



LAY HONG BERHAD (107129-H)  
Incorporated in Malaysia

Condensed Consolidated Statement of Comprehensive Income

	Individual Quarter		Cumulative Quarter	
	31 Mar 2018 Unaudited	31 Mar 2017 Audited	31 Mar 2018 Unaudited	31 Mar 2017 Audited
	RM'000	RM'000	RM'000	RM'000
Revenue	224,623	174,349	840,402	675,961
Operating expenses	(219,334)	(167,039)	(793,369)	(651,807)
Other income	13,207	2,761	17,266	5,895
Finance costs	(2,700)	(1,976)	(10,067)	(7,585)
Share of loss of associates	(329)	(385)	(1,005)	(521)
Profit before tax	15,467	7,710	53,227	21,943
Tax expense	(4,499)	(3,096)	(12,374)	(2,537)
Net profit for the financial year	10,968	4,614	40,853	19,406
Other comprehensive income, net of tax				
Items that are or may be reclassified subsequently to profit or loss				
Fair Value of available-for-sale financial assets	-	(3)	-	(3)
Exchange differences on translation of foreign operations	(35)	779	(602)	1,101
	(35)	776	(602)	1,098
Total other comprehensive income, net of tax	(35)	776	(602)	1,098
Total comprehensive income for the financial year	10,933	5,390	40,251	20,504
Profit attributable to:				
Owners of the parent	10,993	5,684	37,697	18,256
Non-controlling interest	(25)	(1,070)	3,156	1,150
	10,968	4,614	40,853	19,406
Total comprehensive income attributable to:				
Owners of the parent	10,958	6,460	37,095	19,354
Non-controlling interest	(25)	(1,070)	3,156	1,150
	10,933	5,390	40,251	20,504
Earnings per share (sen) :				
Basic	1.76	0.93	6.15	3.02
Diluted	1.45	0.74	5.02	2.41

The condensed consolidated income statements 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 statements.



LAY HONG BERHAD (107129-H)  
Incorporated in Malaysia

Condensed Consolidated Statement of Financial Position

	As at 31 Mar 2018 Unaudited RM'000	As at 31 Mar 2017 Audited RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	442,032	368,329
Investment properties	5,940	4,140
Investment in associate	13,173	949
Other investments	195	194
Intangible assets	4,327	2,580
Deferred tax assets	3,745	3,065
	<b>469,412</b>	<b>379,257</b>
<b>Current assets</b>		
Biological assets	39,963	33,699
Inventories	91,683	82,203
Trade receivables	142,084	76,723
Other receivables	32,621	32,350
Due from an associate company	2	10
Short term investment	6,344	1,672
Cash and bank balances	9,999	7,984
	<b>322,696</b>	<b>234,641</b>
<b>TOTAL ASSETS</b>	<b>792,108</b>	<b>613,898</b>
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to equity holders of the parent		
Share capital	130,109	121,750
Reserves	188,348	154,297
	<b>318,457</b>	<b>276,047</b>
Non-controlling interest	39,455	26,110
<b>Total equity</b>	<b>357,912</b>	<b>302,157</b>
<b>Non-current liabilities</b>		
Long term borrowings	85,926	41,614
Long term payables	1,128	1,128
Deferred tax liabilities	35,811	32,703
	<b>122,865</b>	<b>75,445</b>
<b>Current liabilities</b>		
Trade payables	120,253	84,663
Other payables	44,370	36,136
Due to an associate company	52	95
Income tax payable	2,066	235
Short term borrowings	144,590	115,167
	<b>311,331</b>	<b>236,296</b>
<b>Total liabilities</b>	<b>434,196</b>	<b>311,741</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>792,108</b>	<b>613,898</b>

Net assets per share attributable to ordinary equity holders of the parent (RM)	0.51	0.45
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The condensed consolidated balance sheet 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 statements.



LAY HONG BERHAD (107129-H)  
Incorporated in Malaysia

Condensed Consolidated Statement of Changes in Equity

	Attributable to Owners of the Parent								Non-controlling Interest	Total Equity
	Share capital	Revaluation reserve	Share premium reserve	SIS option reserve	Foreign currency translation reserve	Fair value reserve	Retained profit	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
At 1 April 2017	121,750	65,603	-	6,109	1,101	(3)	81,487	276,047	26,110	302,157
Transfer from / (to) distributable reserve on realisation of revaluation reserve	-	850	-	-	-	-	(850)	-	-	-
Transferred to distributable reserve on realisation of fair value reserve	-	-	-	-	-	3	(3)	-	-	-
Net profit for the financial year	-	-	-	-	-	-	37,697	37,697	3,156	40,853
Partial disposal of investment in a subsidiary company	-	-	-	-	-	-	-	-	10,754	10,754
Dividends	-	-	-	-	-	-	(3,044)	(3,044)	-	(3,044)
Other comprehensive income	-	-	-	-	(602)	-	-	(602)	-	(602)
Arising from conversion of warrants	8,359	-	-	-	-	-	-	8,359	-	8,359
Acquisition of additional equity interest in subsidiaries company	-	-	-	-	-	-	-	-	(565)	(565)
At 31 March 2018	130,109	66,453	-	6,109	499	-	115,287	318,457	39,455	357,912
At 1 April 2016	57,750	68,800	29,030	15,093	-	74	71,237	241,984	24,960	266,944
Transfer to distributable reserve on realisation of revaluation reserve	-	(3,198)	-	-	-	-	3,198	-	-	-
Transferred to distributable reserve on realisation of fair value reserve	-	-	-	-	-	(74)	74	-	-	-
Net profit for the financial year	-	-	-	-	-	-	18,256	18,256	1,150	19,406
Other comprehensive income	-	-	-	-	1,101	(3)	-	1,098	-	1,098
Issue of new SIS shares	3,125	-	15,031	-	-	-	-	18,156	-	18,156
Transfer to share premium for SIS options exercised	-	-	8,984	(8,984)	-	-	-	-	-	-
Issue of bonus shares	60,875	-	(52,696)	-	-	-	(8,179)	-	-	-
Expenses from issue of bonus shares	-	-	(349)	-	-	-	(54)	(403)	-	(403)
Dividends	-	-	-	-	-	-	(3,044)	(3,044)	-	(3,044)
At 31 March 2017	121,750	65,602	-	6,109	1,101	(3)	81,488	276,047	26,110	302,157

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 the accompanying explanatory notes attached to the interim financial statements.



LAY HONG BERHAD (107129-H)  
Incorporated in Malaysia

Condensed Consolidated Statement of Cash Flows

	Financial year ended 31 Mar 2018 Unaudited RM'000	Financial year ended 31 Mar 2017 Audited RM'000
<b>Cash Flow From Operating Activities</b>		
Profit before tax	53,227	21,943
<b>Adjustment for:-</b>		
Depreciation and amortization	26,876	23,363
Net loss / (gain) on disposal of property, plant and equipment	(198)	387
Loss on disposal of a subsidiary company	21	-
Gain on disposal of investment properties	-	(15)
Property, plant and equipment written off	303	78
Written back diminution in investment	(1)	-
Impairment on property, plant and equipment	(1,164)	-
Negative goodwill	-	(97)
Interest expense	10,067	7,585
Dividend income	-	(4)
Interest income	(106)	(80)
Bad debts written off	108	71
Reversal of impairment losses on trade receivables	(699)	-
Impairment losses on trade receivables	597	353
Fair value adjustment	-	(3)
Unrealised (gain) / loss on foreign exchange differences	354	(383)
Operating profit before changes in working capital	89,385	53,198
Net change in current assets	(84,334)	(36,830)
Net change in current liabilities	43,781	28,061
Tax paid	(5,509)	(5,803)
Interest paid	(10,067)	(7,585)
<b>Net cash generated from operating activities</b>	<b>33,256</b>	<b>31,041</b>
<b>Cash Flow From Investing Activities</b>		
Acquisition of subsidiary	-	(8,477)
Proceeds from partial disposal of a subsidiary company	10,750	-
Additional investment in subsidiary companies	(965)	-
Investment in an associate	(12,225)	(949)
Additional intangible asset acquired	(1,385)	-
Proceeds from disposal of property, plant and equipment	455	524
Proceeds from disposal of investment properties	-	315
Purchase of property, plant and equipment	(89,937)	(50,817)
Purchase of investment property	(1,374)	(742)
Interest income received	108	80
Dividend received	-	4
<b>Net cash used in investing activities</b>	<b>(94,575)</b>	<b>(60,062)</b>
<b>Cash Flow From Financing Activities</b>		
Net drawdown and repayment of bankers' acceptance	18,404	3,791
Net drawdown and repayment of onshore foreign currency trade loan	(1,470)	1,470
Net drawdown and repayment of term loans and revolving credits	57,417	(15,832)
Net drawdown and repayment of finance lease liabilities	(5,810)	(7,573)
Dividend paid	(3,044)	(3,044)
Proceeds from issue of ordinary shares	8,359	17,753
Increase in deposits pledged to licensed banks	(15)	(15)
<b>Net cash generated/(used in) from financing activities</b>	<b>73,841</b>	<b>(3,450)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>12,522</b>	<b>(32,471)</b>
Effect of foreign exchange rate changes	(265)	(47)
Cash and cash equivalents at beginning of the financial year	(451)	32,067
<b>Cash and cash equivalents at end of the quarter</b>	<b>11,806</b>	<b>(451)</b>
<b>Cash and cash equivalents at the end of the quarter comprises :</b>		
Short term investment	6,344	1,673
Cash and bank balances	9,999	7,884
Bank overdrafts (included within the short term borrowings in Part B Note 9)	(4,040)	(9,626)
Deposit pledged to licensed bank	(497)	(482)
	<b>11,806</b>	<b>(451)</b>

The condensed consolidated cash flow 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 statements.

**LAY HONG BERHAD (107129-H)**  
**Incorporated in Malaysia**

**PART A : EXPLANATORY NOTES PURSUANT TO FRS 134**

**1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 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 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 year ended 31 March 2017.

**2. Changes in accounting policies**

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the financial statements for the year ended 31 March 2017, except for the following new Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations adopted by the Group for the financial year commencing 1 April 2016 :

**FRSs, Amendments to FRSs and Interpretations**

FRS 9	Financial Instruments
Amendments to FRS 10 and 128	Sale or Contribution of Assets between an Investor and its Associates or Joint Venture
Amendments to FRS 10, 12 and 128	Investment Entities: Applying the Consolidation Exception
Amendments to FRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to FRS 116 and 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to FRS 127	Equity Method in Separate Financial Statements
Annual Improvements to FRSs 2012 - 2014 Cycle	

The adoption of the above FRSs, amendments to FRSs and IC Interpretations did not have any material impact on the financial statements of the Group.

**Malaysian Financial Reporting Standards (MFRS Framework)**

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework").

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venturer (herein called "Transitioning Entities")

The Group and the Company fall within the scope definition of Transitioning Entities and has opted to defer adoption of the new MFRS Framework. In presenting its first MFRS financial statements, the Group and the Company will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

**LAY HONG BERHAD (107129-H)**  
**Incorporated in Malaysia**

**2. Changes in accounting policies (cont'd)**

**Malaysian Financial Reporting Standards (MFRS Framework)(cont'd)**

On 28 October 2015, Transitioning Entities will be allowed to defer adoption of the new MFRS Framework. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2018. Thus, the Group and the Company will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 March 2019.

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the year ended 31 March 2017 could be different if prepared under the MFRS Framework.

Certain subsidiary companies of the Group prepare their financial statements using MFRS framework. Accordingly, reconciliations have been performed for the different financial frameworks. However, the differences do not have significant impact on the consolidated financial statements.

**3. Seasonal or cyclical factors**

The Group's business operations were not affected by any seasonal and cyclical factors.

**4. Unusual items due to their nature, size or incidence**

There were no material unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial quarter ended 31 March 2018.

**5. Changes in estimates**

The Group reviews the residual value and remaining useful life of PPE at least at each financial year end. For the current quarter, there are no major changes in accounting estimates.

**6. Debt and equity securities**

- (i) No new share were issued under the Share Issuance Scheme (SIS) in the current quarter.
- (ii) Issuance of 20,897,100 new ordinary shares pursuant to the conversion of Warrants 2016/2021 at an exercise price of RM0.40 per ordinary share for cash.

**7. Dividends paid**

The Company paid a final tax exempt dividend for the year ended 31 March 2017 of 0.5% totalling of RM3.044 million on 8 November 2017.

**LAY HONG BERHAD (107129-H)**  
**Incorporated in Malaysia**

**8. Segmental information**

	3 months ended 31 Mar 2018		12 months ended 31 Mar 2018	
	Segment revenue	Segment results	Segment revenue	Segment results
	RM'000		RM'000	
Integrated livestock business	196,188	16,260	723,265	54,781
Retail supermarket	34,514	(793)	140,356	(1,554)
	<u>230,702</u>	<u>15,467</u>	<u>863,621</u>	<u>53,227</u>
Inter-segment eliminations	(6,079)	-	(23,219)	-
	<u>224,623</u>	<u>15,467</u>	<u>840,402</u>	<u>53,227</u>

All business operations are predominantly conducted in Malaysia.

**9. Subsequent events**

There were no events subsequent to 31 March 2018 that would have a material effect on the interim financial statements of the current quarter.

**10. Changes in composition of the Group**

There were no other changes in the composition of the Group in the current financial quarter.

**11. Changes in contingent liabilities**

Credit facilities amounting to RM90.45 million granted by financial institutions and utilised by subsidiaries are secured by corporate guarantees from Lay Hong Berhad.

**12. Capital commitments**

Commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 31 March 2018 amounted to :

	RM'000
Approved and contracted for	38,836
Approved but not contracted for	<u>11,793</u>
	<u>50,629</u>

**LAY HONG BERHAD (107129-H)**  
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**PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**1. Review of performance**

The Group's performance for the current financial quarter and financial year to date is as follows:

	Current quarter	Corresponding quarter last year	Variance	Variance
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>%</u>
Revenue				
-Integrated livestock business	190,109	143,175	46,934	32.78
-Retail supermarket	34,514	31,174	3,340	10.71
	<u>224,623</u>	<u>174,349</u>	<u>50,274</u>	28.84
Profit before tax	15,467	7,710	7,757	100.61

The integrated livestock business segment's revenue increased 32.78% from RM143.18 million recorded in the preceding year's corresponding quarter to RM190.11 million in the current financial quarter. This was due to the higher quantity and price of eggs, processed frozen products and pasteurized liquid eggs sold in the current quarter.

For the retail supermarket segment, a higher revenue of RM34.51 million was recorded in the current quarter compared to RM31.17 million in the corresponding quarter of last preceding year due to the opening of two additional outlets (Ranau and Tambunan).

A pre-tax profit of RM15.47 million was recorded in the current quarter for the group compared to RM7.71 million in the corresponding quarter of last financial year mainly due to higher revenue as per mentioned above.

**2. Comparison with immediate preceding quarter's results**

The Group's performance for the current financial quarter compared to the immediate preceding quarter is as follows:

	Current quarter	Immediate preceding quarter	Variance	Variance
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>%</u>
Revenue				
-Integrated livestock business	190,109	192,332	(2,223)	(1.16)
-Retail supermarket	34,514	35,857	(1,343)	(3.75)
	<u>224,623</u>	<u>228,189</u>	<u>(3,566)</u>	(1.56)
Profit before tax	15,467	13,879	1,588	11.44

For the current quarter under review, integrated livestock business segment registered a lower revenue of RM190.11 million compared to RM192.33 million in the immediate preceding quarter mainly due to lower sales of group products.

The retail supermarket segment recorded a lower revenue of RM34.51 million in the current quarter as compared to RM35.86 million in the immediate preceding quarter due to Christmas festival in the immediate preceding quarter.

Pre-tax profit of RM15.47 million in the current quarter is higher compared to the RM13.88 million achieved in immediate preceding quarter due to reduce in operational expenses.



**LAY HONG BERHAD (107129-H)**  
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**3. Prospects**

The Company has achieved the egg production capacity target of 3.0 million eggs per day. At the same time, the broiler production capacity is increasing progressively to cater to new requirements in our food processing unit, taking into consideration of the Joint Venture with NH Foods Ltd.

The Company is constantly reviewing its strategies and will capitalize on the strength of NH Foods to take the Company to greater heights. The joint venture company, NHF Manufacturing (Malaysia) Sdn Bhd has been set-up and is now constructing its manufacturing facilities and is targeted to be fully operational by the 4th quarter of the calendar year 2018. As at to date a total of 17 products have been launched in the market and is currently manufactured under contract in the existing processing plant owned by Lay Hong Food Corporation Sdn Bhd. The Company is continuously researching and introducing of new products.

**4. Profit forecast or profit guarantee**

Not applicable.

**5. Income tax**

	Current quarter RM'000	Year-to- date RM'000
Current tax	3,864	10,019
Deferred tax (Net of (assets) / liabilities)	635	2,354
	<u>4,499</u>	<u>12,374</u>

**6. Profit/(loss) on disposal of unquoted investments and properties**

There were no sales of unquoted investments and properties during the current quarter.

**7. Purchase or disposal of quoted investments**

There were no purchase or disposal of quoted securities during the current quarter.

**8. Status of corporate proposals**

Not applicable.

LAY HONG BERHAD (107129-H)  
Incorporated in Malaysia

9. The Group's borrowings as at 31 March 2018 are as follows :

Exchange rate	Short term					Long term					Total borrowings				
	Foreign denomination USD ('000)	Foreign denomination THB ('000)	RM equivalents ('000)	RM denomination ('000)	Total in RM ('000)	Foreign denomination USD ('000)	Foreign denomination THB ('000)	RM equivalents ('000)	RM denomination ('000)	Total in RM ('000)	Foreign denomination USD ('000)	Foreign denomination THB ('000)	RM equivalents ('000)	RM denomination ('000)	Total in RM ('000)
	-	-	-	3,681	3,681	-	-	-	-	-	-	-	-	3,681	3,681
	-	-	-	47,134	47,134	-	-	-	-	-	-	-	-	47,134	47,134
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
THB @ 0.124	-	222	27	8,028	8,055	-	-	-	17,462	17,462	-	222	27	25,490	25,517
	-	-	-	11,067	11,067	-	-	-	68,464	68,464	-	-	-	79,531	79,531
	-	222	27	69,910	69,937	-	-	-	85,926	85,926	-	222	27	155,836	155,863
	-	-	-	359	359	-	-	-	-	-	-	-	-	359	359
	-	-	-	58,794	58,794	-	-	-	-	-	-	-	-	58,794	58,794
	-	-	-	15,500	15,500	-	-	-	-	-	-	-	-	15,500	15,500
	-	-	-	74,653	74,653	-	-	-	-	-	-	-	-	74,653	74,653
	-	222	27	144,563	144,590	-	-	-	85,926	85,926	-	222	27	230,489	230,516

The Group's borrowings as at 31 March 2017 are as follows :

Exchange rate	Short term					Long term					Total borrowings				
	Foreign denomination USD ('000)	Foreign denomination THB ('000)	RM equivalents ('000)	RM denomination ('000)	Total in RM ('000)	Foreign denomination USD ('000)	Foreign denomination THB ('000)	RM equivalents ('000)	RM denomination ('000)	Total in RM ('000)	Foreign denomination USD ('000)	Foreign denomination THB ('000)	RM equivalents ('000)	RM denomination ('000)	Total in RM ('000)
	-	-	-	7,443	7,443	-	-	-	-	-	-	-	-	7,443	7,443
	-	-	-	43,963	43,963	-	-	-	-	-	-	-	-	43,963	43,963
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
USD @ 4.429	332	-	1,470	-	1,470	-	-	-	-	-	332	-	1,470	-	1,470
THB @ 0.128	-	219	28	7,435	7,463	-	192	25	13,060	13,085	-	411	53	20,495	20,548
	-	-	-	7,085	7,085	-	-	-	28,529	28,529	-	-	-	35,613	35,613
	332	219	1,498	65,926	67,423	-	192	25	41,589	41,614	332	411	1,522	107,515	109,037
	-	-	-	2,183	2,183	-	-	-	-	-	-	-	-	2,183	2,183
	-	-	-	43,561	43,561	-	-	-	-	-	-	-	-	43,561	43,561
	-	-	-	2,000	2,000	-	-	-	-	-	-	-	-	2,000	2,000
	-	-	-	47,744	47,744	-	-	-	-	-	-	-	-	47,744	47,744
	332	219	1,498	113,670	115,167	-	192	25	41,589	41,614	332	411	1,522	155,259	156,781

Material changes to the above:

- Bankers' acceptance - higher utilization of working capital line due to increase in biological assets, hence increase in purchases of raw materials and increase in consumables and packing materials.
- Term loan - new term loans drawn down for construction of a new broiler farm and 2 new layer farms.
- Revolving credit - temporary used to finance capital expenditure pending loan draw down.

Weighted average interest rate of borrowings - Group basis:

Bank Overdraft	8.10	
Bankers' Acceptance	4.72	
Revolving Credit	5.26	
Term Loan	6.28	
Total borrowings - Term Loan:	RM1000	
Floating	76,228	96%
Fixed	3,304	4%
	<u>79,532</u>	

**LAY HONG BERHAD (107129-H)**  
Incorporated in Malaysia

**10. Off balance sheet financial instruments**

The Group did not enter into any contracts involving off balance sheet financial instruments for the year-to-date financial quarter ended 31 March 2018.

**11. Changes in material litigation**

There was no pending material litigation against the Group as at the date of this report.

**12. Dividend**

The Directors do not proposed any dividend for the current quarter.

**13. Earnings per share**

	3 months ended		12 months ended	
	31 Mar 2018	31 Mar 2017	31 Mar 2018	31 Mar 2017
Profit attributable to ordinary equity holders of the parent (RM'000)	10,993	5,684	37,697	18,256
Weighted average number of ordinary shares in issue after effect of bonus issue and share split (basic) ('000)	625,235	608,587	612,815	604,889
Effect of dilution of outstanding SIS/ESOS ('000)	12,792	154,816	12,890	152,817
Effect of dilution of outstanding Warrants ('000)	119,312	-	125,411	-
Weighted average number of ordinary shares (diluted) ('000)	757,339	763,403	751,115	757,706
Basic earnings per share (sen)	1.76	0.93	6.15	3.02
Diluted earnings per share (sen)	1.45	0.74	5.02	2.41

Basic earnings per share is computed based on the profit attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is computed based on the profit attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the period after adjustment for full conversion of the SIS Options.

**14. Notes to the Condensed Consolidated Statement of Comprehensive Income**

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

	Preceding Year		Preceding Year	
	Current Year Quarter 31 Mar 2018 RM'000	Corresponding Quarter 31 Mar 2017 RM'000	Current Year to Date 31 Mar 2018 RM'000	Corresponding Period 31 Mar 2017 RM'000
a) Interest income	35	36	106	80
b) Interest expense	(2,700)	(1,976)	(10,067)	(7,585)
c) Depreciation and amortisation	(6,995)	(6,057)	(26,876)	(23,362)
d) Loss on disposal of a subsidiary company	-	-	(21)	-
e) Written off of PPE	(274)	(12)	(303)	(78)
f) Gain on disposal of PPE	27	(504)	198	(388)
g) Unrealised forex gain/ (loss)	(274)	184	(354)	383
h) Realised forex gain/ (loss)	(64)	1,066	(86)	989

**LAY HONG BERHAD (107129-H)**  
Incorporated in Malaysia

**15. Trade Receivables**

	Financial period ended 31 Mar 2018 RM'000	Immediate preceding financial year ended 31 Mar 2017 RM'000
Trade receivables		
Third parties	146,694	82,074
Impairment losses		
- brought forward	(5,351)	(4,998)
- impaired during the year	(175)	-
- Reversal of impairment losses during the year	916	(353)
	(4,610)	(5,351)
	<u>142,084</u>	<u>76,723</u>

The Group's normal credit term for trade receivables ranges from 45 days to 75 days after the month of invoicing. Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition. There are no trade receivables due from related parties.

The Group has no significant concentration of credit risk that may arise from exposures to a single receivable or to groups of receivables.

**Ageing analysis of trade receivables is as follow:**

	Financial period ended 31 Mar 2018 RM'000	Immediate preceding financial year ended 31 Mar 2017 RM'000
Neither past due nor impaired	83,558	71,742
Up to 90 days past due not impaired	47,503	1,716
More than 90 days past due not impaired	11,023	3,265
	58,526	4,981
Impaired		
- brought forward	5,351	4,998
- impaired during the year	175	353
- Reversal of impairment losses during the year	(916)	-
	4,610	5,351
	<u>146,694</u>	<u>82,074</u>

**Commentaries for the recoverability of trade receivables which exceed the average credit terms granted:**

All trade receivables which exceeded the average credit terms are closely monitored by the central credit control team. Delinquent cases are handed over promptly to external lawyers for further action.

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

The auditors' report of the previous annual financial year ended 31 March 2017 was not subject to any qualification.

**17. Authorisation for issue**

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