



NTPM HOLDINGS BERHAD

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

INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2018

CONDENSED CONSOLIDATED INCOME STATEMENTS

(The figures have not been audited)

	Individual Quarter (3rd Q)		Cumulative Quarter (9 months)	
	Current Period Quarter	Preceding Period Corresponding Quarter	Current Period To Date	Preceding Period Corresponding Period
	31 Jan 2018	31 Jan 2017	31 Jan 2018	31 Jan 2017
	RM'000	RM'000	RM'000	RM'000
Revenue	180,989	170,367	526,408	486,007
Operating profit	14,010	23,914	44,032	61,929
Interest income	94	162	599	372
Interest expense	(1,402)	(1,291)	(4,106)	(3,825)
Profit before tax	12,702	22,785	40,525	58,476
Income tax expense	(2,652)	(7,294)	(11,995)	(17,561)
Profit net of tax	10,050	15,491	28,530	40,915
Profit attributable to:				
Owners of the parent	10,050	15,491	28,530	40,915
Non-controlling interests	-	-	-	-
	10,050	15,491	28,530	40,915
Basic/Diluted earnings per ordinary share (sen)	0.9	1.4	2.5	3.6

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 JANUARY 2018

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Quarter (3rd Q)		Cumulative Quarter (9 months)	
	Current Period Quarter	Preceding Period Corresponding Quarter	Current Period To Date	Preceding Period Corresponding Period
	31 Jan 2018	31 Jan 2017	31 Jan 2018	31 Jan 2017
	RM'000	RM'000	RM'000	RM'000
Profit net of tax	10,050	15,491	28,530	40,915
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent period:</i>				
Foreign currency translation	930	405	1,495	1,208
Cash flow hedges	-	-	-	-
Transfer to income statement upon disposal	-	-	-	-
Total comprehensive income for the period	10,980	15,896	30,025	42,123
Total comprehensive income attributable to:				
Owners of the parent	10,980	15,896	30,025	42,123
Non-controlling interests	-	-	-	-
	10,980	15,896	30,025	42,123

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 (3rd Q)		Cumulative Quarter (9 months)	
	Current Period Quarter	Preceding Period Corresponding Quarter	Current Period To Date	Preceding Period Corresponding Period
	31 Jan 2018	31 Jan 2017	31 Jan 2018	31 Jan 2017
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting) :				
(a) Interest income	(94)	(162)	(599)	(372)
(b) Other income including investment income	(284)	(428)	(1,013)	(1,134)
(c) Interest expense	1,402	1,291	4,106	3,825
(d) Depreciation and amortisation	8,264	8,179	24,807	24,282
(e) Impairment loss on receivables	123	155	474	656
(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	(1,535)	201	(1,983)	1,123
(j) Loss/(Gain) on derivatives	(23)	485	(33)	770

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.

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**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2018**

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	(Unaudited) As at 31 Jan 2018	(Audited) As at 30 April 2017
	<u>RM'000</u>	<u>RM'000</u>
ASSETS		
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENT	373,827	375,204
LAND USE RIGHTS	20,197	22,449
DEFERRED TAX ASSETS	558	620
	<u>394,582</u>	<u>398,273</u>
CURRENT ASSETS		
Inventories	146,206	138,291
Trade receivables	116,664	103,066
Tax receivable	3,803	-
Other receivables	51,098	21,413
Derivative assets	174	141
Cash and bank balances	58,235	65,578
	<u>376,180</u>	<u>328,489</u>
TOTAL ASSETS	<u>770,762</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	345,900	333,845
TOTAL EQUITY	<u>458,148</u>	<u>446,101</u>
NON-CURRENT LIABILITIES		
BORROWINGS	62,584	18,637
DEFERRED TAX LIABILITIES	23,377	21,339
RETIREMENT BENEFIT OBLIGATIONS	3,284	3,005
	<u>89,245</u>	<u>42,981</u>
CURRENT LIABILITIES		
Retirement benefit obligations	19	19
Borrowings	136,007	139,402
Trade payables	39,091	36,240
Other payables	48,252	60,971
Tax payable	-	1,048
Derivative liabilities	-	-
	<u>223,369</u>	<u>237,680</u>
TOTAL LIABILITIES	<u>312,614</u>	<u>280,661</u>
TOTAL EQUITY AND LIABILITIES	<u>770,762</u>	<u>726,762</u>
Net Assets per share (RM)	<u>0.41</u>	<u>0.40</u>

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)

Nine Months Ended 31 January 2018

	← 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	-		1,495	28,530	30,025	-	30,025
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 January 2018	112,320	(72)	61,079	284,821	458,148	-	458,148

Nine Months Ended 31 January 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 2016	112,320	(47)	47,291	251,348	410,912	-	410,912
Total comprehensive income for the period	-	-	1,208	40,915	42,123	-	42,123
Transactions with owners :							
Purchase of treasury shares	-	(9)	-	-	(9)	-	(9)
Dividends	-	-	-	(26,955)	(26,955)	-	(26,955)
Total transactions with owners :	-	(9)	-	(26,955)	(26,964)	-	(26,964)
At 31 January 2017	112,320	(56)	48,499	265,308	426,071	-	426,071

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

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**INTERIM FINANCIAL REPORT
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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW

(The figures have not been audited)

	9 months ended 31 Jan 2018 RM'000	9 months ended 31 Jan 2017 RM'000
OPERATING ACTIVITIES		
Profit before tax	40,525	58,476
Adjustments for:		
Amortisation of land use rights	411	418
Bad debts written off	51	192
Depreciation	24,396	23,864
Interest expense	4,106	3,825
Interest income	(599)	(372)
Inventories written back	-	(6)
Loss on disposal of property, plant and equipment	29	3
Net fair value (gain)/ loss on derivatives	(33)	770
Plant and equipment written off	78	67
Increase in liability for defined benefit plan	380	330
Impairment loss on loan and receivables	423	464
Unrealised foreign exchange loss	1,088	753
Total adjustments	30,330	30,308
Operating cash flows before changes in working capital	70,855	88,784
Changes in working capital		
Increase in receivables	(57,596)	(4,674)
(Increase)/ decrease in inventories	(9,366)	3,860
Increase/ (decrease) in payable	8,796	(21,696)
Decrease in retirement benefit obligations	(101)	(70)
Total changes in working capital	(58,267)	(22,580)
Cash flows from operations	12,588	66,204
Interest paid	(4,106)	(3,825)
Tax paid	(12,686)	(17,624)
Tax refunded	53	-
Net cash flow (used in)/ generated from operating activities	(4,151)	44,755
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(29,211)	(16,634)
Interest received	599	372
Proceeds from disposal of plant and equipment	85	48
Net cash used in investing activities	(28,527)	(16,214)
FINANCING ACTIVITIES		
Net change in bank borrowings	58,018	17,823
Repayment of term loans	(13,461)	(22,902)
Drawdown of term loans	-	-
Repayment of obligations under finance lease	(151)	-
Dividends paid to shareholders	(17,970)	(26,955)
Purchase of treasury shares	(8)	(9)
Net cash generated from/ (used in) financing activities	26,428	(32,043)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(6,250)	(3,502)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL QUARTER	65,578	50,999
Effects of exchange rate changes	(1,093)	2,609
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL QUARTER	58,235	50,106
Cash and cash equivalents in the condensed consolidated statements of cash flow comprise:		
Cash on hand and at banks	46,587	31,482
Deposits with licensed banks:		
Fixed deposit	11,148	12,585
Short term placements	500	6,039
	58,235	50,106

Reconciliation of liabilities arising from financing activities:

	Carrying amount as at 1 May 2017 RM'000	Cash Flows RM'000	Non- Cash Changes Foreign exchange movement RM'000	Carrying amount as at 31 Jan 2018 RM'000
Short term borrowings	139,402	-828	-2,567	136,007
Term Loan	18,637	45,234	-1,287	62,584
Total liabilities from financing activities	158,039	44,406	-3,854	198,591

The Condensed Consolidated Statements of Cash Flow 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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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, except as disclosed below:

Amendments to MFRS 107: Disclosure Initiative

The amendments require additional disclosure in the financial statements but have no impact on the Group’s financial position or performance.

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
Annual Improvements to MFRS Standards 2015–2017 Cycle	
(i) Amendments to MFRS 3 Business Combinations: Previously Held Interest in a Joint Operation	1 January 2019
(ii) Amendments to MFRS 11 Joint Arrangements: Previously Held Interest in a Joint Operation	1 January 2019
(iii) Amendments to MFRS 112 Income Tax: Income Tax Consequences of Payments on Financial Instruments Classified as Equity	1 January 2019
(iv) Amendments to MFRS 123 Borrowing Costs: Borrowing Costs Eligible for Capitalisation	1 January 2019
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.



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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.

(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.



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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.

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 January 2018, 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.



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The single tier first interim dividend of 0.80 sen per ordinary share in respect of the financial year ending 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)

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 January 2018 are as follows:

	Paper products RM'000	Personal Care Products RM'000	Consolidated RM'000
Revenue			
Revenue from external customers	364,559	161,849	526,408
Segment profit	27,372	13,153	40,525
Included in the measure of segment profit are			
- depreciation and amortisation	18,109	6,698	24,807
- non-cash expenses other than depreciation and amortisation	3,318	427	3,745
Segment assets	607,682	163,080	770,762
Included in the measure of segment assets is			
- capital expenditure	26,817	2,394	29,211

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

	Paper products RM'000	Personal Care Products RM'000	Consolidated RM'000
Revenue			
Revenue from external customers	337,046	148,961	486,007
Segment profit	45,174	13,302	58,476
Included in the measure of segment profit are			
- depreciation and amortisation	17,879	6,403	24,282
- non-cash expenses other than depreciation and amortisation	1,916	586	2,502



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Segment assets	543,913	158,770	702,683
Included in the measure of segment assets is - capital expenditure	12,870	3,764	16,634

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 RM29 million and RM0.09 million respectively.

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 January 2018 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 31.01.2018 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>198,591</u>	<u>158,039</u>



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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	
	31.01.2018	31.01.2017	31.01.2018	31.01.2017
	RM'000	RM'000	RM'000	RM'000
Revenue				
Paper Products	125,115	119,259	364,559	337,046
Personal Care Products	55,874	51,108	161,849	148,961
Group	180,989	170,367	526,408	486,007
Profit before tax				
Paper Products	6,726	18,127	27,372	45,174
Personal Care Products	5,976	4,658	13,153	13,302
Group	12,702	22,785	40,525	58,476

Group

Group revenue for the period ended 31 January 2018 was RM526.4 million compared with RM486 million for the period ended 31 January 2017, an increase of 8.3%. The increase in revenue was mainly due to the increase in sales of Tissue and Personal Care Products, especially Personal Care products. The Group's profit before taxation for the period ended 31 January 2018 was RM40.5 million, a decrease of 30.7% over RM58.5 million registered in the previous financial period ended 31 January 2017. The decrease in profit before taxation was mainly due to the higher raw material cost.

Paper Products segment

Revenue from the paper products segment for the period ended 31 January 2018 was RM364.6 million compared with RM337 million for the financial period ended 31 January 2017, an increase of 8.2%. Profit before taxation in the paper products segment for the period ended 31 January 2018 was RM27.4 million, a decrease of 39.4% over RM45.2 million registered in the previous financial period. The decrease in profit before taxation was mainly due to higher raw material cost 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 January 2018 was RM161.8 million compared with RM149 million recorded in the previous year corresponding period, an increase of 8.7%. Profit before taxation in the personal care products segment for the period ended 31 January 2018 was RM13.2 million, a decrease of 1.1% over RM13.3 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	
	31.01.2018	30.10.2017	RM'000	%
	RM'000	RM'000		
Revenue	180,989	169,269	11,720	6.9
Profit before tax	12,702	9,947	2,755	27.7

Revenue for the quarter ended 31 January 2018 increased by RM11.7 million or 6.9% while profit before taxation increased by RM2.76 million or 27.7% for the current quarter as compared to the preceding quarter. The increase in profit before taxation was mainly attributable to higher revenue and the lower selling, distribution and advertisement cost recorded in the current financial quarter.

17. Prospects

In general, Malaysia's economy recorded a growth of 5.9% in December quarter of 2017 from a year earlier. 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 attributable to seasonality and the weak ringgit effect, and a healthy pace of industrial production growth. The economy 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 Group is also looking at developing new products and opportunity to venture into new



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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 January 2018 RM'000	Year-to-date 9 months ended 31 January 2018 RM'000
Income tax		
Current year	2,278	10,701
Prior year	(811)	(811)
	<u>1,467</u>	<u>9,890</u>
Deferred tax		
Current year	1,111	2,128
Prior year	74	(23)
	<u>2,652</u>	<u>11,995</u>

The Group's effective tax rate for the current quarter is lower than the statutory tax rate principally due to over provision in prior year. The higher effective tax rate for the current financial period to date is mainly 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 January 2018 RM'000
Non-current	
Unsecured	
Long Term Revolving Credit (RC)	26,791
Long term loans	35,572
Secured	
Hire purchase and finance Lease	221
	<u>62,584</u>
Current	
Unsecured	
Bankers' acceptance	8,000
Onshore Foreign Currency Loan (OFCL)	41,497
Revolving Credit (RC)	45,948
Term loans	40,364
Secured	
Hire purchase and finance Lease	198
	<u>198,591</u>

The borrowings are denominated in the following currencies:

	31 January 2018 RM'000			
	Ringgit Malaysia	Singapore Dollar	US Dollar	Total
Bankers' acceptance	8,000	-	-	8,000
Onshore Foreign Currency Loan (OFCL)	18,720	-	22,777	41,497
Revolving Credit ("RC")	-	-	72,739	72,739
Term Loans	52,256	-	23,680	75,936
Hire Purchase	-	419	-	419
	<u>78,976</u>	<u>419</u>	<u>119,196</u>	<u>198,591</u>



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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 January 2018, the Group's open forward contracts entered into as hedges of anticipated future transactions are as follows:

Type of Derivatives	Contract Amount RM'000	Fair Value RM'000
<i><u>Non-Hedging Derivatives</u></i>		
<i><u>Bank Buy</u></i>		
Singapore Dollar		
- Less than 1 year	10,526	10,357
US Dollar		
- Less than 1 year	639	634

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 January 2018, the Group recognised a gain on derivative of RM23,000 and RM33,000 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 January 2018. 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.



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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 ending 30 April 2018 amounting to RM8,984,880 was paid on 23 October 2017.

A single tier interim dividend of 0.80 sen per ordinary share in respect of the financial year ending 30 April 2018 has been declared on 23 March 2018 and is to be paid on 23 April 2018 to depositors registered in the records of Depositors at the close of business on 9 April 2018. The interim report does not reflect this dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the quarter ending 30 April 2018.

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

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 January		9 Months Period Ended 31 January	
	2018	2017	2018	2017
Net profit attributable to shareholders (RM'000)	10,050	15,491	28,531	40,915
Weighted average number of ordinary shares in issue ('000)	1,123,110	1,123,130	1,123,115	1,123,136
Basic earnings per share (sen)	0.9	1.4	2.5	3.6



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26. Realised and Unrealised Profits/Losses

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

	As at 31/01/2018 RM'000	As at 31/01/2017 RM'000
Total retained profits of the Company and its subsidiaries: -		
-Realised	284,088	251,938
-Unrealised	(19,589)	(11,610)
	<hr/> 264,499	<hr/> 240,328
Add/(Less) : Consolidation adjustments	20,322	24,980
Total group retained profits as per consolidated accounts	<hr/> 284,821	<hr/> 265,308

By Order of the Board

Company Secretary

DATED THIS 23rd March, 2018