

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2017 CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2017 RM'000	Preceeding Year Corresponding Quarter 31.12.2016 RM'000	Current Year To Date 31.12.2017 RM'000	Preceeding Year Corresponding Period 31.12.2016 RM'000
Revenue	10,094	8,954	37,028	31,685
Cost of sales	(3,154)	(3,176)	(15,398)	(11,594)
Gross profit	6,940	5,778	21,630	20,091
Other income	212	6,408	4,586	6,752
Distribution and selling expenses	(294)	(191)	(947)	(864)
Administrative expenses	(1,627)	(1,723)	(6,025)	(5,937)
Other expenses	(1,227)	(1,010)	(3,714)	(3,539)
Finance income	2	17	11	49
Finance costs	(93)	(5)	(113)	(35)
Profit before taxation	3,913	9,274	15,428	16,517
Taxation	(1,052)	(602)	(2,551)	(1,340)
Profit for the year	2,861	8,672	12,877	15,177
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	2,861	8,672	12,877	15,177
Earnings per share (sen)				
(a) Basic	1.67	5.13	6.00	8.98
(b) Fully diluted	N/A	N/A	N/A	N/A

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2017

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(the figures have not been audited

	AS AT 31.12.2017 RM'000	AS AT 31.12.2016 RM'000
NON-CURRENT ASSETS		
<i>Property, plant and equipment</i>	39,507	31,826
<i>Prepaid lease payment on leasehold land</i>	23,157	13,793
<i>Investment property</i>	15,872	19,229
<i>Goodwill on consolidation</i>	584	584
	79,120	65,432
CURRENT ASSETS		
<i>Investment in unit trusts</i>	12,127	6,860
<i>Inventories</i>	217	222
<i>Trade receivables</i>	13,982	10,337
<i>Other receivables</i>	1,271	1,212
<i>Tax recoverable</i>	2,671	2,507
<i>Deposits, cash and bank balances</i>	5,827	5,666
	36,095	26,804
CURRENT LIABILITIES		
<i>Borrowings</i>	594	588
<i>Trade payables</i>	1,387	106
<i>Other payables</i>	3,104	1,959
	5,085	2,653
NET CURRENT ASSETS	31,010	24,151
	110,130	89,583
REPRESENTED BY:		
<i>Share capital</i>	25,619	17,079
<i>Share premium</i>	-	4,522
<i>Treasury shares</i>	(1,030)	(1,018)
<i>Retained profits</i>	71,275	64,274
<i>Shareholders' Equity</i>	95,864	84,857
<i>Borrowings</i>	12,414	3,562
<i>Deferred tax liabilities</i>	1,852	1,164
<i>Non-current liabilities</i>	14,266	4,726
	110,130	89,583
Net assets per share (sen)	44.68	50.23

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2017 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(The figures have not been audited)

Note	Share Capital RM'000	Non-Distributable Share Premium RM'000	Treasury Shares RM'000	Retained Profits RM'000	Total RM'000
At 1 January 2017	17,079	4,522	(1,018)	64,274	84,857
Issuance of bonus shares	8,540	(4,522)	-	(4,018)	-
Purchase of treasury shares	-	-	(12)	-	(12)
Total comprehensive income for the period	-	-	-	12,877	12,877
Appropriation:					
Interim dividends paid for the financial year ending 31 December 2017	-	-	-	(1,858)	(1,858)
At 31 December 2017	25,619	-	(1,030)	71,275	95,864
At 1 January 2016	17,079	4,522	(895)	49,942	70,648
Purchase of treasury shares	-	-	(123)	-	(123)
Total comprehensive income for the quarter	-	-	-	15,177	15,177
Appropriation:					
Interim dividend payable for the financial year ending 31 December 2016	-	-	-	(845)	(845)
At 31 December 2016	17,079	4,522	(1,018)	64,274	84,857

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2017

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(The figures have not been audited)

	Current Year To Date 31.12.2017 RM'000	Preceding Year Corresponding Period 31.12.2016 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	15,428	16,517
Adjustments for:		
Depreciation of property, plant and equipment	2,986	3,090
Amortisation of prepaid lease payment	251	185
Allowance for doubtful debts - net	95	744
Changes in fair value of investment	(191)	(13)
Changes in fair value of investment property	-	(6,229)
Inventory written off	-	26
Bad debts written off - net	636	70
Gain on investment in unit trust	(252)	(159)
Gain on disposal of leasehold land	(3,579)	-
Property, plant and equipment written off	-	61
Interest expense	113	35
Interest income	(11)	(49)
Operating profit before working capital changes	<u>15,476</u>	<u>14,278</u>
(Increase)/Decrease in inventories	5	50
(Increase)/Decrease in trade receivables	(2,022)	(3,983)
(Increase)/Decrease in other receivables	(59)	(617)
Increase/(Decrease) in trade payables	1,281	(78)
Increase/(Decrease) in other payables	1,160	(110)
Cash generated from operations	<u>15,841</u>	<u>9,540</u>
Interest paid	(113)	(35)
Taxes paid	(2,009)	(2,328)
Taxes refunded	-	665
Net cash generated from operating activities	<u>13,719</u>	<u>7,842</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	11	49
Purchase of leasehold land	(6,833)	-
Proceeds from disposal of investment property	7,090	-
Investment in unit trust	(7,825)	(3,000)
Purchase of property, plant and equipment	(12,487)	(4,790)
Net cash used in investing activities	<u>(20,044)</u>	<u>(7,741)</u>

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2017

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(The figures have not been audited)

	Current Year To Date 31.12.2017 RM'000	Preceding Year Corresponding Period 31.12.2016 RM'000
CASH OUTFLOW FROM FINANCING ACTIVITY		
Drawdown of term loan	9,105	-
Repayment of term loan	(597)	(429)
Repayment of hire purchase and lease financing - net	(152)	(184)
Purchase of treasury shares	(12)	(123)
Dividend paid	(1,858)	(845)
Net cash from / used in financing activities	6,486	(1,581)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	161	(1,480)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	5,666	7,146
CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note A15)	5,827	5,666

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2017

NOTES

A EXPLANATORY NOTES PURSUANT TO FRS 134 INTERIM FINANCIAL REPORTING

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysia Financial Reporting Standards 134 (MFRS134): "Interim Financial Reporting" and Rule 9.22 of ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements also comply with IAS34, Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2016. 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 year ended 31 December 2016.

The accounting policies and methods of computation adopted by the Company and its subsidiaries ("Group") in this interim financial statements are consistent with those adopted for the annual audited financial statements for the year ended 31 December 2016 except for the following new/amended MFRS:

MRFS 9	Financial Instruments
MRFS 15	Revenue from Contracts with Customers
MRFS 16	Leases
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transaction
Amendments to MFRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts
Amendments to MFRS 140	Transfers of Investment Property
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration
Amendments to MFRS 107	Disclosure Initiative
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses

The adoption of the new/amended MFRS and its amendments does not give rise to any adjustment to the opening balances of retained profit of prior and current years or changes in comparatives.

A2 Auditors' report of preceeding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2016 was not qualified.

A3 Seasonal or cyclical factors

The Group's operations were not subject to any seasonal or cyclical changes.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

Save for the information disclosed in this interim report, there were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Company during the quarter under review.

A5 Material changes in estimates

There were no changes in estimates that have a material effect in the current financial quarter.

A6 Debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter.

A7 Dividend paid

There were no dividends paid for the current financial period. However, up to the date of this report, a total of RM1,857,371 single tier exempt dividend had been paid for the financial year ending 31 December 2017.

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2017

NOTES

A8 Segment information

	Investment holding RM'000	Recovery and recycling services RM'000	Manufactur- ing RM'000	Trading RM'000	Others* RM'000	Eliminat- ions RM'000	Total RM'000
Current Year Quarter							
31.12.17							
Revenue							
External sales	-	9,750	-	78	266	-	10,094
Inter-segment sales	-	443	-	9	-	(452)	-
Total revenue	-	10,193	-	87	266	(452)	10,094
Results							
Segment results	(324)	4,983	(25)	103	145	-	4,882
Finance income	1	1	-	-	-	-	2
Finance cost	-	(93)	-	-	-	-	(93)
Depreciation and amortisation	-	(775)	(3)	(100)	-	-	(878)
Profit before taxation	(323)	4,116	(28)	3	145	-	3,913
Current Year To Date							
31.12.17							
Revenue							
External sales	-	35,129	14	836	1,049	-	37,028
Inter-segment sales	-	443	1	11	-	(455)	-
Total revenue	-	35,572	15	847	1,049	(455)	37,028
Results							
Segment results	(698)	14,885	(80)	245	4,415	-	18,767
Finance income	3	8	-	-	-	-	11
Finance cost	-	(113)	-	-	-	-	(113)
Depreciation and amortisation	-	(2,844)	(15)	(378)	-	-	(3,237)
Profit before taxation	(695)	11,936	(95)	(133)	4,415	-	15,428
Preceding Year Corresponding Quarter							
31.12.16							
Revenue							
External sales	-	8,636	20	38	260	-	8,954
Inter-segment sales	-	318	1	-	-	(319)	-
Total revenue	-	8,954	21	38	260	(319)	8,954
Results							
Segment results	(91)	3,694	(15)	(27)	6,435	-	9,996
Finance income	2	15	-	-	-	-	17
Finance cost	-	(5)	-	-	-	-	(5)
Depreciation and amortisation	-	(633)	(4)	(97)	-	-	(734)
Profit before taxation	(89)	3,071	(19)	(124)	6,435	-	9,274
Preceding Year Corresponding Period							
31.12.16							
Revenue							
External sales	-	29,972	345	356	1,012	-	31,685
Inter-segment sales	-	318	4	-	-	(322)	-
Total revenue	-	30,290	349	356	1,012	(322)	31,685
Results							
Segment results	(376)	12,837	136	217	7,080	(114)	19,780
Finance income	8	39	-	-	-	-	47
Finance cost	-	(35)	-	-	-	-	(35)
Depreciation and amortisation	-	(2,804)	(15)	(456)	-	-	(3,275)
Profit before taxation	(368)	10,037	121	(239)	7,080	(114)	16,517

* This segment represents the rental of investment property. For the current year, this segment reported RM4.4million of profit before taxation due to the compensation claims of RM3.6million received from the partial acquisition of the investment property by Mass Rapid Transit Corporation Sdn Bhd.

There is no geographical segmental information as the Company operates principally in Malaysia.

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2017

NOTES

A9 Valuation of property, plant and equipment

Property, plant and equipment of the Group are stated at cost less accumulated depreciation. No valuation of property, plant and equipment was undertaken during the current quarter under review.

A10 Material events subsequent to the end of the quarter

There were no material events subsequent to the current financial period up to the date of this report that would affect the financial results for the current financial period under review.

A11 Changes in the composition of the Company

There were no changes in the composition of the Company for the current financial quarter.

A12 Contingent liabilities

There were no contingent liabilities or contingent assets as at the date of this report.

A13 Capital commitments

	AS AT 31.12.2017 RM'000	AS AT 31.12.2016 RM'000
Acquisition of property, plant and equipment:		
Approved and contracted for	500	3,322
Approved but yet to be contracted for	100	-
	<u>600</u>	<u>3,322</u>

A14 Related party transactions

As at the end of the current quarter under review, the Group has not entered into any related party transactions.

A15 Cash and cash equivalents

	As at 31.12.2017 RM'000	As at 31.12.2016 RM'000
Cash in hand and at banks	5,827	5,016
Deposits with licensed investment bank	-	650
	<u>5,827</u>	<u>5,666</u>

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2017

NOTES

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET

B1 Review of performance

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2017 RM'000	Preceding Year Corresponding Quarter 31.12.2016 RM'000	Current Year To Date 31.12.2017 RM'000	Preceding Year Corresponding Period 31.12.2016 RM'000
Revenue	10,094	8,954	37,028	31,685
Profit before taxation	3,913	9,274	15,428	16,517

For the quarter ended 31 December 2017, Tex Cycle and its subsidiaries ("Group") generated total revenue of RM10.1million, an increase of RM1.1million or 13% compared to the corresponding quarter of the preceding year ended 31 December 2016 as a result of higher demand from the recycling and recovery industry. Accordingly, the Group made a profit before taxation of RM3.9million for the current quarter, a decrease of RM5.4million compared to the corresponding quarter of the preceding year ended 31 December 2016 due to the increase in fair value of the Group's investment property of RM6.2million for the corresponding quarter of the preceding year.

Analysing from a year-on-year basis, the revenue and profit before taxation (excluding extra-ordinary gains) had increased by 17% and 15% respectively. The ordinary business profit before taxation stands at RM11.8million in 2017 and RM10.3million in 2016, by excluding extra-ordinary gains in 2017 and 2016 of RM3.6million and RM6.2million respectively.

Recycling and recovery division

For the quarter ended 31 December 2017, the revenue of the recycling business increased by RM1.1million or 13% as compared to that of the corresponding quarter preceding year. The increase is mainly due to higher demand from the recycling and recovery industry.

Manufacturing division

For the current quarter, the revenue of the manufacturing division decreased by RM20,000 as compared to the corresponding quarter preceding year. The decrease is mainly due to lower demand from the industry.

Trading division

For the current quarter, the revenue of the trading division increased by RM40,000 as compared to the corresponding quarter preceding year. The increase is mainly due to the higher sales demand from customers.

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2017

NOTES

B2 Material Changes in Quarterly Results compared to the Results of the preceeding quarter

	Current Year Quarter 31.12.2017 RM'000	Previous Quarter 30.09.2017 RM'000
Revenue	10,094	8,354
Profit/(Loss) before taxation	3,913	5,698

The Group's revenue for the current quarter was RM10.1million as compared to the revenue for the preceeding quarter of RM8.4million, representing an increase of RM1.7million, or 21%. The increase is mainly due to higher demand from the recycling and recovery industry. However, the Group made a profit before taxation of RM3.8million for the current quarter, a decrease of RM1.8million compared to the preceeding quarter ended 30 September 2017 due to the compensation claims of RM3.6million received from the partial acquisition of the Metro Envy Sdn Bhd's investment property by Mass Rapid Transit Corporation Sdn Bhd in the previous quarter.

By excluding the extra-ordinary gain in the previous quarter of RM3.6million, the ordinary business profit before taxation stands at RM3.9million in the current quarter ended 31 December 2017 and RM2.1million in the previous quarter ended 30 September 2017, representing an increase of RM1.8million or 85%.

B3 Prospects

Tex Cycle (P2) plant, a wholly-owned subsidiary of Tex Cycle Technology (M) Berhad, had fully operationalised its production in 2015. The plant which is situated on eight and a half acres of industrial land with a built-up area of 160,800 sq.ft., located in Telok Gong, Selangor, is equipped with state of the art equipment. The plant is licensed by the Department of Environment to transport, recycle and recover thirty-one types of scheduled waste.

On 2 August 2016, Tex Cycle (P2) Sdn Bhd had obtained approval from Sustainable Energy Development Authority Malaysia (SEDA) to build and operate a renewable electrical energy power plant with a capacity to supply 2 MW per hour of electricity to Tenaga Nasional Berhad through a power purchase agreement ("PPA").

The PPA with Tenaga Nasional Berhad was signed on 2 February 2017 at a fixed tariff rate of RM0.4766 per kWh for sixteen (16) years. The renewable electrical energy power plant ("REEP") is located at Tex Cycle (P2) plant. The REEP will have an installed capacity of 2.5 MW per hour. Construction of the REEP commenced in January 2017 and the Energy Commission Public License has already been obtained for an operation period of 16 years. The commencement of the renewable electrical energy power plant will be no later than 28 August 2018.

With the implementation of the power plant project, it is expected to contribute positively to the Group's results from 2018.

B4 Profit forecast and profit guarantee

Not applicable as no profit forecast was published by the Group.

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2017

NOTES

B5 Taxation

The taxation is calculated based on the profit for the financial period ended 31 December 2017 comprises the following:

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year To	Preceding Year
	Quarter	Corresponding	Date	Corresponding
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
	RM'000	RM'000	RM'000	RM'000
Income tax				
Estimated tax payable for current period	279	354	1,922	1,027
Under/(Over) provision in prior year	-	-	(59)	2
Deferred tax				
Estimated deferred tax for current period	773	248	688	311
	<u>1,052</u>	<u>602</u>	<u>2,551</u>	<u>1,340</u>

The effective tax rate is lower than the statutory tax rate due to the 70% tax exemption on tax payable granted to Tex Cycle (P2).

B6 Status of corporate proposals

As at the date of this report, the corporate proposals are as follows:

- (i) proposed bonus issue of 85,396,496 new ordinary shares in Tex Cycle ("Bonus Share(s)") on the basis of 1 Bonus Share for every 2 existing ordinary shares in Tex Cycle held by the shareholders of the Company whose names appear on the Record of Depositors of the Company as at the close of business on 8 November 2017, had been completed and announced on 9 November 2017;
- (ii) proposed establishment of an Employees' Share Scheme ("ESS") of up to 10% of the total number of Shares (excluding treasury shares) at any point in time during the 5 years duration of the scheme to the eligible executive directors and employees of Tex Cycle and its subsidiaries which are not dormant. The first ESS amounting to 1,460,000 units had been allocated and distributed on 11 January 2018; and
- (iii) proposed special Bumiputera issue of up to 40,260,000 new shares representing 12.5% of the enlarged total number of Shares to the Bumiputera investors to be identified and/or approved by the Ministry of International Trade and Industry ("MITI") at an issue price to be determined at a later date.

B7 Borrowings and debt securities

	As at 31.12.2017 RM'000	As at 31.12.2016 RM'000
<i>Short term borrowings:</i>		
Secured-Term Loan	526	451
Unsecured - Hire purchase and finance lease payables	68	137
	594	588
<i>Long term borrowings:</i>		
Secured-Term Loan	12,131	3,503
Unsecured - Hire purchase and finance lease payables	283	59
	12,414	3,562
	<u>13,008</u>	<u>4,150</u>

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2017

NOTES

B8 Material litigation

On 28 July 2016, Tex Cycle Technology (M) Berhad ("TCTB") took legal action against Fact System (Malaysia) Sdn Bhd ("FACT") claiming the Defendant had breached the contract in respect of the successful implementation of the FACT System pursuant to TCTB's requirement for the implementation of GST with the deadline and in accordance with TCTB's requirements by 1 April 2015 for a sum of RM1,059,748.34 as damages. On 15 September 2016, the Defendant filed a counterclaim for the sum of RM38,668.80 being the additional 76 hours spent on the implementation of the software.

The Court had sanctioned the parties to mediate on 7 December 2016 but no settlement could be reached. The case management was held on 10 January 2017 to update the Court on mediation and trial of this matter was heard on 24 and 25 May 2017 and subsequently adjourned to 11, 12 and 13 September 2017.

The trial of the suit proceeded on 11 and 13 September 2017, 8, 9 and 10 November 2017. The Court has directed parties to file their respective written submissions. This matter is fixed for mention on 9 February 2018. The Skeletal Submissions in Reply were forwarded by the Plaintiff and the Defendant. The Judge requested parties to come back in one month that is on the 14 March 2018 in respect of Clarification and further Oral Submissions, if need be. A date for Decision will be given thereafter.

B9 Dividends

No dividend has been recommended for the current financial period ended 31 December 2017.

B10 Realised and unrealised profit and loss

	As at 31.12.2017 RM'000	As at 31.12.2016 RM'000
Total retained profit of the Company and it's subsidiaries:		
Realised	58,545	50,791
Unrealised	12,730	13,235
	<u>71,275</u>	<u>64,274</u>

B11 Profit before tax

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2017 RM'000	Preceeding Year Corresponding Quarter 31.12.2016 RM'000	Current Year To Date 31.12.2017 RM'000	Preceeding Year Corresponding Period 31.12.2016 RM'000
Profit before tax is arrived at after the following charges/(credits):				
Depreciation of property, plant and equipment	766	665	2,986	3,090
Amortisation of prepaid lease payment	112	45	251	185
Allowance for doubtful debts - net	(148)	(31)	95	744
Inventory written off	-	-	-	26
Bad debts written off	636	70	636	70
Gain on investment in unit trust	(218)	(80)	(252)	(159)

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2017

NOTES

B11 Profit before tax (cont'd.)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2017 RM'000	Preceeding Year Corresponding Quarter 31.12.2016 RM'000	Current Year To Date 31.12.2017 RM'000	Preceeding Year Corresponding Period 31.12.2016 RM'000
Property, plant and equipment written off	-	61	-	61
Gain on disposal of investment property - net of tax	-	-	(2,720)	-
Changes in fair value of investment property Decrease/(Increase) in fair value of unit trust	-	(6,229)	-	(6,229)
	(7)	77	(191)	(13)
Interest income from deposits placed with licensed banks	-	(17)	(11)	(49)
	(2)	(17)	(11)	(49)
Interest expenses on term loans	86	2	106	22
Interest expenses on hire-purchase	7	3	7	13

B12 Earnings per share

(a) Basic Earnings Per Ordinary Share

Basic earnings per share amounts are calculated by dividing the net profit for the period attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares in issue during the period.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2017 RM'000	Preceeding Year Corresponding Quarter 31.12.2016 RM'000	Current Year To Date 31.12.2017 RM'000	Preceeding Year Corresponding Period 31.12.2016 RM'000
Net profit for the period (RM'000)	2,861	8,672	12,877	15,177
Weighted average number of ordinary shares in issue ('000)	171,069	168,947	214,536	168,952
Basic earnings per share (sen)	1.67	5.13	6.00	8.98

(b) Diluted Earnings Per Ordinary Share

Not applicable to the Company

By Order of the Board

Periasamy A/L Sinakalai

Managing Director

Selangor Darul Ehsan

Date: 27 February 2018