

**KHIND HOLDINGS BERHAD (380310-D)**

(Incorporated in Malaysia)

The directors are pleased to announce the unaudited condensed consolidated quarterly report for the six months period ended 30 June 2018

**Condensed Consolidated Statement of Comprehensive Income**

For the six months period ended 30 June 2018 - Unaudited

|  | Individual Period |          | Cumulative Period |           |
|--|-------------------|----------|-------------------|-----------|
|  | 30 June           |          | 30 June           |           |
|  | 2018              | 2017     | 2018              | 2017      |
|  | RM'000            | RM'000   | RM'000            | RM'000    |
| Revenue  | 89,255            | 90,436   | 164,692           | 172,651   |
| Cost of sales  | (59,281)          | (62,922) | (111,593)         | (118,965) |
| Gross profit   | 29,974            | 27,514   | 53,099            | 53,686    |
| Other operating income   | 708               | 768      | 1,475             | 1,314     |
| Interest income  | 52                | 39       | 123               | 95        |
| Operating expenses   | (27,031)          | (25,782) | (51,373)          | (51,776)  |
| Finance cost   | (1,111)           | (980)    | (2,023)           | (1,962)   |
| Profit before tax  | 2,592             | 1,559    | 1,301             | 1,357     |
| Tax expense  | (811)             | (532)    | (671)             | (665)     |
| Net profit for the period  | 1,781             | 1,027    | 630               | 692       |
| Other comprehensive income   |                   |          |                   |           |
| Item that may be reclassified subsequently to profit or loss               |                   |          |                   |           |
| <i>Foreign exchange translation difference</i>                             | 514               | (896)    | (906)             | (371)     |
| Total comprehensive income / (loss) for the period                         | 2,295             | 131      | (276)             | 321       |
| Profit attributable to:  |                   |          |                   |           |
| Equity holders of the parent   | 1,837             | 1,101    | 723               | 798       |
| Non-controlling interest   | (56)              | (74)     | (93)              | (106)     |
| Net profit for the period  | 1,781             | 1,027    | 630               | 692       |
| Total comprehensive income attributable to:                                |                   |          |                   |           |
| Equity holders of the parent   | 2,351             | 205      | (183)             | 427       |
| Non-controlling interest   | (56)              | (74)     | (93)              | (106)     |
| Total comprehensive income / (loss) for the period                         | 2,295             | 131      | (276)             | 321       |
| Basic earning per share attributable to equity holders of the parent (sen) | 4.59              | 2.75     | 1.80              | 1.99      |

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017)

**KHIND HOLDINGS BERHAD (380310-D)**  
(Incorporated in Malaysia)

**Condensed Consolidated Statement of Financial Position**  
As at 30 June 2018 - Unaudited

|   | As at<br>30 June 2018<br>RM'000 | As at<br>31 December 2017<br>RM'000 |
|---|---------------------------------|-------------------------------------|
| <b>ASSETS</b>   |                                 |                                     |
| <i>Non-current assets</i>   |                                 |                                     |
| Property, plant and equipment   | 64,261                          | 62,738                              |
| Prepaid lease payments  | 1,405                           | 1,504                               |
| Investment property   | 2,750                           | 2,781                               |
| Intangible assets   | 3,787                           | 3,786                               |
| Deferred Tax Assets   | 1,719                           | 1,807                               |
|   | <u>73,922</u>                   | <u>72,616</u>                       |
| <i>Current assets</i>   |                                 |                                     |
| Other Investment  | 1,659                           | 2,767                               |
| Trade and other receivables   | 75,079                          | 66,321                              |
| Inventories   | 87,898                          | 81,978                              |
| Current tax assets  | 4,034                           | 3,424                               |
| Cash and cash equivalents   | 24,046                          | 34,656                              |
|   | <u>192,716</u>                  | <u>189,146</u>                      |
| <b>TOTAL ASSETS</b>   | <u>266,638</u>                  | <u>261,762</u>                      |
| <b>EQUITY AND LIABILITIES</b>   |                                 |                                     |
| <i>Capital and reserves</i>   |                                 |                                     |
| Share capital   | 40,059                          | 40,059                              |
| Translation reserve   | 6,506                           | 7,412                               |
| Reserves  | 81,858                          | 81,135                              |
| Total equity attributable to owner of the Company                         | <u>128,423</u>                  | <u>128,606</u>                      |
| Non-controlling interests   | 7                               | 100                                 |
| Total equity  | <u>128,430</u>                  | <u>128,706</u>                      |
| <i>Non Current liabilities</i>  |                                 |                                     |
| Borrowings  | 31,931                          | 33,098                              |
| Deferred tax liabilities  | 1,964                           | 2,169                               |
|   | <u>33,895</u>                   | <u>35,267</u>                       |
| <i>Current liabilities</i>  |                                 |                                     |
| Trade and other payables  | 44,140                          | 51,317                              |
| Loans and borrowings  | 59,943                          | 46,098                              |
| Current tax liabilities   | 230                             | 374                                 |
|   | <u>104,313</u>                  | <u>97,789</u>                       |
| Total liabilities   | <u>138,208</u>                  | <u>133,056</u>                      |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                       | <u>266,638</u>                  | <u>261,762</u>                      |
| Net assets per share attributable to equity holders<br>of the parent (RM) | <u>3.21</u>                     | <u>3.21</u>                         |

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017)

**KHIND HOLDINGS BERHAD (380310-D)**  
(Incorporated in Malaysia)

**Condensed Consolidated Statement of Changes in Equity**  
For the six months ended 30 June 2018 - Unaudited

|  | ← Attributable to Equity Holders of the Parent → |  |   |                                       | Total<br>RM'000 |
|--|--|--|---|---------------------------------------|-----------------|
|  | Share<br>Capital<br>RM'000                       | Non Distributable <sup>▲</sup><br>Translation<br>Reserve<br>RM'000 | Distributable<br>Retained<br>Earnings<br>RM'000 | Non-controlling<br>Interest<br>RM'000 |                 |
| <b><u>6 months ended 30 June 2017</u></b>          |  |  |   |                                       |                 |
| At 1 January 2017                                  | 40,059   | 9,184  | 79,943  | 0                                     | 129,186         |
| Total comprehensive income / (loss) for the period | 0  | (371)  | 798   | 210                                   | 637             |
| <b>At 30 June 2017</b>                             | <b>40,059</b>                                    | <b>8,813</b>   | <b>80,741</b>                                   | <b>210</b>                            | <b>129,823</b>  |
| <b><u>6 months ended 30 June 2018</u></b>          |  |  |   |                                       |                 |
| At 1 January 2018                                  | 40,059   | 7,412  | 81,135  | 100                                   | 128,706         |
| Total comprehensive income / (loss) for the period | 0  | (906)  | 723   | (93)                                  | (276)           |
| <b>At 30 June 2018</b>                             | <b>40,059</b>                                    | <b>6,506</b>   | <b>81,858</b>                                   | <b>7</b>                              | <b>128,430</b>  |

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017)

**KHIND HOLDINGS BERHAD (380310-D)**  
(Incorporated in Malaysia)

**Condensed Consolidated Statement of Cash Flows**  
For the six months period ended 30 June 2018 - Unaudited

|  | 30 June 2018<br>RM'000          | 30 June 2017<br>RM'000          |
|--|---------------------------------|---------------------------------|
| Profit before taxation   | 1,301                           | 1,357                           |
| Adjustment for :   |                                 |                                 |
| Depreciation & amortisation  | 2,727                           | 2,649                           |
| Finance cost   | 2,023                           | 1,962                           |
| Interest income  | (123)                           | (95)                            |
| Net gain on disposal of property, plant and equipment                                | (14)                            | (14)                            |
| Net fair value loss / (gain) on financial assets                                     | 74                              | (93)                            |
| Dividend income  | (3)                             | 0                               |
| Gain on disposal on other investments  | 0                               | (3)                             |
| <b>Operating profit before changes in working capital</b>                            | <b>5,985</b>                    | <b>5,763</b>                    |
| Changes in working capital :   |                                 |                                 |
| Inventories  | (5,920)                         | (5,510)                         |
| Trade and other receivables  | (8,758)                         | (5,752)                         |
| Payables and accruals  | (6,776)                         | (4,997)                         |
| <b>Cash used in operations</b>   | <b>(15,469)</b>                 | <b>(10,496)</b>                 |
| Tax refunded   | 15                              | 276                             |
| Tax paid   | (1,550)                         | (1,713)                         |
| <b>Net cash used in operating activities</b>   | <b>(17,004)</b>                 | <b>(11,933)</b>                 |
| Cash flows from investing activities   |                                 |                                 |
| Interest income  | 123                             | 95                              |
| Dividend income  | 7                               | 0                               |
| Acquisition of property, plant and equipment   | (4,362)                         | (3,756)                         |
| Acquisition of other investments   | (20)                            | 0                               |
| Acquisition of intangible assets   | (43)                            | (383)                           |
| Proceeds from disposal of :  |                                 |                                 |
| - property, plant and equipment  | 17                              | 14                              |
| - other investments  | 1,051                           | 747                             |
| <b>Net cash used in investing activities</b>   | <b>(3,227)</b>                  | <b>(3,283)</b>                  |
| Cash flows from financing activities   |                                 |                                 |
| Dividend paid to shareholders  | (401)                           | 0                               |
| Issue of shares by subsidiaries to NCI   | 0                               | 317                             |
| Finance cost   | (2,023)                         | (1,962)                         |
| Drawdown of bank borrowings  | 12,537                          | 19,132                          |
| Repayment of hire purchase liabilities   | (339)                           | (404)                           |
| <b>Net cash generated from financing activities</b>                                  | <b>9,774</b>                    | <b>17,083</b>                   |
| <b>Net (decrease) / increase in cash and cash equivalents</b>                        | <b>(10,457)</b>                 | <b>1,867</b>                    |
| Cash and cash equivalents at beginning of financial period                           | 32,215                          | 34,717                          |
| Effect of exchange rate changes  | (715)                           | (1,158)                         |
| <b>Cash and cash equivalents at end of financial period</b>                          | <b>21,043</b>                   | <b>35,426</b>                   |
| Cash and cash equivalents at the end of the financial period comprise the following: |                                 |                                 |
|  | As at<br>30 June 2018<br>RM'000 | As at<br>30 June 2017<br>RM'000 |
| Cash and bank balances   | 24,046                          | 38,657                          |
| Bank overdrafts  | (3,003)                         | (3,231)                         |
|  | <b>21,043</b>                   | <b>35,426</b>                   |

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017)