



**ANALABS RESOURCES BERHAD**  
 (Company No: 468971-A)  
 (Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER ENDED 31 JANUARY 2018**

*Quarterly financial report on consolidated results for the THIRD financial quarter ended 31 January 2018.  
 (The figures have not been audited.)*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31/01/2018 RM'000	Preceding Year Quarter 31/01/2017 RM'000	Current Year Quarter 31/01/2018 RM'000	Preceding Year Quarter 31/01/2017 RM'000
<b>Revenue</b>	<b>38,719</b>	<b>37,372</b>	<b>112,276</b>	<b>117,055</b>
Cost of sales	(27,017)	(26,166)	(76,886)	(75,480)
<b>Gross Profit</b>	<b>11,702</b>	<b>11,206</b>	<b>35,390</b>	<b>41,575</b>
Other income	(113)	1,172	665	2,294
Administrative and other operating expenses	(8,252)	(9,422)	(26,228)	(31,853)
<b>Profit from operations</b>	<b>3,337</b>	<b>2,956</b>	<b>9,827</b>	<b>12,016</b>
Finance costs	(177)	(228)	(561)	(747)
<b>Profit before taxation</b>	<b>3,160</b>	<b>2,728</b>	<b>9,266</b>	<b>11,269</b>
Income tax expense	(170)	(890)	(1,160)	(2,188)
<b>Profit for the period</b>	<b>2,990</b>	<b>1,838</b>	<b>8,106</b>	<b>9,081</b>

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 April 2017.



**ANALABS RESOURCES BERHAD**  
 (Company No: 468971-A)  
 (Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER  
 COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER ENDED 31 JANUARY 2018  
 (CONT'D)**

*Quarterly financial report on consolidated results for the THIRD financial quarter ended 31 January 2018.  
 (The figures have not been audited.)*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31/01/2018 RM'000	Preceding Year Quarter 31/01/2017 RM'000	Current Year Quarter 31/01/2018 RM'000	Preceding Year Quarter 31/01/2017 RM'000
<b>Profit for the period</b>	<b>2,990</b>	<b>1,838</b>	<b>8,106</b>	<b>9,081</b>
<b>Other comprehensive income/(expenses)</b>				
Fair value changes of available-for-sale financial assets	4,918	1,051	5,065	(1,929)
Foreign currency translation differences	(1,504)	693	(1,237)	1,041
<b>Total comprehensive income for the period</b>	<b>6,404</b>	<b>3,582</b>	<b>11,934</b>	<b>8,193</b>
<b>Profit after taxation attributable to:</b>				
- owners of the Company	2,490	2,093	7,211	9,007
- non-controlling interest	500	(255)	895	74
	<b>2,990</b>	<b>1,838</b>	<b>8,106</b>	<b>9,081</b>
<b>Total comprehensive income attributable to:</b>				
- owners of the Company	5,893	3,836	11,028	7,997
- non-controlling interest	511	(254)	906	196
	<b>6,404</b>	<b>3,582</b>	<b>11,934</b>	<b>8,193</b>
	<b>sen per share</b>	<b>sen per share</b>	<b>sen per share</b>	<b>sen per share</b>
<b>Earnings per share for profit attributable to the owners of the Company</b>				
- basic	<b>4.44</b>	<b>3.73</b>	<b>12.85</b>	<b>16.04</b>
- diluted	<b>4.44</b>	<b>3.73</b>	<b>12.85</b>	<b>16.04</b>

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 April 2017.

## ANALABS RESOURCES BERHAD

(Company No: 468971-A)

(Incorporated in Malaysia)

### CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AT 31 JANUARY 2018

*Quarterly financial report on consolidated results for the THIRD financial quarter ended 31 January 2018.*

*(The figures have not been audited.)*

	As at End of Current Quarter <b>31 January 2018</b> (Unaudited) RM'000	As at Preceding Financial Year End <b>30 April 2017</b> (Audited) RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant & equipment	141,491	147,030
Goodwill on consolidation	9,755	10,022
Available-for-sale financial assets	50,759	43,919
	<b>202,005</b>	<b>200,971</b>
<b>CURRENT ASSETS</b>		
Receivables, deposits and prepayments	36,391	31,809
Inventories	15,990	18,562
Current tax assets	1,273	1,031
Cash and cash equivalents	51,066	44,717
	<b>104,720</b>	<b>96,119</b>
<b>TOTAL ASSETS</b>	<b>306,725</b>	<b>297,090</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	66,272	66,272
Treasury shares	(5,888)	(5,888)
Reserves	188,183	177,155
Equity attributable to owners of the Company	248,567	237,539
Non-controlling interest	(1,239)	(2,145)
<b>TOTAL EQUITY</b>	<b>247,328</b>	<b>235,394</b>
<b>NON-CURRENT LIABILITIES</b>		
Deferred tax liabilities	17,668	17,820
Hire purchase payable	994	944
Term Loans	2,785	4,023
	<b>21,447</b>	<b>22,787</b>
<b>CURRENT LIABILITIES</b>		
Payables and accruals	24,415	26,423
Hire purchase payable	359	745
Borrowings	13,176	11,741
	<b>37,950</b>	<b>38,909</b>
<b>TOTAL LIABILITIES</b>	<b>59,397</b>	<b>61,696</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>306,725</b>	<b>297,090</b>
<b>NET ASSETS PER SHARE (RM)</b>	<b>4.44</b>	<b>4.23</b>

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 April 2017.

**ANALABS RESOURCES BERHAD**

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(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL QUARTER ENDED 31 JANUARY 2018**

*Quarterly financial report on consolidated results for the THIRD financial quarter ended 31 January 2018.*

*(The figures have not been audited.)*

	Attributable to owners of the Company							Total equity
	Non-Distributable				Distributable			
	Share capital	Treasury shares	Revaluation reserve	Fair Value reserve	Foreign Exchange Translation reserve	Retained profits	Non-controlling interest	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Balance at 1 May 2017</b>	66,272	(5,888)	47,194	2,076	5,503	122,382	(2,145)	235,394
Profit after taxation for the financial period	-	-	-	-	-	7,211	895	8,106
Other comprehensive income/(expenses) for the financial period:								
-Foreign currency translation differences	-	-	-	-	(1,248)	-	11	(1,237)
-Fair value changes of available-for-sale financial assets	-	-	-	5,065	-	-	-	5,065
Total comprehensive income/(expenses) for the financial period	-	-	-	5,065	(1,248)	7,211	906	11,934
<b>Balance at 31 January 2018</b>	<b>66,272</b>	<b>(5,888)</b>	<b>47,194</b>	<b>7,141</b>	<b>4,255</b>	<b>129,593</b>	<b>(1,239)</b>	<b>247,328</b>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 April 2017.



**ANALABS RESOURCES BERHAD**

(Company No: 468971-A)

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL QUARTER ENDED 31 JANUARY 2018**

*Quarterly financial report on consolidated results for the THIRD financial quarter ended 31 January 2018.  
(The figures have not been audited.)*

	Current Year To Date <b>31 January 2018</b> RM'000	Preceding Year To Date <b>31 January 2017</b> RM'000
<b>CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES</b>		
Profit before taxation	9,266	11,269
Adjustments for :-		
Non-cash items	3,921	5,311
Non-operating items	(361)	(380)
<b>Operating profit before changes in working capital</b>	<b>12,826</b>	<b>16,200</b>
Changes in working capital :		
Net change in current assets	(2,010)	6,662
Net change in current liabilities	(2,008)	(9,965)
Interest paid	(561)	(747)
Income tax paid	(1,402)	(1,587)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>6,845</b>	<b>10,563</b>
<b>CASH FLOWS (FOR) / FROM INVESTING ACTIVITIES</b>		
Increase in fixed deposits pledged	(1,184)	(175)
Purchase of equity securities	(1,927)	(748)
Purchase of plant and equipment	(1,086)	(1,078)
Proceeds from disposal of plant and equipment	84	-
Proceeds from disposal of equity securities	179	577
Interest received	293	117
Dividend received	2,302	1,587
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<b>(1,339)</b>	<b>280</b>
<b>CASH FLOWS (FOR) / FROM FINANCING ACTIVITIES</b>		
Increase of bankers acceptance	4,856	801
Share repurchased	-	(142)
Repayment of borrowings	(4,659)	(3,260)
(Repayment) / Drawdown of hire purchase liabilities	(336)	324
<b>NET CASH FINANCING ACTIVITIES</b>	<b>(139)</b>	<b>(2,277)</b>
<b>NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>5,367</b>	<b>8,566</b>
<b>EFFECTS OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>(202)</b>	<b>(858)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL QUARTER</b>	<b>40,359</b>	<b>33,093</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL QUARTER</b>	<b>45,524</b>	<b>40,801</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Cash, bank balances and deposits	51,066	45,281
Deposits pledge with licensed banks	(5,542)	(4,480)
	<b>45,524</b>	<b>40,801</b>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 30 April 2017.

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**NOTES TO THE QUARTERLY FINANCIAL REPORT**

**(I) Compliance with Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting**

**(a) Accounting Policies and Methods of Computation**

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” and paragraph 9.22 of the Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 April 2017. The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 30 April 2017, except for the adoption of the following new standards, amendments to standards and IC interpretations with effect from May 2017 where applicable:

**MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

Amendments to MFRS 107: Disclosure Initiative

Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses

Annual Improvements to MFRS Standards 2014–2016 Cycles: Amendments to MFRS

12: Clarification of the Scope of the Standard

The adoption of the above accountings standards and interpretations did not have any material impact on the interim financial report of the Group.

**(b) Disclosure of Audit Report Qualification and Status of Matters Raised**

Not applicable as the audited financial statements for the financial year ended 30 April 2017 were not qualified.

**(c) Seasonal or Cyclical Factors**

The business and operations of the Group were not significantly affected by any seasonal factors.

**(d) Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no items affecting assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence for the current financial quarter and financial period under review.

**(e) Material Changes in Estimates**

There was no material changes in accounting estimates used in the preparation of the financial statements in the current financial quarter as compared with the previous financial quarters or previous financial year.

**(f) Debts and Equity Securities**

There were no issuance or repayment of debts and equity securities, share cancellation, shares held as treasury shares, employment share option scheme and resale of treasury shares for the current financial period.

As at 31 January 2018, the Company held as treasury shares a total of 3,919,400 out of its 60,024,000 issued and fully paid-up ordinary shares.

**(g) Dividend paid**

On 2 February 2018, a first interim single tier dividend of 1.00 sen per share declared for the financial year ending 30 April 2018. The said dividend was paid on 15 March 2018.



## (h) Segment Information

Segment analysis for the current financial quarter under review is set out below:

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Current Year	Preceding Year	%	Current Year	Preceding Year	%
	Quarter	Quarter		Quarter	Quarter	
31/01/2018	31/01/2017	+ / (-)	31/01/2018	31/01/2017	+ / (-)	
	RM'000	RM'000		RM'000	RM'000	
<b><u>Segment Revenue</u></b>						
Manufacturing, formulation and sale of resin, chemicals & building materials	23,231	21,802	6.6	68,343	75,789	(9.8)
Recovery and sale of recycled products	5,210	6,477	(19.6)	16,141	19,009	(15.1)
Culture and sales of prawns	111	65	70.8	381	392	(2.8)
Investment holding & property letting	204	17	1,100.0	421	290	45.2
Contract Work, Pipe Laying and Rehabilitation	9,963	9,011	10.6	26,990	21,575	25.1
<b>REVENUE</b>	<b>38,719</b>	<b>37,372</b>		<b>112,276</b>	<b>117,055</b>	
<b><u>Segment Results</u></b>						
Manufacturing, formulation and sale of resin, chemicals & building materials	1,027	2,046	(49.8)	5,522	7,245	(23.8)
Recovery and sale of recycled products	730	1,331	(45.2)	1,236	3,810	(67.6)
Culture and sales of prawns	(35)	(25)	40.0	(32)	60	(153.3)
Investment holding & property letting	146	148	(1.4)	388	268	44.8
Contract Work, Pipe Laying and Rehabilitation	1,351	(587)	(330.2)	2,420	516	369.0
	3,219	2,913		9,534	11,899	
Finance cost	(177)	(228)		(561)	(747)	
Interest income	118	43		293	117	
<b>PROFIT BEFORE TAXATION</b>	<b>3,160</b>	<b>2,728</b>	15.8	<b>9,266</b>	<b>11,269</b>	(17.8)
Income tax expense	(170)	(890)		(1,160)	(2,188)	
<b>PROFIT AFTER TAXATION</b>	<b>2,990</b>	<b>1,838</b>	62.7	<b>8,106</b>	<b>9,081</b>	(10.7)
Non-controlling interest	(500)	255		(895)	(74)	
<b>NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS</b>	<b>2,490</b>	<b>2,093</b>	19.0	<b>7,211</b>	<b>9,007</b>	(19.9)

## (II) Valuation of property, plant and equipment

The valuations of property, plant and equipment have been brought forward without amendment to the financial statements for the period ended 31 January 2018.

## (III) Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the current financial quarter under review up to the date of this report.

## (IV) Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial quarter.

## (V) Contingent Liabilities

There were no material contingent liabilities in the current financial quarter under review up to the date of this report, except as disclosed in note 11.

## ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD

### (I) Compliance with Appendix 9B of Bursa Malaysia Listing Requirements

#### 1. Review of the Performance

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Current Year Quarter 31/01/2018 RM'000	Preceding Year Quarter 31/01/2017 RM'000	% + / (-)	Current Year Quarter 31/01/2018 RM'000	Preceding Year Quarter 31/01/2017 RM'000	% + / (-)
Revenue	38,719	37,372	3.6	112,276	117,055	(4.1)
Gross Profit	11,702	11,206	4.4	35,390	41,575	(14.9)
Profit before taxation	3,160	2,728	15.8	9,266	11,269	(17.8)
Profit for the period	2,990	1,838	62.7	8,106	9,081	(10.7)
Profit after taxation attributable to owners of the Company	2,490	2,093	19.0	7,211	9,007	(19.9)

For the current quarter review, the Group recorded revenue of RM38.7 million, representing an increase of 3.6% compared to RM37.3 million recorded in the corresponding quarter of the preceding year. The gross profit was RM11.7 million, an increase of 4.4% compared to RM11.2 million in the preceding year quarter.

Manufacturing revenue recorded was RM23.2 million, an increase of 6.6% compared to RM21.8 million in the preceding year quarter. The increase in revenue was due to increase in domestic demands. However the higher cost of raw materials had impact the gross profit margin during the quarter.

Recovery and sale recycled products revenue recorded was RM5.2 million, a decrease of 19.6% compared to RM6.4 million in the preceding year quarter. The decrease was due to market competition and lower sales order during the quarter.

Contract work revenue recorded was RM9.9 million, an increase of 10.6% compared to RM9.0 million in the preceding year quarter. The increase was due to higher jobs order received during the quarter.

The Group's profit before tax was RM3.2 million for the current quarter as compared to the profit of RM2.7 million in the corresponding quarter of the preceding year. The main reason of increase in profit before tax was due to successful turning around in the business segment of the Contract Work, Pipe Laying and Rehabilitation.

**2. Material Change in the Profit Before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter**

	Current Quarter 31/01/2018 RM'000	Preceding Quarter 31/10/2017 RM'000	% + / (-)
Revenue	38,719	34,609	11.9
Profit before Taxation	3,160	2,279	38.7

Revenue for the current quarter increased by 11.9% as compared to the immediate preceding quarter. The increase in revenue was contributed from the Manufacturing, formulation and sale of resin, chemicals & building materials and Contract work, Pipe laying and Rehabilitation segment. Profit before taxation increased by 38.7% compared to the preceding financial quarter.

**3. Prospects**

On the backdrop of a challenging economic climate, the Board is cautiously optimistic on the future prospects of the Group and barring any unforeseen circumstances, the Board expects the future contribution by the main segments manufacturing, formulation and sale of resin, chemicals & building materials to remain stable in the forthcoming quarters.

**4. Variance of Actual Profit from Forecast Profit**

Not applicable as the Group did not issue any profit forecast or profit guarantee.

**5. Income Tax Expense**

The income tax expense charged for the current financial quarter and financial year to-date ended 31 January 2018 is made up as follows:

	Current Quarter 31/01/2018 RM'000	Year To Date 31/01/2018 RM'000
Current Tax		
Malaysian income tax charge	170	1,160
Foreign income tax charge	-	-
	170	1,160

**6. Profit on Sale of Unquoted Investments and/or Properties**

There was no sale of unquoted investment and/or properties for the current financial quarter under review.

## 7. Purchase or Disposal of Quoted Securities

- (a) Total net purchases of investment in quoted securities by the Group for the current financial quarter and financial year-to-date under review are as follows: -

	Current Quarter 31/01/2018 RM'000	Year To Date 31/01/2018 RM'000
Total net purchase of investment in quoted shares	1,020	1,927

- (b) The details of investments in quoted securities as at the end of the current financial quarter are set out below: -

	31/01/2018 RM'000
Total investments at cost	46,941
Total investments at carrying value	50,579
Total investments at market value	50,579

## 8. Status of Corporate Proposals Announced

There were no corporate proposals that have been announced as at the date of this report.

## 9. Group Borrowings and Debt Securities

All the Group's borrowings are short term and long term in nature, secured and denominated in Ringgit Malaysia and Singapore Dollar.

	As at 31 January 2018		
	Long Term	Short Term	Total borrowings
	RM'000	RM'000	RM'000
<b><u>Secured</u></b>			
<b>Denominated in RM</b>			
Hire purchase payables	-	50	50
Bankers' acceptances	-	10,692	10,692
	-	10,742	10,742
<b>Denominated in SGD</b>			
Hire purchase payables	994	309	1,303
Term loans	2,785	2,484	5,269
	3,779	2,793	6,572
	3,779	13,535	17,314

	As at 30 April 2017		
	Long Term	Short Term	Total borrowings
	RM'000	RM'000	RM'000
<b><u>Secured</u></b>			
<b>Denominated in RM</b>			
Hire purchase payables	-	58	58
Bankers' acceptances	-	5,836	5,836
	-	5,894	5,894
<b>Denominated in SGD</b>			
Hire purchase payables	944	687	1,631
Term loans	4,023	5,905	9,928
	4,967	6,592	11,559
	4,967	12,486	17,453

## 10. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments entered into by the Group as at the date of this report.

## 11. Changes in the Material Litigation

Save as disclosed below, the Group is not engaged in any material litigation.

On 24 December 2013, the Company announced that Analabs (“1<sup>st</sup> Plaintiff”) and its wholly owned subsidiary, Lux Distributor Sdn Bhd (“2<sup>nd</sup> Plaintiff”), had filed and served a Writ of Summon and Statement of Claim on Khor Sew Foo (“Defendant”) to claim the following amongst others for breach of the Share Sale Agreement (“SSA”) and Management Cum Profit Guarantee Agreement (“MPGA”) dated 8 March 2012:-

- (a) An order that the Defendant specifically performs the MPGA dated 8 March 2012 by attending to his duties as Chief Executive Officer (“CEO”) of Lux Distributor Sdn Bhd until 31 December 2013;
- (b) An audit be conducted on the 2<sup>nd</sup> Plaintiff after 31 December 2013 for the period 1 January 2012 until 31 December 2013 to ascertain its Net Profit After Tax for the period; and
- (c) That the Defendant pays the 2<sup>nd</sup> Plaintiff the shortfall in the Net Profit After Tax of the 2<sup>nd</sup> Plaintiff from the sum of RM1,500,000 from the following:-
  - (i) Firstly, the escrow sum of RM750,000 held by Messrs Abdullah Chan in accordance with the MPGA, and the balance if any to be returned to the Defendant; and
  - (ii) Secondly, if the escrow sum is insufficient, from the balance dividend of RM1,000,000 payable to the Defendant by the 2<sup>nd</sup> Plaintiff, the balance if any to be returned to the Defendant.

The Defendant has entered his defense and submitted a counter claim against the Plaintiffs claiming breach by the Plaintiffs, for a declaration that the SSA and the MPGA are repudiated and claims damages arising from the breach and repudiation.

The Company had on 13 January 2014 filed the Reply and Defense to the Counterclaim and the case had further adjourned to October and November 2014 for continued hearing.

The High Court awarded Judgment that the balance dividend of RM1,000,000 to the Defendant, and that the escrow sum of RM750,000 held by Messrs Abdullah Chan is to be released to the Defendant. All the other claims by the Defendant were dismissed. The High Court also discharged the Defendant from his profit guarantee to the Plaintiffs.

Analabs and Lux Distributors had filed an Appeal to the Court of Appeal against the decision of the High Court and the hearing date has been fixed on 19 January 2016.

The Court of Appeal had decided as follows:-

- (a) the Plaintiffs/Appellant's appeal was allowed in part;
- (b) the High Court's declaration in favour of the Defendant/Respondent that the Share Sale Agreement and the Management cum Profit Guarantee Agreement as rescinded is set aside;
- (c) the High Court's decision with regard to the dividend of RM1,000,000.00 to be paid by the Plaintiffs/Appellant to the Defendant/Respondent is maintained;
- (d) that an independent auditor be appointed to perform an audit over Lux Distributors Sdn. Bhd. for the years 2012 and 2013 to ascertain the net profit of Lux Distributors Sdn. Bhd. for the 2 year period;
- (e) that the RM750,000.00 escrow sum be applied in accordance with the finding of the independent audit;
- (f) the parties are at liberty to apply to the High Court for directions;
- (g) the High Court costs of RM40,000.00 was set aside; and
- (h) parties bear their respective costs.

The Defendant withdrew his appeal to the Court of Appeal against the High Court's decision which allowed the applicant to strike out his application for directions.

On 27 November 2017, the High Court requested more details of the audit partners who were proposed to be selected as the independent auditor who would ascertain the NPAT of 2<sup>nd</sup> Plaintiff for the years 2012 and 2013. The Court further ordered that both parties bear the cost of the auditor equally, that both parties agree on the terms of reference for the independent auditor failing which the Court the same would be determined by the Court, that the Defendant is to return the independent auditor the escrow sum of RM815,180.13 by 31 January 2018, that the Defendant pay cost of RM3,000.00 and that parties have liberty to apply.

On 14 December 2017, the Court selected the auditors UHY, Chartered Accountants to perform the audit for the case and the appointment is subject to the terms and conditions to be determined by the Court. The matter is fixed for case management on 22 January 2018.

Messrs UHY has commenced its independent audit to ascertain the NPAT of the 2<sup>nd</sup> Plaintiff for the years 2012 and 2013 and the parties are awaiting for the report.

The Defendant has applied to the High Court to replace the escrow sum with a property to be held as security pending the independent audit. The application has not been heard by the High Court.

## 12. Dividend Proposed or Declared

No dividend has been declared for the current financial quarter 31 January 2018.

## 13. Earnings Per Share

### (a) Basic Earnings Per Share

The basic earnings per share for the current financial quarter and financial year-to-date have been calculated as follows:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year	Preceding	Current Year	Preceding
	Quarter	Year Quarter	Quarter	Year Quarter
	31/01/2018	31/01/2017	31/01/2018	31/01/2017
Net profit attributable to ordinary shares (RM'000)	2,490	2,093	7,211	9,007
Weighted average number ordinary shares ('000)	56,130	56,105	56,130	56,138
Basic earnings per share (sen)	4.44	3.73	12.85	16.04

### (b) Diluted Earnings Per Share

The fully diluted earnings per share for the Group are not presented as there were no dilutive potential ordinary shares.

#### 14. Profit before taxation

Individual Current Year Quarter 31 January 2018 RM'000	Cumulative Current Year Quarter 31 January 2018 RM'000
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Profit before taxation is arrived at after charging/(crediting):-

Interest expense	177	561
Depreciation and amortisation of property, plant and equipment	1,709	5,371
Staff costs	2,620	8,450
Foreign exchange gain - realised	300	(143)
Interest income	(118)	(293)
Dividend income	(982)	(2,302)
Gain on disposal of: - property, plant and equipment	-	(48)
Rental income	(167)	(212)

#### 15. Approval of Quarterly Financial Report

The quarterly financial report as set out above was approved by the Board of Directors in accordance with their resolution dated 22 March 2018.