

**MALAYAN FLOUR MILLS BERHAD (4260-M)**  
(Incorporated in Malaysia)  
**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET**  
As at 30 September 2017

	(Unaudited) As at 30.09.2017 RM '000	(Audited) As at 31.12.2016 RM '000
<b>Assets</b>		
Property, plant and equipment	717,218	662,145
Intangible assets	809	943
Investment properties	5,181	5,223
Investment in a joint venture	47,337	44,563
Investment in an associate	1,133	992
Deferred tax assets	16,095	15,570
Other investment	2,213	2,213
<b>Total non-current assets</b>	<b>789,986</b>	<b>731,649</b>
Trade and other receivables, including derivatives	411,331	471,916
Prepayments and other assets	12,946	6,729
Inventories	450,195	455,146
Biological assets	57,206	49,944
Current tax assets	1,782	1,499
Cash and cash equivalents	331,175	371,190
<b>Total current assets</b>	<b>1,264,635</b>	<b>1,356,424</b>
<b>Total assets</b>	<b>2,054,621</b>	<b>2,088,073</b>
<b>Equity</b>		
Share capital	377,501	275,120
Reserves	466,447	557,985
<b>Total equity attributable to owners of the Company</b>	<b>843,948</b>	<b>833,105</b>
<b>Non-controlling interests</b>	<b>76,124</b>	<b>84,292</b>
<b>Total equity</b>	<b>920,072</b>	<b>917,397</b>
<b>Liabilities</b>		
Deferred tax liabilities	10,420	5,770
Loans and borrowings	61,645	56,792
<b>Total non-current liabilities</b>	<b>72,065</b>	<b>62,562</b>
Trade and other payables, including derivatives	145,325	172,245
Loans and borrowings	914,323	933,458
Current tax liabilities	2,836	2,411
<b>Total current liabilities</b>	<b>1,062,484</b>	<b>1,108,114</b>
<b>Total liabilities</b>	<b>1,134,549</b>	<b>1,170,676</b>
<b>Total equity and liabilities</b>	<b>2,054,621</b>	<b>2,088,073</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>1.53</b>	<b>1.51</b>

The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

**MALAYAN FLOUR MILLS BERHAD (4260-M)**  
(Incorporated in Malaysia)  
**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT**  
For the financial period ended 30 September 2017

	Note	3 months ended		Financial Period Ended	
		30.09.2017	30.09.2016	30.09.2017	30.09.2016
		RM '000	RM '000	RM '000	RM '000
<b>Revenue</b>		630,973	614,400	<b>1,811,074</b>	1,889,347
Cost of goods sold		(557,261)	(554,105)	<b>(1,594,343)</b>	(1,686,825)
<b>Gross profit</b>		<b>73,712</b>	60,295	<b>216,731</b>	202,523
Operating expenses		(47,153)	(43,770)	<b>(132,267)</b>	(124,192)
<b>Results from operating activities</b>		<b>26,559</b>	16,525	<b>84,464</b>	78,331
Interest expense		<b>(6,516)</b>	(5,707)	<b>(18,511)</b>	(16,549)
Interest income		<b>3,124</b>	2,974	<b>10,260</b>	8,516
<b>Net finance expenses</b>		<b>(3,392)</b>	(2,733)	<b>(8,251)</b>	(8,033)
Share of profit of equity accounted joint venture, net of tax		<b>3,351</b>	1,205	<b>5,586</b>	6,148
Share of (loss)/profit of equity accounted associate, net of tax		<b>(16)</b>	310	<b>(29)</b>	341
<b>Profit before tax</b>		<b>26,502</b>	15,307	<b>81,770</b>	76,787
Tax expense	17	<b>(3,061)</b>	(1,441)	<b>(15,260)</b>	(9,212)
<b>Profit for the period</b>		<b>23,441</b>	13,866	<b>66,510</b>	67,575
<b>Profit attributable to:</b>					
Owners of the Company		<b>23,514</b>	13,828	<b>64,573</b>	62,105
Non-controlling interests		<b>(73)</b>	38	<b>1,937</b>	5,470
<b>Profit for the period</b>		<b>23,441</b>	13,866	<b>66,510</b>	67,575
<b>Basic earnings per ordinary share (sen)</b>	22	<b>4.27</b>	2.51	<b>11.73</b>	11.29
<b>Diluted earnings per ordinary share (sen)</b>	22	<b>N/A</b>	2.51	<b>11.73</b>	11.29

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

**MALAYAN FLOUR MILLS BERHAD (4260-M)**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the financial period ended 30 September 2017

	3 months ended		Financial Period Ended	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016
	RM '000	RM '000	RM '000	RM '000
<b>Profit for the period</b>	<b>23,441</b>	13,866	<b>66,510</b>	67,575
<b>Other comprehensive income, net of tax</b>				
Foreign currency translation differences for foreign operations	<b>(7,443)</b>	7,777	<b>(21,307)</b>	(7,663)
<b>Total comprehensive income for the period</b>	<b>15,998</b>	21,643	<b>45,203</b>	59,912
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	<b>16,909</b>	20,326	<b>46,515</b>	55,676
Minority interests	<b>(911)</b>	1,317	<b>(1,312)</b>	4,236
<b>Total comprehensive income for the period</b>	<b>15,998</b>	21,643	<b>45,203</b>	59,912

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

**MALAYAN FLOUR MILLS BERHAD (4260-M)**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the financial period ended 30 September 2017

	←——— Attributable to Owners of the Company ———→				Total RM '000	Non- controlling interests RM '000	Total Equity RM '000
	Share Capital RM '000	Reserve attributable to Capital RM '000	Reserve attributable to Revenue RM '000	Retained Earnings RM '000			
<b>Balance at 1.1.2016</b>	275,120	132,747	(19,764)	382,998	771,101	80,603	851,704
Total comprehensive income for the year	-	-	10,121	80,835	90,956	14,159	105,115
Retained earnings reinvested as a capital contribution in a subsidiary	-	10,422	-	(10,422)	-	-	-
Issuance of shares pursuant to the exercise of warrants	0*	-	-	-	0*	-	0*
Dividends to owners of the Company	-	-	-	(27,512)	(27,512)	-	(27,512)
Dividends to non-controlling interests	-	-	-	-	-	(2,878)	(2,878)
Changes in ownership interests in subsidiaries	-	-	-	(1,440)	(1,440)	(7,592)	(9,032)
<b>Balance at 31.12.2016</b>	<b>275,120</b>	<b>143,169</b>	<b>(9,643)</b>	<b>424,459</b>	<b>833,105</b>	<b>84,292</b>	<b>917,397</b>
<b>Balance at 1.1.2017</b>	275,120	143,169	(9,643)	424,459	833,105	84,292	917,397
Total comprehensive income for the period	-	-	(18,058)	64,573	46,515	(1,312)	45,203
Issuance of shares pursuant to the exercise of warrants	95	-	-	-	95	-	95
Transfer of reserves upon expiry of warrants (note a)	33,368	(33,368)	-	-	-	-	-
Dividends to owners of the Company	-	-	-	(35,767)	(35,767)	-	(35,767)
Dividends to non-controlling interests	-	-	-	-	-	(6,856)	(6,856)
Transfer pursuant to Companies Act 2016 (note b)	68,918	(68,918)	-	-	-	-	-
<b>Balance at 30.09.2017</b>	<b>377,501</b>	<b>40,883</b>	<b>(27,701)</b>	<b>453,265</b>	<b>843,948</b>	<b>76,124</b>	<b>920,072</b>

\* 50 new ordinary shares of RM0.50 each were issued pursuant to the exercise of warrants.

**Note a**

As at the Expiry Date of the warrants on 9 May 2017, the warrant reserves were transferred to share capital account pursuant to the new Companies Act 2016 effective from 31 January 2017, as elaborated in Note b.

**Note b**

Effective from 31 January 2017, the new Companies Act 2016 ("the Act") abolished the concept of authorised share capital and par value of share capital. Consequently, during the period, the Company transferred the credit standing in the share premium account of RM68.918 million to the share capital account pursuant to the transitional provision set out in Section 618(2) of the Act. Notwithstanding this provision, the Company may within 24 months from the commencement of the Act, use this amount for purposes as set out in Section 618(3) of the Act. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any members of the Company as a result of this transition.

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the audited financial statements for year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

**MALAYAN FLOUR MILLS BERHAD (4260-M)**  
**(Incorporated in Malaysia)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the financial period ended 30 September 2017**

	9 months ended	
	30.09.2017	30.09.2016
	RM'000	RM'000
<b>Cash Flows From Operating Activities</b>		
Profit before tax	81,770	76,787
Adjustments for:		
Amortisation and depreciation	39,716	33,627
Gain on disposal of property, plant and equipment	(92)	(118)
Impairment loss on property, plant and equipment	-	2,269
Interest expense	18,511	16,549
Interest income	(10,260)	(8,516)
Property, plant and equipment and intangible assets written off	62	405
Share of profit of equity accounted jointly controlled entity, net of tax	(5,586)	(6,149)
Share of loss/(profit) of equity accounted associate, net of tax	29	(341)
Net unrealised loss/(gain) on foreign exchange	4,036	(2,565)
Operating profit before changes in working capital	<u>128,186</u>	111,948
Inventories	(3,641)	1,096
Biological assets	(7,262)	1,350
Trade and other receivables, prepayment and other financial assets	28,877	(29,726)
Trade and other payables and other financial liabilities	<u>(24,931)</u>	<u>(29,096)</u>
Cash generated from operations	121,229	55,572
Net income tax paid	(10,936)	(12,367)
Interest received	10,260	8,516
Interest paid	<u>(18,511)</u>	<u>(16,549)</u>
Net cash generated from operating activities	<u>102,042</u>	35,172
<b>Cash Flows From Investing Activities</b>		
Acquisition of non-controlling interests in subsidiaries	-	(9,032)
Acquisition of property, plant and equipment and intangible assets	(101,970)	(59,938)
Increase in investment in a joint venture	-	(2,772)
Proceeds from disposal of property, plant and equipment	187	174
Net cash used in investing activities	<u>(101,783)</u>	<u>(71,568)</u>
<b>Cash Flows From Financing Activities</b>		
Dividends paid to owners of the Company	(35,767)	(27,512)
Dividends paid to non-controlling interests	(6,856)	(2,878)
Net proceeds from loans and borrowings	18,300	63,134
Proceeds from issuance of shares pursuant to the exercise of warrants	95	-
Net cash (used in)/from financing activities	<u>(24,228)</u>	32,744
<b>Net decrease In Cash and Cash Equivalents</b>	<u>(23,969)</u>	(3,652)
Effect of exchange rate fluctuations on cash held	(16,046)	(5,743)
<b>Cash and Cash Equivalents at Beginning of Year</b>	<u>371,190</u>	273,677
<b>Cash and Cash Equivalents at End of Financial Period</b>	<u><u>331,175</u></u>	<u><u>264,282</u></u>

**Cash and Cash Equivalents**

Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise:-

	9 months ended	
	30.09.2017	30.09.2016
	RM'000	RM'000
Deposits placed with licensed banks	246,616	227,988
Cash and bank balances	84,559	36,294
	<u>331,175</u>	<u>264,282</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

**1. Basis of preparation**

This condensed consolidated interim financial statements (Condensed Report) has been prepared in accordance with MFRS134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This condensed report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016.

**2. Significant accounting policies**

The audited financial statements of the Group for the year ended 31 December 2016 were prepared in accordance with MFRS. The significant accounting policies adopted in preparing this Condensed Report are consistent with those of the audited financial statements for the year ended 31 December 2016, except for those standards, amendments and IC interpretation which are effective from the annual period beginning on or after 1 January 2017. The adoption of these standards, amendments and IC interpretations have no material impact on this Condensed Report.

**3. Seasonal or Cyclical Factors**

There were no material changes brought about by seasonal or cyclical factors that affect the performance of the Group for the financial period under review.

**4. Unusual Items Due to Their Nature, Size or Incidence**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows because of their nature, size or incidence for the financial period-to-date.

**5. Changes in Estimates**

There were no changes in estimates that have had any material effect on the financial period-to-date results.

**6. Debt and Equity Securities**

During the current period, 46,330 warrants were exercised up to 9 May 2017, the expiry date of the warrants ["Expiry Date"] which resulted in 46,330 new ordinary shares at the issue price of RM2.06 each being issued and thereafter listed on the Main Market of Bursa Securities. Accordingly, the issued and paid-up share capital of the Company increased to RM275,214,969.80 comprising 550,285,390 ordinary shares.

As at the Expiry Date, 107,593,176 warrants which remained unexercised ["Unexercised Warrants"] and accordingly, the Unexercised Warrants became null and void and ceased to be exercisable. The Unexercised Warrants were removed from the official list of Bursa Securities with effect from 11 May 2017.

Other than the above, there were no issuances, repurchases and repayment of debt and equity securities during the financial period ended 30 September 2017.

**7. Dividend**

The second interim single tier dividend of 3.5 sen per ordinary share in respect of the financial year ended 31 December 2016, amounting to RM19,258,372 was paid on 24 March 2017.

The interim single tier dividend of 3.0 sen per ordinary share in respect of the current financial year ending 31 December 2017, amounting to RM16,508,562 was paid on 19 September 2017.

The Directors do not recommend any payment of dividend for the current financial period ended 30 September 2017.

**8. Events After the Reporting Period**

There were no material events subsequent to the end of the financial period that would affect the financial results for the current financial period under review.

**9. Contingent Liabilities or Assets**

Since the last annual balance sheet as at 31 December 2016, the Company had been discharged from its obligations under the corporate guarantee of USD10.5 million in accordance with terms and conditions of the corporate guarantee. In the same period, the Company had provided a new proportionate corporate guarantee of USD6.0 million for financing facilities granted by another financial institution to the joint venture company, PT Bungasari Flour Mills Indonesia.

**MALAYAN FLOUR MILLS BERHAD (4260-M)**  
**Notes to the Financial Report for the Financial Period Ended 30 September 2017**

**10. Capital Commitments**

	As at 30.09.2017 RM'000	As at 31.12.2016 RM'000
<b>Property, plant and equipment</b>		
Authorised but not contracted for	243,827	575,964
Contracted but not provided for	354,411	118,300

The authorised but not contracted for amount of RM243.8 million includes a sum of RM243.4 million relating to expansion projects in poultry integration which is expected to be incurred over the next 3 years.

**11. Changes in Composition of the Group**

On 20 April 2017, the Company had increased its investment in the capital of its wholly-owned subsidiary, MFM Ltd. from USD100 to USD71,529 by subscribing in cash of USD71,429, divided into 71,429 ordinary shares.

On 18 May 2017, the Company had increased its investment in the capital of its wholly-owned subsidiary, AVIOTA Sdn Bhd from RM2 to RM350,000 by subscribing in cash of RM349,998, divided into 349,998 ordinary shares.

**12. Segmental Information**

**Results for 9 months ended 30 September 2017**

	Flour and grains trading RM'000	Poultry integration RM'000	Others RM'000	Total RM'000
Total segment revenue	1,246,796	619,774	-	1,866,570
Eliminations- inter-segment	(27,193)	(28,303)	-	(55,496)
<b>Revenue from external customers</b>	<b>1,219,603</b>	<b>591,471</b>	<b>-</b>	<b>1,811,074</b>
Results from operating activities	50,927	33,581	(44)	84,464
Interest expense				(18,511)
Interest income				10,260
Share of profit of equity accounted joint venture, net of tax				5,586
Share of loss of equity accounted associate, net of tax				(29)
<b>Profit before tax</b>				<b>81,770</b>

**Results for 9 months ended 30 September 2016**

	Flour and grains trading RM'000	Poultry integration RM'000	Others RM'000	Total RM'000
Total segment revenue	1,322,437	621,115	-	1,943,552
Eliminations- inter-segment	(37,572)	(16,633)	-	(54,205)
<b>Revenue from external customers</b>	<b>1,284,865</b>	<b>604,482</b>	<b>-</b>	<b>1,889,347</b>
Results from operating activities	34,377	43,927	27	78,331
Interest expense				(16,549)
Interest income				8,516
Share of profit of equity accounted joint venture, net of tax				6,148
Share of profit of equity accounted associate, net of tax				341
<b>Profit before tax</b>				<b>76,787</b>

### **13. Performance Review**

For the quarter ended 30 September 2017 (Q3 2017), the Group recorded a revenue of RM631.0 million, an increase of 2.7% from RM614.4 million registered in 30 September 2016 (Q3 2016). This was mainly attributable to higher sales in flour and grains trading segment but was partially offset by lower sales recorded in poultry integration segment.

The Group recorded a profit before tax (PBT) amounting to RM26.5 million in Q3 2017 as compared to RM15.3 million in Q3 2016. This was mainly due to higher profit in flour and grains trading segment coupled with higher share of profit of equity accounted joint venture in Q3 2017.

Revenue decreased by 4.1% to RM1,811.1 million for the financial period ended 30 September 2017 as compared to RM1,889.3 million posted in the corresponding period in the preceding year. This was mainly due to lower sales volume recorded in flour and grains trading segment in 2017. For the financial period ended 30 September 2017, PBT increased by 6.5% to RM81.8 million as compared to RM76.8 million recorded in the same period in preceding year. This was mainly attributable to higher margins in flour and grains trading segment, mainly arising from net unrealised gain on future and option contracts recorded in flour and grain trading segment in 2017.

#### **Flour and grains trading**

The flour and grains trading segment recorded a revenue of RM441.4 million in Q3 2017 as compared to RM397.4 million in Q3 2016 mainly due to higher sales volume in Q3 2017. There was an operating profit of RM17.5 million in Q3 2017 as compared to an operating loss of RM2.4 million in Q3 2016. This was mainly due to higher margins arising from net unrealised gain on future and option contracts in Q3 2017.

The flour and grains trading segment registered a revenue of RM1,219.6 million for the 9 months ended 30 September 2017, a 5.1% decrease as compared to RM1,284.9 million posted in the same period of the preceding year due to lower sales volume in 2017. The operating profit for the 9 months ended 30 September 2017 rose 48.1% to RM50.9 million as compared to RM34.4 million posted in the same period in the preceding year mainly due to net unrealised gain on future and option contracts in 2017.

#### **Poultry integration**

The poultry integration segment recorded a decrease of 12.6% in revenue to RM189.6 million in Q3 2017 as compared to RM217.0 million in Q3 2016 mainly due to lower sales volume and live birds selling price in Q3 2017. In Q3 2017, the poultry integration posted an operating profit of RM9.1 million as compared to RM18.9 million in Q3 2016 mainly due to a lower margins arising from lower live birds selling price coupled with higher delivery expenses in poultry processed products.

The poultry integration segment recorded a 2.2% decrease in revenue to RM591.5 million for the 9 months ended 30 September 2017 as compared to RM604.5 million for the same period in the preceding year mainly due to lower sales volume in 2017. The segment had registered a lower operating profit of RM33.6 million for the 9 months ended 30 September 2017 as compared to an operating profit of RM43.9 million posted in the same period in the preceding year. The decrease was mainly due to lower margins in the segment coupled with higher delivery expenses in poultry processed products but partially offset by an increase of RM5.7 million in net fair value gain on biological assets in the 9 months ended 30 September 2017. In 2016, there was a one-off insurance recovery of RM4.2 million.

### **14. Material Changes in Quarterly Results compared to the Results of the Preceding Quarter**

For Q3 2017, the Group recorded a revenue of RM631.0 million which represented an increase of 9.6% from RM575.9 million registered in the quarter ended 30 June 2017 (Q2 2017), mainly due to higher sales volume recorded in flour and grains trading segment in Q3 2017. The Group recorded a profit before tax of RM26.5 million in Q3 2017 as compared to a profit before tax of RM21.5 million registered in Q2 2017, mainly due to higher margins arising from higher net realised and unrealised gain on future and option contracts in flour and grains trading segment in Q3 2017.

### **15. Prospects**

The global economic environment continues to be uncertain and commodity prices and foreign exchange rates remain volatile. Despite these uncertainties, and the competitive market environment, the Board expects the Group's performance in 2017 to remain favourable.

### **16. Variance of Actual from Forecast Profit After Tax and Profit Guarantee**

- (a) Profit forecast : Not applicable
- (b) Profit guarantee: Not applicable

**MALAYAN FLOUR MILLS BERHAD (4260-M)**  
**Notes to the Financial Report for the Financial Period Ended 30 September 2017**

**17. Income Tax Expense**

		3 months ended		9 months ended	
		30.09.2017	30.09.2016	30.09.2017	30.09.2016
		RM'000	RM'000	RM'000	RM'000
Current income tax					
Malaysian	- current year	(1,683)	(658)	2,157	385
	- prior year	712	(158)	712	(158)
Overseas	- current year	2,439	2,257	6,729	8,985
	- prior years	-	-	1,537	-
Deferred tax	- Origination and reversal of temporary difference	1,222	-	4,125	-
	- Recognition of previously unrecognised temporary difference	371	-	-	-
		<u>3,061</u>	<u>1,441</u>	<u>15,260</u>	<u>9,212</u>

Excluding the underprovision of tax in prior years, the Group's effective tax rate for the current income tax during the quarter was lower than the Malaysia statutory tax rate of 24% due to tax incentives in Vietnam and utilisation of tax losses in Malaysia.

**18. Disclosure of Realised and Unrealised Profits/(Losses)**

	As at 30.09.2017	As at 31.12.2016
	RM'000	RM'000
Realised	451,492	439,475
Unrealised	18,868	10,357
	<u>470,360</u>	<u>449,832</u>
Add: Consolidation adjustments	(17,095)	(25,373)
Total retained earnings	<u>453,265</u>	<u>424,459</u>

**19. Status of Corporate Proposals**

There were no new proposals announced as at 3 November 2017, the latest practicable date which is not earlier than seven (7) days from the date of this report.

**20. Group's Borrowings and Debt Securities**

The details of the Group's borrowings as at 30 September 2017 were as follows:

	As at 30.09.2017	As at 31.12.2016
	RM'000	RM'000
<b>Unsecured Long Term Borrowings</b>		
Denominated in Ringgit Malaysia	<u>61,645</u>	<u>56,792</u>
<b>Unsecured Short Term Borrowings</b>		
Denominated in Ringgit Malaysia	405,743	330,572
Denominated in US Dollar	508,580	602,886
	<u>914,323</u>	<u>933,458</u>

**MALAYAN FLOUR MILLS BERHAD (4260-M)**  
**Notes to the Financial Report for the Financial Period Ended 30 September 2017**

**21. Changes in Material Litigation**

There was no material litigation action since the last annual balance sheet date to the date of this report.

**22. Earnings Per Share ("EPS")**

**(a) Basic Earnings Per Ordinary Share**

Basic earnings per ordinary 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.

	3 months ended		9 months ended	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016
	RM'000	RM'000	RM'000	RM'000
Profit attributable to ordinary shareholders of the Company	23,514	13,828	64,573	62,105
Weighted average number of Ordinary Shares in issue for basic EPS computation ('000)	550,285	550,239	550,265	550,239
Dilutive potential ordinary shares - Assumed exercise of Warrants	-	-	-	-
Weighted average number of Ordinary Shares in issue for diluted EPS computation ('000)	N/A	550,239	550,265	550,239
Basic earnings per ordinary share (sen)	4.27	2.51	11.73	11.29
Diluted earnings per ordinary share (sen)	N/A	2.51	11.73	11.29

**(b) Diluted Earnings Per Ordinary Share**

The diluted earnings per ordinary 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 after adjustment for the effects of all dilutive potential ordinary shares comprising Warrants.

The Warrants are anti-dilutive for the current year up to 9 May 2017, the expiry date of the Warrants ["Expiry Date"] as the Warrants exercise price was higher than the average market price of the Company's shares during the period. Accordingly, the exercise of Warrants has been ignored in the calculation of dilutive earnings per ordinary share. The Company does not have any diluted earnings per share as at 30 September 2017.

In the preceding year corresponding quarter and period, the Company did not have any diluted earning per share.

**MALAYAN FLOUR MILLS BERHAD (4260-M)**  
**Notes to the Financial Report for the Financial Period Ended 30 September 2017**

**23. Profit for the period**

	3 months ended		9 months ended	
	30.09.2017 RM'000	30.09.2016 RM'000	30.09.2017 RM'000	30.09.2016 RM'000
Profit for the period is arrived at after charging:				
Amortisation and depreciation	13,469	11,359	39,716	33,627
Interest expense from unsecured bankers' acceptances/ revolving credits/term loans	6,516	5,707	18,511	16,549
Net realised loss on future and option contracts	1,197	5,965	9,187	13,883
Net unrealised loss on future and option contracts	-	11,344	-	5,281
Net unrealised loss on foreign exchange	1,896	-	4,036	-
Net realised loss on foreign exchange	1,023	2,086	1,649	4,636
Net fair value loss on biological assets	4,041	4,048	-	99
Property, plant and equipment and intangible assets written off	7	381	62	405
Impairment loss on property, plant and equipment	-	1,057	-	2,269
Impairment loss of trade receivables	-	-	278	1,291
and after crediting:				
Interest Income from deposits placed with licensed banks	3,124	2,974	10,260	8,516
Bad debts recovered	-	1,215	-	1,215
Insurance recoveries	1,020	491	1,527	6,618
Gain on disposal of property, plant and equipment	51	-	92	118
Net unrealised gain on future and option contracts	10,354	-	17,229	-
Net unrealised gain on foreign exchange	-	3,779	-	2,565
Net fair value gain on biological assets	-	-	5,624	-
Reversal of impairment loss of trade receivables	248	204	447	-

**By Order of the Board**

**MAH WAI MUN**  
**Secretary**  
MAICSA 7009729

Kuala Lumpur  
9 November 2017