

RESINTECH BERHAD (341662-X)

CONDENSED CONSOLIDATED PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

For The Year Ended 31 Mar 2017

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year 31 Mar 2017 RM'000 (Unaudited)	Preceding Year Corresponding Quarter 31 Mar 2016 RM'000 (Audited)	Current Year To Date 31 Mar 2017 RM'000 (Unaudited)	Preceding Year Corresponding Period 31 Mar 2016 RM'000 (Audited)
Revenue		20,292	21,904	79,873	77,215
Cost of sales		(14,525)	(18,072)	(63,663)	(65,224)
Gross profit		5,767	3,832	16,210	11,991
Other operating income		4,826	53	8,185	5,050
Selling and distribution expenses		(687)	(767)	(2,050)	(2,238)
Administrative expenses		(2,543)	(1,577)	(7,122)	(6,310)
Other operating expenses		(1,676)	(1,071)	(3,256)	(3,569)
Finance costs		(317)	(379)	(1,527)	(1,660)
Share of profit/(loss) of associate		6	(100)	(156)	(258)
Profit before taxation		5,376	(9)	10,284	3,006
Income tax credit/(expense)	B5	826	2,034	(1,249)	1,322
Profit after taxation		6,202	2,025	9,035	4,328
Total comprehensive income for the period					
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Equity holders of the parent		6,202	2,027	9,035	4,330
Minority interests		-	(2)	-	(2)
		6,202	2,025	9,035	4,328
Earnings per share (sen):					
Basic	B12	4.52	1.48	6.59	3.16
Diluted	B12	N/A	N/A	N/A	N/A

Note:

This is prepared based on consolidated results of the Group for the financial year ended 31 Mar 2017 and is to be read in conjunction with the Notes to the Interim Financial Report and the audited consolidated results of the Group for the financial year ended 31 March 2016.

RESINTECH BERHAD (341662-X)**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**For The Year Ended **31 Mar 2017**

(The figures have not been audited)

	Current year quarter 31 Mar 2017 RM'000 (Unaudited)	As at 31 Mar 2016 RM'000 (Audited)
ASSETS		
NON-CURRENT ASSETS		
Investment in an associate	-	160
Property, plant and equipment	88,398	89,232
Other investment	1,677	1,677
Investment properties	29,339	25,200
Intangible asset	-	35
	<u>119,414</u>	<u>116,304</u>
CURRENT ASSETS		
Inventories	18,668	11,719
Short-term investment	101	101
Trade receivables	20,549	22,650
Other receivables, deposits and prepayments	8,264	7,580
Tax refundable	-	136
Fixed deposits with a licensed bank	738	4,625
Cash and bank balances	3,864	1,654
	<u>52,184</u>	<u>48,465</u>
TOTAL ASSETS	<u>171,598</u>	<u>164,769</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	68,602	68,600
Revaluation reserves	32,008	33,300
Foreign exchange translation reserve	(958)	(518)
Retained profits	30,082	21,401
TOTAL ATTRIBUTABLE TO THE OWNER OF THE COMPANY	<u>129,734</u>	<u>122,783</u>
Non-controlling interests	(22)	(21)
TOTAL EQUITY	<u>129,712</u>	<u>122,762</u>
NON-CURRENT LIABILITIES		
Long-term borrowings	2,298	1,924
Deferred tax liabilities	13,287	13,644
	<u>15,585</u>	<u>15,568</u>

RESINTECH BERHAD (341662-X)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For The Year Ended 31 Mar 2017

(The figures have not been audited)

	Current year quarter 31 Mar 2017 RM'000 (Unaudited)	Current year quarter 31 Mar 2016 RM'000 (Audited)
This is prepared based on consolidated results of the Group for the		
CURRENT LIABILITIES		
Trade payables	6,375	2,619
Other payables and accruals	2,935	2,779
Due to related party	-	297
Provision for taxation	801	822
Short-term borrowings	13,213	15,919
Bank overdrafts	2,977	4,003
	<u>26,301</u>	<u>26,439</u>
TOTAL LIABILITIES	<u>41,886</u>	<u>42,007</u>
TOTAL EQUITY AND LIABILITIES	<u>171,598</u>	<u>164,769</u>
	-	-
Net Assets per share based on number of shares in issue (sen)	<u>94.55</u>	<u>89.49</u>

Note:

The unaudited condensed consolidated statement of financial position should be read in conjunction with the Notes to the Interim Financial Report and the Group's audited financial statements for the financial year ended 31 March 2016.

Net assets per share as at 31 Mar 2017 is arrived at based on the Group's Net Assets over the number of ordinary shares of in issue of 137,204,900 shares of RM0.50 each. Net Assets per share as at 31 Mar 2016 was arrived at based on the Group's Net Assets of RM122.78 million over the number of ordinary shares of 137,200,000 shares of RM0.50 each.

RESINTECH BERHAD (341662-X)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Year Ended 31 Mar 2017

(The figures have not been audited)

	Share Capital RM'000	Revaluation Reserves RM'000	Exchange Translation Reserves RM'000	Distributable Retained Profits RM'000	Sub-total RM'000	Non - Controlling Interests RM'000	Total RM'000
Financial year ended 31 March 2016							
At 1 April 2015	68,600	33,735	(308)	20,057	122,084	(19)	122,065
Total comprehensive income for the financial year	-	-	-	4,330	4,330	(2)	4,328
Foreign currency translation	-	-	(210)	-	(210)	-	(210)
Realisation of revaluation surplus	-	(444)	-	444	-	-	-
Revaluation surplus for the year	-	9	-	-	9	-	9
Dividend	-	-	-	(3,430)	(3,430)	-	(3,430)
At 31 Mar 2016 (audited)	68,600	33,300	(518)	21,401	122,783	(21)	122,762
Financial period ended 31 Mar 2017							
At 1 April 2016	68,600	33,300	(518)	21,401	122,783	(21)	122,762
Addition	2	-	-	-	2	-	2
Total comprehensive income for the financial period	-	-	-	9,035	9,035	(1)	9,034
Foreign currency translation	-	-	(440)	-	(440)	-	(440)
Realisation of revaluation surplus	-	(675)	-	675	-	-	-
Dividend	-	-	-	(1,646)	(1,646)	-	(1,646)
At 31 Mar 2017 (unaudited)	68,602	32,625	(958)	29,465	129,734	(22)	129,712

This is prepared based on consolidated results of the Group for the financial year ended 31 Mar 2017 and is to be read in conjunction with the Notes to the Interim Financial Report and the audited consolidated results of the Group for the financial year ended 31 March 2016.

RESINTECH BERHAD (341662-X)
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For The Year Ended 31 Mar 2017

(The figures have not been audited)

	Current Year To Date 31 Mar 2017 RM'000 (Unaudited)	Preceding Year To Date 31 Mar 2016 RM'000 (Audited)
CASH FLOWS FOR OPERATING ACTIVITIES		
Profit before taxation	10,284	3,006
Adjustments for:		
Amortisation of intangible asset	35	46
Bad debts recovered	-	(10)
Bad debts written off	135	
Deposits written off	-	131
Depreciation	5,492	5,905
Dividend	(4)	(4)
Equipment written off	60	7
Fair value gain	(4,078)	(640)
Gain on disposal of plant and equipment	(79)	(355)
Impairment loss on investment	160	
Impairment loss on investment property	-	195
Impairment loss written back		(74)
Interest income	(73)	(153)
Interest expense	1,527	1,549
Loss/(gain) on disposal of investment property	120	(207)
Allowance for doubtful debts	775	598
Share of loss of associate	156	258
Unrealised gain on foreign exchange	(2,440)	(228)
Operating profit before working capital changes	12,070	10,024
Inventories	(6,949)	2,306
Receivables	2,946	5,462
Payables	3,917	(3,311)
Cash from operations	11,984	14,481
Interest paid	(1,527)	(2,790)
Tax paid	(1,560)	(1,549)
Net cash for operating activities	8,897	10,142
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	73	153
Dividend received	4	4
Other investment	(158)	(70)
Proceed from disposal of property, plant and equipment	79	585
Proceed from disposal of investment property	1,030	1,570
Purchase of property, plant and equipment	(2,726)	(1,371)
Net cash for investing activities	(1,698)	871
CASH FLOWS FOR FINANCING ACTIVITIES		
Related party	(297)	(99)
Bill payables	(1,617)	(1,249)
Dividend paid	(1,646)	(3,430)
Proceeds from issuance of shares	2	-
Net decrease in hire purchase obligations	(542)	(448)
Net decrease in term loans	(1,674)	(2,221)
Net cash for financing activities	(5,774)	(7,447)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,425	3,566
Effects of foreign exchange translation	(2,076)	(738)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	2,276	(652)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	1,625	2,176
A17	-	-

Note:

RESINTECH BERHAD (341662-X)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For The Year Ended 31 Mar 2017

(The figures have not been audited)

This is prepared based on the consolidated results of the Group for the financial year ended 31 Mar 2017 and is to be read in conjunction with the audited financial results for the financial year ended 31 March 2016.

PART A: EXPLANATORY NOTES PERSUANT TO FINANCIAL REPORTING STANDARD 134 (“FRS 134”)**A1. Basis of preparation**

The interim financial statements of Resintech Berhad (“RB”) are unaudited and have been prepared in accordance with Financial Reporting Standard (“FRS”) 134 – Interim Financial Reporting issued by the Malaysian Accounting standards Board (“MASB”) and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 March 2017. These 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 31 March 2016.

The accounting policies and methods of computation adopted in this quarterly financial statements of the Group are consistent with those adopted for the annual financial statements of the Group for the financial year ended 31 March 2016 except for the adoption of the followings:-

FRSs/IC Interpretations	Effective date
FRS 9 Financial Instruments	1 January 2015
FRS 10 Consolidated Financial Statements	1 January 2013
FRS 11 Joint Arrangements	1 January 2013
FRS 12 Disclosure of Interests in Other Entities	1 January 2013
FRS 13 Fair Value Measurement	1 January 2013
FRS 119 (Revised) Employee Benefits	1 January 2013
FRS 124 (Revised) Related Party Disclosures	1 January 2012
FRS 127 (2011) Separate Financial Statements	1 January 2013
FRS 128 (2011) Investment in Associates and Joint Ventures	1 January 2013
Amendments to FRS 1 (Revised): Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 January 2012
Amendments to FRS 1 (Revised): Government Loans	1 January 2013
Amendments to FRS 7: Disclosures - Transfers of Financial Assets	1 January 2010
Amendments to FRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2012
Amendments to FRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 9: Mandatory Effective Date of FRS 9 And Transition Disclosures	1 January 2015
Amendments to FRS 101 (Revised): Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to FRS 112: Recovery of Underlying Assets	1 January 2012
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
IC Interpretation 15 Agreements for the Construction of Real Estate	Withdrawn on 19 November 2011
IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
IC Interpretation 20 Stripping Costs in the Production Phase Of a Surface Mine	1 January 2013
Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement	1 July 2011

Notes – for the financial year ended 31 March 2017

A2. Changes in Accounting Policies

The accounting policies and methods of computation adopted in this interim financial statements of the Group are consistent with those adopted for the annual financial statements of the Group for the financial year ended 31 March 2016.

A3. Qualification of Annual Financial Statements

There were no audit qualifications on the financial statements of the Company for the financial year ended 31 March 2016.

A4. Seasonal and cyclical factors

The Group's business operations were not materially affected by any major seasonal or cyclical factors.

A5. 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 under review.

A6. Material changes in estimates

There were no material changes in estimates of amounts reported in the current quarter under review.

A7. Issuances and repayment of debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the current quarter under review.

A8. Dividend Paid

No dividend was paid during the financial period under review.

RESINTECH BERHAD (341662-X)**Notes – for the financial year ended 31 March 2017****A9. Segment information**Operating Segment

In determining the operating segments of the Group, segment revenue is based on the products and services provided.

The Group's financial information analyzed by operating segment as at 31 Mar 2017 was as follows:

	12-Mth to Mar 2017				Consolidation adjustment RM'000	Group RM'000
	Manufacturing and trading RM'000	Services RM'000	Investment holding RM'000	Others RM'000		
Revenue						
External	79,873	-	-	-		79,873
Inter-segment	60,379	390	-	-	(60,769)	-
	<u>140,252</u>	<u>390</u>	<u>-</u>	<u>-</u>		<u>79,873</u>
Results						
Segment results	8,191	808	3,975	1,210	(2,217)	11,967
Finance costs	(1,527)	-	-	-		(1,527)
	<u>6,664</u>	<u>808</u>	<u>3,975</u>	<u>1,210</u>		<u>10,440</u>
Profit before tax						(156)
Share of loss of associate						(1,249)
Income tax expense						
Profit after taxation						<u>9,035</u>

	12-Mth to Mar 2016				Consolidation adjustment RM'000	Group RM'000
	Manufacturing and trading RM'000	Services RM'000	Investment holding RM'000	Others RM'000		
Revenue						
External	76,366	-	849	-		77,215
Inter-segment	65,472	390	-	-	(65,862)	-
	<u>141,838</u>	<u>390</u>	<u>849</u>	<u>-</u>		<u>77,215</u>
Results						
Segment results	5,052	985	398	5,077	(6,588)	4,924
Finance costs	(1,660)	-	-	-		(1,660)
	<u>3,392</u>	<u>985</u>	<u>398</u>	<u>5,077</u>		<u>3,264</u>
Profit before tax						(258)
Share of loss of associate						(258)
Income tax credit						1,322
Profit after taxation						<u>4,328</u>

A10. Valuation of property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

There were no revaluation of property, plant and equipment in these financial statements.

RESINTECH BERHAD (341662-X)**Notes – for the financial year ended 31 March 2017****A11. Material events subsequent to the end of the interim period**

There were no material events subsequent to the current financial quarter ended up to the date of this report, which is likely to substantially affect the results of the operations of the Group.

A12. Changes in the composition of the Group

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

A13. Changes in contingent liabilities and contingent assets

As at the date of this announcement, there were no material contingent liabilities and contingent assets incurred by the Group which, upon becoming enforceable, may have a material impact on the financial position of the Group.

A14. Capital Commitments

	Individual Quarter 31 Mar 2017 RM' 000 Group	Current Year To Date 31 Mar 2017 RM' 000 Company
Acquisition of plant and machineries Approved and contracted for	<u>368</u>	<u>N/A</u>

A15. Contingent Liabilities

	Individual Quarter 31 Mar 2017 RM' 000 Group	Current Quarter 31 Mar 2017 RM' 000 Company
Corporate guarantees given to licensed bank for banking facilities granted to subsidiaries	<u>18,195</u>	<u>-</u>

A16. Significant Related Party Transactions

There were no significant related party transactions during the financial period under review.

A17. Cash and cash equivalents

	At 31 Mar 2017 RM' 000
Cash and bank balances	3,864
Fixed deposits	738
Bank overdrafts	<u>(2,977)</u>
	<u>1,625</u>

PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS**B1. Review of performance**

The Group achieved revenue of RM79.87 million for the financial year ended 31 Mar 2017 as compared to RM77.21 million recorded for the financial year ended 31 Mar 2016. The Group recorded a profit before taxation of RM10.284 million and profit after taxation of RM9.04 million as compared to a profit before taxation of RM3.00 million and profit after taxation of RM4.33 million for previous financial year ended 31 Mar 2016. The higher profit is mainly due to fair value gain on investment properties, unrealised foreign exchange gain as well as higher demand for its products during this year.

B2. Variation of results against preceding quarter

The Group achieved revenue of RM20.29 million for the current quarter under review as compared to RM18.85 million in the previous quarter. The Group recorded profit before taxation of RM5.38 million and profit after taxation of RM6.206 million for current financial period under review as compared to profit before taxation of RM2.90 million and profit after taxation of RM1.40 million for preceding quarter.

B3. Current year prospects

The Group will continue to improve the performance of all the segments by improving the demand for its products as well as implementing measures to reduce expenditure. As for the food and beverage segment, the Group will strategize effective plans to turnaround the business so as to improve the overall Group's performance.

Barring any unforeseen circumstances, the Board expects the Group to continue to achieve satisfactory performance.

B4. Variance of actual and forecast profit

The disclosure requirements for the explanatory notes for the variance of actual profit and forecast profit and for the shortfall in profit guarantee are not applicable.

B5. Income tax

	Individual Quarter 31 Mar 2017 RM' 000	Individual Quarter 31 Mar 2016 RM' 000
Current tax (credit)/expense	(453)	1,053
Deferred tax credit	(373)	(3,087)
	<u>(826)</u>	<u>(2,034)</u>

Tax expense for the current period ended 31 Mar 2017 is derived based on management's best estimate of the tax rate for the financial period. The tax credit and deferred tax credit are mainly due to reversal of over provision of taxation.

RESINTECH BERHAD (341662-X)**Notes – for the financial year ended 31 March 2017****B6. Notes to Comprehensive Income Statement**

	Individual Quarter		Cumulative Quarter	
	31 Mar 2017 RM'000	31 Mar 2016 RM'000	31 Mar 2017 RM'000	31 Mar 2016 RM'000
Interest income	(10)	(44)	(73)	(153)
Interest expense	317	266	1,527	1,549
Depreciation	1,436	1,513	5,492	5,903
Amortisation of intangible asset	8	12	35	46
Allowance for doubtful debts	775	-	776	-
Bad debts written off	3	-	135	-
Plants and machineries written off	-	6	60	7
Realised (gain)/loss on foreign exchange	(52)	433	346	1,221
Fair value gain on investment properties	(4,022)	(565)	(4,022)	(640)

B7. Realised and Unrealised Profits

	Current Quarter 31 Mar 2017 RM' 000	Preceding Year Quarter 31 Mar 2017 RM' 000
Total retained profits:		
Realised	84,888	78,326
Unrealised	(10,847)	(14,540)
	<u>74,041</u>	<u>63,786</u>
Total share of retained losses of an associate		
Realised	-	-
Unrealised	2	(1)
	<u>74,043</u>	<u>63,785</u>
Less: Consolidation adjustment	(43,961)	(44,518)
	<u>30,082</u>	<u>19,267</u>

B8. Status of corporate proposal

There were no corporate proposals announced for the financial period under review.

B9. Group borrowings

The Group's borrowings as at the end of the reporting quarter are as follows:

	Short-Term (Secured) RM'000	Long-Term (Secured) RM'000
Bank overdrafts	2,977	-
Hire purchase	598	1,114
Trust receipts and bankers' acceptances	12,115	-
Term loans	500	1,184
Total	<u>16,190</u>	<u>2,298</u>

B10. Material litigation

RESINTECH BERHAD (341662-X)

Notes – for the financial year ended 31 March 2017

Save as disclosed below, neither our Group or our subsidiary companies is engaged in any litigation either as plaintiff or defendant pending since the previous financial period which might materially affect the position or business of the Company or any of its subsidiaries:-

- (i) On 4 April 2016, our subsidiary, Resintech Plastics (M) Sdn Bhd (“RPSB”), filed a claim for RM985,407.80 together with interest against Banjaran Mendi Trading owned by Datin Norini Binti Abdul Malek (“First Defendant”) and its guarantors, Dato’ Mustaffa Bin Shariff, for goods sold and delivered. Defendants did not enter appearance and/or defence. Sealed judgement in default was obtained on 31 May 2016. Notice served to guarantors house address.

Case Management for bankruptcy against First Defendant is scheduled on 7 June 2017. Case Management for bankruptcy against Second Defendant on 12 July 2017.

B11. Dividends

There was no dividend declared during the financial period under review.

B12. Basic earnings per share

The basic earnings per share for the current quarter and cumulative year to date are computed as follow:-

	Individual Current Year Quarter 31 Mar 2017 RM’000	Year To Date 31 Mar 2017 RM’000
Profit attributable to holders of the parent for the period	<u>6,202</u>	<u>9,035</u>
Number of ordinary shares of RM0.50 each in issue	<u>137,205</u>	<u>137,205</u>
Basic earnings per share based on the number of shares in issue (sen)	<u>4.52</u>	<u>6.59</u>
Diluted earnings per share based on the number of shares in issue (sen)	<u>N/A</u>	<u>N/A</u>

The diluted earnings per share is equal to the basic earnings per share as there is an anti-dilutive effect arising from the conversion of warrants.

B13. Authorisation for issue

This quarterly report was authorized for issue by the Board of Directors in accordance with the resolution of the directors duly passed.