WEIDA (M) BHD (Company No. 504747-W)
UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 MARCH 2018

Consolidated Statement of Financial Position
As at 31 March 2018

	Note	31 March 2018 RM'000	31 March 2017 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		101,967	109,810
Prepaid lease payments		2,813	2,932
Investment property		7,161	-
Investment in an associate		-	1,361
Goodwill	16	341	341
Other intangible assets		7,227	11,498
Other investments		2	3
Other receivables		2,956	-
Deferred tax assets		1,267	1,559
		123,734	127,504
Current assets			
Inventories		65,795	69,062
Property development costs		160,812	158,863
Trade and other receivables		118,039	105,987
Deposits and prepayments		4,310	7,444
Current tax recoverable		3,711	3,900
Cash and cash equivalents		96,739	119,043
		449,406	464,299
Asset classified as held for sale	17	868	868
		450,274	465,167
Total assets		574,008	592,671

Consolidated Statement of Financial Position
As at 31 March 2018

	Note	31 March 2018 RM'000	31 March 2017 RM'000
(continued)			
EQUITY			
Equity attributable to owners of the Company			
Share capital		66,667	66,667
Reserves		369,510	352,815
Treasury shares		(4,601)	(4,601)
		431,576	414,881
Non-controlling interests		10,543	11,640
Total equity		442,119	426,521
LIABILITIES			
Non-current liabilities			
Loans and borrowings	27	14,299	19,226
Deferred tax liabilities		12,578	14,575
		26,877	33,801
Current liabilities			
Trade and other payables		67,162	78,910
Derivative financial liabilities		121	40
Loans and borrowings	27	35,655	52,739
Current tax payable		2,074	660
		105,012	132,349
Total liabilities		131,889	166,150
Total equity and liabilities		574,008	592,671
Net assets per ordinary share attributable to owners of the Company, net of treasury shares (RM)		3.40	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 year ended 31 March 2018

	Note	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
		31 March 2018 RM'000	31 March 2017 RM'000	31 March 2018 RM'000	31 March 2017 RM'000
Revenue	8	51,171	61,489	234,892	301,409
Operating profit		7,320	245	34,745	31,572
Interest expense		(491)	(522)	(2,592)	(2,647)
Interest income		747	1,262	3,505	4,447
Gain on disposal of other investment		-	-	-	1,042
Gain on deconsolidation		-	36	-	36
Share of results of equity accounted associate		-	(26)	(44)	(107)
Profit before taxation	8	7,576	995	35,614	34,343
Income tax expense	24	(4,770)	(2,022)	(13,423)	(14,242)
Profit/(Loss) after taxation		2,806	(1,027)	22,191	20,101
Other comprehensive expense, net of tax					
Items that may be reclassified to profit or loss					
Foreign exchange translation differences for foreign operations		614	(383)	164	(20)
Other comprehensive income/(expense) for the financial period/year, net of tax		614	(383)	164	(20)
Total comprehensive income/(expense) for the financial period/year, net of tax		3,420	(1,410)	22,355	20,081
Profit/(Loss) attributable to:					
Owners of the Company		2,473	(1,871)	20,348	18,135
Non-controlling interests		333	844	1,843	1,966
Profit/(Loss) for the financial period/year	32	2,806	(1,027)	22,191	20,101
Total comprehensive income/(expense) attributable to:					
Owners of the Company		3,087	(2,254)	20,512	18,115
Non-controlling interests		333	844	1,843	1,966
Total comprehensive income/(expense) for the financial period/year		3,420	(1,410)	22,355	20,081
Basic/Diluted earnings/(loss) per ordinary share (Sen)	34	1.94	(1.48)	16.03	14.29

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 year ended 31 March 2018

		<----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		-	-	(473)	-	-	-	473	-	-	-
Foreign exchange translation differences for foreign operations		-	-	-	*164*	-	-	-	*164*	-	*164*
Total other comprehensive income for the financial year		-	-	-	164	-	-	-	164	-	164
Profit for the financial year		-	-	-	-	-	-	20,348	20,348	1,843	22,191
Total comprehensive income for the financial year		-	-	-	164	-	-	20,348	20,512	1,843	22,355
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 interests		-	-	-	-	-	-	-	-	(5,136)	(5,136)
Acquisition of non-controlling interest in an existing subsidiary	11	-	-	-	-	-	-	(10)	(10)	10	-
Consolidation of an associate	11	-	-	-	-	-	-	-	-	2,186	2,186
Total transactions with non-controlling interests		-	-	-	-	-	-	(10)	(10)	(2,940)	(2,950)
At 31 March 2018		133,333	66,667	23,921	(1,001)	5	(4,601)	346,585	431,576	10,543	442,119

Consolidated Statement of Changes in Equity

For the financial year ended 31 March 2017

	Note	<---- Attributable to owners of the Company ---->								Non- controlling interests RM'000	Total equity RM'000
		Issued and fully paid ordinary shares		Non-Distributable				Distributable			
		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		
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		-	-	(473)	-	-	-	473	-	-	-
Foreign exchange translation differences for foreign operations		-	-	-	*(20)*	-	-	-	*(20)*	-	*(20)*
Total other comprehensive expense for the financial year		-	-	-	(20)	-	-	-	(20)	-	(20)
Profit for the financial year		-	-	-	-	-	-	18,135	18,135	1,966	20,101
Total comprehensive (expense)/income for the financial year		-	-	-	(20)	-	-	18,135	18,115	1,966	20,081
Distributions to owners of the Company:											
- Own shares acquired		-	-	-	-	-	*(1)*	-	*(1)*	-	*(1)*
- Dividends to owners of the Company	7	-	-	-	-	-	-	*(3,807)*	*(3,807)*	-	*(3,807)*
Total transactions with owners of the Company		-	-	-	-	-	(1)	(3,807)	(3,808)	-	(3,808)
At 31 March 2017		133,333	66,667	24,394	(1,165)	5	(4,601)	329,581	414,881	11,640	426,521

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 year ended 31 March 2018

	31 March 2018 RM'000	**31 March 2017 RM'000**
Profit after taxation for the financial year	22,191	20,101
Adjustments for:		
Amortisation of intangible assets	4,271	7,671
Amortisation of prepaid lease payments	119	119
Depreciation of property, plant and equipment	8,591	8,802
Derivative loss/(gain) on forward foreign currency contracts	81	(287)
Interest expense	2,592	2,647
Interest income	(3,505)	(4,447)
Unrealised foreign exchange gain	(25)	(125)
Gain on disposal of property, plant and equipment	(475)	(79)
Gain on disposal of other investment	-	(1,042)
Gain on disposal/deconsolidation of subsidiaries	-	(36)
Impairment loss/(net reversal of impairment loss) on receivables	725	(332)
Net bad debt (recovered)/written off	(4)	2
Property, plant and equipment written off	264	559
Inventory written back	-	(63)
Income tax expense	13,423	14,242
Share of results of equity accounted associate	44	107
Operating profit before changes in working capital	48,292	47,839
Change in inventories	3,267	(25,992)
Change in property development costs	(1,949)	19,024
Change in trade and other receivables, deposits and prepayments, including derivatives	(7,790)	27,535
Change in trade and other payables, including derivatives	(15,958)	(7,678)
Cash generated from operations	25,862	60,728
Interest paid	(1,051)	(959)
Income tax paid	(13,525)	(9,461)
Net cash from operating activities	11,286	50,308
Cash flows from investing activities		
Increase in cash and cash equivalents pledged with licensed banks	(31)	(44)
Subscription of shares in an associate	(784)	(1,176)
Consolidation of an associate (Note 11)	3,011	-
Acquisition of property, plant and equipment	(8,778)	(11,584)
Proceeds from disposal of other investments	-	1,268
Net cash inflow from deconsolidation of a subsidiary	-	213
Proceeds from disposal of property, plant and equipment	1,113	100
Interest received	3,385	3,599
Net cash used in investing activities	(2,084)	(7,624)

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2018

	31 March 2018 RM'000	**31 March 2017 RM'000**
(continued)		
Cash flows from financing activities		
Net repayments of other loans and borrowings	(22,236)	(15,557)
Dividends paid to:		
-Shareholders of the Company	(3,807)	(3,807)
-Non-controlling interests	(5,136)	-
Interest paid	(1,209)	(3,020)
Net cash used in financing activities	(32,388)	(22,384)
Net (decrease)/increase in cash and cash equivalents	(23,186)	20,300
Effects of exchange rate fluctuations on cash held	851	156
Cash and cash equivalents at beginning of financial year	116,989	96,533
Cash and cash equivalents at end of financial year	94,654	116,989

Note

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

Deposits, bank and cash balances	96,739	119,043
Less: Cash and cash equivalents pledged for banking facilities	(2,085)	(2,054)
Total cash and cash equivalents as shown in consolidated statement of cash flows	94,654	116,989

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 31 March 2018 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.

(continued)

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 31 March 2018.

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 which include undertake infrastructure and building projects based on private financing initiative under the build, lease, maintain and transfer model

(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 12 months ended 31 March 2018	Manufacturing RM'000	Works RM'000	Property development RM'000	Others RM'000	Consolidated RM'000
Segment revenue	162,232	43,953	4,623	24,084	234,892
Segment profit/(loss) before taxation	21,667	16,306	(3,255)	4,050	38,768
Unallocated corporate expenses					(3,110)
Share of results of equity accounted associate					(44)
Profit before taxation					35,614
Tax expense					(13,423)
Profit for the financial year					22,191
For the 12 months ended 31 March 2017					
Segment revenue	161,709	64,914	50,148	24,638	301,409
Segment profit before taxation	20,572	9,553	3,010	3,843	36,978
Unallocated corporate expenses					(2,528)
Share of results of equity accounted associate					(107)
Profit before taxation					34,343
Tax expense					(14,242)
Profit for the financial year					20,101

(continued)

8. Segment information (continued)

	Cumulative Quarter 12 months ended	
	31 March 2018 RM'000	**31 March 2017 RM'000**
Revenue from external customers		
Malaysia	226,337	293,586
Other countries	8,555	7,823
	234,892	301,409

9. Property, plant and equipment

a) Acquisitions and disposals

During the twelve months ended 31 March 2018, the Group acquired items of property, plant and equipment costing RM9.0 million (FYE 31 March 2017: RM11.8 million), of which RM0.2 million (FYE 31 March 2017: RM0.2 million) was in the form of finance lease assets.

During the twelve months ended 31 March 2018, the Group disposed of items of property, plant and equipment with a carrying amount of RM638,000 (FYE 31 March 2017: RM21,000), resulting in a net gain on disposal of RM475,000 (FYE 31 March 2017: RM79,000).

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)

11. Changes in composition of the Group (continued)

On 13 October 2017, the Group acquired additional 30 ordinary shares of RM1.00 each in the share capital of Vista Cape Sdn Bhd ("VCSB"), for a cash consideration of RM30. As a result, VCSB became a 81% owned subsidiary of the Company.

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

	31 March 2018 RM'000	31 March 2017 RM'000
Property, plant and equipment		
Authorised but not contracted for	2,263	5,329
Contracted but not provided for	273	275
	2,536	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 & Shareholders of the Company and its subsidiaries have interests*

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	31 March 2018 RM'000	31 March 2017 RM'000	31 March 2018 RM'000	31 March 2017 RM'000
Nature of transaction				
Rental of premises	63	63	277	249
Rental of motor vehicle	-	-	-	(22)
Technical fee paid	-	-	4	-
Dividend paid	4,101	-	4,101	-
Consultancy fee paid	-	-	-	3
Sale of finished goods		(3)		(3)
Purchase of trading goods	-	-	11	-
Management fee and technical fee received	(51)	-	(203)	-
Service charge	131	(13)	143	(13)

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

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	31 March 2018 RM'000	31 March 2017 RM'000	31 March 2018 RM'000	31 March2017 RM'000
Nature of transaction				
Progress billings for properties under development	-	-	-	(4,023)
Rental of premises	22	-	81	-
Dividend paid	1,035	-	1,035	-

(continued)

15. Compensation to key management personnel

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

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	31 March 2018 RM'000	31 March 2017 RM'000	31 March 2018 RM'000	31 March 2017 RM'000
Directors of the Company	325	2,244	2,724	5,903
Directors of subsidiaries and other key management personnel	949	932	4,725	7,447
	1,274	3,176	7,449	13,350

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 31 March 2018, 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 RM51.2 million (4Q FYE 31 March 2017: RM61.5 million) mainly due to lower contribution from all segments except manufacturing segment. However, the Group achieved higher margin with better profit before tax of RM7.6 million (4Q FYE 31 March 2017: RM1.0 million), mainly due to less overheads incurred in works segment and property development segment.

As for the cumulative results, it recorded lower revenue of RM234.9 million (FYE 31 March 2017: RM301.4 million). Lower revenue mainly due to lower contribution from both works segment and property development segment as the work projects were at tail end of completion and our inaugural development, Urbana Residences was completed in last financial year, but the impact has softened by higher revenue contributed from manufacturing segment.

(continued)

20. Review of performance (continued)

Despite lower revenue, the Group achieved higher profit before tax of RM35.6 million (FYE 31 March 2017: RM34.3 million). The Group's profit margin was improved contributed from both manufacturing and works segments for the current financial year.

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

a) Manufacturing

The manufacturing segment recorded a slightly higher revenue of RM162.2 million in the current financial year (FYE 31 March 2017: RM161.7 million), mainly due to the higher demand in certain polyethylene engineering products.

The performance of the manufacturing segment has improved in the current financial year due to more favourable mix of products and customers, resulted in segment profit of RM21.7 million (FYE 31 March 2017: RM20.6 million).

For the current quarter, this segment posted lower segment revenue of RM29.9 million (4Q FYE 31 March 2017: RM36.5 million) due to lower demand in certain polyethylene engineering products in the current quarter. As a result, this segment recorded lower segment profit of RM0.7 million (4Q FYE 31 March 2017: Profit of RM2.9 million) due to less favourable mix of products and customers in the current quarter, coupled with higher overheads.

b) Works

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

In the current financial year and current quarter, this segment posted lower revenue of RM44.0 million (FYE 31 March 2017: RM64.9 million) and RM15.2 million (4Q FYE 31 March 2017: RM16.8 million) respectively as less construction works and also lower tower rental income received.

However, this segment achieved higher profit of RM16.3 million (FYE 31 March 2017: RM9.6 million) in current financial year and RM7.8 million (4Q FYE 31 March 2017: RM1.3 million) in current quarter, as a result of lower overheads incurred.

c) Property development

In the current financial year and current quarter, the property development segment posted lower revenue of RM4.6 million (FYE 31 March 2017: RM50.1 million) and RM0.8 million (4Q FYE 31 March 2017: RM1.2 million) respectively as the Urbana Residences project was completed in last financial year and also there is no new project launched in current financial year.

In view of the current soft property market sentiment, the Group is therefore taking cautious approach in launching other projects in our pipeline.

The losses incurred for this segment in the current financial year and current quarter was mainly comprise of the preparation expenses for the Group's proposed future developments located at Mont' Kiara and Cheras.

d) Others

In the current financial year, this segment registered lower revenue of RM24.1 million (FYE 31 March 2017: RM24.6 million) but slightly higher segment profit of RM4.1 million (FYE 31 March 2017: RM3.8 million) due to lower overheads incurred.

For the current quarter, this segment recorded lower revenue of RM5.3 million (4Q FYE 31 March 2017: RM6.9 million) due to less quarry delivery. This had resulted in lower segment profit achieved of RM0.8 million (4Q FYE 31 March 2017: RM1.2 million).

(continued)

21. Variation of results against preceding quarter

The Group recorded lower revenue and profit before tax for current quarter of RM51.2 million and RM7.6 million respectively as compared to 3Q FYE 31 March 2018 of RM66.4 million and RM12.2 million.

Analysis of performance of each operating segment is as follows:

- Manufacturing segment: This segment recorded lower revenue of RM29.9 million as compared to RM47.1 million in the preceding quarter due to lower demand in polyethylene engineering products. Also as a result of less favorable mix of products and customers coupled with higher overheads in the current quarter, this segment recorded lower profit of RM0.7 million as compared to RM7.9 million in the preceding quarter.

- Works segment: This segment recorded a higher revenue of RM15.2 million compared to RM13.1 million in the preceding quarter mainly due to more construction work done in the current quarter. This has resulted in higher segment profit of RM7.8 million in the current quarter as compared to RM4.9 million in preceding quarter which was also coupled by lower expenses incurred in the current quarter.

- Property development segment: These is no significant variation as compared to preceding quarter. The Group are still in the midst of preparation for the proposed future developments located at Mont' Kiara and Cheras. In view of the current soft property market sentiment, the Group is therefore taking cautious approach in launching other projects in our pipeline.

- Others segment: This segment recorded lower revenue of RM5.3 million in the current quarter compared to RM6.2 million in the preceding quarter mainly due to lower contribution from quarry operation. Hence, it led to lower segment profit from RM1.1 million in the preceding quarter to RM0.8 million in the current quarter and also coupled with higher overheads incurred in the current quarter.

22. Prospects for the financial year ending 31 March 2019

Malaysian economy is expected to remain resilient in 2018 despite some volatility is seen near term after post-14th general election environment, given its resilient and robust financial system. Malaysia's annual economic growth slowed to 5.4% in the first quarter of year 2018. Gross domestic product growth projection is pending details on the new government's economic policies. Bank Negara Malaysia decided to maintain the Overnight Policy Rate ("OPR") at 3.25%. However, the ringgit is expected to weaken against the US dollar for temporary.

The Group's manufacturing segment is expected to continuously benefit particularly in products for public utilities in relation to the infrastructures and projects 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. The Group will continuously take precautionary measures to enhance operating cost efficiency to achieve competitiveness.

The Group foresees opportunity for works segment as continuous supported by the Government's initiatives to improve on public infrastructures although there are uncertainties after change of government. Recently, the Sarawak Government had just launched its Digital Economy Strategy 2018-2022 which requires adequate telecommunication infrastructure to support the development. 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. Construction works have started toward end of last financial year and are being carried out smoothly in progress. Public perception is positive. 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 2019 (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 will remain challenging in year 2018. More developers are aware of the different segments in markets, review their development plans and also repackage their products towards more affordable housing projects. Latest improvement in economic indicators augur well for the Malaysia property market 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 priced above RM500,000. The management is reviewing our planned launches to meet market demands.

Moving forward, given the abovementioned 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 2019 on the strength of the diversified base of the Group which has helped to offset the adverse impacts to the Group. However, in view on the change of new Government recently, uncertainty in market sentiment and volatility in the financial markets will take time to unfold in the coming months.

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 12 months ended	
	31 March 2018 RM'000	31 March 2017 RM'000	31 March 2018 RM'000	31 March 2017 RM'000
Current tax expense				
Malaysian - current period/year	5,184	2,564	15,314	10,589
- prior years	-	(643)	(186)	303
	5,184	1,921	15,128	10,892
Deferred tax expense				
- current period/year	(552)	(222)	(1,517)	3,029
- prior years	138	323	(188)	321
	(414)	101	(1,705)	3,350
Tax expense for the period/year	4,770	2,022	13,423	14,242

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

PROPOSED SELECTIVE CAPITAL REDUCTION AND REPAYMENT EXERCISE ("OFFER" OR "PROPOSED SCR")

On 29 January 2018, the Board of Directors ("the Board") had announced that it has received a letter from Weida Management Sdn. Bhd., a major shareholder of the Company, requesting the Company to undertake the Proposed SCR pursuant to Section 116 of the Companies Act 2016 ("Act") ("SCR Offer Letter"). The Proposed SCR involves the Company undertaking a selective capital reduction and repayment exercise under Section 116 of the Act, involving all shareholders of the Company except Non-Entitled Shareholders (as defined in the SCR Offer Letter) whose names appear in the Record of Depositors of the Company as at the close of business on an entitlement date to be determined and announced later.

Under the Proposed SCR, the entitled shareholders are shareholders of the Company (other than Non-Entitled Shareholders), collectively holding 84,653,340 ordinary shares of the Company ("Weida Shares"), representing approximately 66.71% of the issued share capital of the Company (excluding 6,439,100 treasury shares held by the Company) and will receive a total of RM203,168,016 or RM2.40 cash for each Weida Share.

On 9 March 2018, RHB Investment Bank Berhad on behalf of the Board, announced that the Board, save for the Interested Directors, i.e. Dato' Lee Choon Chin (being the ultimate offeror to the Proposed SCR) and Mr Jee Hon Chong, had deliberated on the contents of the SCR Offer Letter and had resolved to table the Proposed SCR to the shareholders of Weida for their consideration and approval.

On 13 March 2018, RHB Investment Bank on behalf of the Board, announced that the application in relation to the Proposed SCR had been submitted to the Securities Commission Malaysia ("SC") pursuant to Paragraph 2(a) of Schedule 3 of the Rules on Take-overs, Mergers and Compulsory Acquisitions.

On 12 April 2018, RHB Investment Bank on behalf of the Board, announced that the SC had vide its letter dated 12 April 2018, approved the extension of time to despatch the circular of the Proposed SCR by 30 April 2018 or until such time that the SC has notified that it has no further comments on the circular of the Proposed SCR.

For further details, please refer to the respective announcements as mentioned above.

26. Utilisation of share proceeds

Not applicable.

27. Loans and borrowings

	31 March 2018 RM'000	31 March 2017 RM'000
Non-current		
Unsecured	1,786	8,929
Secured	12,513	10,297
	14,299	19,226
Current		
Unsecured	33,672	32,911
Secured	1,983	19,828
	35,655	52,739
Total	49,954	71,965

All borrowings are denominated in Ringgit Malaysia.

28. Derivative 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	9,612	81

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 year.

(continued)

30. Material litigation

On 23 May 2017, Weida Works Sdn Bhd ("Weida Works"), a wholly owned subsidiary of the Company had issued a Notice of Arbitration against Common Tower Technology Sdn Bhd ("CTT") and filed with the Kuala Lumpur Regional Centre for Arbitration (KLRCA) and commenced arbitration proceedings against CTT for *inter alia*:

a) breach of the joint venture agreement entered into between the parties dated 22 June 2005 by CTT in not paying Weida Works its entitled share of all license income from the new operators amounting to RM23,435,000 which represents Weida Works' share of the same;

b) an account of all undeclared license income received from the new operators; and

c) breach of CTT's fiduciary duty to Weida Works under the joint venture agreement entered into between the parties dated 22 June 2005 and the first supplementary joint venture agreement dated 23 March 2006 ("Telco JVA") causing inter alia loss of business opportunities pursuant to a license agreement entered into between CTT and the original operators as well as damages (including aggravated and exemplary damages), interest; and costs.

Weida Works and CTT had executed the Telco JVA to undertake the telecommunication infrastructure projects in Sabah ("**Projects**"). Under the Telco JVA, Weida Works was to fund and build telecommunication towers in Sabah while CTT would secure the tower sites and to license these towers to mobile telecommunication operators for licence fees, to which CTT shall then share such licence fees income received from both the original operators and new operators with Weida Works at an agreed ratio.

Weida Works had filed its points of claim on 3 January 2018 and CTT had filed its reply to the Weida Works's points of claim and counterclaim ("**Counterclaim**") on 5 March 2018. The Counterclaim seeks declaratory orders that the Telco JVA is not binding and/or void in law and/or seeks a refund of all monies received from CTT save for telecommunication towers construction costs as well as to pay RM131,842,529.46 being wrongful interest imposed by the Weida Works, with pre-award and post-arbitration award interest and costs. This is despite CTT obtaining the full benefits of the Telco JVA since its inception in 2005 to date. The Weida Works's response is that the CTT's alleged "wrongful interest" is in fact the Weida Works's share of licence fees pursuant to the Telco JVA and was treated as "interest" in accordance with the Financial Reporting Standards at that material time. The same manner has been practised since 2006 without any objection.

On 30 April 2018, Weida Works had filed and serviced its reply to CTT's Defence and Defence to Counterclaim as well as change of hearing dates. The arbitration has been fixed for hearing between 3 October 2018 to 9 November 2018.

As advised by Weida Works's solicitors, the Company is of the view that the Counterclaim is not supported with valid grounds and has no legal basis for its allegations in its reply and counterclaim. On the contrary, the Company is of the view that Weida Works has a legal basis for this arbitration of which Weida Works is *inter alia* claiming against CTT for losses suffered by Weida Works in consequence of CTT's breach of the terms of Telco JVA in not paying Weida Works its entitled share of all license fees from new operators using Weida Works's built towers for RM23,435,000.00 which represents Weida Works approximate share of the same and/or in breach of CTT's fiduciary duty towards Weida Works under the Telco JVA.

The counter claim and the arbitration proceedings are not expected to have any material financial and operational impact on the Weida Group. Weida Group does not expect any losses to arise by reason of the commencement of the said arbitration proceeding other than legal cost and time in defending Weida Works's claim and CTT's Counterclaim.

Further announcement on the development of the above matter will be made to Bursa Malaysia Securities Berhad in due course.

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

(continued)

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.

32. Profit/(Loss) for the financial period/year

	Individual Quarter 3 months ended		**Cumulative Quarter 12 months ended**	
	31 March 2018 RM'000	**31 March 2017 RM'000**	**31 March 2018 RM'000**	**31 March 2017 RM'000**
Profit/(loss) is arrived at after charging:				
Amortisation of intangible assets	460	1,948	4,271	7,671
Amortisation of prepaid lease payments	30	30	119	119
Bad debt written off	-	2	-	2
Depreciation of property, plant and equipment	2,088	2,189	8,591	8,802
Unrealised loss on foreign exchange	29	49	-	125
Property, plant and equipment written off	10	70	264	559
Derivative loss on forward foreign exchange contract	-	367	81	367
Loss on disposal of property, plant and equipment	-	2	-	-
Allowance for impairment loss in receivables	689	-	725	-
Inventories written off	51	-	51	-
and after crediting:				
Derivative gain on forward foreign exchange contract	63	-	-	80
Unrealised gain on foreign exchange	-	-	25	-
Reversal of allowance for impairment loss on receivables	-	334	-	332
Gain on disposal of property, plant and equipment	171	-	475	79
Gain on disposal of other investment	-	-	-	1,042
Gain on disposal/deconsolidation of subsidiaries	-	36	-	36
Inventory written back	28	63	28	63
Bad debt recovered	4	-	4	-

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

33. Dividends payable

A first and final single-tier exempt dividend of 3.0 sen per ordinary share 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 year by the weighted average number of ordinary shares in issue during the financial year.

	Individual Quarter 3 months ended		**Cumulative Quarter 12 months ended**	
	31 March 2018 RM'000	**31 March 2017 RM'000**	**31 March 2018 RM'000**	**31 March 2017 RM'000**
Profit/(Loss) for the financial period/year	2,806	(1,027)	22,191	20,101
Less: Amount attributable to non-controlling interests	(333)	(844)	(1,843)	(1,966)
Profit/(Loss) for the financial period/year attributable to owners of the Company	2,473	(1,871)	20,348	18,135
Weighted average number of ordinary shares in issue ('000)	126,894	126,894	126,894	126,894
Basic earnings per ordinary share (sen)	1.94	(1.48)	16.03	14.29

The weighted average number of ordinary shares in issue during the current quarter under review has been adjusted for the treasury shares held by the Company during the period. The weighted average number of ordinary shares in issue, net of treasury shares acquired, as at 31 March 2018 is 126,894,232 (31 March 2017: 126,894,232).

(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.

35. 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 30 May 2018.