

For immediate release

QUARTERLY FINANCIAL REPORT

Quarter 3 : Financial Year Ending 31st December 2020

The Directors are pleased to release the quarterly financial report for the three months ended 30th September 2020 being the second quarter for the financial year ending 2020.

The contents of the financial report comprise of the following attached condensed financial statements, explanatory notes, and additional disclosures. These must be read in conjunction with the Group's financial statements for the year ended 31st December 2019:

Schedule I	: Condensed Consolidated Income Statement
Schedule II	: Condensed Consolidated Statement of Comprehensive Income
Schedule III	: Condensed Consolidated Statement of Financial Position
Schedule IV	: Condensed Consolidated Statement of Cash Flow
Schedule V	: Condensed Consolidated Statement of Changes in Equity
Schedule VI	: Selected Explanatory Notes
Schedule VII	: Additional Disclosures

This quarterly financial report has been prepared in accordance with the accounting standards on interim financial reporting issued by the Malaysian Accounting Standards Board and contains additional disclosures prescribed by the Main Market Listing Requirements of Bursa Malaysia. Unless specified otherwise, the same accounting policies and methods of computation applied to the Group's financial statements for the previous year had been followed throughout this quarterly financial report.

By Order of the Board

Eric Toh Chee Seong (MAICSA 7016178)
Company Secretary
27 November 2020

Schedule I : Condensed Consolidated Income Statement

For the 3rd quarter and three months ended 30 September 2020

RM'000	Individual 3 rd Quarter			Cumulative 3 rd Quarter		
	30/09/2020	30/09/2019	% chg	30/09/2020	30/09/2019	% chg
Continuing Operations						
Revenue	4609	4,478	2.9%	8,854	13,815	(35.9)%
Operating profit/(loss)	(246)	480	>(100)%	212	1,427	(85.1)%
Interest expense	(66)	(33)		(98)	(104)	
Interest income	42	8		51	20	
Administrative expenses	(624)	(2,107)		(2,689)	(6,293)	
Other (loss)/income	(868)	201		4,065	580	
Profit/(Loss) before taxation (PBT)	(1,762)	(1,451)	21.4%	1,541	(4,370)	>100%
Taxation	830	(323)		59	(11)	
Profit/(Loss) after taxation (PAT)	(932)	(1,774)	47.5%	1,600	(4,381)	>100%
Attributable to :						
Equity holders of the Company	(789)	(1,637)	51.8%	1,958	(4,001)	>100%
Non-controlling interests	(143)	(137)		(358)	(380)	
	(932)	(1,774)		1,600	(4,381)	
Basic earnings per share (sen) attributable to equity holders of the Company	(0.32)	(0.7)		0.81	(1.7)	
Diluted earnings per share (sen) attributable to equity holders of the Company	(0.31)	(0.7)		0.78	(1.7)	

nm – not meaningful

This Statement should be read in conjunction with the selected explanatory notes on Schedule VI & VII of this Report and the Group's audited financial statements for the year ended 31 December 2019 .

Schedule II : Condensed Consolidated Statement of Comprehensive Income

For the 3rd quarter and nine months ended 30 September 2020

RM'000	Individual 2 nd Quarter			Cumulative 2 nd Quarter		
	30/09/2020	30/09/2019	% <i>chg</i>	30/09/2020	30/09/2019	% <i>chg</i>
Group (loss)/profit after tax	(932)	(1,774)	47.5%	1,600	(4,381)	>100%
Other comprehensive income, Fair value gain on equity investment	-	-		-	-	
Total comprehensive income for the financial period	(932)	(1,774)	47.5%	1,600	(4,381)	>100%
Total comprehensive income attributable to:						
Equity holders of the Company	(789)	(1,637)	51.8%	1,958	(4,001)	>100%
Non-controlling interests	(143)	(137)	<i>nm</i>	(358)	(380)	<i>nm</i>
	(932)	(1,774)		1,600	(4,381)	

nm – not meaningful

This Statement should be read in conjunction with the selected explanatory notes on Schedule VI & VII of this Report and the Group's audited financial statements for the year ended 31 December 2019.

Schedule III : Condensed Consolidated Statement of Financial Position

As at 30 September 2020

RM'000	30/09/2020	Audited 31/12/2019
Property, plant & equipment	21,238	20,331
Other financial assets	5,040	5,040
Goodwill on consolidation	21,023	21,023
Trade & other receivable	2,467	3,487
Current assets		
Trade receivables	2,961	1,539
Inventories	-	413
Tax recoverable	192	-
Other receivables	7,715	6,332
Other financial assets	35,376	17,717
Cash and cash equivalents	33,920	23,352
	80,164	49,353
Less : Current liabilities		
Trade payables	2,535	-
Other payables	6,571	1,184
Term Loan	450	340
Lease liabilities	41	36
Amount due to corporate shareholder	2,266	2,562
Provision for taxation	-	376
	11,863	4,498
Net current assets	68,301	44,855
	118,069	94,736
Financed by:		
Share capital	117,592	94,478
Retained earnings	(1,674)	(3,653)
Other reserves	(3,201)	(1,965)
Non-controlling interests	1,704	2,082
Total Equity	114,421	90,942
Non-current liabilities		
Lease liabilities	131	144
Deferred tax liabilities	48	68
Term loan	1,707	1,821
Other payables	1,761	1,761
	3,647	3,794
Total equity & non-current liabilities	118,069	94,736
Net assets per share (sen) attributable to equity holders of the Company	39.4	37.6

This Statement should be read in conjunction with the selected explanatory notes on Schedule VI & VII of this Report and the Group's audited financial statements for the year ended 31 December 2019.

Schedule IV : Condensed Consolidated Statement of Cash Flow

For the nine months ended 30th September 2020

RM'000	Cumulative 2 nd Quarter	
	30/09/2020	30/09/2019
Operating activities		
Profit before taxation		
- Continuing	1,530	(4,370)
Add non-cash : Depreciation & amortisation	135	4,660
Gain/(loss) on :		
- disposal of property, plant & equipment	(3,137)	(225)
- disposal of financial assets	(1,077)	(91)
- fair value of financial assets held	229	-
Changes in working capital	6,255	2,155
Impairment of inventories	-	157
Net (tax paid)/ refunded	(528)	(256)
Net cash flows from operating activities	3,407	2,030
Investing activities		
Interest income received	51	20
Wage Subsidy received	30	-
Proceeds from gain on disposal of financial assets	1,077	91
Dividend received	28	-
Purchase of property, plant and equipment (PPE)	(1,100)	(1,346)
Investment in financial assets	(35,884)	(2,700)
Proceeds from disposal of financial assets	17,997	33
Proceeds from disposal of PPE	3,195	265
Expenditure on contract in hand	-	(15,543)
Net cash flows from investing activities	(14,606)	(19,810)
Financing activities		
Finance costs paid	(98)	(104)
Repayment of finance lease	(9)	(26)
Repayment of term loan facilities	(4)	(203)
Proceeds from issuance of shares	21,878	-
Net cash flows from financing activities	26,298	(333)
Net change in cash & cash equivalents	10,568	(17,483)
Cash & cash equivalents at beginning of period	23,352	40,492
Cash & cash equivalents at end of period	33,920	23,009
<u>Comprising of :</u>		
Cash and bank balances	28,897	22,965
Fixed deposits with financial institutions	5,023	44

Note :

() denotes cash outflow

This Statement should be read in conjunction with the selected explanatory notes on Schedule VI & VII of this Report and the Group's audited financial statements for the year ended 31 December 2019.

Schedule V : Condensed Consolidated Statement of Changes in Equity
 For the nine months ended 30 September 2020

<-----Attributable to equity holders of the Company----->

RM'000	Share Capital	Share premium & Other reserves	Warrant Reserve	Retained Earnings	Total	Non- controlling Interests	Total Equity
At 1 January 2019	94,478	(3,226)	1,007	7,970	100,229	2,376	102,605
Total comprehensive expense	-	-	-	(11,624)	(11,624)	(537)	(12,161)
Transactions with owners:							
Fair value change on equity investment	-	254	-	-	254	244	498
Issue new ordinary shares (ESOS)	-	-	-	-	-	-	-
At 31 December 2019/ 1 January 2020	94,478	(2,972)	1,007	(3,654)	88,859	2,082	90,941
Total comprehensive income	-	-	-	1,980	1,980	(378)	1,602
Transactions with owners:							
Fair value change on equity investment	-	-	-	-	-	-	-
Issue new ordinary shares	23,114	(463)	(773)	-	21,878	-	21,878
At 30 September 2020	117,592	(3,435)	234	(1,674)	112,717	1,704	114,421

This Statement should be read in conjunction with the selected explanatory notes on Schedule VI & VII of this Report and the Group's audited financial statements for the year ended 31 December 2019.

Schedule VI : Selected Explanatory Notes Pursuant to MFRS 134

1. Accounting Policies and method of computation

The condensed consolidated interim financial statements have been prepared in accordance with MFRS 134, Interim Financial Reporting Standards, the requirements of Companies Act 2016 and Paragraph 9.22 of the Bursa Malaysia Listing Requirements. The accounting policies and presentation adopted by the Group for the quarterly financial statements are consistent with those adopted in the Group's consolidated audited financial statements for the financial year ended 31 December 2019.

The following are accounting standards, interpretations and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company.

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2020

- Amendments to MFRS 3, *Business Combinations - Definition of a Business*
- Amendments to MFRS101, *Presentation of Financial Statements* and MFRS108, *Accounting Policies, Changes in Accounting Estimates and Errors-Definition of Material*
- Amendments to MFRS9, *Financial Instruments*, MFRS139, *Financial Instruments: Recognition and Measurement* and MFRS7, *Financial Instruments: Disclosures - Interest Rate Benchmark Reform*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- MFRS 17, *Insurance Contracts*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- MFRS 101, *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 MFRS10, *Consolidated Financial Statements* and MFRS128, *Investments in Associates and Joint Ventures-Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments, where applicable, in the respective financial years when the abovementioned accounting standards, interpretations and amendments become effective. The initial application of the accounting standards, interpretations or amendments are not expected to have any material financial impact to the current period and prior period interim financial statements of the Group and the Company.

The Group and the Company do not plan to apply MFRS17, *Insurance Contracts* that is effective for annual periods beginning on or after 1 January 2021 as it is not applicable to the Group and the Company.

2. Auditors' report

The auditors' report of the preceding annual financial statements of the Company and of the Group was not subject to any qualification.

Schedule VI : Selected Explanatory Notes Pursuant to MFRS 134 (cont'd)

3. Comment on seasonality or cyclical operation
The Group's performance is normally not affected by seasonal or cyclical events on a year to year basis. However, contract revenue from the Ministry of Defence contract to ferry school children is based on students attending school. Thus school holidays will effect contract revenues. In December of each calendar year there is no revenue from this contract.
4. Unusual items due to their nature, size or incidence
Except for the Movement Control Order (MCO) implemented by the Federal Government of Malaysia in response to the COVID-19 pandemic on 18 March 2020, which resulted in the closure of all schools (resulting in a temporary suspension of the Ministry of Defence service-contract), there were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the quarter.
5. Significant estimates and changes in estimates
There were no significant estimates or changes in estimates that have had any material effect on the results of the current quarter.
6. Issuance or repayments of debt/equity securities
During the period under review a total of 600,000 ordinary shares had been issued to employees of the Company, pursuant to the Company's existing ESOS and a total of 10,138,400 ordinary share issued from warrants conversion.
7. Dividends paid
No dividends have been paid in the current financial quarter.
8. Segmental results
For management purposes, the Group's operating businesses are organised according to services, namely chartering of land-based transportation assets and specialty vehicles, small hydropower and others. Segment performance is evaluated based on operating profit. Inter-segment transactions and pricing arrangements where applicable, are determined on a commercial basis. The results by segments for the quarter are as follows:

RM'000	Individual 2 nd Quarter			Cumulative 2 nd Quarter		
	30/09/2020	30/09/2019	% chg	30/09/2020	30/09/2019	% chg
Segmental Analysis						
<u>Revenue</u>						
Transportation assets	4,609	4,478	2.9%	8,854	13,815	(35.9)%
Small hydro development	-	-	0.0%	-	-	0.0%
<u>Operating profit/ (loss)</u>						
Transportation assets	(223)	720	>(100)%	891	2,127	(58.1)%
Small hydro development	(260)	(240)	(8.3)%	(680)	(700)	2.8%
Investment in financial assets [^]	(907)	-	>(100)%	876	-	>100%

[^] reflected as other income in the Group's condensed consolidated income statement

Schedule VI : Selected Explanatory Notes Pursuant to MFRS 134 (cont'd)

RM'000	>Current v Preceding Quarter<					
	30/06/2020	31/03/2020	% chg	30/09/2020	30/09/2019	% chg
<u>Total Assets</u>						
Transportation	17,983	27,720	(35.1)%	19,186	51,067	(62.4)%
Investment - allocated cash & financial assets	46,871	36,936	26.9%	69,468	18,343	>100%
Small Hydro development	40,867	40,356	1.3%	41,278	38,909	6.1%
<u>Total Liabilities</u>						
Transportation	2,213	2,449	9.6%	2,606	2,703	3.5%
Investment – allocated cash & financial assets	-	-		5,669	-	>100%
Small hydro development	7,718	7,755	0.5%	7,235	7,393	2.1%

Current Quarter vs Corresponding Quarter last year

Contract from Ministry of Defence resumed in August and generate revenue for Q3 2020. For FY2020 Group revenue is derived solely from the transportation segment, as the majority of the Group's small hydropower portfolio is at the development and construction phase, with no dividend income generated from two sites commissioned so far in FY2020.

Same as previous quarter, group registered an operating loss in the hydropower division, mainly cost of our in-house engineers, administration expenses, and costs of procuring the necessary approvals from the relevant State Government authorities. This will continue as we develop the small hydro division further.

It is worth noting that upon commissioning of each small hydro site, and as energy is sold to the national grid, the contribution to Group earnings will depend on the shareholding structure of each small hydro site. Those joint venture companies where the Group has a 30% (or less) equity stake, earnings will be at the associate level, and via single tier dividends. For sites under 95.1%-owned subsidiary Gunung Hydropower Sdn Bhd, earnings will contribute directly to the Group via the consolidation of earnings.

As the hydro sites under Gunung Hydropower Sdn Bhd are developed, and capital expenditure is incurred, total assets in this segment increases (as reflected in the above table between corresponding periods).

Liabilities continue to be well managed, and relatively low at only 11.9% and 9.3% of total assets in Q3 2020 and Q3 2019 respectively.

Equity Capital increased from both warrant conversion and ESOS, resulted increase in cash reserve. Group increased its equity stake in Yi-lai Berhad to 13.7% from 3.2% Q2 and investment in other quoted shares in open market.

The Group's investment division generated on investments of realized gain approximately RM1.1 million and unrealized fair value loss of RM229K this year.

Schedule VI : Selected Explanatory Notes Pursuant to MFRS 134 (cont'd)

9. Valuation of property, plant and equipment
 There were no changes in the valuation on property, plant and equipment since the last annual financial statements.
10. Significant & subsequent events
 There were no events subsequent to the end of the quarter that have not been reflected in the current financial quarter under review.
11. Changes in the composition of the Group
 There were no changes in the composition of the Group during the financial quarter.
12. Contingent liabilities
 There were no contingent liabilities of a material nature since the last audited consolidated statement of financial position (FY2019).
13. Contingent assets
 There were no contingent assets of a material nature since the last audited consolidated statement of financial position (FY2019).
14. Capital commitments

RM'000 **30/09/2020**
Capital Expenditure Commitments (small hydro)

Contracted but not provided for in the financial statements under review : -

15. Significant related party transactions

The following are significant related party transactions:-

RM'000	Cumulative 3rd Quarter	
	2020	2019
Rental of property from Director	-	48

Schedule VII : Additional Disclosures in Compliance with Main Market Listing Requirements

1. Operations review

Explanatory comments on the performance of each of the Group's segments is provided in Note 8. Above.

2. Comment on material change in profit before taxation vs preceding quarter

	Current Quarter 30/09/2020 RM'000	Preceding Quarter 30/06/2020 RM'000	% Change
Revenue	4,609	-	>100%
Operating profit	(247)	(186)	(32.8)%
Profit/ (Loss) before interest and tax	(1,737)	572	>(100)%
Profit/ (Loss) before tax	(1,762)	572	>(100)%
Profit/ (Loss) after tax	(932)	572	>(100)%
Profit/ (Loss) attributable to ordinary equity holders of parent	(789)	653	>(100)%

Group loss before tax for Q3 2020, approximately RM1.7mil, mainly contributed by unrealized impairment loss of quoted shares based on market value. No revenue in Q2 2020 as all schools were closed due to MCO (Movement Control Order), and the temporary suspension of the Ministry of Defence service-contract until August. Group investment contribute gain on investments of approximately RM407k (Q2: RM391K) in Q3. Nonetheless, resulted by lower closed market value, unrealized impairment loss of RM1.3 million (compared to unrealized gain of RM1.1 million during Q2 2020).

3. Prospects for the financial year 2020 -

In order to better manage risk of COVID 19 transmission, CMOC (Conditional Movement Order Control) was announced on October 14 on specific states and, subsequently extended to more states. Hence the service-contract from the Ministry of Defence to ferry school children is again temporary suspended. During this time, the group is looking to remain low operating cost and to implement possible cost cutting measures. To recap, the Group was awarded a new contract in January 2020 by the Ministry of Defence for a tenure of three (3) years ending 2022. We expect the transport division to play a smaller role in contributing to earnings growth in the future. Fleet size reduction/ asset disposals was undertaken in Q1 2020 to generate cash flow and reduce costs associated with the underutilization of our transportation assets.

Schedule VII : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

In the medium term, we are looking forward to commissioning those small-hydro projects majority-owned by subsidiary, Gunung Hydropower Sdn Bhd, in Perak (totalling 14MW). This will contribute directly to the Group's long term consolidated revenue, earnings, and enhance Gunung's earnings growth potential. A long term stable income stream will also reduce Gunung's dependency on incomes solely from chartering land-based transportation assets. Under 51%-owned Perak Hydro Renewable Energy Corporation Sdn Bhd, our small hydro portfolio includes 4 sites with an installed capacity of 32.25MW, at various stages of construction.

The 'Kerian' site with an installed capacity of 14MW, has been completed, commissioned, and is generating energy based on its TNB power purchase agreement. The 'Sungai Slim' site with an installed capacity of 6 MW is also complete, commissioned and is generating energy based on its TNB power purchase agreement.

The management is continually formulating strategies and longer terms plans to maximize value to shareholders. This includes evaluating equity investment proposals, partnerships & joint venture proposals, generating earnings growth through acquisitions and earnings growth organically via unlocking the value of our existing assets, know-how and expertise.

4. Tax expense

The details of the tax expense (*) are as follows:-

RM'000	Individual Quarter		Cumulative Quarter	
	30/09/2020	30/09/2019	30/09/2020	30/09/2019
Current	39	(694)	39	(1,113)
Deferred tax asset	20	371	20	1,102
	59	(323)	59	(11)

5. Status of corporate proposal

There are currently no corporate proposals outstanding as at 30 September 2020.

6. Group borrowings and debt securities

The details of the Group's borrowings as at 30 September 2020 are as follows:-

As at 30 September 2020 RM'000	Currency	Current	Non-Current
Finance lease & hire purchase payables^	RM	41	131
Project financing term loan#	RM	450	1,707
	RM	491	1,838

**Schedule VII : Additional Disclosures in Compliance with Main Market Listing Requirements
 (cont'd)**

As at 30 September 2019	Currency	Current	Non-Current
RM'000			
Finance lease & hire purchase payables [^]	RM	36	153
Project financing term loan [#]	RM	335	1,896
	RM	<u>371</u>	<u>2,049</u>

[^]No material change in borrowings year-on-year. Borrowing consists of hire purchase facilities for vehicles under the Group. Borrowing costs of hire purchase obligations range from 2.47%-2.89%.

[#] Financing of the development of a small hydro site. Borrowing cost from the financial institution is 7.85% pa. less a 2% interest subsidy from Green Technology Financing Scheme Fund (net 5.85%).

7. Pending material litigation

There was no pending litigation of a material nature since the last balance sheet date.

8. Proposed Dividend

No dividend have been proposed by the Board of Directors for the current financial quarter under review.

9. Basis of calculation of earnings per share (EPS)

- (a) The basic EPS for the current quarter was computed by dividing the Group profit attributable to shareholders of the Company by the weighted average number of ordinary share in issue (net of treasury shares).

	Current Quarter RM'000	Current YTD RM'000
Group attributable profit to shareholders of the Company	(789)	1,958
Weighted average issued capital net of treasury shares	<u>243,153</u>	<u>243,153</u>
Earnings per share (sen)	(0.32)	0.81

Schedule VII : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

- (b) The diluted EPS for the current quarter was computed by dividing the Group profit attributable to shareholders, adjusted for the dilutive effects of the conversion of all the outstanding warrants and ESOS of the Company into ordinary shares.

	Current Quarter RM'000	Current YTD RM'000
Group attributable profit to shareholders of the Company	(789)	1,958
Weighted average issued capital net of treasury shares	243,153	243,153
Adjustment for warrant/ESOS conversion into ordinary shares	7,827	7,827
Adjusted weighted average issued capital net of treasury shares	<u>250,980</u>	<u>250,980</u>
Earnings per share (sen)	(0.31)	0.78

10. Notes to the Condensed Consolidated Income Statement

PBT is arrived at after charging/(crediting) the following items:

RM'000	Individual 2nd Quarter		Cumulative 2nd Quarter	
	30/09/2020	30/09/2019	30/09/2020	30/09/2019
(a) Interest Income	(42)	(8)	(51)	(20)
(b) Interest expense	66	33	98	104
(c) Depreciation and amortization	37	1,542	135	4,660
(d) Impairment of trade receivables	-	-	-	-
(e) Impairment of inventories	-	(157)	-	(157)
(f) Property, plant and equipment written off	-	-	-	-
(g) (Gain)/Loss on disposal of associates/subsidiaries	-	-	-	-
(h) (Gain)/Loss on disposal of property, plant & equipment	(17)	(200)	(3,137)	(225)
(i) Impairment/(Gain) of financial assets	-	-	-	(91)
(j) Unwinding of discount of other receivables	-	-	-	-
(k) (Gain)/Loss on equity investments	907	-	(876)	-
(l) Impairment loss on goodwill	-	-	-	-
(m) Government subsidy/ grant received	(8)	-	(30)	(255)

Schedule VII : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

11. Additional Disclosure Information

Trade Receivables

The credit terms of trade receivables granted to related parties are no different from those granted to non-related parties which are between 45-60 days. There were no overdue trade receivables of the Group as at 30 September 2020 arising from our Government customer. A trade receivable is deemed past due when the counter party has failed to make payment when the outstanding amount are contractually due.

Aged analysis of trade receivables past due but not impaired (^RM6.2 mil of Government trade receivables was impaired in FY2019):

RM'000	<30 days	31-60 days	61-90 days	91-180 days	>180 days	Total
31/09/2020	2,948	-	-	-	13	2,961
31/09/2019	1,473	57	50	-	^6,208	7,788

The past due trade receivables above 90 days are collectable. The Movement Control implemented by the Federal Government of Malaysia in response to the COVID-19 pandemic on 18 March 2020, hampered efforts to collect trade receivables.

Management made a material impairment on trade receivables from the Ministry of Defense (Mindef) in FY2019 amounting to RM6.2 mil. This was a direct result of the suspension and then cancellation of the National Service Program in August 2018. The collection was delayed due to the Ministry of Finance process of reviewing and verifying the scope of service provided and subsequent invoices for the service-contract carried out during the previous administration. In the 2nd quarter of FY2019, a total of RM4.95 million of these past due trade receivables from the Ministry of Finance was collected, with a balance of RM6.2 million due and outstanding. Management decided to provide for the balance of trade receivables in FY2019 due to aging, however the process of collection has continued through legal and consultation methods. Upon receipt of payment, management will reverse out the impairment provision.

Other receivables

RM3.1 mil of other receivables (from a total RM7.7mil), was as a result of the sale of fully-depreciated buses (assets) to a third party during the financial period under review.

Foreign exchange exposure/ hedging policy

The company does not have any hedging policy or long term foreign exchange exposure. The Company has minimal one-off foreign exchange exposure to USD when purchasing spare parts for its fleet of transportation assets, and purchases of mechanical and electrical equipment for selected small hydropower projects (EUR and USD). Our current contingent liability exposure to foreign exchange movements is approximately EUR 31,000.

Schedule VII : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

Material impairment of assets

No material impairment on assets was made during the financial period under review

