

NOTION VTEC BERHAD
Company No: - 637546-D

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.017 RM'000	Preceding Year Corresponding Quarter 31.12.2016 RM'000	Current Year To Date 31.12.2017 RM'000	Preceding Year To Date 31.12.2016 RM'000
Revenue	58,288	68,076	58,288	68,076
Cost of Sales	<u>(55,784)</u>	<u>(53,598)</u>	<u>(55,784)</u>	<u>(53,598)</u>
Gross Profit	2,504	14,478	2,504	14,478
Other Operating Income	33,299	5,952	33,299	5,952
Operating Expenses	<u>(62,333)</u>	<u>(11,118)</u>	<u>(62,333)</u>	<u>(11,118)</u>
Operating (Loss)/ Income	(26,530)	9,312	(26,530)	9,312
Finance Costs	<u>(212)</u>	<u>(338)</u>	<u>(212)</u>	<u>(338)</u>
(Loss)/ Profit before taxation	(26,742)	8,974	(26,742)	8,974
Income Tax Expense	<u>(2,166)</u>	<u>(2,534)</u>	<u>(2,166)</u>	<u>(2,534)</u>
(Loss)/ Profit after taxation	(28,908)	6,440	(28,908)	6,440
Other Comprehensive (expenses)/ income:				
-currency translation differences	<u>(2,585)</u>	<u>3,237</u>	<u>(2,585)</u>	<u>3,237</u>
Total comprehensive (expenses)/ income for the financial year	<u>(31,493)</u>	<u>9,677</u>	<u>(31,493)</u>	<u>9,677</u>
(Loss)/ Profit after taxation attributable to:				
-Owners of the Company	(28,908)	6,440	(28,908)	6,440
-Non-controlling Interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(28,908)</u>	<u>6,440</u>	<u>(28,908)</u>	<u>6,440</u>
Total comprehensive (loss)/ income for the financial year attributable to:				
-Owners of the Company	(31,493)	9,677	(31,493)	9,677
-Non-controlling Interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(31,493)</u>	<u>9,677</u>	<u>(31,493)</u>	<u>9,677</u>
(Loss)/ Earnings Per Share (sen)	<u>(8.74)</u>	<u>2.40</u>	<u>(8.74)</u>	<u>2.40</u>
Proposed/ Declared Dividend Per Share (sen)	<u>-</u>	<u>0.75</u>	<u>-</u>	<u>0.75</u>

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 30 September 2017 and the accompanying explanatory notes attached to the interim financial statements.

NOTION VTEC BERHAD
Company No: - 637546-D

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at End of Current Quarter 31.12.2017 RM'000	As at Preceding Year Ended 30.09.2017 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	181,871	218,025
Investment in an Associate	-	-
	<u>181,871</u>	<u>218,025</u>
Current assets		
Inventories	35,642	46,076
Trade receivables	49,973	61,588
Other receivables and deposits	50,537	7,448
Tax refundable	3,554	2,885
Short-term deposits with licensed banks	40,013	57,660
Cash and bank balances	<u>32,095</u>	<u>28,699</u>
	<u>211,814</u>	<u>204,356</u>
Total assets	<u>393,685</u>	<u>422,381</u>
EQUITY AND LIABILITIES		
Equity		
Share Capital	197,793	197,793
Share Option Reserve	2,966	687
Treasury Shares	-	-
Currency Translation Reserves	8,212	10,797
Retained Profits	114,268	143,176
Other Capital Reserve	<u>4,800</u>	<u>4,800</u>
Equity attributable to owners of the Company	<u>328,039</u>	<u>357,253</u>
Non-controlling Interests	-	-
Total equity	<u>328,039</u>	<u>357,253</u>
Non-current liabilities		
Long-term borrowings	2,832	2,212
Deferred taxation	<u>9,321</u>	<u>14,155</u>
	<u>12,153</u>	<u>16,367</u>
Current Liabilities		
Trade payables	12,924	12,915
Other payables and accruals	28,136	26,741
Loans and borrowings	6,294	9,105
Provision for taxation	6,139	-
	<u>53,493</u>	<u>48,761</u>
Total Liabilities	65,646	65,128
TOTAL EQUITY AND LIABILITIES	<u>393,685</u>	<u>422,381</u>
Net assets per ordinary share (RM)	0.9922	1.0805

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 September 2017 and the accompanying explanatory notes attached to the interim financial statements.

NOTION VTEC BERHAD
Company No: - 637546-D

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	←-----Attributable to equity holders of the parent-----→								
	Ordinary Share Capital RM'000	Share Premium RM'000	←-----Non-distributable-----→			←Distributable→		Non- Controlling Interests RM'000	Total Equity RM'000
			Treasury Shares RM'000	Currency Translation Reserves RM'000	Other Capital Reserve RM'000	Retained Profits RM'000	Total RM'000		
3 months ended 31 December 2017									
Balance as at 1 October 2017	197,793	-	-	687	10,797	4,800	143,176	357,253	357,253
Loss after taxation	-	-	-	-	-	-	(28,908)	(28,908)	(28,908)
Currency translation differences	-	-	-	-	(2,585)	-	-	(2,585)	(2,585)
Share-based payments	-	-	-	2,279	-	-	-	2,279	2,279
Balance as at 31 December 2017	197,793	-	-	2,966	8,212	4,800	114,268	328,039	328,039
3 months ended 31 December 2016									
Balance as at 1 October 2016	135,209	(2,244)	1	-	7,001	4,800	144,292	289,059	289,059
Profit after taxation	-	-	-	-	-	-	6,440	6,440	6,440
Currency translation differences	-	-	-	-	3,237	-	-	3,237	3,237
Interim tax-exempt dividend of 0.5sen per ordinary share in respect of financial year ended 30 September 2016	-	-	-	-	-	-	(2,683)	(2,683)	(2,683)
Balance as at 31 December 2016	135,209	(2,244)	1	-	10,238	4,800	148,049	296,053	296,053

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 September 2017 and the accompanying explanatory notes attached to the interim financial statements.

NOTION VTEC BERHAD

Company No: - 637546-D

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Current Year-To-Date 31.12.2017 RM'000	Preceding Year-To-Date 31.12.2016 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/ Profit before taxation	(26,742)	8,975
Adjustments for:		
Depreciation of property, plant and equipment	6,824	8,512
Interest expense	183	303
Reversal of inventories written down	-	(4)
Inventories written down	47	-
Reversal of impairment loss on property, plant and equipment	(108)	-
Plant and equipment written off	40,660	-
Inventories written off	8,053	-
Gain on disposal of plant and equipment	(40)	(1,060)
Unrealised gain on foreign currency translation	(475)	(3,197)
Interest income	(510)	(175)
Share-based payments	2,279	-
Operating profit before working capital changes	30,171	13,354
(Increase)/ Decrease in inventories	2,278	(1,116)
Increase in trade and other receivables	(30,675)	(13,108)
Increase in trade and other payables	1,088	4,730
CASH FROM OPERATIONS	2,862	3,860
Interest paid	(183)	(303)
Tax paid	(1,441)	(451)
NET CASH FROM OPERATING ACTIVITIES	1,238	3,106
CASH FLOWS FROM/ (FOR) INVESTING ACTIVITIES		
Interest received	510	175
Proceeds from disposal of plant and equipment	40	1,310
Purchase of property, plant and equipment	(12,801)	(2,910)
NET CASH FOR INVESTING ACTIVITIES	(12,251)	(1,425)
CASH FLOWS FROM/ (FOR) FINANCING ACTIVITIES		
Repayment of hire-purchase and lease obligations	(138)	(963)
Repayment of term loan	(1,965)	(2,309)
Drawdown of bank borrowings	3,139	-
Repayment of bank borrowings	(3,227)	(216)
NET CASH FLOWS FOR FINANCING ACTIVITIES	(2,191)	(3,488)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(13,204)	(1,807)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	86,358	41,837
Currency translation differences – subsidiaries	(1,046)	1,293
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	72,108	41,323
Note (A)		
Cash and cash equivalents at the end of the period comprise the following:		
Short term deposits with licensed banks	40,117	2,475
Cash and bank balances	31,991	38,848
	72,108	41,323

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 30 September 2017 and the accompanying explanatory notes attached to the interim financial statements.

NOTION VTEC BERHAD

Company No: - 637546-D

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017

NOTES TO THE QUARTERLY FINANCIAL REPORT

A1. BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

These explanatory notes 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 Company and its subsidiaries ("The Group"). This interim financial report should be read in conjunction with the Group's annual audited financial report for the financial year ended ("FYE") 30 September 2017.

The accounting policies and methods of computations adopted in these interim financial statements are consistent with those adopted in the financial statements for the FYE 30 September 2017.

A2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements of the Group for the FYE 30 September 2017 was not subject to any qualification.

A3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The results of the Group were not materially affected by any significant seasonal or cyclical factors during the quarter under review.

A4. 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 quarter under review save for that disclosed in Note B2.

A5. MATERIAL CHANGES IN ESTIMATES

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

A6. DEBT AND EQUITY SECURITIES

The shareholders of the Company, by a resolution passed at the Extraordinary General Meeting held on 23 February 2017, approved the Company's Long Term Incentive Plan comprising the ESOS and ESGS. The ESOS became effective on 24 February 2017 and shall be valid for a duration of 5 years from the effective date. During the current quarter ended 31 December 2017, an additional 10,527,300 new options have been offered pursuant to the ESOS but no option has been exercised.

The Proposed issue of up to 34,309,315 Free Warrants in NVB on the basis of 1 Warrant for every 10 existing ordinary shares in NVB held on an entitlement date to be determined and announced later was approved in the Company's Extraordinary General Meeting held earlier today.

Other than the above, there were no issuance and repayment of debt and equity securities, share cancellations and resale of treasury shares for the current financial year-to-date.

A7. DIVIDEND PAID

No dividend was paid during the quarter under review.

A8. SEGMENTAL INFORMATION

The Group is primarily engaged in three business segment which is in the design and volume production of high precision metal manufacturing of hard disk drive ("HDD"), automotive industries' components and engineered products. Camera components are now classified under engineered products. Breakdown of segmental revenue and product mix is found in Note B2.

The Group's operations are conducted in Malaysia and Thailand.

A9. VALUATION OF ASSETS

There was no revaluation of property, plant and equipment for the quarter under review.

NOTION VTEC BERHAD

Company No: - 637546-D

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017

NOTES TO THE QUARTERLY FINANCIAL REPORT (continued)

A10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE QUARTER

There were no material events between the end of the reporting quarter and the date of announcement.

A11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group for the current quarter under review.

A12. CONTINGENT LIABILITIES

The Company has entered into financial guarantee contracts to provide to financial institutions for credit facilities granted to certain subsidiaries up to a total limit of approximately RM 96,500,000. The total utilisation of these credit facilities as at 31 December 2017 amounted to approximately RM 5,987,000.

A13. CAPITAL COMMITMENTS

	As at End of Current Quarter 31.12.2017 <u>RM'000</u>
Approved and contracted for:	
-purchase of property, plant and equipment	<u>75,607</u>

A14. SIGNIFICANT RELATED PARTY TRANSACTIONS

The Directors of Notion are of the opinion that there is no related party transaction which would have a material impact on the financial position and the business of the Group during the financial quarter.

NOTION VTEC BERHAD

Company No: - 637546-D

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017

ADDITIONAL INFORMATION REQUIRED BY LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. GROUP PERFORMANCE REVIEW

The Group recorded revenue and loss after taxation ("LAT") of RM 58.3 million and RM 28.9 million respectively for the quarter ended 31 December 2017 ("Q1FY2018"). Refer Notes B2 and B3 below for a detailed review of the Group's performance.

B2. COMPARISON WITH PRECEDING QUARTER'S RESULTS**Financials:**

For Q1 of FY2018, the Group recorded revenue of RM 58.3 million (Q4FY2017: RM 67.8 million) and LAT of RM 28.9 million (Q4FY2017: RM 1.0 million) and loss per share of 8.74 sen (Q4FY2017: loss 0.32 sen). Revenue is 14% lower in the current quarter compared to the preceding quarter is mainly attributable to reduction in sale orders following the fire incident on 20 October 2017 at our main factory in Klang. HDD, Auto and Engineered Product posted lower sales of 4%, 26% and 14%, respectively. Camera and Auto sector was the most affected as the products are mainly manufactured in our Klang factories whereas HDD are evenly spread within our facilities in Klang, Johor and Thailand. Our stocks of about two months were useful during this period of shortage in production capacity. Loss after taxation was RM 28.9 million compared to RM 1.0 million in Q4FY2017 after providing for write off of plant and equipment RM 40.7 million and inventories RM 8.1 million. As at date of reporting, a total interim claim payment of RM 30 million have been received and taken up in the current quarter under review. The current quarter's gross profit margin is lower mainly due to under recovery of manufacturing expenses as production capacity is down by 40% as fixed expenses are charged out as incurred. There is also an increase in working expenses incidental to the recovery of our production capacity which is subject to claim under the business interruption insurance policy. Due to the exceptional event in the current quarter, the EBITDA for Q1FY2018 was a negative RM 20.2 million compared to RM 10.0 million in Q4FY2017 (preceding year Q1FY2017: RM 17.6 million).

Product mix:

	Q1FY2018	Q4FY2017		Q1FY2018	Q1FY2017	
REVENUE	RM'000	RM'000	% change	RM'000	RM'000	% change
HDD	26,910	28,067	- 4%	26,910	27,049	- 1%
Automotive	17,680	23,887	- 26%	17,680	22,005	- 20%
Engineered Products						
Camera	9,125	11,017	- 17%	9,125	12,901	- 29%
Others	4,573	4,880	- 6%	4,573	6,121	- 25%
TOTAL	58,288	67,851	- 14%	58,288	68,076	- 14%

In Q1FY2018, HDD parts revenue recorded RM 26.9 million (Q4FY2017: RM 28.1 million), Automotive RM 17.7 million (Q4FY2017: RM 23.9 million) whilst the Engineered Products' revenue was at RM 13.7 million (Q4FY2017: RM 15.9 million). The product mix for Q1FY2018 was HDD: Automotive: Engineered Products of 46%: 30%: 24% compared to previous quarter's mix of 41%: 35%: 24%. Compared to the corresponding preceding year quarter, Auto and Engineered Product is lower by 20% and 28% in revenue respectively whereas HDD is flat.

NOTION VTEC BERHAD

Company No: - 637546-D

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017

ADDITIONAL INFORMATION REQUIRED BY LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (continued)

B3. PROSPECTS FOR THE CURRENT FINANCIAL YEARBusiness Review and Outlook:3 months to date

<u>Financials</u>	<u>FY18</u>	<u>FY17</u>	<u>FY16</u>	<u>FY15</u>	<u>FY14</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	58,288	68,076	61,053	58,251	47,706
GP	2,504	14,478	11,948	14,843	2,477
(LAT)/ PAT	(28,908)	6,440	3,114	(5,248)	(10,023)
Depreciation	6,824	8,512	8,996	9,818	10,130

Cash flow:

Op Activities	5,195	3,106	3,264	1,283	8,252
Invest Activities	(16,208)	(1,425)	(2,154)	1,735	(17,868)
Fin Activities	(2,191)	(3,488)	(4,521)	(7,543)	(10,531)
Net increase	(13,204)	(1,807)	(3,411)	(4,525)	(20,147)

Cash

Rolling 5 Quarters

<u>Financials</u>	<u>Q1FY18</u>	<u>Q4FY17</u>	<u>Q3FY17</u>	<u>Q2FY17</u>	<u>Q1FY17</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	58,288	67,851	67,778	68,490	68,076
GP	2,504	9,458	9,819	13,779	14,478
(LAT)/ PAT	(28,908)	(1)	2,769	4,437	6,440
Cash	72,108	86,358	95,699	38,012	41,323
Borrowings	9,126	11,317	10,601	15,211	16,721
Net Cash	62,982	75,041	85,098	22,801	24,602

3.1 Revenue (quarter on quarter): Despite the effects of the fire incident (20 October 2017) and associated disruption, the quarter's revenue of RM58 mil compared to previous quarter's RM68 mil showed a 14% drop. Automotive was down 26% and Camera down by 17% and Others down by 6%. HDD was only down 4%.

The margins are much affected by the sharp drop in both Automotive and Camera segments. Also the reduction of revenue due to the disruption has a marked effect on revenue and margin.

3.2 Fire Related Items: Under Other Operating Income, we have accrued for the RM30 million insurance interim payment received up to the date of this report.

Under Other Operating Expenses, we have provided for write off of RM40.6 million of fire damaged PPE based on net book value. We have written off RM8 million for inventory loss in the fire.

Our fire policy is based on replacement of equipment and CNC machines and we have put forward a partial material loss claim of in excess of RM150 million and requested for further progressive claim. There are still some tools, fixtures and QC equipment that were lost in the fire that requires further confirmation and acceptance for claim. The final amount that the Company will receive is still uncertain at this juncture subject to the insurance company's confirmation and agreement.

Meanwhile the affected factory building is being removed and cleared for subsequent rebuilding.

The business interruption loss is still to be considered for claims.

3.3 Share based payment: It's in relation to the ESOS issued.

NOTION VTEC BERHAD

Company No: - 637546-D

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017**ADDITIONAL INFORMATION REQUIRED BY LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (continued)**

3.4 **Business Outlook:** The Camera business is the most affected and we have lost one account due to the fire. The SLR Camera is still on a down trend and not expected to be a major business segment going forward.

We expect the life style consumer electronics project to move into mass production beginning in March 2018 and this business looks promising with good growth.

We have 2 new customers in the semi-conductor industry where we will supply precision machined parts to support the machines fabricated for wire bond. This sector should be fairly high growth and we expect the Engineered Products to be renewed and re-energised sector spearheaded by the Johor operations.

The Board is cautiously optimistic of the Group's prospects in FY2018 especially with the weakness of the USD and rising aluminium price.

B4. PROFIT FORECAST, PROFIT GUARANTEE AND INTERNAL TARGETS

The Group did not issue any profit guarantee and profit forecast during the current financial period to date.

B5. TAXATION

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2017 RM'000	Preceding Year Corresponding Quarter 31.12.2016 RM'000	Current Year To Date 31.12.2017 RM'000	Preceding Year To Date 31.12.2016 RM'000
Company and Subsidiaries				
Taxation				
- current	7,023	2,676	7,023	2,676
- (over)/ under provision in the previous financial year	-	-	-	-
Deferred taxation	(4,857)	(142)	(4,857)	(142)
	<u>2,166</u>	<u>2,534</u>	<u>2,166</u>	<u>2,534</u>

The current year tax is mainly attributable to a provision of tax expense of RM 7.2 million on balancing charge arising from the RM 30 million interim insurance claim payment for material loss. The deferred tax income is mainly attributable to the tax effect of fixed assets written off and unabsorbed capital allowances carried forward of approximately RM 3.75 million and RM 0.67 million respectively.

B6. STATUS OF CORPORATE PROPOSALS

There are no other corporate proposals announced but pending completion as at the date of this report save for the following:

The shareholders of the Company, by a resolution passed at the Extraordinary General Meeting held on 23 February 2018, approved the Company's Proposed issue of up to 34,309,315 Free Warrants in NVB on the basis of 1 Warrant for every 10 existing ordinary shares in NVB held on an entitlement date to be determined and announced later.

B7. BORROWINGS AND DEBTS SECURITIES

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

	<u>RM'000</u>
Long-term	
Secured	
Hire purchase and lease payables	212
Term loan	<u>2,620</u>
	<u>2,832</u>
Short-term	
Secured	
Portion of hire purchase and lease payables due within one year	56
Portion of term loan due within one year	3,099
Other short term borrowings	<u>3,139</u>
	<u>6,294</u>
	<u>9,126</u>

The hire purchase and lease payables and term loan are secured by legal charges over certain property, plant and equipment belonging to certain subsidiaries of the Company.

NOTION VTEC BERHAD

Company No: - 637546-D

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017

ADDITIONAL INFORMATION REQUIRED BY LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (continued)

B8. RETAINED PROFITS

The breakdown of the realised and unrealised profit/ (losses) as at the end of the reporting period is as follows:

	As at End of Current Quarter 31.12.2017 <u>RM'000</u>	As at Preceding Year Quarter 31.12.2016 <u>RM'000</u>
Total retained profits:		
-realised	124,821	162,764
-unrealised	<u>(10,553)</u>	<u>(14,715)</u>
	<u>114,268</u>	<u>148,049</u>

B9. NOTES TO THE CONDENSED CONSOLIDATED INCOME STATEMENT

Profit/ (Loss) after Tax is arrived at after charging / (crediting) the following items:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2017 <u>RM'000</u>	Preceding Year Corresponding Quarter 31.12.2016 <u>RM'000</u>	Current Year To Date 31.12.2017 <u>RM'000</u>	Preceding Year To Date 31.12.2016 <u>RM'000</u>
a) Interest income	(510)	(175)	(510)	(175)
b) Other income	(483)	(610)	(483)	(610)
c) Interest expense	183	303	183	303
d) Depreciation and amortisation	6,824	8,512	6,824	8,512
e) Gain on disposal of property, plant and equipment	(40)	(1,060)	(40)	(1,060)
f) Foreign exchange gain	(311)	(4,032)	(311)	(4,032)
g) Bad debts recovered	-	(75)	-	(75)
h) Share-based payments	2,279	-	2,279	-
i) Plant and equipment written off	40,660	-	40,660	-
j) Inventories written off	8,053	-	8,053	-

B10. MATERIAL LITIGATION

There were no material litigations that might adversely and materially affect the position of the Group as at date of this report.

B11. DIVIDENDS PER SHARE

No dividend has been proposed for the quarter ended 31 December 2017 (Q1FY2017: 0.75 sen).

B12. EARNINGS PER SHARE

The (loss)/ earnings per share is calculated by dividing profit attributable to the owners of the Company by the number of ordinary shares in issue (excluding the treasury shares held by the Company).

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2017 <u>(Unaudited)</u>	Preceding Year Corresponding Quarter 31.12.2016 <u>(Unaudited)</u>	Current Year To Date 31.12.2017 <u>(Unaudited)</u>	Preceding Year To Date 31.12.2016 <u>(Unaudited)</u>
(Loss)/ Profit attributable to owners of the Company (RM'000)	(28,908)	6,440	(28,908)	6,440
Number of ordinary shares in issue (excluding the treasury shares held by the Company) ('000)	330,634	268,269	330,634	268,269
(Loss)/ Earnings per share (sen)	<u>(8.74)</u>	<u>2.40</u>	<u>(8.74)</u>	<u>2.40</u>

AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 23 February 2018.

By Order of the Board

Petaling Jaya

23 February 2018