



BURSA MALAYSIA BERHAD (30632-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2018

25 April 2018

BURSA MALAYSIA BERHAD (30632-P)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2018**

	Note	Quarter and Year-To-Date Ended		
		31.03.2018 RM'000 (Reviewed)	31.03.2017 RM'000 (Reviewed)	Changes %
Operating revenue	8	144,836	134,679	7.5
Other income	9	5,875	8,006	(26.6)
		150,711	142,685	5.6
Staff costs		(34,798)	(33,980)	2.4
Depreciation and amortisation		(5,565)	(6,075)	(8.4)
Other operating expenses	10	(22,555)	(23,767)	(5.1)
Profit from operations		87,793	78,863	11.3
Finance costs		(133)	(134)	(0.7)
Profit before tax		87,660	78,729	11.3
Income tax expense	25	(22,003)	(19,840)	10.9
Profit for the period		65,657	58,889	11.5
Profit attributable to:				
Owners of the Company		63,781	56,629	12.6
Non-controlling interest		1,876	2,260	(17.0)
		65,657	58,889	11.5

	Note	Quarter and Year-To-Date Ended	
		31.03.2018 Sen per share (Reviewed)	31.03.2017 Sen per share (Reviewed)
Earnings Per Share ("EPS") attributable to owners of the Company:			
Basic EPS:			
- Before bonus issue	31(a)	11.9	10.6
- After bonus issue	31(b)(i)	7.9	7.0
Diluted EPS	31(b)(ii)	7.9	7.0

The above condensed consolidated statement of profit or loss should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to these interim financial statements.

BURSA MALAYSIA BERHAD (30632-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2018

	Quarter and Year-To-Date Ended		
	31.03.2018 RM'000 (Reviewed)	31.03.2017 RM'000 (Reviewed)	Changes %
Profit for the period	65,657	58,889	11.5
Other comprehensive income:			
Items that may be subsequently reclassified to profit or loss:			
Loss on foreign currency translation	(162)	(45)	260.0
Net fair value changes on unquoted bonds at fair value through other comprehensive income ("FVTOCI")	(66)	80	(182.5)
Income tax effects relating to unquoted bonds at FVTOCI	10	(10)	(200.0)
	(218)	25	(972.0)
Item that will not be subsequently reclassified to profit or loss:			
Net fair value changes on quoted shares at FVTOCI	11,265	3,148	257.8
	11,265	3,148	257.8
Total other comprehensive income, net of income tax	11,047	3,173	248.2
Total comprehensive income	76,704	62,062	23.6
Total comprehensive income attributable to:			
Owners of the Company	74,828	59,802	25.1
Non-controlling interest	1,876	2,260	(17.0)
	76,704	62,062	23.6

The above condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to these interim financial statements.

BURSA MALAYSIA BERHAD (30632-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018

	Note	As at 31.03.2018 RM'000 (Reviewed)	As at 31.12.2017 RM'000 (Audited)
Assets			
Property, plant and equipment		176,608	179,298
Computer software		38,275	40,841
Right-of-use assets		8,379	8,407
Goodwill		42,957	42,957
Investment securities		287,974	281,779
Staff loans receivable		2,720	2,918
Deferred tax assets		6,379	6,747
Non-current assets		563,292	562,947
Trade receivables	26	55,128	47,218
Other receivables		20,439	15,964
Tax recoverable		3,604	4,352
Investment securities		25,027	25,039
Cash for equity margins, derivatives trading margins, security deposits and eDividend distributions	13	1,292,056	1,168,526
Cash and bank balances of Clearing Funds	14	128,642	129,628
Cash and bank balances of the Group	15	252,259	271,207
Current assets		1,777,155	1,661,934
Total assets		2,340,447	2,224,881
Equity and liabilities			
Share capital		402,169	402,169
Other reserves		192,625	179,938
Retained earnings		232,224	267,881
Equity attributable to owners of the Company		827,018	849,988
Non-controlling interest		10,970	12,469
Total equity		837,988	862,457
Retirement benefit obligations		19,386	21,860
Deferred grants		3,492	2,038
Lease liabilities		7,594	7,470
Deferred tax liabilities		1,637	1,729
Non-current liabilities		32,109	33,097
Trade payables	13	1,288,990	1,166,024
Participants' contributions to Clearing Funds	14	38,642	39,628
Other payables		135,067	115,989
Lease liabilities		514	505
Tax payable		7,137	7,181
Current liabilities		1,470,350	1,329,327
Total liabilities		1,502,459	1,362,424
Total equity and liabilities		2,340,447	2,224,881
		RM	RM
Net assets per share attributable to owners of the Company	32	1.54	1.58

The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to these interim financial statements.

BURSA MALAYSIA BERHAD (30632-P)
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2018

Reviewed	Attributable to owners of the Company										Total equity RM'000
	Non-distributable					Distributable					
	Share capital RM'000	Share premium RM'000	Capital redemption reserve RM'000	Foreign currency translation reserve RM'000	Share grant reserve RM'000	Clearing fund reserves RM'000	FVTOCI reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interest RM'000	
At 1 January 2018	402,169	-	-	531	6,849	30,000	142,558	267,881	849,988	12,469	862,457
Profit for the period	-	-	-	-	-	-	-	63,781	63,781	1,876	65,657
Other comprehensive income, net of income tax	-	-	-	(162)	-	-	11,209	-	11,047	-	11,047
Total comprehensive income	-	-	-	(162)	-	-	11,209	63,781	74,828	1,876	76,704
Transactions with owners:											
Share Grant Plan ("SGP") expense	-	-	-	-	1,640	-	-	-	1,640	-	1,640
Dividend paid to owners of the Company (Note 7)	-	-	-	-	-	-	-	(99,438)	(99,438)	-	(99,438)
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	(3,375)	(3,375)
Total transactions with owners	-	-	-	-	1,640	-	-	(99,438)	(97,798)	(3,375)	(101,173)
At 31 March 2018	402,169	-	-	369	8,489	30,000	153,767	232,224	827,018	10,970	837,988
At 1 January 2017	268,136	119,052	5,250	860	8,350	30,000	113,383	323,909	868,940	18,300	887,240
Adjustments for effects of Companies Act 2016 (Note a)	124,302	(119,052)	(5,250)	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	56,629	56,629	2,260	58,889
Other comprehensive income, net of income tax	-	-	-	(45)	-	-	3,218	-	3,173	-	3,173
Total comprehensive income	-	-	-	(45)	-	-	3,218	56,629	59,802	2,260	62,062
Transactions with owners:											
SGP expense	-	-	-	-	3,282	-	-	-	3,282	-	3,282
Dividend payable to owners of the Company (Note 30)	-	-	-	-	-	-	-	(91,209)	(91,209)	-	(91,209)
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	(9,500)	(9,500)
Total transactions with owners	-	-	-	-	3,282	-	-	(91,209)	(87,927)	(9,500)	(97,427)
At 31 March 2017	392,438	-	-	815	11,632	30,000	116,601	289,329	840,815	11,060	851,875

Note a

During the quarter and period ended 31 March 2017, the credits standing in the share premium and capital redemption reserve accounts of RM119,052,000 and RM5,250,000 respectively were transferred to the share capital account on the commencement of the Companies Act 2016 ("New Act") on 31 January 2017. Pursuant to subsection 618(3) of the New Act, the credit amount transferred from the share premium account will be fully utilised for the proposed bonus issue of the Company as disclosed in Note 21.

The above condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to these interim financial statements.

BURSA MALAYSIA BERHAD (30632-P)
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2018

	Note	Quarter and Year-To-Date Ended	
		31.03.2018 RM'000 (Reviewed)	31.03.2017 RM'000 (Reviewed)
Cash flows from operating activities			
Profit before tax		87,660	78,729
Adjustments for:			
Amortisation of premium/(accretion of discount), net		3	(25)
Depreciation and amortisation		5,565	6,075
Dividend income from investment securities	9	(731)	(785)
Grant income	9	(146)	(476)
Interest income	9	(4,647)	(5,038)
Finance costs		133	134
Net gain on disposal of investment securities	9	-	(25)
Net impairment loss/(reversal of impairment loss) on:			
Investment securities	10	13	(14)
Trade and other receivables	10	39	683
Retirement benefit obligations		247	294
SGP expense		1,640	3,282
Unrealised loss/(gain) on foreign exchange differences		206	(14)
Operating profit before working capital changes		89,982	82,820
Increase in receivables		(13,065)	(26,325)
Increase in other payables		20,396	24,102
Cash generated from operations		97,313	80,597
Staff loans repaid, net of disbursements		201	145
Retirement benefits paid		(2,721)	(243)
Tax paid, net		(21,012)	(18,031)
Net cash from operating activities		73,781	62,468
Cash flows from investing activities			
(Increase)/Decrease in deposits not for short-term funding requirements		(38,454)	13,322
Interest received		5,824	7,146
Proceeds from disposal of investment securities		5,000	9,740
Purchases of investment securities		-	(19,995)
Purchases of property, plant and equipment and computer software		(2,175)	(1,057)
Net cash (used in)/from investing activities		(29,805)	9,156
Cash flows from financing activities			
Dividend paid to owners of the Company	7	(99,438)	-
Dividend paid by a subsidiary to non-controlling interest		(3,375)	(9,500)
Grant received		1,600	-
Net cash used in financing activities		(101,213)	(9,500)
Net (decrease)/increase in cash and cash equivalents		(57,237)	62,124
Effect of exchange rate changes		(165)	(47)
Cash and cash equivalents at beginning of period		248,132	214,048
Cash and cash equivalents at end of period	15	190,730	276,125

The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to these interim financial statements.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1. BASIS OF PREPARATION

These condensed consolidated financial statements ("Condensed Report") have been prepared in accordance with the Malaysian Financial Reporting Standard ("MFRS") 134 *Interim Financial Reporting*, the International Accounting Standard ("IAS") 34 *Interim Financial Reporting* and the requirements of the Companies Act 2016 in Malaysia, where applicable. The Condensed Report, other than for financial instruments and retirement benefit obligations, has been prepared under the historical cost convention. Certain financial instruments are carried at fair value in accordance with MFRS 9 *Financial Instruments* and the retirement benefit obligations include actuarial gains and losses in accordance with MFRS 119 *Employee Benefits*.

This Condensed Report has also been prepared in accordance with paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This Condensed Report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017. The explanatory notes attached to the Condensed Report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2017.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Adoption of Standards, Amendments to Standards, Annual Improvements to Standards and Issues Committee ("IC") Interpretation

The accounting policies adopted in the preparation of the Condensed Report are consistent with those used in the preparation of the Group's audited financial statements for the financial year ended 31 December 2017, except for the following:

Early adoption of Standards, Amendments to Standards, Annual Improvements to Standards and IC Interpretation

Effective for financial periods beginning on or after 1 January 2019

Amendments to MFRS 9 Financial Instruments - *Prepayment Features with Negative Compensation*

Amendments to MFRS 119 Employee Benefits - *Plan Amendment, Curtailment or Settlement*

Amendments to MFRS 128 Investments in Associates and Joint Ventures - *Long-term Interests in Associates and Joint Ventures*

Amendments to MFRS 3 Business Combinations (*Annual Improvements to MFRS Standards 2015 - 2017 Cycle*)

Amendments to MFRS 11 Joint Arrangements (*Annual Improvements to MFRS Standards 2015 - 2017 Cycle*)

Amendments to MFRS 112 Income Taxes (*Annual Improvements to MFRS Standards 2015 - 2017 Cycle*)

Amendments to MFRS 123 Borrowing Costs (*Annual Improvements to MFRS Standards 2015 - 2017 Cycle*)

IC Interpretation 23 Uncertainty over Income Tax Treatments

The above pronouncements are either not relevant or do not have any impact on the financial statements of the Group.

2.2 Standards issued but not yet effective

As at the date of authorisation of this Condensed Report, the following Standards and Amendments to Standards have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective and have not been adopted by the Group. These pronouncements are either not relevant or do not impact the financial statements of the Group:

Effective for financial periods beginning on or after 1 January 2021

MFRS 17 Insurance Contracts

Effective date of these Standards have been deferred, and yet to be announced

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group's performance is affected by the level of activities in the securities and derivatives markets but not by any seasonal or cyclical factors.

4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and year-to-date ended 31 March 2018.

5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have had any material effect during the current quarter and year-to-date ended 31 March 2018.

6. DEBT AND EQUITY SECURITIES

Other than the issuance of new ordinary shares in relation to the bonus issue on 13 April 2018 as disclosed in Note 21, there were no issuance, repurchase and repayment of debt and equity securities during the current quarter and year-to-date ended 31 March 2018.

7. DIVIDEND PAID

The details of the dividend paid during the current quarter and year-to-date ended 31 March 2018 are as follows:

Second interim dividend

For the financial year ended

31 December 2017

Approved and declared on

5 February 2018

Date paid

5 March 2018

Number of ordinary shares on which dividends were paid ('000)

537,501

Dividend per share (single-tier)

18.5 sen

Net dividend paid (RM'000)

99,438

There was no dividend paid during the quarter and year-to-date ended 31 March 2017.

8. OPERATING REVENUE

	Quarter and Year-To-Date Ended		
	31.03.2018 RM'000	31.03.2017 RM'000	Changes %
Clearing fees	61,407	54,451	12.8
Trade fees	8,283	7,254	14.2
Others	6,583	5,500	19.7
Total Securities trading revenue	76,273	67,205	13.5
Clearing fees	4,286	4,858	(11.8)
Trade fees	10,991	12,422	(11.5)
Others	3,706	3,939	(5.9)
Total Derivatives trading revenue	18,983	21,219	(10.5)
Bursa Suq Al-Sila ("BSAS") trading revenue	3,967	3,964	0.1
Listing and issuer services	15,673	12,744	23.0
Depository services	10,501	9,786	7.3
Market data	8,455	8,575	(1.4)
Member services and connectivity	5,454	5,180	5.3
Conference fees and exhibition-related income	5,530	6,006	(7.9)
	49,580	46,255	7.2
Total operating revenue	144,836	134,679	7.5

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

8. OPERATING REVENUE (CONT'D.)

Disaggregation of revenue

The following table illustrates the Group's revenue as disaggregated by major products or services and provide a reconciliation of the disaggregated revenue with the Group's four major market segments as disclosed in Note 11. The table also includes the timing of revenue recognition.

OPERATING REVENUE FOR THE QUARTER AND YEAR-TO-DATE ENDED

	Securities Market			Derivatives Market			Exchange Holding Company			Others			Total		
	31.03.2018 RM'000	31.03.2017 RM'000	Changes %	31.03.2018 RM'000	31.03.2017 RM'000	Changes %	31.03.2018 RM'000	31.03.2017 RM'000	Changes %	31.03.2018 RM'000	31.03.2017 RM'000	Changes %	31.03.2018 RM'000	31.03.2017 RM'000	Changes %
Major products or services:															
Securities trading revenue	76,273	67,205	13.5	-	-	-	-	-	-	-	-	-	76,273	67,205	13.5
Derivatives trading revenue	-	-	-	18,983	21,219	(10.5)	-	-	-	-	-	-	18,983	21,219	(10.5)
BSAS trading revenue	-	-	-	-	-	-	-	-	-	3,967	3,964	0.1	3,967	3,964	0.1
Listing and issuer services	15,631	12,715	22.9	-	-	-	-	-	-	42	29	44.8	15,673	12,744	23.0
Depository services	10,501	9,786	7.3	-	-	-	-	-	-	-	-	-	10,501	9,786	7.3
Market data	6,412	6,436	(0.4)	1,983	2,075	(4.4)	-	-	-	60	64	(6.3)	8,455	8,575	(1.4)
Member services and connectivity	3,499	3,254	7.5	40	42	(4.8)	1,885	1,845	2.2	30	39	(23.1)	5,454	5,180	5.3
Conference fees and exhibition-related income	-	-	-	5,530	6,006	(7.9)	-	-	-	-	-	-	5,530	6,006	(7.9)
	112,316	99,396	13.0	26,536	29,342	(9.6)	1,885	1,845	2.2	4,099	4,096	0.1	144,836	134,679	7.5
Timing of revenue recognition:															
At a point in time	99,031	87,418	13.3	25,511	28,285	(9.8)	-	-	-	4,022	4,014	0.2	128,564	119,717	7.4
Over time	13,285	11,978	10.9	1,025	1,057	(3.0)	1,885	1,845	2.2	77	82	(6.1)	16,272	14,962	8.8
	112,316	99,396	13.0	26,536	29,342	(9.6)	1,885	1,845	2.2	4,099	4,096	0.1	144,836	134,679	7.5

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

9. OTHER INCOME

	Quarter and Year-To-Date Ended		
	31.03.2018 RM'000	31.03.2017 RM'000	Changes %
Interest income from:			
Deposits and investment securities	4,616	5,000	(7.7)
Others	31	38	(18.4)
Dividend income	731	785	(6.9)
Grant income	146	476	(69.3)
Net gain on disposal of investment securities	-	25	(100.0)
Rental income	320	1,661	(80.7)
Miscellaneous income	31	21	47.6
Total other income	5,875	8,006	(26.6)

10. OTHER OPERATING EXPENSES

	Quarter and Year-To-Date Ended		
	31.03.2018 RM'000	31.03.2017 RM'000	Changes %
Administrative expenses	1,620	1,580	2.5
Building management expenses	2,532	2,692	(5.9)
Central Depository System ("CDS") consumables	634	733	(13.5)
Marketing and development expenses	4,631	3,817	21.3
Professional fees	493	292	68.8
Technology expenses:			
Information technology maintenance	4,885	4,847	0.8
Service fees	5,013	7,191	(30.3)
Net loss on foreign exchange differences	475	85	458.8
Net impairment loss/(reversal of impairment loss) on:			
Investment securities	13	(14)	(192.9)
Trade and other receivables	39	683	(94.3)
Miscellaneous expenses	2,220	1,861	19.3
Total other operating expenses	22,555	23,767	(5.1)

BURSA MALAYSIA BERHAD (30632-P)
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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

11. SEGMENTAL INFORMATION

RESULTS FOR THE QUARTER AND YEAR-TO-DATE ENDED

	Securities Market			Derivatives Market			Exchange Holding Company			Others			Total		
	31.03.2018 RM'000	31.03.2017 RM'000	Changes %	31.03.2018 RM'000	31.03.2017 RM'000	Changes %	31.03.2018 RM'000	31.03.2017 RM'000	Changes %	31.03.2018 RM'000	31.03.2017 RM'000	Changes %	31.03.2018 RM'000	31.03.2017 RM'000	Changes %
Operating revenue (Note 8)	112,316	99,396	13.0	26,536	29,342	(9.6)	1,885	1,845	2.2	4,099	4,096	0.1	144,836	134,679	7.5
Other income	3,454	3,427	0.8	459	676	(32.1)	1,909	3,875	(50.7)	53	28	89.3	5,875	8,006	(26.6)
Direct costs	(21,856)	(22,037)	(0.8)	(13,694)	(15,123)	(9.4)	(9,199)	(8,862)	3.8	(1,507)	(1,427)	5.6	(46,256)	(47,449)	(2.5)
Segment profit/(loss)	93,914	80,786	16.3	13,301	14,895	(10.7)	(5,405)	(3,142)	72.0	2,645	2,697	(1.9)	104,455	95,236	9.7
Overheads													(16,795)	(16,507)	1.7
Profit before tax													87,660	78,729	11.3

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

11. SEGMENTAL INFORMATION (CONT'D.)

	Securities Market RM'000	Derivatives Market RM'000	Exchange Holding Company RM'000	Others RM'000	Total RM'000
ASSETS AND LIABILITIES AS AT 31 MARCH 2018					
Assets	373,878	95,813	413,223	26,852	909,766
Clearing Funds	102,783	25,859	-	-	128,642
Cash for equity margins, derivatives trading margins, security deposits, SBL collaterals and eDividend distributions	120,590	1,171,466	-	-	1,292,056
Segment assets	597,251	1,293,138	413,223	26,852	2,330,464
Unallocated corporate assets	-	-	-	-	9,983
Total assets	597,251	1,293,138	413,223	26,852	2,340,447
Liabilities	65,658	14,584	66,529	16,216	162,987
Participants' contributions to Clearing Funds	17,783	20,859	-	-	38,642
Equity margins, derivatives trading margins, security deposits, SBL collaterals and eDividend distributions	120,590	1,171,466	-	-	1,292,056
Segment liabilities	204,031	1,206,909	66,529	16,216	1,493,685
Unallocated corporate liabilities	-	-	-	-	8,774
Total liabilities	204,031	1,206,909	66,529	16,216	1,502,459
ASSETS AND LIABILITIES AS AT 31 DECEMBER 2017					
Assets	395,584	98,654	393,025	28,365	915,628
Clearing Funds	102,577	27,051	-	-	129,628
Cash for equity margins, derivatives trading margins, security deposits, SBL collaterals and eDividend distributions	117,846	1,050,680	-	-	1,168,526
Segment assets	616,007	1,176,385	393,025	28,365	2,213,782
Unallocated corporate assets	-	-	-	-	11,099
Total assets	616,007	1,176,385	393,025	28,365	2,224,881
Liabilities	38,892	12,712	79,067	14,689	145,360
Participants' contributions to Clearing Funds	17,577	22,051	-	-	39,628
Equity margins, derivatives trading margins, security deposits, SBL collaterals and eDividend distributions	117,846	1,050,680	-	-	1,168,526
Segment liabilities	174,315	1,085,443	79,067	14,689	1,353,514
Unallocated corporate liabilities	-	-	-	-	8,910
Total liabilities	174,315	1,085,443	79,067	14,689	1,362,424

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

12. RELATED PARTY DISCLOSURES

All related party transactions within the Group had been entered into in the normal course of business and were carried out on normal commercial terms.

13. CASH FOR EQUITY MARGINS, DERIVATIVES TRADING MARGINS, SECURITY DEPOSITS AND eDIVIDEND DISTRIBUTIONS

	As at 31.03.2018 RM'000	As at 31.12.2017 RM'000
Equity margins, derivatives trading margins and security deposits, representing trade payables	1,288,990	1,166,024
Cash received for eDividend distributions (included in other payables)	3,066	2,502
Total cash for equity margins, derivatives trading margins, security deposits and eDividend distributions	1,292,056	1,168,526

The amount of non-cash collaterals for equity margins, derivatives trading margins and security deposits held by, but not belonging to the Group and which are not included in the condensed consolidated statement of financial position comprise the following:

	As at 31.03.2018 RM'000	As at 31.12.2017 RM'000
Collaterals in the form of letters of credit	581,355	581,830
Collaterals in the form of shares	371	525
	581,726	582,355

14. CASH AND BANK BALANCES OF CLEARING FUNDS

	Participants' contributions RM'000	Cash set aside by the Group RM'000	Total RM'000
As at 31 March 2018			
Contributions from Trading Clearing Participants ("TCPs") of Bursa Malaysia Securities Clearing Sdn Bhd ("BMSC")	17,783	-	17,783
Contribution from BMSC	-	25,000	25,000
Additional cash resources from BMSC	-	60,000	60,000
Clearing Guarantee Fund ("CGF") contributions (Note a)	17,783	85,000	102,783
Contributions from Clearing Participants ("CPs") of Bursa Malaysia Derivatives Clearing Bhd ("BMDC")	20,859	-	20,859
Contribution from BMDC	-	5,000	5,000
Derivatives Clearing Fund ("DCF") contributions (Note b)	20,859	5,000	25,859
Total cash and bank balances of Clearing Funds	38,642	90,000	128,642

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

14. CASH AND BANK BALANCES OF CLEARING FUNDS (CONT'D.)

	Participants' contributions RM'000	Cash set aside by the Group RM'000	Total RM'000
As at 31 December 2017			
Contributions from TCPs of BMSC	17,577	-	17,577
Contribution from BMSC	-	25,000	25,000
Additional cash resources from BMSC	-	60,000	60,000
CGF contributions (Note a)	17,577	85,000	102,577
Contributions from CPs of BMDC	22,051	-	22,051
Contribution from BMDC	-	5,000	5,000
DCF contributions (Note b)	22,051	5,000	27,051
Total cash and bank balances of Clearing Funds	39,628	90,000	129,628

(a) Total cash and non-cash components of the CGF are as follows:

	As at 31.03.2018 RM'000	As at 31.12.2017 RM'000
Cash and bank balances	102,783	102,577
Bank guarantees from TCPs of BMSC	150	2,940
Total CGF	102,933	105,517

The bank guarantees above were lodged and accepted by the Group prior to the effective date of the removal of the bank guarantee as an acceptable form of contribution to the CGF pursuant to the amendments to the Rules of Bursa Malaysia Securities Clearing on 18 December 2017.

(b) There are no non-cash collaterals from CPs of BMDC for DCF held by the Group as at 31 March 2018 and 31 December 2017.

15. CASH AND BANK BALANCES OF THE GROUP

	As at 31.03.2018 RM'000	As at 31.12.2017 RM'000
Cash and bank balances	3,969	4,299
Deposits for short-term funding requirements	186,761	243,833
Cash and cash equivalents	190,730	248,132
Deposits not for short-term funding requirements	61,529	23,075
Total cash and bank balances	252,259	271,207

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

16. CAPITAL COMMITMENTS

Capital commitments for the purchase of property, plant and equipment not provided for in the Condensed Report as at the end of the financial period are as follows:

	As at 31.03.2018 RM'000	As at 31.12.2017 RM'000
Approved and contracted for:		
Computers and office automation	443	1,669
Office equipment and renovations	314	12
	757	1,681
Approved but not contracted for:		
Computers and office automation	8,014	60
Office equipment and renovations	-	50
	8,014	110

17. CONTINGENT ASSETS AND LIABILITIES

There are no contingent assets and no changes in the contingent liability in respect of the put and call options with the Chicago Mercantile Exchange ("CME") Group over the ordinary shares of Bursa Malaysia Derivatives Berhad held by CME Group since 31 December 2017.

18. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current quarter and year-to-date ended 31 March 2018.

19. OPERATING LEASE ARRANGEMENTS

The Group has entered into operating lease arrangements as the lessor for the lease of office space in the building. The future aggregate minimum lease payments receivable under operating leases contracted for but not recognised as receivables are as follows:

	As at 31.03.2018 RM'000	As at 31.12.2017 RM'000
Not later than 1 year	208	427
Later than 1 year and not later than 5 years	54	88
Total future minimum lease receivables	262	515

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

20. FINANCIAL INSTRUMENTS

20.1 Classification

The following table analyses the financial assets and financial liabilities of the Group in the condensed consolidated statement of financial position by the classes and categories of financial instruments to which they are assigned by their measurement basis.

	As at 31.03.2018 RM'000	As at 31.12.2017 RM'000
Assets		
Financial assets at FVTOCI		
Investments securities:		
Quoted shares (outside Malaysia)	238,071	226,806
Unquoted bonds	74,930	80,012
	313,001	306,818
Financial assets at amortised cost		
Staff loans receivable	3,220	3,453
Trade receivables	55,128	47,218
Other receivables which are financial assets*	10,058	11,440
Cash for equity margins, derivatives trading margins, security deposits, SBL collaterals and eDividend distributions	1,292,056	1,168,526
Cash and bank balances of Clearing Funds	128,642	129,628
Cash and bank balances of the Group	252,259	271,207
Total financial assets	2,054,364	1,938,290
Liabilities		
Financial liabilities at amortised cost		
Trade payables	1,288,990	1,166,024
Participants' contributions to Clearing Funds	38,642	39,628
Other payables which are financial liabilities**	44,083	33,595
Lease liabilities	8,108	7,975
Total financial liabilities	1,379,823	1,247,222

* Other receivables which are financial assets include deposits, interest receivables and sundry receivables, net of allowance for impairment loss.

** Other payables which are financial liabilities include amount due to the Securities Commission and sundry payables.

20.2 Fair Value

(a) Financial instruments that are carried at fair value

Financial assets at FVTOCI are measured at different measurement hierarchies (i.e. Level 1, 2 and 3). The hierarchies reflect the level of objectiveness of inputs used when measuring the fair value.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

20. FINANCIAL INSTRUMENTS (CONT'D.)

20.2 Fair Value (Cont'd.)

(a) Financial instruments that are carried at fair value (cont'd.)

(i) Level 1: Quoted prices (unadjusted) of identical assets in active markets

Shares quoted outside Malaysia are measured at Level 1. The fair value of quoted shares is determined directly by reference to their published market bid prices as at 31 March 2018 and 31 December 2017.

(ii) Level 2: Inputs other than at quoted prices included within Level 1 that are observable for the assets, either directly (prices) or indirectly (derived from prices)

Unquoted bonds are measured at Level 2. The fair value of unquoted bonds is determined by reference to the published market bid prices of unquoted fixed income securities based on information provided by Bond Pricing Agency Malaysia Sdn Bhd.

(iii) Level 3: Inputs for the assets that are not based on observable market data (unobservable inputs)

The Group does not have any financial instruments measured at Level 3 as at 31 March 2018 and 31 December 2017.

	Level 1 RM'000	Level 2 RM'000	Total RM'000
As at 31 March 2018			
Financial assets at FVTOCI:			
Quoted shares (outside Malaysia)	238,071	-	238,071
Unquoted bonds	-	74,930	74,930
	238,071	74,930	313,001
As at 31 December 2017			
Financial assets at FVTOCI:			
Quoted shares (outside Malaysia)	226,806	-	226,806
Unquoted bonds	-	80,012	80,012
	226,806	80,012	306,818

There were no transfers between Level 1 and Level 2 during the current quarter and year-to-date ended 31 March 2018.

(b) Financial instruments that are not carried at fair value

The carrying amount of financial assets and financial liabilities at amortised cost are reasonable approximation of their fair values.

21. SIGNIFICANT EVENT AND EVENT AFTER THE REPORTING PERIOD

The proposed bonus issue announced by the Company on 27 November 2017 was approved by the shareholders at the Extraordinary General Meeting held on 28 March 2018. Subsequently, the number of ordinary shares of the Company on 13 April 2018 was increased from 537,500,900 to 806,251,271 by way of a bonus issue of 268,750,371 new ordinary shares, credited as fully paid up share capital on the basis of one new ordinary share for every two existing ordinary shares through capitalisation of the share premium and retained earnings of the Company.

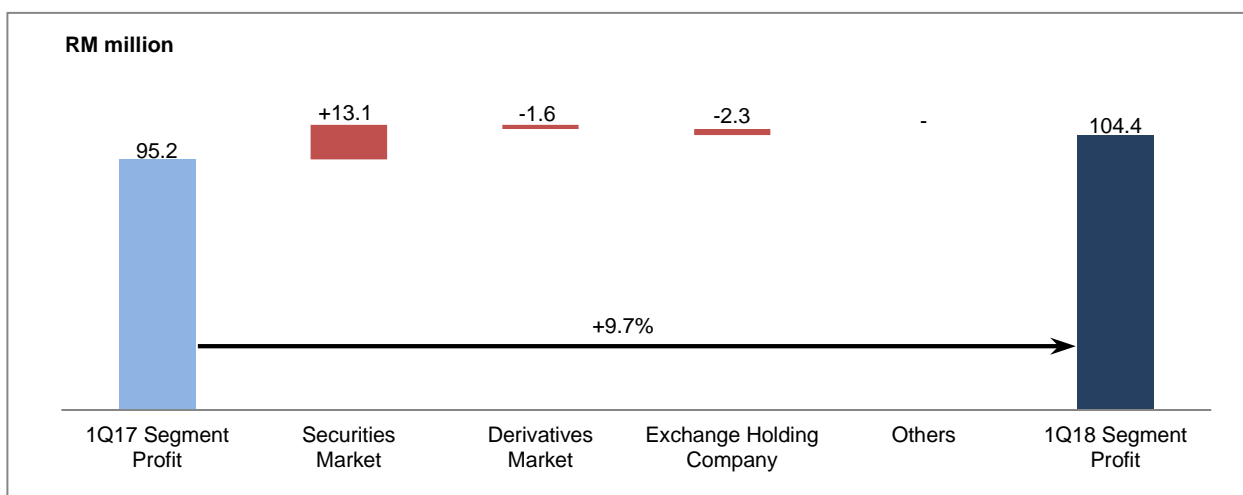
PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

22. OPERATING SEGMENTS REVIEW

1Q18 vs. 1Q17

Profit Before Tax ("PBT") for the quarter ended 31 March 2018 ("1Q18") was RM87.7 million, an increase of 11.3 per cent compared to RM78.7 million in the quarter ended 31 March 2017 ("1Q17"). PBT is made up of segment profits less overheads (as depicted in Note 11).

Total segment profit for 1Q18 was RM104.4 million, an increase of 9.7 per cent compared to RM95.2 million in 1Q17. The movements in the segment profits are depicted in the graph below:



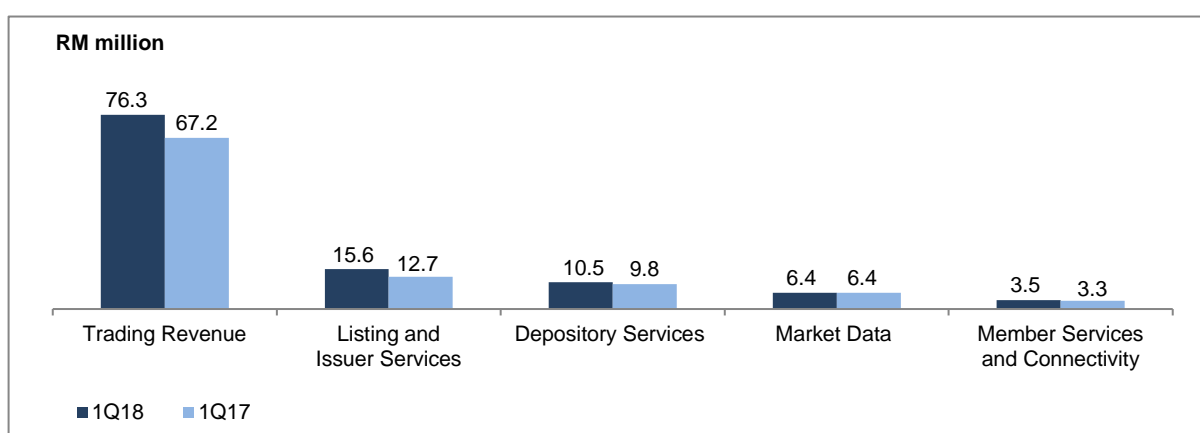
Total comprehensive income for 1Q18 was RM76.7 million, an increase of 23.6 per cent compared to RM62.1 million in 1Q17. The increase was mainly due to the fair value changes in quoted shares in 1Q18 compared to 1Q17.

Securities Market

The Securities Market recorded a segment profit of RM93.9 million in 1Q18, an increase of 16.3 per cent compared to RM80.8 million in 1Q17 mainly due to higher trading revenue, and higher listing and issuer services fee income.

(i) Operating Revenue

The Securities Market operating revenue for 1Q18 was RM112.3 million, representing an increase of 13.0 per cent compared to RM99.4 million in 1Q17. The details by revenue category are shown in the chart below:



**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

22. OPERATING SEGMENTS REVIEW (CONT'D.)

1Q18 vs. 1Q17 (Cont'd.)

Securities Market (Cont'd.)

(i) Operating Revenue (Cont'd.)

- > Trading revenue increased by 13.5 per cent to RM76.3 million in 1Q18. 1Q18 saw a higher Average Daily trading Value ("ADV") for On-Market Trades ("OMT") and Direct Business Trades ("DBT") of RM2.93 billion compared to RM2.54 billion in 1Q17.
- > Listing and issuer services revenue increased by 22.9 per cent to RM15.6 million in 1Q18. The increase was mainly due to higher listing fees, as well as perusal and processing fees earned from higher number of corporate exercises and structured warrants listed in 1Q18.
- > Depository services revenue increased by 7.3 per cent to RM10.5 million in 1Q18 due to higher CDS custody fees.

Key operating drivers in the Securities Market are as follows:

		1Q18	1Q17	Changes (%)
FBMKLCI	(points)	1,863.46	1,740.09	7.1
ADV (OMT and DBT)	(RM'billion)	2.93	2.54	15.4
Average daily trading volume (OMT and DBT)	(billion shares)	3.27	2.79	17.2
Effective clearing fee rate	(basis points)	2.31	2.32	(0.4)
Velocity	(per cent)	35	34	2.9
Number of Initial Public Offerings ("IPOs")		7	4	75.0
Number of new structured warrants listed		269	168	60.1
Total funds raised:				
IPOs	(RM'billion)	0.21	0.87	(75.9)
Secondary issues	(RM'billion)	2.56	3.35	(23.6)
Market capitalisation as at end of period	(RM'billion)	1,895.66	1,801.30	5.2
Number of trading days		61	61	-

(ii) Operating Expenses

Segment expenses marginally decreased by 0.8 per cent to RM21.9 million in 1Q18 compared to RM22.0 million in 1Q17.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

22. OPERATING SEGMENTS REVIEW (CONT'D.)

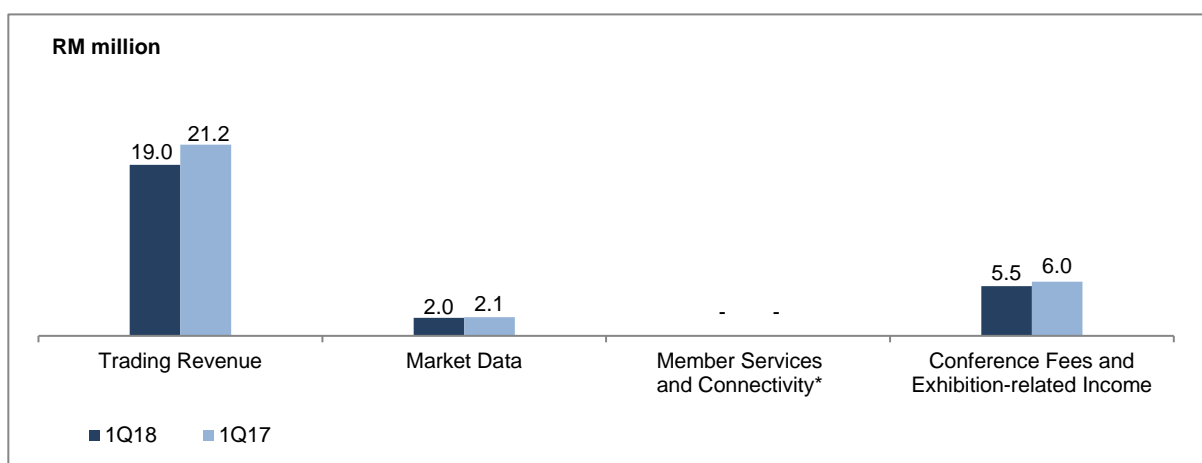
1Q18 vs. 1Q17 (Cont'd.)

Derivatives Market

The Derivatives Market recorded a segment profit of RM13.3 million in 1Q18, a decrease of 10.7 per cent from RM14.9 million in 1Q17, mainly contributed by lower trading revenue.

(i) Operating Revenue

The Derivatives Market operating revenue for 1Q18 was RM26.5 million in 1Q18, representing a decrease of 9.6 per cent from RM29.3 million in 1Q17. The details by revenue category are shown in the chart below:



* Member services and connectivity fee income is below RM0.1 million in both 1Q18 and 1Q17.

- > Trading revenue declined by 10.5 per cent to RM19.0 million in 1Q18 from RM21.2 million in 1Q17 due to lower number of contracts traded. 3.30 million contracts were traded in 1Q18 compared to 3.79 million contracts in 1Q17.

Key operating drivers in the Derivatives Market are as follows:

		1Q18	1Q17	Changes (%)
Crude Palm Oil Futures ("FCPO") contracts	(million)	2.72	3.21	(15.3)
FBMKLCI Futures ("FKLI") contracts	(million)	0.55	0.57	(3.5)
Other contracts	(million)	0.03	0.01	200.0
Total	(million)	3.30	3.79	(12.9)
Average daily number of contracts traded		54,020	62,076	(13.0)
Average number of open interest positions		284,287	242,684	17.1
Number of trading days		61	61	-

(ii) Operating Expenses

Segment expenses decreased by 9.4 per cent to RM13.7 million in 1Q18 from RM15.1 million in 1Q17, which was mainly due to lower service fees incurred from lower number of contracts traded.

PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

22. OPERATING SEGMENTS REVIEW (CONT'D.)

1Q18 vs. 1Q17 (Cont'd.)

Exchange Holding Company

The Exchange Holding Company recorded a higher segment loss of RM5.4 million in 1Q18 compared to RM3.1 million in 1Q17 mainly due to lower rental income earned.

Others

This segment is made up of BSAS business, bonds trading and offshore exchange. The segment profit decreased by 1.9 per cent to RM2.6 million in 1Q18.

Overheads

Overheads marginally increased by 1.7 per cent to RM16.8 million in 1Q18 compared to RM16.5 million in 1Q17.

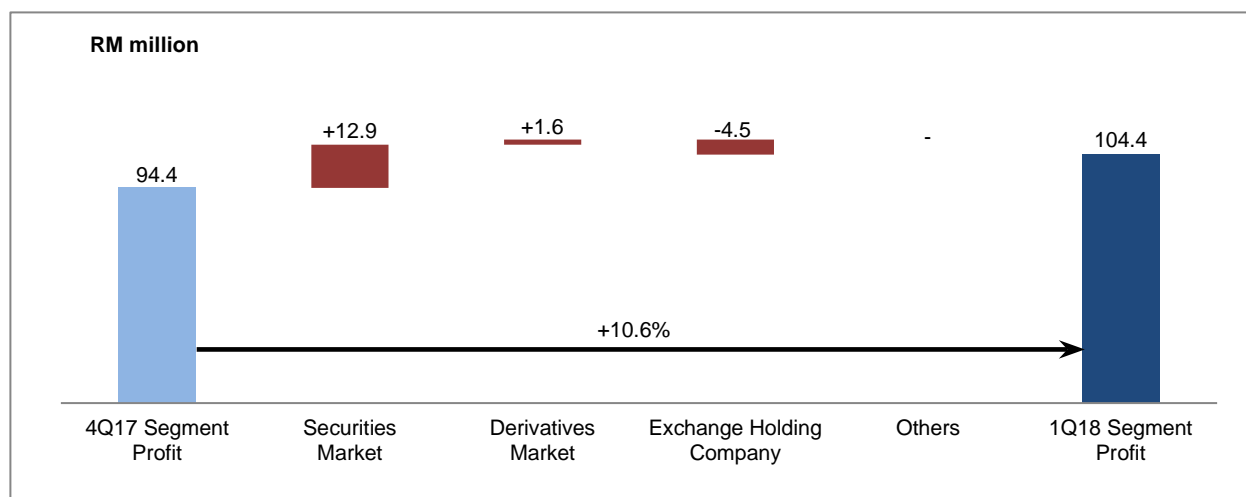
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**23. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER
COMPARED WITH IMMEDIATE PRECEDING QUARTER**

Financial Results	Quarter Ended		
	31.03.2018 RM'000	31.12.2017 RM'000	Changes %
Operating revenue	144,836	130,022	11.4
Other income	5,875	11,181	(47.5)
	150,711	141,203	6.7
Staff costs	(34,798)	(37,295)	(6.7)
Depreciation and amortisation	(5,565)	(5,783)	(3.8)
Other operating expenses	(22,555)	(23,365)	(3.5)
Profit from operations	87,793	74,760	17.4
Finance costs	(133)	(134)	(0.7)
PBT	87,660	74,626	17.5

PBT for 1Q18 was RM87.7 million, an increase of 17.5 per cent from RM74.6 million in the quarter ended 31 December 2017 ("4Q17"). PBT is made up of segment profits less overheads.

Total segment profit for 1Q18 was RM104.4 million, an increase of 10.6 per cent from RM94.4 million in 4Q17. The quarter on quarter movements in the segment profits are depicted in the graph below:



Securities Market

The Securities Market recorded a segment profit of RM93.9 million in 1Q18, an increase of 15.9 per cent from RM81.0 million in 4Q17. The increase was mainly from higher trading revenue earned.

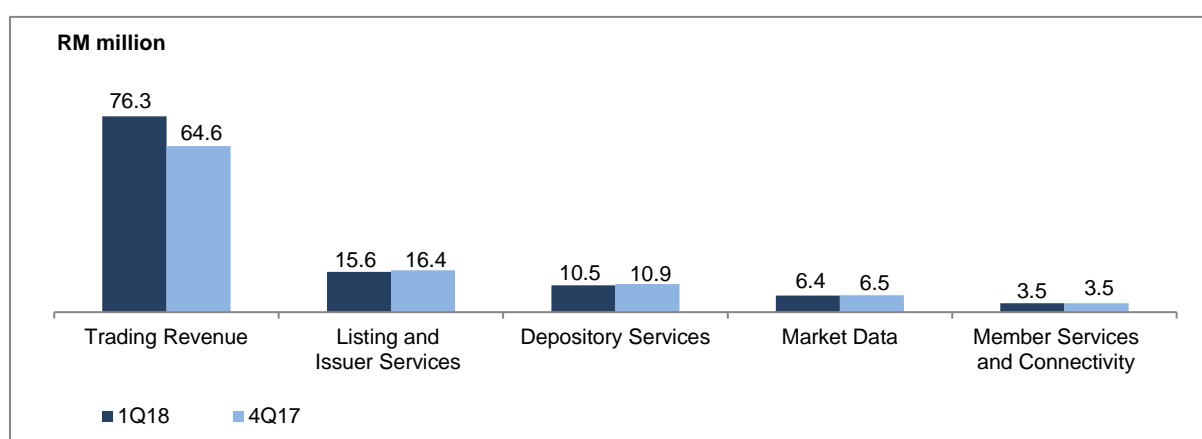
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

23. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER (CONT'D.)

Securities Market (Cont'd.)

(i) Operating Revenue

The Securities Market operating revenue for 1Q18 was RM112.3 million, representing an increase of 10.2 per cent compared to RM101.9 million in 4Q17. The details by revenue category are shown in the chart below:



- > Trading revenue increased by 18.1 per cent to RM76.3 million in 1Q18, driven by higher ADV for OMT and DBT of RM2.93 billion in 1Q18 compared to RM2.62 billion in 4Q17, and higher effective clearing fee rate of 2.31 basis points in 1Q18 compared to 2.19 basis points in 4Q17.
- > Listing and issuer services revenue decreased by 4.5 per cent to RM15.6 million in 1Q18 mainly due to lower additional listing fees and perusal and processing fees earned resulting from lower number of corporate exercises in 1Q18.

Key operating drivers in the Securities Market are as follows:

		1Q18	4Q17	Changes (%)
FBMKLCI	(points)	1,863.46	1,796.81	3.7
ADV (OMT and DBT)	(RM'billion)	2.93	2.62	11.8
Average daily trading volume (OMT and DBT)	(billion shares)	3.27	2.66	22.9
Effective clearing fee rate	(basis points)	2.31	2.19	5.5
Velocity	(per cent)	35	31	12.9
Number of IPOs		7	3	133.3
Number of new structured warrants listed		269	234	15.0
Total funds raised:				
IPOs	(RM'billion)	0.21	0.04	425.0
Secondary issues	(RM'billion)	2.56	4.24	(39.6)
Market capitalisation as at end of period	(RM'billion)	1,895.66	1,906.84	(0.6)
Number of trading days		61	62	(1.6)

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

23. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER (CONT'D.)

Securities Market (Cont'd.)

(ii) Operating Expenses

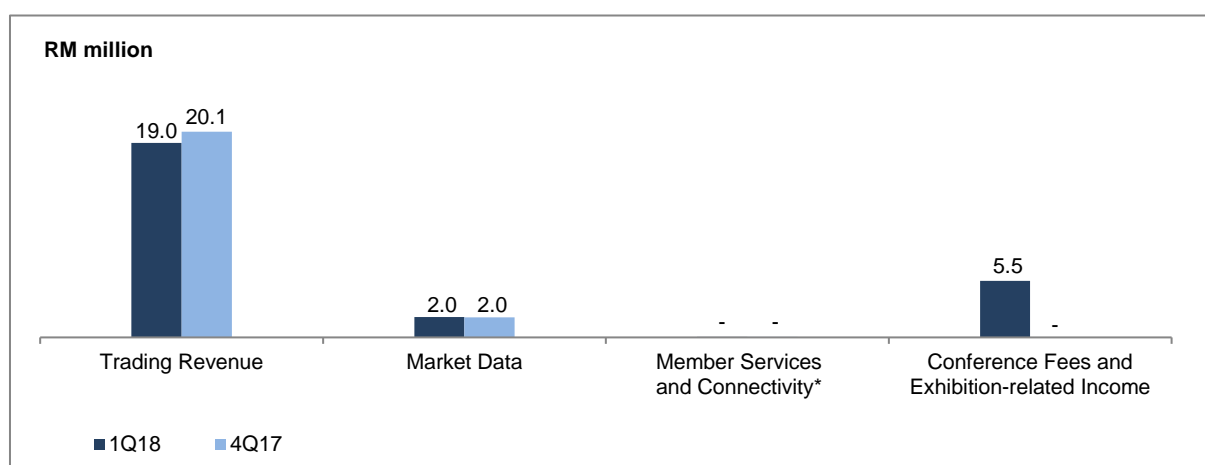
Segment expenses decreased by 9.8 per cent to RM21.9 million from RM24.2 million in 4Q17, mainly due to lower staff costs in 1Q18.

Derivatives Market

The Derivatives Market recorded a segment profit of RM13.3 million for 1Q18, an increase of 13.4 per cent from RM11.7 million in 4Q17 mainly due to the conference fees and exhibition-related income earned from Palm and Lauric Oils Price Outlook Conference & Exhibition 2018 ("POC") held in 1Q18.

(i) Operating Revenue

The Derivatives Market recorded operating revenue of RM26.5 million in 1Q18, representing an increase of 20.1 per cent from RM22.1 million in 4Q17. The details by revenue category are as shown in the chart below:



* Member services and connectivity fee income is below RM0.1 million in both 1Q18 and 4Q17.

- > Trading revenue declined by 5.5 per cent to RM19.0 million in 1Q18 due to lower number of contracts traded. 3.30 million contracts were traded in 1Q18 compared to 3.37 million contracts in 4Q17.
- > Conference fees and exhibition-related income earned in 1Q18 relate to the POC held in March 2018.

Key operating drivers in the Derivatives Market are as follows:

		1Q18	4Q17	Changes (%)
FCPO contracts	(million)	2.72	2.88	(5.6)
FKLI contracts	(million)	0.55	0.47	17.0
Other contracts	(million)	0.03	0.02	50.0
Total	(million)	3.30	3.37	(2.1)
Average daily number of contracts traded		54,020	54,348	(0.6)
Average number of open interest positions		284,287	284,822	(0.2)
Number of trading days		61	62	(1.6)

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**23. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER
COMPARED WITH IMMEDIATE PRECEDING QUARTER (CONT'D.)**

Derivatives Market (Cont'd.)

(ii) Operating Expenses

Segment expenses increased by 27.0 per cent to RM13.7 million in 1Q18 from RM10.8 million in 4Q17, mainly due to expenses incurred for POC.

Exchange Holding Company

The Exchange Holding Company recorded a higher segment loss of RM5.4 million in 1Q18 compared to RM0.9 million in 4Q17 mainly due to lower dividend and rental income earned in 1Q18.

Others

This segment is made up of BSAS business, bonds trading and offshore exchange. The segment profit was fairly stable at RM2.6 million in 1Q18 and 4Q17.

Overheads

Overheads decreased by 15.2 per cent to RM16.8 million mainly due to lower staff costs.

24. COMMENTARY ON PROSPECTS AND TARGETS

The International Monetary Fund (“IMF”), in its April 2018 report, maintained its 2018 global growth projection of 3.9%, whilst the World Bank forecasted a global economic growth of 3.1%. For Malaysia’s economic growth in 2018, IMF expects the Gross Domestic Product (“GDP”) to grow at 5.3% which is within its earlier projection range of 5.0% to 5.5%, and the World Bank has projected Malaysia’s GDP to grow at 5.4% in 2018, higher than the earlier estimated growth of 5.2%. Bank Negara Malaysia in its 2017 annual report projected the Malaysian economy to expand by 5.5% to 6.0%, underpinned by sustained domestic demand growth and the strengthening of global economic conditions.

The Securities Market segment is expected to be resilient, given the strong fundamentals of the economy and the continued improvements in corporate earnings into 2018. Nevertheless, domestic and external factors such as monetary policy shifts in advanced economies and rising trade protectionism by major trading partners may continue to influence trading volatilities in the local market. In the Derivatives Market, trading and hedging activities will continue to be influenced by volatility in commodity prices and the underlying equity market. The inclusion of the traceability feature, extension of trading hours, tenure of contracts and position limits for FCPO contracts announced by the Exchange during the quarter will further enhance derivatives trading. As for the Islamic Capital Market, the Exchange will continue with its efforts in promoting Shariah-compliant investing on the Bursa Malaysia-*i* platform through engagements with market players, focusing on widening the investor base. Bursa Suq Al-Sila', on the other hand, will continue to extend its reach into new regions in 2018.

As part of the continuing initiatives to further enhance the vibrancy and liquidity in the equity market, the following have been introduced to-date:

- Stamp duty waiver on shares of mid and small cap companies for three (3) years from 1 March 2018 to 28 February 2021;
- Liberalisation of margin financing rules;
- Intra day short selling allowed for all investors;
- A new category of traders who trade on their own account, known as “Trading Specialists”;
- A volume-based incentive programme; and
- All new investors to be given a fee waiver on trading and clearing fees for six (6) months.

The Exchange is currently engaged in the establishment of a stock market trading link between Bursa Malaysia and Singapore Exchange. In addition, Bursa Malaysia will continue with its initiatives to enhance the breadth and depth of the ecosystem, which amongst others, through digitalisation of services, liberalisation of rules framework and greater diversification of the investor base.

With the above initiatives and barring any unforeseen circumstances, the Exchange expects the positive momentum in the market to continue and to achieve a sustainable performance for the current financial year.

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**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

25. INCOME TAX EXPENSE

	Quarter and Year-To-Date Ended		
	31.03.2018 RM'000	31.03.2017 RM'000	Changes %
Income tax	21,717	19,407	11.9
Deferred tax	286	433	(33.9)
Total income tax expense	22,003	19,840	10.9

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the current and previous corresponding periods.

For years of assessment 2017 and 2018, the Malaysian statutory tax rate has been reduced by 1% to 4%, based on the prescribed incremental percentage of chargeable income from business, compared to that of the immediate preceding year of assessment. The Group has accounted for the reduction in the tax rate in the current and previous corresponding periods, based on the percentage of increase in chargeable income of the Company and its subsidiaries.

The effective tax rates of the Group for the current and previous corresponding periods were higher than the statutory tax rate of the respective periods principally due to certain expenses being not deductible for tax purposes.

26. TRADE RECEIVABLES

	As at 31.03.2018 RM'000	As at 31.12.2017 RM'000
Trade receivables	56,392	48,398
Less: Allowance for impairment loss	(1,264)	(1,180)
	55,128	47,218

The ageing analysis of the Group's trade receivables is as follows:

	As at 31.03.2018 RM'000	As at 31.12.2017 RM'000
Neither past due nor impaired	44,169	39,398
Past due not impaired:		
< 30 days	4,571	3,293
31 - 60 days	1,808	1,904
61 - 90 days	3,518	505
91 - 180 days	495	1,181
> 181 days	1,217	1,533
Impaired	614	584
Gross trade receivables	56,392	48,398
Less: Allowance for impairment loss	(1,264)	(1,180)
	55,128	47,218

Trade receivables that are past due not impaired are creditworthy debtors. The Group has no significant concentration of credit risk that may arise from exposures to a single clearing participant or counterparty.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
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27. CORPORATE PROPOSAL

On 27 November 2017, the Company announced the proposed establishment and implementation of a new Employees' Share Grant Plan ("ESGP") of up to four percent (4%) of the issued share capital of the Company (excluding treasury shares) at any point in time during the tenure of the proposed ESGP. The corporate proposal is pending approval from the Securities Commission Malaysia before tabling it to the shareholders of the Company for approval at an Extraordinary General Meeting.

Other than the above, there were no other corporate proposal announced but not completed as at the reporting date. As for the proposed bonus issue announced by the Company on 27 November 2017, it was approved by the shareholders of the Company during the current period, and completed on 13 April 2018 as disclosed in Note 21.

28. BORROWINGS AND DEBT SECURITIES

As at the reporting date, there were no short-term borrowings and the Group has not issued any debt securities.

29. CHANGES IN MATERIAL LITIGATION

There was no material litigation against the Group as at the reporting date.

30. DIVIDEND PAYABLE

There was no dividend payable in the current quarter and year-to-date ended 31 March 2018.

The details of the dividend payable in the quarter and year-to-date ended 31 March 2017 are as follows:

Final dividend

For the financial year ended	31 December 2016
Approved and declared on	29 March 2017
Date payable	18 April 2017
Entitlement to dividends based on record of Depositors as at	5 April 2017
Dividend per share (single-tier)	17.0 sen

31. EARNINGS PER SHARE ("EPS")

The computations of the EPS before and after taking into consideration the effects of the bonus issue as disclosed in Note 21 are as follows:

(a) Before the effects of the bonus issue on basic EPS

	Quarter and Year-To-Date Ended	
	31.03.2018	31.03.2017
Profit attributable to the owners of the Company (RM'000)	63,781	56,629
Weighted average number of ordinary shares in issue ('000)	537,501	536,272
Basic EPS (sen)	11.9	10.6

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31. EARNINGS PER SHARE ("EPS") (CONT'D.)

(b) After the effects of the bonus issue on basic and diluted EPS

Pursuant to the requirements of MFRS 133 *Earnings per Share*, the weighted average number of ordinary shares used in the calculation of basic and diluted EPS for the current and previous quarters and year-to-date ended 31 March 2018 and 31 March 2017 have been retrospectively adjusted to reflect the bonus issue, as follows:

(i) Basic EPS

	Quarter and Year-To-Date Ended	
	31.03.2018	31.03.2017
Profit attributable to the owners of the Company (RM'000)	63,781	56,629
Weighted average number of ordinary shares in issue ('000)	537,501	536,272
Effect of bonus shares ('000)	268,750	268,137
Adjusted weighted average number of ordinary shares in issue ('000)	806,251	804,409
Basic EPS (sen)	7.9	7.0

(ii) Diluted EPS

	Quarter and Year-To-Date Ended	
	31.03.2018	31.03.2017
Profit attributable to owners of the Company (RM'000)	63,781	56,629
Adjusted weighted average number of ordinary shares in issue ('000)	806,251	804,409
Effect of dilution of the share grants ('000)	1,763	2,388
Effect of bonus shares on the dilution of the share grants ('000)	881	1,193
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	808,895	807,990
Diluted EPS (sen)	7.9	7.0

32. NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

Net Assets Per Share ("NAPS") as at 31 March 2018 was RM1.54, a decrease of 2.5% compared to NAPS of RM1.58 as at 31 December 2017 mainly due to the dividend paid in the current quarter ended 31 March 2018.

33. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 December 2017 was unmodified.

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34. REVIEW BY EXTERNAL AUDITORS

The Board of Directors ("Board") had engaged the external auditors to review and report on the Condensed Report of Bursa Malaysia Berhad for the quarter and year-to-date ended 31 March 2018 in accordance with the International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*".

The external auditors reported to the Board that nothing had come to their attention to cause them to believe that the Condensed Report was not prepared, in all material respects, in accordance with the MFRS 134 *Interim Financial Reporting* and the IAS 34 *Interim Financial Reporting*. The report was made to the Board in accordance to the terms of the engagement letter with the external auditors and for no other purpose.

35. AUTHORISED FOR ISSUE

The Condensed Report was authorised for issue by the Board in accordance with a resolution of the Directors on 25 April 2018.