

NATIONWIDE EXPRESS HOLDINGS BERHAD

**REPORT FOR THE QUARTER ENDED
31 MARCH 2018
FOR BURSA SECURITIES ANNOUNCEMENT**

DATE: 30 MAY 2018

NATIONWIDE EXPRESS HOLDINGS BERHAD
(COMPANY NO : 1185457-K)
(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 31 March 2018

Except as disclosed otherwise, the figures have not been audited

	INDIVIDUAL		CUMULATIVE	
	CURRENT QTR ENDED 31 MARCH 2018 RM'000	CORRESPONDING QTR ENDED 31 MARCH 2017 RM'000	12 MONTHS CUMULATIVE 31 MARCH 2018 RM'000	12 MONTHS CUMULATIVE 31 MARCH 2017 RM'000
Revenue	18,921	23,247	80,918	86,576
Cost of Services	(17,034)	(15,799)	(68,855)	(71,567)
Gross Profit	1,887	7,448	12,063	15,009
Other Income	-	373	15	413
Administrative Expenses	(8,484)	(13,147)	(21,145)	(29,099)
Selling and Marketing Expenses	(456)	(335)	(1,412)	(1,473)
Loss Before Tax	(7,053)	(5,661)	(10,479)	(15,150)
Income Tax Expense	(56)	(687)	(293)	(687)
Loss net of tax	(7,109)	(6,348)	(10,772)	(15,837)
Other Comprehensive Loss:				
Currency translation differences arising from consolidation	619	(12)	283	(117)
Total Comprehensive Loss for the year	(6,490)	(6,360)	(10,489)	(15,954)
Loss per share -Basic (sen)	(5.91)	(5.28)	(8.96)	(13.17)

The basic LPS is calculated based on the net loss for the year divided by the weighted average number of shares in issue during the year.

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.

NATIONWIDE EXPRESS HOLDINGS BERHAD
(COMPANY NO : 1185457-K)
(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2018

Except as disclosed otherwise, the figures have not been audited

	As at 31 March 2018 RM'000	Audited As at 31 March 2017 RM'000
ASSETS		
Non-current Assets		
Property, Plant and Equipment	26,960	25,398
Deferred Tax Assets	10	11
Current Assets		
Inventories	1,039	312
Trade Receivables	16,591	17,193
Other Receivables	2,390	4,418
Cash and Bank Balances	1,336	5,347
	<u>21,356</u>	<u>27,270</u>
TOTAL ASSETS	<u>48,326</u>	<u>52,679</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share Capital	60,116	60,116
Reserves	(30,732)	(20,243)
Total Equity	<u>29,384</u>	<u>39,873</u>
Non-current Liability		
Hire purchase	-	357
Deferred Tax Liabilities	-	-
	<u>-</u>	<u>357</u>
Current Liabilities		
Other Payables	18,726	10,760
Hire purchase	216	1,689
	<u>18,942</u>	<u>12,449</u>
Total Liabilities	18,942	12,806
TOTAL EQUITY AND LIABILITIES	<u>48,326</u>	<u>52,679</u>
Net Assets Per Share (sen)	<u>49</u>	<u>66</u>

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

NATIONWIDE EXPRESS HOLDINGS BERHAD
(COMPANY NO : 1185457-K)
(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the Year Ended 31 March 2017

	Share Capital RM '000	Merger Reserve RM '000	Non - Distributable Exchange Fluctuation Reserve RM '000	Accumulated Losses RM '000	Total RM '000
At 1 April 2016	60,116	413	57	(4,759)	55,827
Total comprehensive loss for the year	-	-	(117)	(15,837)	(15,954)
At 31 March 2017	<u>60,116</u>	<u>413</u>	<u>(60)</u>	<u>(20,596)</u>	<u>39,873</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the Year Ended 31 March 2018

Except as disclosed otherwise, the figures have not been audited.

	Share Capital RM '000	Merger Reserve RM '000	Non - Distributable Exchange Fluctuation Reserve RM '000	Accumulated Losses RM '000	Total RM '000
At 1 April 2017	60,116	413	(60)	(20,596)	39,873
Total comprehensive loss for the year	-	-	283	(10,772)	(10,489)
At 31 March 2018	<u>60,116</u>	<u>413</u>	<u>223</u>	<u>(31,368)</u>	<u>29,384</u>

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 the interim financial statements.

NATIONWIDE EXPRESS HOLDINGS BERHAD
(COMPANY NO : 1185457-K)
(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended 31 March 2018
Except as disclosed otherwise, the figures have not been audited

	12 Months Ended 31 March 2018 RM '000	12 Months Ended 31 March 2017 RM '000
Cash Flow From Operating Activities		
(Loss)/Profit Before Tax	(10,479)	(15,150)
Adjustments for :		
Depreciation of property, plant and equipment	2,899	3,719
Property, plant and equipment written off	-	
Gain on disposal of property, plant & equipment	-	(96)
Bad debt written off	-	
Net (write-back)/impairment loss of trade and other receivables	2,676	5,489
Net impairment loss of inventories	-	9
Interest Income	(15)	(86)
Interest Expense	58	157
Operating Profit Before Working Capital Changes	<u>(4,861)</u>	<u>(5,958)</u>
(Increase)/ Decrease in Inventories	(727)	421
(Increase)/Decrease in Receivables	(34)	2,990
Increase/(Decrease) in Payables	7,966	4,734
Cash Generated used in Operations	<u>2,344</u>	<u>2,187</u>
Taxation paid	(458)	(547)
Interest paid	(58)	(157)
Tax refund	-	312
Net Cash Used in Operating Activities	<u>1,828</u>	<u>1,795</u>
Cash Flow From Investing Activities		
Interest received	15	86
Purchase of property, plant and equipment	(4,462)	(1,811)
Proceeds from disposal of property, plant and equipment	-	141
Net Cash Used in Investing Activities	<u>(4,447)</u>	<u>(1,584)</u>
Cash Flow From Financing Activities		
Repayment of hire purchase financing	<u>(1,830)</u>	<u>(1,837)</u>
Net Cash Used in Financing Activities	<u>(1,830)</u>	<u>(1,837)</u>
Net movement in Cash and Cash Equivalents	(4,449)	(1,626)
Effects of exchange rate changes	438	3
Cash and Cash Equivalents at Beginning of the Year	5,347	6,970
Cash and Cash Equivalents at End of the Year	<u>1,336</u>	<u>5,347</u>
Cash and Bank Balances	380	3,325
Fixed Deposit	956	2,022
Total Cash and Cash Equivalents	<u>1,336</u>	<u>5,347</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Selected Explanatory Notes:

- **Part A – Explanatory Notes Pursuant to MFRS 134 (Interim Financial Reporting)**
- **Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirement of Bursa Malaysia Securities Berhad**

Part A – Explanatory Notes Pursuant to MFRS 134

A1. Basis of Preparation and Changes in Accounting Policies

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") as issued by Malaysian Accounting Standards Board ("MASB"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act, 2016 in Malaysia.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

A2. Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the statutory financial statements for the financial year ended 31 March 2017 except for the adoption of the following new and revised Financial Reporting Standards ("FRSs"), Amendments to FRSs and IC Interpretations.

(a) Adoption of FRSs, Amendments to FRSs and IC Interpretations

On 1 April 2016, the Group adopted the following FRSs and Amendments to FRSs, IC Interpretations and Amendments to IC Interpretations:-

Annual Improvements to FRSs 2012 - 2014 Cycle

Amendments to FRS 11: Accounting for Acquisition of Interests in Joint Operations

Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation

Amendments to FRS 127: Equity Method in Separate Financial Statements

Amendments to FRS 101: Disclosure Initiatives

Amendments to FRS 10, FRS 12 and FRS 128: Investment Entities: Applying the Consolidation Exception

FRS 14: Regulatory Deferral Accounts

The adoption of the above FRSs and Amendments to FRSs did not have any effect on the financial performance or presentation of the financial statements of the Group.

A2. Significant Accounting Policies (contd.)

(b) Standards and interpretations issued but not yet effective

The Group has not earlier adopted the following new and amended FRSs and IC Interpretations that are not effective:

Description	Effective for annual period beginning on or after
Amendments to MFRS 2: Classification and measurement of share-based payment transactions	1 January 2018
FRS 15 Revenue from Contracts with Customers	1 January 2018
FRS 9 Financial Instruments	1 January 2018
Amendments to MFRS 140: Type of Investment Property	1 January 2018
MFRS 16: Leases	1 January 2019
Amendments to FRS 10 and FRS 128: Sale or Contribution of Assets between an Investor and its Associates or Joint Venture	Deferred

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any significant effect to the financial statements of the Group upon their initial application, other than for FRS 15: Revenue from Contracts with Customers and FRS 9: Financial Instruments.

(c) 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 period beginning on or after 1 January 2012, with the expectation of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for the Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called “Transitioning Entities”)

Transitioning Entities are allowed to defer adoption of the new MFRSs Framework. The adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2018.

A2. Significant Accounting Policies (contd.)

(c) Malaysian Financial Reporting Standards (MFRS Framework)

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS interim financial statements for the quarter ending 30 June 2018. In presenting its first MFRS financial statements, the Group will be required to adjust the comparative financial statements prepared under FRS to amount reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

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. The Group expects to be in a position of full compliance with the requirements of the MFRS Framework for the financial year ending 31 March 2019.

A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 March 2017 was unqualified.

A4. Seasonal and Cyclical Factors

The business operations of the Group are not affected by any seasonal and cyclical factors.

A5. Unusual items due to their Nature, Size or Incidence

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

A6. Changes in Estimates

There were no changes in the estimates that have had a material effect in the current quarter results.

A7. Issuances, Cancellation, Repurchases, Resale and Repayment of Debts and Equity securities

There were no issuances and repayment of debt and equity securities, share buy-back, share cancellations, share held as treasury shares and resale of treasury shares for the current financial year.

A8. Dividends Paid

No dividend was paid in the quarter under review.

NATIONWIDE EXPRESS HOLDINGS BERHAD
(COMPANY NO: 1185457-K)
Quarterly Announcement For The Quarter Ended 31 March 2018

A9. Segmental Revenue and Results

The Group is organised into the following business segments:

- i. Express courier services ("Courier") which consist of express courier services and mailroom management services;
- ii. Freight forwarding and warehousing services ("Freight") consist of freight forwarding services, trucking services and warehousing services; and
- iii. Others consist of investment holding, retail services and customized overseas logistics services.

Management monitors the operating results of its business separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects as explained below, is measured differently from the operating profit or loss in the consolidated financial statements. Group financing (including finance costs), income taxes and segmental reporting on assets and liabilities are managed on a group basis and not allocated to operating segments.

Current 12 months to March 2018	Courier & freight RM'000	Others RM'000	Eliminations RM'000	As per consolidated financial statements RM'000
Revenue				
External	77,391	3,527	-	80,918
Inter-segment	2,655	-	(2,655)	-
Total revenue	80,046	3,527	(2,655)	80,918
Results				
Segment loss net of tax	(10,474)	(298)	-	(10,772)
Segment assets	58,167	61,571	(71,412)	48,326
Segment liabilities	17,080	14,013	(21,151)	9,942

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A9. Segmental Revenue and Results (contd.)

Corresponding 12 months to March 2017	Courier & freight RM'000	Others RM'000	Eliminations RM'000	As per consolidated financial statements RM'000
Revenue				
External	83,440	3,136	-	86,576
Inter-segment	2,838	-	(2,838)	-
Total revenue	<u>86,278</u>	<u>3,136</u>	<u>(2,838)</u>	<u>86,576</u>
Results				
Segment loss net of tax	<u>(19,942)</u>	<u>172</u>	<u>4,255</u>	<u>(15,515)</u>
Segment assets	<u>119,784</u>	<u>644</u>	<u>(67,428)</u>	<u>53,000</u>
Segment liabilities	<u>27,451</u>	<u>2,525</u>	<u>(17,170)</u>	<u>12,806</u>

Geographical information

The activities of the Group during the current and previous corresponding year substantially relate to the provision of express courier services, trucking services, freight forwarding services, customised logistics services, mailroom management services, retail and warehousing and are predominantly conducted in Malaysia.

Consequently, revenue and non-current assets information based on the geographical location of customers and assets is predominantly in respect of Malaysia.

NATIONWIDE EXPRESS HOLDINGS BERHAD
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Quarterly Announcement For The Quarter Ended 31 March 2018

A10. Notes to the Condensed Consolidated Income Statement of Comprehensive Income

Loss before tax is arrived at after charging / (crediting) the following items:

	Individual		Cumulative	
	Current Quarter Ended 31-Mar 2018 <u>RM'000</u>	Corresponding Quarter Ended 31-Mar 2017 <u>RM'000</u>	Current Year Ended 31-Mar 2018 <u>RM'000</u>	Corresponding Year Ended 31-Mar 2017 <u>RM'000</u>
(a) Interest expense	10	30	68	157
(b) Interest income	-	(46)	(15)	(86)
(c) Net impairment loss/ write-back of trade and other receivables	3,928	3,501	2,661	5,489
(d) Depreciation of property, plant & equipment	708	1,191	2,899	3,719
(e) Net loss/(gain) on foreign exchange	212	(51)	320	(335)

A11. Valuation of Property, Plant and Equipment

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

A12. Subsequent Material Events

On 16 October 2017, Nationwide Express Distribution Sdn. Bhd., a wholly-owned subsidiary of the Company, had entered into a conditional agreement with Airpak Express (M) Sdn. Bhd. ("Airpak") to acquire all of Airpak's rights, title and interest in and to its courier service business as a going concern, including certain assets and liabilities of Airpak, free from all encumbrances and subject to the terms and conditions contained in the Acquisition Agreement.

The Proposed Acquisition entails the acquisition of the Business to be satisfied in the following manner:

- RM15.00 million in cash to be paid in the manner set out in Section 2.2.8 of the announcement dated 16 October 2017; and
- Issuance and allotment of 3,005,810 new ordinary shares in Nationwide Express Holdings Berhad ("NEHB").

A12. Subsequent Material Events (Contd)

The Proposed Acquisition is subject to the following approvals being obtained:

- Bursa Securities for the listing of and quotation for the NEHB Consideration Shares to be issued pursuant to the Proposed Acquisition;
- Shareholders of NEHB at the extraordinary general meeting to be convened; and
- Any other authorities and/or parties, if required.

The Proposed Acquisition is not conditional upon any other proposal undertaken or to be undertaken by the Company.

On 18 January 2018, NEHB has entered into a supplemental letter with Airpak in respect of the Acquisition Agreement (“Supplemental Letter”) to mutually agree that the Consideration Shares shall upon completion, be allotted and issued at an issue price at RM0.73 per Share (“Issue Price”), based on the five (5) day volume average weighted price of NEHB Shares up to and including 13 October 2017 (being the last trading day immediately prior to the execution of the Acquisition Agreement).

On 13 February 2018, a second supplemental letter was entered with Airpak in respect of the Acquisition Agreement (“Second Supplemental Letter”) to mutually agree to extend the time for the fulfillment of the Conditions Precedent for a further period of one (1) month, i.e. on or before 12 March 2018.

On 12 March 2018, a third supplemental letter was entered with Airpak in respect of the Acquisition Agreement (“Third Supplemental Letter”) to mutually agree to extend the time for the fulfillment of the Conditions Precedent for a further period of two (2) months, i.e. on or before 11 May 2018.

On 30 March 2018, Bursa Securities had resolve to approve the listing of 3,005,810 new NEHB Shares to be issued pursuant to the Proposed Acquisition.

On 17 April 2018, an application to seek the approval of Bursa Securities for an extension of time of up to 2 May 2018 to issue the circular in relation to the Proposed Acquisition has been submitted to Bursa Securities.

On 30 April 2018, a fourth supplemental letter was entered with Airpak in respect of the Acquisition Agreement (“Fourth Supplemental Letter”) to mutually agree to extend the time for the fulfillment of the Conditions Precedent up to and including 17 May 2018.

On 3 May 2018, Bursa Securities had approved the Company’s application for extension of time of up to 2 May 2018 for NEHB to issue the circular in relation to the Proposed Acquisition.

On 17 May 2018, the Company held its Extraordinary General Meeting in relation to the Proposed Acquisition. The shareholders of NEHB had duly approved the Proposed Acquisition during the meeting.

NATIONWIDE EXPRESS HOLDINGS BERHAD
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Quarterly Announcement For The Quarter Ended 31 March 2018

A13. Changes in the Composition of the Group

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

A14. Changes in Contingent Liabilities

There are claims amounting to RM313,800 (2017: RM218,460) from third parties. On the merits of the cases and as supported by legal advice, no provision has been made in the financial statements.

Save for the above, there is no other contingent liability of the Group as at the date of this announcement.

A15. Capital Commitments

The amount of commitments for purchase of property, plant and equipment not provided for in the interim financial statements as at 31 March 2018 are as follows:

	RM'000
Approved and contracted for	23
Approved but not contracted for	<u>1,432</u>

A16. Related Party Transactions

<u>Company</u>	Current Year – to - date 31 March 2018 RM'000
BHR Enterprise Sdn. Bhd. - rental expense payable	80
Percetakan Keselamatan Nasional- delivery and courier services rendered	222
Sdn. Bhd. - rental expense payable	69
Fima Corporation Berhad - rental expense payable	16
- delivery and courier services rendered	6

Fima Corporation Berhad and Percetakan Keselamatan Nasional Sdn. Bhd. are related parties to the Group and the Company by virtue of a common substantial shareholder, BHR Enterprise Sdn. Bhd.

The Directors are of the opinion that the transactions above have been entered into in the normal course of business and established under terms that are not materially different from those obtainable with unrelated parties.

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Quarterly Announcement For The Quarter Ended 31 March 2018

A17. Acquisition of Property, Plant and Equipment

As at the end of the financial year ended 31 March 2018, the Group has acquired the following assets: -

	Current Year-to-date 31 March 2018 RM'000
Capital work-in-progress	3,912
Leasehold improvements	67
Computer/machine/office equipment	477
Furniture & Fittings	6
	<hr/> 4,462 <hr/>

NATIONWIDE EXPRESS HOLDINGS BERHAD
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Quarterly Announcement For The Quarter Ended 31 March 2018

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. Review of performance

Group Performance

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	80.92	86.58	(5.66)	(6.54)
Loss Net of Tax	(10.77)	(15.52)	4.75	30.61

The Group revenue for the year ended 31 March 2018 stood at RM80.92 million as compared to RM86.58 million in the previous year, a decrease of RM5.66 million (6.54%) due to the decrease in revenue contributed by the courier segment during the year.

The Group's loss net of tax for the year has decreased to RM10.77 million compared to a loss net of tax of RM15.52 million in the previous year.

The performance of each business segment is as follows:

i) Courier and Freight Segment

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	80.05	86.28	(6.23)	(7.22)
Loss Net of Tax	(10.47)	(19.94)	9.47	47.49

The revenue in the courier segment decreased by 7.22% from RM86.28 million in the previous year to RM80.05 million currently. The decrease was mainly due to the decrease in volume recorded during the year. The loss net of tax stood at RM10.47 million as compared to the loss net of tax of RM19.94 million recorded in the previous year.

ii) Others Segment

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	3.53	3.14	0.39	12.42
Loss Net of Tax	(0.30)	0.17	(0.47)	(276.47)

The revenue increased by 12.42% from RM3.14 million in the previous year to RM3.53 million currently. The loss net of tax was at RM0.30 million as compared to the profit net of tax of RM0.17 million recorded in the previous year.

B2. Comparison with preceding quarter's results

Group Performance

(RM Million)	QTR 4	QTR 3	Variance	%
	FY 2017/2018	FY 2017/2018		
Revenue	18.92	23.00	(4.08)	(17.74)
Loss Net of Tax	(7.11)	(1.76)	(5.35)	(303.98)

During the current quarter, the Group recorded revenue of RM18.92 million, lower by RM 4.08 million or 17.74% as compared to the revenue recorded in the preceding quarter.

The Group's loss net of tax for the current quarter was RM7.11 million as compared to a loss net of tax of RM1.76 million in the preceding quarter.

The performance of each business segment is as follows:

i) Courier Segment

(RM Million)	QTR 4	QTR 3	Variance	%
	FY 2017/2018	FY 2017/2018		
Revenue	19.91	20.67	(0.76)	(3.68)
Loss Net of Tax	(6.43)	(2.18)	(4.25)	(194.85)

The courier segment recorded a slight decrease in revenue by RM0.76 million to RM19.91 million in the current quarter as compared with the preceding quarter. The loss net of tax was RM6.43 million as compared to the loss net of tax RM2.18 million recorded in the preceding quarter.

ii) Logistics and Others Segment

(RM Million)	QTR 4	QTR 3	Variance	%
	FY 2017/2018	FY 2017/2018		
Revenue	1.29	2.87	(1.58)	(55.05)
Loss Net of Tax	(0.66)	0.42	(1.08)	(257.14)

The logistics and others segment recorded revenue lower at RM1.58 million in the current quarter as compared to RM2.87 million in the preceding quarter.

This segment recorded a loss net of tax of RM0.66 million as compared to a profit net of tax of RM0.42 million in the preceding quarter.

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Quarterly Announcement For The Quarter Ended 31 March 2018

B3. Current year prospects

In light of the current economic situation, the Group expects the business environment for the coming quarter to be more challenging.

However, with reference to the acquisition referred to in A12, the Group expects its performance to improve during the year.

B4. Explanatory notes on variances with profit forecasts or profit guarantee

Not applicable as the Group did not issue any profit forecasts and/or profit guarantee to the public.

B5. Taxation

Taxation for the current quarter comprises the following:

	Current Quarter Ended 31- March 2018 RM'000	Corresponding Quarter Ended 31- March 2017 RM'000
Income tax	56	464
Deferred tax	-	223
Total Income Tax Expenses	<u>56</u>	<u>687</u>

The effective tax rate for the previous corresponding quarter was higher than the statutory tax rate mainly due to the profit achieved by a subsidiary and expenses not allowable for tax purpose.

B6. Corporate Proposals

Save as disclosed in note A12, there was no other corporate proposal announced in the current quarter ended 31 March 2018.

B7. Changes in Material Litigation

There has been no material litigation since the last annual reporting date of 31 March 2017.

B8. Dividends

The Directors did not recommend the payment of any dividend for the financial year ended 31 March 2018.

NATIONWIDE EXPRESS HOLDINGS BERHAD
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Quarterly Announcement For The Quarter Ended 31 March 2018

B9. Loss Per Share

Basic

Basic loss per share is calculated by dividing the net loss for the year attributable to the shareholders by the weighted average number of ordinary shares in issue during the year.

	Current Quarter Ended 31 March 2018 (RM'000)	Corresponding Quarter Ended 31 March 2017 (RM'000)	Current Year Ended 31 March 2018 (RM'000)	Corresponding Year Ended 31 March 2017 (RM'000)
Net loss (RM '000)	(7,109)	(6,348)	(10,772)	(15,837)
Weighted average/ number of ordinary shares in issue ('000)	120,232	120,232	120,232	120,232
Basic LPS (sen)	(5.91)	(5.28)	(8.96)	(13.17)

B10. Authorisation for Issue

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors on 30 May 2018.

BY ORDER OF THE BOARD

Fatintafrina Binti Mohd Tareh
Fattiadriati Binti Mohd Tareh
Company Secretaries

30 May 2018