

**Condensed Consolidated Statement of Financial Position**  
**As at 31 January 2020**  
**(The figures have not been audited)**

	<b>As at 31-Jan-20 RM'000</b>	<b>(Audited) As at 31-Jul-19 RM'000</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	51,045	52,493
Investment property	9,345	9,345
Investment in an associate	437	437
Right-of-use asset	800	-
	<u>61,627</u>	<u>62,275</u>
<b>Current assets</b>		
Inventories	47,733	31,097
Trade and other receivables	42,316	36,713
Deposits placed at licensed banks	8,410	6,997
Short term funds	46,227	50,503
Cash and bank balances	2,172	9,746
	<u>146,858</u>	<u>135,056</u>
<b>Total assets</b>	<u>208,485</u>	<u>197,331</u>
<b>Equity and Liabilities</b>		
Share capital	85,451	85,147
Employee share options reserve	1,355	1,424
Retained earnings	48,496	47,353
Equity attributable to owners of the parent	<u>135,302</u>	<u>133,924</u>
Non-controlling interest	-	-
<b>Total equity</b>	<u>135,302</u>	<u>133,924</u>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Lease liability	673	-
Deferred tax liabilities	4,360	4,530
	<u>5,033</u>	<u>4,530</u>
<b>Current liabilities</b>		
Trade and other payables	13,927	19,243
Borrowings	51,807	38,092
Lease liability	169	-
Derivative financial liabilities	353	186
Current tax liabilities	1,894	1,356
	<u>68,150</u>	<u>58,877</u>
<b>Total liabilities</b>	73,183	63,407
<b>Total equity and liabilities</b>	<u>208,485</u>	<u>197,331</u>
	<b>RM</b>	<b>RM</b>
Net assets per ordinary share	<u>0.80</u>	<u>0.79</u>

These condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 July 2019.

**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income  
For The Financial Period Ended 31 January 2020  
(The figures have not been audited)**

	<b>Current quarter ended</b>		<b>Cumulative period ended</b>	
	<b>31-Jan-20</b>	<b>31-Jan-19</b>	<b>31-Jan-20</b>	<b>31-Jan-19</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	114,123	124,243	251,926	248,701
Operating expenses	(111,840)	(121,136)	(246,508)	(240,515)
Other income/(expenses), net	1,211	848	2,661	(172)
Profit from operations	<u>3,494</u>	<u>3,955</u>	<u>8,079</u>	<u>8,014</u>
Share of loss in an associate, net of tax	-	-	-	-
Profit before interest and tax	<u>3,494</u>	<u>3,955</u>	<u>8,079</u>	<u>8,014</u>
Finance costs	(313)	(331)	(624)	(662)
Profit before tax	<u>3,181</u>	<u>3,624</u>	<u>7,455</u>	<u>7,352</u>
Tax expenses	(985)	(723)	(2,030)	(2,031)
Profit for the financial period	<u>2,196</u>	<u>2,901</u>	<u>5,425</u>	<u>5,321</u>
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the financial period	<u><u>2,196</u></u>	<u><u>2,901</u></u>	<u><u>5,425</u></u>	<u><u>5,321</u></u>
Profit attributable to:				
- Owners of the parent	2,197	2,901	5,426	5,321
- Non-controlling interest	(1)	-	(1)	-
	<u><u>2,196</u></u>	<u><u>2,901</u></u>	<u><u>5,425</u></u>	<u><u>5,321</u></u>
Total comprehensive income attributable to:				
- Owners of the parent	2,197	2,901	5,426	5,321
- Non-controlling interest	(1)	-	(1)	-
	<u><u>2,196</u></u>	<u><u>2,901</u></u>	<u><u>5,425</u></u>	<u><u>5,321</u></u>
Earnings per ordinary share attributable to equity holders of the parent (sen)				
- Basic earnings per ordinary share	<u>1.29</u>	<u>1.72</u>	<u>3.19</u>	<u>3.15</u>
- Diluted earnings per ordinary share	<u>1.29</u>	<u>1.70</u>	<u>3.18</u>	<u>3.12</u>

These condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 July 2019.

**Condensed Consolidated Statement of Changes in Equity  
For The Financial Period Ended 31 January 2020  
(The figures have not been audited)**

	Share capital RM'000	Share option reserve RM'000	Retained earnings RM'000	Total attributable to owners of the parent RM'000	Non- controlling interest RM'000	Total equity RM'000
Balance as at 1 August 2018						
- As previously reported	60,000	-	64,387	124,387	-	124,387
- Adjustments on initial application of MFRS 9	-	-	(35)	(35)	-	(35)
- Restated	60,000	-	64,352	124,352	-	124,352
Total comprehensive income for the financial period	-	-	5,321	5,321	-	5,321
<b>Transactions with owners:</b>						
Dividend paid	-	-	(3,933)	(3,933)	-	(3,933)
Share options granted under ESOS	-	1,637	-	1,637	-	1,637
Ordinary shares issued pursuant to the exercised of ESOS	862	(195)	-	667	-	667
	862	1,442	(3,933)	(1,629)	-	(1,629)
Balance as at 31 January 2019	<u>60,862</u>	<u>1,442</u>	<u>65,740</u>	<u>128,044</u>	<u>-</u>	<u>128,044</u>
Balance as at 1 August 2019						
- As previously reported	85,147	1,424	47,353	133,924	-	133,924
- Adjustments on initial application of MFRS 16	-	-	(32)	(32)	-	(32)
- Restated	85,147	1,424	47,321	133,892	-	133,892
Total comprehensive income for the financial period	-	-	5,426	5,426	(1)	5,425
<b>Transactions with owners:</b>						
Dividend paid	-	-	(4,251)	(4,251)	-	(4,251)
Acquisition of a subsidiary	-	-	-	-	1	1.0
Ordinary shares issued pursuant to the exercised of ESOS	304	(69)	-	235	-	235
	304	(69)	(4,251)	(4,016)	1	(4,015)
Balance as at 31 January 2020	<u>85,451</u>	<u>1,355</u>	<u>48,496</u>	<u>135,302</u>	<u>-</u>	<u>135,302</u>

These condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 July 2019.

**Condensed Consolidated Statement of Cash Flow  
For The Financial Period Ended 31 January 2020  
(The figures have not been audited)**

	<b>Period ended 31-Jan-20 RM'000</b>	<b>Period ended 31-Jan-19 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	7,455	7,352
Adjustments for:		
Interest income	(813)	(434)
Interest expenses	624	662
Amortisation of right-of-use asset	117	-
Capital gain on short term funds	(40)	-
Depreciation of property, plant and equipment	2,520	2,587
Share options granted under ESOS	-	1,637
Impairment loss on trade receivables	16	20
Unrealised loss on derivative instruments	167	257
Unrealised gain on foreign exchange	(793)	(714)
Operating profit before changes in working capital	<u>9,253</u>	<u>11,367</u>
Changes in working capital		
Inventories	(16,636)	16,423
Trade and other receivables	(5,679)	(10,173)
Trade and other payables	<u>(5,260)</u>	<u>3,496</u>
Cash (used in)/generated from operations	<u>(18,322)</u>	<u>21,113</u>
Tax paid	<u>(1,662)</u>	<u>(1,461)</u>
Net cash (used in)/from operating activities	<u>(19,984)</u>	<u>19,652</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	813	434
Purchase of property, plant and equipment	<u>(1,072)</u>	<u>(1,439)</u>
Net cash used in investing activities	<u>(259)</u>	<u>(1,005)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net movements in bank borrowings	14,553	9,734
Repayment of lease liability	(108)	-
Proceeds from ordinary shares issued pursuant to ESOS exercised	235	667
Ordinary share capital contributed by non-controlling interest of a subsidiary	1	-
Dividend paid	(4,251)	(3,933)
Interest paid	<u>(624)</u>	<u>(662)</u>
Net cash from financing activities	<u>9,806</u>	<u>5,806</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(10,437)</b>	<b>24,453</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	<b><u>67,246</u></b>	<b><u>31,654</u></b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b><u>56,809</u></b>	<b><u>56,107</u></b>
<b>COMPOSITION OF CASH AND CASH EQUIVALENTS:</b>		
Deposits placed at licensed banks	8,410	4,838
Short term funds	46,227	47,102
Cash and bank balances	<u>2,172</u>	<u>4,167</u>
	<u>56,809</u>	<u>56,107</u>

These condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 31 July 2019.

**Notes to the Financial Statements  
For The Financial Period Ended 31 January 2020**

**A Explanatory Notes**

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**A1 Basis of preparation**

The condensed financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRSs") 134: Interim Financial Reporting and Paragraph 9.22 of the Bursa Malaysia Securities Berhad ("Bursa Securities")'s Listing Requirements.

The condensed financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 July 2019. The explanatory notes to these 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 financial year ended 31 July 2019.

**A2 Significant Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 July 2019 except for the adoption of the following new/revised MFRSs, Amendments to MFRSs and Issues Committee Interpretations (IC Interpretations"):

**a) Adoption of MFRSs and Amendments to MFRSs**

	<b>Effective Date</b>
MFRS 16 <i>Leases</i>	1 Jan 2019
IC Interpretation 23 <i>Uncertainty over Income Tax Treatments</i>	1 Jan 2019
Amendments to MFRS 9 <i>Prepayment Features with Negative Compensation</i>	1 Jan 2019
Amendments to MFRS 3 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 Jan 2019
Amendments to MFRS 11 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 Jan 2019
Amendments to MFRS 112 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 Jan 2019
Amendments to MFRS 119 <i>Plan Amendment, Curtailment or Settlement</i>	1 Jan 2019
Amendments to MFRS 123 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 Jan 2019
Amendments to MFRS 128 <i>Long-term Interests in Associates and Joint Ventures</i>	1 Jan 2019

Adoption of the above standard does not have any significant effect on the financial performance and position of the Group, except as discussed below:

**MFRS 16 : Leases**

MFRS 16 introduces a new model for lessee accounting which eliminates the distinction between finance and operating leases for lessees. MFRS 16 requires lessees to recognise right-of-use assets and lease liabilities for all leases with a term of more than 12 months. Off-balance sheet lease commitment disclosed previously is required to be accounted based on rights and obligations approach under MFRS 16. For lessors, MFRS 16 requires enhanced disclosure on the information about lessors' risk exposure, particularly to residual value risk.

The Group and the Company will adopt MFRS 16 in accordance with the transition provisions where comparative information will not be restated and the cumulative effect of initially applying MFRS 16 will be adjusted to the opening balance of retained profits.

**Notes to the Financial Statements**  
**For The Financial Period Ended 31 January 2020**

**A Explanatory Notes**

**A2 Significant Accounting Policies (Continued)**

**a) Adoption of MFRSs and Amendments to MFRSs (Continued)**

MFRS 16 : Leases (Continued)

The Group and the Company have carried out an initial assessment on adoption of MFRS 16. The adoption of this standard is not expected to have any material financial impact to the Group and the Company. Summarised below is the estimated impact of the initial assessment:

	As at 31-Jul-19 RM'000	Effects of MFRS 16 RM'000	As at 1-Aug-19 RM'000
<b>Non-current assets</b>			
Right-of-use asset	-	917	917
<b>Equity</b>			
Retained earnings	47,353	(32)	47,321
<b>Current liability</b>			
Lease liability	-	219	219
<b>Non-current liability</b>			
Lease liability	-	730	730

**b) MFRSs and Amendments to MFRSs issued but not yet effective**

	<b>Effective Date</b>
<i>Amendments to References to the Conceptual Framework in MFRS Standards</i>	1 Jan 2020
<i>Amendments to MFRS 3 Definition of a Business</i>	1 Jan 2020
<i>Amendments to MFRS 101 and MFRS 108 Definition of Material</i>	1 Jan 2020
<i>MFRS 17 Insurance Contracts</i>	1 Jan 2021
<i>Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associates or Joint Venture</i>	Deferred

The Group is in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for future financial years.

**A3 Qualification of financial statements**

There was no qualification in the audited financial statements for the financial year ended 31 July 2019.

**A4 Seasonal or cyclical factors**

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

**A5 Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence for the current quarter and financial period to-date.

**A6 Change in estimates**

There were no changes in estimates of amounts reported in prior financial periods that have a material effect in the current quarter and financial period to-date.

**Notes to the Financial Statements**  
**For The Financial Period Ended 31 January 2020**

**A Explanatory Notes**

**A7 Debt and equity securities**

During the current quarter and financial period ended 31 January 2020, the Company had allotted and issued 409,000 and 509,000 new ordinary shares respectively pursuant to the ESOS.

Subsequent to the financial period ended 31 January 2020 and up to the date of this report, the Company had allotted and issued 20,000 new ordinary shares pursuant to the ESOS.

As at the date of this report, the unexercised options pursuant to A-Rank's ESOS granted and accepted by eligible Directors and employees are 9,963,400 options.

Other than as disclosed above, there were no issuance, cancellation, repurchase, resale or repayment of debt and equity securities for the current quarter and financial period to-date and up to the date of this report.

**A8 Dividend paid**

A first and final single tier dividend of 2.50 sen per ordinary share, amounting to RM4.3 million in respect of the previous financial year ended 31 July 2019 was paid on 18 December 2019.

**A9 Segmental information**

The Group is principally engaged in investment holding, manufacturing and marketing of aluminium billets.

The Group has arrived at two (2) reportable segments that are organised and managed separately according to geographical areas, which require different business and marketing strategies. The reportable segments are Malaysia, South East Asia other than Malaysia and South Asia. Other operating segments comprise countries in Africa, Europe and Middle East.

	Malaysia RM'000	South East Asia other than Malaysia RM'000	South Asia RM'000	Others RM'000	Total RM'000
Revenue from external customers	144,523	81,242	23,622	2,539	251,926
Profit from operations					8,079
Finance costs					(624)
Share of loss in an associate, net of tax					-
Profit before tax					7,455
Tax expenses					(2,030)
Profit after tax					5,425
<b>Assets</b>					
Segment assets	204,090	3,184	774	-	208,048
Investment in an associate	437	-	-	-	437
	204,527	3,184	-	-	208,485
<b>Liabilities</b>					
Segment liabilities	13,927	-	-	-	13,927
Borrowings					51,807
Lease liability					842
Current tax liabilities					1,894
Derivative financial liabilities					353
Deferred tax liabilities					4,360
					73,183

**Notes to the Financial Statements  
For The Financial Period Ended 31 January 2020**

**A Explanatory Notes**

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**A10 Contingent liabilities**

At the end of the current quarter, there are no material contingent liabilities which, upon becoming enforceable, may have a material impact on the financial position of the Group except for the following:

	<b>As at 31-Jan-20 RM'000</b>	<b>As at 31-Jul-19 RM'000</b>
Corporate guarantees given to financial institutions for banking facilities utilised by a subsidiary	<u>51,807</u>	<u>38,092</u>

The Company provided corporate guarantee for banking facilities granted to a subsidiary with limits of RM88.0 million and USD5.0 million (31 July 2019: RM88.0 million and USD5.0 million).

**A11 Material events subsequent to the end of the current quarter**

There were no material events subsequent to the end of the current quarter that has not been reflected in the financial statements for the financial period.

**A12 Capital commitments**

At the end of the current quarter, capital commitments of the Group are as follows:

	<b>As at 31-Jan-20 RM'000</b>	<b>As at 31-Jul-19 RM'000</b>
Capital expenditures in respect of purchase of property, plant and equipment:		
- Approved and contracted for	347	437
- Approved but not contracted for	<u>3,034</u>	<u>4,053</u>
	<u>3,381</u>	<u>4,490</u>

**A13 Changes in the composition of the Group**

- (a) The Company has on 29 January 2020 acquired 1 existing ordinary share and subscribed for another 570 new ordinary shares, representing 57.1% equity interest in Tambun Kekal Sdn Bhd ("TKSB") for a total cash consideration of RM571.00. Following the completion of the acquisition and subscription on 29 January 2020, TKS B became a 57.1%-owned subsidiary of the Company.
- (b) TKS B had on 6 February 2020 entered into a Shares Sale and Purchase Agreement to acquire 1,002,000 existing ordinary shares representing 50.1% equity interest in Konsep Juara Sdn Bhd ("KJSB") from Idaman Sejiwa Development Sdn Bhd for a cash consideration of RM1,002,000. Following the completion of the subscription on 13 February 2020, KJSB became a 50.1%-owned subsidiary of TKS B and an indirect subsidiary of the Company.

Other than as disclosed above, there were no changes in the composition of the Group during the current quarter and financial period to-date.



**Notes to the Financial Statements**  
**For The Financial Period Ended 31 January 2020**

**A Explanatory Notes**

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**A14 Related party transactions**

During the current quarter under review and cumulative period, the material business transactions entered by the Group with related parties in which a Director has substantial financial interests were as follows:

	<b>Current quarter ended</b>		<b>Cumulative period ended</b>	
	<b>31-Jan-20</b>	<b>31-Jan-19</b>	<b>31-Jan-20</b>	<b>31-Jan-19</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>Formosa Shyen Hornq Metal Sdn Bhd</u>				
- Sales to LB Aluminium Berhad	21,156	24,971	44,063	50,505
- Sales to LB Aluminium (Sarawak) Sdn Bhd	<u>3,277</u>	<u>1,979</u>	<u>5,200</u>	<u>6,462</u>

The related parties transactions described above were carried out in the normal course of business and have been established under negotiated and mutually agreed terms.

**Notes to the Financial Statements  
For The Financial Period Ended 31 January 2020**

**B Additional information required by the Bursa Securities' Listing Requirements**

**B1 Review of performance**

	Current quarter ended				Cumulative period ended			
	31-Jan-20 RM'000	31-Jan-19 RM'000	Changes RM'000	%	31-Jan-20 RM'000	31-Jan-19 RM'000	Changes RM'000	%
Revenue	114,123	124,243	(10,120)	(8.1)	251,926	248,701	3,225	1.3
Profit from operations	3,494	3,955	(461)	(11.7)	8,079	8,014	65	0.8
Profit before interest and tax	3,494	3,955	(461)	(11.7)	8,079	8,014	65	0.8
Profit before tax	3,181	3,624	(443)	(12.2)	7,455	7,352	103	1.4
Profit after tax	2,196	2,901	(705)	(24.3)	5,425	5,321	104	2.0
Profit attributable to owners of the parent	2,197	2,901	(704)	(24.3)	5,426	5,321	105	2.0

**For the current quarter**

The Group's revenue decreased by 8.1% to RM114.1 million for the quarter under review compared to RM124.2 million for the corresponding quarter last year. The decline in revenue was due mainly to lower average selling prices.

The Group reported a decrease in profit before tax of 12.2% for the current quarter compared to the corresponding quarter last year due mainly to lower gross margin.

The Group reported a decrease in profit after tax of 24.3% for the quarter under review in line with the lower profit before tax as well as higher tax expenses for the said quarter.

**For the cumulative period**

The Group recorded revenue of RM251.9 million, increased slightly by 1.3% compared to corresponding period last year. The increase in revenue was due mainly to higher business volume despite lower average selling prices.

The Group reported an increase in profit before tax of 1.4% for the cumulative period compared to the corresponding period last year due mainly to higher business volume.

The Group reported an increase in profit after tax of 2.0% for the cumulative period under review in line with the slightly higher profit before taxation as compared to the corresponding period last year.

**Notes to the Financial Statements  
For The Financial Period Ended 31 January 2020**

**B Additional information required by the Bursa Securities' Listing Requirements**

**B2 Variance of results against preceding quarter**

	Current Quarter ended 31-Jan-20	Preceding Quarter ended 31-Oct-19	Changes	
	RM'000	RM'000	RM'000	%
Revenue	114,123	137,803	(23,680)	(17.2)
Profit from operations	3,494	4,585	(1,091)	(23.8)
Profit before interest and tax	3,494	4,585	(1,091)	(23.8)
Profit before tax	3,181	4,274	(1,093)	(25.6)
Profit after tax	2,196	3,229	(1,033)	(32.0)
Profit attributable to owners of the parent	2,197	3,229	(1,032)	(32.0)

The Group's revenue decreased by 17.2% for the quarter under review compared to RM137.8 million registered for the preceding quarter. The decrease in revenue was due to lower business volume as a result of the Chinese New Year's Holidays in January 2020.

Profit before and after tax decreased by 25.6% and 32.0% to RM3.2 million and RM2.2 million respectively for the quarter under review as a result of the lower revenue.

**B3 Prospects**

The global economy expanded at a moderate pace in the fourth quarter of 2019. Growth in most regional economies improved marginally, with early signs of recovery in exports and sustained domestic demand. However, the market volatility across the globe has spiked to unprecedented levels in the wake of heightened fears of the spread of the coronavirus (Covid-19) which has led to many countries resorting to lockdowns to contain the contagion. The impact will be felt largely in tourism-related sectors, and to a certain extent, in the manufacturing sector through disruptions within the global supply chain and the expected slowdown in China.

The Malaysian economy expanded by 3.6% in the fourth quarter of 2019 (3Q 2019: 4.4%), supported by higher private sector spending (7.4%; 3Q 2019: 5.4%). Recently, the Government estimates that the country's Gross Domestic Product will contract by 0.8% to 1.2% between January and February as a result of the Covid-19 outbreak and the implementation of the Restricted Movement Control Order throughout the country effective 18 to 31 March 2020 to address the Covid-19 outbreak. The manufacturing sector may suffer disruptions in the supply chain as more countries lock down their boundaries to combat the pandemic. The Group will assess the current situation and take appropriate steps to mitigate any adverse impact arising therefrom.

**B4 Variance of actual and profit estimate**

Not applicable as no profit forecast was published.

**Notes to the Financial Statements**  
**For The Financial Period Ended 31 January 2020**

**B Additional information required by the Bursa Securities' Listing Requirements**

**B5 Notes to the Condensed Consolidated Statement of Comprehensive Income**

	<b>Current quarter ended</b>		<b>Cumulative period ended</b>	
	<b>31-Jan-20</b>	<b>31-Jan-19</b>	<b>31-Jan-20</b>	<b>31-Jan-19</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit before tax for the financial period is arrived at after (crediting)/charging:				
Interest income	(394)	(219)	(813)	(434)
Interest expenses	313	331	624	662
Amortisation of right-of-use asset	56	-	117	-
Capital gain on short term funds	(9)	-	(40)	-
Depreciation of property, plant and equipment	1,253	1,288	2,520	2,587
Share options granted under ESOS	-	-	-	1,637
Impairment loss on trade receivables	2	14	16	20
(Gain)/Loss on foreign exchange:				
- realised	(133)	57	(964)	(645)
- unrealised	(813)	(1,290)	(793)	(714)
(Gain)/Loss on derivative instruments:				
- realised	(188)	322	(223)	55
- unrealised	330	268	167	257
	<u>330</u>	<u>268</u>	<u>167</u>	<u>257</u>

**B6 Tax expenses**

	<b>Current quarter ended</b>		<b>Cumulative period ended</b>	
	<b>31-Jan-20</b>	<b>31-Jan-19</b>	<b>31-Jan-20</b>	<b>31-Jan-19</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Current income tax	1,060	575	2,200	2,063
Deferred tax	(75)	148	(170)	(32)
	<u>985</u>	<u>723</u>	<u>2,030</u>	<u>2,031</u>

**B7 Status of corporate proposals**

On 6 February 2020, the Board of Directors of A-Rank Berhad announced that Tambun Kekal Sdn Bhd, a 57.1%-owned subsidiary of A-Rank, had on 6 February 2020, entered into a Shares Sale and Purchase Agreement ("Agreement") to acquire 1,002,000 existing ordinary shares representing 50.1% equity interest in Konsep Juara Sdn Bhd ("KJSB") from Idaman Sejiwa Development Sdn Bhd for a cash consideration of RM1,002,000 ("Share Acquisition"). The Share Acquisition was completed on 13 February 2020. The premium and other charges on the Land amounting to RM70,675,445 was paid to Land Office on 19 February 2020.

Saved for the above proposal, the Group did not have any other corporate proposal to report during the financial period and up to the date of this report.

**Notes to the Financial Statements**  
**For The Financial Period Ended 31 January 2020**

**B Additional information required by the Bursa Securities' Listing Requirements**

**B8 Changes in material litigation**

The Group does not have any material litigation as at the date of this announcement.

**B9 Borrowings**

	31-Jan-20		31-Jul-19	
	Foreign currency USD'000	Amount equivalent RM'000	Foreign currency USD'000	Amount equivalent RM'000
<b>Short term borrowings</b>				
Foreign currency loans (Unsecured)	12,651	51,807	9,218	38,092

**B10 Dividend**

The Board of Directors has not proposed any dividend for this quarter ended 31 January 2020.

**B11 Earnings per ordinary share**

**(a) Basic**

Basic earnings per ordinary share is calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial period.

	Current quarter ended		Cumulative period ended	
	31-Jan-20	31-Jan-19	31-Jan-20	31-Jan-19
Profit attributable to equity holders of the parent (RM'000)	2,196	2,901	5,425	5,321
Weighted average number of ordinary in issue ('000)	169,929	169,126	169,929	169,126
Basic earnings per ordinary share	1.29	1.72	3.19	3.15

**Notes to the Financial Statements**  
**For The Financial Period Ended 31 January 2020**

**B Additional information required by the Bursa Securities' Listing Requirements**

**B11 Earnings per ordinary share**

**(b) Diluted**

Diluted earnings per ordinary share is calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial period adjusted for the effects of dilutive potential ordinary shares.

The adjusted weighted average number of ordinary shares in issue and issuable has been arrived at based on the assumption that ESOS are exercised at the beginning of the financial year. The ordinary shares to be issued under ESOS are based on the assumed proceeds on the difference between average share price for the financial year and exercise price.

	<b>Current quarter ended</b>		<b>Cumulative period ended</b>	
	<b>31-Jan-20</b>	<b>31-Jan-19</b>	<b>31-Jan-20</b>	<b>31-Jan-19</b>
Profit attributable to equity holders of the parent (RM'000)	2,196	2,901	5,425	5,321
Weighted average number of ordinary in issue ('000)	169,929	169,126	169,929	169,126
Effects of dilution from share options Directors and employees ('000)	839	1,250	839	1,250
Adjusted weighted average number of ordinary shares applicable to diluted earnings per ordinary share ('000)	170,768	170,376	170,768	170,376
Diluted earnings per ordinary share	1.29	1.70	3.18	3.12

By Order of the Board

Yap Sit Lee  
 Company Secretary

25 March 2020