

**MCE HOLDINGS BERHAD (1158341-K)***(Incorporated In Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
(THE FIGURES HAVE NOT BEEN AUDITED)

	<b>As at 30.04.2018 Unaudited RM'000</b>	<b>As at 31.07.2017 Audited RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	61,404	59,758
Investment property	1,979	1,991
Intangible asset	64	350
Deferred tax assets	288	57
	<u>63,735</u>	<u>62,156</u>
<b>Current Assets</b>		
Inventories	13,008	13,730
Trade receivables	10,294	14,515
Other receivables	604	845
Tax recoverable	275	531
Cash and bank balances	16,595	13,009
	<u>40,776</u>	<u>42,630</u>
<b>TOTAL ASSETS</b>	<u>104,511</u>	<u>104,786</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the company</b>		
Share capital	44,405	44,405
Reserves	46,231	47,144
	<u>90,636</u>	<u>91,549</u>
<b>Non-controlling Interests</b>	-	-
<b>Total Equity</b>	<u>90,636</u>	<u>91,549</u>
<b>Non-Current Liabilities</b>		
Borrowings	125	817
Deferred tax liabilities	163	143
	<u>288</u>	<u>960</u>
<b>Current Liabilities</b>		
Borrowings	1,472	2,313
Trade payables	9,277	5,968
Other payables	2,770	3,901
Tax payables	68	95
Dividend payable	-	-
	<u>13,587</u>	<u>12,277</u>
<b>Total Liabilities</b>	<u>13,875</u>	<u>13,237</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>104,511</u>	<u>104,786</u>
Net assets per stock unit attributable to ordinary equity holders of the company (RM)	<u>2.0411</u>	<u>2.0617</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 July 2017.

**MCE HOLDINGS BERHAD (1158341-K)***(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 30 APRIL 2018**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTERS</b>	
	<b>3 Months Ended</b>		<b>9 Months Ended</b>	
	<b>30-Apr-18</b>	<b>30-Apr-17</b>	<b>30-Apr-18</b>	<b>30-Apr-17</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	13,864	20,031	48,481	65,864
Cost of sales	<u>(13,391)</u>	<u>(17,424)</u>	<u>(43,696)</u>	<u>(55,693)</u>
Gross profit	473	2,607	4,785	10,171
Other income	106	181	492	504
Selling and administrative expenses	(2,113)	(2,117)	(5,894)	(7,735)
Finance costs	<u>(87)</u>	<u>(51)</u>	<u>(258)</u>	<u>(183)</u>
(Loss)/ profit before tax	(1,621)	620	(875)	2,757
Taxation	103	(197)	(38)	(835)
(Loss)/ profit for the period	<u>(1,518)</u>	<u>423</u>	<u>(913)</u>	<u>1,922</u>
Other comprehensive (loss)/ income:				
Other comprehensive (loss)/ income for the period	-	-	-	-
Total comprehensive (loss)/ income for the period	<u>(1,518)</u>	<u>423</u>	<u>(913)</u>	<u>1,922</u>
(Loss)/ profit attributable to:				
Equity holders of the company	(1,518)	423	(913)	1,922
Non-controlling interests	-	-	-	-
	<u>(1,518)</u>	<u>423</u>	<u>(913)</u>	<u>1,922</u>
Total comprehensive (loss)/ income attributable to:				
Equity holders of the company	(1,518)	423	(913)	1,922
Non-controlling interests	-	-	-	-
	<u>(1,518)</u>	<u>423</u>	<u>(913)</u>	<u>1,922</u>
(Loss)/ earnings per share attributable to equity holders of the company:				
Basic and diluted (sen)	<u>(3.42)</u>	<u>0.95</u>	<u>(2.06)</u>	<u>4.33</u>

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 July 2017.

**MCE HOLDINGS BERHAD (1158341-K)***(Incorporated in Malaysia)***NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

The following amounts have been charged/ (credited) in arriving at profit/ (loss) before tax:

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTERS</b>	
	<b>3 Months Ended</b>		<b>9 Months Ended</b>	
	<b>30-Apr-18</b>	<b>30-Apr-17</b>	<b>30-Apr-18</b>	<b>30-Apr-17</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Interest income	(101)	(68)	(314)	(214)
Interest expenses	87	51	258	183
Depreciation	755	850	2,147	3,210
Amortisation of development costs	95	95	286	639
Impairment of golf club membership	-	-	1	1
Provision/ (reversal) for warranties	15	236	(591)	(516)
Obsolete inventories written off	239	308	467	606
Loss/ (gain) on disposal of plant and equipment	7	149	16	148
Loss/ (gain) on foreign exchange				
- realised	25	(21)	(155)	325
- unrealised	39	(50)	(49)	(53)
Plant and equipment written off	-	-	3	30

Save as disclosed above and in the Condensed Consolidated Statement of Comprehensive Income, the other items required by Bursa Malaysia Securities Berhad Main Market Listing Requirements, Chapter 9, Appendix 9B are not applicable to the Group.

**MCE HOLDINGS BERHAD (1158341-K)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 30 APRIL 2018**

(The figures have not been audited)

	Attributable to Equity Holders of the Company					Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Share capital RM'000	Share premium RM'000	Share buy-back reserve RM'000	Foreign Currency Translation RM'000	Retained profits RM'000			
<b>At 1 Aug 2017</b>	44,405	654	352	-	46,138	91,549	-	91,549
Other comprehensive income/ (expenses)	-	-	-	-	-	-	-	-
Profit/ (loss) for the period	-	-	-	-	(913)	(913)	-	(913)
Total comprehensive income for the period	-	-	-	-	(913)	(913)	-	(913)
<b>At 30 Apr 2018</b>	<b>44,405</b>	<b>654</b>	<b>352</b>	<b>-</b>	<b>45,225</b>	<b>90,636</b>	<b>-</b>	<b>90,636</b>
<b>At 1 Aug 2016</b>	44,405	654	352	(22)	45,566	90,955	9	90,964
Other comprehensive income/ (expenses)	-	-	-	-	-	-	-	-
Profit/ (loss) for the period	-	-	-	-	1,922	1,922	-	1,922
Total comprehensive loss for the period	-	-	-	-	1,922	1,922	-	1,922
Dividends to shareholders	-	-	-	-	(666)	(666)	-	(666)
Total transactions with owners of the Group	-	-	-	-	(666)	(666)	-	(666)
Derecognition of translation reserve upon deconsolidation of subsidiary company	-	-	-	22	(22)	-	-	-
Derecognition of minority interest upon deconsolidation of subsidiary company	-	-	-	-	9	9	(9)	-
<b>At 30 Apr 2017</b>	<b>44,405</b>	<b>654</b>	<b>352</b>	<b>-</b>	<b>46,809</b>	<b>92,220</b>	<b>-</b>	<b>92,220</b>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 July 2017.

**MCE HOLDINGS BERHAD (1158341-K)***(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE QUARTER ENDED 30 APRIL 2018***(The figures have not been audited)*

	<b>9 months ended 30-Apr-18 RM'000 (Unaudited)</b>	<b>9 months ended 30-Apr-17 RM'000 (Unaudited)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss)/ profit before taxation	(875)	2,757
Adjustments for :		
Depreciation	2,147	3,210
Amortisation of development costs	286	639
Impairment of golf club membership	1	1
Interest income	(314)	(214)
Interest expense	258	182
Short term accumulated compensated absences	157	182
Obsolete inventories written off	467	606
(Reversal)/provision for warranties	(591)	(516)
Loss/ (gain) on disposal of plant and equipment	16	148
Plant and equipment written off	3	30
Unrealised (gain) on foreign exchange	(49)	(53)
	<hr/>	<hr/>
Operating profit before working capital changes	1,506	6,974
Receivables	4,460	(3,920)
Inventories	255	1,056
Payables	2,662	670
	<hr/>	<hr/>
Cash generated from/ (used in) operations	8,883	4,780
Tax paid	(282)	(222)
Tax refund	261	-
Interest paid	(258)	(182)
	<hr/>	<hr/>
Net cash from/ (used in) operating activities	8,604	4,376
	<hr/>	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	314	214
Purchase of property, plant and equipment	(3,820)	(2,075)
Proceeds from disposal of plant and equipment	20	172
	<hr/>	<hr/>
Net cash used in investing activities	(3,486)	(1,689)
	<hr/>	<hr/>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	(1,532)	(1,891)
	<hr/>	<hr/>
Net cash used in financing activities	(1,532)	(1,891)
	<hr/>	<hr/>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	3,586	796
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	13,009	12,835
<b>CURRENCY TRANSLATION DIFFERENCE</b>	-	-
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<hr/> <hr/>	<hr/> <hr/>
	16,595	13,631

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 July 2017.

**MCE HOLDINGS BERHAD (1158341-K)**  
**(Incorporated in Malaysia)**

**NOTES TO THE INTERIM FINANCIAL REPORT – 3RD QUARTER ENDED 30 APRIL 2018**

**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A1. Basis of Preparation**

This condensed consolidated interim financial statement (Condensed Report) has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Condensed Report should be read in conjunction with the audited financial statements of MCE Holdings Berhad (‘The Group’) for the financial year ended 31 July 2017. These explanatory notes attached to the Condensed Report 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 31 July 2017.

**A2. Significant Accounting Policies**

The accounting policies and presentation adopted for the interim financial statements are consistent with those adopted for the annual financial statements of the Group for the year ended 31 July 2017.

The adoption of the following MFRSs and Amendments to MFRSs that came into effect on 1 August 2017 did not have any significant impact on the unaudited consolidated financial statements upon their initial application.

- Amendments to MFRS 107 Disclosure Initiative (effective from 1 January 2017)
- Amendments to MFRS 112 Recognition of Deferred Tax Assets for Unrealised Losses (effective from 1 January 2017)

The Group has not early adopted the following new or revised standards, amendments or IC Interpretations which are applicable to the Group that have been issued by the MASB but are not yet effective for the Group’s current financial period ended 30 April 2018:

<b>MFRS, Amendments to MFRS and IC Interpretation</b>		<b>Effective for annual periods beginning on or after</b>
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice
Amendments to MFRS 15	Effective Date of MFRS 15	1 January 2018
Amendments to MFRS 15	Clarifications to MFRS 15 ‘Revenue from Contracts with Customers’	1 January 2018
Amendments to MFRS 2	Classification and measurement of Share-based Payment transactions	1 January 2018

**MCE HOLDINGS BERHAD (1158341-K)**  
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**NOTES TO THE INTERIM FINANCIAL REPORT – 3RD QUARTER ENDED 30 APRIL 2018**

**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A2. Significant Accounting Policies (Cont'd)**

<b>MFRS, Amendments to MFRS and IC Interpretation</b>		<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 140	Transfers of Investment Property	1 January 2018
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
IC Interpretation 23	Uncertainty over Income Tax Treatments	1 January 2019
MFRS 16	Leases	1 January 2019

The adoption of the above pronouncements will not have any financial impact to the Group.

**A3. Disclosure of Audit Report Qualification**

The auditors' report of the Group's most recent audited financial statements for the financial year ended 31 July 2017 did not contain any qualification.

**A4. Seasonal or Cyclical Factors Affecting Operations**

The principal business operations of the Group are not significantly affected by any seasonal or cyclical factors.

**A5. Unusual Items Affecting the Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the financial period ended 30 April 2018.

**A6. Material Changes in Estimates**

There were no changes in estimates that have a material effect in the current quarter.

**A7. Changes in Debt and Equity Securities**

There were no issuance and repayment of debt securities, share buyback, share cancellations shares held as treasury shares and resale of treasury shares for the financial period ended 30 April 2018.

**MCE HOLDINGS BERHAD (1158341-K)**  
**(Incorporated in Malaysia)**

**NOTES TO THE INTERIM FINANCIAL REPORT – 3RD QUARTER ENDED 30 APRIL 2018**

**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A8. Dividends Paid**

No dividend has been paid during the financial period ended 30 April 2018.

**A9. Segmental Reporting**

The Group is organized into 2 main reportable segments as follows: -

- Automotive parts                      - involved in manufacturing and trading of automotive parts.
- Healthcare services                 - involved in providing health care services.  
(The healthcare services have yet to commence business)

The segmental information are as follows: -

<u>3 months ended 30 April 2018</u>	Automotive Parts	Healthcare Services	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000
<b><u>Revenue</u></b>				
Revenue	13,864	-	-	13,864
<b><u>Results</u></b>				
Segment results	(1,381)	(38)	-	(1,419)
Interest expenses				(87)
Unallocated expenses				(115)
(Loss) before taxation				<u>(1,621)</u>

<u>Cumulative 9 months ended 30 April 2018</u>	Automotive Parts	Healthcare Services	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000
<b><u>Revenue</u></b>				
Revenue	48,481	-	-	48,481
<b><u>Results</u></b>				
Segment results	(126)	(136)	-	(262)
Interest expenses				(258)
Unallocated expenses				(355)
(Loss) before taxation				<u>(875)</u>



**MCE HOLDINGS BERHAD (1158341-K)**  
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**NOTES TO THE INTERIM FINANCIAL REPORT – 3RD QUARTER ENDED 30 APRIL 2018**

**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A9. Segmental Reporting (Cont'd)**

<u>Assets &amp; liabilities as at 30 April 2018</u>	Automotive Parts	Healthcare Services	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000

**Assets & liabilities**

Segmental assets	105,390	33,771	(35,020)	104,141
Unallocated assets				370
Consolidated total assets				<u>104,511</u>

Segmental liabilities	13,709	5,026	(5,020)	13,715
Unallocated liabilities				160
Consolidated total liabilities				<u>13,875</u>

**Other information**

Capital expenditure	3,470	350	-	3,820
Depreciation and amortisation	2,426	7	-	2,433

No segmental information is provided on a geographical basis as the Group's activities are conducted primarily in Malaysia.

**A10. Material Events Subsequent to the end of the Reporting Period**

There were no material events subsequent to the end of the current financial period that have not been reflected in the interim financial reports for the said period as at the date of this report.

**A11. Changes in the Composition of the Group**

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

**A12. Contingent Liabilities and Contingent Assets**

The Group has no material contingent liabilities and assets as at 30 April 2018.

**MCE HOLDINGS BERHAD (1158341-K)**  
**(Incorporated in Malaysia)**

**NOTES TO THE INTERIM FINANCIAL REPORT – 3RD QUARTER ENDED 30 APRIL 2018**

**PART B – ADDITIONAL EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1 Review of Performance**

Comparison to preceding year corresponding quarter

For the third quarter ended 30 April 2018, the Group achieved consolidated revenue of RM13.86 million which was approximately 30.79% lower than the preceding year corresponding quarter. The decrease in revenue was mainly due to lower demand for Original Equipment Manufacturer (“OEM”) products in the current quarter. The Group recorded a loss after tax of RM1.52 million for the current quarter as compared to profit after tax of RM0.42 million in the preceding year corresponding quarter mainly due to lower revenue in current quarter.

**B2 Material Changes in Profit before Taxation for the Current Quarter with Immediate Preceding Quarter**

	<b>Current Quarter 30 Apr 2018 RM’000</b>	<b>Preceding Quarter 31 Jan 2018 RM’000</b>
Revenue	13,864	16,965
Pre-tax (loss)/ profit before non-controlling interests	(1,621)	(203)

For the current quarter, the Group achieved revenue of RM13.86 million, representing a decrease of 18.28% as compared to the preceding quarter ended 31 January 2018. The decrease was attributable to lower demand for OEM products in the current quarter. The Group recorded a pre-tax loss before non-controlling interests (“NCI”) of RM1.6 million for the quarter under review as compared to RM0.2 million for the preceding quarter as a result of lower demand for OEM products.

**B3 Prospects Commentary**

The Group continues to face challenges in term of increase in material and labor costs. To overcome these, the Group will continue its effort to maintain its competitiveness in the local and global automotive market by enhancing its product technology by investing in new technology or upgrading its existing facilities which is in line with the increase in fixed asset as at 30 April 2018 and also mitigate increasing costs through its various cost reduction initiatives which includes improvement of production processes and productivity together with realignment of its supply chain. The Group is also looking for strategic partners to expand its product range to broaden its existing customer base and capitalize on operational synergies.

**MCE HOLDINGS BERHAD (1158341-K)**  
**(Incorporated in Malaysia)**

**NOTES TO THE INTERIM FINANCIAL REPORT – 3RD QUARTER ENDED 30 APRIL 2018**

**PART B – ADDITIONAL EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B4 Variance of Actual Profit from Forecast Profit & Shortfall on Profit Guarantee**

There is no profit forecast prepared for public release and no profit guarantee provided by the Group for the current financial period.

**B5 Taxation**

	3 months ended		9 months ended	
	30.04.18	30.04.17	30.04.18	30.04.17
	RM'000	RM'000	RM'000	RM'000
Income tax:				
- current year	116	121	262	398
- (Over)/ under provision in prior years	(12)	(22)	(12)	(22)
	104	99	250	376
Deferred tax	(207)	98	(212)	459
Tax (income)/ expense	(103)	197	38	835

The effective tax rate of the Group for the current quarter and financial year to date were lower than the statutory tax rate mainly due to increase in the availability of certain tax benefits, such as capital allowance and business losses.

**B6 Status of Corporate Proposals**

There were no corporate proposals announced by the Company as at the date of issue of this quarterly report.

**B7 Group Borrowings and Debt Securities**

Group borrowings as at 30 April 2018:

	<u>RM'000</u>
(a) Secured borrowings	1,597
Unsecured borrowings	-
	<u>1,597</u>
(b) Short term	
- term loans (secured)	1,327
- hire purchase payable	145
	<u>1,472</u>
Long term	
- term loans (secured)	-
- hire purchase payable	125
	<u>125</u>
Total borrowings	<u>1,597</u>

All the above borrowings are denominated in Ringgit Malaysia.

**MCE HOLDINGS BERHAD (1158341-K)**  
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**NOTES TO THE INTERIM FINANCIAL REPORT – 3RD QUARTER ENDED 30 APRIL 2018**

**PART B – ADDITIONAL EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B8 Financial Instruments**

The Group enters into forward foreign exchange currencies contracts to hedge its exposure to fluctuations in foreign currency arising from purchases.

The Group has no outstanding derivative financial instruments as at 30 April 2018.

**B9 Changes in Material Litigation**

There was no pending material litigation as at 19 June 2018 being a date not earlier than 7 days from the date of this quarterly report.

**B10 Dividends**

No dividend is recommended for the current quarter (30 April 2017: 1.5 sen per share under single-tier system).

**B11 Earnings per Share**

The basic and diluted earnings per share are calculated as follows:

	<b>3 months ended</b>		<b>9 months ended</b>	
	<b>30.04.2018</b>	<b>30.04.2017</b>	<b>30.04.2018</b>	<b>30.04.2017</b>
(Loss)/ profit for the period attributable to ordinary equity holders of the company (RM'000)	(1,518)	423	(913)	1,922
Weighted average number of ordinary shares in issue (RM'000)	44,405	44,405	44,405	44,405
Basic and diluted earnings/(loss) per share (sen)	(3.42)	0.95	(2.06)	4.33

**MCE HOLDINGS BERHAD (1158341-K)**  
**(Incorporated in Malaysia)**

**NOTES TO THE INTERIM FINANCIAL REPORT – 3RD QUARTER ENDED 30 APRIL 2018**

**PART B – ADDITIONAL EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B12 Disclosure of Realised and Unrealised Profits**

The breakdown of the retained profits of the Group into realised and unrealised profits is as follows:

	<b>As at 30.04.2018</b>	<b>As at 30.04.2017</b>
	<b>RM'000</b>	<b>RM'000</b>
Total retained profits of the Company and its subsidiaries:		
- Realised	45,996	49,466
- Unrealised	(209)	(1,571)
	45,787	47,895
Less: Consolidation adjustments	(562)	(1,086)
<b>Total group retained profits</b>	<b>45,225</b>	<b>46,809</b>

**B13 Memorandum of Understanding (“MOU”)**

The Group had entered into Memorandum of Understanding (“MOU”) with the following strategic partner with the intention to enhance its’ product technology, penetrate into global market and expand its’ existing product range:

- a) PT GARUDA MULTI INVESTAMA (“GMI”) on 22 September 2015 for the purpose of setting forth a framework for the consultation and exchange of information and technology. The co-operation in the current stage shall focus on the development, production, marketing and supply of the Group’s existing products for automobile manufacturers located in Indonesia and if so desired and mutually agreed by both parties be extended to other electronic and mechatronic parts and systems.

There were no further developments to-date.

- b) SANDHAR TECHNOLOGIES LTD. (“SANDHAR”) on 3 January 2017 for the purpose of setting forth a framework for the consultation and exchange of information and technology. The cooperation in the current stage shall focus on the development, production, marketing and supply of the Group’s existing range of products for automobile manufacturers located in India and if so desired and mutually agreed by both parties to extend to other electronic and mechatronic parts and systems.

There were no further developments to-date.

- c) E-LEAD ELECTRONIC CO., LTD (“E-LEAD”) on 19 September 2017 with an intention to enter into an equity joint venture, setting forth a framework for the consultation and exchange of information and technology. The cooperation in the current stage shall focus on the development, manufacture and marketing of automobile parts in Malaysia using the technology and technical assistance provided by E-Lead.

There were no further developments to-date.

**MCE HOLDINGS BERHAD (1158341-K)**  
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**NOTES TO THE INTERIM FINANCIAL REPORT – 3RD QUARTER ENDED 30 APRIL 2018**

**PART B – ADDITIONAL EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B14 Authorized for issue**

The interim financial statements were authorized by the Board of Directors in accordance with the resolution of the Directors on 26 June 2018.

By Order of the Board,

Lee Wee Hee (MAICSA 0773340)  
Company Secretary  
Johor Bahru  
Date: 26 June 2018