

INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2018

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME ⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Current Year Quarter 31.12.2018	Preceding Year Corresponding Quarter 31.12.2017	Current Year To Date 31.12.2018	Preceding Corresponding Year To Date 31.12.2017
Notes	RM'000	RM'000	RM'000	RM'000
Revenue	27,145	22,837	94,346	86,208
Cost of sales	(20,408)	(16,798)	(73,050)	(61,449)
Gross profit	6,737	6,039	21,296	24,759
Other income	621	281	1,891	1,932
Selling and marketing expenses	(613)	(660)	(2,969)	(3,064)
Administrative expenses	(1,817)	(1,297)	(5,600)	(4,712)
Other expenses	-	(274)	(1,708)	(704)
Finance costs	(309)	(308)	(1,305)	(994)
Profit before tax	4,619	3,781	11,605	17,217
Income tax expense	1,490	(800)	872	(2,682)
Profit after tax	6,109	2,981	12,477	14,535
Other comprehensive income	-	-	-	-
Total comprehensive income	6,109	2,981	12,477	14,535
Profit after tax attributable to:				
- Owners of the Company	6,109	2,981	12,477	14,535
- Non-controlling interest	-	-	-	-
	6,109	2,981	12,477	14,535
Total comprehensive income attributable to:				
- Owners of the Company	6,109	2,981	12,477	14,535
- Non-controlling interest	-	-	-	-
	6,109	2,981	12,477	14,535
Attributable to equity holders of the Company:				
- Basic earnings per share (sen) ⁽²⁾	B12 1.22	0.75	2.59	3.63
- Diluted earnings per share (sen) ⁽³⁾	B12 1.22	0.75	2.59	3.63

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 audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to this interim financial report.
- (2) Basic earnings per share is calculated based on the Company's weighted average number of ordinary shares for the financial
- (3) 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.

INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2018

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION ⁽¹⁾

	(Unaudited) As At 31.12.2018 RM'000	(Audited) As At 31.12.2017 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	69,397	43,760
Deferred tax assets	3,400	-
	<u>72,797</u>	<u>43,760</u>
CURRENT ASSETS		
Inventories	14,770	15,269
Trade and other receivables	9,845	11,135
Current tax assets	1,873	1,225
Cash and cash equivalents	25,806	9,516
	<u>52,294</u>	<u>37,145</u>
TOTAL ASSETS	<u>125,091</u>	<u>80,905</u>
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share Capital	51,953	24,000
Merger Deficit	(22,100)	(22,100)
Retained profits	43,106	33,129
TOTAL EQUITY	<u>72,959</u>	<u>35,029</u>
NON-CURRENT LIABILITIES		
Bank borrowings	17,267	16,249
Hire purchase payables	713	455
Deferred tax liabilities	2,960	1,070
	<u>20,940</u>	<u>17,774</u>
CURRENT LIABILITIES		
Trade and other payables	23,476	15,578
Bank borrowings	7,374	12,293
Hire purchase payables	342	231
	<u>31,192</u>	<u>28,102</u>
TOTAL LIABILITIES	<u>52,132</u>	<u>45,876</u>
TOTAL EQUITY AND LIABILITIES	<u>125,091</u>	<u>80,905</u>
Net assets per ordinary share (RM) ⁽²⁾	<u>0.15</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 audited financial statements for the financial year ended 31 December 2017 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. (2018 : 500,000,000 ordinary shares; 2017 : 400,000,000 ordinary shares)

INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2018

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY ⁽¹⁾

	<u>Non-distributable</u>		<u>Distributable</u>	
	Share capital RM'000	Merger deficit RM'000	Retained profits RM'000	Total equity RM'000
Audited				
Balance at 1 January 2017	1,900	-	22,594	24,494
Profit after tax and total comprehensive income for the financial year	-	-	14,535	14,535
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 at 31 December 2017	24,000	(22,100)	33,129	35,029
Unaudited				
Balance at 1 January 2018	24,000	(22,100)	33,129	35,029
Profit after tax and total comprehensive income for the financial year	-	-	12,477	12,477
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 31 December 2018	51,953	(22,100)	43,106	72,959

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 audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to this interim financial report.

INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2018

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS ⁽¹⁾

	(Unaudited) Current Year To Date 31.12.2018 RM'000	(Audited) Preceding Corresponding Year To Date 31.12.2017 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	11,605	17,217
Adjustments for:		
Depreciation	2,161	1,369
Fair value gain on derivatives	-	(311)
Fire loss of inventory work-in-progress	-	570
Gain on disposal of property, plant and equipment	(67)	(57)
Unrealised loss/(gain) on foreign exchange	67	(91)
Interest expenses	1,251	957
Interest income	(751)	(114)
Operating profit before working capital changes	<u>14,266</u>	<u>19,540</u>
Inventories	499	(6,484)
Trade and other receivables	1,294	(2,577)
Trade and other payables	7,005	2,831
CASH FROM OPERATIONS	<u>23,064</u>	<u>13,310</u>
Interest paid	(1,251)	(957)
Interest received	751	114
Tax paid/ tax refund	(1,286)	(3,460)
NET CASH FROM OPERATING ACTIVITIES	<u>21,278</u>	<u>9,007</u>
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(26,368)	(10,385)
Proceeds from disposal of property, plant and equipment	239	99
NET CASH FOR INVESTING ACTIVITIES	<u>(26,129)</u>	<u>(10,286)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(2,500)	(10,400)
Net movements in trade bills	(5,221)	7,541
Drawdown of term loans	3,237	6,483
Repayment of term loans	(1,917)	(1,817)
Repayment of hire purchase payables	(331)	(404)
Proceeds from issuance of ordinary shares	29,000	-
Payment of listing expenses	(1,047)	-
NET CASH FROM FINANCING ACTIVITIES	<u>21,221</u>	<u>1,403</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	16,370	124
EFFECT OF FOREIGN EXCHANGE TRANSLATION	(80)	(85)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	9,516	9,477
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u><u>25,806</u></u>	<u><u>9,516</u></u>
CASH AND CASH EQUIVALENTS COMPRISE THE FOLLOWING:		
Short-term highly liquid investments	14,637	-
Cash and bank balances	11,169	9,516
	<u><u>25,806</u></u>	<u><u>9,516</u></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 audited financial statements for the financial year ended 31 December 2017 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 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 subsidiaries (“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.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 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 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:

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
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 FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2018

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 (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.

A7 Debt and Equity Securities

During the financial year ended 31 December 2018, the Company issued of 100,000,000 new ordinary shares at an issue price of RM0.29 per ordinary share pursuant to its listing on the Ace Market of Bursa Securities.

Save as disclosed above, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter under review and financial year ended 31 December 2018.

A8 Dividends Paid

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

	Cumulative Quarter	
	(Unaudited)	(Audited)
	31.12.2018	31.12.2017
	RM’000	RM’000
In respect of the financial year ended 31 December 2017		
First interim single tier dividend of RM2.11 per ordinary share on 1,900,000 ordinary shares paid on 30 June 2017	-	4,000
Final single tier dividend of 0.50 sen per ordinary share on 500,000,000 ordinary shares paid on 29 June 2018	2,500	-
	<u>2,500</u>	<u>4,000</u>

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 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) 31.12.2018 RM’000	(Unaudited) 31.12.2017 RM’000	(Unaudited) 31.12.2018 RM’000	(Unaudited) 31.12.2017 RM’000
Africa	322	-	725	526
Asia (excluding Malaysia)	8,401	9,092	29,727	32,156
Australasia	3,142	4,078	17,738	14,856
Europe	1,822	2,641	9,211	16,057
North America	11,876	6,192	33,614	19,210
South America	1,489	744	2,965	2,696
Malaysia	93	90	366	707
Total	27,145	22,837	94,346	86,208

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 31 December 2018 are as follows:

Contracted but not provided for	RM’000
Purchase of property, plant and equipment	6,736

A12 Material Subsequent Event

On 16 October 2018, the Company proposed to undertake a proposed issue of 125,000,000 free warrants in the Company (“Warrant(s)”) on the basis of one (1) Warrant for every four (4) existing ordinary shares in the Company held on an entitlement date (“Proposed Bonus Warrants”) to be determined and announced later. The Warrants will have a tenure of three (3) years commencing from and inclusive of the date of the issue of the Warrants i.e. 14 January 2019. The exercise price of the Warrants is RM0.30 per Warrant.

On 26 December 2018, the Company announced that the book closure date for the entitlement of the free warrants fixed on 10 January 2018.

On 22 January 2019, the Company announced that 124,999,999 Warrants were listed and quoted on the Ace Market of Bursa Securities, marking the completion of Bonus Warrants.

Up to 19 February 2019, being the last practicable date from the date of this report, no warrants has yet been converted to ordinary shares.

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.

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

A13 Changes in the Composition of the Group

On 6 December 2018, the Company had incorporated a wholly-owned subsidiary, namely Wegmans Woodwork Sdn. Bhd., a company incorporated in Malaysia under the Companies Act, 2016 with an issued share capital of RM1.00 divided into 1 ordinary share.

Save as disclosed above, 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 FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2018

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

B1 Group Performance Review

The Group's revenue for the current financial quarter ended 31 December 2018 has increased by RM4.31 million or 18.87% to approximately RM27.15 million as compared to approximately RM22.84 million in the preceding year corresponding quarter. The Group's revenue for the financial year ended 31 December 2018 has increased by RM8.14 million or 9.44% to approximately RM94.35 million as compared to approximately RM86.21 million in the preceding corresponding year ended 31 December 2017. The higher revenue was mainly attributed by higher sales volume from North America.

The Group registered a profit before tax of approximately RM4.62 million for the current financial quarter ended 31 December 2018 as compared to approximately RM3.78 million for the preceding year corresponding quarter. The improvement in profit before tax was mainly attributed to the higher revenue generated.

The Group registered a profit before tax of approximately RM11.61 million for the financial year ended 31 December 2018 as compared to approximately RM17.22 million for the preceding corresponding year ended 31 December 2017. This was mainly due to lower foreign exchange rate on export sales and one-off charge of the listing expenses amounting to approximately RM1.71 million.

B2 Comparison with Immediate Preceding Quarter Results

The Group's revenue for the current financial quarter ended 31 December 2018 has increased by RM2.81 million or 11.54% to approximately RM27.15 million as compared to approximately RM24.34 million in the preceding financial quarter ended 30 September 2018. The higher revenue was mainly attributed by higher sales volume from North America.

The Group registered a profit before tax of approximately RM4.62 million for the current financial quarter as compared to approximately RM4.74 million for the preceding financial quarter. The lower profit before tax was mainly attributed to the higher staff costs in respect of yearly performance incentives incurred 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 2019 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.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2018

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

B5 Income tax expense

	Individual Quarter		Cumulative Quarter	
	(Unaudited) 31.12.2018 RM'000	(Unaudited) 31.12.2017 RM'000	(Unaudited) 31.12.2018 RM'000	(Audited) 31.12.2017 RM'000
Current tax expense :				
Current financial year /period	20	800	470	2,800
Over/(under)provision in prior year	-	-	168	(252)
	<u>20</u>	<u>800</u>	<u>638</u>	<u>2,548</u>
Deferred tax :				
Origination/(Reversal) of temporary differences	(1,510)	-	(1,510)	134
	<u>(1,510)</u>	<u>-</u>	<u>(1,510)</u>	<u>134</u>
Total income tax expense	<u>(1,490)</u>	<u>800</u>	<u>(872)</u>	<u>2,682</u>

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 31 December 2018 is as follows:

Details of use of proceeds	Proposed Utilisation RM'000	Actual Utilisation RM'000	Deviation RM'000	Balance RM'000	Estimated Timeframe for Utilisation Upon Listing
(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	(4,501)	-	6,499	Within 2 years
(b) Purchase of new and machineries and equipment	11,000	(7,943)	-	3,057	Within 2.5 years
	<u>22,000</u>	<u>(12,444)</u>	<u>-</u>	<u>9,556</u>	
(2) Working capital	3,500	-	745	4,245	Within 2.5 years
(3) Estimated listing expenses	3,500	(2,755)	⁽¹⁾ (745)	-	Within 3 months
	<u>29,000</u>	<u>(15,199)</u>	<u>-</u>	<u>13,801</u>	

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED
31 DECEMBER 2018

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

B7 Utilisation of Proceeds Raised from the Initial Public Offering (Cont'd)

Note:

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

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 31.12.2018 RM'000	(Audited) As at 31.12.2017 RM'000
Non-current:		
Hire purchase payables	713	455
Term loans	17,267	16,249
	<u>17,980</u>	<u>16,704</u>
Current:		
Trade bills	4,778	9,999
Hire purchase payables	342	231
Term loans	2,596	2,294
	<u>7,716</u>	<u>12,524</u>
Total borrowings	<u>25,696</u>	<u>29,228</u>

All the above borrowings are denominated in Ringgit Malaysia.

B9 Derivatives liabilities

There are no outstanding derivatives as at 31 December 2018 and 2017.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 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 (gain)/loss arising from fair value changes of derivatives as follows:

	Individual Quarter		Cumulative Quarter	
	(Unaudited) 31.12.2018 RM'000	(Unaudited) 31.12.2017 RM'000	(Unaudited) 31.12.2018 RM'000	(Audited) 31.12.2017 RM'000
Fair value (gain) on derivatives ⁽¹⁾	(120)	-	-	(311)

Notes:

- (1) The fair value changes were attributed to changes in the foreign exchange spot and forward rates.

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 31 December 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 31.12.2018 RM'000	(Unaudited) Current Year To Date 31.12.2018 RM'000
Profit after tax attributable to owners of the Company	6,109	12,477
Weighted average number of ordinary shares in issue ('000)	500,000	482,466
Basic earnings per share (sen)	1.22	2.59

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 2018

**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 31.12.2018 RM'000	(Unaudited) Current Year To Date 31.12.2018 RM'000
Interest income	(197)	(751)
Gain on disposal of property, plant and equipment	(23)	(67)
(Gain) on foreign exchange	(212)	(458)
Depreciation	638	2,161
Fair value (gain) on derivatives	(120)	-
Interest expenses	299	1,251

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

B14 Proposed Dividends

The Board of Directors have proposed a final single-tier dividend of 0.50 sen per ordinary share in respect of the current financial year ended 31 December 2018. The proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD

**TAN HUI KHIM (LS 0009936)
NG MEI WAN (MIA 28862)
COMPANY SECRETARIES**

**JOHOR
19 February 2019**