


INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2018
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2018**

	As at 31-Mar-18 (Unaudited) RM'000	As at 31-Dec-17 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	105,843	109,499
Investment properties	311	312
Investment in associates	15,363	14,893
Investment securities	6,289	6,179
Intangible assets	4,072	4,047
Deferred tax assets	1,027	1,153
	<u>132,905</u>	<u>136,083</u>
Current assets		
Inventories	167,004	169,727
Trade and other receivables	104,814	105,510
Tax recoverable	847	1,728
Cash and bank balances	33,429	34,045
	<u>306,094</u>	<u>311,010</u>
TOTAL ASSETS	<u>438,999</u>	<u>447,093</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	80,936	80,287
Treasury shares	(7,636)	(6,479)
Irredeemable Convertible Unsecured Loan Stock ("ICULS") equity	26,304	26,333
Reserves	831	5,757
Retained earnings	140,848	136,879
Equity attributable to owners of the parent	<u>241,283</u>	<u>242,777</u>
Non-controlling interests	<u>30,686</u>	<u>29,585</u>
Total equity	<u>271,969</u>	<u>272,362</u>
Liabilities		
Non-Current Liabilities		
Bank borrowings	13,917	16,036
Deferred tax liabilities	783	674
	<u>14,700</u>	<u>16,710</u>
Current liabilities		
Trade and other payables	47,728	52,968
Bank borrowings	101,110	102,142
ICULS liabilities	774	1,548
Tax payable	2,718	1,363
	<u>152,330</u>	<u>158,021</u>
Total liabilities	<u>167,030</u>	<u>174,731</u>
TOTAL EQUITY AND LIABILITIES	<u>438,999</u>	<u>447,093</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.



INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2018

**CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THREE MONTHS ENDED 31 MARCH 2018 (UNAUDITED)**

	Current quarter 3 months ended 31 March		Cumulative quarter 3 months ended 31 March	
	2018 RM '000	2017 RM '000	2018 RM '000	2017 RM '000
Revenue	67,935	56,963	67,935	56,963
Operating expenses	(58,758)	(49,778)	(58,758)	(49,778)
Other income	444	1,074	444	1,074
Operating profit	9,621	8,259	9,621	8,259
Interest expense	(2,052)	(2,476)	(2,052)	(2,476)
Interest income	66	87	66	87
Share of results of associates	470	86	470	86
Profit before tax	8,105	5,956	8,105	5,956
Taxation	(3,035)	(2,257)	(3,035)	(2,257)
Profit for the period	5,070	3,699	5,070	3,699
Profit attributable to:				
Owners of the parent	3,969	3,033	3,969	3,033
Non-controlling interests	1,101	666	1,101	666
Profit for the period	5,070	3,699	5,070	3,699
Earnings per share (“EPS”) attributable to owners of the parent (sen):				
Basic EPS	3.19	2.44	3.19	2.44
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 2017 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2018****CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2018 (UNAUDITED)**

	Current quarter 3 months ended 31 March		Cumulative quarter 3 months ended 31 March	
	2018 RM '000	2017 RM '000	2018 RM '000	2017 RM '000
Profit for the period	5,070	3,699	5,070	3,699
Other comprehensive income/(expenses), net of tax:				
Currency translation differences arising from consolidation	(4,285)	172	(4,285)	172
Fair value movements on available for sale investments	(641)	(1,134)	(641)	(1,134)
Total comprehensive income for the period	144	2,737	144	2,737
Total comprehensive income attributable to:				
Owners of the parent	(957)	2,071	(957)	2,071
Non-controlling interests	1,101	666	1,101	666
	144	2,737	144	2,737

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2018****CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THREE MONTHS ENDED 31 MARCH 2018 (UNAUDITED)**

	Cumulative quarter 3 months ended 31 March	
	2018 RM'000	2017 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	8,105	5,956
Adjustments for:		
Non-cash items and non-operating items	187	4,081
Operating profit before working capital changes	8,292	10,037
Inventories	2,723	2,028
Receivables	696	2,916
Payables	(5,240)	(6,528)
Cash generated from operating activities	6,471	8,453
Interest paid	(2,052)	(2,476)
Net of tax paid	(712)	(2,253)
Net cash from operating activities	3,707	3,724
CASH FLOWS FROM INVESTING ACTIVITIES		
Additional of intangible assets	25	-
Dividend received	8	77
Interest received	66	87
Net of purchase and disposal of investment securities	(636)	1,916
Net of purchase and disposal of property, plant and equipment	(895)	(511)
Net cash (used in)/from investing activities	(1,432)	1,569
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	-	(15)
Net of repurchase and disposal of treasury shares	(1,157)	(1,049)
Net changes in bank borrowings	(3,151)	(2,944)
Net cash used in financing activities	(4,308)	(4,008)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(2,033)	1,285
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	25,793	26,039
Effect of foreign exchange rates changes	2,386	2,860
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	26,146	30,184
CASH AND CASH EQUIVALENTS COMPRISED THE FOLLOWING:		
Cash and bank balances	33,429	33,584
Overdrafts	(7,283)	(3,400)
	26,146	30,184

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.



INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2018

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THREE MONTHS ENDED 31 MARCH 2018 (UNAUDITED)

(RM'000)	----- Non-Distributable -----							----- Distributable -----				
	----- Attributable to owners of the parent -----											
	Share capital	Share premium	Treasury shares	ICULS equity	Warrant reserve	Capital reserve	Currencies translation reserve	Fair value reserve	Retained earnings	Total	Non-controlling interests	Total equity
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	-	-	(1,049)	-	-	-	-	-	-	(1,049)	-	(1,049)
Conversion of ICULS	7	7	-	(14)	-	-	-	-	-	-	-	-
Transfer from ICULS liabilities	-	-	-	619	-	-	-	-	-	619	-	619
Dividend paid	-	-	-	-	-	-	-	-	-	-	(15)	(15)
Total comprehensive income for the period	-	-	-	-	-	-	172	(1,134)	3,033	2,071	666	2,737
Balance as at 31 March 2017	65,033	13,875	(5,846)	26,845	20,946	(20,054)	15,756	(1,603)	132,023	246,975	29,565	276,540
Balance as at 1 January 2018	80,287	-	(6,479)	26,333	20,946	(20,054)	6,998	(2,133)	136,879	242,777	29,585	272,362
Purchase of treasury shares	-	-	(1,157)	-	-	-	-	-	-	(1,157)	-	(1,157)
Conversion of ICULS	649	-	-	(649)	-	-	-	-	-	-	-	-
Transfer from ICULS liabilities	-	-	-	620	-	-	-	-	-	620	-	620
Total comprehensive income for the period	-	-	-	-	-	-	(4,285)	(641)	3,969	(957)	1,101	144
Balance as at 31 March 2018	80,936	-	(7,636)	26,304	20,946	(20,054)	2,713	(2,774)	140,848	241,283	30,686	271,969

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2018
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 2017. 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 2017.

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 2017 save for the following new MFRSs and amendments to MFRSs.

Description		Effective dates for financial periods beginning on or after
Annual Improvements to MFRSs 2014 – 2016 Cycle:		
	• Amendments to MFRS 1	1 January 2018
	• Amendments to MFRS128	1 January 2018
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
IC Interpretation 23	Uncertainty over Income Tax Treatments	1 January 2019
Amendments to MFRS 9	Prepayments Features with Negative Compensation	1 January 2019
Amendments to MFRS 128	Long-term interests in Associates and Joint Ventures	1 January 2019
Amendments to MFRS 119	Plan Amendments, Curtailment or Settlement	1 January 2019
Annual Improvements to MFRSs 2015 – 2017 Cycle:		
	• Amendments to MFRS 3	1 January 2019
	• Amendments to MFRS11	1 January 2019
	• Amendments to MFRS 112	1 January 2019
	• Amendments to MFRS 123	1 January 2019

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2018

	Descriptions	Effective dates for financial periods beginning on or after
MFRS 17	Insurance Contracts	1 January 2021
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.

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 period-to-date.

A5 Changes in estimates

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

A6 Debt and equity securities

There were no issuances and repayments of debt and equity securities during financial period ended 31 March 2018 save for shares buy back and conversion of ICULS to ordinary share.

At the Annual General Meeting held on 31 May 2018, the Company's shareholders approved the renewal of authority to repurchase its own shares. During the financial year period 31 March 2018, the Company repurchased 1,136,200 of its own shares.

As at 31 March 2018, a total of 7,522,010 treasury shares, representing 5.71% of the issued and paid up share capital of the Company are being held as treasury shares and carried at cost at RM7.636 million.

During the financial year period 31 March 2018, 649,250 ICULS were converted by the registered ICULS holders to 649,250 new ordinary shares.

A7 Dividend paid

No dividend had been paid under the financial period under review.



INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2018

A8 Material post balance sheet events

There was no material events subsequent to the end of the financial period ended 31 March 2018 as at the date of this report.

A9 Changes in the composition of the Group

There were no changes in the composition of the Group during the financial period ended 31 March 2018 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.

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 2017.

A11 Capital commitments

	31-Mar-18
	RM'000
Authorised and not contracted for:	
Property, plant and equipment	5,481

A12 Related party transactions

There were no related party transactions for the period ended 31 March 2018.

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2018
NOTES TO THE INTERIM FINANCIAL REPORT
- ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS
B1 Financial review for current quarter and financial period-to-date

	Individual Period			Cumulative Period		
	Current Period Quarter 31 Mar 18 RM'000	Preceding Year Corresponding Quarter 31 Mar 17 RM'000	Changes RM'000 / %	Current Period to Date 31 Mar 18 RM'000	Preceding Year Corresponding Period 31 Mar 17 RM'000	Changes RM'000 / %
Revenue	67,935	56,963	10,972 / 19.3%	67,935	56,963	10,972 / 19.3%
Profit before tax	8,105	5,956	2,149 / 36.1%	8,105	5,956	2,149 / 36.1%

Current quarter and financial period-to-date

For the first quarter ended 31 March 2018, the Group recorded revenue of RM67.935 million, representing an increase of 19.3% over prior year corresponding quarter's revenue of RM56.963 million. The increase of the revenue was due principally to the increase in demand in the core business particularly in Malaysia and Indonesia markets. The increase in revenue correspondingly increase the profit before tax by 36.1% to RM8.105 million from RM5.956 million reported in prior year corresponding quarter.

B2 Financial review for current quarter compared with immediate preceding quarter

	Current Quarter 31 March 18 RM'000	Immediate Preceding Quarter 31 December 17 RM'000	Changes RM'000 / %
Revenue	67,935	70,488	(2,553) / (3.6%)
Profit before tax	8,105	4,010	4,095 / 102.1%

The revenue for the current quarter ended 31 March 2018 decreased by 3.6% as compared to preceding quarter. The lower revenue was due mainly to lower demand in valves, instruments, fittings and related products in the current quarter. However, the profit before tax improved by RM4.095 million representing 102.1% improvement even though decrease in revenue was due mainly to impairment of assets in the preceding quarter.

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 period ended 31 March 2018 compared to preceding year corresponding period ended 31 March 2017.

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2018
B4 Segment information

By business segment as at 31 March 2018

	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	52,503	3,964	6,975	4,493	-	67,935
Inter-segment revenue	15,928	1,671	1,184	26	(18,809)	-
Total revenue	68,431	5,635	8,159	4,519	(18,809)	67,935
Segment results	9,848	91	418	14	(750)	9,621
Interest expense						(2,052)
Interest income						66
Share of results of associates						470
Profit before tax						8,105
Tax expense						(3,035)
Profit after tax						5,070
Non-controlling interests						(1,101)
Profit attributable to owners of the parent for financial period ended 31 March 2018						<u>3,969</u>
Segment assets	431,170	17,769	23,511	185,985	(219,436)	438,999
Segment liabilities	189,352	24,073	11,056	80,808	(138,259)	167,030

By business segment as at 31 March 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	42,203	3,376	5,740	5,644	-	56,963
Inter-segment revenue	9,241	1,488	727	24	(11,480)	-
Total revenue	51,444	4,864	6,467	5,668	(11,480)	56,963
Segment results	7,521	(408)	622	514	(850)	7,399
Interest expense						(2,476)
Interest income						87
Share of results of associates						946
Profit before tax						5,956
Tax expense						(2,257)
Profit after tax						3,699
Non-controlling interests						(666)
Profit attributable to owners of the parent for financial year ended 31 March 2017						<u>3,033</u>
Segment assets	417,340	20,108	22,868	196,575	(215,596)	441,295
Segment liabilities	195,467	25,188	10,917	81,006	(147,823)	164,755

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2018
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-Mar-18 RM'000	Cumulative quarters 3 months ended 31-Mar-18 RM'000
Current period provision	3,016	3,016
Deferred tax	19	19
	3,035	3,035

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 period under review.

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2018
B9 Group borrowings and debt securities
Total borrowings as at 31 March 2018

	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	-	-	-	7,283	-	7,283
Hire purchases	-	2,426	-	1,718	-	4,144
Revolving credits	-	-	-	34,800	-	34,800
Term loans	-	10,565	-	1,153	-	11,718
Trade lines	-	-	-	15,919	-	15,919
	-	12,991	-	60,873	-	73,864
<i>Singapore Dollar @ 2.9494</i>						
Hire purchases	56	170	16	49	72	219
<i>Indonesia Rupiah @ 0.000281</i>						
Hire purchases	118,574	33	143,262	40	261,836	73
Term loans	2,574,756	723	4,648,976	1,306	7,223,732	2,029
Trade lines	-	-	103,750,000	29,154	103,750,000	29,154
	2,693,330	756	108,542,238	30,500	111,235,568	31,256
Total secured		13,917		91,422		105,339
Unsecured						
<i>Indonesia Rupiah @ 0.000321</i>						
Revolving credits	-	-	23,385,200	6,571	23,385,200	6,571
<i>Thai Baht @ 0.124156</i>						
Trade lines	-	-	25,166	3,117	25,166	3,117
Total unsecured		-		9,688		9,688
Total borrowings		13,917		101,110		115,027

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2018
Total borrowings as at 31 March 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	-	-	-	3,400	-	3,400
Hire purchases	-	2,031	-	2,301	-	4,332
Revolving credits	-	-	-	32,747	-	32,747
Term loans	-	10,183	-	1,070	-	11,253
Trade lines	-	-	-	20,687	-	20,687
	-	12,214	-	60,205	-	72,419
<i>Singapore Dollar @ 3.1643</i>						
Hire purchases	70	221	16	51	86	272
Term loans	79	249	79	249	158	498
	149	470	95	300	244	770
<i>Indonesia Rupiah @ 0.000332</i>						
Hire purchases	-	-	233,377	77	233,377	77
Term loans	7,207,094	2,393	279,407	93	7,487,501	2,486
Trade lines	-	-	111,664,303	37,073	111,664,303	37,073
	7,207,094	2,393	112,177,087	37,243	119,385,181	39,636
<i>Chinese Renminbi @ 0.6419</i>						
Hire purchases	-	-	184	118	184	118
Total secured		15,077		97,866		112,943
Unsecured						
<i>Indonesia Rupiah @ 0.000332</i>						
Revolving credits	-	-	8,648,553	2,871	8,648,553	2,871
<i>Thai Baht @ 0.128548</i>						
Trade lines	-	-	16,791	2,158	16,791	2,158
Total unsecured		-		5,029		5,029
Total borrowings		15,077		102,895		117,972

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 RM3.730 million based on the issued and paid-up capital as at 31 March 2018 of 124,323,675 ordinary shares of RM0.50 each (excluding treasury shares held by the Company). The proposed dividend was approved by the shareholders' at the Annual General Meeting held on 31 May 2018.

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2018
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-Mar-18	Cumulative quarters 3 months ended 31-Mar-18
Profit for the period (RM’000)	5,070	5,070
Profit attributable to non-controlling interests (RM’000)	(1,101)	(1,101)
Profit attributable to owners of the parent (RM’000)	<u>3,969</u>	<u>3,969</u>
Weighted average number of ordinary shares in issue (’000)	<u>124,499</u>	<u>124,499</u>
Basic EPS (sen)	3.19	3.19

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 March 2018.

B14 Auditors’ report on preceding annual financial statements

The auditors’ report of the annual financial statements for the financial year ended 31 December 2017 was not subject to any qualification.

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

	Current quarter 3 months ended 31-Mar-18 RM’000	Cumulative quarter 3 months ended 31-Mar-18 RM’000
Profit before tax is arrived at after charging/(crediting):-		
Write back of allowance for diminution in investment securities	(42)	(42)
Allowance for impairment of inventories	750	750
Depreciation & amortization	1,694	1,694
Dividend income	(8)	(8)
Gain on disposal of investment securities	(82)	(82)
Gain on disposal of property, plant & equipment	(40)	(40)
Loss on foreign exchange – realised	417	417
Interest expense	2,052	2,052
Interest income	(66)	(66)
Property, plant and equipment written off	40	40
Rental income	<u>(126)</u>	<u>(126)</u>



INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2018

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 120 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-Mar-18 (Unaudited) RM'000	As at 31-Dec-17 (Audited) RM'000
Neither past due nor impaired	37,859	37,777
<u>Pass due but not impaired</u>		
Less than 30 days	16,889	16,852
31 days to 60 days	12,142	12,116
More than 61 days	10,585	10,562
	39,616	39,530
	77,475	77,307
Impaired	3,965	3,965
	81,440	81,272

As at 31 March 2018, trade receivables of RM39.616 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 period ended 31 March 2018.

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 period ended 31 March 2018.

By order of the Board

Dato' Lim Cheah Chooi
Chief Executive Director

Dated this 31st May 2018