

**KEIN HING INTERNATIONAL BERHAD**  
[Company No. 200301013636 (616056-T)]

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

**For the 2<sup>nd</sup> quarter and financial period ended 31 October 2020 – unaudited**

	Note	3 Months Ended		Financial Period Ended	
		31 Oct 2020	31 Oct 2019	31 Oct 2020	31 Oct 2019
<i>In thousands of RM</i>					
<b>Revenue</b>		<b>66,827</b>	<b>55,406</b>	<b>120,223</b>	<b>114,240</b>
Operating profit		4,411	2,386	8,913	5,366
Finance income		120	82	234	160
Finance costs		(810)	(844)	(1,629)	(1,753)
<b>Profit before tax</b>		<b>3,721</b>	<b>1,624</b>	<b>7,518</b>	<b>3,773</b>
Tax expense	B6	(973)	(369)	(1,758)	(1,139)
<b>Profit for the period</b>	B5	<b>2,748</b>	<b>1,255</b>	<b>5,760</b>	<b>2,634</b>
<b>Other comprehensive income, net of tax</b>					
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Share of capital reserve by a non-controlling interest of a subsidiary		-	-	68	61
<b>Items that may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences for foreign operations		(901)	168	(1,244)	285
<b>Total comprehensive income for the period</b>		<b>1,847</b>	<b>1,423</b>	<b>4,584</b>	<b>2,980</b>
<b>Profit attributable to:</b>					
Owners of the Company		<b>2,321</b>	<b>986</b>	<b>4,817</b>	<b>1,982</b>
Non-controlling interests		427	269	943	652
Profit for the period		2,748	1,255	5,760	2,634
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		<b>1,616</b>	<b>1,123</b>	<b>3,839</b>	<b>2,215</b>
Non-controlling interests		231	300	745	765
Total comprehensive income for the period		1,847	1,423	4,584	2,980
<b>Earnings per ordinary share</b>					
<b>attributable to owners</b>					
<b>of the Company (sen):</b>					
Basic / Diluted	B11	2.13	0.91	4.42	1.82

*The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited consolidated financial statements for the year ended 30 April 2020 and the accompanying explanatory notes attached to the condensed consolidated interim financial statements.*

**KEIN HING INTERNATIONAL BERHAD**  
**[Company No. 200301013636 (616056-T)]**

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**As at 31 October 2020 – unaudited**

<i>In thousands of RM</i>	Note	As at 31 Oct 2020	As at 30 Apr 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		79,998	84,490
Right-of-use assets		17,352	17,395
Investment property		9,685	9,772
Other investments		193	194
		107,228	111,851
<b>Current assets</b>			
Trade and other receivables		40,350	24,820
Inventories		16,037	15,925
Contract assets		2,201	1,350
Cash and bank balances		53,072	41,658
Current tax assets		-	604
		111,660	84,357
<b>TOTAL ASSETS</b>		<b>218,888</b>	<b>196,208</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital		54,450	54,450
Reserves		63,846	60,007
		118,296	114,457
Non-controlling interests		8,457	7,712
<b>Total equity</b>		126,753	122,169
<b>Non-current liabilities</b>			
Loans and borrowings	B8	20,669	12,055
Lease liabilities		1,632	2,444
Trade and other payables		1,193	925
Deferred tax liabilities		3,550	3,558
		27,044	18,982
<b>Current liabilities</b>			
Loans and borrowings	B8	22,543	30,623
Lease liabilities		2,123	2,204
Trade and other payables		39,911	21,925
Current tax liabilities		514	305
		65,091	55,057
<b>Total liabilities</b>		92,135	74,039
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>218,888</b>	<b>196,208</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>		<b>1.09</b>	<b>1.05</b>

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited consolidated financial statements for the year ended 30 April 2020 and the accompanying explanatory notes attached to the condensed consolidated interim financial statements.*

**KEIN HING INTERNATIONAL BERHAD**  
[Company No. 200301013636 (616056-T)]

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
For the financial period ended 31 October 2020 – unaudited

	Attributable to Owners of the Company					Non-controlling interests	Total equity
	Non-distributable		Distributable		Total		
	Share capital	Translation reserve	Retained earnings				
<i>In thousands of RM</i>							
<b>At 1 May 2020</b>	54,450	4,366	55,641	114,457		7,712	122,169
Profit for the period	-	-	4,817	4,817		943	5,760
Other comprehensive income for the period, net of tax	-	(978)	-	(978)		(198)	(1,176)
Total comprehensive income for the period, net of tax	-	(978)	4,817	3,839		745	4,584
<b>At 31 October 2020</b>	<u>54,450</u>	<u>3,388</u>	<u>60,458</u>	<u>118,296</u>		<u>8,457</u>	<u>126,753</u>
<b>At 1 May 2019</b>	54,450	3,008	54,123	111,581		6,908	118,489
Profit for the period	-	-	1,982	1,982		652	2,634
Other comprehensive income for the period, net of tax	-	233	-	233		113	346
Total comprehensive income for the period, net of tax	-	233	1,982	2,215		765	2,980
<b>At 31 October 2019</b>	<u>54,450</u>	<u>3,241</u>	<u>56,105</u>	<u>113,796</u>		<u>7,673</u>	<u>121,469</u>

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited consolidated financial statements for the year ended 30 April 2020 and the accompanying explanatory notes attached to the condensed consolidated interim financial statements.*

**KEIN HING INTERNATIONAL BERHAD**  
[Company No. 200301013636 (616056-T)]

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**For the financial period ended 31 October 2020 – unaudited**

<i>In thousands of RM</i>	<b>Financial Period Ended</b>	
	<b>31 Oct 2020</b>	<b>31 Oct 2019</b>
<b>Cash flows from operating activities</b>		
Profit before tax	7,518	3,773
Adjustments for:		
Non-cash items	5,948	6,480
Non-operating items	1,395	1,593
Operating profit before changes in working capital	<u>14,861</u>	<u>11,846</u>
Changes in working capital:		
Inventories	(112)	2,977
Contract assets	(851)	520
Trade and other receivables	(15,530)	3,613
Trade and other payables	17,893	(131)
Cash generated from operations	<u>16,261</u>	<u>18,825</u>
Interest paid	(125)	-
Income tax paid	(942)	(1,405)
<b>Net cash from operating activities</b>	<u><b>15,194</b></u>	<u><b>17,420</b></u>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(2,646)	(1,684)
Acquisition of right-of-use assets	(74)	-
Proceeds from disposal of property, plant and equipment	442	49
Interest received	234	160
<b>Net cash used in investing activities</b>	<u><b>(2,044)</b></u>	<u><b>(1,475)</b></u>
<b>Cash flows from financing activities</b>		
Proceeds from term loans	15,601	346
Repayment of term loans	(12,704)	(3,490)
Proceeds from/(Repayment of) other borrowings	3,319	357
Payment of lease liabilities	(1,184)	(1,299)
Interest paid	(1,465)	(1,661)
<b>Net cash from/(used in) financing activities</b>	<u><b>3,567</b></u>	<u><b>(5,747)</b></u>
<b>Net increase in cash and cash equivalents</b>	<b>16,717</b>	<b>10,198</b>
Exchange differences on translation of the financial statements of foreign operations	(7)	(9)
<b>Cash and cash equivalents at beginning of financial year</b>	<u>34,772</u>	<u>28,165</u>
<b>Cash and cash equivalents at end of financial period</b>	<u><b>51,482</b></u>	<u><b>38,354</b></u>
<b>Cash and cash equivalents at end of financial period comprise:</b>		
Cash and bank balances	33,102	30,644
Deposits placed with licensed banks (net of pledged deposits)	19,421	9,429
Bank overdraft	(1,041)	(1,719)
	<u><b>51,482</b></u>	<u><b>38,354</b></u>

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited consolidated financial statements for the year ended 30 April 2020 and the accompanying explanatory notes attached to the condensed consolidated interim financial statements.*

## **PART A: NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

### **A1. Basis of preparation**

The condensed consolidated interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of *MFRS 134: Interim Financial Reporting* and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities’ Listing Requirements”).

The condensed consolidated interim financial statements should also be read in conjunction with the audited consolidated financial statements of the Group for the financial year ended 30 April 2020. These explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the last financial year ended 30 April 2020.

### **A2. Changes in accounting policies**

The Group has adopted the MFRSs, Amendments to MFRSs and IC Interpretation (if applicable) which become effective during the current financial year. The adoption of these pronouncements did not have any material impact on the financial statements of the Group.

At the date of authorization of these interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

#### ***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 June 2020***

- Amendments to MFRS 16, *Leases – Covid-19 Related Rent Concessions*

#### ***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2021***

- Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement, MFRS 7 Financial Instruments: Disclosure, MFRS 4 Insurance Contracts and MFRS 16 Leases – *Interest Rate Benchmark Reform-Phase 2*

#### ***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2022***

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018-2020)*
- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018-2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018-2020)*

- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*
- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018-2020)*

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2023***

- Amendments to MFRS 17, *Insurance Contracts*
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current*

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed***

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

The initial applications of these MFRSs, Amendments and Interpretations, if applicable, are not expected to have material financial impacts to the current and prior periods' consolidated financial statements of the Group upon their first adoption.

The MFRSs, Amendments and Interpretations which were issued but not yet effective have not been early adopted by the Group.

**A3. Seasonal and cyclical factors**

The Group's business operation results were not materially affected by any major seasonal and/or cyclical factors.

**A4. Unusual nature and amounts of items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual nature and amounts of items affecting assets, liabilities, equity, net income or cash flows during the current 2<sup>nd</sup> quarter and financial period ended 31 October 2020.

**A5. Material changes in estimates**

There were no changes in estimates that have had material effect for the current 2<sup>nd</sup> quarter and financial period ended 31 October 2020.

**A6. Issuances and repayment of debt and equity securities**

There were no issuance, repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares or resale of treasury shares during the current 2<sup>nd</sup> quarter and financial period under review.

**A7. Dividend Paid**

No interim dividend was paid during the current 2<sup>nd</sup> quarter and financial period ended 31 October 2020 (2019: Nil).

## A8. Segmental information

Segmental information is presented in respect of the Group's business segments as follows:-

### **Results for the financial period ended 31 October 2020**

	<u>Manufacturing</u>	<u>Trading</u>	<u>Investment</u> <u>Holding</u>	<u>Adjustment</u>	<u>Consolidated</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	115,688	4,535	-	-	120,223
Inter-segment	9,085	61	-	(9,146)	-
<b>Total revenue</b>	<b>124,773</b>	<b>4,596</b>	<b>-</b>	<b>(9,146)</b>	<b>120,223</b>
<b>Segment results</b>	<b>9,619</b>	<b>344</b>	<b>(606)</b>	<b>444</b>	<b>8,913</b>
Finance income					234
Finance costs					(1,629)
<b>Profit before tax</b>					<b>7,518</b>
Tax expense					(1,758)
<b>Profit for the period</b>					<b>5,760</b>

## A9. Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the current 2<sup>nd</sup> quarter under review.

## A10. Changes in the composition of the Group

There were no changes in the composition of the Group during the current 2<sup>nd</sup> quarter and financial period ended 31 October 2020.

## A11. Changes in contingent liabilities

There were no changes in contingent liabilities or contingent assets of a material nature since the last annual reporting period.

## A12. Capital commitments

Capital commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at end of the reporting period were as follows:-

	<b>As at</b>
	<b>31.10.2020</b>
	<b>RM'000</b>
<b>Total approved and contracted for</b>	<b>4,169</b>

### A13. Fair Value Information

The Group uses the following hierarchy for determining the fair value of financial instruments carried at fair value and amortised cost, the different levels have been identified as follows:

**Level 1** – Fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

**Level 2** – Fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

**Level 3** – Fair value is estimated using unobservable inputs for the financial assets and liabilities.

	Fair value of financial instruments not carried at fair value				Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
<b>Financial liabilities</b>						
Amount due to a non- controlling interest of a subsidiary	-	-	2,171	2,171	2,171	2,171
Secured term loans	-	-	26,136	26,136	26,136	26,136
	-	-	28,307	28,307	28,307	28,307



**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Review of performance**

Financial Review for the current 2<sup>nd</sup> Quarter and financial period ended 31 October 2020:

	2nd Quarter Ended		Changes	
<i>(In thousands of RM)</i>	<u>31 Oct 2020</u>	<u>31 Oct 2019</u>		
<b>Revenue</b>	<b>66,827</b>	<b>55,406</b>	<b>11,421</b>	<b>21%</b>
Operating Profit	4,411	2,386	2,025	85%
<b>Profit Before Tax ("PBT")</b>	<b>3,721</b>	<b>1,624</b>	<b>2,097</b>	<b>129%</b>
Profit After Tax	2,748	1,255	1,493	119%
<b>Profit Attributable to Owners of the Company</b>	<b>2,321</b>	<b>986</b>	<b>1,335</b>	<b>135%</b>

	Financial Period Ended		Changes	
<i>(In thousands of RM)</i>	<u>31 Oct 2020</u>	<u>31 Oct 2019</u>		
<b>Revenue</b>	<b>120,223</b>	<b>114,240</b>	<b>5,983</b>	<b>5%</b>
Operating Profit	8,913	5,366	3,547	66%
<b>Profit Before Tax ("PBT")</b>	<b>7,518</b>	<b>3,773</b>	<b>3,745</b>	<b>99%</b>
Profit After Tax	5,760	2,634	3,126	119%
<b>Profit Attributable to Owners of the Company</b>	<b>4,817</b>	<b>1,982</b>	<b>2,835</b>	<b>143%</b>

The changes in revenue contributed by Malaysia operation and Vietnam operation respectively for the current 2<sup>nd</sup> quarter and financial period under review are as follows:

	2nd Quarter Ended		Changes	
<i>(In thousands of RM)</i>	<u>31 Oct 2020</u>	<u>31 Oct 2019</u>		
Malaysia Operation	40,283	30,478	9,805	32%
Vietnam Operation	26,544	24,928	1,616	6%
<b>Total Revenue</b>	<b>66,827</b>	<b>55,406</b>	<b>11,421</b>	<b>21%</b>

	<b>Financial Period Ended</b>		<b>Changes</b>	
<i>(In thousands of RM)</i>	<b><u>31 Oct 2020</u></b>	<b><u>31 Oct 2019</u></b>		
Malaysia Operation	65,695	62,893	2,802	4%
Vietnam Operation	54,528	51,347	3,181	6%
<b>Total Revenue</b>	<b><u>120,223</u></b>	<b><u>114,240</u></b>	<b>5,983</b>	<b>5%</b>

For the current 2<sup>nd</sup> quarter ended 31 October 2020, the revenue from Malaysia Operation improved significantly post the Movement Control Order (MCO) by RM 9.8 million or 32% as compared to the corresponding quarter last year mainly attributed to stronger customer demand for parts and metal components used in TV and automotive industry. As a result, the Group also registered higher revenue from Malaysia Operation for the 6-months ended 31 October 2020.

As for Vietnam Operation, it achieved a 6% growth in revenue year-on-year for the current 2<sup>nd</sup> quarter and financial year-to-date mainly attributed to the increase in sales of parts used in printer products.

In tandem with the overall increase in revenue, coupled with the improvement in efficiency and the saving resulting from cost reduction measures, the Group managed to achieve a better-than-anticipated PBT for the current 2<sup>nd</sup> quarter and financial period under review despite the adverse variance arising from the net foreign exchange loss as analysed below:

	<b>2nd Quarter Ended</b>		<b>Variance</b>	
<i>(In thousands of RM)</i>	<b><u>31 Oct 2020</u></b>	<b><u>31 Oct 2019</u></b>		
Net foreign exchange gain/(loss)	(463)	37	(500)	-1351%

  

	<b>Financial Period Ended</b>		<b>Variance</b>	
<i>(In thousands of RM)</i>	<b><u>31 Oct 2020</u></b>	<b><u>31 Oct 2019</u></b>		
Net foreign exchange gain/(loss)	(863)	15	(878)	-5853%

Following the net profit, the equity attributable to Owners of the Group increased to RM118.3 million as at 31 October 2020 which translated into Net Assets per share of RM1.09 (As at 30.4.2020: RM1.05).

The Group's cash and bank balances increased from RM41.6 million as at 30 April 2020 to RM53.1 million as at 31 October 2020 mainly attributed to low net cash used in investing activities and the net proceeds from drawdown of term loans during the current financial period under review. The Group prudent management always maintains sufficient cash and available funds through an adequate amount of committed credit facilities and cash reserves.

## B2. Variation of results against preceding quarter

Financial Review for the current 2<sup>nd</sup> Quarter (compared with immediate preceding 1<sup>st</sup> Quarter of the current financial year):

	Quarter Ended		Changes	
	31 Oct 2020	31 Jul 2020		
<i>(In thousands of RM)</i>				
<b>Revenue</b>	<b>66,827</b>	<b>53,396</b>	<b>13,431</b>	<b>25%</b>
Operating Profit	4,411	4,502	(91)	-2%
<b>Profit/(Loss) Before Tax ("PBT")</b>	<b>3,721</b>	<b>3,797</b>	<b>(76)</b>	<b>-2%</b>
Profit/(Loss) After Tax	2,748	3,012	(264)	-9%
<b>Profit/(Loss) Attributable to Owners of the Company</b>	<b>2,321</b>	<b>2,496</b>	<b>(175)</b>	<b>-7%</b>

The revenue contributed by Malaysia operation and Vietnam operation respectively were as follows:

	Quarter Ended		Changes	
	31 Oct 2020	31 Jul 2020		
<i>(In thousands of RM)</i>				
Malaysia Operation	40,283	25,412	14,871	59%
Vietnam Operation	26,544	27,984	(1,440)	-5%
<b>Total Revenue</b>	<b>66,827</b>	<b>53,396</b>	<b>13,431</b>	<b>25%</b>

The revenue from Malaysia Operation recovered substantially post the MCO. However, Vietnam Operation revenue dropped mainly due to lower new item tooling sales in the current 2<sup>nd</sup> quarter under review. The Group reported slightly lower PBT for the current 2<sup>nd</sup> quarter as compared to the immediate preceding 1<sup>st</sup> quarter mainly due to cost reduction measures carried out in the 1<sup>st</sup> quarter and operating expenses are normalised post the MCO in the 2<sup>nd</sup> quarter.

## B3. Prospects

According to the October 2020 World Economic Outlook ("WEO") issued by the International Monetary Fund, the global growth is projected to contract by -4.4% in 2020, a less severe contraction than forecast (-4.9%) in the June 2020 WEO Update. The revision reflects better-than-anticipated second quarter GDP outturns where activity began to improve sooner than expected after lockdowns were scaled back in May and June 2020, as well as indicators of a stronger recovery in the third quarter. The global growth is projected at 5.2% in 2021, a little lower than forecast (5.4%) in June 2020 WEO Update. However, the uncertainty surrounding the baseline projection is unusually large. The forecast rests on public health and economic factors that are inherently difficult to predict.

For Malaysia Operation, sales recovery post the MCO is faster than expected and it is a turnaround with vast improvement in revenue and profits. As for Vietnam Operation, sales will continue to grow in view of new items and stronger customers' demand. Despite the uncertainty and challenging operating environment, the Board of Directors foresees that the Group's results for the financial year ending 30 April 2021 should be better than that of last financial year.

**B4. Variance of actual and forecast profit**

The Group did not provide any financial estimate, forecast or projection, or profit guarantee for the financial year ending 30 April 2021.

**B5. Profit for the period**

	<b>3 Months Ended 31.10.2020 RM'000</b>	<b>Period Ended 31.10.2020 RM'000</b>
Profit for the period is arrived at after charging/(crediting):-		
Depreciation and amortisation	2,846	5,856
Finance costs	810	1,629
Property, plant and equipment written off	3	3
(Gain)/Loss on disposal of property, plant and equipment	(10)	89
Net foreign exchange loss	463	863
Finance income	(120)	(234)

**B.6 Income tax expense**

	<b>3 Months Ended 31.10.2020 RM'000</b>	<b>Period Ended 31.10.2020 RM'000</b>
Current tax expense		
- <i>Malaysian income tax</i>	697	1,319
- <i>Foreign income tax</i>	348	689
- <i>Under/(Over) provision in prior year</i>	-	(106)
	<u>1,045</u>	<u>1,902</u>
Deferred tax expense	<u>(72)</u>	<u>(144)</u>
<b>Total</b>	<u><u>973</u></u>	<u><u>1,758</u></u>

The effective tax rate of the Group for the financial period was lower than the statutory income tax rate of 24% mainly due to the net effect of non-deductible expenses and losses incurred by certain subsidiaries.

**B7. Status of corporate proposal announced**

There were no corporate proposals announced but not completed as at the date of this report.

## B8. Group loans and borrowings (secured)

The Group's loans and borrowings as at 31 October 2020 (compared with that of the last financial year) were as follows:

	As at 31 October 2020					
	Long Term (Secured)		Short Term (Secured)		Total Borrowings (Secured)	
	Foreign	RM	Foreign	RM	Foreign	RM
	Denomination	Denomination	Denomination	Denomination	Denomination	Denomination
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Term loans	19,281	1,388	4,316	1,151	23,597	2,539
Bankers' acceptance	-	-	-	6,401	-	6,401
Bills payable	-	-	9,634	-	9,634	-
Bank overdrafts	-	-	-	1,041	-	1,041
Total	19,281	1,388	13,950	8,593	33,231	9,981
<b>Grand Total</b>		<b>20,669</b>		<b>22,543</b>		<b>43,212</b>

	As at 30 April 2020					
	Long Term (Secured)		Short Term (Secured)		Total Borrowings (Secured)	
	Foreign	RM	Foreign	RM	Foreign	RM
	Denomination	Denomination	Denomination	Denomination	Denomination	Denomination
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Term loans	7,193	4,862	9,360	2,210	16,553	7,072
Bankers' acceptance	-	-	-	2,860	-	2,860
Bills payable	-	-	9,855	-	9,855	-
Bank overdrafts	-	-	-	6,338	-	6,338
Total	7,193	4,862	19,215	11,408	26,408	16,270
<b>Grand Total</b>		<b>12,055</b>		<b>30,623</b>		<b>42,678</b>

The Group's loans and borrowings are denominated in Ringgit Malaysia except for certain term loans and bills payable amounting to approximately RM12.7 million (as at 30 April 2020: RM14.0 million) and RM20.5 million (as at 30 April 2020: RM12.4 million) which are denominated in US Dollar and Vietnam Dong respectively. The repayment of these foreign denomination loans and borrowings will be funded by the net cash generated from operating activities in their own foreign denomination respectively.

The Group's loans and borrowings increased by RM 0.5 million mainly due to the net changes arising from drawdown and repayment of term loans.

## B9. Changes in material litigation

Neither the Company nor any of its subsidiaries is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or any of its subsidiaries and the Board is not aware of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or any of its subsidiaries.

**B10. Dividend payable**

No interim dividend was declared during the current 2<sup>nd</sup> quarter and financial period ended 31 October 2020 (2019: NIL).

**B11. Basic earnings per ordinary share**

The basic earnings per ordinary share is calculated by dividing profit attributable to owners of the Company for the period by the weighted average number of ordinary shares in issue during the current 2<sup>nd</sup> quarter under review as follows:-

	<b>3 Months Ended 31.10.2020 RM'000</b>	<b>3 Months Ended 31.10.2019 RM'000</b>
Earnings		
Profit attributable to Owners of the Company	<u>2,321</u>	<u>986</u>
Weighted average number of ordinary shares in issue ('000)	<u>108,900</u>	<u>108,900</u>
<b>Basic earnings per ordinary share (sen)</b>	<u>2.13</u>	<u>0.91</u>

**B12. Auditors' report on preceding annual financial statements**

The independent auditors' report on the audited annual financial statements of the Group and of the Company for the last financial year ended 30 April 2020 was unmodified.

**B13. Authorisation for issue**

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 18 December 2020.

By Order of the Board,

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**Yap Toon Choy**  
Group Managing Director  
18 December 2020