

**EMICO HOLDINGS BERHAD (Company No : 230326-D)**  
**CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)**  
**FOR THE QUARTER ENDED 31 DECEMBER 2019**

	<b>3 months ended 31 December</b>		<b>9 months ended 31 December</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	14,181	12,722	41,144	37,210
Cost of sales	(10,636)	(10,093)	(31,128)	(28,679)
Gross profit/(loss)	3,545	2,629	10,016	8,531
Other income	15	115	781	417
Sales and marketing expenses	(418)	(263)	(957)	(843)
Administrative expenses	(2,679)	(2,601)	(8,458)	(8,566)
Operating profit/(loss)	463	(120)	1,382	(461)
Finance costs	(131)	(138)	(466)	(402)
Profit/(Loss) before tax	332	(258)	916	(863)
Tax expense	(345)	(233)	(662)	(631)
<b>Profit/(Loss) for the period</b>	<b>(13)</b>	<b>(491)</b>	<b>254</b>	<b>(1,494)</b>
<b>Profit/(Loss) attributable to:</b>				
Equity holders of the parent	119	(461)	480	(1,400)
Non-controlling interests	(132)	(30)	(226)	(94)
<b>Profit/(Loss) for the period</b>	<b>(13)</b>	<b>(491)</b>	<b>254</b>	<b>(1,494)</b>
<b>Earnings per share attributable to equity holders of the parent:</b>				
Basic, profit/(loss) for the period (sen)	0.11	(0.48)	0.45	(1.46)
Fully Diluted	0.11	(0.48)	0.45	(1.46)

(The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 March 2019 and the accompanying explanatory notes attached to this interim financial report)

**EMICO HOLDINGS BERHAD (Company No : 230326-D)**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE QUARTER ENDED 31 DECEMBER 2019**

	3 months ended 31 December		9 months ended 31 December	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
<b>Profit/(Loss) for the period</b>	(13)	(491)	254	(1,494)
<b>Other comprehensive income, net of tax</b>				
Revaluation reserve on leasehold land and building, net of tax	-	-	-	-
Foreign currency translation differences for foreign operation	6	(4)	20	8
<b>Total comprehensive income/(loss) for the period</b>	<u>(7)</u>	<u>(495)</u>	<u>274</u>	<u>(1,486)</u>
<b>Total comprehensive income/(loss) attributable to:</b>				
Equity holders of the parent	125	(465)	500	(1,392)
Non-controlling interests	<u>(132)</u>	<u>(30)</u>	<u>(226)</u>	<u>(94)</u>
	<u>(7)</u>	<u>(495)</u>	<u>274</u>	<u>(1,486)</u>

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2019 and the accompanying explanatory notes attached to this interim financial report)

**EMICO HOLDINGS BERHAD (Company No : 230326-D)**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - UNAUDITED**  
**AT 31 DECEMBER 2019**

	<b>31 December 2019 Unaudited RM'000</b>	<b>31 March 2019 Audited RM'000</b>
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Property, plant and equipment	24,357	25,241
Investment properties	160	165
Goodwill on consolidation	552	552
Right of use assets	1,590	-
Deferred tax assets	95	266
<b>Total non current assets</b>	<b>26,754</b>	<b>26,224</b>
<b>Current Assets</b>		
Inventories	41,121	43,509
Trade and other receivables	10,981	10,664
Current tax assets	177	254
Cash and cash equivalents	4,034	2,196
<b>Total current assets</b>	<b>56,313</b>	<b>56,623</b>
<b>TOTAL ASSETS</b>	<b>83,067</b>	<b>82,847</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	18,801	18,144
Reserves	13,361	13,341
Retained earnings	12,827	12,375
<b>Total equity attributable to owners of the Company</b>	<b>44,989</b>	<b>43,860</b>
Non-controlling interests	8,559	8,785
<b>TOTAL EQUITY</b>	<b>53,548</b>	<b>52,645</b>
<b>Non Current Liabilities</b>		
Borrowings	1,840	2,182
Lease liabilities	799	-
Deferred tax liabilities	4,888	5,155
<b>Total non current liabilities</b>	<b>7,527</b>	<b>7,337</b>
<b>Current liabilities</b>		
Trade and other payables	14,709	15,402
Bank borrowings	6,223	7,271
Lease liabilities	845	-
Current tax liabilities	215	192
<b>Total current liabilities</b>	<b>21,992</b>	<b>22,865</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>83,067</b>	<b>82,847</b>
Net assets per share (RM)	0.43	0.43

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2019 and the accompanying explanatory notes attached to this interim financial report)

**EMICO HOLDINGS BERHAD (Company No : 230326-D)**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - UNAUDITED**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2019**

	<----- Attributable to equity holders of parent ----->					
	Share Capital RM'000	Revaluation Reserve RM'000	Exchange Reserve RM'000	Retained earning RM'000	Non-controlling Interests RM'000	Total Equity RM'000
At 1 April 2019	18,144	13,313	28	12,375	8,785	52,645
Adjustment on adoption of MFRS 16	-	-	-	(28)	-	(28)
Adjusted 1 April 2019	18,144	13,313	28	12,347	8,785	52,617
Profit/(Loss) for the period	-	-	-	480	(226)	254
Revaluation reserve on leasehold land and buildings	-	-	-	-	-	-
Foreign exchange translation differences	-	-	20	-	-	20
Total comprehensive income/(loss) for the period	-	-	20	480	(226)	274
Issuance of new shares	657	-	-	-	-	657
At 31 December 2019	18,801	13,313	48	12,827	8,559	53,548
At 1 April 2018	17,329	12,690	21	13,181	7,878	51,099
Adjustment on adoption of MFRS 9	-	-	-	(1,371)	-	(1,371)
Adjusted 1 April 2018	17,329	12,690	21	11,810	7,878	49,728
Profit/(Loss) for the period	-	-	-	565	907	1,472
Revaluation reserve on leasehold land and buildings	-	623	-	-	-	623
Foreign exchange translation differences	-	-	7	-	-	7
Total comprehensive income/(loss) for the period	-	623	7	565	907	2,102
Issuance of new shares	815	-	-	-	-	815
At 31 March 2019	18,144	13,313	28	12,375	8,785	52,645

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2019 and the accompanying explanatory notes attached to this interim financial report)

**EMICO HOLDINGS BERHAD (Company No : 230326-D)**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW - UNAUDITED**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2019**

	<b>9 months ended 31 December 2019 RM'000</b>	<b>12 months ended 31 March 2019 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/ (Loss) before tax	916	2,172
Adjustments for :		
Depreciation of property, plant and equipment	1,296	1,771
Interest expenses	309	506
Impairment losses on trade and other receivables	-	79
Reversal of impairment losses on trade and other receivables	-	(1,030)
Bad debt written off	-	-
Amortisation of investment properties	-	6
Amortisation of lease assets	637	-
Unrealised gain on foreign exchange	(861)	(23)
Interest expense on lease liabilities	81	-
Interest income	(37)	(20)
Gain on disposal of property, plant and equipment	(50)	(104)
Operating profit before working capital changes	2,291	3,357
Changes in working capital:		
Decrease in trade and other receivables	270	2,182
Decrease/(Increase) in inventories	2,361	(2,136)
Decrease in trade and other payables	(370)	(2,654)
Cash generated from operations	4,552	749
Interest received	37	20
Tax refund	107	529
Tax paid	(766)	(989)
Net cash generated from operating activities	3,930	309
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(409)	(873)
Proceed from disposal of property plant and equipment	50	104
Net cash used in investing activities	(359)	(769)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(309)	(176)
Issuance of new shares	657	815
Net drawdown/ (repayment) of bank borrowings	(223)	(635)
Net drawdown/ (repayment) of hire purchase payables	(1,001)	(618)
Changes in deposits pledged to licensed banks	-	(3)
Net cash used in financing activities	(876)	(617)
Net decrease in cash and cash equivalents	2,695	(1,077)
Effects of exchange rate changes on cash and cash equivalents	(2)	32
Cash and cash equivalents at beginning of financial year	(392)	653
Cash and cash equivalents at end of financial year	2,301	(392)
Cash and cash equivalents comprise of:		
Cash and bank balances	3,941	2,105
Deposits with licensed banks	93	93
Bank overdrafts included in bank borrowings	(1,640)	(2,497)
	2,394	(299)
Less: Deposits pledged to licensed banks	(93)	(93)
	2,301	(392)

(The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 March 2019 and the accompanying explanatory notes attached to this interim financial report)

**EMICO HOLDINGS BERHAD (Company No : 230326-D)**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 3RD QUARTER ENDED 31 DECEMBER 2019**

**A EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A1 Basis of preparation**

The interim financial statements are unaudited and has been prepared in compliance with MFRS 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2019. 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 31 March 2019.

Except as described above, the accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 March 2019. The changes in accounting policies are also expected to be reflected in the Group's consolidated financial statements as at and for the year ending 31 March 2020.

**MFRS 16 Leases ("MFRS 16")**

The Group has adopted MFRS 16 Leases in the current financial period, where MFRS 16 supersedes MFRS 117 "Leases" and the related interpretations. Under MFRS 16, a lease is a contract (or part of contract) that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. MFRS 16 eliminates the classification of leases by the lessee as either finance leases or operating leases.

MFRS 16 requires the lessee to recognise in the statements of financial position, a "right-of-use" of the underlying asset and a lease liability reflecting future lease payment for most leases. The right-of-use asset is depreciated in accordance with the principle in MFRS 116 "Property, Plant and Equipment" and the lease liability is accreted over time with interest expense recognised in the statement of profit or loss.

On the date of initial application, the Group applied the simplified transition approach and did not restate comparative amounts for the period prior to first adoption. Right-of-use assets were measured on transition as if the new rules had always been applied.

The adoption of MFRS 16 impacts the Group's financial performance in the current financial period as below:

- a) On the statements of profit or loss, expenses which previously included operating lease rentals within PBIT were replaced by interest expense on lease liabilities (included within "finance costs") and amortisation of the right-of-use assets (included within "amortisation").
- b) On the statements of cash flows, operating lease rental outflows previously recorded within "net cash flows from operating activities" were reclassified as "net cash flows used in financing activities" for repayment of the principal and interest of lease liabilities.

Reconciliation of financial position and equity:

	<b>Previously Reported RM'000</b>	<b>Effect of MFRS 16 RM'000</b>	<b>Restated RM'000</b>
<b>1 April 2019</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	25,241	-	25,241
Investment properties	165	-	165
Right-of-use assets	-	2,099	2,099
Goodwill on consolidation	552	-	552
Deferred tax assets	266	-	266
<b>Total non current assets</b>	<b>26,224</b>	<b>2,099</b>	<b>28,323</b>
<b>Current Assets</b>			
Inventories	43,509	-	43,509
Trade and other receivables	10,664	-	10,664
Current tax assets	254	-	254
Cash and cash equivalents	2,196	-	2,196
<b>Total current assets</b>	<b>56,623</b>	<b>-</b>	<b>56,623</b>
<b>TOTAL ASSETS</b>	<b>82,847</b>	<b>2,099</b>	<b>84,946</b>
<b>Equity attributable to equity holders of the parent</b>			
Share capital	18,144	-	18,144
Reserves	13,341	-	13,341
Retained earnings	12,375	(28)	12,347
<b>Total equity attributable to owners of the Company</b>	<b>43,860</b>	<b>(28)</b>	<b>43,832</b>
Non-controlling interests	8,785	-	8,785
<b>TOTAL EQUITY</b>	<b>52,645</b>	<b>(28)</b>	<b>52,617</b>
<b>Non Current Liabilities</b>			
Borrowings	2,182	-	2,182
Lease liabilities	-	1,364	1,364
Deferred tax liabilities	5,155	-	5,155
<b>Total non current liabilities</b>	<b>7,337</b>	<b>1,364</b>	<b>8,701</b>
<b>Current liabilities</b>			
Trade and other payables	15,402	-	15,402
Bank borrowings	7,271	-	7,271
Lease liabilities	-	763	763
Current tax liabilities	192	-	192
<b>Total current liabilities</b>	<b>22,865</b>	<b>763</b>	<b>23,628</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>82,847</b>	<b>2,099</b>	<b>84,946</b>

**A1 Basis of preparation**

The adoption of other new standards are not expected to have any material financial impact to the Group upon their adoption with effective from 1 April 2019.

The following revised MFRSs and Amendments to MFRSs applicable to the Group have been issued by the MASB and are not yet effective for adoption by the Group.

		Effective for annual periods beginning on or after
Amendments to MFRS 3	Definition of a Business	1-Jan-20
Amendments to MFRS 9, MFRS 139 and MFRS 7	Interest Rate Benchmark Reform	1-Jan-20
Amendments to MFRS 101	Definition of Material	1-Jan-20
Amendments to MFRS 108	Definition of Material	1-Jan-20
MFRS 17	Insurance Contracts	1-Jan-21
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

**A2 Audited financial statements of the preceding year**

The auditors' report on the financial statements for the year ended 31 March 2019 was not qualified.

**A3 Seasonality or cyclicity of operations**

The Group operations is not subject to seasonality or cyclicity of operations.

**A4 Items of unusual nature and amount**

There were no items affecting assets, liabilities, equity, net income or cash flows of the Group that are unusual because of their nature, size or incidence during the financial period ended 31 December 2019.

**A5 Changes in estimates**

There were no significant changes in estimates of amount, which give a material effect in the financial period ended 31 December 2019.

**A6 Issuance, cancellations, repurchases, resale and repayment of debt/equity securities**

There were no issuance and repayment of debt and equity securities for the financial period ended 31 December 2019.

**A7 Dividend paid**

There were no dividend paid during the quarter under review.

**A8 Segmental Reporting**

The analysis by activity of the Group for the financial period ended 31 December 2019 are as follows:

	<-----3 months ended----->		<-----9 months ended----->	
	31-12-2019 RM'000	31-12-2018 RM'000	31-12-2019 RM'000	31-12-2018 RM'000
<b>Segment Revenue</b>				
Manufacturing and trading - consumable products	13,099	12,722	36,235	37,210
Property development	1,082	-	4,909	-
Investment holdings	114	30	342	90
	<u>14,295</u>	<u>12,752</u>	<u>41,486</u>	<u>37,300</u>
Inter-segment elimination	(114)	(30)	(342)	(90)
Total Revenue	<u>14,181</u>	<u>12,722</u>	<u>41,144</u>	<u>37,210</u>
<b>Segment Results</b>				
Manufacturing and trading - consumable products	897	530	2,344	1,526
Property development	(33)	(373)	241	(1,209)
Investment holdings	(401)	(277)	(1,203)	(778)
	<u>463</u>	<u>(120)</u>	<u>1,382</u>	<u>(461)</u>
Finance cost	(131)	(138)	(466)	(402)
Total Segment Results	<u>332</u>	<u>(258)</u>	<u>916</u>	<u>(863)</u>
Profit/(Loss) before tax	332	(258)	916	(863)
Tax expense	(345)	(233)	(662)	(631)
Non-controlling interests	132	30	226	94
	<u>119</u>	<u>(461)</u>	<u>480</u>	<u>(1,400)</u>
Profit/(Loss) for the period	<u>119</u>	<u>(461)</u>	<u>480</u>	<u>(1,400)</u>

**A9 Valuation of property, plant and equipment**

The valuation of leasehold land and buildings have been brought forward without amendments from previous annual financial statements.

**A10 Material events subsequent to the balance sheet date**

Save for the corporate proposal as disclosed in Section B4 below, there were no other material events subsequent to the end of the current quarter.

**A11 Contingent Liabilities**

The Directors are not aware of any contingent liabilities that have arisen since the last annual balance sheet date.

**A12 Related Party Transactions**

Significant transactions between the Group with the related parties during the financial year ended 31 December 2019 were as follows:

	<-----3 months ended----->		<-----9 months ended----->	
	31-12-2019 RM'000	31-12-2018 RM'000	31-12-2019 RM'000	31-12-2018 RM'000
Sales of raw materials:				
Century Plas Industries Sdn Bhd	1,731	1,465	4,496	5,411
Purchases of semi finished parts and components:				
Century Plas Industries Sdn Bhd	2,384	2,474	6,741	8,231
Sales and purchases of trading items				
U Can Marketing Sdn Bhd	22	3	28	20
Rental of premises received:				
Century Plas Industries Sdn Bhd	39	39	117	117
Rental of machinery received:				
Century Plas Industries Sdn Bhd	56	56	167	117
Rental of factory paid and payable to:				
Beng Choo Marketing Sdn Bhd	150	150	450	350
Purchases and sales of trophy parts and bases:				
Emico (Vietnam) Co. Ltd	1,304	1,253	3,950	4,038

The transactions were entered in the normal course of business and have been established under normal commercial terms that are no less favourable than those arranged with independent third parties.

**A13 Capital Commitments**

Capital expenditures which have not been provided for at the end of each reporting period are as follows:

	As at 31-Dec-19 RM'000
Property, plant and equipment:	
Approved and contracted for	-



**B ADDITIONAL INFORMATION AS REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (PART A OF APPENDIX 9B)**

**B1 Tax expense**

	Current 9 months 31-12-2019 RM'000	Current 6 months 31-12-2018 RM'000
Current period	758	725
Deferred	(96)	(94)
Taxation - net	662	631

The effective tax rates were higher than statutory tax rate mainly due to the losses which cannot be set-off against taxable profits made by subsidiaries and certain expenses which are not tax deductible.

**B2 Sale of unquoted investments and properties**

There were no profit on sale of investments or properties for the current financial period.

**B3 Particulars of purchase or disposal of quoted investments**

There were no sales or purchases of quoted securities during the period.

**B4 Status of Corporate proposals announced**

On 3 December 2018, the Company proposed to undertake a proposed private placement of up to 10% of the total number of issued shares of the Company ("**Placement Shares**") to third party investor(s) to be identified at a later date ("**Proposed Private Placement**").

The Proposed Private Placement was approved by Bursa Malaysia Securities Berhad ("**Bursa Securities**") vide its letter dated 5 December 2018.

On 29 January 2019, the Board had fixed the issue price for the first tranche of the Proposed Private Placement comprising 5,000,000 Placement Shares at RM0.163 per Placement Share. The first tranche of the Placement Shares was listed on Bursa Securities on 11 February 2019.

On 24 May 2019, the Board had fixed the issue price for the final tranche of the Proposed Private Placement comprising 4,592,600 Placement Shares at RM0.143 per Placement Share. The final tranche of the Placement Shares was listed on Bursa Securities on 30 May 2019.

As at 4 November 2019, the status of the utilization of the gross proceeds from all tranches of the private placement is as follows:

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Utilisation %	Expected Timeframe for Utilisation
i) Working Capital	1,389	1,389	100%	Within 12 months
ii) Estimated expenses in relation to the the Proposed Private Placement	83	83	100%	Within 12 months
<b>Total gross proceeds</b>	<b>1,472</b>	<b>1,472</b>	<b>100%</b>	

On 14 October 2019, the Company proposed to undertake the proposed establishment of Employees' Share Option Scheme of up to 15% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time during the duration of the scheme for eligible executive directors and employees of the Company and its subsidiary companies (excluding subsidiary companies which are dormant, if any) ("**Proposed ESOS**").

On 10 January 2020, the Company announced that the effective date of implementation of the ESOS is 10 January 2020, being the date on which the Company is in full compliance with Paragraph 6.43(1) of the Listing Requirements.

**B5 Group borrowings**

Group borrowings and debt securities are as follows:

	31-Dec-19 RM'000	31-Mar-19 RM'000
<b>a) Current bank Borrowings - Secured</b>		
Bank overdraft	1,640	2,497
Bankers' acceptance	4,141	4,333
Hire purchase creditors	406	409
Term loan	36	32
	<u>6,223</u>	<u>7,271</u>
<b>b) Non Current Bank Borrowings - Secured</b>		
Hire purchase creditors	1,057	1,364
Term loan	783	818
	<u>1,840</u>	<u>2,182</u>

**B6 Financial Instruments with Off Balance Sheet Risks**

There were no financial instruments with off balance sheet risks for the current financial period.

**B7 Material Litigations**

There are no material litigation pending as at 11 February 2020.

**B8 Performance review**

	<----- 3 months ended ----->		<-----9 months ended ----->	
	Oct-19 to Dec-19	July-19 to Sep-19	Apr-19 to Dec-19	Apr-18 to Dec-18
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>				
Manufacturing and trading	13,099	11,445	36,235	37,210
Property development	1,082	1,889	4,909	-
<b>Total</b>	<b>14,181</b>	<b>13,334</b>	<b>41,144</b>	<b>37,210</b>
<b>PROFIT/ (LOSS) BEFORE TAX ("PBT" &amp; "LBT")</b>				
Manufacturing and trading - operations	780	695	1,921	1,170
Property development	(47)	77	198	(1,255)
Investment holdings	(401)	(476)	(1,203)	(778)
<b>Net Total</b>	<b>332</b>	<b>296</b>	<b>916</b>	<b>(863)</b>

Comparison with preceding quarter

For the current quarter under review, the revenue of the Group was increased from RM13.33 million in preceding quarter to RM14.18 million for current quarter due to higher sales generated by manufacturing and trading division. As a result, the Group posted higher PBT of RM0.33 million for current quarter as compared to PBT of RM0.30 million in preceding quarter.

Manufacturing and trading division posted a increase of 14.5% in revenue from RM11.45 million in preceding quarter to RM13.10 million for current quarter due to the higher of export sales. As a result, it posted a higher PBT of RM0.78 million for current quarter from a lower PBT of RM0.70 million in preceding quarter.

The property development division posted revenue of RM1.08 million for current quarter as compared to RM1.89 million in the preceding quarter. The decrease was due to lesser sales of completed units. As such, property development division posted a LBT of RM0.47 million as compared to PBT of RM0.77 million in preceding quarter.

For investment holding division, the LBT was maintained at RM0.40 million for current quarter and RM0.48 million in preceding quarter.

Comparison with preceding year results

The Group revenue for the 9 months ended 31 December 2019 was RM41.14 million as compared to RM37.21 million in the preceding period, an increase of 10.6%. The increase was mainly due to current period revenue was derived from the sales of completed units in property development division previously classified under inventory. As such, the Group posted a PBT of RM0.92 million for current period as compared to LBT of RM0.86 million in the preceding period.

Manufacturing and trading division posted a decrease of 2.6% in revenue from RM37.21 million in preceding period to RM36.24 million for current period due to the lesser of export sales. However, it posted a higher PBT of RM1.92 million for current period from a lower PBT of RM1.17 million in preceding period due to strengthening of USD and lesser operation costs.

The property development division posted revenue of RM4.91 million for current period mainly due to the sales of completed units classified under inventory. There was no revenue for preceding period was due to no project completed. As such, property development division posted a PBT of RM0.20 million as compared to LBT of RM1.26 million in preceding period.

For investment holding division, the LBT was maintained at RM1.20 million for current period and RM0.78 million for preceding period.

**B9 Prospects**

The Group continues to take a cautiously optimistic outlook on coming financial year. Manufacturing and trading division will remain the major business segment for the coming financial year. The Group will focus on driving sales opportunities for domestic and export segments, regardless of the ongoing soft market conditions and competitive pressures in respect of labour cost, cost of raw materials, fluctuation in foreign exchange resulting in the volatility of the Ringgit against major currencies as well as trade tensions around the world and the region which may affect the Group's profit margin. The Group will prudently continue to focus and expand on its existing revenue generating businesses and seek opportunities to grow its businesses, both local and overseas, by seeking new technologies and machineries and to implement further automation which improves production efficiency, reduce reliance on labour intensive process as well as closely monitor the foreign currency exchanges and raw materials pricing to mitigate the impact of any unfavorable fluctuations on Group earnings.

Property development market environment is expected to remain challenging industry-wide due to price affordability, over supply and rising cost of living. Despite the unfavourable market condition, due to Government's announcement related to reducing lending rates as well as proactive measure implemented by the Kementerian Perumahan dan Kerajaan Tempatan such as homeownership programme, hence, the Group is optimistic to continue to achieve satisfactory performance for property division and will leverage on its strategic land bank to develop properties to meet the current market needs.

**B10 Explanatory notes on any variance in actual profit from forecasted profit**

This note is not applicable for the financial period under review.

**B11 Dividend**

The Directors do not recommend any dividend for the financial period ended 31 December 2019.

**B12 Earnings per share ("EPS")****I) Basic Earnings per share****a) Numerator**

Profit attributable to ordinary equity holders:

Profit/(Loss) from operations (RM'000)

**b) Denominator**

Weighted average number of ordinary shares used as denominator (per 1000 shares)

**Basic Earnings per share (Sen)**

	3 months		9 months	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Profit/(Loss) from operations (RM'000)	119	(461)	480	(1,400)
Weighted average number of ordinary shares used as denominator (per 1000 shares)	105,519	95,927	105,519	95,927
<b>Basic Earnings per share (Sen)</b>	<b>0.11</b>	<b>(0.48)</b>	<b>0.45</b>	<b>(1.46)</b>

**B13 Operating Income/(Expenses)**

Included in operating income/(expenses) are the followings credits/(charges):

	9 months ended Dec-19 RM'000	9 months ended Dec-18 RM'000
Depreciation of property, plant and equipment	(1,296)	(1,323)
Amortisation of investment properties	-	(5)
Interest expense	(309)	(347)
Interest income	37	24
Unrealised gain/(loss) on foreign exchange	861	56
Gain on disposal of property plant and equipment	50	104
Impairment losses on trade and other receivables	-	(79)
Amortisation of lease assets	(637)	-
Interest expense on lease liabilities	(81)	-
Bad debt recovery	-	5