

**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 30 APRIL 2018

*Quarterly financial report on consolidated results for the FOURTH financial quarter ended 30 April 2018.
(The figures have not been audited.)*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30/04/2018 RM'000	Preceding Year Quarter 30/04/2017 RM'000	Current Year Quarter 30/04/2018 RM'000	Preceding Year Quarter 30/04/2017 RM'000
Revenue	27,603	36,426	139,879	149,763
Cost of sales	(35,736)	(47,696)	(112,622)	(120,704)
Gross Profit	(8,133)	(11,270)	27,257	29,059
Other income	898	1,174	1,563	5,791
Administrative and other operating expenses	10,325	14,065	(15,903)	(19,357)
Profit from operations	3,090	3,969	12,917	15,493
Finance costs	(137)	(189)	(698)	(552)
Profit before taxation	2,953	3,780	12,219	14,941
Income tax expense	(749)	(1,558)	(1,909)	(3,751)
Profit for the period	2,204	2,222	10,310	11,190

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.



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 (Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
 COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER ENDED 30 APRIL 2018
 (CONT'D)**

*Quarterly financial report on consolidated results for the FOURTH financial quarter ended 30 April 2018.
 (The figures have not been audited.)*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30/04/2018 RM'000	Preceding Year Quarter 30/04/2017 RM'000	Current Year Quarter 30/04/2018 RM'000	Preceding Year Quarter 30/04/2017 RM'000
Profit for the period	2,204	2,222	10,310	11,190
Other comprehensive income/(expenses)				
Fair value changes of available-for-sale financial assets	677	5,463	5,742	3,499
Foreign currency translation differences	125	(106)	(1,112)	1,418
Total comprehensive income for the period	3,006	7,579	14,940	16,107
Profit after taxation attributable to:				
- owners of the Company	2,524	2,174	9,735	11,108
- non-controlling interest	(320)	48	575	82
	2,204	2,222	10,310	11,190
Total comprehensive income attributable to:				
- owners of the Company	3,315	7,531	14,283	16,170
- non-controlling interest	(309)	48	657	(63)
	3,006	7,579	14,940	16,107
	sen per share	sen per share	sen per share	sen per share
Earnings per share for profit attributable to the owners of the Company				
- basic	4.50	3.87	17.34	19.79
- diluted	4.50	3.87	17.34	19.79

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 30 APRIL 2018

Quarterly financial report on consolidated results for the FOURTH financial quarter ended 30 April 2018.

(The figures have not been audited.)

	As at End of Current Quarter 30 April 2018 (Unaudited) RM'000	As at Preceding Financial Year End 30 April 2017 (Audited) RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	144,113	147,030
Goodwill on consolidation	9,943	10,022
Available-for-sale financial assets	50,772	43,919
	204,828	200,971
CURRENT ASSETS		
Receivables, deposits and prepayments	30,230	31,809
Inventories	17,913	18,562
Current tax assets	859	1,031
Cash and cash equivalents	55,771	44,717
	104,773	96,119
TOTAL ASSETS	309,601	297,090
EQUITY AND LIABILITIES		
EQUITY		
Share capital	66,272	66,272
Treasury shares	(5,888)	(5,888)
Reserves	190,847	177,155
Equity attributable to owners of the Company	251,231	237,539
Non-controlling interest	(1,488)	(2,145)
TOTAL EQUITY	249,743	235,394
NON-CURRENT LIABILITIES		
Deferred tax liabilities	17,364	17,820
Hire purchase payable	748	944
Term Loans	7,016	4,023
	25,128	22,787
CURRENT LIABILITIES		
Payables and accruals	19,689	26,423
Hire purchase payable	374	745
Borrowings	14,667	11,741
	34,730	38,909
TOTAL LIABILITIES	59,858	61,696
TOTAL EQUITY AND LIABILITIES	309,601	297,090
NET ASSETS PER SHARE (RM)	4.48	4.23

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

(Company No: 468971-A)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 30 APRIL 2018**

*Quarterly financial report on consolidated results for the FOURTH financial quarter ended 30 April 2018.
(The figures have not been audited.)*

	<----- Attributable to owners of the Company ----->							
	<----- Non-Distributable----->					Distributable		
	Share capital	Treasury shares	Revaluation reserve	Fair Value reserve	Foreign Exchange Translation reserve	Retained profits	Non-controlling interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1 May 2017	66,272	(5,888)	47,194	2,076	5,503	122,382	(2,145)	235,394
Profit after taxation for the financial period	-	-	-	-	-	9,735	575	10,310
Other comprehensive income/(expenses) for the financial period:								
-Foreign currency translation differences	-	-	-	-	(1,194)	-	82	(1,112)
-Fair value changes of available-for-sale financial assets	-	-	-	5,742	-	-	-	5,742
Total comprehensive income/(expenses) for the financial period	-	-	-	5,742	(1,194)	9,735	657	14,940
Contributions by and distributions to owners of the company:								
-Treasury share acquired	-	-	-	-	-	-	-	-
-Dividends to shareholders	-	-	-	-	-	(591)	-	(591)
Total transactions with owners	-	-	-	-	-	(591)	-	(591)
Balance at 30 April 2018	66,272	(5,888)	47,194	7,818	4,309	131,526	(1,488)	249,743

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)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 30 APRIL 2018 (CONT'D)**

Quarterly financial report on consolidated results for the FOURTH financial quarter ended 30 April 2018.

	<----- Attributable to owners of the Company ----->								
	<----- Non-Distributable----->					Distributable			
	Share capital	Treasury shares	Share premium	Revaluation reserve	Fair Value reserve	Foreign Exchange Translation reserve	Retained profits	Non-controlling interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1 May 2016	60,024	(5,746)	6,248	47,194	(1,423)	3,940	113,097	(2,082)	221,252
Profit after taxation for the financial year	-	-	-	-	-	-	11,108	82	11,190
Other comprehensive income/(expenses) for the financial year:									
-Foreign currency translation differences	-	-	-	-	-	1,563	-	(145)	1,418
-Fair value changes of available-for-sale financial assets	-	-	-	-	3,499	-	-	-	3,499
Total comprehensive income/(expenses) for the financial year	-	-	-	-	3,499	1,563	11,108	(63)	16,107
Contributions by and distributions to owners of the company:									
-Treasury share acquired	-	(142)	-	-	-	-	-	-	(142)
-Dividends to shareholders	-	-	-	-	-	-	(1,823)	-	(1,823)
Total transactions with owners	-	(142)	-	-	-	-	(1,823)	-	(1,965)
Effects from adoption of Companies Act 2016	6,248	-	(6,248)	-	-	-	-	-	-
Balance at 30 April 2017	66,272	(5,888)	-	47,194	2,076	5,503	122,382	(2,145)	235,394

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 30 APRIL 2018**

*Quarterly financial report on consolidated results for the FOURTH financial quarter ended 30 April 2018.
(The figures have not been audited.)*

	Current Year To Date 30 April 2018 RM'000	Preceding Year To Date 30 April 2017 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES		
Profit before taxation	12,219	14,941
Adjustments for :-		
Non-cash items	1,595	7,956
Non-operating items	(1,514)	(997)
Operating profit before changes in working capital	12,300	21,900
Changes in working capital :		
Net change in current assets	2,228	8,265
Net change in current liabilities	(6,734)	(2,846)
Interest paid	(698)	(667)
Income tax paid	(1,721)	(3,786)
NET CASH FROM OPERATING ACTIVITIES	5,375	22,866
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES		
Increase in fixed deposits pledged	(1,212)	(52)
Purchase of equity securities	(5,083)	(9,346)
Purchase of plant and equipment	(2,303)	(1,620)
Proceeds from disposal of plant and equipment	270	68
Proceeds from disposal of equity securities	5,544	582
Interest received	916	254
Dividend received	2,382	1,672
NET CASH FROM/(FOR) INVESTING ACTIVITIES	514	(8,442)
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES		
Dividend paid	(591)	(1,823)
Increase of bankers acceptance	7,138	830
Share repurchased	-	(142)
Repayment of borrowings	(1,219)	(6,048)
Repayment of hire purchase liabilities	(567)	(465)
NET CASH FROM/(FOR) FINANCING ACTIVITIES	4,761	(7,648)
NET INCREASE IN CASH AND CASH EQUIVALENTS	10,650	6,776
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	(808)	491
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL QUARTER	40,359	33,092
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL QUARTER	50,201	40,359
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash, bank balances and deposits	55,771	44,717
Deposits pledge with licensed banks	(5,570)	(4,358)
	50,201	40,359

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 30 April 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

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 Quarter 30/04/2018 RM'000	Preceding Year Quarter 30/04/2017 RM'000	% + / (-)	Current Year Quarter 30/04/2018 RM'000	Preceding Year Quarter 30/04/2017 RM'000	% + / (-)
<u>Segment Revenue</u>						
Manufacturing, formulation and sale of resin, chemicals & building materials	18,169	17,316	4.9	86,511	91,582	(5.5)
Recovery and sale of recycled products	4,647	5,914	(21.4)	20,789	24,706	(15.9)
Culture and sales of prawns	-	200	(100.0)	381	592	(35.6)
Investment holding & property letting	(466)	133	(450.4)	(45)	382	(111.8)
Contract Work, Pipe Laying and Rehabilitation	5,253	12,863	(59.2)	32,243	32,501	(0.8)
REVENUE	27,603	36,426		139,879	149,763	
<u>Segment Results</u>						
Manufacturing, formulation and sale of resin, chemicals & building materials	1,104	2,676	(58.7)	6,626	9,879	(32.9)
Recovery and sale of recycled products	1,777	854	108.1	3,014	4,651	(35.2)
Culture and sales of prawns	-	77	(100.0)	(32)	137	(123.4)
Investment holding & property letting	(33)	7	(571.4)	354	10	3,440.0
Contract Work, Pipe Laying and Rehabilitation	(638)	140	(555.7)	1,782	562	217.1
	2,210	3,754		11,744	15,239	
Finance cost	120	(189)		(441)	(552)	
Interest income	623	215		916	254	
PROFIT BEFORE TAXATION	2,953	3,780	(21.9)	12,219	14,941	(18.2)
Income tax expense	(749)	(1,558)		(1,909)	(3,751)	
PROFIT AFTER TAXATION	2,204	2,222	(0.8)	10,310	11,190	(7.9)
Non-controlling interest	320	(48)		(575)	(82)	
NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS	2,524	2,174	16.1	9,735	11,108	(12.4)

(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 30 April 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 30/04/2018 RM'000	Preceding Year Quarter 30/04/2017 RM'000	% + / (-)	Current Year Quarter 30/04/2018 RM'000	Preceding Year Quarter 30/04/2017 RM'000	% + / (-)
Revenue	27,603	36,426	(24.2)	139,879	149,763	(6.6)
Gross Profit	(8,133)	(11,270)	27.8	27,257	29,059	(6.2)
Profit before taxation	2,953	3,780	(21.9)	12,219	14,941	(18.2)
Profit for the period	2,204	2,222	(0.8)	10,310	11,190	(7.9)
Profit after taxation attributable to owners of the Company	2,524	2,174	16.1	9,735	11,108	(12.4)

For the current quarter review, the Group recorded revenue of RM27.6 million, representing an decrease of 24.2% compared to RM36.4 million recorded in the corresponding quarter of the preceding year.

Manufacturing revenue recorded was RM18.2 million, an increase of 4.9% compared to RM17.3 million in the preceding year quarter. The increase in revenue was due to increase in sales of particle boards.

Recovery and sale recycled products revenue recorded was RM4.6 million, a decrease of 21.4% compared to RM5.9 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 RM5.3 million, a decrease of 59.2% compared to RM12.9 million in the preceding year quarter. The decrease was due to lower jobs order received during the quarter.

The Group's profit before tax was RM2.95 million for the current quarter as compared to the profit of RM3.78 million in the corresponding quarter of the preceding year. The main reason of decrease in profit before tax was due to reduction of the revenue in the Contract Work, Pipe Laying and Rehabilitation segment.

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

	Current Quarter 30/4/2018 RM'000	Preceding Quarter 31/1/2018 RM'000	% + / (-)
Revenue	27,603	38,719	(28.7)
Profit before Taxation	2,953	3,160	(6.6)

Revenue for the current quarter decreased by 28.7% as compared to the immediate preceding quarter. The decrease in revenue was due to the segment of the Contract work, Pipe laying and Rehabilitation segment. Profit before taxation decreased by 6.6% 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 30 April 2018 is made up as follows:

	Current Quarter 30/04/2018 RM'000	Year To Date 30/04/2018 RM'000
Current Tax		
Malaysian income tax charge	514	1,674
Foreign income tax charge	235	235
	749	1,909

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 30/04/2018 RM'000	Year To Date 30/04/2018 RM'000
Total net purchase of investment in quoted shares	3,156	5,083

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

	30/04/2018 RM'000
Total investments at cost	45,021
Total investments at carrying value	50,772
Total investments at market value	50,772

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 30 April 2018		
	Long Term	Short Term	Total borrowings
	RM'000	RM'000	RM'000
<u>Secured</u>			
Denominated in RM			
Hire purchase payables	-	-	-
Bankers' acceptances	-	12,974	12,974
Term loans	3,790	-	3,790
	<u>3,790</u>	<u>12,974</u>	<u>16,764</u>
Denominated in SGD			
Hire purchase payables	748	374	1,122
Term loans	3,226	1,693	4,919
	<u>3,974</u>	<u>2,067</u>	<u>6,041</u>
	<u>7,764</u>	<u>15,041</u>	<u>22,805</u>
	As at 30 April 2017		
	Long Term	Short Term	Total borrowings
	RM'000	RM'000	RM'000
<u>Secured</u>			
Denominated in RM			
Hire purchase payables	-	58	58
Bankers' acceptances	-	5,836	5,836
	<u>-</u>	<u>5,894</u>	<u>5,894</u>
Denominated in SGD			
Hire purchase payables	944	687	1,631
Term loans	4,023	5,905	9,928
	<u>4,967</u>	<u>6,592</u>	<u>11,559</u>
	<u>4,967</u>	<u>12,486</u>	<u>17,453</u>

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 (“1st Plaintiff”) and its wholly owned subsidiary, Lux Distributor Sdn Bhd (“2nd Plaintiff”), had filed and served a Writ of Summons 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 2nd 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 2nd Plaintiff the shortfall in the Net Profit After Tax of the 2nd 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 2nd 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 2nd 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 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 Messrs 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 2nd Plaintiff for the years 2012 and 2013 and submitted their report to the Court on 25 May 2018. The Court has requested the parties to file written submission by 23 July 2018 and will give further directions thereafter.

Meanwhile the Defendant has sold his property to raise the escrow sum. The Court and the parties have agreed to wait for the proceeds of the sale to enable the Defendant to return the escrow sum before determining the matter.

12. Dividend Proposed or Declared

No dividend has been declared for the current financial quarter 30 April 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 Quarter 30/04/2018	Preceding Year Quarter 30/04/2017	Current Year Quarter 30/04/2018	Preceding Year Quarter 30/04/2017
Net profit attributable to ordinary shares (RM'000)	2,524	2,174	9,735	11,108
Weighted average number ordinary shares ('000)	56,130	56,105	56,130	56,130
Basic earnings per share (sen)	4.50	3.87	17.34	19.79

(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 30 April 2018 RM'000	Cumulative Current Year Quarter 30 April 2018 RM'000
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Profit before taxation is arrived at after charging/(crediting):-

Interest expense	137	698
Depreciation and amortisation of property, plant and equipment	1,804	7,175
Staff costs	2,280	10,730
Foreign exchange gain - realised	647	504
Interest income	(623)	(916)
Dividend income	(80)	(2,382)
Gain on disposal of: - property, plant and equipment	-	(48)
Rental income	(87)	(299)

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 28 June 2018.