

**ENG KAH CORPORATION BERHAD**  
**Company No. 435649-H**

**Condensed Consolidated Statement of Financial Position**  
**As at 31 December 2018 - Unaudited**

	<b>Unaudited as at 31/12/2018 RM'000</b>	<b>Audited as at 31/12/2017 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	21,265	23,086
Investment in joint ventures	993	5,099
	<u>22,258</u>	<u>28,185</u>
<b>Current assets</b>		
Inventories	19,456	22,101
Trade receivables	15,348	14,998
Other receivables, deposits and prepayments	1,049	487
Current tax assets	8,045	7,912
Cash and cash equivalents	17,308	9,619
	<u>61,206</u>	<u>55,117</u>
<b>TOTAL ASSETS</b>	<u>83,464</u>	<u>83,302</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	72,429	72,429
Other reserves	1,388	1,179
Accumulated losses	(1,963)	(4,453)
<b>Total equity</b>	<u>71,854</u>	<u>69,155</u>
<b>Non-current liabilities</b>		
Borrowings	133	244
Deferred tax liabilities	1,853	1,822
	<u>1,986</u>	<u>2,066</u>
<b>Current liabilities</b>		
Trade payables	6,868	9,107
Other payables and accruals	2,334	2,388
Borrowings	422	586
	<u>9,624</u>	<u>12,081</u>
<b>Total liabilities</b>	<u>11,610</u>	<u>14,147</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>83,464</u>	<u>83,302</u>
Net assets per share (RM)	1.02	0.98

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**ENG KAH CORPORATION BERHAD**  
**Company No. 435649-H**

**Condensed Consolidated Statement of Comprehensive Income**  
**For the 12 months period ended 31 December 2018 - Unaudited**

	NOTE	Individual Quarter 3 Months Ended		Cumulative Quarter 12 Months Ended	
		31/12/2018 RM'000	31/12/2017 RM'000	31/12/2018 RM'000	31/12/2017 RM'000
Revenue		16,793	16,250	57,821	56,786
Operating expenses		(17,490)	(16,265)	(58,559)	(56,513)
Other income		512	1,017	9,233	2,508
(Loss)/Profit from operations		(185)	1,002	8,495	2,781
Finance costs		(6)	(11)	(25)	(29)
Share of results of joint ventures		(95)	73	(542)	(317)
(Loss)/Profit before tax		(286)	1,064	7,928	2,435
Tax expense	<b>B5</b>	(95)	(329)	(1,258)	(1,048)
<b>(Loss)/Profit for the financial period/year</b>	<b>B6</b>	(381)	735	6,670	1,387
<b>Other comprehensive (loss)/income, net of tax</b>					
<b>Item that will be reclassified subsequently</b>					
<b>to profit or loss</b>					
Foreign exchange differences for foreign operations		(10)	(131)	(143)	107
<b>Total comprehensive (loss)/income for the financial period/year attributable to owners of the Company</b>		(391)	604	6,527	1,494
<b>Earnings per share (EPS) attributable to owners of the Company</b>					
Basic EPS (sen)	<b>B11</b>	(0.54)	1.04	9.43	1.96
Diluted EPS (sen)	<b>B11</b>	(0.54)	1.04	9.43	1.96

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes attached to these interim financial statements.

**ENG KAH CORPORATION BERHAD**  
**Company No. 435649-H**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**For the 12 months period ended 31 December 2018 - Unaudited**

	--- Non-distributable ---				
	<b>Share Capital RM'000</b>	<b>Share Premium RM'000</b>	<b>Other Reserves RM'000</b>	<b>Accumulated losses RM'000</b>	<b>Total Equity RM'000</b>
<b>As at 1-1-2018</b>	72,429	-	1,179	(4,453)	69,155
Foreign exchange differences for foreign operations	-	-	(143)	-	(143)
Profit for the financial year	-	-	-	6,670	6,670
Total comprehensive income for the financial year	-	-	(143)	6,670	6,527
<b>Transactions with owners:</b>					
Share-based payment transactions					
- current year	-	-	417	-	417
- lapse due to resignation	-	-	(65)	65	-
Dividends	-	-	-	(4,245)	(4,245)
Total transactions with owners	-	-	352	(4,180)	(3,828)
<b>As at 31-12-2018</b>	<b>72,429</b>	<b>-</b>	<b>1,388</b>	<b>(1,963)</b>	<b>71,854</b>
<b>As at 1-1-2017</b>	70,757	1,672	666	(3,750)	69,345
Foreign exchange differences for foreign operations	-	-	107	-	107
Profit for the financial year	-	-	-	1,387	1,387
Total comprehensive income for the financial year	-	-	107	1,387	1,494
<b>Transactions with owners:</b>					
Share-based payment transactions:					
- current year	-	-	439	-	439
- lapse due to resignation	-	-	(33)	33	-
Dividends	-	-	-	(2,123)	(2,123)
Total transactions with owners	-	-	406	(2,090)	(1,684)
Transition to no-par value regime on 31 January 2017	1,672	(1,672)	-	-	-
<b>As at 31-12-2017</b>	<b>72,429</b>	<b>-</b>	<b>1,179</b>	<b>(4,453)</b>	<b>69,155</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes attached to these interim financial statements.

**ENG KAH CORPORATION BERHAD**  
**Company No. 435649-H**

**Condensed Consolidated Statement of Cash Flows**  
**For the 12 months period ended 31 December 2018 - Unaudited**

	<b>31/12/2018</b>	<b>31/12/2017</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	7,928	2,435
Adjustments for:		
- Bad debts recovered	-	(98)
- Depreciation	1,307	1,465
- Equity-settled share-based payment	417	439
- (Loss)/Gain on disposal of property, plant and equipment	(8,011)	1
- Impairment loss on inventories	734	282
- Interest expense	25	29
- Interest income	(271)	(246)
- Inventories written off	1,374	138
- Reversal of impairment loss on receivables	-	(54)
- Share of results of joint ventures	542	317
- Unrealised loss on foreign exchange	39	471
Operating profit before working capital changes	4,084	5,179
Decrease/(Increase) in inventories	537	(3,014)
(Increase)/Decrease in receivables	(951)	277
(Decrease)/Increase in payables	(2,293)	1,449
Cash from operation	1,377	3,891
Income tax paid	(1,360)	(1,579)
Income tax refunded	-	592
Interest paid	(25)	(29)
Net cash (used in)/from operating activities	(8)	2,875
<b>Cash flows from investing activities</b>		
Subscription for additional shares in a joint venture	-	(350)
Dividend received from a joint venture	3,564	-
Interest received	271	246
Proceeds from disposal of property, plant and equipment	9,252	2
Purchase of property, plant and equipment	(727)	(791)
Net cash from/(used in) investing activities	12,360	(893)
<b>Cash flows from financing activities</b>		
Dividends paid	(4,245)	(2,830)
Net change in borrowings	(275)	(1,067)
Net cash used in financing activities	(4,520)	(3,897)
Net increase/(decrease) in cash and cash equivalents	7,832	(1,915)
Effect of changes in exchange rate	(143)	65
Cash and cash equivalents at beginning	9,619	11,469
Cash and cash equivalents at end	17,308	9,619

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes attached to these interim financial statements.

## Part A - Explanatory Notes Pursuant To MFRS 134

### 1. Basis of Preparation

The condensed consolidated interim financial statements (“Report”) have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This Report also complies with IAS 34: *Interim Financial Reporting* issued by the International Accounting Standards Board (“IASB”).

This condensed report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017. The explanatory notes attached to this Report 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 December 2017.

### 2. Significant Accounting Policies

#### 2.1 Adoption of New and Amendments/Improvements to MFRS

The Group has adopted the following standards with a date of initial application of 1 January 2018:

*MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)*  
*MFRS 15 Revenue from Contracts with Customers*  
*Amendments to MFRS 2 Share-based Payment: Classification and Measurement of Share-based Payment Transactions*  
*Amendments to MFRS 4 Insurance Contracts: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts*  
*Amendments to MFRS 140 Investment Property: Transfer of Investment Property*  
*Annual Improvements to MFRS 2014-2016 Cycle (except for Amendments to MFRS 12 Disclosure of Interest in Other Entities)*  
*IC Interpretation (“IC Int”) 22 Foreign Currency Transactions and Advance Consideration*

The initial application of the above standards did not have any material impact to the consolidated financial statements of the Group except as mentioned below:

#### ***MFRS 9 Financial Instruments***

*MFRS 9* replaces *MFRS 139 Financial Instruments: Recognition and Measurement* on the classification and measurement of financial assets and financial liabilities, impairment of financial assets and hedge accounting.

*MFRS 9* contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics. 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 and available for sale.

There were no material impacts on the Group’s financial assets upon initial application of the new classification and measurement requirements.

*MFRS 9* also replace the incurred loss model in respect of impairment assessment of *MFRS 139* with a forward-looking expected credit loss (ECL) model. Under *MFRS 9*, loss allowances are measured on either a 12-month ECL or a Lifetime ECL.

There were no material impacts on the Group's consolidated financial statements upon application of the forward-looking ECL model.

### ***MFRS 15 Revenue from Contracts with Customers***

*MFRS 15* supercedes *MFRS 111 Construction Contracts*, *MFRS 118 Revenue* and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. *MFRS 15* establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be 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.

*MFRS 15* requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Group adopted *MFRS 15* using the modified retrospective method of adoption with the date of initial application of 1 January 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Group elected to apply the standard to all contracts as at 1 January 2018.

The adoption of this Standard results in changes in accounting policies for revenue recognition, and has no material financial impact on the substance of the principals applied by the Group to the amount and timing of revenue recognition. The revenue recognition principals and delivery terms applied by the Group remains generally unaltered. No adjustment to the opening balance of accumulated losses had been made as there are no changes in timing of the revenue recognition.

## **2.2 Standards Issued But Not Yet Effective**

The Group has not applied the following standards that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the Group:

### **Effective for annual periods beginning on or after 1 January 2019**

*MFRS 16 Leases*

*Amendments to MFRS 9 Prepayment Features with Negative Compensation*

*Amendments to MFRS 119 Employee Benefits*

*Amendments to MFRS 128 Investments in Associates and Joint Ventures: Long-term Interest in Associates and Joint Ventures*

*IC Int 23 Uncertainty over Income Tax Treatments*

*Annual Improvements to MFRS Standards 2015 – 2017 Cycle*

**Effective for annual periods beginning on or after 1 January 2020**  
*Amendments to References to Conceptual Framework on MFRS Standards*

**Effective for annual periods beginning on or after 1 January 2021**  
*MFRS 17 Insurance Contracts*

**Effective date yet to be confirmed**  
*Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The initial application of the above standards is not expected to have any material impacts to the financial statements of the Group upon adoption.

**3. Auditors' Report of Preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31 December 2017 was not qualified.

**4. Seasonality or Cyclicity of Operations**

Generally, sales of the Group's products are higher in the second half of the financial year due to majority of the festive seasons fall within this period.

**5. Items of Unusual Nature**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial year under review.

**6. Changes in Accounting Estimates**

There were no changes in estimates of amounts reported in the prior financial year that have a material effect in the results for the current financial year under review.

**7. Changes in Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current financial period under review.

## 8. Dividends Paid

The following dividends were paid during the current and previous corresponding period:

	<b>31.12.2018</b>	<b>31.12.2017</b>
First interim dividend for the financial year	31 December 2018	-
Declared and approved on	27 August 2018	-
Date paid	31 Oct 2018	-
Dividend per share (single-tier)	3 sen	-
Net dividend paid	RM2,122,723	-
Final dividend for the financial year	31 December 2017	-
Declared and approved on	6 June 2018	-
Date paid	17 August 2018	-
Dividend per share (single-tier)	3 sen	-
Net dividend paid	RM2,122,723	-
Third interim dividend for the financial year	-	31 December 2016
Declared and approved on	-	24 November 2016
Date paid	-	22 Feb 2017
Dividend per share (single-tier)	-	1 sen
Net dividend paid	-	RM707,574
Final dividend for the financial year	-	31 December 2016
Declared and approved on	-	30 May 2017
Date paid	-	18 August 2017
Dividend per share (single-tier)	-	3.0 sen
Net dividend paid	-	RM2,122,722



## 9. Segmental Information

Segmental information is presented in respect of the Group's business segments.

	<b>12 months ended 31.12.18 (RM'000)</b>	<b>12 months ended 31.12.17 (RM'000)</b>
<b>Segment Revenue</b>		
Personal care	47,460	42,774
Household	11,256	15,022
Investment holding	7,838	2,882
Total revenue including inter segment sales	<u>66,554</u>	<u>60,678</u>
Elimination of inter-segment sales	<u>(8,733)</u>	<u>(3,892)</u>
	<u><u>57,821</u></u>	<u><u>56,786</u></u>
<b>Segment Results</b>		
Personal care	(323)	1,251
Household	13	234
Investment holding	16,334	3,956
Total results	<u>16,024</u>	<u>5,441</u>
Elimination	<u>(7,800)</u>	<u>(2,906)</u>
Results excluding inter segment sales	8,224	2,535
Interest expense	(25)	(29)
Interest income	271	246
Share of results of joint ventures	(542)	(317)
Profit before tax	<u>7,928</u>	<u>2,435</u>
Tax expense	<u>(1,258)</u>	<u>(1,048)</u>
Profit for the financial year	<u><u>6,670</u></u>	<u><u>1,387</u></u>

## 10. Valuation of Property, Plant and Equipment

There were no changes in the valuation of property, plant and equipment since the last audited financial statements for the financial year ended 31 December 2017.

## 11. Subsequent Event

There were no material events subsequent to the end of the reporting period which require disclosure.

## 12. Changes in Composition of the Group

There were no changes in the composition of the Group during the financial year under review.

## 13. Changes in Contingent Liabilities and Contingent Assets

There were no contingent assets or contingent liabilities since the end of the last annual reporting period.

## 14. Capital Commitments

The outstanding capital commitment as at the end of the reporting period is as follows:

	<b>RM'000</b>
Contracted but not provided for:	
- Property, plant and equipment	45

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**Part B: Explanatory Notes Pursuant To Appendix 9B Of The Listing Requirements Of Bursa Malaysia Securities Berhad**

**1. Review of Performance**

	Individual Quarter 3 Months Ended		Changes (Amount/ %)	Cumulative Quarter 12 Months Ended		Changes (Amount/ %)
	(Unaudited) 31.12.18 RM'000	(Unaudited) 31.12.17 RM'000		(Unaudited) 31.12.18 RM'000	(Audited) 31.12.17 RM'000	
<i>Revenue</i>						
- Personal care	14,084	12,074	2,010 / 16.65%	46,565	41,764	4,801/ 11.50%
- Household	2,709	4,176	-1,467 / -35.13%	11,256	15,022	-3,766 / -25.07%
	<u>16,793</u>	<u>16,250</u>	<u>543 / 3.34%</u>	<u>57,821</u>	<u>56,786</u>	<u>1,035 / 1.82%</u>
<i>(Loss)/Profit before tax</i>						
- Personal care	-515	703	-1,218 / -173.26%	-866	1,223	-2,089 /-170.81%
- Household	-34	91	-125 / -137.36%	13	233	-220 / -94.42%
- Investment holding	263	270	-7 / -2.59%	8,781	979	7,802 / 796.94%
	<u>-286</u>	<u>1,064</u>	<u>-1,350 / -126.88%</u>	<u>7,928</u>	<u>2,435</u>	<u>5,493 / 225.59%</u>

**Comparison with Corresponding Quarter in Previous Year**

Generally, impact of seasonality on the demand for the Group's products is not that significant. The turnover for the reporting quarter was RM16.79 million as compared to RM16.25 million of the preceding year corresponding quarter. The higher turnover was mainly due to the more orders placed during the reporting quarter.

During the quarter under review, the (Loss)/Profit Before Tax ("LBT/PBT") margin was approximately -1.70% as compared to 6.55% in the previous year corresponding quarter. The main factors for recording a LBT margin were due to change in product mix and impairment loss on inventories amounting to RM0.734 million made by the Group during the reporting quarter.

During the quarter under review, the demands for personal care and household products were 83.87% and 16.13% respectively as compared to 74.30% and 25.70% respectively of the preceding year corresponding quarter. The change was fairly usual in terms of manufacturing activities of the Group.

**Comparison with Corresponding Financial Period To Date in Previous Year**

During the 12 months period under review, the demands for personal care and household products were 80.53% and 19.47% respectively as compared to 73.55% and 26.45% respectively of the previous year. The change was fairly usual in terms of manufacturing activities of the Group.

The PBT margin for the 12 months period ended 31 December 2018 was approximately 13.71% as compared to 4.29% of the previous year. The higher PBT margin was mainly due to the gain of RM8.01 million from the disposal of the Nilai vacant land in the immediate preceding quarter.

Excluding the gain from the disposal of the Nilai vacant land of RM8.01 million, the Loss Before Tax (“LBT”) margin for the 12 months period ended 31 December 2018 was approximately -0.14% as compared to 4.29% of the previous year. The main factors for recording a LBT margin were due to the change in product mix and inventories written off / impairment loss on inventories made by the Group during the financial year.

## 2. Comparison with Preceding Quarter’s Results

	<b>Current quarter 31.12.18 RM’000</b>	<b>Immediate Preceding Quarter 30.9.18 RM’000</b>	<b>Changes (Amount/ %)  RM’000</b>
<b>Revenue</b>			
- Personal care	14,084	10,404	3,680/35.37%
- Household	2,709	2,560	149/5.28%
	16,793	12,964	3,829/29.54%
<b>(Loss)/Profit before tax</b>			
- Personal care	-515	-632	117/18.51%
- Household	-34	11	-45/-409.09%
- Investment holding	263	7,996	-7,733/-96.71%
	-286	7,375	-7,661/-103.88%

The turnover for the reporting quarter was RM16.79 million as compared to RM12.96 million of the immediate preceding quarter, an increase of approximately 29.54%. The increase in turnover was mainly due to more orders placed during the reporting quarter.

The Group recorded a LBT of RM0.29 million for the current quarter as compared to LBT of RM0.64 million (excluding the gain from disposal of Nilai vacant land of RM8.01 million) of the immediate preceding quarter. The lower LBT was mainly due to change in product mix.

During the quarter under review, the LBT margin was approximately -1.70% as compared to -4.91% of the immediate preceding quarter. The lower LBT was mainly due to change in product mix.

## 3. Commentary on Prospects

Generally, the market conditions of the industry are relatively stable. As the Group manufactures a wide range of products, the change in product mix may impact on profit margin of the Group.

Going forward, the Group will further strengthen its presence in overseas markets, and joint venture business.

The Group's research and development team has also developed a new range of unique and impressive souvenir products that are able to capture the beautiful scenery and memorable moments of customers' choice with 3D printing effect on glass bottle. There are wide variety of souvenir products for customers' selection which include hand wash, perfumery, room freshener, reed diffuser, roll on, lotion and many more. The Group hopes that these new range of unique and impressive products will further enhance the turnover and profitability of the Group in future.

The Group's strategy will continue to focus on Multi-National Corporations ("MNC") to expand and diversify its customer base. It is also part of the Group's marketing strategy to continue in exploring other potential customers.

#### 4. Profit Forecast Variance

There was no profit forecast made in any public documents.

#### 5. Tax Expense

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	31.12.18	31.12.17	31.12.18	31.12.17
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax:				
Based on results for the financial period/year				
- Current tax	(115)	(645)	(827)	(1,068)
- Deferred tax	20	316	(31)	20
- Real property gain tax	-	-	(400)	-
	<u>(95)</u>	<u>(329)</u>	<u>(1,258)</u>	<u>(1,048)</u>

Notwithstanding the loss before tax (excluding share of results of joint ventures) registered by the Group for the current quarter, the Group's effective tax rate remains higher than the statutory tax rate of 24% due to certain non-deductible expenses and over provision of current tax in prior year amounting to RM0.16 million recorded in the current quarter.

#### 6. Profit for the Financial Period/Year

	Current quarter	Current year to date
	(Unaudited)	(Unaudited)
	RM'000	RM'000
Depreciation	316	1,307
Interest income	(74)	(271)
Equity-settled share-based payment	99	417
Loss/(Gain) on disposal of property, plant and equipment	1	(8,011)
(Gain)/Loss on foreign exchange		
- Realised	(206)	(452)
- Unrealised	39	39

Other than the above items, there were no gain or loss on disposal quoted or unquoted investments or properties, provision for receivables, gain or loss on derivatives as well as other exceptional items.

## 7. Corporate Proposal

There was no corporate proposal announced or not completed as at the date of this Report.

## 8. Borrowings and Debt Securities

The Group's borrowings as at the end of the current year are as follows:

	<b>(Unaudited)</b> <b>31.12.18</b> <b>Denominated in</b> <b>RM</b> <b>RM'000</b>	<b>(Audited)</b> <b>31.12.17</b> <b>Denominated in</b> <b>RM</b> <b>RM'000</b>
<b>Secured:</b>		
<b>Long term</b>		
Finance lease liabilities	133	244
<b>Short term</b>		
Finance lease liabilities	108	103
Bankers' acceptance	314	483
	422	586
Total borrowings	555	830
 Average effective interest rate:		
Bankers' acceptance	4.85% to 4.94%	4.63%
Finance lease liabilities	2.39% to 2.70%	2.39% to 2.70%

## 9. Material Litigations

The Group is not involved in any material litigation as at the date of this report.

## 10. Proposed Dividends

- (a) The Board do not recommend the payment of interim dividend for the reporting quarter.
- (b) The total dividend declared for the current financial year ended 31 December 2018 and financial year ended 31 December 2017 are summarised as follows:

	<b>Financial</b> <b>year ended</b> <b>31.12.2018</b>	<b>Financial</b> <b>year ended</b> <b>31.12.2017</b>
First interim single-tier dividend	3 sen	-
Final single-tier dividend	-	3 sen

- (c) At the forthcoming Annual General Meeting, a final single-tier dividend of 3 sen per share amounting to RM2,122,722 in respect of financial year ended 31 December 2018 will be proposed for shareholders' approval. This Report does not reflect the proposed final dividend. Such dividend, if approved by the shareholders will be accounted for in equity as appropriation of retained profits in the financial year ending 31 December 2019.

## 11. Earnings Per Share

### (i) Basic earnings per share

The basic earnings per share for the current quarter and cumulative period to date are computed as below:

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 Months Ended</b>		<b>12 Months Ended</b>	
	<b>31.12.18</b>	<b>31.12.17</b>	<b>31.12.18</b>	<b>31.12.17</b>
(Loss)/Profit after tax Attributable to owners of the Company (RM'000)	(381)	735	6,670	1,387
Weighted average number of ordinary shares in issue ('000)	70,757	70,757	70,757	70,757
Basic earnings per share (sen)	(0.54)	1.04	9.43	1.96

### (ii) Diluted earnings per share

The diluted earnings per share for the current quarter and cumulative period to date are computed as below:

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 Months Ended</b>		<b>12 Months Ended</b>	
	<b>31.12.18</b>	<b>31.12.17</b>	<b>31.12.18</b>	<b>31.12.17</b>
(Loss)/Profit after tax Attributable to owners of the Company (RM'000)	(381)	735	6,670	1,387
Weighted average number of ordinary shares in issue ('000)	70,757	70,757	70,757	70,757
Effect of share-based payment transaction	-*	-*	-*	-*
Weighted average number of ordinary shares in issue -diluted ('000)	70,757	70,757	70,757	70,757
Diluted earnings per share (sen)	(0.54)	1.04	9.43	1.96

\* The effects of the warrants and ESOS have not been computed as they are anti-dilutive in nature.