

MTD ACPI ENGINEERING BERHAD (Company No: 258836-V)
(Incorporated in Malaysia)

Quarterly report on consolidated results for the quarter ended 31 December 2018
The figures have not been audited

The Directors are pleased to announce the following:

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Individual quarter ended		Cumulative quarter ended	
		31/12/18 RM'000	31/12/17 RM'000	31/12/18 RM'000	31/12/17 RM'000
Revenue	9	71,554	123,462	184,905	211,542
Cost of sales		<u>(65,813)</u>	<u>(97,150)</u>	<u>(172,356)</u>	<u>(180,206)</u>
Gross profit		5,741	26,312	12,549	31,336
Other items of income					
Other income		3,516	2,243	9,469	9,195
Other items of expense					
Selling and marketing expenses		(874)	(1,648)	(5,427)	(4,198)
Administrative and other expenses		(4,675)	(12,574)	(16,014)	(22,321)
Finance costs		(1,731)	(1,533)	(5,074)	(4,656)
Share of results of associates		<u>(14)</u>	<u>(456)</u>	<u>(35)</u>	<u>(1,797)</u>
Profit/(Loss) before tax		1,963	12,344	(4,532)	7,559
Income tax (expense)/benefit	19	<u>0</u>	<u>(56)</u>	<u>67</u>	<u>(92)</u>
Profit/(Loss) for the period		<u>1,963</u>	<u>12,288</u>	<u>(4,465)</u>	<u>7,467</u>
Other comprehensive income/(loss) for the period					
Items that may be reclassified subsequently to profit or loss					
Foreign currency translations		(2,457)	(1,787)	25	(5,329)
Revaluation surplus		15,781	0	15,781	0
Total comprehensive (loss)/income for the period, net of tax		<u>15,287</u>	<u>10,501</u>	<u>11,341</u>	<u>2,138</u>
Profit/(Loss) attributable to:					
Owners of the parent		1,991	12,259	(4,220)	7,585
Non-controlling interest		<u>(28)</u>	<u>29</u>	<u>(245)</u>	<u>(118)</u>
		<u>1,963</u>	<u>12,288</u>	<u>(4,465)</u>	<u>7,467</u>
Total comprehensive income/(loss) attributable to:					
Owners of the parent		14,877	10,893	10,629	3,767
Non-controlling interest		<u>410</u>	<u>(392)</u>	<u>712</u>	<u>(1,629)</u>
		<u>15,287</u>	<u>10,501</u>	<u>11,341</u>	<u>2,138</u>
Earnings/(Loss) per share attributable to owners of the parent (sen)					
Basic	25	<u>0.86</u>	<u>5.31</u>	<u>(1.83)</u>	<u>3.28</u>

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 March 2018.

MTD ACPI ENGINEERING BERHAD (Company No: 258836-V)
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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	As at 31/12/2018 RM'000	As at 31/3/2018 RM'000 Audited
ASSETS			
Non-current assets			
Property, plant and equipment	10	133,170	116,608
Investments in associates		523	559
Other investments		161	161
Trade receivables		23,185	20,028
Deferred tax assets		6,373	7,008
		163,412	144,364
Current assets			
Inventories		23,990	23,845
Other investments		52	53
Trade and other receivables		196,413	197,882
Current tax assets		6,789	6,038
Cash and bank balances		16,756	22,534
		244,000	250,352
Total Assets		407,412	394,716
EQUITY AND LIABILITIES			
Current liabilities			
Trade and other payables		229,056	227,384
Provisions		2,306	2,551
Borrowings	22	61,216	52,516
Current tax liabilities		0	476
		292,578	282,927
Net current liabilities		(48,578)	(32,575)

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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTD.)

	Note	As at 31/12/2018 RM'000	As at 31/3/2018 RM'000 Audited
Non- current liabilities			
Trade payables		4,599	6,065
Provisions		7,273	6,944
Borrowings	22	394	281
Deferred tax liabilities		5,012	3,395
		17,278	16,685
Total Liabilities		309,856	299,612
Net Assets		97,556	95,104
Equity attributable to owners of the parent			
Share capital		339,771	339,771
Treasury shares		(1,905)	(1,905)
Reserves		91,522	76,673
Accumulated losses	2	(347,407)	(334,298)
		81,981	80,241
Non-controlling interests		15,575	14,863
Total equity		97,556	95,104
Total equity and liabilities		407,412	394,716
Net Assets Per Share Attributable to Ordinary Holders of the Parent (RM)		0.42	0.41

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 March 2018.

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent						Total	Non-controlling Interests	Total Equity
	Non-Distributable			Distributable					
	Share Capital	Revaluation Reserve	Exchange Translation Reserve	Other Reserves	Treasury Shares	Accumulated Losses			
2019	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 April 2018	339,771	47,190	228	29,255	(1,905)	(334,298)	80,241	14,863	95,104
Effects of adopting MFRS 9 and MFRS 15 (Note 2)	-	-	-	-	-	(8,889)	(8,889)	-	(8,889)
As 1 April 2018	339,771	47,190	228	29,255	(1,905)	(343,187)	71,352	14,863	86,215
Total comprehensive income/(loss)									
Net loss for the period	-	-	-	-	-	(4,220)	(4,220)	(245)	(4,465)
Foreign currency translations	-	-	(932)	-	-	-	(932)	957	25
Revaluation surplus	-	15,781	-	-	-	-	15,781	-	15,781
Total comprehensive income/(loss) for the period	-	15,781	(932)	-	-	(4,220)	10,629	712	11,341
At 31 December 2018	339,771	62,971	(704)	29,255	(1,905)	(347,407)	81,981	15,575	97,556

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONTD.)

	Attributable to owners of the parent							Non-controlling Interests	Total Equity	
	Non-Distributable				Distributable					
	Share Capital	Capital Redemption Reserve	Exchange Revaluation Reserve	Exchange Translation Reserve	Other Reserves	Treasury Shares	Accumulated Losses	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
2018										
At 1 April 2017	339,771	90	47,190	9,260	29,165	(1,905)	(341,459)	82,112	18,180	100,292
Total comprehensive (loss)/income										
Net profit/(loss) for the period	-	-	-	-	-	-	7,585	7,585	(118)	7,467
Other comprehensive loss	-	-	-	(3,818)	-	-	-	(3,818)	(1,511)	(5,329)
Total comprehensive (loss)/income for the period	-	-	-	(3,818)	-	-	7,585	3,767	(1,629)	2,138
At 31 December 2017	339,771	90	47,190	5,442	29,165	(1,905)	(333,874)	85,879	16,551	102,430

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 March 2018.

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	9 months to 31/12/2018 RM'000	9 months to 31/12/2017 RM'000
Operating activities		
(Loss)/Profit before tax	(4,532)	7,559
<u>Adjustments for:</u>		
Interest income	(36)	(36)
Bad debts written off	8,702	-
Net impairment on financial assets	(7,417)	5,380
Net changes in provisions	(501)	-
Reversal of overprovision on payables	(4,395)	(4,886)
Depreciation of property, plant and equipment	3,402	3,548
Gain on disposal of property, plant and equipment	(268)	(292)
Property, plant and equipment written off	39	79
Interest expense	5,074	4,656
Net changes in liabilities for retirement benefit obligations	579	535
Inventories written off	0	38
Unrealised foreign exchange gain, net	(259)	(1,374)
Share of results of associates	35	1,797
Total adjustments	4,955	9,445
Operating cash flows before changes in working capital	423	17,004
Changes in working capital		
Net change in current assets	(11,617)	14,098
Net change in current liabilities	4,684	(16,801)
Total changes in working capital	(6,933)	(2,703)
Cash flows (used in)/generated from operations	(6,510)	14,301
Retirement benefit paid	-	(1,835)
Net tax paid	(1,160)	(5,035)
Net cash flows (used in)/generated from operating activities	(7,670)	7,431

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTD.)

	9 months to 31/12/2018 RM'000	9 months to 31/12/2017 RM'000
Investing activities		
Interest received	36	36
Purchase of property, plant and equipment	(1,704)	(3,554)
Proceeds from disposal of property, plant and equipment	268	306
Placement of deposits pledged to licensed banks	(38)	(1,035)
Net cash used in financing activities	(1,438)	(4,247)
Financing activities		
Interest paid	(5,074)	(4,656)
Net proceeds/(repayments) from borrowings	8,863	(5,413)
Net cash generated from/(used in) financing activities	3,789	(10,069)
Net decrease in cash and cash equivalents	(5,319)	(6,885)
Effects of exchange rate changes on cash and cash	(237)	403
Cash and cash equivalent at beginning of period	12,504	21,384
Cash and cash equivalent at end of financial period	6,948	14,902

Cash and cash equivalent at the end of the financial period comprised the following:

	9 months to 31/12/2018 RM'000	9 months to 31/12/2017 RM'000
Cash and bank balances	14,027	24,670
Deposits placed with licensed banks	2,729	2,674
Total cash and bank balances	16,756	27,344
Bank overdrafts	(7,291)	(9,949)
Deposits pledged to licensed banks	(2,515)	(2,491)
Deposit with a licensed bank with maturity of over 3 months	(2)	(2)
Cash and cash equivalents at end of financial period	6,948	14,902

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 March 2018.

NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation

These 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 Bursa Malaysia Securities Berhad Main Market Listing Requirement. These condensed consolidated interim financial statements also comply with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board (IASB) and requirements of the Companies Act 2016, where applicable.

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

2. Significant accounting policies

The accounting policies and presentation adopted for this interim report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 March 2018, except for the adoption of the following standards, amendments and annual improvements to MFRSs with a date of initial application on 1 April 2018:

Description	
Amendments to MFRS 1	<i>First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standard 2014-2016 Cycle)</i>
Amendments to MFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i>
Amendments to MFRS 4	<i>Insurance Contracts – Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts</i>
Amendments to MFRS 128	<i>Investments in Associates and Joint Ventures Standards (Annual Improvements to MFRS Standard 2014-2016 Cycle)</i>
Amendments to MFRS 140	<i>Investment Property – Transfer of Investment Property</i>
Clarifications to MFRS 15	<i>Revenue from Contracts with Customers</i>
IC Interpretation 22	<i>Foreign Currency Transactions and Advance Consideration</i>
MFRS 9	<i>Financial Instruments (IFRS as issued by IASB in July 2014)</i>
MFRS 15	<i>Revenue from Contracts with Customers</i>

The adoption of the above, did not have any significant effects on the interim report upon their initial application, other than as disclosed below:

(i) **MFRS 15, Revenue from Contracts with Customers**

MFRS 15 is effective for annual periods beginning on or after 1 January 2018. MFRS 15 establishes a new five-step model that will apply to revenue arising from contracts with customers.

The core principle of MFRS 15 is that an entity should recognise revenue which depicts the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

NOTES TO THE INTERIM FINANCIAL REPORT (CONTD.)

(i) **MFRS 15 - Revenue from Contracts with Customers (contd.)**

In adopting MFRS 15, the Group has adopted the standard using the cumulative effect retrospective approach with practical expediency for contracts that are completed. This means that contracts that are still on-going as at 1 April 2018 will be accounted for as if they had been recognised in accordance with MFRS15 at the commencement of the contract. The cumulative impact arising from the adoption will be recognised in retained earnings as at 1 April 2018 and comparatives will not be restated.

(ii) **MFRS 9 – Financial Instruments**

MFRS 9 introduces the expected credit losses (“ECL”) model on impairment that replaces the incurred loss impairment model used in MFRS 139. The ECL model requires impairment to be recognised on initial recognition including expected future credit losses whilst the incurred loss impairment model only requires recognition of credit losses incurred as at reporting date.

The assessment of credit risk, as well as the estimation of ECL, are required to be unbiased, probability-weighted and should incorporate all available information which is relevant to the assessment, including information about past events, current conditions and reasonable and supportable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL should also take into account the time value of money.

As a result, the total ECL allowances computed under MFRS 9 is higher than the total allowance for impairment under MFRS 139 as a more forward-looking approach is adopted.

In summary, the impact of adopting both MFRS 15 and MFRS 9 (“MFRSs”) to opening balances are as follows:

Reconciliation statement of financial position at 1 April 2018			
	Pre-MFRSs	Effects of transition to MFRSs	As reported under MFRSs
	RM'000	RM'000	RM'000
Trade and other receivables	217,910	(8,758)	209,152
Trade and other payables	233,449	(131)	233,318
Accumulated losses	(334,298)	8,889	(343,187)

3. Qualification of Financial Statement

The auditors’ report on the financial statements for the financial year ended 31 March 2018 was not qualified.

4. Seasonal or Cyclical Factors

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

5. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows for the current financial quarter ended 31 December 2018.

NOTES TO THE INTERIM FINANCIAL REPORT (CONTD.)

6. Changes In Estimates

There were no changes in estimates that have material effect on the amounts reported for the current quarter ended 31 December 2018.

7. Debt and Equity Securities

There were no issuance and repayment of debts and equity securities, share buy-backs, share cancellation, shares held as treasury shares, repurchase and resale of treasury shares for the current financial quarter under review.

(a) **Treasury Shares**

During the financial quarter, the Company did not repurchase any of its issued ordinary shares from the open market.

8. Dividend Paid

There was no dividend paid or declared for the current financial quarter.

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NOTES TO THE INTERIM FINANCIAL REPORT (CONTD.)

9. Segmental Reporting

By Activities

Cumulative Quarter
31 December 2018

	Construction RM'000	Manufacturing RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Segment Revenue					
Revenue from external customers	134,435	50,470	-	-	184,905
Inter-segment revenue	-	5	5,834	(5,839)	-
Total revenue	134,435	50,475	5,834	(5,839)	184,905
Segment results	6,513	(25,813)	(2,678)	13,086	(8,892)
Other income	6,767	5,350	868	(3,516)	9,469
Finance costs	(1,966)	(142)	(5,237)	2,271	(5,074)
Share of results of associates	(35)	-	-	-	(35)
Income tax benefit	1	66	-	-	67
Loss for the financial period					(4,465)
Segment assets	303,171	168,512	130,129	(225,861)	375,951
Segment liabilities	221,397	273,224	181,043	(370,820)	304,844

Cumulative Quarter
31 December 2017

	Construction RM'000	Manufacturing RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Segment Revenue					
Revenue from external customers	144,980	66,562	-	-	211,542
Inter-segment revenue	-	47	5,297	(5,344)	-
Total revenue	144,980	66,609	5,297	(5,344)	211,542
Segment results	21,855	(10,917)	(4,463)	(1,658)	4,817
Other income	6,836	4,432	724	(2,797)	9,195
Finance costs	(1,676)	(65)	(4,653)	1,738	(4,656)
Share of results of associates	(1,797)	-	-	-	(1,797)
Income tax expense	-	(36)	(56)	-	(92)
Profit for the financial period					7,467
Segment assets	323,570	192,023	127,902	(248,111)	395,384
Segment liabilities	232,104	267,606	167,376	(363,741)	303,345

NOTES TO THE INTERIM FINANCIAL REPORT (CONTD.)

10. Valuation of Property, Plant and Equipment

The valuations of property, plant and equipment were brought forward without amendments from the annual financial statements for the financial year ended 31 March 2018 except for the followings:

During the financial period ended 31 December 2018, a revaluation exercise was carried out by the Group on property, plant and equipment. The revaluation resulted in a revaluation surplus, net of deferred tax, of approximately RM15.8 million. The valuation reports were dated on 30 November 2018 and were carried out by an independent valuer, Khong & Jaafar Sdn Bhd.

11. Material Subsequent Events

There were no material subsequent events since the end of the current quarter under review until a date not earlier than 7 days from the date of issuance of this quarterly report.

12. Changes in the Composition of the Group

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

13. Changes in Contingent Liabilities and Contingent Assets

There were no significant changes in both contingent liabilities and contingent assets since the financial year ended 31 March 2018.

NOTES TO THE INTERIM FINANCIAL REPORT (CONTD.)

14. Review of Performance of the Group

CURRENT QUARTER vs. CORRESPONDING QUARTER

	Individual quarter ended		Variance		Cumulative quarter ended		Variance	
	31/12/2018	31/12/2017	RM'000	%	31/12/2018	31/12/2017	RM'000	%
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Segmental Turnover								
Construction	54,624	104,293	(49,669)	>100	134,435	144,980	(10,545)	(7)
Manufacturing	16,930	19,169	(2,239)	(12)	50,475	66,609	(16,134)	(24)
Others	1,722	1,936	(214)	(11)	5,834	5,297	537	10
	<u>73,276</u>	<u>125,398</u>			<u>190,744</u>	<u>216,886</u>		
Inter-segment	(1,722)	(1,936)	214	11	(5,839)	(5,344)	(495)	(9)
	<u>71,554</u>	<u>123,462</u>	<u>(51,908)</u>	<u>(42)</u>	<u>184,905</u>	<u>211,542</u>	<u>(26,637)</u>	<u>(13)</u>
	Individual quarter ended		Variance		Cumulative quarter ended		Variance	
	31/12/2018	31/12/2017	RM'000	%	31/12/2018	31/12/2017	RM'000	%
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Pre-tax profit/(loss)								
Construction	2,249	24,793	(22,544)	(91)	11,315	27,014	(15,699)	(58)
Manufacturing	1,695	(7,099)	8,794	>100	(20,606)	(6,550)	(14,056)	>(100)
Others	(1,953)	(2,893)	940	32	(7,047)	(8,392)	1,345	16
	<u>1,991</u>	<u>14,801</u>			<u>(16,338)</u>	<u>12,072</u>		
Elimination/Adjustments	(14)	(2,001)	1,987	99	11,841	(2,716)	14,557	>100
	<u>1,977</u>	<u>12,800</u>			<u>(4,497)</u>	<u>9,356</u>		
Share of results of associates	(14)	(456)	442	97	(35)	(1,797)	1,762	98
	<u>1,963</u>	<u>12,344</u>	<u>(10,381)</u>	<u>(84)</u>	<u>(4,532)</u>	<u>7,559</u>	<u>(12,091)</u>	<u>>(100)</u>
Profit/(Loss) after tax	1,963	12,288	(10,325)	(84)	(4,465)	7,467	(11,932)	>(100)
Profit/(Loss) Attributable to owners of the parent	1,991	12,259	(10,268)	(84)	(4,220)	7,585	(11,805)	>(100)

For the current quarter under review, the Group recorded revenue of RM71.6 million and pre-tax profit of RM2.0 million, as compared to revenue of RM123.5 million and pre-tax profit of RM12.3 million respectively in the corresponding quarter.

The lower revenue in the current quarter compared to the corresponding quarter was mainly due to lower progress billings from Construction division and lower turnover registered in Manufacturing division. Following the lower revenue recorded in current quarter, the Group recorded lower pre-tax profit compared to the corresponding quarter.

NOTES TO THE INTERIM FINANCIAL REPORT (CONTD.)

15. Variation of Results Against Preceding Quarter

CURRENT QUARTER vs. IMMEDIATE PRECEDING QUARTER

	Individual quarter ended		Variance	
	31/12/2018	30/9/2018	RM'000	%
	RM'000	RM'000		
Segmental Turnover				
Construction	54,624	43,418	11,206	26
Manufacturing	16,930	15,142	1,788	12
Others	1,722	2,133	(411)	(19)
	<u>73,276</u>	<u>60,693</u>		
Inter-segment	(1,722)	(2,138)		
	<u>71,554</u>	<u>58,555</u>	12,999	22

	Individual quarter ended		Variance	
	31/12/2018	30/9/2018	RM'000	%
	RM'000	RM'000		
Pre-tax profit/(loss)				
Construction	2,249	4,693	(2,444)	(52)
Manufacturing	1,695	(4,133)	5,828	141
Others	(1,953)	(2,593)	640	25
	<u>1,991</u>	<u>(2,033)</u>		
Elimination	(14)	(7)		
	<u>1,977</u>	<u>(2,040)</u>		
Share of results of associates	(14)	(29)	15	52
	<u>1,963</u>	<u>(2,069)</u>	4,032	>100
Profit/(Loss) after tax	1,963	(2,003)	3,966	>100
Profit/(Loss) Attributable to owners of the parent	1,991	(1,977)	3,968	>100

The Group recorded revenue of RM71.6 million and pre-tax profit of RM2.0 million for the third quarter ended 31 December 2018, compared to revenue of RM58.6 million and pre-tax loss of RM2.1 million respectively in the preceding quarter.

The higher revenue recorded in the current quarter under review was due to higher progress billings in Construction division and better turnover in Manufacturing division. The pre-tax profit of RM2.0 million in current quarter under review compared to preceding quarter was mainly attributed by the realised forex gain arising from the closure of an overseas branch.

NOTES TO THE INTERIM FINANCIAL REPORT (CONTD.)

16. Prospects for the remaining period to the end of Financial Year

The Group expects the operating environment to continue to be very challenging and will continue to relentlessly seek to replenish its order book, leveraging on its vast experience, competitiveness and track record in the construction industry segment. The Group will also continue to focus on increasing efficiency, cost optimisation and deployment of resources. Despite the challenging conditions which persisted in the financial year, the Board remains cautiously optimistic in the fourth quarter of the financial year.

17. Profit Forecast or Profit Guarantee

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

18. Profit/(Loss) Before Tax

The following items have been included in arriving at profit/(loss) before tax:

	Individual quarter ended		Cumulative quarter ended	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
	RM'000	RM'000	RM'000	RM'000
Interest income	(13)	(13)	(36)	(36)
Other income	(249)	(280)	(5,008)	(5,562)
Interest expense	1,731	1,533	5,074	4,656
Depreciation of property, plant and equipment	1,122	1,281	3,402	3,548
Impairment loss on trade and other receivables	374	6,785	2,338	7,079
Bad debts written off	-	-	8,702	-
Bad debts written back	(5)	(1,052)	(9,755)	(1,699)
Provision of slow moving stocks	-	-	-	-
Inventories written off	-	38	-	38
(Gain)/Loss on disposal of quoted investment	-	-	-	-
(Gain)/Loss on disposal of unquoted investment	-	-	-	-
Gain on disposal of property, plant and equipment	(154)	(163)	(268)	(292)
Net impairment of assets	-	-	-	-
Net gain on foreign exchange	(3,833)	(892)	(2,623)	(1,374)

NOTES TO THE INTERIM FINANCIAL REPORT (CONTD.)

19. Income Tax Benefit/(Expense)

	Individual quarter ended		Cumulative quarter ended	
	31/12/2018 RM'000	31/12/2017 RM'000	31/12/2018 RM'000	31/12/2017 RM'000
Current period's provision	-	(56)	67	(92)

20. Unquoted Investment and Properties

There were no sales of unquoted investments or properties during the current financial quarter.

21. Status of Corporate Proposals Announced

There was no corporate proposal announced but not completed during the current financial quarter.

22. Borrowings and Debts Securities

The breakdown of the borrowings is set out below:-

	As at	As at
	31/12/2018 RM'000	31/12/2017 RM'000
Short term borrowings		
<u>Secured</u>		
- Bank Overdraft	4,102	6,782
- Hire purchase creditors	76	20
- Revolving credits	52,350	39,550
<u>Unsecured</u>		
- Bank Overdraft	3,188	3,167
- Revolving credits	1,500	1,500
	61,216	51,019
Long term borrowings		
<u>Secured</u>		
- Hire purchase creditors	394	51
	61,610	51,070

23. Material Litigations

There were no significant changes in material litigation since the last annual statement of financial position as at 31 March 2018.

NOTES TO THE INTERIM FINANCIAL REPORT (CONTD.)

24. Dividend Payable

No interim dividend has been proposed for the current quarter under review.

25. Earnings/(Loss) per Share

a) Basic

Basic loss per share is calculated by dividing the profit/(loss) for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the financial period, excluding treasury shares held by the Company.

	Individual quarter ended		Cumulative quarter ended	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) net of tax attributable to owners of the parent	1,991	12,259	(4,220)	7,585
	<u>1,991</u>	<u>12,259</u>	<u>(4,220)</u>	<u>7,585</u>
	Individual quarter ended		Cumulative quarter ended	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
	'000	'000	'000	'000
Weighted average number of ordinary shares in issue	230,996	230,996	230,996	230,996
	<u>230,996</u>	<u>230,996</u>	<u>230,996</u>	<u>230,996</u>
	Individual quarter ended		Cumulative quarter ended	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
Basic earnings/(loss) per share (sen)	0.86	5.31	(1.83)	3.28
	<u>0.86</u>	<u>5.31</u>	<u>(1.83)</u>	<u>3.28</u>

By Order Of The Board

Batu Caves, Selangor
28 February 2019

CHAN BEE KUAN (MAICSA 7003851)
CHEONG WEI LING (MAICSA 7009208)
Company Secretaries