

## Financial Results (v13)

RELEASED

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COMPANY INFORMATION SECTION			
Announcement Type	<input checked="" type="radio"/> New Announcement <input type="radio"/> Amended Announcement		
Company Name	KESM INDUSTRIES BERHAD		
Stock Name	KESM		
Stock Code	9334		
Board	Main Market		
Submitting Secretarial Firm	EPSILON ADVISORY SERVICES SDN BHD		

CONTACT DETAIL			
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MAIN							
General Information							
Financial Year End	31 Jul 2017						
Quarter	4 Qtr						
Quarterly report for the financial period ended	31 Jul 2017						
The figures	have not been audited						
Remarks							
Please attach the full Quarterly Report here	<table border="1"> <thead> <tr> <th>No</th> <th>File Name</th> <th>Size</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>KESMI - Q4FY2017.pdf</td> <td>85.0KB</td> </tr> </tbody> </table>	No	File Name	Size	1	KESMI - Q4FY2017.pdf	85.0KB
No	File Name	Size					
1	KESMI - Q4FY2017.pdf	85.0KB					

## DEFAULT CURRENCY

Currency	Malaysian Ringgit (MYR)
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## Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION

Summary of the Key Financial Information for the financial period ended	31 Jul 2017			
	INDIVIDUAL PERIOD	CUMULATIVE PERIOD		
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31 Jul 2017	31 Jul 2016	31 Jul 2017	31 Jul 2016
	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000
1. Revenue	89,766	74,528	337,988	285,734
2. Profit/(loss) before Tax	12,818	9,371	47,843	36,239
3. Profit/(loss) for the period	13,403	8,045	43,994	30,683
4. Profit/(loss) attributable to ordinary equity holders of the parent	13,403	8,045	43,994	30,683
5. Basic earnings/(loss) per share (Subunit)	31.20	18.70	102.30	71.30
6. Proposed/Declared dividend per share (Subunit)	6.00	3.00	12.50	7.50
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7. Net assets per share attributable to ordinary equity holders of the parent (\$\$)	7.6517		6.6655	

Remarks

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit.  
Example for the subunit as follows:

Country	Base unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

**Part A3 : ADDITIONAL INFORMATION (This Information is for Exchange's Internal Use only)**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31 Jul 2017	31 Jul 2016	31 Jul 2017	31 Jul 2016
	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000
1. Gross interest income	629	719	2,505	2,541
2. Gross interest expense	895	671	2,440	3,039
Remarks				

**OTHER CURRENCY**

Other Currency

**Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION**

Summary of the Key Financial Information for the financial period ended	31 Jul 2017			
	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000
1. Revenue				
2. Profit/(loss) before Tax				
3. Profit/(loss) for the period				
4. Profit/(loss) attributable to ordinary equity holders of the parent				
5. Basic earnings/(loss) per share (Subunit)				
6. Proposed/Declared dividend per share (Subunit)				
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7. Net assets per share attributable to ordinary equity holders of the parent (\$\$)				
Remarks				

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit.  
Example for the subunit as follows:

Country	Base unit	Subunit
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**Part A3 : ADDITIONAL INFORMATION (This Information is for Exchange's Internal Use only)**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000
1. Gross interest income				
2. Gross interest expense				
Remarks				



**KESM INDUSTRIES BERHAD**  
(Incorporated in Malaysia)

Company No : 13022-A

**UNAUDITED FOURTH QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL QUARTER ENDED 31 JULY 2017**

The Board of Directors is pleased to announce the following unaudited results of the Group for the financial quarter ended 31 July 2017.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 JULY 2017**

	Individual period			Cumulative period		
	Current year quarter (31/07/2017) RM'000	Preceding year corresponding quarter (31/07/2016) RM'000	% Change	Current year to date (31/07/2017) RM'000	Preceding year corresponding year to date (31/07/2016) RM'000	% Change
<b>Revenue</b>	89,766	74,528	20%	337,988	285,734	18%
<b>Other items of income</b>						
Interest income	629	719	(13%)	2,505	2,541	(1%)
Dividend income	65	58	12%	141	134	5%
Other income	521	600	(13%)	1,580	1,280	23%
<b>Items of expense</b>						
Raw materials and consumables used	(8,488)	(6,174)	37%	(33,644)	(31,623)	6%
Changes in work-in-progress and finished goods	(497)	(1,069)	(54%)	119	628	(81%)
Employee benefits expense	(28,530)	(26,580)	7%	(112,927)	(98,814)	14%
Depreciation of property, plant and equipment	(18,439)	(14,047)	31%	(66,704)	(55,214)	21%
Finance costs	(895)	(671)	33%	(2,440)	(3,039)	(20%)
Other expenses	(21,314)	(17,993)	18%	(78,775)	(65,388)	20%
<b>Profit before tax</b>	12,818	9,371	37%	47,843	36,239	32%
Income tax expense	585	(1,326)	NM	(3,849)	(5,556)	(31%)
<b>Profit net of tax</b>	13,403	8,045	67%	43,994	30,683	43%
<b>Other comprehensive income:</b>						
<b>Item that will not be reclassified to profit or loss</b>						
Remeasurement loss arising from defined benefit plans, net of tax	(44)	-	NM	(44)	-	NM
<b>Item to be reclassified subsequently to profit or loss</b>						
Foreign currency translation gain/(loss)	749	107	NM	2,557	(1,205)	NM
<b>Other comprehensive income for the period, net of tax</b>	705	107	NM	2,513	(1,205)	NM
<b>Total comprehensive income for the period</b>	14,108	8,152	73%	46,507	29,478	58%
Earnings per share attributable to owners of the Company (sen):						
- Basic	31.2	18.7	67%	102.3	71.3	43%

NM – percentage change not meaningful

The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 July 2016 and the accompanying explanatory notes attached to the interim financial statements.

**KESM INDUSTRIES BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2017**

	<u>As at end of current quarter 31/07/2017</u>	<u>As at preceding financial year end 31/07/2016</u>
	<u>RM'000</u>	<u>RM'000</u>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	242,873	169,770
Deferred tax assets	786	602
	<u>243,659</u>	<u>170,372</u>
<b>Current assets</b>		
Inventories	7,151	8,527
Trade and other receivables	82,680	70,421
Prepayments	6,718	5,452
Tax recoverable	437	-
Investment securities held for trading	8,046	4,184
Cash and short-term deposits	127,576	112,748
	<u>232,608</u>	<u>201,332</u>
<b>Total assets</b>	<u>476,267</u>	<u>371,704</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	43,678	43,015
Other reserves	19,957	18,063
Retained earnings	265,504	225,640
<b>Total equity</b>	<u>329,139</u>	<u>286,718</u>
<b>Non-current liabilities</b>		
Obligations under finance leases	2,102	1,874
Bank loans	35,502	8,000
Defined benefit obligations*	3,038	2,687
	<u>40,642</u>	<u>12,561</u>
<b>Current liabilities</b>		
Trade and other payables*	74,586	42,543
Obligations under finance leases	3,983	1,483
Bank loans	27,892	28,012
Income tax payable	25	387
	<u>106,486</u>	<u>72,425</u>
<b>Total liabilities</b>	<u>147,128</u>	<u>84,986</u>
<b>Total equity and liabilities</b>	<u>476,267</u>	<u>371,704</u>
Net assets per share attributable to owners of the Company (RM)	<u>7.65</u>	<u>6.67</u>

\*Comparative figures have been reclassified to conform with current year's presentation.

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 July 2016 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 JULY 2017**

FY2017	< ----- Attributable to owners of the Company ----- >						Total equity
	< ----- Non-distributable ----- >					Distributable	
	Share capital	Share premium	Foreign currency translation reserve	Statutory reserve fund	Capital reserve	Retained earnings	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 August 2016</b>	43,015	663	10,531	4,629	2,240	225,640	286,718
Profit for the year	-	-	-	-	-	43,994	43,994
Other comprehensive income for the year	-	-	2,557	-	-	(44)	2,513
<b>Transaction with owners</b>							
Upon abolition of par value*	663	(663)	-	-	-	-	-
Dividends	-	-	-	-	-	(4,086)	(4,086)
<b>At 31 July 2017</b>	43,678	-	13,088	4,629	2,240	265,504	329,139

FY2016	< ----- Attributable to owners of the Company ----- >						Total equity
	< ----- Non-distributable ----- >					Distributable	
	Share capital	Share premium	Foreign currency translation reserve	Statutory reserve fund	Capital reserve	Retained earnings	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 August 2015</b>	43,015	663	11,736	3,879	2,240	198,933	260,466
Profit for the year	-	-	-	-	-	30,683	30,683
Other comprehensive income for the year	-	-	(1,205)	-	-	-	(1,205)
<b>Transaction with owners</b>							
Transfer to statutory reserve fund	-	-	-	750	-	(750)	-
Dividends	-	-	-	-	-	(3,226)	(3,226)
<b>At 31 July 2016</b>	43,015	663	10,531	4,629	2,240	225,640	286,718

\* On 31 January 2017, in accordance with the Companies Act 2016 in Malaysia, the concepts of "par value" and "authorised share capital" were abolished and on that date, the shares of the Company ceased to have a par value. Consequently, the amounts standing in the share premium had become part of the Company's share capital.

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 July 2016 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 JULY 2017**

	<b>Current year to date 31/07/2017 RM'000</b>	<b>Preceding year corresponding year to date 31/07/2016 RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Profit before tax	47,843	36,239
Adjustments for:		
Depreciation of property, plant and equipment	66,704	55,214
Plant and equipment written off	7	15
Gain on disposal of property, plant and equipment	(236)	(506)
(Write-back)/write-down of inventories	(104)	30
Gain on disposal of investment securities held for trading	(47)	-
Net fair value gain on investment securities held for trading	(914)	(125)
Unrealised exchange loss	128	1,031
Dividend income	(141)	(134)
Interest income	(2,505)	(2,541)
Finance costs	2,440	3,039
<b>Operating cash flows before working capital changes</b>	<b>113,175</b>	<b>92,262</b>
Decrease in inventories	1,480	1,532
Increase in prepayments and receivables	(12,251)	(4,938)
Increase in payables	3,495	3,424
<b>Cash flows generated from operations</b>	<b>105,899</b>	<b>92,280</b>
Income taxes paid	(4,832)	(3,618)
Interest paid	(2,398)	(3,019)
Interest received	2,505	2,541
<b>Net cash flows generated from operating activities</b>	<b>101,174</b>	<b>88,184</b>
<b>INVESTING ACTIVITIES</b>		
Increase in short-term deposits with maturity more than three months	(45,135)	(1,000)
Purchase of investment securities held for trading	(3,787)	-
Proceeds from disposal of investment securities held for trading	886	-
Dividend income	141	134
Purchase of property, plant and equipment	(107,140)	(29,622)
Proceeds from disposal of property, plant and equipment	1,923	523
<b>Net cash flows used in investing activities</b>	<b>(153,112)</b>	<b>(29,965)</b>
<b>FINANCING ACTIVITIES</b>		
Repayment of obligations under finance leases	(2,475)	(1,350)
Repayment of bank loans	(35,988)	(39,756)
Proceeds from bank loans	63,370	3,067
Dividend paid on ordinary shares	(3,226)	(1,290)
<b>Net cash flows generated from/(used in) financing activities</b>	<b>21,681</b>	<b>(39,329)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(30,257)</b>	<b>18,890</b>
Effects of exchange rate changes	(50)	(1,066)
Cash and cash equivalents at beginning of the year	111,748	93,924
<b>Cash and cash equivalents at end of the year</b>	<b>81,441</b>	<b>111,748</b>

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Cash and cash equivalents comprised the following:

	<b>Current year to date 31/07/2017 RM'000</b>	<b>Preceding year corresponding year to date 31/07/2016 RM'000</b>
Cash at banks	42,670	26,034
Deposits with licensed banks	84,906	86,714
Cash and short-term deposits	127,576	112,748
Less: Short-term deposits with maturity more than three months	(46,135)	(1,000)
Cash and cash equivalents	81,441	111,748

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 July 2016 and the accompanying explanatory notes attached to the interim financial statements.



## **NOTES TO THE INTERIM FINANCIAL STATEMENTS**

### **1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board, International Accounting Standards (“IAS”) 34 “Interim Financial Reporting” and paragraph 9.22 and Part A of Appendix 9B of the Bursa Malaysia Securities Berhad’s Main Market Listing Requirements. The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 July 2016. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 July 2016.

### **2. Significant accounting policies**

The significant accounting policies and methods of computation adopted by the Group in the interim financial statements are consistent with those of the audited financial statements for the year ended 31 July 2016.

In the current financial year, the Group had adopted all the new/revised standards and interpretations that are effective for annual periods beginning on or after 1 August 2016. The adoption of these standards and interpretations did not have any material effect on the financial performance or position of the Group.

### **3. Audit report of preceding annual financial statements**

The audit report of the Group’s preceding annual financial statements was not qualified.

### **4. Seasonality or cyclicity of operations**

There was no material seasonal or cyclical fluctuation in the operations of the Group.

### **5. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence**

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

### **6. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years**

There were no changes in estimates of amounts reported in prior financial years.

### **7. Issues, repurchases, and repayments of debt and equity securities**

There were no issues, repurchases and repayments of debt and equity securities for the current financial year.

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**8. Dividends**

	<u>Current year to date</u> <u>31/7/2017</u> <u>RM'000</u>	<u>Preceding year corresponding year to date</u> <u>31/7/2016</u> <u>RM'000</u>
<b>Recognised during the financial year</b>		
Final tax exempt dividend for 2016 at 3 sen (2015: 3 sen) per ordinary share, was paid on 26 January 2017	1,290	1,290
Interim tax exempt dividend for 2017 at 6.5 sen (2016: 4.5 sen) per ordinary share, was paid on 24 August 2017	2,796	1,936
	<u>4,086</u>	<u>3,226</u>
<b>Proposed but not recognized as a liability as at 31 July</b>		
Final tax exempt dividend for 2017 at 6 sen (2016: 3 sen) per ordinary share, to be approved by shareholders at the Annual General Meeting	<u>2,581</u>	<u>1,290</u>

**9. Events not reflected in the financial statements**

There were no material subsequent events to be disclosed as at the date of this report.

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

There were no changes in the composition of the Group for the current financial year.

**11. Acquisition or disposal of items of property, plant and equipment**

During the current financial year, the Group acquired plant and equipment amounting to RM140,225,000, and disposed (including write-off) plant and equipment of net book value amounting to RM1,694,000.

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**12. Significant related party transactions**

	<u>Current year to date</u>	<u>Preceding year corresponding year to date</u>
	<u>31/07/2017</u>	<u>31/07/2016</u>
	<u>RM'000</u>	<u>RM'000</u>
Transactions with Sunright Limited, holding company of the Company, and its subsidiaries:		
Management fees charged by holding company	9,552	7,069
Dividends paid to holding company	1,978	1,562
Rendering of services to related companies	25	1,045
Purchases of equipment and consumables from related companies	2,722	837
Receiving of services from related companies	<u>18</u>	<u>56</u>

The directors are of the opinion that the above transactions were in the normal course of business and at terms mutually agreed between the companies.

**13. Significant commitments for purchase of property, plant and equipment**

Commitments for purchases of property, plant and equipment amounted to RM13,287,000 as at 31 July 2017.

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**14. Profit before tax**

	Individual period		Cumulative period	
	Current year quarter 31/07/2017 RM'000	Preceding year corresponding quarter 31/07/2016 RM'000	Current year to date 31/07/2017 RM'000	Preceding year corresponding year to date 31/07/2016 RM'000
Profit before tax is arrived at:				
After charging:				
Write-down of inventories	-	-	-	30
Plant and equipment written off	2	-	7	15
Net fair value loss on investment securities held for trading	-	11	-	-
Net foreign exchange loss	228	162	260	-
And crediting:				
Write-back of inventories	-	217	104	-
Gain on disposal of property, plant and equipment	-	410	236	506
Gain on disposal of investment securities held for trading	-	-	47	-
Net fair value gain on investment securities held for trading	477	-	914	125
Net foreign exchange gain	-	-	-	4

There was no gain or loss arising from derivatives, disposal of unquoted investments and exceptional items.

## **15. Detailed analysis of Group performance**

### Analysis of the performance for the current quarter

The Group's revenue increased by RM15.2 million or 20%, from RM74.5 million in the preceding year's fourth quarter to RM89.8 million for the current quarter ended 31 July 2017 ("4QFY2017"), mainly due to higher demand for burn-in and test services.

Raw materials and consumables used and changes in work-in-progress and finished goods increased by RM1.7 million or 24%, from RM7.2 million to RM9.0 million as a result of higher sales and absence of inventories write-back.

Employee benefits expense increased by RM2.0 million or 7%, mainly due to adjustments of wage rates and higher staff compensation to support the increased revenue.

Depreciation was higher by RM4.4 million or 31%, as additional machinery and test equipment were installed during the current financial year.

Other expenses were higher by RM3.3 million or 18%, mainly due to higher expenses on repairs and maintenance by RM2.1 million and management fees of RM0.8 million.

Consequently, the Group's profit before tax improved by RM3.4 million or 37%, from RM9.4 million to RM12.8 million in 4QFY2017.

### Analysis of the performance for the current financial year

The Group's revenue increased by RM52.3 million or 18%, from RM285.7 million in the preceding year to RM338.0 million for the current financial year as a result of higher demand for burn-in and test services.

Employee benefits expense increased by RM14.1 million or 14%, mainly due to adjustments of wage rates and higher staff compensation to support the increased revenue, improved staff welfare, training and skills upgrading to raise productivity and production efficiency.

Depreciation was higher by RM11.5 million or 21%, as additional machinery and test equipment were installed during the current financial year.

Other expenses were higher by RM13.4 million or 20%, mainly due to higher expenses on repairs and maintenance by RM7.7 million and utilities by RM1.9 million to support the increased revenue.

Therefore, the Group's profit before tax improved by RM11.6 million or 32%, from RM36.2 million to RM47.8 million in the current financial year.

### Analysis of financial position

Property, plant and equipment ("PPE") increased from RM169.8 million as at 31 July 2016 ("FY2016") to RM242.9 million as at 31 July 2017 ("FY2017"). The increase in PPE by RM73.1 million was primarily the result of high capital investments, totalling RM140.2 million, offset by the yearly depreciation of RM66.7 million in FY2017. The high capital expenditure is largely driven by the strong demand for the services, primarily to increase the burn-in and test capability and capacity.

Trade and other receivables were higher by 17% from RM70.4 million as at FY2016 to RM82.7 million as at FY2017. This was attributable to the increase in trade receivables of RM12.2 million as a result of higher sales.

The Group's cash and short-term deposits amounted to RM127.6 million as at FY2017. This was an increase of RM14.8 million from RM112.7 million as at FY2016, which represented the net surplus cash generated from operations.

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Trade and other payables were higher by 75% from RM42.5 million as at FY2016 to RM74.6 million as at FY2017. The increase was primarily the result of higher payables due for purchases of machinery and test equipment by RM19.4 million, as well as higher accrued operating expenses and payables by RM10.4 million to support the increased operational scale.

The Group's loans and borrowings increased from RM39.4 million as at FY2016 to RM69.5 million as at FY2017, to fund the capital expenditure.

**16. Material change in the profit before taxation compared to the results of the preceding quarter**

The Group achieved profit before tax of RM12.8 million for 4QFY2017, comparable to RM12.3 million in the preceding quarter ended 30 April 2017.

**17. Prospects**

The world-wide semiconductor revenue is estimated to reach USD401.4 billion in 2017, representing an increase of 16.8% from 2016, and a record year to surpass USD400 billion mark, driven by improvements in the memory segment.

The global economy is projected to grow by 3.5% in 2017, from 3.2% in 2016, according to the July 2017 outlook report from International Monetary Fund. However, this momentum may be disrupted by geopolitical and nuclear threats.

The Group anticipates its performance to be satisfactory given the positive market environment.

**18. Financial estimate, forecast or projection, or profit guarantee**

The Group did not issue financial estimate, forecast or projection, or profit guarantee previously in any public document.

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**19. Taxation**

	Individual Period		Cumulative Period	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding year to date
	31/07/2017	31/07/2016	31/07/2017	31/07/2016
	RM'000	RM'000	RM'000	RM'000
Current income tax				
- Malaysian income tax	(394)	(638)	3,924	3,592
- Under provision in prior years	(7)	29	109	29
	(401)	(609)	4,033	3,621
Deferred tax				
- Relating to origination and reversal of temporary differences	(203)	1,968	(203)	1,968
- Under/(over) provision in prior years	19	(33)	19	(33)
	(184)	1,935	(184)	1,935
	(585)	1,326	3,849	5,556

The effective tax rates for the current quarter and financial year were lower than the statutory tax rate, mainly due to the availability of certain tax benefits.

**20. Status of uncompleted corporate proposals**

There was no corporate proposal announced and not completed as at the date of this report.

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**21. Group borrowings and debt securities**

	<u>As at</u> <u>31/07/2017</u> <u>RM'000</u>	<u>As at</u> <u>31/07/2016</u> <u>RM'000</u>
(a) Obligations under finance leases - secured	6,085	3,357
Bank loans *	63,394	36,012
	<u>69,479</u>	<u>39,369</u>
(b) Repayable within 12 months	31,875	29,495
Repayable after 12 months	37,604	9,874
	<u>69,479</u>	<u>39,369</u>
(c) Total loans and borrowings denominated in:		
Renminbi	5,026	-
Ringgit Malaysia	64,453	39,369
	<u>69,479</u>	<u>39,369</u>

\* Included in the bank loans were secured term loans of RM5,026,000 (31/07/2016: Nil).

**22. Material litigation**

There was no material litigation as at the date of this announcement.

**23. Earnings per share**

**Basic earnings per ordinary share**

Basic earnings per ordinary share amounts are calculated by dividing profit net of tax, attributable to owners of the Company of RM43,994,000 by the weighted average number of 43,014,500 ordinary shares outstanding during the current financial year.

**Diluted earnings per ordinary share**

The Group has no potential ordinary shares in issue as at reporting date and therefore diluted earnings per share has not been presented.



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**24. Realised and unrealised profits**

	<b>As at end of current quarter 31/07/2017</b>	<b>As at preceding financial year end 31/07/2016</b>
	<b>RM'000</b>	<b>RM'000</b>
- Realised	298,202	260,337
- Unrealised	3,107	(195)
Total retained profits of the Company and its subsidiaries	301,309	260,142
Consolidation adjustments	(35,805)	(34,502)
Total group retained profits as per consolidated accounts	265,504	225,640

BY ORDER OF THE BOARD

Leong Oi Wah  
Company Secretary

Petaling Jaya  
Date : 19 September 2017

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**(Incorporated in Malaysia)**

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**SUMMARY OF KEY FINANCIAL INFORMATION**  
**FOR THE FOURTH QUARTER ENDED 31 JULY 2017**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER (31/07/2017) RM'000	PRECEDING YEAR CORRESPONDING QUARTER (31/07/2016) RM'000	CURRENT YEAR TO DATE (31/07/2017) RM'000	PRECEDING YEAR CORRESPONDING PERIOD (31/07/2016) RM'000
1.	Revenue	89,766	74,528	337,988	285,734
2.	Profit before tax	12,818	9,371	47,843	36,239
3.	Profit for the period	13,403	8,045	43,994	30,683
4.	Profit attributable to ordinary equity holders of the Company	13,403	8,045	43,994	30,683
5.	Basic earnings per share (sen)	31.2	18.7	102.3	71.3
6.	Proposed/Declared dividend per share (sen)	6.00	3.00	12.50	7.50

		AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
7.	Net assets per share attributable to ordinary equity holders of the Company (RM)	7.6517	6.6655

**ADDITIONAL INFORMATION**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER (31/07/2017) RM'000	PRECEDING YEAR CORRESPONDING QUARTER (31/07/2016) RM'000	CURRENT YEAR TO DATE (31/07/2017) RM'000	PRECEDING YEAR CORRESPONDING PERIOD (31/07/2016) RM'000
1.	Gross interest income	629	719	2,505	2,541
2.	Gross interest expense	895	671	2,440	3,039