

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

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

For the 3rd quarter and financial period ended 31 January 2021 – unaudited

<i>In thousands of RM</i>	Note	3 Months Ended		Financial Period Ended	
		31 Jan 2021	31 Jan 2020	31 Jan 2021	31 Jan 2020
Revenue		66,206	51,875	186,429	166,115
Operating profit		6,203	1,441	15,116	6,807
Finance income		151	84	385	244
Finance costs		(727)	(843)	(2,356)	(2,596)
Profit before tax		5,627	682	13,145	4,455
Tax expense	B6	(1,170)	254	(2,928)	(885)
Profit for the period	B5	4,457	936	10,217	3,570
Other comprehensive income, net of tax					
Items that will not be reclassified subsequently to profit or loss					
Share of capital reserve by					
a non-controlling interest of a subsidiary		-	-	68	61
Items that may be reclassified subsequently to profit or loss					
Foreign currency translation differences (FCTR)					
for foreign operations		(1,328)	(530)	(2,572)	(245)
Realisation of FCTR upon liquidation and dissolution of a foreign subsidiary		(1,049)	-	(1,049)	-
Total comprehensive income for the period		2,080	406	6,664	3,386
Profit attributable to:					
Owners of the Company		4,052	733	8,869	2,715
Non-controlling interests		405	203	1,348	855
Profit for the period		4,457	936	10,217	3,570
Total comprehensive income attributable to:					
Owners of the Company		1,969	306	5,808	2,521
Non-controlling interests		111	100	856	865
Total comprehensive income for the period		2,080	406	6,664	3,386
Earnings per ordinary share attributable to owners of the Company (sen):					
Basic / Diluted	B11	3.72	0.67	8.14	2.49

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 January 2021 – unaudited

<i>In thousands of RM</i>	Note	As at 31 Jan 2021	As at 30 Apr 2020
ASSETS			
Non-current assets			
Property, plant and equipment		78,127	84,490
Right-of-use assets		17,358	17,395
Investment property		9,641	9,772
Other investments		193	194
		105,319	111,851
Current assets			
Trade and other receivables		48,385	24,820
Inventories		20,277	15,925
Contract assets		4,977	1,350
Cash and bank balances		41,763	41,658
Current tax assets		-	604
		115,402	84,357
TOTAL ASSETS		220,721	196,208
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		54,450	54,450
Reserves		65,815	60,007
		120,265	114,457
Non-controlling interests		8,161	7,712
Total equity		128,426	122,169
Non-current liabilities			
Loans and borrowings	B8	18,869	12,055
Lease liabilities		1,990	2,444
Trade and other payables		1,098	925
Deferred tax liabilities		3,343	3,558
		25,300	18,982
Current liabilities			
Loans and borrowings	B8	21,569	30,623
Lease liabilities		2,242	2,204
Trade and other payables		41,565	21,925
Current tax liabilities		1,619	305
		66,995	55,057
Total liabilities		92,295	74,039
TOTAL EQUITY AND LIABILITIES		220,721	196,208
Net assets per share attributable to owners of the Company (RM)		1.10	1.05

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 January 2021 – 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>							
At 1 May 2020	54,450	4,366	55,641	114,457		7,712	122,169
Profit for the period	-	-	8,869	8,869		1,348	10,217
Other comprehensive expense							
for the period, net of tax	-	(3,061)	-	(3,061)		(492)	(3,553)
Total comprehensive income							
for the period, net of tax	-	(3,061)	8,869	5,808		856	6,664
Dividend paid	-	-	-	-		(407)	(407)
At 31 January 2021	54,450	1,305	64,510	120,265		8,161	128,426
At 1 May 2019	54,450	3,008	54,123	111,581		6,908	118,489
Profit for the period	-	-	2,715	2,715		855	3,570
Other comprehensive expense							
for the period, net of tax	-	(194)	-	(194)		10	(184)
Total comprehensive income							
for the period, net of tax	-	(194)	2,715	2,521		865	3,386
Dividend paid	-	-	(1,089)	(1,089)		(410)	(1,499)
At 31 January 2020	54,450	2,814	55,749	113,013		7,363	120,376

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 January 2021 – unaudited

<i>In thousands of RM</i>	Financial Period Ended	
	31 Jan 2021	31 Jan 2020
Cash flows from operating activities		
Profit before tax	13,145	4,455
Adjustments for:		
Non-cash items	7,830	9,832
Non-operating items	1,970	2,352
Operating profit before changes in working capital	22,945	16,639
Changes in working capital:		
Inventories	(4,352)	3,571
Contract assets	(3,628)	(10)
Trade and other receivables	(23,563)	7,167
Trade and other payables	19,461	(2,692)
Cash generated from operations	10,863	24,675
Interest paid	(183)	-
Income tax paid	(1,181)	(2,011)
Net cash from operating activities	9,499	22,664
Cash flows from investing activities		
Acquisition of property, plant and equipment	(4,267)	(2,438)
Acquisition of right-of-use assets	(248)	-
Proceeds from disposal of property, plant and equipment	553	398
Interest received	385	244
Net cash used in investing activities	(3,577)	(1,796)
Cash flows from financing activities		
Proceeds from term loans	15,115	1,002
Repayment of term loans	(13,793)	(5,182)
Proceeds from/(Repayment of) other borrowings	2,175	(1,883)
Payment of lease liabilities	(1,754)	(2,074)
Dividend paid	(406)	(1,499)
Interest paid	(2,116)	(2,461)
Net cash used in financing activities	(779)	(12,097)
Net increase in cash and cash equivalents	5,143	8,771
Exchange differences on translation of the financial statements of foreign operations	(331)	(172)
Cash and cash equivalents at beginning of financial year	34,772	28,165
Cash and cash equivalents at end of financial period	39,584	36,764
Cash and cash equivalents at end of financial period comprise:		
Cash and bank balances	27,682	27,660
Deposits placed with licensed banks (net of pledged deposits)	13,532	13,862
Bank overdraft	(1,630)	(4,758)
	39,584	36,764

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*
- Amendments to MFRS 101, *Presentation of Financial Statements*
- Amendments to MFRS Practice Statement 2, *Making Materiality Judgements*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors*

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 3rd quarter and financial period ended 31 January 2021.

A5. Material changes in estimates

There were no changes in estimates that have had material effect for the current 3rd quarter and financial period ended 31 January 2021.

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 3rd quarter and financial period under review.

A7. Dividend Paid

No interim dividend was paid during the current 3rd quarter and financial period ended 31 January 2021 (2020: 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 January 2021

	<u>Manufacturing</u>	<u>Trading</u>	Investment <u>Holding</u>	<u>Adjustment</u>	<u>Consolidated</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	179,052	7,377	-	-	186,429
Inter-segment	15,128	132	-	(15,260)	-
Total revenue	194,180	7,509	-	(15,260)	186,429
Segment results	14,748	431	239	(302)	15,116
Finance income					385
Finance costs					(2,356)
Profit before tax					13,145
Tax expense					(2,928)
Profit for the period					10,217

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

There were no material events subsequent to the end of the current 3rd quarter under review.

A10. Changes in the composition of the Group

There were no changes in the composition of the Group during the current 3rd quarter and financial period ended 31 January 2021 save as disclosed below:

- The dormant wholly-owned subsidiary, Kein Hing Industry Vietnam Co., Ltd ("KHIV"), has been fully dissolved on 26 January 2021 in accordance with the laws of Vietnam.

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:-

	As at
	31.1.2021
	RM'000
Total approved and contracted for	<u>6,370</u>

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		
Financial liabilities						
Amount due to a non- controlling interest of a subsidiary	-	-	2,189	2,189	2,189	2,189
Secured term loans	-	-	23,917	23,917	23,917	23,917
	-	-	26,106	26,106	26,106	26,106

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 3rd Quarter and financial period ended 31 January 2021:

	3rd Quarter Ended		Changes	
	<u>31 Jan 2021</u>	<u>31 Jan 2020</u>		
<i>(In thousands of RM)</i>				
Revenue	66,206	51,875	14,331	28%
Operating Profit	6,203	1,441	4,762	330%
Profit Before Tax ("PBT")	5,627	682	4,945	725%
Profit After Tax	4,457	936	3,521	376%
Profit Attributable to Owners of the Company	4,052	733	3,319	453%

	Financial Period Ended		Changes	
	<u>31 Jan 2021</u>	<u>31 Jan 2020</u>		
<i>(In thousands of RM)</i>				
Revenue	186,429	166,115	20,314	12%
Operating Profit	15,116	6,807	8,309	122%
Profit Before Tax ("PBT")	13,145	4,455	8,690	195%
Profit After Tax	10,217	3,570	6,647	186%
Profit Attributable to Owners of the Company	8,869	2,715	6,154	227%

The changes in revenue contributed by Malaysia operation and Vietnam operation respectively for the current 3rd quarter and financial period under review are as follows:

	3rd Quarter Ended		Changes	
	<u>31 Jan 2021</u>	<u>31 Jan 2020</u>		
<i>(In thousands of RM)</i>				
Malaysia Operation	37,932	28,686	9,246	32%
Vietnam Operation	28,274	23,189	5,085	22%
Total Revenue	66,206	51,875	14,331	28%

	Financial Period Ended		Changes	
(In thousands of RM)	31 Jan 2021	31 Jan 2020		
Malaysia Operation	103,627	91,579	12,048	13%
Vietnam Operation	82,802	74,536	8,266	11%
Total Revenue	186,429	166,115	20,314	12%

For the current 3rd quarter and 9 months ended 31 January 2021, the revenue from Malaysia Operation improved significantly post the Movement Control Order (MCO) by RM 9.2 million or 32% and RM 12.0 million or 13% as compared to the corresponding quarter and financial period last year respectively, mainly attributed to stronger customer demand for parts and metal components used in TV and automotive industry.

As for Vietnam Operation, it also achieved a 22% and 11% growth in revenue year-on-year for the current 3rd quarter and financial year-to-date respectively. The improvement in revenue was mainly attributed to the increase in sales of parts for assembly of printer and refrigerator 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 much better PBT for the current 3rd quarter and financial period under review despite the adverse variances arising from the net foreign exchange loss as shown below:

	3rd Quarter Ended		Variance	
(In thousands of RM)	31 Jan 2021	31 Jan 2020		
Net foreign exchange gain/(loss)	(423)	(149)	(274)	-184%

	Financial Period Ended		Variance	
(In thousands of RM)	31 Jan 2021	31 Jan 2020		
Net foreign exchange gain/(loss)	(1,286)	(134)	(1,152)	-860%

Included in PBT for the current 3rd quarter and financial period ended 31 January 2021 is a one-off gain arising from the realisation of foreign currency translation reserve (FCTR) amounting to approximately RM 1,049,000 following the liquidation and dissolution of KHIV, a wholly-owned subsidiary in Vietnam.

The equity attributable to Owners of the Group stood at RM120.3 million as at 31 January 2021 which translated into Net Assets per share of RM1.10 (As at 30.4.2020: RM1.05).

The Group's cash and bank balances slightly increased from RM41.6 million as at 30 April 2020 to RM41.7 million as at 31 January 2021 only mainly due to changes in working capital requirements 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 3rd Quarter (compared with immediate preceding 2nd Quarter of the current financial year):

	Quarter Ended		Changes	
	31 Jan 2021	31 Oct 2020		
<i>(In thousands of RM)</i>				
Revenue	66,206	66,827	(621)	-1%
Operating Profit	6,203	4,411	1,792	41%
Profit Before Tax ("PBT")	5,627	3,721	1,906	51%
Profit After Tax	4,457	2,748	1,709	62%
Profit Attributable to Owners of the Company	4,052	2,321	1,731	75%

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

	Quarter Ended		Changes	
	31 Jan 2021	31 Oct 2020		
<i>(In thousands of RM)</i>				
Malaysia Operation	37,932	40,283	(2,351)	-6%
Vietnam Operation	28,274	26,544	1,730	7%
Total Revenue	66,206	66,827	(621)	-1%

The revenue from Malaysia Operation dropped by RM 2.3 million or -6% mainly due to containment measures implemented by certain customers to curb spreading of Covid-19 virus which caused a sudden drop in sales orders in the month of November 2010. However, sales were back to normal subsequently. As for Vietnam Operation, the revenue continued to grow by 7% following higher demand for the parts used in the assembly of home appliances. Despite a slight decline in overall sales, the Group managed to achieve higher PBT for the current 3rd quarter as compared to the immediate preceding 2nd quarter mainly attributed to a one-off gain arising from the realisation of FCTR amounting to RM 1,049,000, and the profit from sales of tooling for new items awarded by certain customers.

B3. Prospects

In the January 2021 World Economic Outlook Update, the IMF (International Monetary Fund) estimated that the global growth contraction for 2020 is -3.5% as compared to -4.4% forecasted in October 2020, reflecting stronger-than-expected momentum in the second half of 2020. Amid exceptional uncertainty, the IMF also revised upward the global growth for 2021 from 5.2% projected in October 2020 to 5.5% in view of a vaccine-powered strengthening of activity later in the year 2021. However, the strength of the recovery is projected to vary significantly across countries, depending on access to medical interventions, effectiveness of policy support, exposure to cross-country spillovers, and structural characteristics entering the crisis.

For Malaysia Operation, sales recovery post the 1st MCO implemented on 18 March 2020 was stronger than anticipated, and it is a turnaround with vast improvement in revenue and profit.

As for Vietnam Operation, sales were on the uptrend until the 4th quarter where sales declined drastically for the months of February and March 2021 mainly due to containment measures implemented by the Government of Vietnam which disrupted the supply chain and temporarily shut down certain customers' and suppliers' operation in the red zone to curb spreading of Covid-19 virus.

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 much 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

Profit for the period is arrived at after charging/(crediting):-	3 Months Ended 31.1.2021 RM'000	Period Ended 31.1.2021 RM'000
Depreciation and amortisation	2,830	8,686
Finance costs	727	2,356
Property, plant and equipment written off	-	3
(Gain)/Loss on disposal of property, plant and equipment	100	189
Net foreign exchange loss	423	1,286
Finance income	(151)	(385)

B.6 Income tax expense

	3 Months Ended 31.1.2021 RM'000	Period Ended 31.1.2021 RM'000
Current tax expense		
- <i>Malaysian income tax</i>	925	2,244
- <i>Foreign income tax</i>	308	997
- <i>Under/(Over) provision in prior year</i>	9	(97)
	1,242	3,144
Deferred tax expense	(72)	(216)
Total	1,170	2,928

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 January 2021 (compared with that of the last financial year) were as follows:

	As at 31 January 2021					
	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	17,779	1,090	3,880	1,168	21,659	2,258
Bankers' acceptance	-	-	-	7,226	-	7,226
Bills payable	-	-	7,665	-	7,665	-
Bank overdrafts	-	-	-	1,630	-	1,630
Total	17,779	1,090	11,545	10,024	29,324	11,114
Grand Total		18,869		21,569		40,438

	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
Grand Total		12,055		30,623		42,678

The Group's loans and borrowings are denominated in Ringgit Malaysia except for certain term loans and bills payable amounting to approximately RM10.2 million (as at 30 April 2020: RM14.0 million) and RM19.1 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 reduced by RM 2.2 million mainly due to drawdown and repayment of term loans, and changes in trade facilities and overdraft utilisation for working capital purposes.

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 3rd quarter and financial period ended 31 January 2021 (2020: 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 3rd quarter under review as follows:-

	3 Months Ended 31.1.2021 RM'000	3 Months Ended 31.1.2020 RM'000
Earnings		
Profit attributable to Owners of the Company	<u>4,052</u>	<u>733</u>
Weighted average number of ordinary shares in issue ('000)	<u>108,900</u>	<u>108,900</u>
Basic earnings per ordinary share (sen)	<u>3.72</u>	<u>0.67</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 26 March 2021.

By Order of the Board,

Yap Toon Choy
Group Managing Director
26 March 2021