



Mi TECHNOVATION BERHAD
(FORMERLY KNOWN AS MI EQUIPMENT HOLDINGS BERHAD)
(Company No. 1235827 – D)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED
30 JUNE 2019

INTERIM REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2019

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		6 months ended	
	30-Jun-2019	30-Jun-2018	30-Jun-2019	30-Jun-2018
	RM '000	RM '000	RM '000	RM '000
Revenue	46,134	54,335	75,617	87,771
Cost of sales	<u>(22,441)</u>	<u>(29,357)</u>	<u>(37,861)</u>	<u>(47,235)</u>
Gross profit	23,693	24,978	37,756	40,536
Other operating income	1,371	2,788	2,770	2,868
Sales and marketing expenses	(1,553)	(5,602)	(3,485)	(6,756)
General and administrative expenses	<u>(6,059)</u>	<u>(5,464)</u>	<u>(12,631)</u>	<u>(13,203)</u>
Profit from operation	17,452	16,700	24,410	23,445
Finance costs	(68)	(80)	(131)	(131)
Profit before tax	<u>17,384</u>	<u>16,620</u>	<u>24,279</u>	<u>23,314</u>
Tax expense	<u>(8)</u>	<u>(20)</u>	<u>(33)</u>	<u>(116)</u>
Profit for the financial period, attributable to owners of the parent	17,376	16,600	24,246	23,198
Other comprehensive loss, net of tax:				
Items that may be subsequently reclassified to profit or loss				
Foreign currency translations	(3)	21	(5)	(75)
Total comprehensive income, attributable to owners of the parent	<u>17,373</u>	<u>16,621</u>	<u>24,241</u>	<u>23,123</u>
Earnings per share attributable to owners of the parent:				
Basic and diluted (sen) ⁽²⁾	<u>3.48</u>	<u>4.44</u>	<u>4.85</u>	<u>6.21</u>

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial report.
- (2) Based on weighted average number of ordinary shares outstanding during the period under review.

Unaudited Condensed Consolidated Statement of Financial Position ⁽¹⁾

	Unaudited As at 30-Jun-2019 RM'000	Audited As at 31-Dec-2018 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	103,705	57,591
Deferred tax assets	4	4
Total non-current assets	<u>103,709</u>	<u>57,595</u>
Current assets		
Inventories	39,408	43,354
Trade and other receivables	91,763	74,479
Current tax asset	113	87
Short term funds	126,641	183,606
Cash and bank balances	35,661	19,799
Total current assets	<u>293,586</u>	<u>321,325</u>
TOTAL ASSETS	<u>397,295</u>	<u>378,920</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	252,615	252,615
Treasury shares	(3,476)	-
Reserves	97,484	78,234
TOTAL EQUITY	<u>346,623</u>	<u>330,849</u>
LIABILITIES		
Non-current liabilities		
Term loan - secured	2,994	4,370
Provisions	2,250	2,558
Total non-current liabilities	<u>5,244</u>	<u>6,928</u>
Current liabilities		
Trade and other payables	39,773	35,769
Term loan - secured	2,440	2,383
Provisions	3,212	2,975
Current tax liability	3	16
Total current liabilities	<u>45,428</u>	<u>41,143</u>
TOTAL LIABILITIES	<u>50,672</u>	<u>48,071</u>
TOTAL EQUITY AND LIABILITIES	<u>397,295</u>	<u>378,920</u>
Net asset per share (RM)	<u>0.69</u>	<u>0.66</u>

Note:

- (1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial report.

Unaudited Condensed Consolidated Statement of Changes in Equity ⁽¹⁾

	← Non-distributable			→ Distributable		Total equity RM'000	
	Share capital RM'000	Treasury shares RM'000	Legal reserve RM'000	Exchange translation reserve RM'000	Reorganisation debit reserve RM'000		Retained earnings RM'000
Balance as at 1 January 2019	252,615	-	42	224	(63,557)	141,525	330,849
Profit of the financial period	-	-	-	-	-	24,246	24,246
Other comprehensive loss, net of tax	-	-	-	4	-	-	4
Dividend	-	-	-	-	-	(5,000)	(5,000)
Own shares acquired	-	(3,476)	-	-	-	-	(3,476)
Balance as at 30 June 2019	<u>252,615</u>	<u>(3,476)</u>	<u>42</u>	<u>228</u>	<u>(63,557)</u>	<u>160,771</u>	<u>346,623</u>
Balance as at 1 January 2018	65,803	-	6	291	(63,557)	122,212	124,755
Issuance of shares	186,812	-	-	-	-	-	186,812
Profit of the financial period	-	-	-	-	-	23,198	23,198
Other comprehensive loss, net of tax	-	-	-	(75)	-	-	(75)
Dividend	-	-	-	-	-	(15,000)	(15,000)
Balance as at 30 June 2018	<u>252,615</u>		<u>6</u>	<u>216</u>	<u>(63,557)</u>	<u>130,410</u>	<u>319,690</u>

Note:

- (1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial report.

Unaudited Condensed Consolidated Statement of Cash Flows ⁽¹⁾

	6 months ended 30-Jun-2019 RM '000	6 months ended 30-Jun-2018 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	24,279	23,314
Adjustments for:		
Depreciation of property, plant and equipment	1,326	1,101
Provision for warranty replacement cost	1,173	1,643
Reversal of provision for warranty replacement cost	(1,094)	(808)
Interest expense	131	131
Interest income	(2,257)	(329)
(Gain)/Loss on disposal of property, plant and equipment	(120)	19
Property, plant and equipment written off	8	2
Unrealised loss/(gain) on foreign exchange	223	(2,536)
Inventories written off	750	-
Operating profit before changes in working capital	<u>24,419</u>	<u>22,537</u>
Decrease/(Increase) in inventories	3,196	(8,230)
Increase in trade and other receivables	(17,814)	(34,705)
(Decrease)/Increase in trade and other payables	(954)	11,549
Warranty paid	(150)	(319)
Cash generated from/(used in) operations	<u>8,697</u>	<u>(9,168)</u>
Tax paid	<u>(73)</u>	<u>(333)</u>
Net cash from/(used in) operating activities	<u>8,624</u>	<u>(9,501)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from issuance of shares	-	186,812
Interest received	2,251	329
Proceeds from disposal of property, plant and equipment	232	-
Purchase of property, plant and equipment	<u>(47,556)</u>	<u>(8,625)</u>
Net cash (used in)/from investing activities	<u>(45,073)</u>	<u>178,516</u>

Unaudited Condensed Consolidated Statement of Cash Flows ⁽¹⁾ (Cont'd)

	6 months ended 30-Jun-2019 RM '000	6 months ended 30-Jun-2018 RM '000
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(131)	(131)
Net proceeds from term loan	-	7,613
Repayment of term loan	(1,325)	-
Placement of deposits pledged to licensed bank	-	(2,058)
Withdrawal of deposits pledged to licensed bank	-	2,052
Repurchase of treasury shares	(3,476)	-
Net cash (used in)/from financing activities	<u>(4,932)</u>	<u>7,476</u>
Net (decrease)/increase in cash and cash equivalents	(41,381)	176,491
Effect of foreign exchange rates changes	273	73
Cash and cash equivalents at beginning of financial period	201,303	50,582
Cash and cash equivalents at end of financial period	<u>160,195</u>	<u>227,146</u>
Cash and cash equivalents at the end of the financial period comprises:		
Cash and bank balances	33,554	227,146
Short term fund	126,641	-
Deposits with a licensed bank	2,107	2,046
	<u>162,302</u>	<u>229,192</u>
Less: Deposits pledged to a licensed bank	(2,107)	(2,046)
	<u>160,195</u>	<u>227,146</u>

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES :

	Term loan - secured	
	30-Jun-2019 RM '000	30-Jun-2018 RM '000
As at 01-Jan	6,753	-
Cash flows:		
Drawdown of term loan	-	7,613
Repayment of term loan	(1,325)	-
Non-cash flows:		
Effect of foreign exchange	6	263
As at 30-Jun	<u>5,434</u>	<u>7,876</u>

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial report.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial report of the Group is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) (“Listing Requirements”).

This interim financial report should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant Accounting Policies

The accounting policies adopted by the Group in the interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2018, except for the adoption of the following new and revised MFRSs, Amendments to MFRSs and IC interpretations.

a) New MFRSs adopted during the financial year

On 1 January 2019, the Group adopted the following Amendments to the Standards that are mandatory for annual periods beginning on or after 1 January 2019.

Title	Effective Date
MFRS 16 <i>Leases</i>	1 January 2019
IC Interpretation 23 <i>Uncertainty over Income Tax Treatments</i>	1 January 2019
Amendments to MFRS 9 <i>Prepayment Features with Negative Compensation</i>	1 January 2019
Amendments to MFRS 128 <i>Long-term Interests in Associates and Joint Ventures</i>	1 January 2019
Amendments to MFRS 3 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 11 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 112 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 123 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 119 <i>Plan Amendment, Curtailment or Settlement</i>	1 January 2019

Adoption of the above Standards did not have any material effect on the financial performance or position of the Group.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING (Cont'd)

A2. Significant Accounting Policies (Cont'd)

b) New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2020

The following are Standards of the MFRS Framework that have been issued by the MASB but have not been early adopted by the Group.

Title	Effective Date
<i>Amendments to References to the Conceptual Framework in MRFS 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 Material</i>	1 January 2020
<i>MFRS 17 Insurance Contracts</i>	1 January 2021
<i>Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group is in the process of assessing the impact of implementing these Standards and Amendments to the Standards, since the effects would only be observable for the future financial years.

A3. Auditors' Report

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2018.

A4. Seasonal or Cyclical Factors

The business operation of the Group is subject to the cyclical trend of the global semiconductor and electronics industry.

A5. Material Unusual Items

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the current quarter under review.

A6. Material Changes in Estimates

There were no changes in estimates that have a material effect in the current quarter under review.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING (cont'd)

A7. Debt and Equity Securities

There were no other issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current quarter under review except for the repurchase of treasury shares. The details of shares held as treasury shares for the period ended 30 June 2019 were as follows:

	Number of Treasury Shares ('000)	Total Cost Consideration RM'000
Balance as at 1 January 2019		
Repurchased during the quarter	2,000	3,476
Balance as at 30 June 2019	2,000	3,476

The repurchase transactions were financed by internally generated funds.

A8. Dividends Paid

No dividend was paid during the current quarter.

A9. Segmental Reporting

The Group is principally involved in design, development, manufacture and sale of wafer level chip scale packaging (“WLCSP”) sorting machines with inspection and testing capabilities for the semiconductor industry. The Group is also involved in the provision of maintenance services and technical support for these machines, as well as the sale of related spare parts and components.

Management monitors the operating results of its business units for the purpose of making decisions about resource allocation and performance assessment. As the operating segment on spare parts and services do not meet any of the quantitative thresholds pursuant to paragraph 13 of MFRS 8 *Operating Segments*, thus, are not considered as reportable segments. As such, segment information is not reported and disclosed separately.

A10. Material Events Subsequent to the end of the Quarter

There were no material events subsequent to the end of the current quarter under review that have not been reflected in the interim financial report.

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter under review that have not been reflected in the interim financial report.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING (cont'd)

A12. Contingent Liabilities and Contingent Assets

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this interim financial report.

A13. Material Capital Commitment

Save as disclosed below, as at 30 June 2019, the Group does not have any material capital commitment:

	RM'000
Material capital expenditure in respect of the construction of the Bayan Lepas factory and the Batu Kawan factory	
- Approved but not contracted for	59,489
- Contracted but not provided for	19,288
	78,777

A14. Significant Related Party Transactions

There were no significant related party transactions during the current quarter under review.

A15. Fair Value of Financial Liabilities

There were no gains or losses arising from fair value changes of the Group's financial liabilities for the current quarter under review.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Review of Performance

	INDIVIDUAL QUARTER 3 months ended		Changes RM'000 %		CUMULATIVE QUARTER 6 months ended		Changes RM'000 %	
	30-Jun-2019 RM'000	30-Jun-2018 RM'000			30-Jun-2019 RM'000	30-Jun-2018 RM'000		
	Revenue	46,134	54,335	(8,201)	-15%	75,617	87,771	(12,154)
Profit before tax	17,384	16,620	764	5%	24,279	23,314	965	4%

Comparison with the corresponding quarter in the previous financial year

The Group's revenue for the current quarter was RM46.13 million, representing a decrease of 15% as compared to RM54.34 million generated in the corresponding quarter of previous year. The decline was mainly due to softer demand from customers as a result of continuing slowdown in the semiconductor industry.

Despite the decrease in sales revenue, the Group's profit before tax ("PBT") of RM17.38 million for the current quarter exceeded the similar quarter of the last financial year of RM16.62 million. The slight increase of 5% in PBT was mainly due to manufacturing efficiency and cost control measures as well as change in geographical sales mix resulting in lower commission payable to external sales agents during the current quarter.

Comparison with preceding financial period

The Group recorded a total revenue of RM75.62 million and PBT of RM24.28 million for the current financial period ended 30 June 2019, representing a 14% drop in revenue but a 4% increase in PBT. The decline in revenue was a result of continuing slowdown in semiconductor industry whereas the increase in PBT was due to operations efficiencies and change in geographical sales mix resulting in lower commission payable to external sales agent.

B2. Comparison with Immediate Preceding Quarter

	INDIVIDUAL/CUMULATIVE QUARTER 3 months ended			
	30-Jun-2019 RM'000	31-Mar-2019 RM'000	Changes RM'000 %	
	Revenue	46,134	29,483	16,651
Profit before tax	17,384	6,895	10,489	152%

The Group posted a revenue of RM46.13 million and PBT of RM17.38 million for the current quarter under review, compared to RM29.48 million and RM6.90 million for the immediate preceding quarter. Both revenue and PBT have increased by 56% and 152% respectively. The better results in current quarter were mainly due to higher sales revenue generated, in particular from North East Asia region, some operations efficiencies achieved as well as foreign exchange gains resulting from depreciation of Ringgit Malaysia against US Dollar.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (cont'd)

B3. Prospects for the Financial Year Ending 31 December 2019

As reported by numerous industry associations, the semiconductor industry is expected to experience a contraction year in 2019. The uncertainty of investment direction and timing of capex spending from key customers are expected to impact our growth this year. Ultimately, capex decisions still need to be made and players will need to move ahead, taking into account the worst-case scenarios forecasted.

We observed improvements in the capex investment quantum of our key customers in 2H2019 which will give us the opportunity to register better performance in 2H2019 or otherwise early 2020, depending on revenue recognition due to timing of billing and shipment.

We are positive on the situation as the worst-case scenario caused by the trade war has been taken into account by most of our customers. The restructuring of the global supply chain, especially the new supply chain eco-system in China, has increased activities and expanded the market for semiconductor equipment. Mi Equipment will be one of the beneficiaries if we are able to participate in this eco-system.

Our subsidiary, Mi Equipment has moved into the newly completed Bayan Lepas facilities in the second quarter and we have commenced the construction of our Batu Kawan plant for Mi Autobotics and Mi Components which has currently reached 22% completion. We are putting in place our group wide infrastructure to catch the upcycle which is widely anticipated to begin in 2020 by the industry.

B4. Profit Forecast

The Group did not provide any revenue or profit forecast in any public document.

B5. Taxation

The Group's taxation together with the comparison between the effective and statutory tax rates for the current quarter and financial period under review are set out below:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		6 months ended	
	30-Jun-2019	30-Jun-2018	30-Jun-2019	30-Jun-2018
	RM '000	RM '000	RM '000	RM '000
Tax Expense (RM'000)	8	17	18	68
Deferred Tax (RM'000)	-	-	-	-
Withholding Tax (RM'000)	-	3	15	48
Total (RM'000)	8	20	33	116
Effective Tax Rate (%)	0.05	0.12	0.14	0.50
Statutory tax rate (%)	24.00	24.00	24.00	24.00

The effective tax rate of the Group for the current financial period is lower than the statutory tax rate of 24%. This was mainly due to tax incentive enjoyed by its wholly-owned subsidiary, Mi Equipment (M) Sdn Bhd.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (cont'd)

B5. Taxation (cont'd)

Mi Equipment (M) Sdn Bhd is entitled to pioneer status incentives under the Promotion of Investments Act, 1986 (Amendment) for the design, development and manufacturing of vision inspection and taping equipment and related components for semiconductor and solar industries. The profit derived from these activities is exempted from tax for a total relief period of five (5) years from 18 January 2014 to 17 January 2019 subject to a further renewal of another five (5) years.

Application for pioneer status renewal and extension for a second 5-year period had been submitted to Malaysian Investment Development Authority (“MIDA”) on 19 November 2018. Additional information pertaining to the next 5-year period requested by MIDA subsequently had been furnished in mid May 2019.

While awaiting MIDA’s approval for second 5-year pioneer period, the Company will ensure the pioneer conditions are strictly complied with so as not to jeopardize the pioneer status.

Further, Mi Equipment (M) Sdn Bhd has submitted application for pioneer status incentives for its new product series. Approval-in-principle has been granted by MIDA via its letter dated 21 September 2018 for the design, development and manufacturing of die bonding systems and related modules for semiconductor industry. The profit derived from these activities is exempted from tax for a total relief period of ten (10) years from the manufacturing date.

The Company is required to submit application for pioneer status certificate to MIDA within twenty-four (24) months of the approval date, from which the manufacturing date will be determined thereafter. The application has yet to be submitted as at the date of this report.

B6. Status of Corporate Proposals

During the 2nd Annual General Meeting held on 11 June 2019, the Company has passed resolution for the renewal of authority to purchase its own shares of up to five percent (5%) of the issued and paid-up share capital of the Company.

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

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (cont'd)

B7. Utilization of Proceeds from the Public Issue

The gross proceeds from the Public Issue of approximately RM190.89 million was intended to be utilized in the following manner:

No.	Details of utilisation	Estimated utilisation timeframe upon Listing	Amount RM'000	Actual utilisation RM'000	Percentage utilised %
1)	Construction of new factory cum office in Bayan Lepas, Penang	Within 12 months	65,000	61,223	94%
2)	Construction of new factory cum office in Batu Kawan, Penang	Within 30 months	75,000	-	0%
3)	R&D	Within 24 months	6,000	1,500	25%
4)	Working capital	Within 36 months	36,788	17,036	46%
5)	Estimated listing expenses	Within 1 month	8,100	8,100	100%
	Total		190,888	87,859	46%

The utilization of gross proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 28 May 2018.

B8. Group Borrowings and Debt Securities

The detail of the Group's borrowings are as follows:

	Unaudited	
	As at 30-Jun-2019 RM '000	As at 30-Jun-2018 RM '000
Term Loan (Secured)		
Short term portion	2,440	1,658
Long term portion	2,994	6,218
Total	5,434	7,876

All the Group's borrowings are denominated in US Dollar ("USD").

The USD Term Loan was drawn down to partly replenish the Group's internally generated funds used to finance the purchase of the Bayan Lepas factory land (including the building which was subsequently demolished).

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (cont'd)

B9. Material Litigation

As at the date of this interim financial report, the Group is not engaged in any material litigation or arbitration proceedings, either as plaintiff or defendant, and the Directors are not aware of any proceedings pending or threatened against the Group, which may materially and adversely affect the financial position or business performance of the Group.

B10. Dividend Declared

On 23 May 2019, the Board of Directors has declared a first interim single tier dividend of 1.00 sen per ordinary share amounting to RM5 million in respect of financial year ending 31 December 2019.

The entitlement date and payment date of the dividend are on 18 June 2019 and 12 July 2019 respectively.

B11. Earnings Per Share (“EPS”)

The basic and diluted EPS for the current quarter and financial period is computed as below:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		6 months ended	
	30-Jun-2019	30-Jun-2018	30-Jun-2019	30-Jun-2018
	RM '000	RM '000	RM '000	RM '000
Profit after tax attributable to the owners of the Company (RM'000)	17,376	16,600	24,246	23,198
Weighted average number of ordinary shares in issue ('000)	500,000	373,742	500,000	373,742
Basic EPS (sen) ⁽¹⁾	3.48	4.44	4.85	6.21
Diluted EPS (sen) ⁽²⁾	3.48	4.44	4.85	6.21

Notes:

- (1) Basic EPS is calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial period under review.
- (2) Diluted EPS is equivalent to the basic EPS as the Company does not have any convertible securities as at the end of the financial period under review.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (cont'd)

B12. Profit Before Tax

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		6 months ended	
	30-Jun-2019	30-Jun-2018	30-Jun-2019	30-Jun-2018
	RM '000	RM '000	RM '000	RM '000
Interest income	(1,038)	(251)	(2,257)	(329)
Interest expense	68	80	131	131
Depreciation of property, plant and equipment	781	564	1,326	1,101
Realised (gain)/loss on foreign exchange	(410)	1,060	(99)	2,007
Unrealised (gain)/loss on foreign exchange	(479)	(4,755)	223	(2,536)

Save as disclosed above, the other disclosure items pursuant to Paragraph 16, Part A of Appendix 9B of the Listing Requirements are not applicable.

BY ORDER OF THE BOARD
22 August 2019