

HARTALEGA HOLDINGS BERHAD(Company No. 741883-X)**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income****For the second quarter ended 30 September 2017 (Unaudited)**

	Current Quarter Ended 30 Sep 2017 RM'000	Corresponding Quarter Ended 30 Sep 2016 RM'000	Current Year-To-Date 30 Sep 2017 RM'000	Corresponding Year-To-Date 30 Sep 2016 RM'000
Revenue	584,617	436,975	1,185,658	838,802
Operating expenses	(454,609)	(349,207)	(947,131)	(676,127)
Operating Profit	130,008	87,768	238,527	162,675
Other operating income/(expense)	9,101	(3,864)	18,070	(10,441)
Profit before interest and tax	139,109	83,904	256,597	152,234
Finance costs	(1,864)	(145)	(3,616)	(346)
Profit before tax	137,245	83,759	252,981	151,888
Taxation	(23,507)	(12,582)	(42,814)	(24,313)
Net profit for the period	113,738	71,177	210,167	127,575
Other comprehensive income, net of tax				
Items that may be reclassified subsequently to profit or loss				
Foreign exchange translation difference	62	629	(199)	504
Total comprehensive income for the period	113,800	71,806	209,968	128,079
Profit attributable to:				
Owners of the Company	113,340	71,215	209,726	127,391
Non-controlling interest	398	(38)	441	184
	113,738	71,177	210,167	127,575
Total comprehensive income attributable to:				
Owners of the Company	113,390	71,728	209,431	127,803
Non-controlling interest	410	78	537	276
	113,800	71,806	209,968	128,079
EPS - Basic (sen)	6.87	4.34	12.72	7.76
- Diluted (sen)	6.80	4.31	12.59	7.70

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2017 and the accompanying notes attached to this interim financial report.)

HARTALEGA HOLDINGS BERHAD(Company No. 741883-X)**Condensed Consolidated Statement of Financial Position as at 30 September 2017**

	<i>Unaudited At 30 Sep 2017 RM'000</i>	<i>Audited At 31 Mar 2017 RM'000</i>
ASSETS		
Non current assets		
Property, Plant & Equipment	1,449,251	1,393,169
Capital work in progress	198,402	177,216
Intangible assets	19,594	19,799
Deferred tax assets	1,066	4,876
	<u>1,668,313</u>	<u>1,595,060</u>
Current assets		
Inventories	249,619	270,434
Trade receivables	293,314	254,699
Other receivables, deposits and prepayments	55,836	45,416
Tax assets	56	155
Derivatives	4,892	-
Cash & cash equivalents	194,714	121,009
	<u>798,431</u>	<u>691,713</u>
TOTAL ASSETS	<u>2,466,744</u>	<u>2,286,773</u>
EQUITY AND LIABILITIES		
Share capital	870,570	830,316
Reserves	988,085	851,845
Equity attributable to owners of the Company	<u>1,858,655</u>	<u>1,682,161</u>
Non-controlling interests	<u>3,162</u>	<u>2,625</u>
Total Equity	<u>1,861,817</u>	<u>1,684,786</u>
Non current liabilities		
Long term borrowings	131,242	162,550
Deferred tax liabilities	85,921	76,421
	<u>217,163</u>	<u>238,971</u>
Current liabilities		
Trade payables	109,005	113,155
Other payables and accruals	101,166	93,816
Short term borrowings	163,625	147,492
Derivatives	-	1,728
Tax payables	13,968	6,825
	<u>387,764</u>	<u>363,016</u>
Total Liabilities	<u>604,927</u>	<u>601,987</u>
TOTAL EQUITY AND LIABILITIES	<u>2,466,744</u>	<u>2,286,773</u>
Net assets per share attributable to the owners of the Company (sen)	112.58	102.38

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2017 and the accompanying notes attached to this interim financial report)

HARTALEGA HOLDINGS BERHAD(Company No. 741883-X)

Condensed Consolidated Statement of Changes in Equity

For the second quarter ended 30 September 2017 (Unaudited)

	←-----Attributable to Owners of the Company----->							
	Share Capital RM'000	Share Premium RM'000	Translation Reserve RM'000	Share-based Payment Reserve RM'000	Retained Profits RM'000	Sub Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
6 Months Ended 30 September 2017								
Balance as at 1 April 2017	830,316	-	805	37,508	813,532	1,682,161	2,625	1,684,786
Total comprehensive income for the period	-	-	(295)	-	209,726	209,431	537	209,968
Transaction with owners								
Dividends	-	-	-	-	(74,134)	(74,134)	-	(74,134)
Share-based payment granted under ESOS	-	-	-	9,774	-	9,774	-	9,774
Issuance of ordinary shares pursuant to ESOS	31,423	-	-	-	-	31,423	-	31,423
Transfer from Share-based payment upon exercise of ESOS	8,831	-	-	(8,831)	-	-	-	-
Total transaction with owners	40,254	-	-	943	(74,134)	(32,937)	-	(32,937)
Balance as at 30 September 2017	870,570	-	510	38,451	949,124	1,858,655	3,162	1,861,817
6 Months Ended 30 September 2016								
Balance as at 1 April 2016	820,514	698	(215)	19,093	661,852	1,501,942	2,083	1,504,025
Total comprehensive income for the period	-	-	413	-	127,390	127,803	276	128,079
Transaction with owners								
Dividends	-	-	-	-	(64,643)	(64,643)	-	(64,643)
Share-based payment granted under ESOS	-	-	-	10,904	-	10,904	-	10,904
Issuance of ordinary shares pursuant to ESOS	56	365	-	-	-	421	-	421
Transfer from Share-based payment upon exercise of ESOS	-	89	-	(89)	-	-	-	-
Total transaction with owners	56	454	-	10,815	(64,643)	(53,318)	-	(53,318)
Balance as at 30 September 2016	820,570	1,152	198	29,908	724,599	1,576,427	2,359	1,578,786

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2017 and the accompanying notes attached to this interim financial report.)

HARTALEGA HOLDINGS BERHAD(Company No. 741883-X)**Condensed Consolidated Statement of Cash Flows****For the second quarter ended 30 September 2017 (Unaudited)**

	Current Year-To-Date 30 Sep 2017 RM'000	Corresponding Year-To-Date 30 Sep 2016 RM'000
Cash Flows from/(used in) Operating Activities		
Profit before tax	252,981	151,888
Adjustments for:		
Depreciation and amortisation	41,928	33,926
Other adjustments	(2,405)	26,883
Operating profit before changes in working capital	292,504	212,697
Changes in working capital		
Net change in inventories	20,815	(1,461)
Net change in receivables	(42,417)	(13,577)
Net change in payables	3,199	14,964
Cash generated from operations	274,101	212,623
Interest received	503	609
Income from fixed income fund	2,017	279
Tax refunded	114	-
Taxation paid	(22,411)	(25,106)
Net cash from operating activities	254,324	188,405
Cash Flows from/(used in) Investing Activities		
Proceeds from disposal of property, plant and equipment	50	259
Capital work in progress incurred	(102,526)	(92,110)
Purchase of property, plant and equipment	(16,641)	(36,535)
Purchase of intangible asset	-	(161)
Net change in escrow account	-	5,330
Net cash used in investing activities	(119,117)	(123,217)
Cash Flows from/(used in) Financing Activities		
Draw down of term loan	14,801	11,647
Repayment of term loans	(43,583)	(78)
Repayment of finance lease	(18)	(12)
Net change in bank borrowings	13,626	(3,793)
Interest paid	(3,616)	(346)
Proceeds from issuance of shares-ESOS	31,423	421
Dividend paid	(74,134)	(65,643)
Net cash from financing activities	(61,501)	(57,804)
Net change in cash & cash equivalents	73,706	7,384
Cash & cash equivalents at beginning of period	121,008	79,051
Cash & cash equivalents at end of period	194,714	86,435
Cash & cash equivalents at end of period comprise:		
Deposits with licensed banks	-	7,800
Licensed Fund Management Companies-Fixed income fund	45,244	14,323
Cash in hand and at banks	149,470	64,312
	194,714	86,435

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2017 and the accompanying notes attached to this interim financial report.)

Notes to the Interim financial report for the Second Quarter ended 30 September 2017
A. NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD 134 (MFRS 134): INTERIM FINANCIAL REPORTING
A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with requirement of Malaysian Financial Reporting Standards 134 (MFRS 134): Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), International Accounting Standard (“IAS”) 34: Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”) and paragraph 9.22 (Appendix 9B part A) of the Main Market Listing Requirements (“Listing Requirements”) of the Bursa Malaysia Securities Berhad (“Bursa Securities”).

The significant accounting policies and methods of computation adopted in the preparation of this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 March 2017 except for the adoption of the following new Malaysian Financial Reporting Standards (“MFRS”):

MFRSs

Amendments to MFRS 107	Disclosure Initiative
Amendments to MFRS 112	Recognition of Deferred Tax Assets Under Unrealised Losses

The adoption of these new and revised MFRSs did not result in significant changes in the accounting policies of the Group and had no significant effect on the financial performance or position of the Group.

Standards in issue but not yet effective

At the date of authorisation for issue of these financial statements, the new and revised Standards which were in issue but not yet effective and not early adopted by the Group are as listed below:

MFRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014) ¹
MFRS 15	Revenue from Contracts with Customers ¹
Amendments to MFRS 2	Classification and measurement of Share-based Payment Transactions ¹
Amendments to MFRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts ¹
Amendments to MFRS 16	Leases ²
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture ³
Amendments to MFRS 140	Transfers of Investment Property ¹

Amendments to MFRSs	Annual Improvement to MFRSs 2014 – 2016 cycle ¹
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration ¹

- ¹ Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted
- ² Effective for annual periods beginning on or after 1 January 2019, with earlier application permitted provided MFRS 15 is also applied
- ³ Effective date deferred to a date to be determined and announced, with earlier application still permitted

The directors anticipate that the adoption of the abovementioned standards, when they become effective, are not expected to have material impact on the financial statements of the Group in the period of initial application.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2017 and the accompanying explanatory notes attached to this interim financial report.

A2. Auditors' Report

The auditors' report for the immediate preceding annual financial statements of the Group for the financial year ended 31 March 2017 is not subject to any qualification.

A3. Seasonal and Cyclical Factors

The principal business operations of the Group were not affected by any seasonal and cyclical factors.

A4. Items of Unusual Nature and Amount

There were no items affecting the assets, liabilities, equity, net income or cash flow of the Group that are unusual because of their nature, size or incidence for the current quarter and financial year-to-date.

A5. Changes in Estimates of amount reported previously

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

A6. Issues, Repurchases and Repayments of Debt and Equity Securities

- (a) During the current quarter ended 30 September 2017, a total of 5,854,100 new ordinary shares were allotted and issued pursuant to the Company's Employees Share Option Scheme.
- (b) For the financial year-to-date ended 30 September 2017, a total of 7,941,800 new ordinary shares were allotted and issued pursuant to the Company's Employees Share Option Scheme.

Other than the above, there were no issuance and repayments of debt and equity securities, share buy-backs, share cancellations and shares held as treasury shares for the current quarter and financial year-to-date.

A7. Dividends Paid

Dividend paid by the Company during the financial year were as follows:

- (a) Third interim single tier exempt dividend of 2 sen per share amounting to RM32,879,294.28 in respect of the financial year ended 31 March 2017, declared on 9 May 2017 and paid on 23 June 2017.
- (b) Final single tier exempt dividend of 2.5 sen per share amounting to RM41,255,035.48 in respect of the financial year ended 31 March 2017, declared on 22 August 2017 and paid on 27 September 2017.

A8. Segment Information

The Group's business mainly comprises the manufacturing and sale of latex gloves and its manufacturing activities are operated solely in Malaysia. On this basis, the Group Managing Director reviews the operating results of the Group as a whole. Accordingly, no reportable operating segment is presented.

A9. Valuation of property, plant and equipment

The valuations of property plant and equipment have been brought forward without amendment from the previous annual financial statements.

A10. Capital Commitments

Capital commitment in respect of Property, Plant and Equipment as at end of the current quarter and financial year-to-date are as follows:-

	30 September 2017
	RM'000
Approved and contracted for	216,450

A11. Material Events Subsequent to the End of Period Reported

There were no material events subsequent to 30 September 2017 up to latest practicable date 31 October 2017 that have not been reflected in the financial statements for the current quarter and financial year-to-date.

A12. Changes in the Composition of the Group

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

A13. Contingent liabilities and Contingent Assets

There were no contingent liabilities or contingent assets that had arisen since the last annual statement of financial position date except as disclosed in the material litigation under Section B11.

B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

B1. Review of Performance of the Company and its Subsidiaries

	2nd Quarter Ended 30 Sep 2017	2nd Quarter Ended 30 Sep 2016	Variance		Year-To- Date 30 Sep 2017	Year-To- Date 30 Sep 2016	Variance	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	584,617	436,975	147,642	33.8	1,185,658	838,802	346,856	41.4
Operating profit	130,008	87,768	42,240	48.1	238,527	162,675	75,852	46.6
Profit before interest and tax	139,109	83,904	55,205	65.8	256,597	152,234	104,363	68.6
Profit before tax	137,245	83,759	53,486	63.9	252,981	151,888	101,093	66.6
Profit after tax	113,738	71,177	42,561	59.8	210,167	127,575	82,592	64.7
Profit attributable to ordinary equity holders of the parents	113,340	71,215	42,125	59.2	209,726	127,391	82,335	64.6

The Group's performance for the quarter under review and year-to-date versus the corresponding quarter and year-to-date of the previous financial year are as follows:

- (a) For the 2nd quarter, the Group's revenue increased by RM147.6 million or 33.8% to RM584.6 million compared with the corresponding quarter of the previous financial year of RM437.0 million. The increase in revenue is due to increase in sales volume by 30.2% and strengthening of USD.
- (b) The profit before tax increased by RM53.5 million or 63.9% to RM137.2 million compared with the corresponding quarter of previous financial year of RM83.7 million. The increase in profit before tax is mainly due to increase in sales revenue and improvement in productivity. The higher profit also contributed by the net foreign exchange gain of RM7.8 million compared with net foreign exchange loss of RM4.4 million in the corresponding quarter in the preceding year.

The Group's performance for the year-to-date versus the corresponding year-to-date of the previous financial year are as follows:

The Group's revenue increased by RM346.9 million or 41.4% to RM1,185.7 million compared with the corresponding year-to-date of the previous financial year of RM838.8 million. The significant increase in revenue is in line with the Group's continuous expansion in production capacity and increase in demand. The increase in sales volume by 32.1%, higher average selling price and strengthening of USD contributed to the increase in revenue.

The profit before tax increased by RM101.1 million or 66.6% to RM253.0 million compared with the corresponding year-to-date of the previous financial year of RM151.9 million. The increase in profit before tax is mainly due to increase in revenue, improvement in operation efficiency and also the net foreign exchange gain of RM15.7 million as compared to net foreign exchange loss of RM12.0 million of the corresponding year-to-date of the previous financial year.

B2. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter

	Current Quarter ended 30 Sep 2017	Preceding Quarter ended 30 Jun 2017	Variance	
	RM'000	RM'000	RM'000	%
Revenue	584,617	601,041	(16,424)	(2.7)
Operating profit	130,008	108,519	21,489	19.8
Profit before interest and tax	139,109	117,488	21,621	18.4
Profit before tax	137,245	115,736	21,509	18.6
Profit after tax	113,738	96,429	17,309	18.0
Profit attributable to ordinary equity holders of the parents	113,340	96,386	16,954	17.6

For the current quarter, the Group's revenue decreased by RM16.4 million or 2.7% as compared with preceding quarter. The decrease in revenue is mainly due to lower average selling price arising from more competitive pricing but the sales volume increased by 5.2% due to increase in demand.

The profit before tax increased by RM21.5 million or 18.6% when compared with the preceding quarter. The higher profit before tax is mainly due to lower nitrile and latex cost, lower chemical cost and improvement in operation efficiency.

B3. Commentary on Prospects and Targets

Prospects for the rubber glove manufacturing sector remain strong with increasing demand arising from switching trends towards nitrile glove. Nitrile glove now accounts for 61% of Malaysian rubber glove export. Hartalega NGC is on-schedule to meet this rising demand with progressive commissioning of Plant 4 and started the construction of Plant 5. The increasing contribution of NGC to Group sales revenues would help to consolidate margins and contribute further to Group earnings.

We are confident that the effective execution of our strategic initiatives and consistently meeting and exceeding our targets will consolidate our position as the market leader in nitrile gloves.

B4. Variance of Profit Forecast/Profit Guarantee

Not applicable as no profit forecast/profit guarantee was issued.



B5. Profit For The Period

Profit for the period is arrived at after crediting/(charging):

	2nd Quarter Ended 30 Sep 2017	2nd Quarter Ended 30 Sep 2016	Year-To- Date 30 Sep 2017	Year-To- Date 30 Sep 2016
	RM'000	RM'000	RM'000	RM'000
Interest income	228	218	504	609
Other income including investment income	1,100	506	2,017	1,302
Interest expense	(1,864)	(145)	(3,616)	(346)
Depreciation and amortisation	(21,380)	(16,855)	(41,928)	(33,926)
Foreign exchange gain/(loss)-realised	5,268	(693)	2,478	4,121
Foreign exchange gain/(loss)-unrealised	1,198	272	6,618	3,312
Fair value gain/(loss) on derivatives	1,352	(3,987)	6,620	(19,475)

B6. Taxation

	Current quarter RM'000	Current year-to-date RM'000
Current tax expense	15,968	29,560
Deferred tax expense	7,539	13,275
Over-provision in prior years	-	(21)
	<u>23,507</u>	<u>42,814</u>

The effective tax rate of the Group is lower than the statutory tax rate mainly due to the utilisation of tax incentives in some of the local subsidiaries.

B7. Status of Corporate Proposal

As at the latest practicable date, 31 October 2017, there was no corporate proposal announced and not completed in the current quarter and financial year-to-date.



B8. Group Borrowings and Debt Securities

Total Group borrowings as at 30 September 2017 are as follows:

	2nd Quarter Ended 30 Sep 2017		2nd Quarter Ended 30 Sep 2016	
	Foreign denomination '000	RM '000	Foreign denomination '000	RM '000
<u>Short term borrowings</u>				
<u>Secured</u>				
Term Loans (USD)	USD	16,977	71,797	USD 7,752 32,157
Term Loans (RM)		-	18	- 159
Finance Lease (USD)	USD	5	22	USD 8 32
			<u>71,837</u>	<u>32,348</u>
<u>Unsecured</u>				
Bank Borrowings (USD)	USD	21,704	91,788	USD 8,914 36,976
			<u>91,788</u>	<u>36,976</u>
			<u>163,625</u>	<u>69,324</u>
<u>Long term borrowings</u>				
<u>Secured</u>				
Term Loans (USD)	USD	31,034	131,242	USD 44,948 186,442
Term Loans (RM)		-	-	- 25
Finance Lease (USD)	USD	-	-	USD 5 22
			<u>131,242</u>	<u>186,489</u>
<u>Total borrowings</u>				
Term Loans (USD)	USD	48,011	203,039	USD 52,700 218,599
Term Loans (RM)		-	18	- 184
Finance Lease (USD)	USD	5	22	USD 13 54
Bank Borrowings (USD)	USD	21,704	91,788	USD 8,914 36,976
			<u>294,867</u>	<u>255,813</u>
Exchange Rate RM to USD1.00			4.229	4.148



Hartalega

Hartalega Holdings Berhad (741883-X)

B9. Financial Derivative Instruments

As at 30 September 2017, the outstanding foreign currency forward contracts are as follows:

Type of Derivatives	Contract/Notional Value (RM'000)	Fair Value (RM'000)
Foreign Exchange Contracts		
Less than 1 year	833,143	838,035
-USD denominated		

The Group enters into foreign currency forward contracts to hedge its estimated net exposure to movements in exchange rates arising mainly from sales and purchases.

As foreign currencies contracts are hedged with creditworthy financial institutions in line with the Group's policy, the Group does not foresee any significant credit risks.

There are also no cash requirement risks as the Group only uses forward foreign currencies contracts as its hedging instruments.

The fair value derivative assets amounting to RM4,892,000 has been recognised in the financial statements.

B10. Realised and Unrealised Profits/Losses Disclosure

	As at 30/09/2017 RM'000	As at 31/03/2017 RM'000
Total retained profits of Hartalega Holdings Berhad and its subsidiaries:		
- Realised	1,129,072	1,003,876
- Unrealised	(73,346)	(83,967)
	<u>1,055,726</u>	<u>919,909</u>
Less: Consolidation adjustments	(106,602)	(106,377)
Total group retained profits as per consolidated accounts	<u>949,124</u>	<u>813,532</u>

B11. Material Litigation

As at the latest practicable date, 1 August 2017, there are no material litigations against the Group or taken by the Group saved as disclosed below:

Mr. Seow Hoon Hin (the “Plaintiff”), a shareholder of the Company and a former shareholder of Hartalega Sdn. Bhd. (“HSB”) vs Hartalega Holdings Berhad (“the Company” or “1st Defendant”), HSB (“2nd Defendant”) and three (3) individuals (3rd, 4th and 5th defendant”) (collectively “the Defendants”) (Kuala Lumpur High Court Writ and Statement of Claim).

The Plaintiff has instituted legal proceedings against the Defendants by filing a Writ of Summons and a Statement of Claim in the High Court of Malaya at Kuala Lumpur (the “Action”). The Writ of Summons and Statement of Claim were served on the Company on 24 March 2011.

The Plaintiff claims against the Defendants for the following:

- (i) he had delivered to the 3rd Defendant, acting on behalf of the 2nd Defendant substantial part of another two (2) assembly lines for the manufacture of gloves for storage at the 2nd Defendant’s factory to which he purportedly intended to be reimbursed for. The Plaintiff contends that the 3rd Defendant (whom the Plaintiff contends is the controlling mind and person behind the 2nd Defendant) has represented to him that the said parts would be kept in the possession of the 2nd Defendant as a trustee for the Plaintiff;
- (ii) the Plaintiff contends that the 2nd Defendant had in flagrant breach of trust utilised the said parts to assemble another 2 assembly lines for the manufacture of latex gloves and that the 2nd Defendant had in breach of trust converted the same for its use and acquired proceeds and/or profits from the assembly of the said parts and as a consequence thereof has purportedly been unjustly enriched
- (iii) the Plaintiff further claims that there was a conspiracy to injure the Plaintiff by the 3rd, 4th and 5th Defendant culminating in the share allotment on 4 April 2005. The Plaintiff states that 3rd, 4th and 5th Defendant had agreed to use the said allotment of shares for the predominant purpose of injuring the Plaintiff and that the said allotment was done pursuant to a purported agreement between the 3rd, 4th and 5th Defendants to injure the Plaintiff resulting in damage and loss to him;
- (iv) that the 2nd Defendant is a trustee for the unpaid dividends amounting to RM488,765.25 due and owing to the Plaintiff; and
- (v) that the Company is guilty of negligent misstatement or alternatively in breach of statutory duty pursuant to Section 357 of the Capital Markets and Services Act, 2007 (“CMSA”) read together with, inter alia, Section 214 of the CMSA and/or tort of breach of statutory duty pursuant to Section 177 and/or Section 179 of the CMSA.

The Plaintiff claims against the Company for the following:

- (i) damages for negligent misstatement or alternatively of breach of statutory duty pursuant to Section 357 of the CMSA read together with, inter alia, Section 214 of the CMSA and/or tort of breach of statutory duty pursuant to Section 177 and/or Section 179 of the CMSA;
- (ii) interest on the said damages at the rate of 8% per annum or any other rate deemed appropriate from 7 April 2008 or such other date deemed appropriate until full satisfaction thereof;
- (iii) such further or other relief the Court deems fit; and
- (iv) costs.

The matter has since gone for trial on 5, 6, 7 December 2012, 29 and 30 January 2013 and 1 and 2 April 2013 in which the trial has been concluded. The Judge heard parties' oral submissions on 19 March 2014, 2 May 2014, 5 May 2014, and 9, 10, 11 and 13 June 2014. Decision was pronounced on 12 December 2014, wherein the learned Judge held the following:

- (i) That the Plaintiff has failed in all claims against the Defendants, as prayed for in the Statement of Claim; and
- (ii) That the Plaintiff's action be dismissed with costs of RM150,000.00 to the 1st to 3rd Defendants and RM50,000.00 each to the 4th and 5th Defendants.

The Plaintiff filed a Notice of Appeal on 8 January 2015 against the entire Judgement of the Kuala Lumpur High Court dated 12 December 2014 which dismissed the plaintiff's claims. The hearing before the Court of Appeal which was initially fixed on 15 September 2016 had been adjourned to 5 December 2016 and 6 December 2016. However, the hearing did not proceed on 5 December 2016 and 6 December 2016 but was subsequently adjourned to 29 March 2017. Further, the hearing did not proceed on 29 March 2017 and was adjourned to 20 July 2017. On 20 July 2017 and 18 August 2017, the appeal was heard in part. The continued hearing initially scheduled on 31 October 2017 has been rescheduled to 20 December 2017 and 22 December 2017.

The directors of the Company, in consultation with the solicitors, are of the opinion that there is no real merit in the Appellant's appeal. Accordingly, the Group has not made any provision on the financial statements.

B12. Dividend

On 7 November 2017, the Board has declared a first interim dividend of 3.5 sen per share single tier in respect of the financial year ending 31 March 2018 and payable on 28 December 2017. The entitlement date has been fixed on 8 December 2017.

A depositor shall qualify for the entitlement only in respect of:

- (a) Shares transferred to the Depositor's Securities Account before 4.00 p.m. on 8 December 2017 in respect of ordinary transfers.
- (b) Shares bought on Bursa Malaysia Securities Berhad ("BMSB") on a cum entitlement basis according to the rules of BMSB.



B13. Earnings per Share

Basic Earnings Per Share	Current Quarter Ended 30/09/2017	Corresponding Quarter Ended 30/09/2016	Current Year-To- Date 30/09/2017	Corresponding Year-To-Date 30/09/2016
Profit attributable to owners of the parent (RM'000)	113,340	71,215	209,726	127,391
Number of shares in issue as at beginning of the year ('000)	1,643,009	1,641,029	1,643,009	1,641,029
Effect of exercise of ESOS ('000)	5,983	82,383	5,983	82,383
Weighted average number of ordinary shares in issue ('000)	1,648,992	1,641,112	1,648,992	1,641,112
Basic earnings per share (sen)	6.87	4.34	12.72	7.76

Diluted Earnings Per Share	Current Quarter Ended 30/09/2017	Corresponding Quarter Ended 30/09/2016	Current Year-To- Date 30/09/2017	Corresponding Year-To-Date 30/09/2016
Profit attributable to owners of the parent (RM'000)	113,340	71,215	209,726	127,391
Weighted average number of ordinary shares in issue ('000)	1,648,992	1,641,112	1,648,992	1,641,112
Effect of dilution : share options ('000)	17,120	12,344	17,120	12,344
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	1,666,112	1,653,456	1,666, 112	1,653,456
Diluted earnings per share (sen)	6.80	4.31	12.59	7.70