



INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2017

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017**

	As at 31-Dec-17 (Unaudited) RM'000	As at 31-Dec-16 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	109,628	112,856
Investment in associates	15,455	14,435
Investment securities	5,878	7,502
Intangible assets	7,313	7,457
Deferred tax assets	1,044	1,123
	<u>139,318</u>	<u>143,373</u>
Current assets		
Inventories	165,035	169,661
Trade and other receivables	100,380	104,022
Tax recoverable	439	815
Cash and bank balances	33,043	32,695
	<u>298,897</u>	<u>307,193</u>
TOTAL ASSETS	<u>438,215</u>	<u>450,566</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	66,171	65,026
Share premium	13,868	13,868
Treasury shares	(6,479)	(4,797)
Irredeemable Convertible Unsecured Loan Stock ("ICULS") equity	26,334	26,240
Other reserves	5,991	16,007
Retained earnings	137,348	128,990
Total equity attributable to owners of the parent	<u>243,233</u>	<u>245,334</u>
Non-controlling interests	<u>30,291</u>	<u>28,914</u>
Total equity	<u>273,524</u>	<u>274,248</u>
Non-current liabilities		
ICULS liability	1,548	3,096
Bank borrowings	15,417	17,619
Deferred tax liabilities	724	408
	<u>17,689</u>	<u>21,123</u>
Current liabilities		
Trade and other payables	43,959	50,466
Bank borrowings	100,495	103,297
Tax payable	2,548	1,432
	<u>147,002</u>	<u>155,195</u>
Total liabilities	<u>164,691</u>	<u>176,318</u>
TOTAL EQUITY AND LIABILITIES	<u>438,215</u>	<u>450,566</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.



INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2017

**CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR TWELVE MONTHS ENDED 31 DECEMBER 2017 (UNAUDITED)**

	Current quarter 3 months ended 31 December		Cumulative quarter 12 months ended 31 December	
	2017 RM '000	2016 RM '000	2017 RM '000	2016 RM '000
Revenue	65,960	63,043	242,819	239,048
Operating expenses	(59,300)	(60,841)	(215,455)	(213,065)
Other income	1,079	2,446	3,671	3,332
Operating profit	7,739	4,648	31,035	29,315
Interest expense	(2,924)	(2,464)	(10,618)	(11,614)
Interest income	44	76	295	261
Share of results of associates	282	390	1,444	946
Profit before tax	5,141	2,650	22,156	18,908
Tax expense	(3,332)	(2,902)	(8,531)	(7,350)
Profit/(Loss) for the period/year	1,809	(252)	13,625	11,558
Profit attributable to:				
Owners of the parent	1,634	(1,648)	11,892	8,665
Non-controlling interests	175	1,396	1,733	2,893
Profit/(Loss) for the period/year	1,809	(252)	13,625	11,558
Earnings per share (“EPS”) attributable to owners of the parent (sen):				
Basic EPS	1.30	(1.53)	9.50	7.11
Diluted EPS	N/A	N/A	N/A	N/A

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2017****CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2017 (UNAUDITED)**

	Current quarter 3 months ended 31 December		Cumulative quarter 12 months ended 31 December	
	2017 RM '000	2016 RM '000	2017 RM '000	2016 RM '000
Profit/(Loss) for the period/year	1,809	(252)	13,625	11,558
Other comprehensive income/(expenses), net of tax:				
Currency translation differences arising from consolidation	(4,829)	5,627	(9,538)	5,181
Fair value movements on available for sale investments	(312)	(678)	(478)	(837)
Total comprehensive income/(loss) for the period/year	(3,332)	4,687	3,609	15,902
Total comprehensive income/(loss) attributable to:				
Owners of the parent	(3,507)	3,301	1,876	13,009
Non-controlling interests	175	1,396	1,733	2,893
	(3,332)	4,687	3,609	15,902

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.



INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2017

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR TWELVE MONTHS ENDED 31 DECEMBER 2017 (UNAUDITED)**

	Cumulative quarter 12 months ended 31 December	
	2017	2016
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax		
Adjustments for:		
Non-cash items and non-operating items	22,156	18,908
Operating profit before working capital changes	9,562	23,85
Inventories	31,718	42,760
Receivables	4,626	(9,110)
Payables	3,642	14,340
Cash generated from operating activities	(6,507)	(6,715)
Interest paid	33,479	41,275
Net of tax paid	(10,618)	(11,614)
Net cash from operating activities	16,261	21,404
CASH FLOWS FROM INVESTING ACTIVITIES		
Additional of intangible assets	-	(77)
Additional investment in subsidiaries	(84)	(2,068)
Dividend received	287	194
Interest received	295	261
Net of purchase and disposal of investment securities	1,624	(2,241)
Net of purchase and disposal of property, plant and equipment	(7,545)	(6,282)
Net cash used in investing activities	(5,423)	(10,213)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(4,222)	(5,021)
Net of repurchase and disposal of treasury shares	(1,682)	(1,166)
Net changes in bank borrowings	(4,967)	(8,859)
Net cash used in financing activities	(10,871)	(15,046)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(33)	(3,855)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	26,359	26,022
Effect of foreign exchange rates changes	914	4,192
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	27,240	26,359
CASH AND CASH EQUIVALENTS COMPRISED THE FOLLOWING:		
Cash and bank balances	33,043	30,695
Overdrafts	(5,803)	(4,336)
	27,240	26,359

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.



INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2017

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR TWELVE MONTHS ENDED 31 DECEMBER 2017 (UNAUDITED)

	----- Non-Distributable -----						----- Distributable -----					Total equity
	----- Attributable to owners of the parent -----						Exchange fluctuation reserve	Fair value reserve	Retained earnings	Total	Non-controlling interests	
(RM'000)	Share capital	Share premium	Treasury shares	ICULS equity	Warrant reserve	Capital reserve						
Balance as at 1 January 2016	64,281	12,852	(8,960)	26,491	20,946	(20,054)	10,404	368	132,178	238,506	26,928	265,434
Purchase of treasury shares	-	-	(2,268)	-	-	-	-	-	-	(2,268)	-	(2,268)
Resold of treasury shares	-	271	832	-	-	-	-	-	-	1,103	-	1,103
Conversion of ICULS	745	745	-	(1,490)	-	-	-	-	-	-	-	-
Transfer from ICULS liability	-	-	-	1,239	-	-	-	-	-	1,239	-	1,239
Changes in equity	-	-	-	-	-	-	-	-	(2,081)	(2,081)	(59)	(2,140)
Dividend paid	-	-	5,599	-	-	-	-	-	(9,772)	(4,173)	(848)	(5,021)
Total comprehensive income for the year	-	-	-	-	-	-	5,180	(837)	8,665	13,008	2,893	15,901
Balance as at 31 December 2016	65,026	13,868	(4,797)	26,240	20,946	(20,054)	15,584	(469)	128,990	245,334	28,914	274,248
Balance as at 1 January 2017	65,026	13,868	(4,797)	26,240	20,946	(20,054)	15,584	(469)	128,990	245,334	28,914	274,248
Purchase of treasury shares	-	-	(3,418)	-	-	-	-	-	-	(3,418)	-	(3,418)
Resold of treasury shares	-	-	1,736	-	-	-	-	-	248	1,984	-	1,984
Conversion of ICULS	1,145	-	-	(1,145)	-	-	-	-	-	-	-	-
Transfer from ICULS liability	-	-	-	1,239	-	-	-	-	-	1,239	-	1,239
Dividend paid	-	-	-	-	-	-	-	-	(3,782)	(3,782)	(440)	(4,222)
Changes in equity	-	-	-	-	-	-	-	-	-	-	84	84
Total comprehensive income for the year	-	-	-	-	-	-	(9,538)	(478)	11,892	1,876	1,733	3,609
Balance as at 31 December 2017	66,171	13,868	(6,479)	26,334	20,946	(20,054)	6,046	(947)	137,348	243,233	30,291	273,524

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2017
**NOTES TO THE INTERIM FINANCIAL REPORT
- SELECTED EXPLANATORY NOTES UNDER MALAYSIAN FINANCIAL REPORTING STANDARD
("MFRS") 134 – INTERIM FINANCIAL REPORTING**
A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in compliance with MFRS 134, Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2016. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2016.

A2 Significant Accounting Policies

The significant 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 December 2016 save for the following new MFRSs and amendments to MFRSs.

MFRS	Description	Effective dates for financial periods beginning on or after
Amendment to MFRS 107	Disclosure Initiative	1 January 2017
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Annual Improvements to MFRSs 2014 – 2016 Cycle:		
•	Amendments to MFRS 12	1 January 2017
•	Amendments to MFRS 1	1 January 2017
•	Amendments to MFRS128	1 January 2017
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
Amendments to MFRS 2	Classification and measurement of Share-based payment Transactions	1 January 2018
Amendments to MFRS 15	Clarifications to MFRS 15	1 January 2018
Amendments to MFRS 140	Transfers of Investment Property	1 January 2018
Amendments to MFRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018*
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
MFRS 16	Leases	1 January 2019
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

* Entities that meet the specific criteria in MFRS 4, paragraph 20B, may choose to defer the application of MFRS 9 until that earlier of the application of the forthcoming insurance contracts standard or annual periods beginning before 1 January 2021.

The Group and the Company intend to adopt the above MFRSs when they become effective.

The adoption of the above standards and interpretations do not have material impact to the financial statements of the Group upon their initial application.



INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2017

A3 Seasonal or cyclical factors

The Group performance is not materially affected by seasonal or cyclical factors.

A4 Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter and financial year-to-date.

A5 Changes in estimates

There were no changes in estimates that have material effect in the current quarter and financial year-to-date results.

A6 Debt and equity securities

There were no issuances and repayments of debt and equity securities during financial year ended 31 December 2017 save for shares buy back, resold of own shares and conversion of ICULS to ordinary share.

At the Annual General Meeting held on 24 May 2017, the Company's shareholders approved the renewal of authority to repurchase its own shares. During the financial year ended 31 December 2017, the Company repurchased of 3,477,500 own shares and resold of 1,967,100 own shares. The details of resold shares are as follows:-

	RM'000
Disposal value	1,984
Cost of shares	<u>(1,736)</u>
Gain on disposal	<u>248</u>

As at 31 December 2017, a total of 6,385,810 treasury shares, representing 4.87% of the issued and paid up share capital of the Company are being held as treasury shares and carried at cost at RM6.479 million.

During the financial year ended 31 December 2017, 1,145,300 ICULS were converted by the registered ICULS holders to 1,145,300 new ordinary shares.

A7 Dividend paid

A first and final single tier dividend of 3.0 sen per share amounted RM3.782 million in respect of the financial year ended 31 December 2016 was paid on 13 July 2017.

A8 Material post balance sheet events

There was no material events subsequent to the end of the financial year ended 31 December 2017 as at the date of this report save for on 04 January 2018, Unimech Capital Sdn. Bhd., a wholly owned subsidiary company of the Company had transferred its 100% owned equity interest in Bells Saga Sdn. Bhd. to M.E.T. Motion Holding Sdn. Bhd., a 51% owned subsidiary company of the Company at its original cost of investment.



INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2017

A9 Changes in the composition of the Group

There were no changes in the composition of the Group during the financial year ended 31 December 2017 save for the following:-

- i. On 13 July 2017, Unimech Capital Sdn. Bhd., a wholly owned subsidiary company of the Company had incorporated a new subsidiary company in Malaysia namely Valtrox Sanitary Equipment Sdn. Bhd. under the Companies Act 2016.
- ii. On 9 August 2017, Unimech Worldwide (Shanghai) Sdn. Bhd., a wholly owned subsidiary of the Company had subscribed 61 shares which representing 61.0% equity interest in Super Scene Limited for a cash consideration of HKD61.00 only.
- iii. On 10 August 2017, Unimech Capital Sdn. Bhd., a wholly owned subsidiary of the Company had acquired 100,200 ordinary shares representing 50.1% of the paid-up share capital of Huemech Industries Sdn. Bhd. from Mr. Lim Ka Waat, for a cash consideration of RM83,867 only.
- iv. On 17 October 2017, Unimech Capital Sdn. Bhd., a wholly owned subsidiary of the Company had acquired 40,000 ordinary shares with a total cash consideration of RM120,000 which representing 40% of the total issued and paid-up capital of United Intertrade Sdn. Bhd. from Cik Aminah Binti Mohd Tahir.

A10 Changes in contingent liabilities or contingent assets

There were no material changes in the contingent liabilities for the Group since the last financial year ended 31 December 2016.

A11 Capital commitments

There were no material capital commitments as at 31 December 2017.

A12 Related party transactions

There were no related party transactions for the year ended 31 December 2017.

INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2017
NOTES TO THE INTERIM FINANCIAL REPORT
- ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS
B1 Financial review for current quarter and financial year to date

	Individual Period			Cumulative Period		
	Current Year Quarter 31 Dec 17 RM'000	Preceding Year Corresponding Quarter 31 Dec 16 RM'000	Changes RM'000 / %	Current Year to Date 31 Dec 17 RM'000	Preceding Year Corresponding Period 31 Dec 16 RM'000	Changes RM'000 / %
Revenue	65,960	63,043	2,917 / 4.6%	242,819	239,048	3,771 / 1.6%
Profit before tax	5,141	2,650	2,491 / 94%	22,156	18,908	3,248 / 17.2%

Current quarter

The Group reported revenue of RM65.960 million for the current quarter ended 31 December 2017 as compared to the preceding year corresponding quarter ended 31 December 2016 of RM63.043 million representing 4.6% increase.

The Group recorded a profit before tax of RM5.141 million for the current quarter which was RM2.491 million or 94% higher as compared to the preceding year corresponding quarter of RM2.650 million. The higher profit before tax reported in current quarter was due mainly to impairment losses on receivables and inventories written down in the preceding year corresponding quarter.

Financial year-to-date

The Group reported revenue of RM242.819 million for the financial year ended 31 December 2017, representing an increase of 1.6% as compared to the previous financial year ended 31 December 2016 of RM239.048 million. The increase in revenue was mainly due to the increase in demand of valves, instruments, fittings and related products particularly in Malaysia Market.

In tandem with the increase in revenue, the profit before tax for the financial year ended 31 December 2017 improved by 17.2% to RM22.156 million as compared to last financial year ended 31 December 2016 of RM18.908 million.

B2 Financial review for current quarter compared with immediate preceding quarter

	Current Quarter 31 December 17 RM'000	Immediate Preceding Quarter 30 September 17 RM'000	Changes RM'000 / %
Revenue	65,960	60,027	5,933 / 9.9%
Profit before tax	5,141	4,985	156 / 3.1%

The revenue for the current quarter ended 31 December 2017 increased by 9.9% as compared to preceding quarter. The better quarter-on-quarter sales growth was due mainly to higher demand in valves, instruments, fittings and related products. The profit before tax improved by 3.1% which was contributed by better revenue in current quarter.

INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2017
B3 Overall review of group's financial performance

No material change of the major components of the statement of profit and loss and other comprehensive income, statement of financial position as well as statement of cash flow reported by the Group for the year ended 31 December 2017 compared to preceding year corresponding year ended 31 December 2016.

B4 Segment information
By business segment as at 31 December 2017

	Valves, instruments and fittings RM'000	Electronic RM'000	Pumps RM'000	All others RM'000	Elimination RM'000	Total RM'000
Revenue from external customers	188,704	14,152	24,871	21,092	-	248,819
Inter-segment revenue	39,395	5,411	3,941	82	(48,829)	-
Total revenue	228,099	19,563	28,812	21,174	(48,829)	248,819
Segment results	30,946	(1,589)	1,792	386	(500)	31,035
Interest expense						(10,618)
Interest income						295
Share of results of associates						1,444
Profit before tax						22,156
Tax expense						(8,531)
Profit after tax						13,625
Non-controlling interests						(1,733)
Profit attributable to owners of the parent for financial year ended 31 December 2017						<u>11,892</u>
Segment assets	426,491	18,479	23,191	194,268	(224,214)	438,215
Segment liabilities	184,672	24,948	11,094	81,644	(137,666)	164,692

By business segment as at 31 December 2016

	Valves, instruments and fittings RM'000	Electronic RM'000	Pumps RM'000	All others RM'000	Elimination RM'000	Total RM'000
Revenue from external customers	180,250	11,164	26,427	21,207	-	239,048
Inter-segment revenue	51,966	962	3,014	7,668	(63,610)	-
Total revenue	232,216	12,126	29,441	28,875	(63,610)	239,048
Segment results	31,020	657	2,354	(122)	(4,594)	29,315
Interest expense						(11,614)
Interest income						261
Share of results of associates						946
Profit before tax						18,908
Tax expense						(7,350)
Profit after tax						11,558
Non-controlling interests						(2,893)
Profit attributable to owners of the parent for financial year ended 31 December 2016						<u>8,665</u>
Segment assets	426,237	23,247	23,830	190,481	(213,229)	450,566
Segment liabilities	204,493	26,070	12,348	81,426	(148,019)	176,318

INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2017
B5 Commentary on prospects for 2018

The year 2018 will likely remain challenging as there is remain uncertainty which is the greatest threat to the world economy at the present with escalation of costs due to inflation, volatility of global steel price and fluctuation of exchange rates. Although the global economic conditions are challenging, it is still expected to continue growing, albeit at a moderate pace. Barring a drastic change in the global economic conditions, the Group's core business is not expected to be significantly affected. The Group will remain focus and continue with its competitive strategies to strengthen and grow further on its own brands to enhance its market positioning and concentrate on improving its operations efficiency to further enhance its competitiveness.

Taking into consideration the abovementioned factors and subject to the global economic conditions, the Board of Directors is cautiously optimistic that the Group will report a satisfactory performance and growth for the financial year ending 31 December 2018.

B6 Profit forecast

Not applicable as no profit forecast was published.

B7 Income tax expense

	Current quarter 3 months ended 31-Dec-17 RM'000	Cumulative quarters 12 months ended 31-Dec-17 RM'000
Current period provision	3,264	8,215
Deferred tax	68	316
	3,332	8,531

The effective tax rate for the current quarter and the cumulative quarter are higher than the statutory tax rate were due principally to losses of certain subsidiary companies cannot be used to offset against profit of other companies in the Group.

B8 Status of corporate proposals and status of utilisation of proceeds raised

There was no corporate proposal being carried out during the year under review.

INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2017
B9 Group borrowings and debt securities
Total borrowings as at 31 December 2017

	Long term		Short term		Total borrowings	
	Foreign Currencies '000	Ringgit Malaysia '000	Foreign Currencies '000	Ringgit Malaysia '000	Foreign Currencies '000	Ringgit Malaysia '000
Secured						
<i>Ringgit Malaysia @ 1.000</i>						
Bank overdrafts	-	-	-	5,803	-	5,803
Hire purchases	-	2,535	-	1,918	-	4,453
Revolving credits	-	-	-	39,084	-	39,084
Term loans	-	10,764	-	1,152	-	11,916
Trade lines	-	-	-	12,991	-	12,991
	-	13,299	-	60,948	-	74,247
<i>Singapore Dollar @ 3.0293</i>						
Hire purchases	60	180	16	49	76	229
Term loans	-	-	21	63	21	63
	60	180	37	112	97	292
<i>Indonesia Rupiah @ 0.000321</i>						
Hire purchases	-	-	153,898	46	153,898	46
Term loans	6,503,800	1,938	678,217	202	7,182,017	2,140
Trade lines	-	-	108,360,912	32,291	108,360,912	32,291
	6,503,800	1,938	109,193,027	32,539	115,696,827	34,477
Total secured		15,417		93,599		109,016
Unsecured						
<i>Indonesia Rupiah @ 0.000321</i>						
Revolving credits	-	-	15,006,202	4,472	15,006,202	4,472
<i>Thai Baht @ 0.124156</i>						
Trade lines	-	-	19,521	2,424	19,521	2,424
Total unsecured		-		6,896		6,896
Total borrowings		15,417		100,495		115,912

INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2017
Total borrowings as at 31 December 2016

	Long term		Short term		Total borrowings	
	Foreign Currencies '000	Ringgit Malaysia '000	Foreign Currencies '000	Ringgit Malaysia '000	Foreign Currencies '000	Ringgit Malaysia '000
Secured						
<i>Ringgit Malaysia @ 1.000</i>						
Bank overdrafts	-	-	-	4,336	-	4,336
Hire purchases	-	2,806	-	1,710	-	4,516
Revolving credits	-	-	-	32,613	-	32,613
Term loans	-	10,851	-	622	-	11,472
Trade lines	-	-	-	20,331	-	20,331
	-	13,657	-	59,612	-	73,268
<i>Singapore Dollar @ 3.1006</i>						
Hire purchases	76	235	13	42	89	277
Term loans	26	80	116	361	142	441
	102	315	129	403	231	718
<i>Indonesia Rupiah @ 0.000333</i>						
Hire purchases	203,253	67	233,377	78	436,630	145
Term loans	10,751,890	3,580	3,588,009	1,195	14,339,899	4,775
Trade lines	-	-	102,499,997	34,132	102,499,997	34,132
	10,955,143	3,647	106,321,383	35,405	117,276,526	39,052
<i>Chinese Renminbi @ 0.6457</i>						
Hire purchases	-	-	281	181	281	181
Total secured		17,619		95,601		113,219
Unsecured						
<i>Indonesia Rupiah @ 0.000333</i>						
Revolving credits	-	-	14,266,526	4,751	14,266,526	4,751
<i>Thai Baht @ 0.1252</i>						
Trade lines	-	-	23,520	2,945	23,520	2,945
Total unsecured		-		7,696		7,696
Total borrowings		17,619		103,297		120,915

B10 Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk as at the date of this report.

B11 Changes in material litigation

The Group is not engaged in any material litigation as at the date of this report.

B12 Dividend

The Board of Directors proposed a first and final single tier dividend of 3.0 sen per share in respect of the financial year ended 31 December 2017. The proposed dividend payment is amounting to RM3.744 million based on the issued and paid-up capital as at 31 December 2017 of 124,810,624 ordinary shares of RM0.50 each (excluding treasury shares held by the Company). The proposed dividend is subject to the shareholders' approval at the forthcoming Annual General Meeting.

INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2017
B13 Earnings per share (“EPS”)
Basic EPS

The basic EPS had been calculated by dividing the Group’s profit for the year attributable to owner of the parent by the weighted average number of shares in issue.

	Current quarter 3 months ended 31-Dec-17	Cumulative quarters 12 months ended 31-Dec-17
Profit for the period/year (RM’000)	1,809	13,625
Profit attributable to non-controlling interests (RM’000)	(175)	(1,733)
Profit attributable to owners of the parent (RM’000)	<u>1,634</u>	<u>11,892</u>
Weighted average number of ordinary shares in issue (’000)	<u>125,272</u>	<u>125,186</u>
Basic EPS (sen)	2.49	9.50

Diluted EPS

The diluted EPS is not calculated due to anti-dilutive effect as exercise price of the Warrants was higher than the market price of the ordinary shares as at 31 December 2017.

B14 Auditors’ report on preceding annual financial statements

The auditors’ report of the annual financial statements for the financial year ended 31 December 2016 was not subject to any qualification.

B15 Notes to Condensed Consolidated Income Statements on Other Income/Expenses

	Current quarter 3 months ended 31-Dec-17 RM’000	Cumulative quarter 12 months ended 31-Dec-17 RM’000
Profit before tax is arrived at after charging/(crediting):-		
(Write back)/Allowance for diminution in investment securities	(65)	49
Allowance for impairment of inventories	1,000	2,852
Bad debts recovered	(620)	(648)
Depreciation & amortization	1,801	7,305
Dividend income	(105)	(287)
Loss/(Gain) on disposal of investment securities	59	(403)
Gain on disposal of property, plant & equipment	(113)	(374)
(Gain)/Loss on foreign exchange – realised	(136)	123
Interest expense	2,924	10,618
Interest income	(44)	(295)
Property, plant and equipment written off	30	41
Rental income	<u>(53)</u>	<u>(335)</u>

INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2017
B16 Foreign Exchange Exposure

The Group incurs foreign currency risk on transactions that are denominated in foreign currencies. The currencies giving rise to this risk are primarily the United States Dollar, Chinese Renmimbi, and Euro. The Group has not entered into any derivative instruments for hedging or trading purposes as the net exposure to foreign currency risk is not significant. Where possible, the Group will apply nature hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by the Management.

B17 Trade Receivables

- i. Trade receivables are non-interest bearing and are generally on 30 days to 90 days term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.
- ii. Analysis of the trade receivables ageing is as follow:

	As at 31-Dec-17 (Unaudited) RM'000	As at 31-Dec-16 (Audited) RM'000
Neither past due nor impaired	35,288	39,678
<u>Pass due but not impaired</u>		
Less than 30 days	14,977	16,841
31 days to 60 days	10,409	11,704
More than 61 days	10,112	11,370
	<u>35,498</u>	<u>39,915</u>
	70,786	79,593
Impaired	4,605	4,605
	<u>75,391</u>	<u>84,198</u>

As at 31 December 2017, trade receivables of RM35.498 million were past due but not impaired. These related to a number of independent customers from whom there is no recent history of default. The management is in an opinion that all the trade receivables are collectible. Thus, no further impairment is required.

- iii. No material provision and write-off of trade receivables during the financial year ended 31 December 2017.

B18 Impairment of Assets

No material impairment of assets recognised as a loss in the statement of profit and loss and other comprehensive income for the financial year ended 31 December 2017.



INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2017

B19 Breakdown of Realised and Unrealised Profits/Losses

	As at 31-Dec-17 (Unaudited) RM'000	As at 31-Dec-16 (Audited) RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries:		
- Realised	183,601	174,547
- Unrealised	(14,388)	(13,712)
Total share of retained profits from associate companies:		
- Realised	7,708	6,264
- Unrealised	-	-
	<hr/>	<hr/>
	176,921	167,099
Less: Consolidation Adjustments	(39,573)	(38,109)
Total group retained profits as per consolidated accounts	<hr/> <hr/>	<hr/> <hr/>
	137,348	128,990

By order of the Board

Dato' Lim Cheah Chooi
Chief Executive Director

Dated this 27th February 2018