Consolidated Statement of Financial Position
As at 30 September 2017

	Note	30 September 2017 RM'000	31 March 2017 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		111,651	109,810
Prepaid lease payments		2,872	2,932
Investment in an associate		-	1,361
Goodwill		341	341
Other intangible assets	16	8,958	11,498
Other investments		3	3
Deferred tax assets		1,055	1,559
		124,880	127,504
Current assets			
Inventories		68,422	69,062
Property development costs		160,036	158,863
Trade and other receivables		106,693	105,987
Derivative financial assets		2	-
Deposits and prepayments		4,894	7,444
Current tax recoverable		4,364	3,900
Cash and cash equivalents		104,904	119,043
		449,315	464,299
Asset classified as held for sale	17	868	868
		450,183	465,167
Total assets		575,063	592,671

WEIDA (M) BHD (Company No. 504747-W)
UNAUDITED INTERIM FINANCIAL REPORT
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Consolidated Statement of Financial Position

As at 30 September 2017

	Note	30 September 2017 RM'000	31 March 2017 RM'000
(continued)			
EQUITY			
Equity attributable to owners of the Company			
Share capital		66,667	66,667
Reserves		357,990	352,815
Treasury shares		(4,601)	(4,601)
		420,056	414,881
Non-controlling interests		9,752	11,640
Total equity		429,808	426,521
LIABILITIES			
Non-current liabilities			
Loans and borrowings	27	14,333	19,226
Deferred tax liabilities		14,001	14,575
		28,334	33,801
Current liabilities			
Trade and other payables		72,423	78,910
Derivative financial liabilities		90	40
Loans and borrowings	27	41,718	52,739
Current tax payable		2,690	660
		116,921	132,349
Total liabilities		145,255	166,150
Total equity and liabilities		575,063	592,671
Net assets per ordinary share attributable to owners of the Company, net of treasury shares (RM)		3.31	3.27

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

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the financial period ended 30 September 2017

	Note	Individual Quarter 3 months ended 30 September 2017 RM'000	30 September 2016 RM'000	Cumulative Quarter 6 months ended 30 September 2017 RM'000	30 September 2016 RM'000
Revenue	8	64,721	88,866	117,270	179,520
Operating profit		10,466	12,912	15,304	24,309
Interest expense		(738)	(693)	(1,427)	(1,488)
Interest income		1,022	927	2,020	2,176
Share of results of equity accounted associate		(18)	(29)	(44)	(58)
Profit before taxation	8	10,732	13,117	15,853	24,939
Income tax expense	24	(3,533)	(4,506)	(5,527)	(8,419)
Profit after taxation		7,199	8,611	10,326	16,520
Other comprehensive (expense)/income, net of tax					
Items that may be reclassified to profit or loss					
Foreign exchange translation differences for foreign operations		(116)	38	(282)	8
Other comprehensive (expense)/income for the financial period, net of tax		(116)	38	(282)	8
Total comprehensive income for the financial period, net of tax		7,083	8,649	10,044	16,528
Profit attributable to:					
Owners of the Company		6,636	8,067	9,264	15,711
Non-controlling interests		563	544	1,062	809
Profit for the financial period	32	7,199	8,611	10,326	16,520
Total comprehensive income attributable to:					
Owners of the Company		6,520	8,105	8,982	15,719
Non-controlling interests		563	544	1,062	809
Total comprehensive income for the financial period		7,083	8,649	10,044	16,528
Basic/Diluted earnings per ordinary share (Sen)	34	5.23	6.36	7.30	12.38

The unaudited condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2017 and the accompanying explanatory notes attached to this interim financial report.

Consolidated Statement of Changes in Equity

For the financial period ended 30 September 2017

		<---Attributable to owners of the Company --->									
		Issued and fully paid ordinary shares		Non-Distributable				Distributable			
	Note	Number of shares '000	Share capital RM'000	Revaluation reserve RM'000	Foreign exchange translation reserve RM'000	Fair value reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Sub-total RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1 April 2017		133,333	66,667	24,394	(1,165)	5	(4,601)	329,581	414,881	11,640	426,521
Realisation of revaluation reserve		-	-	(236)	-	-	-	236	-	-	-
Foreign exchange translation differences for foreign operations		-	-	-	*(282)*	-	-	-	*(282)*	-	*(282)*
Total other comprehensive expense for the financial period		-	-	-	(282)	-	-	-	(282)	-	(282)
Profit for the financial period		-	-	-	-	-	-	9,264	9,264	1,062	10,326
Total comprehensive (expense)/income for the financial period		-	-	-	(282)	-	-	9,264	8,982	1,062	10,044
Distributions to owners of the Company:											
- Own shares acquired	6	-	-	-	-	-	-	-	-	-	-
- Dividends to owners of the Company	33	-	-	-	-	-	-	*(3,807)*	*(3,807)*	-	*(3,807)*
Total transactions with owners of the Company		-	-	-	-	-	-	(3,807)	(3,807)	-	(3,807)
Dividend to non-controlling interest		-	-	-	-	-	-	-	-	(5,136)	(5,136)
Consolidation of an associate		-	-	-	-	-	-	-	-	2,186	2,186
Total transaction to non-controlling interest		-	-	-	-	-	-	-	-	(2,950)	(2,950)
At 30 September 2017		133,333	66,667	24,158	(1,447)	5	(4,601)	335,274	420,056	9,752	429,808

Consolidated Statement of Changes in Equity

For the financial period ended 30 September 2016

		<-- Attributable to owners of the Company -->									
		Issued and fully paid ordinary shares		Non-Distributable				Distributable			
	Note	Number of shares '000	Share capital RM'000	Revaluation reserve RM'000	Foreign exchange translation reserve RM'000	Fair value reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Sub-total RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1 April 2016		133,333	66,667	24,867	(1,145)	5	(4,600)	314,780	400,574	9,674	410,248
Realisation of revaluation reserve		-	-	(236)	-	-	-	236	-	-	-
Foreign exchange translation differences for foreign operations		-	-	-	*8*	-	-	-	*8*	-	*8*
Total other comprehensive income for the financial period		-	-	-	8	-	-	-	8	-	8
Profit for the financial period		-	-	-	-	-	-	15,711	15,711	809	16,520
Total comprehensive income for the financial period		-	-	-	8	-	-	15,711	15,719	809	16,528
Distributions to owners of the Company:											
- Own shares acquired		-	-	-	-	-	*(1)*	-	*(1)*	-	*(1)*
- Dividends to owners of the Company	7	-	-	-	-	-	-	-	-	-	-
Total transactions with owners of the Company		-	-	-	-	-	(1)	-	(1)	-	(1)
At 30 September 2016		133,333	66,667	24,631	(1,137)	5	(4,601)	330,727	416,292	10,483	426,775

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

Consolidated Statement of Cash Flows

For the financial period ended 30 September 2017

	30 September 2017 RM'000	30 September 2016 RM'000
Profit after taxation for the financial period	10,326	16,520
Adjustments for:		
Amortisation of intangible assets	2,540	3,815
Amortisation of goodwill	-	20
Amortisation of prepaid lease payments	60	60
Depreciation of property, plant and equipment	4,340	4,414
Derivative loss/(gain) on forward foreign currency contracts	24	(69)
Interest expense	1,427	1,488
Interest income	(2,020)	(2,176)
Unrealised foreign exchange loss	66	64
Gain on disposal of property, plant and equipment	(291)	(13)
Net Reversal of impairment loss on receivables	(36)	(12)
Property, plant and equipment written off	253	463
Income tax expense	5,527	8,419
Share of results of equity accounted associate	44	58
Operating profit before changes in working capital	22,260	33,051
Change in inventories	640	(24,853)
Change in property development costs	(1,173)	14,576
Change in trade and other receivables, deposits and prepayments, including derivatives	2,796	21,576
Change in trade and other payables, including derivatives	(10,237)	4,725
Cash generated from operations	14,286	49,075
Interest paid	(721)	(504)
Income tax paid	(4,031)	(4,728)
Net cash from operating activities	9,534	43,843
Cash flows from investing activities		
Increase in cash and cash equivalents pledged with licensed banks	(15)	(21)
Net increase in investment in an associate	(784)	(1,176)
Consolidation of an associate (Note 11)	3,011	-
Acquisition of property, plant and equipment	(6,421)	(1,796)
Proceeds from disposal of property, plant and equipment	429	26
Interest received	1,981	1,628
Net cash used in investing activities	(1,799)	(1,339)

Consolidated Statement of Cash Flows
For the financial period ended 30 September 2017

	30 September 2017 RM'000	30 September 2016 RM'000
(continued)		
Cash flows from financing activities		
Net repayments of other loans and borrowings	(16,139)	(13,681)
Dividends paid to:		
-Non-controlling interests	(5,136)	-
Interest paid	(672)	(856)
Net cash used in financing activities	(21,947)	(14,537)
Net (decrease)/increase in cash and cash equivalents	(14,212)	27,967
Effects of exchange rate fluctuations on cash held	58	(157)
Cash and cash equivalents at beginning of financial period	116,989	96,533
Cash and cash equivalents at end of financial period	102,835	124,343

Note

Cash and cash equivalents included in the consolidated statement of cash flows comprise:

Deposits, bank and cash balances	104,904	126,374
Less: Cash and cash equivalents pledged for banking facilities	(2,069)	(2,031)
Total cash and cash equivalents as shown in consolidated statement of cash flows	102,835	124,343

The unaudited consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2017 and the accompanying explanatory notes attached to this interim financial report.

1. Basis of preparation

The consolidated interim financial statements are unaudited and have been prepared in accordance with the applicable disclosure provisions of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad and Financial Reporting Standard (‘‘FRS”) 134, *Interim Financial Reporting*.

The preparation of interim financial statements in conformity with FRS 134, *Interim Financial Reporting,* requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The condensed consolidated interim financial statements of the Group as at and for the financial period ended 30 September 2017 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in an associate.

The interim financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the financial year ended 31 March 2017. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with FRSs.

2. Changes in accounting policies

Given that certain Group entities are transitioning entities (being entities subject to the application of IC Interpretation 15, *Agreements for the Construction of Real Estate* and the entity that consolidates or equity accounts or proportionately consolidates the first-mentioned entities), the Group is currently exempted from adopting the Malaysian Financial Reporting Standards (“MFRS”) Framework until 1 April 2018 as mandated by the Malaysian Accounting Standards Board (“MASB”). As a result, the Group (including the transitioning entities) will continue to apply FRSs as their financial reporting framework to prepare their financial statements for annual period ending 31 March 2018.

The significant accounting policies adopted in the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 March 2017, except for the adoption of the following accounting standards, amendments and interpretations which are effective for annual periods beginning on or after the respective dates indicated herein:

Standard/Amendment/Interpretation	**Effective date**
Amendments to FRS 12, *Disclosure of Interest in Other Entities (Annual Improvements to FRS Standards 2014-2016 cycle)*	1 January 2017
Amendments to FRS 107, *Statement of Cash Flows – Disclosure Initiative*	1 January 2017
Amendments to FRS 112, *Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses*	1 January 2017

Migration to new accounting framework

The Group’s financial statements for the annual period beginning on 1 April 2018 and subsequent annual periods will be prepared in accordance with the MFRSs issued by the MASB and International Financial Reporting Standards.

3. Seasonal or cyclical factors

The business of the Group was not affected by any significant seasonal or cyclical factors in the current quarter.

4. Unusual items due to their nature, size and incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the three months ended 30 September 2017.

5. Material changes in estimates

There were no material changes in estimates reported in prior periods that have a material effect on the results for the current quarter.

6. Debt and equity securities

There were no issuance, cancellation, resale and repayment of equity securities in the current quarter under review.

7. Dividends paid

There was no dividend paid during the quarter under review.

8. Segment information

The Group has four reporting segments, which are the Group's strategic business units. For each of the strategic business units, the Group Executive Chairman, being the Chief Operating Decision maker, reviews internal management reports for resource allocation and decision making at least on a quarterly basis. The following summary describes the operations in each of the Group's existing reporting segments:-

(a)	Manufacturing	- Manufacturing and sale of high density polyethylene engineering ("HDPE") products and trading of other specialised and technical engineering products
(b)	Works	- Construction of telecommunication towers and share of rental proceeds of telecommunication towers as well as design, construction and installation of water supply, storage infrastructure and treatment systems, wastewater treatment specialised systems, hydro systems and other infrastructure
(c)	Property development	- Development and construction of residential properties
(d)	Others	- Sewerage treatment services, treatment and disposal of sludge services as well as quarry operation

Notes to the consolidated interim financial statements

(continued)

8. Segment information (continued)

For the 6 months ended 30 September 2017	Manufacturing RM'000	Works RM'000	Property development RM'000	Others RM'000	Consolidated RM'000
Segment revenue	85,173	15,687	3,810	12,600	117,270
Segment profit/(loss) before taxation	13,185	3,643	(1,956)	2,165	17,037
Unallocated corporate expenses					(1,140)
Share of results of equity accounted associate					(44)
Profit before taxation					15,853
Tax expense					(5,527)
Profit for the financial period					10,326
For the 6 months ended 30 September 2016					
Segment revenue	83,651	33,998	48,920	12,951	179,520
Segment profit before taxation	10,773	6,996	6,647	2,034	26,450
Unallocated corporate expenses					(1,453)
Share of results of equity accounted associate					(58)
Profit before taxation					24,939
Tax expense					(8,419)
Profit for the financial period					16,520

(continued)

8. Segment information (continued)

	Cumulative Quarter 6 months ended	
	30 September 2017 RM'000	**30 September 2016 RM'000**
Revenue from external customers		
Malaysia	112,901	175,602
Other countries	4,369	3,918
	117,270	179,520

9. Property, plant and equipment

a) Acquisitions and disposals

During the six months ended 30 September 2017, the Group acquired items of property, plant and equipment costing RM6.6 million (six months ended September 2016: RM2.0 million), of which RM210,000 (six months ended 30 September 2016: RM0.2 million) was in the form of finance lease assets.

During the six months ended 30 September 2017, the Group disposed of items of property, plant and equipment with a carrying amount of RM138,000 (six months ended 30 September 2016: RM13,000), resulting in a net gain on disposal of RM291,000 (six months ended 30 September 2016: net gain of RM13,000).

b) Valuations

The valuations of land and buildings have been brought forward, since the previous audited financial statements.

10. Subsequent events

There were no material events subsequent to the end of the quarter under review.

11.Changes in composition of the Group

Reference made to the Company's announcement on 28 April 2017, Asaljuru Weida Sdn Bhd ("**AWSB**"), a 49% owned associated company of Weida Medic Development Sdn Bhd ("**WMDSB**"), which in turn is a wholly-owned subsidiary of Weida (M) Bhd ("Weida" or "the Company") entered into the Concession Agreement with the Government of Malaysia as represented by the Ministry of Health in relation for the upgrading of Hospital Umum Sarawak by way of development of new buildings and facilities, on a public private partnership by way of private financing initiative under the build, lease, maintain and transfer model.

On 30 August 2017, WMDSB had entered into a Shareholders' Agreement with other shareholders of AWSB, namely Asaljuru Construction Sdn Bhd and Cahaya Majestic Sdn Bhd, for the purpose of regulating the responsibilities and obligations of shareholders in AWSB. Subsequently, WMDSB will control the board composition of AWSB and govern the financial and operating policies of AWSB. Arising thereto, AWSB will be treated as a subsidiary of WMDSB.

The effect of the consolidation of AWSB on the Group's assets and liabilities on the date of the control existed is as follows:

	RM'000
Property, plant and equipment	11
Trade and other receivables	5,361
Cash and cash equivalents	3,011
Trade and other payables	(4,096)
Total identifiable net assets	4,287
Less: Non-controlling interests	(2,186)
Less: Investment in an associate	(2,101)
	-
Less: Cash and cash equivalents acquired	(3,011)
Net cash inflow	(3,011)

(continued)

12. Contingent assets and contingent liabilities

As at the date of this report, the Group does not have any contingent assets or contingent liabilities.

13. Capital commitments

	30 September 2017 RM'000	31 March 2017 RM'000
Property, plant and equipment		
Authorised but not contracted for	4,126	5,329
Contracted but not provided for	316	275
	4,442	5,604

14. Material related party transactions

There were no material related party transactions except for the following:-

a) *Transactions with companies in which certain Directors of the Company and its subsidiaries have interests*

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30 September 2017 RM'000	30 September 2016 RM'000	30 September 2017 RM'000	30 September 2016 RM'000
Nature of transaction				
Rental of premises	72	60	142	120
Technical fee paid	4	-	8	-
Management fee and technical fee received	(37)	-	(74)	-
Service fee paid	7	-	12	-

b) *Transactions with certain directors, substantial shareholder and key management personnel of the Company and the Group*

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30 September 2017 RM'000	30 September 2016 RM'000	30 September 2017 RM'000	30 September 2016 RM'000
Nature of transaction				
Progress billings for properties under development	-	(2,721)	-	(3,958)
Rental of premises	22	-	37	-

(continued)

15. Compensation to key management personnel

Compensation paid/payable to key management personnel are as follows:

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30 September 2017 RM'000	30 September 2016 RM'000	30 September 2017 RM'000	30 September 2016 RM'000
Directors of the Company	1,749	2,809	2,074	3,334
Directors of subsidiaries and other key management personnel	1,380	4,589	2,243	5,684
	3,129	7,398	4,317	9,018

16. Other intangible assets

Other intangible assets mainly consist of:

- Rights to share rental proceeds of telecommunication towers
  This arose from the construction of telecommunication towers for a network facility provider licence holder ("NFPLH") in prior years. As payment consideration for the construction works carried out, the NFPLH and the Group share the rental proceeds from the leasing of the telecommunication towers based on pre-determined ratios for a period of ten years commencing from the month when the rental proceeds were first received.

- Rights to provide sewerage services, treatment and disposal of the sludge
  This arose from the concession granted to a subsidiary of the Group, which is engaged in the treatment and disposal of sludge from septic tanks on a 25 years contract.

17. Assets classified as held for sale

In the financial year ended 31 March 2016, a subsidiary of the Group entered into a settlement agreement with two (2) of its customers. Pursuant to the settlement agreement, the debts owing to the subsidiary by the two (2) customers, were settled by way of set-off against a residential property which the customers are joint beneficial owners. The Group is committed to a plan to sell the said property and has appointed an estate agent to secure a purchaser.

18. Financial risk management

The Group's financial risk management objectives and policies and risk profile are consistent with those disclosed in the consolidated financial statements as at and for the financial year ended 31 March 2017.

19. Fair value hierarchy

In the three months ended 30 September 2017, there were no transfers between fair value hierarchies and no reclassifications of the financial assets as a result of a change in the purpose or use of those assets.

20. Review of performance

For the current quarter, the Group recorded lower revenue of RM64.7 million (six months ended 30 September 2017: RM117.3 million) compared to RM88.9 million in 2Q FYE 31 March 2017 (six months ended 30 September 2016: RM179.5 million), mainly due to low revenue from both works segment and property development segment as lower contributions from the projects which were at tail end of completion.

As a result, the Group recorded lower profit before taxation of RM10.7 million in current quarter ended 30 September 2017 (six months ended 30 September 2017: RM15.9 million) compared to 2Q FYE 31 March 2017 of RM13.1 million and RM24.9 million for six months ended 30 September 2016 respectively.

(continued)

20. Review of performance (continued)

However, the effect of lower contribution from works and property development segments was partly offset by a better margin from manufacturing divisions of the Group.

Performance of each operating segment below is shown before accounting for unallocated corporate expenses.

a) Manufacturing

In the current quarter and the cumulative quarters ended 30 September 2017, the manufacturing segment recorded a higher revenue of RM47.6 million and RM85.2 million respectively (2Q FYE 31 March 2017: RM38.5 million and six months ended 30 September 2016: RM83.6 million), due to higher demand in polyethylene engineering products.

The profit margin of the manufacturing segment has improved in the current quarter as compared to the corresponding quarter due to more favorable mix of products and customers. As a result, it leads to a higher segment profit of RM8.6 million in the current quarter (six months ended 30 September 2017: RM13.2 million) as compared to RM4.5 million in 2Q FYE 31 March 2017 (six months ended 30 September 2016: RM10.8 million).

b) Works

Given the nature of the works segment, its revenue and profit contribution typically fluctuates according to the ebb and flow of projects.

In the current quarter and the cumulative quarters ended 30 September 2017, this segment recorded lower revenue of RM9.9 million and RM15.7 million respectively (2Q FYE 31 March 2017: RM15.2 million and six months ended 30 September 2016: RM34.0 million) with a decrease in segment profit of RM2.9 million and RM3.6 million for six months ended 30 September 2017 (2Q FYE 31 March 2017: RM3.3 million and six months ended 30 September 2016: RM7.0 million), mainly due to less construction work done.

c) Property development

The revenue recognized for the current quarter amounting to RM0.6 million and RM3.8 million for six months ended 30 September 2017 (2Q FYE 31 March 2017: RM28.1 million and six months ended 30 September 2016: RM48.9 million) was derived from the sales of the remaining units of Urbana Residences. In view of the current soft property market sentiment, the Group is therefore taking cautious approach in launching other projects in our pipeline.

The minimal contribution from Urbana Residences in the current quarter was further distorted by preparation expenses for the Group’s proposed future developments located at Mont’ Kiara and Cheras, causing loss in the segment result.

d) Others

This segment registered slightly lower revenue of RM6.6 million in the current quarter and RM12.6 million in the cumulative quarters ended 30 September 2017 as compared to the corresponding quarter in the previous financial year of RM7.0 million and RM13.0 million for six months ended 30 September 2016. The decrease was mainly due to lower contribution from lower delivery of quarry stone in the current quarter and the cumulative quarters under review. Hence, it led to a decrease in segment profit before tax of RM1.2 million (2Q FYE 31 March 2017: RM1.3 million) in the current quarter.

However, there is an improvement in segment profit before tax from RM2.0 million in the last corresponding period ended 30 September 2016 to RM2.2 million in the current period ended 30 September 2017 due to the better performance in septic sludge treatment.

(continued)

21. Variation of results against preceding quarter

The Group recorded higher revenue and profit before tax for current quarter of RM64.7 million and RM10.7 million respectively as compared to Q1 FYE 31 March 2018 of RM52.5 million and RM5.1 million mainly due to contribution from manufacturing, works and others segments.

Analysis of performance of each operating segment is as follows:

- Manufacturing segment: This segment achieved higher revenue of RM47.6 million as compared to RM37.6 million in the preceding quarter due to the higher demand in polyethylene engineering products. Also as a result of more favorable mix of products and customers in the current quarter, this segment achieved higher profit of RM8.6 million as compared to RM4.6 million in the preceding quarter.

- Works segment: This segment recorded a higher revenue of RM9.9 million compared to RM5.8 million in the preceding quarter mainly due to more construction work done in the current quarter. Hence, there was an increase in segment profit of RM2.9 million in the current quarter as compared to RM0.8 million in preceding quarter due to lower expenses incurred in the current quarter.

- Property development segment: As there is no new launches, this segment's revenue of RM0.6 million was recognised on the sales of remaining completed units of Urbana Residences as compared to RM3.2 million recognised in the preceding quarter. It recorded a higher segment loss of RM1.3 million (1Q FYE 31 March 2018: segment loss of RM0.7 million) due to lower sales contribution but lower loss margin as higher preparation cost charged out as expenses on the other on-going projects in the preceding quarter.

- Others segment: This segment achieved higher revenue of RM6.6 million in the current quarter compared to RM6.0 million in the preceding quarter mainly due to higher contribution from both septic sludge treatment and quarry operation. As a result, it led to higher segment profit from RM1.0 million in the preceding quarter to RM1.2 million in the current quarter**.**

22. Prospects for the financial year ending 31 March 2018

The Malaysian economy is expected to remain resilient in 2018, with real gross domestic product (GDP) expanding between 5% and 5.5%, slightly lower than the 5.2% and 5.7% growth projection for 2017, led by domestic demand amid favourable external sector. Domestic demand is forecast to moderate to 5.5% in 2018 from 6.4% in 2017. Domestic demand remains robust amid buoyant consumer and business confidence in September and low unemployment in July.

The Group's manufacturing segment is expected to continuously benefit particularly in products for public utilities in relation to the infrastructures and projects as highlighted in the previous Budget 2017, recently announced Budget 2018 and 11^{th} Malaysia Plan for strengthening Malaysia's economy. The Group's polyethylene culverts are increasingly being accepted by both the government sector in road construction projects, and the private sector especially oil palm plantations for drainage infrastructure. Recently, volatility of Malaysian Ringgit has declined although raw material price in ethylene has increased. The Group will continuously take precautions measures to enhance operating cost efficiency to achieve competitiveness.

The Group foresees opportunity for work segment as supported by the Government's plan, Budget 2017 and Budget 2018 to improve on public infrastructures and also telecommunication infrastructure especially internet access to ensure greater internet connectivity coverage and to empower the digital economy for both Sabah and Sarawak. The Group had secured a 20-year government concession to upgrade Hospital Umum Sarawak (the "HUS") by way of development of new buildings and facilities comprising the Day Care Centre, the Medi-Hotel and Multi-Storey Car Park and the Multi-Storey Car Park Complex on a public private partnership by way of private financing initiative under the build, lease, maintain and transfer model. As the concession is just at the stage of starting some preparatory works, the concession is expected to contribute positively to the future earnings of the Group in the longer term.

Additional information required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

(continued)

22. Prospects for the financial year ending 31 March 2018 (continued)

The growing emphasis on environmental sustainability and green technology also bodes well for the Group. Over the years, the Group has significantly grown and enhanced its human and engineering capital, via active involvement and collaboration with a network of established international organisations. The Group has been successfully playing, and will continue to play, the role as a provider of environmental engineering solutions; such as in the field of water and wastewater treatment, septic sludge treatment and renewable energy.

The property market is seeing growth and improved sentiment compared with the previously quiet market, with some increased activities. Latest economic indicators augur well for the Malaysia property market next year which will be driven by growth in private consumption and the government's infrastructure investments. However, difficulty of potential buyers in getting bank financing had resulted in a slowdown in sales of the properties. The Group will employ strategy in focusing on niche residential developments in mature locations in the Klang Valley where demand and spending power remains resilient and the management is continuously reviewing our planned launches.

Moving forward, given the above mentioned prospects and factors which will affect the Group's business, the Directors will ensure continuous efforts to implement measures to improve operating efficiency in achieving sustainable results for the Group for the financial year ending 31 March 2018 on the strength of the diversified base of the Group which has helped to offset the adverse impacts to the Group.

23. Financial estimate, forecast, projection or internal targets

Not applicable as no financial estimate, forecast, projection or internal targets was published.

24. Income tax expense

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30 September 2017 RM'000	30 September 2016 RM'000	30 September 2017 RM'000	30 September 2016 RM'000
Current tax expense				
Malaysian - current period	3,726	2,876	5,564	6,511
- prior years	33	320	33	320
	3,759	3,196	5,597	6,831
Deferred tax expense				
- current period	(163)	1,310	(7)	1,539
- prior years	(63)	-	(63)	49
	(226)	1,310	(70)	1,588
Tax expense for the period	3,533	4,506	5,527	8,419

The Group's effective tax rates for the current quarter, corresponding quarter, current cumulative quarters and corresponding cumulative quarters are higher than the prima facie tax rate mainly due to non-deductible expenses and the unrecognised deferred tax assets arising from loss making operations.

25. Status of corporate proposals

Not applicable.

(continued)

26. Utilisation of share proceeds

Not applicable.

27. Loans and borrowings

	30 September 2017 RM'000	31 March 2017 RM'000
Non-current		
Unsecured	5,357	8,929
Secured	8,976	10,297
	14,333	19,226
Current		
Unsecured	36,010	32,911
Secured	5,708	19,828
	41,718	52,739
Total	56,051	71,965

All borrowings are denominated in Ringgit Malaysia.

28. Derivatives financial instruments

The outstanding forward foreign currency contracts as at the end of the quarter under review are as follows:

	Contract/Notional Value RM'000	Net Fair Value Loss RM'000
Forward foreign currency contracts - less than 1 year	4,285	88

Derivative financial instruments entered into by the Group are similar to those disclosed in the consolidated annual financial statements as at and for the financial year ended 31 March 2017.

29. Gains/Losses arising from fair value changes of financial liabilities

There were no material gains or losses arising from fair value changes of the financial liabilities for the current quarter and financial period.

30. Material litigation

There was no pending material litigation during the quarter under review.

31. Auditors' report on preceding annual financial statements

The auditors have expressed an unqualified opinion on the Group's and the Company's statutory financial statements for the financial year ended 31 March 2017 in their report dated 19 June 2017.

(continued)

32. Profit for the financial period

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30 September 2017 RM'000	30 September 2016 RM'000	30 September 2017 RM'000	30 September 2016 RM'000
Profit is arrived at after charging:				
Amortisation of intangible assets	1,270	1,907	2,540	3,815
Amortisation of prepaid lease payments	30	30	60	60
Amortisation of goodwill	-	10	-	20
Depreciation of property, plant and equipment	2,158	2,185	4,340	4,414
Unrealised loss on foreign exchange	10	64	66	64
Property, plant and equipment written off	251	34	253	463
Derivative loss on forward foreign exchange contract	-	-	24	-
Loss on disposal of property, plant and equipment	-	2	-	-

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30 September 2017 RM'000	30 September 2016 RM'000	30 September 2017 RM'000	30 September 2016 RM'000
and after crediting:				
Derivative gain on forward foreign exchange contract	32	111	-	69
Reversal of allowance for impairment loss on receivables	-	4	36	12
Gain on disposal of property, plant and equipment	221	-	291	13

There were no exceptional items for the current quarter and current financial period.

33. Dividends payable

A first and final single-tier exempt dividend of 3.0 sen per ordinary share of RM0.50 each in respect of the financial year ended 31 March 2017, approved at the Annual General Meeting, held on 22 August 2017, was paid on 27 October 2017 to Depositors whose names appear in the Record of Depositors on 9 October 2017.

No dividend has been recommended or paid for the current financial quarter to date.

(continued)

34. Earnings per ordinary share

(a) Basic earnings per ordinary share

Basic earnings per ordinary share is calculated by dividing the profit after taxation for the financial period by the weighted average number of ordinary shares in issue during the financial period.

	Individual Quarter 3 months ended		**Cumulative Quarter 6 months ended**	
	30 September 2017 RM'000	**30 September 2016 RM'000**	**30 September 2017 RM'000**	**30 September 2016 RM'000**
Profit for the financial period	7,199	8,611	10,326	16,520
Less: Amount attributable to non-controlling interests	(563)	(544)	(1,062)	(809)
Profit for the financial period attributable to owners of the Company	6,636	8,067	9,264	15,711
Weighted average number of ordinary shares in issue ('000)	126,894	126,894	126,894	126,894
Basic earnings per ordinary share (sen)	5.23	6.36	7.30	12.38

The weighted average number of ordinary shares in issue during the current quarter under review has been adjusted for the treasury shares bought back by the Company during the period (see Note 6). The weighted average number of ordinary shares in issue, net of treasury shares acquired, as at quarter ended 30 September 2017 is 126,894,249 (30 September 2016: 126,894,340).

(b) Diluted earnings per ordinary share

This is not applicable as there exists no share options, warrants or other financial instruments that will dilute or have the effect of diluting the basic earnings per ordinary share.

(continued)

35. Breakdown of realised and unrealised profits or losses

	30 September 2017 RM'000	31 March 2017 RM'000
Total retained earnings of the Company and its subsidiaries:		
- Realised	389,240	383,614
- Unrealised	(7,268)	(6,735)
	381,972	376,879
Share of accumulated losses from associate		
- Realised	(349)	(305)
	381,623	376,574
Less: Consolidation adjustments	(46,349)	(46,993)
Total Group retained earnings as per consolidated statement of changes in equity	335,274	329,581

The determination of realised and unrealised profits or losses is based on Guidance on Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

36. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 28 November 2017.