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EVERSAFE RUBBER

EVERSAFE RUBBER BERHAD

(Company no: 1133877 - V)
(Incorporated in Malaysia)

CONSOLIDATED
RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2017 ⁽¹⁾

	Individual Period (3rd quarter)		Changes %	Cumulative Period		Changes %
	Current Year Quarter	Preceding Year Corresponding Quarter		Current Year To-date	Preceding Year Corresponding Period	
	30.9.2017 RM	30.6.2016 ⁽²⁾ RM		30.9.2017 RM	30.6.2016 RM	
Revenue	25,004,070	N/A	N/A	63,878,369	N/A	N/A
Cost of sales	(20,746,699)	N/A	N/A	(52,679,073)	N/A	N/A
Gross profit	4,257,371	N/A	N/A	11,199,296	N/A	N/A
Other operating income	(40,407)	N/A	N/A	180,024	N/A	N/A
Distribution costs	(1,319,877)	N/A	N/A	(3,953,264)	N/A	N/A
General and administrative expenses	(1,938,430)	N/A	N/A	(4,553,436)	N/A	N/A
Other - Listing expenses	-	N/A	N/A	(2,240,503)	N/A	N/A
Profit from operations	958,657	N/A	N/A	632,117	N/A	N/A
Finance income	33,344	N/A	N/A	130,010	N/A	N/A
Finance costs	(223,693)	N/A	N/A	(628,707)	N/A	N/A
Profit before tax	768,308	N/A	N/A	133,420	N/A	N/A
Tax expense	(193,166)	N/A	N/A	(349,330)	N/A	N/A
Profit/(Loss) for the financial period, attributable to owners of the parent	575,142	N/A	N/A	(215,910)	N/A	N/A
Foreign currency translation, net of tax	2,873	N/A	N/A	(1,330)	N/A	N/A
Total comprehensive income, attributable to owners of the parent	578,015	N/A	N/A	(217,240)	N/A	N/A
Profit per share attributable to owners of the parent:						
Profit for the financial year/period						
Basic and diluted (sen) ⁽³⁾⁽⁴⁾	0.239	N/A	N/A	(0.097)	N/A	N/A

EVERSAFE RUBBER BERHAD (COMPANY NO.: 1133877 - V)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2017 (con'd)**

Notes:

- (1) The basis of preparation of the Condensed Consolidated Statement of Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the accompanying explanatory notes to this interim financial report.
- (2) No comparative figures for the preceding year corresponding quarter are available as this is the Company's third interim financial report on its consolidated results for the third (3rd) quarter ended 30 September 2017 announced in compliance with the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").
- (3) Basic earnings per share is calculated based on the Company's weighted average number of ordinary shares for the financial period.
- (4) Diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible options at the end of the reporting period.

N/A - Not applicable

EVERSAFE RUBBER BERHAD (COMPANY NO.: 1133877 - V)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2017 ⁽¹⁾

	As at 30.09.2017 RM (Unaudited)	As at 31.12.2016 RM (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	31,789,541	32,660,635
Intangible assets	27,125	43,400
Trade receivable	-	29,078
	31,816,666	32,733,113
Current assets		
Inventories	14,424,964	13,078,646
Trade and other receivables	27,713,359	26,883,671
Current tax assets	402,777	110,926
Cash and bank balances	23,030,749	10,712,326
	65,571,849	50,785,569
TOTAL ASSETS	97,388,515	83,518,682
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	65,428,449	48,148,449
Reserves	2,192,135	7,406,989
TOTAL EQUITY	67,620,584	55,555,438
LIABILITIES		
Non-current liabilities		
Deferred tax liabilities	4,340,421	4,234,341
Borrowings	1,728,480	1,265,655
	6,068,901	5,499,996
Current liabilities		
Trade and other payables	5,834,801	6,014,003
Borrowings	17,864,229	15,508,469
Current tax liabilities	-	940,776
	23,699,030	22,463,248
TOTAL LIABILITIES	29,767,931	27,963,244
TOTAL EQUITY AND LIABILITIES	97,388,515	83,518,682
Net assets per ordinary share (RM) ⁽²⁾	0.281	0.288

EVERSAFE RUBBER BERHAD (COMPANY NO.: 1133877 - V)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2017 (con'd)

Notes:

- (1) The basis of preparation of the Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the accompanying explanatory notes to this interim financial report.
- (2) Net assets per ordinary shares is calculated based on the Company's number of ordinary shares at the end of the reporting period.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2017 ⁽¹⁾

	[-----Non-distributable-----]				Distributable	Total equity RM
	Share Capital RM	Capital Reserve RM	Foreign currency translation reserve RM	Reorganisation debit reserve RM	Retained earnings RM	
Balance as at 1 January 2017	48,148,449	7,104	(1,239,158)	(36,914,958)	45,554,001	55,555,438
Issuance of new ordinary shares arising from Initial Public Offering ("IPO")	17,280,000	-	-	-	-	17,280,000
Share issue expenses	-	-	-	-	(666,926)	(666,926)
Loss for the financial year	-	-	-	-	(215,910)	(215,910)
Other comprehensive income, net of tax	-	-	(1,330)	-	-	(1,330)
Total comprehensive income	-	-	(1,330)	-	(215,910)	(217,240)
Dividend paid during the year	-	-	-	-	(4,330,688)	(4,330,688)
Balance as at 30 September 2017	65,428,449	7,104	(1,240,488)	(36,914,958)	40,340,477	67,620,584

Note: -

- (1) The basis of preparation of the Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the accompanying explanatory notes to this interim financial report.

EVERSAFE RUBBER BERHAD (COMPANY NO.: 1133877 - V)
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2017 ⁽¹⁾**

	(Unaudited) 9 months ended 30.09.2017 RM	(Unaudited) 9 months ended 30.09.2016 ⁽²⁾ RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	133,420	N/A
Adjustments for:		
Non-cash items/Non-operating items	3,145,081	N/A
Operating profit before working capital changes	3,278,501	N/A
Changes in working capital:		
Increase in inventories	(1,392,415)	N/A
Decrease in trade and other receivables	(1,002,575)	N/A
Decrease in trade and other payables	(1,123,851)	N/A
Others	3,272,441	N/A
Cash generated from operations	3,032,101	N/A
Tax paid - net	(1,476,394)	N/A
Net cash generated from operating activities	1,555,707	N/A
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	130,010	N/A
Proceeds from disposal of property, plant and equipment	12,470	N/A
Purchase of property, plant and equipment	(2,122,524)	N/A
Net cash used in investing activities	(1,980,044)	N/A

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2017 (con'd)

	(Unaudited) 9 months ended 30.09.2017 RM	(Unaudited) 9 months ended 30.09.2016 ⁽²⁾ RM
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(4,330,688)	N/A
Interest paid	(628,707)	N/A
Issuance of ordinary shares	17,280,000	N/A
Listing and share issue expenses	(2,907,429)	N/A
Net drawdowns of bank borrowings	4,129,538	N/A
Decrease in short-term deposits pledged as securities	1,428,862	N/A
Net cash from financing activities	<u>14,971,576</u>	<u>N/A</u>
Net increase in cash and cash equivalents	14,547,239	N/A
Effect of foreign exchange rates changes	59,754	N/A
Cash and cash equivalents at the beginning of the financial period	<u>2,710,075</u>	<u>N/A</u>
Cash and cash equivalents at the end of the financial period	<u><u>17,317,068</u></u>	<u><u>N/A</u></u>
Cash and cash equivalents comprise:		
Cash and bank balances	23,030,749	N/A
Less: Deposits pledged as securities	(3,534,204)	N/A
Less: Deposits with licensed banks and other financial institutions with maturity of over 3 months	<u>(1,500,000)</u>	<u>N/A</u>
	17,996,545	N/A
Less: Bank overdrafts	<u>(679,477)</u>	<u>N/A</u>
	<u><u>17,317,068</u></u>	<u><u>N/A</u></u>

Note:

- (1) The basis of preparation of the Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the accompanying explanatory notes to this interim financial report.
- (2) No comparative figures for the preceding year corresponding quarter are available as this is the Company's third interim financial report on its consolidated results for the third (3rd) quarter ended 30 September 2017 announced in compliance with the Listing Requirements of Bursa Securities.

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2017

A1. BASIS OF PREPARATION

The interim financial report of Eversafe Rubber Berhad (“Eversafe Rubber” or “the Company”) and its subsidiaries (“the Group”) are unaudited and have been prepared in accordance with the requirements of MFRS 134 - Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Securities.

No comparative figures for the preceding year corresponding quarter are available as this is the Company’s third interim financial report on its consolidated results for the third (3rd) quarter ended 30 September 2017 announced in compliance with the Listing Requirements of Bursa Securities.

A2. CHANGES IN ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Company for the year ended 31 December 2016, except for the following:

MFRSs (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 12 <i>Annual Improvements to MFRSs 2014 - 2016 Cycle</i>	1 January 2017
Amendments to MFRS 107 <i>Disclosure Initiative</i>	1 January 2017
Amendments to MFRS 112 <i>Recognition of Deferred Tax Assets for Unrealised Losses</i>	1 January 2017

A3. AUDITORS’ REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The preceding year’s audited financial statements of the Group were not subject to any qualification.

A4. SEASONAL OR CYCLICAL FACTORS

The Group’s business operations are not materially affected by seasonal or cyclical factors during the current financial quarter under review.

Generally, our sales for the first (1st) half of the year will be slower as compared to the second (2nd) half of the year. This is attributable to the festive seasons, public holidays and geometric condition in certain country. We generally see our sales picking up in the second (2nd) half of the year. Save for the above, our Group does not experience any other material seasonality or cyclical effects in sales.

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A5. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

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

A6. MATERIAL CHANGES IN ESTIMATES

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

A7. DEBT AND EQUITY SECURITIES

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

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A8. SEGMENTAL INFORMATION

The Group is principally involved in the manufacturing and sale of rubber based tyre retread products and provision of related services.

No product and services segment information is presented as the Chief Operating Decision Maker (CODM) views the Group as a single reportable segment.

Segment revenue is based on geographical location from which the sale transactions originated.

The following are revenue from external customers by geographical location with revenue equal or more than ten percent (10%) of the Group revenue:

	Individual Quarter		Cumulative Quarter	
	3 months ended 30.09.2017 RM	3 months ended 30.09.2016 ⁽¹⁾ RM	9 months ended 30.09.2017 RM	9 months ended 30.09.2016 ⁽¹⁾ RM
Revenue from external customers				
Malaysia	9,861,573	N/A	25,859,245	N/A
Japan	4,245,170	N/A	10,702,374	N/A
Others	10,897,327	N/A	27,316,750	N/A
	<u>25,004,070</u>	<u>N/A</u>	<u>63,878,369</u>	<u>N/A</u>
Sales by currency				
- USD	5,736,126	N/A	14,115,882	N/A
- JPY	4,245,170	N/A	10,702,374	N/A
- RM	9,861,573	N/A	25,859,245	N/A
- Others	5,161,201	N/A	13,200,868	N/A
	<u>25,004,070</u>	<u>N/A</u>	<u>63,878,369</u>	<u>N/A</u>
Average foreign exchange rates				
- RM/USD	4.263	N/A	4.347	N/A
- RM/JPY100	3.841	N/A	3.884	N/A

(source: Bank Negara Malaysia Exchange Rate)

Note:

(1) No comparative figures for the preceding year corresponding quarter are available as this is the Company's third (3rd) quarter ended 30 September 2017 announced in compliance with the Listing Requirements of Bursa Securities.

N/A - Not applicable

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A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

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

A10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE CURRENT FINANCIAL QUARTER

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

A11. CHANGES IN THE COMPOSITION OF THE GROUP

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

A12. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There were no contingent assets and contingent liabilities as at the date of this interim financial report.

A13. CAPITAL COMMITMENTS

Save for the new manufacturing lines and enhanced automation systems as disclosed in note B7, there were no material capital commitments in respect of property, plant and equipment as at the end of the current financial quarter under review.

EVERSAFE RUBBER BERHAD (1133877 - V)
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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2017

B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. REVIEW OF PERFORMANCE

For the current financial quarter under review, the Group recorded revenue of RM25.00 million. The Group's revenue was mainly derived from sale of rubber based tyre retread products and provision of related services.

The Group registered a profit before taxation of RM0.77 million for the current financial quarter under review.

There are no comparative figures for the preceding year corresponding quarter's results as this is the third interim financial report for the third (3rd) quarter ended 30 September 2017 announced by the Company in compliance with the Listing Requirements of Bursa Securities.

B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS

	Current Quarter 30.09.2017 RM	Preceding Quarter 30.06.2017 RM	Variance RM	%
Revenue	25,004,070	20,220,828	4,783,242	23.66
Profit/(Loss) before tax	<u>768,308</u>	<u>(1,920,731)</u>	<u>2,689,039</u>	<u>(140.00)</u>

The Group's revenue increased by 23.66% from RM20.22 million recorded in the immediate preceding quarter to RM25.00 million in the current financial quarter. This is mainly due to the increase in the sales of tyre retreading materials especially pre-cured tread liner that is the main income of the Group.

The Group recorded a profit before tax of RM0.77 million as compared to the profit before tax of RM0.32 million in the previous financial quarter (excluding the listing expenses charged to profit and loss during the preceding quarter of RM2.24 million). This is mainly due to the higher gross revenue achieved from current financial quarter.

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2017 (CONT'D)

B3. COMMENTARY ON PROSPECTS

As disclosed in the Prospectus of the Company dated 31 March 2017, the Group has put in place a series of future plans in the following areas:-

Grow overseas markets

- (a) establish footprint in new overseas markets
- (b) increase export sales to overseas markets
- (c) enhance manufacturing capabilities
- (d) widen range of products, particularly high value-added and premium products
- (e) branding initiative and establish Intellectual property rights in new overseas markets

Enhance product quality

- (f) improve efficiency and reduce wastage
- (g) ensure consistent product quality

The Group plans to increase its export sales and geographical footprint to various overseas markets. The new markets the Group intends to expand to will primarily be outside the ASEAN region, with a focus on the South American region. The Group is in the midst of finalising the details of a joint venture agreement with its business partner to establish a tyre retreading plant in South America and also to market and distribute the retreaded tyres.

Being in the export business, the Group is exposed to foreign currency exchange risks as the Group's export revenue is mainly transacted in USD and JPY. On the other hand, the import of the raw materials such as synthetic rubber and carbon black is mainly denominated in USD. Any significant movement in foreign exchange rates will affect the Group's financial performance. Nonetheless, the Group matches its foreign-denominated sales with foreign-denominated purchases as a natural hedge to a certain degree against adverse foreign exchange fluctuations.

Barring any unforeseen circumstances, the Board is of the opinion that the prospects of the Group's financial performance for the financial year ending 31 December 2017 will remain favourable.

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2017 (CONT'D)

B4. INCOME TAX EXPENSES

	Individual Quarter		Cumulative Quarter	
	3 months ended 30.09.2017 RM	3 months ended 30.09.2016 RM	9 months ended 30.09.2017 RM	9 months ended 30.09.2016 RM
Income tax expense:-				
Current financial period/year	171,900	N/A	220,140	N/A
Deferred tax:-				
Current financial period/year	21,266	N/A	129,190	N/A
Total tax expense	<u>193,166</u>	<u>N/A</u>	<u>349,330</u>	<u>N/A</u>

Note:

N/A Not applicable

No comparative figures for the preceding quarter are available as this is the Company's third interim financial report on its consolidated results for the third (3rd) quarter ended 30 September 2017 announced in compliance with the Listing Requirements of Bursa Securities.

The applicable Malaysian income tax rate is 24% for the financial year ending 31 December 2017 (24% for the financial year ended 31 December 2016).

The Group's effective tax rate for the current quarter and current year-to-date were higher than the statutory rate due to losses incurred by certain subsidiaries and also certain expenses which were not deductible for tax purposes.

B5. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST AND PROFIT GUARANTEE

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2017 (CONT'D)

B6. STATUS OF CORPORATE PROPOSALS

There were no other corporate proposals announced as at the date of this report.

B7. UTILISATION OF PROCEEDS

Based on the IPO price of RM0.36 per share, the gross proceeds arising from the public issue amounting to RM17,280,000 shall be utilised in the following manner:-

Purposes	Proposed Utilisation RM'000	Actual * Utilisation RM'000	Deviations # RM'000	Balance RM'000	Estimated Timeframe for utilisation upon listing
(a) New manufacturing lines and enhanced automation systems	12,580	(4,710)^	293	8,163	Within 24 months
(b) Establish intellectual property rights and overseas branding Initiative	1,500	-	-	1,500	Within 36 months
(c) Estimated listing expenses	3,200	(2,907)	(293)	-	Immediate
Total	17,280	(7,617)	-	9,663	

* Utilisation as at 30 September 2017.

All listing expenses have been fully paid. Accordingly, the balance of RM0.293 million will be utilised for new manufacturing lines and enhancing automation systems.

^ Part of these which include capital expenditure incurred prior to the IPO which was funded using internally generated funds and bank borrowings.

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2017 (CONT'D)

B8. GROUP BORROWINGS AND DEBT SECURITIES

Total Group's borrowing (all of which are secured against the Group's assets) as at 30 September 2017 are as follows:-

	<u>Long term</u>		<u>As at 30.09.2017</u>		<u>Total borrowings</u>	
	USD	RM	USD	RM	USD	RM
Secured:						
Bankers' acceptance	-	-	1,273,416	5,379,660	1,273,416	5,379,660
Bankers' acceptance	-	-	-	10,534,000	-	10,534,000
Term loans	-	1,429,838	-	1,034,974	-	2,464,812
Hire purchase and lease creditors	-	298,642	-	236,118	-	534,760
Bank overdrafts	-	-	-	679,477	-	679,477
Total	-	1,728,480	1,273,416	17,864,229	1,273,416	19,592,709

No comparative figures for the preceding year corresponding quarter are available as this is the Company's third interim financial report on its consolidated results for the third (3rd) quarter ended 30 September 2017 announced in compliance with the Listing Requirements of Bursa Securities.

B9. MATERIAL LITIGATION

There were no material litigations pending as at the date of this announcement.

B10. DIVIDENDS

There was no dividend declared for the current financial quarter. In the preceding quarter, the Board of Directors has declared an interim single-tier dividend of 1.80 sen per share, amounting to RM4,330,688 in respect of the financial year ending 31 December 2017 on 14 May 2017 and paid on 14 July 2017 to shareholders registered in the Company's Register as at 30 June 2017.

EVERSAFE RUBBER BERHAD (1133877 - V)
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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2017 (CONT'D)

B11. EARNINGS PER SHARE (“EPS”)

The basic and diluted EPS for the current financial quarter and current period of 30 September 2017 are computed as follows:

	Individual Quarter		Cumulative Quarter	
	3 months ended 30.09.2017 RM	3 months ended 30.09.2016 RM	9 months ended 30.09.2017 RM	9 months ended 30.09.2016 RM
Basic				
Profit/(Loss) attributable to equity holders of the Company	<u>575,142</u>	<u>N/A</u>	<u>(215,910)</u>	<u>N/A</u>
Weighted average number of ordinary shares	<u>240,593,796</u>	<u>N/A</u>	<u>221,604,785</u>	<u>N/A</u>
Basic earnings per ordinary share for (sen)	<u>0.239</u>	<u>N/A</u>	<u>(0.097)</u>	<u>N/A</u>

Diluted

The diluted earnings per share equals basic earnings per share because there are no potentially dilutive instruments in existence as at the end of each reporting period.

EVERSAFE RUBBER BERHAD (1133877 - V)
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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2017 (CONT'D)

B12. NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Profit before taxation is arrived at after charging/(crediting):-

	Individual Quarter		Cumulative Quarter	
	3 months ended 30.09.2017	3 months ended 30.09.2016	9 months ended 30.09.2017	9 months ended 30.09.2016
	RM	RM	RM	RM
Interest income	(33,344)	N/A	(130,010)	N/A
Other income including investment income	-	N/A	-	N/A
Interest expense	223,693	N/A	628,707	N/N
Depreciation of property, plant and equipment	1,000,372	N/A	2,961,811	N/N
Amortisation of intangible assets	5,425	N/A	16,275	N/N
Bad debts written off	-	N/A	-	N/A
Inventories written off	-	N/A	-	N/A
Loss/(Gain) on disposal of property, plant and equipment	-	N/A	(2,969)	N/A
Loss/(Gain) on disposal of investments	-	N/A	-	N/A
Impairment of assets	-	N/A	-	N/A
Unrealised loss/(gain) on foreign exchange	364,325	N/A	322,869	N/A
Exceptional items	-	N/A	-	N/A

B13. DISCLOSURE OF REALISED AND UNREALISED PROFITS OR LOSSES

The realised and unrealised retained profits of the Group are analysed as follows:-

	As at 30.09.2017 RM	As at 31.12.2016 RM
Total retained profits of the Group		
- Realised	37,902,773	42,793,428
- Unrealised	2,437,704	2,760,573
	<u>40,340,477</u>	<u>45,554,001</u>