

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH (4th) QUARTER ENDED 31 DECEMBER 2017**

	--- Individual Quarter ---		--- Cumulative Quarter ---	
	31 December 2017 RM '000	31 December 2016 RM '000	31 December 2017 RM '000	31 December 2016 RM '000
Revenue	18,958	23,035	76,753	68,789
Cost of sales	<u>(14,994)</u>	<u>(18,556)</u>	<u>(60,452)</u>	<u>(52,996)</u>
Gross profit	3,964	4,479	16,301	15,793
Other operating income	111	454	146	1,100
Administrative expenses	(1,440)	(2,756)	(5,592)	(8,042)
Selling and distribution expenses	(420)	(336)	(2,022)	(2,268)
Other operating expenses	(4)	-	(5)	(21)
Finance costs	<u>(270)</u>	<u>(433)</u>	<u>(890)</u>	<u>(860)</u>
Profit before taxation	1,941	1,408	7,938	5,702
Taxation	(13)	89	(371)	(223)
Profit after taxation ("PAT")	<u>1,928</u>	<u>1,497</u>	<u>7,567</u>	<u>5,479</u>
Other comprehensive income after tax:				
- Foreign exchange translation	(3,056)	3,862	(6,324)	(1,327)
- Revaluation of land	-	439	-	439
Total comprehensive (loss)/ income	<u>(1,128)</u>	<u>5,798</u>	<u>1,243</u>	<u>4,591</u>
PROFIT ATTRIBUTABLE TO:				
- Owners of the company	<u>1,928</u>	<u>1,497</u>	<u>7,567</u>	<u>5,479</u>
TOTAL COMPREHENSIVE (LOSS)/ INCOME ATTRIBUTABLE TO:				
- Owners of the company	<u>(1,128)</u>	<u>5,798</u>	<u>1,243</u>	<u>4,591</u>
Weighted average no. of ordinary shares ('000)	798,461	798,461	798,461	737,288
Earnings per share attributable to owners of the company (sen):				
- Basic	0.24	0.19	0.95	0.74
- Diluted	0.19	0.14	0.73	0.56

Notes:

N/A Not applicable

(1) The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements of Kanger International Berhad ("Kanger" or the "Company") for the financial year ended ("FYE") 31 December 2016 and the accompanying explanatory notes attached to this interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017**

	(Unaudited) As at 31 December 2017 RM '000	(Audited) As at 31 December 2016 RM '000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	75,717	44,804
Intangible assets	17,686	17,871
	93,403	62,675
CURRENT ASSETS		
Inventories	27,619	30,087
Trade and other receivables	51,960	55,271
Tax recoverable	316	273
Cash and cash equivalents	10,239	15,650
	90,134	101,281
TOTAL ASSETS	183,537	163,956
EQUITY AND LIABILITIES		
EQUITY		
Share capital	79,846	79,846
Reserves	42,814	41,571
TOTAL EQUITY	122,660	121,417
CURRENT LIABILITIES		
Trade and other payables	4,909	8,170
Amount due to director	347	-
Bank borrowings	27,138	28,226
Tax payable	392	100
	32,786	36,496
LONG TERM LIABILITIES		
Bank borrowings	27,866	5,810
Deferred taxation	225	233
	28,091	6,043
TOTAL LIABILITIES	60,877	42,539
TOTAL EQUITY AND LIABILITIES	183,537	163,956
NET ASSETS PER SHARE (sen)	15.36	15.21

Note:

- (1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements of Kanger for the FYE 31 December 2016 and the accompanying explanatory notes attached to this interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH (4th) QUARTER ENDED 31 DECEMBER 2017

	----- Non-Distributable -----					Equity Component of Redeemable Convertible Notes RM '000	Distributable	
	Share Capital RM '000	Share Premium RM '000	Merger Reserve RM '000	Revaluation Reserve RM '000	Translation Reserve RM '000		Retained Earnings RM '000	Total Equity RM '000
Balance as at 1 January 2017	79,846	4,381	(12,805)	1,227	13,154	-	35,614	121,417
PAT	-	-	-	-	-	-	7,567	7,567
Foreign currency translation	-	-	-	-	(6,324)	-	-	(6,324)
Total comprehensive income	-	-	-	-	(6,324)	-	7,567	1,243
Balance as at 31 December 2017	79,846	4,381	(12,805)	1,227	6,830	-	43,181	122,660
Preceding year corresponding year ended 31 December 2016								
Balance as at 1 January 2016	60,442	3,385	(12,805)	788	14,481	132	30,135	96,558
Conversion of redeemable convertible notes	19,404	996	-	-	-	(132)	-	20,268
PAT	-	-	-	-	-	-	5,479	5,479
Foreign currency translation	-	-	-	-	(1,327)	-	-	(1,327)
Revaluation of land	-	-	-	439	-	-	-	439
Total comprehensive income	-	-	-	439	(1,327)	-	5,479	4,591
Balance as at 31 December 2016	79,846	4,381	(12,805)	1,227	13,154	-	35,614	121,417

Note:

- (1) *The Unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements of Kanger for the FYE 31 December 2016 and the accompanying explanatory notes attached to this interim financial report.*

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH (4th) QUARTER ENDED 31 DECEMBER 2017**

	Current Year to date 31 December 2017 RM'000	Preceding Year to date 31 December 2016 RM'000
CASH FLOWS FOR OPERATING ACTIVITIES		
Profit before taxation	7,938	5,702
Adjustments for:		
Depreciation of property, plant and equipment	1,035	1,656
Amortisation of intangible assets	893	812
Revaluation of property, plant and equipment	-	(439)
Interest expenses	890	860
Interest income	(139)	(55)
Operating profit before working capital changes:	10,617	8,536
Change in inventories	2,468	692
Change in trade and other receivables	3,311	(26,029)
Change in trade and other payables	(2,379)	(558)
CASH GENERATED FROM/ (USED IN) OPERATIONS	14,017	(17,359)
Interest paid	(890)	(860)
Interest received	139	55
Income tax paid	(658)	(1,454)
NET CASH GENERATED FROM/ (USED IN) OPERATING ACTIVITIES	12,608	(19,618)
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(34,275)	(12,811)
Development expenditure	(1,330)	(2,646)
NET CASH USED IN INVESTING ACTIVITIES	(35,605)	(15,457)
CASH FLOWS FOR FINANCING ACTIVITIES		
Movement of bank borrowings	22,782	3,768
Withdrawal of fixed deposit pledged	307	-
Drawdown of redeemable convertible notes	-	19,500
NET CASH GENERATED FROM FINANCING ACTIVITIES	23,089	23,268
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	92	(11,807)
EFFECT OF EXCHANGE RATE ON CASH AND CASH EQUIVALENTS	(5,084)	3,271
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	6,853	15,389
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	1,861	6,853

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	Current Period to date 31 December 2017 RM'000	Preceding Period to date 31 December 2016 RM'000
Cash and cash equivalents at end of the financial period comprise the following:		
- Cash and bank balances	2,122	7,226
- Bank overdraft	(261)	(373)
- Fixed deposit placed with licensed banks	8,117	8,424
	<u>9,978</u>	<u>15,277</u>
Less: Fixed deposit pledged	<u>(8,117)</u>	<u>(8,424)</u>
	<u><u>1,861</u></u>	<u><u>6,853</u></u>

Note:

- (1) *The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements of Kanger for the FYE 31 December 2016 and the accompanying explanatory notes attached to this interim financial report.*

QUARTERLY REPORT FOR THE FOURTH (4th) QUARTER ENDED 31 DECEMBER 2017

A: EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

A1. Accounting policies and methods of computation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting, Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”).

The interim financial statements should be read in conjunction with the Audited Financial Statements of Kanger for the FYE 31 December 2016 and the accompanying explanatory notes attached to this interim financial report.

Kanger and its subsidiaries (“Group”) have not applied the following standards, amendments and interpretations under the MFRS framework that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the Group:

MFRSs and IC Interpretations (Including The Consequential Amendments)	Effective dates for financial period beginning on and after
MFRS 1 – Amendments to MFRS 1 (Annual improvements to MFRS Standards 2014-2016 Cycle)	1 January 2018
MFRS 2 – Classification and Measurement of Share-based Payment Transactions (Amendments to MFRS 2)	1 January 2018
MFRS 3 – Amendments to MFRS 3 (Annual improvements to MFRS Standards 2015-2017 Cycle)	1 January 2019
MFRS 9 – Financial Instruments (IFRS 9 as issued by IASB in July 2014)	1 January 2018
MFRS 9 – Prepayment Features with Negative Compensation (Amendments to MFRS 9)	1 January 2019
Amendments to MFRS 10 and MFRS 128 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced
MFRS 12 – Amendments to MFRS 12 (Annual improvements to MFRS Standards 2014-2016 Cycle)	1 January 2018
MFRS 15 – Revenue From Contracts with Customers	1 January 2018
MFRS 16 – Leases	1 January 2019
MFRS 17 – Insurance	1 January 2021
MFRS 112 – Amendments to MFRS 112 (Annual improvements to MFRS Standards 2015-2017 Cycle)	1 January 2019
MFRS 123 – Amendments to MFRS 123 (Annual improvements to MFRS Standards 2015-2017 Cycle)	1 January 2019
MFRS 128 – Amendments to MFRS 128 (Annual improvements to MFRS Standards 2014-2016 Cycle)	1 January 2018
MFRS 128 – Long-term Interests in Associates and Joint Ventures (Amendments to MFRS 128)	1 January 2019
MFRS 140 – Transfers of Investment Property (Amendments to MFRS 140)	1 January 2018

The Group intends to adopt the above MFRSs, IC Interpretation as well as amendments to MFRSs when they become effective.

The adoption of the above standards and interpretations will not have any material impact on the financial position and performance of the Group. The accounting policies and methods of computation adopted by the Group in these unaudited condensed interim financial statements are consistent with those adopted in the Audited Financial Statements of Kanger for the FYE 31 December 2016.

A2. Auditors' report on preceding annual financial statements

The auditors' report on the audited consolidated financial statements of the Company for the FYE 31 December 2016 was not subject to any qualification.

A3. Seasonal or cyclical factors

The principal business of the Group was not significantly affected by seasonal or cyclical factors save for long Chinese New Year holidays in the People's Republic of China ("PRC") in the financial quarter ended 31 March 2017.

A4. Unusual items

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

A5. Material changes in estimates

Not applicable as there were no estimates reported in the prior financial years.

A6. Debt and equity securities

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

A7. Segmental information

The Group's revenue is derived from three (3) products, as follows:

	---- Individual Quarter ----		---- Cumulative Quarter ----	
	31 December 2017 RM '000	31 December 2016 RM '000	31 December 2017 RM '000	31 December 2016 RM '000
Horizontal and vertical bamboo flooring	7,870	21,450	54,652	61,441
Strand woven bamboo flooring	9,515	1,206	14,693	1,562
Bamboo furniture and other strand woven bamboo products	1,573	379	7,408	5,786
Total	<u>18,958</u>	<u>23,035</u>	<u>76,753</u>	<u>68,789</u>

The Group's revenue based on the geographical location of its customers is as follows:

	---- Individual Quarter ----		---- Cumulative Quarter ----	
	31 December 2017 RM '000	31 December 2016 RM '000	31 December 2017 RM '000	31 December 2016 RM '000
PRC	11,612	3,709	36,869	20,576
Export:				
- Malaysia	982	6,006	8,613	7,035
- New Zealand	595	1,189	4,980	6,047
- Mexico	707	3,313	4,586	4,224
- United Arab Emirates	170	-	4,369	-
- Bangladesh	11	-	3,357	-
- Canada	2,112	4,293	2,646	16,579
- Others*	2,769	4,525	11,333	14,328
	<u>18,958</u>	<u>23,035</u>	<u>76,753</u>	<u>68,789</u>

* Includes countries in Europe, Asia and South America.

No other segmental information such as segment assets, liabilities and results are presented as the Group is principally engaged in one industry, that is, the bamboo industry in the PRC.

A8. Valuation of property, plant and equipment

The Group has not carried out any valuation of its property, plant and equipment in the current financial quarter.

A9. Capital commitments

The capital commitments of the Group as at 31 December 2017 are as follows:

	RM '000
Approved and contracted for:	
- Capital work-in-progress	<u>14,549</u>

A10. Changes in the composition of the Group

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

A11. Contingent liabilities and contingent assets

There were no changes in contingent liabilities or contingent assets since the date of the last annual reporting period up to the date of this report.

A12. Material events subsequent to the end of the quarter

There were no material events subsequent to the end of the current quarter and financial period-to-date that have not been reflected in this interim financial report.

A13. Related party transactions

Save as disclosed below, there were no related party transactions entered into with related parties during the current financial quarter and financial year-to-date:-

	---- Individual Quarter ----		---- Cumulative Quarter ----	
	31	31	31	31
	December	December	December	December
	2017	2016	2017	2016
	RM '000	RM '000	RM '000	RM '000
Sales to a company in which a Director has substantial interest	-	-	4,277	-

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1. Analysis of performance

	---- Individual Quarter ----		Variance (Amount/%) RM'000
	31 December 2017	31 December 2016	
	RM '000	RM '000	
Revenue	18,958	23,035	-4,077 / -17.7%
Gross profit	3,964	4,479	-515 / -11.5%
Profit before taxation	1,941	1,408	533 / 37.9%
Profit after taxation	1,928	1,497	431 / 28.8%

	---- Cumulative Quarter ----		Variance (Amount/%) RM'000
	31 December 2017	31 December 2016	
	RM '000	RM '000	
Revenue	76,753	68,789	7,964 / 11.6%
Gross profit	16,301	15,793	508 / 3.2%
Profit before taxation	7,938	5,702	2,236 / 39.2%
Profit after taxation	7,567	5,479	2,088 / 38.1%

Individual Quarter

The decrease in revenue by 17.7% in the current financial quarter ended 31 December 2017 (“**Q4 2017**”) as compared to the corresponding quarter ended 31 December 2016 (“**Q4 2016**”) was mainly due to a decrease in the sales to export market by RM11.98 million in Q4 2017, as a result of slowdown in orders from overseas market towards the physical year end. However, this was offset by an increase in sales to the domestic PRC market in Q4 2017 by RM7.90 million due to the Group’s ongoing domestic marketing strategy. Gross profit margin increased to 20.9% in Q4 2017 as compared to 19.4% in Q4 2016 mainly due to increase in sale of higher margin products, i.e. strand woven bamboo products, in Q4 2017.

Despite the decrease in revenue, profit before taxation and profit after taxation increased by 37.9% and 28.8% respectively for Q4 2017 mainly due to improvement in gross margin as well as cost cutting measures implemented in the PRC subsidiaries.

Cumulative Quarter

The increase in revenue by 11.6% for the financial year ended 31 December 2017 (“**FYE 2017**”) as compared to the corresponding year ended 31 December 2016 (“**FYE 2016**”) was mainly due to the pick-up in domestic PRC sales by RM16.29 million due to the Group’s increased effort in marketing its products to the domestic PRC market. Gross profit margin decreased to 21.2% in FYE 2017 as compared to 23.0% in FYE 2016 mainly due to sale of higher margin products in FYE 2016, especially in the quarter ended 30 September 2016.

Overall, profit before taxation and profit after taxation increased by 39.2% and 38.1% respectively in FYE 2017 as compared to FYE 2016 mainly due to the increase in revenue as well as cost cutting measures implemented in the PRC subsidiaries in FYE 2017.

B2. Comparison with immediate preceding quarter's results

	Quarter ended		Variance (Amount/%) RM'000
	31 December 2017 RM '000	30 September 2017 RM '000	
Revenue	18,958	23,848	-4,890 / -20.5%
Gross profit	3,964	5,123	-1,159 / -22.6%
Profit before taxation	1,941	3,118	-1,177 / -37.7%
Profit after taxation	1,928	2,932	-1,004 / -34.2%

The Group recorded a decrease in revenue by RM4.89 million to RM18.96 million in Q4 2017 as compared to RM23.85 million in the preceding financial quarter ended 30 September 2017 ("Q3 2017"). This decrease in revenue was mainly due to the decrease in sales to the export market by RM4.91 million in Q4 2017 as compared to Q3 2017, as a result of slowdown in orders from overseas market towards the physical year end. Sales to the domestic PRC market remain fairly consistent in Q4 2017 as compared to Q3 2017. Gross profit margin also remained consistent at 20.9% in Q4 2017 as compared to 21.5% in Q3 2017

Overall, profit before taxation and profit after taxation decreased by 37.7% and 34.2% respectively mainly due to the increase in revenue.

B3. Prospects for the financial year ending 31 December 2018 ("FYE 2018")

China's strong economic growth has led to increasingly affluent consumers who now have the purchasing power as well as the willingness to pay to enhance individual lifestyles for greater comfort and pleasure. The modernisation and urbanisation of the country has also caused a growth in China's property construction industry, an industry that the bamboo flooring market is dependent on for the consumption of its products. Under its 13th Five-Year Plan (2016-2020), China aims to double its 2010 GDP and the 2010 per capita income of both urban and rural residents by 2020 and will focus more on green and low-carbon industries. This is envisaged to positively affect the bamboo flooring market. In addition, bamboo flooring products are increasingly welcomed by the consumer due to merits like environmental friendliness and high price-to-performance ratio. (Source: *Independent Market Research Report prepared by Protégé Associate Sdn Bhd, China's 13th Five Year Plan and China Wood Flooring Industry Report, 2014-2018*).

In line with the bright outlook of the bamboo industry, the Group has identified the following main strategies to continue to grow its businesses:-

- (a) Expansion of the Group's flooring products with the launching of new series of bamboo flooring products;
- (b) Enhancing the Group's flooring products to focus more on 'green' strand woven products;
- (c) Expansion of the Group's product portfolio to include bamboo furniture marketed under the 'KAR-ACE' brand;
- (d) Expansion of the Group's presence by increasing the number of appointed dealers and number of sales and marketing channels; and
- (e) Diversification of the Group's principal activities to include property investment and management which will provide the Group with additional income and cash flows. The property under construction is expected to be completed within FYE 2018.

Premised on the above, the Board of Directors of Kanger ("**Board**") is of the view that the Group will enjoy sustainable growth for FYE 2018.

B4. Profit forecast

The Group has not issued any profit forecast in any public documents.

B5. Taxation

	--- Individual Quarter ---		--- Cumulative Quarter ---	
	31 December 2017 RM '000	31 December 2016 RM '000	31 December 2017 RM '000	31 December 2016 RM '000
Current tax expenses	13	457	371	769
Overprovision in prior year	-	(546)	-	(546)
	<u>13</u>	<u>(89)</u>	<u>371</u>	<u>223</u>
Effective tax rate	<u>0.67%</u>	<u>30.97%</u>	<u>4.67%</u>	<u>13.12%</u>

The PRC income tax is computed in accordance with the relevant laws and regulations in the PRC. The applicable income tax rate is 25% for the current financial quarter and financial year-to-date, except for the Group's subsidiary, Ganzhou Kanger Industrial Co., Ltd, which currently enjoys a preferential tax rate of 15%. In addition, Kanger Trading (HK) Co. Limited currently enjoys 0% tax rate in Hong Kong as it is an export company and derives its income overseas.

B6. Status of corporate proposals

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

B7. Borrowings

The Group's borrowings as at 31 December 2017 are as follows:

	As at 31 December 2017 RM '000	As at 31 December 2016 RM '000
Secured – Short term borrowings		
Bank overdraft	261	373
Term loans	17,020	14,136
Bills payables	13,218	13,717
Secured – Long term borrowings		
Term loans	27,866	5,810
Total borrowings	<u>58,365</u>	<u>34,036</u>

The currency exposure profile of the Group's borrowings is as follows:

	As at 31 December 2017 RM '000	As at 31 December 2016 RM '000
Secured – Short term borrowings		
Ringgit Malaysia	261	373
Chinese Renminbi	58,104	33,663
Total borrowings	<u>58,365</u>	<u>34,036</u>

Note:

- (1) *The Group's borrowings in Renminbi ("RMB") are not hedged to Ringgit Malaysia and are translated into Ringgit Malaysia at the exchange rate of RMB1: RM0.6220 as at 31 December 2017.*

The borrowings increased by RM24.33 million or 71.5% as at 31 December 2017 as compared to 31 December 2016 mainly due to the drawdown of term loan by Ganzhou Kanger Industrial Co., Ltd for the construction of a commercial building in Ganzhou, Jiangxi Province, PRC.

The weighted average interest rate of the Group's borrowings is 6.38% as at 31 December 2017 and the entire borrowings as at 31 December 2017 is subjected to floating interest rate.

No hedging are done on the borrowings on the Group as majority of the borrowings are from the PRC and are used to finance the Group's operations in the PRC.

B8. Material litigation

As at the date of this report, there is no litigation or arbitration which has a material effect on the financial position of the Group, and the Board is not aware of any proceedings pending or threatened or of any fact likely to give rise to any proceedings.

B9. Dividends

There were no dividends paid or declared for the financial year ended ("FYE") 31 December 2017 (FYE 31 December 2016: Nil).

B10. Earnings per share

The Group's basic earnings per share is calculated as follows:

	--- Individual Quarter ---		--- Cumulative Quarter ---	
	31 December 2017 RM '000	31 December 2016 RM '000	31 December 2017 RM '000	31 December 2016 RM '000
Profit attributable to ordinary equity holders of the company (RM '000)	1,928	1,497	7,567	5,479
Weighted average number of ordinary shares in issue ('000)	798,461	798,461	798,461	737,288
Basic earnings per share (sen)	0.24	0.19	0.95	0.74

The Group's diluted earnings per share is calculated as follows:

	--- Individual Quarter ---		--- Cumulative Quarter ---	
	31 December 2017 RM '000	31 December 2016 RM '000	31 December 2017 RM '000	31 December 2016 RM '000
Profit attributable to ordinary equity holders of the company (RM '000)	1,928	1,497	7,567	5,479
Weighted average number of ordinary shares in issue ('000)	798,461	798,461	798,461	737,288
Assuming full exercise of warrants ('000)	1,037,396	1,037,396	1,037,396	976,222
Assuming full conversion of Notes already issued ('000)	1,037,396	1,037,396	1,037,396	976,222
Diluted earnings per share (sen)	0.19	0.14	0.73	0.56

B11. Disclosure on selected expense/income items as required by the Listing Requirements

Included in the profit before taxation are the following expense/(income) items:

	--- Individual Quarter ---		--- Cumulative Quarter ---	
	31 December 2017 RM '000	31 December 2016 RM '000	31 December 2017 RM '000	31 December 2016 RM '000
Interest expenses	270	433	890	860
Depreciation	258	263	1,035	1,656
Amortisation of intangible assets	404	334	893	812
Interest income	(139)	(4)	(139)	(55)

There were no other income, interest income, provision for and write off of receivables and inventories, impairment of assets, gain or loss on disposal of property, plant and equipment, gain or loss on derivatives, gain or loss on foreign exchange and exceptional items for the current quarter ended 31 December 2017.

B12. Disclosure of realised and unrealised profits

The breakdown of the retained earnings of the Group as at 31 December 2017 into realised and unrealised profits is as follows:

	As at 31 December 2017 RM '000	As at 31 December 2016 RM '000
Total retained earnings of the Group:		
- Realised	43,181	35,380
- Unrealised	-	234
Total	<u>43,181</u>	<u>35,614</u>
Less: Consolidation adjustments	-	-
Total retained earnings of the Group	<u><u>43,181</u></u>	<u><u>35,614</u></u>

By Order of the Board

WONG YUET CHYN (MAICSA 7047163)
Company Secretary
Kuala Lumpur
28 February 2018