



**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 JUNE 2018**  
(The figures have not been audited)

	CURRENT		YEAR TO DATE	
	3 months ended 30.06.2018	30.06.2017	9 months ended 30.06.2018	30.06.2017
	RM'000	RM'000	RM'000	RM'000
Revenue	13,877	13,168	62,037	69,086
Cost of sales	(8,442)	(7,292)	(37,421)	(40,226)
Gross profit	5,435	5,876	24,616	28,860
Other income	20	(227)	1,236	1,833
Administrative expenses	(2,541)	(3,115)	(8,854)	(10,149)
Selling expenses	(1,369)	(1,471)	(5,620)	(6,207)
Other expenses	(437)	(523)	(3,074)	(1,646)
Operating profit	1,108	540	8,304	12,691
Finance costs	(166)	(164)	(492)	(502)
Share of profit/(loss) of equity-accounted associate	17	(17)	80	98
Profit before tax	959	359	7,892	12,287
Tax expenses	(243)	(986)	(1,874)	(4,155)
<b>Profit/(Loss) for the period</b>	<b>716</b>	<b>(627)</b>	<b>6,018</b>	<b>8,132</b>
Other comprehensive income:				
<i>Item that will be reclassified subsequently to profit or loss</i>				
Foreign currency translation	(210)	(142)	460	308
Total comprehensive income for the period	506	(769)	6,478	8,440
Profit attributable to:				
<b>Owners of the Company</b>	<b>642</b>	<b>(678)</b>	<b>5,884</b>	<b>8,056</b>
Non-controlling interests	74	51	134	76
	716	(627)	6,018	8,132
Other comprehensive income attributable to:				
<b>Owners of the Company</b>	<b>451</b>	<b>(796)</b>	<b>6,336</b>	<b>8,246</b>
Non-controlling interests	55	27	142	194
	506	(769)	6,478	8,440
<b>Earnings per share attributable to owners of the Company:</b>				
Basic (Sen)	0.66	(0.70)	6.09	8.34
Diluted (Sen)	0.66	(0.70)	6.09	8.31

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 September 2017 and the accompanying notes attached to the Interim Financial Statements.



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2018

(The figures have not been audited)

	As at 30.06.2018 RM'000	As at 30.09.2017 RM'000 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	55,272	55,271
Investment properties	4,762	4,762
Investment in associate	285	267
Other Investments	1,027	1,027
Intangible assets	116	174
Deferred tax assets	6,925	5,734
	<u>68,387</u>	<u>67,235</u>
<b>Current assets</b>		
Inventories	32,386	37,727
Trade receivables	22,871	14,222
Other receivables	1,529	1,291
Prepayment	1,789	1,554
Tax recoverable	1,471	850
Cash and bank balances	12,573	20,567
	<u>72,619</u>	<u>76,211</u>
<b>TOTAL ASSETS</b>	<b><u>141,006</u></b>	<b><u>143,446</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Short term borrowings	1,298	1,110
Trade Payables	2,655	9,393
Other Payables	19,584	20,061
Tax Payable	497	359
	<u>24,034</u>	<u>30,923</u>
<b>Non current liabilities</b>		
Long term borrowings	12,396	12,604
Employees' benefits	343	368
Deferred tax liabilities	2,655	2,484
	<u>15,394</u>	<u>15,456</u>
<b>Total liabilities</b>	<b><u>39,428</u></b>	<b><u>46,379</u></b>
<b>Equity attributable to owners of the parent</b>		
Share capital	50,025	50,025
Treasury shares	(1,508)	(1,508)
Foreign exchange reserve	1,033	581
Employee share option reserve	313	348
Retained earnings	50,930	46,978
	<u>100,793</u>	<u>96,424</u>
Non-controlling interests	785	643
<b>Total equity</b>	<b><u>101,578</u></b>	<b><u>97,067</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>141,006</u></b>	<b><u>143,446</u></b>
Net assets per share attributable to owners of the parent (RM)	<u>1.0434</u>	<u>0.9982</u>

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 September 2017 and the accompanying explanatory notes to the Interim Financial Statements.



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 30 JUNE 2018**  
(The figures have not been audited)

	Share Capital	Treasury Shares	Foreign Exchange Reserve	Employee Share Option Reserve	Retained Earnings	Total	Non - Controlling Interests	Total Equity
	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000
<b>At 1 October 2017</b>	50,025	(1,508)	581	348	46,978	96,424	643	97,067
Total comprehensive income	-	-	452	-	5,884	6,336	142	6,478
Dividend	-	-	-	-	(1,932)	(1,932)	-	(1,932)
Employee share option forfeited	-	-	-	(35)	-	(35)	-	(35)
<b>At 30 June 2018</b>	<b>50,025</b>	<b>(1,508)</b>	<b>1,033</b>	<b>313</b>	<b>50,930</b>	<b>100,793</b>	<b>785</b>	<b>101,578</b>
<b>At 1 October 2016</b>	50,000	(1,453)	(1)	-	45,291	93,837	695	94,532
Total comprehensive income	-	-	190	-	8,056	8,246	194	8,440
Dividend	-	-	-	-	(1,332)	(1,332)	-	(1,332)
Own shares acquired	-	(55)	-	-	-	(55)	-	(55)
Employee share options granted	-	-	-	385	-	385	-	385
<b>At 30 June 2017</b>	<b>50,000</b>	<b>(1,508)</b>	<b>189</b>	<b>385</b>	<b>52,015</b>	<b>101,081</b>	<b>889</b>	<b>101,970</b>

The unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 30 September 2017 and the Notes to the Interim Financial Statements.



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED 30 JUNE 2018**  
(The figures have not been audited)

	9 months ended	
	30.06.2018 RM'000	30.06.2017 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	7,892	12,287
Adjustments for non-cash items	5,305	1,563
<b>Operating profit before working capital changes</b>	13,197	13,850
Net change in current assets	(7,230)	(6,986)
Net change in current liabilities	(7,240)	1,074
<b>Cash (used in)/generated from operating activities</b>	(1,273)	7,938
Tax paid	(3,420)	(2,206)
<b>Net cash (used in)/from operating activities</b>	(4,693)	5,732
<b>Cash flows from investing activities</b>		
Interest received	242	349
Proceeds from disposal of property, plant and equipment	367	43
Purchase of property, plant and equipment	(2,265)	(252)
<b>Net cash (used in)/from investing activities</b>	(1,656)	140
<b>Cash flows from financing activities</b>		
Dividend paid on ordinary shares	(1,932)	(1,332)
Interest paid	(492)	(502)
Proceeds from finance leases financing	951	-
Purchase of treasury shares	-	(56)
Repayment of obligation under finance leases	(323)	(313)
Repayment of term loans	(647)	(628)
Placement of fixed deposit with licensed bank	-	(100)
<b>Net cash used in financing activities</b>	(2,443)	(2,931)
<b>Net (decrease)/increase in cash and cash equivalents</b>	(8,792)	2,941
<b>Effect of exchange rate changes</b>	797	121
<b>Cash and cash equivalents at beginning of year</b>	20,068	18,498
<b>Cash and cash equivalents at end of year</b>	12,073	21,560

Cash and cash equivalents at the end of the year comprise the following:

	9 months ended	
	RM'000	RM'000
Cash and bank balances	12,573	22,060
Less: Fixed deposits pledged with licensed banks	(500)	(500)
	12,073	21,560

The unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 30 September 2017 and the Notes to the Interim Financial Statements.



## **A: EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134**

### **1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements of Malaysian Financial Reporting Standards ("MFRSs") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 Main Market Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for financial year ended 30 September 2017. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 September 2017.

### **2. Significant accounting policies**

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the financial statements for the year ended 30 September 2017. At the beginning of the current financial year, the Group adopted amendments to MFRSs and IC interpretations ("IC Int") which are mandatory for the financial period beginning on or after 1 October 2017.

Initial application of the amendments to the standards and IC Int did not have material impact to the financial statements, except for : -

#### Amendments to MFRS 107 Statement of Cash Flows: Disclosure Initiative

The Group has applied these amendments for the first time in the current year. The amendments require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior period.

#### Standard Issued But Not Yet Effective

At the date of authorisation of these interim financial statements, the Group has not applied the following new standards, amendments to standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the Group:

#### MFRS, Amendments to MFRS and IC Interpretation effective 1 January 2018:

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

#### MFRS and Amendments to MFRS effective 1 January 2019:

Amendments to MFRS 9 Financial Instrument: Prepayment Features with Negative Compensation  
MFRS 16 Leases  
Amendments to MFRS 119 Employee Benefits: Plan Amendment, Curtailment or Settlement  
Amendments to MFRS 128 Investments in Associates and Joint Ventures: Long-term Interests in Associates and Joint Ventures  
Annual Improvements to MFRS Standards 2015 - 2017 Cycle  
IC Interpretation 23 Uncertainty over Income Tax Treatments

#### Amendments to MFRS and IC Interpretation effective 1 January 2020:

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

#### MFRS effective 1 January 2021:

MFRS 17 Insurance Contracts

#### Amendments to MFRSs - effective date deferred indefinitely

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture



The initial application of the above standards, amendments and interpretation are not expected to have any financial impacts to the financial statements, except for:

*MFRS 9 Financial Instruments*

MFRS 9 Financial Instruments replaces MFRS 139 Financial Instruments: Recognition and Measurement and all previous version of MFRS 9. The new standard introduces extensive requirements and guidance for classification and measurement of financial assets and financial liabilities which fall under scope of MFRS 9, new "expected credit loss model" under the impairment of financial assets and greater flexibility has been allowed in hedge accounting transactions. Upon adoption of MFRS 9, financial assets will be measured at either fair value or amortised cost. It is also expected that the Group's investment in unquoted shares will be measured at fair value through other comprehensive income.

The adoption of MFRS 9 will result in a change of accounting policy. The Group is currently examining the financial impact of adopting MFRS 9.

*MFRS 15 Revenue from Contracts with Customers*

MFRS 15 presents new requirements for the recognition of revenue, replacing the guidance of MFRS 111 Construction Contracts, MFRS 118 Revenue, IC Interpretation 13 Customer Loyalty Programmes, IC Interpretation 15 Agreements for Construction of Real Estate, IC Interpretation 18 Transfers of Assets from Customers and IC Interpretation 131 Revenue – Barter Transaction Involving Advertising Services. The principles in MFRS 15 provide a more structured approach to measuring and recognizing revenue. It establishes a new five-step model that will apply to revenue arising from contracts with customers. Under MFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchanged for transferring goods or services to a customer.

The adoption of MFRS 15 will results in a change in accounting policy. The Group is currently assessing the impact of MFRS 15 and plans to adopt the new standards on the required effective date.

*MFRS 16 Leases*

MFRS 16 replaces MFRS 117 Leases. MFRS 16 eliminates the distinction between finance and operating leases for lessees. As off-balance sheet will no longer be allowed except for some limited practical exemptions, all leases will be brought onto the statement of financial position by recognising a "right-of-use" asset and a lease liability. In other words, for a lessee that has material operating leases, the assets and liabilities reported on its statement of financial position are expected to be different compared with the current position.

The Group is currently assessing the impact of MFRS 16 and plans to adopt the new standards on the required effective date of 1 January 2019.

**3. Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the year ended 30 September 2017 was not subject to qualification.

**4. Comments about seasonal or cyclical factors**

The Group is basically involved in the production and distribution of books. In relation to our academic books, school terms will have impact on revenue and margin.

The bulk of Group's revenue comes from 1st quarter of our financial year (i.e., that is October 2017 to December 2017) before school term reopened in January 2018. The revenue cycle is expected to drop and coupled with higher goods returns in other quarters during the financial year.

The revenue starts picking up towards the end of our 4th quarter and the momentum is well carried forward to the 1st quarter of our next financial year before school term reopens again.

**5. Unusual items due to their nature, size and incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter.

**6. Changes in estimates**

There were no changes to the estimates that have a material effect in the current quarter under review.

**7. Debts and equity securities**

There were no issuances, cancellation, repurchases, resale and repayments of debts and equity securities for the current quarter under review except for the following :

Employees's Share Option Scheme ("ESOS")

As at 30 June 2018, a total of 497,000 employee share options lapsed.



## 8. Dividends

A single tier dividend of 2.00 sen per ordinary share on 96,597,500 ordinary shares of RM0.50 each amounting to RM1,931,950 in respect of the financial year ended 30 September 2017 was paid on 26 April 2018.

## 9. Segment information

	Quarter ended		Financial year ended	
	30.06.2018 RM'000	30.06.2017 RM'000	30.06.2018 RM'000	30.06.2017 RM'000
<b>Segment Revenue</b>				
<u>Revenue</u>				
Publishing	12,667	11,755	56,054	63,178
Printing	2,361	2,632	8,269	9,018
Education	160	137	462	400
Others	2,825	739	4,361	4,501
Total revenue including inter segment sales	18,013	15,263	69,146	77,097
Elimination of inter-segment sales	(4,136)	(2,095)	(7,109)	(8,011)
Total revenue	13,877	13,168	62,037	69,086
<u>Segment Results</u>				
Publishing	855	418	7,172	11,904
Printing	(193)	(117)	155	331
Education	20	(13)	42	(278)
Others	426	252	935	734
Total operating profit	1,108	540	8,304	12,691

## 10. Valuation of property, plant and equipment

There were no revaluation of property, plant and equipment during the current quarter under review.

## 11. Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the current quarter up to the date of this report.

## 12. Changes in the composition of the Group

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

## 13. Changes in contingent liabilities/assets

There were no material changes in contingent liabilities/assets since the last balance sheet date up to the date of this report.

## 14. Capital commitments

There were no capital commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 30 June 2018.

## 15. Significant related party transactions

The following are significant related party transactions:

	Quarter ended		Financial year ended	
	30.06.2018 RM'000	30.06.2017 RM'000	30.06.2018 RM'000	30.06.2017 RM'000
Purchase of production papers	-	359	-	6,511
Rental expense	19	19	57	57

\*Teh Hui Guan has resigned as a Director on 31 March 2017



**B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**16. Performance review (YTD Q3 2018 vs YTD Q3 2017)**

Publishing Segment

Publishing Segment generated revenue of RM56.05 million for the current period ended 30 June 2018 if compared to RM63.18 million for the current comparative period ended 30 June 2017. Publishing Segment recorded operating profit of RM7.17 million in the current period compared to RM11.90 million in the comparative period, a decrease of RM4.73 million.

The decrease in revenue was caused by lesser textbook revenue from government open tender during. Besides, reduction of quantity orders for primary school workbook in Malaysia also contributed to the drop in workbook sales. The drop in workbook sales was mainly resulted from the reminders issued by the Ministry of Education Malaysia to disallow workbook usage for first level students (Year 1 to Year 3) and only allow one workbook each subject for second level students (Year 4 to Year 6).

However, the revenue contribution from one of non-Malaysia subsidiaries, PT. Penerbitan Pelangi Indonesia ("PTPPI") has seen good growth of RM1.29 million as compared to last comparative period.

The Group has lower operating profit for current period was partly due to high unrealised loss on foreign exchange with the amount of RM1.54 million which was mainly incurred by PTPPI with the amount of RM1.39 million. The increase of unrealised loss on foreign exchange in PTPPI was due to the strengthening of Malaysia Ringgit against Indonesian Rupiah.

Printing Segment

Printing Segment generated revenue of RM8.27 million for the current period ended 30 June 2018 as compared to RM9.02 million for the comparative period ended 30 June 2017.

This segment recorded an operating profit of RM0.16 million for the current period as compared to RM0.33 million in the comparative period. The decrease of RM0.17 million mainly due to reduction in printing jobs.

Education Segment

The Education Segment remains as a minor segment within the Group. This Segment recorded operating profit of RM0.04 million in the current period ended 30 June 2018, as compared to operating loss of RM0.28 million in the comparative period ended 30 June 2017. The profit comes from the saving of the operating costs in Pelangi Education Sdn. Bhd. and Pelangi Multimedia Technologies Sdn. Bhd.

With stringent cost control and good management, the Group expects positive contribution and promoting a greater brand name of this segment moving forward.

Other Segment

The Other Segment generated revenue of RM4.36 million in the current period as compared to RM4.50 million for the comparative period ended 30 June 2017 with a decrease of RM0.14 million. However, the operating profit has been improved RM0.20 million mainly due to the saving on ESOS expenses as compared to the last comparative period.

**17. Comparison of current quarter with preceding quarter results (Q3 2018 vs Q2 2018)**

The Group reported profit before tax of RM0.96 million for the current quarter ended 30 June 2018 as compared to the profit before tax of RM0.36 million in the preceding quarter ended 31 March 2018. The lower profit generated during this quarter is in line with the business trend and annual cyclical order as explained in Note 4.

**18. Commentary of prospects**

The focus of the Group for this year are on creating both e-books and digital learning tools, as well as to venture more into the higher education segment especially for production of technical and vocational curriculums. Besides, more investment and product development will be placed in growing the business in the ASEAN markets, especially in Thailand and Indonesia.

**19. Profit forecast and profit guarantee**

The Group has not issued any profit guarantee during the current quarter under review.





## 20. Taxation

	Quarter ended		Financial year ended	
	30.06.2018 RM'000	30.06.2017 RM'000	30.06.2018 RM'000	30.06.2017 RM'000
Income tax:				
Malaysian	1,678	84	(1,959)	(4,016)
Overseas	(803)	(242)	(978)	(536)
Deferred tax:				
Malaysian	(1,119)	(828)	671	397
Overseas	1	-	392	-
Total tax expenses	<u>(243)</u>	<u>(986)</u>	<u>(1,874)</u>	<u>(4,155)</u>

The effective tax rate of the Group for the financial period is higher than the statutory tax rate principally due to certain expenses incurred during the period which are not deductible for tax purposes.

## 21. Corporate proposals

There were no material corporate proposals announced but not completed as at the date of this report.

## 22. Borrowings and debt securities

	As at 30.06.2018		
	Secured RM'000	Unsecured RM'000	Total RM'000
Short term	1,298	-	1,298
Long term	12,396	-	12,396
	<u>13,694</u>	<u>-</u>	<u>13,694</u>

## 23. Changes in material litigation

On 25 July 2017, PPG has made an announcement to Bursa Securities which PPG through its wholly owned subsidiary, PPSB, has taken legal action against Sasbadi Sdn Bhd ("SSB"), a wholly-owned subsidiary of Sasbadi Holdings Berhad, by serving SSB a copy of the sealed Writ and Statement of Claim dated 29 June 2017. The Sealed Writ and Statement of Claim was served on 20 July 2017 by Messrs Skrine, acting on behalf PPSB.

SSB had, on 30 August 2017, via its solicitors, Messrs Shook Lin & Bok, filed its defence against the claim and filed a counterclaim seeking for reliefs.

On 28 September 2017, PPG has made an announcement in the Bursa Securities which PPG through its wholly owned subsidiary, PPSB, has filed on 27 September 2017 a Reply to Defence and Defence to Counterclaim whereby Pelangi challenged SSB's counterclaims and put SSB to strict proof of the said claims, on the basis that at all material times, PPSB is the owner of the copyright in the Copyright Works and PPSB had acted within its rights.

PPSB, MPM and SSB have entered into a settlement agreement dated 16 April 2018 whereby it has been agreed that PPSB and SSB will withdraw its claim and counterclaim respectively. Please refer to the details of this settlement agreement in Company's announcement dated 16 Apr 2018.

## 24. Earnings per share

### a) Basic earnings per share

The basic earnings per ordinary share for current period is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the current period concerned.

	Quarter ended		Financial year ended	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
Net profit for the year (RM'000)	<u>642</u>	<u>(678)</u>	<u>5,884</u>	<u>8,056</u>
Weighted average number of ordinary shares in issue ('000)	<u>96,598</u>	<u>96,599</u>	<u>96,598</u>	<u>96,599</u>
Earnings per share (Sen)	<u>0.66</u>	<u>(0.70)</u>	<u>6.09</u>	<u>8.34</u>



**b) Diluted earnings per share**

For the purpose of calculating diluted earnings per share, the profit for the period attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the financial period have been adjusted for the dilutive effects of all potential ordinary shares, i.e., share options granted to employees.

	Quarter ended		Financial year ended	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
Net profit for the year (RM'000)	<u>642</u>	<u>(678)</u>	<u>5,884</u>	<u>8,056</u>
Weighted average number of ordinary shares in issue ('000)	96,598	96,599	96,598	96,599
Effect of dilution arising from ESOS ('000)	<u>42</u>	<u>329</u>	<u>42</u>	<u>329</u>
Weighted average number of ordinary shares for diluted earnings per share ('000)	<u>96,640</u>	<u>96,928</u>	<u>96,640</u>	<u>96,928</u>
Diluted earnings per share (Sen)	<u>0.66</u>	<u>(0.70)</u>	<u>6.09</u>	<u>8.31</u>

**25. Notes to the condensed consolidated statement of comprehensive income**

The following items have been (credited)/charged in arriving at profit before tax:

	Quarter ended		Financial year ended	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
	RM'000	RM'000	RM'000	RM'000
a) Interest income	(70)	(137)	(242)	(349)
b) Other income	50	364	(994)	(1,484)
c) Interest expense	166	164	492	502
d) Depreciation and amortisation	701	670	2,089	2,012
e) Provision for and write off receivables	150	56	373	84
f) Provision for and write off of inventories	(785)	(1,646)	1,864	745
g) (Gain)/loss on disposal of property, plant and equipment	(4)	(43)	(366)	(42)
h) Loss/(gain) on foreign exchange	(125)	419	1,542	(408)
i) Reversal of impairment loss on receivables	114	-	(352)	(811)
j) Derivative gain	-	-	-	-
k) Exceptional items:				
- employee benefit expenses	<u>(7)</u>	<u>-</u>	<u>(35)</u>	<u>385</u>

**26. Authorisation for issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors in accordance with a resolution of the Directors on 28 August 2018.