

**EMICO HOLDINGS BERHAD (Company No : 230326-D)**  
**CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)**  
**FOR THE QUARTER ENDED 31 MARCH 2019**

	<b>3 months ended 31 March</b>		<b>12 months ended 31 March</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	15,065	16,855	52,275	50,761
Cost of sales	(10,316)	(13,332)	(38,995)	(38,181)
Gross profit/(loss)	4,749	3,523	13,280	12,580
Other income	693	(225)	1,110	981
Sales and marketing expenses	(124)	(118)	(967)	(1,101)
Administrative expenses	(2,157)	(2,734)	(10,723)	(11,447)
Operating profit/(loss)	3,161	446	2,700	1,013
Finance costs	(110)	(116)	(512)	(507)
Profit/(Loss) before tax	3,051	330	2,188	506
Tax expense	(73)	(123)	(704)	(887)
<b>Profit/(Loss) for the period</b>	<b>2,978</b>	<b>207</b>	<b>1,484</b>	<b>(381)</b>
<b>Profit/(Loss) attributable to:</b>				
Equity holders of the parent	2,004	294	604	(219)
Non-controlling interests	974	(87)	880	(162)
<b>Profit/(Loss) for the period</b>	<b>2,978</b>	<b>207</b>	<b>1,484</b>	<b>(381)</b>
<b>Earnings per share attributable to equity holders of the parent:</b>				
Basic, profit/(loss) for the period (sen)	1.99	0.31	0.60	(0.23)
Fully Diluted	1.99	0.31	0.60	(0.23)

(The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 March 2018 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 ENDED 31 MARCH 2019**

	3 months ended 31 March		12 months ended 31 March	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
<b>Profit/(Loss) for the period</b>	2,978	207	1,484	(381)
<b>Other comprehensive income, net of tax</b>				
Revaluation reserve on leasehold land and building, net of tax	623	879	623	879
Foreign currency translation differences for foreign operation	(1)	6	7	21
<b>Total comprehensive income/(loss) for the period</b>	<b>3,600</b>	<b>1,092</b>	<b>2,114</b>	<b>519</b>
<b>Total comprehensive income/(loss) attributable to:</b>				
Equity holders of the parent	2,626	1,179	1,234	681
Non-controlling interests	974	(87)	880	(162)
	<b>3,600</b>	<b>1,092</b>	<b>2,114</b>	<b>519</b>

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2018 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 2019**

	<b>31 March 2019 Unaudited RM'000</b>	<b>31 March 2018 Audited RM'000</b>
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Property, plant and equipment	25,241	24,896
Investment properties	165	171
Goodwill on consolidation	552	552
Deferred tax assets	92	28
Total non current assets	26,050	25,647
<b>Current Assets</b>		
Inventories	43,507	41,373
Trade and other receivables	11,417	13,267
Current tax assets	255	696
Cash and cash equivalents	2,198	2,728
Total current assets	57,377	58,064
<b>TOTAL ASSETS</b>	<b>83,427</b>	<b>83,711</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	18,144	17,329
Reserves	13,342	12,712
Retained earnings	12,415	13,181
Total equity attributable to owners of the Company	43,901	43,222
Non-controlling interests	8,759	7,879
<b>TOTAL EQUITY</b>	52,660	51,101
<b>Non Current Liabilities</b>		
Borrowings	2,181	2,276
Deferred tax liabilities	4,981	4,979
Total non current liabilities	7,162	7,255
<b>Current liabilities</b>		
Trade and other payables	16,119	18,056
Bank borrowings	7,290	7,164
Current tax liabilities	196	135
Total current liabilities	23,605	25,355
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>83,427</b>	<b>83,711</b>
Net assets per share (RM)	0.43	0.45

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2018 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 2019**

	<----- Attributable to equity holders of parent ----->					
	Share Capital 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 2018	17,329	12,690	22	13,181	7,879	51,101
Adjustment on adoption of MFRS 9	-	-	-	(1,370)	-	(1,370)
Adjusted 1 April 2018	17,329	12,690	22	11,811	7,879	49,731
Profit/(Loss) for the period	-	-	-	604	880	1,484
Revaluation reserve on leasehold land and buildings	-	623	-	-	-	623
Foreign exchange translation differences	-	-	7	-	-	7
Total comprehensive income/(loss) for the period	-	623	7	604	880	2,114
Issuance of new shares	815	-	-	-	-	815
At 31 March 2019	18,144	13,313	29	12,415	8,759	52,660
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

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2018 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 2019**

	<b>12 months ended 31 March 2019 RM'000</b>	<b>12 months ended 31 March 2018 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/ (Loss) before tax	2,188	506
Adjustments for :		
Depreciation of property, plant and equipment	1,768	1,782
Interest expenses	457	494
Impairment losses on trade and other receivables	-	252
Reversal of impairment losses on trade and other receivables	(178)	-
Bad debt recovery	(251)	-
Bad debt written off	11	-
Amortisation of investment properties	6	6
Unrealised gain on foreign exchange	(47)	(99)
Interest income	(31)	(86)
Gain on disposal of property, plant and equipment	(104)	-
Operating profit before working capital changes	3,819	2,855
Changes in working capital:		
Decrease in trade and other receivables	1,225	2,001
Increase in inventories	(1,517)	(4,732)
Decrease in deferred revenue	-	(839)
(Decrease)/increase in trade and other payables	(2,871)	2,748
Cash generated from operations	656	2,033
Interest received	31	86
Tax refund	-	9
Tax paid	(459)	(1,374)
Net cash generated from operating activities	228	754
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(1,295)	(1,589)
Proceed from disposal of property plant and equipment	104	-
Net cash used in investing activities	(1,191)	(1,589)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(457)	(135)
Issuance of new shares	815	-
Net drawdown/ (repayment) of bank borrowings	(412)	(1,107)
Net drawdown/ (repayment) of hire purchase payables	(70)	(401)
Changes in deposits pledged to licensed banks	(2)	(3)
Net cash used in financing activities	(126)	(1,646)
Net decrease in cash and cash equivalents	(1,089)	(2,481)
Effects of exchange rate changes on cash and cash equivalents	44	129
Cash and cash equivalents at beginning of financial year	653	3,005
Cash and cash equivalents at end of financial year	(392)	653
Cash and cash equivalents comprise of:		
Cash and bank balances	2,105	2,639
Deposits with licensed banks	93	89
Bank overdrafts included in bank borrowings	(2,497)	(1,986)
	(299)	742
Less: Deposits pledged to licensed banks	(93)	(89)
	(392)	653

(The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 March 2018 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 2019**

**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 2018. 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 2018.

Except as described above, the accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 March 2018. The changes in accounting policies are also expected to be reflected in the Group's consolidated financial statements as at and for the year ending 31 March 2019.

**MFRS 9 Financial Instruments**

MFRS 9 replaces MFRS 139 Financial Instruments: Recognition and Measurement. The adoption of MFRS 9 has resulted in changes in the accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets.

In respect of impairment of financial assets, MFRS 9 replaces the "incurred loss" model in MFRS 139 with an "expected credit loss" (ECL) model. The ECL model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised.

The Group assesses on a forward-looking basis the ECLs associated with its financial assets classified at amortised cost under MFRS 15 Revenue from Contracts with Customers. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Reconciliation of financial position and equity:

<b>1 April 2018</b>	<b>Previously Reported RM'000</b>	<b>Effect of MFRS 9 RM'000</b>	<b>Restated RM'000</b>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	24,896	-	24,896
Investment properties	171	-	171
Goodwill on consolidation	552	-	552
Deferred tax assets	28	-	28
Total non current assets	25,647	-	25,647
<b>Current Assets</b>			
Inventories	41,373	-	41,373
Trade and other receivables	13,267	(1,370)	11,897
Current tax assets	696	-	696
Cash and cash equivalents	2,728	-	2,728
Total current assets	58,064	(1,370)	56,694
<b>TOTAL ASSETS</b>	<b>83,711</b>	<b>(1,370)</b>	<b>82,341</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	-	12,712
Retained earnings	13,181	(1,370)	11,811
Total equity attributable to owners of the Company	43,222	(1,370)	41,852
Non-controlling interests	7,879	-	7,879
<b>TOTAL EQUITY</b>	<b>51,101</b>	<b>(1,370)</b>	<b>49,731</b>
<b>Non Current Liabilities</b>			
Borrowings	2,276	-	2,276
Deferred tax liabilities	4,979	-	4,979
Total non current liabilities	7,255	-	7,255
<b>Current liabilities</b>			
Trade and other payables	18,056	-	18,056
Bank borrowings	7,164	-	7,164
Current tax liabilities	135	-	135
Total current liabilities	25,355	-	25,355
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>83,711</b>	<b>(1,370)</b>	<b>82,341</b>

## A1 Basis of preparation

### MFRS 15 Revenue from Contracts with Customers

The Group has adopted MFRS 15 Revenue from Contracts with Customers with effect from 1 April 2018 as mentioned below: MFRS 15 establishes a five-step model to account for 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 exchange for transferring goods or services to a customer.

MFRS 15 does not have any material financial impact to current period and prior period financial statements of the Group apart from the reclassification of certain components from revenue to cost of sales. Certain comparatives for the financial period ended 31 March 2018 have been reclassified and restated to conform to the current year's presentation under MFRS 15.

<b>Condensed Consolidated Income Statement for the 12 months ended 31 March 2018</b>			
	MFRS 118	Reclassification	MFRS 15
	RM'000	RM'000	RM'000
Revenue	58,454	(7,693)	50,761
Cost of sales	(45,874)	7,693	(38,181)

The adoption of other new standards are not expected to have any material financial impact to the Group upon their adoption with effective from 1 April 2018.

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
Amendments to References to the Conceptual Framework in MFRS Standard			1-Jan-20
Amendments to MFRS 3	Definition of a Business		1-Jan-20
Amendments to MFRS 101	Definition of Material		1-Jan-20
Amendments to MFRS 108	Definition of Material		1-Jan-20
MFRS 17	Insurance Contracts		1-Jan-21
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	) ) )	Effective 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 2018 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 period ended 31 March 2019.

### A5 Changes in estimates

There were no significant changes in estimates of amount, which give a material effect in the financial period ended 31 March 2019.

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

There were no issuance and repayment of debt and equity securities for the financial period ended 31 March 2019.

### A7 Dividend paid

There were no dividend paid during the quarter under review.

**A8 Segmental Reporting**

The analysis by activity of the Group for the financial period ended 31 March 2019 are as follows:

	<-----3 months ended----->		<-----12 months ended----->	
	31-3-2019 RM'000	31-3-2018 RM'000	31-3-2019 RM'000	31-3-2018 RM'000
<b>Segment Revenue</b>				
Manufacturing and trading - consumable products	11,953	10,697 **	49,163	44,025 **
Property development	3,112	6,158	3,112	6,736
Investment holdings	30	45	120	180
	<u>15,095</u>	<u>16,900</u>	<u>52,395</u>	<u>50,941</u>
Inter-segment elimination	<u>(30)</u>	<u>(45)</u>	<u>(120)</u>	<u>(180)</u>
Total Revenue	<u>15,065</u>	<u>16,855</u>	<u>52,275</u>	<u>50,761</u>

Note \*\*

The revenue for the period of 3 months ended March 2018 and 12 months ended March 2018 has been restated to conform with MFRS 15 presentation respectively. The impact of the restatement were the reclassification of RM1.9 million and RM7.7 million from revenue to cost of sales respectively.

**Segment Results**

Manufacturing and trading - consumable products	1,438	(501)	2,964	1,993
Property development	2,112	1,208	903	39
Investment holdings	<u>(389)</u>	<u>(261)</u>	<u>(1,167)</u>	<u>(1,019)</u>
Total Segment Results	3,161	446	2,700	1,013
Finance cost	<u>(110)</u>	<u>(116)</u>	<u>(512)</u>	<u>(507)</u>
Profit/(Loss) before tax	3,051	330	2,188	506
Tax expense	(73)	(123)	(704)	(887)
Non-controlling interests	<u>(974)</u>	<u>87</u>	<u>(880)</u>	<u>162</u>
Profit/(Loss) for the period	<u>2,004</u>	<u>294</u>	<u>604</u>	<u>(219)</u>

**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**

Save for the corporate proposal as disclosed in Section B4 below, there were no other 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 2019 were as follows:

	<-----3 months ended----->		<-----12 months ended----->	
	31-3-2019 RM'000	31-3-2018 RM'000	31-3-2019 RM'000	31-3-2018 RM'000
Sales of raw materials:				
Century Plas Industries Sdn Bhd	1,180	1,799	6,591	6,555
Purchases of semi finished parts and components:				
Century Plas Industries Sdn Bhd	1,912	2,123	10,143	8,379
Sales and purchases of trading items				
U Can Marketing Sdn Bhd	16	7	36	36
Rental of premises received:				
Century Plas Industries Sdn Bhd	39	39	156	156
Rental of machinery received:				
Century Plas Industries Sdn Bhd	56	6	173	24
Rental of factory paid and payable to:				
Beng Choo Marketing Sdn Bhd	150	90	500	360
Purchases and sales of trophy parts and bases:				
Emico (Vietnam) Co. Ltd	1,329	1,066	5,367	3,261
Contract works billed:				
Frame World Sdn Bhd	-	2,281	-	6,219

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-19
	RM'000
Property, plant and equipment:	
Approved and contracted for	-

**B ADDITIONAL INFORMATION AS REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (PART A OF APPENDIX 9B)****B1 Tax expense**

	Current	Current
	12 months	12 months
	31-3-2019	31-3-2018
	RM'000	RM'000
Current period	962	783
Under/(over) provision in prior years	-	47
Deferred	(258)	57
	<hr/>	<hr/>
Taxation - net	704	887

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**

On 3 December 2018, the Company proposed to undertake a proposed private placement of up to 10% of the total number of issued shares of the Company ("Placement Shares") to third party investor(s) to be identified at a later date ("Proposed Private Placement").

The Proposed Private Placement was approved by Bursa Malaysia Securities Berhad ("Bursa Securities") vide its letter dated 5 December 2018.

On 29 January 2019, the Board had fixed the issue price for the first tranche of the Proposed Private Placement comprising 5,000,000 Placement Shares at RM0.163 per Placement Share. The first tranche of the Placement Shares was listed on Bursa Securities on 11 February 2019.

As at 14 May 2019, the status of the utilization of the gross proceeds from the first tranche of the private placement is as follows:

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Utilisation %	Expected Timeframe for Utilisation
i) Working Capital	732	732	100%	Within 12 months
ii) Estimated expenses in relation to the the Proposed Private Placement	83	83	100%	Within 12 months
<b>Total gross proceeds</b>	<b>815</b>	<b>815</b>	<b>100%</b>	

**B5 Group borrowings**

Group borrowings and debt securities are as follows:

	31-Mar-19	31-Mar-18
	RM'000	RM'000
<u>a) Current bank Borrowings - Secured</u>		
Bank overdraft	2,497	1,986
Bankers' acceptance	4,333	4,060
Hire purchase creditors	425	428
Term loan	35	690
	<hr/>	<hr/>
	7,290	7,164
<u>b) Non Current Bank Borrowings - Secured</u>		
Hire purchase creditors	1,366	1,432
Term loan	815	844
	<hr/>	<hr/>
	2,181	2,276

**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 10 May 2019.

**B8 Performance review**

	<----- 3 months ended ----->		<-----12 months ended ----->	
	Jan-19 to Mar-19	Oct-18 to Dec-18	Apr-18 to Mar-19	Apr-17 to Mar-18
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>				
Manufacturing and trading	11,953	12,722	49,163	44,025 **
Property development	3,112	-	3,112	6,736
<b>Total</b>	<b>15,065</b>	<b>12,722</b>	<b>52,275</b>	<b>50,761</b>

Note \*\*

The revenue for the period of 12 months ended March 2018 has been restated to conform with MFRS 15 presentation which involved the reclassification of RM7.7 million from revenue to cost of sales.

**PROFIT/ (LOSS) BEFORE TAX ("PBT" & "LBT")**

Manufacturing and trading - operations	1,344	408	2,514	1,552
Property development	2,096	(389)	841	(27)
Investment holdings	(389)	(277)	(1,167)	(1,019)
<b>Net Total</b>	<b>3,051</b>	<b>(258)</b>	<b>2,188</b>	<b>506</b>

**Comparison with preceding quarter**

For the current quarter under review, the revenue of the Group was significantly higher by 18.4% from RM12.72 million in preceding quarter to RM15.07 million for current quarter mainly due to current quarter revenue was derived from the sales of completed units in Property Development division previously classified under inventory. As a result, the Group posted PBT of RM3.05 million for current quarter as compared to LBT of RM0.26 million in the preceding quarter.

Manufacturing and trading division posted a revenue of RM11.95 million for current quarter as compared to RM12.72 million in the preceding quarter. The lower number of working days due to the long festive break caused the lower revenue for the current quarter. However, PBT for current quarter of RM1.34 million was higher compared to a lower PBT RM0.41 million in preceding quarter due to bad debt recovery and higher margin on product mix.

The property development division posted revenue of RM3.11 million for current quarter mainly due to the sales of completed units classified under inventory. There was no revenue for preceding quarter due to no project completed. As such, property development division posted a PBT of RM2.1 million as compared to LBT of RM0.39 million in preceding quarter.

For Investment holding division, the LBT was maintained at RM0.39 million for current quarter and RM0.28 million in the preceding quarter.

**Comparison with preceding year results**

The Group revenue for the 12 months ended 31 March 2019 was RM52.28 million as compared to RM50.76 million in the preceding year, an increase of 3.0%. The increase was mainly due to higher sales revenue from the manufacturing division despite of a drop in revenue from property development division. As such, the Group posted a higher PBT of RM2.19 million for current year as compared to lower PBT of RM0.51 million in preceding year.

The revenue of property development division for current year and preceding year were from the sales of completed units classified under inventory which posted RM3.11 million and RM6.74 million revenue respectively. However, it posted PBT of RM0.84 million for current year as compared to LBT of RM0.03 million in preceding year mainly due to higher margin of completed units sold in the joint venture company, PKB-Operasi Tembaga Sdn Bhd during the year.

For Investment holding division, the LBT was maintained at RM1.17 million for current year and RM1.02 million for the 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 labour cost, cost of raw materials and fluctuation in foreign exchange which may adversely affect the Group's profit margin. Despite the challenging environment, the Group will continue to automate certain manufacturing processes to mitigate the reliance on labour intensive processes, monitor closely the fluctuation in raw material prices and foreign currency exchanges.

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 cost and management.

The current global business sentiment remains challenging due to the prevailing global economic conditions and fluctuation of foreign currencies. The Group will continue to actively penetrate into new market segments as well as expanding its existing business to offset the impact. The management will continuously monitoring the Group's operational cost and efficiency to improve its the overall profitability.

In view of the past efforts undertaken and plans that have been put in place, the Group is confident of an improve business performance in the coming financial quarters.

**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 financial period ended 31 March 2019.

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

Profit attributable to ordinary equity holders:

Profit/(Loss) from operations (RM'000)

**b) Denominator**

Weighted average number of ordinary shares used as denominator (per 1000 shares)

**Basic Earnings per share (Sen)**

	3 months		12 months	
	31.3.2019	31.3.2018	31.3.2019	31.3.2018
Profit/(Loss) from operations (RM'000)	2,004	294	604	(219)
Weighted average number of ordinary shares used as denominator (per 1000 shares)	100,927	95,927	100,927	95,927
<b>Basic Earnings per share (Sen)</b>	<b>1.99</b>	<b>0.31</b>	<b>0.60</b>	<b>(0.23)</b>

**B13 Operating Income/(Expenses)**

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

	12 months ended Mar-19 RM'000	12 months ended Mar-18 RM'000
Depreciation of property, plant and equipment	(1,768)	(1,782)
Amortisation of investment properties	(6)	(6)
Interest expense	(457)	(494)
Interest income	31	86
Unrealised gain/(loss) on foreign exchange	47	99
Gain on disposal of property plant and equipment	104	-
Impairment losses on trade and other receivables	-	(252)
Reversal of impairment losses on trade and other receivables	178	-
Bad debt written off	(11)	-
Bad debt recovery	251	-