

ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No. 389769-M)
(Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the quarter ended 30 September 2018
(The figures have not been audited)

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 6 MONTHS ENDED	
	CURRENT YEAR QUARTER ENDED 30/09/2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 30/09/2017 RM'000	CURRENT PERIOD TO-DATE 30/09/2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE 30/09/2017 RM'000
Revenue	73,692	73,309	140,521	140,026
Cost of sales	(61,654)	(57,184)	(117,348)	(110,659)
Gross Profit	12,038	16,125	23,173	29,367
Other operating income/(expense)	1,173	(545)	2,461	(1,334)
Selling & distribution costs	(4,439)	(7,597)	(8,033)	(12,678)
Administrative expenses	(4,994)	(3,869)	(9,549)	(7,181)
Finance costs	(291)	(151)	(500)	(305)
Profit before tax	3,487	3,963	7,552	7,869
Tax expense	(817)	374	(1,747)	(271)
Profit net of tax, for the period	2,670	4,337	5,805	7,598
Other comprehensive income				
Gain on equity instruments	254	-	254	-
Other comprehensive income for the period	254	-	254	-
Total comprehensive income for the period	2,924	4,337	6,059	7,598
Total Profit Attributable to :				
Owners of the parent	2,670	4,337	5,805	7,602
Non-controlling interest	-	-	-	(4)
	2,670	4,337	5,805	7,598
Total Comprehensive Income Attributable to :				
Owners of the parent	2,924	4,337	6,059	7,602
Non-controlling interest	-	-	-	(4)
	2,924	4,337	6,059	7,598
Earnings per share (Note B 15)				
- Basic (Sen)	1.11	1.81	2.42	3.17
- 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 2018 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

	30 Sep 2018 Unaudited RM'000	31 March 2018 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	139,382	142,919
Investment properties	5,014	5,079
Investment security	627	372
Land held for property development	962	962
	145,985	149,332
Current assets		
Inventories	30,187	29,145
Trade and other receivables	56,098	60,304
Other current assets	4,925	3,221
Income tax recoverable	4,399	3,507
Cash and bank balances	5,828	6,101
	101,437	102,278
TOTAL ASSETS	247,422	251,610
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	120,000	120,000
Revaluation reserves	254	-
Retained earnings	69,496	64,891
Total equity	189,750	184,891
Non-current liabilities		
Loans and borrowings	10,169	12,606
Deferred tax liabilities	7,141	5,766
	17,310	18,372
Current liabilities		
Trade and other payables	28,008	36,394
Dividend payable	1,200	1,200
Income tax payable	76	-
Loans and borrowings	11,078	10,753
	40,362	48,347
Total liabilities	57,672	66,719
TOTAL EQUITY AND LIABILITIES	247,422	251,610
	-	-
Net assets per share attributable to owners of the Parent (RM) **	0.79	0.77

** 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 30 September 2018.

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31st March 2018 and the accompanying explanatory notes attached to the interim financial statements.

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

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the quarter ended 30 September 2018

(The figures have not been audited)

	Attributable to Owners of the Parent			Total	Non-Controlling	Total
	Share Capital	Revaluation Reserve	Retained Earnings		Interest	Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
6 months period ended 30 September 2018						
Balance as at 1 April 2018	120,000	-	64,891	184,891	-	184,891
Total comprehensive income for the period	-	254	5,805	6,059	-	6,059
Transactions with owners						
Interim dividend for the year ending 31 March 2019	-	-	(1,200)	(1,200)	-	(1,200)
Total transactions with owners	-	-	(1,200)	(1,200)	-	(1,200)
Balance as at 30 September 2018	120,000	254	69,496	189,750	-	189,750
6 months period ended 30 September 2017						
Balance as at 1 April 2017	120,000	-	62,088	182,088	648	182,736
Total comprehensive income for the period	-	-	7,602	7,602	(4)	7,598
Transactions with owners						
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 ended 31 March 2018	-	-	(2,400)	(2,400)	-	(2,400)
Total transactions with owners	-	-	(4,800)	(4,800)	(644)	(5,444)
Balance as at 30 September 2017	120,000	-	64,890	184,890	-	184,890

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st March 2018 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the quarter ended 30 September 2018
(The figures have not been audited)

	CURRENT PERIOD ENDED 30/09/2018 RM'000	PRECEDING PERIOD ENDED 30/09/2017 RM'000
OPERATING ACTIVITIES		
Profit before tax	7,552	7,869
Adjustments for non cash items	6,388	5,360
	<u>13,940</u>	<u>13,229</u>
Changes in working capital	(5,744)	(16,111)
Net cash generated from/(used in) operating activities	<u>8,196</u>	<u>(2,882)</u>
Interest income	8	57
Interest paid	(500)	(305)
Income taxes paid	(1,511)	(2,643)
Income taxes refunded	323	444
Net cash flows from/(used in) operating activities	<u>6,516</u>	<u>(5,329)</u>
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,278)	(8,906)
Advances to suppliers of property, plant & equipment	(2,706)	(4,957)
Proceeds from disposal of:		
- property, plant and equipment	97	-
Purchase considerations paid to non-controlling interest	-	(500)
Net cash used in investing activities	<u>(4,887)</u>	<u>(14,363)</u>
FINANCING ACTIVITIES		
Dividends paid on ordinary shares	-	(4,800)
Drawdown/(repayment) of loans and borrowings	(2,507)	5,852
Net cash (used in)/from financing activities	<u>(2,507)</u>	<u>1,052</u>
Net Change in Cash & Cash Equivalents	(878)	(18,640)
Effect of exchange rate changes on cash and cash equivalents	211	4,206
Cash and Cash Equivalents at beginning of year	2,509	18,996
Cash and Cash Equivalents at end of period	<u>1,842</u>	<u>4,562</u>
Cash and cash equivalents at the end of the financial period comprise the following:	30/09/2018	30/09/2017
	RM'000	RM'000
Cash and bank balances	5,828	4,563
Investment in money market fund	(1)	(1)
Bank overdraft	(3,985)	-
	<u>1,842</u>	<u>4,562</u>

Note : There is no non-cash movement in liabilities arising from financing activities for the period ended 30 September 2018.

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31st March 2018 and the accompanying explanatory notes attached to the interim financial statements.

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

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EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018

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 2018. 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 2018.

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 2018, except for the adoption of the following Malaysian Financial Reporting Standards (MFRS), Amendments to MFRS and IC Interpretation for the financial periods beginning on or after 1 April 2018.

- Amendments to MFRS 140 Transfers of Investment Property
- Amendments to MFRS 4 Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts
- Amendments to MFRS 2 Classification and Measurement of Shared-based Payment Transactions
- MFRS 15 Revenue from Contracts with Customers
- Clarifications to MFRS 15 Revenue from Contracts with Customers
- MFRS 9 Financial Instruments
- IC Interpretation 22 Foreign Currency Transactions and Advance Consideration
- Annual Improvements to MFRS Standards 2014-2016 Cycle

MFRS 9 Financial Instruments

MFRS 9 introduces new requirements for the classification and measurement of financial assets and financial liabilities, impairment of financial assets and on hedge accounting.

The three principal classifications categories for financial assets are measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL) The standard eliminates the existing MFRS 139 categories of held to maturity, loans and receivables (LAR) and available for sale.

As allowed by the transitional provision of MFRS 9, the Group elected not to restate the comparatives.

At the date of initial application on 1 April 2018, the Group had reclassified the financial assets based on existing fact as follow:

	Classification		Carrying amount as at 1 April 2018	
	Original (MFRS 139)	New (MFRS 9)	Original (MFRS 139) RM'000	New (MFRS 9) RM'000
Investment securities	Available-for-sale	FVOCI	372	627
Trade and other receivables	LAR	Amortised cost	60,304	60,304
Cash and bank balances	LAR	Amortised cost	6,101	6,101

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MFRS 15 Revenue from Contracts with Customers

Under MFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Upon adoption of MFRS 15, some of the variable considerations which previously were recognised in Selling and Distribution Costs, have been classified as a reduction in revenue in the financial year ending 2019. Please refer to Note 9 for the disclosure of the impact on the Group's revenue.

The Group elected to adopt the modified retrospective method where comparatives will not be restated.

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:

- 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)
- Plan Amendment, Curtailment or Settlement (Amendments to MFRS 119 Employee Benefits)
- Amendments to MFRS 2 Share-Based Payment
- Amendment to MFRS 3 Business Combinations
- Amendments to MFRS 6 Exploration for and Evaluation of Mineral Resources
- Amendments to MFRS 14 Regulatory Deferral Accounts
- Amendments to MFRS 101 Presentation of Financial Statements
- Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors
- Amendments to MFRS 134 Interim Financial Reporting
- Amendment to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets
- Amendment to MFRS 138 Intangible Assets
- Amendment to IC Interpretation 12 Service Concession Arrangements
- Amendment to IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments
- Amendment to IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine
- Amendment to IC Interpretation 22 Foreign Currency Transactions and Advance Consideration
- Amendments to IC Interpretation 132 Intangible Assets-Web Site Costs

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.

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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 0.50 sen per share, amounting to RM1,200,000 for the financial year ending 31 March 2019 was approved during the 75th Board of Directors Meeting held on 29 August 2018 and was paid on 12 October 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.

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
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8. Segment information (continued)

	Manufacturing and marketing of snack food and confectioneries RM'000	Property development RM'000	Investment holding RM'000	Adjustments and eliminations RM'000	Notes	Per consolidated financial statements RM'000
30 September 2018						
Revenue:						
External customers	140,521	-	-	-		140,521
Inter-segment	-	-	-	-	A	-
Total revenue	140,521	-	-	-		140,521
Results:						
Interest income	8	-	-	-		8
Depreciation of:						
- Property, plant and equipment	5,815	-	-	-		5,815
- Investment properties	9	55	-	-		64
Other non-cash expenses	18	-	-	-	B	18
Segment profit/(loss)	7,484	68	180	(180)	C	7,552
Assets:						
Additions to non-current assets	4,984	-	-	-	D	4,984
Segment assets	240,559	6,704	159	-	E	247,422
Segment liabilities	56,205	41	1,493	-	F	57,739

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8. Segment information (continued)

30 September 2017	Manufacturing and marketing of snack food and confectioneries RM'000	Property development RM'000	Investment holding RM'000	Adjustments and eliminations RM'000	Notes	Per condensed consolidated financial statements RM'000
Revenue:						
External customers	140,026	-	-	-		140,026
Inter-segment	-	-	3,381	(3,381)	A	-
Total revenue	140,026	-	3,381	(3,381)		140,026
Results:						
Interest income	57	-	-	-		57
Depreciation of:						
- Property, plant and equipment	4,347	-	-	-		4,347
- Investment properties	9	44	-	-		53
Other non-cash income	(766)	-	144	-	B	(622)
Segment profit	7,780	(55)	3,173	(3,029)	C	7,869
Assets:						
Additions to non-current assets	8,906	-	-	-	D	8,906
Segment assets	238,688	7,796	87	-	E	246,571
Segment liabilities	58,755	309	2,617	-	F	61,681

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
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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:

	30.09.2018	30.09.2017
	RM'000	RM'000
Unrealised foreign exchange gain/(loss)	883	(320)
Inventories written down	(498)	(445)
Gain on bargain purchase	-	144
Impairment loss on trade receivables	(500)	-
Gain/(loss) on disposal of ppe	97	-
Property, plant and equipment written off	-	(1)
	<u>(18)</u>	<u>(622)</u>

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

	30.09.2018	30.09.2017
	RM'000	RM'000
Dividend income from inter-segment	577	3,381
Unallocated corporate expenses	(397)	(352)
	<u>180</u>	<u>3,029</u>

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

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:

	Revenues			
	01.04.2018 - 30.09.2018		01.04.2017 - 30.09.2017	
	RM'000	%	RM'000	%
Malaysia	46,919	33%	41,213	30%
Asia	63,542	45%	64,836	46%
Others	30,060	22%	33,977	24%
Total reported segments	<u>140,521</u>	<u>100%</u>	<u>140,026</u>	<u>100%</u>

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

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FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018**

9. Revenue from Contracts With Customers

The Group's disaggregation of revenue and costs of goods sold are shown below:

	Current Qtr	Preceding Year Corresponding Qtr	Current Period-to-Date	Preceding Year Corresponding Period
<u>Timing of Revenue Recognition</u>	30/09/2018 RM'000	30/09/2017 RM'000	30/09/2018 RM'000	30/09/2017 RM'000
Goods transferred at a point in time	72,940	73,309	139,088	140,026
Services transferred over time	752	-	1,433	-
Total revenue from contracts with customer	73,692	73,309	140,521	140,026

	Current Qtr	Preceding Year Corresponding Qtr	Current Period-to-Date	Preceding Year Corresponding Period
<u>Cost of Goods Sold</u>	30/09/2018 RM'000	30/09/2017 RM'000	30/09/2018 RM'000	30/09/2017 RM'000
Cost of goods sold	60,902	57,184	115,915	110,659
Carriage outwards	752	-	1,433	-
Effect of MFRS 15	61,654	57,184	117,348	110,659

10. 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.

	Transactions for the 6 months period ended 30.09.2018 RM'000	Outstanding balance as at 30.09.2018 RM'000
Sale of goods to Syarikat Perniagaan Chong Mah	1,033	159
Rental income received from Skyline Motion Sdn Bhd	24	-

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.

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***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
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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.

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

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

12. *Changes in the Composition of the Group*

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

13. *Contingent Liabilities*

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

14. *Capital Commitments*

**As at 30.09.2018
RM'000**

Authorised, contracted but not provided for:-

- purchase of property, plant and equipment	6,034
	<u>6,034</u>

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
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	Individual Period (2nd Quarter)		Change s (%)	Cumulative Period		Change s (%)
	Current Quarter	Preceding Year Corresponding Quarter		Current Period To- Date	Preceding Year Corresponding Period	
	30/09/2018 RM'000	30/09/2017 RM'000		30/09/2018 RM'000	30/09/2017 RM'000	
Revenue	73,692	73,309	0.52	140,521	140,026	0.35
Operating Profit/(Loss)	3,778	4,114	(8.17)	8,052	8,174	(1.49)
Profit/(Loss) Before Interest and Tax	3,778	4,114	(8.17)	8,052	8,174	(1.49)
Profit/(Loss) Before Tax	3,487	3,963	(12.01)	7,552	7,869	(4.03)
Profit/(Loss) After Tax	2,670	4,337	(38.44)	5,805	7,598	(23.60)
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	2,670	4,337	(38.44)	5,805	7,602	(23.64)

The revenue for the current period to date and current quarter are slightly higher as compared to preceding year corresponding period and quarter due to higher sales from local market. The revenue was impacted by the Group's first adoption of MFRS 15 where some promotional expenses have been reclassified as a deduction from revenue in the financial year ending 2019.

Profit before tax for the current period to date and current quarter is lower due to higher operational costs.

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

	Current Quarter 30/09/2018 RM'000	Immediate Preceding Quarter 30/06/2018 RM'000	Changes (%)
Revenue	73,692	66,829	10.27
Operating Profit/(Loss)	3,778	4,274	(11.60)
Profit/(Loss) Before Interest and Tax	3,778	4,274	(11.60)
Profit/(Loss) Before Tax	3,487	4,065	(14.22)
Profit/(Loss) After Tax	2,670	3,135	(14.83)
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	2,670	3,135	(14.83)

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

Profit before tax for the current quarter is lower due to higher cost of sales and administrative expenses.

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EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018

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 2019.

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 30.09.2018	Preceding Year Corresponding Quarter 30.09.2017	Current Period To Date 30.09.2018	Preceding Year corresponding Period To Date 30.09.2017
	RM'000	RM'000	RM'000	RM'000
Income taxation in Malaysia				
- current year	301	750	372	1,482
Deferred taxation				
- origination and reversal of temporary differences	516	(1,124)	1,375	(1,211)
	<u>817</u>	<u>(374)</u>	<u>1,747</u>	<u>271</u>

The Group's effective tax rate for the current period to date is slightly lower than the statutory tax rate mainly due to the utilisation of tax incentives granted to its subsidiary. The deferred tax is higher due to non-availability of deferred tax assets as compared to previous corresponding period.

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

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

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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

	As at 30.09.2018 RM'000	As at 30.09.2017 RM'000
<u>Borrowings – current</u>		
Overdraft - <i>secured</i>	3,985	-
Banker Acceptance – <i>secured</i>	2,000	-
Term loan - <i>secured</i>	<u>5,093</u>	<u>4,944</u>
	<u>11,078</u>	<u>4,944</u>
 <u>Borrowings – non-current</u>		
Term loan - <i>secured</i>	10,169	15,279

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 30 September 2018.

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 year to date ended 30 September 2018.

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 2019, amounting to RM1,200,000 computed based on 240,000,000 ordinary shares as at 30 September 2018, has been declared by the Board of Directors on 21 November 2018:

- (i) Amount per share : Single tier dividend of 0.50 sen per share
- (ii) The previous corresponding period as at 30 September 2017 : Single tier dividend of 1.0 sen per share
- (iii) Entitlement date : 14 December 2018
- (iv) Payment Date : 11 January 2019

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

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EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018**

(b) The total dividend declared for the current financial year ending 31 March 2019 : 1.00 sen per share

15. Earnings per Share

	Current Quarter 30.09.2018	Preceding Year Corresponding Quarter 30.09.2017	Current Period To Date 30.09.2018	Preceding Year Corresponding Period To Date 30.09.2017
Profit attributable to owners of the parent (RM'000)	3,487	4,337	7,552	7,602
Number of ordinary shares in issue ('000)	240,000	240,000	240,000	240,000
Basic earnings per share (sen)	<u>1.11</u>	<u>1.81</u>	<u>2.42</u>	<u>3.17</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):

	Current Quarter 30.09.2018 RM'000	Current Period To Date 30.09.2018 RM'000
Interest income	(4)	(8)
Rental income	(40)	(77)
Interest expense	291	500
Property, plant and equipment		
- depreciation	3,599	5,815
- gain on disposal	(83)	(97)
Investment properties		
- depreciation	38	64
Foreign exchange gain		
- realised	(684)	(811)
- unrealised	75	(883)
Inventories written off	240	498
Allowance for doubtful debts	<u>400</u>	<u>500</u>

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 30 September 2018.

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FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018

18. Realised and Unrealised Profits/Losses Disclosure

	As at 30.09.2018 RM'000	As at 30.09.2017 RM'000
Total retained earnings of Oriental Food Industries Holdings Berhad and its subsidiaries:		
- Realised	108,737	110,431
- Unrealised	(3,569)	(9,746)
	<hr/>	<hr/>
	105,168	100,685
Less: Consolidation adjustments	(35,672)	(35,795)
	<hr/>	<hr/>
	<u>69,496</u>	<u>64,890</u>

For and on behalf of

ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD

Datuk Seri Son Chen Chuan
Group Managing Director

Dated: 29 November 2018