



**INTERIM FINANCIAL REPORT**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 JULY 2018 <sup>(1)</sup>**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 31.07.2018 RM'000	Preceding Year Quarter 31.07.2017 RM'000	Current Year-To-Date 31.07.2018 RM'000	Preceding Year-To-Date 31.07.2017 RM'000
Revenue		29,493	32,466	29,493	32,466
Cost of sales		(21,163)	(23,739)	(21,163)	(23,739)
Gross profit		8,330	8,727	8,330	8,727
Other operating income		875	546	875	546
Selling and distribution expense		(4,195)	(4,196)	(4,195)	(4,196)
Administrative expense		(4,484)	(4,002)	(4,484)	(4,002)
		(8,679)	(8,198)	(8,679)	(8,198)
Profit from operations		526	1,075	526	1,075
Finance costs		(187)	(109)	(187)	(109)
<b>Profit before tax</b>	B5	339	966	339	966
Income tax expense	B6	(203)	(346)	(203)	(346)
<b>Profit after tax</b>		136	620	136	620
<b>Other comprehensive income</b>					
<u>Items that may be reclassified subsequently to profit or loss</u>					
Translation differences on foreign operation		83	134	83	134
Cash flow hedge		266	-	266	-
<b>Total other comprehensive income</b>		349	134	349	134
<b>Total comprehensive income</b>		485	754	485	754
Profit after tax attributable to:					
- Owners of the Company		136	615	136	615
- Non-controlling interests		-	5	-	5
		136	620	136	620
Total comprehensive income attributable to:					
- Owners of the Company		485	749	485	749
- Non-controlling interests		-	5	-	5
		485	754	485	754



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 JULY 2018 <sup>(1)</sup> (CONT'D)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 31.07.2018	Preceding Year Quarter 31.07.2017	Current Year-To-Date 31.07.2018	Preceding Year-To-Date 31.07.2017
Earnings per share (sen) attributable to owners of the Company	B12				
- Basic <sup>(2)</sup>		0.03	0.16	0.03	0.16
- Diluted		0.03	0.12	0.03	0.12

## Notes:

- (1) *The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2018 and the accompanying explanatory notes attached to these interim financial statements.*
- (2) *Based on the weighted average number of ordinary shares in issue as detailed in Note B12.*



岩石汽车工业集团

**SOLID AUTOMOTIVE BERHAD** (1016725-P)

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2018 <sup>(1)</sup>**

	As at 31.07.2018	As at 30.04.2018
Note	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment properties	11,296	11,404
Property, plant and equipment	47,266	47,084
Other investments	103	103
Deferred tax assets	1,126	1,051
	<hr/>	<hr/>
	59,791	59,642
<b>Current assets</b>		
Inventories	56,019	51,727
Trade receivables	33,386	34,848
Other receivables, deposits and prepayments	7,187	3,300
Current tax asset	1,421	1,217
Short-term investments	6,028	5,973
Derivative asset	-	193
Fixed deposits with licensed banks	1,516	1,501
Cash and bank balances	8,949	8,935
	<hr/>	<hr/>
	114,506	107,694
	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	174,297	167,336



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2018 <sup>(1)</sup> (CONT'D)

	Note	As at 31.07.2018 RM'000	As at 30.04.2018 RM'000
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	B8	98,354	98,183
Merger deficit		(43,361)	(43,361)
Translation reserve		2,334	2,251
Warrant reserve		15,499	15,548
Hedging reserve		-	(266)
Retained earnings		67,983	67,847
<b>Equity attributable to equity holders of the Company</b>		<b>140,809</b>	<b>140,202</b>
Non-controlling interests		111	111
<b>Total equity</b>		<b>140,920</b>	<b>140,313</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long-term borrowings	B9	2,375	2,256
<b>Current liabilities</b>			
Trade payables		9,828	8,582
Other payables and accruals		3,986	3,429
Short-term borrowings	B9	17,025	12,604
Current tax liabilities		163	152
		<b>31,002</b>	<b>24,767</b>
<b>TOTAL LIABILITIES</b>		<b>33,377</b>	<b>27,023</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>174,297</b>	<b>167,336</b>
Net assets per share attributable to ordinary equity holders of the Company (RM)		0.36	0.36

Notes:

- (1) *The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2018 and the accompanying explanatory notes attached to these interim financial statements.*

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 JULY 2018 <sup>(1)</sup>**

	Note	<----- Attributable to equity holders of the Company ----->								
		<----- Non-distributable ----->					Distributable	Non-		Total
		Share Capital	Merger Deficit	Translation Reserve	Warrant Reserve	Hedging Reserve	Retained Earnings	Total	Controlling Interest	
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 May 2018		98,183	(43,361)	2,251	15,548	(266)	67,847	140,202	111	140,313
Total comprehensive income for the period		-	-	83	-	266	136	485	-	485
Issuance of shares - Exercise of Warrants	B8	171	-	-	(49)	-	-	122	-	122
At 31 Jul 2018		<u>98,354</u>	<u>(43,361)</u>	<u>2,334</u>	<u>15,499</u>	<u>-</u>	<u>67,983</u>	<u>140,809</u>	<u>111</u>	<u>140,920</u>
At 1 May 2017		97,503	(43,361)	2,842	15,742	(266)	66,023	138,483	100	138,583
Total comprehensive income for the period		-	-	134	-	-	615	749	5	754
Issuance of shares - Exercise of Warrants	B8	433	-	-	(124)	-	-	309	-	309
At 31 Jul 2017		<u>97,936</u>	<u>(43,361)</u>	<u>2,976</u>	<u>15,618</u>	<u>(266)</u>	<u>66,638</u>	<u>139,541</u>	<u>105</u>	<u>139,646</u>

Notes:

(1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2018 and the accompanying explanatory notes attached to these interim financial statements.



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 JULY 2018 <sup>(1)</sup>**

	<b>Current Year-To-Date 31.07.2018 RM'000</b>	<b>Preceding Year-To-Date 31.07.2017 RM'000</b>
<b>Cash Flows for Operating Activities</b>		
Profit before tax	339	966
Adjustments for:		
Net allowance for impairment losses on trade receivables	110	117
Depreciation of property, plant and equipment and investment properties	706	619
Interest expense	148	73
Interest income	(141)	(169)
Inventories written down	201	649
Fair value (gain)/loss on short-term investments	(10)	5
Fair value (gain)/loss on derivative	(126)	132
Gain on disposal of property, plant and equipment	(20)	(115)
(Reversal)/provision for warranty	(23)	55
Property, plant and equipment written off	-	3
Net unrealised loss/(gain) on foreign exchange	281	(21)
Operating profit before working capital changes	1,465	2,314
Increase in inventories	(4,493)	(5,215)
(Increase)/decrease in trade and other receivables	(2,510)	869
Increase in trade and other payables	1,829	1,690
Cash for operations	(3,709)	(342)
Interest received	81	107
Income tax paid, net of refund	(472)	(884)
Net cash for operating activities	(4,100)	(1,119)



## INTERIM FINANCIAL REPORT

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 JULY 2018 <sup>(1)</sup> (CONT'D)

	Current Year-To- Date 31.07.2018 RM'000	Preceding Year- To- Date 31.07.2017 RM'000
<b>Cash Flows for Investing Activities</b>		
Interest income received	60	62
Acquisition of:		
- property, plant and equipment	(717)	(4,637)
- investment properties	(33)	(242)
- short-term investments	(45)	-
Proceeds from disposal of short-term investment	-	729
Proceeds from disposal of property, plant and equipment	21	115
Net cash for investing activities	(714)	(3,973)
<b>Cash Flows from Financing Activities</b>		
Net proceeds from issuance of new shares from:		
- exercise of warrants	122	309
Interest paid	(148)	(73)
Drawdown of hire purchase obligation	217	-
Repayment of hire purchase obligations	(35)	(19)
Drawdown of term loans	2,297	2,325
Repayment of term loans	(1,902)	(628)
Net drawdown/(repayment) of short-term bank borrowings	4,224	(448)
Net cash from financing activities	4,775	1,466
<b>Net decrease in cash and cash equivalents</b>	(39)	(3,626)
Effects of foreign exchange rates changes	68	130
<b>Cash and cash equivalents at beginning of the period</b>	10,436	14,827
<b>Cash and cash equivalents at end of the period</b>	10,465	11,331
<b>Cash and cash equivalents at end of period comprise:</b>		
Fixed deposits with licensed banks	1,516	2,219
Cash and bank balances	8,949	9,112
	10,465	11,331

## Notes:

- (1) *The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2018 and the accompanying explanatory notes attached to these interim financial statements.*



**INTERIM FINANCIAL REPORT**

**A EXPLANATION NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

**A1. Accounting Policies and Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), International Accounting Standard (“IAS”) 34: Interim Financial Reporting issued by the International Accounting Standard Board (“IASB”) and paragraphs 9.22 and 9.40 (Appendix 9B Part A) of the Main Market Listing Requirement (“Listing Requirements”) of the Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2018.

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 Company and its subsidiaries (“the Group”) since the financial year ended 30 April 2018.

The Group has adopted merger accounting method for the preparation of this interim financial statements. The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted as disclosed in the Audited Financial Statements for the financial year ended 30 April 2018.

During the current financial period, the Group has adopted the following new applicable accounting standards (including the consequential amendments, if any):-

**MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

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

MFRS 15 Revenue from Contracts with Customers

IC Interpretation 22 Foreign Currency Transactions and Advance Consideration

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

Amendments to MFRS 15: Effective Date of MFRS 15

Amendments to MFRS 15: Clarifications to MFRS 15 ‘Revenue from Contracts with Customers’

Amendments to MFRS 140 – Transfers of Investment Property

The adoption of the above accounting standards (including the consequential amendments, if any) did not have any material impact on the Group’s financial statements.

The Group has not applied in advance the following applicable accounting standards (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

**MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

**Effective Date**

MFRS 16 Leases

1 January 2019

IC Interpretation 23 Uncertainty over Income Tax Treatments

1 January 2019

Amendments to MFRS 9: Prepayment Features with Negative Compensation

1 January 2019

Amendments to References to the Conceptual Framework in MFRS Standards

1 January 2020

Annual Improvements to MFRS Standards 2015 – 2017 Cycles

1 January 2019

The adoption of the above applicable standards and interpretations is expected to have no material impact on the financial position and performance of the Group.





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**A2. Auditors' Report on Preceding Annual Financial Statements**

The Auditors' Reports on the financial statements of the Company and its subsidiaries for the financial year ended 30 April 2018 were not qualified.

**A3. Seasonality or Cyclicity of Operations**

The Group's operations and financial results were not significantly affected by any seasonal or cyclical factors during the current financial quarter.

**A4. Unusual Items**

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

**A5. Changes in Estimates**

There were no changes in the estimates that have a material effect on the financial results during the current financial quarter.

**A6. Debt and Equity Securities**

During the current quarter ended 31 July 2018, the Company issued 583,333 new ordinary shares at an exercise price of RM0.21 per ordinary share arising from the exercise of warrants for cash.

**A7. Dividend Paid**

No dividend was paid by the Company during the current financial quarter.

**A8. Segment Information**

The Group is organised into the 3 main reportable segments as follows:-

- Automotive electrical parts – involved in the trading and distribution of automotive electrical parts and components;
- Automotive engine and mechanical parts – involved in the trading and distribution of automotive engine and mechanical parts and components; and
- Others – involved in the investment and property holding and provision of management services.



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**A8. Segment Information (Cont'd)**

Segmental information of the Group for the financial period-to-date ended 31 July 2018 is as follows:

	<b>Automotive electrical parts RM'000</b>	<b>Automotive engine and mechanical parts RM'000</b>	<b>Others RM'000</b>	<b>Group RM'000</b>
External revenue	21,707	7,713	73	29,493
Segment results	565	187	(216)	536
Unallocated expenses				(197)
Profit before tax				339

Segmental information of the Group for the financial period-to-date ended 31 July 2017 is as follows:

	<b>Automotive electrical parts RM'000</b>	<b>Automotive engine and mechanical parts RM'000</b>	<b>Others RM'000</b>	<b>Group RM'000</b>
External revenue	25,192	7,201	73	32,466
Segment results	1,635	(273)	(258)	1,104
Unallocated expenses				(138)
Profit before tax				966

On the basis of geographical segment, segmental information is presented based on the geographical location of customers:

	<b>Current year to date 31 July 2018 RM'000</b>	<b>Preceding year to date 31 July 2017 RM'000</b>
<b>Revenue</b>		
Malaysia	21,198	21,349
Middle East and Africa	4,882	8,484
Others	3,413	2,633
	29,493	32,466

No other segmental information such as segment assets, liabilities and results are presented as the Group is principally engaged in one industry, which involves the trading and distribution of automotive parts and components for the passenger and commercial vehicles in the automotive aftermarket segment in Malaysia and overseas.

**INTERIM FINANCIAL REPORT****A9. Subsequent Material Events**

On 28 August 2018, the Company entered into conditional share sale agreements for the proposed acquisition of 100% equity interest in Win Soon Auto Suppliers Sdn Bhd (“WSKL”) and 100% equity interest in Win Soon Auto Suppliers (JB ) Sdn Bhd (“WSJB”) for a total cash consideration of RM5,940,000.

WSKL and WSJB are principally involved in the trading of auto spare parts and accessories. The acquisition is expected to expand the Group’s product range and tap into a different distribution channel for automotive parts.

**A10. Composition of the Group**

There were no changes in the composition of the group for the current financial quarter.

**A11. Material Capital Commitments****31 July 2018****RM’000**

Purchase of property, plant and equipment

3,453**A12. Contingent Liabilities and Contingent Assets**

There are no contingent liabilities or contingent assets as at the end of the current financial quarter.



**INTERIM FINANCIAL REPORT**

**A13. Fair Value Information**

The fair values of the financial assets and financial liabilities of the Group which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

	Fair Value Of Financial Instruments Carried At Fair Value			Fair Value Of Financial Instruments Not Carried At Fair Value			<b>Total Fair Value</b>	<b>Carrying Amount</b>
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b>31.07.2018</b>								
<u>Financial assets</u>								
Short-term investment	6,028	-	-	-	-	-	6,028	6,028
<u>Financial Liabilities</u>								
Hire purchase payables	-	443	-	-	182	-	625	625
Term loans	-	4,351	-	-	-	-	4,351	4,351



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**A13. Fair Value Information (Cont'd)**

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period (Cont'd):-

	Fair Value Of Financial Instruments Carried At Fair Value			Fair Value Of Financial Instruments Not Carried At Fair Value			<b>Total Fair Value</b>	<b>Carrying Amount</b>
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b>30.04.2018</b>								
<u>Financial assets</u>								
Short-term investment	5,973	-	-	-	-	-	5,973	5,973
Derivative asset:								
- cross currency interest rate swap	-	193	-	-	-	-	193	193
<u>Financial Liabilities</u>								
Hire purchase payables	-	241	-	-	200	-	441	441
Term loans	-	2,076	-	-	2,451	-	4,527	4,527



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**B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES MALAYSIA BERHAD**

**B1. Review of Performance**

The revenue for the current quarter decreased to RM29.493 million from RM32.466 million in the corresponding quarter in the preceding year mainly due to lower revenue from the export market.

The gross profit for the current quarter has decreased to RM8.330 million as compared to RM8.727 million in the corresponding quarter in the preceding year due mainly to lower revenues in the current quarter.

Profit before tax for the current quarter has decreased to RM0.339 million compared to RM0.966 million in the corresponding quarter in the preceding year due to lower sales revenue and higher expenses.

The revenue derived from our automotive electrical parts accounted for approximately 74% of total revenue while automotive engine and mechanical parts and others accounted for approximately 26% of total revenue compared to 78% and 22% respectively in the corresponding quarter in the preceding year.

**B2. Variation of Results with the immediate preceding quarter**

The Group's revenue for the current quarter of RM29.493 million showed a decrease compared to the revenue of RM30.482 million for the immediate preceding quarter due to lower revenue from the export market.

The gross profit amount has increased to RM8.329 million from RM7.851 million for the immediate preceding quarter due to higher overall sales and margins.

The Group registered a profit before tax of RM0.339 million for the current quarter compared to RM0.413 million for the immediate preceding quarter due mainly to lower sales revenue and higher expenses which was slightly offset by higher gross margins.

**B3. Prospects for the Group for the Financial Year ending 30 April 2019**

The Malaysian economy is facing challenges with uncertain business conditions, increase cost of doing business and cost of living. The overseas market is affected by global economic weaknesses and uncertainties especially in the Middle East. The Group will continue to focus on strategies for sales and marketing in both domestic and export market to promote our in-house brands, expand our product range, increase the number of branches throughout Malaysia and expand our market presence in overseas countries especially in ASEAN countries. The Group will continue to pursue improvements to enhance our supply chain management, productivity and cost management.

The Group will strive to maintain its performance for the financial year ending 30 April 2019.

**B4. Variance of Profit Forecast**

No profit forecast has been issued by the Group previously in any public document.



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**B5. Notes to the Statement of Profit or Loss**

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.07.2018 RM'000	Preceding Year Quarter 31.07.2017 RM'000	Current Year- To-Date 31.07.2018 RM'000	Preceding Year- To-Date 31.07.2017 RM'000
Depreciation of property, plant and equipment and investment properties	706	619	706	619
Fair value (gain)/loss on derivative	(126)	132	(126)	132
Fair value (gain)/loss on short-term investments	(10)	5	(10)	5
Gain on disposal of property, plant and equipment	(20)	(115)	(20)	(115)
Net allowance for impairment losses on trade receivables	110	117	110	117
Net loss/(gain) on foreign exchange	99	(94)	99	(94)
Interest expense	148	73	148	73
Interest income	(141)	(169)	(141)	(169)
Net (reversal)/provision of provision for warranty	(23)	55	(23)	55
Inventories written down	201	649	201	649

*Save as disclosed above, the other items as required under Appendix 9B Part A (16) of the Main Market Listing Requirements of Bursa Securities are not applicable.*

**B6. Income Tax Expense**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.07.2018 RM'000	Preceding Year Quarter 31.07.2017 RM'000	Current Year- To-Date 31.07.2018 RM'000	Preceding Year- To-Date 31.07.2017 RM'000
<u>Income tax</u>				
Current tax - Current	278	507	278	507
Deferred tax - Current	(75)	(263)	(75)	(263)
- Prior Period	-	102	-	102
Tax expense	203	346	203	346

The effective tax rate for the current period is higher than the statutory tax rate of 24% mainly due to certain expenses which are not deductible for tax purpose.



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**B7. Status of Corporate Proposals**

There was no corporate proposals announced but yet to be completed as at the date of this report.

**B8. Share Capital**

	<b>Current Year-To-Date 31.07.2018</b>	<b>Preceding Year-To-Date 31.07.2017</b>	<b>Current Year-To-Date 31.07.2018</b>	<b>Preceding Year-To-Date 31.07.2017</b>
	<b>Number of shares '000</b>	<b>'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Issue And Fully Paid-Up</b>				
Ordinary shares with no Par Value				
At 1 May 2018/2017	391,336	166,738	98,183	97,503
Issued for cash in respect of warrant exercised	583	618	122	309
Transfer from warrant reserve	-	-	49	124
At 31 Jul 2018/2017	391,919	167,356	98,354	97,936





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**B9. Group Borrowings**

Total Group borrowings as at 31 July 2018 / 30 April 2018 were as follows:-

	<b>As at 31.07.2018 RM'000</b>	<b>As at 30.04.2018 RM'000</b>
<b><u>Current (Secured)</u></b>		
<b>Denominated in Malaysian Ringgit</b>		
Bankers' acceptances	5,786	1,461
Hire purchase payables	117	76
Term loans	2,297	-
<b>Denominated in US Dollars</b>		
Foreign currency loan	8,201	8,431
Term loans	-	2,451
<b>Denominated in Singapore Dollars</b>		
Hire purchase payables	40	39
Term loan	147	146
Trust receipts	437	-
	17,025	12,604
<b><u>Non-current (Secured)</u></b>		
<b>Denominated in Malaysian Ringgit</b>		
Hire purchase payables	404	253
<b>Denominated in Singapore Dollars</b>		
Hire purchase payables	64	73
Term loan	1,907	1,930
	2,375	2,256
<b>Total Borrowings</b>	19,400	14,860

**B10. Material Litigation**

The Group is not engaged in any material litigation neither as plaintiff nor defendant. The Directors are not aware of any proceedings pending against the Group as at the date of this report.

**B11. Dividends**

No dividend was declared for payment by the Company for the current quarter under review.



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**B12. Earnings Per Share**

The earnings per share for the current quarter are computed as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.07.2018 RM'000	Preceding Year Quarter 31.07.2017 RM'000	Current Year- To-Date 31.07.2018 RM'000	Preceding Year- To-Date 31.07.2017 RM'000
Profit after tax attributable to owners of the Company	136	615	136	615
Weighted average number of ordinary share in issue ('000) (basic)*	391,336	389,055	391,336	389,055
Effect of conversion of warrants*	72,667	115,243	72,667	115,243
Weighted average number of ordinary shares in issue ('000) (diluted)*	464,003	504,298	464,003	504,298
Basic Earnings Per Share (sen)	0.03	0.16	0.03	0.16
Diluted Earnings Per Share (sen)	0.03	0.12	0.03	0.12

Note:

\* - Comparative figures for the weighted average number of ordinary shares computation have been restated to reflect the adjustments arising from Share Split and Bonus Issue which was completed on 10 November 2017.

**B13. Realised and Unrealised Profits / Losses Disclosure**

The breakdown of the retained profits of the Group as at the end of the current quarter and preceding financial year, into realised and unrealised profits, is as follows:-

	As at 31.07.2018 RM'000	As at 30.04.2018 RM'000
Total retained earnings of the Group		
(a) Realised	67,242	67,460
(b) Unrealised	615	261
	67,857	67,721
Add/(less): consolidated adjustments	126	126
Total retained earnings	67,983	67,847