ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No. 389769-M)
(Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the quarter ended 30 June 2018
(The figures have not been audited)

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 3 MONTHS ENDED	
	CURRENT YEAR QUARTER ENDED 30/06/2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 30/06/2017 RM'000	CURRENT PERIOD TO-DATE 30/06/2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE 30/06/2017 RM'000
Revenue	66,829	66,717	66,829	66,717
Cost of sales	(55,694)	(53,475)	(55,694)	(53,475)
Gross Profit	11,135	13,242	11,135	13,242
Other operating income/(expense)	1,288	(789)	1,288	(789)
Selling & distribution costs	(3,594)	(5,081)	(3,594)	(5,081)
Administrative expenses	(4,555)	(3,312)	(4,555)	(3,312)
Finance costs	(209)	(154)	(209)	(154)
Profit Before Tax	4,065	3,906	4,065	3,906
Tax expense	(930)	(645)	(930)	(645)
Profit net of tax, representing total comprehensive income for the period	3,135	3,261	3,135	3,261
Total Comprehensive Income Attributable to :				
Owners of the parent	3,135	3,266	3,135	3,266
Non-controlling interest	-	(5)	-	(5)
	3,135	3,261	3,135	3,261
Earnings per share (Note B 15)				
- Basic (Sen)	1.31	1.36	1.31	1.36
- Diluted	N/A	N/A	N/A	N/A

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31st March 2018 and the accompanying explanatory notes attached to the interim financial statements.

ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No. 389769-M)
(Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	30 June 2018 Unaudited RM'000	31 March 2018 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	141,167	142,919
Investment properties	5,047	5,079
Investment security	372	372
Land held for property development	962	962
	147,548	149,332
Current assets		
Inventories	27,896	29,145
Trade and other receivables	53,667	60,304
Other current assets	3,107	3,221
Income tax recoverable	3,803	3,507
Cash and bank balances	5,714	6,101
	94,187	102,278
TOTAL ASSETS	**241,735**	**251,610**
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	120,000	120,000
Retained earnings	68,026	64,891
Total equity	188,026	184,891
Non-current liabilities		
Loans and borrowings	11,466	12,606
Deferred tax liabilities	6,625	5,766
	18,091	18,372
Current liabilities		
Trade and other payables	24,931	36,394
Dividend payable	-	1,200
Income tax payable	1	-
Loans and borrowings	10,686	10,753
	35,618	48,347
Total liabilities	53,709	66,719
TOTAL EQUITY AND LIABILITIES	**241,735**	**251,610**
	-	-
Net assets per share attributable to owners of the Parent (RM) **	**0.78**	**0.77**

** **Net assets per share is calculated based on total assets (including intangibles) minus total liabilities divided by the total number of ordinary shares in issue as at 30 June 2018.**

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31st March 2018 and the accompanying explanatory notes attached to the interim financial statements.

ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No. 389769-M)
(Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the quarter ended 30 June 2018
(The figures have not been audited)

	Attributable to Owners of the Parent			Non-Controlling Interest	Total Equity
	Share Capital RM'000	Retained Earnings RM'000	Total RM'000	RM'000	RM'000
3 months period ended 30 June 2018					
Balance as at 1 April 2018	120,000	64,891	184,891	-	184,891
Total comprehensive income for the period	-	3,135	3,135	-	3,135
Balance as at 30 June 2018	120,000	68,026	188,026	-	188,026
3 months period ended 30 June 2017					
Balance as at 1 April 2017	120,000	62,089	182,089	648	182,737
Total comprehensive income for the period	-	3,266	3,266	(5)	3,261
Transactions with owners					
Additional purchase of shares	-	-	-	643	(643)
Interim dividend for the year ended 31 March 2017	-	(2,400)	(2,400)	-	(2,400)
Total transactions with owners	-	(2,400)	(2,400)	(643)	(3,043)
Balance as at 30 June 2017	120,000	62,955	182,955	-	182,955

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st March 2018 and the accompanying explanatory notes attached to the interim financial statements.

ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No. 389769-M)
(Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the quarter ended 30 June 2018
(The figures have not been audited)

	CURRENT YEAR ENDED 30/06/2018 RM'000	PRECEDING YEAR ENDED 30/06/2017 RM'000
OPERATING ACTIVITIES		
Profit before tax	4,065	3,906
Adjustments for non cash items	4,390	2,779
	8,455	6,685
Changes in working capital	(3,379)	(11,415)
Net cash generated from/(used in) operating activities	5,076	(4,730)
Interest income	4	19
Interest paid	(209)	(154)
Income taxes paid	(689)	(1,361)
Income taxes refunded	323	156
Net cash flows from/(used in) operating activities	4,505	(6,070)
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,098)	(4,295)
Advances to suppliers of property, plant & equipment	(1,265)	413
Proceeds from disposal of:		
- property, plant and equipment	14	-
Purchase considerations paid to non-controlling interest	-	(500)
Net cash used in investing activities	(2,349)	(4,382)
FINANCING ACTIVITIES		
Dividends paid on ordinary shares	(1,200)	-
Drawdown/(repayment) of loans and borrowings	(1,248)	(1,293)
Net cash used in financing activities	(2,448)	(1,293)
Net Change in Cash & Cash Equivalents	(292)	(11,745)
Effect of exchange rate changes on cash and cash equivalents	(135)	(14)
Cash and Cash Equivalents at beginning of year	2,509	18,996
Cash and Cash Equivalents at end of period	2,082	7,237

Cash and cash equivalents at the end of the financial period comprise the following:	**30/06/2018 RM'000**	**30/06/2017 RM'000**
Cash and bank balances	5,714	7,238
Investment in money market fund	(1)	(1)
Bank overdraft	(3,631)	-
	2,082	7,237

Note : There is no non-cash movement in liabilities arising from financing activities for the period ended 30 June 2018.

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31st March 2018 and the accompanying explanatory notes attached to the interim financial statements.

A. INFORMATION REQUIRED BY MFRS 134

1. *Basis of Preparation*

The condensed consolidated interim financial statements are unaudited and have 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 Malaysia"). These condensed consolidated interim financial statements also comply with IAS 34, Interim Financial Reporting issued by the International Accounting Standards Board ('IASB").

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2018. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2018.

2. *Changes in Accounting Policies*

The significant accounting policies and the methods adopted for the unaudited condensed financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 March 2018.

The adoption of the following MFRS and amendments to MFRS for financial periods beginning on or after 1 April 2018 do not have significant impact on the unaudited condensed consolidated financial statements upon their initial applications:

- Amendments to MFRS 140 Transfers of Investment Property
- Amendments to MFRS 4 Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts
- Amendments to MFRS 2 Classification and Measurement of Shared-based Payment Transactions
- MFRS 15 Revenue from Contracts with Customers
- Clarifications to MFRS 15 Revenue from Contracts with Customers
- MFRS 9 Financial Instruments
- IC Interpretation 22 Foreign Currency Transactions and Advance Consideration
- Annual Improvements to MFRS Standards 2014-2016 Cycle (Amendments to MFRS 1 First- time Adoption of Malaysian Financial Reporting Standards and MFRS 128 Investments in Associates and Joint Ventures)

Under MFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. Please refer to Note 9 for the disclosure of the impact on the Group's revenue.

Upon adoption of MFRS 15, some of the variable considerations which previously were recognised in Selling and Distribution Costs, have been classified as a reduction in revenue in the first quarter of financial year ending 2019.

The Group elected to adopt the modified retrospective method where comparatives will not be restated.

At the date of authorisation of the interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

- MFRS 16 Leases
- Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- MFRS 17 Insurance Contracts
- IC Interpretation 23 Uncertainty over Income Tax Treatments
- Amendments to MFRS 128 Long-term Interests in Associates and Joint Ventures
- Amendments to MFRS 9 Prepayment Features with Negative Compensation

- Annual Improvements to MFRS Standards 2015-2017 Cycle (Amendments to MFRS 3, 11, 112 & 123)
- Plan Amendment, Curtailment or Settlement (Amendments to MFRS 119 Employee Benefits)
- Amendments to MFRS 2 Share-Based Payment
- Amendment to MFRS 3 Business Combinations
- Amendments to MFRS 6 Exploration for and Evaluation of Mineral Resources
- Amendments to MFRS 14 Regulatory Deferral Accounts
- Amendments to MFRS 101 Presentation of Financial Statements
- Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors
- Amendments to MFRS 134 Interim Financial Reporting
- Amendment to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets
- Amendment to MFRS 138 Intangible Assets
- Amendment to IC Interpretation 12 Service Concession Arrangements
- Amendment to IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments
- Amendment to IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine
- Amendment to IC Interpretation 22 Foreign Currency Transactions and Advance Consideration
- Amendments to IC Interpretation 132 Intangible Assets-Web Site Costs

3. *Seasonal or Cyclical Factors*

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

4. *Exceptional / Extraordinary Items*

There were no exceptional / extraordinary items for the financial period under review.

5. *Changes in Estimates*

There were no changes to the estimates of amounts reported in prior financial years that may have a material effect in the current period.

6. *Debts and Equity Securities*

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities for the current financial quarter.

7. *Dividend Paid*

No dividend was recommended or declared during the previous board meeting held on 30 May 2018.

8. *Segment Information*

Management has determined the operating segments based on the reports used to make strategic decisions.

For management purposes, the Group is organised into business units based on their products and services, and has three reportable operating segments as follows:

i. Manufacturing and marketing of snack food and confectioneries
ii. Property development
iii. Investment holding

As the activities of the Group are carried out in Malaysia, segmental reporting by geographical location is not presented.

8. Segment information (continued)

30 June 2018	Manufacturing and marketing of snack food and confectioneries RM'000	Property development RM'000	Investment holding RM'000	Adjustments and eliminations RM'000	Notes	Per condensed consolidated financial statements RM'000
Revenue:						
External customers	66,829	-	-	-		66,829
Inter-segment	-	-	-	-	A	-
Total revenue	66,829	-	-	-		66,829
Results:						
Interest income	4	-	-	-		4
Depreciation of:						
- Property, plant and equipment	2,850	-	-	-		2,850
- Investment properties	4	28		-		32
Other non-cash income/(expenses)	614	-	-	-	B	614
Segment profit/(loss)	4,253	(36)	(152)	-	C	4,065
Assets:						
Additions to non-current assets	1,098	-	-	-	D	1,098
Segment assets	234,888	6,750	97	-	E	241,735
Segment liabilities	53,041	182	486	-	F	53,709

8. Segment information (continued)

30 June 2017	Manufacturing and marketing of snack food and confectioneries RM'000	Property development RM'000	Investment holding RM'000	Adjustments and eliminations RM'000	Notes	Per condensed consolidated financial statements RM'000
Revenue:						
External customers	66,717	-	-	-		66,717
Inter-segment	-	-	3,061	(3,061)	A	-
Total revenue	66,717	-	3,061	(3,061)		66,717
Results:						
Interest income	19	-	-	-		19
Depreciation of:						
- Property, plant and equipment	2,216	-	-	-		2,216
- Investment properties	4	22	-	-		26
Other non-cash income	(545)	-	144	-	B	(401)
Segment profit	3,802	(40)	3,055	(2,911)	C	3,906
Assets:						
Additions to non-current assets	4,295	-	-	-	D	4,295
Segment assets	225,753	7,842	2,669	-	E	236,264
Segment liabilities	50,072	323	2,914	-	F	53,309

8. *Segment Information (continued)*

A Inter-segment revenues are eliminated on consolidation.

B Other non-cash incomes/(expenses) consist of the following items as presented in the respective notes to the financial statements:

	30.06.2018 RM'000	30.06.2017 RM'000
Unrealised foreign exchange gain/(loss)	958	(297)
Inventories written down	(258)	(248)
Gain on bargain purchase	-	144
Impairment loss on trade receivables	(100)	-
Gain on disposal of ppe	14	-
	614	(401)

C The following items are added to/(deducted from) segment profit to arrive at total consolidated profit before tax:

	30.06.2018 RM'000	30.06.2017 RM'000
Dividend income from inter-segment	-	3,061
Unallocated corporate expenses	(152)	(150)
	(152)	2,911

D Additions to non-current assets consist of property, plant and equipment and investment property.

E Inter-segment assets are deducted from segment assets to arrive at total assets reported in the condensed consolidated statement of financial position.

F Inter-segment liabilities are deducted from segment liabilities to arrive at total liabilities reported in the condensed consolidated statement of financial position.

Revenue information based on the geographical location of customers is as follows:

	Revenues			
	01.04.2018 - 30.06.2018		01.04.2017 - 30.06.2017	
	RM'000	%	RM'000	%
Malaysia	20,902	31%	23,979	36%
Asia	29,067	44%	29,983	45%
Others	16,860	25%	12,755	19%
Total reported segments	66,829	100%	66,717	100%

The Group does not have single external customer that constitute 10% or more of the Group's revenue.

9. *Revenue from Contracts With Customers*

The Group's disaggregation of revenue and costs of goods sold are shown below:

	Current Qtr 30.06.2018 RM'000	Preceding Year Corresponding Qtr 30.06.2017 RM'000
Timing of Revenue Recognition		
Goods transferred at a point in time	66,147	66,717
Services transferred over time	682	-
Total revenue from contracts with customer	66,829	66,717
Cost of Goods Sold		
Cost of goods sold	55,012	53,475
Carriage outwards	682	-
Effect of MFRS 15	55,694	53,475

10. *Significant Related Party Disclosures*

The significant related party transactions and outstanding balance described below were carried out in the ordinary course of business and on commercial terms that are no more favourable than that available to other third parties.

	Transactions for the 3 months period ended 30.06.2018 RM'000	Outstanding balance as at 30.06.2018 RM'000
Sale of goods to Syarikat Perniagaan Chong Mah	502	196
Rental income received from Skyline Motion Sdn Bhd	12	4

Syarikat Perniagaan Chong Mah, a company incorporated in Malaysia, is a substantial shareholder of the Company. The transactions with this related party are conducted in accordance with the general mandate obtained from shareholders for recurrent related party transactions.

The Tenancy Agreement entered between OFI Properties Sdn Bhd and Skyline Motion Sdn Bhd are in the ordinary course of business and the transaction has been entered into in arm's-length basis.

11. *Material Events Subsequent to the End of the Reporting Period*

There was no material events subsequent to the end of the current quarter reported.

12. *Changes in the Composition of the Group*

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

13. *Contingent Liabilities*

There were no contingent liabilities of a material nature to be disclosed.

14. *Capital Commitments*

	As at 30.06.2018 RM'000
Authorised, contracted but not provided for:-	
- purchase of property, plant and equipment	2,383
	2,383

B. Additional information required by Bursa Malaysia Listing Requirements

1. *Review of Performance*

	Individual Period (1st Quarter)		Changes (%)	Cumulative Period		Changes (%)
	Current Quarter	Preceding Year Corresponding Quarter		Current Period To-Date	Preceding Year Corresponding Period	
	30/06/2018 RM'000	30/06/2017 RM'000		30/06/2018 RM'000	30/06/2017 RM'000	
Revenue	66,829	66,717	0.17	66,829	66,717	0.17
Operating Profit/(Loss)	4,274	4,060	5.27	4,274	4,060	5.27
Profit/(Loss) Before Interest and Tax	4,274	4,060	5.27	4,274	4,060	5.27
Profit/(Loss) Before Tax	4,065	3,906	4.07	4,065	3,906	4.07
Profit/(Loss) After Tax	3,135	3,261	(3.86)	3,135	3,261	(3.86)
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	3,135	3,266	(4.01)	3,135	3,266	(4.01)

The revenue for the current period to date and current quarter is higher as compared to preceding year corresponding period and quarter due to higher sales from export market. The higher revenue was impacted by the Group's first adoption of MFRS 15 where some promotional expenses have been reclassified as a deduction from revenue in the financial year ending 2019.

Profit before tax for the current period to date and current quarter is higher due to fluctuations in foreign exchange rates.

2. *Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter*

	Current Quarter 30/06/2018 RM'000	Immediate Preceding Quarter 31/03/2018 RM'000	Changes (%)
Revenue	66,829	73,223	(8.73)
Operating Profit/(Loss)	4,274	(674)	734.12
Profit/(Loss) Before Interest and Tax	4,274	(674)	734.12
Profit/(Loss) Before Tax	4,065	(1,024)	496.97
Profit/(Loss) After Tax	3,135	267	1074.15
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	3,135	267	1074.15

The decrease in revenue for the current quarter as compared to the preceding quarter was due to the reclassification of some promotional expenses and decrease in export sales.

Profit before tax for the current quarter is higher due to gain in foreign exchange rates and lower operating expenses.

3. *Group's Prospects*

The Group is currently making machinery acquisitions for some expansion projects for new product lines. The management expects that these new lines will contribute positively towards the growth and profitability of the Group. These programs are expected to be completed in stages in the next few years.

Despite the increased in raw material cost and facing various challenges of the competitive markets, the Board expects that the performance of the Group will be satisfactory for the financial year ending 31 March 2019.

4. *Board of Directors' Opinion on Revenue or Profit Estimate, Forecast, Projection or Internal Targets*

The Group does not announce or disclose any revenue or profit estimate, forecast, projection or internal targets in a public document.

5. *Variance of Actual Profit from Profit Forecast*

The disclosure requirements for explanatory notes for the variance of actual profit after tax and non-controlling interest and forecasted profit after tax and non-controlling interest and for the shortfall in profit guarantee are not applicable.

6. *Taxation*

	Current Quarter 30.06.2018	Preceding Year Corresponding Quarter 30.06.2017	Current Period To Date 30.06.2018	Preceding Year corresponding Period To Date 30.06.2017
	RM'000	RM'000	RM'000	RM'000
Income taxation in Malaysia				
- current year	71	732	71	732
Deferred taxation				
- origination and reversal of temporary differences	859	(87)	859	(87)
	930	645	930	645

The Group's effective tax rate for the current year to date is lower than the statutory tax rate mainly due to the utilisation of tax incentives granted to its subsidiary.

7. *Profits on Sale of Unquoted Investments and / or Properties*

There was no sale of unquoted investments and / or properties for the current quarter.

8. *Purchases or Disposals of Quoted Securities*

8. *Purchases or Disposals of Quoted Securities*

There were no purchase and sale of quoted securities for the current quarter.

9. *Status of Corporate Proposals*

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

10. *Group Borrowings*

	As at 30.06.2018 RM'000	As at 30.06.2017 RM'000
Borrowings – current		
Overdraft - *secured*	3,631	-
Banker Acceptance – *secured*	2,000	-
Term loan - *secured*	5,055	3,436
	10,686	3,456
Borrowings – non-current		
Term loan - *secured*	11,466	9,622

The borrowings are denominated in Ringgit Malaysia and are based on floating interest rates.

11. *Derivatives*

There were no forward foreign exchange contracts outstanding as at 30 June 2018.

12. *Gain/Loss Arising from Fair Value Changes of Financial Liabilities*

There was no gain or loss arising from fair value changes of the financial liabilities for the current quarter and current year to date ended 30 June 2018.

13. *Material Litigation*

There was no material litigation pending since the date of last announcement till the date of this interim report.

14. *Dividend*

(a) An interim single tier dividend for the financial year ending 31 March 2019, amounting to RM1,200,000 computed based on 240,000,000 ordinary shares as at 30 June 2018, has been declared by the Board of Directors on 29 August 2018:

(i) Amount per share : Single tier dividend of 0.50 sen per share

(ii) The previous corresponding period as at 30 June 2017 : Single tier dividend of 1.0 sen per share

(iii) Entitlement date : 21 September 2018

(iv) Payment Date : 12 October 2018

(b) The total dividend declared for the current financial year ending 31 March 2019 : 0.50 sen per share

15. *Earnings per Share*

	Current Quarter 30.06.2018	Preceding Year Corresponding Quarter 30.06.2017	Current Period To Date 30.06.2018	Preceding Year Corresponding Period To Date 30.06.2017
Profit attributable to owners of the parent (RM'000)	4,065	3,266	4,065	3,266
Number of ordinary shares in issue ('000)	240,000	240,000	240,000	240,000
Basic earnings per share (sen)	1.31	1.36	1.31	1.36

16. *Audit Report*

The audited report of the preceding annual financial statements did not contain any qualification.

17. *Profit before Tax*

Profit before tax is arrived at after charging/(crediting):

	Current Quarter 30.06.2018 RM'000	Current Period To Date 30.06.2018 RM'000
Interest income	(19)	(19)
Rental income	(37)	(37)
Interest expense	209	209
Property, plant and equipment		
- depreciation	2,216	2,216
- gain on disposal	(14)	(14)
Investment properties		
- depreciation	26	26
Foreign exchange gain		
- realised	(127)	(127)
- unrealised	(958)	(958)
Inventories written off	258	258
Allowance for doubtful debts	100	100

Other than the above items, there were no provision for and write off of receivables, impairment of assets and exceptional items for the current quarter and current financial period to date ended 30 June 2018.

18. *Realised and Unrealised Profits/Losses Disclosure*

	As at 30.06.2018 RM'000	As at 30.06.2017 RM'000
Total retained earnings of Oriental Food Industries Holdings Berhad and its subsidiaries:		
- Realised	109,361	109,595
- Unrealised	(5,667)	(10,846)
	103,694	98,749
Less: Consolidation adjustments	(35,668)	(35,794)
	68,026	62,955

For and on behalf of
ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD

Datuk Son Tong Leong
Executive Director

Dated: 29 August 2018