

**PRG HOLDINGS BERHAD**  
**(Registration No: 200101005950 (541706-V))**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER OF 2020**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 31 March 2020 - UNAUDITED**

	<b>Quarter ended 31 March</b>		<b>Year ended 31 March</b>	
	<b>2020 RM'000</b>	<b>2019 RM'000 (restated)</b>	<b>2020 RM'000</b>	<b>2019 RM'000 (restated)</b>
<b><u>Continuing operations</u></b>				
<b>Revenue</b>	<b>27,437</b>	19,349	<b>27,437</b>	19,349
Cost of sales	<b>(19,360)</b>	(14,276)	<b>(19,360)</b>	(14,276)
<b>Gross profit</b>	<b>8,077</b>	5,073	<b>8,077</b>	5,073
Other income	<b>3,967</b>	648	<b>3,967</b>	648
Selling and marketing expenses	<b>(2,431)</b>	(537)	<b>(2,431)</b>	(537)
Administrative expenses	<b>(8,135)</b>	(8,012)	<b>(8,135)</b>	(8,012)
Other expenses	<b>(550)</b>	(452)	<b>(550)</b>	(452)
Interest income	<b>62</b>	115	<b>62</b>	115
Finance costs	<b>(977)</b>	(661)	<b>(977)</b>	(661)
Share of losses of associates (net of tax)	<b>(296)</b>	(311)	<b>(296)</b>	(311)
Share of profit/(loss) of joint ventures (net of tax)	<b>67</b>	(66)	<b>67</b>	(66)
<b>Loss before tax</b>	<b>(216)</b>	(4,203)	<b>(216)</b>	(4,203)
Tax expense	<b>(371)</b>	(331)	<b>(371)</b>	(331)
<b>Loss from continuing operations</b>	<b>(587)</b>	(4,534)	<b>(587)</b>	(4,534)
<b><u>Discontinued operations</u></b>				
Loss from discontinued operations	<b>(293)</b>	(827)	<b>(293)</b>	(827)
<b>Loss for the financial year</b>	<b>(880)</b>	(5,361)	<b>(880)</b>	(5,361)
<b>Other comprehensive (loss)/income</b>				
<b><u>Continuing operations</u></b>				
<b>Item that will not be reclassified subsequently to profit of loss</b>				
Change in the fair value of equity instruments at fair value through other comprehensive income	<b>(2,438)</b>	-	<b>(2,438)</b>	-
<b>Item that will be reclassified subsequently to profit of loss</b>				
Foreign currency translations	<b>3,377</b>	(1,111)	<b>3,377</b>	(1,111)
Realisation of reserves from disposal of a subsidiary	<b>(1,364)</b>	-	<b>(1,364)</b>	-
Share of other comprehensive (loss)/income of an associate	<b>(3)</b>	81	<b>(3)</b>	81
Share of other comprehensive income/(loss) of a joint venture	<b>32</b>	(25)	<b>32</b>	(25)
<b><u>Discontinued operations</u></b>				
Other comprehensive loss from discontinued operations	-	(88)	-	(88)
<b>Total comprehensive loss for the financial year</b>	<b>(1,276)</b>	(6,504)	<b>(1,276)</b>	(6,504)

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 31 MARCH 2020 - UNAUDITED (continued)**

	<b>Quarter ended 31 December</b>		<b>Year ended 31 December</b>	
	<b>2019 RM'000</b>	<b>2018 RM'000 (restated)</b>	<b>2019 RM'000</b>	<b>2018 RM'000 (restated)</b>
<b>(Loss)/Profit attributable to:</b>				
Owners of the parent				
- from continuing operations	<b>(1,732)</b>	(3,622)	<b>(1,732)</b>	(3,622)
- from discontinued operations	<b>166</b>	(503)	<b>166</b>	(503)
Non-controlling interests				
- from continuing operations	<b>1,145</b>	(912)	<b>1,145</b>	(912)
- from discontinued operations	<b>(459)</b>	(324)	<b>(459)</b>	(324)
	<b>(880)</b>	(5,361)	<b>(880)</b>	(5,361)
<b>Total comprehensive (loss)/income attributable to:</b>				
Owners of the parent				
- from continuing operations	<b>(3,064)</b>	(4,286)	<b>(3,064)</b>	(4,286)
- from discontinued operations	<b>166</b>	(560)	<b>166</b>	(560)
Non-controlling interests				
- from continuing operations	<b>2,081</b>	(1,302)	<b>2,081</b>	(1,302)
- from discontinued operations	<b>(459)</b>	(356)	<b>(459)</b>	(356)
	<b>(1,276)</b>	(6,504)	<b>(1,276)</b>	(6,504)
<b>Basic/Diluted (loss)/earnings per ordinary share attributable to owners of the parent (sen):</b>				
- from continuing operations	<b>(0.43)</b>	(1.15)	<b>(0.43)</b>	(1.15)
- from discontinued operations	<b>0.04</b>	(0.16)	<b>0.04</b>	(0.16)
	<b>(0.39)</b>	(1.31)	<b>(0.39)</b>	(1.31)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER OF 2020**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2020 - UNAUDITED**

	Notes	As at 31 March 2020 RM'000	(Audited) As at 31 December 2019 RM'000
<b>Non-current assets</b>			
Property, plant and equipment		25,656	25,799
Right-of-use assets		34,770	36,144
Intangible assets		33,851	32,974
Investments in associates		1,934	1,934
Investments in joint ventures		1,210	1,111
Other investments		4,014	6,452
Trade and other receivables		4,967	4,730
Deferred tax assets		31	381
<b>Total non-current assets</b>		<u>106,433</u>	<u>109,525</u>
<b>Current assets</b>			
Inventories		60,564	59,788
Biological assets		82,965	83,100
Trade and other receivables		64,119	63,350
Contract assets		3,162	5,625
Current tax assets		558	585
Cash and bank balances		27,435	23,386
<b>Total current assets</b>		<u>238,803</u>	<u>235,834</u>
Assets classified as held for sale		<u>231,370</u>	244,330
<b>Total assets</b>		<u><u>576,606</u></u>	<u><u>589,689</u></u>
<b>Equity</b>			
Share capital		141,975	134,975
Treasury shares		(87)	(87)
Exchange translation differences		(199)	(4,080)
Fair value reserve		(24,313)	(21,875)
Retained earnings		45,521	49,862
<b>Total attributable to owners of the parent</b>		<u>162,897</u>	158,795
Non-controlling interests		62,370	60,748
<b>Total equity</b>		<u>225,267</u>	219,543
<b>Non-current liabilities</b>			
Borrowings	B7	18,834	20,465
Trade and other payables		11,999	11,990
Lease liabilities		14,522	16,106
Deferred tax liabilities		1,901	1,894
<b>Total non-current liabilities</b>		<u>47,256</u>	<u>50,455</u>

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER OF 2020**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2020 - UNAUDITED**

		<b>As at</b>	(Audited)
		<b>31 March</b>	As at
		<b>2020</b>	31 December
	<b>Notes</b>	<b>RM'000</b>	2019
			RM'000
<b>Current liabilities</b>			
Borrowings	B7	<b>12,029</b>	12,534
Trade and other payables		<b>110,567</b>	121,591
Contract liabilities		<b>3,448</b>	2,109
Lease liabilities		<b>4,854</b>	4,059
Current tax liabilities		<b>2,970</b>	2,732
<b>Total current liabilities</b>		<b>133,868</b>	143,025
Liabilities directly associated with the assets held for sale		<b>170,215</b>	176,666
<b>Total liabilities</b>		<b>351,339</b>	370,146
<b>Total equity and liabilities</b>		<b>576,606</b>	589,689
Net assets per share attributable to owners of the parent (RM)	B12	<b>0.3928</b>	0.3941

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER OF 2020**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 March 2020 - UNAUDITED**

	<div>&lt;-----Attributable to owners of the parent -----&gt;</div> <div>&lt;-----Non-distributable-----&gt;Distributable</div>							Non-controlling interests	Total equity
	Share capital	Treasury shares	Exchange translation differences	Warrants reserve	Fair value reserve	Retained earnings	Total	RM'000	RM'000
3 months ended 31 March 2019 (Restated)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2019	83,289	(87)	(2,881)	3,713	-	47,924	131,958	40,199	172,157
Effect of adoption of MFRS 16	-	-	-	-	-	(229)	(229)	193	(36)
Restated balance as at 1 January 2019	83,289	(87)	(2,881)	3,713	-	47,695	131,729	40,392	172,121
Loss for the financial period	-	-	-	-	-	(4,125)	(4,125)	(1,236)	(5,361)
Foreign currency translations, net of tax	-	-	(777)	-	-	-	(777)	(422)	(1,199)
Share of other comprehensive income of an associate, net of tax	-	-	81	-	-	-	81	-	81
Share of other comprehensive loss of a joint venture, net of tax	-	-	(25)	-	-	-	(25)	-	(25)
Total comprehensive loss	-	-	(721)	-	-	(4,125)	(4,846)	(1,658)	(6,504)
Ordinary shares issued pursuant to exercise of Warrants	5,254	-	-	(506)	-	-	4,748	-	4,748
Balance as at 31 March 2019	88,543	(87)	(3,602)	3,207	-	43,570	131,631	38,734	170,365
<b>3 months ended 31 March 2020</b>									
Balance as at 1 January 2020	134,975	(87)	(4,080)	-	(21,875)	49,862	158,795	60,748	219,543
Loss for the financial year	-	-	-	-	-	(1,566)	(1,566)	686	(880)
Change in the fair value of equity investments at fair value through other comprehensive income	-	-	-	-	(2,438)	-	(2,438)	-	(2,438)
Foreign currency translations	-	-	2,441	-	-	-	2,441	936	3,377
Realisation of reserves from disposal of a subsidiary	-	-	1,411	-	-	(2,775)	(1,364)	-	(1,364)
Share of other comprehensive income of an associate, net of tax	-	-	(3)	-	-	-	(3)	-	(3)
Share of other comprehensive loss of a joint venture, net of tax	-	-	32	-	-	-	32	-	32
Total comprehensive loss	-	-	3,881	-	(2,438)	(4,341)	(2,898)	1,622	(1,276)
Ordinary shares issued pursuant to Private Placement exercise	7,000	-	-	-	-	-	7,000	-	7,000
Balance as at 31 March 2020	141,975	(87)	(199)	-	(24,313)	45,521	162,897	62,370	225,267

**Note 1**

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER OF 2020**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 March 2020 - UNAUDITED**

	<b>Period ended 31 March</b>	
	<b>2020 RM'000</b>	<b>2019 RM'000</b>
<b>Cash flows from operating activities</b>		
Loss before tax from:		
Continuing operations	(216)	(4,203)
Discontinued operations	(293)	(828)
Adjustments for:		
Non-cash items	(967)	1,640
Finance costs	1,102	826
Interest income	(64)	(167)
Share of losses of associates	296	311
Share of profit/(loss) of joint ventures	(67)	66
Operating loss before changes in working capital	(209)	(2,355)
Change in inventories	(583)	(1,788)
Change in trade and other receivables	(5,842)	(3,386)
Change in contract assets	2,571	(1,295)
Change in trade and other payables	(4,212)	11,448
Change in contract liabilities	4,296	2,940
Cash (used in)/generated from operations	(3,979)	5,564
Tax paid (net with tax refunded)	(314)	(608)
Net cash (used in)/generated from operating activities	(4,293)	4,956
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment and intangible assets	(391)	(4,872)
Investment in a quoted share	-	(28,327)
Repayments from joint ventures	25	109
Advances to associates	(582)	-
Dividends received from a joint venture	-	205
Interest received	29	167
Proceeds from disposals of property, plant and equipment	17	110
Net cash flows from disposal of a subsidiary	(8)	-
Deposits placed with financial institutions with original maturity of more than three (3) months	(1,644)	(6)
Net cash used in investing activities	(2,554)	(32,614)
<b>Cash flows from financing activities</b>		
Interest paid	(618)	(826)
Drawdown of borrowings	2,492	17,956
Repayments of borrowings	(5,276)	(1,794)
Repayments of lease liabilities	(999)	(332)
Proceeds from issuance of ordinary shares pursuant to exercise of Warrants	-	4,748
Proceeds from issuance of ordinary shares pursuant to Private Placement exercise	7,000	-
Advances from shareholders	3,148	-
Net cash generated from financing activities	5,747	19,752
<b>Net decrease in cash and cash equivalents</b>	(1,100)	(7,906)
Effects of exchange rate changes	1,108	(619)
Cash and cash equivalents at beginning of financial period	14,295	25,768
Less: Cash and cash equivalents reclassified as held for sale	2,081	-
<b>Cash and cash equivalents at end of financial period</b>	<b>16,384</b>	<b>17,243</b>

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)**  
**FOR THE PERIOD ENDED 31 March 2020 - UNAUDITED**

	<b>Period ended 31 March</b>	
	<b>2020 RM'000</b>	2019 RM'000
Cash and cash equivalents comprise:		
Cash and bank balances	<b>27,435</b>	26,367
Less: Bank overdraft	<b>(528)</b>	(8,388)
Deposits placed with financial institutions with original maturity of more than three (3) months	<b>(9,796)</b>	(654)
Restricted cash	<b>(727)</b>	(82)
	<b>16,384</b>	17,243
<b>Reconciliation of liabilities arising from financing activities</b>		
Borrowings at 1 January **	<b>32,615</b>	38,011
Effects of adoption of MFRS 16	<b>-</b>	(839)
	<b>32,615</b>	37,172
Cash flows	<b>(2,784)</b>	16,162
Non-cash flows:		
- Effect of foreign exchange	<b>504</b>	(68)
Borrowings at 31 March **	<b>30,335</b>	53,266
** Borrowings exclude bank overdraft		
Lease liabilities at 1 January	<b>20,165</b>	-
Effects of adoption of MFRS 16	<b>-</b>	7,047
	<b>20,165</b>	7,047
Cash flows	<b>(999)</b>	(332)
Non-cash flows:		
- Acquisition of right-of-use assets	<b>97</b>	17,542
- Unwinding of interest	<b>341</b>	53
- Reclassified to liabilities directly associated with the assets held for sale	<b>7</b>	-
- Effect of foreign exchange	<b>(235)</b>	(175)
Lease liabilities at 31 March	<b>19,376</b>	24,135

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

## **A1 BASIS OF PREPARATION**

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements of MFRS 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB"), IAS 34 *Interim Financial Reporting* and applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2019. The 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 December 2019.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2019 except for the new Malaysian Financial Reporting Standards ("MFRS"), interpretation and amendments to standards to be applied by all Entities Other Than Private Entities for the financial periods beginning on or after 1 January 2020:

<b>Title</b>	<b>Effective Date</b>
<i>Amendments to References to the Conceptual Framework in MFRS Standards</i>	1 January 2020
<i>Amendments to MFRS 3 Definition of a Business</i>	1 January 2020
<i>Amendments to MFRS 101 and MFRS 108 Definition of a Business</i>	1 January 2020
<i>Amendments to MFRS 9, MFRS 139 and MFRS 7 Interest Rate Benchmark Reform</i>	1 January 2020

The adoption of the above did not have any significant effects on the interim financial statements upon their initial application.

**A2 AUDITORS' REPORT ON PRECEDING YEAR'S FINANCIAL STATEMENTS**

The report of the auditors to members of the Company dated 6 May 2020 on the audited financial statements for the financial year ended 31 December 2019 did not contain any qualification.

**A3 SEASONALITY OF OPERATIONS**

The Group's results were not materially affected by any major seasonal or cyclical factors.

**A4 UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOW**

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

**A5 CHANGES IN ACCOUNTING ESTIMATES**

There were no changes in accounting estimates that have had a material effect in the results of the current quarter and financial period under review.

**A6 DEBT AND EQUITY SECURITIES**

On 26 February 2020, the Company increased its issued and paid up share capital from 402,882,721 to 408,620,421 by way of issuance of 5,737,700 new ordinary shares pursuant to the Private Placement that was announced on 3 December 2019 at an issue price of RM0.61 per ordinary share.

On 6 March 2020, the Company further increased its issued and paid up share capital from 408,620,421 to 414,711,621 by way of issuance of 6,091,200 new ordinary shares pursuant to the Private Placement that was announced on 3 December 2019 at an issue price of RM0.5746 per ordinary share.

Save for the above, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during financial period under review.

**A7 DIVIDENDS PAID**

No dividend was paid in current financial period under review.

**A8 OPERATING SEGMENTS**

Information on reportable segments is presented as follows:

	Continuing operations							Discontinued operations	
	Manufacturing RM'000	Retail RM'000	Property development & construction RM'000	Agriculture RM'000	Healthcare RM'000	Others RM'000	Eliminations RM'000	Total RM'000	Total RM'000
<u>For the period ended 31 March 2019 (restated)</u>									
Revenue									
Revenue from external customers	19,018	-	331	-	-	-	-	19,349	24,547
Inter-segment revenue	167	-	506	-	-	-	(673)	-	-
Total revenue	19,185	-	837	-	-	-	(673)	19,349	24,547
Segment results	446	(390)	(2,784)	-	(95)	(1,003)	-	(3,826)	(4,654)
Share of profit/(loss) of joint ventures (net of tax)	38	-	-	-	(104)	-	-	(66)	(66)
Share of losses of associates (net of tax)	(195)	-	(62)	-	(54)	-	-	(311)	(311)
Profit/(Loss) before tax	289	(390)	(2,846)	-	(253)	(1,003)	-	(4,203)	(5,031)
Tax expense								(331)	(330)
Loss for the financial year								(4,534)	(5,361)
<u>For the period ended 31 March 2020</u>									
Revenue									
Revenue from external customers	24,282	1,182	1,927	46	-	-	-	27,437	28,422
Inter-segment revenue	1,499	-	2,572	-	-	-	(4,071)	-	-
Total revenue	25,781	1,182	4,499	46	-	-	(4,071)	27,437	28,422
Segment results	4,918	(1,625)	(2,054)	(196)	(7)	(1,023)	-	13	(280)
Share of profit of a joint venture (net of tax)	67	-	-	-	-	-	-	67	67
Share of losses of associates (net of tax)	(296)	-	-	-	-	-	-	(296)	(296)
Profit/(Loss) before tax	4,689	(1,625)	(2,054)	(196)	(7)	(1,023)	-	(216)	(509)
Tax expense								(371)	(371)
Loss for the financial year								(587)	(880)

**A9 EVENTS AFTER BALANCE SHEET DATE**

There were no material events subsequent to the end of the financial period.

**A10 CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group during the financial period under review other than PRG Active Sdn Bhd became a wholly-owned subsidiary of PRG Healthcare Sdn Bhd, a wholly-owned subsidiary of the Company, upon completion of the shares sale agreement on 14 January 2020.

**A11 CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There were no changes in contingent liabilities and contingent assets since the last annual balance sheet as at 31 December 2019.

**A12 CAPITAL COMMITMENTS**

There were no capital commitments not provided for as at the end of the financial period.

**A13 MATERIAL RELATED PARTY TRANSACTIONS**

	<b>Quarter ended 31 March</b>		<b>Period ended 31 March</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>Transaction with joint venture partner</u>				
Sale of goods	<b>254</b>	502	<b>254</b>	502
<u>Transaction with corporation in which Director of an associate has interest</u>				
Sale of goods	<b>163</b>	199	<b>163</b>	199

Apart from the above, there were no other material related party transactions entered into during the current quarter and financial period under review.

**B1 ANALYSIS OF PERFORMANCE**

Following the proposed disposal of Premier De Muara Sdn Bhd ("PDMSB"), the results of PDMSB for the current and previous financial periods have been classified as discontinued operations. Please refer to Note B6(b) for further details of the proposed disposal.

Following the proposed disposal of Premier Elastic Webbing & Accessories Co., Ltd. ("PEWA"), the results of PEWA for the current financial period ceased to be accounted for in the Group's unaudited condensed consolidated financial statements while the results for the previous financial period have been classified as discontinued operations. Please refer to Note B6(c) for further details of the proposed disposal.

The Group's revenue of RM27.4 million for current quarter and period ended 31 March 2020 was RM8.1 million higher than the RM19.3 million revenue reported in the corresponding quarter and period of the preceding year.

The Group recorded a loss before tax of RM0.2 million for current quarter and period ended 31 March 2020, which was RM4.0 million lower than loss before tax of RM4.2 million reported in the corresponding quarter and period of the preceding year.

Increase in the Group's revenue and decrease in the Group's loss before tax during the current quarter and period ended 31 March 2020 was mainly due to increase in revenue from manufacturing segment, mainly contributed by the newly acquired subsidiaries in June 2019 and increase in revenue from property development & construction segment, mainly contributed by the progress of property development project, Embayu @ Damansara West during current financial period.

**a) Manufacturing**

The revenue of RM24.3 million from manufacturing segment for the current quarter and period ended 31 March 2020 was RM5.3 million higher than RM19.0 million recorded in the corresponding quarter and period of preceeding year.

Profit before tax from manufacturing segment for the current quarter and period ended 31 March 2020 was RM4.7 million, representing higher profit of RM4.4 million as compared to profit before tax of RM0.3 million recorded in the corresponding quarter and period of preceeding year.

The increase in revenue of RM5.3 million for manufacturing segment was mainly due to additional revenue contributed by the newly acquired subsidiary in June 2019 of approximately RM4.4 million (2019: RM Nil) as well as increase of RM0.8 million in sales volume for webbing products during the financial period under review as compared to corresponding financial period of 2019.

The increase in profit before tax of RM4.4 million for manufacturing segment was mainly due to the recognition of the one-off gain on disposal of PEWA of RM3.2 million and the improved performance of certain manufacturing subsidiaries during current financial period.

**b) Retail**

The retail segment recorded RM1.2 million revenue (2019: RM Nil) and RM1.6 million loss before tax (2019: RM0.4 million) for the current financial period upon the opening of its first flagship shop in Singapore in April 2019. The performance of the retail segment was affected by the outbreak of Novel Corona Virus Disease-2019 ("COVID-19") pandemic since January 2020, which affected the tourist arrival numbers and deterioration of overall consumption during current financial period.

**c) Property development & construction**

The property development & construction segment recorded revenue of RM1.9 million for the current quarter and period ended 31 March 2020, which was RM1.6 million higher than RM0.3 million recorded in the corresponding quarter and period of preceeding year.

Loss before tax of RM2.0 million from property development & construction segment for the current quarter and period ended 31 March 2020 was RM0.8 million lower than loss before tax of RM2.8 million recorded in the corresponding quarter and period of preceeding year.

The increase in revenue of RM1.6 million and decrease in loss before tax of RM0.8 million for property development & construction segment was mainly contributed by the progress of property development project, Embayu @ Damansara West and construction project in Melaka during current financial period (where both projects' construction works have not commenced in the corresponding period of 2019).

**d) Agriculture**

The agriculture segment recorded revenue of approximately RM46,000 from the sales of teak logs and loss before tax of RM0.2 million during the current quarter and period ended 31 March 2020. The loss before tax is mainly due to the slower harvesting and selling of teak logs activities during current financial period.

**e) Healthcare**

The healthcare segment recorded loss before tax of approximately RM7,000 in the current quarter and period ending 31 March 2020, which was RM0.2 million lower than loss before tax recorded in the corresponding quarter and period of 2019. The decrease in loss of healthcare segment was mainly due to the absence of share of losses from associate and joint venture during current financial period.

**B2 COMPARISON WITH IMMEDIATE PRECEDING QUARTER**

The Group recorded revenue of RM27.4 million and loss before tax of RM0.2 million for the current quarter ended 31 March 2020 as compared to revenue of RM57.3 million and loss before tax of RM45.5 million for the immediate preceding quarter. The decrease in revenue as compared to the immediate preceding quarter is mainly due to the lower revenue contributed by manufacturing segment. The lower revenue of manufacturing segment is mainly due to the decrease in the newly acquired subsidiaries, where the operations of the subsidiaries in China are adversely impacted by the COVID-19 pandemic. The higher loss before tax of immediate preceding quarter as compared to current quarter is mainly due to the one-off recognition of impairment losses of goodwill, receivables, investments in associates and investment in joint venture by manufacturing and healthcare segments in preceding quarter.

**B3 PROSPECTS FOR CURRENT FINANCIAL YEAR**

The outbreak of the COVID-19 has adversely affect the global supply chain. The Movement Control Order implemented in Malaysia by the government has also disrupted our operations. The low visibility in demand, unresolved trade war, volatility in currency, disruption in global supply chain and the intensifying regional business competition have also made our operating environment extremely challenging. International Monetary Fund also reported that the COVID-19 crisis is the Worst Economic Crisis since the Great Depression that took place in the 1930s. Global economy is expected to be much weaker in 2020 as a result of the outbreak of COVID-19 pandemic.

In view of the rapid change of global economy, the manufacturing segment has taken steps to review the business strategies, revisit the market demand that is severely impacted by global demand and supply disruption to rationalise the pricing strategies, productivity improvement and cost structure which include overhead costs and expenses to ensure long term sustainability of the businesses. The Group is also constantly reviewing its portfolio and will continue to divest any current non-profitable entity if required to enhance its overall profitability and cash flow. The Group will also evaluate any opportunities in investing into new potential business that may arise in this crisis.

The retail segment is suffering from further headwinds with the outbreak of COVID-19 pandemic. The visitor arrival numbers and overall consumption have deteriorated, and the retail outlook is expected to be extremely challenging. The situation has worsened since the closure of shop in Singapore in April 2020 and re-opened in June 2020 to curb the spread of COVID-19. During the current adverse climate, the Retail Division has negotiated with landlords for rental concessions, shorten store operational hours, and provided more marketing support for both retailer-driven promotions and mall-wide marketing initiatives. The Group hopes that with the holistic support from landlords as well as from the principal of Philipp Plein, exploring different sales channels such as digital retailing and social medias as well as cost-saving strategies would assist the retail segment to overcome this challenging time.

The property market in Malaysia remains challenging with issues such as affordability, slower economic growth, high levels of unsold units as well as the property supply-demand imbalance. Consumer sentiment is also going to remain weak as employment risks become higher with small business being affected by the movement control order implemented in Malaysia. Fear over the impact of the COVID-19 pandemic on the economy is also delaying big-ticket item purchases as consumers take a wait-and-see approach.

The Group has since shifted the focus into affordable property projects going forward where demand for properties priced below RM500,000 is within the affordable range of the middle income households and constitute more than 50% of our country's population. We strongly believe that the affordable properties will be in demand especially in the prime areas of Selangor and Kuala Lumpur. We hope the two consecutive Overnight Policy Rate reductions early this years by Bank Negara Malaysia, will spur a demand in purchase of properties during the year.

The Group had ventured into the harvesting/logging of teak trees through the acquisition of 2 parcels of land in Kelantan which was completed on 29 November 2019. The Group will endeavour to finalised and secure demand for our teak logs.

Amidst the economic slowdown, the Group shall closely monitor and take the necessary steps to sustain the performance of the existing business ventures as well as continuing to explore and consider new ventures or business activities which are synergistic to the operations of the Group.

**B4 PROFIT FORECAST**

Not applicable as the Group did not publish any profit forecast.

**B5 INCOME TAX EXPENSE**

	Quarter ended 31 March		Period ended 31 March	
	2020 RM'000	2019 RM'000 (Restated)	2020 RM'000	2019 RM'000 (Restated)
<b>Continuing operations:</b>				
Current tax expense				
- Malaysia	143	67	143	68
- Overseas	259	263	259	263
	<b>402</b>	<b>330</b>	<b>402</b>	<b>331</b>
Deferred tax	(31)	-	(31)	-
	<b>371</b>	<b>330</b>	<b>371</b>	<b>331</b>
<b>Discontinued operations</b>	-	(1)	-	(1)

The effective tax rates of the Group for the current quarter and period ended 31 March 2020 were higher than the statutory tax rate as certain subsidiaries were making losses and certain expenses were not deductible for tax purposes.

**B6 STATUS OF CORPORATE PROPOSAL**

## a) Proposed variation to the utilisation of proceeds arising from the Disposal of up to 60,480,000 ordinary shares in FHL

On 16 January 2019, the Company obtained approval from its shareholders to dispose up to 60,480,000 ordinary shares in FHL ("Furniweb Shares") ("Disposal Shares"), representing up to 12% equity interest in FHL, to buyer(s) to be identified and at price(s) to be determined later in the open market and/or via direct business transactions, in cash ("Disposal Mandate"). The Disposal Mandate from its shareholders is valid for a period of 12 months from 16 January 2019.

On 30 May 2019, the Company had disposed of 13,000,000 Furniweb Shares, representing 2.58% equity interest in FHL via direct business transactions for a total cash consideration of HKD26,000,000 (equivalent to RM13,900,042) at HKD2.00 (equivalent to RM1.0692) per Furniweb Share ("Disposal Price") ("Disposal").

On 4 June 2019, the Company had sold 1,052,000 Furniweb Shares, representing 0.21% equity interest in FHL in the open market for a total cash consideration of HKD2,998,200 (equivalent to RM1,600,679) at HKD2.85 (equivalent to RM1.5216) per Furniweb Share ("Disposal Price") ("Disposal").

On 20 June 2019, the Company announced that it proposes to vary the utilisation of proceeds arising from the Disposal ("Proposed Variation") from the purposes set out in the Company's circular to shareholders dated 31 December 2018 ("Circular for Disposal"). The Company proposes to utilise up to HKD28.5 million (equivalent to approximately RM15.13 million based on the exchange rate of HKD100: RM53.0962 (being the middle rate of Bank Negara Malaysia as at 5.00 p.m. on 4 July 2019, being the LPD)) to repay its borrowing with a licensed lender. The borrowing was utilised to finance PRG's subscription of ordinary shares in Capital World Limited, as announced on 21 December 2018.

On 24 July 2019, the Company obtained approval from its shareholders for the Proposed Variation.

The status of the utilisation of the disposal proceeds as at 15 January 2020 is as follows:

	<b>Proposed utilisation* RM'000</b>	<b>Proceeds received to -date RM'000</b>	<b>Actual utilisation RM'000</b>	<b>Deviation RM'000</b>	<b>%</b>	<b>Balance unutilised RM'000</b>	<b>Expected time frame</b>
Working capital for on-going property	11,279	-	-	-	0%	-	Within 12 months
Working capital	9,000	-	-	-	0%	-	Within 12 months
Future potential investment/acquisition	50,914	-	-	-	0%	-	Within 12 months
Repayment of borrowing	15,132	15,132	15,132	-	0%	-	Within 12 months
Expenses in relation to the Disposal	5,776	369	369	-	0%	-	Within 2 months
	<u>92,101</u>	<u>15,501</u>	<u>15,501</u>	<u>-</u>		<u>-</u>	

\* Based on maximum scenario assuming the Disposal Shares are disposed at HKD2.8611 each (equivalent to approximately RM1.5228, being the 5D-VWAP of Furniweb Shares up to 27 December 2018, being the latest practicable date prior to the printing of the Circular for Disposal dated 31 December 2018).

The Disposal Mandate had expired on 15 January 2020.

## b) Proposed Disposal of 60% equity interest in PDMSB by PRG Property Sdn. Bhd. ("PRG Property")

On 18 June 2019, PRG Property, a wholly-owned subsidiary of PRG, had received a letter of intent from Liveintent Sdn Bhd ("Liveintent" or the "Purchaser") for a conditional offer to purchase 150,000 ordinary shares in PDMSB, representing 60% equity interest in PDMSB.

On 26 July 2019, PRG, PRG Property and PDMSB had entered into a conditional share sale agreement ("SSA") with Liveintent for the proposed disposal of 150,000 ordinary shares representing 60% equity interest in PDMSB ("Sale Shares") by PRG Property to Liveintent for a cash consideration of RM7,200,000 ("Disposal Consideration"). The remaining 100,000 ordinary shares in PDMSB, representing 40% equity interest in PDMSB, is held by Almaharta Sdn Bhd ("Almaharta"), which is not a company within the PRG group of companies ("PRG Group").

On 19 February 2020, PRG, PRG Property, PDMSB and Liveintent had executed a supplemental agreement to vary the clauses in relation to the manner of payment of the Disposal Consideration and to extend the Cut-Off Date for a further period of 6 months to fulfil the Conditions Precedent as stated in the SSA dated 26 July 2019.

On 21 May 2020, PRG announced that a fully virtual Extraordinary General Meeting ("EGM") in relation to the ordinary resolution for the proposed disposal would be held on 10 June 2020. On 22 May 2020, the Notice of EGM and circular to shareholders in relation to the proposed disposal were issued.

On 10 June 2020, the Board was pleased to announce that the ordinary resolution for the proposed disposal was duly passed by the shareholders at the EGM of the Company held on 10 June 2020.

As at the date of announcement, the proposed disposal has not been completed.

**B6 STATUS OF CORPORATE PROPOSAL (continued)**

## c) Proposed Disposal of PEWA

On 7 October 2019, PRG announced that FHL had entered into a binding term sheet with an independent third party potential purchaser on 4 October 2019 for the sale of PEWA, a subsidiary of FHL, principally engaged in the manufacture and sale of narrow elastic fabrics ("Premier Elastic Disposal"). A deposit of USD192,500.00 was paid by the potential purchaser to FHL and the balance consideration will be determined at a later stage by the parties. The Premier Elastic Disposal is subject to, among others, the signing of a definitive capital transfer agreement, the terms of which are to be agreed by FHL and the potential purchaser.

On 13 January 2020, PRG announced that PEWA, Furniweb Vietnam Shareholdings Co., Ltd. ("Furniweb Vietnam") (an indirect wholly-owned subsidiary of FHL) and Webtex Trading Sdn Bhd ("Webtex") (an indirect wholly-owned subsidiary of FHL) had on 10 January 2020 entered into a capital transfer agreement with Four K Investment Limited ("Four K") for the transfer of the entire registered and paid-in charter capital of USD2,100,000 of PEWA, which is contributed and held as to 57.14% by Furniweb Vietnam and 42.86% by Webtex for a cash consideration of VND68,212,569,205 (equivalent to approximately USD2,945,911).

The financial results of PEWA ceased to be accounted for in the Group's unaudited condensed consolidated financial statements during the current financial period as the power over PEWA, exposure, or rights, to variable returns were passed on to purchaser during the period. The completion of the disposal of PEWA is pending the administrative procedures which expected to be completed by Q3 2020.

## d) Proposed disposal or subscription of 35% equity interest in Premier Management International Limited ("PMIL")

On 8 November 2019, PRG announced that FHL had entered into a subscription agreement with Ignatius International Private Limited (formerly known as JFCA Pte Ltd) ("Ignatius") as the subscriber to subscribe for 35% of the equity interests of the PMIL, the wholly-owned subsidiary of FHL at the subscription price of RM6,450,000 (equivalent to approximately HK\$12,180,000).

As at the date of announcement, the proposed subscription has not been completed.

## e) Proposed Private Placement of up to 40,288,200 new ordinary shares in PRG ("Placement Shares") ("Private Placement")

On 3 December 2019, TA Securities Holdings Berhad announced on behalf of the Board on the Private Placement of 40,288,200 Placement Shares representing up to 10% of the total number of 402,882,721 issued shares of PRG (excluding 417,800 treasury shares). Bursa Malaysia Securities Berhad had, vide its letter dated 10 December 2019, approved the listing of and quotation for the Placement Shares to be issued pursuant to the Private Placement. The Proposed Private Placement is valid for 6 months from 10 December 2019 and expired on 9 June 2020.

On 26 February 2020, a total number of 5,737,700 of PRG shares were allotted and issued pursuant to the Private Placement, representing 14.24% of the Placement Shares for a total cash consideration of RM3,499,997.00 at issue price of RM0.61 per PRG share.

On 6 March 2020, another 6,091,200 of PRG shares were allotted and issued pursuant to the Private Placement, representing 15.12% of the Placement Shares for a total cash consideration of RM3,500,003.52 at issue price of RM0.5746 per PRG share.

On 29 May 2020, a further number of 2,727,800 of PRG shares were allotted and issued pursuant to the Private Placement, representing 6.77% of the Placement Shares for a total cash consideration of RM500,005.74 at issue price of RM0.1833 per PRG share.

On 2 June 2020, TA Securities Holdings Berhad announced on behalf of the Board that the Bursa Securities had vide its letter dated 1 June 2020, granted the Company an extension of time until 30 August 2020 to complete the implementation of the Private Placement subsequent to the submission of the application for extension of time by the Company on 22 May 2020.

The status of the utilisation of the Private Placement proceeds as at the date of announcement is as follows:

	Proposed utilisation* RM'000	Proceeds received to -date RM'000	Actual utilisation RM'000	Deviation RM'000	%	Balance unutilised RM'000	Expected time frame
Repayment of borrowing	2,211	-	-	-	0%	-	Within 12 months
Working capital	8,433	1,100	1,100	-	0%	-	Within 36 months
Part payment for the Kelantan Acquisition	10,600	6,360	6,360	-	0%	-	Within 12 months
Future potential investment/acquisition	1,500	-	-	-	0%	-	Within 12 months
Expenses in relation to the Private Placement	220	40	40	-	0%	-	Within 1 months
	<u>22,964</u>	<u>7,500</u>	<u>7,500</u>	<u>-</u>		<u>-</u>	

\* Based on maximum scenario assuming the Placement Shares are issued at RM0.57 each (being the 5D-VWAP of PRG Shares at RM0.6246 each at a discount of RM0.0546 or approximately 8.74% to the 5D-VWAP up to 2 December 2019, being the latest practicable date prior to the announcement for Private Placement dated 3 December 2019).

As at the date of announcement, the Private Placement has not been completed.

**B6 STATUS OF CORPORATE PROPOSAL (continued)**

**f) Proposed subscription of 51% equity interest in MSK Plantation Sdn Bhd ("MSK")**

On 4 December 2019, the Company announced that PRG Asset had on even date entered into a subscription agreement with MSK and Teh Choon Yean. MSK is principally involved in the business of mixed farming mainly on plantation estate and tropical fruit orchard management. Pursuant to the subscription agreement, PRG Asset had agreed to subscribe for 510 ordinary shares in MSK representing 51% of the equity interests in MSK at the subscription price of RM450,330 ("MSK Subscription").

On 10 February 2020, the Company announced that PRG Asset, MSK and Teh Choon Yean had mutually agreed in writing to extend the period for fulfilment of the condition precedent stipulated in the subscription agreement for a further period of three months from 5 February 2020 to 5 May 2020.

On 30 April 2020, the Company announced that all parties have mutually agreed in writing to extend the period for fulfilment of the condition precedent stipulated in the subscription agreement for a further period of three months from 6 May 2020 to 6 August 2020. Upon completion of the MSK Subscription, PRG Asset will hold 51% of the equity interest in MSK, which MSK will become a 51%-owned subsidiary of PRG Asset.

As at the date of announcement, the MSK Subscription has not been completed.

**g) Proposed acquisition of RSI Securities Limited**

On 18 December 2019, the Company announced that FHL's wholly-owned subsidiary, Rich Day Global Limited had on 17 December 2019 proposed to acquire the entire issued share capital of RSI Securities Limited ("RSI Securities") for a total consideration of HKD8.50 million from RSI Capital Limited ("RSI Capital") ("RSI Securities Acquisition"). Subsequently, Rich Day Global Limited had on 18 December 2019 entered into an agreement with RSI Capital (as the vendor) and Cheung Hoi Tik Eddie (as the guarantor) for the RSI Securities Acquisition. Upon completion of the RSI Securities Acquisition, RSI Securities will become a wholly-owned indirect subsidiary of FHL.

As at the date of announcement, the RSI Securities Acquisition has not been completed.

**h) Proposed issuance of irredeemable cumulative convertible preference shares by PRG Asset**

On 17 January 2020, the Company announced that PRG Asset had on even date issued an Information Memorandum to sophisticated investors within the meaning of Section 230 of the Capital Markets and Services Act 2007 for the proposed issuance of irredeemable cumulative convertible preference shares ("ICCPS") ("ICCPS Issuance"). The ICCPS Issuance involves the issuance of up to 30,000,000 ICCPS at an issue price of RM1.00 each. The ICCPS bears a maturity period of 3 years (from the date of ICCPS issue respectively, or until 16 January 2023, whichever is earlier) and a dividend rate of 8% per annum. The ICCPS shall not be listed or quoted on the Main Market of Bursa Securities. The ICCPS are convertible into new ordinary shares of PRG Asset ("PRG Asset Shares") on the basis of 1 PRG Asset Share for every 1 ICCPS held by the subscriber on the maturity date of the ICCPS. Upon conversion, all the ICCPS shall become PRG Asset Shares and rank equally in all respects with PRG Asset Shares.

As at the date of announcement, the ICCPS Issuance has not been completed.

**i) Proposed debt settlement and proposed issue of free warrants**

On 31 January 2020, TA Securities Holdings Berhad announced on behalf of the Board that the Company proposed to undertake the followings:

- i. settlement of debt amounting to RM6,999,964.29 owing to a director of the Company, namely Dato' Lua Choon Hann through the issuance of 12,651,300 new ordinary shares in PRG at the issue price of RM0.5533 each; and
- ii. issuance of up to 227,911,110 free warrants on the basis of 1 Warrant for every 2 PRG Shares held by entitled shareholders on an entitlement date to be determined later.

On 10 March 2020, Bursa Securities had, vide its letter dated 10 March 2020, approved the listing of and quotation for 12,651,300 Settlement Shares on the Main Market of Bursa Securities; admission to the Official List of Bursa Securities and the listing of and quotation for up to 227,911,110 Warrants on the Main Market of Bursa Securities; and listing of and quotation for up to 227,911,110 new PRG Shares to be issued from the exercise of Warrants on the Main Market of Bursa Securities.

On 13 March 2020, TA Securities Holdings Berhad announced on behalf of the Board that after considering prevailing market sentiments in the Malaysian equity market, the Board has decided to revise the exercise price of the Warrants to RM0.50 each, which is at a discount of RM0.0611 or approximately 10.89% to the 5D-VWAP of PRG Shares up to and including 12 March 2020 (being the latest practicable date prior to this announcement) of RM0.5611.

On 31 March 2020, TA Securities Holdings Berhad announced on behalf of the Board that the Company proposed to undertake the followings to settle a higher amount of debt by way of PRG Shares:

- i. settlement of debt amounting to RM9,999,984.32 owing to Dato' Lua Choon Hann through the issuance of 55,679,200 PRG Shares at the issue price of RM0.1796 each ("Proposed Debt Settlement"); and
- ii. issuance of up to 249,425,060 free warrants on the basis of 1 Warrant for every 2 PRG Shares held by entitled shareholders on an entitlement date to be determined later ("Proposed Issue of Free Warrants").

## B6 STATUS OF CORPORATE PROPOSAL (continued)

### i) Proposed debt settlement and proposed issue of free warrants (continued)

On 6 May 2020, Bursa Securities had, vide its letter dated 6 May 2020, approved the listing of and quotation for 55,679,200 Settlement Shares on the Main Market of Bursa Securities; admission to the Official List of Bursa Securities and the listing of and quotation for up to 249,425,060 Warrants on the Main Market of Bursa Securities; and listing of and quotation for up to 249,425,060 new PRG Shares to be issued from the exercise of Warrants on the Main Market of Bursa Securities.

On 21 May 2020, PRG announced that a fully virtual Extraordinary General Meeting ("EGM") in relation to the ordinary resolutions for the Proposed Debt Settlement and Proposed Issue of Free Warrants would be held on 10 June 2020. On 22 May 2020, the Notice of EGM and circular to shareholders in relation to the Proposed Debt Settlement and Proposed Issue of Free Warrants were issued.

On 10 June 2020, the Board announced that the ordinary resolutions for the Proposed Debt Settlement and Proposed Issue of Free Warrants were not carried by the shareholders at the EGM of the Company held on 10 June 2020.

On 12 June 2020, TA Securities Holdings Berhad announced on behalf of the Board that the settlement agreement dated 31 March 2020 executed between PRG and Dato' Lua Choon Hann, pursuant to the Proposed Debt Settlement, has been mutually terminated on 12 June 2020, due to the non-fulfilment of one of the Conditions Precedent (i.e. PRG having obtained the approval of the shareholders of the Company for the Proposed Debt Settlement).

Save for the above, there were no corporate proposals announced but not completed as at the date of this report.

## B7 BORROWINGS

The Group's borrowings are as follows:

	As at	
	31/3/2020	31/12/2019
	RM'000	RM'000
Current liabilities	12,029	12,534
Non-current liabilities	18,834	20,465
	<b>30,863</b>	<b>32,999</b>

The borrowings are denominated in the following currencies:

- Ringgit Malaysia	19,343	21,575
- Hong Kong Dollar	8,911	8,411
- Singapore Dollar	2,609	2,890
- United States Dollar	-	123
	<b>30,863</b>	<b>32,999</b>

The bank borrowings are secured by way of debentures on the fixed and floating assets of the Group and corporate guarantees of the Company.

## B8 DIVIDENDS

No dividend has been proposed by the Board of Directors for the financial year ending 31 December 2020.

## B9 NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

	Quarter ended 31 March		Period ended 31 March	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Operating (loss)/profit is arrived at after charging/(crediting):				
Depreciation and amortisation	2,363	1,236	2,363	1,236
Interest expense	1,102	826	1,102	826
Inventories written down	76	233	76	233
Net loss on foreign exchange	502	360	502	360
Interest income	(64)	(167)	(64)	(167)
Gain on disposals of property, plant and equipment	(12)	(59)	(12)	(59)
Gain on disposal of a subsidiary	(3,197)	-	(3,197)	-
Reversal of inventories written down	(525)	-	(525)	-
Reversal of impairment losses on trade and other receivables	(174)	-	(174)	-

- Apart from the above, there were no impairment of other assets during the current quarter and financial period under review.
- There were no gain or loss on derivatives during the current quarter and financial period under review.
- There were no exceptional items during the current quarter and financial period under review.

## B10 MATERIAL LITIGATION

The Group is not involved in any claim or legal action that will have a material effect on the Group's financial position, results of operations or liquidity as at the date of this report.

**B11 (LOSS)/EARNINGS PER ORDINARY SHARE**
**a) Basic (loss)/earnings per ordinary share**

Basic (loss)/earnings per ordinary share is calculated by dividing the loss attributable to owners of the parent for the period by the weighted average number of ordinary shares in issue during the period (excluding treasury shares).

	<b>Quarter ended 31 March</b>		<b>Period ended 31 March</b>	
	<b>2020</b>	2019 (restated)	<b>2020</b>	2019 (restated)
(Loss)/Profit attributable to owners of the parent: (RM'000)				
- from continuing operations	<b>(1,732)</b>	(3,622)	<b>(1,732)</b>	(3,622)
- from discontinued operations	<b>166</b>	(503)	<b>166</b>	(503)
	<b>(1,566)</b>	(4,125)	<b>(1,566)</b>	(4,125)
Weighted average number of ordinary shares in issue ('000)	<b>406,830</b>	314,928	<b>406,830</b>	314,928
Basic (loss)/earnings per ordinary share: (sen)				
- from continuing operations	<b>(0.43)</b>	(1.15)	<b>(0.43)</b>	(1.15)
- from discontinued operations	<b>0.04</b>	(0.16)	<b>0.04</b>	(0.16)
	<b>(0.39)</b>	(1.31)	<b>(0.39)</b>	(1.31)

**b) Diluted (loss)/earnings per ordinary share**

Diluted (loss)/earnings per ordinary share is calculated by dividing the loss attributable to equity holders of the parent for the period by the weighted average number of ordinary shares in issue adjusted for the effects of dilutive potential ordinary shares.

	<b>Quarter ended 31 March</b>		<b>Period ended 31 March</b>	
	<b>2020</b>	2019 (restated)	<b>2020</b>	2019 (restated)
(Loss)/Profit attributable to owners of the parent: (RM'000)				
- from continuing operations	<b>(1,732)</b>	(3,622)	<b>(1,732)</b>	(3,622)
- from discontinued operations	<b>166</b>	(503)	<b>166</b>	(503)
	<b>(1,566)</b>	(4,125)	<b>(1,566)</b>	(4,125)
Weighted average number of ordinary shares in issue ('000)	<b>406,830</b>	314,928	<b>406,830</b>	314,928
Effect of dilution ('000)	-	40,013	-	40,013
Adjusted weighted average number of ordinary shares in issue ('000)	<b>406,830</b>	354,941	<b>406,830</b>	354,941
Diluted loss per ordinary share: (sen)		*		*
- from continuing operations	<b>(0.43)</b>	(1.15)	<b>(0.43)</b>	(1.15)
- from discontinued operations	<b>0.04</b>	(0.16)	<b>0.04</b>	(0.16)
	<b>(0.39)</b>	(1.31)	<b>(0.39)</b>	(1.31)

\* The diluted loss per share for quarter and financial period ended 31 March 2019 is same as the basic loss per share because the effect of the assumed conversion of warrants outstanding will be anti-dilutive and the Company has no other dilutive potential ordinary share in issue as at the end of the current quarter and financial period ended 31 March 2020.

**B12 NET ASSETS PER SHARE**

Net assets per share attributable to owners of the parent is arrived at by dividing the total equity attributable to owners of the parent at the end of the year by the number of ordinary shares in issue at the end of the year (excluding treasury shares).

	<b>As at</b>	
	<b>31/3/2020</b>	31/12/2019 (Audited)
Total equity attributable to owners of the parent (RM'000)	<b>162,897</b>	158,795
Number of ordinary shares in issue ('000)	<b>415,130</b>	403,301
Number of shares repurchased ('000)	<b>(418)</b>	(418)
Number of ordinary shares in issue (excluding treasury shares) ('000)	<b>414,712</b>	402,883
Net assets per share attributable to owners of the parent (RM)	<b>0.3928</b>	0.3941

**B13 AUTHORISATION FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 29 June 2020.