



CHIN WELL HOLDINGS BERHAD

(371551-T)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPT 2017 - UNAUDITED

	Unaudited	Audited
	As at	As at
	30.09.17	30.06.17
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	143,631	149,519
Investment properties	4,908	4,925
Other investment	180	180
	<u>148,719</u>	<u>154,624</u>
Current assets		
Inventories	219,089	227,476
Trade and other receivables	141,194	122,059
Current tax assets	8,117	3,202
Cash and bank balances	95,700	113,914
	<u>464,100</u>	<u>466,651</u>
TOTAL ASSETS	<u>612,819</u>	<u>621,275</u>
EQUITY AND LIABILITIES		
Share capital	177,929	177,929
Reserves	356,477	355,595
Total equity	<u>534,406</u>	<u>533,524</u>
Non-current liabilities		
Deferred tax liabilities	8,345	8,400
Current liabilities		
Trade and other payables	29,500	29,801
Borrowings	29,736	48,113
Dividend payable	9,882	-
Current tax liabilities	950	1,437
	<u>70,068</u>	<u>79,351</u>
Total liabilities	<u>78,413</u>	<u>87,751</u>
TOTAL EQUITY AND LIABILITIES	<u>612,819</u>	<u>621,275</u>
Net assets per share (RM)	1.78	1.78

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited Financial Statements for the financial year ended 30 June 2017. The accompanying notes are an integral part of these interim financial statements.



CHIN WELL HOLDINGS BERHAD

(371551-T)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 3 MONTHS PERIOD ENDED 30 SEPTEMBER 2017 - UNAUDITED

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30.09.17 RM'000	30.09.16 RM'000	30.09.17 RM'000	30.09.16 RM'000
Revenue	137,939	113,309	137,939	113,309
Cost of sales	<u>(112,818)</u>	<u>(92,417)</u>	<u>(112,818)</u>	<u>(92,417)</u>
Gross profit	25,121	20,892	25,121	20,892
Other income	1,888	2,320	1,888	2,320
Administrative expenses	(6,140)	(3,770)	(6,140)	(3,770)
Selling and distribution expenses	<u>(3,922)</u>	<u>(3,983)</u>	<u>(3,922)</u>	<u>(3,983)</u>
Operating profit	16,947	15,459	16,947	15,459
Finance costs	<u>(248)</u>	<u>(253)</u>	<u>(248)</u>	<u>(253)</u>
Profit before tax	16,699	15,206	16,699	15,206
Tax expense	<u>(2,726)</u>	<u>(2,343)</u>	<u>(2,726)</u>	<u>(2,343)</u>
Profit for the financial period	13,973	12,863	13,973	12,863
Other comprehensive (loss)/income, net of tax				
Item that will be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	<u>(3,072)</u>	<u>6,714</u>	<u>(3,072)</u>	<u>6,714</u>
Total comprehensive income attributable to the owner of the company for the financial period/year	<u>10,901</u>	<u>19,577</u>	<u>10,901</u>	<u>19,577</u>
Earnings per share attributable to owners of the Company (sen)				
- Basic/Diluted	<u>4.67</u>	<u>4.29</u>	<u>4.67</u>	<u>4.29</u>

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's audited Financial Statements for the financial year ended 30 June 2017. The accompanying notes are an integral part of these interim financial statements.



CHIN WELL HOLDINGS BERHAD

(371551-T)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 3 MONTHS PERIOD ENDED 30 SEPTEMBER 2017 - UNAUDITED

	----- Non-distributable -----			Distributable		
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Foreign Translation Reserve RM'000	Retained Profits RM'000	Total Equity RM'000
At 1 July 2017	177,929	-	(3)	41,818	313,780	533,524
	<i>Note (1)</i>					
Foreign exchange differences on translation	-	-	-	(3,072)	-	(3,072)
Profit for the financial period	-	-	-	-	13,973	13,973
Total comprehensive income for the financial period	-	-	-	(3,072)	13,973	10,901
Transactions with owners:						
Purchase of treasury shares	-	-	(137)	-	-	(137)
Dividend	-	-	-	-	(9,882)	(9,882)
Total transactions with owners	-	-	(137)	-	(9,882)	(10,019)
At 30 Sept 2017	<u>177,929</u>	<u>-</u>	<u>(140)</u>	<u>38,746</u>	<u>317,871</u>	<u>534,406</u>
At 1 July 2016	149,767	28,163	-	30,948	286,839	495,717
Foreign exchange differences on translation	-	-	-	6,714	-	6,714
Profit for the financial period	-	-	-	-	12,863	12,863
Total comprehensive income for the financial period	-	-	-	6,714	12,863	19,577
Transaction with owners:						
Dividends	-	-	-	-	(13,479)	(13,479)
At 30 Sept 2016	<u>149,767</u>	<u>28,163</u>	<u>-</u>	<u>37,662</u>	<u>286,223</u>	<u>501,815</u>

Note:

The new Companies Act 2016 (the "Act"), which came into operation on 31 January 2017, abolished the concept of authorised share capital and par value of share capital. Consequently, the amount standing to the credit of the share premium account becomes part of the Company's share capital pursuant to the transitional provisions 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 the amount standing to the credit of its share premium account of RM28,162,800 for purposes as set out in Sections 618 (3) of the Act. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Group's audited Financial Statements for the financial year ended 30 June 2017. The accompanying notes are an integral part of these interim financial statements.



CHIN WELL HOLDINGS BERHAD
(371551-T)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 3 MONTHS PERIOD ENDED 30 SEPTEMBER 2017 - UNAUDITED

	30.09.17	30.09.16
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	16,699	15,206
Adjustments for:		
Depreciation	5,694	4,660
Gain on disposal of property, plant and equipment	(76)	-
Impairment loss charge/(reverse) on receivables	236	(31)
Interest expense	248	253
Interest income	(1,276)	(471)
Property, plant and equipment written off	5	-
Unrealised loss/(gain) on foreign exchange	1,011	(771)
	22,541	18,846
Operating profit before working capital changes	22,541	18,846
Decrease in inventories	6,934	218
Increase in receivables	(21,115)	(3,088)
Decrease in payables	(145)	(300)
	8,215	15,676
Cash from operation	8,215	15,676
Interest paid	(248)	(253)
Income tax paid	(8,164)	(4,241)
	(197)	11,182
Net cash (used in)/from operating activities	(197)	11,182
Cash flows from investing activities		
Interest received	1,276	471
Proceeds from disposal of property, plant and equipment	94	-
Purchase of property, plant and equipment	(847)	(1,957)
Net cash from/(used in) investing activities	523	(1,486)
Cash flows from financing activities		
Net change in borrowings	(18,067)	(12,876)
Purchase of treasury shares	(137)	-
Net cash used in financing activities	(18,204)	(12,876)
Net decrease in cash and bank balances	(17,878)	(3,180)
Effect of changes in exchange rate on cash and bank balances	(336)	1,875
Cash and bank balances at beginning	113,914	132,962
Cash and bank balances at end	95,700	131,657

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited Financial Statements for the financial year ended 30 June 2017. The accompanying notes are an integral part of these interim financial statements.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Part A - Explanatory Notes Pursuant To MFRS 134

A1. Basis of Preparation

The condensed consolidated interim financial statements ("Report") have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The audited financial statements of the Group for the financial year ended 30 June 2017 were prepared in accordance with MFRS. The significant accounting policies adopted in preparing this Report are consistent with those of the audited financial statements for the financial year ended 30 June 2017.

A2. Significant Accounting Policies

A2.1 Adoption of MFRS and amendments to MFRS

The following MFRS and amendments to MFRS have come into effect during the current financial period:

Effective for annual periods beginning on or after 1 January 2017

Amendments to MFRS 12 Disclosure of Interests in Other Entities (under Annual Improvements to MFRS Standards 2014-2016 Cycle)

Amendments to MFRS 107 Statement of Cash Flows: Disclosure Initiatives

Amendments to MFRS 112 Income Taxes: Recognition of Deferred Tax Assets for Unrealised Losses

The initial application of the above standards does not have any financial impacts to the Group's financial statements.

A2.2 Standards issued but not yet effective

At the date of authorisation of this Report, the following standards were issued but not yet effective and have not been early applied by the Group:

Effective for annual periods beginning on or after 1 January 2018

MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)

MFRS 15 Revenue from Contracts with Customers

Amendments to MFRS 2 Classification and Measurement of Share-based Payment Transactions

Amendments to MFRS 4 Insurance Contracts: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts

Amendments to MFRS 7 Mandatory Date of MFRS 9 and Transition Disclosures

Amendments to MFRS 140 Investment Property: Transfers of Investment Property

Annual Improvements to MFRS Standards 2014-2016 Cycle (except for Amendments to MFRS 12 Disclosure of Interests in Other Entities)

IC Interpretation 22 Foreign Currency Transactions and Advance Consideration

Effective for annual periods beginning on or after 1 January 2019

MFRS 16 Leases

IC Interpretation 23 Uncertainty over Income Tax Treatments

Effective for annual period beginning on or after 1 January 2021

MFRS 17 Insurance Contracts

Effective date yet to be confirmed

Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

A3. Audit Report of Preceding Annual Financial Statements

The auditors' report of the Group's most recent annual audited financial statements for the financial year ended 30 June 2017 was not subject to any qualification.

A4. Seasonal or Cyclical Factors

The business of the Group was not affected by seasonal or cyclical factors. Factors such as world economic growth might have implication on the Group's revenue.

A5. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

A6. Changes in Estimates

There were no changes in estimates of amounts reported in the prior financial year that have a material effect in the current financial period under review.

A7. Debt and Equity Securities

There was no issuance, cancellation, repurchases, resale and repayment of debt and equity securities during the current financial period under review, except as follows:

	Treasury shares	
	No. of Share	RM
Repurchase of own shares during the current period to date	78,100	<u>137,290</u>
Repurchase of own shares as of 30.9.2017	80,100	<u>140,599</u>

A8. Dividend Paid

There was no dividend paid during the current financial period under review and previous corresponding period.

A9. Segment Information

Segment information is presented in respect of the Group's business segments. Inter-segment pricing is determined based on negotiated basis.

(i) Analysis by business segments

	Fastener Products RM'000	Wire Products RM'000	Investment Holding RM'000	Elimination / RM'000	Group RM'000
3 months ended 30 Sept 2017					
Revenue					
External revenue	111,266	26,673	-	-	137,939
Inter-segment revenue	-	-	15,628	(15,628)	-
Total revenue	<u>111,266</u>	<u>26,673</u>	<u>15,628</u>	<u>(15,628)</u>	<u>137,939</u>
Results					
Segment profit	20,164	1,487	15,342	(15,628)	21,365
Finance costs	(189)	(59)	-	-	(248)
Interest income	1,186	38	52	-	1,276
Depreciation	(5,023)	(671)	-	-	(5,694)
Profit before tax	<u>16,138</u>	<u>795</u>	<u>15,394</u>	<u>(15,628)</u>	<u>16,699</u>
Segment assets	<u>508,513</u>	<u>90,992</u>	<u>351,420</u>	<u>(338,106)</u>	<u>612,819</u>
Segment liabilities	<u>58,102</u>	<u>12,645</u>	<u>10,265</u>	<u>(2,597)</u>	<u>78,415</u>
3 months ended 30 Sept 2016					
Revenue					
External revenue	96,829	16,480	-	-	113,309
Inter-segment revenue	-	-	11,476	(11,476)	-
Total revenue	<u>96,829</u>	<u>16,480</u>	<u>11,476</u>	<u>(11,476)</u>	<u>113,309</u>
Results					
Segment profit	17,490	2,195	11,439	(11,476)	19,648
Finance costs	(229)	(24)	-	-	(253)
Interest income	437	24	10	-	471
Depreciation	(4,088)	(572)	-	-	(4,660)
Profit before tax	<u>13,610</u>	<u>1,623</u>	<u>11,449</u>	<u>(11,476)</u>	<u>15,206</u>
Segment assets	<u>524,312</u>	<u>90,780</u>	<u>326,106</u>	<u>(324,828)</u>	<u>616,370</u>
Segment liabilities	<u>62,045</u>	<u>19,504</u>	<u>33,743</u>	<u>(737)</u>	<u>114,555</u>

(ii) Analysis by geographical segments

	<u>Revenue</u>		<u>Non-current Assets*</u>	
	3 months		as at	as at
	ended	ended	30.09.17	30.09.16
	30.09.17	30.09.16	30.09.17	30.09.16
	RM'000	RM'000	RM'000	RM'000
Malaysia	49,779	41,657	83,906	80,890
Vietnam	1,134	3,146	64,633	76,658
Other Asian countries	8,971	9,216	-	-
European countries	69,969	54,228	-	-
Others	8,086	5,062	-	-
	<u>137,939</u>	<u>113,309</u>	<u>148,539</u>	<u>157,548</u>

* Non-current assets information presented excludes financial assets.

A10. Valuations of Property, Plant and Equipment

There were no changes in the valuation of property, plant and equipment since the last audited financial statements for the financial year ended 30 June 2017.

A11. Event Subsequent to the End of the Reporting Period

There were no material events subsequent to the end of the reporting period.

A12. Contingencies

There were no contingent assets or contingent liabilities since the end of the last annual reporting period.

A13. Changes in Group's Composition

There were no changes in the composition of the Group during the financial period under review.

A14. Capital Commitments

The Group has no major capital commitments as at the end of the reporting period except the following:

Contracted but not provided for:	RM'000
- Property, plant and equipment	<u>12,924</u>

Part B - Explanatory Notes Pursuant To Appendix 9B Of The Listing Requirements Of Bursa Malaysia Securities Berhad

B1. Performance Analysis of all Operating Segments

Comparison with the corresponding quarter and financial year to date in the previous financial year

	<u>Individual Quarter</u>		Changes		<u>Cumulative Quarter</u>		Changes	
	<u>3 months ended</u>				<u>3 months ended</u>			
	<u>30.09.17</u>	<u>30.09.16</u>	<u>RM'000</u>	<u>%</u>	<u>30.09.17</u>	<u>30.09.16</u>	<u>RM'000</u>	<u>%</u>
	<u>RM'000</u>	<u>RM'000</u>			<u>RM'000</u>	<u>RM'000</u>		
<u>Revenue - Business Segments</u>								
-- Fasteners Products	111,266	96,829	14,437	14.9%	111,266	96,829	14,437	14.9%
-- Wire Products	26,673	16,480	10,193	61.9%	26,673	16,480	10,193	61.9%
	<u>137,939</u>	<u>113,309</u>	24,630	21.7%	<u>137,939</u>	<u>113,309</u>	24,630	21.7%
<u>Profit/(Loss) before interest & tax</u>								
-- Fasteners Products	16,327	13,839	2,488	18.0%	16,327	13,839	2,488	18.0%
-- Wire Products	854	1,647	(793)	-48.1%	854	1,647	(793)	-48.1%
-- Investment Holding	(234)	(27)	(207)	766.7%	(234)	(27)	(207)	766.7%
	<u>16,947</u>	<u>15,459</u>	1,488	9.6%	<u>16,947</u>	<u>15,459</u>	1,488	9.6%
<u>Profit/(Loss) before tax</u>								
-- Fasteners Products	16,138	13,610	2,528	18.6%	16,138	13,610	2,528	18.6%
-- Wire Products	795	1,623	(828)	-51.0%	795	1,623	(828)	-51.0%
-- Investment Holding	(234)	(27)	(207)	766.7%	(234)	(27)	(207)	766.7%
	<u>16,699</u>	<u>15,206</u>	1,493	9.8%	<u>16,699</u>	<u>15,206</u>	1,493	9.8%
<u>Profit/(Loss) after tax attributable to ordinary equity holders of the parent</u>								
-- Fasteners Products	13,603	11,656	1,947	16.7%	13,603	11,656	1,947	16.7%
-- Wire Products	605	1,234	(629)	-51.0%	605	1,234	(629)	-51.0%
-- Investment Holding	(235)	(27)	(208)	770.4%	(235)	(27)	(208)	770.4%
	<u>13,973</u>	<u>12,863</u>	1,110	8.6%	<u>13,973</u>	<u>12,863</u>	1,110	8.6%

Overall Review of Group' Financial Performance

During the current financial period to date, the Group recorded a total revenue and total profit before tax of RM137.94 million and RM16.70 million respectively. The main contributor to the rise in the Group's revenue is the export of fastener products to European countries in the current period under review. In tandem with the higher revenue, the profit margin derived in the current period had increased accordingly. However, it is partially eroded by the higher administrative expenses as a result of higher forex loss recorded in the current period under review.

The equity attributable to the owners of the Company increased in line with the higher retained earnings from RM533.52 million as of 30.6.2017 to RM534.40 million as of 30.9.2017 after the declaration of the second interim single tier dividend amounted to RM9.88 million. The Group's borrowings reduced by RM18.38 million to RM29.74 million as at the date of the current financial period end and the Group remains to have net cash position of RM65.96 million.

As compared to the preceding year corresponding period, more cash was utilised in the current financial period for the payment of deposit for the purchases of raw materials. Besides, the Group has repaid its bank borrowings amounted to RM18.07 million. As a result the Group's total cash and bank balance as of 30.9.2017 reduced by 27.3% to RM95.70 million as compared to 30.9.2016.

Individual Quarter and Cumulative Results:

Fasteners Products

Fasteners Products posted a revenue of RM111.27 million and profit before tax of RM16.14 million respectively in the current reporting quarter. The revenue and its profit before tax improved by 14.9% and 18.6% respectively in the current reporting period as compared to the preceding year corresponding period. Higher export sales to European countries has contributed to the higher revenue and improved the results of the division in the current quarter. In addition, the profit margin of the division was sustained with mark up in the average selling price of the fasteners products following the hike in its raw material cost.

Wire Products

Wire division achieved an increase of 61.9% in its current period revenue as compared to RM16.48 million in the preceding year corresponding period. The higher revenue did not contribute to better result in the current quarter. The raw material cost hike at a faster pace than its average selling price and eroded part of the profit margin. In couple with higher administrative cost and selling expenses, the profit before tax of the division dropped by RM828k to RM795k in the current quarter.

B2. Variation of Results Against Preceding Quarter

	3 months ended 30.09.17 RM'000	3 months ended 30.06.17 RM'000	Changes	
			RM'000	%
<u>Revenue - Business Segments</u>				
-- Fasteners Products	111,266	114,790	(3,524)	-3.07%
-- Wire Products	26,673	26,306	367	1.40%
	<u>137,939</u>	<u>141,096</u>	(3,157)	-2.24%
<u>Profit/(Loss) before interest & tax</u>				
-- Fasteners Products	16,327	10,298	6,029	58.55%
-- Wire Products	854	1,521	(667)	-43.85%
-- Investment Holding	(234)	(372)	138	-37.10%
	<u>16,947</u>	<u>11,447</u>	5,500	48.05%
<u>Profit/(Loss) before tax</u>				
-- Fasteners Products	16,138	10,058	6,080	60.45%
-- Wire Products	795	1,459	(664)	-45.51%
-- Investment Holding	(234)	(372)	138	-37.10%
	<u>16,699</u>	<u>11,145</u>	5,554	49.83%
<u>Profit/(Loss) after tax attributable to ordinary equity holders of the parent</u>				
-- Fasteners Products	13,603	8,455	5,148	60.89%
-- Wire Products	605	1,109	(504)	-45.45%
-- Investment Holding	(235)	(384)	149	-38.80%
	<u>13,973</u>	<u>9,180</u>	4,793	52.21%

The Group posted a total revenue of RM137.94 million and profit before tax of RM16.70 million in the current quarter under review.

Fasteners Products

The revenue in Fastener division was RM111.27 million in the current quarter as compared to the immediate preceding quarter of RM114.79 million, a marginal drop of 3.07%. Increase in average selling price and higher export sales to European countries had contributed to the higher revenue in the current quarter. In tandem with a higher revenue, less administrative expenses and provision made in the current reporting quarter had improved the profit before tax of the division by RM6.08 million in the current quarter as compared to the immediate preceding quarter.

Wire Products

Wire Products posted a revenue of RM26.67 million which represents a marginal increase of 1.40% in the current reporting quarter as compared to the immediate preceding quarter. However, its profit margin eroded by the continuous increase in its raw material cost and its profit before tax dropped by RM664k to RM795k in the current reporting quarter.

B3. Prospects

The market outlook for the Group is expected to remain challenging in the remaining quarters. The main factors that may affect the Group's performance will be the trend of the market demand in addition to the volatility of the raw material price. The unexpected market movement and rapid changes in the raw material cost will affect the production volume, product cost and bottom line of the Group. In order to cushion the stress from the safeguard duty which imposed by the Malaysian government towards the end of the financial year ended 30 June 2017 on the wire rod imported from China, the Group had sourced its raw material from other alternative countries such as the Middle East and Vietnam which are duty exempted and without compromising the quality of our products. Application to the authorities for the exemption of the duty is in the progress with the hope to obtain the approval in the next few months.

The Group expects its DIY segment will continue to contribute positively to the Group's performance through the increase of its distribution network in the European and US markets. While for the Wire division, with the expansion in the production of new product lines such as welded fencing, gabion and poultry mesh, it is expected to further enhance the division's result in this financial year with its high value added margin.

In addition to the existing core business, from time to time, the Group will explore into other new business ventures which will potentially benefit to the growth of the Group.

Barring any unforeseen circumstances, the Group anticipates satisfactory performance in the current financial year.

B4. Profit Forecast

There was no profit forecast made in any public document.

B5. Profit For The Period

Included in profit or loss for the current quarter and financial year to to date are as follows:

	Current quarter RM'000	Current Year To date RM'000
Depreciation	5,694	5,694
Impairment loss on receivables charged/(reversed)	236	236
Interest expense	248	248
Interest income	(1,276)	(1,276)
Gain on disposal of property, plant and equipment	(76)	(76)
Unrealised loss on foreign exchange	1,011	1,011
Realised gain on foreign exchange	(14)	(14)
Rental income	(101)	(101)

Other than the above items, there were no gain or loss on disposal of quoted or unquoted investments or properties, write off of inventories as well as other exceptional items.

B6. Tax Expense

	<u>Individual Quarter</u> 3 months ended		<u>Cumulative Quarter</u> 3 months ended	
	30.09.17 RM'000	30.09.16 RM'000	30.09.17 RM'000	30.09.16 RM'000
Malaysian income tax				
- Current tax	(2,726)	(2,343)	(2,726)	(2,343)
- Deferred tax liabilities	-	-	-	-
	<u>(2,726)</u>	<u>(2,343)</u>	<u>(2,726)</u>	<u>(2,343)</u>

The Group's effective tax rate for the current quarter and financial year under review is lower than the Malaysian statutory tax rate of 24%. This is mainly due to the lower tax rate enjoyed by our Vietnam subsidiary.

B7. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this report.

B8. Borrowings and Debt Securities

The Group's borrowings :

As as 30.9.2017	Denominated in USD RM'000	Denominated in RM RM'000	Total RM'000
Secured:			
Short term			
Bankers acceptance	-	10,449	10,449
Onshore foreign currency loans	19,287	-	19,287
	<u>19,287</u>	<u>10,449</u>	<u>29,736</u>
As as 30.9.2016			
Secured:			
Short term			
Bankers acceptance	-	15,118	15,118
Onshore foreign currency loans	32,995	-	32,995
	<u>32,995</u>	<u>15,118</u>	<u>48,113</u>

- a. The total borrowings as at the end of the reporting period had been reduced to RM29.74 million as compared to RM48.11 million as of 30.9.2016. The cost reduction benefitted from the lower borrowings had been partially set off by the higher average interest rate for foreign currency borrowings. Hence the total finance cost incurred in the current quarter is RM248k as compared to RM253k in the corresponding quarter in preceding year.

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b. The average interest rates of borrowings during the current reporting period to date are as follows:

	30.09.17	30.09.16
	%	%
Borrowings denominated in RM	3.60	3.64
- Bankers acceptance		
Borrowings denominated in USD		
- Onshore foreign currency loans	1.61	0.76

All the borrowings are based on floating interest rates.

c. Borrowings denominated in USD are not hedged to RM as the borrowings will be paid off from the export proceeds of the respective subsidiaries denominated in foreign currencies.

B9. Material Litigation

There was no material litigation during the financial period under review.

B11. Proposed Dividend

a. Dividend declared during the current reporting quarter and the corresponding quarter:

	Current Quarter	Corresponding Quarter
Interim dividend for the financial year	30.6.2017	30.6.2016
Declared and approved on	29.8.2017	25.8.2016
Entitlement date	2.11.2017	28.10.2016
Payment date	23.11.2017	18.11.2016
Dividend per share	3.3 sen	4.50 sen
Dividend % (Single Tier)	6.60%	9.00%
Net dividend payable	RM9,881,951	RM13,478,993

b. There is no dividends declared for the current financial year ended 30 June 2018.

B12. Earnings Per Share

(i) **Basic earnings per share**

The basic earnings per share has been calculated based on the Group's profit after tax attributable to owners of the Company divided by the weighted average number of ordinary shares in issue during the financial period:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	3 months ended		3 months ended	
	30.09.17	30.9.16	30.09.17	30.9.16
Profit after tax				
Attributable to owners of the Company (RM'000)	13,973	12,863	13,973	12,863
Weighted average number of ordinary shares ('000)	299,504	299,533	299,504	299,533
Basic Earnings Per Share (sen)	4.67	4.29	4.67	4.29

(ii) **Diluted Earnings Per Share**

Diluted Earnings Per Share (sen)	4.67	4.29	4.67	4.29
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There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the reporting period.

B13. Realised and Unrealised Profits Disclosure

	(Audited)	
	As at	As at
	30.09.17	30.6.17
	RM'000	RM'000
Total retained profits of the Company and of its subsidiaries:		
- Realised	444,441	439,199
- Unrealised	(7,840)	(6,687)
	436,601	432,512
Less: Consolidation adjustments	(118,730)	(118,732)
Total retained profits	317,871	313,780