

The Board of Directors is pleased to submit its quarterly report on the consolidated results of the Group for the quarter ended July 31, 2019. The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	3 Months ended		19 Months ended	
	Current Year Quarter 31.07.2019 RM'000	Preceding Year Quarter 31.07.2018 RM'000	Current Year To Date 31.07.2019 RM'000	Preceding Year To Date 31.07.2018 RM'000
Revenue	123,275	-	699,336	-
Operating profit	1,374	-	29,073	-
Finance costs	(945)	-	(6,107)	-
Share of results of equity-accounted associate	390	-	1,913	-
Profit before tax	819	-	24,879	-
Income tax expense	(502)	-	(4,615)	-
Profit for the financial period	317	-	20,264	-
Other comprehensive income/(loss) for the financial period, net of income tax				
Item that will not be reclassified subsequently to profit or loss:				
- Gain on revaluation of property, plant and equipment	7,468	-	7,468	-
Item that may be reclassified subsequently to profit or loss:				
- Foreign exchange differences on translation of foreign operations	299	-	(5,344)	-
Total comprehensive income for the financial period, net of income tax	8,084	-	22,388	-
(Loss)/profit attributable to:				
Owners of the Company	(305)	-	17,298	-
Non-controlling interests	622	-	2,966	-
	317	-	20,264	-
Total comprehensive income attributable to:				
Owners of the Company	7,280	-	21,183	-
Non-controlling interests	804	-	1,205	-
	8,084	-	22,388	-
(Loss)/earnings per ordinary share attributable to owners of the Company				
- Basic (sen)	(0.09)		5.28	

Notes:

- The financial year end of the Group has been changed from December 31 to July 31. The next set of audited financial statements shall be for a period of nineteen (19) months from January 1, 2018 to July 31, 2019. As such, there will be no comparative financial information available for the financial period ended July 31, 2019.
- The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended December 31, 2017 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Unaudited As Of 31.07.2019 RM'000	Audited As Of 31.12.2017 RM'000	As Of 01.01.2017 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	139,444	138,088	141,218
Investment in an associate	19,136	19,363	20,245
Goodwill	32,428	35,137	-
Deferred tax assets	115	117	119
Total non-current assets	191,123	192,705	161,582
Current assets			
Inventories	62,438	86,537	72,554
Trade and other receivables	89,302	67,766	57,783
Tax recoverable	3,710	805	627
Derivative financial assets	-	6	21
Short-term deposits, cash and bank balances	18,562	18,306	15,829
Total current assets	174,012	173,420	146,814
Total assets	365,135	366,125	308,396
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	164,176	164,163	136,623
Treasury shares	(1,145)	(508)	(2,354)
Reserves	43,143	37,193	54,902
Equity attributable to owners of the Company	206,174	200,848	189,171
Non-controlling interests	24,199	21,054	-
Total equity	230,373	221,902	189,171
Non-current liabilities			
Trade and other payables	-	664	508
Borrowings	5,269	20,128	13,417
Deferred tax liabilities	17,390	13,016	12,860
Total non-current liabilities	22,659	33,808	26,785
Current liabilities			
Trade and other payables	54,471	57,912	51,297
Derivative financial liabilities	113	-	570
Borrowings	57,358	49,747	40,573
Tax payable	161	2,756	-
Total current liabilities	112,103	110,415	92,440
Total liabilities	134,762	144,223	119,225
Total equity and liabilities	365,135	366,125	308,396

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended December 31, 2017 and the accompanying explanatory notes attached to the interim financial statements.)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	←----- Attributable to Owners of the Company -----→						Distributable Reserve	Total	Non-controlling Interests	Total Equity				
	Issued Capital	Treasury Shares	Non-Distributable Reserves								Retained Earnings	Total	Non-controlling Interests	Total Equity
			Revaluation Reserve	Translation Reserve	Warrants Reserve	Discount on Shares								
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000					
Balance as of January 1, 2018	164,163	(508)	-	(1,472)	9,837	(9,837)	38,665	200,848	21,054	221,902				
Profit for the financial period	-	-	-	-	-	-	17,298	17,298	2,966	20,264				
Other comprehensive income for the financial period, net of income tax	-	-	7,468	(3,583)	-	-	-	3,885	(1,761)	2,124				
Total comprehensive income for the financial period	-	-	7,468	(3,583)	-	-	17,298	21,183	1,205	22,388				
Dividends	-	-	-	-	-	-	(15,233)	(15,233)	(18)	(15,251)				
Exercise of warrants	9	-	-	-	(1)	1	-	9	-	9				
Acquisition of treasury shares	-	(1,145)	-	-	-	-	-	(1,145)	-	(1,145)				
Disposal of treasury shares	4	508	-	-	-	-	-	512	-	512				
Capital contribution by non-controlling interests of a subsidiary	-	-	-	-	-	-	-	-	1,958	1,958				
Balance as of July 31, 2019	164,176	(1,145)	7,468	(5,055)	9,836	(9,836)	40,730	206,174	24,199	230,373				

Notes:

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- ii) The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended December 31, 2017 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	19 Months ended 31.07.2019 RM'000	19 Months ended 31.07.2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	24,879	-
Adjustments	40,923	-
Operating profit before working capital changes	<u>65,802</u>	-
Movements in working capital:		
Decrease/(Increase) in		
Inventories	10,978	-
Receivables	(18,141)	-
Decrease in payables	<u>(2,518)</u>	-
Cash Generated From Operations	56,121	-
Interest received	83	-
Tax paid	<u>(7,898)</u>	-
Net Cash From Operating Activities	<u>48,306</u>	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	82	-
Dividend income from an associate	2,140	-
Purchase of property, plant and equipment, net of finance leases drawdown	(15,024)	-
Deposit paid for purchase of property, plant and equipment	(7,115)	-
Proceeds from disposal of property, plant and equipment	1,095	-
Net Cash Used In Investing Activities	<u>(18,822)</u>	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Acquisition of treasury shares	(1,145)	-
Proceeds from disposal of treasury shares	512	-
Capital contribution by non-controlling interests of a subsidiary	1,958	-
Proceeds from exercise of warrants	9	-
Drawdown of term loans	6,645	-
Repayment of term loans	(23,207)	-
Dividends paid to owners of the Company	(15,233)	-
Dividends paid to non-controlling shareholders of a subsidiary	(18)	-
Interest paid	(6,107)	-
Net drawdown of short-term borrowings	11,705	-
Repayment of finance leases	<u>(3,583)</u>	-
Net Cash Used in Financing Activities	<u>(28,464)</u>	-
Net increase in cash and cash equivalents	1,020	-
Cash and cash equivalents at beginning of financial period	18,296	-
Effect of exchange differences	(754)	-
Cash and cash equivalents at end of financial period	<u>18,562</u>	-
Cash and cash equivalents at end of financial period consist of:-		
Cash and bank balances	18,562	-
	<u>18,562</u>	-

Notes:

- i) The financial year end of the Group has been changed from December 31 to July 31. The next set of audited financial statements shall be for a period of nineteen (19) months from January 1, 2018 to July 31, 2019. As such, there will be no comparative financial information available for the financial period ended July 31, 2019.
- ii) The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended December 31, 2017 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE QUARTERLY FINANCIAL REPORT

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad's Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended December 31, 2017. These explanatory notes attached to the 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 financial year ended December 31, 2017.

For periods up to and including the financial year ended December 31, 2017, the Group prepared its financial statements in accordance with the Financial Reporting Standards ("FRSs") in Malaysia. The Group has adopted the Malaysian Financial Reporting Standards ("MFRSs") framework issued by the Malaysian Accounting Standards Board with effect from January 1, 2018, and MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards has been applied. Due to the change in the financial year end of the Group from December 31, 2018 to July 31, 2019, the financial statements of the Group for the financial period ended July 31, 2019 is the first set of financial statements prepared in accordance with MFRSs. The date of transition to the MFRS framework was on January 1, 2017.

The accounting policies and methods of computations adopted by the Group in this interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended December 31, 2017, except for the adoption of the MFRS framework and the change in accounting policy disclosed under note A14.

The adoption of the MFRS framework does not result in significant changes in the accounting policies of the Group and have no material impact on the disclosures of the financial statements of the Group except for the application of MFRS 9 as described follow:

MFRS 9 Financial Instruments

MFRS 9 Financial Instruments replaces MFRS 139 Financial Instruments: Recognition and Measurement for annual periods beginning on or after January 1, 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

Classification and measurement

The classification and measurement requirements of MFRS 9 did not have a significant impact on the financial statements of the Group.

Trade and other receivables, deposits, cash and bank balances that were previously classified as loans and receivables are now classified and measured as financial instruments at amortised cost. The Group intends to hold the assets to maturity to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding.

The application of MFRS 9 does not have any impact on the classification and measurement of the Group's financial liabilities whereby the financial liabilities previously classified as other financial liabilities under FRS 139 that were measured at amortised cost continue to be measured at amortised cost under MFRS 9.

Impairment

The adoption of MFRS 9 has fundamentally changed the Group's accounting for impairment losses for financial assets by replacing MFRS 139's incurred loss approach with a forward-looking expected credit loss ("ECL") approach. MFRS 9 requires the Group to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss and contract assets.

MFRS 9 requires the Group to measure the loss allowance for a financial instrument at an amount equal to the lifetime ECL if the credit risk on that financial instrument has increased significantly since initial recognition, or if the financial instrument is a purchased or originated credit-impaired financial asset. However, if the credit risk on a financial instrument has not increased significantly since initial recognition (except for a purchased or originated credit-impaired financial asset), the Group is required to measure the loss allowance for that financial instrument at an amount equal to 12-months ECL.

The Group makes use of a simplified approach in accounting for trade receivables and records the loss allowance as lifetime ECLs. The Group uses its historical experience, external indicators and forward-looking information to calculate the ECLs using a provision matrix.

There is no loss allowance to be recognised under the ECL model based on the assessment made by the Group.

A2 Audit report

The audit report of the preceding annual financial statements was not qualified.

A3 Seasonal or cyclical factors

The operations of the Group during the financial period under review have not been materially affected by any seasonal or cyclical factors.

A4 Unusual items

There were no items during this period affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

A5 Changes in estimates

The same estimates reported in the previous financial year were used in preparing the financial statements for the period under review.

A6 Debt and equity securities

There was no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial period under review, except for the following:

- (i) Disposal of 227,400 treasury shares during the financial period, in the open market of Bursa Malaysia Securities Berhad ("Bursa Securities") at an average price of RM2.25 per share for a total consideration of approximately RM512,000 (net of transaction costs).
- (ii) Issuance of 3,589 new ordinary shares pursuant to the exercise of 3,589 warrants at the issue price of RM2.50 per share. The shares were listed and quoted on the Main Market of Bursa Securities on February 13, 2018.
- (iii) Repurchase of 550,100 ordinary shares during the financial period from the open market of Bursa Securities at an average price of RM2.08 per share. Total consideration paid was approximately RM1,145,000 (including transaction costs). The repurchased shares are held as treasury shares in accordance with Section 127 of the Companies Act, 2016.

As at July 31, 2019, the Company held 550,100 treasury shares out of its 327,898,483 issued ordinary shares. Such treasury shares are held at a carrying amount of approximately RM1,145,000.

A7 Dividends paid

The amount of dividends paid by the Company since December 31, 2017 were as follows:

	RM'000
Fourth interim single tier dividend paid for the financial year 2017: 1.30 sen per ordinary share paid on March 21, 2018	4,263
First interim single tier dividend paid for the financial period 2019: 1.05 sen per ordinary share paid on June 28, 2018	3,441
Second interim single tier dividend paid for the financial period 2019: 0.80 sen per ordinary share paid on September 27, 2018	2,619
Third interim single tier dividend paid for the financial period 2019: 1.00 sen per ordinary share paid on December 21, 2018	3,274
Fourth interim single tier dividend paid for the financial period 2019: 0.50 sen per ordinary share paid on April 26, 2019	1,636
	<hr/> 15,233 <hr/> =====

A8 Related party transactions

The Group's significant related party transactions during the financial quarter ended July 31, 2019 were as follows:

	3 months ended		19 months ended	
	31.07.2019	31.07.2018	31.07.2019	31.07.2018
	RM'000	RM'000	RM'000	RM'000
Sales of goods to related companies	5,719	-	5,719	-
Purchase of goods from related companies	14,051	-	17,473	-
Outsourcing charges from a related company	104	-	148	-
	<hr/> =====	<hr/> =====	<hr/> =====	<hr/> =====

Related companies refer to subsidiaries of holding company, Scientex Berhad ("Scientex").

A9 Contingent liabilities

There were no contingent liabilities as at the date of this financial report.

A10 Capital Commitments

Capital commitments not provided for in the financial statements as of July 31, 2019 were as follows:

	RM'000
Property, plant and equipment	
- Authorised and contracted for	13,482
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A11 Subsequent event

There were no material events subsequent to the end of the current financial quarter that have not been reflected in the financial statements for the said period as at the date of this report, except for the following:

Acquisition of Mega Printing & Packaging Sdn Bhd

On May 3, 2019, the Company announced that it had entered into a conditional sale and purchase agreement ("SPA") with Tan Chai Koon, Chong Choi Chun, Ng Yuk Ming, Proshin Enterprise Sdn Bhd, Phang Chak Thong, Ng Pey Ching and Lee Chee Keong for the acquisition of 4,500,000 ordinary shares representing the entire equity interest in Mega Printing & Packaging Sdn Bhd ("MPP"), for an indicative purchase consideration of RM125,000,000 to be satisfied entirely in cash, subject to the terms and conditions contained in the SPA.

On August 5, 2019, the Company announced that all the conditions precedent under the SPA have been fulfilled and that the remaining balance purchase consideration under the SPA has been paid in full, hence marking the completion of the acquisition. Accordingly, MPP became a wholly-owned subsidiary of the Company.

A12 Changes in the Composition of the Group

On December 18, 2018, the Company's wholly owned dormant subsidiary, Daibochoi New Zealand Ltd. ("DNZ") has ceased to carry on business, discharged in full its liabilities to all its known creditors and has distributed its surplus assets in accordance with its Constitution and New Zealand Companies Act 1993.

DNZ had on February 7, 2019, filed an application to strike off the company from the register with New Zealand Companies Office. DNZ had been officially removed from the register on March 29, 2019.

There were no other changes in the composition of the Group including business combinations, acquisitions or disposals of subsidiaries and long term investments, restructuring and discontinuing operations as of July 31, 2019.

A13 Change of Financial Year End

On April 29, 2019, the Board approved the change of financial year end of the Company from December 31 to July 31 to coincide with the financial year end of its holding company, Scientex. Therefore, the new financial period commences from January 1, 2018 to July 31, 2019, covering a period of nineteen (19) months. Thereafter, the financial year of the Group shall revert to twelve (12) months ending July 31, for each subsequent year.

A14 Valuation of Property, Plant and Equipment

During the financial period ended July 31, 2019, the Group changed its accounting policy on measurement of land and building from cost model to revaluation model to be consistent with the accounting policy applied by its holding company as well as to provide a more reliable and relevant information for the users of its financial statements.

A revaluation exercise was carried out during the financial period on land and buildings classified as property, plant and equipment. The revaluation resulted in a property revaluation surplus of approximately RM7,468,000, net of deferred tax, being included in revaluation reserve. The valuations were carried out by a professional independent valuer, IVPS Property Consultant Sdn Bhd.

A15 Operating segments

No segment information has been prepared as the Group is primarily engaged in manufacturing and marketing of flexible packaging materials.

Geographical Information

The Group operates primarily in Malaysia (country of domicile), Myanmar and Australia.

The Group's financial performance from continuing operations by geographical location for the three months and nineteen months ended are as follows:

	Malaysia RM'000	Australia RM'000	New Zealand RM'000	MALAYSIA PLANT RM'000	MYANMAR PLANT RM'000	Total RM'000	Elimination RM'000	Group RM'000
3 months ended July 31, 2019								
Revenue								
-external	88,333	22,446	-	110,779	12,496	123,275		123,275
-internal	21,180	-	-	21,180	-	21,180	(21,180)	-
	<u>109,513</u>	<u>22,446</u>	<u>-</u>	<u>131,959</u>	<u>12,496</u>	<u>144,455</u>	<u>(21,180)</u>	<u>123,275</u>
(Loss)/Profit by geographical location	<u>(516)</u>	<u>875</u>	<u>-</u>	<u>359</u>	<u>1,554</u>	<u>1,913</u>	<u>(1,484)</u>	<u>429</u>
Share of results of equity-accounted associate								<u>390</u>
Profit before tax								<u>819</u>
19 months ended July 31, 2019								
Revenue								
-external	517,371	124,216	1,241	642,828	56,508	699,336		699,336
-internal	119,921	-	-	119,921	3,880	123,801	(123,801)	-
	<u>637,292</u>	<u>124,216</u>	<u>1,241</u>	<u>762,749</u>	<u>60,388</u>	<u>823,137</u>	<u>(123,801)</u>	<u>699,336</u>
Profit by geographical location	<u>16,830</u>	<u>2,174</u>	<u>1</u>	<u>19,005</u>	<u>7,524</u>	<u>26,529</u>	<u>(3,563)</u>	<u>22,966</u>
Share of results of equity-accounted associate								<u>1,913</u>
Profit before tax								<u>24,879</u>

Note: Due to the change in the financial year end as stated in Note A13, no comparable figures are presented.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA
MALAYSIA SECURITIES BERHAD**

B1 Review of Performance

Due to the change in the financial year end as stated in Note A13, no comparable figures are presented.

The Group's performance for the three months and nineteen months ended July 31, 2019 is as tabled below:

	Q7 2019	19 months 2019
GROUP	RM'000	RM'000
Revenue	123,275	699,336
Operating profit	1,374	29,073
Profit before tax ("PBT")	819	24,879
Profit after tax	317	20,264
(Loss)/Profit attributable to owners of the Company	(305)	17,298

CURRENT QUARTER REVIEW

For the quarter ended July 31, 2019, the Group registered revenue of RM123.28 million which sets a new quarter record revenue for the Group since its incorporation. Exports made up 53.07% of the Group's revenue.

In the current quarter, the Group recognised inventories written down/off amounting to approximately RM5.71 million and a one-off merger and acquisition ("M&A") related transaction costs amounting to approximately RM1.14 million, which impacted its quarter PBT, resulting in the Group recording PBT of RM0.82 million for the quarter under review.

NINETEEN MONTHS REVIEW

The Group registered revenue of RM699.34 million for the nineteen months ended July 31, 2019, with exports making up 54.29% of the Group's revenue.

The Group recorded PBT of RM24.88 million for the nineteen months ended July 31, 2019, after accounting for a one-off M&A related transaction costs of RM6.39 million and a write down/off of certain inventories amounting to RM11.38 million.

B2 Material Changes in Profit Before Tax for the Quarter Reported On As Compared with the Immediate Preceding Quarter

Due to the change in the financial year end, the performance of the current quarter is not comparable against the preceding one-month period ended April 30, 2019 reported previously.

B3 Current financial year prospects

With the completion of the acquisition of MPP on August 5, 2019, our expanded portfolio will further complement our existing flexible packaging solutions and the enlarged manufacturing footprint will put us in a better position to capture new growth opportunities.

Additionally, Daibochi, together with Scientex Group, is well positioned to increase its business participation with brand owners both locally and abroad. Through its enhanced capabilities and technical expertise, the Group is in a better position to innovate and develop sustainable packaging solutions which is in increasing demand. With the integration of the upstream and downstream processes, the joint research and development efforts has seen significant headway, leading to new innovations that can further strengthen the Group's position in providing quality sustainable flexible packaging solutions to better serve the global needs of its customers. The Group will also continue to work on deriving synergistic benefits through pooling of resources, enlarged networks of suppliers and customers and increase in production efficiency.

Barring any unforeseen circumstances, the Group is confident that our ongoing optimisation efforts and the enlarged manufacturing operations will result in strong revenue performance and improved profitability for the coming financial year.

B4 Profit Forecast or Profit Guarantee

No profit forecast or profit guarantee was provided.

B5 Profit Before Tax

Profit before tax is arrived at after (crediting)/charging:

	3 months ended		19 months ended	
	31.07.2019	31.07.2018	31.07.2019	31.07.2018
	RM'000	RM'000	RM'000	RM'000
Interest income	(35)	-	(165)	-
Other operating income	(525)	-	(4,617)	-
(Gain)/loss on disposal of property, plant and equipment	(6)	-	131	-
Write off of property, plant and equipment	1,285	-	1,682	-
Interest expense	945	-	6,107	-
Depreciation of property, plant and equipment	4,012	-	22,858	-
Net write-down of inventories	5,132	-	10,799	-
Write off of inventories	581	-	581	-
Net foreign exchange loss	191	-	3,775	-
Net foreign exchange loss on derivative financial instruments	384	-	110	-

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

B6 Income Tax Expense

	3 months ended		19 months ended	
	31.07.2019 RM'000	31.07.2018 RM'000	31.07.2019 RM'000	31.07.2018 RM'000
Current:				
- Malaysian Tax	(1,503)	-	1,984	-
- Foreign Tax	264	-	701	-
- Over provision in prior year	-	-	(267)	-
	<u>(1,239)</u>	<u>-</u>	<u>2,418</u>	<u>-</u>
Deferred tax:				
- Current	1,741	-	2,179	-
- Under provision in prior year	-	-	18	-
	<u>502</u>	<u>-</u>	<u>4,615</u>	<u>-</u>

For the current quarter ended July 31, 2019, the effective tax rate was higher than the statutory tax rate mainly due to non-deductible expenses incurred in the current quarter.

The effective tax rate for the current financial period ended July 31, 2019 was lower than the statutory tax rate mainly due to income tax exemption granted to an overseas subsidiary.

B7 Status of Corporate Proposals

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

B8 Group Borrowings

Details of the Group's borrowings as of July 31, 2019 were as follows:-

	As of 31.07.2019					
	Long term		Short term		Total	
	Foreign Currency '000	RM '000	Foreign Currency '000	RM '000	Foreign Currency '000	RM '000
Secured:						
Finance lease liabilities in Ringgit Malaysia	-	440	-	784	-	1,224
Unsecured:						
Term loan in Ringgit Malaysia	-	4,829	-	2,660	-	7,489
Term loan in United States Dollar	-	-	2,153	8,894	2,153	8,894
Bankers' acceptances in Ringgit Malaysia	-	-	-	3,005	-	3,005
Revolving credit in Ringgit Malaysia	-	-	-	500	-	500
Revolving credit in United States Dollar	-	-	9,500	39,235	9,500	39,235
Revolving credit in Japanese Yen	-	-	60,000	2,280	60,000	2,280
		<u>5,269</u>		<u>57,358</u>		<u>62,627</u>

	← Long term		As of 31.12.2017		→ Total	
	Foreign	RM	Foreign	RM	Foreign	RM
	Currency	'000	Currency	'000	Currency	'000
Secured:						
Finance lease liabilities in Ringgit Malaysia	-	1,405	-	2,975	-	4,380
Unsecured:						
Term loan in Ringgit Malaysia	-	4,638	-	4,442	-	9,080
Term loan in United States Dollar	3,466	14,085	2,250	9,144	5,716	23,229
Bankers' acceptances in Ringgit Malaysia	-	-	-	23,894	-	23,894
Bankers' acceptances in United States Dollar	-	-	2,284	9,282	2,284	9,282
Bank overdraft in Ringgit Malaysia	-	-	-	10	-	10
		<u>20,128</u>		<u>49,747</u>		<u>69,875</u>

B9 Financial instruments

The Group enters into foreign currency forward contracts in the normal course of business to manage its exposure against foreign currency fluctuations on trade transactions.

As of July 31, 2019, the Group has the following outstanding derivatives:-

	Principal or Notional Amount RM'000	Fair Value RM'000	Net loss RM'000
Foreign currency forward contracts:-			
Less than 1 year	3,245	3,358	<u>113</u>

There is no change to the Group's financial risk management policies in managing these derivatives, its related accounting policies and the market risk associated with these derivatives since the last financial year.

B10 Material litigation

There was no material litigation as of the date of this quarterly report.

B11 Dividends

The Board of Directors does not recommend any dividend for the current financial quarter under review.

B12 Earnings Per Share

Basic earnings per share is calculated by dividing the profit for the financial period under review attributable to owners of the Company by the weighted average number of ordinary shares in issue during the said financial period, adjusted by the number of ordinary shares repurchased and disposed during the financial period under review.

	3 months ended		19 months ended	
	31.07.2019	31.07.2018	31.07.2019	31.07.2018
(Loss)/Profit attributable to owners of the Company (RM'000)	(305)	-	17,298	-
Weighted average number of ordinary shares as of July 31 ('000)	327,348	-	327,499	-
Basic (loss)/earnings per share (sen)	(0.09)	-	5.28	-

Diluted earnings per ordinary share are not presented as the warrants are anti-dilutive where the average market price of ordinary shares during the period does not exceed the exercise price of the warrants.

By Order of the Board

Ms. TUNG WEI YEN, MAICSA 7062671
Ms. GEETHARANI A/P RANGGANATHAN, MAICSA 7070549
Secretaries
Selangor
Dated: September 25, 2019