

KEIN HING INTERNATIONAL BERHAD
(Company No. 616056-T)

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

For the 1st quarter and financial period ended 31 July 2018 - unaudited

<i>In thousands of RM</i>	Note	3 Months Ended		Financial Period Ended	
		31 Jul 2018	31 Jul 2017	31 Jul 2018	31 Jul 2017
Revenue		59,895	59,725	59,895	59,725
Operating profit		3,827	3,245	3,827	3,245
Finance income		80	93	80	93
Finance costs		(1,041)	(1,011)	(1,041)	(1,011)
Profit before tax		2,866	2,327	2,866	2,327
Income tax expense	B6	(664)	(247)	(664)	(247)
Profit for the period	B5	2,202	2,080	2,202	2,080
Other comprehensive income, net of tax					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Share of capital reserve by					
a non-controlling interest of a subsidiary		81	97	81	97
<i>Items that may be reclassified subsequently to profit or loss</i>					
Foreign currency translation differences					
for foreign operations		666	(476)	666	(476)
Total comprehensive income for the period		2,949	1,701	2,949	1,701
Profit attributable to:					
Owners of the Company		1,282	1,480	1,282	1,480
Non-controlling interests		920	600	920	600
Profit for the period		2,202	2,080	2,202	2,080
Total comprehensive income attributable to:					
Owners of the Company		1,712	1,179	1,712	1,179
Non-controlling interests		1,237	522	1,237	522
Total comprehensive income for the period		2,949	1,701	2,949	1,701
Earnings per ordinary share					
attributable to owners					
of the Company (sen):					
Basic/ Diluted	B11	1.18	1.49	1.18	1.49

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited consolidated financial statements for the year ended 30 April 2018 and the accompanying explanatory notes attached to the condensed consolidated interim financial statements.

KEIN HING INTERNATIONAL BERHAD
(Company No. 616056-T)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at 31 July 2018 – unaudited

<i>In thousands of RM</i>	Note	As at 31 Jul 2018	As at 30 Apr 2018
ASSETS			
Non-current assets			
Property, plant and equipment		99,686	100,959
Prepaid lease payments		8,375	6,124
Investment property		10,075	10,119
Other investments		195	195
		<u>118,331</u>	<u>117,397</u>
Current assets			
Trade and other receivables		39,982	42,206
Inventories		20,042	21,167
Cash and bank balances		37,699	35,969
Current tax assets		268	224
		<u>97,991</u>	<u>99,566</u>
TOTAL ASSETS		<u>216,322</u>	<u>216,963</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		54,450	54,450
Reserves		52,721	51,009
		<u>107,171</u>	<u>105,459</u>
Non-controlling interests		14,200	12,963
Total equity		<u>121,371</u>	<u>118,422</u>
Non-current liabilities			
Loans and borrowings	B8	25,072	26,302
Trade and other payables		1,667	1,135
Deferred tax liabilities		3,818	3,884
		<u>30,557</u>	<u>31,321</u>
Current liabilities			
Loans and borrowings	B8	31,355	33,271
Trade and other payables		33,033	33,928
Current tax liabilities		6	21
		<u>64,394</u>	<u>67,220</u>
Total liabilities		<u>94,951</u>	<u>98,541</u>
TOTAL EQUITY AND LIABILITIES		<u>216,322</u>	<u>216,963</u>
Net assets per share attributable to owners of the Company (RM)		<u>0.98</u>	<u>0.97</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited consolidated financial statements for the year ended 30 April 2018 and the accompanying explanatory notes attached to the condensed consolidated interim financial statements.

KEIN HING INTERNATIONAL BERHAD
(Company No. 616056-T)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the financial period ended 31 July 2018 – unaudited

	Attributable to Owners of the Company			Total	Non-controlling interests	Total equity
	Non-distributable	Distributable				
	Share capital	Translation reserve	Retained earnings			
<i>In thousands of RM</i>						
At 1 May 2018	54,450	2,153	48,856	105,459	12,963	118,422
Profit for the period	-	-	1,282	1,282	920	2,202
Other comprehensive income for the period, net of tax	-	430	-	430	317	747
Total comprehensive income for the period, net of tax	-	430	1,282	1,712	1,237	2,949
At 31 July 2018	<u>54,450</u>	<u>2,583</u>	<u>50,138</u>	<u>107,171</u>	<u>14,200</u>	<u>121,371</u>
At 1 May 2017	52,169	5,020	50,869	108,058	15,292	123,350
Profit for the period	-	-	1,480	1,480	600	2,080
Other comprehensive income for the period, net of tax	-	(301)	-	(301)	(78)	(379)
Total comprehensive income for the period, net of tax	-	(301)	1,480	1,179	522	1,701
At 31 July 2017	<u>52,169</u>	<u>4,719</u>	<u>52,349</u>	<u>109,237</u>	<u>15,814</u>	<u>125,051</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited consolidated financial statements for the year ended 30 April 2018 and the accompanying explanatory notes attached to the condensed consolidated interim financial statements.

KEIN HING INTERNATIONAL BERHAD
(Company No. 616056-T)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the financial period ended 31 July 2018 – unaudited

<i>In thousands of RM</i>	Financial Period Ended	
	31 Jul 2018	31 Jul 2017
Cash flows from operating activities		
Profit before tax	2,866	2,327
Adjustments for:		
Non-cash items	3,340	3,440
Non-operating items	961	918
Operating profit before changes in working capital	7,167	6,685
Changes in working capital:		
Inventories	1,125	975
Trade and other receivables	2,224	(1,355)
Trade and other payables	(303)	30
Cash generated from operations	10,213	6,335
Income tax paid	(789)	(652)
Net cash from operating activities	9,424	5,683
Cash flows from investing activities		
Acquisition of property, plant and equipment	(1,160)	(4,251)
Acquisition of prepaid lease payments	(2,189)	-
Proceeds from disposal of property, plant and equipment	14	288
Interest received	80	71
Net cash used in investing activities	(3,255)	(3,892)
Cash flows from financing activities		
Proceeds from term loans	941	1,144
Repayment of term loans	(1,852)	(1,524)
(Repayment of)/Proceeds from other borrowings	(22)	4,788
Repayment of finance lease liabilities	(833)	(1,144)
Interest paid	(1,020)	(968)
Net cash used in/from financing activities	(2,786)	2,296
Net increase in cash and cash equivalents	3,383	4,087
Exchange differences on translation of the financial statements of foreign operations	264	(98)
Cash and cash equivalents at beginning of financial year	27,915	26,628
Cash and cash equivalents at end of financial period	31,562	30,617
Cash and cash equivalents at end of financial period comprise:		
Cash and bank balances	28,700	28,712
Deposits with licensed banks	8,483	8,121
Bank overdraft	(5,621)	(6,216)
	31,562	30,617

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited consolidated financial statements for the year ended 30 April 2018 and the accompanying explanatory notes attached to the condensed consolidated interim financial statements.

PART A: NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

A1. Basis of preparation

The condensed consolidated interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of *MFRS 134: Interim Financial Reporting* and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities’ Listing Requirements”).

The condensed consolidated interim financial statements should also be read in conjunction with the audited consolidated financial statements of the Group for the financial year ended 30 April 2018. These explanatory notes attached to the condensed consolidated 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 last financial year ended 30 April 2018.

A2. Changes in accounting policies

The Group has adopted the MFRSs, Amendments to MFRSs and IC Interpretation (if applicable) which become effective during the current financial year. The adoption of these pronouncements did not have any material impact on the financial statements of the Group:

At the date of authorization of these interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019

- MFRS 16, *Leases*
- IC Interpretation 23, *Uncertainty over Income Tax Treatments*
- Amendments to MFRS 3, *Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 9, *Financial Instruments - Prepayment Features with Negative Compensation*
- Amendments to MFRS 11, *Joint Arrangements (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 112, *Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 119, *Employee Benefits – Plan Amendment, Curtailment or Settlement*
- Amendments to MFRS 123, *Borrowings Costs (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures – Long-term interests in Associates and Joint Ventures*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 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 Deferred 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 Agreements*
- 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*
- Amendment to IC Interpretation 132, *Intangible Assets – Web Site Costs*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- MFRS 17, *Insurance Contracts*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

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

The initial applications of these MFRSs, Amendments and Interpretations, if applicable, are not expected to have material financial impacts to the current and prior periods' consolidated financial statements of the Group upon their first adoption. A brief discussion on the significant MFRSs namely MFRS 16 is summarised below:

MFRS 16, Leases

MFRS 16 replaces the guidance in MFRS 117, *Leases*, IC Interpretation 4, *Determining whether an Arrangement contains a Lease*, IC Interpretation 115, *Operating Leases – Incentives* and IC Interpretation 127, *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

MFRS 16 introduces a single, on-balance sheet lease accounting model for leases. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligations to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard which continues to be classified as finance or operating lease.

The Group is currently assessing the financial impact that may arise from the adoption of MFRS 16.

The MFRSs, Amendments and Interpretations which were issued but not yet effective have not been early adopted by the Group.

A3. Seasonal and cyclical factors

The Group's business operation results were not materially affected by any major seasonal and/or cyclical factors.

A4. Unusual nature and amounts of items affecting assets, liabilities, equity, net income or cash flows

There were no unusual nature and amounts of items affecting assets, liabilities, equity, net income or cash flows during the current quarter ended 31 July 2018.

A5. Material changes in estimates

There were no changes in estimates that have had material effect for the current quarter ended 31 July 2018.

A6. Issuances and repayment of debt and equity securities

There were no issuance, repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares or resale of treasury shares during the current quarter.

A7. Dividend Paid

No interim dividend was paid during the current quarter ended 31 July 2018 (2018: Nil).

A8. Segmental information

Segmental information is presented in respect of the Group's business segments as follows:-

Results for the financial period ended 31 July 2018

	<u>Manufacturing</u>	<u>Trading</u>	Investment <u>Holding</u>	<u>Adjustment</u>	<u>Consolidated</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	58,015	1,880	-	-	59,895
Inter-segment	3,375	38	-	(3,413)	-
Total revenue	<u>61,390</u>	<u>1,918</u>	<u>-</u>	<u>(3,413)</u>	<u>59,895</u>
Segment results	<u>3,906</u>	<u>(48)</u>	<u>(243)</u>	<u>212</u>	<u>3,827</u>
Finance income					80
Finance costs					(1,041)
Profit before tax					<u>2,866</u>
Income tax expense					(664)
Profit for the period					<u>2,202</u>

A9. Material events subsequent to the end of the interim period

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

A10. Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter ended 31 July 2018.

The Company had on 8 February 2018 announced that its wholly-owned subsidiary, Zenne Appliances Sdn Bhd ("ZA"), had commenced members' voluntary winding-up pursuant to Section 439 (1)(b) of the Companies Act, 2016 ("Winding-Up").

A11. Changes in contingent liabilities

There were no changes in contingent liabilities or contingent assets of a material nature since the last annual reporting period.

A12. Capital commitments

Capital commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at end of the reporting period were as follows:-

	As at
	31.7.2018
	RM'000
Total approved and contracted for	<u>2,074</u>

A13. Fair Value Information

The Group uses the following hierarchy for determining the fair value of financial instruments carried at fair value and amortised cost, the different levels have been identified as follows:

Level 1 – Fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

Level 2 – Fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Level 3 – Fair value is estimated using unobservable inputs for the financial assets and liabilities.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the Statement of Financial Position as at 31 July 2018.

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value RM'000	Carrying amount RM'000
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
Financial liabilities										
Amount due to a non- controlling interest of a subsidiary	-	-	-	-	-	-	2,298	2,298	2,298	2,298
Secured term loans	-	-	-	-	-	-	31,591	31,591	31,591	31,591
Finance lease liabilities	-	-	-	-	-	-	3,078	3,078	3,078	3,078
	-	-	-	-	-	-	36,967	36,967	36,967	36,967

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

B1. Review of performance

Financial Review for the Current Quarter :

	1 st Quarter Ended		Changes	
	31 Jul 2018	31 Jul 2017		
<i>(In thousands of RM)</i>				
Revenue	59,895	59,725	170	0.3%
Operating Profit	3,827	3,245	582	18%
Profit Before Tax ("PBT")	2,866	2,327	539	23%
Profit After Tax	2,202	2,080	122	6%
Profit Attributable to Owners of the Company	1,282	1,480	(198)	-13%

The changes in revenue contributed by Malaysia operation and Vietnam operation respectively are as follows:

	1 st Quarter Ended		Changes	
	31 Jul 2018	31 Jul 2017		
<i>(In thousands of RM)</i>				
Malaysia Operation	36,115	39,052	(2,937)	-8%
Vietnam Operation	23,780	20,673	3,107	15%
Total Revenue	59,895	59,725	170	0.3%

For the current quarter ended 31 July 2018, Malaysia Operation registered lower revenue mainly due to the decrease in demand for parts used in assembly of TV, whereas Vietnam Operation reported an increase in revenue as a result of stronger customer demand for parts/metal components used in assembly of printers. The Group PBT was mainly affected by foreign exchange gain/(loss) as analysed below:

	1 st Quarter Ended		Variance	
	30 Apr 2018	30 Apr 2017		
<i>(In thousands of RM)</i>				
Net foreign exchange gain/(loss)	442	(277)	719	260%

The equity attributable to Owners of the Company stood at RM107 million as at 31 July 2018 which translated into a Net Assets per share of RM0.98. The Group's cash and bank balances increased from approximately RM36.0 million as at 30 April 2018 to RM37.7 million as at 31 July 2018. The Group prudent management always maintains sufficient cash and available funds through an adequate amount of committed credit facilities and cash reserves.

B2. Variation of results against preceding quarter

Financial Review for Current Quarter (compared with immediate preceding 4th quarter of the last financial year):

	Quarter Ended		Changes	
	31 Jul 2018	30 Apr 2018		
<i>(In thousands of RM)</i>				
Revenue	59,895	56,307	3,588	6%
Operating Profit	3,827	1,939	1,888	97%
Profit Before Tax ("PBT")	2,866	1,034	1,832	177%
Profit After Tax	2,202	226	1,976	874%
Profit Attributable to Owners of the Company	1,282	317	965	304%

The revenue contributed by Malaysia operation and Vietnam operation respectively were as follows:

	Quarter Ended		Changes	
	31 Jul 2018	30 Apr 2018		
<i>(In thousands of RM)</i>				
Malaysia Operation	36,115	36,829	(714)	-2%
Vietnam Operation	23,780	19,478	4,302	22%
Total Revenue	59,895	56,307	3,588	6%

The Group revenue increased mainly attributed to stronger customer demand for parts/metal components used in assembly of printers and fridge in Vietnam, and thus the Group PBT increased by RM1.8 million or 177%.

B3. Prospects

According to the July 2018 World Economic Outlook ("WEO") update issued by the International Monetary Fund, the global growth for 2018 and 2019 is projected at 3.9%, as forecast in the April 2018 WEO. While headline numbers suggest a broadly unchanged global outlook relative to the April WEO, underlying revisions point to differing prospects across economies. Emerging market and developing economies have experienced powerful crosswinds in recent months: rising oil prices, higher yields in the United States, dollar appreciation, trade tensions and geopolitical conflict. The outlook for regions and individual economies thus varies depending on how these global forces interact with domestic idiosyncratic factors.

In Malaysia, the constraint in labour supply and rising labour costs will continue to be critical issues as they directly affect the manpower planning and production costs which in turn will affect the overall profitability of Malaysia Operation. Whereas in Vietnam, there is sign of increase in customers' orders in 2018 which will further improve revenue and profitability of Vietnam Operation.

Against the above operating environment, the Group performance is expected to encounter some fluctuation as a result of the less predictable customers' demand and rising costs in manufacturing. Nevertheless, the Board of Directors expects that the Group will achieve a satisfactory result relative to those companies in the same industry for the financial year ending 30 April 2019.

B4. Variance of actual and forecast profit

The Group did not provide any financial estimate, forecast or projection, or profit guarantee for the financial year ending 30 April 2019.

B5. Profit for the period

	3 Months Ended 31.7.2018 RM'000	Period Ended 31.7.2018 RM'000
Profit for the period is arrived at after charging/(crediting):-		
Depreciation and amortisation	3,338	3,338
Finance costs	1,041	1,041
Property, plant and equipment written off	7	7
Gain on disposal of property, plant and equipment	(4)	(4)
Net foreign exchange (gain)/loss	(442)	(442)
Finance income	(80)	(80)

B.6 Income tax expense

	3 Months Ended 31.7.2018 RM'000	Period Ended 31.7.2018 RM'000
Current tax expense		
- <i>Malaysian income tax</i>	312	312
- <i>Foreign income tax</i>	440	440
- <i>Under provision in prior year</i>	(21)	(21)
	<u>731</u>	<u>731</u>
Deferred tax expense	(67)	(67)
Total	<u><u>664</u></u>	<u><u>664</u></u>

The effective tax rate of the Group for the financial year was lower than the statutory income tax rate of 24% mainly due to tax incentive enjoyed by a subsidiary in Vietnam.

B7. Status of corporate proposal announced

There were no corporate proposals announced but not completed as at the date of this report save as disclosed below:

The Company has on 26 June 2018 entered into a conditional transfer agreement ("Transfer Agreement") with Mr Shingo Muramoto, a related party, for the acquisition of USD528,000 Charter Capital in Kein Hing Muramoto (Vietnam) Co., Ltd ("KHMV") representing 24% equity interest in KHMV for a cash consideration of USD1,100,000 (or equivalent to RM4,411,000) subject to the terms and conditions in the Transfer Agreement.

B8. Group loans and borrowings (secured)

The Group loans and borrowings as at 31 July 2018 (compared with that of the last financial year) were as follows:

	As at 31 July 2018					
	Long Term (Secured)		Short Term (Secured)		Total Borrowings (Secured)	
	Foreign	RM	Foreign	RM	Foreign	RM
	Denomination	Denomination	Denomination	Denomination	Denomination	Denomination
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Term loans	16,325	8,210	4,903	2,153	21,228	10,363
Finance lease liabilities	-	537	-	2,541	-	3,078
Bankers' acceptance	-	-	-	8,473	-	8,473
Bills payable	-	-	7,664	-	7,664	-
Bank overdrafts	-	-	-	5,621	-	5,621
Total	16,325	8,747	12,567	18,788	28,892	27,535
Grand Total		25,072		31,355		56,427

	As at 30 April 2018					
	Long Term (Secured)		Short Term (Secured)		Total Borrowings (Secured)	
	Foreign	RM	Foreign	RM	Foreign	RM
	Denomination	Denomination	Denomination	Denomination	Denomination	Denomination
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Term loans	16,352	8,763	4,736	2,113	21,088	10,876
Finance lease liabilities	-	1,187	-	2,725	-	3,912
Bankers' acceptance	-	-	-	8,811	-	8,811
Bills payable	-	-	7,348	-	7,348	-
Bank overdrafts	-	-	-	7,538	-	7,538
Total	16,352	9,950	12,084	21,187	28,436	31,137
Grand Total		26,302		33,271		59,573

The Group loans and borrowings are denominated in Ringgit Malaysia except for certain term loans and bills payable amounting to approximately RM12.7 million (as at 30 April 2018: RM12.8 million) and RM16.2 million (as at 30 April 2018: RM15.6 million) which are denominated in US Dollar and Vietnam Dong respectively. The repayment of these foreign denomination loans and borrowings will be funded by the net cash generated from operating activities in their foreign denomination respectively.

The decrease in the Group loans and borrowings was mainly due to repayment of borrowings, changes in utilisation of trade facilities and lower bank overdrafts as a result of positive cash flow.

B9. Changes in material litigation

Neither the Company nor any of its subsidiaries is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or any of its subsidiaries and the Board is not aware of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or any of its subsidiaries.

B10. Dividend payable

No interim dividend was declared during the current financial period ended 31 July 2018 (2018: NIL).

The Board of Directors has proposed a first and final single tier dividend of 1.0 sen per share totalling RM1,089,000 in respect of the last financial year ended 30 April 2018, if passed in the forthcoming Annual General Meeting, shall be payable on 21 November 2018.

B11. Basic earnings per ordinary share

The basic earnings per ordinary share are calculated by dividing profit attributable to owners of the Company for the period by the weighted average number of ordinary shares in issue during the current 1st quarter under review as follows:-

	3 Months Ended 31.7.2018 RM'000	3 Months Ended 31.7.2017 RM'000
Earnings		
Profit attributable to Owners of the Company	<u>1,282</u>	<u>1,480</u>
Weighted average number of ordinary shares in issue ('000)	<u>108,900</u>	<u>99,000</u>
Basic earnings per ordinary share (sen)	<u>1.18</u>	<u>1.49</u>

B12. Auditors' report on preceding annual financial statements

The independent auditors' report on the audited annual financial statements of the Group and of the Company for the last financial year ended 30 April 2018 was unmodified.

B13. Authorisation for issue

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

By Order of the Board,

Yap Toon Choy
Group Managing Director
28 September 2018