

**PLASTRADE TECHNOLOGY BERHAD**

(Company No : 591077-X)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 30 JUNE 2018**

	Note	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
		CURRENT YEAR QUARTER 30/06/2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/06/2017 RM'000	CURRENT YEAR TO DATE 30/06/2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/06/2017 RM'000
Revenue		14,331	10,422	31,162	23,164
Cost of Sales		(13,015)	(10,220)	(28,678)	(22,116)
<b>Gross Profit</b>		<b>1,316</b>	<b>202</b>	<b>2,484</b>	<b>1,048</b>
Other Income		1,431	202	1,457	376
Administrative Expenses		(361)	(596)	(1,459)	(1,254)
Selling and Distribution Expenses		(190)	(158)	(405)	(302)
Finance Costs		(125)	(133)	(247)	(262)
Share of Result in an Associate		-	(159)	(59)	(313)
<b>Profit/(Loss) before Tax</b>	19	<b>2,071</b>	<b>(642)</b>	<b>1,771</b>	<b>(707)</b>
Tax Expense	20	(135)	-	(221)	(12)
<b>Profit/(Loss) after Tax</b>		<b>1,936</b>	<b>(642)</b>	<b>1,550</b>	<b>(719)</b>
<b>Other Comprehensive Expense</b>					
<b>for the period, net of tax</b>					
Foreign Translation Reserve Reclassified to Profit or Loss		(1,299)	-	(1,299)	-
Share of associate's other Comprehensive Expense		-	(236)	(84)	(256)
<b>Total Other Comprehensive Expense</b>		<b>(1,299)</b>	<b>(236)</b>	<b>(1,383)</b>	<b>(256)</b>
<b>Total Comprehensive Income/(Expense) for the period</b>		<b>637</b>	<b>(878)</b>	<b>167</b>	<b>(975)</b>
<b>Profit/(Loss) After Tax Attributable to:</b>					
Equity Holders of The Company		1,936	(642)	1,550	(719)
Non-controlling interests		-	-	-	-
		<b>1,936</b>	<b>(642)</b>	<b>1,550</b>	<b>(719)</b>
<b>Total Comprehensive Income/ (Expense) attributable to:</b>					
Equity Holders of The Company		637	(878)	167	(975)
Non-controlling interests		-	-	-	-
		<b>637</b>	<b>(878)</b>	<b>167</b>	<b>(975)</b>
Profit/(Loss) per share attributable to equity holders of the Company (sen):					
Basic and Diluted	25	1.29	(0.43)	1.03	(0.48)

The Unaudited Condensed Consolidated Statement of Profit Or Loss And Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017 and the accompanying explanatory notes attached to the Quarterly Report.

**PLASTRADE TECHNOLOGY BERHAD**

(Company No : 591077-X)

(Incorporated in Malaysia)

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

		<b>(UNAUDITED)</b>	<b>(AUDITED)</b>
		<b>AS AT</b>	<b>AS AT</b>
	Note	<b>30/06/2018</b>	<b>31/12/2017</b>
		<b>RM'000</b>	<b>RM'000</b>
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		10,162	9,647
Investment in an associate		-	7,321
Investment	26	7,178	-
		<u>17,340</u>	<u>16,968</u>
<b>Current Assets</b>			
Inventories		9,327	10,563
Trade receivables		8,450	9,644
Other receivables, deposit and prepayments		1,192	595
Current tax assets		573	525
Fixed deposits with licensed banks		1,903	4,523
Cash and bank balances		3,012	2,665
		<u>24,457</u>	<u>28,515</u>
<b>TOTAL ASSETS</b>		<b><u>41,797</u></b>	<b><u>45,483</u></b>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Equity Attributable to Equity Holders of the Company</b>			
Share capital		21,122	21,122
Reserves		9,864	9,966
<b>Total equity</b>		<u>30,986</u>	<u>31,088</u>
<b>Non-Current Liabilities</b>			
Long term Borrowing	23	527	-
Deferred tax liabilities		88	132
		<u>615</u>	<u>132</u>
<b>Current Liabilities</b>			
Trade payables		786	4,470
Other payables and accruals		951	868
Amount owing to a director		367	-
Short term borrowings	23	7,626	8,925
Bank overdrafts		466	-
		<u>10,196</u>	<u>14,263</u>
<b>Total Liabilities</b>		<u>10,811</u>	<u>14,395</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>41,797</u></b>	<b><u>45,483</u></b>
Net assets per share (sen) attributable to equity holders of the Company		<u>20.60</u>	<u>20.67</u>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017 and the accompanying explanatory notes attached to the Quarterly Report.

**PLASTRADE TECHNOLOGY BERHAD**

(Company No : 591077-X)

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 30 JUNE 2018**

	Attributable to Equity Holders of the Company			TOTAL RM'000
	SHARE CAPITAL RM'000	Non-Distributable FOREIGN TRANSLATION RESERVE RM'000	Distributable RETAINED PROFITS RM'000	
Balance at 01.01.2018	21,122	1,383	8,583	31,088
Effect of adopting MFRS 9	-	-	(269)	(269)
At 01.01.2018, as restated	21,122	1,383	8,314	30,819
Total comprehensive (expense)/income for the year	-	(1,383)	1,550	167
Balance at 30.06.2018	21,122	-	9,864	30,986

	Attributable to Equity Holders of the Company				TOTAL RM'000
	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	Non-Distributable FOREIGN TRANSLATION RESERVE RM'000	Distributable RETAINED PROFITS RM'000	
Balance at 01.01.2017	15,040	6,082	1,619	12,061	34,802
Total comprehensive expenses for the year	-	-	(256)	(719)	(975)
Transfer in accordance with Section 618 (2) of CA 2016	6,082	(6,082)	-	-	-
Balance at 30.06.2017	21,122	-	1,363	11,342	33,827

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017 and the accompanying explanatory notes attached to the Quarterly Report.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 30 JUNE 2018**

	Note	CURRENT YEAR TO DATE 30/06/2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/06/2017 RM'000
<b>CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES</b>			
Profit/(Loss) before tax		1,771	(707)
Adjustments for:-			
Depreciation of property, plant and equipment		295	464
Gain on derecognition of a former associate		(1,299)	-
Gain on disposal of property, plant and equipment		(18)	-
Impairment loss on financial assets at amortised cost		22	-
Interest expense		202	218
Interest income		(62)	(83)
Property, plant and equipment written off		9	-
Reversal of allowance for doubtful debts		-	(200)
Share of results of an associate		59	313
Operating profit before working capital changes		979	5
Decrease/(Increase) in inventories		1,236	(145)
Decrease in trade and other receivables		357	2,954
Decrease in amount owing by related parties		-	1,029
Decrease in trade and other payables		(3,602)	(2,376)
Increase in amount owing to a director		367	-
CASH (FOR)/FROM OPERATIONS		(663)	1,467
Interest paid		(202)	(218)
Tax paid		(314)	(245)
<b>NET CASH (FOR)/FROM OPERATING ACTIVITIES</b>		<b>(1,179)</b>	<b>1,004</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(171)	(874)
Proceeds from disposal of plant and equipment		18	-
Interest received		62	83
Increase in pledged fixed deposits		(2)	-
<b>NET CASH FOR INVESTING ACTIVITIES</b>		<b>(93)</b>	<b>(791)</b>
<b>CASH FLOWS FOR FINANCING ACTIVITY</b>			
Net repayment of bankers' acceptances		(1,418)	(941)
<b>NET CASH FOR FINANCING ACTIVITY</b>		<b>(1,418)</b>	<b>(941)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(2,690)</b>	<b>(728)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>		<b>5,287</b>	<b>10,139</b>
<b>EFFECT OF ADOPTING MFRS 9</b>		<b>(51)</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	21	<b>2,546</b>	<b>9,411</b>

The Unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017 and the accompanying explanatory notes attached to the Quarterly Report.

# PLASTRADE TECHNOLOGY BERHAD

Company No. 591077-X  
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## UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018

Notes to the Interim Financial Statements

### 1. Basis of Preparation

The interim financial statements have been prepared under the historical cost convention.

The interim statements are unaudited and had been prepared in accordance with the requirements of MFRS 134 – Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial 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.

### 2. Significant Accounting Policies

The Group’s financial statements is prepared in accordance with the Malaysian Financial Reporting Standards (“MFRSs”) issued by the MASB that will also comply with International Financial Reporting Standards (“IFRS”). The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2017. The Group has adopted the following applicable MFRSs, Amendments to MFRSs and IC interpretation (including the consequential amendments, if any) during the current financial period:-

#### **MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

MFRS 9 Financial Instruments (IFRS 9 as issued by IASB in July 2014)

MFRS 15 Revenue from Contracts with Customers

IC Interpretation 22 Foreign Currency Transactions and Advance Consideration

Amendments to MFRS 15: Effective Date of MFRS 15

Amendments to MFRS 15: Clarifications to MFRS 15 ‘Revenue from Contracts with Customers’

Annual Improvements to MFRS Standards 2014 – 2016 Cycles

Amendments to MFRS 128: Measuring an Associate or Joint Venture at Fair Value

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) did not have any material impact on the Group’s financial statements.

The Group has not applied in advance the following accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:-

#### **MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

MFRS 16 Leases

**Effective Date**

1 January 2019

IC Interpretation 23 Uncertainty Over Income Tax Treatments

1 January 2019

Amendments to MFRS 10 and MFRS 128: Sale or Contribution of

Assets between an Investor and its Associate or Joint Venture

Deferred

## **PLASTRADE TECHNOLOGY BERHAD**

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### **UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018**

#### **2. Significant Accounting Policies (cont'd)**

Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures	1 January 2019
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Annual Improvements to MFRS Standards 2015 – 2017 Cycles	1 January 2019

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

#### **3. Audit Report of Preceding Annual Financial Statements**

The auditors' report of the preceding annual financial statements was not subject to any qualification.

#### **4. Seasonal or Cyclical Factors**

There were no seasonal or cyclical factors affecting the results of the Group for the current financial quarter under review.

#### **5. Unusual Items**

There were no other items which were unusual because of their nature, size, or incidence that has affected the assets, liabilities, equity, net income or cashflow of the Group for the financial quarter under review.

#### **6. Material Changes in Estimates**

There were no changes in estimates of amounts reported in prior interim periods that have a material effect on the current financial quarter.

#### **7. Issuances and Repayment of Debt and Securities**

There were no issuance and repayment of debt and equity securities for the current financial quarter under review.

#### **8. Dividend Paid**

The Board of Directors does not recommend any dividend payment in respect of the financial period ended 30 June 2018.

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**UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018**

**9. Segmental Information**

<b>2nd Quarter Ended 30/06/2018</b>	<b>Investment Holding</b>	<b>Resin compound for wire and cable</b>	<b>Resin compound for other industries</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
External Revenue	-	13,073	1,258	14,331
Segment Result	1,135	1,139	(78)	2,196
Finance Cost	-	(100)	(25)	(125)
<b>Profit/(Loss) before Tax</b>	<b>1,135</b>	<b>1,039</b>	<b>(103)</b>	<b>2,071</b>

<b>2nd Quarter Ended 30/06/2017</b>	<b>Investment Holding</b>	<b>Resin compound for wire and cable</b>	<b>Resin compound for other industries</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
External Revenue	-	7,537	2,885	10,422
Segment Result	(65)	(289)	5	(349)
Finance Cost	-	(88)	(46)	(134)
Share of loss of associate	-	-	-	(159)
<b>Loss before Tax</b>	<b>(65)</b>	<b>(377)</b>	<b>(41)</b>	<b>(642)</b>

<b>Six Month Ended 30/06/2018</b>	<b>Investment Holding</b>	<b>Resin compound for wire and cable</b>	<b>Resin compound for other industries</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
External Revenue	-	25,536	5,626	31,162
Segment Result	1,087	1,223	(233)	2,077
Finance Cost	-	(174)	(73)	(247)
Share of loss of associate	-	-	-	(59)
<b>Profit/(Loss) before Tax</b>	<b>1,087</b>	<b>1,049</b>	<b>(306)</b>	<b>1,771</b>

<b>Six Month Ended 30/06/2017</b>	<b>Investment Holding</b>	<b>Resin compound for wire and cable</b>	<b>Resin compound for other industries</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
External Revenue	-	17,761	5,403	23,164
Segment Result	(91)	(247)	206	(132)
Finance Cost	-	(180)	(82)	(262)
Share of loss of associate	-	-	-	(313)
<b>(Loss)/Profit before Tax</b>	<b>(91)</b>	<b>(427)</b>	<b>124</b>	<b>(707)</b>

<b>Assets and Liabilities As at 30/06/2018</b>	<b>Investment Holding</b>	<b>Resin compound for wire and cable</b>	<b>Resin compound for other industries</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Segment assets	7,966	21,181	12,650	41,797
Segment liabilities	820	7,901	2,090	10,811

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**UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018****9. Segmental Information (cont'd)**

Geographical reporting:-

Six Month Ended	SEGMENT REVENUE	SEGMENT REVENUE
	30/06/2018 RM'000	30/06/2017 RM'000
Malaysia	25,719	17,657
Other ASEAN countries	4,800	5,177
Other Asian countries	161	31
Others	482	299
<b>Total</b>	<b>31,162</b>	<b>23,164</b>

**10. Material Events subsequent to the End of the Current Quarter**

There were no events materially affecting the results of the Group for the current financial quarter and financial year-to-date, which might have occurred between 30 June 2018 and the date of this announcement.

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

There were no changes in the composition of the Group for the current financial period ended 30 June 2018.

**12. Changes in Contingent Liabilities and Contingent Assets**

There were no changes in the material contingent liabilities or assets of the Group as at the date of this announcement.

**13. Capital Commitments**

There were no material capital commitments as at the date of this announcement.

**14. Significant Related Party Transactions**

The related party transactions are taken under normal course of business and on terms that are not more favourable than those available to other third parties.

<i>Companies in which certain directors have Interest:-</i>	2nd Quarter Ended 30/06/2018 RM'000	Six Month Ended 30/06/2018 RM'000
Sales of goods	-	474
Purchase of goods	-	27
<i>Associate Company:-</i>		
Sales of goods	-	18



**PLASTRADE TECHNOLOGY BERHAD**

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**UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018**

Additional information required by the Listing Requirements for the ACE Market of the Bursa Malaysia Securities Berhad

**15. Review of Performance for the Individual Quarter and Year-to-date**

Segment:	Revenue					
	2nd Quarter Ended			Six Months Ended		
	30/06/2018	30/06/2017	Changes	30/06/2018	30/06/2017	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Resin Compound for Wire and cable	13,073	7,537	73.5	25,536	17,761	43.8
Resin Compound for Other industries	1,258	2,885	-56.4	5,626	5,403	4.1
<b>Total</b>	<b>14,331</b>	<b>10,422</b>	<b>37.5</b>	<b>31,162</b>	<b>23,164</b>	<b>34.5</b>

Segment:	Profit/(Loss) before Tax					
	2nd Quarter Ended			Six Months Ended		
	30/06/2018	30/06/2017	Changes	30/06/2018	30/06/2017	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Resin Compound for wire and cable	1,039	(377)	375.6	1,049	(427)	345.7
Resin compound for other industries	(103)	(41)	-151.2	(306)	124	-346.8
Investment Holding	1,135	(65)	1,846.2	1,087	(91)	1,294.5
Associate company	-	(159)	100.0	(59)	(313)	81.2
<b>Total</b>	<b>2,071</b>	<b>(642)</b>	<b>422.6</b>	<b>1,771</b>	<b>(707)</b>	<b>350.5</b>

PTB Group recorded a revenue of RM14.331 million for the current quarter ended 30 June 2018 (2Q2018), representing an increase of approximately 37.5% as compared to the preceding year corresponding quarter ended 30 June 2017 (2Q2017) of RM10.422 million. The Group also recorded a profit before tax of RM2.071 million for 2Q2018 as compared to a loss before tax of RM0.642 million for 2Q2017.

PTB Group recorded a revenue of RM31.162 million for the current six month ended 30 June 2018 (1H2018), representing an increase of approximately 34.5% as compared to the preceding year corresponding period ended 30 June 2017 (1H2017) of RM23.164 million. The Group also recorded a profit before tax of RM1.771 million for 1H2018 as compared to a loss before tax of RM0.707 million for 1H2017. The increase in profit was mainly due to increase in demand for resin compound for wire and cable and gain resulting from discontinuation of equity method on derecognition of an associate company for the financial period under review.

**PLASTRADE TECHNOLOGY BERHAD**

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**UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018****15. Review of Performance for the Individual Quarter and Year-to-date (cont'd)**Resin compound for wire and cable:

Revenue increased by 73.5% to RM13.073 million in 2Q2018 compared to 2Q2017. This segment recorded a profit before tax of RM1.039 million for 2Q2018 compared with a loss before tax of RM0.377 million for 2Q2017. The increase in profit was mainly due to higher demand of the products for the financial quarter under review.

For 1H2018, revenue increased by 43.8% to RM25.536 million as compare to 1H2017. This segment recorded a profit before tax of RM1.049 million for 1H2018 compared with a loss before tax of RM0.427 million for 1H2017. The increase in profit was mainly due to higher demand of the products for the financial period under review.

Resin compound for other industries:

Revenue decreased by 56.4% to RM1.258 million in 2Q2018 compared to 2Q2017. This segment recorded a loss before tax of RM0.103 million for 2Q2018 compared with a loss before tax of RM0.041 million for 2Q2017. The increase in loss was mainly due to lower demand and higher cost of materials reported for the financial quarter under review.

For 1H2018, revenue increased by 4.1% to RM5.626 million as compare to 1H2017. This segment recorded a loss before tax of RM0.306 million for 1H2018 compared with a profit before tax of RM0.124 million for 1H2017. The decrease in profit was mainly due to lower demand and higher cost of materials reported for the financial period under review.

**16. Comparison with previous quarter's results**

Segment:	Revenue			Profit/(Loss) before Tax		
	Current Quarter	Preceding Quarter		Current Quarter	Preceding Quarter	
	30/06/2018	31/03/2018	Changes	30/06/2018	31/03/2018	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Resin compound for wire and cable	13,073	12,463	4.9	1,039	10	10,290
Resin compound for other industries	1,258	4,368	-71.2	(103)	(203)	49.3
Investment Holding	-	-	-	1,135	(48)	2,464.6
Associate company	-	-	-	-	(59)	100.0
<b>Total</b>	<b>14,331</b>	<b>16,831</b>	<b>-14.9</b>	<b>2,071</b>	<b>(300)</b>	<b>790.3</b>

For 2Q2018, the Group recorded a revenue of RM14.331 million, representing a decrease of approximately 14.9% as compared to the previous quarter ended 31 March 2018 (1Q2018) of RM16.831 million. However, the Group recorded a profit before tax of RM2.071 million in 2Q2018 compared to 1Q2018 of loss before tax of RM0.300 million. The increase in profit for 2Q2018 was due to higher demand for the resin compound for wire and cable with better profit margin despite the revenue decrease in other segment and gain resulting from discontinuation of equity method on derecognition of an associate company.

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**UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018****17. Prospect**

The Board of Directors of PTB expects the Group's financial performance for the financial year ending 31 December 2018 to be very difficult and challenging. Intense competition and fluctuation in materials prices will continue to impact the performance of all the Group's segments.

**18. Variance of Profit Forecast**

Not applicable as no profit forecast has been issued.

**19. Profit/(Loss) Before Tax**

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

	2ndt Quarter Ended		Six Months Ended	
	30/06/2018	30/06/2017	30/06/2018	30/06/2017
	RM'000	RM'000	RM'000	RM'000
Interest income	(33)	(39)	(62)	(83)
Foreign exchange (gain)/loss	(45)	98	3	2
Depreciation of property, plant and equipment	156	233	295	464
Gain on derecognition of a former associate	(1,299)	-	(1,299)	-
(Reversal)/ Additional of impairment loss on financial assets at amortised cost	(314)	-	22	-
Reversal of allowance for doubtful debts	-	(200)	-	(200)
Interest expense	103	110	202	218
Staff costs	917	941	2,294	2,179

**20. Tax Expense**

The tax charge for the quarter under review includes the following:

	2nd Quarter Ended		Six Months Ended	
	30/06/2018	30/06/2017	30/06/2018	30/06/2017
	RM'000	RM'000	RM'000	RM'000
Estimated current tax payable	(180)	(1)	(266)	(13)
Under provision in prior year	-	1	-	1
Deferred tax	45	-	45	-
	(135)	-	(221)	(12)

The Group's effective tax rate is lower than statutory tax rate of 24% mainly due to certain income which were not taxable for tax purposes.

**PLASTRADE TECHNOLOGY BERHAD**

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**UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018****21. Cash and Cash Equivalents**

Cash and cash equivalents included in the cash flow statements comprise of the following:

	<b>30/06/2018</b>
	<b>RM'000</b>
Fixed deposits with licensed banks	1,903
Cash and bank balances	3,012
Bank overdraft	(466)
	<u>4,449</u>
Less: Fixed deposits pledged to licensed banks	<u>(1,903)</u>
	<u><u>2,546</u></u>

Fixed deposits of the Group totaling of RM1.903 million, which have been pledged to banks for banking facilities granted to all subsidiaries are not available for general use by the Group other than to meet the obligations under the banking facilities.

**22. Status of Corporate Proposals**

On 6<sup>th</sup> June 2018, the Company proposed to undertake a private placement of up to 10% of the issued and paid-up share capital of the Company by issuing 15,040,000 new ordinary shares. The proceeds from the private placement will be utilised in the manner of repayment of bank borrowings and development of new products. On 3<sup>rd</sup> July 2018, Bursa Securities approved the listing of and quotation for up to 15,040,000 new ordinary shares to be issued pursuant to the Proposed Private Placement on the ACE Market of Bursa Securities subject to all the relevant provisions under the ACE Market Listing Requirements pertaining to the implementation of the Proposed Private Placement. The Company has yet to issue any Placement Shares as at the date of this report.

**23. Group Borrowings and Debt Securities**

The Group's borrowings as at 30 June 2018 are shown below: -

	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Long Term Borrowing</b>			
Hire purchase payable	527	-	527
<b>Short Term Borrowings</b>			
Hire purchase payable	119	-	119
Banker's acceptance	7,507	-	7,507
<b>Total</b>	<b>7,626</b>	<b>-</b>	<b>7,626</b>
<b>Total Borrowings</b>			
Hire purchase payable	646	-	646
Banker's acceptance	7,507	-	7,507
<b>Total</b>	<b>8,153</b>	<b>-</b>	<b>8,153</b>

No borrowings in foreign currency.

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### UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018

#### 24. Material Litigation

The Group has not engaged in any material litigation either as plaintiff or defendant and the directors do not have any knowledge of any proceedings pending or threatened against the Group as at 20 August 2018 being a date not earlier than 7 days from the date of this quarterly report.

#### 25. Profit/(Loss) Per Share

##### ▪ Basic profit/(loss) per share

	2nd Quarter Ended		Six Months Ended	
	30/06/2018	30/06/2017	30/06/2018	30/06/2017
	RM'000	RM'000	RM'000	RM'000
Net Profit/(Loss) attributable to equity holders of the Company	1,936	(642)	1,550	(719)
Weighted average number of ordinary shares ('000)	150,400	150,400	150,400	150,400
Basic Profit/(Loss) per share (sen)	1.29	(0.43)	1.03	(0.48)

- Diluted earnings per share is equal to the basic earnings per share as there were no potential ordinary shares outstanding in both the previous and current period under review.

#### 26. Derecognition of Associate Company

Upon the resignation of former director, Mr. Pua Kong Hoi, on 16 April 2018, the Company ceased to have representative and significant influence in the management of the associate company, Shanghai Quasar Polymer Technology Co. Ltd. ("SHQS"). Hence, the Board of Directors of PTB decided to derecognise SHQS as an associate company and reclassify it as an investment.

#### 27. Authorisation for Issue

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the Directors on 29 August 2018.