

## INTERIM FINANCIAL REPORT FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2018

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	Current Year Quarter 30.06.2018	Preceding Year Corresponding Quarter 30.06.2017 <sup>(2)</sup>	Current Year To Date 30.06.2018	Preceding Year To Date 30.06.2017 <sup>(2)</sup>
Notes	RM'000	RM'000	RM'000	RM'000
Revenue	21,802	N/A	42,865	N/A
Cost of sales	(16,710)	N/A	(34,565)	N/A
<b>Gross profit</b>	<b>5,092</b>	<b>N/A</b>	<b>8,300</b>	<b>N/A</b>
Other income	991	N/A	692	N/A
Selling and marketing expenses	(462)	N/A	(1,517)	N/A
Administrative expenses	(1,169)	N/A	(2,664)	N/A
Other expenses	(234)	N/A	(1,914)	N/A
Finance costs	(322)	N/A	(652)	N/A
<b>Profit before tax</b>	<b>3,896</b>	<b>N/A</b>	<b>2,245</b>	<b>N/A</b>
Income tax expense	(180)	N/A	(180)	N/A
<b>Profit after tax</b>	<b>3,716</b>	<b>N/A</b>	<b>2,065</b>	<b>N/A</b>
Other comprehensive income	-	N/A	-	N/A
<b>Total comprehensive income</b>	<b>3,716</b>	<b>N/A</b>	<b>2,065</b>	<b>N/A</b>
<b>Profit after tax attributable to:</b>				
- Owners of the Company	3,716	N/A	2,065	N/A
- Non-controlling interest	-	N/A	-	N/A
	<b>3,716</b>	<b>N/A</b>	<b>2,065</b>	<b>N/A</b>
<b>Total comprehensive income attributable to:</b>				
- Owners of the Company	3,716	N/A	2,065	N/A
- Non-controlling interest	-	N/A	-	N/A
	<b>3,716</b>	<b>N/A</b>	<b>2,065</b>	<b>N/A</b>
Attributable to equity holders of the Company:				
- Basic earnings per share (sen) <sup>(3)</sup>	B12 0.74	N/A	0.44	N/A
- Diluted earnings per share (sen) <sup>(4)</sup>	B12 0.74	N/A	0.44	N/A

## 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 accompanying explanatory notes attached to this interim financial report.
- (2) This is the third interim financial report for the second (2nd) quarter ended 30 June 2018 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 corresponding quarter and preceding corresponding year to date available.
- (3) Basic earnings per share is calculated based on the Company's weighted average number of ordinary shares for the financial period.
- (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 SECOND (2ND) QUARTER ENDED 30 JUNE 2018

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

	(Unaudited) As At 30.06.2018 RM'000	(Audited) As At 31.12.2017 RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSET</b>		
Property, plant and equipment	48,486	43,760
	<u>48,486</u>	<u>43,760</u>
<b>CURRENT ASSETS</b>		
Inventories	16,595	15,269
Trade and other receivables	7,845	11,135
Current tax assets	2,173	1,225
Cash and cash equivalents	30,960	9,516
	<u>57,573</u>	<u>37,145</u>
<b>TOTAL ASSETS</b>	<b><u>106,059</u></b>	<b><u>80,905</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		
Share Capital	51,953	24,000
Merger Deficit	(22,100)	(22,100)
Retained profits	32,694	33,129
<b>TOTAL EQUITY</b>	<b><u>62,547</u></b>	<b><u>35,029</u></b>
<b>NON-CURRENT LIABILITIES</b>		
Bank borrowings	17,703	16,249
Hire purchase payables	885	455
Deferred tax liabilities	1,070	1,070
	<u>19,658</u>	<u>17,774</u>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	12,507	15,578
Bank borrowings	10,798	12,293
Hire purchase payables	344	231
Derivative liabilities	205	-
	<u>23,854</u>	<u>28,102</u>
<b>TOTAL LIABILITIES</b>	<b><u>43,512</u></b>	<b><u>45,876</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>106,059</u></b>	<b><u>80,905</u></b>
Net assets per ordinary share (RM) <sup>(2)</sup>	<u>0.13</u>	<u>0.09</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 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.

## INTERIM FINANCIAL REPORT FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2018

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY <sup>(1) and (2)</sup>

	<u>Non-distributable</u>		<u>Distributable</u>	
	Share capital RM'000	Merger deficit RM'000	Retained profits RM'000	Total equity RM'000
<b>Unaudited</b>				
Balance at 1 January 2018	24,000	(22,100)	33,129	35,029
Profit after tax and total comprehensive income for the financial period	-	-	2,065	2,065
Contributions by and distributions to owners of the Company:				
- Issuance of shares	29,000	-	-	29,000
- Share issuance expenses	(1,047)	-	-	(1,047)
- Dividend	-	-	(2,500)	(2,500)
Total transactions with owners	27,953	-	(2,500)	25,453
Balance at 30 June 2018	51,953	(22,100)	32,694	62,547

## Notes:

- (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 accompanying explanatory notes attached to this interim financial report.
- (2) This is the third interim financial report for the second (2nd) quarter ended 30 June 2018 announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding year to date available.

## INTERIM FINANCIAL REPORT FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2018

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

	(Unaudited) Current Year To Date 30.06.2018 RM'000	(Unaudited) Preceding Corresponding Year To Date 31.03.2017 <sup>(2)</sup> RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	2,245	N/A
Adjustments for:		
Depreciation	968	N/A
Fair value loss on derivatives	205	N/A
Gain on disposal of property, plant and equipment	(44)	N/A
Unrealised gain on foreign exchange	(108)	N/A
Interest expenses	619	N/A
Interest income	(298)	N/A
Operating profit before working capital changes	<u>3,587</u>	<u>N/A</u>
Inventories	(1,326)	N/A
Trade and other receivables	3,404	N/A
Trade and other payables	(3,121)	N/A
<b>CASH FROM OPERATIONS</b>	<u>2,544</u>	<u>N/A</u>
Interest paid	(619)	N/A
Interest received	298	N/A
Tax paid	(1,128)	N/A
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u>1,095</u>	<u>N/A</u>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(5,124)	N/A
Proceeds from disposal of property, plant and equipment	174	N/A
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<u>(4,950)</u>	<u>N/A</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid	(2,500)	N/A
Net movements in trade bills	(1,783)	N/A
Drawdown of term loans	2,792	N/A
Repayment of term loans	(1,050)	N/A
Repayment of hire purchase payables	(157)	N/A
Proceeds from issuance of ordinary shares	29,000	N/A
Payment of listing expenses	(1,047)	N/A
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<u>25,255</u>	<u>N/A</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	21,400	N/A
<b>EFFECT OF FOREIGN EXCHANGE TRANSLATION</b>	44	N/A
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	9,516	N/A
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	<u>30,960</u>	<u>N/A</u>
<b>CASH AND CASH EQUIVALENTS COMPRISE THE FOLLOWING:</b>		
Short-term highly liquid investments	22,211	N/A
Cash and bank balances	8,749	N/A
	<u>30,960</u>	<u>N/A</u>

Notes:

- (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 accompanying explanatory notes attached to this interim financial report.
- (2) This is the third interim financial report for the second (2nd) quarter ended 30 June 2018 announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding year to date available.

N/A - Not Applicable

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND (2<sup>ND</sup>) QUARTER ENDED 30 JUNE 2018

**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 Rule 9.22 of the Listing Requirements.

This is the third interim financial report on the Company’s unaudited condensed consolidated financial results for the second (2<sup>nd</sup>) quarter ended 30 June 2018 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 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 in the audited financial statements of the Group for the financial year ended 31 December 2017, except for the adoption of the following during the current financial period:

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 9 Financial Instruments (IFRS 9 as issued by IASB in July 2014)	1 January 2018
MFRS 15 Revenue from Contracts with Customers	1 January 2018
IC Interpretation 22 Foreign Currency Transactions and Advance Consideration	1 January 2018
Amendments to MFRS 2: Classification and Measurement of Share-based Payments Transactions	1 January 2018
Amendments to MFRS 4: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018
Amendments to MFRS 15: Effective Date of MFRS 15	1 January 2018
Amendments to MFRS 15: Clarifications to MFRS 15 ‘Revenue from Contracts with Customers’	1 January 2018
Amendments to MFRS 140: Transfers of Investment Property	1 January 2018
Annual Improvements to MFRS Standards 2014-2016 Cycles:	1 January 2018
• Amendments to MFRS 1: Deletion of Short-term Exemptions for First-time Adopters	
• Amendments to MFRS 128: Measuring an Associate or Joint Venture at Fair Value	

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group’s financial statements.

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 ending 31 December 2018.

**A3 Auditors’ Report of Preceding Annual Financial Statements**

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

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND (2<sup>ND</sup>) QUARTER ENDED 30 JUNE 2018**

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

**A4 Seasonal or Cyclical Factors**

Generally, the Group’s revenue for the first (1<sup>st</sup>) 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.

**A7 Debt and Equity Securities**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities in the current financial quarter under review.

**A8 Dividends Paid**

A final single tier dividend of 0.50 sen per ordinary share in respect of the financial year ended 31 December 2017 was approved by the shareholders at the Annual General Meeting on 30 May 2018 and subsequently paid on 29 June 2018.

**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 SECOND (2<sup>ND</sup>) QUARTER ENDED 30 JUNE 2018

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

## A9 Segmental Reporting (Cont’d)

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

	Individual Quarter		Cumulative Quarter	
	(Unaudited) 30.06.2018 RM’000	(Unaudited) 30.06.2017 <sup>(1)</sup> RM’000	(Unaudited) 30.06.2018 RM’000	(Unaudited) 30.06.2017 <sup>(1)</sup> RM’000
Africa	86	N/A	403	N/A
Asia (excluding Malaysia)	5,304	N/A	13,521	N/A
Australasia	4,943	N/A	9,607	N/A
Europe	2,565	N/A	5,010	N/A
North America	8,172	N/A	13,244	N/A
South America	664	N/A	902	N/A
Malaysia	68	N/A	178	N/A
<b>Total</b>	<b>21,802</b>	<b>N/A</b>	<b>42,865</b>	<b>N/A</b>

Note:

- (1) This is the third interim financial report on the Company’s unaudited condensed consolidated financial results for the second (2<sup>nd</sup>) quarter ended 30 June 2018 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 at 30 June 2018 are as follows:

Contracted but not provided for	RM’000
Purchase of property, plant and equipment	2,974

## A12 Material Subsequent Event

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

There were no 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 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 SECOND (2<sup>ND</sup>) QUARTER ENDED 30 JUNE 2018**

**PART B - ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES**

**B1 Group Performance Review**

The Group recorded a revenue of approximately RM21.80 million and profit before tax of approximately RM3.90 million for the current financial quarter ended 30 June 2018. The Group's revenue was mainly derived from the design, manufacture and sale of home furniture products.

This is the third interim financial report on the Company's unaudited condensed consolidated financial results for the second (2<sup>nd</sup>) quarter ended 30 June 2018 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**

The Group's revenue for the current financial quarter ended 30 June 2018 has increased by RM0.74 million or 3.51% to approximately RM21.80 million as compared to approximately RM21.06 million in the preceding financial quarter ended 31 March 2018. The higher revenue is attributable to the higher weighted average selling price for current financial quarter as compared to the preceding financial quarter.

The Group registered a profit before tax of approximately RM3.90 million for the current financial quarter as compared to the loss before tax of approximately RM1.65 million for the preceding financial quarter. The improvement in profit before tax was mainly attributed to the higher revenue generated, lower selling and marketing expenses, and non-recurring listing expenses of approximately RM1.71 million in the preceding financial quarter. In addition, the Group also enjoyed foreign exchange gain of approximately RM0.57 million as a result of strengthening of US Dollars against RM in the current financial 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 financial year ending 31 December 2018 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 Income tax expense**

	Individual Quarter		Cumulative Quarter	
	(Unaudited) 30.06.2018 RM'000	(Unaudited) 30.06.2017 <sup>(1)</sup> RM'000	(Unaudited) 30.06.2018 RM'000	(Unaudited) 30.06.2017 <sup>(1)</sup> RM'000
Current tax expense	180	N/A	180	N/A

Note:

(1) This is the third interim financial report on the Company's unaudited condensed consolidated financial results for the second (2<sup>nd</sup>) quarter ended 30 June 2018 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



NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND (2<sup>ND</sup>) QUARTER ENDED 30 JUNE 2018

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

**B6 Status of Corporate Proposals**

There were no other corporate proposals announced but not completed at the date of this report.

**B7 Utilisation of Proceeds Raised from the Initial Public Offering**

The gross proceeds arising from the public issue amounting to RM29.00 million and the status of the utilisation of the proceeds at 30 June 2018 is as follows:

<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>Balance RM'000</u>	<u>Estimated Timeframe for Utilisation Upon Listing</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	-	-	11,000	Within 2 years
(b) Purchase of new machineries and equipment	11,000	-	-	11,000	Within 2.5 years
	<u>22,000</u>	<u>-</u>	<u>-</u>	<u>22,000</u>	
(2) Working capital	3,500	-	745	4,245	Within 2.5 years
(3) Estimated listing expenses	3,500	(2,755)	<sup>(1)</sup> (745)	-	Within 3 months
	<u>29,000</u>	<u>(2,755)</u>	<u>-</u>	<u>26,245</u>	

Note:

- (1) The excess of RM0.75 million will be utilised for general working capital requirements of the Group.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND (2<sup>ND</sup>) QUARTER ENDED 30 JUNE 2018

## 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:

	<b>(Unaudited) As at 30.06.2018 RM'000</b>	<b>(Unaudited) As at 30.06.2017<sup>(1)</sup> RM'000</b>
<b>Non-current:</b>		
Hire purchase payables	885	N/A
Term loans	17,703	N/A
	<u>18,588</u>	<u>N/A</u>
<b>Current:</b>		
Trade bills	8,216	N/A
Hire purchase payables	344	N/A
Term loans	2,582	N/A
	<u>11,142</u>	<u>N/A</u>
<b>Total borrowings</b>	<u><b>29,730</b></u>	<u><b>N/A</b></u>

All the above borrowings are denominated in Ringgit Malaysia.

Note:

- (1) This is the third interim financial report on the Company's unaudited condensed consolidated financial results for the second (2<sup>nd</sup>) quarter ended 30 June 2018 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

**B9 Derivatives liabilities**

Details of outstanding derivatives at 30 June 2018 are as follows:

	<b>Contract/ Notional Amount RM'000</b>	<b>Carrying Amount RM'000</b>
<b>Forward currency contracts</b>		
Less than one year	9,541	205

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 SECOND (2<sup>ND</sup>) QUARTER ENDED 30 JUNE 2018

## 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 loss arising from fair value changes of derivatives as follows:

	Individual Quarter		Cumulative Quarter	
	(Unaudited) 30.06.2018 RM'000	(Unaudited) 30.06.2017 <sup>(1)</sup> RM'000	(Unaudited) 30.06.2018 RM'000	(Unaudited) 30.06.2017 <sup>(1)</sup> RM'000
Fair value loss on derivatives <sup>(2)</sup>	234	N/A	205	N/A

Notes:

- (1) This is the third interim financial report on the Company's unaudited condensed consolidated financial results for the second (2<sup>nd</sup>) quarter ended 30 June 2018 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 assets or liabilities that are measured at fair value for the current financial quarter ended 30 June 2018.

## 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 current financial year to date are computed as follows:

	(Unaudited) Current Year Quarter 30.06.2018 RM'000	(Unaudited) Current Year To Date 30.06.2018 RM'000
Profit after tax attributable to owners of the Company	3,716	2,065
Weighted average number of ordinary shares in issue ('000)	500,000	464,641
Basic earnings per share (sen)	0.74	0.44

**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 SECOND (2<sup>ND</sup>) QUARTER ENDED  
30 JUNE 2018

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**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):

	<b>(Unaudited) Current Year Quarter 30.06.2018 RM'000</b>	<b>(Unaudited) Current Year To Date 30.06.2018 RM'000</b>
Interest income	(243)	(298)
Gain on disposal of property, plant and equipment	(13)	(44)
Realised (gain)/loss on foreign exchange	(459)	110
Unrealised gain on foreign exchange	(108)	(108)
Depreciation	507	968
Fair value loss on derivatives	234	205
Interest expenses	306	619

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**

**PANG KAH MAN (MIA 18831)  
COMPANY SECRETARY**

**JOHOR  
15 August 2018**