

HEXZA CORPORATION BERHAD (8705-K)

**Condensed Consolidated Statement of Comprehensive Income**  
**For the financial period ended 30 June 2018**  
**(The figures have not been audited)**

	3 months period ended		12 months cumulative	
	30-Jun-18	30-Jun-17	30-Jun-18	30-Jun-17
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	26,109	25,698	100,144	112,777
Operating expenses	(19,930)	(27,638)	(117,016)	(95,441)
Interest expense	(6)	(2)	(19)	(20)
Interest income	42	1,877	123	8,106
<b>Profit/(Loss) before taxation</b>	<u>6,215</u>	<u>(65)</u>	<u>(16,768)</u>	<u>25,422</u>
Taxation	(322)	(1,052)	(2,401)	(2,261)
<b>Profit/(Loss) for the period</b>	<u>5,893</u>	<u>(1,117)</u>	<u>(19,169)</u>	<u>23,161</u>
<b>Other comprehensive income/(loss):</b>				
Net fair value changes in available-for-sale financial assets	4,413	1,067	9,992	6,524
Reclassification of previously recognised fair value changes of available-for-sale financial assets	(21)	0	(21)	1,793
<b>Total comprehensive income/(loss) for the period</b>	<u>10,285</u>	<u>(50)</u>	<u>(9,198)</u>	<u>31,478</u>
<b>Profit/(Loss) attributable to:-</b>				
- Owners of the Company	5,832	(1,223)	(19,962)	22,227
- Non-Controlling Interests	61	106	793	934
	<u>5,893</u>	<u>(1,117)</u>	<u>(19,169)</u>	<u>23,161</u>
<b>Total comprehensive income/(loss) attributable to:-</b>				
- Owners of the Company	10,224	(156)	(9,991)	30,544
- Non-Controlling Interests	61	106	793	934
	<u>10,285</u>	<u>(50)</u>	<u>(9,198)</u>	<u>31,478</u>
<b>Earnings/ (Loss) per share</b>				
<b>Basic/Diluted (sen)</b>	2.9	(0.6)	(10.0)	11.1

*(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statement for the year ended 30th June 2017)*

**HEXZA CORPORATION BERHAD** (8705-K)

Condensed Consolidated Statement of Financial Position as at 30 June 2018  
(The figures have not been audited)

	<b>AS AT 30-Jun-18 RM'000</b>	<b>AS AT 30-Jun-17 RM'000</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	36,418	39,408
Finance Lease Receivables	-	22,863
Other investments	143,879	75,883
Identifiable intangible assets	2,129	2,129
<b>Total non-current assets</b>	<b>182,426</b>	<b>140,283</b>
<b>Current Assets</b>		
Inventories	15,766	18,907
Trade & other receivables	20,478	21,367
Finance Lease Receivables	-	5,674
Current tax assets	74	105
Other assets	683	340
Cash and cash equivalents**	21,826	76,839
<b>Total current assets</b>	<b>58,827</b>	<b>123,232</b>
<b>TOTAL ASSETS</b>	<b>241,253</b>	<b>263,515</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	100,190	100,190
Reserves	121,336	141,346
	221,526	241,536
Non-Controlling Interests	6,159	6,581
<b>Total equity</b>	<b>227,685</b>	<b>248,117</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	5,838	6,282
<b>Total non-current liabilities</b>	<b>5,838</b>	<b>6,282</b>
<b>Current liabilities</b>		
Trade & other payables	7,025	8,653
Current tax liabilities	705	463
<b>Total current liabilities</b>	<b>7,730</b>	<b>9,116</b>
<b>TOTAL LIABILITIES</b>	<b>13,568</b>	<b>15,398</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>241,253</b>	<b>263,515</b>
Net assets per share attributable to Owners of the Company (RM)	<b>1.09</b>	<b>1.19</b>

\*\* Cash and cash equivalents include funds placed in trust funds which are held on a short term basis, do not have a fixed maturity tenure and are readily convertible into cash.

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statement for the year ended 30th June 2017)*



**HEXZA CORPORATION BERHAD** (8705-K)

**Condensed Consolidated Statements of Changes in Equity**  
**For the financial period ended 30 June 2018**  
**(The figures have not been audited)**

	← Attributable to Owners of the Company →					
	Share Capital	Non- Distributable Investments Revaluation Reserve	Distributable Retained Earnings	Total Shareholders' Equity	Non-Controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>12 months ended 30 June 2018:</b>						
Balance as of 1 July 2017:	100,190	5,571	135,775	241,536	6,581	248,117
Total comprehensive income for the period	-	9,971	(19,962)	(9,991)	793	(9,198)
Transactions with the owners of the Company :						
Dividend	-	-	(10,019)	(10,019)	(1,215)	(11,234)
<b>Balance as of 30 June 2018</b>	<u>100,190</u>	<u>15,542</u>	<u>105,794</u>	<u>221,526</u>	<u>6,159</u>	<u>227,685</u>
<b>12 months ended 30 June 2017:</b>						
Balance as of 1 July 2016:	100,190	(2,746)	122,565	220,009	6,862	226,871
Total comprehensive income for the period	-	8,317	22,227	30,544	934	31,478
Transactions with the owners of the Company :						
Dividend	-	-	(9,017)	(9,017)	(1,215)	(10,232)
<b>Balance as of 30 June 2017</b>	<u>100,190</u>	<u>5,571</u>	<u>135,775</u>	<u>241,536</u>	<u>6,581</u>	<u>248,117</u>

*(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statement for the year ended 30th June 2017)*

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**HEXZA CORPORATION BERHAD** (8705-K)

**Condensed Consolidated Statement of Cash Flows**  
**For the financial period ended 30 June 2018**  
**(The figures have not been audited)**

	12 months ended	
	30-Jun-18	30-Jun-17
	RM'000	RM'000
<b>Cash Flows From/(Used In) Operating Activities</b>		
(Loss)/Profit before taxation	(16,768)	25,422
Adjustments for:		
Depreciation and amortisation	3,185	3,265
Allowance for doubtful debts	740	-
Inventories written off	25	2
Available-for-sale investment written off	47	-
Gain on disposal of property, plant & equipments / non-current asset held for sale	(9)	(6,693)
Property, plant and equipment written off	16	139
Interest expense	19	20
Dividend income	(2,572)	(3,407)
Unrealised gain on foreign exchange	(2)	(2,584)
Net gain arising from financial assets designated as FVTPL	(1,261)	(452)
Finance lease income	-	(7,054)
Interest income	(162)	(1,052)
Impairment loss of finance lease receivable	28,536	6,948
Reclassification of previously recognised fair value changes of available-for-sale financial assets	(21)	1,793
Loss/ (gain) on disposal of available-for-sale financial assets	1,299	(5,396)
Operating profit before changes in working capital	<u>13,072</u>	<u>10,951</u>
Changes in working capital		
Net change in current assets	2,529	4,355
Net change in current liabilities	(1,234)	1,283
Cash From Operating Activities	<u>14,367</u>	<u>16,589</u>
Dividends received	2,572	3,407
Interest received	1,423	1,503
Income tax paid	(2,706)	(3,936)
Interest paid	(19)	(20)
Income tax refunded	134	-
Net Cash From Operating Activities	<u>15,771</u>	<u>17,543</u>
<b>Cash Flows (Used In)/ From Investing Activities</b>		
Purchase of available-for-sale financial assets	(59,991)	(19,373)
Purchase of property, plant and equipment	(211)	(685)
Proceeds from disposal of property, plant and equipment	9	17,351
Proceeds from finance lease income	-	855
Proceeds from disposal of available-for-sale financial assets	641	20,080
Net Cash (Used In) / From Investing Activities	<u>(59,552)</u>	<u>18,228</u>
<b>Cash Flows Used In Financing Activities</b>		
Dividends paid to owners of the Company	(10,019)	(9,017)
Dividends paid to minority shareholders	(1,215)	(1,215)
Net Cash (Used In) Financing Activities	<u>(11,234)</u>	<u>(10,232)</u>
<b>Net (Decrease) / Increase In Cash And Cash Equivalents</b>	(55,015)	25,539
<b>Cash And Cash Equivalents At Beginning Of Financial Period</b>	76,839	51,418
Effect of exchange rate changes on the balance of cash held in foreign currencies	2	(118)
<b>Cash And Cash Equivalents At End Of Financial Period</b>	<u>21,826</u>	<u>76,839</u>

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statement for the year ended 30th June 2017)*



## **HEXZA CORPORATION BERHAD** (8705-K)

**Interim Report on Consolidated Results for the Fourth Quarter ended 30 June 2018**

### **A NOTES TO THE INTERIM FINANCIAL REPORT**

#### **A1. Accounting policies and method of computation**

These unaudited condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS 134”) and the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad.

The quarterly financial statements under review have been prepared based on the same accounting policies and methods of computation adopted in the most recent Audited Financial Statements for the year ended 30 June 2017.

The Group has adopted all applicable accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (“MASB”) except for those which are not yet effective. The initial adoption of the accounting standards, amendments and interpretations that are effective in the current financial period does not have any significant impact on the Group’s financial statements.

#### **A2. Audit report**

The audit report for the financial year ended 30 June 2017 was not subject to any qualification.



## **HEXZA CORPORATION BERHAD** (8705-K)

Interim Report on Consolidated Results for the Fourth Quarter ended 30 June 2018

### **A3. Seasonal or cyclical factors**

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

### **A4. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence**

There are no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence for the current financial period to date except for the impairment loss of finance lease receivable amounting to RM28.54 million as announced on 7 November 2017.

Hexza had on 30 January 2015 entered into a sale & purchase and lease agreement with Singapore-incorporated Tembusu Industries Pte Ltd (Tembusu). The investment was affected by two reschedules of payment at Tembusu's request and subsequent delay in payments.

Representatives of the Company have met up with the directors of Tembusu over several occasions to discuss on repayment matters, including a proposed sale of assets.

After the proposed sale of assets did not materialise after the given deadline, our representatives have attempted to contact the Singaporean directors of Tembusu, namely Mr Tin Maung Kyin (Pete Tin) and Mr Heng Teck Meng (Harry Heng) before and after the issuance of notice of default to Tembusu and letter of demand to Pete Tin pursuant to his personal guarantee on 7 November 2017. Both Pete Tin and Harry Heng did not respond to our electronic mails, telephone calls and letters delivered by courier.



## **HEXZA CORPORATION BERHAD** (8705-K)

### **Interim Report on Consolidated Results for the Fourth Quarter ended 30 June 2018**

Due to the default by Tembusu and being prudent, the Board of Directors of Hexza has decided to suspend further finance lease interest recognition. The Board of Directors of Hexza has also decided to make a full provision for impairment loss of finance lease receivable amounting to RM28.54 million. The Company had commenced arbitration proceedings and court litigation in Singapore against Tembusu and Pete Tin on 1 March 2018 and 27 July 2018 respectively, as announced previously.

#### **A5. Changes in estimates of amounts reported**

There were no changes in the estimates of amounts reported previously that have a material effect in the current financial quarter other than the finance lease receivable amounting to RM28.54 million, which has now been fully provided.

#### **A6. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial period to date.

#### **A7. Dividend paid**

No dividend was paid during the quarter under review.

The final single-tier dividend of 5.0 sen per share amounting to RM10.019 million in respect of the previous financial year ended 30 June 2017 was paid on 8 December 2017.



## HEXZA CORPORATION BERHAD (8705-K)

Interim Report on Consolidated Results for the Fourth Quarter ended 30 June 2018

### A8. Segment revenue and segment result

Information on business segments for the financial period ended 30 June 2018 is as follows:

	Resins RM'000	Ethanol RM'000	Investment RM'000	Trading RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
<b>REVENUE</b>							
External sales	73,175	23,705	2,572	211	481	-	100,144
Inter-segment sales	-	299	20,746	2,398	-	(23,443)	-
Total revenue	73,175	24,004	23,318	2,609	481	(23,443)	100,144
<b>RESULT</b>							
Operating profit/(loss)	4,851	5,952	(6,909)	(126)	(1)	(20,639)	(16,872)
Interest expense							(19)
Interest income							123
Taxation							(2,401)
Loss after tax							(19,169)

### A9. Material subsequent event

There are no material events subsequent to the end of period reported on to the date of this report which have not been reflected in the financial statements for the quarter ended 30 June 2018.

### A10. Change in composition of the Group

There are no changes in the composition of the Group for the current financial period to date including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.





## HEXZA CORPORATION BERHAD (8705-K)

Interim Report on Consolidated Results for the Fourth Quarter ended 30 June 2018

### A11. Contingent liabilities or contingent assets

There is no change in contingent liabilities or contingent assets since the last annual statement of financial position to the date of this report.

## B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### B1. Review of performance

#### (a) 4<sup>th</sup> Quarter of FY 2018 (“4Q18”) compared with 4<sup>th</sup> Quarter of FY 2017 (“4Q17”)

The Group’s performance for the current quarter compared to previous corresponding quarter is as follows:

	Quarter ended		Variance	
	30/06/2018 RM'000	30/06/2017 RM'000	RM'000	%
Revenue				
- Resin	19,324	18,474	850	4.6
- Ethanol	6,188	5,698	490	8.6
- Investment	287	1,406	(1,119)	(79.6)
- Trading	211	-	211	not applicable
- Others	99	120	(21)	(17.5)
	<u>26,109</u>	<u>25,698</u>	<u>411</u>	



## HEXZA CORPORATION BERHAD (8705-K)

### Interim Report on Consolidated Results for the Fourth Quarter ended 30 June 2018

	Quarter ended		Variance	
	30/06/2018	30/06/2017	RM'000	%
	RM'000	RM'000	RM'000	%
Profit/(Loss) before tax				
- Resin	510	998	(488)	(48.9)
- Ethanol	1,394	1,280	114	8.9
- Investment				
- investment in securities	4,355	314	4,041	1,286.9
- Trading	(27)	96	(123)	(128.1)
- Others	(17)	40	(57)	(142.5)
	6,215	2,728	3,487	
- Investment				
- investment in finance lease	-	(2,793)	2,793	not applicable
	6,215	(65)	6,280	

The Group recorded a turnover of RM26.11 million in 4Q18, an increase of 1.6% compared to RM25.70 million in 4Q17. A profit before tax of RM6.22 million was recorded in 4Q18 vs a loss before tax of RM0.07 million in 4Q17.

The performance of the operating business segments is as follows:

### **Resins segment**

Turnover for 4Q18 increased 4.6% to RM19.32 million from RM18.47 million in 4Q17 due to an increase in both sales volume and average selling price.

Profit before tax for 4Q18 decreased 48.9% to RM0.51 million from RM1.00 million in 4Q17 mainly due to a provision for doubtful debts of RM0.74 million, which was partially offset by a slight recovery in gross margin.



## **HEXZA CORPORATION BERHAD** (8705-K)

**Interim Report on Consolidated Results for the Fourth Quarter ended 30 June 2018**

### **Ethanol segment**

Turnover for 4Q18 increased 8.6% to RM6.19 million from RM5.70 million in 4Q17 due to higher sales volume while average selling price remained relatively flat.

Profit before tax for 4Q18 increased 8.9% to RM1.39 million from RM1.28 million in 4Q17 mainly due to higher sales volume, which was partially offset by lower production efficiency.

### **Investment segment**

A profit before tax of RM4.36 million was recorded in 4Q18 vs a loss before tax of RM2.48 million in 4Q17. The improvement was partially due to a gain of RM4.32 million from reversal of unrealised foreign exchange loss in 4Q18 vs unrealised foreign exchange loss of RM1.72 million in 4Q17. However, the dividends received from quoted and unquoted shares as well as money market funds were lower at RM0.29 million in 4Q18 compared to RM1.41 million in 4Q17.

The loss in 4Q17 was also due to impairment loss of RM2.92 million in relation to our investment in power generation equipment in Myanmar, which was partially offset by recognition of finance lease interest amounting to RM1.76 million during the quarter. The Board of Directors has in the 1<sup>st</sup> quarter ended 30 September 2017 decided to suspend further finance lease interest recognition.



## HEXZA CORPORATION BERHAD (8705-K)

**Interim Report on Consolidated Results for the Fourth Quarter ended 30 June 2018**

### **(b) Current year-to-date (“FY2018”) compared with year-to-date of FY 2017 (“FY2017”)**

	Year ended		Variance	
	12 months ended			
	30/06/2018	30/06/2017	RM'000	%
	RM'000	RM'000	RM'000	
Revenue				
- Resin	73,175	74,746	(1,571)	(2.1)
- Ethanol	23,705	34,182	(10,477)	(30.7)
- Investment	2,572	3,407	(835)	(24.5)
- Trading	211	-	211	not applicable
- Others	481	442	39	8.8
	<u>100,144</u>	<u>112,777</u>	<u>(12,633)</u>	

	Year ended		Variance	
	12 months ended			
	30/06/2018	30/06/2017	RM'000	%
	RM'000	RM'000	RM'000	
Profit/(Loss) before tax				
- Resin	6,058	13,103	(7,045)	(53.8)
- Ethanol	4,890	4,661	229	4.9
- Investment				
- investment in securities	948	6,353	(5,405)	(85.1)
- Trading	(128)	105	(233)	(221.9)
- Others	-	48	(48)	(100.0)
	<u>11,768</u>	<u>24,270</u>	<u>(12,502)</u>	
- Investment				
- investment in finance lease	(28,536)	1,152	(29,688)	(2,577.1)
	<u>(16,768)</u>	<u>25,422</u>	<u>(42,190)</u>	

The Group recorded a turnover of RM100.14 million in FY2018, an 11.2% decrease compared to RM112.78 million in FY2017. A loss before tax of RM16.77 million was recorded in FY2018 vs a profit before tax of RM25.42 million in FY2017.



## **HEXZA CORPORATION BERHAD** (8705-K)

**Interim Report on Consolidated Results for the Fourth Quarter ended 30 June 2018**

The performance of the operating business segments is as follows:

### **Resins segment**

Turnover for FY2018 decreased 2.1% to RM73.18 million from RM74.75 million in FY2017 due to a decrease in sales volume, which was largely offset by an increase in average selling price. The decrease in sales volume was due to the log supply issues faced by our customers.

Profit before tax for FY2018 decreased 53.8% to RM6.06 million from RM13.10 million in FY2017 mainly due to the recognition of a one-off gain on disposal of assets amounting to RM6.56 million in FY2017 by Norsechem Resins Sdn Bhd. Excluding the one-off gain, operating profit in FY2018 was slightly lower compared to FY2017 mainly due to a provision for doubtful debts of RM0.74 million.

### **Ethanol segment**

The Excise Duties (Amendment) Order 2016 came into effect on 10 October 2016, whereby the excise duty of potable alcohol is now levied on the finished products and paid by the bottlers. Correspondingly, our ethanol segment's turnover, which previously included excise duty for potable alcohol, decreased 30.7% to RM23.70 million in FY2018 from RM34.18 million in FY2017.

Profit before tax for FY2018 increased 4.9% to RM4.89 million from RM4.66 million in FY2017 mainly due to a slight increase in sales volume.



## HEXZA CORPORATION BERHAD (8705-K)

Interim Report on Consolidated Results for the Fourth Quarter ended 30 June 2018

### Investment segment

A loss before tax of RM27.59 million was recorded in FY2018 vs a profit before tax of RM7.51 million in FY2017 mainly due to the full provision amounting to RM28.54 million for our investment in power generation equipment in Myanmar.

In addition, loss on disposal of quoted shares of RM1.30 million was recorded in FY2018 as opposed to gain on disposal of quoted shares of RM3.60 million in FY2017.

### **B2. Comparison of results for the 4<sup>th</sup> Quarter of FY 2018 (“4Q18”) against immediate preceding 3<sup>rd</sup> Quarter of FY 2018 (“3Q18”)**

The Group’s performance for the current quarter compared to immediate preceding quarter is as follows:

	Quarter ended		Variance	
	30/06/2018	31/03/2018	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue				
- Resin	19,324	16,327	2,997	18.4
- Ethanol	6,188	5,993	195	3.3
- Investment	287	321	(34)	(10.6)
- Trading	211	-	211	-
- Others	99	118	(19)	(16.1)
	<u>26,109</u>	<u>22,759</u>	<u>3,350</u>	



## HEXZA CORPORATION BERHAD (8705-K)

### Interim Report on Consolidated Results for the Fourth Quarter ended 30 June 2018

	Quarter ended		Variance	
	30/06/2018	31/03/2018	RM'000	%
Profit/(Loss) before tax				
- Resin	510	973	(463)	(47.6)
- Ethanol	1,394	1,236	158	12.8
- Investment	4,355	(3,563)	7,918	not applicable
- Trading	(27)	(43)	16	not applicable
- Others	(17)	5	(22)	(440.0)
	<u>6,215</u>	<u>(1,392)</u>	<u>7,607</u>	

Turnover for 4Q18 increased 14.7% to RM26.11 million from RM22.76 million in 3Q18.

A profit before tax of RM6.22 million was recorded in 4Q18 vs a loss before tax of RM1.39 million in 3Q18 mainly due to a gain of RM4.32 million from reversal of unrealised foreign exchange loss in 4Q18 vs unrealised foreign exchange loss of RM2.19 million in 3Q18. A loss on disposal of quoted shares amounting to RM1.30 million was also recorded in 3Q18.

### B3. Prospects

Profit before tax for our ethanol division is expected to recover from the impact of the excise duty hike for locally produced compounded hard liquor imposed in October 2016 as we compensate for the fall in sales volume of potable alcohol by acquiring new customers and developing new products. We expect our ethanol division to record an increase in profit before tax for the financial year ending 30 June 2019.



## HEXZA CORPORATION BERHAD (8705-K)

### Interim Report on Consolidated Results for the Fourth Quarter ended 30 June 2018

Our resins division is expected to operate in a challenging environment due to lower sales volume arising from log supply issues faced by our customers involved in plywood manufacturing. Rising raw material prices coupled with further strengthening of the US Dollar would also add pressure on profit margins. Nevertheless, we aspire to maintain our profit margins while working closely with existing clients to increase sales volume. Despite the challenging outlook, we expect our resins division to maintain more or less the same level of profit before tax for the financial year ending 30 June 2019.

As the full provision for our investment in power generation equipment in Myanmar is a non-recurring item, we expect our investment division to return to profitability in the financial year ending 30 June 2019.

#### B4. Comparison with profit forecast

This note is not applicable.

#### B5. Income tax

Taxation comprises:

	Quarter ended 3 months ended		Year to date 12 months ended	
	30/06/2018 RM'000	30/06/2017 RM'000	30/06/2018 RM'000	30/06/2017 RM'000
Estimated current Malaysian taxation	555	472	2,993	3,182
Deferred taxation	(85)	1,720	(444)	265
	470	2,192	2,549	3,447
(Over)/Under provision in prior years				
- income tax	(148)	111	(148)	65
- deferred tax	-	(1,407)	-	(1,407)
Real Property Gain Tax	-	156	-	156
	322	1,052	2,401	2,261





## HEXZA CORPORATION BERHAD (8705-K)

### Interim Report on Consolidated Results for the Fourth Quarter ended 30 June 2018

The effective tax rate of the Group for the current year to date is higher than the statutory rate of tax applicable mainly due to the losses suffered by the Company.

#### B6. Profit/(Loss) before taxation

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

	Quarter ended		Year to date	
	30/06/2018	30/06/2017	30/06/2018	30/06/2017
	RM'000	RM'000	RM'000	RM'000
Depreciation and amortisation	791	814	3,185	3,265
Allowance for doubtful debts	740	-	740	-
Reclassification of previously recognized fair value changes of available-for-sale investments	-	(9)	(21)	1,793
Loss/(Gain) on disposal of available-for-sale investment	1	26	1,299	(5,396)
(Gain)/Loss on disposal of property, plant and equipment	(9)	35	(9)	(6,693)
Property, plant and equipment written off	11	(19)	16	139
Inventories written off	25	2	25	2
Available-for-sale investment written off	47	-	47	-
Interest expense	6	2	19	20
Interest income	(81)	(112)	(162)	(1,052)
Impairment loss of finance lease receivable	-	2,919	28,536	6,948
Finance lease income	-	(1,764)	-	(7,054)
Net gain arising from financial assets designated as FVTPL	(170)	(364)	(1,261)	(452)
Net unrealized (gain)/loss on foreign exchange	(4,322)	1,724	(2)	(2,584)

Other than the above items, there were no write off of receivables, provision for inventory, gain or loss on disposal of unquoted investment, gain or loss on derivatives and exceptional items for the current quarter or financial year-to-date.



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### B7. Status of corporate proposals

There are no corporate proposals announced as at the date of this report.

### B8. Group borrowings and debt securities

There were no group borrowing and debt securities as at the end of the current quarter.

### B9. Changes in material litigation

There were no material changes in litigation since the end of the last reporting period.

### B10. Dividend

No interim dividend was declared for the current quarter under review.

### B11. Earnings per share

The basic and diluted earnings/(loss) per share are calculated as follows:

	Quarter ended 3 months ended		Year to date 12 months ended	
	30/06/2018	30/06/2017	30/06/2018	30/06/2017
	RM'000	RM'000	RM'000	RM'000
Net profit/(loss) attributable to Owners of the Company(RM'000)	5,832	(1,223)	(19,962)	22,227
Weighted average number of ordinary shares	200,380,036	200,380,036	200,380,036	200,380,036
Basic/Diluted earning/(loss) per share(sen)	2.9	(0.6)	(10.0)	11.1



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### B12. Disclosure of realised and unrealised profits

	As at 30/06/2018 RM'000	As at 30/06/2017 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	103,380	131,011
- Unrealised	2,414	4,764
	<hr/>	<hr/>
Total group retained profits as per consolidated accounts	105,794	135,775

The disclosure of realised and unrealised profits is made solely for complying with the disclosure requirements as stipulated in the directives of Bursa Malaysia Securities Berhad and is not made for any other purposes.

### B13. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 24 August 2018.