

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 31 MARCH 2018

| | Notes | Individual Quarter | | Changes | Cumulative Quarter | | Changes |
|---|-------|--|--|----------|--|--|----------|
| | | Current Year Quarter 31.03.2018 RM'000 | Preceding Year Quarter 31.03.2017 RM'000 | (%) | Current Year-To-Date 31.03.2018 RM'000 | Preceding Year-To-Date 31.03.2017 RM'000 | (%) |
| Revenue | A9 | 28,985 | 25,276 | 14.67 | 83,483 | 90,395 | (7.65) |
| Cost of sales | | (22,685) | (19,029) | 19.21 | (63,780) | (64,729) | (1.47) |
| Gross profit | | 6,300 | 6,247 | 0.85 | 19,703 | 25,666 | (23.23) |
| Other Income | | 697 | 750 | (7.07) | 2,353 | 2,434 | (3.33) |
| Selling and distribution expenses | | (1,793) | (1,681) | 6.66 | (4,863) | (4,794) | 1.44 |
| Administrative expenses | | (2,629) | (2,571) | 2.26 | (7,479) | (8,199) | (8.78) |
| Operating Profit | | 2,575 | 2,745 | (6.19) | 9,714 | 15,107 | (35.70) |
| Finance costs | | - | (40) | (100.00) | - | (65) | (100.00) |
| Profit before tax | B5 | 2,575 | 2,705 | (4.81) | 9,714 | 15,042 | (35.42) |
| Income tax expense | B6 | (573) | (437) | 31.12 | (2,099) | (3,191) | (34.22) |
| Profit for the period | | 2,002 | 2,268 | (11.73) | 7,615 | 11,851 | (35.74) |
| Other comprehensive income, net of tax | | | | | | | |
| Exchange difference on translation of foreign operation | | 1 | 1 | - | 1 | 2 | (50.00) |
| Total comprehensive income for the period | | 2,003 | 2,269 | (11.72) | 7,616 | 11,853 | (35.75) |
| Profit attributable to: | | | | | | | |
| Owners of the company | | 2,046 | 2,312 | (11.51) | 7,703 | 11,935 | (35.46) |
| Non-controlling interest | | (44) | (44) | - | (88) | (84) | 4.76 |
| Profit for the period | | 2,002 | 2,268 | (11.73) | 7,615 | 11,851 | (35.74) |
| Total comprehensive income attributable to: | | | | | | | |
| Owners of the company | | 2,047 | 2,313 | (11.50) | 7,704 | 11,937 | (35.46) |
| Non-controlling interest | | (44) | (44) | - | (88) | (84) | 4.76 |
| Total comprehensive income for the period | | 2,003 | 2,269 | (11.72) | 7,616 | 11,853 | (35.75) |
| Earnings per share attributable to Owners of the Company⁽²⁾ | | | | | | | |
| - Basic (sen) | B12 | 1.11 | 1.23 | (9.76) | 4.14 | 6.35 | (34.80) |
| - Diluted (sen) | B12 | 1.11 | 1.23 | (9.76) | 4.14 | 6.35 | (34.80) |

Notes:

(1) The unaudited 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 30 June 2017 and the explanatory notes attached to this report.

(2) Based on the weighted average number of ordinary shares in issue as detailed in Note B12.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 31 MARCH 2018

| | Notes | Individual Quarter | | |
|---|-------|---|---|-------------|
| | | Current Quarter 31.03.2018 RM'000 | Immediate Preceding Quarter 31.12.2017 RM'000 | Changes (%) |
| Revenue | A9 | 28,985 | 27,834 | 4.14 |
| Cost of sales | | (22,685) | (20,969) | 8.18 |
| Gross profit | | 6,300 | 6,865 | (8.23) |
| Other Income | | 697 | 835 | (16.53) |
| Selling and distribution expenses | | (1,793) | (1,550) | 15.68 |
| Administrative expenses | | (2,629) | (2,543) | 3.38 |
| Operating Profit | | 2,575 | 3,607 | (28.61) |
| Finance costs | | - | - | - |
| Profit before tax | B5 | 2,575 | 3,607 | (28.61) |
| Income tax expense | B6 | (573) | (781) | (26.63) |
| Profit for the period | | 2,002 | 2,826 | (29.16) |
| Other comprehensive income, net of tax | | | | |
| Exchange difference on translation of foreign operation | | 1 | (1) | (200.00) |
| Total comprehensive income for the period | | 2,003 | 2,825 | (29.10) |
| Profit attributable to: | | | | |
| Owners of the company | | 2,046 | 2,864 | (28.56) |
| Non-controlling interest | | (44) | (38) | 15.79 |
| Profit for the period | | 2,002 | 2,826 | (29.16) |
| Total comprehensive income attributable to: | | | | |
| Owners of the company | | 2,047 | 2,863 | (28.50) |
| Non-controlling interest | | (44) | (38) | 15.79 |
| Total comprehensive income for the period | | 2,003 | 2,825 | (29.10) |
| Earnings per share attributable to Owners of the Company⁽²⁾ | | | | |
| - Basic (sen) | B12 | 1.11 | 1.54 | (27.92) |
| - Diluted (sen) | B12 | 1.11 | 1.54 | (27.92) |

Notes:

(1) The unaudited 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 30 June 2017 and the explanatory notes attached to this report.

(2) Based on the weighted average number of ordinary shares in issue as detailed in Note B12.



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018**

| | (Unaudited) 31.03.2018 RM'000 | (Audited) 30.06.2017 RM'000 |
|---|--|--|
| ASSETS | | |
| Non-Current Assets | | |
| Property, plant and equipment | 53,012 | 50,872 |
| Other assets | 269 | 269 |
| | <u>53,281</u> | <u>51,141</u> |
| Current Assets | | |
| Inventories | 16,503 | 16,670 |
| Trade and other receivables | 20,461 | 23,126 |
| Prepayments and other assets | 1,518 | 1,902 |
| Tax refundable | - | 2 |
| Short term funds | 77,376 | 79,691 |
| Cash and bank balances | 13,016 | 12,968 |
| | <u>128,874</u> | <u>134,359</u> |
| TOTAL ASSETS | <u>182,155</u> | <u>185,500</u> |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Share capital | 135,702 | 135,702 |
| Reserves | 30,667 | 28,512 |
| Translation Reserve | 2 | 1 |
| Treasury Stock | (4,722) | (524) |
| | <u>161,649</u> | <u>163,691</u> |
| Non-controlling interest | (224) | (137) |
| Total Equity | <u>161,425</u> | <u>163,554</u> |
| LIABILITIES | | |
| Non-Current Liabilities | | |
| Deferred tax liabilities | 6,033 | 6,033 |
| | <u>6,033</u> | <u>6,033</u> |
| Current Liabilities | | |
| Trade and other payables | 14,679 | 15,058 |
| Amount owing to directors | 300 | 300 |
| Provision for taxation | (282) | 555 |
| | <u>14,697</u> | <u>15,913</u> |
| Total Liabilities | <u>20,730</u> | <u>21,946</u> |
| TOTAL EQUITY AND LIABILITIES | <u>182,155</u> | <u>185,500</u> |
| Net assets per share attributable to owners of the Company (sen) | <u>86.78</u> | <u>87.16</u> |

Notes:

(1) The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017 and the explanatory notes attached to this report.

(2) Based on the number of ordinary shares in issue less Treasury Shares as at 31 March 2018 of 186,009,935 (31 March 2017 : 187,653,000).



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 31 MARCH 2018**

| | Attributable to owners of the Company | | | | | | | Total RM'000 | Non- controlling Interest RM'000 | Total Equity RM'000 |
|------------------------|---------------------------------------|----------------------------------|-----------------------------|----------------------------|------------------------------|----------------------------------|--------------------------------|-----------------|---|---------------------------|
| | Share Capital RM'000 | Revaluation Reserve RM'000 | Merger Deficit RM'000 | Share Premium RM'000 | Treasury Shares RM'000 | Translation Reserve RM'000 | Retained Earnings RM'000 | | | |
| At 01.07.2017 | 135,702 | 10,899 | (60,822) | - | (524) | 1 | 78,435 | 163,691 | (137) | 163,554 |
| Issuance of new shares | - | - | - | - | - | - | - | - | - | - |
| Translation loss | - | - | - | - | - | 1 | - | 1 | 1 | 2 |
| Dividend paid | - | - | - | - | - | - | (5,548) | (5,548) | - | (5,548) |
| Share buy-back | - | - | - | - | (4,198) | - | - | (4,198) | - | (4,198) |
| Profit for the period | - | - | - | - | - | - | 7,703 | 7,703 | (88) | 7,615 |
| At 31.03.2018 | 135,702 | 10,899 | (60,822) | - | (4,722) | 2 | 80,590 | 161,649 | (224) | 161,425 |

Notes:

(1) The unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017 and the explanatory notes attached to this report.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THIRD QUARTER ENDED 31 MARCH 2018**

| | 9 months ended 31 March | |
|---|--------------------------------|----------------|
| | 2018 | 2017 |
| | RM'000 | RM'000 |
| Cash flows from/(for) operating activities | | |
| Profit before tax | 9,714 | 15,042 |
| Adjustment for: | | |
| Depreciation of property, plant and equipment | 2,666 | 3,056 |
| (Gain)/loss on disposal of property, plant and equipment | - | (133) |
| (Gain)/loss on unrealised foreign exchange | 599 | (394) |
| Interest income | (2,203) | (2,113) |
| Operating profit before working capital changes | 10,776 | 15,458 |
| Changes in working capital: | | |
| Inventories | 167 | (3,123) |
| Trade and other receivables | 2,915 | 6,470 |
| Trade and other payables | (1,230) | (5,297) |
| Cash from operations | 12,628 | 13,508 |
| Income tax paid | (2,099) | (3,526) |
| Net cash from/ (for) operating activities | 10,529 | 9,982 |
| Cash flows from/ (for) investing activities | | |
| Proceeds from disposal of plant and equipment | 487 | 152 |
| Purchase of plant and equipment | (5,293) | (2,969) |
| Interest received | 2,203 | 2,113 |
| Net withdrawal/(placement) of fixed deposits with licensed banks | - | 24,078 |
| Net cash from/ (for) investing activities | (2,603) | 23,374 |
| Cash flows from/ (for) financing activities | | |
| Proceeds from issuance of shares | - | 64 |
| Treasury Stock | (4,198) | - |
| Dividend paid | (5,548) | (7,520) |
| Net cash from/ (for) investing activities | (9,746) | (7,456) |
| Net increase in cash and cash equivalents | (1,820) | 25,900 |
| Effect of foreign exchange translation | (477) | 287 |
| Cash and cash equivalents at beginning of the financial period | 92,689 | 61,089 |
| Cash and cash equivalents at the end of financial period | 90,392 | 87,276 |

Notes:

(1) The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017 and the explanatory notes attached to this report.



**A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS")
134: INTERIM FINANCIAL REPORTING**

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of MFRS 134 - Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

These interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017.

A2. Significant accounting policies

The significant accounting policies and methods of computation adopted in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2017. The Group has not applied in advance the following accounting standards (including the consequential amendments, if any that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:

| MFRSs (Including The Consequential Amendments) | Effective Date |
|---|-------------------------------|
| Amendments to MFRS 12, <i>Disclosure of Interests in Other Entities (Annual Improvements to MFRS Standards 2014-2016 Cycle)</i> | 1 January 2017 |
| Amendments to MFRS 107, <i>Statement of Cash Flows – Disclosure Initiative</i> | 1 January 2017 |
| Amendments to MFRS 112, <i>Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses</i> | 1 January 2017 |
| MFRS 9, <i>Financial Instruments (2014)</i> | 1 January 2018 |
| MFRS 15, <i>Revenue from Contracts with Customers</i> | 1 January 2018 |
| Clarifications to MFRS 15, <i>Revenue from Contracts with Customers</i> | 1 January 2018 |
| IC Interpretation 22, <i>Foreign Currency Transaction and Advance Consideration</i> | 1 January 2018 |
| Amendments to MFRS 1, <i>First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2014-2016 Cycle)</i> | 1 January 2018 |
| Amendments to MFRS 2, <i>Share-based Payment – Classification and Measurements of Share-based Payment Transactions</i> | 1 January 2018 |
| Amendments to MFRS 4, <i>Insurance Contracts – Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts</i> | 1 January 2018 |
| Amendments to MFRS 128, <i>Investments in Associates and Joint Ventures (Annual improvements to MFRS Standards 2014-2016 Cycle)</i> | 1 January 2018 |
| Amendments to MFRS 140, <i>Investment Property – Transfers of Investment Property</i> | 1 January 2018 |
| MFRS 16, <i>Leases</i> | 1 January 2019 |
| MFRS 17, <i>Insurance Contracts</i> | 1 January 2021 |
| Amendments to MFRS 10, <i>Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between and Investor and its Associate or Joint Venture</i> | Deferred until further notice |



A3. Auditors' Report

There was no qualification to the audited financial statements of the Company and its subsidiaries for the financial year ended 30 June 2017.

A4. Seasonal or cyclical factors

The business operations of the Group were not materially affected by any seasonal or cyclical factors during the current financial quarter under review.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no material unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter under review.

A6. Changes in estimates

There were no changes in estimates that have a material effect in the current financial quarter under review.

A7. Debt and equity securities

There were no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current quarter under review except for the following:

During the current quarter, the company repurchased a total of 445,500 ordinary shares at an average price of RM1.32 including transaction cost. The repurchase transactions were funded by internally generated funds. The shares repurchased are held as treasury shares. As at 31 March 2018, the number of treasury shares held were 3,561,300 ordinary shares.

A8. Dividend paid

The final single tier dividend of 3.0 sen per ordinary share amounting to RM5.55 million in respect of the financial year ended 30 June 2017 was approved by the shareholders during the Annual General Meeting on 28 November 2017 and paid on 27 December 2017.

An interim single tier dividend of 2.0 sen per ordinary share in respect of the financial year ending 30 June 2018 has been paid on 9 April 2018.

A9. Segmental information

a) Operating segments

The Group's current business activities comprised of two segments namely automotive and aviation segments. Automotive segment focus on the styling, manufacturing, distribution and installation of automotive leather upholstery for car seat covers and accessories covers; whereas aviation segment is involved in the manufacturing, repair, refurbishment, distribution and installation of aircraft seat covers, parts refurbishment and other leather related products. Breakdown of the Group's total revenue by business activities and products as follows:-

| | Current | | Cumulative | |
|---|---------------|---------------|---------------|---------------|
| | Quarter Ended | | Quarter Ended | |
| | 31.03.2018 | 31.03.2017 | 31.03.2018 | 31.03.2017 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| <u>AUTOMOTIVE</u> | | | | |
| Car seat covers | | | | |
| - OEM ⁽¹⁾ | 14,278 | 9,189 | 35,810 | 41,522 |
| - REM | 4,815 | 6,277 | 15,786 | 18,663 |
| - PDI | 2,408 | 3,295 | 8,282 | 12,216 |
| Sub-total for car seat covers | 21,501 | 18,761 | 59,878 | 72,401 |
| Leather cut pieces supply | 5,974 | 5,215 | 18,332 | 14,018 |
| <u>Others</u> | | | | |
| - Supply of door trim covers | | 17 | | 81 |
| - Sewing of fabric car seat covers | 23 | 27 | 60 | 179 |
| - Manufacturing of leather/PVC car accessories covers and miscellaneous seat covers, provision of wrapping and stitching services and supply of raw materials | 1,359 | 1,147 | 4,785 | 3,435 |
| | 28,857 | 25,167 | 83,055 | 90,114 |
| <u>Others</u> | | | | |
| Aviation | 82 | 109 | 428 | 281 |
| Others | 46 | | | |
| Grand Total | 28,985 | 25,276 | 83,483 | 90,395 |

b) Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

| | Current | | Cumulative | |
|--------------------|---------------|---------------|---------------|---------------|
| | Quarter Ended | | Quarter Ended | |
| | 31.03.2018 | 31.03.2017 | 31.03.2018 | 31.03.2017 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Malaysia | 24,425 | 19,307 | 68,898 | 72,706 |
| Rest of Asia | 2,599 | 3,190 | 8,142 | 9,464 |
| Europe | 884 | 846 | 2,609 | 2,584 |
| North America | 359 | 663 | 1,067 | 1,716 |
| Oceania | 718 | 1,270 | 2,767 | 3,913 |
| Africa | - | - | - | 12 |
| Grand Total | 28,985 | 25,276 | 83,483 | 90,395 |

Note (1): OEM – Original Equipment Manufacturer
REM – Replacement Equipment Manufacturer
PDI – Pre-delivery Inspection



A10. Valuation of property, plant and equipment

The Group has not carried out any valuation on its property, plant and equipment in the current financial quarter.

A11. Capital commitments

Authorised capital commitment not provided for as at 31 March 2018 were as follows: -

| | RM'000 |
|--|---------------|
| Construction of an additional storey of production floor area on the existing factory building | <u>745</u> |

A12. Changes in the composition of the Group

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

A13. Contingent liabilities or contingent assets

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

A14. Materials events subsequent to the end of the quarter

There were no other materials events subsequent to the end of current quarter that have not been reflected in this interim financial report.

A15. Related Party Transactions

The Group's related party transactions for the current quarter and the cumulative quarter ended 31 March 2018 are as follows:

| | Current Quarter Ended 31.03.2018 RM'000 | Cumulative Quarter Ended 31.03.2018 RM'000 |
|---------------------------------|--|---|
| Rental charges to related party | | |
| - Tint Auto (M) SdnBhd | <u>54</u> | <u>162</u> |

Note:

The related party is a company in which certain Directors and substantial shareholders of the Company have interests.

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of performance

For the current quarter under review, the Group recorded a revenue of RM28.99 million and profit before taxation of RM2.58 million. This is 14.67% higher in revenue and 4.81% lower in profit before taxation compared to the preceding year quarter.

Revenue from leather car seat covers remained the largest contributor accounting for approximately 74.18% of total revenue followed by leather cut pieces supply which is approximately 20.61% of total revenue during the quarter under review.

OEM leather car seat is the largest contributor segment accounted for approximately 66.41% of the total revenue for leather car seat covers whilst REM and PDI contributed approximately 22.39% and 11.20% respectively.

In comparison to the preceding year quarter of revenue recorded of RM25.27 million, we achieved a higher revenue for the current quarter of RM28.99 million mainly due to higher contribution from local OEM segment. This was despite a lower Total Industry Volume (“TIV”) of 135,140 compared to preceding year’s 140,839 in view of well received sales from a replacement model from a major customer. However, export market and PDI market, which yield higher profit margins, suffered a 23.61% and 26.92% reduction respectively compared to preceding year quarter. This together with higher levy cost for foreign workers, higher overtime (due to new workers and irregular spike in daily sales volume from certain customer) and higher maintenance cost resulted in a lower gross profit margin of 21.63% compared to 24.72% in the preceding year quarter.

B2. Material changes in the quarterly results compared to the immediate preceding quarter

The Group’s revenue of RM28.99 million in the current quarter was marginally higher by 4.14% than RM27.83 million recorded in the immediate preceding quarter. This was mainly due to launch of the replacement model of a major customer in mid-November 2017. However, export market and PDI market suffered a 13.95% and 10.01% reduction respectively compared to preceding year quarter. This together with higher levy cost for foreign workers, higher overtime and higher maintenance cost resulted in a lower gross profit margin of 21.63% compared to 24.66% in the preceding year quarter.

B3. Prospect

In the local market, Malaysian Automotive Association has forecasted TIV to increase year on year by 2.32% for 2018 from 576,635 to 590,000 units. However, the Board remains cautious as these TIV volumes are still below the annual TIV peak in 2015. Despite the relatively weak sentiment surrounding the automotive market, the Board remains optimistic of the Group’s performance going forward in view of encouraging sales number from the current replacement model of a popular car make.

B4. Variance of actual profit from profit forecast and profit guarantee

The Group has not issued any profit forecast or profit guarantee in any form of public documentation or announcement.

B5. Profit before taxation

The profit before taxation is stated after charging/(crediting):-

| | Current Quarter Ended 31.03.2018 RM'000 | Cumulative Quarter Ended 31.03.2018 RM'000 |
|---|--|---|
| Interest income | (697) | (2,203) |
| Depreciation and amortisation | 641 | 2,666 |
| Gain on disposal of property, plant & equipment | 44 | 48 |
| Realised foreign exchange loss/(gain) | (491) | (576) |
| Unrealised foreign exchange loss/(gain) | <u>503</u> | <u>599</u> |

Save as disclosed above, the other items as required under paragraph 16 of Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Securities are not applicable.

B6. Taxation

| | Current Quarter Ended 31.03.2018 RM'000 | Cumulative Quarter Ended 31.03.2018 RM'000 |
|---------------------|--|---|
| Current tax expense | <u>(573)</u> | <u>(2,099)</u> |

The effective tax rate for the current quarter of 22.25% is lower than the statutory tax rate of 24% due mainly to tax exempt income from unit trust investments.

B7. Status of Corporate Proposals

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

B8. Utilization of Proceeds

As announced on 23 April 2018, the Board of Directors has approved the variation of the utilisation of IPO proceeds amounting to RM6.60 million and the extension of time for utilisation of IPO proceeds amounting to RM2.62 million for another 24 months from 19 April 2018. The status of utilisation of the proceeds from the Public Issue of 47,796,000 new ordinary shares at RM1.42 as at 31 March 2018 is as follows:

| | Purposes | Estimated Timeframe for utilisation | Amount (RM'000) | Actual Utilization (RM'000) | Variation (RM'000) | Extension (RM'000) |
|----|--|-------------------------------------|-----------------|-----------------------------|--------------------|--------------------|
| a) | Working capital | Within 12 months | 26,970 | (27,859) | -(b) | - |
| b) | Repayment of bank borrowings | Within 6 months | 17,100 | (17,100) | - | - |
| c) | Purchase of new machineries for the production of car leather seat covers | Within 24 months | 7,550 | (3,823) | (2,679) | 1,048 |
| d) | Construction of an additional storey of production floor area on the existing factory building | Within 24 months | 5,000 | (5,000) | - | - |
| e) | Opening of retail outlets | Within 24 months | 3,750 | 0 | (3,750) | - |
| f) | Establishment of market presence in Thailand | Within 24 months | 1,500 | (262) | - | 1,238 |
| g) | Expansion of aviation business | Within 24 months | 1,000 | (505) | (166) | 329 |
| h) | Estimated listing expenses | Immediate | 5,000 | (4,111) | -(b) | - |
| g) | Purchase of raw material | | | | 3,000 | - |
| i) | Selling and distribution expenses of: | | | | | |
| | - Retail | | | | 2,000 | - |
| | - Thailand | | | | 850 | - |
| | - Aviation | | | | 745 | - |
| | Total Public Issue Proceeds | | 67,870 | (58,660) | - | 2,615 |

Note:

(a) The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 29 March 2016 and the announcement dated 23 April 2018.

(b) As stated under Section 2.7 in the prospectus, if the actual listing expenses are lower than budgeted, the excess will be utilised for working capital purposes. Hence, the excess amount of RM0.889 million under the estimated listing expenses has been fully utilised under the working capital of the Company.

B9. Group borrowings (secured)

The Group had fully settled all the bank borrowings with the proceeds from IPO as disclosed in Note B8 above.



B10. Material litigation

The Group is not engaged in any material litigation either as plaintiff or defendant, which has a material effect on the financial position of the Group, and the Directors do not have any knowledge of any proceeding pending or threatened or of any facts likely to give rise to any proceedings which may materially and adversely affect the financial position or business of the Group, as at the date of this report.

B11. Dividend

No dividend was declared or recommended for payment by the Company during the quarter under review.

B12. Earnings Per Share ("EPS")

a) Basic earnings per share

The basic earnings per share for the current quarter and financial year-to-date are computed as follows:

| | Current Quarter Ended 31.03.2018 RM'000 | Cumulative Quarter Ended 31.03.2018 RM'000 |
|---|--|---|
| Profit attributable to equity holders | <u>2,046</u> | <u>7,703</u> |
| Weighted average number of ordinary shares in issue excluding Treasury Shares | <u>184,710</u> | <u>186,010</u> |
| Basic earnings per shares (sen) | <u>1.11</u> | <u>4.14</u> |
| Diluted earnings per shares (sen) | <u>1.11</u> | <u>4.14</u> |

(b) Diluted earnings per share

There are no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the financial period ended 31 March 2018.

BY ORDER OF THE BOARD
24 MAY 2018