

**JAYA TIASA HOLDINGS BHD (3751-V)**

**THIRD QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2018 - unaudited**

**CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		9 months ended	
	31/03/2018 RM'000	31/03/2017 RM'000	31/03/2018 RM'000	31/03/2017 RM'000
<b>Revenue</b>	160,195	268,459	660,016	741,357
Cost of sales	(181,005)	(185,753)	(557,354)	(530,905)
<b>Gross (loss)/profit</b>	(20,810)	82,706	102,662	210,452
Other income	3,433	3,169	10,486	11,296
Selling and distribution costs	(6,586)	(13,754)	(28,974)	(41,066)
Administrative expenses	(10,532)	(17,123)	(26,561)	(44,384)
<b>Operating (loss)/profit</b>	(34,495)	54,998	57,613	136,298
Finance costs	(13,851)	(14,966)	(41,786)	(44,012)
<b>(Loss)/profit before taxation</b>	(48,346)	40,032	15,827	92,286
Income tax expense	9,952	(11,114)	(8,675)	(25,765)
<b>(Loss)/profit net of tax</b>	(38,394)	28,918	7,152	66,521
<b>Other comprehensive income:</b>				
Foreign currency translation	-	-	5	5
Net changes on available-for-sale financial assets				
- Loss on fair value changes	(9,800)	(700)	(19,600)	(700)
<b>Other comprehensive income, net of tax</b>	(9,800)	(700)	(19,595)	(695)
<b>Total comprehensive income for the year</b>	(48,194)	28,218	(12,443)	65,826
(Loss)/profit attributable to:				
Owner of the parent	(38,408)	27,954	5,900	64,689
Non-controlling interests	14	964	1,252	1,832
	(38,394)	28,918	7,152	66,521
<b>Total comprehensive income attributable to:</b>				
Owner of the parent	(48,208)	27,254	(13,695)	63,994
Non-controlling interests	14	964	1,252	1,832
	(48,194)	28,218	(12,443)	65,826
Basic earnings per share attributable to owners of the parent (Sen)	(3.97)	2.89	0.61	6.68

The unaudited condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 30 June 2017 and the accompanying explanatory notes attached to this quarterly report.

THIRD QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2018 - unaudited

CONDENSED STATEMENTS OF FINANCIAL POSITION

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>AS AT</b>	<b>AS AT</b>
	<b>31/03/2018</b>	<b>30/06/2017</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	1,111,919	1,171,915
Biological assets	1,668,014	1,639,812
Land use rights	36	40
Other intangible assets	783	610
Investment securities	49,100	68,700
Deferred tax assets	30,259	22,492
	<u>2,860,111</u>	<u>2,903,569</u>
<b>Current Assets</b>		
Inventories	107,131	139,649
Trade and other receivables	41,364	59,584
Other current assets	10,004	14,663
Income tax receivable	22,864	-
Derivative assets	-	252
Cash and bank balances	122,355	65,234
	<u>303,718</u>	<u>279,382</u>
<b>TOTAL ASSETS</b>	<u><u>3,163,829</u></u>	<u><u>3,182,951</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Current Liabilities</b>		
Interest bearing loans and borrowings	435,412	487,479
Trade and other payables	119,124	136,195
Income tax payable	11,649	4,968
Derivative liabilities	-	304
	<u>566,185</u>	<u>628,946</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Non-current Liabilities</b>		
Interest bearing loans and borrowings	640,196	589,358
Deferred tax liabilities	156,618	146,534
	<u>796,814</u>	<u>735,892</u>
<b>Total Liabilities</b>	<u>1,362,999</u>	<u>1,364,838</u>
<b>Net assets</b>	<u>1,800,830</u>	<u>1,818,113</u>
<b>Equity Attributable to owners of the parent</b>		
Share capital	977,402	977,402
Treasury shares	(13,687)	(13,687)
Reserves	824,553	843,088
	<u>1,788,268</u>	<u>1,806,803</u>
<b>Non-controlling interests</b>	12,562	11,310
<b>Total Equity</b>	<u>1,800,830</u>	<u>1,818,113</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>3,163,829</u></u>	<u><u>3,182,951</u></u>
Net assets per share attributable to equity holders (RM)	1.85	1.87
Number of ordinary shares net of treasury shares	967,991	967,991

The unaudited condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 30 June 2017 and the accompanying explanatory notes attached.

THIRD QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2018 - unaudited

CONDENSED STATEMENTS OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Parent						Non-controlling interest RM'000	Equity, Total RM'000
	Non-Distributable			Distributable				
	Share capital RM'000	Treasury shares RM'000	Foreign currency translation reserves RM'000	Other reserves RM'000	Retained profits RM'000	Total RM'000		
<b>As at 01 July 2017</b>	977,402	(13,687)	(6,441)	(6,300)	855,829	1,806,803	11,310	1,818,113
Profit for the year	-	-	-	-	5,900	5,900	1,252	7,152
Other comprehensive income	-	-	5	(19,600)	-	(19,595)	-	(19,595)
Total comprehensive income	-	-	5	(19,600)	5,900	(13,695)	1,252	(12,443)
Dividends on ordinary shares	-	-	-	-	(4,840)	(4,840)	-	(4,840)
Total Transactions with owners	-	-	-	-	(4,840)	(4,840)	-	(4,840)
<b>As at 31 March 2018</b>	<u>977,402</u>	<u>(13,687)</u>	<u>(6,436)</u>	<u>(25,900)</u>	<u>856,889</u>	<u>1,788,268</u>	<u>12,562</u>	<u>1,800,830</u>
<b>As at 01 July 2016</b>	973,718	(13,684)	(6,449)	4,384	856,290	1,814,259	8,874	1,823,133
Profit for the year	-	-	-	-	64,689	64,689	1,832	66,521
Other comprehensive income	-	-	5	(700)	-	(695)	-	(695)
Total comprehensive income	-	-	5	(700)	64,689	63,994	1,832	65,826
Dividends on ordinary shares	-	-	-	-	(12,584)	(12,584)	-	(12,584)
Purchase of treasury shares	-	(3)	-	-	-	(3)	-	(3)
Total Transactions with owners	-	(3)	-	-	(12,584)	(12,587)	-	(12,587)
<b>As at 31 March 2017</b>	<u>973,718</u>	<u>(13,687)</u>	<u>(6,444)</u>	<u>3,684</u>	<u>908,395</u>	<u>1,865,666</u>	<u>10,706</u>	<u>1,876,372</u>

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 June 2017 and the accompanying explanatory notes attached to this quarterly report.

THIRD QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2018 - unaudited

CONDENSED STATEMENTS OF CASH FLOWS

	<b>Current</b> <b>9 months ended</b> <b>31/03/2018</b> <b>RM'000</b>	<b>Corresponding</b> <b>9 months ended</b> <b>31/03/2017</b> <b>RM'000</b>
<b>Cash Flows from Operating Activities</b>		
Profit before taxation	15,827	92,286
Adjustments for:		
Depreciation and amortisation	88,760	77,248
Fair value loss on derivative	-	4,279
Impairment on trade and other receivables	-	2,979
Interest expenses	39,589	42,141
Interest income	(187)	(136)
Net loss on disposal of property, plant and equipment	2,103	978
Net unrealised foreign exchange (gain)/loss	(537)	1,779
Reversal of fair value loss on derivatives	(52)	-
<b>Operating cash flows before working capital changes</b>	<b>145,503</b>	<b>221,554</b>
Net change in current assets	46,711	(20,633)
Net change in current liabilities	(17,062)	(40,512)
<b>Cash flows from operations</b>	<b>175,152</b>	<b>160,409</b>
Interest received	187	136
Interest paid	(39,639)	(44,734)
Income taxes paid, net of refund	(13,125)	(17,813)
<b>Net cash flows from operating activities</b>	<b>122,575</b>	<b>97,998</b>
<b>Cash Flows from Investing Activities</b>		
Acquisition of property, plant and equipment	(40,405)	(75,796)
Acquisition of biological assets	(25,954)	(29,830)
Purchase of other intangible assets	(260)	(110)
Proceeds from disposal of property, plant and equipment	13,110	13,605
<b>Net cash flows used in investing activities</b>	<b>(53,509)</b>	<b>(92,131)</b>
<b>Cash Flows from Financing Activities</b>		
Dividend paid	(4,840)	(12,584)
Purchase of treasury shares	-	(3)
Net (repayment)/proceeds of revolving credit and bankers' acceptances	(20,245)	3,839
Repayments of hire purchase creditors	(20,255)	(22,017)
Repayments of term loans	(40,701)	(34,776)
Proceeds from term loans	115,900	106,900
<b>Net cash flows from financing activities</b>	<b>29,859</b>	<b>41,359</b>
<b>Net change in cash and cash equivalent</b>	<b>98,925</b>	<b>47,226</b>
Cash and cash equivalents at the beginning of the year	(73,792)	(79,151)
<b>Cash and cash equivalents at the end of the year</b>	<b>25,133</b>	<b>(31,925)</b>
Cash and bank balances	122,355	31,833
Bank overdrafts	(97,222)	(63,758)
	<b>25,133</b>	<b>(31,925)</b>

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 30 June 2017 and the accompanying explanatory notes attached to this quarterly report.

**Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements**

**1 Basis of Preparation**

The quarterly report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting issued by Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

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

The significant accounting policies adopted in the quarterly report are consistent with those adopted in the Group’s audited financial statements for the financial year ended 30 June 2017. At the date of authorization of these interim financial statements, the Group has not adopted the following accounting standards that have been issued by the Malaysian Accounting Standards Board (“MASB”). The Group intend to adopt these amendments/standards, if applicable, when they become effective.

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
MFRS 141: Agriculture	1 January 2018
MFRS 141: Agriculture: Bearer Plants (amendments to MFRS 116 and MFRS 141)	1 January 2018
MFRS 9 : Financial Instruments	1 January 2018
MFRS 15: Revenue from Contracts with Customers	1 January 2018
Amendments to MFRS 10 and MFRS 128: Sale or Contribution Assets between an Investor and Its Associate or Joint Venture	Deferred

**2 Auditors’ Report on Preceding Annual Financial Statements**

The auditors’ report on the financial statements for the year ended 30 June 2017 was not qualified.

**3 Seasonal and Cyclical Factors**

Production of fresh fruit bunches (“FFB”) is cyclical in nature. The peak crops season of FFB normally is in the second half of the year but depends on weather conditions.

**4 Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter and financial year-to-date.

**Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements**

**5      *Changes in Estimates***

There were no changes in estimates of amounts reported in prior quarters which have a material impact on the current quarterly report.

**6      *Debt and Equity Securities***

There were no issuances or repayments of debt and equity securities during the financial period. The number of shares retained as treasury shares amounted to 5,727,000 as at 31 March 2018.

**7      *Dividends Paid***

A final single-tier dividend of 0.5 sen per ordinary share for the financial year ended 30 June 2017 amounting to RM4,839,956 was paid on 19 December 2017.

**8      *Carrying Amount of Revalued Assets***

The Group did not carry out any valuations on its property, plant and equipment during the current quarter and financial year-to-date. The carrying value of property, plant and equipment is based on the valuation incorporated in the annual financial statements for the year ended 30 June 2017.

**9      *Subsequent Events***

No material events have arisen during the interval between the end of the current quarter and the date of this announcement that have not been reflected in the current quarterly report.

**10     *Changes in Composition of the Group***

There were no changes in the composition of the Group during the current quarter, which were previously not announced.

**11     *Contingent Liabilities and Contingent Assets***

There are no significant changes in contingent liabilities or assets as at the end of the current quarter.

**JAYA TIASA HOLDINGS BHD ( 3751-V )**  
**THIRD QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2018**

**Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements**

**12 Segmental Information**

The financial information in respect of the Group's business segments for the current financial period ended 31 March 2018 is as follows:

	<b>Oil Palm</b>	<b>Timber</b>	<b>Others</b>	<b>Elimination</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>REVENUE</b>					
External	430,029	229,813	174		660,016
Inter segment	299,110	254,607	5,269	(558,987)	-
<b>Total Revenue</b>	<b>729,139</b>	<b>484,421</b>	<b>5,443</b>	<b>(558,987)</b>	<b>660,016</b>
EBITDA	126,440	32,563	855	-	159,858
Finance cost	(29,491)	(12,290)	(5)	-	(41,786)
Depreciation and amortisation	(53,141)	(34,365)	(1,254)	-	(88,760)
<b>Segmental result</b>	<b>43,808</b>	<b>(14,092)</b>	<b>(404)</b>	<b>-</b>	<b>29,312</b>
Group admin and overhead cost					(13,485)
<b>Profit before tax</b>					<b>15,827</b>
Segment assets	2,591,933	501,129	70,767	-	3,163,829
Segment liabilities	1,000,394	361,059	1,546	-	1,362,999

**13 Property, Plant and Equipment**

Acquisition and disposal of items of property, plant and equipment by the Group for the current financial period ended 31 March 2018 is as follows:

	<b>Acquisition</b>	<b>Disposal</b>
	<b>RM'000</b>	<b>RM'000</b>
Factory, building and quarter	16,177	(874)
Road and bridge	6,349	-
Furniture, fitting and equipment	2,478	(1,117)
Motor vehicle	17,412	(41,035)
Plant and machinery	4,446	(3,907)
<b>Total</b>	<b>46,863</b>	<b>(46,933)</b>

**JAYA TIASA HOLDINGS BHD ( 3751-V )**  
**THIRD QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2018**

**Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements**

**14 Capital Commitments**

The amount of commitments for the purchase of property, plant and equipment not provided for in the quarterly report is as follows:

	As at 31 March 2018 RM'000	As at 30 June 2017 RM'000
Approved and contracted for	<u>10,041</u>	<u>13,092</u>

**15 Fair value of Financial Instruments**

The Group uses the following levels of fair value hierarchy in measuring the fair value of financial instruments.

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

As at 31 March 2018, the Group's financial instruments measured and recognised at fair value on a recurring basis are as follows:

	<b>Level 1</b> RM'000	<b>Level 2</b> RM'000	<b>Level 3</b> RM'000	<b>Total</b> RM'000
<b>Financial assets</b>				
Equity investments quoted in Malaysia	<u>44,100</u>	-	-	<u>44,100</u>

The methods and valuation techniques used for the purpose of measuring fair value are consistent with the previous financial year ended 30 June 2017. There have been no transfers between the levels during the year.



**JAYA TIASA HOLDINGS BHD ( 3751-V )**  
**THIRD QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2018**

**Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements**

**16 Significant Related Party Transactions**

The Group entered into the following significant related parties transactions with companies connected to certain Directors of the Companies and its subsidiaries for the current financial period ended 31 March 2018.

	Period-to-date	
	31.03.2018 RM'000	31.03.2017 RM'000
i) Purchase of logs from Binamewah Sdn Bhd	3,683	15,998
ii) Purchase of raw materials from Petanak Enterprise Sdn Bhd	9,911	8,979
iii) Purchase of lubricant and spare parts from Rimbulan Hijau General Trading Sdn Bhd	4,624	4,457
iv) Provision of reforestation planning and advisory services by R H Development (Sarawak) Sdn Bhd	682	951
v) Provision of logpond services by Subur Group	101	427
vi) Land rental for oil palm plantation development by RH Group	4,686	4,621
vii) Sale of veneer to Subur Group	1,404	-
viii) Sale of FFB to R H Selangau Palm Oil Mill Sdn Bhd	2,210	6,509
ix) Sale of CPO to Borneo Edible Oil Sdn Bhd	197,315	-
x) Provision of logging contract services to Tapak Megah Sdn Bhd	1,411	4,727
xi) Provision of freight and towage services by Oriental Evermore Group	6,633	-
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**JAYA TIASA HOLDINGS BHD ( 3751-V )**  
**THIRD QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2018**

**Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements**

**17 Performance Review for Current Quarter and Financial Year to Date**

	Individual Period			Cumulative Period		
	Current Year Third Quarter 31.03.2018 RM'000	Preceding Year Corresponding Third Quarter 31.03.2017 RM'000	Changes	Current Year To- date 31.03.2018 RM'000	Preceding Year Corresponding Period 31.03.2017 RM'000	Changes
<b>Revenue</b>						
<i>Oil Palm</i>	101,505	130,402	-22%	430,029	412,400	4%
<i>Timber</i>	58,631	137,950	-57%	229,813	328,800	-30%
<i>Others</i>	59	107	-45%	174	157	11%
	<b>160,195</b>	<b>268,459</b>	<b>-40%</b>	<b>660,016</b>	<b>741,357</b>	<b>-11%</b>
<b>Operating Profit</b>						
<i>Oil Palm</i>	(20,934)	39,587	-153%	73,298	118,131	-38%
<i>Timber</i>	(7,863)	19,205	-141%	(1,802)	31,291	-106%
<i>Others</i>	(5,698)	(3,794)	50%	(13,883)	(13,124)	6%
	<b>(34,495)</b>	<b>54,998</b>	<b>-163%</b>	<b>57,613</b>	<b>136,298</b>	<b>-58%</b>
<b>Profit Before Tax</b>						
<i>Oil Palm</i>	(30,490)	29,292	-204%	43,808	89,145	-51%
<i>Timber</i>	(12,155)	14,536	-184%	(14,092)	16,270	-187%
<i>Others</i>	(5,701)	(3,796)	50%	(13,889)	(13,129)	6%
	<b>(48,346)</b>	<b>40,032</b>	<b>-221%</b>	<b>15,827</b>	<b>92,286</b>	<b>-83%</b>
<b>Profit After Tax</b>	<b>(38,394)</b>	<b>28,918</b>	<b>-233%</b>	<b>7,152</b>	<b>66,521</b>	<b>-89%</b>
<b>Profit Attributable to Owner of the Parent</b>	<b>(38,408)</b>	<b>27,954</b>	<b>-237%</b>	<b>5,900</b>	<b>64,689</b>	<b>-91%</b>

For the current quarter and year to date under review, overall Group's revenue decreased as compared to the corresponding period last year. Revenue from the oil palm division declined by 22% in the current quarter compared to the corresponding quarter mainly due to 24% and 5% decrease in CPO selling price and FFB production volume respectively. The contraction of the FFB production has resulted 11% reduction in the production volume of CPO.

As for timber division, decrease in revenue was mainly due to the reduction in log production volume with the ongoing timber certification in progress. When compared to the corresponding period, the log production volume decreased by 80% for the current quarter and 63% for the nine-month period to date.

As a result, the Group recorded a loss in the current quarter and 83% decrease in pre-tax profit for the financial year-to-date when compared to the corresponding period last year.

**JAYA TIASA HOLDINGS BHD ( 3751-V )**  
**THIRD QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2018**

**Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements**

**18 Performance Review for Current Quarter with Immediate Preceding Quarter**

	Individual Period		Changes
	Current Quarter 31.03.2018 RM'000	Immediate Preceding Quarter 31.12.2017 RM'000	
<b><u>Revenue</u></b>			
<i>Oil Palm</i>	101,505	163,041	-38%
<i>Timber</i>	58,631	80,972	-28%
<i>Others</i>	59	67	-12%
	<b>160,195</b>	<b>244,080</b>	<b>-34%</b>
<b><u>Operating Profit</u></b>			
<i>Oil Palm</i>	(20,934)	40,299	-152%
<i>Timber</i>	(7,863)	739	-1164%
<i>Others</i>	(5,698)	(4,140)	38%
	<b>(34,495)</b>	<b>36,898</b>	<b>-193%</b>
<b><u>Profit Before Tax</u></b>			
<i>Oil Palm</i>	(30,491)	29,598	-203%
<i>Timber</i>	(12,155)	(3,536)	244%
<i>Others</i>	(5,700)	(4,140)	38%
	<b>(48,346)</b>	<b>21,922</b>	<b>-321%</b>
<b>Profit After Tax</b>	<b>(38,394)</b>	<b>16,098</b>	<b>-339%</b>
<b>Profit Attributable to Owner of the Parent</b>	<b>(38,408)</b>	<b>15,508</b>	<b>-348%</b>

The Group registered a loss in the current quarter dragged mainly by the lower revenue arising from the lower selling price and production volume of both the oil palm and timber products. When compared to the immediate preceding quarter, the Group's revenue was 34% lower mainly due to 10% and 15% drop in CPO and PK selling price respectively. Reduction in FFB and CPO production volume by 30% and 34% has driven the unit cost of production up by 43% and 40% respectively which significantly eroded the profit margin.

**Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements**

**19 Group's Prospects**

We are cautiously optimistic on the recovery of CPO prices in view of the expected increase in demand of CPO during the festive season despite concern of growing CPO stockpile with the reinstatement of the 5% export tax.

We foresee higher FFB and CPO production from more maturing palm age profile during the high crop season in the coming quarter.

**20 Profit for the Period**

Included in the profit before tax are the following items:

	Current quarter		Year-to-date	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
	RM'000	RM'000	RM'000	RM'000
Amortisation	82	84	240	248
Depreciation	26,684	25,471	88,520	77,000
Fair value loss on derivative assets	-	(426)	-	4,279
Interest expenses	13,315	14,373	39,589	42,141
Impairment of receivables	-	-	-	2,979
Net loss on disposal of property, plant and equipment	1,189	479	2,103	978
Net unrealised foreign exchange (gain)/loss	(537)	3,133	(537)	1,779
Interest income	(55)	(51)	(187)	(136)
Reversal of fair value loss on derivatives	-	-	(52)	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**21 Profit Forecast or Profit Guarantee**

The disclosure requirements for explanatory notes on the variation of actual profit after tax and non-controlling interest, and shortfall in profit guarantee are not applicable.

**Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements**

**22 Taxation**

Tax charge for the current financial period comprise:-

	Current quarter		Year-to-date	
	31.03.2018 RM'000	31.03.2017 RM'000	31.03.2018 RM'000	31.03.2017 RM'000
Current taxation	(3,537)	(5,313)	6,358	4,298
Deferred taxation	<u>(6,415)</u>	<u>16,427</u>	<u>2,317</u>	<u>21,467</u>
	<u><u>(9,952)</u></u>	<u><u>11,114</u></u>	<u><u>8,675</u></u>	<u><u>25,765</u></u>

The effective tax rate for the Group is higher than the statutory tax rate of 24%. This is mainly due to certain expenses not allowable for tax deduction and tax losses of certain subsidiaries where deferred tax assets have not been recognised.

**23 Corporate Proposals**

There were no corporate proposals announced or pending completion as at the date of this quarterly report.

**24 Quoted Securities**

There was no purchase or disposal of quoted securities during the current quarter and financial year-to-date.

**25 Unquoted Securities**

There was no purchase or disposal of unquoted securities during the current quarter and financial year-to-date.

**26 Material litigation**

There is no pending material litigation as at the date of this announcement.

**JAYA TIASA HOLDINGS BHD ( 3751-V )**  
**THIRD QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2018**

**Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements**

**27 Borrowings and Debt Securities**

	As at 31 March 2018					
	Long term		Short term		Total borrowings	
	USD'000	RM'000	USD'000	RM'000	USD'000	RM'000
<b>Secured</b>						
Finance lease	-	8,603	-	13,139	-	21,742
<b>Unsecured</b>						
Bank overdraft	-	-	-	97,222	-	97,222
Banker acceptance	-	-	-	66,838	-	66,838
Revolving credit	-	243,000	3,000	208,595	3,000	451,595
Term loans	-	388,593	-	49,618	-	438,211
	-	631,593	3,000	422,273	3,000	1,053,866
<b>Total</b>	-	640,196	3,000	435,412	3,000	1,075,608

	As at 30 June 2017					
	Long term		Short term		Total borrowings	
	USD'000	RM'000	USD'000	RM'000	USD'000	RM'000
<b>Secured</b>						
Finance lease	-	13,289	-	22,832	-	36,121
<b>Unsecured</b>						
Bank overdraft	-	-	-	139,026	-	139,026
Banker acceptance	-	-	-	41,213	-	41,213
Revolving credit	-	271,500	5,000	244,965	5,000	516,465
Term loans	-	304,569	-	39,443	-	344,012
	-	576,069	5,000	464,647	5,000	1,040,716
<b>Total</b>	-	589,358	5,000	487,479	5,000	1,076,837

**28 Dividend Payable**

No interim dividend has been declared by the Board of Directors for the current quarter (previous corresponding period: Nil).

**Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements**

**29 Earnings per share (EPS)**

**i) Basic EPS**

Basic earnings per share is calculated by dividing the net profit of the year over the weighted average number of ordinary shares in issue during the year excluding treasury shares held by the Company.

	Current Quarter		Year-to-date	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Net (loss)/profit attributable to the equity holders of the Company (RM'000)	(38,408)	27,954	5,900	64,689
Weighted average number of ordinary shares in issue ('000 )	967,991	967,991	967,991	967,991
Basic EPS (sen)	(3.97)	2.89	0.61	6.68

**ii) Diluted EPS**

There are no dilutive potential ordinary shares. As such, the dilutive earnings per share of the Group is equivalent to basic earnings per share.

**30 Authorization for issue**

The Board of Directors in accordance with a resolution of the directors has authorized the quarterly report for issue on 23<sup>rd</sup> of May 2018.