

**EMICO HOLDINGS BERHAD (Company No : 230326-D)**  
**CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)**  
**FOR THE QUARTER AND TWELVE MONTHS ENDED 31 MARCH 2018**

	<b>3 months ended 31 Mar</b>		<b>12 months ended 31 Mar</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	18,771	14,925	58,454	70,278
Cost of sales	(15,248)	(12,508)	(45,874)	(55,190)
Gross profit/(loss)	3,523	2,417	12,580	15,088
Other income	(225)	269	981	722
Sales and marketing expenses	(2,734)	(250)	(1,101)	(1,173)
Administrative expenses	(118)	(4,112)	(11,447)	(11,364)
Operating profit/(loss)	446	(1,676)	1,013	3,273
Finance costs	(116)	(130)	(507)	(543)
Profit/(Loss) before tax	330	(1,806)	506	2,730
Tax expense	(123)	(531)	(887)	(1,380)
<b>Profit/(Loss) for the period</b>	<b>207</b>	<b>(2,337)</b>	<b>(381)</b>	<b>1,350</b>
<b>Profit/(Loss) attributable to:</b>				
Equity holders of the parent	294	(2,312)	(219)	1,603
Non-controlling interests	(87)	(25)	(162)	(253)
<b>Profit/(Loss) for the period</b>	<b>207</b>	<b>(2,337)</b>	<b>(381)</b>	<b>1,350</b>
<b>Earnings per share attributable to equity holders of the parent:</b>				
Basic, profit/(loss) for the period (sen)	0.31	(2.41)	(0.23)	1.67
Fully Diluted	0.31	(2.41)	(0.23)	1.67

(The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to this interim financial report)

**EMICO HOLDINGS BERHAD (Company No : 230326-D)**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE QUARTER AND TWELVE MONTHS ENDED 31 MARCH 2018**

	3 months ended 31 Mar		12 months ended 31 Mar	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
<b>Profit/(Loss) for the period</b>	207	(2,337)	(381)	1,350
<b>Other comprehensive income, net of tax</b>				
Revaluation reserve on leasehold land and building, net of tax	879	-	879	-
Foreign currency translation differences for foreign operation	6	1	21	(9)
<b>Total comprehensive income/(loss) for the period</b>	<u>1,092</u>	<u>(2,336)</u>	<u>519</u>	<u>1,341</u>
<b>Total comprehensive income/(loss) attributable to:</b>				
Equity holders of the parent	1,179	(2,311)	681	1,594
Non-controlling interests	<u>(87)</u>	<u>(25)</u>	<u>(162)</u>	<u>(253)</u>
	<u>1,092</u>	<u>(2,336)</u>	<u>519</u>	<u>1,341</u>

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to this interim financial report)

**EMICO HOLDINGS BERHAD (Company No : 230326-D)**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - UNAUDITED**  
**AT 31 MARCH 2018**

	<b>31 March 2018 Unaudited RM'000</b>	<b>31 March 2017 Audited RM'000</b>
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Property, plant and equipment	24,896	22,940
Investment properties	171	178
Goodwill on consolidation	552	552
Deferred tax assets	28	89
Total non current assets	25,647	23,759
<b>Current Assets</b>		
Inventories	41,372	36,640
Trade and other receivables	13,344	15,521
Current tax assets	696	344
Cash and cash equivalents	2,730	4,357
Total current assets	58,142	56,862
<b>TOTAL ASSETS</b>	<b>83,789</b>	<b>80,621</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	17,329	17,329
Reserves	12,712	11,812
Retained earnings	13,181	13,400
Total equity attributable to owners of the Company	43,222	42,541
Non-controlling interests	7,879	8,041
<b>TOTAL EQUITY</b>	51,101	50,582
<b>Non Current Liabilities</b>		
Borrowings	2,277	2,422
Deferred tax liabilities	4,979	4,705
Total non current liabilities	7,256	7,127
<b>Current liabilities</b>		
Trade and other payables	18,142	15,308
Bank borrowings	7,164	6,447
Deferred revenue	-	839
Current tax liabilities	126	318
Total current liabilities	25,432	22,912
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>83,789</b>	<b>80,621</b>
Net assets per share (RM)	0.45	0.44

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to this interim financial report)

**EMICO HOLDINGS BERHAD (Company No : 230326-D)**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - UNAUDITED**  
**FOR THE TWELVE MONTHS ENDED 31 MARCH 2018**

	Attributable to equity holders of parent						
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Exchange Reserve RM'000	Retained earning RM'000	Non-controlling Interests RM'000	Total Equity RM'000
At 1 April 2017	17,329	-	11,811	1	13,400	8,041	50,582
Profit/(Loss) for the period	-	-	-	-	(219)	(162)	(381)
Revaluation reserve on leasehold land and buildings	-	-	879	-	-	-	879
Foreign exchange translation differences	-	-	-	21	-	-	21
Total comprehensive income/(loss) for the period	-	-	879	21	(219)	(162)	519
At 31 March 2018	17,329	-	12,690	22	13,181	7,879	51,101
At 1 April 2016	95,927	7,736	11,811	10	(74,537)	8,294	49,241
Profit/(Loss) for the period	-	-	-	-	1,603	(253)	1,350
Foreign exchange translation differences	-	-	-	(9)	-	-	(9)
Par value reduction	(86,334)	-	-	-	86,334	-	-
Total comprehensive income/(loss) for the period	(86,334)	-	-	(9)	87,937	(253)	1,341
At 31 March 2017	9,593	7,736	11,811	1	13,400	8,041	50,582

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to this interim financial report)

**EMICO HOLDINGS BERHAD (Company No : 230326-D)**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW - UNAUDITED**  
**FOR THE TWELVE MONTHS ENDED 31 MARCH 2018**

	<b>12 months ended 31 March 2018 RM'000</b>	<b>12 months ended 31 March 2017 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/ (Loss) before tax	506	2,730
Adjustments for :		
Depreciation of property, plant and equipment	1,781	1,925
Interest expenses	446	524
Impairment losses on trade and other receivables	247	23
Amortisation of investment properties	7	7
Unrealised loss /(gain) on foreign exchange	-	(110)
Interest income	(307)	(89)
Property, plant and equipment written off	-	7
Operating profit/(loss) before working capital changes	2,680	5,017
Changes in working capital:		
Decrease/(increase) in trade and other receivables	1,339	2,387
Decrease/(increase) in inventories	(4,754)	3,605
(Decrease)/increase in deferred revenue	(842)	(3,734)
(Decrease)/increase in trade and other payables	3,487	(4,989)
Cash generated from operations	1,910	2,286
Interest received	307	89
Tax refund	-	20
Tax paid	(1,378)	(2,257)
Net cash generated from operating activities	839	138
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(2,592)	(1,090)
Net cash used in investing activities	(2,592)	(1,090)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(446)	(524)
Net (repayment)/ drawdown of bank borrowings	(872)	(1,880)
Net (repayment)/ drawdown of hire purchase payables	725	(249)
Changes in deposits pledged to licensed banks	-	35
Net cash used in financing activities	(593)	(2,618)
Net increase/(decrease) in cash and cash equivalents	(2,346)	(3,570)
Effects of exchange rate changes on cash and cash equivalents	(5)	76
Cash and cash equivalents at beginning of financial year	3,005	6,499
Cash and cash equivalents at end of financial year	654	3,005
Cash and cash equivalents comprise of:		
Cash and bank balances	2,640	3,771
Deposits with licensed banks	90	586
Bank overdrafts included in bank borrowings	(1,986)	(1,266)
	744	3,091
Less: Deposits pledged to licensed banks	(90)	(86)
	654	3,005

(The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to this interim financial report)

**EMICO HOLDINGS BERHAD (Company No : 230326-D)**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 4TH QUARTER ENDED 31 MARCH 2018**

**A EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A1 Basis of preparation**

The interim financial statements are unaudited and has been prepared in compliance with MFRS 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the 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 2017.

The following revised MFRSs and Amendments to MFRSs applicable to the Group have been issued by the MASB and are not yet effective for adoption by the Group.

		Effective for annual periods beginning on or after
MFRS 9	Financial Instruments (2014)	1-Jan-18
Clarifications to MFRS 15	Revenue from Contracts with Customers	1-Jan-18
Amendments to MFRS 1	Annual improvements to MFRS Standards 2014-2016 Cycle	1-Jan-18
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions	1-Jan-18
Amendments to MFRS 128	Annual improvements to MFRS Standards 2014-2016 Cycle	1-Jan-18
Amendments to MFRS 140	Transfer of Investment Property	1-Jan-18
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1-Jan-18
MFRS 16	Leases	1-Jan-19
IC Interpretation 23	Uncertainty over Income Tax treatments	1-Jan-19
Amendments to MFRS 9	Prepayment Features with Negative Compensation	1-Jan-19
Amendments to MFRS 128	Long term interest in Associates and Joint Ventures	1-Jan-19
Amendments to MFRS 3	Annual improvements to MFRS Standards 2015-2017 Cycle	1-Jan-19
Amendments to MFRS 11	Annual improvements to MFRS Standards 2015-2017 Cycle	1-Jan-19
Amendments to MFRS 112	Annual improvements to MFRS Standards 2015-2017 Cycle	1-Jan-19
Amendments to MFRS 123	Annual improvements to MFRS Standards 2015-2017 Cycle	1-Jan-19
Amendments to MFRS 119	Employee Benefits	1-Jan-19
Amendments to MFRS 10	Consolidated Financial statements	) Effective
MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	) date yet to be confirmed

**A2 Audited financial statements of the preceding year**

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

**A3 Seasonality or cyclicity of operations**

The Group operations is not subject to seasonality or cyclicity of operations.

**A4 Items of unusual nature and amount**

There were no items affecting assets, liabilities, equity, net income or cash flows of the Group that are unusual because of their nature, size or incidence during the financial quarter ended 31 March 2018.

**A5 Changes in estimates**

There were no significant changes in estimates of amount, which give a material effect in the financial quarter ended 31 March 2018.

**A6 Issuance, cancellations, repurchases, resale and repayment of debt/equity securities**

There have been no issuance and repayment of debt and equity securities for the financial quarter ended 31 March 2018.

**A7 Dividend paid**

There were no dividend paid during the quarter under review.

**A8 Segment Reporting**

The analysis by activity of the Group for the financial year ended 31 March 2018 are as follows:

	<-----3 months ended----->		<-----12 months ended----->	
	31-3-2018	31-3-2017	31-3-2018	31-3-2017
	RM'000	RM'000	RM'000	RM'000
<b>Segment Revenue</b>				
Manufacturing and trading - consumable products	12,613	14,925	51,718	58,361
Property development	6,158	-	6,736	11,917
Investment holdings	45	45	180	180
	<u>18,816</u>	<u>14,970</u>	<u>58,634</u>	<u>70,458</u>
Inter-segment elimination	(45)	(45)	(180)	(180)
Total Revenue	<u>18,771</u>	<u>14,925</u>	<u>58,454</u>	<u>70,278</u>

<b>Segment Results</b>				
Manufacturing and trading - consumable products	(501)	(779)	1,993	3,765
Property development	1,208	(629)	39	626
Investment holdings	(261)	(268)	(1,019)	(1,118)
	<hr/>	<hr/>	<hr/>	<hr/>
Total Segment Results	446	(1,676)	1,013	3,273
Finance cost	(116)	(130)	(507)	(543)
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Profit/(Loss) before tax	330	(1,806)	506	2,730
Tax expense	(123)	(531)	(887)	(1,380)
Non-controlling interests	87	25	162	253
	<hr/>	<hr/>	<hr/>	<hr/>
Profit/(Loss) for the period	294	(2,312)	(219)	1,603
	<hr/>	<hr/>	<hr/>	<hr/>

**A9 Valuation of property, plant and equipment**

The valuation of leasehold land and buildings have been brought forward without amendments from previous annual financial statements.

**A10 Material events subsequent to the balance sheet date**

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

**A11 Contingent Liabilities**

The Directors are not aware of any contingent liabilities that have arisen since the last annual balance sheet date.

**A12 Related Party Transactions**

Significant transactions between the Group with the related parties during the financial year ended 31 March 2018 were as follows:

	<-----3 months ended----->		<-----12 months ended----->	
	31-3-2018	31-3-2017	31-3-2018	31-3-2017
	RM'000	RM'000	RM'000	RM'000
Sales of raw materials:				
Century Plas Industries Sdn Bhd	1,799	1,522	6,555	7,162
Purchases of semi finished parts and components:				
Century Plas Industries Sdn Bhd	2,123	2,888	8,379	10,272
Sales and purchases of trading items				
U Can Marketing Sdn Bhd	7	21	36	47
Rental of premises received:				
Century Plas Industries Sdn Bhd	39	39	156	156
Rental of machinery received:				
Century Plas Industries Sdn Bhd	6	6	24	24
Rental of factory paid and payable to:				
Beng Choo Marketing Sdn Bhd	90	90	360	360
Purchases and sales of trophy parts and bases:				
Emico (Vietnam) Co. Ltd	1,066	782	3,261	3,020
Contract works billed:				
Frame World Sdn Bhd	2,281	1,739	6,219	4,335

The transactions were entered in the normal course of business and have been established under normal commercial terms that are no less favourable than those arranged with independent third parties.

**A13 Capital Commitments**

Capital expenditures which have not been provided for at the end of each reporting period are as follows:

	As at 31-Mar-18 RM'000
Property, plant and equipment:	
Approved and contracted for	<u>17</u>

**B ADDITIONAL INFORMATION AS REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (PART A OF APPENDIX 9B)**

**B1 Tax expense**

	Current 12 months 31-3-2018 RM'000	Current 12 months 31-3-2017 RM'000
Current period	783	1,411
Under/(over) provision in prior years	47	(89)
RPGT	-	45
Deferred	<u>57</u>	<u>13</u>
Taxation - net	<u>887</u>	<u>1,380</u>

The effective tax rates were higher than statutory tax rate mainly due to the losses which cannot be set-off against taxable profits made by subsidiaries and certain expenses which are not tax deductible.

**B2 Sale of unquoted investments and properties**

There were no profit on sale of investments or properties for the current financial period.

**B3 Particulars of purchase or disposal of quoted investments**

There were no sales or purchases of quoted securities during the period.

**B4 Status of Corporate proposals announced but not completed**

There were no corporate proposals announced but not completed during the period.

**B5 Group borrowings**

Group borrowings and debt securities are as follows:

	31-Mar-18 RM'000	31-Mar-17 RM'000
<u>a) Current bank Borrowings - Secured</u>		
Bank overdraft	1,986	1,266
Bankers' acceptance	4,060	3,831
Hire purchase creditors	428	237
Term loan	690	1,113
	<u>7,164</u>	<u>6,447</u>
<u>b) Non Current Bank Borrowings - Secured</u>		
Hire purchase creditors	1,432	898
Term loan	845	1,524
	<u>2,277</u>	<u>2,422</u>

**B6 Financial Instruments with Off Balance Sheet Risks**

There were no financial instruments with off balance sheet risks for the current financial period.

**B7 Material Litigations**

There are no material litigation pending as at 19 May 2018.

**B8 Performance review**

	<----- 3 months ended ----->		<-----12 months ended ----->	
	Jan-18 to Mar-18	Oct-17 to Dec-17	Apr-17 to Mar-18	Apr-16 to Mar-17
	RM'000	RM'000	RM'000	RM'000
<u>REVENUE</u>				
Manufacturing and trading	12,613	13,606	51,718	58,361
Property development	<u>6,158</u>	<u>289</u>	<u>6,736</u>	<u>11,917</u>
Total	<u>18,771</u>	<u>13,895</u>	<u>58,454</u>	<u>70,278</u>
<u>PROFIT/ (LOSS) BEFORE TAX ("PBT" &amp; "LBT")</u>				
Manufacturing and trading - operations	(601)	598	1,552	3,294
Property development	1,192	(251)	(27)	554
Investment holdings	<u>(261)</u>	<u>(242)</u>	<u>(1,019)</u>	<u>(1,118)</u>
Net Total	<u>330</u>	<u>105</u>	<u>506</u>	<u>2,730</u>

Comparison with preceding quarter

For the current quarter under review, the revenue of the Group increased from RM13.89 million in preceding quarter to RM18.77 million for current quarter due to project completion in the fourth quarter which contributed RM6.16 million in revenue. Despite the higher revenue for current quarter, the Group posted PBT of RM0.33 million as compared to PBT RM0.10 million in preceding quarter due to the PBT of property development amounting to RM1.19 million was off set by the LBT of RM0.60 million from the manufacturing and trading division.

Manufacturing and trading division posted revenue from of RM12.61 million for current quarter as compared to RM13.61 million in preceding quarter. The lower number of working days caused by the long festive break during the current quarter as well as the strengthening of Ringgit Malaysia against USD contributed to lower revenue reported for current quarter. Manufacturing and trading division posted LBT of RM0.60 million for current quarter as compared to PBT of RM0.60 million in preceding quarter due to lower margin on product mix and higher operation costs.

The property development division posted revenue of RM6.16 million as compared to RM0.29 million in preceding quarter due to project completion in the current quarter whilst the preceding quarter revenue was derived from the sales of completed units classified under inventory. As such, property division posted PBT of RM1.19 million as compared to LBT of RM0.25 million in preceding quarter.

Investment holding division LBT was maintained at RM0.26 million for current quarter and RM0.24 million in preceding quarter.

Comparison with preceding year results

The Group revenue for the year ended 31 March 2018 was RM58.45 million as compared to RM70.28 million for preceding year representing a decline of 16.82% .The decline was mainly due to a drop in revenue from all divisions. In tandem with the lower revenue, the Group posted lower PBT of RM0.51 million for current year as compared to RM2.73 million in preceding year.

The manufacturing and trading division posted a decrease of 11.38% in revenue from RM58.36 million in preceding year to RM51.72 million for current year mainly due to lower sales and lower translation for exports sales due to the strengthening of Ringgit Malaysia against USD during the year. In tandem with lower sales and higher operation costs, it posted a lower PBT of RM1.55 million as compared to PBT of RM3.29 million in preceding year.

The property development division posted a decrease of RM5.18 million in revenue as compared to preceding year due to lower sales achieved for current year as a result of weak consumer sentiment on property. As such, it posted LBT of RM0.03 million for current year as compared to PBT of RM0.55 million for preceding year.

Investment holding division LBT was maintained at RM1.02 million for current year and RM1.12 million for preceding year .



**B9 Prospects**

Manufacturing and trading division will remain the major business segment for the coming financial year and is expecting a more challenging environment in respect of fluctuation in foreign currency. The progressive decline of the USD against the Ringgit Malaysia has adversely affected the Group's profit margin as all export revenue are transacted in USD. In addition, the levy of foreign workers to be absorbed by the company has an incremental effect on labour cost. Despite the challenging environment, the Group will continue to strive for business sustainability and to safeguard its profitability by taking proactive measures to optimize productivity and efficiency. Property development division will remain challenging due to the rising cost of living and weak consumer spending in purchasing property. Despite the unfavourable market condition, the Group will continue to take proactive measures to optimize our project management and cost.

**B10 Explanatory notes on any variance in actual profit from forecasted profit**

This note is not applicable for the financial period under review.

**B11 Dividend**

The Directors do not recommend any dividend for the period ended 31 March 2018.

**B12 Earnings per share ("EPS")****I) Basic Earnings per share**

	3 months		12 months	
	31.3.2018	31.3.2017	31.3.2018	31.3.2017
<b>a) Numerator</b>				
Profit attributable to ordinary equity holders:				
Profit/(Loss) from operations (RM'000)	294	(2,312)	(219)	1,603
<b>b) Denominator</b>				
Weighted average number of ordinary shares used as denominator (per 1000 shares)	95,927	95,927	95,927	95,927
<b>Basic Earnings per share (Sen)</b>	0.31	(2.41)	(0.23)	1.67

**B13 Operating Income/(Expenses)**

Included in operating income/(expenses) are the followings credits/(charges):

	12 months ended Mar-18 RM'000	12 months ended Mar-17 RM'000
Depreciation of property, plant and equipment	(1,781)	(1,925)
Amortisation of investment properties	(7)	(7)
Interest expense	(446)	(477)
Interest income	307	145
Unrealised gain/(loss) on foreign exchange	-	110
Impairment losses on trade and other receivables	(247)	(23)

**B14 Accumulated losses**

The breakdown of accumulated losses of the Group as at reporting date, into realised and unrealised is as follows:

	As at end of year ended 31.3.2018 RM'000	As at end of year ended 31.3.2017 RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries:		
- Realised	20,503	20,329
- Unrealised	(1,359)	(797)
Total before consolidation adjustments	19,144	19,532
Less: Consolidation adjustments	(5,963)	(6,132)
Total Group retained profits/(accumulated losses) as per consolidation accounts	13,181	13,400