	-	30,209
Finance lease liabilities	277	-	277
Term loan	26	-	26
Sub-total	30,512	-	30,512
Non-current liabilities			
Finance lease liabilities	176	-	176
Term loans	802	-	802
Sub-total	978	-	978
Total	31,490	-	31,490

24. Basis of Calculation of Basic and Diluted Earnings Per Share Attributable to Owners of the Parent

Basic Earnings Per Share

The basic earnings per share is calculated based on the Group's profit attributable to equity holders of the Company divided by the weighted average number of ordinary shares in issue as follows:

	Quarter ended 31.03.19	Year to date 31.03.19	Quarter ended 31.03.18 (#)	Year to date 31.03.18 (#)
Profit for the period attributable to the owners of the Parent (RM'000)	177	3,410	2,649	8,933
Weighted average number of ordinary shares in issue ('000 units)	297,058	297,058	281,363	281,363
Basic Earnings Per Share (sen)	0.06	1.15	0.94	3.17

Diluted Earnings Per Share

The diluted earnings per share is calculated based on the Group's profit attributable to equity holders of the Company divided by the weighted average number of ordinary shares in issue, adjusted for the dilutive effects of warrants as follows:

Profit for the period attributable to the owners of the Parent (RM'000)	177	3,410	2,649	8,933
Weighted average number of ordinary shares in issue ('000 units)	297,058	297,058	281,363	281,363
Adjustment for dilutive effect of warrants ('000 units)	13,782	68,254	17,288	75,168
Weighted average number of shares assumed to be in issue ('000 units)	310,840	365,312	298,651	356,531
Diluted Earnings Per Share (sen)	0.06	0.93	0.89	2.51

(#) Certain figure has been restated to conform to audited financial statements ended 31 March 2018.

Date : 24 May 2019