



KARAMBUNAI CORP BHD (6461-P)

**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For Financial Year Ended 31 March 2018**
(The figures have not been audited.)

	Current quarter ended <u>31/3/2018</u> RM'000	Preceding year corresponding quarter ended <u>31/3/2017</u> RM'000	Current year-to-date ended <u>31/3/2018</u> RM'000	Preceding year-to-date ended <u>31/3/2017</u> RM'000
Revenue	20,642	31,313	78,940	81,045
Cost of sales	(10,942)	(10,435)	(36,291)	(38,217)
Gross profit	9,700	20,878	42,649	42,828
Other income	6,796	14,702	19,660	31,454
Operating expenses	(9,451)	(14,462)	(30,737)	(44,377)
Profit from operations	7,045	21,118	31,572	29,905
Finance costs	(4)	(1)	(18)	(33)
Profit before tax	7,041	21,117	31,554	29,872
Income tax	12,816	(9,640)	13,370	(10,979)
Profit for the year	19,857	11,477	44,924	18,893
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
- Foreign currency translation differences	2	(15)	1	11
Items that may not be reclassified subsequently to profit or loss				
- Revaluation deficit on land	(27,635)	-	(27,635)	-
- Income tax relating to components of other comprehensive income	6,632	-	6,632	-
- Adjustment of deferred tax on asset revaluation reserve	(560)	4,743	(560)	4,743
	(21,563)	4,743	(21,563)	4,743
Other comprehensive income for the year	(21,561)	4,728	(21,562)	4,754
Total comprehensive income for the year	(1,704)	16,205	23,362	23,647
Profit for the year attributable to :-				
Owners of the parent	19,857	11,477	44,924	18,893
Non-controlling interest	-	-	-	-
	19,857	11,477	44,924	18,893
Total comprehensive income attributable to :-				
Owners of the parent	(1,704)	16,205	23,362	23,647
Non-controlling interest	-	-	-	-
	(1,704)	16,205	23,362	23,647
Earnings per share (sen)				
Basic	0.34	0.20	0.78	0.33
Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.)

KARAMBUNAI CORP BHD (6461-P)
Condensed Consolidated Statement of Financial Position
As at 31 March 2018

	(Unaudited) As at 31/3/2018 RM'000	(Audited) As at 31/3/2017 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	892,965	934,552
Land held for property development	439,753	439,753
Available-for-sale financial assets	60	60
Goodwill on consolidation	14,937	14,937
	<u>1,347,715</u>	<u>1,389,302</u>
Current Assets		
Inventories	4,344	4,759
Trade receivables	1,555	8,874
Other receivables	4,340	6,203
Fixed deposits with licensed banks	15,496	9,364
Cash and bank balances	22,416	13,777
	<u>48,151</u>	<u>42,977</u>
TOTAL ASSETS	<u><u>1,395,866</u></u>	<u><u>1,432,279</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	655,618	577,659
Reserves	217,796	272,393
TOTAL EQUITY	<u>873,414</u>	<u>850,052</u>
Non-Current Liabilities		
Finance lease liabilities	113	307
Deferred income	1,193	1,220
Bank borrowings	-	4,466
Amount owing to a shareholder	242,622	194,981
Other payables	9,086	10,679
Deferred tax liabilities	211,635	230,516
	<u>464,649</u>	<u>442,169</u>
Current Liabilities		
Trade payables	29,919	49,931
Other payables	20,722	81,408
Deferred income	27	27
Finance lease liabilities	236	251
Bank borrowings	3,897	2,680
Taxation	3,002	5,761
	<u>57,803</u>	<u>140,058</u>
TOTAL LIABILITIES	<u>522,452</u>	<u>582,227</u>
TOTAL EQUITY AND LIABILITIES	<u><u>1,395,866</u></u>	<u><u>1,432,279</u></u>
NET ASSETS PER SHARE (SEN)	<u>15.12</u>	<u>14.72</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.)

KARAMBUNAI CORP BHD (6461-P)
Condensed Consolidated Statement of Changes in Equity
For Financial Year Ended 31 March 2018
(The figures have not been audited.)

	←----- Attributable to owners of the parent -----→							Total	Non-controlling Interest	Total Equity
	←----- Non-distributable -----→									
	Share Capital	Share Premium	Capital Reserves	Warrant Reserves	Asset Revaluation Reserves	Foreign Currency Translation Reserves	Accumulated Losses			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
As at 01/04/2017	577,659	77,959	269,918	69,529	203,766	(2,852)	(345,927)	850,052	-	850,052
Profit for the year	-	-	-	-	-	-	44,924	44,924	-	44,924
Other comprehensive income:										
Foreign currency translation differences	-	-	-	-	-	1	-	1	-	1
Revaluation deficit on land	-	-	-	-	(27,635)	-	-	(27,635)	-	(27,635)
Income tax relating to components of other comprehensive income	-	-	-	-	6,632	-	-	6,632	-	6,632
Adjustment of deferred tax on asset revaluation reserve	-	-	-	-	(560)	-	-	(560)	-	(560)
Total other comprehensive income	-	-	-	-	(21,563)	1	-	(21,562)	-	(21,562)
Transactions with owners of the Company:										
Effect of adoption of Companies Act 2016 *	77,959	(77,959)	-	-	-	-	-	-	-	-
Total transactions with owners of the Company	77,959	(77,959)	-	-	-	-	-	-	-	-
As at 31/3/2018	655,618	-	269,918	69,529	182,203	(2,851)	(301,003)	873,414	-	873,414
As at 01/04/2016	577,659	77,959	269,918	69,529	199,023	(2,863)	(364,820)	826,405	-	826,405
Profit for the year	-	-	-	-	-	-	18,893	18,893	-	18,893
Other comprehensive income:										
Foreign currency translation differences	-	-	-	-	-	11	-	11	-	11
Adjustment of deferred tax on asset revaluation reserve	-	-	-	-	4,743	-	-	4,743	-	4,743
Total other comprehensive income	-	-	-	-	4,743	11	-	4,754	-	4,754
As at 31/3/2017	577,659	77,959	269,918	69,529	203,766	(2,852)	(345,927)	850,052	-	850,052

* With the Companies Act 2016 ("New Act") coming into effect on 31 January 2017, the credit standing in the share premium account of RM77,959,301 has been transferred to the share capital account. Pursuant to sub-section 618(3) of the New Act, the Company may exercise its rights to use the credit amount being transferred from share premium within 24 months after the commencement of the New Act. The Board of Directors will make a decision thereon by 31 January 2019.

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.)

KARAMBUNAI CORP BHD (6461-P)
Condensed Consolidated Statement of Cash Flows
For Financial Year Ended 31 March 2018
(The figures have not been audited.)

	Current year-to-date ended 31/3/2018 RM'000	Corresponding year-to-date ended 31/3/2017 RM'000
Profit before tax	31,554	29,872
Adjustment for non-cash items:-		
Depreciation of property, plant and equipment	14,444	14,167
Finance lease interest	18	33
Gain on disposal of property, plant and equipment	(70)	(35)
(Gain)/loss on foreign exchange:		
- Realised	(79)	29
- Unrealised	(2,667)	2,668
Impairment loss on:		
- land held for property development	-	78
- receivables	68	20
Interest income	(1,020)	(658)
Provision for/(Reversal of) tax penalties	91	(15,461)
Reversal of impairment loss on:		
- land held for property development	-	(4,878)
- property, plant and equipment	-	(684)
- receivables	(31)	(72)
Reversal of leaseback rental	(87)	(212)
Write-off of:		
- bad debts	8	14
- deposits	-	12
- inventories	7	6
- land held for property development	-	8,932
- property, plant and equipment	19	47
	<u>42,255</u>	<u>33,878</u>
Operating profit before working capital changes		
Changes in working capital :-		
Land held for property development	-	4,899
Inventories	407	1,297
Receivables	9,137	222
Payables	(80,368)	(49,321)
Cash used in operations	(28,569)	(9,025)
Income tax paid	(2,281)	(45,016)
Interest paid	(18)	(33)
Interest received	1,020	658
Net cash used in operating activities	<u>(29,848)</u>	<u>(53,416)</u>
Investing activities		
Additions to land held for property development	-	6,272
Withdrawal/(additions) of pledged fixed deposits	513	(160)
Purchase of property, plant & equipment	(461)	(3,611)
Proceeds from disposal of property, plant and equipment	70	35
Net cash generated from investing activities	<u>122</u>	<u>2,536</u>
Financing activities		
Advances from a shareholder	47,641	57,588
Repayment of bank borrowing	(2,371)	(1,788)
Repayment of finance lease liabilities	(261)	(684)
Net cash generated from financing activities	<u>45,009</u>	<u>55,116</u>

KARAMBUNAI CORP BHD (6461-P)
Condensed Consolidated Statement of Cash Flows
For Financial Year Ended 31 March 2018 (Cont'd)
(The figures have not been audited.)

	Current year-to-date ended 31/3/2018 <u>RM'000</u>	Corresponding year-to-date ended 31/3/2017 <u>RM'000</u>
Net change in cash & cash equivalents	15,283	4,236
Cash & cash equivalents at beginning of the year	18,367	14,120
Foreign currency translation differences	1	11
Cash & cash equivalents at end of the year	<u>33,651</u>	<u>18,367</u>
Cash & cash equivalents at end of the year consist of:		
Fixed deposits with licensed banks	15,496	9,364
Cash and bank balances	<u>22,416</u>	<u>13,777</u>
	37,912	23,141
Less : fixed deposits pledged	<u>(4,261)</u>	<u>(4,774)</u>
	<u>33,651</u>	<u>18,367</u>

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.)

Part A - Notes In Compliance with FRS 134

A1. Basis of Preparation and Accounting Policies

The quarterly consolidated financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 March 2017. The explanatory notes attached to the quarterly consolidated 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 31 March 2017.

The quarterly consolidated financial statements have been prepared by applying accounting policies and methods of computation consistent with those used in the preparation of the most recent audited financial statements of the Group and are in accordance with FRS 134, Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB").

Adoption of new and amended standards

During the financial period, the Group and the Company have adopted the following amendments to FRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year:

Amendments to FRS 107	Disclosure Initiative
Amendments to FRS 112	Recognition of Deferred Tax Assets for Unrealised Losses
Annual improvements to FRSs 2014-2016 Cycle – Amendments to FRS 12	Disclosure of Interests in Other Entities

The adoption of the above amendments to FRSs did not have any significant impact on the financial statements of the Group and the Company.

Standards issued but not yet effective

Financial reporting standards under the existing FRS Framework that have yet to be adopted in presenting this quarterly consolidated financial statements are disclosed below. These adoptions will not result in any significant changes to the Group's accounting policies, results and financial position.

		Effective for financial periods beginning on or after
FRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards	1 January 2018
Amendments to FRS 128	Investments in Associates and Joint Ventures	1 January 2018
Amendments to FRS 2	Classification and Measurement of Share-based Payment Transactions	1 January 2018

A1. Basis of Preparation and Accounting Policies (Cont'd)

Standards issued but not yet effective (Cont'd)

		Effective for financial periods beginning on or after
Amendments to FRS 4	Applying FRS 9 Financial Instruments with FRS 4 Insurance Contracts	1 January 2018
Amendments to FRS 140	Transfers of Investment Property	1 January 2018
IC Interpretations 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
IC Interpretations 23	Uncertainty over Income Tax Treatments	1 January 2018
Amendments to FRS 10 and FRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced

The adoption of the above applicable standards and amendments to published standards are not expected to have a material impact on the financial statements of the Group except for FRS 9 as explained in the Group's 2017 audited annual financial statements.

New Malaysian Financial Reporting Standards ("MFRS Framework") issued but not yet effective

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework"). The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for the Construction of Real Estate, including its parent, significant investor and venturer (herein called "Transitioning Entities").

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework and continue to use the existing Financial Reporting Standards ("FRS Framework"). The adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2018.

The Group is a transitioning entity, elected to continue preparing its financial statements in accordance with the FRS framework for annual financial periods beginning before 1 January 2018. As such, the Group will prepare its first financial statements using the MFRS Framework for the financial year ending 31 March 2019. In presenting its first MFRS financial statements, the Group may be required to restate the comparative financial statements to amounts reflecting the application of the MFRS Framework.

The Group is currently in the process of determining the financial impact arising from the adoption of the MFRS Framework.

A2. Audit Report of Previous Annual Financial Report

The audit report of the immediate preceding annual financial statements for the year ended 31 March 2017 was not qualified but has included an emphasise of matter to draw attention to the material uncertainty related to going concern, as follows:

“We draw attention to Note 2 (d) in the financial statements, which indicates that the Group recorded negative cash flows from operating activities of RM53,416,245, current liabilities exceeded its current assets by RM98,300,739 despite having a profit of RM18,893,258 during the financial year ended 31 March 2017. As stated in Note 2(d), these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter”

The Directors of the Company were of the opinion that the preparation of the financial statements of the Group on a going concern basis remained appropriate given the following measures being taken and would be taken by the Group to address the material uncertainty related to going concern:

- (i) The financial performance of the principal operating unit of the Group, Nexus Resort & Spa Karambunai, has started showing positive results and generating positive operating cash flow. The better financial performance was as a result of our continuous efforts to update the resort with a phased refurbishment exercise to drive revenue; and
- (ii) The Group will also exploring fund raising options such as financing to address the net current liabilities position.

Barring unforeseen circumstances, the Group expects a timeline of 24 months from 31 July 2017, being the date of the announcement of the material uncertainty related to going concern via Bursa Malaysia, to address the matter.

Accordingly, this interim financial report for the year ended 31 March 2018 do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that may be necessary if the Group is unable to continue as a going concern.

A3. Seasonal or Cyclical Factors

The Group’s leisure and tourism business segment are subject to seasonal fluctuations, generally performs better with higher sales during festive seasons and holidays.

A4. Unusual Items

There were no items affecting assets, liabilities, equities, net income or cash flows that were unusual because of their nature, size or incidence for the current quarter and twelve months ended 31 March 2018.

A5. Nature and Amount of Changes in Estimates

There were no material changes in estimates of amounts reported in previous financial years which have a material effect for the current quarter and twelve months ended 31 March 2018.

A6. Issuance and Repayment of Debt and Equity Securities

There were no issuance and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter and twelve months ended 31 March 2018.

A7. Dividend Paid

No dividend has been paid for the current quarter and twelve months ended 31 March 2018.

A8. Segmental Information

	3 months ended			
	31/3/2018	31/3/2018	31/3/2017	31/3/2017
	Revenue	Operating Profit / (Loss)	Revenue	Operating Profit / (Loss)
	RM'000	RM'000	RM'000	RM'000
Property development and construction	253	699	13,082	10,728
Leisure and tourism	20,389	5,944	18,223	8,776
Management services	-	398	8	1,613
	20,642	7,041	31,313	21,117

	12 months ended			
	31/3/2018	31/3/2018	31/3/2017	31/3/2017
	Revenue	Operating Profit / (Loss)	Revenue	Operating Profit / (Loss)
	RM'000	RM'000	RM'000	RM'000
Property development and construction	1,278	5,182	22,933	22,651
Leisure and tourism	77,662	25,559	58,035	11,321
Management services	-	813	77	(4,100)
	78,940	31,554	81,045	29,872

A9. Valuation of Property, Plant and Equipment

The Group carried out independent valuation on certain parcels of land held under property, plant and equipment during the financial year ended 31 March 2018. The net fair value changes arising from the valuation was recognised in the statement of comprehensive income for the financial year ended 31 March 2018.

Save as disclosed above, there were no changes to the valuation of property, plant and equipment brought forward from the last audited financial statements for the financial year ended 31 March 2017.

A10. Material Subsequent Events

There were no material subsequent events occurred between 1 April 2018 and 22 May 2018 (being the latest practicable date which is not earlier than 7 days from the date of issue of this Quarterly Report) that have not been reflected in this interim financial report.

A11. Changes in the Composition of the Group

On 28 September 2017, FACB Charter Sdn Bhd, a wholly-owned dormant subsidiary of the Company, was struck off from the Registry of Companies Commission of Malaysia pursuant to Section 308(4) of the Companies Act 1965 (now superseded by the Companies Act 2016).

Save as disclosed above, there were no material changes in the composition of the Group for the twelve months ended 31 March 2018.

A12. Changes in Contingent Liabilities or Contingent Assets

Save as disclosed below, there were no material changes in contingent liabilities or contingent assets of the Company since the financial year ended 31 March 2017:

	As at 31/3/2018 RM'000	As at 31/3/2017 RM'000
Unsecured: Corporate guarantee given to licensed banks to secure banking facilities granted to subsidiary companies	3,897	7,146

Part B - Notes in compliance with BMSB Main Market Listing Requirements

B1. Review of the Performance of the Company and Its Principal Subsidiaries

3 months ended 31 March 2018

Revenue for the three months ended 31 March 2018 declined 34.1% to RM20.64 million from RM31.31 million a year ago, on expected drop in property development and construction revenue, offset by an increase in the leisure and tourism segment revenue.

Revenue from the leisure and tourism upped RM2.17 million (11.9%) largely on increased contribution from Nexus Resort & Spa Karambunai as it continues to show encouraging results with higher average room rate, while revenue from the property development and construction declined RM12.83 million (98.1%) as the Group currently does not have any active on-going property development.

On profitability, the Group recorded a profit before taxation of RM7.04 million for the three months ended 31 March 2018, from RM21.11 million a year earlier. The decline was attributed largely to the lower profit contribution from the property development and construction segment. This segment saw a drop of RM10.0 million profit, owing to lack of active on-going property development activity in the current period under review. The leisure and tourism segment posted a lower profit of RM5.94 million from RM8.77 million a year ago largely on higher costs incurred by Nexus Resort & Spa Karambunai as part of its strategy to improve customer service.

12 months ended 31 March 2018

The Group registered RM78.94 million revenue for the twelve months ended 31 March 2018 from RM81.05 million a year ago, a marginal 2.6% drop which is attributed largely to the expected decline in property development and construction segment revenue following the completion of its property development project, offset by an increase in revenue contribution from the leisure and tourism segment.

Revenue from the leisure and tourism segment expanded RM19.62 million (33.8%) on higher room occupancy and average room rate recorded by Nexus Resort & Spa Karambunai. Revenue from property development and construction segment was down RM21.65 million (94.4%) to RM1.28 million as its property development activities are at tail-end.

On profitability, the Group registered a profit before taxation of RM31.55 million for the twelve months ended 31 March 2018, from RM29.87 million a year ago. Leisure and tourism segment contributed an increase of RM14.24 million on better performance by Nexus Resort & Spa Karambunai, while the property development and construction segment recorded a lower profit of RM5.18 million as all its development are at tail end. Management services segment recorded a nominal profit of RM0.81 million mainly on favourable foreign exchange translation between Ringgit and USD.

B2. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter

	Current quarter ended <u>31/3/2018</u> RM'000	Immediate preceding quarter ended <u>31/12/2017</u> RM'000	Changes RM'000
Revenue	20,642	19,306	1,336
Cost of sales	(10,942)	(8,572)	(2,370)
Gross profit	9,700	10,734	(1,034)
Other income	6,796	10,258	(3,462)
Operating expenses	(9,451)	(6,993)	(2,458)
Profit from operations	7,045	13,999	(6,954)
Finance costs	(4)	(3)	(1)
Profit before tax	7,041	13,996	(6,955)

The increase in revenue was attributed largely to the higher revenue achieved in the leisure and tourism segment. Nexus Resort & Spa Karambunai recorded an increase of RM1.60 million in revenue, on higher room occupancy and average room rate.

The profit before taxation for the current quarter dropped RM6.96 million largely on lower other income and some one-off operating expenses. Other income in the immediate preceding quarter was exceptionally high due largely to several reversals of provisions no longer required.

B3. Prospects

On the prospects for the next financial year ending 31 March 2019, the Group will strive to maintain its competitive position as the leading tourism player in Sabah, Malaysia, with its world-class resorts known as Nexus Resort & Spa Karambunai. Currently, the Group is refurbishing its resort and hotel in stages. The refurbishment exercise will enable the Group to enhance the quality and appeal of Nexus Resort & Spa Karambunai to a broader range of international leisure travelers and business meetings. The Group will focus on yield and cost management so as to improve its financial performance and to stay competitive. The future performance of the Group's leisure and tourism business hinges on its ability to attract more visitors.

B4. Profit Forecast / Profit Guarantee

The Group did not issue any profit forecast or profit guarantee.

B5. Taxation

The taxation charges for current quarter and the twelve months ended 31 March 2018 are as follows:

	3 months ended		12 months ended	
	31/3/2018	31/3/2017	31/3/2018	31/3/2017
	RM'000	RM'000	RM'000	RM'000
Current taxation	(13)	(2,273)	(56)	(3,090)
Deferred taxation	12,808	(7,313)	12,808	(7,313)
	12,795	(9,586)	12,752	(10,403)
Over/(Under)provision in prior years	21	(54)	618	(576)
	12,816	(9,640)	13,370	(10,979)

The effective tax rate of the Group for the current quarter and twelve months ended 31 March 2018 was lower than the statutory tax rate mainly due to certain income is non-taxable, the availability of unutilised losses and unabsorbed capital allowances for set-off against the taxable profit in certain subsidiaries, the overprovision of taxation in prior years and the reversal of deferred taxation.

B6. Status of Corporate Proposals Announced But Not Completed as at 22 May 2018 (being the latest practicable date which is not earlier than 7 days from the date of issue of this Quarterly Report)

There were no corporate proposals announced but not completed.

B7. Bank Borrowings

The details of the Group's bank borrowings are set out below:

	As at	As at
	31/3/2018	31/3/2017
	RM'000	RM'000
Secured:		
Syndicated Term Loan		
Non-current	-	4,466
Current	3,897	2,680
Total	3,897	7,146

The Syndicated Term Loan is a US Dollar loan with an outstanding sum of USD1,009,053.

B8. Material Litigation

There were no unresolved material litigations as at 22 May 2018 (being the latest practicable date which is not more than 7 days from the date of this Quarterly Report).

B9. Dividend

No dividend has been proposed or declared for the current quarter and twelve months ended 31 March 2018.

B10. Profit before taxation

	3 months ended		12 months ended	
	31/3/2018	31/3/2017	31/3/2018	31/3/2017
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging / (crediting):-				
Depreciation of property, plant and equipment	3,593	3,197	14,444	14,167
Finance lease interest	4	1	18	33
Gain on disposal of property, plant and equipment	(19)	-	(70)	(35)
(Gain)/loss on foreign exchange				
- realised	(22)	40	(79)	29
- unrealised	(922)	(308)	(2,667)	2,668
Impairment loss on:				
- land held for property development	-	78	-	78
- receivables	68	64	68	20
Interest income	(262)	(172)	(1,020)	(658)
Provision for/(reversal of) leaseback rental	-	11	(87)	(212)
Provision for/(reversal of) tax penalties	11	(1,105)	91	(15,461)
Reversal of impairment loss on:				
- land held for property development	-	(4,878)	-	(4,878)
- property, plant and equipment	-	(684)	-	(684)
- receivables	(22)	(53)	(31)	(72)
Write-off/(write back) of:				
- bad debts	-	5	8	14
- deposits	-	12	-	12
- inventories	3	-	7	6
- land held for property development	-	8,696	-	8,932
- property, plant and equipment	11	(19)	19	47

B11. Outstanding Derivatives

There are no outstanding derivatives (including instruments designated as hedging instruments) as at 31 March 2018.

B12. Fair Value Changes of Financial Liabilities

The Group does not have any material financial liabilities measured at fair value through profit or loss as at 31 March 2018.

B13. Earnings per share

	3 months ended		12 months ended	
	31/3/2018	31/3/2017	31/3/2018	31/3/2017
<u>Basic earnings per share</u>				
Profit after taxation attributable to owners of parent (RM'000)	19,857	11,477	44,924	18,893
Weighted average number of ordinary shares in issue	5,776,587,696	5,776,587,696	5,776,587,696	5,776,587,696
Basic earnings per share (sen)	0.34	0.20	0.78	0.33

Diluted earnings per share

The Group has no dilution in its earnings per share as there is no dilutive potential on ordinary shares.

By order of the Board

Yew Nyuk Kwei (MACS 01247)
Company Secretary

Kota Kinabalu
28 May 2018