

KARYON INDUSTRIES BERHAD (Company No: 612797-T)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 1ST QUARTER ENDED 30 JUNE 2018**
(The figures have not been audited)

| | <u>INDIVIDUAL QUARTER</u> | | <u>CUMULATIVE QUARTER</u> | |
|---|---|---|---|--|
| | <u>CURRENT YEAR QUARTER</u> 30/06/18 RM'000 | <u>PRECEDING YEAR CORRESPONDING QUARTER</u> 30/06/17 RM'000 | <u>CURRENT YEAR TO DATE</u> 30/06/18 RM'000 | <u>PRECEDING YEAR CORRESPONDING PERIOD</u> 30/06/17 RM'000 |
| CONTINUING OPERATIONS | | | | |
| Revenue | 39,373 | 38,752 | 39,373 | 38,752 |
| Cost of Sales | (33,517) | (33,608) | (33,517) | (33,608) |
| Gross Profit | 5,856 | 5,144 | 5,856 | 5,144 |
| Other Income | 270 | 589 | 270 | 589 |
| Administrative and Operating Expenses | (3,369) | (3,075) | (3,369) | (3,075) |
| Finance Costs | (133) | (102) | (133) | (102) |
| Share of Profit of a Joint Venture | 11 | 137 | 11 | 137 |
| Profit Before Tax | 2,635 | 2,693 | 2,635 | 2,693 |
| Tax expense | (635) | (673) | (635) | (673) |
| Profit for the financial period from continuing operations | 2,000 | 2,020 | 2,000 | 2,020 |
| DISCONTINUED OPERATION | | | | |
| Profit for the financial period from discontinued operation, net of tax | - | 42 | - | 42 |
| PROFIT FOR THE FINANCIAL PERIOD | 2,000 | 2,062 | 2,000 | 2,062 |
| OTHER COMPREHENSIVE LOSS | | | | |
| Foreign currency translation | (47) | (72) | (47) | (72) |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | 1,953 | 1,990 | 1,953 | 1,990 |
| Profit attributable to: | | | | |
| Owners of the parent | 2,000 | 2,062 | 2,000 | 2,062 |
| Total comprehensive income attributable to: | | | | |
| Owners of the parent | 1,953 | 1,990 | 1,953 | 1,990 |
| Basic earnings per share (sen): | | | | |
| - from continuing operations | 0.42 | 0.42 | 0.42 | 0.42 |
| - from discontinued operation | - | 0.01 | - | 0.01 |
| | 0.42 | 0.43 | 0.42 | 0.43 |
| Diluted earnings per share (sen): | | | | |
| - from continuing operations | 0.42 | 0.42 | 0.42 | 0.42 |
| - from discontinued operation | - | 0.01 | - | 0.01 |
| | 0.42 | 0.43 | 0.42 | 0.43 |

(The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2018 and the accompanying explanatory notes attached to this interim financial statements on page 5-12)

KARYON INDUSTRIES BERHAD (Company No: 612797-T)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018
(The figures have not been audited)

| | UNAUDITED | AUDITED |
|--|----------------------------------|----------------------------------|
| | As at 30/06/18 RM'000 | As at 31/03/18 RM'000 |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 37,161 | 30,032 |
| Investment in a joint venture | 5,130 | 5,166 |
| | <u>42,291</u> | <u>35,198</u> |
| Current assets | | |
| Inventories | 23,790 | 23,541 |
| Trade and other receivables | 31,417 | 32,245 |
| Current tax assets | 2,051 | 1,916 |
| Cash and cash equivalents | 26,739 | 27,931 |
| | <u>83,997</u> | <u>85,633</u> |
| TOTAL ASSETS | <u>126,288</u> | <u>120,831</u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to owners of the parent | | |
| Share capital | 47,572 | 47,572 |
| Share premium | 37 | 37 |
| Foreign currency translation reserve | 1,325 | 1,372 |
| Retained earnings | 50,109 | 48,109 |
| TOTAL EQUITY | <u>99,043</u> | <u>97,090</u> |
| Non-current liabilities | | |
| Borrowings | 9,111 | 5,108 |
| Deferred tax liabilities | 2,097 | 2,097 |
| | <u>11,208</u> | <u>7,205</u> |
| Current liabilities | | |
| Trade and other payables | 12,612 | 14,501 |
| Borrowings | 3,425 | 2,035 |
| | <u>16,037</u> | <u>16,536</u> |
| TOTAL LIABILITIES | <u>27,245</u> | <u>23,741</u> |
| TOTAL EQUITY AND LIABILITIES | <u>126,288</u> | <u>120,831</u> |
| Net assets per share attributable to owners of the parent (RM) | <u>0.21</u> | <u>0.20</u> |

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2018 and the accompanying explanatory notes attached to this interim financial statements on page 5-12)

KARYON INDUSTRIES BERHAD (Company No: 612797-T)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 1ST QUARTER ENDED 30 JUNE 2018**
(The figures have not been audited)

Quarter ended 30 June 2018

| | ATTRIBUTABLE TO OWNERS OF THE PARENT | | | | |
|---|--------------------------------------|------------------|---|----------------------|---------------|
| | SHARE CAPITAL | SHARE PREMIUM | FOREIGN CURRENCY TRANSLATION RESERVE | RETAINED EARNINGS | TOTAL |
| | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> |
| Balance as at 01.04.2018 | 47,572 | 37 | 1,372 | 48,109 | 97,090 |
| Total comprehensive income for the period | - | - | (47) | 2,000 | 1,953 |
| Balance as at 30.06.2018 | 47,572 | 37 | 1,325 | 50,109 | 99,043 |

Quarter ended 30 June 2017

| | ATTRIBUTABLE TO OWNERS OF THE PARENT | | | | |
|---|--------------------------------------|------------------|---|----------------------|---------------|
| | SHARE CAPITAL | SHARE PREMIUM | FOREIGN CURRENCY TRANSLATION RESERVE | RETAINED EARNINGS | TOTAL |
| | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> |
| Balance as at 01.04.2017 | 47,572 | 37 | 1,589 | 38,702 | 87,900 |
| Total comprehensive income for the period | - | - | (72) | 2,062 | 1,990 |
| Balance as at 30.06.2017 | 47,572 | 37 | 1,517 | 40,764 | 89,890 |

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2018 and the accompanying explanatory notes attached to this interim financial statements on page 5-12)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 1ST QUARTER ENDED 30 JUNE 2018**
(The figures have not been audited)

| | CURRENT YEAR TO DATE 30/06/18 RM'000 | PRECEDING YEAR CORRESPONDING PERIOD 30/06/17 RM'000 |
|--|---|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before tax from continuing operations | 2,635 | 2,693 |
| Profit before tax from discontinued operation | - | 42 |
| Profit before tax, total | <u>2,635</u> | <u>2,735</u> |
| Adjustments for: | | |
| Depreciation on property, plant and equipment | 296 | 280 |
| Interest expense | 133 | 102 |
| Interest income | (124) | (120) |
| Property, plant and equipment written off | 2 | 27 |
| Unrealised (gain)/loss on foreign exchange | (82) | 47 |
| Share of profit of a joint venture | <u>(11)</u> | <u>(137)</u> |
| Operating profit before changes in working capital | 2,849 | 2,934 |
| Net changes in inventories | (249) | 3,742 |
| Net changes in trade and other receivables | 956 | 341 |
| Net changes in trade and other payables | <u>(1,966)</u> | <u>(2,135)</u> |
| CASH GENERATED FROM OPERATIONS | 1,590 | 4,882 |
| Tax paid | (872) | (865) |
| Tax refunded | 102 | 36 |
| NET CASH FROM OPERATING ACTIVITIES | <u>820</u> | <u>4,053</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Placement of deposits with licensed banks with original maturity date more than three months | 1,510 | 1,093 |
| Interest received | 124 | 120 |
| Purchase of property, plant and equipment (Note 1) | <u>(7,427)</u> | <u>(516)</u> |
| NET CASH (USED IN)/FROM INVESTING ACTIVITIES | <u>(5,793)</u> | <u>697</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Drawdown of banker's acceptance | | |
| - term loans | 4,500 | - |
| - bankers' acceptance | 2,696 | 3,767 |
| Repayments of: | | |
| - hire purchase creditors | (18) | (121) |
| - term loans | (152) | (138) |
| - bankers' acceptance | (1,633) | (6,374) |
| Interest paid | <u>(133)</u> | <u>(102)</u> |
| NET CASH FROM/(USED IN) FINANCING ACTIVITIES | <u>5,260</u> | <u>(2,968)</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 287 | 1,782 |
| EFFECTS OF EXCHANGE RATE CHANGES ON CASH & CASH EQUIVALENTS | 31 | 1 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD | 26,421 | 24,608 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD (Note 2) | <u>26,739</u> | <u>26,391</u> |
| Notes: | RM'000 | |
| 1) Purchase of property, plant and equipment | | |
| Purchase of property, plant and equipment | 7,448 | |
| Less: Sales to related companies | <u>(21)</u> | |
| Cash purchase of property, plant and equipment | <u>7,427</u> | |
| 2) Cash and cash equivalents | | |
| Cash and cash equivalents included in the statement of cash flows comprise of the following: | | |
| Cash and bank balances | 26,739 | |
| Less: Deposits with licensed banks (more than three months) | <u>-</u> | |
| Cash and bank balances at the end of the period | <u>26,739</u> | |

(The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2018 and the accompanying explanatory notes attached to this interim financial statements on page 5-12)

KARYON INDUSTRIES BERHAD (“KIB”)

(Company No: 612797-T)

(Incorporated in Malaysia)

UNAUDITED QUARTERLY REPORT FOR THE 1ST QUARTER ENDED 30 JUNE 2018

Explanatory notes to the Interim Financial Statements

1. Accounting Policies and Basis of Preparation

This interim financial statements has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: *Interim Financial Reporting* and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2018.

2. Significant Accounting Policies

The significant accounting policies adopted by KIB and its subsidiaries (“Group”) in this interim financial statements are consistent with those adopted in the financial statements for the financial year ended 31 March 2018 except for the newly-issued Malaysian Accounting Standards Board approved accounting framework - MFRS and IC Interpretations to be applied by all Entities Other Than Private Entities for the financial period beginning on 1 January 2018. The adoption of the abovementioned MFRS, Amendments to MFRS and Interpretations will have no material impact on the financial statements of the Group upon their initial application.

At the date of authorisation of these interim financial statements, the following MFRS and Amendments to MFRSs were issued but not yet effective and have not been applied by the Group:

| MFRSs and Amendments to MFRSs issued but not yet effective | | Effective for annual periods beginning on or after |
|---|---|---|
| Amendments to MFRS 10 and MFRS 128 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Deferred |
| Amendments to MFRS 3, MFRS 11, MFRS 112 and MFRS 123 | Annual Improvements to MFRS Standards 2015-2017 Cycle | 1 January 2019 |
| Amendments to MFRS 9 | Prepayment Features with Negative Compensation | 1 January 2019 |
| Amendments to MFRS 119 | Plan Amendment, Curtailment or Settlement | 1 January 2019 |
| Amendments to MFRS 128 | Long-term Interests in Associates and Joint Ventures | 1 January 2019 |
| MFRS 16 | Leases | 1 January 2019 |
| IC Interpretation 23 | Uncertainty over Income Tax Treatments | 1 January 2019 |
| Amendments to MFRS 4 | Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts | See MFRS 4 Paragraph 46 and 48 |
| Amendments to MFRS 2 | Share-based Payment | 1 January 2020 |
| Amendment to MFRS 3 | Business Combinations | 1 January 2020 |
| Amendments to MFRS 6 | Exploration for and Evaluation of Mineral Resources | 1 January 2020 |

2. Significant Accounting Policies (cont'd)

At the date of authorisation of these interim financial statements, the following MFRS and Amendments to MFRSs were issued but not yet effective and have not been applied by the Group: (cont'd)

| MFRSs and Amendments to MFRSs issued but not yet effective | | Effective for annual periods beginning on or after |
|--|---|--|
| Amendment to MFRS 14 | Regulatory Deferral Accounts | 1 January 2020 |
| Amendments to MFRS 101 | Presentation of Financial Statements | 1 January 2020 |
| Amendments to MFRS 108 | Accounting Policies, Changes in Accounting Estimates and Errors | 1 January 2020 |
| Amendments to MFRS 134 | Interim Financial Reporting | 1 January 2020 |
| Amendment to MFRS 137 | Provisions, Contingent Liabilities and Contingent Assets | 1 January 2020 |
| Amendment to MFRS 138 | Intangible Assets | 1 January 2020 |
| Amendments to IC Interpretation 12 | Service Concession Arrangements | 1 January 2020 |
| Amendments to IC Interpretation 19 | Extinguishing Financial Liabilities with Equity Instruments | 1 January 2020 |
| Amendments to IC Interpretation 20 | Stripping Costs in the Production Phase of a Surface Mine | 1 January 2020 |
| Amendments to IC Interpretation 22 | Foreign Currency Transactions and Advance Consideration | 1 January 2020 |
| Amendments to IC Interpretation 132 | Intangible Assets - Web Site Costs | 1 January 2020 |
| MFRS 17 | Insurance Contracts | 1 January 2021 |

3. Audit Report of the Preceding Audited Financial Statements

The auditors' report of the preceding annual financial statements of the Group was not subject to any qualification.

4. Seasonal or Cyclical Factors

There were no seasonal or cyclical factors affecting the results of the Group for the current financial quarter under review.

5. Unusual Items

There were no items or events that arose, which is unusual because of its nature, size, or incidence that has affected the assets, liabilities, equity, net income or cash flows of the Group for the current financial quarter under review.

6. Material Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial years that have material effect on the current financial period-to-date.

7. Changes in Debts and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs and share cancellation for the current financial quarter under review.

8. Dividend Paid

The dividend paid during the current financial quarter and cumulative financial period-to-date is as follows:

| | Company | | | |
|---|------------------------------|-----------------------|------------------------------|-----------------------|
| | 2019 | | 2018 | |
| | Gross dividend per share sen | Amount of dividend RM | Gross dividend per share sen | Amount of dividend RM |
| In respect of the financial year ended 31 March 2018 First interim single tier dividend, declared on 24 October 2017 and paid on 27 November 2017 | - | - | 0.30 | 1,427,139 |

9. Segmental Reporting

The segmental result of the Group for the current financial quarter under review is set out below:

3 months ended 30 June 2018

| | Investment Holding | Manufacturing of Polymeric Product | Others | Total from Continuing Operations | Discontinued Operations | Total |
|---|--------------------|------------------------------------|----------|----------------------------------|-------------------------|---------------|
| | RM'000 | RM'000 | | RM'000 | RM'000 | RM'000 |
| REVENUE | | | | | | |
| Sales (Gross) | 1,058 | 41,972 | - | 43,030 | - | 43,030 |
| Inter-Segment sales | (990) | (2,667) | - | (3,657) | - | (3,657) |
| External | 68 | 39,305 | - | 39,373 | - | 39,373 |
| RESULT | | | | | | |
| Segment result | (745) | 3,501 | 1 | 2,757 | - | 2,757 |
| Finance costs | - | (133) | - | (133) | - | (133) |
| Share of profit of a joint venture | 11 | - | - | 11 | - | 11 |
| (Loss)/Profit before tax | (734) | 3,368 | 1 | 2,635 | - | 2,635 |
| Tax expense | (72) | (563) | - | (635) | - | (635) |
| (Loss)/Profit after tax | (806) | 2,805 | 1 | 2,000 | - | 2,000 |
| Consolidated Statement of Financial Position | | | | | | |
| Segment assets | 13,704 | 112,162 | 422 | 126,288 | - | 126,288 |
| Segment liabilities | 903 | 26,335 | 7 | 27,245 | - | 27,245 |

9. **Segmental Reporting (cont'd)**

3 months ended 30 June 2017

| | Investment Holding | Manufacturing of Polymeric Product | Total from Continuing Operations | Discontinued Operations | Total |
|---|--------------------|------------------------------------|----------------------------------|-------------------------|---------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| REVENUE | | | | | |
| Sales (Gross) | 305 | 41,912 | 42,217 | - | 42,217 |
| Inter-Segment sales | (296) | (3,169) | (3,465) | - | (3,465) |
| External | 9 | 38,743 | 38,752 | - | 38,752 |
| | | | | | |
| RESULT | | | | | |
| Segment result | (507) | 3,165 | 2,658 | 42 | 2,700 |
| Finance costs | - | (102) | (102) | - | (102) |
| Share of profit of a joint venture | 137 | - | 137 | - | 137 |
| (Loss)/Profit before tax | (370) | 3,063 | 2,693 | 42 | 2,735 |
| Tax expense | - | (673) | (673) | - | (673) |
| (Loss)/Profit after tax | (370) | 2,390 | 2,020 | 42 | 2,062 |
| | | | | | |
| Consolidated Statement of Financial Position | | | | | |
| Segment assets | 8,521 | 97,757 | 106,278 | 7,639 | 113,917 |
| Segment liabilities | 757 | 23,263 | 24,020 | 7 | 24,027 |

10. **Valuation of Property, Plant and Equipment**

The Group's property, plant and equipment is carried at cost and have been brought forward without amendment from the latest audited annual financial statements.

11. **Material Events Subsequent to the End of the Current Financial Quarter**

There were no material events that have occurred from 1 July 2018 to the date of announcement.

12. **Changes in the Composition of the Group**

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

13. Contingent Liabilities and Contingent Assets

(a) Contingent liabilities

The amounts of contingent liabilities as at 30 June 2018 are as follows:

| | RM |
|--|-------------------|
| Guarantees to banks for trade facilities granted | 44,300,000 |
| Guarantees to suppliers | 500,000 |
| | <u>44,500,000</u> |

(b) Contingent assets

There were no contingent assets as at the end of current financial quarter under review.

14. Capital Commitment

Capital commitment as at 30 June 2018 is as follows:

| | RM |
|---|----------------|
| Capital expenditure in respect of purchase of property, plant and equipment: Approved but not contracted for | <u>558,199</u> |

15. Performance Review

Current Financial Quarter as compared with Previous Year Corresponding Quarter

| | 3 Months Ended | | Deviation | |
|-------------------------------|----------------|------------|-----------|----------|
| | 30.06.2018 | 30.06.2017 | Amount | % |
| | RM'000 | RM'000 | RM'000 | |
| Continuing Operations | | | | |
| Revenue | 39,373 | 38,752 | 621 | 1.60 |
| Profit before tax | 2,635 | 2,693 | (58) | (2.15) |
| | | | | |
| Discontinued Operation | | | | |
| Revenue | - | - | - | - |
| Profit before tax | - | 42 | (42) | (100.00) |
| | | | | |
| Total | | | | |
| Revenue | 39,373 | 38,752 | 621 | 1.60 |
| Profit before tax | 2,635 | 2,735 | (100) | (3.66) |

The Group's revenue had increased by approximately RM0.621 million or 1.60% in the current quarter under review as compared to the corresponding quarter in the preceding financial year, due mainly to the increase in sales volume of polymeric products.

The profit before tax decreased by RM0.10 million, from profit before tax of RM2.735 million for the quarter ended 30 June 2017 to profit before tax of RM2.635 million for the current quarter under review. This was due mainly to the higher administrative costs during the current financial period.

16. Material Changes in Profit Before Tax as Compared with the Immediate Preceding Quarter

| | 3 Months Ended | | Deviation | |
|-------------------------------|----------------|------------|-----------|---------|
| | 30.06.2018 | 31.03.2018 | Amount | % |
| | RM'000 | RM'000 | RM'000 | |
| Continuing Operations | | | | |
| Revenue | 39,373 | 38,686 | 687 | 1.78 |
| Profit before tax | 2,635 | 4,003 | (1,368) | (34.17) |
| | | | | |
| Discontinued Operation | | | | |
| Revenue | - | - | - | - |
| Profit before tax | - | - | - | - |
| | | | | |
| Total | | | | |
| Revenue | 39,373 | 38,686 | 687 | 1.78 |
| Profit before tax | 2,635 | 4,003 | (1,368) | (34.17) |

The Group's revenue had increased by RM0.687 million or 1.78% in the current quarter under review due mainly to the increase in selling price of polymeric products as a result of increase in costs of material.

The profit before tax had decreased by RM1.368 million, from RM4.003 million for the quarter ended 31 March 2018 to RM2.635 million for the current quarter under review notwithstanding of the increase in revenue and decrease in administrative costs such as provision for year end bonus and professional fees incurred for the disposal of vacant land. Further, there was a one-off gain of RM2.939 million arising from the gain on disposal of a piece of freehold vacant industrial land in the immediate preceding quarter.

17. Future Prospects

Notwithstanding the current economic situation and currency fluctuations, the Board is of the opinion that the financial performance of the Group for the financial year ending 31 March 2019 will remain satisfactory.

The Group intends to increase its production capacity by sourcing new machinery in order to achieve higher sales and profit.

18. Variance of Profit Forecast and Shortfall in Profit Guarantee

The Group has not issued any profit forecast or profit guarantee for the current financial quarter under review.

19. Tax Expense

The tax expense charged for the current financial quarter under review and financial period-to-date includes the followings:

| | Current quarter 30.06.2018 RM'000 | Financial Period- To-Date 30.06.2018 RM'000 |
|------------------------------|--|--|
| Continuing operations | | |
| Current income tax | <u>635</u> | <u>635</u> |

The Group's effective tax rate was higher than the statutory tax rate due mainly to certain expenses are disallowed for tax purposes.

20. Status of Corporate Proposal

There is no outstanding corporate proposal for the current financial quarter under review.

21. Group Borrowings and Debt Securities

The Group's borrowings, which are all denominated in Ringgit Malaysia, as at 30 June 2018 are shown below:

| | As at 30.06.2018 RM'000 | As at 30.06.2017 RM'000 |
|--|-----------------------------------|-----------------------------------|
| Long Term Borrowings - secured | | |
| Hire purchase creditors | 205 | 283 |
| Term loans | <u>8,906</u> | <u>5,747</u> |
| | 9,111 | 6,030 |
| Short Term Borrowings - secured | | |
| Banker acceptances | 2,346 | 2,331 |
| Hire purchase creditors | 78 | 74 |
| Term loans | <u>1,001</u> | <u>635</u> |
| | 3,425 | 3,040 |
| Total | <u>12,536</u> | <u>9,070</u> |

22. Material Litigation

The Group does not have any material litigation which would materially affect the financial position of the Group.

23. Dividend Payable

First single tier interim dividend of RM0.003 per share in respect of the financial year ending 31 March 2019 was declared on 6 August 2018 and payable on 13 September 2018.

24. Notes to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

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

| | Current Quarter Ended | | 3 Months Ended | |
|---|-----------------------|------------|----------------|------------|
| | 30.06.2018 | 30.06.2017 | 30.06.2018 | 30.06.2017 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Depreciation on property, plant and equipment | 296 | 280 | 296 | 280 |
| Net foreign exchange loss - realised | 90 | 179 | 90 | 179 |
| Net foreign exchange (gain)/loss - unrealised | (82) | 47 | (82) | 47 |
| Property, plant and equipment written off | 2 | 27 | 2 | 27 |
| Interest income | (124) | (120) | (124) | (120) |
| Interest expenses | 133 | 102 | 133 | 102 |

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

25. Earnings Per Share (“EPS”)

Basic

The calculation of the basic EPS is based on the net profit for the current financial quarter and the three (3) months financial period, divided by the weighted average number of ordinary shares of KIB during the current financial quarter and the three (3) months financial period.

| | Current Quarter Ended | | 3 Months Ended | |
|--|-----------------------|--------------|----------------|--------------|
| | 30.06.2018 | 30.06.2017 | 30.06.2018 | 30.06.2017 |
| Profit attributable to owners of the parent (RM'000): | | | | |
| - Profit from continuing operations | 2,000 | 2,020 | 2,000 | 2,020 |
| - Profit from discontinued operation | - | 42 | - | 42 |
| - Profit for the financial period | 2,000 | 2,062 | 2,000 | 2,062 |
| Weighted average number of ordinary shares in issue ('000) | 475,713 | 475,713 | 475,713 | 475,713 |
| Basic EPS (sen) for: | | | | |
| - Profit from continuing operations | 0.42 | 0.42 | 0.42 | 0.42 |
| - Profit from discontinued operation | - | 0.01 | - | 0.01 |
| - Profit for the financial period | 0.42 | 0.43 | 0.42 | 0.43 |

Diluted

The EPS is not diluted for the current financial quarter and the three (3) months financial period.