

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME ⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited) Current Year Quarter 31.12.2017 Notes RM'000	(Unaudited) Preceding Year Corresponding Quarter 31.12.2016 ⁽²⁾ RM'000	(Unaudited) Current Year To Date 31.12.2017 RM'000	(Audited) Preceding Year To Date 31.12.2016 RM'000
Revenue	22,837	N/A	86,208	85,636
Cost of sales	(16,798)	N/A	(61,449)	(59,893)
Gross profit	6,039	N/A	24,759	25,743
Other income	281	N/A	1,929	927
Selling and distribution expenses	(660)	N/A	(3,064)	(3,305)
Administrative expenses	(1,297)	N/A	(4,711)	(4,171)
Other expenses	(274)	N/A	(701)	(647)
Finance costs	(308)	N/A	(994)	(307)
Profit before tax	3,781	N/A	17,218	18,240
Tax expense	(800)	N/A	(2,682)	(2,939)
Profit after tax	2,981	N/A	14,536	15,301
Other comprehensive income	-	N/A	-	-
Total comprehensive income	2,981	N/A	14,536	15,301
Profit after tax attributable to:				
- Owners of the Company	2,981	N/A	14,536	15,301
- Non-controlling interest	-	N/A	-	-
	2,981	N/A	14,536	15,301
Total comprehensive income attributable to:				
- Owners of the Company	2,981	N/A	14,536	15,301
- Non-controlling interest	-	N/A	-	-
	2,981	N/A	14,536	15,301
Attributable to equity holders of the Company:				
- Basic earnings per share (sen) ⁽³⁾	B12 0.75	N/A	3.63	3.83
- Diluted earnings per share (sen) ⁽⁴⁾	B12 0.75	N/A	3.63	3.83

Notes :

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Accountant's Report as disclosed in the Prospectus of the Company dated 13 February 2018 and the accompanying explanatory notes attached to this interim financial report.

(2) This is the first interim financial report for the fourth (4th) quarter ended 31 December 2017 announced in compliance with the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"). There are no comparative figures for the preceding year's quarter available.

(3) Basic earnings per share is calculated based on the Company's share capital of 400,000,000 ordinary shares as at 31 December 2017.

(4) Diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible options at the end of the reporting period.

N/A - Not Applicable

INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2017UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION ⁽¹⁾

	(Unaudited) As At 31.12.2017 RM'000	(Audited) As At 31.12.2016 RM'000
ASSETS		
NON-CURRENT ASSET		
Property, plant and equipment	43,760	34,722
	<u>43,760</u>	<u>34,722</u>
CURRENT ASSETS		
Inventories	15,269	9,355
Trade and other receivables	12,266	8,884
Cash and bank balances	9,516	9,477
	<u>37,051</u>	<u>27,716</u>
TOTAL ASSETS	<u>80,811</u>	<u>62,438</u>
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share Capital	24,000	1,900
Merger Deficit	(22,100)	-
Retained profits	33,130	22,594
TOTAL EQUITY	<u>35,030</u>	<u>24,494</u>
NON-CURRENT LIABILITIES		
Bank borrowings	15,933	12,323
Hire purchase payables	455	684
Deferred tax liabilities	1,070	936
	<u>17,458</u>	<u>13,943</u>
CURRENT LIABILITIES		
Trade and other payables	15,483	12,876
Bank borrowings	12,609	4,011
Hire purchase payables	231	406
Dividend payables	-	6,400
Derivative liabilities	-	308
	<u>28,323</u>	<u>24,001</u>
TOTAL LIABILITIES	<u>45,781</u>	<u>37,944</u>
TOTAL EQUITY AND LIABILITIES	<u>80,811</u>	<u>62,438</u>
Net assets per ordinary share (RM) ⁽²⁾	<u>0.09</u>	<u>12.89</u>

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position are disclosed in Note A1 and should be read in conjunction with the Accountant's Report as disclosed in the Prospectus of the Company dated 13 February 2018 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per ordinary share is calculated based on the Company's number of ordinary shares at the end of the reporting period (2017: 400,000,000 shares; 2016: 1,900,000 shares).

INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2017UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY ⁽¹⁾

	<u>Non-distributable</u>		<u>Distributable</u>	Total equity RM'000
	Share capital RM'000	Merger deficit RM'000	Retained profits RM'000	
Audited				
Balance as at 1 January 2016	1,900	-	19,033	20,933
Profit after tax and total comprehensive income for the financial year	-	-	15,301	15,301
Contributions by and distributions to owners of the Company:				
- Dividends	-	-	(11,740)	(11,740)
Balance as at 31 December 2016	<u>1,900</u>	<u>-</u>	<u>22,594</u>	<u>24,494</u>
Unaudited				
Balance as at 1 January 2017	1,900	-	22,594	24,494
Profit after tax and total comprehensive income for the financial year	-	-	14,536	14,536
Contributions by and distributions to owners of the Company:				
- Issuance of shares	24,000	-	-	24,000
- Adjustment on the acquisition of Wegmans Furniture	(1,900)	(22,100)	-	(24,000)
- Dividends	-	-	(4,000)	(4,000)
Total transactions with owners	22,100	(22,100)	(4,000)	(4,000)
Balance as at 31 December 2017	<u>24,000</u>	<u>(22,100)</u>	<u>33,130</u>	<u>35,030</u>

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the Accountant's Report as disclosed in the Prospectus of the Company dated 13 February 2018 and the accompanying explanatory notes attached to this interim financial report.

INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2017UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS ⁽¹⁾

	(Unaudited)	(Audited)
	Current Year To Date 31.12.2017 RM'000	Preceding Corresponding Year To Date 31.12.2016 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	17,218	18,240
Adjustments for:		
Bad debts written off	-	9
Depreciation	1,369	1,423
Fair value (gain)/loss on derivatives	(311)	308
Gain on disposal of property, plant and equipment	(57)	(18)
Fire loss of inventory work-in-progress	570	-
Property, plant and equipment written off	-	138
Unrealised (gain)/loss on foreign exchange	(91)	68
Interest expenses	957	300
Interest income	(114)	(15)
Operating profit before working capital changes	19,541	20,453
Inventories	(6,484)	(1,675)
Trade and other receivables	(2,380)	(3,628)
Trade and other payables	2,607	3,822
CASH FROM OPERATIONS	13,284	18,972
Interest paid	(957)	(300)
Interest received	114	15
Tax paid	(3,459)	(3,906)
NET CASH FROM OPERATING ACTIVITIES	8,982	14,781
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(10,448)	(20,339)
Proceeds from disposal of property, plant and equipment	98	2,819
NET CASH FOR INVESTING ACTIVITIES	(10,350)	(17,520)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	(10,400)	(5,340)
Net movements in trade bills	7,541	2,458
Drawdown of term loans	6,484	11,590
Repayment of term loans	(1,817)	(1,047)
Repayment of hire purchase payables	(404)	(534)
NET CASH FROM FINANCING ACTIVITIES	1,404	7,127
NET INCREASE IN CASH AND CASH EQUIVALENTS	36	4,388
EFFECT OF FOREIGN EXCHANGE TRANSLATION	3	(46)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	9,477	5,135
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	9,516	9,477

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Accountant's Report as disclosed in the Prospectus of the Company dated 13 February 2018 and the accompanying explanatory notes attached to this interim financial report.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2017

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A1 Basis of Preparation

The interim financial report of Wegmans Holdings Berhad (“Wegmans” or “the Company”) and its subsidiary (“the Group”) are unaudited and have been prepared in accordance with MFRS 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Listing Requirements.

This is the first interim financial report on the Company’s unaudited condensed consolidated financial results for the fourth (4th) quarter ended 31 December 2017 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year’s corresponding quarter.

The interim financial report should be read in conjunction with the Accountant’s Report as disclosed in the Prospectus of the Company dated 13 February 2018 and the accompanying explanatory notes attached to this interim financial report.

A2 Significant Accounting Policies

The significant accounting policies and presentation adopted for the interim financial statements are consistent with those adopted as disclosed in the Accountant’s Report in the Prospectus of the Company dated 13 February 2018.

The Group has not applied in advance any accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the financial year ended 31 December 2017.

A3 Auditors’ Report of Preceding Annual Financial Statements

The preceding year’s audited financial statements of the Group were not subject to any qualification.

A4 Seasonal or Cyclical Factors

Generally, the Group’s revenue for the first (1st) quarter is slightly lower than the rest of the quarters. This is attributable to the local festive seasons, namely Chinese New Year, which affects our delivery/production schedule. Save for the above, the Group does not experience any other material seasonality or cyclical effects in revenue.

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

There were no material unusual items affecting assets, liabilities, equity, net income or cash flows of the Group that were unusual because of their nature, size or incidence during the current financial quarter under review.

A6 Material Changes in Estimates

There were no material changes in estimates in the current financial quarter under review.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2017

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING (CONT’D)

A7 Debt and Equity Securities

On 22 November 2017, the Company issued a total of 399,999,998 new ordinary shares pursuant to the acquisition of the entire equity interest in Wegmans Furniture Industries Sdn. Bhd. (“Wegmans Furniture”) in conjunction with the Initial Public Offering (“IPO”).

Saved as disclosed above, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities in the current financial quarter under review.

A8 Dividends Paid

The total dividends paid out of the shareholders’ equity for the ordinary shares were as follows:

	Cumulative Quarter	
	(Unaudited)	(Audited)
	31.12.2017	31.12.2016
	RM’000	RM’000
In respect of the financial year ended 31 December 2015		
Second interim single tier dividend of 42.11 sen per share on 1,900,000 ordinary shares paid on 24 March 2016	-	800
Final single tier dividend of 60.00 sen per share on 1,900,000 ordinary shares paid on 6 September 2016	-	1,140
In respect of the financial year ended 31 December 2016		
First interim single tier dividend of 136.84 sen per share on 1,900,000 ordinary shares paid on 13 June 2016	-	2,600
Second interim single tier dividend of 42.11 sen per share on 1,900,000 ordinary shares paid on 30 November 2016	-	800
Third interim single tier dividend of 336.84 sen per share on 1,900,000 ordinary shares paid on 31 March 2017	-	6,400
In respect of the financial year ended 31 December 2017		
First interim single tier dividend of 210.53 sen per share on 1,900,000 ordinary shares paid on 30 June 2017	4,000	-
	4,000	11,740

A9 Segmental Reporting

The Group is principally involved in designing, manufacturing and sale of home furniture products.

No product and services segment information is presented as the Group’s revenue, profit or loss are mainly confined to a single operating segment, namely furniture manufacturing.

Segment assets is not presented, as all non-current assets are located in Malaysia.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2017

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING (CONT’D)

Segment revenue is presented based on the geographical location of the customers.

	Individual Quarter		Cumulative Quarter	
	(Unaudited) 31.12.2017 RM’000	(Unaudited) 31.12.2016 ⁽¹⁾ RM’000	(Unaudited) 31.12.2017 RM’000	(Audited) 31.12.2016 RM’000
Africa	-	N/A	526	1,274
Asia (excluding Malaysia)	9,092	N/A	32,156	31,564
Australasia	4,078	N/A	14,856	14,249
Europe	2,641	N/A	16,057	18,974
North America	6,192	N/A	19,210	17,185
South America	744	N/A	2,696	1,035
Malaysia	90	N/A	707	1,355
Total	22,837	N/A	86,208	85,636

Note:

- (1) This is the first interim financial report on the Company’s unaudited condensed consolidated financial results for the fourth (4th) quarter ended 31 December 2017 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year’s corresponding quarter.

N/A – Not applicable

A10 Valuation of Property, Plant and Equipment

There was no valuation of property, plant and equipment in the current financial quarter under review.

A11 Capital Commitments

The material capital commitments of the Group as at 31 December 2017 are as follows:

Contracted but not provided for	RM’000
Purchase of property, plant and equipment	3,092

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2017

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING (CONT’D)

A12 Material Subsequent Event

In conjunction with the Company’s listing on the ACE Market of Bursa Securities, on 13 February 2018, the Company issued its Prospectus for its IPO entailing the following:

- (1) Public issue of 100,000,000 new shares (“Issue Share(s)”) in the Company comprising:-
 - (a) 25,000,000 Issue Shares made available for application by the Malaysian Public;
 - (b) 15,000,000 Issue Shares made available for application by our eligible directors and employees as well as persons who have contributed to the success of the Group;
 - (c) 10,000,000 Issue Shares made available for application by way of private placement to institutional and identified investors; and
 - (d) 50,000,000 Issue Shares made available for application by way of private placement to identified Bumiputera investors approved by the Ministry of International Trade and Industry; and

- (2) Offer for sale of 50,000,000 existing shares made available for application by way of private placement to institutional and identified investors,

at an IPO price of RM0.29 per share.

Upon completion of the IPO, the Company is expected to be admitted to the Official List of Bursa Securities and the Company’s entire enlarged issued share capital of 500,000,000 shares shall be listed and quoted on the ACE Market of Bursa Securities.

Save as disclosed above, there were no other material events subsequent to the end of the current financial period that have not been reflected in the interim financial reports for the said period as at the date of this report.

A13 Changes in the Composition of the Group

On 22 November 2017, Wegmans had completed the acquisition of the entire equity interest in Wegmans Furniture at a purchase consideration of RM23,999,999.88, which was fully satisfied by the issuance of 399,999,998 new ordinary shares of Wegmans at an issue price of RM0.06 per share.

Save as disclosed above, there were no other material changes in the composition of the Group for the current financial quarter under review:

A14 Contingent Assets or Contingent Liabilities

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

A15 Significant Related Party Transactions

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

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2017**PART B - ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES****B1 Group Performance Review**

The Group recorded a revenue of RM22.84 million and profit before tax of RM3.78 million for the current financial quarter ended 31 December 2017. The Group's revenue was mainly derived from the design, manufacture and sale of home furniture products.

This is the first interim financial report on the Company's unaudited condensed consolidated financial results for the fourth (4th) quarter ended 31 December 2017 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year's corresponding quarter.

B2 Comparison with Immediate Preceding Quarter Results

This is the first interim financial report on the Company's unaudited condensed consolidated financial results for the fourth (4th) quarter ended 31 December 2017 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year's corresponding quarter.

B3 Prospects for the Current Financial Year

The Group operates within the furniture manufacturing industry in Malaysia. The Group is expected to benefit from the future plans and strategies as disclosed in the Prospectus of the Company dated 13 February 2018. These include increasing our production capacity, further expanding and diversifying our customer base and increasing our product range and developing new product designs.

Barring unforeseen circumstances, the Board expects the financial performance for the current year to be satisfactory.

B4 Variance of Actual Profit from Profit Forecast and Profit Guarantee

The Company did not issue any profit forecast or profit guarantee in the current financial quarter under review.

B5 Tax expense

	Individual Quarter		Cumulative Quarter	
	(Unaudited) 31.12.2017 RM'000	(Unaudited) 31.12.2016 ⁽¹⁾ RM'000	(Unaudited) 31.12.2017 RM'000	(Audited) 31.12.2016 RM'000
Current tax expense:				
Current financial year/period	800	N/A	2,800	3,500
Overprovision in prior year	-	N/A	(252)	(547)
	<u>800</u>	<u>N/A</u>	<u>2,548</u>	<u>2,953</u>
Deferred tax expense:				
Relating to origination of temporary differences	-	N/A	134	24
Effect of changes in income tax rate	-	N/A	-	(38)
	<u>-</u>	<u>N/A</u>	<u>134</u>	<u>(14)</u>
Total tax expense	<u>800</u>	<u>N/A</u>	<u>2,682</u>	<u>2,939</u>
Effective tax rate ⁽²⁾	21.16%	N/A	15.58%	16.11%

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2017

PART B - ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

Notes:

- (1) This is the first interim financial report on the Company's unaudited condensed consolidated financial results for the fourth (4th) quarter ended 31 December 2017 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year's corresponding quarter.
- (2) The applicable Malaysian income tax rate is 24% for the financial year ended 31 December 2017 (24% for the financial year ended 31 December 2016). The Group's effective tax rate for the current quarter and financial year under review is lower than the statutory tax rate primarily due to utilisation of reinvestment allowance.

N/A – Not applicable

B6 Status of Corporate Proposals

Save for the IPO as disclosed in Note A12, there were no other corporate proposals announced but not completed as at the date of this report.

B7 Utilisation of Proceeds Raised from the IPO

The gross proceeds from the IPO amounting to RM29.00 million is intended to be utilised in the following manner:

<u>Details of use of proceeds</u>	<u>Proposed Utilisation RM'000</u>	<u>Actual Utilisation RM'000</u>	<u>Deviation RM'000</u>	<u>Estimated Timeframe for Utilisation Upon Listing ⁽¹⁾</u>
(1) Capital expenditure				
(a) Construction of new factories for manufacturing production and its accompanying new head/management office, new showroom and workers' hostel	11,000	-	-	Within 2 years
(b) Purchase of new machineries and equipment	11,000	-	-	Within 2.5 years
	<u>22,000</u>	<u>-</u>	<u>-</u>	
(2) Working capital	3,500	-	-	Within 2.5 years
(3) Estimated listing expenses	3,500	-	-	Within 3 months
	<u>29,000</u>	<u>-</u>	<u>-</u>	

Note:

- (1) From the date of listing of the Company on the ACE Market of Bursa Securities. The utilisation of proceeds disclosed above should be read in conjunction with the Prospectus of the Company dated 13 February 2018. As at the date of this report, the IPO is pending completion and hence there was no utilisation of the IPO proceeds.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2017

PART B - ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B8 Group Borrowings and Debt Securities

Total Group's borrowings (all of which are secured against the Group's assets) are as follows:

	(Unaudited) As at 31.12.2017 RM'000	(Audited) As at 31.12.2016 RM'000
Non-current:		
Hire purchase payables	455	684
Term loans	15,933	12,323
	16,388	13,007
Current:		
Trade bills	9,999	2,458
Hire purchase payables	231	406
Term loans	2,610	1,553
	12,840	4,417
Total borrowings	29,228	17,424

All the above borrowings are denominated in Ringgit Malaysia.

B9 Derivatives liabilities

There are no outstanding derivatives as at 31 December 2017.

Details of outstanding derivatives as at 31 December 2016 are as follows:

	Contract/ Notional Amount RM'000	Carrying Amount RM'000
Forward currency contracts		
Less than one year	7,993	308

The Group uses forward currency contracts to manage some of its transaction exposure. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency translation exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2017

PART B - ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B10 Fair Value Changes of Financial Liabilities

The Group has recognised the following (gain)/loss arising from fair value changes of derivatives as follows:

	Individual Quarter		Cumulative Quarter	
	(Unaudited) 31.12.2017 RM'000	(Unaudited) 31.12.2016 ⁽¹⁾ RM'000	(Unaudited) 31.12.2017 RM'000	(Audited) 31.12.2016 RM'000
Fair value (gain)/loss on derivatives ⁽²⁾	-	N/A	(311)	308

Notes:

- (1) This is the first interim financial report on the Company's unaudited condensed consolidated financial results for the fourth (4th) quarter ended 31 December 2017 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year's corresponding quarter.
- (2) The fair value changes were attributed to changes in the foreign exchange spot and forward rates.

N/A – Not applicable

Saved as disclosed above, the Group does not have any financial liabilities that are measured at fair value for the current financial quarter and financial year ended 31 December 2017.

B11 Material Litigation

As at the date of this report, there were no pending material litigations.

B12 Earnings Per Share

The basic and diluted earnings per share for the current financial quarter and financial year to date are computed as follows:

	(Unaudited) Current Year Quarter 31.12.2017 RM'000	(Unaudited) Current Year To Date 31.12.2017 RM'000
Profit after tax attributable to owners of the Company	2,981	14,536
Number of ordinary shares ('000)	400,000	400,000
Basic earnings per share (sen) ⁽¹⁾	0.75	3.63

Note:

- (1) Basic earnings per share is calculated based on the Company's share capital of 400,000,000 ordinary shares as at 31 December 2017.

Diluted

The diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible options at the end of the reporting period.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED
31 DECEMBER 2017

**PART B - ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA
SECURITIES (CONT'D)**

B13 Notes to the Statement of Comprehensive Income

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

	(Unaudited) Current Year Quarter 31.12.2017 RM'000	(Unaudited) Current Year To Date 31.12.2017 RM'000
Interest income	(7)	(114)
Gain on disposal of property, plant and equipment	(58)	(57)
Unrealised gain on foreign exchange	(91)	(91)
Interest expense	287	957
Insurance claims:		
- Fire	-	(911)
- Windstorm	-	(231)
Fair value gain on derivatives	-	(311)
Damages on property, plant and equipment due to fire	-	178
Depreciation	208	1,369
Fire loss of inventory work-in-progress	-	570
Realised loss on foreign exchange	315	526

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements are not applicable.

B14 Proposed Dividends

The Board of Directors does not recommend any dividend for the current financial quarter under review.

**BY ORDER OF THE BOARD
WEGMANS HOLDINGS BERHAD
28 FEBRUARY 2018**