



MWE HOLDINGS BERHAD (5713-D)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2018

	<u>31.3.2018</u>	<u>31.3.2017</u>
	Unaudited	Audited
	RM'000	RM'000
Assets		
<u>Non-Current Assets</u>		
Property, plant & equipment	93,911	88,858
Investment properties	58,379	57,122
Investment in associates	256,331	306,028
Other investments	163,111	191,563
Other non-current assets	42,484	43,660
	<u>614,216</u>	<u>687,231</u>
<u>Current Assets</u>		
Inventories	45,366	41,476
Trade and other receivables	58,292	58,370
Cash and bank balances	83,845	125,027
Other current assets	14,273	15,510
	<u>201,776</u>	<u>240,383</u>
Total assets	<u><u>815,992</u></u>	<u><u>927,614</u></u>



MWE HOLDINGS BERHAD (5713-D)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2018 (Cont'd)

	<u>31.3.2018</u> Unaudited RM'000	<u>31.3.2017</u> Audited RM'000
Equity and liabilities		
<u>Current Liabilities</u>		
Trade and other payables	42,054	50,029
Loans and borrowings	123,454	128,589
Current tax payable	656	701
	<u>166,164</u>	<u>179,319</u>
<u>Non-Current Liabilities</u>		
Loans and borrowings	31,842	42,335
Deferred tax liabilities	1,134	1,232
Deferred income	11,068	11,423
	<u>44,044</u>	<u>54,990</u>
Total liabilities	210,208	234,309
<u>Equity</u>		
Share capital	255,145	255,145
Reserves	338,508	425,273
Treasury shares	(1,931)	(1,931)
	<u>591,722</u>	<u>678,487</u>
Non-controlling interests	14,062	14,818
Total equity	<u>605,784</u>	<u>693,305</u>
Total equity and liabilities	<u>815,992</u>	<u>927,614</u>
Net assets per share (RM)	2.57	2.95

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Audited Accounts for the year ended 31 March 2017)



MWE HOLDINGS BERHAD (5713-D)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2018

	Current 3 months <u>31.3.2018</u> RM'000	Comparative 3 months <u>31.3.2017</u> RM'000	Cumulative 12 months <u>31.3.2018</u> RM'000	Comparative 12 months <u>31.3.2017</u> RM'000
Revenue	69,040	87,267	331,889	342,551
Cost of sales	<u>(57,367)</u>	<u>(73,072)</u>	<u>(275,838)</u>	<u>(276,464)</u>
Gross profit	11,673	14,195	56,051	66,087
Interest income	283	608	1,849	1,826
Other income	2,293	107,843	3,984	116,368
Other operating expenses	<u>(58,118)</u>	<u>(4,264)</u>	<u>(92,399)</u>	<u>(47,931)</u>
Operating (loss)/profit	<u>(43,869)</u>	<u>118,382</u>	<u>(30,515)</u>	<u>136,350</u>
Finance costs	<u>(2,303)</u>	<u>(2,282)</u>	<u>(10,166)</u>	<u>(11,603)</u>
Share of results of associates	<u>(3,804)</u>	<u>3,193</u>	<u>3,171</u>	<u>9,233</u>
(Loss)/Profit before tax	<u>(49,976)</u>	<u>119,293</u>	<u>(37,510)</u>	<u>133,980</u>
Income tax expense	<u>(608)</u>	<u>3,452</u>	<u>(4,029)</u>	<u>(256)</u>
(Loss)/Profit net of tax	<u>(50,584)</u>	<u>122,745</u>	<u>(41,539)</u>	<u>133,724</u>
Other comprehensive income:				
Fair value loss on available- for-sale financial assets	8,104	7,236	(28,452)	(19,672)
Foreign currency translation	<u>(4,925)</u>	<u>(1,418)</u>	<u>(12,925)</u>	<u>10,505</u>
	<u>3,179</u>	<u>5,818</u>	<u>(41,377)</u>	<u>(9,167)</u>
Total comprehensive income	<u>(47,405)</u>	<u>128,563</u>	<u>(82,916)</u>	<u>124,557</u>
Profit attributable to:				
Owners of the parent	(50,657)	122,239	(42,134)	132,890
Non-controlling interests	<u>73</u>	<u>506</u>	<u>595</u>	<u>834</u>
	<u>(50,584)</u>	<u>122,745</u>	<u>(41,539)</u>	<u>133,724</u>
Total comprehensive income attributable to:				
Owners of the parent	(46,972)	128,212	(82,160)	122,530
Non-controlling interests	<u>(433)</u>	<u>351</u>	<u>(756)</u>	<u>2,027</u>
	<u>(47,405)</u>	<u>128,563</u>	<u>(82,916)</u>	<u>124,557</u>
Basic earnings per share (sen)	(22.00)	53.09	(18.30)	57.72

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Audited Accounts for the year ended 31 March 2017)



MWE HOLDINGS BERHAD (5713-D)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	< ----- Attributable to owners of the parent ----- >						Total Equity RM'000
	Share Capital RM'000	Non-distributable Treasury Shares RM'000	Other Reserves RM'000	Distributable Retained Earnings RM'000	Total RM'000	Non- controlling Interests RM'000	
At 1.4.2016	231,559	(1,931)	129,446	201,026	560,100	12,791	572,891
Total comprehensive income	-	-	(10,360)	132,890	122,530	2,027	124,557
Transfer arising from Companies Act, 2016	23,586	-	(23,586)	-	-	-	-
Revaluation surplus on investment property	-	-	486	-	486	-	486
Deferred tax liability	-	-	(24)	-	(24)	-	(24)
Realisation of revaluation reserve	-	-	(3,685)	3,685	-	-	-
Dividend paid	-	-	-	(4,605)	(4,605)	-	(4,605)
At 31.3.2017	<u>255,145</u>	<u>(1,931)</u>	<u>92,277</u>	<u>332,996</u>	<u>678,487</u>	<u>14,818</u>	<u>693,305</u>
At 1.4.2017	255,145	(1,931)	92,277	332,996	678,487	14,818	693,305
Total comprehensive income	-	-	(40,026)	(42,134)	(82,160)	(756)	(82,916)
Dividend paid	-	-	-	(4,605)	(4,605)	-	(4,605)
At 31.3.2018	<u>255,145</u>	<u>(1,931)</u>	<u>52,251</u>	<u>286,257</u>	<u>591,722</u>	<u>14,062</u>	<u>605,784</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with
with the Annual Audited Accounts for the year ended 31 March 2017)



MWE HOLDINGS BERHAD (5713-D)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

	12 months ended	
	<u>31.3.2018</u>	<u>31.3.2017</u>
	Unaudited	Audited
	RM'000	RM'000
Cash flows from operating activities		
(Loss)/Profit before tax	(37,510)	133,980
Adjustment for :		
Amortisation of biological assets	614	614
Amortisation of intangible assets	49	63
Amortisation of land use rights	489	478
Bad debts written off	-	6
Depreciation of property, plant and equipment	4,457	4,002
Fair value adjustment on investment properties	(1,257)	1,283
Gain on disposal of other investments	-	(45,217)
Impairment loss on receivables	-	629
Impairment loss on investment in associates	52,519	2,729
Investment in associate written off	-	273
Inventories written off	-	35
Land use rights written off	-	517
Loss/(Gain) on disposal of investment properties	-	(4,800)
Loss/(Gain) on disposal of property, plant and equipment	74	(144)
Net fair value gain on derivatives assets	-	(187)
Net unrealised foreign exchange loss	35	57
Property, plant and equipment written off	-	1
Reversal of impairment loss on investment in associates	-	(57,337)
Reversal of impairment loss on receivables	(5)	(258)
Share of results of associates	(3,171)	(9,233)
Write-down of inventory	-	(314)
Dividend income	(7,873)	(9,045)
Interest income	(1,849)	(1,826)
Interest expenses	10,166	11,603
Operating profit before working capital changes	16,738	27,909
Changes in inventories	(5,239)	6,272
Changes in property development activities	(26)	787
Changes in receivables	(611)	(16,176)
Changes in payables	(6,106)	12,101
Changes in trade line borrowings	589	-
Cash (used in)/generated from operations	5,345	30,893
Interest received	1,849	1,826
Interest paid	(10,166)	(11,603)
Net income tax paid	(4,476)	(5,923)
Net cash (used in)/generated from operating activities	(7,448)	15,193



MWE HOLDINGS BERHAD (5713-D)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018 (Cont'd)

	12 months ended	
	31.3.2018	31.3.2017
	Unaudited RM'000	Audited RM'000
Cash flows from investing activities		
Addition investment in an associate	-	(5,417)
Dividends received	7,873	9,045
Proceeds from disposal of investment properties	-	12,800
Proceeds from disposal of other investments	-	45,217
Proceeds from disposal of property, plant and equipment	300	164
Purchase of land use rights	-	(119)
Purchase of property, plant and equipment	(13,482)	(22,543)
Net cash (used in)/generated from investing activities	(5,309)	39,147
Cash flows from financing activities		
Drawdown of bank borrowings	1,928	5,272
Dividends paid to shareholders	(4,605)	(4,605)
Placement in short term deposits	900	(2,464)
Repayment of bank borrowings	(17,981)	(37,931)
Repayment of hire purchase and finance lease instalments	(97)	(320)
Net cash used in financing activities	(19,855)	(40,048)
Net (decrease)/increase in cash & cash equivalents	(32,612)	14,292
Effects of foreign exchange rate changes	(7,604)	7,182
	(40,216)	21,474
Cash & cash equivalents at beginning of year	120,852	99,378
Cash & cash equivalents at end of year	80,636	120,852
<i>Represented by :</i>		
Cash & bank balances	83,845	125,027
Deposits with licensed banks with maturity of more than 3 months	(3,171)	(4,071)
Bank overdrafts	(38)	(104)
	80,636	120,852

(The Condensed Consolidated Statements of Cash Flow should be read in conjunction with the Annual Audited Accounts for the year ended 31 March 2017)



MWE HOLDINGS BERHAD (5713-D)

EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. CORPORATE INFORMATION

The Company is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad.

2. ACCOUNTING POLICIES

The unaudited interim financial report has been prepared in accordance with Financial Reporting Standard (FRS) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The significant accounting policies and methods of computation applied to the financial statements are consistent with those applied to the annual audited accounts for the year ended 31 March 2017.

Standards and interpretations issued but not yet effective

The Group intends to adopt the following standards, if applicable, when they become effective. The adoption of the following standards and interpretations will have no material impact on the financial statements of the Group.

Amendments to FRS 107	Disclosure initiative
Amendments to FRS 112	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to FRS 12	Annual Improvements to FRSs 2012-2014 Cycle
Amendments to FRS 2	Classification and Measurement of Share-Based Payment Transactions
Amendments to FRS 9	Financial Instruments
Amendments to FRS 10 & FRS 128	Sale or contribution of Assets between an Investor and its Associate or Joint Venture

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the MFRS Framework.

MFRS 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/or IC Interpretation 15 Agreements for Construction of Real Estate, including the entities' parent, significant investor and venturer (referred to as "Transitioning Entities" collectively). Transitioning Entities are allowed to defer adoption of MFRS framework, and continue to use the existing FRS framework until the MFRS framework is effective. The Group falls within the definition of Transitioning Entities and has opted to defer adoption of MFRS framework.

Based on the MASB announcement on 2 September 2014, the effective date for the adoption of MFRS Framework by the Transitioning Entities was deferred from annual periods beginning on or after 1 January 2015 to annual periods beginning on or after 1 January 2017.



2. ACCOUNTING POLICIES (cont'd)

Malaysian Financial Reporting Standards (MFRS Framework) (cont'd)

On the same day, MASB also issued MFRS 15 Revenue from Contracts with Customers and Amendments to MFRS 116 and MFRS 141 Agriculture: Bearer Plants. MFRS 15 is effective for annual periods beginning on or after 1 January 2018 while the Amendments to MFRS 116 and MFRS 141 is effective for annual periods beginning on or after 1 January 2016. On 17 November 2014, MASB issued MFRS 9 Financial Instruments, which is effective for annual periods beginning on or after 1 January 2018.

Based on the MASB announcement on 8 September 2015, the effective date for the adoption of MFRS Framework by the Transitioning Entities was deferred from annual periods beginning on or after 1 January 2017 to annual periods beginning on or after 1 January 2018.

Accordingly, the Group has elected to continue to apply the FRS framework up to its financial year ending 31 March 2018. The Group will adopt the MFRS framework and prepare its first set of MFRS framework financial statements for the financial year ending 31 March 2019.

3. AUDIT OPINION ON THE PRECEDING FINANCIAL STATEMENTS

The preceding annual audited financial statements were not qualified by the Auditors.

4. EFFECT OF CHANGES IN COMPOSITION OF GROUP

There were no material changes in the composition of the Group during the reporting period.

5. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

Textiles division is involved in manufacturing and sale of garments for export markets and thus mainly depends on US and Europe purchasing power and economy as a whole. As for Telecommunications segment which design and manufacture telecommunication products, faces a more volatile market that depends on global market conditions.

6. UNUSUAL ITEMS

There were no unusual items which affect assets, liabilities, equity, income or cash flows during the reporting period.

7. MATERIAL CHANGES IN ESTIMATES OF AMOUNTS PREVIOUSLY REPORTED

There was no material changes in estimates of amounts previously reported.

8. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, resale or repayments of debt and equity securities undertaken by the Company during the reporting period.



9. DIVIDENDS PAID

On 29 June 2017, the Company paid an interim single-tier dividend of 2 sen per share which amounted to RM4.6 million in respect of the financial year ended 31 March 2017.

10. VARIANCE IN PROFIT FORECAST

There was no profit forecast issued for the financial year.

11. STATUS OF CORPORATE PROPOSALS

On 16 March 2018, the Company announced that the Board had on even date received the offer letter from Pinjaya Sdn Bhd, requesting the Company to undertake the proposed selective capital reduction (“Proposed SCR”) and repayment exercise pursuant to Section 116 of the Companies Act 2016.

The Proposed SCR involves MWE undertaking a selective capital reduction and a corresponding capital repayment of a proposed cash amount of RM1.75 per ordinary share in MWE held by the entitled shareholders.

The Company had via a Board Meeting held on 13 April 2018 deliberated and approved the Proposed SCR to be tabled at the Extraordinary General Meeting (“EGM”) to be convened later.

On 18 May 2018, the Company had via Alliance Investment Berhad, the principal adviser of the Company, issued the Circular to shareholders in relation to the Proposed SCR. An Extraordinary General Meeting of the Company will be held on 11 June 2018 to seek the entitled shareholders’ approval for the Proposed SCR.

Save for the above, there were no other corporate proposals announced or pending as at the date of this report.

12. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The values of property, plant and equipment of the Group have been brought forward without amendment from the previous annual audited accounts.

**13. GROUP BORROWINGS**

Particulars of Group borrowings at the end of the year are as follows:

	<u>Secured</u> RM '000	<u>Unsecured</u> RM '000	<u>Total</u> RM '000
<u>31.3.2018</u>			
Short term			
Obligations under finance lease	48	-	48
Trade Line	-	589	589
Bank overdrafts	38	-	38
Revolving credit	109,700	700	110,400
Term loans	<u>12,379</u>	<u>-</u>	<u>12,379</u>
	<u>122,165</u>	<u>1,289</u>	<u>123,454</u>
Long term			
Obligations under finance lease	11	-	11
Term loans	<u>31,831</u>	<u>-</u>	<u>31,831</u>
	<u>31,842</u>	<u>-</u>	<u>31,842</u>
	<u>154,007</u>	<u>1,289</u>	<u>155,296</u>

There were no foreign borrowings as at 31 March 2018.

14. DERIVATIVE FINANCIAL INSTRUMENTS

There were no outstanding forward contracts at the end of the reporting period.

15. SEGMENT INFORMATION

The Group is organised into business units based on their products and services, and has four reportable operating segments as follows:

	<u>Textile</u> RM'000	<u>Tele- communication</u> RM'000	<u>Properties</u> RM'000	<u>Other Operations</u> RM'000	<u>Total</u> RM'000
<u>31 March 2018</u>					
Revenue					
External sales	232,625	45,980	4,663	48,621	331,889
Inter-segment sales	-	-	366	1,340	1,706
Total revenue	<u>232,625</u>	<u>45,980</u>	<u>5,029</u>	<u>49,961</u>	<u>333,595</u>

**15. SEGMENT INFORMATION (cont'd)**

	Textile RM'000	Tele- communication RM'000	Properties RM'000	Other Operations RM'000	Total RM'000
Results					
Segment profit/(loss)	13,044	2,581	1,192	(47,332)	(30,515)
Finance costs					(10,166)
Share of results of associates	-	-	8	3,163	3,171
Loss before tax					<u>(37,510)</u>

31 March 2017**Revenue**

External sales	249,465	47,310	5,655	40,121	342,551
Inter-segment sales	-	-	360	14,499	14,859
Total revenue	<u>249,465</u>	<u>47,310</u>	<u>6,015</u>	<u>54,620</u>	<u>357,410</u>

Results

Segment profit/(loss)	28,098	2,781	(423)	105,894	136,350
Finance costs					(11,603)
Share of results of associates	-	-	85	9,148	9,233
Profit before tax					<u>133,980</u>

16. PERFORMANCE REVIEW FOR CURRENT QUARTER AND YEAR-TO-DATE**Group performance**

During the reporting quarter, the Group posted total revenue of RM69.0 million, RM18.3 million lower as compared to RM87.3 million in preceding year corresponding quarter. The decrease in revenue mainly attributed to lower sales orders from Textile division as well as weakening of USD against Ringgit which translated into lower sale. For current quarter, the Group provided impairment of RM48.8 million for investment in associate. As a result, the Group reported RM50.0 million pre-tax loss for current quarter. For FY 2017, the Group written back RM68.0 million impairment for investment in associate, as the market price of WCE share was higher than the holding cost. In addition, the Company also reported RM45.2 million gain from its disposal of US investment. As such, the Group reported RM119.3 pre-tax profit in preceding year corresponding quarter.

For the financial year, the Group posted total revenue of RM331.9 million with pre-tax loss reported at RM37.5 million. Revenue of the Group reduced from RM342.6 million in FY2017 to RM331.9 million in FY2018, mainly attributed to weakening of USD against Ringgit which translated into lower sale. For current financial year, the Group reported pre-tax loss at RM37.5 million as compared to RM134.0 million pre-tax profit in previous financial year, mainly attributed to RM52.5 million impairment losses recognised in associate as well as lower profit contribution from both Textile and Properties divisions.



16. PERFORMANCE REVIEW FOR CURRENT QUARTER AND YEAR-TO-DATE (cont'd)

Textile division

Textile division reported RM232.6 million in revenue, RM16.9 million lower as compared to RM249.5 million recorded in previous financial year, mainly attributed to weakening of USD against Ringgit which translated into lower sale. Pre-tax profit reported lower at RM11.8 million as compared to RM22.1 million in preceding year. The reduction was mainly due to higher maintenance costs coupled with the annual wage increment imposed by Vietnam authority as well as increase in head counts for the new production lines in Vietnam factory.

Telecommunications division

For current financial year, Telecommunication division reported RM46.0 million in revenue, slightly lower as compared to RM47.3 million reported in previous financial year. Pre-tax profit also reported lower at RM2.2 million as compared to RM2.8 million in preceding year.

Properties division

Properties division reported RM4.7 million in revenue, RM1.0 million lower as compared to RM5.7 million recorded in FY2017. Higher revenue recorded in prior year mainly due to disposal of residential land.

Other operations

Industrial division reported RM27.1 million in revenue, RM9.7 million higher as compared to RM17.4 million in FY2017, mainly attributed to higher truck sales. The division managed to turn around from RM0.9 million pre-tax loss to RM0.1 million profit.

Plantation division also reported higher revenue for current financial year, mainly due to better crop yields. As a result, the division managed to turn around from RM0.1 million pre-tax loss to RM0.1 million profit.

17. MATERIAL CHANGE BETWEEN CURRENT AND PRECEDING IMMEDIATE QUARTER

The Group registered RM69.0 million in revenue for current reporting quarter, reduced by RM23.1 million as compared to RM92.1 million reported in the preceding third quarter. The decrease in revenue mainly attributed to lower sales orders from Textile division as well as weakening of USD against Ringgit which translated into lower sale. Pre-tax loss stood at RM50.0 million mainly due to RM48.8 million impairment provided for investment in associate as well as RM3.8 million share of losses in associate.

**18. PROSPECTS FOR FINANCIAL YEAR 2019**

Lower garment prices coupled with higher wages and maintenance costs had adversely affected our garments business. Forecasted sale for the coming financial year is highly dependent as to whether the division managed to negotiate for higher sales orders with better margins for our products.

The West Coast Expressway project undertaken by our associate, WCE Holdings Bhd (WCE), is progressing well and certain sections are expected to be completed by late 2018. Besides, WCE also has sharing in profit from its Bandar Rimbayu housing project vide its associate company, the housing projects is expected to maintain its performance for the coming financial year.

19. LOSS/(PROFIT) BEFORE TAX

	Current quarter <u>31.03.2018</u> RM'000	Comparative Quarter <u>31.03.2017</u> RM'000	Cumulative 12 months <u>31.03.2018</u> RM'000	Comparative 12 months <u>31.03.2017</u> RM'000
Amortisation of biological assets	153	153	614	614
Amortisation of intangible assets	3	16	49	63
Amortisation of land use rights	122	158	489	478
Bad debts written off	-	6	-	6
Depreciation of property, plant and equipment	1,101	1,356	4,457	4,002
Fair value adjustment on investment properties	(1,257)	1,283	(1,257)	1,283
Gain on disposal of				
- investment properties	-	-	-	(4,800)
- other investments	-	(45,217)	-	(45,217)
- property, plant and equipment	59	(144)	74	(144)
Impairment loss on				
- receivables	-	629	-	629
Inventory written off	-	35	-	35
Land use rights written off	-	-	-	517
Net fair value loss/(gain) on derivatives assets	-	(49)	-	(187)
Net unrealised foreign exchange (gain)/loss	(40)	281	35	57
Property, plant and equipment written off	-	-	-	1
Reversal of impairment loss on receivables	-	(258)	(5)	(258)
Write-down of inventory	-	(314)	-	(314)
Interest income	(283)	(608)	(1,849)	(1,826)
Interest expenses	2,303	2,282	10,166	11,603

**20. INCOME TAX EXPENSE**

The tax expense consists of:

	Current quarter <u>31.3.2018</u> RM'000	Comparative Quarter <u>31.3.2017</u> RM'000	Cumulative 12 months <u>31.3.2018</u> RM'000	Comparative 12 months <u>31.3.2017</u> RM'000
Current income tax				
- current year	(15)	134	2,982	4,768
- over provision in prior years	474	(362)	1,139	(512)
Deferred tax				
- current year	149	(57)	(73)	(178)
- over provision in prior years	-	(3,167)	(19)	(3,822)
Income tax expense	<u>608</u>	<u>(3,452)</u>	<u>4,029</u>	<u>256</u>

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group is as follows:

	Current quarter <u>31.3.2018</u> RM'000	Comparative Quarter <u>31.3.2017</u> RM'000	Cumulative 12 months <u>31.3.2018</u> RM'000	Comparative 12 months <u>31.3.2017</u> RM'000
(Loss)/Profit before tax	(49,976)	119,293	(37,510)	133,980
Taxation at 24%	(11,994)	28,630	(9,002)	32,155
Expenses not deductible	12,419	1,154	16,253	6,322
Deferred tax assets not recognised	-	252	37	252
Income not subject to tax	(751)	(27,614)	(2,153)	(28,412)
Utilisation of previously unrecognised deductible temporary differences	(182)	(221)	(373)	(278)
Tax effect of differences in tax rate	(271)	(1,358)	(1,092)	(3,233)
Under provision of tax in prior years	474	(3,529)	1,120	(4,334)
Share of results of associates	913	(766)	(761)	(2,216)
	<u>608</u>	<u>(3,452)</u>	<u>4,029</u>	<u>256</u>



21. SUBSEQUENT EVENT

There are no material subsequent events at the date of this report.

22. MATERIAL LITIGATION

There was no material litigation against the Group in the reporting period.

23. EARNINGS PER SHARE (“EPS”)

Computation of the EPS is as follows:

	Current Quarter <u>31.3.2018</u> RM'000	Comparative Quarter <u>31.3.2017</u> RM'000	Cumulative 12 months <u>31.3.2018</u> RM'000	Comparative 12 months <u>31.3.2017</u> RM'000
(Loss)/Profit for the year	<u>(50,657)</u>	<u>122,239</u>	<u>(42,134)</u>	<u>132,890</u>
No. of ordinary shares after deducting treasury shares (‘000)	230,235	230,235	230,235	230,235
Basic EPS (sen)	<u>(22.00)</u>	<u>53.09</u>	<u>(18.30)</u>	<u>57.72</u>

24. BREAKDOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED

	<u>31.3.2018</u> RM'000	<u>31.3.2017</u> RM'000
Total retained earnings of the Group:		
- Realised profit	218,774	261,102
- Unrealised profit	<u>7,440</u>	<u>5,654</u>
	226,214	266,756
Less: Share of realised loss from associates	(7,033)	(9,856)
Add: Consolidation adjustments	67,076	76,096
Retained profits as per financial statements	<u>286,257</u>	<u>332,996</u>



25. DIVIDEND

The Board of Directors does not recommend any dividend payment during this reporting quarter.

**By Order of the Board
LIM KONG YOW
Company Secretary
25 May 2018**