

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 31 DECEMBER 2018**

	Note	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
		CURRENT YEAR QUARTER 31/12/2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2017 RM'000	CURRENT YEAR TO DATE 31/12/2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2017 RM'000
Revenue		7,179	12,664	47,328	47,303
Cost of sales		(7,494)	(12,040)	(44,847)	(44,951)
Gross (loss)/profit		<u>(315)</u>	<u>624</u>	<u>2,481</u>	<u>2,352</u>
Other income		122	140	1,523	561
Administrative expenses		(5,782)	(1,226)	(8,031)	(3,090)
Selling and distribution expenses		(86)	(171)	(613)	(632)
Finance costs		(77)	(106)	(456)	(481)
Impairment of goodwill on consolidation		-	(1,792)	-	(1,792)
Share of result in an associate		-	214	(59)	(451)
Loss before tax	19	<u>(6,138)</u>	<u>(2,317)</u>	<u>(5,155)</u>	<u>(3,533)</u>
Tax income	20	<u>251</u>	<u>81</u>	<u>90</u>	<u>54</u>
Loss after tax		<u><u>(5,887)</u></u>	<u><u>(2,236)</u></u>	<u><u>(5,065)</u></u>	<u><u>(3,479)</u></u>
Other comprehensive income/(expense) for the period, net of tax					
Foreign translation reserve reclassified to profit or loss		-	-	(1,299)	-
Share of associate's other comprehensive expense		-	388	(84)	(236)
Total other comprehensive income/(expense)		<u>-</u>	<u>388</u>	<u>(1,383)</u>	<u>(236)</u>
Total comprehensive expense for the period		<u><u>(5,887)</u></u>	<u><u>(1,848)</u></u>	<u><u>(6,448)</u></u>	<u><u>(3,715)</u></u>
Loss after tax attributable to:					
Equity holder of the Company		(5,887)	(2,236)	(5,065)	(3,479)
Non-controlling interest		-	-	-	-
		<u>(5,887)</u>	<u>(2,236)</u>	<u>(5,065)</u>	<u>(3,479)</u>
Total comprehensive expense attributable to:					
Equity holder of the Company		(5,887)	(1,848)	(6,448)	(3,715)
Non-controlling interest		-	-	-	-
		<u>(5,887)</u>	<u>(1,848)</u>	<u>(6,448)</u>	<u>(3,715)</u>
Loss per share attributable to equity holders of the Company (sen):					
- Basic and diluted	25	<u>(3.80)</u>	<u>(1.49)</u>	<u>(3.27)</u>	<u>(2.31)</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)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018**

	Note	<u>(UNAUDITED)</u>	<u>(AUDITED)</u>
		AS AT 31/12/2018 RM'000	AS AT 31/12/2017 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		10,120	9,647
Investment in associate		-	7,321
Investment		4,000	-
Goodwill on consolidation		5,275	-
		<u>19,395</u>	<u>16,968</u>
Current Assets			
Inventories		9,286	10,563
Trade receivables		10,070	9,644
Other receivables, deposit and prepayments		1,604	595
Current tax assets		980	525
Fixed deposits with licensed banks		2,097	4,523
Cash and bank balances		3,182	2,665
		<u>27,219</u>	<u>28,515</u>
TOTAL ASSETS		<u>46,614</u>	<u>45,483</u>
EQUITY AND LIABILITIES			
Equity Attributable to Equity Holders of the Company			
Share capital		27,722	21,122
Reserves		3,262	9,965
Total equity		<u>30,984</u>	<u>31,087</u>
Non-Current Liabilities			
Contingent consideration		916	-
Long term borrowings	23	629	-
Deferred tax liabilities		28	132
		<u>1,573</u>	<u>132</u>
Current Liabilities			
Trade payables		2,614	4,470
Other payables and accruals		1,898	869
Contingent consideration		1,923	-
Current tax liabilities		150	-
Short term borrowings	23	7,148	8,925
Bank overdrafts		324	-
		<u>14,057</u>	<u>14,264</u>
Total liabilities		<u>15,630</u>	<u>14,396</u>
TOTAL EQUITY AND LIABILITIES		<u>46,614</u>	<u>45,483</u>
Net assets per share (sen) attributable to equity holders of the Company		<u>16.62</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)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 DECEMBER 2018**

	< ----- Attributable to equity holders of the Company ----- >				
	SHARE CAPITAL RM'000	< ----- Non-Distributable ----- > SHARE PREMIUM RM'000	FOREIGN TRANSLATION RESERVE RM'000	Distributable RETAINED PROFITS RM'000	TOTAL RM'000
Balance at 01.01.2018	21,122	-	1,383	8,582	31,087
Change in accounting policies	-	-	-	(255)	(255)
Balance at 01.01.2018, as restated	21,122	-	1,383	8,327	30,832
Loss after tax for the year	-	-	-	(5,065)	(5,065)
Other comprehensive expense for the year:					
- Foreign translation reserve reclassified to profit of loss	-	-	(1,299)	-	(1,299)
- Foreign currency translation differences	-	-	(84)	-	(84)
Total comprehensive expense for the year:	-	-	(1,383)	(5,065)	(6,448)
Contribution by and distributions to owner of the Company:					
- Issuance of shares	6,600	-	-	-	6,600
	6,600	-	-	-	6,600
Balance at 31.12.2018	27,722	-	-	3,262	30,984
Balance at 01.01.2017	15,040	6,082	1,619	12,061	34,802
Loss after tax for the year	-	-	-	(3,479)	(3,479)
Other comprehensive expense for the year:					
- Foreign currency translation differences	-	-	(236)	-	(236)
Total comprehensive expense for the year:	-	-	(236)	(3,479)	(3,715)
Contribution by and distributions to owner of the Company:					
- Transfer to share capital in accordance with Section 618 (2) of the Companies Act 2016	6,082	(6,082)	-	-	-
	6,082	(6,082)	-	-	-
Balance at 31.12.2017	21,122	-	1,383	8,582	31,087

(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)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 DECEMBER 2018**

	CURRENT YEAR TO DATE 31/12/2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2017 RM'000
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES		
Loss before tax	(5,155)	(3,533)
Adjustments for:-		
Depreciation of property, plant and equipment	658	956
Gain on derecognition of a former associate	(1,299)	-
Gain on disposal of property, plant and equipment	(17)	-
Impairment loss on financial assets at amortised cost	1,290	2,339
Impairment loss on investment	3,178	-
Interest expense	374	399
Interest income	(74)	(215)
Inventories written down to net realisable value	544	252
Property, plant and equipment written off	18	3
Reversal of impairment loss on trade receivables	(51)	199
Reversal of previously written down inventories	(189)	(183)
Share of results of an associate	59	451
Operating (loss)/profit before working capital changes	(664)	668
Decrease/(Increase) in inventories	1,013	(517)
Decrease/(Increase) in trade and other receivables	135	(242)
Decrease in trade and other payables	(4,112)	(250)
Decrease in amount owing by an associate	-	1,089
CASH (FOR)/FROM OPERATIONS	(3,628)	748
Interest received	1	25
Tax refund	-	158
Tax paid	(474)	(646)
NET CASH (FOR)/FROM OPERATING ACTIVITIES	(4,101)	285
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(302)	(948)
Proceeds from disposal of property, plant and equipment	18	1
Interest received	74	190
Increase in pledged fixed deposits	(28)	(57)
Net of cash and cash equivalents acquired of subsidiary	1,673	-
NET CASH FROM/(FOR) INVESTING ACTIVITIES	1,435	(814)
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES		
Interest paid	(374)	(399)
Repayment of hire purchase creditor	(59)	-
Net repayment of bankers' acceptance	(1,940)	(2,080)
Proceed from issuance of ordinary shares	2,610	-
NET CASH FROM/(FOR) FINANCING ACTIVITIES	237	(2,479)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,429)	(3,008)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	5,287	8,295
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	2,858	5,287

(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.)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2018

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

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 MASB but are not yet effective for the current financial period:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Dates for Financial Period Beginning On or After
MFRS 16 - Leases	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
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 2019
Annual Improvements to MFRS Standards 2015 – 2017 Cycles	1 January 2019
Amendments to MFRS 9	
- Prepayments Features with Negative Compensation	1 January 2019
Amendments to MFRS 2 : Share-based payment	1 January 2020
Amendments to MFRS 3 : Business Combinations	1 January 2020
Amendments to MFRS 101 : Presentation of Financial Statements	1 January 2020
Amendments to MFRS 108 : Accounting Policies, Changes in Accounting Estimates and Error	1 January 2020
MFRS 17 - Insurance Contracts	1 January 2021

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) is expected to have no material

3. Auditors' 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.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2018

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. Issuance and Repayment of Debt and Securities

For the current financial quarter ended 31 December 2018, changes in equity are as follows:

	No. of shares issued (units)	RM'000
Issued and paid-up share capital:		
As at 1 October 2018	150,400,000	21,122
Issuance of ordinary shares		
- Private placement at RM0.174 each	15,000,000	2,610
- Part of consideration of acquisition of subsidiary at RM0.19 each	21,000,000	3,990
As at 31 December 2018	186,400,000	27,722

8. Dividends Paid

The Board of Directors does not recommend any dividend payment in respect of the financial period ended 31 December 2018.

9. Segmental Information

4th Quarter Ended 31/12/2018	Investment Holding	Resin compound for wire and cable	Resin compound for other industries	Total
	RM'000	RM'000	RM'000	RM'000
External Revenue	-	6,731	448	7,179
Segment Result	(3,849)	(1,622)	(590)	(6,061)
Finance cost	(12)	(39)	(26)	(77)
Share of loss of associate	-	-	-	-
Loss before tax	(3,861)	(1,661)	(616)	(6,138)
4th Quarter Ended 31/12/2017	Investment Holding	Resin compound for wire and cable	Resin compound for other industries	Total
	RM'000	RM'000	RM'000	RM'000
External Revenue	-	9,772	2,892	12,664
Segment Result	(80)	(401)	(152)	(633)
Finance cost	-	(65)	(41)	(106)
Impairment of goodwill on consolidation	-	-	-	(1,792)
Share of profit of associate	-	-	-	214
Loss before tax	(80)	(466)	(193)	(2,317)
Financial Year Ended 31/12/2018	Investment Holding	Resin compound for wire and cable	Resin compound for other industries	Total
	RM'000	RM'000	RM'000	RM'000
External Revenue	-	39,854	7,474	47,328
Segment Result	(2,993)	(523)	(1,124)	(4,640)
Finance cost	(12)	(318)	(126)	(456)
Share of loss of associate	-	-	-	(59)
Loss before tax	(3,005)	(841)	(1,250)	(5,155)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2018

9. Segmental Information (cont'd)

Financial Year Ended 31/12/2017	Investment Holding	Resin compound for wire and cable	Resin compound for other industries	Total
	RM'000	RM'000	RM'000	RM'000
External Revenue	-	36,827	10,476	47,303
Segment Result	(281)	(432)	(96)	(809)
Finance cost	-	(317)	(164)	(481)
Impairment of goodwill on consolidation	-	-	-	(1,792)
Share of loss of associate	-	-	-	(451)
Loss before tax	(281)	(749)	(260)	(3,533)

Assets and Liabilities as at 31/12/2018	Investment Holding	Resin compound for wire and cable	Resin compound for other industries	Computer hardware product	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Segment assets	9,986	18,177	12,254	6,197	46,614
Segment liabilities	3,752	5,715	2,520	3,643	15,630

Geographical reporting:-

Financial Year Ended	Segment Revenue 31/12/2018	Revenue 31/12/2017
	RM'000	RM'000
Malaysia	39,435	37,400
Other ASEAN countries	7,258	8,607
Other Asian countries	354	144
Others	281	1,152
Total	47,328	47,303

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 31 December 2018 and the date of this announcement.

11. Changes in Composition of the Group

There were no material changes in the composition of the Group for the current financial quarter, other than the following:

On 17 December 2018, the Group has completed its acquisition of the entire equity interest in EA Global Integrated Sdn. Bhd. for consideration of RM8,000,000 satisfied via a combination of issued of 21,000,000 new ordinary shares and cash.

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.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2018

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.

Companies in which certain directors have interest:-	4th Quarter Ended	Financial Year Ended
	31/12/2018	31/12/2018
	RM'000	RM'000
Sales of goods	-	474
Purchase of goods	-	27
<i>Associate Company:-</i>	-	-
Sales of goods	-	18

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					
	4th Quarter Ended			Financial Year Ended		
	31/12/2018	31/12/2017	Changes	31/12/2018	31/12/2017	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Resin compound for wire and cable	6,731	9,772	-31.1%	39,854	36,827	8.2%
Resin compound for other industries	448	2,892	-84.5%	7,474	10,476	-28.7%
Total	7,179	12,664	-43.3%	47,328	47,303	0.1%

Segment:	Profit/(Loss) before tax					
	4th Quarter Ended			Financial Year Ended		
	31/12/2018	31/12/2017	Changes	31/12/2018	31/12/2017	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Resin compound for wire and cable	(1,661)	(466)	-256.4%	(841)	(749)	-12.3%
Resin compound for other industries	(616)	(193)	-219.2%	(1,250)	(260)	-380.8%
Investment holding	(3,861)	(80)	-4726.3%	(3,005)	(281)	-969.4%
Associate company	-	214	-100.0%	(59)	(451)	86.9%
Impairment of goodwill on consolidation	-	(1,792)	100.0%	-	(1,792)	100.0%
Total	(6,138)	(2,317)	-164.9%	(5,155)	(3,533)	-45.9%

PTB Group recorded a revenue of RM7.179 million for the current quarter ended 31 December 2018 (4Q2018), representing an decrease of approximately 43.3% as compared to the preceding year corresponding quarter ended 31 December 2017 (4Q2017) of RM12.664 million. The Group also recorded a loss before tax of RM6.138 million for 4Q2018 as compared to a loss before tax of RM2.317 million for 4Q2017.

PTB Group recorded a revenue of RM47.328 million for the current year ended 31 December 2018 (4Q2018), representing an small increase of approximately 0.1% as compared to the preceding year corresponding year ended 31 December 2017 (4Q2017) of RM47.303 million. The Group also recorded a loss before tax of RM5.155 million for 4Q2018 as compared to a loss before tax of RM3.533 million for 4Q2017. The increase in loss was mainly due to decrease in demand for resin compound for wire and cable and impairment loss of investment for the financial period under review.

Resin compound for wire and cable:

Revenue decreased by 31.1% to RM6.731 million in 4Q2018 compared to 4Q2017. This segment recorded a loss before tax of RM1.662 million for 4Q2018 compared with a loss before tax of RM0.466 million for 4Q2017. The increase in loss was mainly due to some impairment of trade receivable and impairment of stock for the financial quarter under review.

For 4Q2018, revenue increased by 8.2% to RM39.854 million as compare to 4QH2017. This segment recorded a loss before tax of RM0.841 million for 4Q2018 compared with a loss before tax of RM0.749 million for 4Q2017. The increase in loss was mainly due to some impairment of trade receivable and impairment of stock for the financial quarter under review.

Resin compound for other industries:

Revenue decreased by 84.5% to RM0.448million in 4Q2018 compared to 4Q2017. This segment recorded a loss before tax of RM0.8766 million for 4Q2018 compared with a loss before tax of RM0.193 million for 4Q2017. The increase in loss was mainly due to lower demand and higher cost of materials reported for the financial quarter under review.

For 4Q2018, revenue decreased by 28.7% to RM7,474 million as compare to 4Q2017. This segment recorded a loss before tax of RM1.400million for 4Q2018 compared with a loss before tax of RM0.260 million for 4Q2017. The increase in loss was mainly due to lower demand and higher cost of materials reported for the financial period under review.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2018

16. Comparison With Previous Quarter's Results

Segment:	Revenue			Profit/(Loss) before tax		
	Current Quarter	Preceding Quarter		Current Quarter	Preceding Quarter	
	31/12/2018	30/9/2018	Changes	31/12/2018	30/9/2018	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Resin compound for wire and cable	6,731	7,588	-11.3%	(1,661)	(229)	-625.3%
Resin compound for other industries	448	1,399	-68.0%	(616)	(328)	-87.8%
Investment holding	-	-	0.0%	(3,861)	(230)	-1578.7%
Associate company	-	-	0.0%	-	-	0.0%
Total	7,179	8,987	-20.1%	(6,138)	(787)	-679.9%

For 4Q2018, the Group recorded a revenue of RM7.179 million, representing a decrease of approximately 20.1% as compared to the previous quarter ended 30 September 2018 (3Q2018) of RM8.987 million. However, the Group recorded a loss before tax of RM6.138 million in 4Q2018 compared to 3Q2018 of loss before tax of RM0.787 million. The increase in loss for 4Q2018 was due to lower demand for the resin compound for wire and cable with lower profit margin despite the revenue, decrease in other segment and due to some impairment of trade receivable & stock written off from last quarter.

17. Prospects

The Board of Directors of PTB expects the Group's financial performance for the financial year ending 31 December 2019 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. Loss Before Tax

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

	4th Quarter Ended		Financial Year Ended	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
	RM'000	RM'000	RM'000	RM'000
Interest income	(12)	(96)	(74)	(216)
Foreign exchange (gain)/loss	(14)	28	(8)	51
Depreciation of property, plant and equipment	182	257	658	956
Gain on disposal of property, plant and equipment			(17)	
Gain on derecognition of a formal associate	-	-	(1,299)	-
(Reversal)/Additional of impairment loss on financial assets at amortised cost	1,290	-	1,290	-
Impairment loss on property, plant and equipment	-	547	-	547
Impairment of goodwill on consolidation	-	1,792	-	1,792
Impairment loss on investment	3,178		3,178	
(Reversal)/Additional of impairment loss on trade receivables	(51)	199	(51)	199
Reversal of inventories written down	(189)	(183)	(189)	(183)
Inventory written down to net realisable value	544		544	
Interest expense	85	84	374	399
Staff costs	992	924	4,204	3,950

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2018

20. Tax Income/(Expense)

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

	4th Quarter Ended		Financial Year Ended	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
	RM'000	RM'000	RM'000	RM'000
Current tax (expense)/income	187	(25)	(19)	(53)
Under provision in prior period	-	-	-	1
Deferred tax	64	106	109	106
	<u>251</u>	<u>81</u>	<u>90</u>	<u>54</u>

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.

21. Cash and Cash Equivalents

Cash and cash equivalents included in the statement of cash flows comprise of the following:

	31/12/2018
	RM'000
Fixed deposits with licensed banks	2,097
Cash and bank balances	3,182
Bank overdraft	(324)
	<u>4,955</u>
Less: Fixed deposits pledged to licensed banks	(2,097)
	<u>2,858</u>

Fixed deposits of the Group totaling of RM2.097 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 Announced

On 6th 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 3rd 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. On 16 October 2018, the Proposed Private Placement has completed following the listing of and quotation for 15,000,000 Placement Shares on the ACE Market of Bursa Malaysia Securities Berhad.

The status of the utilisation of the proceeds raised from the private placement of 15,000,000 shares at an issue price of RM0.174 per share amounting to RM2,610,000 is as follow:-

Purposes:	Amount Raised	Amount Utilised	Balance Unutilised	Timeframe
	RM'000	RM'000	RM'000	for utilisation
Repayment of bank borrowings	2,510	2,080	430	Within 12 months
Private placement costs	100	100	-	Immediately
	<u>2,610</u>	<u>2,180</u>	<u>430</u>	

PLASTRADE TECHNOLOGY BERHAD

(Company No. : 591077-X)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2018**23. Group Borrowings and Debt Securities**

The Group borrowings as at 31 December 2018 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Long term borrowings			
Hire purchase payables	629	-	629
	<u>629</u>	<u>-</u>	<u>629</u>
Short term borrowings			
Hire purchase payables	162	-	162
Banker's acceptance	6,986	-	6,986
	<u>7,148</u>	<u>-</u>	<u>7,148</u>
Total borrowings			
Hire purchase payables	791	-	791
Banker's acceptance	6,986	-	6,986
	<u>7,777</u>	<u>-</u>	<u>7,777</u>

No borrowing in foreign currency.

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 22 February 2019 being a date not earlier than 7 days from the date of this quarterly report.

25. Loss Per Share

	Current Year Quarter 31/12/2018	Preceding Year Corresponding Quarter 31/12/2017	Current Year To Date 31/12/2018	Preceding Year Corresponding Period 31/12/2017
Earnings				
Net loss attributable to equity holders of the Company (RM'000)	(5,887)	(2,236)	(5,065)	(3,479)
Basic				
Weighted average number of ordinary shares in issue ('000)	154,764	150,400	154,764	150,400
Basic Loss per ordinary share (sen)	(3.80)	(1.49)	(3.27)	(2.31)
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.				

BY ORDER OF THE BOARD OF
PLASTRADE TECHNOLOGY BERHAD