

NYLEX (MALAYSIA) BERHAD

(Incorporated in Malaysia)

(Company No : 9378-T)

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE FINANCIAL QUARTER ENDED 31 MAY 2018
THE FIGURES HAVE NOT BEEN AUDITED

	Individual Quarter		Cumulative Quarter	
	31.05.2018 RM'000	31.05.2017 RM'000	31.05.2018 RM'000	31.05.2017 RM'000
Revenue	424,593	380,047	1,446,375	1,337,256
Cost of sales	(387,329)	(341,400)	(1,304,335)	(1,192,901)
Gross profit	37,264	38,647	142,040	144,355
Other income	2,466	1,505	4,614	3,202
Selling and distribution expenses	(15,108)	(15,822)	(58,818)	(57,497)
Administrative expenses	(14,360)	(12,489)	(45,884)	(45,623)
Other expenses	835	1,113	(478)	(277)
Finance costs	(3,093)	(2,674)	(11,156)	(7,921)
Share of results of an associate	469	(85)	258	(85)
Profit before tax	8,473	10,195	30,576	36,154
Taxation	(2,599)	(2,126)	(10,501)	(12,393)
Net profit for the year	5,874	8,069	20,075	23,761
Net profit attributable to:				
Owners of the parent	5,695	6,764	19,093	20,386
Non-controlling interests	179	1,305	982	3,375
	5,874	8,069	20,075	23,761
Earnings per share attributable to owners of the parent (sen)				
- basic	3.03	3.52	10.05	10.62
- diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statements of Profit or Loss should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2017)

NYLEX (MALAYSIA) BERHAD

(Incorporated in Malaysia)

(Company No : 9378-T)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL QUARTER ENDED 31 MAY 2018
THE FIGURES HAVE NOT BEEN AUDITED**

	Individual Quarter		Cumulative Quarter	
	31.05.2018 RM'000	31.05.2017 RM'000	31.05.2018 RM'000	31.05.2017 RM'000
Net profit for the year	<u>5,874</u>	<u>8,069</u>	<u>20,075</u>	<u>23,761</u>
Other comprehensive income/(loss) :				
Currency translation differences	938	(5,961)	(14,218)	7,101
Re-measurement of defined benefit liability	<u>1</u>	<u>6</u>	<u>(29)</u>	<u>13</u>
Other comprehensive income/(loss) for the year	<u>939</u>	<u>(5,955)</u>	<u>(14,247)</u>	<u>7,114</u>
Total comprehensive income for the year	<u><u>6,813</u></u>	<u><u>2,114</u></u>	<u><u>5,828</u></u>	<u><u>30,875</u></u>
Total comprehensive income attributable to:				
Owners of the parent	6,477	1,228	5,683	27,178
Non-controlling interests	<u>336</u>	<u>886</u>	<u>145</u>	<u>3,697</u>
	<u><u>6,813</u></u>	<u><u>2,114</u></u>	<u><u>5,828</u></u>	<u><u>30,875</u></u>

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2017)

NYLEX (MALAYSIA) BERHAD

(Incorporated in Malaysia)

(Company No : 9378-T)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MAY 2018**

	As at 31.05.2018 RM'000 (Unaudited)	As at 31.05.2017 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	146,197	159,706
Investment in an associate	573	315
Goodwill arising on consolidation	102,798	108,348
Deferred tax assets	25,066	25,590
	<u>274,634</u>	<u>293,959</u>
Current assets		
Inventories	90,363	118,586
Trade debtors	246,079	232,240
Other debtors, deposits and prepayments	34,420	29,779
Investment securities	1,067	546
Income tax recoverable	892	827
Amount owing by related companies	23,478	20,352
Short-term deposits with licensed banks	33,259	26,371
Cash and bank balances	75,259	82,678
	<u>504,817</u>	<u>511,379</u>
TOTAL ASSETS	<u>779,451</u>	<u>805,338</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	195,143	194,338
Reserves	18,612	32,798
Retained profits	135,353	120,127
Less: Treasury shares, at cost	(4,883)	(1,386)
	<u>344,225</u>	<u>345,877</u>
Non-controlling interests	16,011	16,586
Total equity	<u>360,236</u>	<u>362,463</u>
Non-current liabilities		
Deferred tax liabilities	1,405	1,307
Long term borrowings	41,368	49,658
Provision for retirement benefits	4,672	4,221
	<u>47,445</u>	<u>55,186</u>
Current liabilities		
Trade creditors	127,610	138,470
Other creditors and accrued expenses	30,099	28,249
Amount owing to related companies	3	27
Short-term borrowings	212,691	216,913
Income tax payable	1,367	4,030
	<u>371,770</u>	<u>387,689</u>
Total liabilities	<u>419,215</u>	<u>442,875</u>
TOTAL EQUITY AND LIABILITIES	<u>779,451</u>	<u>805,338</u>
Net Assets per share attributable to owners of the parent (RM)	1.84	1.80

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2017)

NYLEX (MALAYSIA) BERHAD

(Incorporated in Malaysia)

(Company No : 9378-T)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MAY 2018**

	←----- Attributable to owners of the parent ----->						Non-	Total
	Share capital RM'000	Share premium RM'000	Translation reserve RM'000	Retained profits RM'000	Treasury shares RM'000	Total RM'000	controlling interests RM'000	equity RM'000
12 month period ended 31 May 2018								
Balance as at 01 June 2017	194,338	805	31,993	120,127	(1,386)	345,877	16,586	362,463
Net profit for the year	-	-	-	19,093	-	19,093	982	20,075
Other comprehensive loss	-	-	(13,381)	(29)	-	(13,410)	(837)	(14,247)
Total comprehensive (loss)/income for the year	-	-	(13,381)	19,064	-	5,683	145	5,828
Transactions with owners								
Dividends								
- Final single-tier dividend for the financial year ended 31 May 2017	-	-	-	(3,838)	-	(3,838)	-	(3,838)
Dividends paid to non-controlling interests of a subsidiary	-	-	-	-	-	-	(720)	(720)
Purchase of treasury shares	-	-	-	-	(3,497)	(3,497)	-	(3,497)
Total transactions with owners	-	-	-	(3,838)	(3,497)	(7,335)	(720)	(8,055)
Transfer pursuant to Companies Act 2016	805	(805)	-	-	-	-	-	-
Balance as at 31 May 2018	195,143	-	18,612	135,353	(4,883)	344,225	16,011	360,236
12 month period ended 31 May 2017								
Balance as at 01 June 2016	194,338	805	25,214	103,567	(1,188)	322,736	13,103	335,839
Net profit for the year	-	-	-	20,386	-	20,386	3,375	23,761
Other comprehensive income	-	-	6,779	13	-	6,792	322	7,114
Total comprehensive income for the year	-	-	6,779	20,399	-	27,178	3,697	30,875
Transactions with owners								
Dividends								
- Final single-tier dividend for the financial year ended 31 May 2016	-	-	-	(3,839)	-	(3,839)	-	(3,839)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	(95)	(95)
Remeasurement of acquisition of a subsidiary	-	-	-	-	-	-	(119)	(119)
Purchase of treasury shares	-	-	-	-	(198)	(198)	-	(198)
Total transactions with owners	-	-	-	(3,839)	(198)	(4,037)	(214)	(4,251)
Balance as at 31 May 2017	194,338	805	31,993	120,127	(1,386)	345,877	16,586	362,463

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2017)

NYLEX (MALAYSIA) BERHAD

(Incorporated in Malaysia)

(Company No : 9378-T)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 MAY 2018**

	FY 2018	FY 2017
	12 months ended	12 months ended
	31.05.2018	31.05.2017
	RM'000	RM'000
	(Unaudited)	(Audited)
Cash Flows From Operating Activities		
Profit before tax	30,576	36,154
Adjustments for non-cash items	20,780	20,370
Operating cash flows before working capital changes	51,356	56,524
Working Capital Changes		
Receivables	(25,891)	(75,970)
Inventories	22,493	(26,838)
Payables	(4,070)	46,968
Group companies	(1,874)	(12,120)
Associate	569	-
Cash flows generated from/(used in) operations	42,583	(11,436)
Tax paid	(12,420)	(10,385)
Retirement benefits paid	(2)	(239)
Net Cash Flows From/(Used In) Operating Activities	30,161	(22,060)
Cash Flows From Investing Activities		
Proceeds from disposal of property, plant and equipment	268	476
Purchase of property, plant and equipment	(2,166)	(64,404)
Acquisition of investment securities	(650)	-
Acquisition of interest in associate company	-	(400)
Interest received	2,468	1,697
Dividend received	17	11
Placement of short-term deposits		
- pledged with a licensed bank	(5,966)	-
- with maturity of more than three (3) months	(3,514)	-
Net Cash Flows Used In Investing Activities	(9,543)	(62,620)
Cash Flows From Financing Activities		
Dividends paid to shareholders of the Company	(3,838)	(3,839)
Dividends paid to non-controlling interests of subsidiary	(720)	(95)
Repayment of hire-purchase creditors	-	(8)
Drawdown of term loans and advances	173,649	194,993
Repayment of term loans and advances	(179,886)	(55,079)
Purchase of treasury shares	(3,492)	(198)
Interest paid	(11,155)	(7,921)
Net Cash Flows (Used In)/From Financing Activities	(25,442)	127,853
Net Increase in Cash and Cash Equivalents	(4,824)	43,173
Effects of Exchange Rate Changes	(9,552)	2,214
Cash and Cash Equivalents at Beginning of Year	109,049	65,052
Effects of Exchange Rate Changes	4,365	(1,390)
Cash and Cash Equivalents at End of Year	99,038	109,049
The Cash and Cash Equivalents Comprise:		
Cash and bank balances	75,259	82,678
Short-term deposits	33,259	26,371
	108,518	109,049
Less: Short-term deposits pledged with a licensed bank	(5,966)	-
Short-term deposits with maturity of more than three (3) months	(3,514)	-
	99,038	109,049

(The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2017)



NYLEX (MALAYSIA) BERHAD

(Incorporated in Malaysia)
(Company No.: 9378-T)

**Notes to the Interim Financial Report
– For the 4th Financial Quarter Ended 31 May 2018**

A. COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134, INTERIM FINANCIAL REPORTING AND BURSA SECURITIES LISTING REQUIREMENTS
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A1. Basis of Preparation

This Interim Financial Report (“Report”) is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”). This Report complies with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board.

This Report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 May 2017.

These notes to the Report 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 May 2017.

A2. Significant accounting policies

The significant accounting policies and methods of computation adopted by the Group in this Report are consistent with those adopted in the most recent audited financial statements for the year ended 31 May 2017 except for the adoption of the following Amendments to MFRSs (collectively referred to as “pronouncements”):

MFRS 12	Annual Improvements to MFRS Standards 2014-2016 Cycle
MFRS 107	Disclosure Initiative
MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses

The adoption of the above pronouncements will have no material impact on the financial statements of the Group and of the Company.

A3. Seasonality or Cyclicity of Interim Operations

The operations of the Group were not significantly affected by seasonality and cyclicity factors.

A4. Items of Unusual Nature and Amount

There were no items affecting the assets, liabilities, equity, net income, or cash flows of the Group that are unusual because of their nature, size or incidence.

A5. Changes in Estimates Reported in Prior Interim Periods

There were no changes in estimated amounts reported in prior periods, which have a material effect on the current period.

A6. Debts and Equity Securities

There were no issuance, cancellation, repurchases, resale and repayments of debts and equity securities for the current quarter and financial year-to-date, except for the following:

Treasury shares:

At the Company's 47th Annual General Meeting held on 19 October 2017, the shareholders of the Company approved the proposed renewal of shareholders' mandate for the Company to repurchase up to 10% of its own ordinary shares. For the current quarter and the financial year-to-date, the Company repurchased 816,700 and 4,344,100, respectively, of ordinary shares in the Company pursuant to Section 127 of the Companies Act 2016, details of which are as follows:

Date	No. of Shares	Highest Price (RM)	Lowest Price (RM)	Average Price (RM)	Total Consideration (RM)
November 2017	1,573,800	0.890	0.800	0.8194	1,295,205.91
December 2017	1,588,100	0.865	0.780	0.7968	1,270,873.54
January 2018	45,000	0.840	0.805	0.8161	36,921.75
February 2018	320,500	0.840	0.770	0.7956	256,215.67
	1,953,600				1,564,010.96
March 2018	706,800	0.800	0.755	0.7877	559,443.37
April 2018	53,900	0.765	0.705	0.7349	40,007.41
May 2018	56,000	0.680	0.620	0.6657	37,565.16
	816,700				637,015.94
Total	4,344,100				3,496,232.81

Note: The consideration is inclusive of brokerage, contract stamp and clearing fees.

As at 31 May 2018, a total of 6,781,024 treasury shares at a total cost of RM4,882,649.03 were held by the Company pursuant to Section 127 (4) (b) of the Companies Act 2016.

A7. Dividend Paid

On 6 December 2017, the Company paid a final single-tier dividend of 2.0 sen per share amounting to RM3,837,578.72 in respect of the financial year ended 31 May 2017.

A8. Segment Revenue and Results

The segment revenue and segment results for business segments for the current financial year-to-date are as follows: -

12-Month period ended 31.05.2018	Polymer RM'000	Industrial Chemical RM'000	Logistics RM'000	Investment Holding RM'000	Eliminations RM'000	Consolidated RM'000
Revenue						
External sales	125,825	1,290,799	29,751	-	-	1,446,375
Inter-segment sales	-	2,286	-	-	(2,286)	-
Total revenue	125,825	1,293,085	29,751	-	(2,286)	1,446,375

12-Month period ended 31.05.2018	Polymer RM'000	Industrial Chemical RM'000	Logistics RM'000	Investment Holding RM'000	Eliminations RM'000	Consolidated RM'000
Results						
Segment result	15,046	30,453	6,710	(10,477)	-	41,732
Finance costs						(11,156)
Profit before tax						30,576
Taxation						(10,501)
Net profit for the year						20,075
Non-controlling interests						(982)
Net profit after non-controlling interests						19,093
12-Month period ended 31.05.2017						
	Polymer RM'000	Industrial Chemical RM'000	Logistics RM'000	Investment Holding RM'000	Eliminations RM'000	Consolidated RM'000
Revenue						
External sales	125,682	1,200,489	11,085	-	-	1,337,256
Inter-segment sales	-	411	319	-	(730)	-
Total revenue	125,682	1,200,900	11,404	-	(730)	1,337,256
Results						
Segment result	18,341	33,657	(955)	(6,968)	-	44,075
Finance costs						(7,921)
Profit before tax						36,154
Taxation						(12,393)
Net profit for the year						23,761
Non-controlling interests						(3,375)
Net profit after non-controlling interests						20,386

A9. Valuation of Property, Plant and Equipment

The valuations of land and buildings have been brought forward, without amendment from the Audited Financial Statements for the financial year ended 31 May 2017. The carrying values are based on valuations carried out in 1985 by independent qualified valuers less accumulated depreciation. Upon transition to MFRS 1 on 1 June 2011, the Group elected to use the previously revalued leasehold land and buildings carrying amounts as deemed cost.

A10. Material Events Subsequent to the End of the Current Period

There were no material events subsequent to the end of the current period up to the date of this Report that have not been reflected in the financial statements for the current period.

A11. Changes in Composition of the Group

There were no material changes in the composition of the Group for the current quarter and financial year-to-date including business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructuring or discontinuing operations, except for the following:

The Company had, on 30 March 2018, entered into a Share Sale Agreement (“Agreement”) for the disposal of its entire shares held in NYL Logistics Sdn. Bhd. (“NYL”), a 60% owned subsidiary company for a proportionate consideration of RM8,640,000 (“Proposed Disposal”).

Upon completion of the Proposed Disposal on 28 June 2018, NYL ceased to be a subsidiary of Nylex on the same date.

A12. Contingent Liabilities

There were no contingent liabilities since the last annual Statements of Financial Position as at 31 May 2017.

A13. Capital Commitment

The capital commitment as at 31 May 2018 are as follows:

	RM'000
Property, plant and equipment	
- Approved and contracted	221
- Approved but not contracted	<u>118</u>
	<u>339</u>

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS

B1. Detailed Analysis of the Performance of All Operating Segments of the Group for the Current Quarter and Financial Year-To-Date

	Individual Quarter			Cumulative Quarter		
	Current Year	Preceding Year	Changes %	Current Year	Preceding Year	Changes %
	31.05.2018 RM'million	31.05.2017 RM'million		31.05.2018 RM'million	31.05.2017 RM'million	
Revenue	424.6	380.0	11.7	1,446.4	1,337.3	8.2
Profit before interest and tax	11.6	12.9	(10.1)	41.7	44.1	(5.3)
Profit before tax	8.5	10.2	(16.9)	30.6	36.2	(15.4)
Profit after tax	5.9	8.1	(27.2)	20.1	23.8	(15.5)
Profit attributable to owners of the parent	5.7	6.8	(15.8)	19.1	20.4	(6.3)

For the twelve months ended 31 May 2018, the Nylex Group posted higher revenue of RM1,446.4 million, which represents an increase of 8.2% from RM1,337.3 million recorded in the same period last financial year. The increase in revenue was mainly due to higher contribution from the Industrial Chemical Division. The Group's profit before tax ("PBT") decline by 15.4% from RM36.2 million recorded in the corresponding period last financial year, to RM30.6 million for the twelve months in the current financial year, after taking into account the losses on foreign exchange of RM3.2 million and corporate expenses. The Group recorded gain on foreign exchange of RM3.1 million for the same period last financial year.

For the current quarter under review, the Nylex Group registered higher revenue of RM424.6 million, which represents an increase of 11.7% from RM380.0 million recorded in the same period last financial year. The increase in revenue was mainly due to higher contribution from the Industrial Chemical Division. As a result of the lower average margins earned for some of its products, the PBT for the period is lower at RM8.5 million, compared to RM10.2 million recorded in the corresponding period last year, after taking into account some impairment in receivables.

The Polymer Division posted higher revenue of RM34.9 million for the current financial quarter, an increase of 9.3%, compared with RM31.9 million in the corresponding quarter in Q4 FY 2017 mainly due to higher contribution by its manufacturing plant in Surabaya, Indonesia. As a result of generally lower product margins, the Division posted lower PBT of RM3.2 million compared with RM6.5 million achieved in the same period last year, after recognising an impairment of receivables of RM0.9 million.

The Industrial Chemical Division posted higher revenue of RM381.6 million for the quarter compared with RM343.7 million recorded in the same period last year, contributed by higher volume sold for certain products. Consequently, the Division posted higher PBT of RM7.0 million for the quarter, as compared to RM6.3 million achieved in the same period last year.

During the quarter, the Logistics Division contributed higher revenue of RM8.0 million compared with RM4.4 million recorded in the same period last year. The Division recorded PBT of RM2.9 million compared to a loss of RM0.3 million suffered in the corresponding quarter in Q4 FY 2017, attributed to improved performance of *Nylex 1*, and also higher foreign exchange gain recognized during the quarter, compared with same period last year.

B2. Material Change in the Profit Before Taxation for the Current Quarter as compared with Immediate Preceding Quarter

	Current Quarter 31.05.2018 RM'million	Immediate Preceding Quarter 28.02.2018 RM'million	Changes %
Revenue	424.6	344.8	23.1
Profit before interest and tax	11.6	10.2	13.8
Profit before tax	8.5	7.4	14.0
Profit after tax	5.9	5.0	18.6
Profit attributable to owners of the parent	5.7	4.7	20.1

For the current quarter under review, the Group recorded higher revenue of RM424.6 million compared to RM344.8 million achieved in the immediate preceding quarter, mainly due to higher volume sold for certain products. Consequently, higher PBT of RM8.5 million was recorded compared with RM7.4 million in the immediate preceding quarter.

B3. Future Prospects

The uncertainty and risks associated with trade policies intensified amid the escalating trade disputes between the United States and its major trading partners. Such uncertainty and risks eventually could lead to an adverse impact on global trade and activities and market volatility may be expected in the regional economy. The uncertain market conditions may put downward pressure on product margins for the Group's operating divisions for the next financial year ending 31 May 2019.

The Board will continue to seek ways to safeguard and improve its profitability.

B4. Variance of Actual Profit from Forecast Profit/Profit Guarantee

This is not applicable as there was no forecast profit or profit guarantee issued in respect of the current financial year.

B5. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year 31.05.2018 RM'000	Preceding Year 31.05.2017 RM'000	Current Year 31.05.2018 RM'000	Preceding year 31.05.2017 RM'000
Taxation based on results for the period				
- Current				
Malaysian	(645)	(1,728)	(6,784)	(7,928)
Foreign	(1,258)	(1,425)	(3,105)	(4,874)
- Deferred tax	(520)	(38)	(488)	(734)
	<u>(2,423)</u>	<u>(3,191)</u>	<u>(10,377)</u>	<u>(13,536)</u>
(Under)/Over provision in prior years	(176)	1,065	(124)	1,143
	<u><u>(2,599)</u></u>	<u><u>(2,126)</u></u>	<u><u>(10,501)</u></u>	<u><u>(12,393)</u></u>

The effective tax rate of the Group is higher than the statutory tax rate mainly due to the losses recorded in certain subsidiary in the current financial period were not allowed for any tax benefit in the Group and also certain expenses which are not deductible for tax purposes.

B6. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this report.

B7. Utilisation of Proceeds

Not applicable as the Company has not raised any proceeds from any of its corporate exercise.

B8. Group Borrowings

	As At 31.05.2018 (RM'000 equivalent)	As At 31.05.2017 (RM'000 equivalent)
Short-term borrowings		
Secured		
- United States Dollar	48,521	34,072
- Vietnamese Dong	-	3,389
	<u>48,521</u>	<u>37,461</u>
Unsecured		
- Ringgit Malaysia	163,266	179,452
- United States Dollar	904	-
	<u>164,170</u>	<u>179,452</u>
	<u>212,691</u>	<u>216,913</u>
Long-term borrowings		
Secured		
- United States Dollar	41,368	49,658
	<u>41,368</u>	<u>49,658</u>
Total Borrowings	<u>254,059</u>	<u>266,571</u>

B9. Derivatives Financial Instruments

The Group enters into foreign exchange derivatives to manage the exposure to foreign exchange risk when the Company and its subsidiaries enter into transactions that are not denominated in their functional currencies.

The foreign exchange derivatives are recognised on the contract dates and are measured at fair value with changes in fair value recognised in profit or loss.

There were no outstanding foreign exchange derivatives as at 31 May 2018.

B10. Notes to the Consolidated Statements of Profit or Loss for the Current Quarter and Financial Year-To-Date

The Profit Before Taxation was arrived at after charging/(crediting) the following:

	Current Quarter 31.05.2018 RM'000	Financial Year-To-Date 31.05.2018 RM'000
Interest income	(816)	(2,808)
Dividend income	(10)	(17)
Interest expense	3,093	11,156
Depreciation and amortisation	2,756	11,330
Provision for and write off of receivables	934	784
Provision for and write off of inventories	1,504	844
Loss/(Gain) on disposal of unquoted investments	-	-
(Gain)/Loss on foreign exchange	(3,013)	3,212
Impairment of goodwill	-	-
Fair value (gain)/loss on investments	(20)	129
Fair value loss on derivatives	11	-

B11. Material Litigation

There was no material litigation since the date of the last annual Statements of Financial Position as at 31 May 2017.

B12. Dividends

Subject to the approval by the Company's shareholders at the forthcoming annual general meeting, the Directors are recommending a final single-tier dividend of 2.0 sen per share.

The Company will announce the book closure date and the date of payment in due course.

Other than the above recommended dividend, there is no other dividend declared by the Company for the current financial year.

For the last financial year, the Company paid a final single-tier dividend of 2.0 sen per share amounting to RM3,837,578.72.

B13. Earnings per Share

Basic Earnings Per Share

The calculation of basic earnings per share was based on the net profit attributable to owners of the parent for the current quarter of RM5,695,953 (31.05.2017: RM6,764,013) and net profit of RM19,092,704 (31.05.2017: RM20,385,935) for the financial year-to-date as reported in the condensed consolidated statements of profit or loss of the Group, divided by the weighted average number of ordinary shares in issue during the current quarter of 187,758,812 (31.05.2017: 191,900,936) and for the financial year-to-date of 190,057,978 (31.05.2017: 191,996,189).

Diluted Earnings Per Share

The Group has no potential ordinary shares in issue as at reporting date. Therefore, Diluted Earnings Per Share equals to Basic Earnings Per Share.

B14. Qualification of Auditors' Report of Preceding Financial Statements

There was no audit qualification in the auditors' report of the Group's Audited Financial Statements for the financial year ended 31 May 2017.

BY ORDER OF THE BOARD

Choo Se Eng
Stephen Geh Sim Whye
Company Secretaries

Petaling Jaya
26 July 2018