

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No. 389769-M)**  
(Incorporated in Malaysia)  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
For the quarter ended 31 December 2017  
(The figures have not been audited)

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 9 MONTHS ENDED	
	CURRENT YEAR QUARTER ENDED 31/12/2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31/12/2016 RM'000	CURRENT PERIOD TO-DATE 31/12/2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE 31/12/2016 RM'000
<b>Revenue</b>	75,061	67,800	215,087	191,185
Cost of sales	(60,006)	(52,571)	(170,665)	(150,993)
<b>Gross Profit</b>	15,055	15,229	44,422	40,192
Other operating income/(expense)	(1,290)	3,068	(2,624)	5,127
Selling & distribution costs	(7,733)	(6,009)	(20,411)	(16,030)
Administrative expenses	(4,396)	(4,507)	(11,577)	(10,822)
Finance costs	(227)	(179)	(532)	(360)
<b>Profit Before Tax</b>	1,409	7,602	9,278	18,107
Tax expense	1,923	(2,157)	1,652	(3,174)
<b>Profit net of tax, representing total comprehensive income for the period</b>	3,332	5,445	10,930	14,933
Total Comprehensive Income Attributable to :				
Owners of the parent	3,332	5,446	10,934	14,939
Non-controlling interest	-	(1)	(4)	(6)
	3,332	5,445	10,930	14,933
Earnings per share (Note B 15 )				
- Basic (Sen)	1.39	2.27	4.56	6.22
- Diluted	N/A	N/A	N/A	N/A

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31st March 2017 and the accompanying explanatory notes attached to the interim financial statements.

ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No. 389769-M)  
(Incorporated in Malaysia)  
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	31 December 2017 Unaudited RM'000	31 March 2017 Audited RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	143,522	132,539
Investment properties	5,118	2,984
Investment security	372	372
Land held for property development	962	962
Investment properties under construction	-	2,095
	<u>149,974</u>	<u>138,952</u>
<b>Current assets</b>		
Inventories	25,522	25,957
Trade and other receivables	60,392	49,135
Other current assets	1,582	6,513
Income tax recoverable	3,454	1,878
Cash and bank balances	12,424	18,997
	<u>103,374</u>	<u>102,480</u>
<b>TOTAL ASSETS</b>	<b><u>253,348</u></b>	<b><u>241,432</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	120,000	120,000
Retained earnings	65,822	62,088
	<u>185,822</u>	<u>182,088</u>
Non-controlling interest	-	648
<b>Total equity</b>	<u>185,822</u>	<u>182,736</u>
<b>Non-current liabilities</b>		
Loans and borrowings	14,021	10,493
Deferred tax liabilities	7,247	10,637
	<u>21,268</u>	<u>21,130</u>
<b>Current liabilities</b>		
Trade and other payables	33,154	30,997
Dividend payable	2,400	2,400
Income tax payable	179	291
Loans and borrowings	10,525	3,878
	<u>46,258</u>	<u>37,566</u>
<b>Total liabilities</b>	<u>67,526</u>	<u>58,696</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>253,348</u></b>	<b><u>241,432</u></b>
	-	-
Net assets per share attributable to owners of the Parent (RM) **	0.77	0.76

\*\* Net assets per share is calculated based on total assets (including intangibles) minus total liabilities divided by the total number of ordinary shares in issue as at 31st December 2017.

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31st March 2017 and the accompanying explanatory notes attached to the interim financial statements.

ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No. 389769-M)  
(Incorporated in Malaysia)  
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
For the quarter ended 31 December 2017  
(The figures have not been audited)

	Attributable to Owners of the Parent			Non-Controlling Interest	Total Equity
	Share Capital RM'000	Retained Earnings RM'000	Total RM'000	RM'000	RM'000
<b><u>9 months period ended 31 December 2017</u></b>					
Balance as at 1 April 2017	120,000	62,088	182,088	648	182,736
Total comprehensive income for the period	-	10,934	10,934	(4)	10,930
<b>Transactions with owners</b>					
Additional purchase of shares	-	-	-	(644)	(644)
Interim dividend for the year ended 31 March 2017	-	(2,400)	(2,400)	-	(2,400)
Interim dividend for the year ending 31 March 2018	-	(2,400)	(2,400)	-	(2,400)
Interim dividend for the year ending 31 March 2018	-	(2,400)	(2,400)	-	(2,400)
<b>Total transactions with owners</b>	<b>-</b>	<b>(7,200)</b>	<b>(7,200)</b>	<b>(644)</b>	<b>(7,844)</b>
<b>Balance as at 31 December 2017</b>	<b>120,000</b>	<b>65,822</b>	<b>185,822</b>	<b>-</b>	<b>185,822</b>
<b><u>9 months period ended 31 December 2016</u></b>					
Balance as at 1 April 2016	120,000	53,443	173,443	660	174,103
Total comprehensive income for the period	-	14,939	14,939	(6)	14,933
<b>Transactions with owners</b>					
Interim dividend for the year ended 31 March 2016	-	(2,400)	(2,400)	-	(2,400)
Interim dividend for the year ended 31 March 2017	-	(2,400)	(2,400)	-	(2,400)
Interim dividend for the year ended 31 March 2017	-	(2,400)	(2,400)	-	(2,400)
<b>Total transactions with owners</b>	<b>-</b>	<b>(7,200)</b>	<b>(7,200)</b>	<b>-</b>	<b>(7,200)</b>
<b>Balance as at 31 December 2016</b>	<b>120,000</b>	<b>61,182</b>	<b>181,182</b>	<b>654</b>	<b>181,836</b>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st March 2017 and the accompanying explanatory notes attached to the interim financial statements.

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No. 389769-M)**  
**(Incorporated in Malaysia)**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**For the quarter ended 31 December 2017**  
**(The figures have not been audited)**

	<b>CURRENT YEAR ENDED 31/12/2017 RM'000</b>	<b>PRECEDING YEAR ENDED 31/12/2016 RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Profit before tax	9,278	18,107
Adjustments for non cash items	9,479	3,676
	<u>18,757</u>	<u>21,783</u>
Changes in working capital	(12,057)	(15,114)
Net cash generated from operating activities	<u>6,700</u>	<u>6,669</u>
Interest income	71	226
Interest paid	(532)	(360)
Income taxes paid	(3,492)	(4,945)
Income taxes refunded	68	200
Net cash flows from operating activities	<u>2,815</u>	<u>1,790</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(9,405)	(21,545)
Advances to suppliers of property, plant & equipment	(6,463)	(4,610)
Investment properties	(119)	(524)
Proceeds from disposal of:		
- property, plant and equipment	123	22
Purchase considerations paid to non-controlling interest	(500)	-
Net cash used in investing activities	<u>(16,364)</u>	<u>(26,657)</u>
<b>FINANCING ACTIVITIES</b>		
Dividends paid on ordinary shares	(7,200)	(4,800)
Drawdown/(repayment) of loans and borrowings	10,175	5,550
Net cash from financing activities	<u>2,975</u>	<u>750</u>
<b>Net Change in Cash &amp; Cash Equivalents</b>	<u>(10,574)</u>	<u>(24,117)</u>
Effect of exchange rate changes on cash and cash equivalents	4,001	2,209
<b>Cash and Cash Equivalents at beginning of year</b>	18,996	42,176
<b>Cash and Cash Equivalents at end of period</b>	<u>12,423</u>	<u>20,268</u>
<b>Cash and cash equivalents at the end of the financial period comprise the following:</b>	<b>31/12/2017 RM'000</b>	<b>31/12/2016 RM'000</b>
Cash and bank balances	12,424	20,269
Investment in money market fund	(1)	(1)
	<u>12,423</u>	<u>20,268</u>

**Note : There is no non-cash movement in liabilities arising from financing activities for the period ended 31 December 2017.**

**The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31st March 2017 and the accompanying explanatory notes attached to the interim financial statements.**

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No.389769-M)**

(Incorporated in Malaysia)

***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31st DECEMBER 2017***

**A. INFORMATION REQUIRED BY MFRS 134**

**1. *Basis of Preparation***

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134, Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). These condensed consolidated interim financial statements also comply with IAS 34, Interim Financial Reporting issued by the International Accounting Standards Board ("IASB").

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 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 financial year ended 31 March 2017.

**2. *Changes in Accounting Policies***

The significant accounting policies and the methods adopted for the unaudited condensed financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 March 2017.

The adoption of the following MFRS and amendments to MFRS for financial periods beginning on or after 1 April 2017 do not have significant impact on the unaudited condensed consolidated financial statements upon their initial applications:

- 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 Cycle (Amendments to MFRS 12 Disclosure of Interests in Other Entities)

At the date of authorisation of the interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

- Amendments to MFRS 4 Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts
- Annual Improvements to MFRS Standards 2014-2016 Cycle (Amendments to MFRS 1 & 128)
- Amendments to MFRS 140 Transfer of Investment Property
- IC Interpretation 22 Foreign Currency Transactions and Advance Consideration
- Amendments to MFRS 2 Classification and Measurement of Share-based Payment Transactions
- MFRS 9 Financial Instruments
- MFRS 15 Revenue from Contracts with Customers
- Clarifications to MFRS 15 Revenue from Contracts with Customers
- MFRS 16 Leases
- Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- MFRS 17 Insurance Contracts
- IC Interpretation 23 Uncertainty over Income Tax Treatments
- Amendments to MFRS 128 Long-term Interests in Associates and Joint Ventures
- Amendments to MFRS 9 Prepayment Features with Negative Compensation
- Annual Improvements to MFRS Standards 2015-2017 Cycle (Amendments to MFRS 3, 11, 112 & 123)

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No.389769-M)**

(Incorporated in Malaysia)

***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31st DECEMBER 2017***

**3. Seasonal or Cyclical Factors**

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

**4. Exceptional / Extraordinary Items**

There were no exceptional / extraordinary items for the financial period under review.

**5. Changes in Estimates**

There were no changes to the estimates of amounts reported in prior financial years that may have a material effect in the current period.

**6. Debts and Equity Securities**

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities for the current financial quarter.

**7. Dividend Paid**

An interim single tier dividend of 1 sen per share, amounting to RM2,400,000 for the financial year ended 31 March 2017 was approved during the 70th Board of Directors Meeting held on 29 May 2017 and was paid on 6 July 2017.

An interim single tier dividend of 1 sen per share, amounting to RM2,400,000 for the financial year ending 31 March 2018 was approved during the 71st Board of Directors Meeting held on 24 August 2017 and was paid on 10 October 2017.

An interim single tier dividend of 1 sen per share, amounting to RM2,400,000 for the financial year ending 31 March 2018 was approved during the 72nd Board of Directors Meeting held on 22 November 2017 and was paid on 5 January 2018.

**8. Segment Information**

Management has determined the operating segments based on the reports used to make strategic decisions.

For management purposes, the Group is organised into business units based on their products and services, and has three reportable operating segments as follows:

- i. Manufacturing and marketing of snack food and confectioneries
- ii. Property development
- iii. Investment holding

As the activities of the Group are carried out in Malaysia, segmental reporting by geographical location is not presented.

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD** (Company No.389769-M)  
(Incorporated in Malaysia)  
**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31st DECEMBER 2017**

**8. Segment information (continued)**

31 December 2017	Manufacturing and marketing of snack food confectioneries RM'000	Property development RM'000	Investment holding RM'000	Adjustments and eliminations RM'000	Notes	Per condensed financial statements RM'000
<b>Revenue:</b>						
External customers	215,087	-	-	-		215,087
Inter-segment	-	-	8,438	(8,438)	A	-
Total revenue	215,087	-	8,438	(8,438)		215,087
<b>Results:</b>						
Interest income	71	-	-	-		71
Depreciation of:						
- Property, plant and equipment	7,113	-	-	-		7,113
- Investment properties	13	66	-	-		79
Other non-cash income/(expenses)	(1,741)	-	144	-	B	(1,597)
Segment profit	9,230	(96)	8,005	(7,861)	C	9,278
<b>Assets:</b>						
Additions to non-current assets	9,405	-	-	-	D	9,405
Segment assets	245,400	7,769	179	-	E	253,348
<b>Segment liabilities</b>	64,549	296	2,681	-	F	67,526

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD** (Company No.389769-M)  
(Incorporated in Malaysia)  
**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31st DECEMBER 2017**

**8. Segment information (continued)**

31 December 2016	Manufacturing and marketing of snack food confectioneries RM'000	Property development RM'000	Investment holding RM'000	Adjustments and eliminations RM'000	Notes	Per condensed financial statements RM'000
<b>Revenue:</b>						
External customers	191,185	-	-	-		191,185
Inter-segment	-	-	8,239	(8,239)	A	-
Total revenue	191,185	-	8,239	(8,239)		191,185
<b>Results:</b>						
Interest income	155	70	1	-		226
Depreciation of:						
- Property, plant and equipment	6,940	-	-	-		6,940
- Investment properties	12	66	-	-		78
Other non-cash income	3,502	-	-	-	B	3,502
Segment profit	18,154	(47)	7,672	(7,672)	C	18,107
<b>Assets:</b>						
Additions to non-current assets	21,545	-	-	-	D	21,545
Segment assets	229,186	7,749	2,470	-	E	239,405
<b>Segment liabilities</b>	54,553	309	2,707	-	F	57,569

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No.389769-M)**

(Incorporated in Malaysia)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS****FOR THE FINANCIAL PERIOD ENDED 31st DECEMBER 2017****8. Segment Information (continued)**

A Inter-segment revenues are eliminated on consolidation.

B Other non-cash incomes/(expenses) consist of the following items as presented in the respective notes to the financial statements:

	<b>31.12.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
Loss on disposal of property, plant and equipment	-	(112)
Unrealised foreign exchange gain/(loss)	(1,049)	4,457
Inventories written down	(691)	(808)
Gain on bargain purchase	144	-
Property, plant and equipment written off	(1)	(35)
	<u>(1,597)</u>	<u>3,502</u>

C The following items are added to/(deducted from) segment profit to arrive at total consolidated profit before tax:

	<b>31.12.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
Dividend income from inter-segment	8,438	8,239
Unallocated corporate expenses	(577)	(567)
	<u>7,861</u>	<u>7,672</u>

D Additions to non-current assets consist of property, plant and equipment.

E Inter-segment assets are deducted from segment assets to arrive at total assets reported in the condensed consolidated statement of financial position.

F Inter-segment liabilities are deducted from segment liabilities to arrive at total liabilities reported in the condensed consolidated statement of financial position.

Revenue information based on the geographical location of customers is as follows:

	<b>Revenues</b>			
	<b>01.04.2017 - 31.12.2017</b>		<b>01.04.2016 - 31.12.2016</b>	
	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>%</b>
Malaysia	75,851	35%	67,598	35%
Asia	96,653	45%	83,736	44%
Others	42,583	20%	39,851	21%
Total reported segments	<u>215,087</u>	<u>100%</u>	<u>191,185</u>	<u>100%</u>

The Group does not have single external customer that constitute 10% or more of the Group's revenue.

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD** (Company No.389769-M)  
(Incorporated in Malaysia)  
**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31st DECEMBER 2017**

**9. Significant Related Party Disclosures**

The significant related party transactions and outstanding balance described below were carried out in the ordinary course of business and on commercial terms that are no more favourable than that available to other third parties.

	<b>Transactions for the 9 months period ended 31.12.2017 RM'000</b>	<b>Outstanding balance as at 31.12.2017 RM'000</b>
Sale of goods to Syarikat Perniagaan Chong Mah	1,731	140
Rental income received from Skyline Motion Sdn Bhd	36	-

Syarikat Perniagaan Chong Mah, a company incorporated in Malaysia, is a substantial shareholder of the Company. The transactions with this related party are conducted in accordance with the general mandate obtained from shareholders for recurrent related party transactions.

The Tenancy Agreement entered between OFI Properties Sdn Bhd and Skyline Motion Sdn Bhd are in the ordinary course of business and the transaction has been entered into in arm's-length basis.

**10. Material Events Subsequent to the End of the Reporting Period**

There was no material events subsequent to the end of the current quarter reported.

**11. Changes in the Composition of the Group**

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

**12. Contingent Liabilities**

There were no contingent liabilities of a material nature to be disclosed.

**13. Capital Commitments**

	<b>As at 31.12.2017 RM'000</b>
Authorised, contracted but not provided for:-	
- purchase of property, plant and equipment	3,235
	<u>3,235</u>

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No.389769-M)**

(Incorporated in Malaysia)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31st DECEMBER 2017****B. Additional information required by Bursa Malaysia Listing Requirements****1. Review of Performance**

	Individual Period (3rd Quarter)		Changes (%)	Cumulative Period		Changes (%)
	Current Quarter	Preceding Year Corresponding Quarter		Current Period To- Date	Preceding Year Corresponding Period	
	31/12/2017 RM'000	31/12/2016 RM'000		31/12/2017 RM'000	31/12/2016 RM'000	
Revenue	75,061	67,800	10.71	215,087	191,185	12.50
Operating Profit	1,636	7,781	(78.97)	9,810	18,467	(46.88)
Profit Before Interest and Tax	1,636	7,781	(78.97)	9,810	18,467	(46.88)
Profit Before Tax	1,409	7,602	(81.46)	9,278	18,107	(48.76)
Profit After Tax	3,332	5,445	(38.81)	10,930	14,933	(26.81)
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	3,332	5,446	(38.82)	10,934	14,939	(26.81)

The revenue for the current period to date is higher by 12.5% as a result of higher sales from both local and export customers in the snack food and confectioneries segment, as compared to the corresponding preceding period to date. The revenue for current quarter is also higher due to higher export sales as compared to preceding year corresponding quarter.

Profit before tax for the current period to date and current quarter is lower due to fluctuations in foreign exchange rates and higher operating expenses.

**2. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter**

	Current Quarter 31/12/2017 RM'000	Immediate Preceding Quarter 30/09/2017 RM'000	Changes (%)
Revenue	75,061	73,309	2.39
Operating Profit	1,636	4,114	(60.23)
Profit Before Interest and Tax	1,636	4,114	(60.23)
Profit Before Tax	1,409	3,963	(64.45)
Profit After Tax	3,332	4,337	(23.17)
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	3,332	4,337	(23.17)

The increase in revenue for the current quarter as compared to the preceding quarter was mainly due to increase in local sales.

Profit before tax for the current quarter is lower due to lower gross profit, higher exchange losses and operating expenses.

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No.389769-M)**

(Incorporated in Malaysia)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS****FOR THE FINANCIAL PERIOD ENDED 31st DECEMBER 2017****3. Group's Prospects**

The Group is currently making machinery acquisitions for some expansion projects for new product lines. The management expects that these new lines will contribute positively towards the growth and profitability of the Group. These programs are expected to be completed in stages in the next few years.

Despite the increased in raw material cost and facing various challenges of the competitive markets, the Board expects that the performance of the Group will be satisfactory for the financial year ending 31 March 2018.

**4. Board of Directors' Opinion on Revenue or Profit Estimate, Forecast, Projection or Internal Targets**

The Group does not announce or disclose any revenue or profit estimate, forecast, projection or internal targets in a public document.

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

The disclosure requirements for explanatory notes for the variance of actual profit after tax and non-controlling interest and forecasted profit after tax and non-controlling interest and for the shortfall in profit guarantee are not applicable.

**6. Taxation**

	Current Quarter 31.12.2017	Preceding Year Corresponding Quarter 31.12.2016	Current Period To Date 31.12.2017	Preceding Year corresponding Period To Date 31.12.2016
	RM'000	RM'000	RM'000	RM'000
<b>Income taxation in Malaysia</b>				
- current year	255	1,595	1,737	2,775
<b>Deferred taxation</b>				
- origination and reversal of temporary differences	(2,178)	562	(3,389)	399
	<u>(1,923)</u>	<u>2,157</u>	<u>(1,652)</u>	<u>3,174</u>

The Group's effective tax rate for the current period to date is lower than the statutory tax rate mainly due to the availability of tax incentives granted to its subsidiary and deferred tax asset provision for certain temporary differences.

**7. Profits on Sale of Unquoted Investments and / or Properties**

There was no sale of unquoted investments and / or properties for the current quarter.

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD** (Company No.389769-M)  
(Incorporated in Malaysia)  
**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31st DECEMBER 2017**

**8. Purchases or Disposals of Quoted Securities**

There were no purchase and sale of quoted securities for the current quarter.

**9. Status of Corporate Proposals**

There was no corporate proposal announced but not completed as at the date of this quarterly report

**10. Group Borrowings**

	<b>As at 31.12.2017 RM'000</b>	<b>As at 31.12.2016 RM'000</b>
<u>Borrowings – current</u>		
Overdraft - secured	5,545	-
Term loan - unsecured	-	874
- secured	<u>4,980</u>	<u>3,416</u>
	<u>10,525</u>	<u>4,290</u>
<u>Borrowings – non-current</u>		
Term loan - unsecured	-	-
- secured	<u>14,021</u>	<u>11,343</u>
	<u>14,021</u>	<u>11,343</u>

The borrowings are denominated in Ringgit Malaysia and are based on floating interest rates.

**11. Derivatives**

There were no forward foreign exchange contracts outstanding as at 31 December 2017.

**12. Gain/Loss Arising from Fair Value Changes of Financial Liabilities**

There was no gain or loss arising from fair value changes of the financial liabilities for the current quarter and current period to date ended 31 December 2017.

**13. Material Litigation**

There was no material litigation pending since the date of last announcement till the date of this interim report.

**14. Dividend**

(a) An interim single tier dividend for the financial year ending 31 March 2018, amounting to RM1,200,000 computed based on 240,000,000 ordinary shares as at 31 December 2017, has been declared by the Board of Directors on 27 February 2018:

- (i) Amount per share : Single tier dividend of 0.5 sen per share
- (ii) The previous corresponding period as at 31 December 2016 : Single tier dividend of 1.0 sen per share

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No.389769-M)**

(Incorporated in Malaysia)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31st DECEMBER 2017**

- (iii) Entitlement date : 16 March 2018
- (iv) Payment date : 6 April 2018
- (b) The total dividend declared for the current financial year ending 31 March 2018 : 2.5 sen per share

**15. Earnings per Share**

	<b>Current Quarter 31.12.2017</b>	<b>Preceding Year Corresponding Quarter 31.12.2016</b>	<b>Current Period To Date 31.12.2017</b>	<b>Preceding Year Corresponding Period To Date 31.12.2016</b>
Profit attributable to owners of the parent (RM'000)	3,332	5,446	10,934	14,939
Number of ordinary shares in issue ('000)	240,000	240,000	240,000	240,000
Basic earnings per share (sen)	<u>1.39</u>	<u>2.27</u>	<u>4.56</u>	<u>6.22</u>

**16. Audit Report**

The audited report of the preceding annual financial statements did not contain any qualification.

**17. Profit before Tax**

Profit before tax is arrived at after charging/(crediting):

	<b>Current Quarter 31.12.2017 RM'000</b>	<b>Current Period To Date 31.12.2017 RM'000</b>
Interest income	(14)	(71)
Rental income	(38)	(112)
Interest expense	227	532
Property, plant and equipment		
- depreciation	2,766	7,113
- written-off	-	1
Investment properties		
- depreciation	26	79
Foreign exchange (gain)/loss		
- realised	621	1,988
- unrealised	729	1,049
Inventories written off	246	691
Allowance for doubtful debts	<u>130</u>	<u>220</u>

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD** (Company No.389769-M)

(Incorporated in Malaysia)

***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31st DECEMBER 2017***

Other than the above items, there were no provision for and write off of receivables, impairment of assets and exceptional items for the current quarter and current financial period to date ended 31 December 2017.

**18. Realised and Unrealised Profits/Losses Disclosure**

	<b>As at 31.12.2017 RM'000</b>	<b>As at 31.12.2016 RM'000</b>
Total retained earnings of Oriental Food Industries Holdings Berhad and its subsidiaries:		
- Realised	109,914	103,299
- Unrealised	(8,297)	(6,312)
	<hr/>	<hr/>
	101,617	96,987
Less: Consolidation adjustments	(35,795)	(35,805)
	<hr/>	<hr/>
	65,822	61,182
	<hr/> <hr/>	<hr/> <hr/>

For and on behalf of  
**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD**

**Datuk Seri Son Chen Chuan**  
**Managing Director**

Dated: 27 February 2018