



SALUTICA BERHAD

(Company No. 1024781-T)

(Incorporated in Malaysia)

The Board of Directors of Salutica Berhad (“**Salutica**” or the “**Company**”) (“**Board**”) is pleased to announce the following unaudited consolidated results for the third quarter and financial period ended (“**FPE**”) 31 MARCH 2017.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER AND FPE 31 MARCH 2017

	Note	Current quarter 3 months ended		Cumulative quarter 9 months ended	
		31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 RM'000
Revenue	A9	31,530	38,106	195,393	169,790
Profit from operations		1,065	929	22,713	23,192
Finance costs		(77)	(265)	(283)	(549)
Profit before taxation		988	664	22,430	22,643
Income tax expense	B5	(135)	(171)	(5,450)	(5,830)
Profit for the period	B1	853	493	16,980	16,813
Other comprehensive income, net of taxation		-	-	-	-
Total comprehensive income for the period		853	493	16,980	16,813
Profit and total comprehensive income attributable to:					
Owners of the Company		853	493	16,980	16,813
Non-controlling interest		-	-	-	-
Total comprehensive income for the period		853	493	16,980	16,813
Earnings per share					
Basic (Sen)	B15	0.22	0.16	4.38	5.42

Note:

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is unaudited and should be read in conjunction with the audited financial statements of the Company for the financial year ended (“**FYE**”) 30 June 2016 and the accompanying explanatory notes attached to the interim financial statements.

SALUTICA BERHAD

(Company No. 1024781-T)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2017

	Note	As at 31.03.2017 RM'000 (Unaudited)	As at 30.6.2016 RM'000 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment		43,651	40,096
Intangible assets		2,057	2,191
Other investments		119	119
Deferred tax assets		-	172
		45,827	42,578
Current assets			
Inventories		32,531	34,289
Trade and other receivables		15,988	28,402
Derivative financial instruments		-	113
Current tax assets		-	21
Short term investment		44,704	57,733
Deposits, bank and cash balances		49,385	40,163
		142,608	160,721
TOTAL ASSETS		188,435	203,299
EQUITY AND LIABILITIES			
Equity			
Share capital		91,802	38,800
Share premium		-	53,002
Reserves		73,175	63,179
Total equity attributable to owners of the Company		164,977	154,981
Non-controlling interests		-	-
TOTAL EQUITY		164,977	154,981
Non-current liabilities			
Borrowings	B10	1,175	3,382
Deferred Tax Liability		1,586	-
		2,761	3,382
Current liabilities			
Payables and accruals		16,120	40,500
Derivative financial instruments		-	46
Borrowings	B10	3,321	4,390
Current tax liabilities		1,256	-
		20,697	44,936
TOTAL LIABILITIES		23,458	48,318
TOTAL EQUITY AND LIABILITIES		188,435	203,299
Net assets per ordinary share attributable to ordinary equity holders of the Company (Sen)		42.52	39.94

Note:

The Condensed Consolidated Statement of Financial Position is unaudited and should be read in conjunction with the audited financial statements of the Company for FYE 30 June 2016 and the accompanying explanatory notes attached to the interim financial statements.



SALUTICA BERHAD

(Company No. 1024781-T)

(Incorporated in Malaysia under the Companies Act, 1965)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER AND FPE 31 MARCH 2017

	<----- Attributable to owners of the Company ----->				
	<----- Non Distributable Reserve ----->			<- Distributable ->	
	Share capital RM'000	Share premium RM'000	Fair value reserve RM'000	Retained earnings RM'000	Total RM'000
At 1 July 2016	38,800	53,002	16	63,163	154,981
Total comprehensive income for the year	-	-	-	16,980	16,980
Transition to no-par value regime on 31 January 2017 *	53,002	(53,002)	-	-	-
Dividends	-	-	-	(6,984)	(6,984)
At 31 March 2017	91,802	-	16	73,159	164,977
At 1 July 2015	31,000	-	16	45,166	76,182
Total comprehensive income for the year	-	-	-	16,813	16,813
Dividends	-	-	-	(2,000)	(2,000)
At 31 March 2016	31,000	-	16	59,979	90,995

Note:

The Condensed Consolidated Statement of Changes in Equity is unaudited and should be read in conjunction with the audited financial statements of the Company for FYE 30 June 2016 and the accompanying explanatory notes attached to the interim financial statements.

* The new Companies Act 2016 (the "Act"), which came into operation on 31 January 2017, abolished the concept of authorized share capital and par value of share capital. Consequently, the amounts standing to the credit of the share premium account become part of the Company's share capital pursuant to the transitional provisions set out in Section 618 (2) of the Act. Notwithstanding this provision, the Company may within 24 months from the commencement of the Act, use the amount standing to the credit of its share premium account of RM53,002,368.00 for purposes as set out in Sections 618 (3). There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.



SALUTICA BERHAD

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CONDENSED CONSOLIDATED CASH FLOWS STATEMENT FOR THE THIRD QUARTER AND FPE 31 MARCH 2017

	Note	Current Quarter Ended 31.03.2017 RM'000	Preceding year corresponding quarter ended 31.03.2016 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit for the financial period		16,980	16,813
Adjustments for:			
Property, plant and equipment			
- depreciation		4,858	4,719
- gains on disposal		(9)	(29)
- write off		5	17
- work-in-progress		(203)	-
Amortisation/(Capitalisation) of development costs		134	-
Finance costs		283	549
Finance income		(1,076)	(834)
Short term investment			
- Gain on disposal		(68)	(6)
- Fair value changes		(1,151)	-
Inventories			
- Allowance / (reversal) for slow moving		2	(51)
Provision		34	34
Gain from early settlement of finance lease		-	(1,149)
Taxation (income)/expenses		5,450	5,830
Fair value (gain)/loss on derivative financial instruments		68	(412)
Unrealised loss on foreign exchange		88	344
Operating profit before changes in working capital		25,395	25,825
Changes in working capital:			
Inventories		1,755	(14,393)
Trade and other receivables		12,328	(1,107)
Trade and other payables		(24,352)	(7,401)
Cash generated from operations		15,126	2,924
Income tax paid		(2,430)	(210)
Income tax refund		15	-
Net cash generated from operating activities		12,711	2,714
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	B6	(8,246)	(3,666)
Acquisition of other investment		-	(64)
Proceeds from disposal of plant and equipment		39	355
Interest received		1,076	834
(Placement)/uplift of deposit with bank with maturity period of more than three months		(10,000)	8,800
Purchase of short term investment		(24,350)	(4,000)
Proceeds from sale of short term investment		38,598	4,006
Net investing cash flow		(2,883)	6,265
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of hire-purchase creditor		(705)	(415)
Repayment of term loans		(2,570)	(1,139)
Uplift of deposits with bank as security		5,000	1,500
Interest paid		(283)	(549)
Dividend paid		(6,984)	(2,000)
Net cash from/(used in) financing activities		(5,542)	(2,603)



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CONDENSED CONSOLIDATED CASH FLOWS STATEMENT FOR THE THIRD QUARTER AND FPE 31 MARCH 2017

Note	Current Quarter Ended 31.03.2017 RM'000	Preceding year corresponding quarter ended 31.03.2016 RM'000
NET INCREASE IN CASH AND CASH EQUIVALENTS	4,286	6,376
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	35,163	25,918
Effect of change in foreign currency exchange rates	(64)	-
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	39,385	32,294
Cash and cash equivalents comprise:		
Short-term deposits with licensed banks	30,700	24,500
Cash and bank balances	8,685	7,794
	39,385	32,294
Deposits with maturity more than 3 months	10,000	5,000
	49,385	37,294

Note:

The Condensed Consolidated Cash Flows Statement is unaudited and should be read in conjunction with the audited financial statements of the Company for FYE 30 June 2016 and the accompanying explanatory notes attached to the interim financial statements.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS THIRD QUARTER ENDED 31 MARCH 2017

A COMPLIANCE WITH MALAYSIA FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING AND THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”) (“LISTING REQUIREMENTS”)

A1 Basis of preparation

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 and Appendix 9B of the Listing Requirements.

These condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Company for FYE 30 June 2016 and the accompanying explanatory notes therein. The explanatory notes attached to these condensed consolidated interim financial statements provide an explanation of events and transaction that are significant to an understanding of the changes in the financial position and performance of Salutica and its subsidiary (“Group”) since the FYE 30 June 2016.

A2 Changes in accounting policies

The significant accounting policies adopted in these quarterly financial statements are consistent with those adopted as disclosed in the audited financial statements of the Group for FYE 30 June 2016.

New standards, amendments to published standards and Issue Committee (“IC”) interpretations to existing standards that are applicable to the group and are effective

There are no new standards, amendments to published standards and IC interpretations to existing standards that are applicable to the Group for the current financial period.

New standards early adopted by the Group

There are no standards early adopted by the Group.

New standards, amendments to published standards and IC interpretations to existing standards that are applicable to the Group but not yet effective

The Group will apply the new standards, amendments to published standards and IC interpretations in the following financial period:

Effective for the financial year beginning on/after 1 July 2016

- Amendments to MFRS 116 and MFRS 138 “Clarification of Acceptable Methods of Depreciation and Amortisation”
- Amendments to MFRS 127 “Separate Financial Statements – Equity Accounting in Separate Financial Statements”
- Amendments to MFRS 101 “Presentation of Financial Statements – Disclosure Initiative”
- Amendments to MFRS 10, 12 & 128 “Investment entities – Applying the Consolidation Exception”
- Annual Improvements to MFRSs 2012 – 2014 Cycle (Amendments to MFRS 5 “Non-current Assets Held for sale and Discontinued Operations”, MFRS 7 “Financial Instruments: Disclosures” and MFRS 134 “Interim Financial Reporting”)



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NOTES TO THE INTERIM FINANCIAL STATEMENTS THIRD QUARTER ENDED 31 MARCH 2017

A2 Changes in accounting policies (cont'd)

New standards, amendments to published standards and IC interpretations to existing standards that are applicable to the Group but not yet effective (cont'd)

Effective for the financial year beginning on/after 1 July 2017

- Amendments to MFRS 107 "Statement of Cash Flows – Disclosure Initiative"
- Amendments to MFRS 112 "Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses"

Effective for the financial year beginning on/after 1 July 2018

- MFRS 9 "Financial Instruments"
- MFRS 15 "Revenue from Contracts with Customers"
- Annual Improvements to MFRSs 2014 – 2016 Cycle (Amendments to MFRS 128 "Investments in Associates and Joint Ventures")
- IC Interpretation 22 "Foreign Currency Transactions and Advance Consideration"

Effective for the financial year beginning on/after 1 July 2019

- MFRS 16 "Leases"

The initial application of the above mentioned standards and amendments are not expected to have any material financial impacts to the current and prior periods' financial statements of the Group except as the mentioned below:

- Amendments to MFRS 107 'Statement of Cash Flows – Disclosure Initiative' (effective from 1 January 2017) introduce an additional disclosure on changes in liabilities arising from financing activities.
- Amendments to MFRS 112 'Income Taxes - Recognition of Deferred Tax Assets for Unrealised Losses' (effective from 1 January 2017) clarify the requirements for recognising deferred tax assets on unrealised losses arising from deductible temporary difference on asset carried at fair value.

In addition, in evaluating whether an entity will have sufficient taxable profits in future periods against which deductible temporary differences can be utilised, the amendments require an entity to compare the deductible temporary differences with future taxable profits that excludes tax deductions resulting from the reversal of those temporary differences.

The Group is currently assessing the financial impact that may arise from the adoption of these standards.

A3 Auditors' report on preceding annual financial statements

The auditors' report on the preceding audited financial statements of the Group for the FYE 30 June 2016 was not subject to any qualification.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS THIRD QUARTER ENDED 31 MARCH 2017

A4 Seasonal or cyclical factors

The operations of the Group during the current quarter as compared to the preceding quarter are also subject to seasonal factors due to the increase in demand for consumer electronic products during the year-end holiday period in many countries globally.

A5 Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that is 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 quarter.

A6 Changes in estimates

There were no material changes in estimates of amounts reported in prior interim period or financial year that have a material effect in the current quarter.

A7 Changes in debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter.

A8 Dividends paid

The following dividends were paid during the FPE 31 March 2017:

	FPE 31.03.2017 RM'000
First interim single-tier tax exempt dividend in respect of FYE 30 June 2017 of 0.6 sen per share declared on 15 August 2016 and paid on 30 September 2016 (based on 388,000,000 shares)	2,328
Second interim single-tier tax exempt dividend in respect of FYE 30 June 2017 of 0.6 sen per share declared on 24 November 2016 and paid on 23 December 2016 (based on 388,000,000 shares)	2,328
Third interim single-tier tax exempt dividend in respect of FYE 30 June 2017 of 0.6 sen per share declared on 20 February 2017 and paid on 31 March 2017 (based on 388,000,000 shares)	2,328
	<hr/> 6,984 <hr/>

In addition, the dividend paid for the previous FPE 31 March 2016 is as follows:

	FPE 31.03.2016 RM'000
First interim single-tier tax exempt dividend in respect of FYE 30 June 2016 of 0.645 sen per share declared on 12 October 2015 and paid on 23 October 2015 (based on 310,000,000 shares)	2,000
	<hr/> 2,000 <hr/>



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NOTES TO THE INTERIM FINANCIAL STATEMENTS THIRD QUARTER ENDED 31 MARCH 2017

A9 Operating segments

The principal activities of the Group comprises vertical integration processes covering product design and development, and manufacturing of mobile communication products, wireless electronics and lifestyle devices. Operating segment information has therefore not been prepared as the Group's revenue and operating profit before taxation are mainly confined to one operating segment.

In presenting information on the basis of geographical segments, segment revenue is based on geographical markets where the goods are delivered rather than the origin of the customers as follows:

	Current quarter 3 months ended		Cumulative quarter 9 months ended	
	31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 RM'000
North America	22,817	33,146	153,066	153,370
Europe	4,804	1,206	19,860	4,459
Australia (including New Zealand, Oceania)	52	20	1,534	87
Asia (excluding Malaysia)	3,444	3,312	19,560	10,818
Africa (including Middle East)	2	4	10	25
Malaysia	411	418	1,363	1,031
Total	31,530	38,106	195,393	169,790

A10 Valuation of property, plant and equipment

There were no valuations of property, plant and equipment during the current quarter under review.

A11 Material events subsequent to the end of the current quarter

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

A12 Changes in the composition of the Group

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

A13 Contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets as at the date of this interim financial report.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS THIRD QUARTER ENDED 31 MARCH 2017

A14 Capital commitments

Capital commitments in respect of property, plant and equipment not provided for in the financial statements are as follows:

	As at 31.03.2017 RM'000
Contracted	1,390
Authorised but not contracted	15,443
	<hr/> 16,833 <hr/>

A15 Significant related party transactions

	9 months ended 31.03.2017 RM'000
Consultancy fee paid/payable	
- to a person connected with directors of the Company	21
- to firms in which certain directors of the Company are members of the respective firms	-
	<hr/> 21 <hr/>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS THIRD QUARTER ENDED 31 MARCH 2017

B COMPLIANCE WITH APPENDIX 9B OF THE LISTING REQUIREMENTS

B1 Review of performance

Current quarter vs. corresponding quarter

The Group recorded revenue of approximately RM31.5 million for current quarter ended 31 March 2017, a decrease of approximately 17.3% compared to the previous quarter ended 31 March 2016 of approximately RM38.1 million.

The major contributor to revenue for the current quarter was Bluetooth headsets amounting to approximately RM29.1 million which represents more than 90% of the Group's revenue. The revenue contribution from Bluetooth headsets was lower by approximately 10.7% compared to the previous corresponding quarter ended 31 March 2016 of RM32.6 million. This slight decrease was mainly attributed to the following:

- Lower sales from one product model entering its end of life cycle. This is a transitional period when matured product ends and a new model enters the market.
- Generally, the demand for consumer electronics will drop after the year-end holiday season.

Profit before taxation ("PBT") for current quarter ended 31 March 2017 was approximately RM1.0 million, an increase of approximately RM0.3 million compared to the previous quarter ended 31 March 2016 of approximately RM0.7 million. Process efficiencies continue to drive the optimisation of resources and this was reflected in an improved PBT amidst lower sales for the current quarter.

Current year-to-date vs. corresponding period

The Group recorded revenue of approximately RM195.4 million for the 9-month FPE 31 March 2017, an increase of approximately 15.1% compared to the previous 9-month FPE 31 March 2016 of approximately RM169.8 million. This increase was mainly contributed by the increased sales of Bluetooth headsets.

The PBT for 9-month FPE 31 March 2017 was approximately RM22.4 million compared to FPE 31 March 2016 of approximately RM22.6 million. The slight decrease in PBT was mainly due the development costs incurred for several products during the 9-month FPE 31 March 2017.

The Group have also expensed approximately RM0.5 million related to one-off expenses for the transfer of listing from the ACE Market to the Main Market of Bursa Securities. After excluding the one-off transfer of listing expenses, the Group PBT would be approximately RM22.9 million for the current 9-month FPE 31 March 2017.



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NOTES TO THE INTERIM FINANCIAL STATEMENTS THIRD QUARTER ENDED 31 MARCH 2017

B2 Comment on material change in profit before taxation ("PBT")

	Current Quarter 31.03.2017 RM'000	Preceding Quarter 31.12.2016 RM'000	Variance RM'000	%
Revenue	31,530	90,795	(59,265)	-65.3%
PBT	988	13,804	(12,816)	-92.8%

The Group recorded lower revenue for the current quarter as compared to the revenue in the preceding quarter mainly due to the seasonal nature of the business of consumer electronic products. Generally, demand will drop post-holiday seasons.

The lower PBT for the current quarter ended 31 March 2017 was mainly due to low revenue generated.

B3 Prospects

The Group will continue to grow its in-house newly launched *FOBO* branded line of products. The newly launched *FOBO Ultra*, tire pressure monitoring system for heavy vehicles, continues to receive encouraging enquiries from commercial vehicles and fleet companies. The Group expects to grow and expand in tandem with the market response.

The Group will be rolling out the production of 2 new headset models in the 2nd and 3rd quarter respectively of calendar year of 2017. One of the models is a replacement model for an existing product while the other is a new headset design.

The Group expects that the sales of the USB-powered device that adds touchscreen functionality to a non-touch laptop screen to grow. This is a new product category which the Group aims to grow in near future.

Premised on the above, the Board is of the opinion that the Group's prospects for the FYE 30 June 2017 will remain favourable.

B4 Variance between actual profit and forecast profit

The Group has not provided any revenue or profit forecast in any public documents and announcements.

B5 Taxation

	3 months ended		9 months ended	
	31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 RM'000
Income tax				
Current year	31	69	3,692	200
Prior year	-	(18)	-	(18)
	31	51	3,692	182
Deferred tax				
Current year	104	120	1,758	5,648
Prior year	-	-	-	-
	135	171	5,450	5,830



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NOTES TO THE INTERIM FINANCIAL STATEMENTS THIRD QUARTER ENDED 31 MARCH 2017

B5 Taxation (cont'd)

Income tax is calculated at the Malaysia statutory tax rate of 24% of the estimated assessable profit for the current quarter and current financial year.

The effective tax rate of the Group for the current quarter was lower than the Malaysia statutory tax rate due mainly to certain revenue expenses and qualifying capital expenditure being deductible for tax purposes.

B6 Unquoted investments and properties

There were no purchases or sales of unquoted investment or properties for the current quarter.

B7 Quoted securities

There were no acquisitions or disposals of quoted securities for the current quarter.

B8 Status of corporate proposals

Save as disclosed below, there is no corporate proposal announced but pending completion as at the date of this report:-

On 24 March 2017, Salutica had completed the transfer of and quotation for the entire share capital of Salutica from the ACE Market to the Main Market of Bursa Securities.

B9 Utilisation of proceeds from the IPO

Based on the IPO price of RM0.80, the gross proceeds arising from the public issue amounting to RM62.4 million is intended to be utilised in the following manner:

Details of utilisation	Intended utilisation (RM'000)	Actual utilisation as at 31.03.2017 (RM'000)	Deviation (RM'000)	Balance (RM'000)	Intended timeframe for utilisation (from date of listing)
Repayment of bank borrowing	8,500	8,500	-	-	Within 6 months
Capital expenditure	25,000	7,349	-	17,651	Within 24 months
R&D expenditure	8,200	2,377	-	5,823	Within 24 months
Working capital	16,700	11,456	-	5,244	Within 24 months
Estimated listing expenses	4,000	4,000	-	-	Within 3 months
Total	62,400	33,682	-	28,718	

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 28 April 2016.



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NOTES TO THE INTERIM FINANCIAL STATEMENTS THIRD QUARTER ENDED 31 MARCH 2017

B10 Borrowings and debt securities

The Group's loans and borrowings as at **31 March 2017** are as follows:

	Payable within 12 months RM'000	Payable after 12 months RM'000	Total RM'000
<u>Secured</u>			
Hire Purchase	998	553	1,551
Term loans	2,088	-	2,088
<u>Unsecured</u>			
Term loans	235	622	857
	3,321	1,175	4,496

All the borrowings are denominated in Ringgit Malaysia.

B11 Derivative financial instruments

As at the date of the statement of financial position 31 March 2017, the Group do not have any outstanding derivative financial instruments.

For the current quarter, there is no change to the Group's financial risk management policies and objectives in managing these derivative financial instruments and its related accounting policies. Foreign currency forward contracts are entered into by the Group in currencies other than its functional currency to manage exposure to the fluctuations in foreign currency exchange rates.

B12 Off balance sheet financial instruments

The Group does not have any financial instruments with off balance sheet risk as at the end of the current quarter to the date of the interim financial report.

B13 Material litigation

As at the date of this report, there is no litigation involving the Group which has a material effect on the financial position of the Group and the Board is not aware of any material litigation or any proceedings pending or threatened.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS THIRD QUARTER ENDED 31 MARCH 2017

B14 Proposed dividend

The Board has on 29 May 2017 declared a fourth interim single tier tax-exempt dividend in respect of the financial year ending 30 June 2017 of 0.6 sen per share on 388 million ordinary shares amounting to RM2.328 million. The entitlement date will be on 15 June 2017 and payment date on 30 June 2017.

B15 Earnings per Share (“EPS”)

BASIC EPS	3 months ended		9 months ended	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Profit attributable to owners of the Company (RM'000)	853	493	16,980	16,813
Weighted average number of ordinary shares in issue ('000)	388,000	310,000	388,000	310,000
Basic EPS (sen)	0.22	0.16	4.38	5.42

There was no dilution in the EPS as there was no potential diluted ordinary share outstanding as at the end of the current period under review.

B16 Disclosure of realised and unrealised profits

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits or losses, pursuant to the directive, is as follows:

	As at	As at
	31.03.2017	31.03.2016
	RM'000	RM'000
Total retained profits of the Group:		
Realised	55,989	39,134
Unrealised	(843)	2,832
	<hr/>	<hr/>
	55,146	41,966
Add: Consolidation adjustments	18,013	18,013
Total	73,159	59,979

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NOTES TO THE INTERIM FINANCIAL STATEMENTS THIRD QUARTER ENDED 31 MARCH 2017

B17 Notes to the Statement of Comprehensive Income

	3 months ended 31.03.2017 RM'000	9 months ended 31.03.2017 RM'000
Profit from operations for the period/year is arrived at after charging/(crediting):		
Allowance for slow moving inventories	(1)	2
Depreciation of property, plant and equipment	1,662	4,858
Provision for warranty	9	34
Rental expenses		
- Hostel	12	31
- equipment/machinery	11	39
Finance costs	77	283
Net foreign exchange (gain)/losses		
- realised	303	(1,586)
- unrealised	178	88
Fair value (gains)/losses on derivative financial instruments	(303)	68
Gain on disposal of property, plant & equipment	(4)	(9)
Rental income	-	(12)
Finance income	(350)	(1,076)
Fair value gain on short term investment	(368)	(1,151)
Gain on disposal of short term investment	(30)	(68)

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements are not applicable.

B18 Authorisation for issue

The interim financial report was authorised for issue by the Board in accordance with a resolution of the Board dated 29 May 2017.