

# **REDTONE INTERNATIONAL BERHAD**

(Company No: 596364-U)

(Incorporated in Malaysia)

Date : 19 March 2018

## **UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JANUARY 2018**

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**REDTONE INTERNATIONAL BERHAD**  
(Company No.: 596364-U)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JANUARY 2018**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	UNAUDITED As at 31 January 2018 RM'000	AUDITED As at 30 April 2017 RM'000
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment		20,515	22,365
Investment properties		1,760	1,760
Deferred tax assets		5,518	5,518
Goodwill		423	423
Intangible assets		37,014	37,826
Development costs		2,682	3,208
		<u>67,912</u>	<u>71,100</u>
<b>Current Assets</b>			
Inventories		338	657
Trade receivables	A12	57,895	104,009
Other receivables, deposits and prepayment		11,412	7,642
Tax recoverable		5,685	5,693
Other investments		3,534	-
Cash and bank balances		56,312	47,798
		<u>135,176</u>	<u>165,799</u>
<b>TOTAL ASSETS</b>		<b><u>203,088</u></b>	<b><u>236,899</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	A7(a)	147,524	147,359
Reserves		(5,950)	(8,848)
		<u>141,574</u>	<u>138,511</u>
Treasury shares	A7(b)	(5,653)	(5,653)
<b>Equity Attributable to Owners of the Company</b>		<u>135,921</u>	<u>132,858</u>
Non-controlling interests		4,307	4,920
<b>Total Equity</b>		<u>140,228</u>	<u>137,778</u>
<b>Non-current Liabilities</b>			
Irredeemable convertible unsecured loan stocks ("ICULS")		310	404
Loans and borrowings	B8	1,690	1,800
Deferred tax liabilities		1,956	1,933
		<u>3,956</u>	<u>4,137</u>
<b>Current Liabilities</b>			
Trade payables	A13	34,708	49,995
Other payables and accruals	A13	18,400	17,339
Loans and borrowings	B8	5,396	27,125
Provision for taxation		400	525
		<u>58,904</u>	<u>94,984</u>
<b>Total Liabilities</b>		<u>62,860</u>	<u>99,121</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>203,088</u></b>	<b><u>236,899</u></b>
Net assets per share (sen)		<u>18.15</u>	<u>17.76</u>

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 April 2017.

The annexed notes form an integral part of this interim financial report.

**REDTONE INTERNATIONAL BERHAD**

(Company No.: 596364-U)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JANUARY 2018  
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Note	3 months ended		9 months ended	
		31/01/18 RM'000	31/01/17 RM'000	31/01/18 RM'000	31/01/17 RM'000
GROUP REVENUE	A10	27,302	37,432	86,628	115,135
Less: Revenue from discontinued operations		-	-	-	(5,982)
Revenue from continuing operations		<u>27,302</u>	<u>37,432</u>	<u>86,628</u>	<u>109,153</u>
<b>Continuing Operations</b>					
PROFIT/(LOSS) FROM OPERATIONS		736	(1,371)	3,241	(10,212)
Investment related income		75	99	1,306	6,710
Investment related expense	B7	-	(2,059)	-	(2,059)
Finance costs	A11	<u>(515)</u>	<u>(405)</u>	<u>(1,468)</u>	<u>(1,670)</u>
PROFIT/(LOSS) BEFORE TAX	B7	296	(3,736)	3,079	(7,231)
INCOME TAX EXPENSE	B6	<u>(159)</u>	<u>(546)</u>	<u>(630)</u>	<u>(730)</u>
PROFIT/(LOSS) AFTER TAX FROM CONTINUING OPERATIONS		137	(4,282)	2,449	(7,961)
<b>Discontinued Operations</b>					
LOSS AFTER TAX FROM DISCONTINUED OPERATIONS		-	-	-	(1,390)
PROFIT/(LOSS) AFTER TAX		<u>137</u>	<u>(4,282)</u>	<u>2,449</u>	<u>(9,351)</u>
Other comprehensive items, net of tax					
<u>Items that may be reclassified subsequently to profit or loss</u>					
- Foreign currency translation		1	12	1	897
- Foreign currency translation arising from disposal of subsidiary company		-	-	-	2,228
<u>Items that will not be reclassified subsequently to profit or loss</u>					
- Revaluation of properties		-	-	-	234
<b>Total comprehensive income for the financial period</b>		<u>138</u>	<u>(4,270)</u>	<u>2,450</u>	<u>(5,992)</u>
<u>Profit/(loss) attributable to:-</u>					
Owners of the Company					
- From continuing operations		663	(3,618)	3,062	(6,316)
- From discontinued operations		-	-	-	(1,093)
		<u>663</u>	<u>(3,618)</u>	<u>3,062</u>	<u>(7,409)</u>
Non-controlling interests		<u>(526)</u>	<u>(664)</u>	<u>(613)</u>	<u>(1,942)</u>
		<u>137</u>	<u>(4,282)</u>	<u>2,449</u>	<u>(9,351)</u>
<u>Total comprehensive income attributable to :-</u>					
Owners of the Company		664	(3,606)	3,063	(4,245)
Non-controlling interests		<u>(526)</u>	<u>(664)</u>	<u>(613)</u>	<u>(1,747)</u>
		<u>138</u>	<u>(4,270)</u>	<u>2,450</u>	<u>(5,992)</u>
<u>Earnings/(loss) per share (sen)</u>					
	B11				
- Basic, for the period from continuing operations		0.09	(0.46)	0.41	(0.80)
- Basic, for the period from discontinued operations		-	-	-	(0.14)
- Basic, for the period		<u>0.09</u>	<u>(0.46)</u>	<u>0.41</u>	<u>(0.94)</u>

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 year ended 30 April 2017.

The annexed notes form an integral part of this interim financial report.

**REDTONE INTERNATIONAL BERHAD**

(Company No.: 596364-U)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JANUARY 2018**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

<-----NON-DISTRIBUTABLE----->

	SHARE CAPITAL	TREASURY SHARES	ICULS	SHARE PREMIUM	FOREIGN EXCHANGE RESERVE	REVALUATION RESERVE	ACCUMULATED LOSSES	TOTAL	NON- CONTROLLING INTERESTS	TOTAL EQUITY
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 May 2017</b>	147,359	(5,653)	2,454	-	(663)	641	(11,280)	132,858	4,920	137,778
Profit after taxation	-	-	-	-	-	-	3,062	3,062	(613)	2,449
Other comprehensive income, net of tax										
- Foreign currency translation	-	-	-	-	1	-	-	1	-	1
Total comprehensive income	-	-	-	-	1	-	3,062	3,063	(613)	2,450
Transactions with owners										
Issuance of shares pursuant to conversion of ICULS	165	-	(165)	-	-	-	-	-	-	-
Total transactions with owners	165	-	(165)	-	-	-	-	-	-	-
<b>At 31 January 2018</b>	147,524	(5,653)	2,289	-	(662)	641	(8,218)	135,921	4,307	140,228
<b>At 1 May 2016</b>	75,728	(5,631)	2,513	71,572	(3,580)	418	(5,849)	135,171	10,525	145,696
Loss after taxation	-	-	-	-	-	-	(7,409)	(7,409)	(1,942)	(9,351)
Other comprehensive income, net of tax										
- Foreign currency translation	-	-	-	-	702	-	-	702	195	897
- Foreign currency translation arising from disposal of subsidiary companies	-	-	-	-	2,228	-	-	2,228	-	2,228
- Revaluation of investment property	-	-	-	-	-	234	-	234	-	234
Total comprehensive income	-	-	-	-	2,930	234	(7,409)	(4,245)	(1,747)	(5,992)
Transactions with owners										
Treasury shares acquired	-	(22)	-	-	-	-	-	(22)	-	(22)
Issuance of shares pursuant to conversion of ICULS	8	-	(8)	-	-	-	-	-	-	-
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	10	10
Arising from disposal of subsidiary companies	-	-	-	-	-	-	-	-	(5,375)	(5,375)
Transfer pursuant to S 618(2) of CA 2016 *	71,572	-	-	(71,572)	-	-	-	-	-	-
Total transactions with owners	71,580	(22)	(8)	(71,572)	-	-	-	(22)	(5,365)	(5,387)
<b>At 31 January 2017</b>	147,308	(5,653)	2,505	-	(650)	652	(13,258)	130,904	3,413	134,317

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 April 2017.

The annexed notes form an integral part of this interim financial report.

\* Pursuant to Section 618(2) of the Companies Act 2016 ("CA 2016"), any outstanding share premium and capital redemption reserve accounts now formed part of share capital.

**REDTONE INTERNATIONAL BERHAD**

(Company No: 596364-U)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JANUARY 2018**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>9 months ended</b>	<b>9 months ended</b>
	<b>31/01/18</b>	<b>31/01/17</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from operations	130,617	104,211
Payment for operating expenses (including taxes)	(92,100)	(146,257)
Other receipts/(payments)	559	(5,413)
Net cash generated from/(used in) operating activities	39,076	(47,459)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Disposal of investment in subsidiary company	-	18,034
(Increase)/decrease in deposits and other investments	(9,083)	10,976
Acquisition of property, plant and equipment, intangible assets and development cost	(1,548)	(2,847)
Interest received	913	875
Net cash flow (used in)/generated from investing activities	(9,718)	27,038
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issuance of share capital to non-controlling interest of subsidiary company	-	10
Drawdown of bank borrowings and other loans	11,409	55,227
Repayment of bank borrowings and other loans	(32,953)	(42,384)
Repayment of hire purchase/lease liabilities	(295)	(369)
Interest paid	(1,468)	(1,670)
Purchase of treasury shares	-	(22)
Net cash flow (used in)/generated from financing activities	(23,307)	10,792
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	6,051	(9,629)
<b>EFFECT OF EXCHANGE RATE CHANGES</b>	-	(501)
<b>OPENING CASH AND CASH EQUIVALENTS</b>	(757)	4,658
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	5,294	(5,472)
<b>Cash and cash equivalents comprise of:</b>		
Continued operations		
- Cash on hand and at banks	5,294	2,359
- Deposits with licensed banks	51,018	43,193
<b>Total cash and bank balances</b>	56,312	45,552
Less:		
- Deposits pledged	(51,018)	(43,192)
- Bank overdrafts	-	(7,832)
<b>Total cash and cash equivalents</b>	5,294	(5,472)

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 April 2017.

The annexed notes form an integral part of this interim financial report.

**REDTONE INTERNATIONAL BERHAD**  
(Company No.: 596364-U)

**A. NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JANUARY 2018**

**A1. Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with the requirements of the Malaysian Financial Reporting Standard (MFRS) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and ACE Listing Requirements of the Bursa Malaysia Securities Berhad ("BMSB") and comply with the requirements of Companies Act 2016 that became effective 31 January 2017 in Malaysia.

The following notes provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group.

**A2. Changes in accounting policies**

The Group has not early adopted new or revised standards and amendments to standards that have been issued but not yet effective for the Group's accounting period beginning on or after 1 May 2017.

The initial application of the MFRSs, Amendments to MFRSs and IC Interpretations, which will be applied prospectively or which requires extended disclosures, is not expected to have any significant financial impact to the financial statements of the Group upon their first adoption.

**A3. Nature and amount of unusual items**

There were no unusual items during the financial period under review.

**A4. Changes in estimates**

There were no material changes in estimates of amount reported in prior quarters of the current financial year or changes in estimate of amount reported in prior financial year which have a material effect in the current interim period.

**A5. Changes in the composition of the group**

There were no changes in the composition of the Group during the financial period under review.

**A6. Seasonality or cyclicity of interim operations**

The Group's operations are not significantly affected by any seasonal or cyclical factors.

**A7. Debt and equity securities**

There were no issuances and repayment of debt and equity securities, share buy-back, share cancellation, shares held as treasury shares for the 9-month period ended 31 January 2018 except for the following:

(a) Movement in share capital

	<b>Number of Ordinary shares</b>	<b>RM</b>
Issued share capital as at 1 May 2017	757,564,472	147,359,350
Arising from conversion of ICULS	663,700	164,925
Share capital as at 31 January 2018	758,228,172	147,524,275

(b) Share buy-back

There was no share buy back transacted during the period ended 31 January 2018 and the number of treasury shares held in hand as at 31 January 2018 are as follows:

	Average price per share RM	Number of shares	Amount RM'000
<b>Total treasury shares as at 31 January 2018</b>	0.595	9,502,000	5,653

As at 31 January 2018, the number of outstanding shares in issue with voting rights was 748,726,172 (30 April 2017: 748,062,472) ordinary shares.

**A8. Contingent liability**

Bank guarantees of the Group are as follows:

	As at 31 January 2018 RM'000	As at 30 April 2017 RM'000
Performance bonds in favour of various customers	<u>21,582</u>	<u>22,347</u>

**A9. Dividends**

There were no dividends paid by the Company for the period under review.

**A10. Segment information**

The segment information for the reportable segments by line of business for the 9 months ended 31 January 2018 are as follows:-

	9 months ended 31/01/18 RM'000
<u>Revenue</u>	
Telecommunication services	60,536
Managed telecommunication network services	23,155
Industry digital services	<u>2,937</u>
Total revenue	<u>86,628</u>
<u>Results</u>	
Telecommunication services	11,898
Managed telecommunication network services	(3,007)
Industry digital services	<u>(3,311)</u>
	5,580
Indirect corporate expenses	<u>(2,339)</u>
Profit from operations	3,241
Investment related income	1,306
Finance costs	<u>(1,468)</u>
Profit before tax	3,079
Income tax expense	<u>(630)</u>
Profit after tax	<u>2,449</u>

**A11. Finance costs**

	3 months ended		9 months ended	
	31/01/18 RM'000	31/01/17 RM'000	31/01/18 RM'000	31/01/17 RM'000
Interest expense on:				
- bank overdrafts	-	51	39	141
- bankers' acceptance	-	(25)	41	43
- finance lease and hire purchase	6	7	20	18
- ICULS	41	43	124	129
- term loans	37	105	123	426
- short term financing	16	161	247	651
- interest-bearing prepayments	312	-	624	-
- bank guarantee	71	51	183	218
- others	32	12	67	44
	<u>515</u>	<u>405</u>	<u>1,468</u>	<u>1,670</u>

**A12. Trade receivables**

Trade receivables are mainly due to progress billings for government projects for managed telecommunications network services as well as corporate voice and data services.

**A13. Trade and other payables**

Payables of the Group are as follows:

	<b>As at 31 January 2018 RM'000</b>	<b>As at 30 April 2017 RM'000</b>
Trade payables	34,708	49,995
Sundry payables	1,267	1,670
Provision for Universal Service Fund Contribution ("USOF")	7,322	6,673
Accruals	4,878	4,414
Deposits payable	1,985	2,126
Deferred income	2,948	2,456
Other payables and accruals	18,400	17,339
Total	<u>53,108</u>	<u>67,334</u>

**B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD (ACE MARKET) LISTING REQUIREMENTS**

**B1. Review of group performance for the third quarter and financial period ended 31 January 2018**

**Review of result for the quarter**

For the quarter under review, the Group reported a revenue wholly from continuing operations of RM27.3 million, which was 27.1% lower than the RM37.4 million reported for continuing operations in the previous year corresponding quarter, as managed telecommunication network services segment contributed lower revenue in line with lesser project activities. The Group's total revenue for the current quarter and the previous year corresponding quarter were wholly from continuing operations.

The Group posted a profit before tax for the current quarter of RM0.3 million from continuing operations, compared to the RM3.74 million loss before tax from continuing operations reported in previous year Quarter 3 ended 31 January 2017. The improvement in results was mainly due to higher gross margin in managed telecommunication network services, coupled with lower operating expenses for the quarter.

**Review of result for the 9-month financial period**

For the financial period under review, the Group reported a revenue wholly from continuing operations of RM86.6 million, which was 20.6% lower than the RM109.1 million reported for continuing operations in the previous year corresponding period. The lower revenue in current period was mainly due to lower managed telecommunication network services revenue as project activities reduced upon completion of certain key milestones. The Group revenue for the previous year corresponding period was RM115.1 million if the RM6 million revenue from discontinued operations was included.

The Group posted a profit before tax for the current period of RM3.08 million from continuing operations, compared to the RM8.45 million loss before tax reported in previous year corresponding period, which comprised of RM7.23 million loss from continuing operations and RM1.22 million loss from discontinued operations. The improvement in results for the current period was mainly due to lower losses incurred for managed telecommunication network services segment and lower operating costs incurred.

**B2. Review of result of third quarter vs second quarter**

**Commentary on revenue**

The Group reported a revenue of RM27.3 million in this current quarter under review as compared to RM29.1 million in the preceding quarter. The quarter-on-quarter decrease was the result of lower engineering services revenue.

**Commentary on pre-tax profit**

The Group reported a profit before tax of RM0.30 million as compared to profit before tax of RM1.58 million in the preceding quarter. The quarter-on-quarter decrease was mainly due to higher general and administrative expenses incurred in the current quarter and government grant received in the preceding quarter.

**B3. Prospects and business outlook**

Given the macro-economic outlook and the prevailing economic conditions, our Board expects the operating performance of the Group in the remaining quarter of the financial year ended 30 April 2018 to continue to be challenging for the Group. However, the Group will continue with its focus on measures to improve operational efficiencies to improve profitability in the core businesses. Barring any unforeseen circumstances, the Board expects improved contribution from projects in the pipeline in the managed telecommunications network services segment. Data services for enterprise market would continue to lead the growth of telecommunications services segment.

**B4. Profit forecast**

No profit forecast was announced.

**B5. Corporate proposals**

There are no corporate developments for the current quarter under review.

**B6. Income tax expense**

	3 months ended		9 months ended	
	31/01/18 RM'000	31/01/17 RM'000	31/01/18 RM'000	31/01/17 RM'000
Current income tax:				
Provision in current period				
- Malaysian income tax from continuing operations	-	(686)	(456)	(838)
- Foreign income tax	-	-	-	(174)
- continuing operations	-	-	-	-
- discontinued operations	-	-	-	(174)
(Under)/over provision in respect of previous years	(152)	147	(152)	147
- continuing operations	(152)	147	(152)	147
- discontinued operations	-	-	-	-
	(152)	(539)	(608)	(865)
Deferred tax				
- Origination and reversal of temporary differences	(7)	(7)	(22)	(39)
- continuing operations	(7)	(7)	(22)	(39)
- discontinued operations	-	-	-	-
	(7)	(7)	(22)	(39)
Income tax expense attributable to:-				
- continuing operations	(159)	(546)	(630)	(730)
- discontinued operations	-	-	-	(174)
	(159)	(546)	(630)	(904)

The disproportionate tax charge of the Group for the quarter/period ended 31 January 2018 was mainly due to the availability of the unabsorbed losses to offset the chargeable income.

**B7. Profit/(loss) before tax**

	3 months ended		9 months ended	
	31/01/18 RM'000	31/01/17 RM'000	31/01/18 RM'000	31/01/17 RM'000
Profit/(loss) before tax is arrived at after charging/(crediting):-				
Audit fee - Statutory audit	86	96	264	296
- continuing operations	86	96	264	253
- discontinued operations	-	-	-	43
Audit fee - Other services	33	10	78	70
- continuing operations	33	10	78	70
- discontinued operations	-	-	-	-
Amortisation of development cost	224	118	564	642
- continuing operations	224	118	564	325
- discontinued operations	-	-	-	317
Depreciation of property, plant and equipment	1,170	1,105	3,384	4,027
- continuing operations	1,170	1,105	3,384	3,706
- discontinued operations	-	-	-	321
Loss on foreign exchange:				
- realised	31	155	138	3,262
- continuing operations	31	155	138	3,261
- discontinued operations	-	-	-	1
- unrealised	9	4	29	52
- continuing operations	9	4	29	52
- discontinued operations	-	-	-	-
Allowance for doubtful debts on:				
- Trade receivables	61	62	187	101
- continuing operations	61	62	187	101
- discontinued operations	-	-	-	-
- Non-trade receivable	-	2,059	-	2,059
- continuing operations	-	2,059	-	2,059
- discontinued operations	-	-	-	-
Rental of computer	33	92	133	307
- continuing operations	33	92	133	307
- discontinued operations	-	-	-	-
Rental of office	151	198	488	732
- continuing operations	151	198	488	609
- discontinued operations	-	-	-	123
Staff cost:				
- Salaries, bonus, wages and allowances	5,730	5,810	17,207	17,209
- continuing operations	5,730	5,810	17,207	16,494
- discontinued operations	-	-	-	715
- Defined contribution plan	825	647	2,272	2,161
- continuing operations	825	647	2,272	2,021
- discontinued operations	-	-	-	140
Interest income	(318)	(302)	(913)	(875)
- continuing operations	(318)	(302)	(913)	(861)
- discontinued operations	-	-	-	(14)
Other income	(75)	(99)	(1,306)	(6,674)
- continuing operations	(75)	(99)	(1,306)	(6,710)
- discontinued operations	-	-	-	36

**B7. Profit/(loss) before tax (contd.)**

There were no gain or loss on disposal of quoted or unquoted investments or properties, provision for and write off of inventories, write off of receivables, impairment of assets, gain or loss on derivatives and exceptional items included in the results of the current quarter ended 31 January 2018.

**B8. Loans and borrowings**

Loans and borrowings of the Group were as follows:

	As at 31 January 2018 RM'000	As at 30 April 2017 RM'000
<b>Current</b>		
<u>Secured</u>		
Term loan facilities, which are denominated in Ringgit Malaysia	5,238	1,586
Trade financing, which are denominated in Ringgit Malaysia	-	22,056
Bank overdrafts, which are denominated in Ringgit Malaysia	-	3,086
<u>Unsecured</u>		
Finance lease facilities, which are denominated in Ringgit Malaysia	127	367
Hire purchase, which is denominated in Ringgit Malaysia	31	30
	<u>5,396</u>	<u>27,125</u>
<b>Non current</b>		
<u>Secured</u>		
Term loan facilities, which are denominated in Ringgit Malaysia	1,598	1,653
<u>Unsecured</u>		
Finance lease facilities, which are denominated in Ringgit Malaysia	-	32
Hire purchase, which is denominated in Ringgit Malaysia	92	115
	<u>1,690</u>	<u>1,800</u>
Total	<u>7,086</u>	<u>28,925</u>

**B9. Material litigation**

There is no material litigation since the last annual reporting date up to the date of this announcement.

**B10. Dividend proposed**

There were no dividend proposed by the Board for the current quarter under review (previous year corresponding quarter ended 31 January 2017: Nil).

**B11. Earnings/(loss) per share**

Basic earnings/(loss) per share is calculated as follows:

	3 months ended		9 months ended	
	31/01/18 RM'000	31/01/17 RM'000	31/01/18 RM'000	31/01/17 RM'000
Profit/(loss) attributable to owners of the Company from continuing operations	663	(3,618)	3,062	(6,316)
Impact on income statement upon conversion of ICULS	41	43	124	129
	<u>704</u>	<u>(3,575)</u>	<u>3,186</u>	<u>(6,187)</u>
Loss attributable to owners of the Company from discontinued operations	-	-	-	(1,093)
Adjusted net profit/(loss) attributable to owners of the Company	<u>704</u>	<u>(3,575)</u>	<u>3,186</u>	<u>(7,280)</u>
Weighted average number of ordinary shares in issue with voting rights ('000)	748,365	747,855	748,365	747,855
Weighted average number of shares to be issued upon conversion of mandatorily convertible ICULS ('000)	24,587	25,099	24,587	25,099
Number of shares used in the calculation of basic earnings per share ('000)	<u>772,952</u>	<u>772,954</u>	<u>772,952</u>	<u>772,954</u>
Basic earnings/(loss) per share (sen)				
- From continuing operations	0.09	(0.46)	0.41	(0.80)
- From discontinued operations	-	-	-	(0.14)
	<u>0.09</u>	<u>(0.46)</u>	<u>0.41</u>	<u>(0.94)</u>

There are no potential ordinary shares outstanding as at 31 January 2018. As such, the fully diluted earnings/(loss) per share of the Group is equivalent to the basic earnings/(loss) per share.