

Condensed consolidated statement of comprehensive income
For the Three-months period ended 31 March 2020

	Current quarter		Cumulative quarter	
	3 months ended 31.03.2020 (Unaudited) RM'000	3 months ended 31.03.2019 (Unaudited) RM'000	3 months ended 31.03.2020 (Unaudited) RM'000	3 months ended 31.03.2019 (Unaudited) RM'000
Revenue	44,186	52,398	44,186	52,398
Cost of sales	(43,208)	(46,022)	(43,208)	(46,022)
Gross profit	978	6,376	978	6,376
Other operating income	644	224	644	224
Administrative expenses	(2,264)	(2,301)	(2,264)	(2,301)
Other operating expenses	(882)	(1,342)	(882)	(1,342)
Operating (loss)/profit	(1,523)	2,957	(1,523)	2,957
Finance income	1,921	1,941	1,921	1,941
Finance costs	(1,216)	(1,194)	(1,216)	(1,194)
Net finance income	706	747	706	747
(Loss) /Profit before tax	(817)	3,704	(817)	3,704
Income tax expense	84	(1,072)	84	(1,072)
(Loss)/Profit net of tax	(733)	2,632	(733)	2,632
Other comprehensive income				
Item that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	(316)	(46)	(316)	(46)
Other comprehensive income for the period, net of tax	(316)	(46)	(316)	(46)
Total comprehensive (loss)/ income for the period	(1,049)	2,586	(1,049)	2,586
(Loss)/profit attributable to:				
Owners of the parent	(798)	2,440	(798)	2,440
Non-controlling interests	65	192	65	192
	(733)	2,632	(733)	2,632
Total comprehensive (loss)/ income attributable to:				
Owners of the parent	(964)	2,412	(964)	2,412
Non-controlling interests	(85)	174	(85)	174
	(1,049)	2,586	(1,049)	2,586
(Loss)/Earnings per share (EPS) attributable to owners of the parent (sen per share)				
Basic	(0.26)	0.79	(0.26)	0.79

These condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to these interim financial statements.

CEPATWAWASAN GROUP BERHAD
Registration No. 200101000743 (536499-K)

Condensed consolidated statement of financial position as at 31 March 2020

	31.03.2020	31.12.2019
	(Unaudited)	(Audited)
	RM'000	RM'000
ASSETS		
Property, plant and equipment	237,238	236,617
Investment properties	43,340	43,340
Intangible assets	17,358	17,358
Deferred tax assets	4,581	4,623
Trade and other receivables	132,503	134,849
Total non-current assets	435,020	436,787
Biological assets	1,927	1,927
Inventories	22,086	23,151
Trade and other receivables	21,643	23,337
Tax recoverable	1,253	1,503
Short term investments	15,239	13,927
Deposits placed with licensed banks	6,900	4,482
Cash and bank balances	9,709	11,178
Total current assets	78,757	79,505
TOTAL ASSETS	513,777	516,292
EQUITY		
Equity attributable to owners of the parent		
Share capital	318,446	318,446
Treasury shares	(11,097)	(11,097)
Retained earnings	115,500	116,298
Other reserve	(80,520)	(80,520)
Foreign currency translation reserve	(580)	(414)
Total equity attributable to owners of the parent	341,749	342,713
Non-controlling interests	13,340	13,425
Total equity	355,089	356,138
LIABILITIES		
Lease liabilities	1,154	1,430
Loans and Borrowings	46,648	50,493
Deferred tax liabilities	27,038	27,567
Total non-current liabilities	74,840	79,490
Trade and other payables	18,208	24,687
Loans and Borrowings	64,896	55,148
Lease liabilities	92	84
Income tax payables	652	745
Total current liabilities	83,848	80,664
Total liabilities	158,688	160,154
TOTAL EQUITY AND LIABILITIES	513,777	516,292
Net assets per share attributable to owner of the parent (RM)	1.11	1.11

These condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to these interim financial statements.

Condensed consolidated statement of cash flows for the Period ended 31 March 2020

	3 months ended 31.03.2020	3 months ended 31.03.2019
	RM'000	RM'000
Operating activities		
(Loss)/Profit before tax	(817)	3,704
Adjustments for:		
Depreciation and amortisation	3,251	3,232
Interest expense	1,216	1,194
Property, plant and equipment written off	20	2
Interest income	(1,921)	(1,941)
Operating profit before working capital changes	<u>1,749</u>	<u>6,191</u>
Decrease/(increase) in inventories	1,065	(1,175)
Decrease in receivables	5,808	727
Decrease in payables	(6,504)	(3,310)
Cash generated from operations	<u>2,118</u>	<u>2,433</u>
Interest received	143	189
Interest paid	(1,216)	(1,194)
Income taxes refund	415	733
Income taxes paid	(743)	(958)
Net cash flows generated from operating activities	<u>717</u>	<u>1,203</u>
Investing activities		
Purchase of property, plant and equipment	(3,606)	(3,611)
Net investment in short term money market funds	(1,313)	(1,948)
Net cash flows used in investing activities	<u>(4,919)</u>	<u>(5,559)</u>
Financing activities		
Drawdown of term loans	-	8,000
Drawdown of revolving credits	10,250	-
Repayment of term loans	(4,688)	(4,617)
Repayment of obligations under finance leases	(184)	(151)
Net cash flows from in financing activities	<u>5,378</u>	<u>3,232</u>
Net decrease in cash and cash equivalents	1,176	(1,124)
Net foreign exchange difference	(227)	(44)
Cash and cash equivalents at beginning of financial period	12,844	14,771
Cash and cash equivalents at end of financial period	<u>13,793</u>	<u>13,603</u>
Cash and cash equivalents at the end of the financial year comprise the following:		
Deposits placed with licensed banks	6,900	8,662
Cash and bank balances	9,709	7,668
	<u>16,609</u>	<u>16,330</u>
Deposits pledged with licensed banks	(2,816)	(2,727)
Cash and cash equivalents at end of financial period	<u>13,793</u>	<u>12,844</u>

These condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to these interim financial statements.

CEPATWAWASAN GROUP BERHAD
Registration No. 200101000743 (536499-K)

Notes to the condensed consolidated interim financial statements

1. Basis of preparation

These condensed consolidated interim financial statements for the period ended 31 March 2020 have been prepared in accordance with Financial Reporting Standard (“FRS”) 134 “Interim Financial Reporting” and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 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 December 2019.

2. Significant accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2019 except for the adoption of new MFRS, amendments to published standards and IC Interpretations for the Group for the financial year beginning 1 January 2020:

- Amendments to References to the Conceptual Framework in MFRS Standards
- Amendments to MFRS 3 "Definition of a Business"
- Amendments to MFRS 101 "Presentation of Financial Statements" and MERS 108 "Accounting Policies, Changes in Accounting Estimates and Errors"
- Amendments to MFRS 7 "Financial Instruments: Disclosures", MERS 9 "Financial Instruments" and MFRS 139 "Financial Instruments: Recognition and Measurement"

The adoption of these new MFRS, amendments to published standards and IC interpretations did not have any material impact on the interim financial report of the Group.

3. Auditors’ report on preceding annual financial statements

The auditors’ report on the financial statements of the Group for the year ended 31 December 2019 was not qualified.

4. Segment information

The Group has three reportable segments, as described below, which are the Group’s strategic business units. The strategic business units offer different products and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group’s reportable segments:

- a. Plantation - Cultivation of oil palm
- b. Oil Mill - Milling and sales of oil palm products
- c. Power Plant - Power generation and sales of biomass by-products

4. Segment information (cont'd)

Information about reportable segments

	Results for the 3 months ended 31 March							
	Plantation		Oil Mill		Power Plant		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	4,283	1,812	35,833	44,294	3,656	6,068	43,772	52,174
Inter-segment revenue	6,396	9,458	-	-	-	-	6,396	9,458
Segment profit	(569)	615	585	1,884	(273)	1,516	(257)	4,015
Segment Assets	228,313	255,399	34,093	40,321	178,091	176,161	440,497	471,881
Segment Liabilities	25,818	21,698	27,988	28,130	32,923	44,742	86,729	94,570

	3 months ended 31.03.2020 (Unaudited) RM'000	3 months ended 31.03.2019 (Unaudited) RM'000
Segment loss is reconciled to consolidated loss before tax as follows:		
Segment loss/profit	(257)	4,015
Other non-reportable segments	45	85
Elimination of inter-segment profits	(11)	(90)
Unallocated corporate expenses	(594)	(306)
Consolidated loss/profit before tax	<u>(817)</u>	<u>3,704</u>

5. Unusual items due to their nature, size or incidence

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

6. Changes in estimates

There was no estimation of amount used in the preceding reporting quarter having a material impact in the current reporting quarter.

7. Comments about seasonal or cyclical factors

The Group considers the seasonal or cyclical factors affecting the results of the operations of the Group comprising the cultivation of oil palm and processing of fresh fruit bunches to include general climatic conditions, age profile of oil palms, the cyclical nature of annual production and the movements in commodity prices.

8. Dividend paid

There were no dividends paid during the current quarter.

9. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial period under review.

10. Changes in composition of the Group

There were no changes in the composition of the Group during the quarter ended 31 March 2020.

11. Capital commitments

The amount of capital commitments not provided for in the unaudited interim financial statements as at 31 March 2020 is as follows:

	RM'000
Approved and contracted for	863
Approved but not contracted for	12,967
	<u>13,830</u>

12. Changes in contingent liabilities and contingent assets

There were no changes in other contingent liabilities or contingent assets since the last annual statement of financial position as at 31 December 2019.

13. Subsequent events

There were no material subsequent events to the end of the current quarter.

14. Significant events

The rapid spread of the ongoing COVID-19 pandemic throughout the country and the world has a significant impact on the overall economy including the palm oil sector. On 16 March 2020, the Malaysian Government issued the Movement Control Order (“MCO”). As the Group’s principal activities comprise mainly oil palm milling, operation of plantations, where special permission has been granted and power plants, which is under the essential services category, there was no major disruption to the Group’s operations.

However, on 24 March 2020, the Kinabatangan District Council in Sabah issued a notice to cease the operations of mills, plantation estates and collection centres from 27 to 31 March 2020 in selected areas of Lahad Datu, Tawau and Kinabatangan. Hence, certain plantation subsidiaries operating in Kinabatangan were affected as a result of the closure notice. Following the successful appeal made by industry associations and major oil palm players operating in the affected areas, the entities were permitted to resume operations on 12 April 2020.

These temporary shutdown had minimal disruption to the Group for approximately half a month and pose no significant impact to the Group’s operating results, cash flow and financial condition, however palm oil prices may decrease slightly from current levels over the coming months due to the decline in palm oil demand and global consumption, the impact of which cannot be reasonably estimated at this stage. Nevertheless, the Group will continue to monitor and assess the ongoing development and at the same time adhered to all preventive and control measures to curb the spread of COVID-19.

CEPATWAWASAN GROUP BERHAD
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Information required by Main Market Listing Requirements of Bursa Malaysia Securities Berhad

1. Review of performance

The performance of the Group is tabulated below:-

	Current Quarter		%	Preceding Quarter		%	Cumulative Quarter		%
	1 st Qtr20 RM'000	1 st Qtr19 RM'000	+/-	4 th Qtr19 RM'000	+/-	1 st Qtr20 RM'000	1 st Qtr19 RM'000	+/-	
Financial Performances :-									
Revenue	44,186	52,398	-16%	59,411	-26%	44,186	52,398	-16%	
Operating (loss)/Profit	(1,523)	2,957	-152%	1,743	-187%	(1,521)	2,957	-152%	
(Loss)/Profit before tax	(817)	3,704	-122%	2,361	-135%	(817)	3,704	-122%	
(Loss)/Profit after tax	(733)	2,632	-128%	(651)	13%	(733)	2,632	-128%	
(Loss)/Profit attributable to Owners of the parent	(798)	2,440	-133%	(743)	7%	(798)	2,440	-133%	
Own FFB Production (mt)	22,162	32,664	-32%	30,274	-27%	22,162	32,664	-32%	
CPO Production (mt)	11,674	20,453	-43%	16,780	-30%	11,674	20,453	-43%	
PK Production (mt)	2,850	5,035	-43%	4,009	-29%	2,850	1,940	-43%	
CPO sales (mt)	11,619	19,501	-40%	16,891	-31%	11,619	19,501	-40%	
PK sales (mt)	2,957	5,144	-43%	4,027	-27%	2,957	5,144	-43%	
CPO Price per mt (RM)	2,655	1,940	37%	2,399	11%	2,655	1,940	37%	
PK Price per mt (RM)	1,684	1,258	34%	1,405	20%	1,684	1,258	34%	
Mill OER	19.25%	19.56%	-0.3%	20.08%	-0.8%	19.25%	19.56	-0.3%	
Electricity Export(MWh)	13,504	20,831	-35%	12,784	6%	13,504	20,831	-35%	

* Less than +/- 1%

1. Review of performance (Cont'd)

Current Quarter vs. Previous Year Corresponding Quarter

For this quarter under review, the Group recorded revenue of RM44.19 million as compared to a revenue of RM52.40 million in the preceding year corresponding quarter, which is a decrease of RM8.21 million (16%).

Profit before tax decreased by RM4.52 million (>100%) from a Profit before tax of RM 3.70 million in the preceding year corresponding quarter to a Loss before tax of RM0.82 million despite increase in CPO and PK average selling price. The decrease in Profit before tax is mainly due to:-

- i) Decrease in FFB production by 32% despite an increase in average FFB selling Price by 40%. FFB production decreased due to a decrease in mature planting area by approximately 520 hectare as a result of replanting program in Sandakan region. FFB Production was further affected by the Cease Order Instruction issued by Sabah Government on Kinabatangan district from 24 March 2020 till 12 April 2020. Approximately 2,500 hectares of the Group's Plantation area located at Kinabatangan district was affected.
- ii) Decrease in segment contribution by Oil Mill as a result of less favourable OER Margin and a decrease in FFB processed and CPO sales during the period by 42% and 40% respectively as compare to corresponding quarter in preceding period.
- iii) Decrease in Electricity sales to SESB by 35% due to maintenance shutdown in Jan 2020 undertaken by Biomass Power plant.

Performance of the respective operating business segments for this quarter under review as compared to the preceding year corresponding quarter is analyzed as follows:

- i) Plantation – Decreased by RM1.18 million (>100%) from Segment Profit of RM0.61 million to Segment Loss of RM0.57 million mainly as a result of a decrease in FFB production by 32% despite an increase in average FFB selling price by 40%. FFB production decreased as a result of a decrease in mature planting area by approximately 520 hectares as a result of replanting program in Sandakan region. FFB Production was further affected by the cease order instruction issued by Sabah Government on Kinabatangan district from 24 March 2020 till 12 April 2020. Approximately 2,500 hectares of the Group's Plantation area located in Kinabatangan district was affected.
- ii) Oil Mill – Segment Profit decreased by RM1.30 million (69%) from RM1.88 million to RM 0.59 million mainly due to less favourable OER Margin and a decrease in FFB process and CPO sales during the period by 42% and 40% as compare to corresponding quarter in preceding period.
- iv) Power Plant –Segment profit decreased by RM1.79 million (87%) from Segment Profit of RM1.52 million to a Segment Loss of RM0.27 million due to decrease in Electricity sales to SESB by 35% as a result of maintenance shutdown in Jan 2020 undertaken by Biomass Power plant.

2. Comment on material change in profit before tax against immediate preceding quarter

The Group recorded a loss before tax of RM0.82 million in the quarter under review as compared to a profit before tax RM2.36 million in the immediate preceding quarter, a decrease in profit of RM3.18 million(>100%) mainly due to decrease in FFB Production by 27% and a decrease in Mill segment profit as a result of decrease in OER margin and FFB process and CPO Sales by 27% and 31% respectively .

Other operating expenses decreased by RM6.23 million due mainly to a change in estimate amounting to RM5.69 million made in the immediate preceding quarter. The change in estimate was due to the reassessment of the ability of the Group's ability to meet the Declared Annual Availability which is part of the IC12. This was merely an accounting adjustment in which the power sales and other operating expenses increased by RM5.69 million respectively, with no financial impact on the Group's earnings.

3. Commentary on prospects

The Group's prospects for the rest of the year continue to be dependent on FFB production and palm products price movement which in turn is driven by the world edible oil market, movement of Ringgit Malaysia and the economic situation. The COVID-19 pandemic continues to severely affect economies worldwide and thus, the Group expects palm oil prices to remain subdued as a result of the impact of the pandemic. The Group however expects production to increase with additional replanted areas coming into maturity.

4. Profit forecast or profit guarantee

Not applicable as there was no profit forecast or guarantee published.

5. (Loss)/Profit for the period

	Current quarter		Cumulative quarter	
	3 months ended 31.03.2020 (Unaudited) RM'000	3 months ended 31.03.2019 (Unaudited) RM'000	3 months ended 31.03.2020 (Unaudited) RM'000	3 months ended 31.03.2019 (Unaudited) RM'000
(Loss)/Profit for the period is arrived at after charging:				
Depreciation and amortization	3,251	3,232	3,251	3,232
Plant and equipment written off	20	2	20	2

Save as disclosed above, the other items as required under Appendix 9B, Part A(16) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

6. Income tax expense

	Current quarter		Cumulative quarter	
	3 months ended 31.03.2020 (Unaudited) RM'000	3 months ended 31.03.2019 (Unaudited) RM'000	3 months ended 31.03.2020 (Unaudited) RM'000	3 months ended 31.03.2019 (Unaudited) RM'000
Income tax				
- Current provision	(593)	(522)	(593)	(522)
Deferred tax				
- Relating to origination and reversal of temporary differences	667	(550)	667	(550)
- Under-provision of tax in prior years	10	-	10	-
	677	(550)	677	(550)
Total income tax expense	84	(1,072)	84	(1,072)

The Group's effective tax rate for current quarter is higher than the statutory tax rate of 24% due to certain expenses not deductible for tax purposes.

7. Corporate proposals

The Company has a wholly-owned subsidiary, Cash Nexus (M) Sdn. Bhd. ("Cash Nexus") which holds 62.71% equity interest in Timah Resources Ltd. ("TML"), a company listed on the Australian Securities Exchange Ltd. ("ASX"). In turn, TML holds 100% equity interest in Mistral Engineering Sdn. Bhd. ("Mistral").

Mistral is principally engaged in power generation to supply electricity under the Feed-in Approval to participate in the Feed-in Tariff scheme granted by the Sustainable Energy Development Authority Malaysia ("SEDA") in February 2015, while it was still a wholly-owned subsidiary of Cash Nexus. In July 2015, Cash Nexus undertook a corporate exercise involving a reverse take-over of TML by way of disposal of the entire equity interest in Mistral to TML, resulting in the above current corporate structure.

On 20 August 2019, Mistral received a written notice from SEDA requesting Mistral to provide written submission as to why Mistral's Feed-in Approval to participate in the Feed-in Tariff scheme should not be revoked. Mistral is alleged to have failed to comply with rule 15 of the Renewable Energy (Feed-in Approval and Feed-in Tariff Rate) Rules 2011 ("2011 Rules") for failure to notify SEDA in writing, as soon as possible, of any change in the particulars of information submitted to SEDA under rule 10 and rule 13(1)(a) for failure to comply with the eligibility criteria under rule 3 (c)(i) of the 2011 Rules. Rule 3 (c)(i), stipulates the following:

"3. An eligible producer shall be as follows:

- (c) a company incorporated in Malaysia other than-
 - (i) a company in which a foreign person holds, directly or indirectly, more than forty-nine per centum of the voting power or issued share capital (excluding preference shares)".

7. Corporate proposals(Cont'd)

Mistral had replied in writing to SEDA's notice on 12 September 2019 explaining that the effective equity interest of Cash Nexus in Mistral is 62.71% held through TML and had on 15 October 2019 also sought indulgence from SEDA to grant Mistral 12 months to complete the restructuring of its shares.

On 8 January 2020, Mistral received an official letter from SEDA dated 24 December 2019 informing Mistral that SEDA had decided at its committee meeting on 14 November 2019 not to revoke Mistral's Feed-in Approval, subject to Mistral complying with rule 3(c)(i) of the 2011 Rules within six months from 24 December 2019.

To fully comply with SEDA's requirement of Mistral being a direct Malaysian majority-owned entity, the Group has proposed to undertake a restructuring of its shares by converting a part of Mistral's existing debt owed to the Company into new ordinary shares to be subscribed by Cash Nexus. Mistral proposes to issue 9,627,552 new ordinary shares at an issue price of RM1.60 by reducing the amount owing to the Company by RM15,421,108 ("Proposed Restructuring"). The Proposed Restructuring will result in Cash Nexus holding directly 51% of the equity interest in Mistral.

The Proposed Restructuring is near completion and is pending an Extraordinary General Meeting ("EGM") to be held by TML to seek the approval of its shareholders, the delay being caused by the COVID-19 outbreak. The primary benefit to TML's shareholders as a result of the Proposed Restructuring will be that Mistral will be fully in compliant with SEDA's requirements to participate in the Feed-in Tariff scheme. Without the Proposed Restructuring, Mistral will lose its Feed-in Approval. Given the above, the Directors of the Company, having considered all aspects of the Proposed Restructuring are of the opinion that this is in the best interest of the TML group and shareholders of TML. Accordingly, they are of the opinion that the likelihood of the Proposed Restructuring being rejected by the shareholders of TML is remote.

Mistral has also written to SEDA on 25 March 2020 seeking an extension of time to complete the Proposed Restructuring. The Directors of Mistral are confident that their application for extension will be approved by SEDA taking into consideration the challenges faced globally on the lockdown due to the COVID-19 outbreak and accordingly are of the view that there will be no material direct or indirect consequential financial implications to the Group.

8. Borrowings

	As at 31.03.2019 (Unaudited) RM'000	As at 31.12.2019 (Audited) RM'000
Short term borrowings - Secured		
Hire Purchase Creditors	709	648
Revolving credit	46,000	35,750
Term loans	18,187	18,750
	<u>64,896</u>	<u>55,148</u>
Long term borrowings – Secured		
Hire Purchase Creditors	1,461	1,187
Term loans	45,187	49,309
	<u>46,648</u>	<u>50,493</u>
Total borrowings	<u>111,544</u>	<u>105,641</u>

The Group's total borrowings include a loan amount of RM12.19 million (31.12.2019: RM17.00 million) under the Green Technology Financing Scheme for the renewable power plants.

9. Trade Receivables and other receivables

	As at 31.03.2020 (Unaudited) RM'000	As at 31.12.2019 (Audited) RM'000
Current		
Third parties	7,992	9,475
Amount due from customer on service concession	8,175	9,384
Less : Allowance for impairment	(325)	(325)
	<u>15,842</u>	<u>18,534</u>
Other receivables, net	5,801	4,803
	<u>21,643</u>	<u>23,337</u>
Non Current		
Amount due from customer on service concession	<u>132,503</u>	<u>134,849</u>
Ageing analysis of Current trade receivables :-		
Neither past due nor impaired		
1 to 30 days	15,488	18,473
31 to 60 days	167	20
61 to 90 days	46	23
More than 91 days	466	343
	<u>16,167</u>	<u>18,859</u>
Less : Allowance for impairment	(325)	(325)
	<u>15,842</u>	<u>18,534</u>

Trade receivables are non-interest bearing and generally on 7 to 30 days terms.

10. Disclosure of derivatives

The Group did not enter into any derivative contract and accordingly there were no outstanding derivatives (including financial instruments designated as hedging instruments) as at 31 March 2020.

11. Material litigation

There are no pending material litigations as at 24 June 2020.

12. Dividend payable

No dividend has been proposed or declared for the current quarter ended 31 March 2020.

13. (Loss)/Earnings per share

(a) Basic

Basic earnings per share amounts are calculated by dividing the Group's (Loss)/ profit for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period excluding treasury shares held by the Company.

	Current quarter		Cumulative quarter	
	3 months ended 31.03.2020 (Unaudited)	3 months ended 31.03.2019 (Unaudited)	3 months ended 31.03.2020 (Unaudited)	3 months ended 31.03.2019 (Unaudited)
(Loss)/Profit for the period attributable to owners of the parent used in computation of earnings per share (RM'000)	(798)	2,440	(798)	2,440
Weighted average number of ordinary shares in issue ('000)	308,967	308,967	308,967	308,967
Basic (loss)/ earnings per share (sen per share)	(0.26)	0.79	(0.26)	0.79

(b) Diluted

The Group has no dilutive potential ordinary shares in issue as at balance sheet date and therefore, diluted earnings per share have not been presented.

14. Authorisation for issue

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors on 24 June 2020.