

WOODLANDOR HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No.376693-D)

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the period ended 30 June 2018

		2018 Current quarter ended 30 June RM'000 (a)	2017 Comparative quarter ended 30 June RM'000 (b)	2018 6 months cumulative to date RM'000	2017 6 months cumulative to date RM'000
	Note				
Revenue	B1	6,702	7,413	11,301	14,009
Operating expenses		(5,896)	(6,702)	(11,011)	(12,968)
Other operating income		100	49	224	165
Profit from operations		906	760	514	1,206
Finance costs		(83)	(73)	(143)	(162)
Finance income		56	42	96	97
Profit before tax	B5	879	729	467	1,141
Taxation	B6	(253)	(265)	(255)	(456)
Net profit for the period		626	464	212	685
Attributable to:					
Equity holders of the parent		626	464	212	685
Non-controlling interests		-	-	-	-
Net profit for the period		626	464	212	685
Basic earnings per share (sen)	B11	1.56	1.16	0.53	1.71

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the annual audited financial statements for the year ended 31 December 2017)

WOODLANDOR HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No.376693-D)

Condensed Consolidated Statement of Financial Position as at 30 June 2018

	Unaudited As of 30 June 2018 RM'000	Audited As of 31 December 2017 RM'000
Note		
ASSETS		
Non-Current Assets		
Property, plant and equipment	19,820	20,476
Investment properties	8,509	8,509
Prepaid lease payments	975	980
Other investments	266	266
	<hr/>	<hr/>
Total Non-Current Assets	29,570	30,231
Current Assets		
Inventories	8,709	8,379
Trade receivables (net of allowance for doubtful debts)	7,805	7,326
Other receivables and prepaid expenses	1,530	1,313
Tax recoverable	1,019	667
Deposits with licensed banks	6,299	6,144
Cash and bank balances	1,808	2,729
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Total Current Assets	27,170	26,558
	<hr/>	<hr/>
TOTAL ASSETS	56,740	56,789

(Forward)

WOODLANDOR HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No.376693-D)

Condensed Consolidated Statement of Financial Position as at 30 June 2018 (Cont'd)

		Unaudited As of 30 June 2018 RM'000	Audited As of 31 December 2017 RM'000
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		40,002	40,002
Reserves		3,467	3,255
Total equity		43,469	43,257
Long-term and Deferred Liabilities			
Long-term borrowings	B8	471	701
Deferred tax liabilities		725	725
Total Long-Term and Deferred Liabilities		1,196	1,426
Current Liabilities			
Trade payables		6,358	5,928
Other payables and accrued expenses		1,704	2,237
Short-term borrowings	B8	4,013	3,941
Total Current Liabilities		12,075	12,106
Total Liabilities		13,271	13,532
TOTAL EQUITY AND LIABILITIES		56,740	56,789
Net assets per share (RM)		1.09	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 2017)

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***Condensed Consolidated Statement of Changes In Equity
for the period ended 30 June 2018***

	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 2018	40,002	-	3,255	43,257
Net profit for the period	-	-	212	212
Balance as of 30 June 2018	40,002	-	3,467	43,469
Balance as of 1 January 2017	40,001	1	3,087	43,089
Net profit for the period	-	-	685	685
Reclassification due to compliance with Companies Act 2016	1	(1)	-	-
Balance as of 30 June 2017	40,002	-	3,772	43,774

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the annual audited with the annual audited financial statements for the year ended 31 December 2017)

WOODLANDOR HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No.376693-D)

Condensed Consolidated Statement of Cash Flows for the period ended 30 June 2018

	For the quarter ended 30 June 2018 RM'000	For the quarter ended 30 June 2017 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	467	1,141
Adjustments for:		
Depreciation of property, plant and equipment	691	688
Gain on disposal of property, plant and equipment	-	(45)
Property, plant and equipment written off	3	-
Bad debts written off	51	-
Finance costs	143	162
Amortisation of prepaid lease payments	6	6
Finance income	(96)	(97)
Interest income from overdue debts	(94)	-
Impairment loss on other investment	-	91
Operating profit before working capital changes	1,171	1,946
Changes in working capital :		
Net change in current assets	(1,078)	(1,238)
Net change in current liabilities	(103)	248
Cash (used in)/generated from operations	(10)	956
Tax refunded	-	98
Tax paid	(607)	(567)
Net cash (used in)/from operating activities	(617)	487
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	-	45
Interest received	190	97
Purchase of property, plant and equipment	(38)	(1,347)
Increase in fixed deposits pledged with licensed banks	(17)	(15)
Net cash from/(used in) investing activities	135	(1,220)

(Forward)

WOODLANDOR HOLDINGS BERHAD

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(Company No.376693-D)

**Condensed Consolidated Statement of Cash Flows
for the period ended 30 June 2018 (Cont'd)**

	For the quarter ended 30 June 2018 RM'000	For the quarter ended 30 June 2017 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment of term loans	-	(47)
Net changes of short-term borrowings	356	550
Interest expense paid	(143)	(162)
Net changes of hire-purchase obligations	(225)	479
Net cash (used in)/from financing activities	(12)	820
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(494)	87
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	5,527	6,809
CASH AND CASH EQUIVALENTS AT END OF PERIOD	5,033	6,896
Cash and cash equivalents comprise:		
Cash and bank balances	1,808	1,973
Fixed deposits with licensed banks	6,299	6,101
Bank overdraft	(1,568)	-
	6,539	8,074
Fixed deposits pledged with licensed banks	(1,506)	(1,178)
	5,033	6,896

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the annual audited financial statements for the year ended 31 December 2017)

WOODLANDOR HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No.376693-D)

Selected Explanatory Notes to the Interim Financial Statements for the period ended 30 June 2018

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 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 Woodlandor Holdings Berhad (“Woodlandor” or the “Company”) and its subsidiaries (“Group”) since the year ended 31 December 2017.

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 2017, 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 2018:-

<u>Title</u>	<u>Effective date for financial periods beginning on/after</u>
Amendments to MFRS 1, First-time Adoption of Malaysian Financial reporting Standards (Annual Improvements to MFRS 2014-2016 Cycle)	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

WOODLANDOR HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No.376693-D)

Selected Explanatory Notes to the Interim Financial Statements for the period ended 30 June 2018 (Cont'd)

A1 Significant Accounting Policies (Cont'd)

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:-

<u>Title</u>	<u>Effective date for financial periods beginning on/after</u>
Amendments to MFRS 3, Business Combinations (Annual Improvements to MFRS 2015-2017 Cycle)	1 January 2019
Amendments to MFRS 9, Prepayment Features with Negative Compensation	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 119, Employee Benefits (Plan Amendment, Curtailment or Settlement)	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 2, Share based payment	1 January 2020
Amendments to MFRS 3, Business Combinations	1 January 2020
Amendments to MFRS 6, Exploration for and Evaluation of Mineral Resources	1 January 2020
Amendments to MFRS 14, Regulatory Deferral Accounts	1 January 2020
Amendments to MFRS 101, Presentation of Financial Statements	1 January 2020
Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2020
Amendments to MFRS 134, Interim Financial Reporting	1 January 2020
Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets	1 January 2020
Amendments to MFRS 138, Intangible Assets	1 January 2020
Amendments to IC Interpretation 12, Service Concession Arrangements	1 January 2020
Amendments to IC Interpretation 19, Extinguishing Financial Liabilities with Equity Instruments	1 January 2020
Amendments to IC Interpretation 20, Stripping Costs in the Production Phase of a Surface Mine	1 January 2020

WOODLANDOR HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No.376693-D)

Selected Explanatory Notes to the Interim Financial Statements for the period ended 30 June 2018 (Cont'd)

A1 Significant Accounting Policies (Cont'd)

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 (cont'd):-

Amendments to IC Interpretation 22, Foreign Currency Transactions and Advance Consideration	1 January 2020
Amendments to IC Interpretation 132, Intangible Assets – Web Site Costs	1 January 2020
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	Effective date yet to be determined by the Malaysian Accounting Standards Board

The above accounting standards, amendments to accounting standards and IC Interpretations which may have a significant impact to the financial statements are as follows:

MFRS 9, Financial Instruments

This Standard replaces the guidance in MFRS 139, Financial Instruments: Recognition and Measurement” on the classification and measurement of financial assets and financial liabilities, impairment of financial assets and hedge accounting.

Based on the assessments to date, there are no changes in measurement of the Group’s financial assets and liabilities.

In respect of impairment in financial assets, MFRS 9 replaces the “incurred loss” model in MFRS 139 with an expected credit loss (“ECL”) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments measured at fair value through other comprehensive income, but not to investments in equity instruments.

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.

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(Company No.376693-D)

Selected Explanatory Notes to the Interim Financial Statements for the period ended 30 June 2018 (Cont'd)

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 period ended 30 June 2018.

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 period ended 30 June 2018:

	Investment holding RM'000	Manufacturing RM'000	Trading RM'000	Property Development RM'000	Elimination RM'000	Consolidated RM'000
<u>Revenue</u>						
External	-	10,522	779	-	-	11,301
Inter-segment	594	632	1,208	-	(2,434)	-
Total revenue	594	11,154	1,987	-	(2,434)	11,301
<u>Results</u>						
Segment results	(343)	466	(101)	(1)	493	514
Finance costs						(143)
Finance income						96
Profit before tax						467
Income tax expense						(255)
Net profit for the period						212

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(Company No.376693-D)

Selected Explanatory Notes to the Interim Financial Statements for the period ended 30 June 2018 (Cont'd)

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.

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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 RM0.711 million. The decrease was mainly attributable to the Trading segment.

Manufacturing segment

Revenue from manufacturing segment decreased from RM6.564 million to RM6.318 million over the corresponding quarter.

Trading segment

Revenue from trading segment decreased from RM0.849 million to RM0.384 million over the corresponding quarter.

Overall, the Group registered a profit before tax of RM0.879 million for the current financial quarter as compared to profit before tax of RM0.729 million in previous corresponding quarter. This was mainly due to the decrease in revenue was offset by the decrease in operating cost and the increase in other operating income.

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

The Group posted a profit before tax of RM0.879 million for the current financial quarter as compared to loss before tax of RM0.414 million in the immediate preceding quarter. This was mainly attributable to higher sales volume for the current quarter.

B3 *Prospect*

The Group is expected to continue operating 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.

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Listing Requirements of Bursa Malaysia Securities Berhad – Part A of Appendix 9B (Cont'd)

B5 *Profit before tax*

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

	2018 Current quarter ended 30 June RM'000	2018 6 months cumulative to date RM'000
Finance income	(56)	(96)
Depreciation and amortisation	349	697
Property, plant and equipment written off	3	3
Bad debts written off	51	51
Finance costs	83	143

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*

	2018 Current quarter ended 30 June RM'000	2018 6 months cumulative to date RM'000
Estimated current tax payable	253	255
Deferred taxation	-	-
	<u>253</u>	<u>255</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.

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Listing Requirements of Bursa Malaysia Securities Berhad – Part A of Appendix 9B (Cont'd)

B8 *Group borrowings*

Group borrowings for the financial period ended 30 June 2018:

	Total RM'000
Secured:	
Short term borrowings	4,013
Long term borrowings	471
	<u>4,484</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 share*

	2018 Current quarter ended 30 June	2017 Comparative quarter ended 30 June	2018 6 months cumulative to date	2017 6 months cumulative to date
a) Profit attributable to ordinary shareholders (RM'000)	626	464	212	685
b) Weighted average number of ordinary shares ('000)				
No. of ordinary shares at beginning of the period	40,002	40,002	40,002	40,002
Effect of shares issued	-	-	-	-
No. of ordinary shares at end of the period	40,002	40,002	40,002	40,002
c) Basic earnings per share (sen)	1.56	1.16	0.53	1.71