

MIKRO MSC BERHAD (738171-M)
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 JUNE 2018

The results of Mikro MSC Berhad and its subsidiaries ("Group") for the period ended 30 June 2018 are as follows:-

	UNAUDITED INDIVIDUAL QUARTER		AUDITED CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED 30/06/2018 RM	PRECEDING YEAR CORRESPONDING QUARTER ENDED 30/06/2017 RM	CURRENT YEAR TO DATE 30/06/2018 RM	PRECEDING YEAR CORRESPONDING PERIOD ENDED 30/06/2017 RM
Revenue	11,870,385	13,232,769	47,793,286	50,401,454
Cost of sales	<u>(6,467,173)</u>	<u>(6,274,432)</u>	<u>(24,502,724)</u>	<u>(23,902,867)</u>
Gross profit	5,403,212	6,958,337	23,290,562	26,498,587
Other operating income	132,891	1,110,275	692,407	2,762,434
Finance costs	(14,892)	(15,245)	(42,900)	(53,816)
Operating expenses	<u>(3,485,869)</u>	<u>(5,165,499)</u>	<u>(14,198,185)</u>	<u>(15,789,600)</u>
Profit before tax	2,035,342	2,887,868	9,741,884	13,417,605
Tax expense	(1,412,195)	(215,411)	(3,552,796)	(2,358,911)
Profit for the financial period/year	<u>623,147</u>	<u>2,672,457</u>	<u>6,189,088</u>	<u>11,058,694</u>
Profit for the financial period/year attributable to:				
Owners of the parent	494,077	2,635,974	5,976,599	10,890,354
Non-controlling interest	129,070	36,483	212,489	168,340
	<u>623,147</u>	<u>2,672,457</u>	<u>6,189,088</u>	<u>11,058,694</u>
Earnings per share attributable to equity holders				
Basic earnings per share (in sen)	0.12	0.62	1.41	2.57

The consolidated statement of comprehensive income should be read in conjunction with the Group's audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to the interim financial statements.

MIKRO MSC BERHAD (738171-M)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2018

	(AUDITED) AS AT END OF CURRENT YEAR QUARTER ENDED 30/06/2018 RM	(AUDITED) AS AT FINANCIAL YEAR ENDED 30/06/2017 RM
ASSETS		
Non-Current Assets		
Property, plant and equipment	17,788,577	16,730,676
Intangible assets	10,409,995	10,858,291
Deferred tax asset	214,950	72,130
	<u>28,413,522</u>	<u>27,661,097</u>
Current Assets		
Inventories	11,555,933	9,748,823
Trade and other receivables	14,415,684	12,504,610
Current tax assets	1,424,027	542,112
Cash and bank balances	15,267,679	21,589,934
Deposits with a licensed bank	3,143,813	4,851,682
	<u>45,807,136</u>	<u>49,237,161</u>
TOTAL ASSETS	<u><u>74,220,658</u></u>	<u><u>76,898,258</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	43,487,753	37,361,654
Share options reserve	131,930	160,926
Retained earnings	15,428,547	21,902,083
	<u>59,048,230</u>	<u>59,424,663</u>
Non-controlling interests	713,656	501,167
TOTAL EQUITY	<u><u>59,761,886</u></u>	<u><u>59,925,830</u></u>
LIABILITIES		
Non-Current Liabilities		
Borrowings	9,245,893	9,737,387
Deferred tax liabilities	267,089	-
	<u>9,512,982</u>	<u>9,737,387</u>
Current Liabilities		
Trade and other payables	4,098,499	6,490,478
Borrowings	717,147	660,576
Current tax liabilities	130,144	83,987
	<u>4,945,790</u>	<u>7,235,041</u>
TOTAL LIABILITIES	<u><u>14,458,772</u></u>	<u><u>16,972,428</u></u>
TOTAL EQUITY AND LIABILITIES	<u><u>74,220,658</u></u>	<u><u>76,898,258</u></u>
Net asset per share (sen)	13.70	19.32

The consolidated statement of financial position should be read in conjunction with the Group's audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to the interim financial statements.

MIKRO MSC BERHAD (738171-M)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 JUNE 2018

	-----Equity attributable to owners of the parent-----						
	<u>Share Capital</u> RM	<u>Share Premium</u> RM	<u>Share Options Reserves</u> RM	<u>Retained Earnings</u> RM	<u>Total</u> RM	<u>Non-controlling Interest</u> RM	<u>Total Equity</u> RM
As at 1 July 2016	30,591,430	5,949,232	357,435	15,920,859	52,818,956	332,827	53,151,783
Ordinary shares issued pursuant to :							
- ESOS	455,376	365,616	(235,416)	-	585,576	-	585,576
Share options granted under ESOS	-	-	38,907	-	38,907	-	38,907
Dividends paid	-	-	-	(4,909,130)	(4,909,130)	-	(4,909,130)
Total comprehensive income for the period	-	-	-	10,890,354	10,890,354	168,340	11,058,694
Effect of the new Companies Act, 2016	6,314,848	(6,314,848)	-	-	-	-	-
Balance as at 30 June 2017	<u>37,361,654</u>	<u>-</u>	<u>160,926</u>	<u>21,902,083</u>	<u>59,424,663</u>	<u>501,167</u>	<u>59,925,830</u>
As at 1 July 2017	37,361,654	-	160,926	21,902,083	59,424,663	501,167	59,925,830
Ordinary shares issued pursuant to :							
- ESOS	139,356	-	(51,996)	-	87,360	-	87,360
- Bonus shares	5,986,743	-	-	(5,986,743)	-	-	-
Recognition of share options expenses	-	-	23,000	-	23,000	-	23,000
Dividends paid	-	-	-	(6,463,392)	(6,463,392)	-	(6,463,392)
Total comprehensive income for the period	-	-	-	5,976,599	5,976,599	212,489	6,189,088
Balance as at 30 June 2018	<u>43,487,753</u>	<u>-</u>	<u>131,930</u>	<u>15,428,547</u>	<u>59,048,230</u>	<u>713,656</u>	<u>59,761,886</u>

The consolidated statement of changes in equity should be read in conjunction with the Group's audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to the interim financial statements.

MIKRO MSC BERHAD (738171-M)
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 JUNE 2018

	CURRENT YEAR TO DATE ENDED 30/06/2018	PRECEDING YEAR TO DATE PERIOD ENDED 30/06/2017
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	9,741,884	13,417,605
	<u>9,741,884</u>	<u>13,417,605</u>
Adjustments for:-		
Amortisation of intangible assets	1,248,558	961,894
Depreciation of property, plant and equipment	1,034,261	999,284
Impairment loss on intangible assets	409,442	-
Inventories written off	-	95,928
Reversal of inventories previously written down	(215,841)	(49,898)
Reversal of impairment loss on trade and other receivables	(83,208)	-
Gain on disposal of property, plant and equipment	-	(152,699)
Interest expense	42,900	53,816
Interest income	(276,577)	(243,167)
Share options granted under ESOS	23,000	38,907
Unrealised loss on foreign exchange	163,311	1,048,111
	<u>12,087,730</u>	<u>16,169,781</u>
Operating profit before working capital changes		
Changes in working capital:-		
Inventories	(1,591,269)	(602,353)
Receivables	(1,730,089)	1,242,742
Payables	(2,392,051)	741,091
	<u>6,374,321</u>	<u>17,551,261</u>
CASH GENERATED FROM OPERATIONS		
Tax paid	(4,264,285)	(2,951,363)
Interest paid	(42,900)	(53,816)
Interest received	276,577	243,167
NET CASH FROM OPERATING ACTIVITIES	<u>2,343,713</u>	<u>14,789,249</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Grant Received	327,810	-
Purchase of property, plant and equipment	(1,812,162)	(800,947)
Additions of intangible assets	(1,537,514)	(1,817,399)
Proceeds from disposal of property, plant and equipment	-	250,100
NET CASH USED IN INVESTING ACTIVITIES	<u>(3,021,866)</u>	<u>(2,368,246)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(6,463,392)	(4,909,130)
Repayments of flexi loan	(334,570)	(326,995)
Repayments of hire purchase creditors	(380,353)	(352,928)
Proceeds from issuance of ordinary shares under ESOS	87,360	585,576
NET CASH USED IN FINANCING ACTIVITIES	<u>(7,090,955)</u>	<u>(5,003,477)</u>
Net (decrease) increase in cash and cash equivalents	(7,769,108)	7,417,526
Effect of exchange rate changes on cash and cash equivalents	(261,016)	(950,622)
Cash and cash equivalents at beginning of financial year	<u>26,441,616</u>	<u>19,974,712</u>
Cash and cash equivalents at end of financial year	<u>18,411,492</u>	<u>26,441,616</u>
NOTES TO STATEMENT OF CASH FLOW		
Cash and cash equivalents comprises:		
Deposits with a licensed bank	3,143,813	4,851,682
Cash and bank balances	15,267,679	21,589,934
	<u>18,411,492</u>	<u>26,441,616</u>

The consolidated statement of cash flow should be read in conjunction with the Group's audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to the interim financial statements.