

# **CYMAO HOLDINGS BERHAD**

(Company No. 445931 - U)  
(Incorporated in Malaysia)

## **INTERIM FINANCIAL STATEMENTS**

**FOR THE THIRD  
QUARTER ENDED**

**30TH SEPTEMBER 2018**

**CONDENSED CONSOLIDATED INCOME STATEMENT  
 FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018 - UNAUDITED**

	Individual Period (3rd Quarter)		Changes Amount	Changes (%)	Cumulative Period Unaudited		Changes Amount	Changes (%)
	Current Year Quarter 30.09.2018 RM'000	Preceding Year Corresponding Quarter 30.09.2017 RM'000			Current Year To- date 30.09.2018 RM'000	Preceding Year Corresponding Period 30.09.2017 RM'000		
	Revenue	27,893			22,592	5,301		
Cost of sales	(24,692)	(21,670)	(3,022)	13.95	(70,329)	(62,149)	(8,180)	13.16
<b>Gross profit</b>	<b>3,201</b>	<b>922</b>	<b>2,279</b>	<b>247.18</b>	<b>5,279</b>	<b>2,128</b>	<b>3,151</b>	<b>148.07</b>
Other income	517	233	284	121.89	1,624	661	963	145.69
Other operating expenses	(6)	(10)	4	(40.00)	(208)	(124)	(84)	67.74
Administrative expenses	(1,726)	(1,589)	(137)	8.62	(5,712)	(4,794)	(918)	19.15
Selling and marketing expenses	(1,176)	(1,353)	177	(13.08)	(3,657)	(3,338)	(319)	9.56
Interest income	8	6	2	33.33	25	30	(5)	(16.67)
Finance costs	(93)	(68)	(25)	36.76	(247)	(201)	(46)	22.89
<b>Profit/(Loss) before tax</b>	<b>674</b>	<b>(1,859)</b>	<b>2,533</b>	<b>(136.26)</b>	<b>(2,947)</b>	<b>(5,638)</b>	<b>2,691</b>	<b>(47.73)</b>
Income tax expenses	-	-	-	-	(1)	-	(1)	-
<b>Profit/(Loss) net of tax</b>	<b>674</b>	<b>(1,859)</b>	<b>2,533</b>	<b>(136.26)</b>	<b>(2,948)</b>	<b>(5,638)</b>	<b>2,690</b>	<b>(47.71)</b>
<b>Total comprehensive profit/(loss) attributable to:</b>								
Owners of the Company	674	(1,859)	2,533	(136.26)	(2,948)	(5,638)	2,690	(47.71)
<b>Profit/(Loss) attributable to:</b>								
Owners of the Company	674	(1,859)	2,533	(136.26)	(2,948)	(5,638)	2,690	(47.71)
Non-controlling interest	-	-	-	-	-	-	-	-
<b>Profit/(Loss) for the period</b>	<b>674</b>	<b>(1,859)</b>	<b>2,533</b>	<b>(136.26)</b>	<b>(2,948)</b>	<b>(5,638)</b>	<b>2,690</b>	<b>(47.71)</b>
<b>Total comprehensive profit/(loss) attributable to:</b>								
Owners of the Company	674	(1,859)	2,533	(136.26)	(2,948)	(5,638)	2,690	(47.71)
Non-controlling interest	-	-	-	-	-	-	-	-
<b>Total comprehensive profit/(loss) for the period</b>	<b>674</b>	<b>(1,859)</b>	<b>2,533</b>	<b>(136.26)</b>	<b>(2,948)</b>	<b>(5,638)</b>	<b>2,690</b>	<b>(47.71)</b>
<b>Basic Profit/(Loss) per ordinary share (sen):</b>								
Profit/(Loss) from continuing operations	0.92	(2.53)	3.45	(136.29)	(4.01)	(7.67)	3.65	(47.67)

The above Condensed Consolidated Income Statement should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**CYMAO HOLDINGS BERHAD**

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(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018 - UNAUDITED**

	Current Quarter 30.09.2018	Immediate Preceding Quarter 30.06.2018	Changes Amount	Changes (%)
Revenue	27,893	25,409	2,484	9.78%
Operating Profit/(Loss)	674	(1,311)	1,985	-151.41%
Profit/(Loss) Before Interest and Tax	666	(1,317)	1,983	-150.57%
Profit/(Loss) Before Tax	674	(1,310)	1,984	-151.45%
Profit/(Loss) After Tax	674	(1,311)	1,985	-151.41%
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	0.92	(1.78)	3	-151.69%

**CYMAO HOLDINGS BERHAD**

(Company No. 445931-U)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2018 - UNAUDITED**

	As at 30.09.2018 (Unaudited) RM'000	As at 31.12.2017 (Audited) RM'000
<b>ASSETS</b>		
Property, plant and equipment	33,339	35,260
Land use right	827	840
Other receivables	-	-
Associate Company	-	51
<b>Total non-current assets</b>	<b>34,166</b>	<b>36,151</b>
Inventories	25,196	21,349
Trade receivables	13,269	11,290
Other receivables	6,176	2,824
Tax refundable	874	790
Fixed deposit with licensed bank	1,442	1,432
Cash and bank balances	940	4,052
<b>Total current assets</b>	<b>47,897</b>	<b>41,737</b>
<b>Total assets</b>	<b>82,063</b>	<b>77,888</b>
<b>Equity</b>		
Share capital	92,374	92,374
Treasury shares	(694)	(694)
Accumulated losses	(32,075)	(29,127)
<b>Total equity</b>	<b>59,605</b>	<b>62,553</b>
<b>LIABILITIES</b>		
Borrowings - Long term	1,656	1,789
Deferred tax liabilities	1,638	1,638
<b>Total non-current liabilities</b>	<b>3,294</b>	<b>3,427</b>
Borrowings - Short term	8,359	6,446
Trade payables	7,395	3,500
Other payables	3,410	1,962
Tax payables	-	-
<b>Total current liabilities</b>	<b>19,164</b>	<b>11,908</b>
<b>Total liabilities</b>	<b>22,458</b>	<b>15,335</b>
<b>Total equity and liabilities</b>	<b>82,063</b>	<b>77,888</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>0.65</b>	<b>0.68</b>

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.

**CYMAO HOLDINGS BERHAD**

(Company No. 445931-U)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES EQUITY  
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2018 - UNAUDITED**

	Attributable to Equity Holders of the Company			
	Non-Distributable	Distributable		
	Share Capital RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Total Equity RM'000
<b>At 1 January 2017</b>	92,374	(631)	(21,658)	70,085
Total comprehensive loss for the 12-month period	-	(63)	(7,469)	(7,532)
<b>At 31 December 2017</b>	<u>92,374</u>	<u>(694)</u>	<u>(29,127)</u>	<u>62,553</u>
<b>At 1 January 2018</b>	92,374	(694)	(29,127)	62,553
Total comprehensive loss for the 9-month period	-		(2,948)	(2,948)
<b>At 30 September 2018</b>	<u>92,374</u>	<u>(694)</u>	<u>(32,075)</u>	<u>59,605</u>

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 accompanying explanatory notes attached to these interim financial statements.

**CYMAO HOLDINGS BERHAD**

(Company No. 445931-U)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2018 - UNAUDITED**

	9 months ended	
	30.09.2018 (Unaudited) RM'000	30.09.2017 (Unaudited) RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	(2,948)	(5,638)
Adjustments for:		
Depreciation of property, plant and equipment	2,685	2,827
Amortisation of land use right	12	12
Gain on disposal of plant and equipment	-	(83)
Equipment written off	85	-
Interest income	(24)	(30)
Share loss in joint venture	51	-
Finance costs	247	201
Operating profit/(loss) before working capital changes	108	(2,711)
(Increase)/Decrease in inventories	(3,846)	5,168
(Increase)/Decrease in receivables	(5,331)	2,725
Increase/(Decrease) in payables	5,343	(3,263)
Net cash (used in) generated from operations	(3,726)	1,919
Interest paid	(247)	(201)
Net tax paid	(85)	(172)
Net cash (used in) generated from operating activities	(4,058)	1,546
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Movement in fixed deposits under pledged	(810)	487
Acquisition of property, plant and equipment	(848)	(2,033)
Purchase of treasury shares	-	(63)
Proceeds from disposal of plant and equipment	-	411
Interest received	24	30
Net cash (used in) from investing activities	(1,634)	(1,168)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Bankers' acceptance drawn down	16,230	14,108
Short Term Loan	164	483
Repayment of term loan	(133)	(133)
Repayment of bankers' acceptance	(15,211)	(16,330)
Net cash generated/(used in) from financing activities	1,050	(1,872)
<b>Net decrease in cash and cash equivalents</b>	(4,642)	(1,494)
<b>Cash and cash equivalents at beginning of financial period</b>	4,852	2,557
<b>Cash and cash equivalents at end of financial period</b>	210	1,063

**CYMAO HOLDINGS BERHAD**

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2018 - UNAUDITED**

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Cash and cash equivalents at the end of financial period comprise of the followings:

	<b>As at 30.09.2018 (Unaudited) RM'000</b>	<b>As at 30.09.2017 (Unaudited) RM'000</b>
Cash in hand and at bank	940	1,235
Bank overdraft	(730)	(172)
Fixed deposit with a licensed bank	1,442	622
Cash and bank balances	<u>1,652</u>	<u>1,685</u>
Less: Deposit with a licensed bank pledged for bank guarantees	<u>(1,442)</u>	<u>(622)</u>
	<u><u>210</u></u>	<u><u>1,063</u></u>

The above Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and accompanying explanatory notes attached to these interim financial statements.

## **CYMAO HOLDINGS BERHAD**

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### **NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018 - (UNAUDITED)**

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#### **1 Corporate Information**

The Company is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at MPT 4604, 3rd Floor, Lot 15 - 16, Block B, Bandaran Baru, Jalan Baru, 91000 Tawau, Sabah. The principal place of business of the Company is located at 9.1 KM, Jalan Batu Sapi, 90000 Sandakan, Sabah.

The principal activity of the Company is investment holding.

The principal activities of the subsidiaries are manufacturing and sale of veneer, plywood, decorative plywood, blockboard, provision of barge hiring services, and sale and extraction of log timbers. There have been no significant changes in the nature of these principal activities during the financial year.

#### **2 Basis of Preparation**

These condensed consolidated interim financial statements (Condensed Report) for the period ended 30 September 2018, have been prepared in accordance with Malaysian Financial Reporting Standard (MFRS) 134 "*Interim Financial Reporting*" and paragraph 9.22 of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad. The report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2017.

The accounting policies used in the preparation of interim financial statements are consistent with those previously adopted in the audited financial statements of the Group for the year ended 31 December 2017. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2017.

#### **3 Significant Accounting Policies**

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 December 2017, except for the adoption of the following new/revised MFRSs and amendments to MFRSs:

MFRS 15: Revenue from Contracts with Customers

Amendments to MFRS 2 : Classification and Measurement of Share - based Payment Transaction

MFRS 9: Financial Instruments



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(Incorporated in Malaysia)

**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018 - (UNAUDITED)**

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**3 Significant Accounting Policies**

Effective for financial periods beginning on or after 1 January 2019:

MFRS 16 : Leases

Deferred

Amendments to MFRS 10 and MFRS 128 : Sale or contribution of Assets between an Investor and its Associate or Joint Venture

The adoption of the above revised MFRSs, and Amendment do not have any significant financial impact on the Group.

**4 Auditors' Report**

The auditors' report on the financial statements of the Group for the year ended 31 December 2017 was not qualified.

**5 Seasonality of operations**

The Group's business operation and performance are to a certain extent affected by weather conditions especially on the supply of logs.

**6 Unusual Items due to their Nature, Size or Incident**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the quarter under review.

**7 Changes in Estimates**

There was no estimation of amount used in the preceding reporting having a material effect in the current reporting quarter.

**8 Dividend Paid**

There was no dividend paid by the Group during the current quarter.

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**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018 - (UNAUDITED)**

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**9 Carrying Amount of Revalued Assets**

There were no brought forward valuations of property, plant and equipment from the year ended 31 December 2017 and there were no valuations of property, plant and equipment carried out during the current financial year-to-date.

**10 Debt and Equity Securities**

There were no issuances, cancellations, resale and repayments of debt and equity securities during the quarter under review.

**11 Changes in the Composition of the Group**

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

**12 Segmental Information**

No segmental information has been presented as the Group activities are predominantly in Malaysia.

**13 Capital Commitments**

There were no capital commitments for the quarter ended 30 September 2018.

**14 Changes in Contingent Liabilities or Contingent Assets**

There were no changes in contingent liabilities or contingent assets since the last statement of financial position as at 31 December 2017 and up to the date of this report.

**15 Subsequent Events**

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

**16 Trade Receivables**

The trade receivable turnover is 43 days which is within the industry average. Export sales are through Letter of Credit. The Group has not experienced any debt issues with the customers as the customers are long established and reliable.

There are no write down of debts during the quarter.

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**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018 - (UNAUDITED)****17 Performance Review****Turnover**

The quarter registered a turnover of RM27.893 million an increase in turnover of RM5.301 million as compared to immediate corresponding period of RM22.592 million last year. The increase in turnover is mainly due to international export market which has improved both in pricing and demand but the local domestic demand is sluggish. The average sales volume of 3,121 m3 per month this quarter is 26.88 % less than 3,960 m3 average sale volume for 2017 same quarter. Production volume for Group level slightly decreased by 64 m3 from 8,771 m3 to 8,707 m3, a decrease of 0.74% for this quarter as compared to the immediate corresponding quarter. Logs supply is sufficient for Sandakan mill production due to export logs ban in Sabah.

**Profit/(Loss) before Tax**

The Group registered a profit of RM0.674 million as compared to a loss of RM1.859 million in the same quarter last year. This represents an improvement in profit due mainly to higher prices for export market as compared to the preceding corresponding quarter.

The results of the operations-Profit/(Loss):

	30.09.2018	30.09.2017
	RM'000	RM'000
Sandakan	1,862	(1,446)
Klang	(259)	(284)
Jengka	(858)	-
Other companies	(71)	(129)
Group profit/(loss)	<u>674</u>	<u>(1,859)</u>

As explained, the decrease in loss in Sandakan is due to better margin and higher export sales. The loss before tax in Klang has increased compared to last corresponding quarter due to competitive pricing and lower sales. Jengka operation is stabilising and commenced to produce plywood to capture higher value added profit. Jengka still incurred a loss due to machinery repairs and upgrade and manpower training, higher logs prices and under capacity which the management is taking actions to fix these problems.

**Comparison with immediate preceding quarter's result:**

As a result of significant increase in export sales prices, revenue has increased by RM2.844 million or 11.35 % as compared to the immediate preceding quarter. The gross profit for the Group has improved from 6.42% to 11.48% for this quarter as compared to the immediate preceding quarter. This quarter showed a profit before tax of RM0.674 million as compared to the corresponding quarter of RM1.311 million loss before tax due to higher selling price for export market.

**CYMAO HOLDINGS BERHAD**

(Company No. 445931-U)

(Incorporated in Malaysia)

**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018 - (UNAUDITED)****17 Performance Review****Comparison with immediate preceding quarter's result:**

The changes in sales volumes can be analyzed as follows:

	30.09.2018	30.06.2018	Net change
Sandakan mills : Export (m3)	3,990	3,939	51
: Local (m3)	1,555	2,593	(1,038)
	<u>5,545</u>	<u>6,532</u>	<u>(987)</u>
Poly-Ply at Klang : Export (m3)	138	821	(683)
: Local (m3)	3,210	2,312	898
	<u>3,348</u>	<u>3,133</u>	<u>215</u>
Poly-Ply at Jengka : Export (m3)	55	260	(205)
: Local (m3)	414	259	155
: Local (m3) to Sandakan	180	925	(745)
	<u>649</u>	<u>1,444</u>	<u>(795)</u>

Sandakan recorded a reduction of 987 m3 sales and Klang recorded an increase of 215 m3 sales for this quarter as compared to the immediate preceding quarter. Even though there was a decrease of sales for this quarter but gross profit margin improved due to higher price for export market.

**Group's Prospect:**

The logs supply has improved in the last quarter in Sandakan and the export prices have picked up thus resulting in sandakan making a profit. The production cost is lower in Sandakan and therefore gross margin has improved. The international export market has picked up in the last six months with the improve pricing but the local market is slow in sales. The Group is focusing more on export sales and capture the better margin.

Starting from this quarter, Jengka has started producing plywood to capture a better margin and it has reduced its losses. The operation of Jengka still incurred a loss as there are ongoing repairs and additions of machinery and manpower training.

Klang operation has slowed down due to a slow demand for value-added plywood products. The challenge is for the Klang operation management to fix the situation and put more efforts to capture more customers and to manage the cost to bring the Klang operation to a better profitability.

Overall, the prospect for the Group is positive as export plywood prices have improved. Logs supply in Sandakan and Jengka is more stable except prices have gone up gradually which the Group has to manage. The management at Klang is focusing to capture more sales to improve profitability.

**CYMAO HOLDINGS BERHAD**

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**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018 - (UNAUDITED)****18 Bank Borrowing**

The total banking facilities of the Group remained at RM14 million comprising of trade facilities of RM10 million, overdraft of RM2 million and loan of RM2 million.

The average interest rate charged by the banks were 4.50% - 7.50%

**Borrowings (Secured)**

As at 3rd quarter ended 2018						
	Long Term		Short Term		Total Borrowings	
	Foreign denomination ^	RM denomination	Foreign denomination ^	RM denomination	Foreign denomination ^	RM denomination
<b>Secured</b>						
Banker Acceptance	-	-	-	7,227	-	7,227
Term Loan	-	1,656	-	-	-	1,656
Hire Purchase	-	-	-	402	-	402
Bank Overdraft	-	-	-	730	-	730
<b>Unsecured</b>						
Banker Acceptance	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-
Bank Overdraft	-	-	-	-	-	-
As at 3rd quarter ended 2017						
	Long Term		Short Term		Total Borrowings	
	Foreign denomination ^	RM denomination	Foreign denomination ^	RM denomination	Foreign denomination ^	RM denomination
<b>Secured</b>						
Banker Acceptance	-	-	-	4,710	-	4,710
Term Loan	-	1,799	-	-	-	1,799
Hire Purchase	-	-	-	250	-	250
Bank Overdraft	-	-	-	172	-	172
<b>Unsecured</b>						
Banker Acceptance	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-
Bank Overdraft	-	-	-	-	-	-

All the borrowings are denominated in Ringgit Malaysia.

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**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018 - (UNAUDITED)****19 Impairment**

The valuation for the fixed assets of the Group amounted to RM74.822 million as at 31 December 2017 and the net book value is RM33.339 million as at 30 September 2018. Therefore, there is no impairment provision required for this quarter.

**20 Commentary on Prospects**

The Group is consciously endeavouring to strengthen its competitive advantage in term of quality, recovery rate and operational efficiency to improve the margin of its products. In addition, the Group has managed to secure its timber rights extraction, with the ban of logs export in Sabah, logs supply situation has improved. With the higher export price the Sandakan operation is turning around to generate profit for the Group.

**Marketing strategy**

The Group will continue to focus on USD export market to take advantage of the strong Dollar and the higher price. With the improved quality raw material sourcing, it is expected this strategy will accrue more benefit to the Group.

**Business opportunity**

The Group will continue to explore positive business opportunities to enhance the core performance of the Group. In the short to medium term, the Group will focus on consolidating the three operations of the Group-Sandakan, Klang and Jengka. Sandakan is profitable in this quarter, Jengka is performing positively with plywood production and Klang has to focus on more sales.

**21 Profit Forecast/Profit Guarantee**

Not applicable as the Group has not provided any profit forecast or profit guarantee for the quarter ended 30 September 2018.

**22 Additional disclosure - Profit/(Loss) before tax**

	<b>Current quarter</b>		<b>Cumulative quarter</b>	
	<b>3 months ended</b>		<b>9 months ended</b>	
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>30.09.2018</b>	<b>30.09.2017</b>	<b>30.09.2018</b>	<b>30.09.2017</b>
	<b>RM' 000</b>	<b>RM' 000</b>	<b>RM' 000</b>	<b>RM' 000</b>
Profit/(Loss) before tax is arrived at after				
Amortisation and depreciation	816	972	2,697	2,839
(Gain)/Loss on disposal of plant and equipment	-	-	-	-
Interest expense	93	68	247	201
Interest income	7	6	24	30

There were no impairment loss on receivables, gain or loss on disposal of quoted or unquoted investment and other exceptional items for the current quarter under review and financial year-to-date.

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**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018 - (UNAUDITED)****23 Income Tax expense**

	<b>Current quarter 3 months ended 30.09.2018 (Unaudited) RM' 000</b>	<b>Year To-date 9 months ended 30.09.2017 (Unaudited) RM' 000</b>
Income tax:		
Current Taxation	-	-
Deferred Tax	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

**24 Status of Corporate Proposals**

As at the date of this report, there were no corporate proposals announced and not completed, being the latest practical date that shall not be earlier than 7 days from the date of this quarterly report.

**25 Changes in Material Litigation**

As at the date of this report, the Group has not engaged in any material litigation.

**26 Dividend Payable**

No dividend has been recommended for the quarter under review.

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**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018 - (UNAUDITED)****27 Profit/(Loss) per share**

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

	<b>Current quarter</b>		<b>Year-To-Date</b>	
	<b>3 months ended</b>		<b>9 months ended</b>	
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>30.09.2018</b>	<b>30.09.2017</b>	<b>30.09.2018</b>	<b>30.09.2017</b>
Profit/(Loss) attributable to ordinary equity holders of the parent (RM' 000)	<u>674</u>	<u>(1,859)</u>	<u>(2,948)</u>	<u>(5,638)</u>
Weighted average number of shares in issue (' 000)	<u>73,473</u>	<u>73,535</u>	<u>73,473</u>	<u>73,535</u>
Basic profit/(loss) per share (Sen)	<u>0.92</u>	<u>(2.53)</u>	<u>(4.01)</u>	<u>(7.67)</u>
Diluted profit/(loss) per share (Sen)	<u>0.92</u>	<u>(2.53)</u>	<u>(4.01)</u>	<u>(7.67)</u>