



NTPM HOLDINGS BERHAD

(Company No. 384662 U)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2017

CONDENSED CONSOLIDATED INCOME STATEMENTS

(The figures have not been audited)

	Individual Quarter (2nd Q)		Cumulative Quarter (6 months)	
	Current Period Quarter	Preceding Period Corresponding Quarter	Current Period To Date	Preceding Period Corresponding Period
	31 Oct 2017	31 Oct 2016	31 Oct 2017	31 Oct 2016
	RM'000	RM'000	RM'000	RM'000
Revenue	169,269	164,210	345,419	315,641
Operating profit	11,024	22,840	30,022	38,016
Interest income	327	115	505	210
Interest expense	(1,404)	(1,278)	(2,703)	(2,534)
Profit before tax	9,947	21,677	27,824	35,692
Income tax expense	(3,585)	(5,633)	(9,343)	(10,267)
Profit net of tax	6,362	16,044	18,481	25,425
Profit attributable to:				
Owners of the parent	6,362	16,044	18,481	25,425
Non-controlling interests	-	-	-	-
	6,362	16,044	18,481	25,425
Basic/Diluted earnings per ordinary share (sen)	0.6	1.4	1.6	2.3

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 April 2017.

The accompanying notes are an integral part of this statement.



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INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2017

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Quarter (2nd Q)		Cumulative Quarter (6 months)	
	Current Period Quarter	Preceding Period Corresponding Quarter	Current Period To Date	Preceding Period Corresponding Period
	31 Oct 2017	31 Oct 2016	31 Oct 2017	31 Oct 2016
	RM'000	RM'000	RM'000	RM'000
Profit net of tax	6,362	16,044	18,481	25,425
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent period:</i>				
Foreign currency translation	(43)	167	564	803
Cash flow hedges	-	-	-	-
Transfer to income statement upon disposal	-	-	-	-
Total comprehensive income for the period	6,319	16,211	19,045	26,228
Total comprehensive income attributable to:				
Owners of the parent	6,319	16,211	19,045	26,228
Non-controlling interests	-	-	-	-
	6,319	16,211	19,045	26,228

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 April 2017.

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NOTES TO CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Quarter (2nd Q)		Cumulative Quarter (6 months)	
	Current Period	Preceding Period	Current Period	Preceding Period
	Quarter	Corresponding Quarter	To Date	Corresponding Period
	31 Oct 2017	31 Oct 2016	31 Oct 2017	31 Oct 2016
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting) :				
(a) Interest income	(327)	(115)	(505)	(210)
(b) Other income including investment income	(425)	(433)	(729)	(706)
(c) Interest expense	1,404	1,278	2,703	2,534
(d) Depreciation and amortisation	8,303	8,154	16,543	16,103
(e) Impairment loss on receivables	201	347	351	501
(f) Reversal of provision for and write off of inventories	-	-	-	(6)
(g) Gain or loss on disposal of quoted or unquoted investments or properties	-	-	-	-
(h) Reversal of impairment of assets	-	-	-	-
(i) Foreign exchange (gain) / loss	(1,052)	(12)	(448)	922
(j) Loss/(Gain) on derivatives	(127)	285	(10)	285

The Notes to Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 April 2017.

The accompanying notes are an integral part of this statement.



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**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2017**

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	(Unaudited) As at 31 Oct 2017	(Audited) As at 30 April 2017
	<u>RM'000</u>	<u>RM'000</u>
ASSETS		
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENT	377,573	375,204
LAND USE RIGHTS	21,707	22,449
DEFERRED TAX ASSETS	6,168	620
	<u>405,448</u>	<u>398,273</u>
CURRENT ASSETS		
Inventories	126,684	138,291
Trade receivables	111,404	103,066
Tax receivable	568	-
Other receivables	42,644	21,413
Derivative assets	151	141
Cash and bank balances	42,189	65,578
	<u>323,640</u>	<u>328,489</u>
TOTAL ASSETS	<u>729,088</u>	<u>726,762</u>
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		
SHARE CAPITAL	112,320	112,320
TREASURY SHARES	(72)	(64)
RESERVES	334,920	333,845
TOTAL EQUITY	<u>447,168</u>	<u>446,101</u>
NON-CURRENT LIABILITIES		
BORROWINGS	52,322	18,637
DEFERRED TAX LIABILITIES	27,806	21,339
RETIREMENT BENEFIT OBLIGATIONS	3,191	3,005
	<u>83,319</u>	<u>42,981</u>
CURRENT LIABILITIES		
Retirement benefit obligations	19	19
Borrowings	112,747	139,402
Trade payables	30,118	36,240
Other payables	55,717	60,971
Tax payable	-	1,048
Derivative liabilities	-	-
	<u>198,601</u>	<u>237,680</u>
TOTAL LIABILITIES	<u>281,920</u>	<u>280,661</u>
TOTAL EQUITY AND LIABILITIES	<u>729,088</u>	<u>726,762</u>
Net Assets per share (RM)	0.40	0.40

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 April 2017.

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(The figures have not been audited)

Six Months Ended 31 October 2017

	← Attributable to owners of the parent →				Non-controlling Interest	Total Equity	
	Non-distributable		Distributable				
	Share Capital	Treasury Shares	Other Reserves	Retained Earnings			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 May 2017	112,320	(64)	59,584	274,261	446,101	-	446,101
Total comprehensive income for the period	-		564	18,481	19,045	-	19,045
Transactions with owners :							
Purchase of treasury shares	-	(8)	-	-	(8)	-	(8)
Dividends	-		-	(17,970)	(17,970)	-	(17,970)
Total transactions with owners :	-	(8)	-	(17,970)	(17,978)	-	(17,978)
At 31 October 2017	112,320	(72)	60,148	274,772	447,168	-	447,168

Six Months Ended 31 October 2016

	← Attributable to owners of the parent →				Non-controlling Interest	Total Equity	
	Non-distributable		Distributable				
	Share Capital	Treasury Shares	Other Reserves	Retained Earnings			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 May 2016	112,320	(47)	47,291	251,348	410,912	-	410,912
Total comprehensive income for the period	-	-	803	25,425	26,228	-	26,228
Transactions with owners :							
Purchase of treasury shares	-	(9)	-	-	(9)	-	(9)
Dividends	-	-	-	(8,985)	(8,985)	-	(8,985)
Total transactions with owners :	-	(9)	-	(8,985)	(8,994)	-	(8,994)
At 31 October 2016	112,320	(56)	48,094	267,788	428,146	-	428,146

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 April 2017

The accompanying notes are an integral part of this statement.

**NTPM HOLDINGS BERHAD**(Company No. 384662 U)
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FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2017****CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW**

(The figures have not been audited)

	6 months ended	6 months ended
	31 Oct 2017	31 Oct 2016
	RM'000	RM'000
OPERATING ACTIVITIES		
Profit before tax	27,824	35,692
Adjustments for:		
Amortisation of land use rights	278	274
Bad debts written off	51	192
Depreciation	16,265	15,829
Interest expense	2,703	2,534
Interest income	(505)	(210)
Loss on disposal of property, plant and equipment	12	5
Net fair value (gain)/ loss on derivatives	(10)	285
Plant and equipment written off	38	67
Increase in liability for defined benefit plan	232	231
Impairment loss on loan and receivables	300	309
Unrealised foreign exchange loss	1,088	753
Total adjustments	20,452	20,269
Operating cash flows before changes in working capital	48,276	55,961
Changes in working capital		
Increase in receivables	(30,225)	(3,511)
Decrease in inventories	11,323	5,927
Decrease in payable	(11,011)	(14,774)
Decrease in retirement benefit obligations	(46)	(58)
Total changes in working capital	(29,959)	(12,416)
Cash flows from operations	18,317	43,545
Interest paid	(2,703)	(2,534)
Tax paid	(7,937)	(12,268)
Tax refunded	-	-
Net cash flow generated from operating activities	7,677	28,743
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(20,110)	(10,320)
Interest received	505	210
Proceeds from disposal of plant and equipment	56	28
Net cash used in investing activities	(19,549)	(10,082)
FINANCING ACTIVITIES		
Net change in bank borrowings	16,514	15,281
Repayment of term loans	(10,004)	(18,065)
Drawdown of term loans	-	-
Repayment of obligations under finance lease	(101)	-
Dividends paid to shareholders	(17,970)	(8,985)
Purchase of treasury shares	(8)	(9)
Net cash used in financing activities	(11,569)	(11,778)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(23,441)	6,883
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL QUARTER	65,578	50,999
Effects of exchange rate changes	52	1,523
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL QUARTER	42,189	59,405
Cash and cash equivalents in the condensed consolidated statements of cash flow comprise:		
Cash on hand and at banks	28,259	25,096
Deposits with licensed banks:		
Fixed deposit	11,460	12,009
Short term placements	2,470	22,300
	42,189	59,405

The Condensed Consolidated Statements of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 30 April 2017.

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NOTES TO THE INTERIM FINANCIAL REPORT

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”). These interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 30 April 2017. These explanatory notes attached to the 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 financial year ended 30 April 2017.

2. Significant accounting policies

The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 30 April 2017 except for the adoption of the following new MFRSs and Interpretations, and amendments to certain MFRSs and Interpretations with effect from 1 May 2017:

- Amendments to MFRS 107 Disclosures Initiatives 1 January 2017
- Amendments to MFRS 112 Recognition of Deferred Tax for Unrealised Losses
- Annual Improvements to MFRSs 2014 – 2016 (Amendments to MFRS 12 Disclosure of Interests in Other Entities)

Adoption of the above standards and interpretations did not have any material effect on the financial performance or position of the Group.

The standards and interpretations that are issued but not yet effective up to the date of issuance of these condensed consolidated interim financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.



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Description	Effective for annual periods beginning on or after
Annual Improvements to MFRS Standards 2014–2016 Cycle	
(i) Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards	1 January 2018
(ii) Amendments to MFRS 128: Investments in Associates And Joint Ventures	1 January 2018
Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 4: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018
Amendments to MFRS 140: Transfers of Investment Property	1 January 2018
IC Interpretation 22: Foreign Currency Transactions and Advance Consideration	1 January 2018
MFRS 9: Financial Instruments	1 January 2018
MFRS 15: Revenue from Contracts with Customers	1 January 2018
MFRS 15: Clarification to MFRS 15	1 January 2018
Amendments to MFRS 128: Long- term Interests in Associates and Joint Ventures	1 January 2019
Amendments to MFRS 9: Prepayment Features with Negative Compensation	1 January 2019
IC Interpretation 23: Uncertainty over Income Tax Treatments	1 January 2019
MFRS 16: Leases	1 January 2019
MFRS 17 Insurance Contracts	1 January 2021
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application other than for MFRS 9 Financial Instruments, MFRS 15 Revenue from Contracts with Customers, and MFRS16 leases. The Group is still in the progress of assessing the financial impact of MFRS 9 Financial Instruments, MFRS 15 Revenue from Contracts with Customers, and MFRS16 leases.

3. Significant Accounting Estimates And Judgements

(a) Critical Judgements Made in Applying Accounting Policies

There are no critical judgements made by management in the process of applying the Group's accounting policies that have significant effect on the amounts recognised in the financial statements.



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(b) Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the operating date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and unused reinvestment allowance to the extent that it is probable that taxable profit will be available against which the losses, capital allowances and reinvestment allowance can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The total carrying value of unrecognised tax losses and capital allowances of the Group was RM73 million (30.4.2017: RM71.9 million).

(ii) Depreciation of plant and equipment

The cost of paper making machinery is depreciated on a straight-line basis over the assets' useful lives. Management estimates the useful lives of these plant and machinery to be within ten years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(iii) Impairment of property, plant and equipment

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. Impairment exists when the carrying amount of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its value in use and its fair value less cost of disposal.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.

4. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 30 April 2017 was not subject to any audit qualification.



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NOTES TO THE INTERIM FINANCIAL REPORT

5. Seasonal or cyclical factors

The business of the Group was not affected by any significant seasonal or cyclical factors during the financial period under review.

6. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current financial year.

7. Changes in estimates

There were no material changes in estimates of amount reported in prior interim period or financial period that have a material effect in the current year.

8. Debt and equity securities

There was no issuance or repayment of debt and equity securities, share buy-backs and share cancellations for the current financial period except for the following:

During the financial period, the Company had repurchased a total of 10,000 ordinary shares of RM0.10 each of its issued share capital from the open market for a total consideration (inclusive of transaction cost) of RM7,788 at an average cost of RM0.78 per share.

The repurchase transactions were financed by internally generated fund. The repurchased shares are held as treasury shares in accordance with the requirements of Section 127 of the Companies Act, 2016. As at 31 October 2017, the total number of treasury shares held were 90,000 or 0.008% of the total paid up share capital of the Company.

9. Dividend paid

The single tier final dividend of 0.80 sen per ordinary share in respect of the financial year ended 30 April 2017 amounting to RM8,984,960 was paid on 17 October 2017.

The single tier first interim dividend of 0.80 sen per ordinary share in respect of the financial year ended 30 April 2018 amounting to RM8,984,880 was paid on 23 October 2017.

10. Segment information

Segment information is presented in respect of the Group's two core products based operating segments.

Segment information for the period ended 31 October 2017 are as follows:



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	Paper products RM'000	Personal Care Products RM'000	Consolidated RM'000
Revenue			
Revenue from external customers	239,444	105,975	345,419
Segment profit	20,647	7,177	27,824
Included in the measure of segment profit are			
- depreciation and amortisation	12,083	4,460	16,543
- non-cash expenses other than depreciation and amortisation	3,109	365	3,474
Segment assets	576,519	152,569	729,088
Included in the measure of segment assets is			
- capital expenditure	17,859	2,251	20,110

Segment information for the period ended 31 October 2016 are as follows:

	Paper products RM'000	Personal Care Products RM'000	Consolidated RM'000
Revenue			
Revenue from external customers	217,788	97,853	315,641
Segment profit	27,048	8,644	35,692
Included in the measure of segment profit are			
- depreciation and amortisation	11,868	4,235	16,103
- non-cash expenses other than depreciation and amortisation	1,140	445	1,585
Segment assets	546,923	153,282	700,205
Included in the measure of segment assets is			
- capital expenditure	7,622	2,698	10,320

11. Valuation of property, plant and equipment

The carrying value of land and building is based on the latest valuation performed on 30 April 2017 by independent qualified valuers.

During the period, the acquisition and disposal of property, plant and equipment amounted to RM20 million and RM0.07 million respectively.



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12. Significant and subsequent events to the balance sheet date

There were no significant material and subsequent events at the end of the financial period ended 31 October 2017 that have not been reflected in the interim financial statements as at the date of this report.

13. Changes in the composition of the Group

There were no significant changes in the composition of the Group for the current financial quarter and financial period to date.

14. Changes in corporate guarantees, contingent liabilities or contingent assets

The corporate guarantees of the Company are as follows:

	As at 31.10.2017 RM'000	As at 30.04.2017 RM'000
(a) Corporate guarantees given to banks as securities for credit facilities granted to certain subsidiaries	<u>165,069</u>	<u>158,039</u>



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NOTES TO THE INTERIM FINANCIAL REPORT

PART B: EXPLANATORY NOTES PURSUANT TO BURSA MALAYSIA LISTING REQUIREMENTS: CHAPTER 9, APPENDIX 9B, PART A

15. Review of performance

	Individual quarter ended		Cumulative period ended	
	31.10.2017	31.10.2016	31.10.2017	31.10.2016
	RM'000	RM'000	RM'000	RM'000
Revenue				
Paper Products	115,420	112,377	239,444	217,788
Personal Care Products	53,849	51,833	105,975	97,853
Group	169,269	164,210	345,419	315,641
Profit before tax				
Paper Products	6,447	16,222	20,647	27,048
Personal Care Products	3,500	5,455	7,177	8,644
Group	9,947	21,677	27,824	35,692

Group

Group revenue for the period ended 31 October 2017 was RM345.4 million compared with RM315.6 million for the period ended 31 October 2016, an increase of 9.4%. The increase in revenue was mainly due to the increase in sales of Tissue and Personal Care Products, especially Tissue segment. The Group's profit before taxation for the period ended 31 October 2017 was RM27.8 million, a decrease of 22.04% over RM35.7 million registered in the previous financial period ended 31 October 2016. The decrease in profit before taxation was mainly due to the higher raw material cost and labour cost recorded in the current period.

Paper Products segment

Revenue from the paper products segment for the period ended 31 October 2017 was RM239.4 million compared with RM217.8 million for the financial period ended 31 October 2016, an increase of 9.94%. Profit before taxation in the paper products segment for the period ended 31 October 2017 was RM20.6 million, a decrease of 23.8% over RM27.05 million registered in the previous financial period. The decrease in profit before taxation was mainly due to higher raw material cost and labour cost recorded in the current financial period.



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Personal Care Products segment

Revenue from the personal care products segment for the period ended 31 October 2017 was RM106 million compared with RM97.9 million recorded in the previous year corresponding period, an increase of 8.3%. Profit before taxation in the personal care products segment for the period ended 31 October 2017 was RM7.2 million, a decrease of 16.3% over RM8.6 million registered in the corresponding period of the previous financial year. The decrease in profit before taxation was mainly attributable to the increase material cost recorded in the current financial period.

16. Comparison with immediate preceding quarter's results

	Individual quarter ended		Variance	
	31.10.2017	31.7.2017		
	RM'000	RM'000	RM'000	%
Revenue	169,269	176,150	(6,881)	(3.9)
Profit before tax	9,947	17,877	(7,930)	(44.4)

Revenue for the quarter ended 31 October 2017 decreased by RM6.88 million or 3.9% while profit before taxation decreased by RM7.93 million or 44.4% for the current quarter as compared to the preceding quarter. The decrease in profit before taxation was mainly attributable to lower revenue and margin deterioration as a result of higher raw material cost and labour cost recorded in the current financial quarter.

17. Prospects

In general, Malaysia's economy recorded a stronger growth of 6.2% in the third quarter of 2017 from a year earlier. However, most economists expect growth would remain subdued with household consumption expected to be ease, relative to 2016. This is despite the fact that the previous quarter of 2017 saw a better export performance, partly attribute to seasonality and the weak ringgit effect, and a healthy pace of industrial production growth. Private consumption is expected to face headwinds this year, arising from the higher cost driven inflation, spillover effects of the ringgit's depreciation on imported goods and services and weak consumer sentiment

In light of these challenges, the Group has strategic plans and control measures put in place to mitigate the impact from these adverse conditions. Several cost-savings projects have been identified and approved to improve the Group's operational efficiency and keep a tight rein on costs to drive down waste and inefficiencies across the group's business units. We are looking into ways to strengthen our customer base and improve our distribution channel. The



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Group is also looking at developing new products and opportunity to venture into new business segments if the expansion synergizes with the Group's current business model. With this in place, the Board is cautiously optimistic about its prospect.

18. Variance of actual profit from profit forecast

Not applicable.

19. Taxation

	Current Quarter 3 months ended 31 October 2017 RM'000	Year-to-date 6 months ended 31 October 2017 RM'000
Income tax		
Current year	2,890	8,423
Prior year	-	-
	<u>2,890</u>	<u>8,423</u>
Deferred tax		
Current year	695	1,017
Prior year	-	(97)
	<u>3,585</u>	<u>9,343</u>

The Group's effective tax rate for the current quarter/period to date is higher than the statutory tax rate principally due to the deferred tax assets not recognised on unutilized tax loss and capital allowance for some of the subsidiaries of the companies.



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20. Status on corporate proposals

There were no significant corporate proposals for the current financial period to date.

21. Group borrowings

	31 Oct 2017 RM'000
Non-current	
Unsecured	
Long Term Revolving Credit (RC)	13,023
Long term loans	39,016
Secured	
Hire purchase and finance Lease	283
	<u>52,322</u>
Current	
Unsecured	
Revolving Credit (RC)	70,869
Term loans	41,671
Secured	
Hire purchase and finance Lease	207
	<u>112,747</u>

The borrowings are denominated in the following currencies:

	31 Oct 2017 RM'000			
	Ringgit Malaysia	Singapore Dollar	US Dollar	Total
Revolving Credit ("RC")	-	-	83,892	83,892
Term Loans	40,840	-	39,847	80,687
Hire Purchase	-	490	-	490
	<u>40,840</u>	<u>490</u>	<u>123,739</u>	<u>165,069</u>

22. Derivatives financial instruments

Forward foreign exchange contracts are entered into by the Group in currencies other than their functional currency to manage exposure to fluctuations in foreign currency exchange rates on specific transactions.

As at 31 October 2017, the Group's open forward contracts entered into as hedges of anticipated future transactions are as follows:



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Foreign Currency	Outstanding Contract Amount		Fair Value	Derivative Assets/ (Liabilities)	Maturity Date
	FC '000	RM'000	RM'000	RM'000	

Non-Hedging Derivatives

Bank Buy

Singapore Dollar	5,122	16,070	15,919	151	6 Nov 2017 – 7 Feb 2018
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Derivatives financial instruments that are not designated or do not qualify for hedge accounting are categorised as fair value through profit or loss and measured at their fair value with the gain or loss recognized in the profit or loss. During the current financial quarter and financial period ended 31 October 2017, the Group recognised a gain on derivative of RM127,000 and RM10,000 respectively arising from fair value changes of financial derivative. The fair value changes are attributable to changes in foreign exchange spot and forward rate.

The Group will fund the requirements of these derivatives from its net cash flow from operating activities when payments fall due.

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate risk, credit risk, liquidity risk and foreign currency risk.

There is no change in the significant policy for mitigating or controlling the interest rate risk, credit risk, liquidity risk and foreign currency risk for the Group nor the related accounting policies for the financial period ended 31 October 2017. Other related information associated with the financial instruments are consistent with the disclosures in the audited financial statements for the financial year ended 30 April 2017.

23. Material litigation

There was no pending material litigation as at the date of this quarterly report.

24. Dividend

The single tier final dividend of 0.80 sen per ordinary share in respect of the financial year ended 30 April 2017 amounting to RM8,984,960 was paid on 17 October 2017.

The single tier interim dividend of 0.80 sen per ordinary share in respect of the financial year ended 30 April 2018 amounting to RM8,984,880 was paid on 23 October 2017.

The total net dividend per share to date for the current financial year is 0.80 sen (2017: 2.40 sen)



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25. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the quarter/period by the weighted average number of ordinary shares during the financial quarter/period.

	3 Months Period Ended 31 October		6 Months Period Ended 31 October	
	2017	2016	2017	2016
Net profit attributable to shareholders (RM'000)	6,362	16,044	18,481	25,425
Weighted average number of ordinary shares in issue ('000)	1,123,116	1,123,137	1,123,118	1,123,138
Basic earnings per share (sen)	0.6	1.4	1.6	2.3

26. Realised and Unrealised Profits/Losses

The retained profits of the Group are analysed as follows: -

	As at 31/10/2017 RM'000	As at 31/10/2016 RM'000
Total retained profits of the Company and its subsidiaries: -		
-Realised	273,167	254,444
-Unrealised	(18,452)	(10,872)
	<hr/> 254,715	<hr/> 243,572
Add/(Less) : Consolidation adjustments	20,057	24,216
Total group retained profits as per consolidated accounts	<hr/> 274,772	<hr/> 267,788