

**Notes to the Interim Financial Report**

**A1 Corporate Information**

The Company is a public limited company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

**A2 Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with applicable approved Malaysian Financial Reporting Standards ("MFRS") No. 134 "Interim Financial Reporting" and Chapter 9 Part K paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Securities Exchange").

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2017. There was no qualification in the audited financial statements for the year ended 31 March 2017.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements for the year ended 31 March 2017. The transition from previous FRSs to the new MFRSs had no impact on the Group financial position, financial performance, cash flow and the notes to the financial statement.

**A3 Seasonal or cyclical factors**

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

**A4 Items affecting assets, liabilities, equity, net income or cash flows**

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence during the current financial quarter.

**A5 Change in estimates**

There were no significant changes in the estimates of amounts reported in the interim periods of prior financial years that have a material effect in the current financial period.

**A6 Debt and equity securities**

There were no issuance and repayment of debt and equity securities, share buy-back, share cancellations, share held as treasury shares and resale of treasury shares for the current financial year to-date.

**A7 Dividend paid**

No dividends were paid for the current quarter under review.

## A8 Segment Revenue and Segment Result by Business Segments

Segment information is presented in respect of the Group's business segment. All inter-segment transactions have been entered into in the normal course of business and have been established under terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. The effects of the inter-segment transactions are eliminated on consolidation.

Business Segments	Investment Holding RM'000	Construction RM'000	Property Investment RM'000	Maintenance, Facility Management and Services RM'000	Oil & Gas RM'000	Auto Service and Maintenance Workshop RM'000	Others RM'000	Elimination RM'000	Group RM'000
<b>12 months ended 31 March 2018</b>									
<b>Revenue</b>									
External sales	-	16,434	65	3,285	3,600	1,176	-	-	24,560
Inter-segment sales	-	-	174	242	-	240	-	(656)	-
	<u>-</u>	<u>16,434</u>	<u>239</u>	<u>3,527</u>	<u>3,600</u>	<u>1,416</u>	<u>-</u>	<u>(656)</u>	<u>24,560</u>
Segment Profit / (Loss)	(846)	(4,591)	(55)	(655)	(286)	(815)	(10)	699	(6,559)
Finance costs	-	(330)	-	(15)	(67)	-	-	-	(412)
Share of results of Associate	-	-	-	-	-	-	-	(3,430)	(3,430)
Profit / (Loss) before tax	<u>(846)</u>	<u>(4,921)</u>	<u>(55)</u>	<u>(670)</u>	<u>(353)</u>	<u>(815)</u>	<u>(10)</u>	<u>(2,731)</u>	<u>(10,401)</u>
Taxation	-	(89)	(15)	23	133	(21)	-	-	31
Deferred Taxation	-	214	(127)	46	23	10	-	-	166
Zakat	-	(2)	-	(55)	(10)	(5)	-	-	(72)
<b>Profit / (Loss) after taxation</b>	<u><u>(846)</u></u>	<u><u>(4,798)</u></u>	<u><u>(197)</u></u>	<u><u>(656)</u></u>	<u><u>(207)</u></u>	<u><u>(831)</u></u>	<u><u>(10)</u></u>	<u><u>(2,731)</u></u>	<u><u>(10,276)</u></u>

**A8 Segment Revenue and Segment Result by Business Segments (cont'd)**

Business Segments	Investment Holding RM'000	Construction RM'000	Property Investment RM'000	Maintenance, Facility Management and Services RM'000	Oil & Gas RM'000	Auto Service and Maintenance Workshop RM'000	Others RM'000	Elimination RM'000	Group RM'000
<b>12 months ended 31 March 2017</b>									
<b>Revenue</b>									
External sales	-	74,501	57	7,697	5,243	-	-	-	87,498
Inter-segment sales	-	-	214	152	-	-	-	(366)	-
	<u>-</u>	<u>74,501</u>	<u>271</u>	<u>7,849</u>	<u>5,243</u>	<u>-</u>	<u>-</u>	<u>(366)</u>	<u>87,498</u>
Segment Profit / (Loss)	(1,047)	1,560	792	1,591	412	-	(10)	(1,199)	2,099
Finance Costs	-	(441)	-	(13)	(60)	-	-	-	(514)
Share of results of Associate	-	1,110	-	-	-	-	-	-	1,110
Profit / (Loss) before tax	<u>(1,047)</u>	<u>2,229</u>	<u>792</u>	<u>1,578</u>	<u>352</u>	<u>-</u>	<u>(10)</u>	<u>(1,199)</u>	<u>2,695</u>
Taxation	-	(147)	(20)	(397)	(84)	-	-	-	(648)
Deferred Taxation	-	(40)	(40)	(37)	(42)	-	-	40	(119)
Zakat	-	(28)	(10)	(137)	(68)	-	-	-	(243)
<b>Profit / (Loss) after taxation</b>	<u><u>(1,047)</u></u>	<u><u>2,014</u></u>	<u><u>722</u></u>	<u><u>1,007</u></u>	<u><u>158</u></u>	<u><u>-</u></u>	<u><u>(10)</u></u>	<u><u>(1,159)</u></u>	<u><u>1,685</u></u>

**A9 Valuation of property, plant and equipment and investment properties**

The valuation of property, plant and equipment has been brought forward without amendment from the previous annual financial statements for the year ended 31 March 2017.

**A10 Material subsequent events**

There were no other material events subsequent to the end of the period under review, which are likely to affect the result of the Group's operation substantially.

**A11 Changes in composition of the Group**

There were no changes in the composition of the Group for the current period under review.

**A12 Contingent liabilities or contingent assets**

The Company has given corporate guarantees amounting to RM49.61 million (31/03/2017 : RM62.41 million) to licensed banks for banking and suppliers credit facilities granted to a subsidiary company. Consequently, the Company is contingently liable for the amount of banking facilities utilized by subsidiaries company amounting to RM14.24 million (31/03/2017 : RM29.82 million)

## **Additional information required by Bursa Malaysia Listing Requirements**

### **B1 Review of performance**

	INDIVIDUAL PERIOD (4th quarter)			CUMULATIVE PERIOD		
	CURRENT YEAR QUARTER	PRECEDING YEAR QUARTER		CURRENT YEAR TO-DATE	PRECEDING YEAR TO-DATE	
	31.03.2018 RM'000	31.03.2017 RM'000	Change %	31.03.2018 RM'000	31.03.2017 RM'000	Change %
Revenue	6,338	16,399	-61%	24,560	87,498	-72%
Operating Profit / (Loss)	(3,052)	769	-497%	(6,559)	2,098	-413%
Profit / (Loss) Before Interest and Tax	(6,307)	1,703	-470%	(9,989)	3,209	-411%
Profit / (Loss) Before Tax	(6,399)	1,567	-508%	(10,401)	2,695	-486%
Profit / (Loss) After Tax	(6,305)	942	-769%	(10,276)	1,685	-710%
Profit / (Loss) Attributable to Owners of the Company	(6,375)	982	-749%	(10,108)	1,622	-723%

#### **Quarterly**

For the current quarter under review, the Group recorded revenue of RM6.34 million and loss after tax of RM6.31 million as compared to corresponding preceding year quarter revenue of RM16.40 million and profit after tax of RM942,000 was mainly due to most of the mega projects has completed and the progress were fully recognized. The newly secured project has yet to contribute any revenue to the Group.

The losses were mainly due to share of loss in associate of IJMP-MK Joint Venture of RM3.25 million, write off professional and consultation costs of RM874,000 for work carried out however, the project proposal were not materialized and provision of trade receivables amounting to RM520,000.

#### **Year-to-date**

In line with the above, the Group recorded twelve months revenue of RM24.56 million and loss after tax of 10.28 million as compared to revenue of RM87.50 million and profit of RM1.69 million respectively in the corresponding preceding twelve months period ended 31 March 2017.

**B2 Comparison of the quarterly results to the results of the immediate preceding quarter**

	CURRENT QUARTER ENDED 31.03.2018 RM'000	IMMEDIATE PRECEDING QUARTER ENDED 31.12.2017 RM'000	Change %
Revenue	6,338	6,809	-7%
Operating Profit / (Loss)	(3,052)	(1,546)	-97%
Profit / (Loss) Before Interest and Tax	(6,307)	(1,601)	-294%
Profit / (Loss) Before Tax	(6,399)	(1,695)	-278%
Profit / (Loss) After Tax	(6,305)	(1,660)	-280%
Profit / (Loss) Attributable to Owners of the Company	(6,375)	(1,716)	-272%

For the current quarter under review, the Group's revenue was RM6.34 million, a decrease of 7% from the preceding quarter revenue of RM6.81 million while the loss after tax for the quarter stood at RM6.31 million as compare to the preceding quarter loss of RM1.66 million.

The further losses were due to insufficient revenue couple with the share of loss in associate of IJMP-MK Joint Venture of RM3.25 million, write off professional and consultation costs of RM874,000 for work carried out however, the project proposal were not materialized and provision of trade receivable amounting to RM520,000. The newly secured project has yet to contribute any revenue to the Group.

**B3 Prospects**

The Group will continue with the existing core business and actively secure new contract in various states within Malaysia. Barring unforeseen circumstances, the Director are of the opinion that based on the remaining balance of order book the performance of the Group for forthcoming financial period is expected to be challenging.

**B4 Profit forecast**

Not applicable as no profit forecast was published.

**B5 Profit Before Tax**

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

	Current Quarter 31-Mar-18 RM'000	Preceding Year Quarter 31-Mar-17 RM'000	Current YTD 31-Mar-18 RM'000	Preceding Year YTD 31-Mar-17 RM'000
Interest (Income)/ Loss	(42)	(136)	(163)	(399)
Interest Expenses	92	136	412	514
Depreciation Expenses	337	273	1,241	1,016
Write off of Trade Receivable	0	27	0	27
Impairment Loss on Trade Receivable	520	170	520	170
Foreign Exchange (Gain) / Loss	0	39	(24)	71
	907	509	1,986	1,399

**B6 Taxation**

	Current Quarter 31-Mar-18 RM'000	Preceding Year Quarter 31-Mar-17 RM'000	Current YTD 31-Mar-18 RM'000	Preceding Year YTD 31-Mar-17 RM'000
- Prior Year Tax	(74)	55	(113)	86
- Current Year Tax	74	276	82	562
- Deferred Tax	0	119	(166)	119
	0	450	(197)	767

Provision for tax was made in the current quarter on business and non business income derived mainly from operating income, rental, interest on repo and fixed deposit.

**B7 Unquoted investments and properties**

There was no sale of unquoted investments or properties for the current quarter and financial year to date.

**B8 Purchase or disposal of quoted investments**

There was no purchase or disposal of quoted investments for the current quarter.

**B9 Borrowing**

The Group borrowings are as follows: -

	As at 31-Mar-18 RM'000	As at 31-Mar-17 RM'000
<u>Short Term Borrowing (Secured)</u>		
- Letter of Credit / Trust Receipt	-	1,024
- Bank Overdraft	3,259	6,343
- Hire Purchase	308	353
- Term Loan	40	38
<u>Long Term Borrowing (Secured)</u>		
- Hire Purchase	599	943
- Term Loan	1,171	1,212
<b>Total Borrowing</b>	<b>5,377</b>	<b>9,913</b>

**B10 Material litigation**

There is no material litigation for the financial year as at 31 March 2018.

**B11 Dividend**

No dividends were proposed or declared for the current quarter and financial year to date. (2017 : Nil).

**B12 Earnings per share**

The basic losses per share for the financial year has been calculated based on the consolidated losses after taxation attributable to the owner of the parent of RM10.11 million and on the number of ordinary shares issue of 67,000,000.

By Order of the Board  
Yew @ Yeoh Siew Yen  
MAICSA 7048094  
Company Secretary  
Shah Alam  
22 May 2018