

FCW HOLDINGS BERHAD (Company No. : 3116 K)
Summary of Key Financial Information for the period ended 30 June 2018

	INDIVIDUAL QUARTER		INDIVIDUAL CHANGES		CUMULATIVE QUARTER		CUMULATIVE CHANGES	
	Current Year Quarter	Preceding Year Corresponding Quarter	Amount	%	Current Year To Date	Preceding Year Corresponding Period	Amount	%
	30/6/2018	30/6/2017			30/6/2018	30/6/2017		
	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000	
1 Revenue	8,187	6,717	1,470	22%	31,868	26,696	5,172	19%
2 Profit / (Loss) Before Tax	1,856	(1,835)	3,691	-201%	166	1,571	(1,405)	-89%
3 Profit / (Loss) for the Period	1,209	(1,743)	2,952	-169%	(1,016)	826	(1,842)	-223%
4 Profit for the Period and Other Comprehensive Income Attributable to Owners of the Company	1,212	(1,741)	2,953	-170%	(1,013)	828	(1,841)	-222%
5 Basic earnings / (loss) per share (sen)	0.48	(0.70)	1.18	-170%	(0.41)	0.33	(0.74)	-222%
6 Proposed/Declared dividend per share (sen)	0.00	0.00	0.00	0%	0.00	20.00	(20.00)	-100%

Summary of Financial review for current quarter compared with immediate preceding quarter

	INDIVIDUAL		Individual changes	
	Current Year Quarter	Immediate Preceding Quarter	Amount	%
	30/6/2018	31/03/2018	RM'000	
1 Revenue	8,187	7,211	976	13.5%
2 Profit / (Loss) Before Tax	1,856	(3,725)	5,581	-150%
3 Profit / (Loss) for the Period	1,209	(3,454)	4,663	-135%
4 Profit / (Loss) for the Period and Other Comprehensive Income / (Loss) Attributable to Owners of the Company	1,212	(3,454)	4,666	-135%
5 Basic Profit / (Loss) per share (sen)	0.48	(1.38)	1.86	-135%
6 Proposed/Declared dividend per share (sen)	-	-	-	-

	As At End Of Current Quarter	As At Preceding Financial Year End
7 Net assets per share attributable to ordinary equity holders of the parent (RM)	0.68	0.68

ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30/6/2018	30/6/2017	30/6/2018	30/6/2017
	RM'000	RM'000	RM'000	RM'000
1 Gross interest income	1,466	1,476	5,575	6,016
2 Gross interest expense	(20)	(26)	(88)	(114)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

(Unaudited)

	FY 2017/18 Current Quarter Ended 30-Jun RM'000	FY 2016/17 Comparative Quarter Ended 30-Jun RM'000	FY 2017/18 Current 12 Months Cumulative To Date RM'000	FY 2016/17 Comparative 12 Months Cumulative To Date RM'000
Revenue	8,187	6,717	31,868	26,696
Cost of Sales	<u>(6,328)</u>	<u>(6,026)</u>	<u>(25,657)</u>	<u>(21,748)</u>
Gross Profit	1,859	691	6,211	4,948
Other Income	1,476	1,508	5,619	6,172
Other Items of Expenses				
Administrative Expenses	(283)	(466)	(1,875)	(2,002)
Marketing Expenses	(207)	(6)	(382)	(186)
Other Expenses	(957)	(799)	(3,907)	(3,637)
Share of Results of an Associate	(1,583)	(2,101)	(6,399)	(2,820)
Share of Results of a Joint Venture	<u>1,571</u>	<u>(636)</u>	<u>987</u>	<u>(790)</u>
Profit / (Loss) From Operations	1,876	(1,809)	254	1,685
Finance Costs	<u>(20)</u>	<u>(26)</u>	<u>(88)</u>	<u>(114)</u>
Profit / (Loss) Before Tax	1,856	(1,835)	166	1,571
Taxation	<u>(647)</u>	<u>92</u>	<u>(1,182)</u>	<u>(745)</u>
Profit / (Loss) for the Period	1,209	(1,743)	(1,016)	826
Other Comprehensive Income	<u>3</u>	<u>-</u>	<u>3</u>	<u>-</u>
Total Comprehensive Income / (Loss) for the period	<u><u>1,212</u></u>	<u><u>(1,743)</u></u>	<u><u>(1,013)</u></u>	<u><u>826</u></u>
Profit / (Loss) for the Period and Other Comprehensive Income / (Loss) Attributable to:				
Owners of the Company	1,212	(1,741)	(1,013)	828
Non-controllir Profit / (Loss) Before Tax	<u>-</u>	<u>(2)</u>	<u>-</u>	<u>(2)</u>
	<u><u>1,212</u></u>	<u><u>(1,743)</u></u>	<u><u>(1,013)</u></u>	<u><u>826</u></u>
Earnings / (Loss) per share Attributable to Owners of the Parent (sen per share)				
- Basic	0.48	(0.70)	(0.41)	0.33

The Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2017.

FCW HOLDINGS BERHAD (Company No. : 3116 K)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018
(Unaudited)

	As At 30-Jun FY2018 RM'000	As At 30-Jun FY2017 RM'000
Non Current Assets		
Property, plant and equipment	4,561	4,749
Investment property	3,100	3,100
Investment in an associate	21,590	27,989
Other Investment	659	642
Deferred tax asset	735	437
Receivables	68,345	60,427
Goodwill on consolidation	1,726	1,726
	<u>100,716</u>	<u>99,070</u>
Current Assets		
Inventories	4,177	5,364
Receivables	4,530	5,414
Tax recoverable	1,066	738
Cash and cash equivalents	114,447	118,430
	<u>124,220</u>	<u>129,946</u>
Total Assets	<u>224,936</u>	<u>229,016</u>
Share Capital	124,997	124,997
Reserves	43,914	44,927
Shareholders' Equity	<u>168,911</u>	<u>169,924</u>
Non-controlling interests	(16)	(16)
Total equity	<u>168,895</u>	<u>169,908</u>
Non Current Liabilities		
Loans and borrowings	344	952
Deferred tax liabilities	212	208
Deferred income	49,832	49,645
	<u>50,388</u>	<u>50,805</u>
Current Liabilities		
Payables	5,092	7,933
Loans and borrowings	561	368
Taxation	-	2
	<u>5,653</u>	<u>8,303</u>
Total Equity And Liabilities	<u>224,936</u>	<u>229,016</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>0.68</u>	<u>0.68</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2017.

FCW HOLDINGS BERHAD (Company No. : 3116 K)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018
(Unaudited)

	FY2017/18 12 Months ended 30-Jun-18 RM' 000	FY2016/17 12 Months ended 30-Jun-17 RM' 000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	166	1,571
Adjustments for:		
Non-cash items	286	448
Share of results of an associate	6,399	2,820
Share of results of a joint venture	(987)	791
Gain on disposal of property, plant and equipment	(2)	(85)
Non-operating items	(5,487)	(5,888)
Operating profit / (loss) before working capital changes	<u>375</u>	<u>(343)</u>
Net changes in current assets	(1,147)	1,709
Net changes in current liabilities	(1,660)	1,153
Cash used in operations	<u>(2,432)</u>	<u>2,519</u>
Interest income received	5,575	4,600
Interest expense paid	(88)	(114)
Tax paid	(1,810)	(2,717)
Net cash generated from operating activities	<u>1,245</u>	<u>4,288</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	59	85
Advance to a joint venture	(4,700)	(8,970)
Placement of deposits with licensed banks	-	23,164
Purchase of property, plant and equipment	(155)	(145)
Placement of other investment	(17)	(500)
Net cash (used in) / generated from investing activities	<u>(4,813)</u>	<u>13,634</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid on ordinary shares	-	(49,999)
Repayment of short term borrowings	(369)	(340)
Repayment of hire purchase creditors	(46)	(40)
Net cash used in financing activities	<u>(415)</u>	<u>(50,379)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(3,983)</u>	<u>(32,457)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	118,430	150,887
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>114,447</u>	<u>118,430</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 30 June 2017.

FCW HOLDINGS BERHAD (Company No. : 3116 K)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018
(Unaudited)

	<i>Attributable to Shareholders of the Company</i>				Sub-Total	Minority Interest	Grand-Total Equity
	Non-Distributable		Reserves	Distributable			
	Share Capital	Capital Reserve	Premium paid on acquisition of MI	Accumulated Profit			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Year ended 30 June 2018							
At 1st July 2017	124,997	2,704	(1,145)	43,368	169,924	(16)	169,908
Total comprehensive loss for the period	-	-	-	(1,013)	(1,013)	-	(1,013)
Premium paid on acquisition of minority interest	-	-	-	-	-	-	-
At 30 June 2018	124,997	2,704	(1,145)	42,355	168,911	(16)	168,895
Year ended 30 June 2017							
At 1st July 2016	124,997	2,704	(1,145)	92,539	219,095	(14)	219,081
Dividend paid	-	-	-	(49,999)	(49,999)	-	(49,999)
Total comprehensive income for the period	-	-	-	828	828	(2)	826
At 30 June 2017	124,997	2,704	(1,145)	43,368	169,924	(16)	169,908

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2017.

FCW HOLDINGS BERHAD (3116-K)

QUARTERLY REPORT ON CONSOLIDATED RESULTS For The Financial Year Ended 30 JUNE 2018

PART A. NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRSs") 134: Interim Financial Reporting in Malaysia and Para 9.22 of the Bursa Malaysia Berhad Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2017.

The Group's financial statements were prepared in accordance with MFRSs, which is in line with International Financial Reporting Standards as issued by the International Accounting Standards Board. The adoptions of new and revised MFRSs, Amendments/Improvements to MFRSs, IC Interpretations and Amendments to IC Interpretations in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2017.

- a) During the current financial period, the Group has adopted the following new accounting standards and interpretations (including the consequential amendments):-

MFRSs and IC Interpretations (including the Consequential Amendments)

Annual improvements to MFRSs 2012 - 2014 cycle

- Amendments to MFRS 5, Non-Current Assets Held for Sales and Discontinued Operations
- Amendments to MFRS 7, Financial Instruments: Disclosures
- Amendments to MFRS 119, Employee Benefits
- Amendments to MFRS 134, Interim Financial Reporting

MFRS 14, Regulator Deferral Accounts

Amendments to MFRS 11, Joint Arrangements: Accounting for Acquisitions of Interests in Joint Operations

Amendments to MFRS 101, Presentation of Financial Statements: Disclosure Initiative

Amendments to MFRS 116, Property, Plant and Equipment and MFRS 138, Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortisation

Amendments to MFRS 116, Property, Plant and Equipment and MFRS 141, Agriculture: Bearer plants

Amendments to MFRS 127, Separate Financial Statements: Equity Method in Separate Financial Statements

Annual improvements to MFRSs 2012 - 2014 cycle

Amendments to MFRS 10, Consolidated Financial Statements, MFRS 12, Disclosure of Interests in Other Entities and MFRS 128, Investment in Associates and Joint Ventures: Investments Entities-Applying the Consolidation Exception

Amendments to MFRS 138, Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortisation

FCW HOLDINGS BERHAD (3116-K)

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Group's interim financial statements.

b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial period:-

MFRSs and IC Interpretations (Including The Consequential Amendments)	Effective Date
Annual improvements to MFRSs 2014 - 2016 cycle	
- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards	1 January 2018
- Amendments to MFRS 12, Disclosure of Interests in Other Entities	1 January 2017
- Amendments to MFRS 128, Investments in Associates and Joint Ventures	1 January 2018
Amendments to MFRS 2, Share-based Payment: Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 4, Insurance Contracts: Applying MFRS 9 Financial Instrument with MFRS 4 Insurance Contracts	1 January 2018
MFRS 9, Financial Instruments	1 January 2018
MFRS 15, Revenue from Contracts with Customers	1 January 2018
Clarifications to MFRS 15, Revenue from Contracts with Customers	1 January 2018
MFRS 16, Leases	1 January 2019
Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures: Sales or Contribution of Assets between an investor and its Associates or Joint Ventures	Deferred
Amendments to MFRS 107, Statement of Cash Flows: Disclosure Initiative	1 January 2017
Amendments to MFRS 112, Income Taxes: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to MFRS 140, Investment Property: Transfers of Investment Property	1 January 2018
IC Interpretation 22, Foreign Currency Transactions and Advance Consideration	1 January 2018

FCW HOLDINGS BERHAD (3116-K)

2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the Company's financial statements for the year ended 30 June 2017 was not subject to any qualification.

3. Seasonal or Cyclical Factors

The operations of the Group are not subject to any seasonal or cyclical factors.

4. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows of the Group.

5. Material Changes in Estimates of Amount Reported Previously Affecting Current Interim Period

There were no changes in estimates of amount reported in prior financial years which have a material effect in the current interim period.

6. Dividend Paid

There were no dividends paid during the current interim financial period.

FCW HOLDINGS BERHAD (3116-K)

PART A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

7. Segmental Information

(RM'000)	30-06-18 4th Qtr	30-06-17 4th Qtr	30-06-18 12 Mths Cum	30-06-17 12 Mths Cum
<u>Segment Revenue</u>				
Contract Manufacturing	8,187	6,717	31,868	26,696
Total	<u>8,187</u>	<u>6,717</u>	<u>31,868</u>	<u>26,696</u>
<u>Segment Results</u>				
Contract Manufacturing	919	(173)	2,143	1,253
Share of Results of an Associate	(1,583)	(2,101)	(6,399)	(2,820)
Share of Results of a Joint Venture	1,571	(636)	987	(790)
Others	949	1,075	3,435	3,928
Total	<u>1,856</u>	<u>(1,835)</u>	<u>166</u>	<u>1,571</u>

8. Subsequent Events

There was no material events subsequent to the end of the financial quarter ended 30 June 2018.

9. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial quarter ended 30 June 2018.

10. Capital Commitments

The Group has no material capital commitment in respect of property, plant and equipment as at 30 June 2018.

PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

1. Performance review

Contract Manufacturing segment

Current quarter

The contract manufacturing segment posted a 22% increase in revenue from RM6.71 million for the preceding year's corresponding quarter to RM8.19 million for the current quarter. Stocking-up of inventories by customers due to uncertainties in the run-up to the last General Elections led to a spike in production and sales. Profit before tax likewise rose to RM0.9 million, reversing the previous year's quarter loss before tax of RM173,000.

Year to date

The contract manufacturing segment posted a 19.37% increase in revenue from RM26.70 million for the 12 months ended 30th June 2017 to RM31.87 million for the 12 months ended 30th June 2018, mainly due to increase in overseas orders. The segment reported an increase in profit before tax from RM1.25 million for the preceding year to date to RM2.14 million for the current year to date, also contributed by an increase in domestic sales of 15% over the same period, driven by strong market demand for new and revamped consumer products.

Power & Telecommunication Cables Manufacturing segment (associate company)

Current quarter

The cables manufacturing segment under associate company, Fujikura Federal Cables Sdn Bhd, reported a loss after tax for the current quarter, of which the Group's share was RM1.6 million compared to a loss of RM2.1 million for the corresponding quarter of the preceding year. Revenue was down by 30% from that for the previous year resulting in a drop in gross profit which was offset by a reduction in operating expenses thereby accounting for the smaller after-tax loss reported.

Year to date

Revenue for the current year fell 17% following the completion of several overseas projects previously secured. In addition, the cables business faced severe price competition from domestic players as well as continued high raw material costs which ate into the profitability of its operations. The combination of lower sales and margins resulted in the segment suffering its share of the post-tax net loss of RM6.4 million as against a similar loss of RM2.8 million for the previous year.

Property Development segment (joint venture company)

Current quarter

Property development activities which the Group undertakes through its 50% joint venture company, 368 Segambut Sdn Bhd ("368S"), contributed a share of its profit amounting to RM1.57 million for the quarter under review as compared to a loss of RM0.64 million for the corresponding quarter in the previous year. The profit contribution arose from revenue on its units sold as well as the realization of the share of the Group's gain in its previous disposal of the related land to the joint venture company.

FCW HOLDINGS BERHAD (3116-K)

1. Performance review (con'd)

Year to date

Profit from property development for the current year to total RM0.98 million being the share of results of 368S plus the recognition of the Group's related deferred income against a share of its loss in 368S of RM0.79 million for the previous year. The joint venture generated revenue amounting to RM35.7 million as it recorded its maiden sales for the year, with a take-up rate of some 40% of Phase One of the project launched.

Others

Current quarter

Profit before tax has decreased from RM1.07 million in the corresponding quarter of the preceding year to RM0.95 million in the current quarter mainly due to lower interest income earned compare with proceeding year quarter.

Year to date

Profit before tax has declined from RM3.93 million for the preceding year to RM3.44 million for the current year mainly due to the lower interest income earned after the dividend paid out in October 2016 and also the retrenchment expenses incur on July 2017.

2. Comparison with preceding quarter's result

The quarter reported a net profit before tax of RM1.86 million as compared to a loss before tax of RM3.73 million. Apart from higher sales, the improvement in financial performance was attributed to a positive contribution from the property development segment and lower losses suffered by the cables division which incurred increased expenses arising from a staff separation scheme in the preceding quarter.

3. Commentary of Prospects

In view of the expected lower growth of the national economy in the coming months, and uncertainties in the overseas markets, the Group foresees a challenging year ahead. Nevertheless, efforts will be continued to ensure that its products will remain competitively priced and material costs controlled through a broadened network of suppliers consistent with the maintenance of product quality and innovation.

The external environment for the cables industry is fraught with unpredictability in international trade relation which, coupled with stiff competition in the domestic market, may signify a trying year ahead for the business. Nevertheless, through various measures undertaken, including cost rationalization and product innovation, the segment is anticipated to be in better stead to withstand the challenges in the coming year.

The property development segment whose performance will reflect that of the prevailing general property market is expected to contribute significantly to the Group's profitability with further growth in revenue from sales as well as progress construction of its units launched and possibly to be launched in the near future.

4. Variance on profit forecast

FCW HOLDINGS BERHAD (3116-K)

Not applicable

5. Items included in the Consolidated Statement of Comprehensive Income

Total comprehensive income for the period is arrived at after charging/ (crediting) the following items:

	30-06-18 Current Quarter RM'000	30-06-17 Current Quarter RM'000	30-06-18 12-months Cumulative RM'000	30-06-17 12-months Cumulative RM'000
(Gain)/loss on disposal of property, plant & equipment	0	0	(2)	(85)
Interest income	(1,466)	(1,476)	(5,575)	(6,016)
Other income	(4)	0	(17)	0
Interest expenses	20	26	88	114
Depreciation and amortisation	53	81	286	314
(Gain)/ loss on foreign exchange	(6)	(32)	(24)	(71)
Provision for and write off of receivables	0	0	0	0
Provision for and write off of inventories	0	0	0	0
Gain on disposal of assets held for sale	0	0	0	0
Loss on derivatives	0	0	0	0
Exceptional items	0	0	0	0
Loss on disposal at investment	0	0	0	0
Reversal of provision for diminution in investment	0	0	0	0

6. Tax

	Current Quarter RM'000	Year to date RM'000
Income Tax:		
- Prior year Continuing Operation	-	(726)
-Current year Continuing Operation	647	1,908
	647	1,182

Current income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the quarter.

FCW HOLDINGS BERHAD (3116-K)

PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (CONT'D)

7. Group Borrowings and Debt Securities

	As at 4th quarter ended FY2018		
	Long Term	Short Term	Total Borrowings
	RM'000 Denomination	RM'000 Denomination	RM'000 Denomination
Secured			
Term Loan	311	548	859
Hire Purchase	32	14	46
Total	343	562	905
	As at 4th quarter ended FY2017		
	Long Term	Short Term	Total Borrowings
	RM'000 Denomination	RM'000 Denomination	RM'000 Denomination
Secured			
Term Loan	895	367	1262
Hire Purchase	45	13	58
Total	940	380	1320

8. Material Litigation

There is no pending material litigation.

9. Dividend Declared/Recommended

There were no dividends paid during the current interim financial period.

10. Earnings / (Loss) Per Share

Basic earnings / (loss) per share

Basic earnings / (loss) per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

	Individual Quarter		Cumulative Quarter	
	30-06-18	30-06-17	30-06-18	30-06-17
	RM'000	RM'000	RM'000	RM'000
Net profit / (loss) attributable to shareholders	1,209	(1,743)	(1,016)	826
Weighted average number of ordinary shares in issue	249,994	249,994	249,994	249,994
Basic earnings / (loss) per share (sen)	0.48	(0.70)	(0.41)	0.33

FCW HOLDINGS BERHAD (3116-K)

By Order of the Board

**Dato' Teo Ker Wei
Executive Director**

**28 Aug 2018
Kuala Lumpur**