



SCANWOLF CORPORATION BERHAD (740909-T)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND TWELVE MONTHS ENDED 30 JUNE 2019**

30 AUGUST 2019



Scanwolf Corporation Berhad (Company no: 740909-T)
Condensed Consolidated Statement of Comprehensive Income
For the fourth quarter ended 30 June 2019
(The figures have not been audited)

	Individual Quarter 3 months ended 30 June		Cumulative Quarter 12 months ended 30 June	
	2019 RM'000	2018 RM'000 (Restated)	2019 RM'000	2018 RM'000 (Restated)
Revenue	15,822	8,627	48,701	57,513
Other operating income	169	201	427	484
Operating expenses	(16,002)	(9,656)	(51,462)	(53,096)
Depreciation & amortisation	(400)	(394)	(1,620)	(1,605)
Results from operating activities	(411)	(1,222)	(3,954)	3,296
Finance costs	(331)	(252)	(1,709)	(1,171)
Share of result in an associate, net of tax	-	(395)	(129)	(607)
Profit/(Loss) before taxation	(742)	(1,869)	(5,792)	1,518
Taxation	539	(882)	161	(1,359)
Profit/(Loss) for the year & total comprehensive (loss)/income attributed to the Company	(203)	(2,751)	(5,631)	159
Earnings per share attributable to equity holder of the Company:				
Profit/(Loss) per share (sen)	(0.21)	(0.03)	(5.90)	0.00

Note:

The unaudited condensed statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the Interim Financial Report.



Scanwolf Corporation Berhad (Company no: 740909-T)
 Condensed Consolidated Statement of Financial Position
 As at 30 June 2019
 (The figures have not been audited)

	As at 30 June 2019 RM'000	(Unaudited) As at 30 June 2018 RM'000 (Restated)	(Unaudited) As at 1 July 2017 RM'000 (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment	28,565	28,625	26,316
Investment in an associate company	-	129	212
Amount owing by an associate company	7,809	4,951	3,096
Deferred tax assets	1,017	824	1,160
Land held for property development	10,176	10,149	10,111
Total non-current assets	47,567	44,678	40,895
Current assets			
Inventories	57,016	61,737	50,655
Trade and other receivables	7,989	11,012	13,357
Contract assets	425	326	6,087
Current tax assets	15	96	179
Fixed deposit, cash and bank balances	1,057	1,529	3,036
Total current assets	66,502	74,700	73,314
TOTAL ASSETS	114,069	119,378	114,209
EQUITY AND LIABILITIES			
Share capital	49,056	49,056	46,887
Treasury shares	(307)	(307)	(307)
Reserves	(12,724)	(7,093)	(7,252)
Total Equity	36,025	41,656	39,328
Non-current liabilities			
Trade and Other payables	1,063	1,287	1,536
Hire-purchase payables	1,169	948	1,064
Borrowings	5,891	10,721	14,797
Deferred tax liabilities	1,131	1,128	1,123
Total non-current liabilities	9,254	14,084	18,520
Current liabilities			
Trade and other payables	44,130	42,226	31,271
Contract liabilities	-	6,770	10,722
Hire-purchase payables	524	392	355
Current tax liabilities	582	1,175	1,328
Borrowings	23,554	13,075	12,685
Total current liabilities	68,790	63,638	56,361
Total Liabilities	78,044	77,722	74,881
TOTAL EQUITY AND LIABILITIES	114,069	119,378	114,209
Net Assets per share (RM)	0.38	0.46	0.45

Note:

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the Interim Financial Report.



Scanwolf Corporation Berhad (Company no: 740909-T)
Condensed Consolidated Statement of Changes in Equity
For the fourth quarter ended 30 June 2019
(The figures have not been audited)

	Share Capital RM'000	Treasury Shares RM'000	Non-distributable		Distributable	Total RM'000
			Reverse Acquisition Reserve RM'000	Revaluation Reserve RM'000	Retained Profits RM'000	
As at 30 June 2017 (as previously reported)	46,887	(307)	(19,524)	4,717	8,807	40,580
Effects of transition from FRSs to MFRSs	-	-	-	-	(1,252)	(1,252)
As at 30 June 2017 (as restated)	46,887	(307)	(19,524)	4,717	7,555	39,328
Loss for the period						
As previously reported	-	-	-	-	1,400	1,400
Effects of transition from FRSs to MFRSs	-	-	-	-	915	915
As restated	-	-	-	-	2,315	2,315
As at 30 September 2017	46,887	(307)	(19,524)	4,717	9,870	41,643
Loss for the period						
As previously reported	-	-	-	-	2,341	2,341
Effects of transition from FRSs to MFRSs	-	-	-	-	(4,402)	(4,402)
As restated	-	-	-	-	(2,061)	(2,061)
As at 31 December 2017	46,887	(307)	(19,524)	4,717	7,809	39,582
Share issuance on private placement	2,169	-	-	-	-	2,169
Loss for the period						
As previously reported	-	-	-	-	(1,474)	(1,474)
Effects of transition from FRSs to MFRSs	-	-	-	-	4,130	4,130
As restated	-	-	-	-	2,656	2,656
As at 31 March 2018	49,056	(307)	(19,524)	4,717	10,465	44,407
Loss for the period						
As previously reported	-	-	-	-	(1,732)	(1,732)
Effects of transition from FRSs to MFRSs	-	-	-	-	(1,019)	(1,019)
As restated	-	-	-	-	(2,751)	(2,751)
As at 30 June 2018	49,056	(307)	(19,524)	4,717	7,714	41,656
As at 30 June 2018 (as previously reported)	49,056	(307)	(19,524)	4,717	9,342	43,284
Effects of transition from FRSs to MFRSs	-	-	-	-	(1,628)	(1,628)
As at 30 June 2018 (as restated)	49,056	(307)	(19,524)	4,717	7,714	41,656
Loss for the period	-	-	-	-	(1,696)	(1,696)
As at 30 September 2018	49,056	(307)	(19,524)	4,717	6,018	39,960
Loss for the period	-	-	-	-	(1,294)	(1,294)
As at 31 December 2018	49,056	(307)	(19,524)	4,717	4,724	38,666
Loss for the period	-	-	-	-	(2,438)	(2,438)
As at 31 March 2019	49,056	(307)	(19,524)	4,717	2,286	36,228
Loss for the period	-	-	-	-	(203)	(203)
As at 30 June 2019	49,056	(307)	(19,524)	4,717	2,083	36,025

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the Interim Financial Report.



Scanwolf Corporation Berhad (Company no: 740909-T)
Condensed Consolidated Statement of Cash Flows
For the fourth quarter ended 30 June 2019
(The figures have not been audited)

	Note	Cumulative 12 months ended June	
		2019 RM'000	2018 RM'000 (Restated)
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES			
(Loss)/Profit before taxation		(5,792)	1,518
Adjustments for:			
Depreciation of property, plant and equipment		1,620	1,605
Gain in disposal of property, plant and equipment		(4)	-
Share of net loss in an associate		129	607
Allowance for doubtful debts		147	245
Interest income		(351)	(221)
Imputed Interest expenses		-	80
Provision for liquidated and ascertained damages		-	320
Finance costs		1,709	1,171
		<u>(2,542)</u>	<u>5,325</u>
Movements in working capital:			
(Increase)/Decrease in:			
Land held for property development		-	38
Inventories		4,721	(11,082)
Trade & other receivables		3,023	2,345
Contract assets		(99)	5,761
Increase/(Decrease) in:			
Trade and other payables		1,680	9,343
Contract liabilities		(6,770)	(3,952)
		<u>13</u>	<u>7,778</u>
Cash generated from operations		13	7,778
Income tax refunded		133	414
Interest income received		351	55
Income tax paid		(674)	(1,503)
Net Cash (Used In)/Generated From Operating Activities		<u>(177)</u>	<u>6,744</u>
CASH FLOWS USED IN INVESTING ACTIVITIES			
Advances granted to an associated company		(2,744)	(2,387)
Purchase of property, plant and equipment		(1,562)	(2,602)
Proceed from sales of property, plant and equipment		6	-
Withdrawal of fixed deposit		220	-
Net Cash (Used In) Investing Activities		<u>(4,080)</u>	<u>(4,989)</u>
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES			
Proceed from issued share capital		-	2,169
Proceed/(Repayment) of bankers' acceptances		7,137	(376)
Repayment of bridging and term loans		(4,328)	(7,033)
Proceed of hire-purchase payables		861	-
Repayment of hire-purchase payables		(507)	(360)
Proceed from bank overdraft		2,054	2,723
Proceed from term loans		1,000	1,000
Repayment to joint venture partner		-	(233)
Finance costs paid		(1,709)	(1,171)
Net Cash Generated From/(Used In) Financing Activities		<u>4,508</u>	<u>(3,281)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		251	(1,526)
CASH AND CASH EQUIVALENTS AT BEGINNING		522	2,058
Effect of changes in exchange rate on foreign currency transaction		-	(10)
CASH AND CASH EQUIVALENTS AT END	A14	<u>773</u>	<u>522</u>

The unaudited condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the Interim Financial Report.

Scanwolf Corporation Berhad (Company no: 740909-T)
Notes To The Interim Report
For the fourth quarter ended 30 June 2019
(The figures have not been audited)

Part A - Explanatory Notes Pursuant to MFRS 134

1. Basis of Preparation

The unaudited interim financial report has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134 "Interim Financial Reporting" and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2018 which were prepared under Financial Reporting Standards ("FRS"). These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2018.

The interim financial report of the Group for the current quarter ended 31 December 2018 is the first interim financial report prepared in accordance with MFRS Framework, including MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards. The Group adopts this standard using the full retrospective method.

The Group has consistently applied the same accounting policies in its opening MFRS statement of financial position as at 1 July 2017, being the transition date, and throughout all comparable interim periods presented, as if these policies had always been in effect. Comparative information in these interim financial statements have been restated as a result of transition to MFRS Framework.

A number of new standards and amendments to Standards and Issues Committee ("IC") Interpretations are effective for the current financial period. None of these is expected to have a significant effect on the consolidated financial statements of the Group except for MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards and MFRS 15: Revenue from Contracts with Customers.

The financial impact to the interim financial statements of the Group arising from the adoption of MFRS 15 are as follows:

Condensed Consolidated Statement of Comprehensive Income
For the fourth quarter ended 30 June 2018

	As previously RM'000	Effect on MFRS RM'000	As restated RM'000
Revenue	12,484	(3,857)	8,627
Other operating income	207	(6)	201
Operating expenses	(12,677)	3,021	(9,656)
Depreciation & amortisation	(379)	(15)	(394)
Results from operating activities	<u>(365)</u>		<u>(1,222)</u>
Finance costs	(403)	151	(252)
Share of result in an associate, net of tax	(395)		(395)
Loss before taxation	<u>(1,163)</u>		<u>(1,869)</u>
Taxation	(569)	(313)	(882)
Total comprehensive loss	<u>(1,732)</u>		<u>(2,751)</u>

Scanwolf Corporation Berhad (Company no: 740909-T)
Notes To The Interim Report
For the fourth quarter ended 30 June 2019
(The figures have not been audited)

1. Basis of Preparation (Continue)

Condensed Consolidated Statement of Financial Position
As at 30 June 2018

	As previously RM'000	Effect on MFRS RM'000	As restated RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	28,625		28,625
Investment in an associated company	129		129
Amount owing by an associated company	4,613	338	4,951
Deferred tax assets	-	824	824
Land held for property development	10,149		10,149
Total non-current assets	<u>43,516</u>		<u>44,678</u>
Current assets			
Inventories	17,784	43,953	61,737
Trade and other receivables	11,469	(457)	11,012
Contract assets	-	326	326
Amount owing by an associated company	458	(458)	-
Property development projects	37,187	(37,187)	-
Current tax assets	96		96
Fixed deposit, cash and bank balances	1,529		1,529
Total current assets	<u>68,523</u>		<u>74,700</u>
TOTAL ASSETS	<u>112,039</u>		<u>119,378</u>
EQUITY AND LIABILITIES			
Share capital	49,056		49,056
Treasury shares	(307)		(307)
Reserves	(5,465)	(1,628)	(7,093)
Total Equity	<u>43,284</u>		<u>41,656</u>
Non-current liabilities			
Trade and other payables	1,287		1,287
Hire-purchase payables	948		948
Borrowings	10,721		10,721
Deferred tax liabilities	1,128		1,128
Total non-current liabilities	<u>14,084</u>		<u>14,084</u>
Current liabilities			
Trade and other payables	39,654	2,572	42,226
Contract liabilities	-	6,770	6,770
Hire-purchase payables	392	-	392
Progress billings	599	(599)	-
Current tax liabilities	951	224	1,175
Borrowings	13,075		13,075
Total current liabilities	<u>54,671</u>		<u>63,638</u>
Total Liabilities	<u>68,755</u>		<u>77,722</u>
TOTAL EQUITY AND LIABILITIES	<u>112,039</u>		<u>119,378</u>

Scanwolf Corporation Berhad (Company no: 740909-T)
Notes To The Interim Report
For the fourth quarter ended 30 June 2019
(The figures have not been audited)

1. Basis of Preparation (Continue)

Condensed Consolidated Statement of Financial Position
As at 1 July 2017

	As previously RM'000	Effect on MFRS RM'000	As restated RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	26,302	14	26,316
Investment in an associate company	212		212
Amount owing by an associate company	3,096		3,096
Deferred tax assets	-	1,160	1,160
Land held for property development	10,111		10,111
Total non-current assets	<u>39,721</u>		<u>40,895</u>
Current assets			
Inventories	15,592	35,063	50,655
Trade and other receivables	19,308	(5,951)	13,357
Contract assets	-	6,087	6,087
Property development projects	31,514	(31,514)	-
Current tax assets	179		179
Fixed deposit, cash and bank balances	3,036		3,036
Total current assets	<u>69,629</u>		<u>73,314</u>
TOTAL ASSETS	<u>109,350</u>		<u>114,209</u>
EQUITY AND LIABILITIES			
Share capital	46,887		46,887
Treasury shares	(307)		(307)
Reserves	(6,000)	(1,252)	(7,252)
Total Equity	<u>40,580</u>		<u>39,328</u>
Non-current liabilities			
Trade and other payables	1,536		1,536
Hire-purchase payables	1,064		1,064
Borrowings	14,797		14,797
Deferred tax liabilities	1,140	(17)	1,123
Total non-current liabilities	<u>18,537</u>		<u>18,520</u>
Current liabilities			
Trade and other payables	28,843	2,428	31,271
Contract liabilities	-	10,722	10,722
Hire-purchase payables	355		355
Progress billings	7,285	(7,285)	-
Current tax liabilities	1,065	263	1,328
Borrowings	12,685		12,685
Total current liabilities	<u>50,233</u>		<u>56,361</u>
Total Liabilities	68,770		74,881
TOTAL EQUITY AND LIABILITIES	<u>109,350</u>		<u>114,209</u>

Scanwolf Corporation Berhad (Company no: 740909-T)
Notes To The Interim Report
For the fourth quarter ended 30 June 2019
(The figures have not been audited)

1. Basis of Preparation (Continue)

The Group has yet to adopt the following MFRS that have been issued but not yet effective:

	Effective for financial periods beginning on or after.
Annual Improvements to MFRSs 2015-2017 Cycle	1 January 2019
MFRS 16 Leases	1 January 2019
Amendments to MFRS 9 Prepayment Features with Negative Compensation	1 January 2019
Amendments to MFRS 119 Employee Benefits	1 January 2019
Amendments to MFRS 128 Long-term Interests in Associates and Joint Ventures	1 January 2019
Amendments to MFRS 3 Business Combinations	1 January 2020
Amendments to MFRS 101 Presentation of Financial Statements	1 January 2020
Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2020
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced

The adoption of new MFRS and amendments did not have any material impact on the interim financial report of the Group.

2. Auditors' Report on Preceding Annual Financial Statements

The preceding audited financial statements for the financial year ended 30 June 2018 was not subject to any qualification.

3. Comments about Seasonality or Cyclicity of Operations

The principal business operations of the Group were not affected by any seasonal and cyclical factors.

4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review.

5. Changes in estimates

There were no changes in estimates of amounts which have a material effect in the current quarter under review.

6. Debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities in the current quarter.

As at 30 June 2019, the number of treasury shares held is 780,900 ordinary shares.

7. Dividend paid

No dividend was paid during this quarter.

Scanwolf Corporation Berhad (Company no: 740909-T)
Notes To The Interim Report
For the fourth quarter ended 30 June 2019
(The figures have not been audited)

8. Segmental information

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

12 Months ended 30 June 2019

	Manufacturing RM'000	Property Development RM'000	Investment Holding RM'000	Consolidated RM'000
Revenue	37,217	11,484	-	48,701
Results				
Segment results	(2,636)	238	(1,983)	(4,381)
Investment revenue	357	38	32	427
Finance costs	(1,361)	(348)	-	(1,709)
	(3,640)	(72)	(1,951)	(5,663)
Share of result in an associate	(129)	-	-	(129)
Loss before tax	(3,769)	(72)	(1,951)	(5,792)
Tax expenses				161
Loss after tax				(5,631)

12 Months ended 30 June 2018 (Restated)

	Manufacturing RM'000	Property Development RM'000	Investment Holding RM'000	Consolidated RM'000
Revenue	37,095	20,418	-	57,513
Results				
Segment results	(3,371)	8,091	(1,908)	2,812
Investment revenue	402	74	8	484
Finance costs	(810)	(361)	-	(1,171)
	(3,779)	7,804	(1,900)	2,125
Share of result in an associate	(607)	-	-	(607)
Profit/(Loss) before tax	(4,386)	7,804	(1,900)	1,518
Tax expenses				(1,359)
Profit after tax				159

Geographical Area	12 Months ended 30 June 2019	12 Months ended 30 June 2018
Revenue		
Asia	8,743	8,998
Middle East	1,626	1,282
Africa	177	212
Oceania	3,675	2,970
Others	299	25
Total export	14,520	13,487
Malaysia	34,181	44,026
Total revenue	48,701	57,513

9. Valuation of property, plant and equipment

There were no valuation of the property, plant and equipment in the current quarter under review.

Scanwolf Corporation Berhad (Company no: 740909-T)
Notes To The Interim Report
For the fourth quarter ended 30 June 2019
(The figures have not been audited)

10. Material events subsequent to the end of the quarter

Neither the Company nor 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 its subsidiaries and the Board does not know 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 its subsidiaries except below.

Subsequent to 30 June 2019, Scanwolf Plastic Industries Sdn Bhd ("SPI), a wholly owned subsidiary, completed the acquisition of the remaining of 1,627,500 ordinary shares, representing 65% equity interest in Scanwolf Flooring Industries Sdn Bhd ("SFI") (formerly known as Nissha Flooring Industries Sdn Bhd), for a cash consideration of RM1.00. Consequently, SFI became a wholly owned subsidiary of SPI.

11. Changes in the composition of the Group

There were no changes in the composition of the Group since the previous quarter.

12. Contingent liabilities

The Group has no contingent liabilities which upon crystallisation would have a material impact on the financial position and business of the Group as at 26 August 2019.

13. Capital commitments

As at 26 August 2019, there is no significant commitment for capital expenditure by the Group which might have a material impact on the financial position or business of the Group.

14. Cash and cash equivalents

	As at 30 June 2019 RM'000	As at 30 June 2018 RM'000
Cash & bank balances	773	522
Fixed deposits with licensed bank	284	1,007
	<u>1,057</u>	<u>1,529</u>
Fixed deposits pledged	(284)	(1,007)
	<u>773</u>	<u>522</u>

15. Related party transaction

The following is the related party transaction:

	3 months ended 30 June 2019 RM	Year to Date 30 June 2019 RM
Rental paid to a Director of Group	7,950	31,800

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

1. Review of performance

	Current quarter ended 30 June 2019	Corresponding quarter ended 30 June 2018	12 Months 30 June 2019 RM'000	12 Months 30 June 2018 RM'000	Variation %
Revenue	15,822	8,627	48,701	57,513	-15%
(Loss)/Profit before taxation	(742)	(1,869)	(5,792)	1,518	-482%

Group

For the fourth quarter ended 30 June 2019, the Group recorded a revenue of RM15.9 million, an increase of RM7.2 million or 83% against preceding year's corresponding quarter which was mainly due to increase of revenue in both Manufacturing and Property Division.

During this quarter under review, the Group recorded a loss before tax ("LBT") of RM0.7 million against LBT of RM1.9 million in preceding year's corresponding quarter. A lower loss was recorded for current quarter was mainly due to increase of revenue in both Manufacturing and Property Division.

Manufacturing Division

During current quarter ended 30 June 2019, Manufacturing Division recorded a revenue of RM9.1 million, a increase of RM0.3 million or 3% from RM8.9 million in preceding year's corresponding quarter. Current quarter recorded a LBT of RM0.4 million when compare to LBT of RM2.3 million in preceding year's corresponding quarter, an improvement by 77% due to higher gross margin.

Property Division

During current quarter ended 30 June 2019, Property Division recorded a revenue of RM6.7 million, a improve of RM6.9 million from negative revenue of RM0.2 million in preceding year's corresponding quarter which is due to adoption of MFRS. Current quarter recorded a PBT of RM0.1 million when compare to PBT of RM0.3 million in preceding year's corresponding quarter.

2. Variation of results against preceding quarter

	Current quarter ended 30 June 2019 RM'000	Preceding quarter ended 31 March 2019 RM'000	Variation %
Revenue	15,822	8,908	77.6%
Loss before taxation	(742)	(2,038)	63.6%

For the fourth quarter ended 30 June 2019, the Group recorded the revenue of RM15.8 million, a increase of RM6.9 million as compared to the preceding quarter. The increase of revenue in both Manufacturing and Property Division.

The Group recorded a LBT of RM0.7 million for the current quarter as compare to LBT of RM2.0 million in the immediate preceding quarter. Current quarter recorded a LBT of RM0.7 million as compare to a LBT of RM2.0 million is due to higher revenue recorded in both Manufacturing and Property Division.

Scanwolf Corporation Berhad (Company no: 740909-T)
Notes To The Interim Report
For the fourth quarter ended 30 June 2019
(The figures have not been audited)

3. Prospects for next financial year

In Manufacturing Division, the management will continue to increase its productivity, product range and improvement in overall gross margin.

The outlook for the Property sector remains challenging. The management continue to take steps to increase the revenue and reduce the inventory.

The Group continues to seek ways and implement measures to improve the financial performance for the financial year ending 30 June 2020.

4. Profit forecast and profit guarantee

The Company did not issue any profit forecast or profit guarantee in this quarter and financial year to date.

5. Taxation

There is no taxation provided due to current year loss

6. Group's borrowings and debt securities

	30 June 2019	30 June 2018
	RM'000	RM'000
Secured:		
Bridging loans	8,093	9,446
Bankers' acceptances	8,700	4,024
Term loans	6,697	6,425
Bank overdrafts	5,955	3,901
	<u>29,445</u>	<u>23,796</u>
Less: Amount due within 12 months	(23,554)	(13,075)
	<u><u>5,891</u></u>	<u><u>10,721</u></u>

7. Material litigation

Neither the Company nor its subsidiaries are engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiaries and the Board does not know 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 its subsidiaries.

8. Dividends

No dividend is proposed in this quarter.

9. Earnings per share

Basic earnings per share is calculated by dividing net profit attributable to ordinary equity holders by the weighted average number of ordinary shares (excluding treasury shares) in issue during the period.

Weighted average number of ordinary shares for calculation of basic earnings per share:

	3 months ended	Year to Date
	30 June 2019	30 June 2019
Loss attributable to shareholders (RM'000)	(203)	(5,631)
Weighted average number of ordinary shares ('000)	95,428	95,428
Loss per share (sen)	<u><u>(0.21)</u></u>	<u><u>(5.90)</u></u>

Scanwolf Corporation Berhad (Company no: 740909-T)
Notes To The Interim Report
For the fourth quarter ended 30 June 2019
(The figures have not been audited)

10. Notes to the Condensed Consolidated Income Statement

	3 months ended 30 June 2019 RM'000	Year to Date 30 June 2019 RM'000
The profit /(loss) has been arrived at after accounting for the following items		
(a) Interest income	90	348
(b) Other income including investment income	-	-
(c) Interest expense	331	1,709
(d) Depreciation and amortization	400	1,620
(e) Provision for and write off of receivable	32	147
(f) Provision for and write off of inventories	(306)	129
(g) Gain/(loss) on disposal of property, plant and equipment	(2)	4
(h) Gain/(loss) on disposal of quoted or unquoted investments or properties	-	-
(i) Impairment of asset	-	-
(j) Foreign exchange gain/(loss)	(47)	47
(k) Gain or (loss) on derivatives	-	-
(l) Exceptional item	-	-

11. Authorisation for issue

The unaudited interim financial reports were authorised for issue by the Board of Directors.

By Order of the Board
Dato' Loo Bin Keong
Executive Director

30 August 2019