



MMS VENTURES BERHAD
(Company No. 647125-P)

(Incorporated in Malaysia)

**Quarterly Report on Consolidated Results
For The Third Quarter Ended 30 September 2018**

(Incorporated in Malaysia)

**Condensed Consolidated Statement of Financial Position
As at 30 September 2018**

	Note	30.9.18 (Unaudited) RM	31.12.17 (Audited) Restated RM
Property, plant and equipment		9,550,133	9,230,202
Total non-current assets		9,550,133	9,230,202
Inventories		8,844,881	12,044,734
Other investments	B8	4,842,542	4,413,507
Trade receivables		13,858,786	17,394,445
Sundry receivables, deposits and prepayments		1,217,073	1,460,153
Tax refundable		73,271	58,878
Fixed deposits with licensed banks		23,230,734	21,427,922
Cash and cash equivalents		6,572,666	7,309,927
Total current assets		58,639,953	64,109,566
Total assets		68,190,086	73,339,768
Equity			
Share capital		21,649,832	20,963,468
Treasury shares		(3,299,873)	(1,479,991)
Retained profits		39,837,701	37,070,573
Total equity attributable to shareholders of the Company		58,187,660	56,554,050
Total equity		58,187,660	56,554,050
Liabilities			
Deferred tax liabilities		445,489	453,133
Total non-current liabilities		445,489	453,133
Trade payables		3,992,133	8,046,876
Sundry payables and accruals		3,436,659	8,285,709
Dividend payable		1,600,034	-
Current tax liabilities		528,111	-
Total current liabilities		9,556,937	16,332,585
Total liabilities		10,002,426	16,785,718
Total equity and liabilities		68,190,086	73,339,768
Net assets per share (RM) @		0.36	0.35

@ based on the number of ordinary shares of 163,000,000 shares

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2017 and the accompanying explanatory notes attached to these interim financial statements.

(Incorporated in Malaysia)

**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Third Quarter Ended 30 September 2018
(The figures have not been audited)**

	Note	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
		30.9.18 RM	30.9.17 RM Restated	30.9.18 RM	30.9.17 RM Restated
Revenue		9,894,198	19,314,173	38,053,942	63,647,925
Cost of sales		(7,119,651)	(13,021,081)	(26,449,017)	(41,572,786)
Gross profit		2,774,547	6,293,092	11,604,925	22,075,139
Other operating income		418,548	69,375	872,061	419,671
Administrative expenses		(1,282,479)	(1,169,006)	(3,512,080)	(4,103,521)
Profit before tax		1,910,616	5,193,461	8,964,906	18,391,289
Tax expense	B6	(291,451)	(60,452)	(582,356)	(104,356)
Net profit for the period	B1	1,619,165	5,133,009	8,382,550	18,286,933
Attributable to:					
Shareholders of the Company		1,619,165	5,133,009	8,382,550	18,286,933
Minority interests		-	-	-	-
Net profit for the period		1,619,165	5,133,009	8,382,550	18,286,933
Earnings per share					
(i) Basic (sen)	B14	1.01	3.19	5.21	11.35
(ii) Diluted (sen)		NA	NA	NA	NA

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2017 and the accompanying explanatory notes attached to these interim financial statements.

(Incorporated in Malaysia)

**Condensed Consolidated Statement of Changes in Equity
For the Third Quarter Ended 30 September 2018
(The figures have not been audited)**

	Share Capital RM	Non-distributable Share Premium RM	Treasury Shares RM	Distributable Retained Profits RM	Total RM
At 1 January 2018	20,963,468	-	(1,479,991)	38,589,316	58,072,793
Adjustment on adoption of MFRS 9	-	-	-	(92,246)	(92,246)
Adjustment on adoption of MFRS 15	-	-	-	(1,426,497)	(1,426,497)
Adjusted 1 January 2018	20,963,468	-	(1,479,991)	37,070,573	56,554,050
Transactions with owners					
Purchase of treasury shares	-	-	(2,758,139)	-	(2,758,139)
Disposal of treasury shares	-	-	938,257	-	938,257
Gain from disposal of treasury shares	686,364	-	-	-	686,364
Dividend payable	-	-	-	(5,615,422)	(5,615,422)
	686,364	-	(1,819,882)	(5,615,422)	(6,748,940)
Net profit for the period	-	-	-	8,382,550	8,382,550
At 30 September 2018	21,649,832	-	(3,299,873)	39,837,701	58,187,660
At 1 January 2017	16,300,000	4,663,468	(1,158,913)	21,562,278	41,366,833
Adjustment on adoption of MFRS 15	-	-	-	(83,135)	(83,135)
Adjusted 1 January 2017	16,300,000	4,663,468	(1,158,913)	21,479,143	41,283,698
Transactions with owners					
Purchase of treasury shares	-	-	-	-	-
Dividend payable	-	-	-	(1,611,085)	(1,611,085)
	-	-	-	(1,611,085)	(1,611,085)
Transfer pursuant to Companies Act, 2016	4,663,468	(4,663,468)	-	-	-
Net profit for the period	-	-	-	18,286,933	18,286,933
Restated at 30 September 2017	20,963,468	**	(1,158,913)	38,154,991	57,959,546

Note:

**

With the introduction of the Companies Act 2016 effective 31 January 2017, the concepts of authorised share capital and par value of share capital have been abolished. Consequently, balance within the share premium account of RM4,663,468 has been transferred to the share capital account pursuant to the transitional provisions set out in Section 618(2) of the Companies Act 2016. Notwithstanding this provision, the Company may utilise its share premium account for purposes stipulated in Section 618(3) of the Companies Act 2016 for a transitional period of 24 months from 31 January 2017. There is no impact on the number of ordinary shares in issue or the relative entitlement of any of the member as a result of this transition.

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2017 and the accompanying explanatory notes attached to these interim financial statements.

(Incorporated in Malaysia)

**Condensed Consolidated Statement of Cash Flows
For the Third Quarter Ended 30 September 2018
(The figures have not been audited)**

	9 months ended 30 September	
	2018	2017
	RM	RM
		Restated
Cash flows from operating activities		
Profit before tax	8,964,906	18,391,289
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	448,328	464,252
Loss / (Gain) on fair value adjustment of other investments	306,490	(123,547)
Unrealised foreign exchange (gain) / loss	(194,926)	134,661
Loss/(Gain) on disposal of plant and equipment	292	(141)
Impairment of receivables	(42,252)	-
Interest income	(574,764)	(474,810)
<i>Operating profit before working capital changes</i>	8,908,074	18,391,704
<i>Adjustments for working capital changes:</i>		
Inventories	3,199,853	(2,326,213)
Trade receivables	3,758,453	(12,381,624)
Sundry receivables, deposits and prepayments	243,080	(1,465,148)
Trade payables	(4,054,743)	3,578,846
Sundry payables and accruals	(4,849,050)	5,794,624
<i>Cash generated from operations</i>	7,205,667	11,592,189
Interest received	574,764	474,810
Income tax paid	(76,282)	(120,301)
<i>Net cash generated from operating activities</i>	7,704,149	11,946,698
Cash flows from investing activities		
Purchase of plant and equipment	(768,551)	(262,549)
(Purchase of) / proceeds from other investments	(735,525)	505,670
Proceeds from disposal of plant and equipment	-	301
<i>Net cash (used in) / generated from investing activities</i>	(1,504,076)	243,422
Cash flows from financing activities		
Purchase of treasury shares	(1,133,518)	-
Dividend paid	(4,015,388)	(1,611,085)
<i>Net cash used in financing activities</i>	(5,148,906)	(1,611,085)
Net (decrease) / increase in cash and cash equivalents	(1,051,167)	10,579,035
Effect of exchange differences in cash and cash equivalents	14,384	(21,356)
Cash and cash equivalents at the beginning of year	28,737,849	17,821,954
Cash and cash equivalents at the end of year	29,803,400	28,379,633

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2017 and the accompanying explanatory notes attached to these interim financial statements.

Notes to the Interim Financial Statements

Part A - Explanatory notes pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134

A1. Basis of preparation

These interim financial statements are unaudited and have been prepared in accordance with MFRS 134, Interim Financial Reporting in Malaysia and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad for the Main Market.

These interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2017. These explanatory notes attached to the interim financial statements provide an explanation of the 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.

These financial statements of the Group for the financial year ended 31 December 2017 were prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”). The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent annual financial statements for the year 31 December 2017, except for the adoption of the Standards, Amendments and Annual Improvement to Standards effective as of 1 January 2018.

Effective for annual periods commencing on or after 1 January 2018

- Amendments to MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2014 - 2016 Cycle)*
- MFRS 15 *Revenue from Contracts with Customers*
- Clarifications to MFRS 15 *Revenue from Contracts with Customers*
- MFRS 9 *Financial Instruments (2014)*
- Amendments to MFRS 2 *Classification and Measurement of Share-based Payment Transactions*
- Amendments to MFRS 128 *Annual Improvements to MFRSs 2014 - 2016 Cycle*
- IC Interpretations 22 *Foreign Currency Transactions and Advance Consideration*
- Amendments to MFRS 140 *Transfers of Investment Property*
- Amendments to MFRS 4 *Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts*

The adoption of the above pronouncements did not have any impact on the financial statements of the Group, except for MFRS 9 and MFRS 15.

MFRS 9 Financial Instruments

MFRS 9 replaces MFRS 139 Financial Instruments: Recognition and Measurement. The adoption of MFRS 9 has resulted in changes in the accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets.

In respect of impairment of financial assets, MFRS 9 replaces the “incurred loss” model in MFRS 139 with an “expected credit loss” (ECL) model. The ECL model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognized.

The Group assesses on a forward-looking basis the ECLs associated with its financial assets classified at amortised cost under MFRS 15 Revenue from Contracts with Customers. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(Incorporated in Malaysia)

A1. Basis of preparation (Cont'd)

MFRS 15 Revenue from Contracts with Customers

The core principle of MFRS 15 is that an entity recognizes revenue to depict the transfer of promised goods and services to customers for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is recognized when a customer obtains control of goods or services, i.e. when the customer has the ability to direct the use of and obtain the benefits from the goods and services.

The following reconciliations provide an estimate of the expected impact upon initial application of the new MFRS Frameworks, MFRS 9 and MFRS 15 on the financial position, profit or loss and other comprehensive income and cash flow statement of the Group.

(a) Reconciliation of financial position and equity

1 January 2018	Previously Reported RM'000	Effect of MFRS 9 RM'000	Effect of MFRS 15 RM'000	Restated RM'000
Property, plant and equipment	9,230	-	-	9,230
Total non-current assets	9,230	-	-	9,230
Inventories	9,748	-	2,297	12,045
Other investments	4,414	-	-	4,414
Trade receivables	17,486	(92)	-	17,394
Sundry receivables, deposits and prepayments	1,460	-	-	1,460
Tax refundable	59	-	-	59
Fixed deposits with licensed banks	21,428	-	-	21,428
Cash and cash equivalents	7,310	-	-	7,310
Total current assets	61,905	(92)	2,297	64,110
Total assets	71,135	(92)	2,297	73,340
Equity				
Share capital	20,963	-	-	20,963
Treasury shares	(1,480)	-	-	(1,480)
Retained profits	38,590	(92)	(1,427)	37,071
Total equity	58,073	(92)	(1,427)	56,554
Liabilities				
Deferred tax liabilities	453	-	-	453
Total non-current liabilities	453	-	-	453
Trade payables	8,047	-	-	8,047
Sundry payables and accruals *	4,562	-	3,724	8,286
Total current liabilities	12,609	-	3,724	16,333
Total liabilities	13,062	-	3,724	16,786
Total equity and liabilities	71,135	(92)	2,297	73,340
Net assets per share (RM)	0.36			0.35

* Includes deferred revenue

(Incorporated in Malaysia)

A1. Basis of preparation (Cont'd)

(b) Reconciliation of profit or loss and other comprehensive income

Cumulative Quarter Ended 30 September 2017	Previously Reported RM'000	Effect of MFRS 15 RM'000	Restated RM'000
Revenue	63,725	(77)	63,648
Cost of sales	(41,618)	45	(41,573)
Gross profit	22,107	(32)	22,075
Other operating income	420	-	420
Administrative expenses	(4,104)	-	(4,104)
Profit before tax	18,423	(32)	18,391
Tax expense	(104)	-	(104)
Net profit for the period	18,319	(32)	18,287
Earnings per share			
(i) Basic (sen)	11.37	-	11.35
(ii) Diluted (sen)	NA	-	NA
Individual Quarter Ended 30 September 2017			
Revenue	19,442	(128)	19,314
Cost of sales	(13,066)	45	(13,021)
Gross profit	6,376	(83)	6,293
Other operating income	69	-	69
Administrative expenses	(1,169)	-	(1,169)
Profit before tax	5,277	(83)	5,193
Tax expense	(60)	-	(60)
Net profit for the period	5,216	(83)	5,133
Earnings per share			
(i) Basic (sen)	3.24	-	3.19
(ii) Diluted (sen)	NA	-	NA

(Incorporated in Malaysia)

A1. Basis of preparation (Cont'd)

(c) Reconciliation of cash flow statement

Quarter ended 30 September 2017	Previously Reported RM'000	Effect of MFRS 15 RM'000	Restated RM'000
Cash flows from operating activities			
Profit before tax	18,423	(32)	18,391
<i>Adjustments for:</i>			
Non-cash items	474	-	474
Interest income	(474)	-	(474)
<i>Operating profit before working capital changes</i>	18,423	(32)	18,391
Inventories	(2,281)	(45)	(2,326)
Sundry payables and accruals	5,718	77	5,795
Changes in other working capital	(10,268)	-	(10,268)
<i>Cash generated from operations</i>	11,592	-	11,592
Interest received	474	-	474
Income tax paid	(120)	-	(120)
<i>Net cash generated from operating activities</i>	11,946	-	11,946
Cash flows from investing activities			
<i>Net cash generated from investing activities</i>	243	-	243
Cash flows from financing activities			
<i>Net cash used in financing activities</i>	(1,611)	-	(1,611)
Net increase in cash and cash equivalents	10,579	-	10,579
Effect of exchange differences in cash and cash equivalents	(21)	-	(21)
Cash and cash equivalents at the beginning of year	17,822	-	17,822
Cash and cash equivalents at the end of year	28,380	-	28,380

The following Standards and Amendments to Standards have been issued by the MASB but are not yet effective by the Group.

Effective for annual periods commencing on or after 1 January 2019

- MFRS 16 *Leases*
- Amendments to MFRS 9 *Prepayments Features with Negative Compensation*
- Amendments to MFRS 128 *Long - term Interests in Associates and Joint Ventures*
- IC Interpretation 23 *Uncertainty over Income Tax Treatments*
- Amendments to MFRS 3 *Annual Improvements to MFRSs Standards 2015 - 2017 Cycle*
- Amendments to MFRS 11 *Annual Improvements to MFRSs Standards 2015 - 2017 Cycle*
- Amendments to MFRS 112 *Annual Improvements to MFRSs Standards 2015 - 2017 Cycle*
- Amendments to MFRS 123 *Annual Improvements to MFRSs Standards 2015 - 2017 Cycle*
- Amendments to MFRS 119 *Plan Amendment, Curtailment or Settlement*

(Incorporated in Malaysia)

A1. Basis of preparation (Cont'd)

Effective for annual periods commencing on or after 1 January 2021

- MFRS 17 *Insurance Contracts*

Issued but not yet effective

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

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any effect to the financial statements of the Group upon their initial application.

A2. Auditors' report of preceding annual financial statements

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

A3. Seasonal or cyclical factors

The Group's interim operations are not affected by seasonal or cyclical factors during the current quarter under review.

A4. Unusual items due to their nature, size or incidence

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

A5. Changes in estimates

There were no changes in estimates that have had material effect in the current quarter under review.

A6. Debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the current quarter-to-date under review, except for the following:

Treasury shares

Number of treasury shares held as at 30 September 2018 were as follows:

Balance at 1 January 2018	2,091,500
Add: Purchases	1,905,100
Less: Disposal	(1,000,000)
Balance at 30 September 2018	2,996,600

A7. Dividend paid

The first interim single tier dividend of 1 sen per ordinary share for the year ending 31 December 2018 totalling RM1,600,034 was paid on 18 October 2018.

(Incorporated in Malaysia)

A8. Segment reporting

As the Group's revenue was primarily attributed to the manufacture of automated systems and machinery segment with only insignificant amount contributed by the software development segment, segmental information based on operating segments was not prepared.

Information about geographical areas

	Revenue from external customers by location of customers RM	Segment assets by location of assets RM	Capital expenditure by location of assets RM
3 months ended 30 September 2018			
Malaysia	3,853,848	68,116,815	640,061
America	5,675,379	-	-
Asia (excludes Malaysia)	326,163	-	-
Europe	38,808	-	-
Consolidated	9,894,198	68,116,815	640,061
3 months ended 30 September 2017			
Malaysia	10,714,803	75,052,986	52,657
America	6,282,090	-	-
Asia (excludes Malaysia)	2,317,280	-	-
Consolidated	19,314,173	75,052,986	52,657
9 months ended 30 September 2018			
Malaysia	15,031,055	68,116,815	768,551
America	17,156,341	-	-
Asia (excludes Malaysia)	5,550,980	-	-
Europe	292,465	-	-
Australia	23,101	-	-
Consolidated	38,053,942	68,116,815	768,551
9 months ended 30 September 2017			
Malaysia	40,713,161	75,052,986	262,549
America	15,764,555	-	-
Asia (excludes Malaysia)	7,107,344	-	-
Australia	62,865	-	-
Consolidated	63,647,925	75,052,986	262,549

A9. Post balance sheet events

There were no material events after the current quarter under review that require disclosure or adjustment to the unaudited condensed interim financial statements.

(Incorporated in Malaysia)

A10. Changes in the composition of the Group

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

A11. Contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets as at 30 September 2018 and up to the date of this report.

A12. Capital commitments

Property, plant and equipment	30.9.18
	RM
Approved but not contracted for	<u>145,000</u>

A13. Related party transactions

	Individual Quarter		Cumulative Quarter	
	30.9.18	30.9.17	30.9.18	30.9.17
	RM	RM	RM	RM
Micro Carbide Engineering Sdn Bhd				
- Precision tooling charges	58,060	108,990	301,110	330,510
- Rental income received	112,860	112,860	338,580	306,900

All related party transactions had been entered into in the ordinary course of business and transacted on a negotiated basis.

(Incorporated in Malaysia)

PART B - Explanatory notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad for the Main Market

B1. Review of performance

	← Quarter ended →					← Period-to-date →		
	30.9.18 RM	30.6.18 RM	Var %	30.9.17 RM #	Var %	30.9.18 RM	30.9.17 RM #	Var %
Revenue	9,894,198	12,240,710	-19	19,314,173	-49	38,053,942	63,647,925	-40
Cost of sales	(7,119,651)	(8,751,948)	19	(13,021,081)	45	(26,449,017)	(41,572,786)	36
Gross profit	2,774,547	3,488,762	-20	6,293,092	-56	11,604,925	22,075,139	-47
Other operating income	418,548	739,284	-43	69,375	503	872,061	419,671	108
Administrative expenses	(1,282,479)	(1,183,471)	-8	(1,169,006)	-10	(3,512,080)	(4,103,521)	14
Profit before tax	1,910,616	3,044,575	-37	5,193,461	-63	8,964,906	18,391,289	-51
Tax expense	(291,451)	(273,453)		(60,452)		(582,356)	(104,356)	
Net profit for the period	1,619,165	2,771,122		5,133,009		8,382,550	18,286,933	

These comparative results were restated due to the adoption of MFRS 15

Comparison with the corresponding period in the previous year

The Group recorded a revenue of RM9.894 million for the current quarter, a decrease of 49% as compared to RM19.314 million of the corresponding quarter in the previous year due to a decline in orders received from the smart devices customers during the current period. Gross profit was in tandem with the nature of machines sold during the quarter.

The increase in other operating income was attributed to the forex gain from the strengthened US Dollar against the RM during the current quarter.

Financial period-to-date against preceding year corresponding financial period

The total revenue of the Group of RM38.054 million for the period-to-date decreased by 40% (RM25.594 million) as compared to RM63.648 million reported in the previous financial period. The decrease in revenue was due to the lower volume of machines sold to the smart devices segment.

The increase in other operating income was attributed to the forex gain from the strengthened US Dollar against the RM during the current period.

B2. Variation of results against preceding quarter

Revenue for the current quarter of RM9.894 million was 19% lower than that recorded in the preceding quarter of RM12.241 million mainly attributed to lower demand for machines. Gross margin recorded was in tandem with the nature of machines sold during the quarter.

The decrease in other operating income was mainly due to lower forex gain as a result of the weakened US Dollar against the RM as compared to the preceding quarter.

(Incorporated in Malaysia)

B3. Current year prospects

The overall market for smart devices has not shown much signs of improvement and remained soft.

Nevertheless, the Board expects the performance for the rest of the year to remain profitable.

B4. Board of Directors' opinion on revenue / profit estimate / forecast / projection / internal targets

Not applicable as the Group did not announce or disclose in any public document any revenue or profit estimate, forecast, projection or internal targets.

B5. Profit forecast

Not applicable as the Group did not announce or disclose in a public document any profit forecast or profit guarantee.

B6. Breakdown of tax charge and explanation of variance between the effective and statutory tax rate for the current year quarter and the preceding year quarter

Reconciliation of effective tax expense:

	Individual Quarter		Cumulative Quarter	
	30.9.18 RM	30.9.17 RM	30.9.18 RM	30.9.17 RM
Profit before tax	1,910,616	5,193,461	8,964,906	18,218,018
Taxation at Malaysian statutory tax rate of 24% (2017: 24%)	458,548	1,246,431	2,151,577	4,372,324
Non-deductible expenses	45,375	160,146	164,818	200,556
Losses not available for set-off	10,163	28,062	21,163	163,531
Pioneer income	(240,416)	(867,193)	(1,408,988)	(3,880,231)
Crystallisation of deferred tax liability	(2,548)	(2,548)	(7,644)	(7,644)
Unrecognised deferred tax assets	20,329	(504,446)	(338,570)	(744,180)
Tax expense	291,451	60,452	582,356	104,356

B7. Unquoted investments and properties

There were no sales of unquoted investments and/or properties for the current quarter under review.

B8. Quoted investments

A summary of the movement of quoted investments during the period ended 30 September 2018 is as follows:

	RM
Balance at 1 January 2018	4,413,507
Add: Purchases	2,518,424
Add: Dividend reinvest	46,323
Less: Disposals	(1,829,222)
Less: Loss on fair value adjustment	(306,490)
Balance at 30 June 2018	4,842,542

(Incorporated in Malaysia)

B9. Status of corporate proposal announced

The Board of Directors made the following announcements on:

- i) 30 October 2018 that the Bonus Issue has been completed following the listing of and quotation for 40,749,995 Bonus Shares on the Main Market of Bursa Securities on the same day; and
- ii) 1 November 2018 that pursuant to Paragraph 6.43 of the Listing Requirements, the effective date for the implementation of the ESOS has been fixed on 1 November 2018 and that the confirmation of the ESOS including its final By-Laws have been submitted to Bursa Securities.

B10. Group's borrowings and debt securities

There were no borrowings and debt securities as at the date of this report.

B11. Off balance sheet financial instruments

There were no off balance sheet financial instruments as at the date of this report.

B12. Material litigation

There are no material litigations pending as at the date of this report.

B13. Dividend declared

No dividend was proposed or declared by the Company during the current quarter under review.

B14. Earnings per share (EPS)

a) **Basic EPS**

Basic EPS is calculated by dividing the net profit after tax and minority interests for the period by number of ordinary shares in issue during the period.

	Individual Quarter		Cumulative Quarter	
	30.9.18	30.9.17	30.9.18	30.9.17
	RM	RM	RM	RM
Net profit after tax and minority interests (RM)	1,619,165	5,133,009	8,382,550	18,286,933
Weighted average number of ordinary shares in issue	160,836,591	161,108,500	160,836,591	161,108,500
Basic earnings per share (sen)	1.01	3.19	5.21	11.35

b) **Diluted EPS**

The Group does not have any convertible securities and accordingly diluted EPS is not applicable.

(Incorporated in Malaysia)

B15. Profit before tax

	Individual Quarter		Cumulative Quarter	
	3 months ended	3 months ended	9 months ended	9 months ended
	30.9.18	30.9.17	30.9.18	30.9.17
	RM	RM	RM	RM
Depreciation of property, plant and equipment	159,081	154,853	448,328	464,252
Loss / (Gain) on fair value adjustment of other investments	12,095	20,749	306,490	(123,547)
Foreign exchange loss / (gain) - realised	(230,803)	158,328	28,979	508,722
- unrealised	78,826	68,136	(194,926)	134,661
Interest income	(178,801)	(144,790)	(574,764)	(474,810)
Rental income	(112,860)	(112,860)	(338,580)	(306,900)
Loss/(Gain) on disposal of plant and equipment	-	159	292	(141)

B16. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 27 November 2018.