

PENSONIC HOLDINGS BERHAD (300426-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 AUGUST 2017

PENSONIC HOLDINGS BERHAD (300426-P)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 AUGUST 2017 (Unaudited)**

	Note	Individual Quarter 3 months ended		Cumulative Period 3 months ended	
		31.08.2017 RM'000	31.08.2016 RM'000	31.08.2017 RM'000	31.08.2016 RM'000
Revenue	9	90,930	88,403	90,930	88,403
Cost of sales		(72,778)	(69,667)	(72,778)	(69,667)
Gross profit		18,152	18,736	18,152	18,736
Other operating income		189	209	189	209
Interest income		11	11	11	11
Operating expenses		(15,036)	(16,243)	(15,036)	(16,243)
Results from operating activities		3,316	2,713	3,316	2,713
Finance costs		(1,174)	(1,360)	(1,174)	(1,360)
Operating profit		2,142	1,353	2,142	1,353
Share of profit of equity accounted associates		-	-	-	-
Profit before tax		2,142	1,353	2,142	1,353
Tax expense	19	(4)	(8)	(4)	(8)
Profit for the period		2,138	1,345	2,138	1,345
Other comprehensive income, net of tax					
Foreign currency translation differences		21	136	21	136
Total comprehensive income for the period		2,159	1,481	2,159	1,481
Profit attributable to:					
Shareholders of the Company		2,140	1,356	2,140	1,356
Non-controlling interests		(2)	(11)	(2)	(11)
		2,138	1,345	2,138	1,345
Total comprehensive income attributable to:					
Shareholders of the Company		2,161	1,492	2,161	1,492
Non-controlling interests		(2)	(11)	(2)	(11)
		2,159	1,481	2,159	1,481
Basic earnings per ordinary share (sen)	24	1.65	1.05	1.65	1.05
Diluted earnings per ordinary share (sen)	24	1.59	1.00	1.59	1.00

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

PENSONIC HOLDINGS BERHAD (300426-P)

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2017 (Unaudited)**

	Note	Unaudited 31.08.2017 RM'000	Audited 31.05.2017 RM'000
ASSETS			
Property, plant and equipment		89,662	90,596
Investments in associates		338	338
Intangible assets		1,072	1,068
Total non-current assets		<u>91,072</u>	<u>92,002</u>
Inventories		75,351	72,370
Trade and other receivables		61,069	65,931
Current tax assets		702	594
Cash and cash equivalents		24,505	22,327
Total current assets		<u>161,627</u>	<u>161,222</u>
TOTAL ASSETS		<u>252,699</u>	<u>253,224</u>
EQUITY			
Share capital		67,671	67,671
Reserves		54,153	51,991
Total equity attributable to owners of the Company		<u>121,824</u>	<u>119,662</u>
Non-controlling interests		2,044	(90)
TOTAL EQUITY		<u>123,868</u>	<u>119,572</u>
LIABILITIES			
Loans and borrowings	21	10,858	11,980
Deferred tax liabilities		12	7
Total non-current liabilities		<u>10,870</u>	<u>11,987</u>
Loans and borrowings	21	76,680	76,880
Trade and other payables		41,281	44,785
Total current liabilities		<u>117,961</u>	<u>121,665</u>
Total liabilities		<u>128,831</u>	<u>133,652</u>
TOTAL EQUITY AND LIABILITIES		<u>252,699</u>	<u>253,224</u>
Net assets per share attributable to equity holders (RM)		0.96	0.92

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

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 AUGUST 2017 (Unaudited)

	← Attributable to owners of the Company →						Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total Equity RM'000
	← Non- Distributable Reserve →			→ Distributable						
	Share capital RM'000	Share premium RM'000	Exchange translation Reserve RM'000	Capital reserve RM'000	Warrant reserve RM'000	Other reserve RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total Equity RM'000
At 1 June 2016	64,834	2,837	770	4,488	6,483	(639)	37,098	115,871	(27)	115,844
Foreign currency translation differences	-	-	136	-	-	-	-	136	-	136
Profit for the year	-	-	-	-	-	-	1,356	1,356	(11)	1,345
Total comprehensive income for the year	-	-	136	-	-	-	1,356	1,492	(11)	1,481
At 31 August 2016	64,834	2,837	906	4,488	6,483	(639)	38,454	117,363	(38)	117,325
At 1 June 2017	67,671	-	705	4,488	6,483	(639)	40,955	119,663	(90)	119,573
Foreign currency translation differences	-	-	21	-	-	-	-	21	-	21
Profit for the year	-	-	-	-	-	-	2,140	2,140	(2)	2,138
Total comprehensive income for the year	-	-	21	-	-	-	2,140	2,161	(2)	2,159
Shares issued to Non-controlling Interests	-	-	-	-	-	-	-	-	2,136	2,136
At 31 August 2017	67,671	-	726	4,488	6,483	(639)	43,095	121,824	2,044	123,868

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

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 AUGUST 2017 (Unaudited)**

	Note	3 months ended	
		31.08.2017 RM'000	31.08.2016 RM'000
Cash flows from operating activities			
Profit before taxation	26	2,142	1,353
Adjustments for:			
Depreciation of property, plant and equipment		1,550	1,522
Depreciation of investment properties		-	2
Interest expense		1,174	1,360
Interest income		(11)	(11)
Plant and equipment written off		-	5
Inventories written down		202	-
Unrealised foreign exchange loss		229	-
(Gain)/Loss on disposal of plant and equipment		(18)	38
Operating profit before changes in working capital		5,268	4,269
Changes in working capital:			
Inventories		(3,183)	(12,976)
Trade and other receivables		4,633	11,639
Trade and other payables		(3,502)	(8,232)
Cash generated/(used) in operations		3,216	(5,300)
Income tax paid		(108)	(75)
Net cash generated from/(used in) operating activities		3,108	(5,375)
Cash flows used in investing activities			
Interest received		11	11
Purchase of property, plant and equipment		(615)	(953)
Proceeds from disposal of plant and equipment		18	168
Proceeds from issuance of share to non-controlling interest		2,136	-
Net cash generated from/(used in) investing activities		1,550	(774)
Cash flows from financing activities			
Repayment of term loans		(2,368)	(2,592)
Drawdown/(Repayment) of finance lease liabilities, net		(134)	616
Drawdown of borrowings, net		3,373	9,509
Interest paid		(1,174)	(1,360)
Placement of pledged fixed deposits		(769)	(1,038)
Net cash (used in)/generated from financing activities		(1,072)	5,135
Net increase/(decrease) in cash and cash equivalents		3,586	(1,014)
Cash and cash equivalents at beginning of quarter		14,860	15,941
Effect of exchange differences on cash and cash equivalents		17	133
Cash and cash equivalents at end of quarter		18,463	15,060

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)
FOR THE QUARTER ENDED 31 AUGUST 2017 (Unaudited)**

	3 months ended	
	31.08.2017	31.08.2016
	RM'000	RM'000
Cash and cash equivalents comprised the following:		
Cash and bank balances	22,632	23,405
Bank overdrafts	(4,169)	(8,345)
Short term deposits with licensed banks	1,873	3,465
	<u>20,336</u>	<u>18,525</u>
Less: Fixed deposits pledged with licensed bank	(1,841)	(3,441)
Less: Fixed deposit with maturity more than three months	<u>(32)</u>	<u>(24)</u>
	<u>18,463</u>	<u>15,060</u>

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

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2017 (Unaudited)

PART A: EXPLANATORY NOTES AS PER FRS 134 - INTERIM FINANCIAL REPORTING

1. Basis of preparation

These condensed consolidated interim financial statements have been prepared in accordance with MFRS134, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34: Interim financial Reporting issued by the International Accounting Standards Board.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 May 2017. These explanatory notes, attached to the condensed consolidated interim financial statements, provide an explanation of the events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 May 2017.

2. Significant Accounting Policies

The accounting policies and methods of computations used in the preparation of the financial statements are consistent with those adopted in the audited financial statements for the year ended 31 May 2017.

At the date of authorization of these interim financial statements, the Group have not applied the following new MFRSs, IC Interpretation and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group:

		Effective dates for financial periods beginning on or after
Amendments to MFRS 107	Disclosure Initiative	1 January 2017
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Annual Improvements to MFRSs 2014 – 2016 Cycle:		
• Amendments to MFRS 12		1 January 2017
• Amendments to MFRS 1		1 January 2018
• Amendments to MFRS 128		1 January 2018
MFRS 9	Financial Instruments (IFRS issued by IASB in July 2014)	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 15	Clarifications to MFRS 15	1 January 2018
Amendments to MFRS 140	Transfers of Investment Property	1 January 2018

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2. Significant Accounting Policies (cont'd)

At the date of authorization of these interim financial statements, the Group have not applied the following new MFRSs, IC Interpretation and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group: (cont'd)

		Effective dates for financial periods beginning on or after
Amendments to MFRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018*
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
MFRS 16	Leases	1 January 2018
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group intend to adopt the above MFRSs when they become effective.

The initial application of the abovementioned MFRSs are not expected to have any significant impacts on the financial statements of the Group except as mentioned below:

MFRS 9 *Financial Instruments* (IFRS 9 issued by IASB in July 2014)

MFRS 9 (IFRS 9 issued by IASB in July 2014) replaces earlier versions of MFRS 9 and introduces a package of improvements which includes a classification and measurement model, a single forward looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. MFRS 9 when effective will replace MFRS 139 *Financial Instruments: Recognition and Measurement*.

MFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income without subsequent recycling to profit or loss. There is now a new expected credit losses model that replaces the incurred loss impairment model used in MFRS 139. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. MFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under MFRS 139.

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2. Significant Accounting Policies (cont'd)

MFRS 15 Revenue from Contracts with Customers

MFRS 15 replaces MFRS 118 *Revenue*, MFRS 111 *Construction Contracts* and related IC Interpretations. The Standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The core principle in MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

MFRS 16 Leases

MFRS 16, which upon the effective date will supersede MFRS 117 *Leases*, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under MFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, MFRS 117.

In respect of the lessor accounting, MFRS 16 substantially carries forward the lessor accounting requirements in MFRS 117. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The impact of the new MFRSs, amendments and improvements to published standard on the financial statements of the Group are currently being assessed by management.

3. Audit Qualification

There were no audit qualification on the annual financial statements of the Company and the Group for the year ended 31 May 2017.

4. Seasonality of Operations

The Group's business operations are generally affected by festive seasons, school holidays and carnival sales in Malaysia.

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5. Unusual and Material Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current period ended 31 August 2017.

6. Significant Estimates and Changes in Estimates

There were no changes in estimates of amounts reported in the prior quarter and/ or financial period that have a material effect on the Group in the current period under review.

7. Debt and Equity Securities

There were no issuance and repayment of debts and equity security, share buy-backs, share cancellation, share held as treasury shares by the Company during the financial period under review.

8. Dividend Paid

There were no dividend paid during the period under review.

On 25 October 2017, the shareholders of the Company had approved a final single tier dividend of 2.0 sen per ordinary share in respect of the financial year ended 31 May 2017. The dividend which amounted to RM2,593,360 will be paid on 30 December 2017.

9. Segmental Information

	Manufacturing	Trading	Others	For the 3 months ending 31.08.2017		
				Total	Elimination	Consolidated Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	210	90,720	-	90,930	-	90,930
Inter-segment revenue	26,645	3,246	1,509	31,400	(31,400)	-
	<u>26,855</u>	<u>93,966</u>	<u>1,509</u>	<u>122,330</u>	<u>(31,400)</u>	<u>90,930</u>
Segment profit	<u>102</u>	<u>2,635</u>	<u>(282)</u>	<u>2,455</u>	<u>(315)</u>	<u>2,140</u>
Segment assets						
<i>Included in the measure of segment assets is:</i>						
Capital expenditure	<u>48</u>	<u>553</u>	<u>14</u>	<u>615</u>	<u>-</u>	<u>615</u>

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9. Segmental Information (cont'd)

	Manufacturing	Trading	Others	For the 3 months ending 31.08.2016		
				Total	Elimination	Consolidated Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	73	88,330	-	88,403	-	88,403
Inter-segment revenue	32,012	1,996	1,449	35,457	(35,457)	-
	<u>32,085</u>	<u>90,326</u>	<u>1,449</u>	<u>123,860</u>	<u>(35,457)</u>	<u>88,403</u>
Segment profit	<u>1,064</u>	<u>822</u>	<u>(533)</u>	<u>1,353</u>	<u>-</u>	<u>1,353</u>
Segment assets						
<i>Included in the measure of segment assets is:</i>						
Capital expenditure	<u>31</u>	<u>912</u>	<u>10</u>	<u>953</u>	<u>-</u>	<u>953</u>

10. Events after the Reporting Period

There were no material events subsequent to the end of the current quarter that have not been reflected in the financial statements for the current quarter under review.

11. Changes in Composition of the Group

On 30 July 2017, the Group incorporated a subsidiary in Indonesia under the name of PT Pensonic Appliance Indonesia ("PTPAI"). PTPAI is capitalised at USD1,000,000 represented by 1,000,000 shares at issue price of USD1 each. The Group owned 51% equity interest in PTPAI for a total consideration of RM2,223,090.

12. Changes in Contingent Liabilities or Contingent Assets

There were no changes in contingent liabilities or contingent assets of a material nature as at the end of current financial quarter.

13. Capital Commitments

There were no capital expenditure contracted but not provided as at the reporting date.

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14. Significant Related Party Transactions

The significant transactions with companies in which certain Directors and persons connected to Directors have substantial financial interests are as follows:

	<u>Individual Quarter</u>		<u>Cumulative Period</u>	
	<u>3 months ended</u>		<u>3 months ended</u>	
	<u>31.08.2017</u>	<u>31.08.2016</u>	<u>31.08.2017</u>	<u>31.08.2016</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Transaction with associate				
-Sales	617	350	617	350
Transaction with related party				
- Purchases	875	924	875	924
- Services acquired	31	79	31	79
- Sales	<u>3</u>	<u>2</u>	<u>3</u>	<u>2</u>

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2017 (Unaudited)

PART B : ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

15. Review of Performance

The Group registered revenue of RM90.9 million for the current quarter ended 31 August 2017 compared to the revenue of RM88.4 million in the preceding year corresponding quarter. The Group registered a profit before tax of RM2.1 million for the current quarter compared to the profit before tax of RM1.4 million in the preceding year corresponding financial quarter.

Overseas market showed an improvement in the first quarter of the financial year due to different approaches and strategies carried out to recapture the overseas sales by providing value-added engineering and additional services for customers. However, local market remains soft due to escalating cost of living and careful customer spending behaviour.

16. Variation of results Against Preceding Quarter

The Group recorded revenue of RM90.9 million for the current financial quarter ended 31 August 2017 compared to the revenue of RM89.4 million in the preceding quarter ended 31 May 2017. The Group registered a profit before tax of RM2.1 million compared to the profit before tax of RM3.5 million in the preceding quarter.

17. Commentary on Prospects

As the uncertain economic outlook continues to impact consumer purchasing power, the Group's prospects for the coming year is expected to be more challenging. Cost rationalisation, built around operational efficiency and optimisation of resources, is ongoing as the Board strives to reinforce the Group's business strengths and capabilities.

At the same time, the Group will continue to explore new markets. The Group foresees emerging trends in TV shopping and e-commerce marketplace working either directly or indirectly through the retail on-line platforms.

In anticipation of local broadcasting going digital in mid 2018 where MYTV set-top-box decoder is needed to receive digital television signal for the Free-to Air TV channel, the Group's exclusive distributorship of the decoders will be realised in due course.

Going forward, the Group will embark on upgrading the existing Customer Relationship System to digital platform. The objective of the platform is to provide customers with direct after-sales service solutions with easier online service calls, marketing automation and e-commerce.

Given the Group's extensive experience in the industry, the Board believes that the Group will be able to manage the challenges ahead and remain competitive in the foreseeable future.

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18. Profit Forecast

Not applicable as no profit forecast was published.

19. Taxation

	<u>Individual Quarter</u>		<u>Cumulative Period</u>	
	<u>3 months ended</u>		<u>3 months ended</u>	
	<u>31.08.2017</u>	<u>31.08.2016</u>	<u>31.08.2017</u>	<u>31.08.2016</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Malaysian statutory tax				
- Current year	-	4	-	4
Foreign statutory tax				
- Current year	-	2	-	2
	-	6	-	6
Deferred tax expense				
- Current year	4	2	4	2
	4	8	4	8

Domestic income tax rate is calculated at the Malaysian statutory tax rate of 24% (2017: 24%) of the estimated assessable profit for the period. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The effective tax rate for the quarter were lower than the statutory rate due to tax exemption status granted to certain subsidiaries of the Company.

20. Status of Corporate Proposal

As at the date of this report, there are no corporate proposals that are pending for completion.

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21. Borrowings and Debts Securities

Details of the Group's borrowings as at the end of this financial period are as follows:

	Unaudited 31.08.2017 RM'000	Audited 31.05.2017 RM'000
<u>Current</u>		
Unsecured		
Bank overdraft	4,169	5,609
Revolving credit	2,500	2,500
Bankers' acceptance	63,408	58,092
	<u>70,077</u>	<u>66,201</u>
Secured		
Bank overdraft	-	753
Bankers' acceptance	320	2,263
Term loans	5,758	7,137
Finance lease liabilities	525	526
	<u>6,603</u>	<u>10,679</u>
	<u>76,680</u>	<u>76,880</u>
<u>Non – current</u>		
Secured		
Term loans	9,524	10,512
Finance lease liabilities	1,334	1,468
	<u>10,858</u>	<u>11,980</u>
	<u>10,858</u>	<u>11,980</u>
<u>Currency Denominated In</u>		
Ringgit Malaysia ("MYR")	87,340	88,860
Singapore Dollar ("SGD")	198	-
	<u>87,538</u>	<u>88,860</u>

The bank borrowings and term loans are secured by the following:

- i) Legal charges over certain properties belonging to the Company and subsidiary companies;
- ii) Lien on fixed deposits belonging to the subsidiary companies; and
- iii) Corporate guarantee by the Company.

22. Material Litigation

The Group is not engaged in any material litigation for the current financial period ended 31 August 2017.

23. Dividend

The Board does not recommend any dividend for the current financial period ended 31 August 2017.

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24. Earnings per Share (“EPS”)**(i) Basic EPS**

	Individual Quarter		Cumulative Period	
	3 months ended		3 months ended	
	31.08.2017	31.08.2016	31.08.2017	31.08.2016
Net profit for the period attributable to owners of the Company (RM'000)	2,140	1,356	2,140	1,356
Number of ordinary shares in issue ('000)	129,668	129,668	129,668	129,668
Basic earnings per share (sen)	<u>1.65</u>	<u>1.05</u>	<u>1.65</u>	<u>1.05</u>

(ii) Diluted EPS

	Individual Quarter		Cumulative Period	
	3 months ended		3 months ended	
	31.08.2017	31.08.2016	31.08.2017	31.08.2016
Net profit for the period attributable to owners of the Company (RM'000)	2,140	1,356	2,140	1,356
Weighted average number of ordinary shares ('000)	134,716	135,705	134,716	135,705
Diluted earnings per share (sen)	<u>1.59</u>	<u>1.00</u>	<u>1.59</u>	<u>1.00</u>

25. Disclosure of Realised and Unrealised Retained Earnings

	Unaudited 31.08.2017 RM'000	Audited 31.05.2017 RM'000
- realised	45,262	40,853
- unrealised	(241)	1,713
	<u>45,021</u>	<u>42,566</u>
Total retained earnings of associates		
- realised	134	134
Less: Consolidation adjustments	(2,060)	(1,745)
Total retained earnings	<u>43,095</u>	<u>40,955</u>

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26. Profit for the period

Profit for the period has been arrived at:

	<u>Individual Quarter</u>		<u>Cumulative Period</u>	
	<u>3 months ended</u>		<u>3 months ended</u>	
	<u>31.08.2017</u>	<u>31.08.2016</u>	<u>31.08.2017</u>	<u>31.08.2016</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
After charging / (crediting):-				
Interest income	(11)	(11)	(11)	(11)
Government grants	(144)	(73)	(144)	(73)
(Gain)/Loss on disposal of property, plant and equipment	(18)	38	(18)	38
Realised gain on foreign exchange	(270)	(377)	(270)	(377)
Reversal for doubtful debt	(4)	-	(4)	-
Interest expense	1,174	1,360	1,174	1,360
Depreciation & amortization	1,550	1,524	1,550	1,524
Inventories provision	202	272	202	272
Plant and equipment written off	-	5	-	5
Unrealised loss on foreign exchange	229	632	229	632

27. Authorization for Issue

The interim financial report was authorized for issue by the Board of Directors in accordance with a resolution of the Board of Directors.