



WARISAN TC HOLDINGS BERHAD

(Company No: 424834-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2017**

(The figures have not been audited)



WARISAN TC HOLDINGS BERHAD

(Company No: 424834-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2017**

	Quarter ended			Year Ended		
	31.12.2017	31.12.2016	Changes	31.12.2017	31.12.2016	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	122,082	113,978	7	490,784	446,116	10
Cost of sales	(92,558)	(78,850)	17	(356,402)	(314,202)	13
Gross profit	29,524	35,128	(16)	134,382	131,914	2
Other income	2,880	390	638	4,214	3,166	33
Fair value changes on investment properties	(400)	-	-	(400)	-	-
Selling and distribution expenses	(15,559)	(10,304)	51	(47,676)	(45,478)	5
Administrative and general expenses	(9,265)	(22,080)	(58)	(71,322)	(79,795)	(11)
Interest expense	(3,342)	(3,507)	(5)	(14,305)	(13,907)	3
Interest income	233	451	(48)	1,279	1,593	(20)
Share of loss of equity-accounted associate, net of tax	(186)	-	-	(186)	-	-
Share of (loss)/profit of equity-accounted joint ventures, net of tax	(276)	(292)	(5)	2,636	1,644	60
Profit / (Loss) before tax	3,609	(214)	1,786	8,622	(863)	1,099
Tax expense	(2,936)	(948)	210	(4,054)	(4,778)	(15)
Profit / (Loss) for the period	673	(1,162)	158	4,568	(5,641)	181
Profit/(Loss) attributable to :						
Owners of the Company	823	(745)	210	4,929	(5,037)	198
Non-controlling interests	(150)	(417)	64	(361)	(604)	40
	673	(1,162)	158	4,568	(5,641)	181
Earnings / (Loss) per share (sen) attributable to owners of the Company:						
- Basic	1.26	(1.14)		7.57	(7.74)	
- Diluted	N/A	N/A		N/A	N/A	

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



WARISAN TC HOLDINGS BERHAD

(Company No: 424834-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2017**

	Quarter ended			Year Ended		
	31.12.2017	31.12.2016	Changes	31.12.2017	31.12.2016	Changes
	RM'000	RM000	%	RM'000	RM000	%
Profit / (Loss) for the period	673	(1,162)	158	4,568	(5,641)	181
Other comprehensive income / (loss), net of tax						
Items that are or may be reclassified subsequently to profit or loss						
Net change in fair value of cash flow hedge	(198)	(273)	27	(349)	(121)	(188)
Foreign exchange differences from translation	(891)	1,379	(165)	(1,753)	715	(345)
	(1,089)	1,106	(198)	(2,102)	594	454
Items that will not be reclassified subsequently to profit or loss						
Remeasurement of defined benefit liabilities	(217)	(1,178)	82	(217)	(1,178)	82
Revaluation of property, plant and equipment	9,738	-	-	9,738	-	-
Share of gain of equity-accounted joint venture	7	72	(90)	7	72	(90)
Total other comprehensive (loss) / income, net of tax	8,439	-	-	7,426	(512)	1,550
Total comprehensive income / (loss)	9,112	(1,162)	884	11,994	(6,153)	295
Total comprehensive income / (loss) attributable to :						
Owners of the Company	9,262	(745)	1,343	12,355	(5,549)	323
Non-controlling interests	(150)	(417)	64	(361)	(604)	40
	9,112	(1,162)	884	11,994	(6,153)	295

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

**WARISAN TC HOLDINGS BERHAD***(Company No: 424834-W)**(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 31 DECEMBER 2017**

	As at 31.12.2017 RM'000	As at 31.12.16 RM'000
ASSETS		
Property, plant and equipment	304,100	308,417
Investment property	45,400	45,800
Investment in an associate	976	148
Investment in joint ventures	35,861	34,007
Other investments	10	10
Lease receivables	1,728	3,793
Other receivables	699	561
Deferred tax assets	2,617	2,522
Intangible assets	12,374	11,584
Total non-current assets	403,765	406,842
Inventories	124,954	132,140
Receivables, deposits and prepayments	157,757	158,218
Derivative financial assets	10	204
Current tax assets	10,538	13,801
Cash and cash equivalents	94,429	84,056
Total current assets	387,688	388,419
TOTAL ASSETS	791,453	795,261
EQUITY		
Equity attributable to equity holders of the parent		
Share capital	67,815	67,200
Share premium	-	615
Reserves	16,187	8,865
Retained earnings	250,531	247,465
Treasury shares	(4,213)	(4,210)
Total equity attributable to owners of the Company	330,320	319,935
Non-controlling interests	(1,380)	(1,021)
TOTAL EQUITY	328,940	318,914
LIABILITIES		
Deferred tax liabilities	17,657	19,065
Employee benefits	6,534	5,717
Hire purchase liabilities	36,867	36,937
Borrowings	10,750	29,913
Total non-current liabilities	71,808	91,632
Payables and accruals	141,768	144,128
Hire purchase liabilities	35,960	26,258
Borrowings	210,461	213,849
Derivative financial liability	519	254
Current tax liabilities	1,997	226
Total current liabilities	390,705	384,715
TOTAL LIABILITIES	462,513	476,347
TOTAL EQUITY AND LIABILITIES	791,453	795,261
	RM	RM
Net assets per share attributable to owners of the Company	5.07	4.91

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



WARISAN TC HOLDINGS BERHAD

(Company No: 424834-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

	← Attributable to owners of the Company →								Total	Non-controlling interests	Total Equity
	← Non-distributable →				Distributable						
	Share capital	Share premium	Treasury shares	Merger reserve	Translation reserve	Hedging reserve	Revaluation reserve	Retained earnings			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2017	67,200	615	(4,210)	(41,614)	5,053	(38)	45,464	247,465	319,935	(1,021)	318,914
Adjustment for effects of Companies Act 2016 (Note a)	615	(615)	-	-	-	-	-	-	-	-	-
Investment by minority shareholders	-	-	-	-	-	-	-	-	-	2	2
Foreign currency translation differences for foreign operations	-	-	-	-	(1,753)	-	-	-	(1,753)	-	(1,753)
Remeasurement of defined benefit liabilities	-	-	-	-	-	-	-	(217)	(217)	-	(217)
Change in fair value of cash flow hedge	-	-	-	-	-	(349)	-	-	(349)	-	(349)
Revaluation of property, plant and equipment	-	-	-	-	-	-	9,738	-	9,738	-	9,738
Share of gain of equity-accounted joint venture	-	-	-	-	-	-	-	(7)	(7)	-	(7)
Total other comprehensive loss, net of tax	-	-	-	-	(1,753)	(349)	9,738	(224)	7,412	-	7,412
Profit for the year	-	-	-	-	-	-	-	4,929	4,929	(361)	4,568
Total comprehensive income	-	-	-	-	(1,753)	(349)	9,738	4,705	12,341	(361)	11,980
Purchase of treasury shares	-	-	(3)	-	-	-	-	-	(3)	-	(3)
Dividend - 2016 final	-	-	-	-	-	-	-	(1,302)	(1,302)	-	(1,302)
Dividend - 2017 interim	-	-	-	-	-	-	-	(651)	(651)	-	(651)
Portion of revaluation reserve transferred through depreciation	-	-	-	-	-	-	(314)	314	-	-	-
At 31 December 2017	67,815	-	(4,213)	(41,614)	3,300	(387)	54,888	250,531	330,320	(1,380)	328,940

Note a : Pursuant to Section 618(2) of the Companies Act 2016 ("CA 2016"), any amount standing to the credit of the share premium account shall become part of the share capital. Notwithstanding this, the Group may within 24 months upon commencement of the CA 2016 use the amount standing to the credit of the share premium account of RM615,000 for the purposes set out in Section 618(3) of the CA 2016.

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



WARISAN TC HOLDINGS BERHAD

(Company No: 424834-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

	← Attributable to owners of the Company →							Total	Non-controlling interests	Total Equity	
	← Non-distributable →				Distributable						
	Share capital	Share premium	Treasury shares	Merger reserve	Translation reserve	Hedging reserve	Revaluation reserve				Retained earnings
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
At 1 January 2016	67,200	615	(4,209)	(41,614)	4,338	83	45,778	257,526	329,717	(585)	329,132
Investment by minority shareholders	-	-	-	-	-	-	-	-	-	168	168
Foreign currency translation differences for foreign operations	-	-	-	-	715	-	-	-	715	-	715
Remeasurement of retirement benefit obligations	-	-	-	-	-	-	-	(1,178)	(1,178)	-	(1,178)
Change in fair value of cash flow hedge	-	-	-	-	-	(121)	-	-	(121)	-	(121)
Share of gain of equity-accounted joint venture	-	-	-	-	-	-	-	72	72	-	72
Total other comprehensive loss, net of tax	-	-	-	-	715	(121)	-	(1,106)	(512)	-	(512)
Loss for the year	-	-	-	-	-	-	-	(5,037)	(5,037)	(604)	(5,641)
Total comprehensive loss	-	-	-	-	715	(121)	-	(6,143)	(5,549)	(604)	(6,153)
Purchase of treasury shares	-	-	(1)	-	-	-	-	-	(1)	-	(1)
Dividend - 2015 final	-	-	-	-	-	-	-	(2,930)	(2,930)	-	(2,930)
Dividend - 2016 interim	-	-	-	-	-	-	-	(1,302)	(1,302)	-	(1,302)
Portion of revaluation reserve transferred through depreciation	-	-	-	-	-	-	(314)	314	-	-	-
At 31 December 2016	67,200	615	(4,210)	(41,614)	5,053	(38)	45,464	247,465	319,935	(1,021)	318,914

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



WARISAN TC HOLDINGS BERHAD

(Company No: 424834-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Year Ended	
	31.12.2017	31.12.2016
	RM'000	RM'000
Cash flow from operating activities		
Profit / (Loss) before tax	8,622	(863)
Adjustments for:		
Depreciation & amortisation	59,782	50,965
Property, plant and equipment written off	589	1,551
Gain on disposal of property, plant and equipment	(2,165)	(322)
Gain on disposal of assets held for rental	(5,707)	(6,731)
Other non-cash items	(801)	2,864
Non-operating items	13,026	12,314
Operating profit before working capital changes	73,346	59,778
Changes in working capital	9,297	31,641
Tax paid, net of refunds	(1,577)	(7,855)
Retirement benefit paid	(295)	(454)
Proceeds from disposal of assets held for rental	21,948	25,359
Net cash generated from operating activities	102,719	108,469
Cash flows from investing activities		
Acquisition of subsidiary, net of cash acquired	-	(27)
Investment in an associate	(1,014)	(148)
Dividend received from joint ventures	780	1,232
Dividend received from other investment	-	14
Purchase of property, plant and equipment	(26,349)	(56,851)
Purchase of intangible assets	(64)	(2,292)
Proceeds from disposal of property, plant and equipment	8,296	1,314
Interest received	1,279	1,593
Net cash used in investing activities	(17,072)	(55,165)
Cash flows from financing activities		
Dividends paid to shareholders of the Company	(1,953)	(4,232)
Repayment of hire purchase financing	(35,366)	(32,891)
Drawdown of bankers' acceptances	89,578	131,293
Repayment of bankers' acceptances	(97,900)	(144,632)
Repayment of term loans	(16,395)	(17,296)
Drawdown of revolving credits	1,990,000	1,762,000
Repayment of revolving credits	(1,987,000)	(1,747,000)
Interest paid	(14,305)	(13,907)
Purchase of treasury shares	(3)	(1)
Net cash used in financing activities	(73,344)	(66,666)
Net changes in cash and cash equivalents	12,303	(13,362)
Cash and cash equivalents at beginning of period	81,726	94,269
Effects of exchange rate fluctuation on cash and cash equivalents	(1,096)	819
Cash and cash equivalents at end of period	92,933	81,726
Cash and cash equivalents comprise:		
Short term deposits	7,266	13,945
Cash at bank and in hand	48,583	40,908
Fixed deposits with licensed banks	38,580	29,203
Bank overdrafts	(1,496)	(2,330)
	92,933	81,726

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



Part A: Explanatory notes as per MFRS 134: *Interim Financial Reporting*

1. Basis of preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: *Interim Financial Reporting* in Malaysia and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2016. The explanatory notes attached to the condensed consolidated interim financial statements 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 year ended 31 December 2016.

Adoption of Standards, Amendments and Issues Committee (“IC”) Interpretations

During the financial period, the Group has adopted the following standards, amendments and IC interpretations issued by the Malaysian Accounting Standards Board, which became effective for annual periods beginning on or after 1 January 2017:

MFRSs / Amendments / Interpretations

Amendments to MFRS 12	Annual Improvement to MFRS Standards 2014-2016 Cycle
Amendments to MFRS 107	Disclosure Initiative
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses

The adoptions of the above did not have any significant impact on the financial statements of the Group.

The Group have not applied the following standards and amendments that have been issued by the MASB but are not yet effective:

Amendment to MFRS 1	Annual Improvement to MFRS Standards 2014-2016 Cycle
Amendment to MFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendment to MFRS 3	Annual Improvement to MFRS Standards 2015-2017 Cycle
Amendment to MFRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts
MFRS 9	Financial Instruments
Amendment to MFRS 9	Prepayment Features with Negative Compensation
Amendment to MFRS 11	Annual Improvements to MFRS Standards 2015-2017 cycle
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
MFRS 15	Revenue from Contracts with Customers
Amendment to MFRS 15	Clarification to MFRS 15
MFRS 16	Leases
MFRS 17	Insurance Contracts
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration
Amendments to MFRS 112	Annual Improvements to MFRS Standards 2015-2017 Cycle
Amendments to MFRS 123	Annual Improvements to MFRS Standards 2015-2017 Cycle
Amendment to MFRS 140	Transfer of Investment Property
IC Interpretation 23	Uncertainty Over Income Tax Treatments
Amendment to MFRS 128	Annual Improvement to MFRS Standards 2014-2016 cycle
Amendment to MFRS 128	Long Term Interest in Associates and Joint Ventures



2. Audit qualification of financial statements

The auditors' report of the preceding annual financial statements was not subject to any qualification.

3. Seasonal or cyclical factors

Apart from the general economic environment in which the Group operates, the businesses of the Group are not affected by any significant seasonal or cyclical factors.

4. Nature and amount of unusual items

There were no unusual items that have a material effect on the assets, liabilities, equity, net income, or cash flows during the current quarter and year ended 31 December 2017.

5. Significant estimates and changes in estimates

There were no changes in estimates that have had any material effect on the condensed interim financial statements in the current quarter and year ended 31 December 2017.

6. Debt and equity securities

During the current quarter, a total of 100 ordinary shares was repurchased from the open market at RM2.10 per share for a total consideration of RM253.47. The transactions were financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with Section 127 of the Companies Act, 2016.

There were no other issuances, repurchases and repayments of debt and equity securities, share cancellation and resale of treasury shares during the current quarter and year ended 31 December 2017.

7. Dividends paid

The following dividends were paid:

	RM'000
Final single tier dividend of 2.0 sen for the financial year ended 31 December 2016 approved by the shareholders on 26 May 2017 was paid on 23 June 2017.	1,302
Interim single tier dividend of 1.0 sen for the financial year ended 31 December 2017 was paid on 29 September 2017.	651



8. Operating segments

The Group's report on operating segments for the financial year-to-date is as follows:

	← Year Ended 31 December →									
	<u>Machinery</u>		<u>Travel and car rental</u>		<u>Automotive</u>		<u>Other operations</u>		<u>Total</u>	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	244,866	207,700	178,376	194,221	50,075	27,781	17,467	16,414	490,784	446,116
Inter-segment revenue	-	-	1,348	1,135	-	-	-	-	1,348	1,135
Segment profit / (loss)	25,386	18,898	64,769	50,386	(3,399)	(1,545)	(4,901)	(4,217)	81,855	63,522
Segment assets	263,787	267,549	325,067	325,428	48,627	59,140	107,206	100,920	744,687	753,037
Segment liabilities	153,605	164,172	219,120	236,095	40,617	44,189	29,448	14,787	442,790	459,243

Operating segments (continued)

	Year Ended 31 December	
	2017	2016
	RM'000	RM000
Reconciliation of reportable segment profit or loss		
Total profit or loss for reportable segments	81,855	63,522
Depreciation and amortisation	(59,782)	(50,965)
Interest expense	(14,305)	(13,907)
Interest income	1,279	1,593
Non-reportable segment expenses	(2,875)	(2,750)
Share of profit/(loss) from equity accounted investments, net of tax		
- associate	(186)	-
- joint ventures	2,636	1,644
Consolidated profit / (loss) before tax	8,622	(863)
Reconciliation of reportable segment assets		
Total assets for reportable segments	744,687	753,037
Assets for other non-reportable segment	9,929	8,069
Share of assets from equity accounted investments		
- associate	976	148
- joint ventures	35,861	34,007
Consolidated assets	791,453	795,261
Reconciliation of reportable segment liabilities		
Total liabilities for reportable segments	442,790	459,243
Liabilities for other non-reportable segment	19,723	17,104
Consolidated liabilities	462,513	476,347

9. Valuations of property, plant and equipment

Pursuant to the revaluation model applied for land and buildings, the Group's land and buildings are measured at revalued amount less accumulated depreciation and any accumulated impairment losses. The revaluation surplus (net of deferred tax) of RM9.7 million and impairment loss of RM53,000 have been incorporated into the consolidated financial statements for the year ended 31 December 2017.

The valuation was carried out by independent firms of professional valuers, Rahim & Co Chartered Surveyors Sdn Bhd and Agency for Real Estate Affairs, using open market value with existing use basis.

10. Valuation of investment property

Subsequent to initial recognition, investment property of the Group is stated at fair value which reflects market conditions at reporting date.

A valuation of the investment property was carried out on 4 October 2017 by an independent professional valuer and arising from the valuation, the Group recognised a fair value loss on investment property of RM0.4 million (2016: Nil) in the statement of profit/(loss) for the year ended 31 December 2017.

11. Material subsequent event

There were no material events subsequent to the end of the current quarter and year ended 31 December 2017.



12. Changes in composition of the Group

There were no changes in the composition of the Group during the current quarter and year ended 31 December 2017.

13. Changes in contingent liabilities

There was no contingent liability as at end of current quarter nor was there any as at end of last financial year.

14. Capital commitments

Capital commitments of the Group in respect of property, plant and equipment not provided for as at the end of the quarter are as follows:

	As at 31.12.2017 RM'000	As at 31.12.2016 RM'000
Approved and contracted for	6,209	15,179
Approved but not contracted for	1,066	11,546

15. Operating lease commitments

(a) As lessor – for the leases of commercial vehicles and machinery:

The future minimum lease rental receivables under non-cancellable leases are as follows:

	As at 31.12.2017 RM'000	As at 31.12.2016 RM'000
Not later than 1 year	45,780	53,714
Later than 1 year and not later than 5 years	38,355	41,976
	84,135	95,690

(b) As lessee – for office premises

The future minimum lease payments under non-cancellable operating leases are as follows:

	As at 31.12.2017 RM'000	As at 31.12.2016 RM'000
Not later than 1 year	2,414	2,715
Later than 1 year and not later than 5 years	980	2,492
	3,394	5,207

16. Related party disclosures

Related party transactions between the Group and Tan Chong Motor Holdings Berhad group, APM Automotive Holdings Berhad group and companies in which a Director and substantial shareholder of the Company is deemed to have substantial interests are as follows:

	Individual quarter		Cumulative quarters	
	31.12.17 RM'000	31.12.16 RM'000	31.12.17 RM'000	31.12.16 RM'000
Sales of goods and services	4,967	7,835	20,247	28,110
Rental income	711	673	2,574	2,451
	5,678	8,508	22,821	30,561
Purchases goods and services	7,623	23,995	53,828	86,402
Rental expenses	522	281	1,626	1,357
Financing and leasing	328	1,841	1,753	25,340
	8,473	26,117	57,207	113,099

Related party transactions between the Group and its jointly controlled entities are as follows:

	Individual quarter		Cumulative quarters	
	31.12.17 RM'000	31.12.16 RM'000	31.12.17 RM'000	31.12.16 RM'000
Sales of goods and services	148	611	1,077	2,473
Purchases of goods	-	6	17	66

The above transactions were entered into in the ordinary course of business based on normal commercial terms. These transactions were established on terms that are not materially different from those with unrelated parties.

Part B: Additional Information required in accordance with the Main Market Listing Requirements of Bursa Securities
1. Review of performance

	Individual Quarter		Changes (%)	Cumulative Quarter		Changes (%)
	Current Year	Preceding Year		Current Year	Preceding Year	
	31.12.2017	31.12.2016		31.12.2017	31.12.2016	
	RM'000	RM'000		RM'000	RM'000	
Revenue	122,082	113,978	7	490,784	446,116	10
Operating Profit	7,180	3,134	129	19,198	9,807	96
Profit Before Interest and Tax	6,718	2,842	136	21,648	11,451	89
Profit/(Loss) Before Tax	3,609	(214)	1,786	8,622	(863)	1,099
Profit/(Loss) After Tax	673	(1,162)	158	4,568	(5,641)	181
Profit/(Loss) Attributable to Ordinary Equity Holders of the Company	823	(745)	210	4,929	(5,037)	198

Year ended 31 December 2017

Group revenue increased to RM490.8 million from RM446.1 million last year attributable mainly to higher revenue contributions by the Machinery, Car Rental and trading of used vehicles in Automotive Division. Profit before tax ("PBT") was recorded at RM8.6 million as compared to a loss before tax ("LBT") RM0.9 million in prior year primarily due to a higher profit from the Machinery Division and Travel and Car Rental Division. The profit included the fair value loss of RM0.4 million (2016: nil) on the valuation of our investment property. Profit after tax increased to RM4.6 million as compared to a loss after tax of RM5.6 million registered in prior year.

Machinery Division

Revenue from the Machinery Division increased to RM244.9 million from RM207.7 million recorded in prior year. In line with the improvement in revenue and lower operating expenses as a result of continuous cost rationalisation initiatives, segment profit increased by 34.3% to RM25.4 million from RM18.9 million recorded in prior year.

Travel and Car Rental Division

The Travel and Car Rental Division recorded a decline in revenue of 8.2% to RM178.4 million from RM194.2 million recorded in prior year. The decrease is primarily attributable to lower contributions from the travel segment which were offset by increase in revenue from car rental segment. Notwithstanding the lower revenue, segment profit increased to RM64.8 from RM50.4 primarily due to improvement in car rental segment and continuous cost rationalisation carried out during the year.

Automotive Division

The Automotive Division recorded an increase of 80.2% in revenue to RM50.1 million from RM27.8 million recorded in prior year as a result of increase in revenue from trading of used vehicles. However, it recorded a higher segment loss of RM3.4 million compared to a loss of RM1.5 million in prior year due to lower overall gross margins achieved by the Division.

Jointly controlled entities

Our share of profit from our joint ventures, namely Shiseido Malaysia Sdn Bhd and Wacoal Malaysia Sdn Bhd, increased to RM2.6 million from RM1.6 million in prior year. Higher revenue as a result of new product launching and aggressive product promotion by the companies has contributed to the increased profit.

3 months ended 31 December 2017

The Group recorded higher revenue at RM122.1 million in the fourth quarter of 2017 compared to RM114.0 million in the corresponding quarter prior year. This was primarily due to higher contributions by the Machinery Division and trading of used vehicles in Automotive Division. Profit before tax of RM3.6 million was recorded compared to a loss before tax of RM0.2 million in the corresponding quarter prior year.

2. Comparison with preceding quarter's results

	Current Quarter	Immediate Preceding Quarter	Changes (%)
	31.12.2017	30.09.2017	
	RM'000	RM'000	
Revenue	122,082	121,878	-
Operating Profit	7,180	5,283	36
Profit Before Interest and Tax	6,718	6,903	(3)
Profit Before Tax	3,609	3,447	5
Profit After Tax	673	2,885	(77)
Profit/(Loss) Attributable to Ordinary Equity Holders of the Company	823	2,935	(72)

The Group revenue increased slightly to RM122.1 million as compared to RM121.9 million in the preceding quarter. The Group recorded an increase in PBT of 4.7% to RM3.6 million from RM3.4mil in comparison to the preceding quarter.

3. Prospects

The Group recorded encouraging final quarter and year to date results despite another challenging year post by uncertainties in the global political, economic environment, higher inflation and volatile capital flows.

The ongoing infrastructure related project in the country has provided positive growth to Machinery Division. With the expected growth in the Malaysia economy in 2018, as announced during Malaysia Budget 2018, it augurs well with the Machinery Division's future outlook.

Customers' cautious spending due to the uncertain economic outlook has an adverse impact on the Travel and Car Rental Division. Notwithstanding the challenges faced, this Division will continue to strive towards better performance via continuous implementation of cost rationalisation measures and leveraging on technology enhancement such as providing ease of booking our multiple products and services via electronic platform.

The Automotive Division will continue to be impacted by the softened domestic demand for motor vehicles, stringent loan approval and increase in interest rates. Exploring new products and new markets will be the key for the future prospect of this division.

Our joint venture entities, namely Shiseido Malaysia Sdn Bhd and Wacoal Malaysia Sdn Bhd continue to record encouraging results throughout the year. Their strong branding, customer loyalty and new product launches have contributed positively to their results despite the customers' cautious spending habit which invariably affected the consumer product industry as a whole in the country.

Despite these challenges, the Group will remain resilient and expect to deliver satisfactory results in the future.

4. Profit forecast

This is not applicable to the Group as there was no profit forecast issued.

5. Tax expenses

	Quarter Ended		Year Ended	
	31.12.17 RM'000	31.12.16 RM'000	31.12.17 RM'000	31.12.16 RM'000
Tax expenses				
Current year	3,173	(1,753)	5,196	3,860
Prior year	76	55	1,418	49
Deferred tax expense				
Current year	2,049	2,741	(288)	934
Prior year	(2,362)	(95)	(2,272)	(65)
	2,936	948	4,054	4,778

The Group's effective tax rates for the quarter and year-to-date ended December 2017 were higher than the prima facie tax rate mainly due to the limitation in group relief for losses of certain subsidiaries.

6. Status of corporate proposals

There were no corporate proposals announced that have not been completed as at the reporting date.

**7. Group borrowings**

Particulars of the Group borrowings as at the reporting date are as follows:

	As at 31.12.2017		
	Long Term	Short Term	Total borrowings
	RM	RM	RM
Secured			
- Hire purchase	36,867	35,960	72,827
Unsecured			
- Term loan	10,750	12,370	23,120
- Revolving credits	-	166,000	166,000
- Banker acceptances	-	30,595	30,595
- Bank overdrafts	-	1,496	1,496
	10,750	210,461	221,211
Total borrowings	47,617	246,421	294,038
	As at 31.12.2016		
	Long Term	Short Term	Total borrowings
	RM	RM	RM
Secured			
- Hire purchase	36,937	26,258	63,195
Unsecured			
- Term loan	29,913	9,602	39,515
- Revolving credits	-	163,000	163,000
- Banker acceptances	-	38,917	38,917
- Bank overdrafts	-	2,330	2,330
	29,913	213,849	243,762
Total borrowings	66,850	240,107	306,957

The above borrowings were denominated in Ringgit Malaysia.

8. Material litigation

On 3 July 2002, the Company and a subsidiary claimed for damages against two former directors of the subsidiary for breaches of their fiduciary and/or contractual duties. On or about 25 June 2004, two (2) former employees of subsidiaries of the Company were added as defendants to the action.

On 7 February 2006, the plaintiffs filed an application for leave to include another party as co-defendant. The application was allowed by the Court.

The parties are awaiting further direction from the Court to set a date for mention.

**9. Dividend**

The Board of Directors is pleased to recommend a final single tier dividend of 3.0 sen (2016: 2.0 sen single tier) per share for the financial year ended 31 December 2017, subject to shareholders' approval at the forthcoming annual general meeting. Together with the interim single tier dividend of 1.0 sen (2016: 2.0 sen single tier) per share already declared and paid, this represents a total single tier dividend of 4.0 sen (2016: 4.0 sen single tier) per share for the financial year ended 31 December 2017.

The entitlement date and payment date for the final dividend shall be announced in due course.

10. Earnings per share

Basic earnings/(loss) per share is calculated based on profit/(loss) for the period attributable to owners of the Company and weighted average number of ordinary shares in issue during the period.

	Quarter Ended		Year Ended	
	31.12.17	31.12.16	31.12.17	31.12.16
Profit/(Loss) attributable to owners of the Company (RM'000)	<u>823</u>	<u>(745)</u>	<u>4,929</u>	<u>(5,037)</u>
Weighted average number of ordinary shares in issue ('000)				
At beginning of period	65,103	65,103	65,103	65,103
Effect of share buyback	<u>(2)</u>	<u>-</u>	<u>(2)</u>	<u>-</u>
At end of period	<u>65,101</u>	<u>65,103</u>	<u>65,101</u>	<u>65,103</u>
Basic earnings/(loss) per share (sen)	<u>1.26</u>	<u>(1.14)</u>	<u>7.57</u>	<u>(7.74)</u>

11. Notes to the Condensed Consolidated Statement of Comprehensive Income

Profit/(Loss) before tax is arrived at after charging/(crediting) the following items:

	Quarter Ended		Year Ended	
	31.12.17 RM'000	31.12.16 RM'000	31.12.17 RM'000	31.12.16 RM'000
Depreciation and amortization	14,814	13,313	59,782	50,965
(Write back of)/Provision for doubtful debts	(55)	945	102	1,912
Bad debts written off	73	24	73	24
Provision for inventories	76	2,107	358	2,107
Inventories written off	-	-	-	-
(Gain)/Loss on disposal of quoted or unquoted investments	-	-	-	-
(Gain)/Loss on disposal of properties	-	-	-	-
Impairment of assets	53	-	53	-
Foreign exchange (gain)/loss	142	(186)	(230)	(316)
(Gain)/Loss on derivatives	-	-	-	-
Exceptional items	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

12. Derivative financial instruments

Forward foreign currency contracts are entered into by the Group in currencies other than the functional currency to manage exposure to the fluctuation in foreign currency exchange rates.

As at 31 December 2017, the notional amount, fair value and maturity period of the forward foreign currency contracts are as follows:

	Notional amount 31.12.17 RM'000	Fair value assets/ (liabilities) 31.12.17 RM'000
Less than 1 year	<u>27,940</u>	<u>(509)</u>

13. Disclosure of realised and unrealised profits

The breakdown of the retained profits of the Group as at 31 December 2017, into realised and unrealised profits or losses, is as follows:

	As at 31.12.17 RM'000	As at 31.12.16 RM'000
Total retained profits of the Group:		
- Realised	199,260	201,518
- Unrealised	<u>12,810</u>	<u>10,595</u>
	212,070	212,113
Total retained profits from jointly controlled entities:		
- Realised	<u>17,564</u>	15,708
- Unrealised	<u>938</u>	938
	18,502	16,646
Add: Consolidation adjustments	<u>19,959</u>	18,706
Total retained profits as per Statement of Financial Position	<u>250,531</u>	<u>247,465</u>

The determination of realised and unrealised profits or losses is based on the Guidance on Special Matter No. 1: *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure pursuant to Bursa Securities Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

BY ORDER OF THE BOARD
 ANG LAY BEE
 CHANG PIE HOON
 Company Secretaries
 Kuala Lumpur
 22 February 2018