

**Mega First Corporation Berhad**  
Registration No. 196601000210 (6682-V)  
Incorporated in Malaysia

**Interim Financial Report**  
**31 March 2020**

**Mega First Corporation Berhad**  
Registration No. 196601000210 (6682-V)

**Unaudited Condensed Consolidated Statement of Profit or Loss and Other  
Comprehensive Income  
For The 3-Month Period Ended 31 March 2020**

		<b>1st Quarter Ended 31.3.2020</b>	<b>1st Quarter Ended 31.3.2019</b>	<b>3-Month Period Ended 31.3.2020</b>	<b>3-Month Period Ended 31.3.2019</b>
	<b>Note</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Continuing operations</b>					
Revenue		160,687	221,842	160,687	221,842
Cost of sales		(77,827)	(166,475)	(77,827)	(166,475)
Gross profit		82,860	55,367	82,860	55,367
Other expenses		(1,693)	(1,690)	(1,693)	(1,690)
Operating expenses		(7,185)	(6,841)	(7,185)	(6,841)
Profit from operations		73,982	46,836	73,982	46,836
Finance costs		(7,489)	(1,893)	(7,489)	(1,893)
Share of results in joint venture, net of tax		-	-	-	-
Profit before tax		66,493	44,943	66,493	44,943
Income tax expense		(1,245)	(7,127)	(1,245)	(7,127)
Profit after tax from continuing operations		65,248	37,816	65,248	37,816
<b>Discontinued operations</b>					
Loss after tax from discontinued operations	A7	(349)	(397)	(349)	(397)
Profit after tax for the period		64,899	37,419	64,899	37,419
Other comprehensive income/(expenses)		45,606	(12,304)	45,606	(12,304)
Total comprehensive income for the period		110,505	25,115	110,505	25,115
Profit after tax attributable to:					
Owners of the Company		57,403	33,656	57,403	33,656
Non-controlling interests		7,496	3,763	7,496	3,763
		64,899	37,419	64,899	37,419
Total comprehensive income attributable to:					
Owners of the Company		97,270	22,341	97,270	22,341
Non-controlling interests		13,235	2,774	13,235	2,774
		110,505	25,115	110,505	25,115
EPS - Basic (sen)					
- Continuing operations	B11	13.37	8.37	13.37	8.37
- Discontinued operations		0.12	0.11	0.12	0.11
		13.49	8.48	13.49	8.48
EPS - Diluted (sen)					
- Continuing operations	B11	12.81	7.76	12.81	7.76
- Discontinued operations		0.11	0.10	0.11	0.10
		12.92	7.86	12.92	7.86

The notes set out on pages 7 to 30 form an integral part and should be read in conjunction with this interim financial report.

**Mega First Corporation Berhad**  
**Registration No. 196601000210 (6682-V)**

**Unaudited Condensed Consolidated Statement of Financial Position**  
**As at 31 March 2020**

	<b>Unaudited As At 31.3.2020 RM'000</b>	<b>Audited As At 31.12.2019 RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Intangible asset	2,137,272	2,048,137
Property, plant and equipment	226,173	222,770
Right of Use Assets	97,102	95,989
Investment properties	177,212	177,212
Inventories	43,443	43,443
Investment in quoted shares	33,274	49,385
Associate and joint venture	4,000	4,000
Investment in unquoted shares	335	335
Goodwill on consolidation	8,357	8,357
	<b>2,727,168</b>	<b>2,649,628</b>
<b>Current Assets</b>		
Inventories	59,584	66,974
Receivables	199,648	97,347
Contract assets	99	104
Assets classified as held for sale	12	2
Bank balances and deposits	93,714	91,031
	<b>353,057</b>	<b>255,458</b>
<b>TOTAL ASSETS</b>	<b>3,080,225</b>	<b>2,905,086</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable To Owners Of The Company</b>		
Share capital	647,728	593,586
Treasury shares	(30,046)	(30,046)
Reserves	1,063,437	971,706
	<b>1,681,119</b>	<b>1,535,246</b>
Non-Controlling Interests	189,043	176,642
<b>Total Equity</b>	<b>1,870,162</b>	<b>1,711,888</b>
<b>Non-Current Liabilities</b>		
Payables	456	444
Lease liabilities	9,866	9,711
Long-term borrowings	25,834	27,929
Deferred tax liabilities	100,067	95,935
	<b>136,223</b>	<b>134,019</b>
<b>Current Liabilities</b>		
Payables	331,489	314,899
Short-term borrowings	711,110	718,211
Derivative liability	9,325	4,391
Lease liabilities	4,049	4,117
Liabilities of assets classified as held for sale	16,650	16,650
Taxation	1,217	911
	<b>1,073,840</b>	<b>1,059,179</b>
<b>Total Liabilities</b>	<b>1,210,063</b>	<b>1,193,198</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,080,225</b>	<b>2,905,086</b>
<b>Net Assets Per Ordinary Share (RM)</b>	<b>3.83</b>	<b>3.67</b>

The notes set out on pages 7 to 30 form an integral part and should be read in conjunction with this interim financial report.

**Mega First Corporation Berhad**  
**Registration No. 196601000210 (6682-V)**

**Unaudited Condensed Consolidated Statement of Changes in Equity**  
**For the 3-month period ended 31 March 2020**

	← Non-Distributable →					Distributable						
	Share Capital RM'000	Treasury Shares RM'000	Employees' Share Option Reserve RM'000	Translation Reserve/ (Deficit) RM'000	Fair Value Reserve RM'000	Capital Reserve RM'000	Warrant Reserve RM'000	Hedge Reserve RM'000	Retained Profits RM'000	Attributable To Owners Of The Company RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
Balance at 1.1.2019	540,667	(30,046)	17,597	(6,811)	(15,673)	-	14,583	647	831,816	1,352,780	172,756	1,525,536
Total comprehensive income for the period	-	-	-	(11,419)	2,255	-	-	(2,151)	33,656	22,341	2,774	25,115
Contributions by and distributions to owners of the Company:-												
Issuance of ordinary shares arising from:												
- conversion of Warrants	166	-	-	-	-	-	(18)	-	-	148	-	148
- exercise of ESOS options	653	-	(161)	-	-	-	-	-	-	492	-	492
Total transactions with owners of the Company	819	-	(161)	-	-	-	(18)	-	-	640	-	640
Balance at 31.3.2019	541,486	(30,046)	17,436	(18,230)	(13,418)	-	14,565	(1,504)	865,472	1,375,761	175,530	1,551,291

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**Mega First Corporation Berhad**  
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**Unaudited Condensed Consolidated Statement of Changes in Equity (Cont'd)**  
**For the 3-month period ended 31 March 2020**

	← Non-Distributable					→ Distributable						
	Employees'					Attributable To Owners						
	Share Capital RM'000	Treasury Shares RM'000	Share Option Reserve RM'000	Translation Reserve/ (Deficit) RM'000	Fair Value Reserve RM'000	Capital Reserve RM'000	Warrant Reserve RM'000	Hedge Reserve RM'000	Retained Profits RM'000	Of The Company RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Balance at 1.1.2020	593,586	(30,046)	16,452	(19,011)	(9,539)	12,867	9,254	(4,391)	966,074	1,535,246	176,642	1,711,888
Total comprehensive income for the period	-	-	-	60,912	(16,111)	-	-	(4,934)	57,403	97,270	13,235	110,505
Contributions by and distributions to owners of the Company:-												
Issuance of ordinary shares arising from:												
- conversion of Warrants	50,929	-	-	-	-	-	(5,630)	-	-	45,299	-	45,299
- exercise of ESOS options	3,213	-	(743)	-	-	-	-	-	-	2,470	-	2,470
Total transactions with owners of the Company	54,142	-	(743)	-	-	-	(5,630)	-	-	47,769	-	47,769
Transfer to legal reserve	-	-	-	-	-	4,171	-	-	(3,337)	834	(834)	-
Balance at 31.3.2020	647,728	(30,046)	15,709	41,901	(25,650)	17,038	3,624	(9,325)	1,020,140	1,681,119	189,043	1,870,162

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**Mega First Corporation Berhad**  
**Registration No. 196601000210 (6682-V)**

**Unaudited Condensed Consolidated Statement of Cash Flows**  
**For the 3-month period ended 31 March 2020**

	<b>3-Month Ended</b>	
	<b>31.3.2020</b>	<b>31.3.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax		
- Continuing operations	66,493	44,943
- Discontinued operations	199	190
Adjustments for non-cash flow - Non-cash items	26,833	(37,916)
- Non-operating items	7,005	1,362
Operating profit before working capital changes	100,530	8,579
Changes in working capital - Net change in assets	(91,349)	1,199
- Net change in liabilities	6,340	(6,777)
Cash from operations	15,521	3,001
Income tax paid	(1,381)	(1,086)
<b>Net cash from operating activities</b>	<b>14,140</b>	<b>1,915</b>
<b>Cash flows for investing activities</b>		
Cash outflow for Don Sahong Hydropower Project	(3,738)	(114,977)
Dividends received	13	15
Interest received	471	508
Payments for purchase of:		
- property, plant and equipment	(5,381)	(8,749)
- right of use assets	(2,049)	-
Proceeds from disposal of:		
- property, plant and equipment	-	8
<b>Net cash for investing activities</b>	<b>(10,684)</b>	<b>(123,195)</b>

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**Mega First Corporation Berhad**  
**(Co. No. 6682-V)**

**Unaudited Condensed Consolidated Statement of Cash Flows (Cont'd)**  
**For the 3-month period ended 31 March 2020**

	<b>3-Month Ended</b>	
	<b>31.3.2020</b>	<b>31.3.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from financing activities</b>		
Interest paid	(7,489)	(1,893)
Net drawdown/(repayment) of:		
- Revolving credits and bankers' acceptances	(35,303)	(15,006)
- Lease liabilities	87	295
- Term loans	(7,151)	111,862
Proceeds from issuance of shares arising from:		
- Exercise of ESOS options	2,470	492
- Conversion of Warrants	45,299	148
Placement of short-term deposits pledged with banks	(3)	(7)
<b>Net cash (for)/from financing activities</b>	<b>(2,090)</b>	<b>95,891</b>
<b>Effect of foreign exchange translation</b>	<b>1,056</b>	<b>906</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,422</b>	<b>(24,483)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>87,954</b>	<b>122,118</b>
<b>Cash and cash equivalents at end of the period</b>	<b>90,376</b>	<b>97,635</b>
Cash and cash equivalents included in the statement of cash flows comprise the following amounts:		
<u>Continuing operations</u>		
Bank balances and deposits	73,221	83,218
Bank overdrafts	(1,680)	(1,456)
<u>Discontinued operations</u>		
Bank balances and deposits	20,493	17,485
	92,034	99,247
Less:		
- Deposits pledged to licensed banks	(1,658)	(1,612)
	90,376	97,635

The notes set out on pages 7 to 30 form an integral part and should be read in conjunction with this interim financial report.

**Notes to the interim financial report**

**A EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A1. Basis of preparation**

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 - Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) and Issuers Communication No. 1/2017 - Guidance on Disclosures in Notes to Quarterly Report issued by Bursa Malaysia.

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

- (a) During the current quarter and 3-month period ended 31 March 2020, the Group has adopted the following new accounting standards and interpretations (including the consequential amendments):

<b>MFRSs and/or IC Interpretations (including the Consequential Amendments)</b>	<b>Effective Date</b>
Amendment to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 101 and MFRS 108: Definition of Material	1 January 2020
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any impact on the Group’s financial statements.

- (b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the MASB but are not yet effective for the financial year ending 31 December 2020:

<b>MFRSs and/or IC Interpretations (including the Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 17 Insurance Contracts	1 January 2021
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Defer until further notice

Other than as disclosed above, the accounting policies and methods of computation adopted by the Group in preparing this interim financial report are consistent with those in the financial statements for the financial year ended 31 December 2019.



**A2. Qualification of financial statements**

The auditors' report of the Group's annual financial statements for the financial year ended 31 December 2019 was not subject to any qualification.

**A3. Seasonal or cyclical factors**

The Group's principal business operations were not significantly affected by seasonal or cyclical factors.

**A4. Unusual item**

There was no item affecting assets, liabilities, equity, net income, or cash flows that is unusual because of their nature, size or incidence in these financial statements.

**A5. Nature and amount of changes in estimates**

There was no change in estimates of amounts reported in prior periods that have a material effect in the period under review.

**A6. Debt and equity securities**

	Number of Ordinary Shares		← Amount →	
	Share Capital (Issued and Fully Paid) '000	Treasury Shares '000	Share Capital (Issued and Fully Paid) RM'000	Treasury Shares RM'000
At 1.1.2020	438,342	(20,497)	593,586	(30,046)
New ordinary shares issued arising from:				
- Exercise of ESOS options	1,083	-	3,213	-
- Conversion of Warrants	20,405	-	50,929	-
At 31.3.2020	<u>459,830</u>	<u>(20,497)</u>	<u>647,728</u>	<u>(30,046)</u>

**A6. Debt and equity securities (Cont'd)**

During the current quarter and 3-month period ended 31 March 2020, the Company issued new ordinary shares in the following manner:

	<u>Issue Price</u>	<u>No. of Shares</u>
Exercise of ESOS options	1.34	135,862
Exercise of ESOS options	2.00	294,672
Exercise of ESOS options	2.41	472,000
Exercise of ESOS options	2.89	100,000
Exercise of ESOS options	3.40	80,000
Conversion of Warrants	2.22	20,404,825

As at 31 March 2020, the total number of warrants which remained outstanding was 13,129,024 (31.12.2019: 33,533,849).

The total number of share options granted to the Group's employees and directors which remained unexercised as at 31 March 2020 was 21,805,877 (31.12.2019: 22,888,411).

Of the total 459,829,622 (31.12.2019: 438,342,263) issued ordinary shares as at 31 March 2020, 20,497,300 (31.12.2019: 20,497,300) ordinary shares were held as treasury shares by the Company. The number of outstanding ordinary shares in issue as at 31 March 2020 was therefore 439,332,322 (31.12.2019: 417,844,963).

Other than as disclosed above, there was no issuance and repayment of debt and equity securities, share cancellations, shares held as treasury shares and resale of treasury shares in these financial statements.

**A7. Discontinued operations**

The discontinued operations related to Power plant in Tawau, Sabah operated by 51%-owned Serudong Power Sdn Bhd ("SPSB"). The Power Purchase Agreement ("PPA") expired on 2 December 2017.

Accordingly, the Group has presented and disclosed in these financial statements (including comparative information) the results of SPSB under discontinued operations in accordance to MFRS 5 (Non-current Assets Held for Sale and Discontinued Operations), separately from continuing operations where the results of discontinued operations for current quarter ended 31 March 2020 is presented as follows:

**A7. Discontinued operations (Cont'd)**

	<b>1st Quarter Ended 31.3.2020 RM'000</b>	<b>1st Quarter Ended 31.3.2019 RM'000</b>	<b>3-Month Period Ended 31.3.2020 RM'000</b>	<b>3-Month Period Ended 31.3.2019 RM'000</b>
Revenue	-	-	-	-
Cost of sales	(15)	(58)	(15)	(58)
Gross loss	(15)	(58)	(15)	(58)
Other income	444	508	444	508
Operating expenses	(230)	(260)	(230)	(260)
Profit from operations	199	190	199	190
Finance costs	-	-	-	-
Profit before tax	199	190	199	190
Income tax expense	(548)	(587)	(548)	(587)
Loss after tax for the period	(349)	(397)	(349)	(397)
Other comprehensive expenses	-	-	-	-
Total comprehensive expenses for the period	(349)	(397)	(349)	(397)
Loss after tax attributable to:				
Owners of the Company	509	438	509	438
Non-controlling interests	(858)	(835)	(858)	(835)
	(349)	(397)	(349)	(397)
Total comprehensive expenses attributable to:				
Owners of the Company	509	438	509	438
Non-controlling interests	(858)	(835)	(858)	(835)
	(349)	(397)	(349)	(397)

The following amounts have been included in arriving at profit/(loss) before tax of the discontinued operations:

	<b>1st Quarter Ended 31 March</b>		<b>3-Month Period Ended 31 March</b>	
	<b>2020 RM'000</b>	<b>2019 RM'000</b>	<b>2020 RM'000</b>	<b>2019 RM'000</b>
<b>After crediting:</b>				
Gain on disposal of property, plant and equipment	-	8	-	8
Interest income:				
- External parties	16	63	16	63
- Intra-group of companies	423	435	423	435
<b>After charging:</b>				
Writedown in value of inventories	-	2	-	2

**A8. Segment information**

<b>3-Month Period Ended</b> <b>31 March 2020</b>	<b>Power</b> <b>RM'000</b>	<b>Resources</b> <b>RM'000</b>	<b>Packaging</b> <b>RM'000</b>	<b>Investment Holding &amp; Others</b> <b>RM'000</b>	<b>Eliminations</b> <b>RM'000</b>	<b>Consolidated</b> <b>RM'000</b>
<b>Revenue</b>						
External revenue						
- Continuing operations	103,263	34,469	19,242	3,713	-	160,687
- Discontinued operations	-	-	-	-	-	-
	<u>103,263</u>	<u>34,469</u>	<u>19,242</u>	<u>3,713</u>	<u>-</u>	<u>160,687</u>
Inter-segment revenue	-	-	-	29,442	(29,442)	-
Consolidated revenue	<u>103,263</u>	<u>34,469</u>	<u>19,242</u>	<u>33,155</u>	<u>(29,442)</u>	<u>160,687</u>
<b>Results</b>						
Profit from operations						
- Continuing operations	70,635	4,708	1,102	27,545	(30,008)	73,982
- Discontinued operations	199	-	-	-	-	199
	<u>70,834</u>	<u>4,708</u>	<u>1,102</u>	<u>27,545</u>	<u>(30,008)</u>	<u>74,181</u>
Finance costs						(7,489)
Profit before tax						<u>66,692</u>
Income tax expense						(1,793)
Profit after tax						<u>64,899</u>
<b>Total assets</b>						
At 31 March 2020	<u>2,353,241</u>	<u>314,457</u>	<u>80,477</u>	<u>1,852,960</u>	<u>(1,520,910)</u>	<u>3,080,225</u>

**A8. Segment information (Cont'd)**

<b>3-Month Period Ended 31 March 2019</b>	<b>Power RM'000</b>	<b>Resources RM'000</b>	<b>Packaging RM'000</b>	<b>Investment Holding &amp; Others RM'000</b>	<b>Eliminations RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>						
External revenue						
- Continuing operations	169,891	32,839	14,885	4,227	-	221,842
- Discontinued operations	-	-	-	-	-	-
	<u>169,891</u>	<u>32,839</u>	<u>14,885</u>	<u>4,227</u>	<u>-</u>	<u>221,842</u>
Inter-segment revenue	-	-	-	19,471	(19,471)	-
Consolidated revenue	<u>169,891</u>	<u>32,839</u>	<u>14,885</u>	<u>23,698</u>	<u>(19,471)</u>	<u>221,842</u>
<b>Results</b>						
Profit from operations						
- Continuing operations	45,055	3,923	75	17,838	(20,055)	46,836
- Discontinued operations	190	-	-	-	-	190
	<u>45,245</u>	<u>3,923</u>	<u>75</u>	<u>17,838</u>	<u>(20,055)</u>	<u>47,026</u>
Finance costs						(1,893)
Profit before tax						<u>45,133</u>
Income tax expense						<u>(7,714)</u>
Profit after tax						<u>37,419</u>
<b>Total assets</b>						
At 31 December 2019	<u>2,163,742</u>	<u>315,123</u>	<u>78,468</u>	<u>1,743,510</u>	<u>(1,395,757)</u>	<u>2,905,086</u>

**A9. Dividend paid**

No dividend was paid during the current quarter and 3-month period ended 31 March 2020.

**A10. Valuation of property, plant and equipment**

There was no revaluation of property, plant and equipment during the period reported up to 21 May 2020, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

**A11. Significant event during the reporting period**

There was no significant event during the reporting period.

The Coronavirus Disease 2019 (“COVID-19”) outbreak and the various governmental measures to contain the spread of the virus in Malaysia and elsewhere in the world did not have an adverse material impact to the earnings of the Group in the current quarter and 3-month period ended 31 March 2020, as detailed in B1 and B3 to these financial statements.

**A12. Significant event subsequent to the end of the reporting period**

There was no significant event subsequent to the end of the period reported up to 21 May 2020, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

The on-going COVID-19 outbreak and social distancing measures are not expected to have a material impact on the overall earnings of the Group. The expected impact on the individual major business division is explained in B4 of these financial statements.

**A13. Changes in composition of the Group**

On 2 March 2020, MFP Solar International Limited, a wholly-owned subsidiary of MFCB incorporated a new subsidiary, MFP Solar (Cambodia) Co. Ltd to undertake Solar Photovoltaic Investment Business Activities in Cambodia, as part of the Group’s plans and strategy to grow the renewable energy within its Power Division.

Other than as disclosed above, there was no change in the composition of the Group for current quarter and 3-month period ended 31 March 2020.

**A14. Changes in contingent liabilities and assets**

(a) Contingent liability

On 5 October 2016, Idaman Harmoni Sdn. Bhd. ("IHSB"), an indirect 65% owned subsidiary of the Company, was served with the following notices of assessment showing additional taxes and penalties totaling RM22,795,912:

- (i) Notice of Additional Assessment dated 20 September 2016 for Year of Assessment ("YA") 2010 whereby additional tax (inclusive of penalty of 50%) of RM37,763.50 has been imposed by the Inland Revenue Board of Malaysia ("IRBM") ("Form JA").
- (ii) Notice of Reduced Assessment dated 23 September 2016 for YA 2009 whereby tax of RM35,429.00 has been reduced by IRBM ("Form JR").
- (iii) Notice of Assessment dated 23 September 2016 for YA 2009 whereby tax (inclusive of penalty of 100%) of RM22,793,577.50 has been imposed by IRBM ("Form J").

There will be additional late payment penalty imposition of up to 15.5% on the above unpaid taxes and penalties.

The abovementioned taxes and penalties imposed by IRBM are in relation to a joint venture entered into by IHSB as the landowner with a property developer for the construction of an office and residential property known as PJ8 pursuant to an agreement dated 23 April 2004.

The IRBM has taken the view that there is a deemed disposal of the PJ8 property by IHSB which is subject to income tax. This transaction was treated by IHSB as a capital transaction which was liable to Real Property Gains Tax in Year 2004. IHSB is a property investment company and has not disposed of any of its PJ8 properties since completion.

Based on advice from both its tax consultants and solicitors, IHSB is of the view that the assessment raised by IRBM are statute barred and erroneous in law. IHSB has filed its appeals against the assessments to the Special Commissioners of Income Tax on 28 October 2016 and will defend its position vigorously. The hearing of the appeals is ongoing.

Other than as disclosed above, there was no material contingent liability as at 21 May 2020, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

(b) Contingent asset

The Group has no contingent asset as at 21 May 2020, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

**A15. Capital commitments**

As at 31 March 2020, the Group has the following commitments:

	<b>31.3.2020</b> <b>RM'000</b>
<b>Property, plant and equipment</b>	
Authorised but not provided for:	
- Contracted	11,245
- Non-contracted	6,530
	<hr/>
	17,775
	<hr/> <hr/>

**A16. Significant related party transactions**

There was no significant related party transaction during the current quarter and 3-month period ended 31 March 2020.



**A17. Derivative financial instruments**

	<b>31.3.2020</b>	<b>31.12.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><u>Derivative liability</u></b>		
Interest rate swap	9,325	4,391

The Interest Rate Swap (“IRS”) is executed with credit-worthy financial institution in order to partially hedge against potential increases in the LIBOR arising from the revolving credit facility which was obtained for the purpose of refinancing the construction of the Don Sahong Hydropower Project (“Don Sahong Project”). With the IRS, it effectively swaps out the LIBOR with a fixed interest rate of 2.5% per annum.

As at the end of the reporting period, the Group has utilised IRS of USD70 million (31.12.2019: USD70 million). The IRS has the same maturity terms as the underlying principal instrument and is settled every month which is consistent to latter’s interest repayment schedule.

The Group applies hedge accounting for the hedging instrument of IRS as the hedge is considered to be highly effective based on the following considerations:

- a) The critical terms of the IRS and the hedged item such as notional contract amount, settlement dates, underlying and currency of cash flows are exactly matched; and
- b) The fair value of the hedging instrument at inception is nil.

The Group will continue to assess the hedge relationship to ensure that it has actually been highly effective retrospectively.

The IRS is measured at fair value based on bank quote. The fair value changes on the effective portion of the IRS which qualify as cash flow hedge is recognised in other comprehensive income.

During the quarter ended 31 March 2020, a loss of RM4.934 million is recognised in other comprehensive income.

**B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Performance review - Current quarter ended 31 March 2020 ("1Q2020") versus ("vs") the corresponding quarter ended 31 March 2019 ("1Q2019")**

**Continuing Operations**

	<b>1Q2020</b>	<b>1Q2019</b>	<b>Changes</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	160,687	221,842	(61,155)	-27.6%
Other expenses	(5,142)	(1,690)	(3,452)	204.3%
Profit before interest, depreciation, amortisation and tax ("EBITDA")	98,739	50,862	47,877	94.1%
Profit before tax	66,493	44,943	21,550	47.9%
Profit after tax	65,248	37,816	27,432	72.5%
Profit after tax attributable to owners of the Company	56,894	33,218	23,676	71.3%
<hr/>				
<b>Revenue</b>				
Power	103,263	169,891	(66,628)	-39.2%
Resources	34,469	32,839	1,630	5.0%
Packaging & Labels	19,242	14,885	4,357	29.3%
<hr/>				
Sub-total	156,974	217,615	(60,641)	-27.9%
Investment holding & others	3,713	4,227	(514)	-12.2%
<b>Total revenue</b>	<b>160,687</b>	<b>221,842</b>	<b>(61,155)</b>	<b>-27.6%</b>
<hr/>				
<b>Profit before tax</b>				
Power	64,678	45,053	19,625	43.6%
Resources	4,292	3,415	877	25.7%
Packaging & Labels	479	(508)	987	194.3%
<hr/>				
Sub-total	69,449	47,960	21,489	44.8%
Investment holding & others	(2,956)	(3,017)	61	2.0%
<b>Total profit before tax</b>	<b>66,493</b>	<b>44,943</b>	<b>21,550</b>	<b>47.9%</b>
<hr/>				
<b>Significant and other income/(expense) items:</b>				
Construction revenue	-	169,891	(169,891)	-100.0%
Construction profit	-	45,618	(45,618)	-100.0%
Gain from quoted investments	13	9	4	44.4%
Gain on foreign exchange	194	2,111	(1,917)	-90.8%
<hr/>				

**B1. Performance review - 1Q2020 vs 1Q2019 (Cont'd)**

**Continuing Operations**

We have changed the segmental results presentation format beginning this quarter to better reflect the earnings profile of the Group. The Hexachase group of companies which was previously reported under Investment Holding & Others is now separately disclosed as the Packaging & Labels Division given its growing earnings contribution to the Group. The packaging & labels group manufactures a wide range of printed labels and stickers, paper bags and flexible materials for multiple industries and for both the domestic and export markets.

The Property Division, comprising mainly rental income from PJ8 and Greentown car parks, is now folded into Investment Holding & Others in view of its stable but insignificant earnings contribution to the Group.

During the current quarter, Group turnover fell 27.6% to RM160.7 million (1Q2019: 221.8 million) mainly due to the absence of construction revenue (1Q2019: RM169.9 million), mitigated by RM103.3 million energy sales revenue (1Q2019: Nil), and higher contributions from the Resources Division and the Packaging & Labels Division.

Pre-tax profit however rose 47.9% to RM66.5 million (1Q2019: RM44.9 million), bolstered by profit from energy sales amounting to RM64.7 million (1Q2019: Nil) and higher profit contribution from both the Resources and Packaging & Labels Divisions, which collectively more than offset the absence of construction profit in the current quarter (1Q2019: RM45.6 million).

Profit after tax grew at a faster pace of 72.5% (when compared to growth in pre-tax profit) to RM65.2 million on lower effective tax rate. Income from energy sale in Laos is exempted from income tax for five years whereas a 20% deferred tax provision was made on construction profits in the same quarter last year.

**Power Division**

Don Sahong went into full commercial operation on 7 January 2020 following successful testing of and synchronization with Électricité du Laos ("EDL")'s new 500KV transmission line to Cambodia.

Revenue of RM103.3 million recorded represented energy billing to EDL for the quarter. The average energy availability factor for the period was 70.7%, slightly ahead of management expectations. Seasonally, the energy availability factor in the current quarter is expected to be the lowest for the year as a result of the dry season in Laos which typically stretches from January to May. The energy availability factor is forecast to improve as the wet season sets from June to December.

The Power Division posted EBITDA of RM90.9 million and a pre-tax profit of RM64.7 million, representing EBITDA and pre-tax margin of 88.1% and 62.6% respectively.

**B1. Performance review - 1Q2020 vs 1Q2019 (Cont'd)**

**Resources Division**

Revenue rose 5.0% to RM34.5 million mainly due to a 6.5% increase in sales of lime products to RM31.6 million. Revenue contribution from other products, including calcium carbonate powder, quarrying by-product and cement bricks, was RM0.8 million lower at RM2.9 million (1Q2019: RM3.7 million).

Sales volume of lime products grew 7.4% on higher export demand, partially offset by lower domestic demand as a result of the Movement Control Order ("MCO") implemented by the Malaysia Government to curb the spread of COVID-19 virus starting from 18 March 2020. The average selling price was stable year-on-year.

Pre-tax profit rose 25.7% to RM4.3 million (1Q2019: RM3.4 million) on higher sales volume, increased plant utilisation and lower fuel costs.

**Packaging & Labels Division**

Located in Taman Teknologi Cheng, Melaka, the division manufactures a wide range of paper bags, flexible packaging products and labels & stickers for various industries including food and beverages and fast-moving consumer goods ("FMCG") for both the domestic and export markets.

In the current quarter, divisional revenue registered a 29.3% increase from RM14.9 million to RM19.2 million mainly due to increased sales of paper bags, as well as increase demand for flexible packaging products from new customer.

The Division recorded a pre-tax profit of RM0.5 million, compared to a loss of RM0.5 million in the same period last year, on higher turnover.

**B2. Performance review as at 31 March 2020**

(a) Assets and Liabilities

Changes in key assets and liabilities during the quarter ended 31 March 2020 are explained below:

<b>Asset/Liability Items</b>	<b>As At 31.3.2020 RM'000</b>	<b>As At 31.12.2019 RM'000</b>	<b>Changes RM'000</b>	<b>Explanation</b>
Intangible asset	2,137,272	2,048,137	89,135	Increase was due to translation effects of RM109.4 million, partially offset by RM20.3 amortisation charge in the current quarter.
Property, plant and equipment ("PPE")	226,173	222,770	3,403	Increase was due to RM5.4 million CAPEX, including RM3.8 million on plantation development activities in Cambodia and RM1.7 million translation effects, partially offset by RM3.7 million depreciation charge for the current quarter.
Right-Of-Use Assets ^	97,102	95,989	1,113	Increase due mainly to RM1.2 million CAPEX by Packaging & Labels Division.
Investment properties	177,212	177,212	-	No movement in the current period.
Inventories (non-current)	43,443	43,443	-	No movement in the current period.

**B2. Performance review - FY2019 vs FY2018 (Cont'd)**

(a) Assets and Liabilities (Cont'd)

Significant changes in key assets and liabilities during the financial year ended 31 December 2019 are explained below:

<b>Asset/Liability Items</b>	<b>As At 31.3.2020 RM'000</b>	<b>As At 31.12.2019 RM'000</b>	<b>Changes RM'000</b>	<b>Explanation</b>
Investment in quoted shares	33,274	49,385	(16,111)	Decrease was due to fall in market value of quoted securities.
Inventories (current)	59,584	66,974	(7,390)	Decrease mainly due to inventory run down by the Resources Division during the MCO period.
Receivables	199,648	97,347	102,301	Increase mainly due to increase in trade receivable from EDL as a result of higher energy sales in the current quarter (RM103.3 million) when compared to energy sales of RM35.1 million in the preceding quarter, and higher trade receivables recorded in the Resources Division.
Deferred tax liabilities	100,067	95,935	4,132	Increase was due to translation effects on US Dollar denominated deferred tax liabilities.
Payables (current)	331,489	314,899	16,590	Increase was mainly due to translation effects on US Dollar amount owing to Sinohydro, EPCC for Don Sahong Project, being a deferred payment arrangement agreed between the parties.

**B2. Performance review - FY2019 vs FY2018 (Cont'd)**

(b) Group borrowings and debt securities

At 31 March 2020, total borrowings (exclude lease liabilities) amounted to RM736.9 million, a RM9.2 million decline from RM746.1 million at 31 December 2019. The Table below sets out the salient information on the Group's bank borrowings:

	Long-term		Short-term		Total Borrowings RM'000
	USD	RM	USD	RM	
	RM'000	RM'000	RM'000	RM'000	
<b>Secured</b>					
Bankers' acceptance	-	-	-	10,897	10,897
Term loans	-	25,834	-	8,583	34,417
Bank overdrafts	-	-	-	1,680	1,680
Revolving credits	-	-	646,950	43,000	689,950
<b>Total bank borrowings</b>	<b>-</b>	<b>25,834</b>	<b>646,950</b>	<b>64,160</b>	<b>736,944</b>

The decrease in total borrowings since 31 December 2019 was primarily attributable to RM42.4 million repayment of Malaysia Ringgit borrowings, partially offset by higher revolving credit due to translation effects on USD-denominated borrowings.

Interest rate on the Group's bank borrowings are floating in nature. The interest rate on US Dollar revolving credit has been partially hedged by an interest rate swap as disclosed in Note A17.

The Group has no debt securities as at 31 March 2020.

(c) Cash flow analysis for the quarter ended 31 March 2020

The Group generated RM14.1 million cash from its operating activities during current quarter and the 3-month period ended 31 March 2020, a marked improvement from RM1.9 million a year ago, but well below Group EBITDA of RM98.7 million for the same period.

The shortfall between cash generation and EBITDA was mainly due to lagged collection of receivables from maiden full-operational energy sales to EDL. We expect cash generation and EBITDA to normalise from the second quarter onwards.

The Group spent about RM10.7 million on investing activities in the first quarter, comprising RM7.4 million on capex (as described in balance sheet review table above) and RM3.7 million on Don Sahong Project. These investments were funded by internal funds.

In the same period, the Group's raised RM45.3 million in new capital from warrant conversion and exercise of ESOS options. The proceeds were mainly used to repay short term bank borrowings.

The Group's cash and cash equivalents at 31 March 2020 increased marginally by RM2.4 million to RM90.4 million, from RM88.0 million at 31 December 2019.

**B3. Variation of Current Quarter ("1Q2020") versus ("vs") Preceding Quarter ("4Q2019")**

**Continuing Operations**

	<b>1Q2020</b>	<b>4Q2019</b>	<b>Changes</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	160,687	195,531	(34,844)	-17.8%
Other expenses	(5,142)	(4,392)	(750)	17.1%
Earning before interest, depreciation, amortisation and tax ("EBITDA")	98,739	102,746	(4,007)	-3.9%
Profit before tax	66,493	94,490	(27,997)	-29.6%
Profit after tax	65,248	98,555	(33,307)	-33.8%
Profit after tax attributable to owners of the Company	56,894	82,680	(25,786)	-31.2%
<b>Revenue</b>				
Power	103,263	139,302	(36,039)	-25.9%
Resources	34,469	32,319	2,150	6.7%
Packaging & Labels	19,242	18,658	584	3.1%
Sub-total	156,974	190,279	(33,305)	-17.5%
Investment holding & others	3,713	5,252	(1,539)	-29.3%
<b>Total revenue</b>	<b>160,687</b>	<b>195,531</b>	<b>(34,844)</b>	<b>-17.8%</b>
<b>Profit before tax</b>				
Power	64,678	97,097	(32,419)	-33.4%
Resources	4,292	3,158	1,134	35.9%
Packaging & Labels	479	184	295	160.3%
Sub-total	69,449	100,439	(30,990)	-30.9%
Investment holding & others	(2,956)	(5,949)	2,993	50.3%
<b>Total profit before tax</b>	<b>66,493</b>	<b>94,490</b>	<b>(27,997)</b>	<b>-29.6%</b>
<b>Significant and other income/(expense) items:</b>				
Construction revenue	-	104,216	(104,216)	-100.0%
Construction profit	-	68,584	(68,584)	-100.0%
Gain from quoted investments	13	146	(133)	-91.1%
Gain/(Loss) on foreign exchange	194	(411)	605	-147.2%



**B3. Variation of 1Q2020 vs 4Q2019 (Cont'd)**

Group turnover declined 17.8% quarter-on-quarter from RM195.5 million in 4Q2019 to RM160.7 million in the current quarter due to the absence of construction revenue (4Q2019: RM104.2 million). The impact from the absence of construction revenue was however partially offset by a RM68.2 million increase in energy sales to EDL from RM35.1 million in 4Q2019 to RM103.3 million in the current quarter after Don Sahong went into full commercial operation on 7 January 2020. The Resources Division and the Packaging & Labels Division both reported slightly higher revenue sequentially.

Pre-tax profit in the current quarter was 29.6% lower at RM66.5 million (4Q2019: RM94.5 million). The decline in pre-tax profit was attributable to the absence of construction profit (4Q2019: RM68.6 million), partially offset by a RM36.2 million increase in pre-tax income from energy sales to EDL from RM28.5 million in the preceding quarter to RM64.7 million in the current quarter and higher pre-tax profit from the Resources Divisions and the Packaging & Labels Division.

**Power Division**

Construction of the Don Sahong Project was completed in early 4Q2019. The power plant became fully operational on 7 January 2020 following the completion of the new 500 KV line to Cambodia. Prior to 7 January 2020, Don Sahong has been selling limited energy of up to 85 MW via the old 115 KV line.

Revenue of RM103.3 million in the current quarter comprised energy sales to EDL, whereas the RM139.3 million revenue recorded in the preceding quarter was made up of RM35.1 million energy sales to EDL and RM104.2 million of construction revenue (final recognition).

The sale of energy to EDL generated a pre-tax profit of RM64.7 million in the current quarter. The pre-tax profit of RM97.1 million in the preceding quarter comprised RM28.5 million pre-tax profit from energy sale and RM68.6 million from construction profit.

The pretax margin of energy sale in the current quarter of 62.6% was lower than 81.2% achieved in 4Q2019. This was because Don Sahong only started to amortise the power assets (amortisation charge in 1Q2020: RM20.3 million) and expense interest costs (1Q2020: RM6.0 million) from 1 January 2020.

**B3. Variation of 1Q2020 vs 4Q2019 (Cont'd)**

**Resources Division**

Revenue expanded by 6.7% to RM34.5 million (4Q2019: RM32.3 million) mainly due to a 10.5% increase in sales of lime products. Other products declined RM0.9 million due to lower sales of calcium carbonate powder and quarrying by-product.

Sales volume of lime products rose 9.2% quarter-on-quarter as a 47.9% increase in export sales more than offset a 24.9% decline in domestic demand. Domestic demand in current quarter was adversely affected by the MCO in March 2020.

Average selling price was slightly higher at 1.2% when compared to the preceding quarter on a weaker Malaysia Ringgit against the US Dollar.

Pre-tax profit rose 35.9% from RM3.2 million to RM4.3 million on higher sales volume of lime products and better plant capacity utilisation.

**Packaging & Labels Division**

Despite Malaysia's MCO which came into effect on 18 March 2020, the Division recorded a 3.1% sequential increase in revenue to RM19.2 million as higher export sales and new export customer orders more than offset lower demand from existing domestic customers affected by the MCO.

Pre-tax profit rose 161.7% from RM0.2 million in the last quarter to RM0.5 million in the current quarter on higher sales revenue.

**B4. Prospects**

**Power Division**

Earnings from the Don Sahong power plant is expected to progressively improve over the next three quarters as the wet season starts to set in sometime in June. The average energy availability factor of 70.7% recorded in 1Q2020 is projected to rise progressively to reach more than 90% in the last two quarters of the year.

EDL payments has since the end of 1Q2020 been normalised and we expect EDL receivable turnover to average around three months moving forward.

The recent weakness in the Malaysian Ringgit against the US Dollar will bode well for the Power Division's earnings given that Don Sahong's earnings are denominated in the US Dollar while the reporting currency is in Malaysian Ringgit.

The recent Federal Reserve ("FED") System move to lower FED fund rate to 0-0.25% is also expected to result in interest savings on the US\$150 million revolving credit.

On the planned 5<sup>th</sup> turbine expansion, management is still waiting approvals from EDL and the relevant regulatory bodies, and conclusion of commercial terms negotiation with EDL and the Government of Laos.

**B4. Prospects (Cont'd)**

**Resources Division**

The Resources Division has been operating as usual during the MCO period as quicklime falls under essential item category.

Nonetheless, the MCO measure by Malaysia, and the various social distancing measures undertaken by our regional customer nations to curb the spread of Covid-19 virus since late March have adversely affected demand for lime products from many existing domestic and export customers in the second quarter.

We however expect customers' orders to gradually recover as Malaysia and regional countries started to re-open their economies.

Despite a slowdown in sales volume, the division is expected to remain profitable in the remaining quarters of the year.

**Packaging & Labels Division**

Like the Resources Division, the Packaging & Labels Division manufacturers products that fall under essential item category.

While the MCO in Malaysia and similar measures in other countries have adversely affected demand for packaging & label products from existing customers, the shortfall has been and is expected to continue to be offset by orders from new customers. Consequently, we cautiously project revenue to stay healthy for the rest of the year.

**B5. Profit forecast**

The Group did not issue any profit forecast or profit guarantee.

**B6. Income tax expense**

	1st Quarter Ended 31 March		3-Month Period Ended 31 March	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
<b><u>Continuing operations</u></b>				
- Malaysian	1,245	647	1,245	647
- Overseas	-	6,480	-	6,480
	1,245	7,127	1,245	7,127
<b><u>Discontinued operations</u></b>				
- Malaysian	548	587	548	587
	1,793	7,714	1,793	7,714

The Group's effective tax rate for current quarter and 3-month period ended 31 March 2020 was significantly lower than the Malaysia's statutory tax rate of 24% because the profit derived from energy sale income in the Lao People's Democratic Republic ("Lao PDR") is exempted from income tax during the period until the end of the 5<sup>th</sup> anniversary of Don Sahong Plant's commercial operation date ("COD").

**B7. Status of corporate proposal**

There was no corporate proposal announced but not completed at 21 May 2020, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

**B8. Material litigations**

**GOM vs IHSB**

Details of this tax dispute are disclosed in Note A14(a).

Other than as disclosed above, there was no material litigation as at 21 May 2020, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

**B9. Dividends**

- (a) No interim dividend was declared or proposed for the current quarter and 3-month period ended 31 March 2020.
- (b) The Board of Directors has proposed a final single-tier dividend of 6 sen per ordinary share for the financial year ended 31 December 2019. The proposed dividend, which is subject to the approval of the shareholders at the forthcoming Annual General Meeting, is payable on 25 August 2020 to entitled shareholders as at 17 August 2020 and has not been included as a liability in these financial statements.

**B10. Detailed disclosure for consolidated statement of profit or loss and other comprehensive income**

	1st Quarter Ended 31 March		3-Month Period Ended 31 March	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
<b><u>Continuing Operations</u></b>				
<b>After crediting:</b>				
Dividend income	13	15	13	15
Gain on foreign exchange:				
- realised	250	2,114	250	2,094
- unrealised	-	17	-	-
Interest income	455	445	455	445
<b>After charging:</b>				
Allowance for impairment losses on:				
- receivables, net	(208)	(996)	(208)	(996)
Amortisation of intangible asset	(20,307)	-	(20,307)	-
Depreciation of:				
- property, plant and equipment	(3,709)	(4,302)	(3,709)	(4,302)
- right-of-use assets	(1,115)	(1,588)	(1,115)	(1,588)
Finance costs	(7,489)	(1,893)	(7,489)	(1,893)
Loss on foreign exchange:				
- realised	-	-	-	-
- unrealised	(56)	-	(56)	-
Write-down in value of inventories	(1,345)	(98)	(1,345)	(98)
Impairment of plant and equipment	-	(556)	-	(556)
<b>After other comprehensive income/(expenses)</b>				
Foreign currency translation difference for foreign operations	66,651	(12,408)	66,651	(12,408)
Fair value changes of equity investments	(16,111)	2,255	(16,111)	2,255
Fair value changes of interest rate swap	(4,934)	(2,151)	(4,934)	(2,151)

**B11. Earnings per share**

	1st quarter ended		3-month period ended	
	31 March		31 March	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
<b>(a) Basic earnings per share</b>				
Profit/(loss) after tax attributable to owners of the Company:				
- Continuing operations	56,894	33,218	56,894	33,218
- Discontinued operations	509	438	509	438
	<u>57,403</u>	<u>33,656</u>	<u>57,403</u>	<u>33,656</u>
Weighted average number of ordinary shares ('000):				
Issued ordinary shares outstanding at beginning of the period	438,342	417,364	438,342	417,364
Effect of treasury shares held	(20,497)	(20,497)	(20,497)	(20,497)
Effect of new ordinary shares issued pursuant to:				
- ESOS options	578	68	578	68
- Warrants	7,039	65	7,039	65
	<u>425,462</u>	<u>397,000</u>	<u>425,462</u>	<u>397,000</u>
Basic earnings per share (sen):				
- Continuing operations	13.37	8.37	13.37	8.37
- Discontinued operations	0.12	0.11	0.12	0.11
- Total	<u>13.49</u>	<u>8.48</u>	<u>13.49</u>	<u>8.48</u>

The basic earnings per share is calculated by dividing the Group's profit after tax attributable to owners of the Company by the weighted average number of ordinary shares in issue during the current quarter and 3-month period ended 31 March 2020 excluding treasury shares held by the Company.

**B11. Earnings per share (Cont'd)**

	1st quarter ended		3-month period ended	
	31 March		31 March	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
<b>(b) Diluted earnings per share</b>				
Profit/(loss) after tax attributable to owners of the Company:				
- Continuing operations	56,894	33,218	56,894	33,218
- Discontinued operations	509	438	509	438
	<u>57,403</u>	<u>33,656</u>	<u>57,403</u>	<u>33,656</u>
Weighted average number of ordinary shares ('000)	425,462	397,000	425,462	397,000
Number of outstanding options and warrants ('000)	33,515	77,103	33,515	77,103
Weighted average number of shares that would have been issued at average market price ('000)	(14,944)	(46,179)	(14,944)	(46,179)
Adjusted weighted average number of ordinary shares ('000)	<u>444,033</u>	<u>427,924</u>	<u>444,033</u>	<u>427,924</u>
Diluted earnings per share (sen):				
- Continuing operations	12.81	7.76	12.81	7.76
- Discontinued operations	0.11	0.10	0.11	0.10
- Total	<u>12.92</u>	<u>7.86</u>	<u>12.92</u>	<u>7.86</u>

The diluted earnings per share is calculated by dividing the Group's profit after tax attributable to owners of the Company by the weighted average number of ordinary shares in issue, adjusted on the assumption that all dilutive outstanding warrants and ESOS options are converted and exercised, respectively.

**B12. Authorised for issue**

These interim financial statements were authorised for issue by the Board of Directors on 28 May 2020.