

**GLOBAL ORIENTAL BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017**

	3 months ended		9 months ended	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
	RM'000	RM'000	RM'000	RM'000
	unaudited	unaudited	unaudited	unaudited
Revenue	17,530	82,758	58,417	200,040
Cost of sales	(13,898)	(48,083)	(39,221)	(136,806)
Gross profit	3,632	34,675	19,196	63,234
Interest income	1,744	1,855	3,425	5,078
Other operating income	2,097	7,935	15,105	28,307
Depreciation and amortisation	(308)	(658)	(1,553)	(3,441)
Loss on disposal of an associated company	-	-	(35,332)	-
Operating expenses	(14,920)	(28,160)	(53,545)	(79,834)
(Loss)/Profit from operations	(7,755)	15,647	(52,704)	13,344
Finance costs	(4,947)	(1,367)	(11,879)	(4,526)
Share of results of joint ventures	-	(17)	-	(118)
Share of results of an associated company	-	(2,484)	38,395	(5,107)
(Loss)/Profit before tax	(12,702)	11,779	(26,188)	3,593
Taxation	(1,905)	(8,483)	(2,664)	(11,546)
<b>(Loss)/Profit for the financial period</b>	<b>(14,607)</b>	<b>3,296</b>	<b>(28,852)</b>	<b>(7,953)</b>
<b>Other comprehensive income</b>				
Net gain on available-for-sale ("AFS") investments:				
- Loss on fair value changes	(11)	-	(11)	(16)
Exchange differences arising on translation of foreign operations	1	(10)	-	943
<b>Total comprehensive (loss)/income for the financial period</b>	<b>(14,617)</b>	<b>3,286</b>	<b>(28,863)</b>	<b>(7,026)</b>
<b>(Loss)/Profit attributable to:</b>				
Equity holders of the Company	(13,100)	3,296	(26,082)	(7,936)
Non-controlling interests	(1,507)	-	(2,770)	(17)
	<b>(14,607)</b>	<b>3,296</b>	<b>(28,852)</b>	<b>(7,953)</b>
<b>Total comprehensive (loss)/income attributable to:</b>				
Equity holders of the Company	(13,110)	3,286	(26,093)	(7,009)
Non-controlling interests	(1,507)	-	(2,770)	(17)
	<b>(14,617)</b>	<b>3,286</b>	<b>(28,863)</b>	<b>(7,026)</b>
<b>Earnings per share attributable to</b>				
<b>Equity Holders of the Company:</b>				
- Basic (sen)	(2.88)	0.72	(5.74)	(1.75)
- Diluted (sen)	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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

**GLOBAL ORIENTAL BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017**

	Attributable to the Equity Holders of the Company							Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Reserves									
	Issued capital RM'000	Capital reserve RM'000	Available- for-sale reserve RM'000	Share option reserve RM'000	Warrant reserve RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000			
<b>Current 9 months ended 31 December 2017 (unaudited)</b>										
At 1 April 2017	227,338	91,037	-	4,520	20,227	343	125,139	468,604	(722)	467,882
Loss for the financial period	-	-	-	-	-	-	(26,082)	(26,082)	(2,770)	(28,852)
Other comprehensive loss for the financial period	-	-	(11)	-	-	-	-	(11)	-	(11)
Total comprehensive loss for the financial period	-	-	(11)	-	-	-	(26,082)	(26,093)	(2,770)	(28,863)
Employees' Share Option Scheme ("ESOS") forfeited during the financial period	-	-	-	(1,056)	-	-	1,056	-	-	-
Capital contribution by non-controlling interest of a subsidiary company	-	-	-	-	-	-	-	-	2,891	2,891
Arising from dilution of interest in existing subsidiary company	-	-	-	-	-	-	2	2	(2)	-
At 31 December 2017	227,338	91,037	(11)	3,464	20,227	343	100,115	442,513	(603)	441,910

	Attributable to the Equity Holders of the Company							Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Reserves									
	Issued capital RM'000	Capital reserve RM'000	Available- for-sale reserve RM'000	Share option reserve RM'000	Warrant reserve RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000			
<b>Preceding 9 months ended 31 December 2016 (unaudited)</b>										
At 1 April 2016	227,338	91,037	26	5,189	20,227	(609)	118,721	461,929	-	461,929
Loss for the financial period	-	-	-	-	-	-	(7,936)	(7,936)	(17)	(7,953)
Other comprehensive (loss)/income for the financial period	-	-	(16)	-	-	943	-	927	-	927
Total comprehensive (loss)/income for the financial period	-	-	(16)	-	-	943	(7,936)	(7,009)	(17)	(7,026)
Dividends paid	-	-	-	-	-	-	(2,273)	(2,273)	-	(2,273)
Reversal of fair value gain on disposal of available-for-sale financial assets	-	-	(10)	-	-	-	10	-	-	-
ESOS forfeited during the financial period	-	-	-	(514)	-	-	514	-	-	-
Non-controlling interests arising from acquisition of a subsidiary company	-	-	-	-	-	-	-	-	63	63
At 31 December 2016	227,338	91,037	-	4,675	20,227	334	109,036	452,647	46	452,693

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

**GLOBAL ORIENTAL BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2017**

	As at 31.12.2017 RM'000 unaudited	As at 31.03.2017 RM'000 audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	5,883	13,811
Investment in an associated company	225	35,937
Other investment	1	1
Land held for property development	295,955	72,430
Goodwill	31,346	30,337
Deferred tax assets	12,273	12,469
	345,683	164,985
<b>Current assets</b>		
Inventories	67,846	71,124
Property development costs	57,990	61,086
Accrued billings	1,536	16,249
Trade receivables	97,914	123,395
Other receivables, deposits and prepayments	137,589	123,462
Amount owing by an associated company	56,414	146,040
Tax recoverable	6,386	7,097
Short-term funds	15,223	-
Fixed deposits with licensed banks	8,060	7,647
Cash and bank balances	156,207	85,027
	605,165	641,127
<b>TOTAL ASSETS</b>	950,848	806,112
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	227,338	227,338
Reserves	215,175	241,266
	442,513	468,604
<b>Non-controlling interests</b>	(603)	(722)
<b>TOTAL EQUITY</b>	441,910	467,882
<b>LIABILITIES</b>		
<b>Non-current and deferred liabilities</b>		
Redeemable preference shares	961	961
Borrowings - secured	116,422	85,009
Deferred tax liabilities	6,128	6,223
Trade payables	16,439	15,255
	139,950	107,448
<b>Current liabilities</b>		
Progress billings	349	-
Trade payables	64,801	93,209
Other payables and accruals	167,675	69,098
Provisions	19,844	23,815
Borrowings - secured	113,351	43,150
Tax liabilities	2,968	1,510
	368,988	230,782
<b>TOTAL LIABILITIES</b>	508,938	338,230
<b>TOTAL EQUITY AND LIABILITIES</b>	950,848	806,112
Net assets per ordinary share attributable to equity holders of the Company (RM)	0.97	1.03

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

**GLOBAL ORIENTAL BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017**

	9 months ended	
	31.12.2017	31.12.2016
	RM'000	RM'000
	unaudited	unaudited
<b>Cash Flows from Operating Activities</b>		
Loss/(Profit) before taxation	(26,188)	3,593
Adjustments for:		
Depreciation of property, plant and equipment	1,553	3,441
Property, plant and equipment written off	33	115
Impairment of goodwill	-	33
Loss on disposal of an associated company	35,332	-
Gain on disposal of subsidiary companies	(2,278)	(22,581)
Loss on disposal of property, plant and equipment	3	1
Allowance for doubtful debts	-	132
Allowance for doubtful debts no longer required	(1,684)	-
Share of results of joint ventures	-	118
Share of results of associated companies	(38,395)	5,107
Interest expenses	11,879	4,526
Interest income	(3,425)	(5,078)
Operating loss before working capital changes	(23,170)	(10,593)
Decrease/(Increase) in:		
Land held for property development	(223,525)	2,170
Property development costs	3,120	(766)
Inventories	2,492	11,436
Accrued billings	14,712	94,208
Receivables	22,600	(52,146)
Assets classified as held for sale	-	17,412
Increase/(Decrease) in:		
Progress billings	349	1,198
Payables	24,452	(110,755)
Cash used in operations	(178,970)	(47,836)
Interest received		
Interest paid	3,425	5,078
Liquidated and ascertained damages paid	(11,903)	(5,163)
Bumiputra quota penalties paid	(3,201)	(3,759)
Sales incentives paid	(770)	-
Tax paid	-	(500)
	(382)	(52,875)
	(12,831)	(57,219)
Net cash used in operating activities	(191,801)	(105,055)
<b>Cash Flows from Investing Activities</b>		
Purchase of property, plant and equipment	(5,230)	(4,066)
Proceeds from disposal of property, plant and equipment	48	-
Proceeds from disposal of subsidiary companies	7,102	2,380
Proceeds from disposal of an associated company	39,000	-
Net cash (outflow)/inflow on acquisition of a new subsidiary company	(793)	2
Repayment from/(Advances to) an associate company	146,040	(14,950)
Advances to joint ventures	(12,023)	(4,548)
(Increase)/Decrease of short-term funds	(15,235)	28,855
Investment in joint ventures	-	(5)
Withdrawal of fixed deposits	88	831
Net cash from investing activities	158,997	8,499
<b>Cash Flows from Financing Activities</b>		
Drawdown of bank borrowings	104,582	59,603
Repayment of bank borrowings	(12,637)	(71,407)
Dividends paid	-	(2,273)
Proceeds from issuance of shares to non-controlling interests	2,891	124
Repayment of hire-purchase creditors	(284)	(351)
Net cash from/(used in) financing activities	94,552	(14,304)
Net increase/(decrease) in cash and cash equivalents	61,748	(110,860)
Currency translation differences	-	(154)
Cash and cash equivalents at beginning of financial period	78,538	184,680
Cash and cash equivalents at end of financial period	140,286	73,666
Cash and cash equivalents at the end of the financial year comprise the following:		
Cash and bank balances	156,207	84,732
Fixed deposits with licensed banks	8,060	7,438
Bank overdraft	(16,421)	(11,113)
	147,846	81,057
Less: Fixed deposits pledged	(7,560)	(7,438)
Add: Cash & bank balances included in the asset held for sale	-	47
	140,286	73,666

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

**GLOBAL ORIENTAL BERHAD**  
**PART A – EXPLANATORY NOTES PURSUANT TO FRS 134**

**1. BASIS OF PREPARATION**

The interim financial statements of Global Oriental Berhad (“GOB” or “Company”) and its subsidiaries (“the Group”) are unaudited and have been prepared in accordance with Financial Reporting Standards (“FRS”) 134: “Interim Financial Reporting” and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2017. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2017.

The significant accounting policies and methods of computation adopted in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 March 2017, except for the compliance with the new/revised Financial Reporting Standards (“FRSs”) that are effective for the financial period beginning on or after 1 January 2017.

The adoption of the new/revised FRSs that came into effect during the current financial year is not expected to have any material impact on the financial statements of the Group.

On 19 November 2011, the Malaysian Accounting Standards Board (“MASB”) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards Framework (“MFRS Framework”). Entities other than private entities shall apply the MFRS Framework for annual periods beginning on or after 1 January 2012, with the exception of Transitioning Entities. Transitioning Entities, being entities within the scope of MFRS 141 Agriculture and/or IC Interpretation 15: Agreements for the Construction of Real Estate, including its parents, significant investors and venturers are allowed to defer the adoption of the MFRS Framework until such time as mandated by the MASB. On 2 September 2014, MASB announced that Transitioning Entities which have chosen to continue with the FRS Framework are now required to adopt the MFRS Framework latest by 1 January 2017. The effective date of MFRS 15 was subsequently deferred to annual periods beginning on or after 1 January 2018.

The Group falls within the scope definition of Transitioning Entities and has opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare its first set of MFRS financial statements for the year ending 31 March 2019 when the MFRS Framework is mandated by MASB.

The Group is currently assessing the possible financial impacts that may arise from the adoption of MFRSs and the process is still ongoing.

**2. AUDITORS’ REPORT ON REPORTING ANNUAL FINANCIAL STATEMENTS**

The auditors’ report on the financial statements of GOB for the financial year ended 31 March 2017 was not qualified.

**3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS**

The Group's performance for the quarter ended 31 December 2017 was not affected by any significant seasonal or cyclical fluctuations.

**4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

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

**5. CHANGES IN ESTIMATES**

There were no changes in estimates during the quarter under review that had a material effect on the interim financial statements.

**6. DEBT AND EQUITY SECURITIES**

During the quarter under review, no ordinary shares were allotted to the employees of the Group as no ESOS option was exercised. As at 31 December 2017, a total of 6,693,079 ESOS options to subscribe for ordinary shares remain unexercised.

There were no issuances, cancellation, repurchase, resale and repayment of debt and equity securities during the quarter under review.

**7. DIVIDENDS PAID**

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

## 8. SEGMENTAL INFORMATION

### a) Business Segments

Group	Property	Construction	Trading	Investment	Others	Elimination	Total
	development		and				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Results For 9 Months Ended</b>							
<b>31 December 2017</b>							
<b>Revenue</b>							
External sales	25,813	-	16,678	-	15,926	-	58,417
Inter-segment sales	-	8,975	-	-	-	(8,975)	-
	<u>25,813</u>	<u>8,975</u>	<u>16,678</u>	<u>-</u>	<u>15,926</u>	<u>(8,975)</u>	<u>58,417</u>
<b>Results</b>							
Segment results	(693)	(1,190)	2,158	3,309	(15,070)	(5,886)	(17,372)
Loss on disposal of an associated company	-	-	-	(35,332)	-	-	(35,332)
Unallocated expenses:							
- Finance costs							(11,879)
- Share of results of an associated company							38,395
Loss before tax							<u>(26,188)</u>
Taxation							<u>(2,664)</u>
Loss for the financial period							<u>(28,852)</u>

Group	Property	Construction	Trading	Investment	Others	Elimination	Total
	development		and				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Results For 9 Months Ended</b>							
<b>31 December 2016</b>							
<b>Revenue</b>							
External sales	155,606	-	18,314	-	26,120	-	200,040
Inter-segment sales	-	46,208	-	-	-	(46,208)	-
	<u>155,606</u>	<u>46,208</u>	<u>18,314</u>	<u>-</u>	<u>26,120</u>	<u>(46,208)</u>	<u>200,040</u>
<b>Results</b>							
Segment results	3,762	1,543	2,583	24,904	(4,263)	(15,185)	13,344
Unallocated expenses:							
- Finance costs							(4,526)
- Share of results of joint ventures							(118)
- Share of results of an associated company							(5,107)
Profit before tax							<u>3,593</u>
Taxation							<u>(11,546)</u>
Loss for the financial period							<u>(7,953)</u>

## b) Geographical Segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

	<b>Current Year Quarter 31.12.2017 RM'000</b>	<b>Preceding Year Corresponding Quarter 31.12.2016 RM'000</b>	<b>Current Year To Date 31.12.2017 RM'000</b>	<b>Preceding Year To Date 31.12.2016 RM'000</b>
<b>Revenue</b>				
Malaysia	17,530	82,758	58,417	196,244
China	-	-	-	3,796
	<b>17,530</b>	<b>82,758</b>	<b>58,417</b>	<b>200,040</b>

## 9. CARRYING AMOUNT OF REVALUED ASSETS

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

There has been no change to the valuations of the property, plant and equipment since the audited financial statements for the year ended 31 March 2017.

## 10. SUBSEQUENT EVENTS

There were no material events subsequent to the reporting period.

## 11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the quarter under review, except as follows:

- (a) On 22 December 2017, the Group exercised the Put Option pursuant to the share sale agreement dated 22 December 2015 to dispose the remaining 49% equity interest in Penaga Pesona Sdn Bhd, comprising 1,274,000 ordinary shares for a total cash consideration of RM39.0 million.
- (b) On 22 December 2017, the Group entered into a share sale agreement with Julung Jutawan Sdn Bhd's ("JJSB") existing shareholders, namely Datuk Lim Chon Hoo, Shahrin bin Osman and Mohd. Khairuddin bin Hj. Nawawi, for the following:
  - i. to subscribe for 199,900 new ordinary shares of JJSB representing 99.95% of the enlarged issued share capital of JJSB for a total cash consideration of RM199,900 and payment of RM50,010,514 to JJSB for the settlement of amount owing to existing shareholders of JJSB; and
  - ii. to acquire 51 and 29 ordinary shares of JJSB from Shahrin bin Osman and Mohd. Khairuddin bin Hj. Nawawi respectively, for a total cash consideration of RM0.8 million.



## 12. CHANGES IN CONTINGENT ASSETS AND CONTINGENT LIABILITIES

As at the date of this report, there were no material contingent liabilities except as follows:

Corporate guarantee amounting to RM233.7 million given by our Company to financial institutions for credit facilities granted to our subsidiaries.

## 13. CAPITAL COMMITMENTS

The amount of commitments not provided for as at the date of this report is as follows:

Non-cancellable operating lease commitments

The Group has commitment in respect of rental of premises as follows:

	<b>RM'000</b>
Future minimum rentals payable:	
- Not later than 1 year	3,636
- More than 1 year and within 2 years	1,785
- More than 2 years and within 5 years	705
	<u>6,126</u>

The Group has entered into non-cancellable operating lease agreements which represent rental payable for the use of premises.

**PART B – EXPLANATORY NOTES PURSUANT TO THE REVISED LISTING REQUIREMENTS OF BURSA SECURITIES**

**1. REVIEW OF PERFORMANCE**

**a) Financial review for current quarter and financial year to date**

	Individual Period		Changes	Cumulative Period		Changes
	Current Year Quarter 31.12.2017	Preceding Year Corresponding Quarter 31.12.2016		Current Year To Date 31.12.2017	Preceding Year To Date 31.12.2016	
	RM'000	RM'000		RM'000	RM'000	
Revenue	17,530	82,758	-79%	58,417	200,040	-71%
Operating (loss)/profit	(7,755)	15,647	-150%	(52,704)	13,344	-495%
(Loss)/Profit before tax	(12,702)	11,779	-208%	(26,188)	3,593	-829%
(Loss)/Profit after tax	(14,607)	3,296	-543%	(28,852)	(7,953)	-263%
(Loss)/Profit attributable to owners of the Company	(13,100)	3,296	-497%	(26,082)	(7,936)	-229%

Current Quarter

For the current quarter, the Group registered a lower revenue of RM17.5 million compared to RM82.8 million of the preceding year corresponding quarter. The decrease in revenue was mainly due to lower sales recognition from development projects.

The Group recorded a loss before tax of RM12.7 million for the current quarter under review compared to a profit before tax of RM11.8 million of the preceding year corresponding quarter. The decline in results was attributable to lower profit contribution from development projects as most of the Group's projects were completed in 2016 and early 2017.

Year-to-date (9 months)

The Group registered a drop in performance with revenue of RM58.4 million and loss before tax of RM26.2 million compared to the preceding year corresponding period's revenue of RM200.0 million and profit before tax of RM3.6 million respectively. The adverse results were mainly attributed to lower contribution from the property division and lower other operating income.

## b) Financial review for current quarter compared with immediate preceding quarter

	<b>Current Year Quarter 31.12.2017 RM'000</b>	<b>Immediate Preceding Quarter 30.09.2017 RM'000</b>	<b>Changes %</b>
Revenue	17,530	16,418	7%
Operating (loss)/profit	(7,755)	(48,815)	84%
(Loss)/Profit before tax	(12,702)	(14,232)	11%
(Loss)/Profit after tax	(14,607)	(14,453)	-1%
(Loss)/Profit attributable to owners of the Company	(13,100)	(13,506)	3%

Compared against the immediate preceding quarter, the Group's revenue of RM17.5 million was higher against RM16.4 million and loss before tax of RM12.7 million was lower against RM14.2 million. The lower loss was mainly due to lower operating expenses incurred.

## 2. COMMENTARY ON PROSPECTS

The property sector in 2017 has been soft and as purchasers continue to be cautious, the Group do not foresee major uplift in demand. However, the Group remained positive with contributions expected from ongoing projects in Klang Valley as well as future projects in Perak and Pahang.

## 3. PROFIT FORECAST OR PROFIT GUARANTEE

The Group has not issued any profit forecast or profit guarantee for the financial year under review.

## 4. TAXATION

	<b>Current Year Quarter 31.12.2017 RM'000</b>	<b>Preceding Year Corresponding Quarter 31.12.2016 RM'000</b>	<b>Current Year To Date 31.12.2017 RM'000</b>	<b>Preceding Year To Date 31.12.2016 RM'000</b>
Current period taxation	(1,922)	(1,959)	(2,759)	(5,333)
Deferred taxation	17	(6,524)	95	(6,213)
	<b>(1,905)</b>	<b>(8,483)</b>	<b>(2,664)</b>	<b>(11,546)</b>

The effective tax rate is not reflective of the statutory tax rate principally due to the restriction in the group relief available in respect of losses incurred by certain subsidiary companies and expenses which were not deductible for tax purposes.

## 5. CORPORATE PROPOSALS

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

## 6. BORROWINGS AND DEBT SECURITIES

	As at 31.12.2017		
	Long Term RM'000	Short Term RM'000	Total Borrowing RM'000
Redeemable preference shares	961	-	961
Bank borrowings	115,826	96,751	212,577
Hire-purchase creditors	596	179	775
Bank overdrafts	-	16,421	16,421
	<u>117,383</u>	<u>113,351</u>	<u>230,734</u>

	As at 31.12.2016		
	Long Term RM'000	Short Term RM'000	Total Borrowing RM'000
Redeemable preference shares	961	-	961
Bank borrowings	76,700	31,497	108,197
Hire-purchase creditors	707	452	1,159
Bank overdrafts	-	11,113	11,113
	<u>78,368</u>	<u>43,062</u>	<u>121,430</u>

All borrowings are denominated in Ringgit Malaysia and are fully secured.

## 7. CHANGES IN MATERIAL LITIGATION

The Company and its subsidiary companies are not engaged, either as plaintiff or defendant, in any litigation which has a material effect since the date of the last annual statement of financial position to the date of this report. The Directors are not aware of any proceedings pending or threatened or of any fact likely to give rise to any proceeding which might materially and/or adversely affect the position or business of the Group.

## 8. DIVIDEND

No dividend has been proposed or declared for the current quarter.

## 9. EARNINGS PER SHARE

### a) Basic

The basic earnings per share is calculated by dividing the net profit/(loss) for the period by the weighted average number of ordinary shares in issue during the financial period.

	<b>Current Year Quarter 31.12.2017</b>	<b>Preceding Year Corresponding Quarter 31.12.2016</b>	<b>Current Year To Date 31.12.2017</b>	<b>Preceding Year To Date 31.12.2016</b>
(Loss)/Profit attributable to equity holders of the Company (RM'000)	(13,100)	3,296	(26,082)	(7,936)
Number of ordinary shares in issue ('000)	454,676	454,676	454,676	454,676
Basic earnings per share (sen)	(2.88)	0.72	(5.74)	(1.75)

### b) Diluted

ESOS granted and warrants are excluded from the diluted earnings per share calculation because their effects are anti-dilutive.

## 10. PROFIT/(LOSS) BEFORE TAX

The following items have been included in arriving at profit/(loss) before tax:

	<b>Current Year Quarter 31.12.2017 RM'000</b>	<b>Preceding Year Corresponding Quarter 31.12.2016 RM'000</b>	<b>Current Year To Date 31.12.2017 RM'000</b>	<b>Preceding Year To Date 31.12.2016 RM'000</b>
<b>After Charging:</b>				
Interest expenses	4,947	1,367	11,879	4,526
Depreciation and amortisation	308	658	1,553	3,441
Property, plant and equipment written off	-	-	33	115
Loss on disposal of property, plant and equipment	-	1	3	1
Impairment of goodwill	-	-	-	33
Loss on disposal of an associated company	-	-	35,332	-
Allowance for doubtful debts	-	132	-	132
<b>After Crediting:</b>				
Interest income	1,744	1,855	3,425	5,078
Gain on disposal of subsidiary companies	-	29	2,278	22,581
Allowance for doubtful debts no longer required	1,684	-	1,684	-

There were no gain or loss on disposal of quoted investment, foreign exchange gain or loss, gain or loss on derivatives and exceptional items for the current quarter under review.

#### **11. AUTHORISATION FOR ISSUE**

These interim financial statements have been authorised by the Board of Directors for issuance in accordance with a resolution of the Directors duly passed at the Board of Directors' Meeting held on 13 February 2018.

By Order of the Board  
Chin Pei Fung (MAICSA 7029712)  
Company Secretary  
Selangor Darul Ehsan  
13 February 2018