

## UNAUDITED SECOND QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS<sup>(1)</sup>

	INDIVIDUAL QUARTER			CUMULATIVE PERIOD		
	CURRENT YEAR QUARTER 30.06.2019	PRECEDING YEAR CORRESPONDING QUARTER 30.06.2018	CHANGES (%)	CURRENT YEAR TO-DATE 30.06.2019	PRECEDING YEAR CORRESPONDING PERIOD 30.06.2018	CHANGES (%)
	RM'000	RM'000		RM'000	RM'000	
Revenue	33,923	38,513	-11.9%	64,989	71,309	-8.9%
Cost of sales	(27,367)	(31,229)	-12.4%	(52,121)	(58,292)	-10.6%
Gross profit	6,556	7,284	-10.0%	12,868	13,017	-1.1%
Other income	49	201	-75.6%	141	365	-61.4%
Administrative expenses	(3,842)	(2,781)	38.2%	(6,772)	(5,002)	35.4%
Finance costs	(251)	(226)	11.1%	(445)	(631)	-29.5%
Profit before tax	2,512	4,478	-43.9%	5,792	7,749	-25.3%
Income tax expense	(638)	(1,212)	-47.4%	(1,557)	(2,127)	-26.8%
<b>Profit / Total comprehensive income for the period</b>	<b>1,874</b>	<b>3,266</b>	<b>-42.6%</b>	<b>4,235</b>	<b>5,622</b>	<b>-24.7%</b>
<b>Attributable to:</b>						
Owner of the Company	1,875	3,266	-42.6%	4,242	5,622	-24.5%
Non-controlling interests ("NCI")	(1)	-	-	(7)	-	-
	<b>1,874</b>	<b>3,266</b>	<b>-42.6%</b>	<b>4,235</b>	<b>5,622</b>	<b>-24.7%</b>
Earnings per share attributable to owners of the Company (sen) <sup>(2)</sup> :						
Basic	0.57	1.02		1.30	1.76	
Diluted	0.57	1.02		1.30	1.76	

**Notes:**

- (1) The basis of preparation of the Unaudited Consolidated Statements of Profit or Loss are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to this interim financial report.
- (2) Earnings per share is calculated based on the Company's weighted average number of ordinary shares at the end of the reporting period.

## UNAUDITED SECOND QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME<sup>(1)</sup>

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30.06.2019	PRECEDING YEAR CORRESPONDING QUARTER 30.06.2018	CURRENT YEAR TO-DATE 30.06.2019	PRECEDING YEAR CORRESPONDING PERIOD 30.06.2018
	RM'000	RM'000	RM'000	RM'000
Profit After Tax for the period	1,874	3,266	4,235	5,622
Other Comprehensive Expenses	-	-	-	-
- Foreign currency translation difference				
Total Comprehensive income for the period	<u>1,874</u>	<u>3,266</u>	<u>4,235</u>	<u>5,622</u>
<b>Attributable to:</b>				
Owner of the Company	1,875	3,266	4,242	5,622
Non-controlling interests ("NCI")	(1)	-	(7)	
	<u>1,874</u>	<u>3,266</u>	<u>4,235</u>	<u>5,622</u>

**Note:**

- (1) The basis of preparation of the Unaudited Consolidated Statements of Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to this interim financial report.

## UNAUDITED SECOND QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION<sup>(1)</sup>

	Unaudited As at 30.06.2019	Audited As at 31.12.2018
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	7,382	7,229
Investment properties	2,826	2,856
Trade receivables	9,832	7,403
	<u>20,040</u>	<u>17,488</u>
<b>Current assets</b>		
Trade receivables	29,548	33,404
Other receivables, deposits and prepayments	4,575	3,501
Contract assets	30,729	27,349
Development expenditure	93	-
Deposits with licensed banks	12,041	9,194
Cash and bank balances	14,921	10,511
	<u>91,907</u>	<u>83,959</u>
<b>TOTAL ASSETS</b>	<b><u>111,947</u></b>	<b><u>101,447</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	38,800	32,000
Treasury Shares	(182)	-
Retained profits	18,898	16,262
	<u>57,516</u>	<u>48,262</u>
<b>Non-controlling interest</b>	<u>(7)</u>	<u>(5)</u>
<b>Total Equity</b>	<b><u>57,509</u></b>	<b><u>48,257</u></b>
<b>Non-current liabilities</b>		
Finance lease liabilities	769	532
Term loan	4,522	4,750
Deferred tax liabilities	78	78
Trade payables	3,068	2,466
	<u>8,437</u>	<u>7,826</u>
<b>Current liabilities</b>		
Trade payables	30,113	30,831
Other payables and accruals	2,497	2,468
Contract liabilities	6,094	7,058
Finance lease liabilities	387	376
Short-term borrowings	6,644	4,152
Current tax liabilities	266	479
	<u>46,001</u>	<u>45,364</u>
<b>TOTAL LIABILITIES</b>	<b><u>54,438</u></b>	<b><u>53,190</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>111,947</u></b>	<b><u>101,477</u></b>
Net asset per share (RM) <sup>(2)</sup>	<u>0.16</u>	<u>0.15</u>

**Notes:**

- (1) The basis of preparation of the Unaudited Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per share is calculated based on the Company's weighted average number of ordinary shares at the end of the reporting period.

## UNAUDITED SECOND QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY<sup>(1)</sup>

	Non-distributable		Distributable		Total Equity RM'000
	Share Capital	Treasury Shares	Retained Profits	Non-controlling Interest	
	RM'000		RM'000		
Balance at 01.01.2019	32,000	-	16,257	-	48,257
As at 31.03.2019 profit after taxation	-	-	2,366	(6)	2,360
Issuance of new shares	6,800	-	-	-	6,800
As at 30.06.2019 profit after taxation	-	-	1,875	(1)	1,874
Shares repurchased	-	(182)	-	-	(182)
Dividend paid	-	-	(1,600)	-	(1,600)
<b>Balance as at 30.06.2019</b>	<b>38,800</b>	<b>(182)</b>	<b>18,898</b>	<b>(7)</b>	<b>57,509</b>

**Note:**

- (1) The basis of preparation of the Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to this interim financial report.

## UNAUDITED SECOND QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS<sup>(1)</sup>

	CUMULATIVE PERIOD	
	Current Period Ended 30.06.2019 RM'000	Comparative Period Ended 30.06.2018 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	5,792	7,749
Adjustments for:		
Depreciation	474	413
Interest expense	445	419
Interest income	(81)	(282)
Loss/ (Gain) on disposal of property, plant and equipment	-	(35)
Operating profit before changes in working capital	6,630	8,264
Net decrease in amount owing by/to contract customers (Increase) / decrease in development expenditure	(4,343) (93)	(2,629) -
(Increase) / decrease in trade and other receivables	352	3,460
Increase / (decrease) in trade and other payables	(86)	5,963
Cash flows from operations	2,460	15,058
Interest paid	(445)	(419)
Interest received	81	282
Tax paid	(1,771)	(1,967)
Net cash from operating activities	325	12,954
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(597)	(1,204)
Net cash used in investing activities	(597)	(1,204)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase / (decrease) in fixed deposits pledged to banks	(2,847)	4,768
Net drawdown / repayment in trade finance	1,398	(3,466)
Net drawdown / (repayment) in finance lease obligations	247	(185)
Repayment of term loans	(168)	(1,688)
Proceeds from issuance of new shares	6,800	-
Buy-back of Shares	(182)	-
Dividend Paid	(1,600)	(1,600)
Net cash used in financing activities	3,648	(2,171)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	3,376	9,579
Cash and cash equivalents at beginning of the financial period	9,381	9,073
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	12,757	18,652
<b>Cash and cash equivalents comprise :</b>		
Deposits with licensed banks	12,041	11,476
Cash and bank balances	14,921	19,921
Bank overdrafts	(2,164)	(1,269)
	24,798	30,128
Less: Deposits pledged to licensed banks	(12,041)	(11,476)
	12,757	18,652

**Note:**

- (1) The basis of preparation of the Unaudited Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to this interim financial report.

**PART A – EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2019**

**A1 Basis of Preparation**

The interim financial statements of the Group are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting and Rule 9.22 of the Listing Requirements.

The interim financial reports should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2018.

**A2 Significant Accounting Policies**

In addition to the accounting policies and presentations adopted by the Group for the audited financial statements for the year ended 31 December 2018, the Group has further adopted the following MFRS in this interim financial statement, effective from 1 January 2019:-

MFRS 16	Leases
Amendments to MFRS 3	Business Combinations <sup>(1)</sup>
Amendments to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 11	Joint Arrangements <sup>(1)</sup>
Amendments to MFRS 112	Income Taxes <sup>(1)</sup>
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement
Amendments to MFRS 123	Borrowing Costs <sup>(1)</sup>
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures
IC interpretation 23	Uncertainty Over Income Tax Treatments

**Note:**

(1) Amendments to MFRSs contained in the document entitle Annual Improvements to MFRSs 2015-2017 Cycle.

The Group expect that the adoption of the above Standards, Amendments and IC interpretation are not expected to have any material financial impacts to the current period and prior period financial statement.

**A3 Auditors’ Report**

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

**A4 Seasonal and Cyclical Factors**

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

**A5 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

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

**A6 Changes in Estimates**

There were no material changes in estimates that have a material effect on the financial quarter and period under review.

**A7 Debt and Equity Securities**

During the financial period ended 30 June 2019, the Company repurchases 886,900 units of its issued ordinary shares from the open market at a price range of between RM0.21 to RM0.215 per share. The total consideration paid was RM0.19 million including transaction costs and this was financed by the internal generated funds. The shares repurchased are being held as treasury shares in accordance with the requirement of section 127 of the Companies Act 2016.

On 8 May 2019 and 17 June 2019, the Company had issued 15,000,000 and 19,000,000 new ordinary shares respectively at the issued price of RM0.20 per share. Total gross proceeds raised from the Special Issue Shares amounted to RM6,800,000.00.

Save as above, there were no cancellations, resales and repayment of debt and equity securities for the Group during the current quarter ended 30 June 2019

**A8 Dividends Paid**

Dividends amounting to RM1.6 million were paid during the second quarter ended 30 June 2019.

**A9 Segmental Reporting**

The Group is principally involved in the provision of electrical and mechanical engineering services. As such, the revenue of the Group for the current financial quarter under review and the financial period to date is derived entirely from its electrical and mechanical engineering services.

No geographical analysis has been prepared as the Group operates wholly in Malaysia.

**A10 Material Events after the End of the Reporting Period**

Save for what has been disclosed in Note B6 "Status of Corporate Proposals", there were no other material events subsequent to the end of the current financial year.

**A11 Changes in the Composition of the Group**

There were no changes in the composition of the Group during the current financial quarter.

**A12 Contingent Liabilities and Contingent Assets**

Contingent liabilities of the Group as at 30 June 2019 comprised of guarantees given to third parties in respect of performance bonds for the Group's projects amounting to RM 18.29 million.

There were no contingent assets as at the date of this interim report.

**A13 Capital Commitments**

**RM'000**

Approved and contracted but not provided for:

- Property, plant and equipment

2,401

**A14 Significant related party transactions**

There were no significant related party transactions in the current financial quarter and financial period under review.

**A15 Financial Liabilities**

The Group has not entered into any derivatives and do not have any financial liabilities.



**B1 Review of Group Performance**

For the current financial quarter under review, the Group posted revenues of RM33.92 million as compared to its preceding year's corresponding quarter ended 30 June 2018 of RM38.51 million. In line with the decrease in revenues, profit before tax ("PBT") during the current quarter has also dropped to RM2.51 million, representing a decrease of RM1.97 million from its preceding year's corresponding quarter ended 30 June 2018 of RM4.48million.

The overall decrease in the PBT was mainly attributed a decrease in revenue and increase in staff costs and project tender activities.

**B2 Comparison with Immediate Preceding Quarter Results**

	Current Quarter 30.06.2019	Immediate Preceding Quarter 31.03.2019	Changes (Amount / %)	
	RM'000	RM'000	RM'000	%
Revenue	33,923	31,066	2,857	9.20%
Profit Before Tax	2,512	3,279	(767)	-23.39%

The Group recorded a slightly increase in gross profit of RM6.56 million for the current quarter as compared with RM6.31 million in the previous quarter ended 31 March 2019 in line with recording an increased revenue of RM33.9 million for current quarter as compared with RM31.1 million in the previous quarter ended 31 March 2019.

The Group's PBT of RM2.51 million for the current quarter was lower by 23.39% as compared with the RM3.28 million achieved in the previous quarter ended 31 March 2019. The overall decrease was mainly due to increase in staff costs, project tender activities and finance costs.

**B3 Prospects for the Financial Year**

The Group will continue to focus on the following future plans and business strategies for the future growth and expansion of its business:-

- (i) diversifying its revenue stream by providing maintenance services including upgrading, expansion, refurbishment, retrofitting and renovation projects;
- (ii) expansion beyond Klang Valley; and
- (iii) developing own proprietary IoT-based software utilising intelligent predictive algorithms to ensure effective and efficient operations of equipment and machinery (Electrical System) and chiller optimization solutions (Air-cond) which will reduce operational costs.

As at 30 June 2019, the Group's order book, contracts secured and tenders are as follows:-

- (i) order book balance is approximately RM337 million;
- (ii) total value of contracts secured is approximately RM68 million; and
- (iii) approximately RM219 million worth of tenders still pending.

Based on the above, the Board of Directors is of the opinion that the Group's financial performance for the current year to be satisfactory.

**B4 Profit Forecast**

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

**B5 Taxation**

	Current quarter ended 30 June 2019	Comparative quarter ended 30 June 2018	Cumulative 3-month period ended 30 June 2019	Cumulative 3-month period ended 30 June 2018
	RM'000	RM'000	RM'000	RM'000
Income tax	707	1,212	1,543	2,049
Under/ (over)provided in prior year	(69)	-	14	-
Deferred tax	-	-	-	78
	638	1,212	1,557	2,127
Effective tax rate <sup>(1)</sup>	25.40%	27.06%	26.89%	27.45%

**Note:**

- (1) The effective tax rate for the current quarter is higher than the statutory tax rate of 24% mainly due to adjustment for non-deductible expenses.

**B6 Status of Corporate Proposals**

On 10 December 2018, Mercury Securities Sdn Bhd (“Mercury Securities”) had announced on behalf of the Board of Directors of KAB (“Board”) that the Company proposes to undertake a special issue of up to 34,000,000 new ordinary shares in KAB (“Special Issue Shares”) to Bumiputera investors to be identified and/or approved by the Ministry of International Trade and Industry (“MITI”), at an issue price to be determined at a later date after obtaining all relevant approvals (“Special Issue”). The Special Issue is undertaken to comply with the Bumiputera equity condition of ensuring at least 12.5% of the Company’s enlarged share capital to be allocated or held by Bumiputera investors recognised by the MITI. The Special Issue had been approved by the Company’s shareholders on 3 January 2019.

On 10 December 2018, Mercury Securities had on behalf of the Company submitted an application to the Securities Commission Malaysia (“SC”) for an extension of time of 6 months from 31 December 2018 to 30 June 2019 for the Company to comply with the Bumiputera Equity Condition. The SC had on 11 February 2019 approved the said application.

On 29 April 2019, Mercury Securities announced on behalf of the Board that the issue price for the first tranche of the placement of 15,000,000 Special Issue Shares has been fixed at RM0.20 per Special Issue Share. The Company had on 7 May 2019 issued 15,000,000 Special Issue Shares to the identified Bumiputera investors.

On 17 June 2019, Mercury Securities announced on behalf of the Board that Special Issue has been completed on 17 June 2019 following the listing and quotation of the:-

- (i) first tranche of 15,000,000 Special Issue Shares on the ACE Market of Bursa Securities on 8 May 2019; and

- (ii) final tranche of 19,000,000 Special Issue Shares on the ACE Market of Bursa Securities on 17 June 2019.

On 22 July 2019, Mercury Securities announced on behalf of the Board that the SC had vide its letter dated 19 July 2019 informed that KAB has complied with the Bumiputera Equity Condition.

Save as above, there were no corporate proposal announcements.

**B7 Utilisation of Proceeds**

Pursuant to the listing of the Company on the ACE Market of Bursa Securities on 17 November 2017 (“**Listing**”), the utilisation of the gross proceeds from the Listing amounting to RM20.00 million is as follows:

Details of utilisation	Proposed Utilisation RM'000	Revised Proposed Utilisation RM'000	Further Revision Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Unutilised RM'000	Estimated timeframe for utilisation upon Listing
Working capital	12,100	12,571	13,081	(13,081)	-	Within 24 months
Capital expenditure	2,200	2,200	1,690	(1,690)	-	Within 18 months
Setting up a proposed new branch office in Johor Bahru and an additional office in Kuala Lumpur	600	289	289	(289)	-	Within 12 months
Repayment of bank borrowings	1,600	1,600	1,600	(1,600)	-	Within 12 months
Estimated Listing expenses	3,500	3,340	3,340	(3,340)	-	Immediate
<b>Total</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>(20,000)</b>	<b>-</b>	

The Company has fully utilised the proceed from the listing during the current financial quarter under review.

**KEJURUTERAAN ASASTERA BERHAD (420505-H)****INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2019****PART B – ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENT**

The utilisation of the gross proceeds from the Special Issue amounting to RM6.80 million is as follows:

<b>Details of utilisation</b>	<b>Proposed Utilisation RM'000</b>	<b>Actual Utilisation RM'000</b>	<b>Balance Unutilised RM'000</b>	<b>Intended Timeframe for Unutilised</b>
Acquisition and/or investment in other complementary business and/or assets <sup>(1)</sup>	6,630	-	6,630	Within 24 months
Estimated expenses for the proposed Special Issue	170	(170)	-	Immediate
<b>Total</b>	<b>6,800</b>	<b>(170)</b>	<b>6,630</b>	<b>-</b>

**Notes:**

The utilisation of proceeds as disclosed above should be read in conjunction with the Circular of the Company dated 19 December 2018.

**B8. Group's Borrowings and Debt Securities**

The details of the borrowings of the Group are as follows:-

	<b>As at 30 June 2019</b>	<b>As at 30 June 2018</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Long term:</b>		
Term loans	4,522	4,975
Finance lease liabilities	769	535
	<u>5,291</u>	<u>5,510</u>
<b>Short term:</b>		
Term loans	404	287
Finance lease liabilities	387	343
Bank overdrafts	2,164	1,269
Trade finance	4,076	1,099
	<u>7,031</u>	<u>2,998</u>

All the Group's borrowings are secured and denominated in Ringgit Malaysia.

**B9. Material Litigation**

As at the date of this report, the Group was not engaged in any material litigation.

**B10. Dividends Payable**

Save for the dividends that have been paid during the second quarter ended 30 June 2019 as disclosed under Note A8, no other dividend has been declared and payable during the second quarter ended 30 June 2019.

**B11. Derivatives and Fair Value Changes of Financial Liabilities**

- (1) There were no derivatives as at the current quarter under review.  
 (2) There were no fair value changes as at the current quarter under review.

**B12. Earnings Per Share**

The basic and diluted earnings per share for the current quarter is computed as follows:-

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Quarter Ended 30 June 2019	Preceding Year Corresponding Quarter Ended 30 June 2018	Quarter Ended 30 June 2019	Preceding Year Corresponding Quarter Ended 30 June 2018
Profit after tax attributable to owners of the Company (RM'000)	1,875	3,266	4,242	5,622
Number of ordinary shares ('000)	331,824	320,000	325,945	320,000
Basic earnings per share (sen) <sup>(1)</sup>	0.57	1.02	1.30	1.76
Diluted earnings per share (sen) <sup>(2)</sup>	0.57	1.02	1.30	1.76

**Notes:**

- (1) The basic earnings per share is computed based on the profit attributable to the equity shareholders of the Company divided by weighted average number of ordinary shares in issue for the period under review.  
 (2) Diluted earnings per share is equivalent to the basic earnings per share as the Company does not have convertible securities as at 30 June 2019.

**B13. Disclosure of Realised and Unrealised Profits**

The breakdown of the retained profits of the Group as at 30 June 2019 into realised and unrealised profits is as follows:-

	As at 30 June 2019	As at 30 June 2018
	RM'000	RM'000
Total retained profits of the Group:		
- Realised	18,898	16,522
- Unrealised	-	-
	<u>18,898</u>	<u>16,522</u>

**B14. Notes to the Statement of Comprehensive Income**

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

	<b>Current quarter ended 30 June 2019 RM'000</b>	<b>Preceding Year Corresponding Quarter Ended 30 June 2018 RM'000</b>	<b>Cumulative 6-months period ended 30 June 2019 RM'000</b>	<b>Cumulative 6-months period ended 30 June 2018 RM'000</b>
Interest income	(18)	(142)	(81)	(282)
Interest expense	251	132	445	419
Depreciation of property, plant and machinery	229	198	444	387
Depreciation of investment properties	15	15	30	26
Professional fees	595	381	797	592

**B15. Authorised for issue**

The interim financial statements were authorised by the Board of Directors in accordance with the resolution of the Directors on 20 Aug 2019.