

WOODLANDOR HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No.376693-D)

*Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2017*

		2017	2016	2017	2016
		Current	Comparative	12 months	12 months
		quarter ended	quarter ended	Cumulative	Cumulative
		31 December	31 December	to date	to date
	Note	RM'000	RM'000	RM'000	RM'000
		(a)	(b)		
Revenue	B1	5,277	6,738	24,636	26,248
Operating expenses		(5,714)	(6,523)	(23,806)	(23,638)
Other operating income		43	170	275	781
Profit from operations		(395)	385	1,105	3,392
Finance Cost		(60)	(65)	(304)	(296)
Finance Income		55	44	194	178
Profit before tax	B5	(400)	364	995	3,274
Taxation	B6	(122)	(237)	(827)	(1,202)
Net profit/(loss) for the period/year		(522)	127	168	2,072
Attributable to:					
Equity holders of the parent		(522)	127	168	2,072
Non-controlling interests		-	-	-	-
Net profit/(loss) for the period/year		(522)	127	168	2,072
Earnings per ordinary share of RM1.00 each (sen)					
- Basic	B11	(1.30)	0.32	0.42	5.18

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the annual audited financial statements for the year ended 31 December 2016)

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(Company No.376693-D)

Condensed Consolidated Statement of Financial Position as of 31 December 2017

	Note	As of 31 December 2017 RM'000	Audited As of 31 December 2016 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		20,476	20,450
Investment properties		8,508	8,508
Prepaid lease payments		980	992
Other investments		267	321
		<hr/>	<hr/>
Total Non-Current Assets		30,231	30,271
Current Assets			
Inventories		8,378	7,246
Trade receivables (net of allowance for doubtful debts)		7,235	8,665
Other receivables and prepaid expenses		1,418	1,434
Tax recoverable		667	284
Deposits with licensed banks		6,144	5,973
Cash and bank balances		2,729	1,998
		<hr/>	<hr/>
Total Current Assets		26,571	25,600
		<hr/>	<hr/>
TOTAL ASSETS		56,802	55,871

(Forward)

		As of 31 December 2017 RM'000	Audited As of 31 December 2016 RM'000
	Note		
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		40,001	40,001
Reserves		3,256	3,087
Total equity		43,257	43,088
Long-term and Deferred Liabilities			
Long-term borrowings	B8	679	459
Deferred tax liabilities		724	803
Total Long-Term and Deferred Liabilities		1,403	1,262
Current Liabilities			
Trade payables		5,928	5,126
Other payables and accrued expenses		2,251	2,442
Short-term borrowings	B8	3,963	3,953
Total Current Liabilities		12,142	11,521
Total Liabilities		13,545	12,783
TOTAL EQUITY AND LIABILITIES		56,802	55,871
Net assets per share (RM)		1.08	1.08

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the annual audited financial statements for the year ended 31 December 2016)

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(Incorporated in Malaysia)

(Company No.376693-D)

Condensed Consolidated Statement of Changes In Equity for the year ended 31 December 2017

	Share Capital RM'000	<u>Non- distributable</u> Share Premium RM'000	<u>Distributable</u> Retained Profits RM'000	Shareholders' Equity RM'000
Balance as of 1 January 2017	40,001	1	3,087	43,088
Net profit for the year	-	-	168	168
Balance as of 31 December 2017	40,001	1	3,256	43,257
Balance as of 1 January 2016	40,001	1	1,015	41,017
Net profit for the year	-	-	2,072	2,072
Balance as of 31 December 2016	40,001	1	3,087	43,088

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the annual audited financial statements for the year ended 31 December 2016)

WOODLANDOR HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No.376693-D)

Condensed Consolidated Statement of Cash Flows for the year ended 31 December 2017

	For the year ended 31 December 2017 RM'000	For the year ended 31 December 2016 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Profit before tax	995	3,274
Adjustments for:		
Depreciation of property, plant and equipment	1,381	1,262
Gain on disposal of property, plant and equipment	(45)	
Finance cost	304	296
Allowance for doubtful debts		84
Amortisation of prepaid lease payments	11	11
Loss on disposal of other investment		33
Allowance for doubtful debts no longer required		(152)
Finance income	(194)	(178)
Interest income from overdue debts	-	(48)
Impairment loss on other investment	54	
	<hr/>	<hr/>
Operating Profit Before Working Capital Changes	2,507	4,582
Changes in working capital :		
Net change in current assets	314	1,091
Net change in current liabilities	611	(1,606)
	<hr/>	<hr/>
Cash Generated From Operations	3,433	4,067
Tax refunded	128	19
Tax paid	(1,420)	(1,333)
	<hr/>	<hr/>
Net Cash From Operating Activities	2,141	2,753
	<hr/>	<hr/>
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	45	-
Proceeds from disposal of other investment		3
Interest received	194	226
Purchase of property, plant and equipment	(1,407)	(484)
Increase in fixed deposits pledged with licensed banks	(30)	(32)
	<hr/>	<hr/>
Net Cash Used In Investing Activities	(1,198)	(287)
	<hr/>	<hr/>

(Forward)

	For the year ended 31 December 2017 RM'000	For the year ended 31 December 2016 RM'000
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		
Net repayment of term loans	(47)	(381)
Net changes of short-term borrowings	84	(666)
Interest expense paid	(304)	(296)
Net changes of hire-purchase obligations	192	(124)
	<hr/>	<hr/>
Net Cash Used In Financing Activities	(74)	(1,467)
	<hr/>	<hr/>
NET INCREASE IN CASH AND CASH EQUIVALENTS	869	999
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	6,809	5,810
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	7,679	6,809
	<hr/>	<hr/>
Cash and cash equivalents comprise:		
Cash and bank balances	2,729	1,998
Fixed deposits with licensed banks	6,144	5,973
	<hr/>	<hr/>
	8,872	7,971
Fixed deposits pledged with licensed banks	(1,193)	(1,162)
	<hr/>	<hr/>
	7,679	6,809
	<hr/>	<hr/>

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the annual audited financial statements for the year ended 31 December 2016)

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Selected Explanatory Notes to the Interim Financial Statements for the year 31 December 2017

A1 Accounting policies

The interim financial statements of the Group 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 Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2016. 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 Woodlandor Holdings Berhad (“Woodlandor” or the “Company”) and its subsidiaries (“Group”) since the year ended 31 December 2016.

Significant Accounting Policies

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2016, except for the adoption of the following Malaysian Financial Reporting Standards (“MFRSs”) and amendments to MFRS for financial periods beginning on or after 1 January 2017:-

- Amendments to MFRS 12, Disclosure of Interest in Other Entities (Annual Improvements 2014-2016 Cycle)
- Amendments to MFRS 107, Disclosure Initiative
- Amendments to MFRS 112, Recognition of Deferred Tax Assets for Unrealised Losses

The adoption of the above pronouncements does not have any material impact on the financial statements of the Group.

As at the date of authorisation of the interim financial report, the following new MFRSs, amendments to MFRSs and IC Interpretations were issued but not yet effective and have not been adopted by the Group:-

	Effective dates for financial periods beginning on/after
Amendments to MFRS 1, First-time Adoption of Financial Malaysian Financial reporting Standards	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 Contract	1 January 2018
MFRS 9, Financial Instruments	1 January 2018
MFRS 15, Revenue from Contracts with Customers	1 January 2018
Amendments to MFRS 128, Investments in Associates and Joint Ventures (Annual Improvements to MFRS 2014-2016 Cycle)	1 January 2018
Amendments to MFRS 140, Transfers of Investment Property	1 January 2018
IC Interpretations 22, Foreign Currency Transactions and Advance Consideration	1 January 2018
Amendments to MFRS 3, Business Combinations (Annual Improvements to MFRS 2015-2017 Cycle)	1 January 2019
Amendments to MFRS 11, Joint Arrangements (Annual Improvements to MFRS 2015-2017 Cycle)	1 January 2019
MFRS 16, Leases	1 January 2019
Amendments to MFRS 112, Income Taxes (Annual Improvements to MFRS 2015-2017 Cycle)	1 January 2019
Amendments to MFRS 123, Borrowing Costs (Annual Improvements to MFRS 2015-2017 Cycle)	1 January 2019
Amendments to MFRS 128, Long term interests in Associates and Joint Venture (Annual Improvements to MFRS 2015-2017 Cycle)	1 January 2019
IC Interpretations 23, Uncertainty over Income Tax Treatments	1 January 2019
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date yet to be determined by the Malaysian Accounting Standards Board

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have a material impact to the financial statements of the Group upon their initial recognition other than the adoption of MFRS 9 Financial *Instruments* and MFRS 15 *Revenue from Contracts with Customers*. The Group is currently assessing the impact of these standards and plans to adopt these standards on the respective effective dates.

A2 Declaration of audit qualification

The audit report on the Group's preceding annual audited financial statements was not subject to any qualification.

A3 Seasonal or cyclical factors

The Group's operations were not materially affected by any seasonality or cyclicity in the quarter under review.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

There was no item of material and unusual nature, which would adversely affect the Group's assets, liabilities, equity, net income or cash flows for the current financial period.

A5 Change in estimates

There was no material changes in estimates of amounts reported in prior financial year.

A6 Debts and equity securities

There were no issuances, repurchases and repayments of debt and equity securities during the year ended 31 December 2017.

A7 Dividend paid

There was no dividend paid by the Company since the end of the previous financial year.

A8 Segmental reporting

Segmental reporting for the financial year ended 31 December 2017:

	Investment holding RM'000	Manufacturing RM'000	Trading RM'000	Property Development RM'000	Elimination RM'000	Consolidated RM'000
<u>Revenue</u>						
External	-	21,809	2,827	-	-	24,636
Inter-segment	1,185	2,410	325	-	(3,920)	-
Total revenue	1,185	24,219	3,152	-	(3,920)	24,636
<u>Results</u>						
Segment results	(625)	2,199	(469)	(4)	4	1,105
Finance cost						(304)
Finance income						194
Profit before tax						995
Income tax expense						(827)
Net profit for the year						168

A9 *Valuation of property, plant and equipment*

The valuation of property, plant and equipment has been brought forward without amendment from the previous annual audited financial statements.

A10 *Subsequent material events*

There was no item of material and unusual nature, which would adversely affect the Group's assets, liabilities, equity, net income or cash flow for the current financial period to date.

A11 *Changes in composition of the Group*

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

A12 *Contingent liability*

The Group has no contingent liability for the current financial period to date.

Listing Requirements of Bursa Malaysia Securities Berhad – Part A of Appendix 9B

B1 *Review of performance*

The Group's revenue for the current financial quarter compared to the previous corresponding quarter decreased by RM1.461 million. The decrease was mainly attributable to the Manufacturing segment.

Manufacturing segment

Revenue from manufacturing segment decreased from RM6.096 million to RM4.701 million over the corresponding quarter.

Trading segment

Revenue from trading segment decreased from RM0.642 million to RM0.577 million over the corresponding quarter.

Overall, the Group registered a loss before tax of RM0.400 million for the current financial quarter as compared to profit before tax of RM0.364 million in previous corresponding quarter. The decline in PBT was mainly due to lower in revenue and higher in operating expenses.

B2 *Comparison with the immediate preceding quarter's result*

The Group posted a loss before tax of RM0.400 million for the current financial quarter as compared to profit before tax of RM0.254 million in the immediate preceding quarter. This was mainly attributable to lower sales volume for the current quarter.

B3 *Prospect*

The Group will continue to be cautious and is expected to operate in a challenging economic outlook. However, the Group will continue its effort to improve its efficiency and the Group's profitability.

B4 *Profit forecast or profit guarantee*

Not applicable as there was no profit forecast/guarantee published.

B5 *Profit before tax*

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

	2017 Current quarter ended 31 Dec RM'000	2017 12 months Cumulative to date RM'000
Finance Income	(55)	(194)
Depreciation and amortisation	347	1,392
Finance cost	60	304
Reversal/impairment loss on other investments	(81)	54
Gain on disposal of property, plant and equipment	-	(45)

Other disclosure items pursuant to Appendix 9B, Part A Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

B6 *Income tax expense*

	2017 Current quarter ended 31 Dec RM'000	2017 12 months Cumulative to date RM'000
Estimated current tax payable	182	793
(Over)/Under provision in previous financial year	18	112
Deferred tax	(78)	(78)
	<u>122</u>	<u>827</u>

The effective tax rate on the Group's profit for the current quarter is higher than the statutory tax rate mainly due to chargeable income of certain companies, which, for tax purposes, cannot be offset against operating losses of other companies in the Group.

B7 *Status of corporate proposals*

There was no corporate proposal announced but not completed at the date of issuance of the interim financial statements.

B8 *Group borrowings*

Group borrowings for the financial quarter ended 31 December 2017:

	Total RM'000
Secured:	
Short term borrowings	3,963
Long term borrowings	679
	<u>4,642</u>

The Group does not have any borrowings denominated in foreign currency.

B9 *Material litigations*

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

B10 *Dividend*

No interim dividend was recommended for the current quarter and financial period to date.

B11 *Earnings per Ordinary Share*

	2017 Current Quarter ended 31 December	2016 Comparative Quarter ended 31 December	2017 12 months Cumulative to date	2016 12 months Cumulative to date
a) Profit attributable to ordinary shareholders (RM'000)	(522)	127	168	2,072
b) Weighted average number of ordinary shares ('000)				
No. of ordinary shares at beginning of the period	40,001	40,001	40,001	40,001
Effect of shares issued	-	-	-	-
No. of ordinary shares at end of the period	40,001	40,001	40,001	40,001
c) Earnings per ordinary share (sen)				
- Basic	(1.30)	0.32	0.42	5.18