



**DGB ASIA BERHAD (721605-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**Quarterly Report For The Period Ended 30 September 2017**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2017**

|                                                                                           | UNAUDITED<br>INDIVIDUAL QUARTER |                                | UNAUDITED<br>CUMULATIVE QUARTER              |                                                                               |
|-------------------------------------------------------------------------------------------|---------------------------------|--------------------------------|----------------------------------------------|-------------------------------------------------------------------------------|
|                                                                                           | THREE(3) MONTHS<br>30-Sep-2017  | THREE(3) MONTHS<br>30-Sep-2016 | CURRENT<br>YEAR TO DATE ENDED<br>30-Sep-2017 | PRECEDING<br>CORRESPONDING<br>YEAR TO DATE ENDED<br>30-Sep-2016<br>(RESTATED) |
|                                                                                           | RM'000                          | RM'000                         | RM'000                                       | RM'000                                                                        |
| Revenue                                                                                   | 2,180                           | 7,123                          | 2,521                                        | 7,466                                                                         |
| Operating expenses                                                                        | (1,427)                         | (7,209)                        | (2,387)                                      | (8,160)                                                                       |
| Other operating income                                                                    | -                               | 93                             | 6                                            | 173                                                                           |
| Profit / (Loss) from operations                                                           | 753                             | 7                              | 140                                          | (521)                                                                         |
| Finance expenses                                                                          | -                               | -                              | -                                            | -                                                                             |
| Profit / (Loss) before tax expenses                                                       | 753                             | 7                              | 140                                          | (521)                                                                         |
| Tax expenses                                                                              | -                               | -                              | -                                            | -                                                                             |
| Profit / (Loss) after tax expenses                                                        | 753                             | 7                              | 140                                          | (521)                                                                         |
| Other comprehensive (expense) / income                                                    |                                 |                                |                                              |                                                                               |
| - Foreign exchange translation from the foreign operations                                | (51)                            | (201)                          | 47                                           | (34)                                                                          |
| Total comprehensive income / (expense)                                                    | 702                             | (194)                          | 187                                          | (555)                                                                         |
| Profit / (Loss) attributable to :                                                         |                                 |                                |                                              |                                                                               |
| Equity holders of the company                                                             | 753                             | 5                              | 140                                          | (523)                                                                         |
| Minority shareholders                                                                     | -                               | 2                              | -                                            | 2                                                                             |
|                                                                                           | 753                             | 7                              | 140                                          | (521)                                                                         |
| Total comprehensive income / (expense) :                                                  |                                 |                                |                                              |                                                                               |
| Equity holders of the company                                                             | 702                             | (215)                          | 187                                          | (581)                                                                         |
| Minority shareholders                                                                     | -                               | 21                             | -                                            | 26                                                                            |
|                                                                                           | 702                             | (194)                          | 187                                          | (555)                                                                         |
| Profit / (Loss) per share attributable to the equity holders of the Company (sen)         | 0.15                            | 0.01                           | 0.03                                         | (0.11)                                                                        |
| Diluted profit / (loss) per share attributable to the equity holders of the Company (sen) | 0.10                            | 0.00                           | 0.02                                         | (0.07)                                                                        |

**Note:-**

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2017 and the accompanying explanatory notes to the interim financial statements.

There was no income / expense in relation to gain or loss on disposal of quoted or unquoted investment or properties, and gain or loss on derivatives and exceptional items.



**DGB ASIA BERHAD (721605-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**

**Quarterly Report For The Period Ended 30 September 2017**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2017**

|                                                             | <b>UNAUDITED<br/>AS AT END OF CURRENT<br/>QUARTER<br/>30-Sep-2017<br/><br/>RM'000</b> | <b>AUDITED<br/>AS AT PRECEDING<br/>FINANCIAL YEAR ENDED<br/>31-Mar-2017<br/><br/>RM'000</b> |
|-------------------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| <b>ASSETS</b>                                               |                                                                                       |                                                                                             |
| <b>Non-current Assets</b>                                   |                                                                                       |                                                                                             |
| Property, plant and equipment                               | 3,075                                                                                 | 3,528                                                                                       |
|                                                             | 3,075                                                                                 | 3,528                                                                                       |
| <b>Current Assets</b>                                       |                                                                                       |                                                                                             |
| Inventories                                                 | 6,461                                                                                 | 6,448                                                                                       |
| Trade receivables                                           | 8,136                                                                                 | 7,470                                                                                       |
| Other receivables, deposits and prepayments                 | 12,270                                                                                | 6,987                                                                                       |
| Other investments                                           | 491                                                                                   | 491                                                                                         |
| Tax recoverable                                             | 9                                                                                     | 9                                                                                           |
| Cash and bank balances                                      | 11,073                                                                                | 14,792                                                                                      |
|                                                             | 38,440                                                                                | 36,197                                                                                      |
| <b>TOTAL ASSETS</b>                                         | <b>41,515</b>                                                                         | <b>39,725</b>                                                                               |
| <b>EQUITY AND LIABILITIES</b>                               |                                                                                       |                                                                                             |
| <b>Equity attributable to equity holders of the Company</b> |                                                                                       |                                                                                             |
| Share Capital                                               | 21,400                                                                                | 19,560                                                                                      |
| Translation reserve                                         | (1,120)                                                                               | (1,167)                                                                                     |
| Warrants reserve                                            | 9,780                                                                                 | 9,780                                                                                       |
| Accumulated profits/(losses)                                | 9,390                                                                                 | 9,250                                                                                       |
| Shareholders' funds                                         | 39,450                                                                                | 37,423                                                                                      |
| Minority interests                                          | (46)                                                                                  | (46)                                                                                        |
| <b>Total Equity</b>                                         | <b>39,404</b>                                                                         | <b>37,377</b>                                                                               |
| <b>Current Liabilities</b>                                  |                                                                                       |                                                                                             |
| Trade payables                                              | 1,475                                                                                 | 475                                                                                         |
| Other payables and accruals                                 | 636                                                                                   | 1,873                                                                                       |
|                                                             | 2,111                                                                                 | 2,348                                                                                       |
| <b>Total Liabilities</b>                                    | 2,111                                                                                 | 2,348                                                                                       |
| <b>TOTAL EQUITY AND LIABILITIES</b>                         | <b>41,515</b>                                                                         | <b>39,725</b>                                                                               |
| Net assets per share (RM)                                   | 0.07                                                                                  | 0.08                                                                                        |

**Note:-**

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.



**DGB ASIA BERHAD (721605-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**

**Quarterly Report For The Period Ended 30 September 2017**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2017**

|                                                               | <----- Non-Distributable -----> |                         |                               | Warrants Reserve<br>RM'000 | Distributable<br>Accumulated losses<br>RM'000 | Shareholders'<br>Fund<br>RM'000 | Non-controlling<br>Interests<br>RM'000 | Total<br>Equity<br>RM'000 |
|---------------------------------------------------------------|---------------------------------|-------------------------|-------------------------------|----------------------------|-----------------------------------------------|---------------------------------|----------------------------------------|---------------------------|
|                                                               | Share Capital<br>RM'000         | Share Premium<br>RM'000 | Translation Reserve<br>RM'000 |                            |                                               |                                 |                                        |                           |
| <b>At 30 September 2015</b>                                   |                                 |                         |                               |                            |                                               |                                 |                                        |                           |
| At 1 October 2015                                             | 48,900                          | 3,605                   | 738                           | 9,780                      | (24,196)                                      | 38,827                          | (114)                                  | 38,713                    |
| Par value deduction                                           | (29,340)                        | (3,605)                 | -                             | -                          | 32,945                                        | -                               | -                                      | -                         |
| Total comprehensive income / expense for the financial period | -                               | -                       | (1,905)                       | -                          | 501                                           | (1,404)                         | 68                                     | (1,336)                   |
| <b>At 31 March 2017 (audited)</b>                             | <u>19,560</u>                   | <u>-</u>                | <u>(1,167)</u>                | <u>9,780</u>               | <u>9,250</u>                                  | <u>37,423</u>                   | <u>(46)</u>                            | <u>37,377</u>             |
| At 1 April 2017                                               | 19,560                          | -                       | (1,167)                       | 9,780                      | 9,250                                         | 37,423                          | (46)                                   | 37,377                    |
| Issuance of private placement shares                          | 1,840                           | -                       | -                             | -                          | -                                             | 1,840                           | -                                      | 1,840                     |
| Total comprehensive expense for the financial period          | -                               | -                       | 47                            | -                          | 140                                           | 187                             | -                                      | 187                       |
| <b>At 30 September 2017 (Unaudited)</b>                       | <u>21,400</u>                   | <u>-</u>                | <u>(1,120)</u>                | <u>9,780</u>               | <u>9,390</u>                                  | <u>39,450</u>                   | <u>(46)</u>                            | <u>39,404</u>             |

**Note:-**

The unaudited Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.



**DGB ASIA BERHAD (721605-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**Quarterly Report For The Period Ended 30 September 2017**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2017**

|                                                                                                     | UNAUDITED<br>CURRENT YEAR<br>TO DATE ENDED<br>30-Sep-2017 | ( RESTATED )<br>AUDITED<br>AS AT PRECEDING<br>FINANCIAL YEAR ENDED AT<br>30-Sep-2016 |
|-----------------------------------------------------------------------------------------------------|-----------------------------------------------------------|--------------------------------------------------------------------------------------|
|                                                                                                     | RM'000                                                    | RM'000                                                                               |
| <b>Cash flows from operating activities</b>                                                         |                                                           |                                                                                      |
| Profit / (Loss) before tax                                                                          | 140                                                       | (64)                                                                                 |
| Adjustments for:                                                                                    |                                                           |                                                                                      |
| Depreciation of property, plant and equipment                                                       | 453                                                       | 422                                                                                  |
| Impairment loss on trade receivables                                                                | -                                                         | 48                                                                                   |
| Fair value loss of financial assets recognised in profit and loss                                   | -                                                         | 68                                                                                   |
| Inventories written off                                                                             | -                                                         | 479                                                                                  |
| Bad debts written-off                                                                               | -                                                         | 12                                                                                   |
| Interest income                                                                                     | (6)                                                       | (204)                                                                                |
| Unrealised gain on foreign exchange translation                                                     | -                                                         | (10)                                                                                 |
| Operating (loss) / profit before working capital changes                                            | 587                                                       | 751                                                                                  |
| Changes in working capital:                                                                         |                                                           |                                                                                      |
| (Increased) / Decrease in inventories                                                               | (13)                                                      | 609                                                                                  |
| Increase in receivables                                                                             | (4,109)                                                   | (8,822)                                                                              |
| Decrease in payables                                                                                | (237)                                                     | (2,378)                                                                              |
| Cash flows absorbed by operations                                                                   | (3,772)                                                   | (9,840)                                                                              |
| Tax refund                                                                                          | -                                                         | -                                                                                    |
| <b>Net cash used in operating activities</b>                                                        | <b>(3,772)</b>                                            | <b>(9,840)</b>                                                                       |
| <b>Cash flows from investing activities</b>                                                         |                                                           |                                                                                      |
| Interest income received                                                                            | 6                                                         | 204                                                                                  |
| Purchase of property, plant and equipment                                                           | -                                                         | (3,100)                                                                              |
| Purchase of investment in quoted shares                                                             | -                                                         | (1,178)                                                                              |
| Proceed from disposal of investments                                                                | -                                                         | 188                                                                                  |
| <b>Net cash from investing activities</b>                                                           | <b>6</b>                                                  | <b>(3,886)</b>                                                                       |
| <b>Net decrease in cash and cash equivalents</b>                                                    | <b>(3,766)</b>                                            | <b>(13,726)</b>                                                                      |
| <b>Foreign exchange fluctuation reserve</b>                                                         | <b>47</b>                                                 | <b>(517)</b>                                                                         |
| Cash and cash equivalents at beginning of the financial period/year                                 | 14,792                                                    | 26,999                                                                               |
| <b>Cash and cash equivalents at end of the financial period/year</b>                                | <b>11,073</b>                                             | <b>12,756</b>                                                                        |
| <b>Cash and cash equivalents at the end of the financial period/year comprises the following :-</b> |                                                           |                                                                                      |
| Fixed deposits with licensed banks                                                                  | -                                                         | 10,113                                                                               |
| Cash and bank balances                                                                              | 11,073                                                    | 2,743                                                                                |
|                                                                                                     | <b>11,073</b>                                             | <b>12,756</b>                                                                        |

**Note:-**

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.



**DGB ASIA BERHAD (721605-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**

**Quarterly Report For The Period Ended 30 September 2017**

**A NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**A1. Basis of preparation**

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the DGB Asia Berhad ("Group") for the financial year ended 31 March 2017.

**A2. Changes in accounting policies**

The significant accounting policies, method of computation and basis of consolidation adopted by the Group in this interim financial report are consistent with those adopted in the most recent audited financial statements for the year ended 31 March 2017 except for the adoption of the following new and revised Malaysian Financial Reporting Standards ("MFRS") and amendment to MFRS that had been issued but not yet effective.

|                       |                                                                                           |
|-----------------------|-------------------------------------------------------------------------------------------|
| MFRS 7                | Financial Instruments : Disclosures                                                       |
| MFRS 9                | Financial Instruments                                                                     |
| MFRS 15               | Revenue from Contracts with Customers                                                     |
| MFRS 16               | Leases                                                                                    |
| MFRS 139              | Financial Instruments : Recognition and Measurement                                       |
| IC Interpretation 22  | Foreign Currency Transactions and Advance 1 January 2018 Consideration Amendments to MFRS |
| New MFRS 14           | Regulatory Deferral Accounts                                                              |
| MFRSs 2014-2016 Cycle | Annual Improvements                                                                       |

The adoptions of new and revised MFRSs, and amendment to MFRS are not expected to have significant financial impact to the Group.

**A3. Auditors' report on preceding annual financial statements**

The preceding year's annual financial statements were not subject to any qualification.

**A4. Seasonal or cyclical factors**

The Group's operations are not materially affected by seasonal or cyclical factors.

**A5. Unusual items affecting assets, liabilities, equity, net income or cash flows**

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



**DGB ASIA BERHAD (721605-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**

**Quarterly Report For The Period Ended 30 September 2017**

**A6. Material changes in estimates**

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

**A7. Debts and equity securities**

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities, share buy backs, share cancellation, shares held as treasury share and resale of treasury shares for the current financial quarter under review.

**A8. Dividend**

There were no dividends declared or paid during the current financial quarter under review.

**A9. Segmental information**

(a) Analysis of revenue by geographical area

|                                  | <b>Three (3)<br/>Months<br/>Ended<br/>30/09/2017<br/>RM'000</b> | <b>Three (3)<br/>Months<br/>Ended<br/>30/09/2016<br/>RM'000</b> | <b>Current<br/>Year<br/>To Date Ended<br/>30/09/2017<br/>RM'000</b> | <b>Preceding<br/>Corresponding<br/>Year<br/>To Date Ended<br/>30/09/2016<br/>RM'000</b> |
|----------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|---------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| Singapore                        | 47                                                              | 48                                                              | 47                                                                  | 101                                                                                     |
| Malaysia                         | 33                                                              | 85                                                              | 74                                                                  | 138                                                                                     |
| Thailand                         | 2,100                                                           | -                                                               | 2,400                                                               | -                                                                                       |
| Indonesia                        | -                                                               | 250                                                             | -                                                                   | 250                                                                                     |
| China                            | -                                                               | 7,000                                                           | -                                                                   | 7,000                                                                                   |
| Others                           | -                                                               | -                                                               | -                                                                   | -                                                                                       |
|                                  | 2,180                                                           | 7,133                                                           | 2,521                                                               | 7,489                                                                                   |
| Less: Inter-company transactions | -                                                               | (10)                                                            | -                                                                   | (209)                                                                                   |
|                                  | 2,180                                                           | 7,123                                                           | 2,521                                                               | 7,280                                                                                   |



DGB ASIA BERHAD (721605-K)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**Quarterly Report For The Period Ended 30 September 2017**

(b) Analysis of revenue by product categories

|                                     | <b>Three (3)<br/>Months<br/>Ended<br/>30/09/2017<br/>RM'000</b> | <b>Three (3)<br/>Months<br/>Ended<br/>30/09/2016<br/>RM'000</b> | <b>Current<br/>Year<br/>To Date Ended<br/>30/09/2017<br/>RM'000</b> | <b>Preceding<br/>Corresponding<br/>Year<br/>To Date Ended<br/>30/09/2016<br/>RM'000</b> |
|-------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|---------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| Proprietary software                | 3                                                               | 8                                                               | 4                                                                   | 13                                                                                      |
| Value added products &<br>services  | 2,176                                                           | 7,127                                                           | 2,516                                                               | 7,437                                                                                   |
| AIDC hardware / equipment           | 1                                                               | (2)                                                             | 1                                                                   | 39                                                                                      |
|                                     | <hr/> 2,180                                                     | <hr/> 7,133                                                     | <hr/> 2,521                                                         | <hr/> 7,489                                                                             |
| Less: Inter-company<br>transactions | -                                                               | (10)                                                            | -                                                                   | (209)                                                                                   |
|                                     | <hr/>                                                           | <hr/>                                                           | <hr/>                                                               | <hr/>                                                                                   |
| Total revenue                       | <hr/> <hr/> 2,180                                               | <hr/> <hr/> 7,123                                               | <hr/> <hr/> 2,521                                                   | <hr/> <hr/> 7,280                                                                       |

**A10. Valuation of property, plant and equipment**

There was no valuation of the property, plant and equipment in the current financial quarter under review.

**A11. Material events subsequent to the end of the quarter**

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

**A12. Changes in composition of the Group**

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

**A13. Contingent assets or liabilities**

The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at reporting date.

**A14. Capital commitments**

There were no material capital commitments in respect of property, plant and equipment as at the end of the current quarter under review.



**DGB ASIA BERHAD (721605-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**

**Quarterly Report For The Period Ended 30 September 2017**

**A15. Significant related party transactions**

During the current financial quarter, the Directors are of the opinion that the Group has no related party transactions which would have a significant impact on the financial position and business of the Group.

**A16. Cash and cash equivalents**

|                                    | <b>As at<br/>30/09/2017<br/>RM'000</b> | <b>As at<br/>30/09/2016<br/>RM'000</b> |
|------------------------------------|----------------------------------------|----------------------------------------|
| Cash and bank balances             | 11,073                                 | 2,743                                  |
| Fixed deposits with licensed banks | -                                      | 10,013                                 |
|                                    | <u>11,073</u>                          | <u>12,756</u>                          |





**DGB ASIA BERHAD (721605-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**

**Quarterly Report For The Period Ended 30 September 2017**

**ADDITIONAL NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE ACE MARKET**

**B1. Review of performance**

Current Year Quarter ended 30 Sep 2017 versus Previous Year Quarter ended 30 Sep 2016

|                                                                                         | Individual period<br>(period ended 30 Sep 2017) |                                               |                           | Cumulative period           |                                           |                           |
|-----------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------------------------------|---------------------------|-----------------------------|-------------------------------------------|---------------------------|
|                                                                                         | Current<br>Year<br>Quarter                      | Preceding<br>Year<br>Corresponding<br>Quarter | Changes<br>(in<br>Amount) | Current<br>Year-to-<br>date | Preceding Year<br>Corresponding<br>Period | Changes<br>(in<br>Amount) |
|                                                                                         | 30 Sep<br>2017                                  | 30 Sep 2016                                   |                           | 30 Sep<br>2017              | 30 Sep 2016                               |                           |
|                                                                                         | RM'000                                          | RM'000                                        | RM'000                    | RM'000                      | RM'000                                    | RM'000                    |
| Revenue                                                                                 | 2,180                                           | 7,123                                         | (4,943)                   | 2,521                       | 7,466                                     | (4,945)                   |
| Operating<br>profit / (loss)                                                            | 753                                             | 7                                             | 746                       | 140                         | (521)                                     | 661                       |
| Profit /(Loss)<br>before<br>interest and<br>tax                                         | 753                                             | 7                                             | 746                       | 140                         | (521)                                     | 661                       |
| Profit/ (Loss)<br>before tax                                                            | 753                                             | 7                                             | 746                       | 140                         | (521)                                     | 661                       |
| Profit /(Loss)<br>after tax                                                             | 753                                             | 7                                             | 746                       | 140                         | (521)                                     | 661                       |
| Profit /<br>(Loss)<br>attributable<br>to ordinary<br>equity<br>holders of<br>the parent | 753                                             | 5                                             | 748                       | 140                         | (523)                                     | 663                       |



**DGB ASIA BERHAD (721605-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**

**Quarterly Report For The Period Ended 30 September 2017**

For the quarter under review, the Group generated revenue of RM2.18 million and profit before tax expenses (“PBT”) of RM0.75 million respectively, compared with revenue of RM7.12 million and PBT of RM0.007 million in the corresponding quarter of the preceding year ended 30 September 2016. The lower in revenue was mainly due to lower value added products sold and an increase in PBT for the quarter under review was mainly due to lower operating cost and higher margin of the products sold in comparison with corresponding quarter of the preceding year ended 30 September 2016.

**B2. Comparison with preceding quarter’s results**

|                                                                     | Current<br>Quarter<br>30/09/2017<br>RM'000 | Preceding<br>Quarter<br>30/06/2017<br>RM'000 | Variance<br>RM'000 |
|---------------------------------------------------------------------|--------------------------------------------|----------------------------------------------|--------------------|
| Revenue                                                             | 2,180                                      | 341                                          | 1,839              |
| Operating Profit                                                    | 753                                        | (613)                                        | 1,366              |
| Profit before Interest and tax                                      | 753                                        | (613)                                        | 1,366              |
| Profit before tax                                                   | 753                                        | (613)                                        | 1,366              |
| Profit after tax                                                    | 753                                        | (613)                                        | 1,366              |
| Profit/(Loss) attributable to ordinary equity holders of the parent | 753                                        | (613)                                        | 1,366              |

The Group reported a revenue and PBT for the quarter under review of RM2.18 million and RM0.75 million respectively as compared with the preceding quarter’s revenue and loss before tax (“LBT”) of RM0.34 million and RM0.61 million respectively. The sharp increase in revenue was mainly due to higher value added products sold during the quarter under review as compared with preceding quarter.

**B3. Prospects**

The prospects ahead for the Group will be challenging due to the increased competition and weaker demand from local and overseas market and the depreciation of Malaysian Ringgit. This continues to put pressure on DGB’s operating environment. The Group focus on expanding its footprint in oversea and expand its product range offered. Notwithstanding these challenges the Group will continue to strive for efficient cost management and expand its revenue portfolio to improve its overall overheads and performances. The successful of the Group heavily rely on the capabilities of the management team to secure revenue abroad and in local market with ranges from all products within the Group, bearing others unforeseen circumstances such as global/local macroeconomic, government policies and interest rate.

**B4. Tax expenses**

There was no provision of tax liability for the quarter under review.



**DGB ASIA BERHAD (721605-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**

**Quarterly Report For The Period Ended 30 September 2017**

**B5. Profit forecast and profit guarantee**

The Group has not issued any profit forecast or profit guarantee during the current financial quarter under review.

**B6. Status of corporate proposals announced and not completed**

There were no corporate proposal announced but not completed as at the date of this report.

**B7. Status of utilisation of proceeds raised from previous corporate proposals**

(i.) Right Issue of shares

The utilisation of the proceeds of RM35,860,000 from the Rights Issues of 326,000,000 new ordinary shares of RM0.11 each as of the date of this report is as follows:-

|                                                           | <b>Proposed</b> | <b>Amount</b>   | <b>Amount</b>     | <b>Timeframe for</b>     |
|-----------------------------------------------------------|-----------------|-----------------|-------------------|--------------------------|
|                                                           | <b>Amount</b>   | <b>Utilised</b> | <b>Unutilised</b> | <b>Utilisation</b>       |
| <b>Purpose</b>                                            | <b>RM'000</b>   | <b>RM'000</b>   | <b>RM'000</b>     | <b>(from 1 Nov 2017)</b> |
| Working capital                                           | 29,910          | 28,406          | 1,504             | Within 12 months         |
| Capital expenditure                                       | 5,500           | -               | 5,500             | Within 12 months         |
| Estimated expenses in relation to the corporate exercises | 450             | 450             | -                 | Within 2 weeks           |
| <b>Total estimated proceeds</b>                           | <b>35,860</b>   | <b>28,856</b>   | <b>7,004</b>      |                          |

**B8. Borrowings and debt securities**

There were no borrowings as at the end of the current quarter under review.

**B9. Trade receivables**

The Group's normal trade credit terms granted to trade receivables ranged from 1 month to 5 months (2016: 1 month to 5 months). Other credit terms are assessed and approved on a case by case basis. There are no trade receivables from related parties.

|                         | As at quarter ended 30 September 2017 |              |              |                    |              |
|-------------------------|---------------------------------------|--------------|--------------|--------------------|--------------|
|                         | Current                               | 1 – 3 months | 3 – 6 months | More than 6 months | Total        |
|                         | RM'000                                | RM'000       | RM'000       | RM'000             | RM'000       |
| Denominated in RM       | 2,104                                 | 302          | 3,874        | 1,856              | 8,136        |
| Denominated in Currency | -                                     | -            | -            | -                  | -            |
| <b>Total</b>            | <b>2,104</b>                          | <b>302</b>   | <b>3,874</b> | <b>1,856</b>       | <b>8,136</b> |



**DGB ASIA BERHAD (721605-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**

**Quarterly Report For The Period Ended 30 September 2017**

**B10. Material litigation**

There was no material litigation as at the date of this report.

**B11. Dividends**

The Board of Directors does not recommend any dividends for the current financial quarter under review and the financial year-to-date.

**B12. Earnings per share**

1) Basic earnings per ordinary shares

Basic earnings per share amounts were calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

|                                                                                     | Individual Quarter                         |                                            | Cumulative Quarter                             |                                                  |
|-------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|------------------------------------------------|--------------------------------------------------|
|                                                                                     | Three (3)<br>Months<br>Ended<br>30/09/2017 | Three (3)<br>Months<br>Ended<br>30/09/2016 | Current<br>Year<br>To Date Ended<br>30/09/2017 | Preceding<br>Year<br>To Date Ended<br>30/09/2016 |
| Net (loss) / profit attributable to ordinary equity holders of the Company (RM'000) | 753                                        | 5                                          | 140                                            | (523)                                            |
| Weighted average number of ordinary shares in issue ('000)                          | 506,369                                    | 489,000                                    | 506,369                                        | 489,000                                          |
| Basic (loss) / profit per share (sen)                                               | 0.15                                       | 0.001                                      | 0.03                                           | (0.11)                                           |

2) Diluted Earnings per ordinary shares

The diluted earnings per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue and issuable after the conversion of all outstanding warrants during the financial period ended 30 September 2017.

|                                                                                     | Individual Quarter                         |                                            | Cumulative Quarter                             |                                                  |
|-------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|------------------------------------------------|--------------------------------------------------|
|                                                                                     | Three (3)<br>Months<br>Ended<br>30/09/2017 | Three (3)<br>Months<br>Ended<br>30/09/2016 | Current<br>Year<br>To Date Ended<br>30/09/2017 | Preceding<br>Year<br>To Date Ended<br>30/09/2016 |
| Net (loss) / profit attributable to ordinary equity holders of the Company (RM'000) | 753                                        | 5                                          | 140                                            | (523)                                            |



**DGB ASIA BERHAD (721605-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**

**Quarterly Report For The Period Ended 30 September 2017**

|                                                                                                                   |         |         |         |         |
|-------------------------------------------------------------------------------------------------------------------|---------|---------|---------|---------|
| Weighted average number of ordinary shares in issue ('000)                                                        | 506,369 | 489,000 | 506,369 | 489,000 |
| Effect of dilution after conversion of all outstanding Warrants ('000)                                            | 244,500 | 244,500 | 244,500 | 244,500 |
| Adjusted weighted average number of ordinary shares in issue ('000) for the purpose of diluted earnings per share | 750,869 | 733,500 | 750,869 | 733,500 |
| Diluted basic (loss) / profit per share (sen)                                                                     | 0.10    | (0.07)  | 0.02    | (0.07)  |

**B13. Disclosure of Realised and Unrealised Profits / (Losses)**

|                               | <b>As at<br/>30/09/2017</b> | <b>As at<br/>31/03/2017</b> |
|-------------------------------|-----------------------------|-----------------------------|
|                               | <b>RM'000</b>               | <b>RM'000</b>               |
| Realised                      | 9,390                       | 4,710                       |
| Unrealised                    | -                           | 8                           |
|                               | <u>9,390</u>                | <u>4,718</u>                |
| Add: Consolidation adjustment | -                           | 4,532                       |
| Accumulated profits/(losses)  | <u>9,390</u>                | <u>9,250</u>                |

**B14. Comprehensive Income Disclosure**

|                                      | <b>Individual Quarter</b>                                       |                                                                 | <b>Cumulative Quarter</b>                                           |                                                                                         |
|--------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|---------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
|                                      | <b>Three (3)<br/>Months<br/>Ended<br/>30/09/2017<br/>RM'000</b> | <b>Three (3)<br/>Months<br/>Ended<br/>30/09/2016<br/>RM'000</b> | <b>Current<br/>Year<br/>To Date Ended<br/>30/09/2017<br/>RM'000</b> | <b>Preceding<br/>Corresponding<br/>Year<br/>To Date Ended<br/>30/09/2016<br/>RM'000</b> |
| Interest Income                      | -                                                               | 12                                                              | (6)                                                                 | 92                                                                                      |
| Depreciation and amortisation        | 226                                                             | 130                                                             | 453                                                                 | 256                                                                                     |
| Forex (gain)/loss                    | -                                                               | (80)                                                            | -                                                                   | (75)                                                                                    |
| Impairment loss on trade receivables | -                                                               | 48                                                              | -                                                                   | 48                                                                                      |
| Inventories written-off              | -                                                               | 479                                                             | -                                                                   | 479                                                                                     |
| Unrealised loss on quoted shares     | -                                                               | 68                                                              | -                                                                   | 68                                                                                      |