



**WONG ENGINEERING CORPORATION BERHAD
AND ITS SUBSIDIARIES**
(Company No. 409959 – W)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME FOR TWELVE MONTHS ENDED 31 OCTOBER 2018**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31 Oct 2018 (RM'000)	PRECEDING YEAR CORRESPONDING QUARTER 31 Oct 2017 (RM'000)	CURRENT YEAR TO DATE 31 Oct 2018 (RM'000)	PRECEDING YEAR CORRESPONDING TO DATE 31 Oct 2017 (RM'000)
Continuing operations				
Revenue	15,954	12,777	60,442	42,707
Operating profit	825	2,368	8,328	6,306
Finance Cost	(69)	(59)	(267)	(339)
Interest Income	51	10	167	29
Profit before tax	807	2,319	8,228	5,996
Tax expense	208	181	451	144
Profit for the period	1,015	2,500	8,679	6,140
Other comprehensive income/(expense), net of tax	-	-	-	-
Total comprehensive income/(expenses)	1,015	2,500	8,679	6,140
Profit/(Loss) for the year representing total comprehensive income/(expenses) for the year attributable to:				
Owners of the Company	1,016	2,503	8,677	6,114
Non-controlling interest	(1)	(3)	2	26
	1,015	2,500	8,676	6,140
Basic earnings per ordinary share (sen) – Note 23	1.11	2.73	9.49	6.68

The condensed consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 October 2017 and the accompanying explanatory notes set out on pages 5 to 12 which forms an integral part of this interim financial report.



**WONG ENGINEERING CORPORATION BERHAD
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(Company No. 409959 – W)
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 OCTOBER 2018

	Note	(Unaudited) As at end of current quarter 31 Oct 2018 RM'000	(Audited) As at preceding financial year end 31 Oct 2017 RM'000
ASSETS			
Property, plant and equipment		36,047	38,993
Investment properties		507	512
Deferred tax asset		2,700	1,547
Total non-current assets		<u>39,254</u>	<u>41,502</u>
Inventories		13,047	13,198
Investment in quoted shares		837	-
Trade and other receivables		11,557	10,353
Amount due from contract customers		640	-
Current tax assets		316	255
Asset classified as held for sale		-	2,766
Cash and cash equivalents		9,185	4,589
Total current assets		<u>35,582</u>	<u>31,161</u>
Total Assets		<u>74,836</u>	<u>72,213</u>
EQUITY			
Share capital		57,909	57,909
Treasury shares		(368)	(70)
Reserves		7,823	1,890
Total equity attributable to equity holders of the Company		<u>65,364</u>	<u>59,729</u>
Non-controlling interest		50	77
Total equity		<u>65,414</u>	<u>59,806</u>
LIABILITIES			
Other payables		471	926
Bank borrowings	20	529	1,724
Total non-current liabilities		<u>1,000</u>	<u>2,650</u>
Trade and other payables		7,631	7,460
Bank borrowings	20	699	2,297
Current tax liabilities		92	-
Total current liabilities		<u>8,422</u>	<u>9,757</u>
Total liabilities		<u>9,422</u>	<u>12,407</u>
Total equity and liabilities		<u>74,836</u>	<u>72,213</u>
Net asset per share attributable to ordinary equity holders of the Company (RM)		<u>0.71</u>	<u>0.65</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 October 2017 and the accompanying explanatory notes set out on pages 5 to 12 which forms an integral part of this interim financial report.



**WONG ENGINEERING CORPORATION BERHAD
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE TWELVE MONTHS ENDED 31 OCTOBER 2018**

(The figures have not been audited)

	--Non-distributable--			Distributable		Non-controlling interest	Total equity
	----- Attributable to shareholders of the Company -----						
	Share Capital	Share Premium	Treasury Shares	Retained Earnings/ (Accumulated Losses)	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
12 months ended 31 October 2018 (Unaudited)							
At 1 November 2017	57,909	-	(70)	1,890	59,729	77	59,806
Total comprehensive income for the period	-	-	-	8,677	8,677	2	8,679
Total comprehensive income/(expenses) for the period	57,909	-	(70)	10,567	68,406	79	68,485
Purchase of treasury shares	-	-	(298)	-	(298)	-	(298)
Dividends paid	-	-	-	(2,744)	(2,744)	(29)	(2,773)
Total transactions with owners of the Company	-	-	(298)	(2,744)	(3,042)	(29)	(3,071)
At 31 October 2018	57,909	-	(368)	7,823	65,364	50	65,414
12 months ended 31 October 2017 (Audited)							
At 1 November 2016	45,844	12,065	(70)	(4,224)	53,615	51	53,666
Total comprehensive income for the period	-	-	-	6,114	6,114	26	6,140
Total comprehensive income/(expenses) for the period	45,844	12,065	(70)	1,890	59,729	77	59,806
Transfer in accordance with Section 618(2) of the Companies Act 2016 (Note 1)	12,065	(12,065)	-	-	-	-	-
Total transactions with owners of the Company	12,065	(12,065)	-	-	-	-	-
At 31 October 2017	57,909	-	(70)	1,890	59,729	77	59,806

Note 1

On 31 January 2017, in accordance with the Companies Act 2016, the concepts of "par value" and "authorised capital" were abolished and on that date, the shares of the Company ceased to have a par value. Consequently, any credit standing in the share premium accounts has been transferred to the share capital account. The Company has twenty-four months upon the commencement of Companies Act 2016 to utilise the credit.

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 October 2017 and the accompanying explanatory notes set out on pages 5 to 12 which forms an integral part of this interim financial report.



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE TWELVE MONTHS ENDED 31 OCTOBER 2018**

	Unaudited 31 Oct 2018 RM'000	Audited 31 Oct 2017 RM'000
Profit/(Loss) before tax from continuing operations	8,228	5,996
Adjustment for:		
Non-cash items	4,595	4,821
Non-operating items	(2,195)	310
Operating profit before changes in working capital	10,628	11,127
Changes in working capital		
- Net changes in current assets	(1,693)	(6,387)
- Net changes in current liabilities	877	770
Tax paid/(refund)	(671)	(147)
Net cash from operating activities	9,141	5,363
Cash flow from investing activities		
- Purchase of machinery and equipment (Note 1)	(350)	(1,094)
- Proceeds from disposal of asset held for sale	5,050	-
- Interest received	167	29
- Dividend received	12	-
- Investment in quoted shares	(1,374)	-
Net cash (used in)/from investing activities	3,505	(1,065)
Cash flow from financing activities		
- Repayment of other payables	(1,161)	(677)
- Repayment of hire purchase obligations	(2,647)	(1,694)
- Drawdown/(Repayment) of other borrowings	(904)	904
- Dividend paid	(2,773)	-
- Purchase of treasury shares	(298)	-
- Interest paid	(267)	(339)
Net cash used in financing activities	(8,050)	(1,806)
Net increase in cash and cash equivalents	4,596	2,492
Cash and cash equivalents at the beginning of financial period	4,589	2,097
Cash and cash equivalents at end of financial period	9,185	4,589

Note - Cash and cash equivalents included in the condensed consolidated cash flow statement comprise the following

Short term deposit placed with licensed banks	RM'000	600	881
Cash and bank balances	RM'000	8,585	3,708
		9,185	4,589

Note 1

For the period 12 months ended 31 October 2018, the Group acquired machinery and equipment (M&E) with an aggregate cost of RM1,107,000 (12 months ended FY2017: RM2,764,000) of which RM350,000 was paid by cash (12 months ended FY2017: RM1,094,000 by cash). The remaining M&E with an aggregate cost of RM757,000 were acquired by means of hire purchase (12 months ended FY2017: RM230,000). The Group did not acquire any M&E under deferred payment scheme from vendors during the period 12 months ended 31 October 2018 (12 months ended FY2017: RM1,440,000)

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 October 2017 and the accompanying explanatory notes set out on pages 5 to 12 which forms an integral part of this interim financial report.



NOTES TO THE INTERIM FINANCIAL REPORT FOR TWELVE MONTHS ENDED 31 OCTOBER 2018

Part A: Explanatory notes pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134

1. Basis of preparation

The interim financial report is unaudited and has been prepared in compliance with MFRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards and the applicable disclosure provision of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 October 2017.

The audited financial statements of the Group for the year ended 31 October 2017 were prepared in accordance with MFRS. The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 October 2017.

2. Audit qualification

There was no qualification on the audit report of the financial statements for the financial year ended 31 October 2017.

3. Seasonal or cyclical factors

The Group’s result is not significantly affected by any seasonal factors.

4. Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the period under review.

5. Changes in estimates

There were no material changes in the estimates used for the preparation of this interim financial report.

6. Changes in debt and equity securities

There were 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 repurchased 347,400 of its issued share capital from the open market for an average price of RM0.858 per share. The repurchased transactions were financed by internally generated funds. All the shares bought are retained as treasury shares in accordance with the requirements of Section 127 of the Companies Act, 2016. The treasury shares held had been accounted for using cost method. The amount of consideration paid, including directly attributable costs, is recognised as costs and set off against equity.

The details of the treasury shares held as at 31 October 2018 are as follow:

	Number of shares	Total Amount (RM)
Balance of treasury shares as at 1 November 2017	146,900	70,379
Shares bought back during the period	347,400	297,951
Balance of treasury shares as at 31 October 2018	494,300	368,330



NOTES TO THE INTERIM FINANCIAL REPORT FOR TWELVE MONTHS ENDED 31 OCTOBER 2018

7. Dividends paid

A single tier final dividend of 2.0 sen per ordinary share in respect of financial year ended 31 October 2017 which has been approved by the shareholders at the Annual General Meeting held on 23 March 2018 amounting to RM1,830,822 was paid on 8 May 2018 to the registered shareholders at the close of business on 18 April 2018.

A single tier first interim dividend of 1.0 sen per ordinary share in respect of financial year ended 31 October 2018 amounting to RM913,187 was paid on 18 September 2018 to the registered shareholders at the close of business on 3 September 2018.

8. Segmental revenue and results

For the purpose of management, the Group is organized into four operating segments which are manufacturing and sales of high precision stamped and turned metal parts, trading of environmental and health product, construction and property development (PD) and investment. For financial reporting purposes, the first two segments are combined and referred to as “Manufacturing” because both segments exhibit similar long-term performance. The following is an analysis of the Group’s revenue and results by the reportable business segments for the period ended 31 October 2018.

	Manufacturing		Individual quarter for 3 months ended 31 October				Total	
	2018	2017	Construction & PD		Investment		2018	2017
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	13,161	12,777	2,793	-	-	-	15,954	12,777
Segment profit/ (loss) before tax	1,124	2,319	220	-	(537)	-	807	2,319
Depreciation and amortisation	996	1,063	1	-	-	-	997	1,063
Capital expenditure	735	2,159	-	-	-	-	735	2,159
	Manufacturing		Cumulative quarter for 12 months ended 31 October				Total	
	2018	2017	Construction & PD		Investment		2018	2017
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	51,168	42,707	9,274	-	-	-	60,442	42,707
Segment profit/ (loss) before tax	8,218	5,996	547	-	(537)	-	8,228	5,996
Depreciation and amortisation	4,057	4,337	1	-	-	-	4,058	4,337
Gain on disposal of asset	2,284	-	-	-	-	-	2,284	-
Capital expenditure	1,103	2,764	4	-	-	-	1,107	2,764

Revenue shown above represents revenue generated from external customers.

There are no comparative figures for construction and PD segment for 12 months ended 31 October 2018 as this is a new segment adopted during the quarter ended 30 April 2018. No comparative figures were provided for investment segment as this is a new segment adopted during the quarter ended 31 October 2018.

For the purposes of monitoring segmental performance and allocating resources between segments, all assets and liabilities are allocated directly to reportable segments except for tax recoverable/payable and deferred tax asset/liability as these are managed on a group basis. These are reflected under unallocated asset or liability.



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NOTES TO THE INTERIM FINANCIAL REPORT FOR TWELVE MONTHS ENDED 31 OCTOBER 2018

Segmental revenue and results (cont'd)

	Manufacturing 31 Oct 2018 RM'000	Construction & PD 31 Oct 2018 RM'000	Investment 31 Oct 2018 RM'000	Unallocated asset or liability 31 Oct 2018 RM'000	Total 31 Oct 2018 RM'000
Segment asset	68,014	2,969	837	3,016	74,836
Segment liability	7,536	1,795	-	92	9,423

	Manufacturing 31 Oct 2017 RM'000	Construction & PD 31 Oct 2017 RM'000	Investment 31 Oct 2017 RM'000	Unallocated asset or liability 31 Oct 2017 RM'000	Total 31 Oct 2017 RM'000
Segment asset	70,411	-	-	1,802	72,213
Segment liability	12,407	-	-	-	12,407

The following is an analysis of the Group's revenue on the basis of geographical location of customers. Segmental assets are also based on the geographical locations of assets.

	Malaysia RM'000	Asia Outside Malaysia RM'000	Europe RM'000	Others RM'000	Consolidated Total RM'000
Revenue from external customers	47,253	5,695	6,556	938	60,442
Non-current assets	36,554				36,554

9. Operating profit

Operating profit is derived as:

	Current Quarter 31 October 2018 (Unaudited) RM	Current Year to Date 31 October 2018 (Unaudited) RM
After charging:		
Depreciation of property, plant and equipment	995,670	4,052,682
Depreciation of investment properties	1,313	5,250
Interest expense	69,623	267,399
Loss on foreign exchange – realised	-	210,491
Loss on fair value of investment in quoted shares	537,019	537,019
And crediting:		
Interest income	51,165	166,929
Gain on foreign exchange – realised	106,491	-
Gain on foreign exchange – unrealised	72,579	72,579
Gain on disposal of asset held for sale	-	2,284,414



NOTES TO THE INTERIM FINANCIAL REPORT FOR TWELVE MONTHS ENDED 31 OCTOBER 2018

10. Material post balance sheet events

There were no items, transactions or events of a material and unusual nature which have arisen from the balance sheet date to the date of announcement which would have substantially affected the results of the Group in this interim financial report.

11. Changes in Group's composition

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

12. Changes in contingent liabilities and assets

There were no contingent liabilities and assets at the end of the reporting period except for the corporate guarantee issued to financial institutions for credit facilities and finance lease liabilities granted to the subsidiaries amounting to RM13,089,000 (31 October 2017: RM14,333,000) of which RM1,682,107 (31 October 2017: RM4,021,000) were utilised at balance sheet date. On top of that, corporate guarantee was also issued to a contract principal and suppliers for the due performance of a subsidiary amounting to RM5,675,000 (31 October 2017: Nil).

13. Capital commitments

	31 October 2018 RM'000 (Unaudited)
Capital expenditure commitments	
Plant & equipment	
- Contracted but not provided for in the financial statements	<u>1,950</u>



NOTES TO THE INTERIM FINANCIAL REPORT FOR TWELVE MONTHS ENDED 31 OCTOBER 2018

Part B: Additional Information Required by Bursa Malaysia Securities Berhad’s Listing Requirements.

14. Review of performance for current quarter and preceding year corresponding quarter

Group performance

	Individual Quarter 3 months ended 31 October				Cumulative Quarter 12 months ended 31 October			
	2018	2017	Variance		2018	2017	Variance	
	RM'000	RM'000	RM'000	(%)	RM'000	RM'000	RM'000	(%)
Revenue	15,954	12,777	3,177	↑25%	60,442	42,707	17,735	↑42%
Profit before tax	807	2,319	-1,512	↓65%	8,228	5,996	2,232	↑37%

The Group recorded revenue of RM15.95 million for the current quarter ended 31 October 2018, an increase of RM3.18 million (+25%) as compared to RM12.78 million recorded in the preceding year corresponding quarter. The growth was driven by higher sales from manufacturing and new revenue stream from construction and PD segment.

The Group’s profit before tax of RM0.81 million was RM1.51 million (-65%) lower against RM2.32 million recorded in the preceding year corresponding quarter. This was due to variation in product mix within the manufacturing segment, stronger Ringgit and higher input cost. The Group’s profit was also set back due to the fair value loss observed on its investment in quoted shares.

Segmental performance

	Individual quarter for 3 months ended 31 October								
	Manufacturing			Construction & PD			Investment		
	2018	2017	Variance	2018	2017	Variance	2018	2017	Variance
	RM'000	RM'000	RM'000 %	RM'000	RM'000	RM'000 %	RM'000	RM'000	RM'000 %
Revenue	13,161	12,777	384 ↑3%	2,793	-	2,793 ↑100%	-	-	-
Profit/(Loss) before tax	1,124	2,319	-1,195 ↓52%	220	-	220 ↑100%	(537)	-	-537 ↓100%

Manufacturing

Revenue has increased by RM0.38 million (+3%) driven by higher domestic sales. Profit before tax reduced by approximately RM1.20 million (-52%) due to variation in product mix, stronger Ringgit and higher input cost.

Construction & PD

There is no comparison in revenue and profit before tax as this is a new segment adopted during the quarter ended 30 April 2018. The main revenue contributor was progress billing for the construction project at Kuchai Lama, Kuala Lumpur.

Investment

There is no comparison in revenue and profit before tax as this is a new segment adopted during the quarter ended 31 October 2018. The loss before tax was driven by the fair value loss on the Group’s investment in quoted shares as at 31 October 2018.



NOTES TO THE INTERIM FINANCIAL REPORT FOR TWELVE MONTHS ENDED 31 OCTOBER 2018

15. Commentaries on profit before tax for current quarter as compared with the immediate preceding quarter

Group performance

	Current Year Quarter 31 Oct 2018 RM'000	Immediate Preceding Quarter 31 Jul 2018 RM'000	Variance RM'000 %
Revenue	15,954	18,401	-2,447 ↓13%
Profit before tax	807	1,427	-620 ↓43%

The Group's current quarter revenue decreased by RM2.45 million (-13%) to RM15.95 million from RM18.40 million in the immediate preceding quarter. The drop was driven by lower revenue recorded from construction and PD segment. The Group's profit before tax of RM0.81 million was reduced by RM0.62 million (-43%) largely due to the fair value loss observed on its investment in quoted shares.

Segmental performance

	Manufacturing			Construction & PD			Investment		
	31 Oct 2018 RM'000	31 Jul 2018 RM'000	Variance RM'000 %	31 Oct 2018 RM'000	31 Jul 2018 RM'000	Variance RM'000 %	31 Oct 2018 RM'000	31 Jul 2017 RM'000	Variance RM'000 %
Revenue	13,161	12,334	827 ↑7%	2,793	6,067	-3274 ↓54%	-	-	-
Profit/(Loss) before tax	1,124	1,124	0 = 0%	220	303	-83 ↓27%	(537)	-	-537 ↓100%

Manufacturing

Revenue has increased by RM0.83 million (+7%) driven by higher domestic sales and weaker Ringgit. Profit before tax was flat quarter over quarter due to higher input cost. The management is working progressively to address the rising cost by reducing waste and driving for higher operating efficiency and productivity.

Construction & PD

Revenue has decreased by RM3.27 million (-54%) due to slower progress of work completion. Consequently, the profit before tax has dropped with the lower revenue recorded.

Investment

There is no comparison in revenue and profit before tax as this is a new segment adopted during the quarter ended 31 October 2018. The loss before tax was driven by the fair value loss on the Group's investment in quoted shares as at 31 October 2018.

16. Prospects

The Group's outlook is anticipated to remain stable in the short to medium term despite a slowdown in the global GDP growth in advance economies and emerging markets. In the face of a softening global trade due to heightened uncertainty and escalating trade tensions between the US and China, Malaysia's GDP continue to grow healthily at 4.4% in Q3 of 2018. Manufacturing sector expanded 5.0% supported by higher production for electrical and electronics while construction sector saw a growth of 4.6%. The board of directors remain highly cognizant of the external market risk and will continue to monitor this closely while seeking new opportunities to grow and expand our customer base for our manufacturing segment. For construction and PD, the Group will intensify its focus to drive a more rapid completion of the project in Kuchai Lama and cautiously seeking out new projects for expansion in view of the softer market and the current property glut.



NOTES TO THE INTERIM FINANCIAL REPORT FOR TWELVE MONTHS ENDED 31 OCTOBER 2018

17. Variance of profit forecast

The Group did not publish any profit forecast for the period under review.

18. Tax expense

	Individual Quarter		Cumulative Quarter	
	3 months ended 31 October	3 months ended 31 October	12 months ended 31 October	12 months ended 31 October
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Tax expense				
- current year tax	-	(5)	587	34
- prior year tax	(2)	-	(2)	(2)
- real property gain tax	115	-	115	-
Deferred tax				
- origination and reversal of temporary differences	(321)	652	(1,151)	652
- prior year	-	(828)	-	(828)
	<u>(208)</u>	<u>(181)</u>	<u>(451)</u>	<u>(144)</u>

The effective tax rate of the Group was lower than the statutory tax rate of 24% mainly due to the recognition of deferred tax asset arising from reinvestment allowances to the extent that future taxable profits will be available against of which the tax incentive can be utilized.

19. Status of corporate proposals

There were no significant corporate proposals for the current financial period to date except as follows:

On 20 September 2018, the Company announced to undertake a proposed bonus issue of up to 22,922,000 new ordinary shares in WECB (“WECB Share(s)” or “Share(s)”) (“Bonus Share(s)”) on the basis of 1 bonus share for every 4 existing WECB shares held on an entitlement date to be determined and announced later (“Entitlement Date”) (Proposed Bonus Issue”). The Proposed Bonus Issue has been approved by Bursa Securities on 22 November 2018. Subsequently, an Extraordinary Meeting (“EGM”) was held on 19 December 2018 of which the shareholders had voted to approve the Proposed Bonus Issue.

20. Bank borrowings

The bank borrowings as at 31 October 2018 are as follows:

	31 October 2018	31 October 2017
	RM'000	RM'000
	(Unaudited)	(Audited)
Current:		
Finance lease liabilities	699	1,393
Bank overdraft	-	904
	<u>699</u>	<u>2,297</u>
Non-Current:		
Finance lease liabilities	529	1,724
	<u>529</u>	<u>1,724</u>



NOTES TO THE INTERIM FINANCIAL REPORT FOR TWELVE MONTHS ENDED 31 OCTOBER 2018

21. Changes in material litigation

The Group is not engaged in any material litigation for the current financial year to date and there were no material litigation pending on the date of this announcement.

22. Proposed dividends

The Board of Directors recommend a final single tier dividend of 1.0 sen per ordinary share for the financial year ended 31 October 2018 subject to the shareholders' approval in the upcoming Annual General Meeting (AGM); details of which will be announce on a later date.

For the financial year ended 31 October 2018, the Board of Directors had declared and paid a single tier interim dividend of 1.0 sen on 18 September 2018 to the registered shareholders at the close of business on 3 September 2018.

23. 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.

	Individual Quarter		Cumulative Quarter	
	3 months ended 31 October		12 months ended 31 October	
	2018	2017	2018	2017
Net profit attributable to shareholders (RM'000)	1,016	2,503	8,677	6,114
Weighted average number of ordinary shares in issue ('000)	91,312	91,541	91,470	91,541
Basic earnings per ordinary share (Sen)	1.11	2.73	9.49	6.68

24. Related party transactions

There were no significant related party transactions during the quarter and period under review save for:

	Mandate limit	Individual Quarter		Cumulative Quarter	
		3 months ended 31 October		12 months ended 31 October	
	2018	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000	RM'000
Rental charges paid to a company controlled by a Director and major shareholder of the Company	16	4	-	13	-
Project management fee paid to a company controlled by a Director and major shareholder of the Company	4,000	378	-	862	-

By order of the board

Yong Loy Huat
 Chief Executive Officer
 19 December 2018