HEITECH PADU BERHAD UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

NON-CURRENT ASSETS Initial Initial Property, plant & equipment Intragible assets 59,496 50,705 Intragible assets 1,667 4,419 Investment in associates 1,667 4,419 Other investments 2,961 22,903 Deferred tax assets 67 65 TOTAL NON-CURRENT ASSETS 67,057 103,474 CURRENT ASSETS 639 788 Inventories 53,295 102,864 Lease receivable 23,058 23,452 Due from customers on contracts 94,660 109,774 Tax recoverable 2,595 757 Cash and bank balances 67,233 94,887 TOTAL CURRENT LABILITIES 241,480 332,442 CURRENT LIABILITIES 241,480 332,442 CURRENT LIABILITIES 118,570 129,326 Trade and other payables 99,364 118,570 Due to customers on contracts - 8,495 Tax payable 35 1,501 Short term borrowings		Unaudited 2018 As at 31 December RM'000	Audited 2017 As at 31 December RM'000
Intangible assets 1,027 22,448 Investment in associates 1,637 4,419 Other investments 1,339 2,914 Lease receivable 2,961 22,903 Deferred tax assets 67 85 TOTAL NON-CURRENT ASSETS 67,057 103,474 CURRENT ASSETS 639 758 Trade and other receivables 53,295 102,864 Lease receivable 23,058 23,452 Due from customers on contracts 94,660 109,724 Tax recoverable 2,595 757 Cash and bank balances 67,233 94,887 TOTAL CURRENT ASSETS 241,480 332,442 CURRENT LABILITIES 99,364 118,570 Due to customers on contracts - 8,495 Tax payable 35 1,501 Short tern borrowings 90,455 129,326 Hire purchase payables 190,220 258,596 NET CURRENT LIABILITIES 110,220 258,596 NET CURRENT ASSETS 51,260 <td>NON-CURRENT ASSETS</td> <td></td> <td></td>	NON-CURRENT ASSETS		
Investment in associates 1,667 4,419 Other investments 1,839 2,914 Lease receivable 2,961 22,903 Deferred tax assets 67 85 TOTAL NON-CURRENT ASSETS 67,057 103,474 CURRENT ASSETS 67,057 103,474 CURRENT ASSETS 639 758 Inventories 53,295 102,864 Lease receivable 23,058 23,452 Due from customers on contracts 94,660 109,724 Tax recoverable 757 757 Cash and bank balances 67,233 94,887 TOTAL CURRENT ASSETS 241,480 332,442 CURRENT LIABILITIES 241,480 324,442 CURRENT LIABILITIES 99,364 118,570 Due to customers on contracts - 8,495 Tax payable 35 1,501 Short term borrowings 90,455 129,326 Hire purchase payables 366 704 TOTAL CURRENT ASSETS 51,260 73,846	Property, plant & equipment	59,496	50,705
Other investments 1,839 2,914 Lease receivable 2,961 22,903 Deferred tax assets 67 85 TOTAL NON-CURRENT ASSETS 67,057 103,474 CURRENT ASSETS 639 758 Trade and other receivables 53,295 102,864 Lease receivable 23,058 23,452 Due from customers on contracts 94,660 109,724 Tax recoverable 2,595 757 Cash and bank balances 67,233 94,887 TOTAL CURRENT ASSETS 241,480 332,442 CURRENT LIABILITIES 704 332,442 CURRENT LIABILITIES 241,480 332,442 CURRENT LIABILITIES 241,480 332,442 CURRENT LIABILITIES 241,480 332,442 CURRENT LIABILITIES 29,646 704 TOTAL CURRENT LIABILITIES 118,570 229,326 Net current use payables 366 704 TOTAL CURRENT LIABILITIES 190,220 258,596 NET CURRENT LIABILITIES	Intangible assets	1,027	22,448
Lease receivable 2,961 22,903 Deferred tax assets 67 85 TOTAL NON-CURRENT ASSETS 67,057 103,474 CURRENT ASSETS 639 758 Inventories 53,295 102,864 Lease receivable 23,058 23,452 Due from customers on contracts 94,660 109,724 Tax recoverable 2,595 757 Cash and bank balances 67,233 94,887 TOTAL CURRENT ASSETS 241,480 332,442 CURRENT LIABILITIES 241,480 332,442 Trade and other payables 99,364 118,570 Due to customers on contracts - 8,495 TotAL CURRENT LIABILITIES 99,364 118,570 Tax payable 35 1,501 Short term borrowings 90,455 129,326 Hire purchase payables 366 704 TOTAL CURRENT LIABILITIES 190,220 258,596 NET CURRENT ASSETS 51,260 73,846 TotAL CURRENT ASSETS 51,260 73,846 TotAL CURRENT ASSETS (3,272) <t< td=""><td>Investment in associates</td><td>1,667</td><td></td></t<>	Investment in associates	1,667	
Deferred tax assets 67 85 TOTAL NON-CURRENT ASSETS 67,057 103,474 CURRENT ASSETS 639 758 Inventories 639 758 Trade and other receivables 53,295 102,864 Lease receivable 23,058 23,452 Due from customers on contracts 94,660 109,724 Tax recoverable 2,595 757 Cash and bank balances 67,233 94,887 TOTAL CURRENT ASSETS 241,480 332,442 CURRENT LIABILITIES 99,364 118,570 Due to customers on contracts - 8,495 Tax payable 35 1,501 Short term borrowings 90,455 129,326 Hire purchase payables 366 704 TOTAL CURRENT LIABILITIES 190,220 258,596 NET CURRENT ASSETS 51,260 73,846 Tift, T7,51 117,751 117,751 Share capital 117,751 117,751 Share capital 117,751 151,222		,	
TOTAL NON-CURRENT ASSETS 67,057 103,474 CURRENT ASSETS 639 758 Inventories 53,295 102,864 Lease receivable 23,058 23,452 Due from customers on contracts 94,660 109,724 Tax recoverable 2,595 757 Cash and bank balances 67,233 94,887 TOTAL CURRENT LIABILITIES 241,480 332,442 CURRENT LIABILITIES 241,480 332,442 CURRENT LIABILITIES 241,480 332,442 Trade and other payables 99,364 118,570 Due to customers on contracts - 8,495 Tax payable 35 1,501 Short term borrowings 90,455 129,326 Hire purchase payables 366 704 TOTAL CURRENT LIABILITIES 190,220 258,596 NET CURRENT ASSETS 51,260 73,846 Itas,317 177,751 117,751 Share permium - - - FOREig currency translation reserve (999 (331) (Accumulated loss)/retained earnings (3,272)<			
CURRENT ASSETS Inventories639758Trade and other receivables53,295102,864Lease receivable23,05823,452Due from customers on contracts94,660109,724Tar recoverable2,595757Cash and bank balances67,23394,887TOTAL CURRENT ASSETS241,480332,442CURRENT LIABILITIES241,480332,442Trade and other payables99,364118,570Due to customers on contracts-8,495Tax payable351,501Short term borrowings90,455129,326Hire purchase payables366704TOTAL CURRENT LIABILITIES190,220258,596NET CURRENT LIABILITIES190,220258,596NET CURRENT LABILITIES190,220258,596NET CURRENT ASSETS51,26073,846TotAL CURRENT ASSETS51,26233,330Shareholders' Funds113,329<	Deferred tax assets	67	85
Inventories 639 758 Trade and other receivables 53,295 102,864 Lease receivable 23,058 23,455 Due from customers on contracts 94,660 109,724 Tax recoverable 2,595 757 Cash and bank balances 67,233 94,887 TOTAL CURRENT ASSETS 241,480 332,442 CURRENT LIABILITIES 7 8,495 Tax payable 99,364 118,570 Due to customers on contracts - 8,495 Tax payable 35 1,501 Short term borrowings 90,455 129,326 Hire purchase payables 366 704 TOTAL CURRENT LIABILITIES 190,220 258,596 NET CURRENT LIABILITIES 190,220 258,596 NET CURRENT ASSETS 51,260 73,846 118,317 117,751 117,751 Share capital 117,751 117,751 Share capital 117,751 151,222 Non-controlling interests (2,149) 5,0	TOTAL NON-CURRENT ASSETS	67,057	103,474
Trade and other receivables 53,295 102,864 Lease receivable 23,058 23,452 Due from customers on contracts 94,660 109,724 Tax recoverable 2,595 757 Cash and bank balances 67,233 94,887 TOTAL CURRENT LIABILITIES 241,480 332,442 CURRENT LIABILITIES 241,480 332,442 Trade and other payables 99,364 118,570 Due to customers on contracts - 8,495 Tax payable 35 1,501 Short term borrowings 99,364 118,570 Due to customers on contracts - 8,495 Total current borrowings 99,364 129,326 Hire purchase payables 366 704 TOTAL CURRENT LIABILITIES 190,220 258,596 NET CURRENT LIABILITIES 190,220 258,596 NET CURRENT ASSETS 51,260 73,846 Thay, correct translation reserve 999 (331) (Accumulated loss)/retained earnings (3,272) 33,802 Share holders' Funds 113,329 156,252	CURRENT ASSETS		
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Due from customers on contracts 94,660 109,724 Tax recoverable 2,595 757 Cash and bank balances 67,233 94,887 TOTAL CURRENT LABILITIES 241,480 332,442 CURRENT LIABILITIES 99,364 118,570 Tax payable 99,364 118,570 Short term borrowings 90,455 129,326 Hire purchase payables 366 704 TOTAL CURRENT LIABILITIES 190,220 258,596 NET CURRENT LIABILITIES 190,220 258,596 NET CURRENT ASSETS 51,260 73,846 TOTAL CURRENT ASSETS 51,260 73,846 TOTAL CURRENT ASSETS 51,260 73,846 Total currency translation reserve 999 (331) Accumulated loss//retained earnings (3,272) 33,802 Share colders' Funds 113,329 156,252 Long Term Liabilities 2,3710 19,250 Long Term Liabilities 3,710 19,250 Infered tax liabilities 236 505			
Tax recoverable 2,595 757 Cash and bank balances 67,233 94,887 TOTAL CURRENT ASSETS 241,480 332,442 CURRENT LIABILITIES 99,364 118,570 Due to customers on contracts - 8,495 Tax payable 35 1,501 Short term borrowings 90,455 129,326 Hire purchase payables 90,455 129,326 TOTAL CURRENT LIABILITIES 190,220 258,596 NET CURRENT ASSETS 51,260 73,846 Total currency translation reserve 51,260 73,846 Accumulated loss//retained earnings (3,272) 33,802 Shareholders' equity 115,478 151,222 Non-controlling interests (2,149) 5,030 Shareholders' Funds 113,329 156,252 Long Term Liabilities 3,710 19,250 Ling term borrowings 3,710 19,250 Hire purchase creditors 1,042 1,313 Deferred tax liabilities 236 505			
Cash and bank balances 67,233 94,887 TOTAL CURRENT ASSETS 241,480 332,442 CURRENT LIABILITIES 99,364 118,570 Due to customers on contracts - 8,495 Tax payable 35 1,501 Short term borrowings 90,455 129,326 Hire purchase payables 366 704 TOTAL CURRENT LIABILITIES 190,220 258,596 NET CURRENT ASSETS 51,260 73,846 TIS, And CED BY: 118,317 177,320 FINANCED BY: 51,260 73,846 Share capital 117,751 117,751 Share capital (3,272) 33,802 Shareholders' equity 115,478 151,222 Non-controlling interests (2,149) 5,030 Shareholders' Funds 113,329 156,252 Long Term Liabilities 3,710 19,250 Long term borrowings 1,042 1,313 Deferred tax liabilities 236 505 Non-current liabilities 236 505			
TOTAL CURRENT ASSETS241,480332,442CURRENT LIABILITIES Trade and other payables99,364118,570 0 ue to customers on contracts99,364118,570 8,495Tax payable351,501Short term borrowings90,455129,326Hire purchase payables366704TOTAL CURRENT LIABILITIES190,220258,596NET CURRENT LIABILITIES190,220258,596NET CURRENT ASSETS51,26073,846118,317177,320FINANCED BY: Share capital117,751117,751Share capital117,751117,751Share capital(3,272)33,802Shareholders' equity115,478151,222Non-controlling interests(2,149)5,030Shareholders' Funds113,329156,252Long Term Liabilities3,71019,250Ling term borrowings1,0421,313Deferred tax liabilities236505Non-current liabilities4,98821,068			
CURRENT LIABILITIESTrade and other payables99,364118,570Due to customers on contracts-8,495Tax payable351,501Short term borrowings90,455129,326Hire purchase payables366704TOTAL CURRENT LIABILITIES190,220258,596NET CURRENT ASSETS51,26073,846Interpretation of the serve serv	Cash and bank balances	67,233	94,887
Trade and other payables 99,364 118,570 Due to customers on contracts - 8,495 Tax payable 35 1,501 Short term borrowings 90,455 129,326 Hire purchase payables 366 704 TOTAL CURRENT LIABILITIES 190,220 258,596 NET CURRENT ASSETS 51,260 73,846 TIB,317 177,320 FINANCED BY: 1117,751 117,751 Share capital 117,751 117,751 Share capital (3,272) 33,802 Shareholders' equity 115,478 151,222 Non-controlling interests (2,149) 5,030 Shareholders' Funds 113,329 156,252 Long term borrowings 3,710 19,250 Hire purchase creditors 1,042 1,313 Deferred tax liabilities 236 505 Non-current liabilities 4,988 21,068	TOTAL CURRENT ASSETS	241,480	332,442
Due to customers on contracts - 8,495 Tax payable 35 1,501 Short term borrowings 90,455 129,326 Hire purchase payables 366 704 TOTAL CURRENT LIABILITIES 190,220 258,596 NET CURRENT ASSETS 51,260 73,846 TIB,317 177,320 FINANCED BY: 118,317 177,320 Share capital 117,751 117,751 Share capital (3,272) 33,802 Share capital (115,478 151,222 Non-controlling interests (2,149) 5,030 Shareholders' Funds 113,329 156,252 Long Term Liabilities 3,710 19,250 Hire purchase creditors 1,042 1,313 Deferred tax liabilities 236 505 Non-current liabilities 4,988 21,068	CURRENT LIABILITIES		
Tax payable 35 1,501 Short term borrowings 90,455 129,326 Hire purchase payables 366 704 TOTAL CURRENT LIABILITIES 190,220 258,596 NET CURRENT ASSETS 51,260 73,846 118,317 177,320 FINANCED BY: 118,317 117,751 Share capital 117,751 117,751 Share premium - - Foreign currency translation reserve 999 (331) (Accumulated loss)/retained earnings (3,272) 33,802 Shareholders' equity 115,478 151,222 Non-controlling interests (2,149) 5,030 Shareholders' Funds 113,329 156,252 Long Term Liabilities 3,710 19,250 Hire purchase creditors 1,042 1,313 Deferred tax liabilities 236 505 Non-current liabilities 4,988 21,068	Trade and other payables	99,364	,
Short term borrowings 90,455 129,326 Hire purchase payables 366 704 TOTAL CURRENT LIABILITIES 190,220 258,596 NET CURRENT ASSETS 51,260 73,846 118,317 177,320 FINANCED BY: 117,751 117,751 Share capital 117,751 117,751 Share premium - - Foreign currency translation reserve 999 (331) (Accumulated loss)/retained earnings (3,272) 33,802 Shareholders' equity 115,478 151,222 Non-controlling interests (2,149) 5,030 Shareholders' Funds 113,329 156,252 Long Term Liabilities 3,710 19,250 Long term borrowings 3,710 19,250 Hire purchase creditors 1,042 1,313 Deferred tax liabilities 236 505 Non-current liabilities 4,988 21,068		-	
Hire purchase payables366704TOTAL CURRENT LIABILITIES190,220258,596NET CURRENT ASSETS51,26073,846118,317177,320FINANCED BY: Share capital Share premium Foreign currency translation reserve (Accumulated loss)/retained earnings Shareholders' equity117,751 999 (331) (3,272) (3,272) (33,802Non-controlling interests(2,149)5,030Shareholders' Funds113,329156,252Long Term Liabilities Long term borrowings Hire purchase creditors 			
TOTAL CURRENT LIABILITIES190,220258,596NET CURRENT ASSETS51,26073,846118,317177,320FINANCED BY: Share capital117,751117,751Share capital Share premium Foreign currency translation reserve (Accumulated loss)/retained earnings Shareholders' equity999(331)(Accumulated loss)/retained earnings Shareholders' equity(3,272)33,802Non-controlling interests(2,149)5,030Shareholders' Funds113,329156,252Long Term Liabilities Long term borrowings Hire purchase creditors3,71019,250Non-current liabilities236505Non-current liabilities4,98821,068			
NET CURRENT ASSETS 51,260 73,846 118,317 177,320 FINANCED BY: 117,751 117,751 Share capital 117,751 117,751 Share premium - - Foreign currency translation reserve 999 (331) (Accumulated loss)/retained earnings (3,272) 33,802 Shareholders' equity 115,478 151,222 Non-controlling interests (2,149) 5,030 Shareholders' Funds 113,329 156,252 Long Term Liabilities 3,710 19,250 Hire purchase creditors 1,042 1,313 Deferred tax liabilities 236 505 Non-current liabilities 4,988 21,068	Hire purchase payables	366	704
FINANCED BY:Share capital117,751Share premiumForeign currency translation reserve999(331)(Accumulated loss)/retained earningsShareholders' equityNon-controlling interests(2,149)5,030Shareholders' FundsLong Term LiabilitiesLong term borrowingsJop term controlling interests113,329156,252Non-current liabilities236505Non-current liabilities4,98821,068	TOTAL CURRENT LIABILITIES	190,220	258,596
FINANCED BY: Share capital117,751117,751Share premiumForeign currency translation reserve999(331)(Accumulated loss)/retained earnings(3,272)33,802Shareholders' equity115,478151,222Non-controlling interests(2,149)5,030Shareholders' Funds113,329156,252Long Term Liabilities3,71019,250Long term borrowings1,0421,313Deferred tax liabilities236505Non-current liabilities4,98821,068	NET CURRENT ASSETS	51,260	73,846
Share capital117,751117,751Share premiumForeign currency translation reserve999(331)(Accumulated loss)/retained earnings(3,272)33,802Shareholders' equity115,478151,222Non-controlling interests(2,149)5,030Shareholders' Funds113,329156,252Long Term Liabilities3,71019,250Long term borrowings1,0421,313Deferred tax liabilities236505Non-current liabilities4,98821,068		118,317	177,320
Share premium-Foreign currency translation reserve999(331)(Accumulated loss)/retained earnings(3,272)33,802Shareholders' equity115,478151,222Non-controlling interests(2,149)5,030Shareholders' Funds113,329156,252Long Term Liabilities3,71019,250Long term borrowings1,0421,313Deferred tax liabilities236505Non-current liabilities4,98821,068	FINANCED BY:		
Share premium-Foreign currency translation reserve999(331)(Accumulated loss)/retained earnings(3,272)33,802Shareholders' equity115,478151,222Non-controlling interests(2,149)5,030Shareholders' Funds113,329156,252Long Term Liabilities3,71019,250Long term borrowings1,0421,313Deferred tax liabilities236505Non-current liabilities4,98821,068	Share capital	117,751	117,751
(Accumulated loss)/retained earnings(3,272)33,802Shareholders' equity115,478151,222Non-controlling interests(2,149)5,030Shareholders' Funds113,329156,252Long Term Liabilities Long term borrowings3,71019,250Hire purchase creditors1,0421,313Deferred tax liabilities236505Non-current liabilities4,98821,068	Share premium	-	-
Shareholders' equity115,478151,222Non-controlling interests(2,149)5,030Shareholders' Funds113,329156,252Long Term Liabilities3,71019,250Long term borrowings3,71019,250Hire purchase creditors1,0421,313Deferred tax liabilities236505Non-current liabilities4,98821,068	Foreign currency translation reserve	999	(331)
Non-controlling interests(2,149)5,030Shareholders' Funds113,329156,252Long Term Liabilities Long term borrowings3,71019,250Hire purchase creditors Deferred tax liabilities1,0421,313Deferred tax liabilities236505Non-current liabilities4,98821,068			33,802
Shareholders' Funds113,329156,252Long Term Liabilities Long term borrowings3,71019,250Hire purchase creditors1,0421,313Deferred tax liabilities236505Non-current liabilities4,98821,068	Shareholders' equity	115,478	151,222
Long Term LiabilitiesLong term borrowings3,710Hire purchase creditors1,042Deferred tax liabilities236Non-current liabilities4,98821,068	Non-controlling interests	(2,149)	5,030
Long term borrowings3,71019,250Hire purchase creditors1,0421,313Deferred tax liabilities236505Non-current liabilities4,98821,068	Shareholders' Funds	113,329	156,252
Hire purchase creditors1,0421,313Deferred tax liabilities236505Non-current liabilities4,98821,068	Long Term Liabilities		
Deferred tax liabilities236505Non-current liabilities4,98821,068	Long term borrowings	3,710	19,250
Non-current liabilities 4,988 21,068			1,313
	Deferred tax liabilities	236	505
118,317 177,320	Non-current liabilities	4,988	21,068
		118,317	177,320
Net asset per share attributable to ordinary equity holders of the parent	Net asset her chare attributable to ordinary equity holders of the parent		
(RM) 1.13 1.27		1.13	1.27

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Accounts for the year ended 31/12/2017. The document forms part of quarterly announcement for quarter ended 31/12/2018.

HEITECH PADU BERHAD UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2018

	Individual Quarter		Cumulative Quarter		
	2018	2017	2018	2017	
	Current quarter ended 31 December	Comparative quarter ended 31 December	12 months cumulative to date	Comparative 12 months cumulative to date	
	RM'000	RM'000	RM'000	RM'000	
Revenue	79,269	88,046	383,843	426,872	
Other Income	803	4,932	15,526	8,448	
Total Income	80,072	92,978	399,369	435,320	
Employee Benefits Expense	(15,611)	(23,322)	(83,527)	(100,579)	
Purchase of Hardware and Software	(5,962)	(21,206)	(26,941)	(67,529)	
Telecommunication Costs	(4,246)	(8,198)	(25,988)	(32,356)	
Software License and Hardware Maintenance Cost	(11,639)	8,681	(45,824)	(51,872)	
Bulk Mailing Processing Charges	(3,345)	(408)	(16,147)	(13,043)	
Depreciation	(3,604)	(3,714)	(9,900)	(11,654)	
Project Implementation Costs	(19,886)	(77,658)	(148,428)	(105,904)	
Other Expenses	(50,098)	15,291	(71,328)	(60,284)	
Total Expenditure	(114,391)	(110,534)	(428,083)	(443,221)	
Loss before Finance Cost	(34,319)	(17,556)	(28,714)	(7,901)	
Finance Cost	(1,047)	(689)	(4,746)	(6,584)	
Share of Results of Associated Companies	(2,896)	(308)	(2,698)	(56)	
Loss Before Taxation	(38,262)	(18,553)	(36,158)	(14,541)	
Taxation	898	1,283	(196)	(805)	
Loss for the period	(37,364)	(17,270)	(36,354)	(15,346)	
Loss attributable to:					
Equity holders of the Parent	(32,579)	(15,930)	(29,175)	(13,998)	
Non-controlling interests	(4,785)	(1,340)	(7,179)	(1,348)	
	(37,364)	(17,270)	(36,354)	(15,346)	
Number of Ordinary Shares of RM1.00 each	101,225	101,225	101,225	101,225	
Loss per share attributable to equity holders					
of the parent:					
Basic for loss for the period	(32.18)	(2.75)	(28.82)	(13.83)	
b) Unaudited Condensed Consolidated Statement of Comprehensive Income					
Shareholders' Funds	(37,364)	(17,270)	(36,354)	(15,346)	
Foreign currency translation	1,631	(890)	1,330	(994)	
Total comprehensive income	(35,733)	-18,160	(35,024)	(16,340)	
Total comprehensive income attributable to:					
Equity holders of the Parent	(30,948)	(16,251)	(27,845)	(14,992)	
Minority Interest	(4,785)	(1,909)	(7,179)	(1,348)	
	(35,733)	(18,160)	(35,024)	(16,340)	

HEITECH PADU BERHAD UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2018

	-	Non- dist	ributable	Distributable			
For the period ended 31 December 2018	Share capital RM'000	Share premium RM'000	Foreign Currency Translation Reserve RM'000	Retained profits RM'000	Total RM'000	Non- Controlling Interests RM'000	Total RM'000
At 1 January 2018 Effect of MFRS 15 adoption At 1 January 2018, as restated	117,751 117,751	- -	(331) - (331)	(7,899)	151,222 (7,899) 143,323	5,030 5,030	156,252 (7,899) 148,353
Total comprehensive income for the period	-	-	1,330	(29,175)	(27,845)	(7,179)	(35,024)
At 31 December 2018	117,751	-	999	(3,272)	115,478	(2,149)	113,329
For the period ended 31 December 2017							
At 1 January 2017	101,225	16,526	663	52,861	171,275	6,778	178,053
Total comprehensive income for the period	-	-	(994)	(13,998)	(14,992)	(1,348)	(16,340)
Transaction with owners Dividends paid Effect of implementation of Companies Act 2016	- 16,526	- (16,526)	-	(5,061) -	(5,061) -	(400)	(5,461) -
At 31 December 2017	117,751	-	(331)	33,802	151,222	5,030	156,252

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Accounts for the year ended 31/12/2017. The document forms part of quarterly announcement for quarter ended 31/12/2018.

HEITECH PADU BERHAD

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2018

Adjustments for:9,90011,6Pepreciation9,90011,6Finance costs4,7466,5Impairment loss on:4,7466,5- other receivables49 other receivables49 property, plant and equipment1,009-Reversal of impairment loss on trade receivables(9)(2,6Amortisation of intangible assets1,4701,0Impairment of intangible assets1,6,6039,2Unrealised foreign exchange gainShare of results of associates2,698Gain on disposal of property, plant and equipment(4)Gain on disposal of investments(7,543)Interest income(1,628)(1,607)Dividend income(3,670)0Operating (loss)/profit before working capital changes20,99238,5Decrease, (increase) in other current assets11,4476,5Increase in amount due to customers on contracts11,4476,6Increase in amount due to customers on contracts1,4741,147Cash generated from operations22,75154,3Interest paid(1,711)(1,5Net cash generated from operating activities16,281,4Interest received3,6701Net proceed from disposal of investment7,5431Interest received3,6701Net proceed from disposal of investment-1,628Interest received1,6281,61,6 <tr< th=""><th></th><th>Period ended 31 December 2018</th><th>Year ended 31 December 2017</th></tr<>		Period ended 31 December 2018	Year ended 31 December 2017
Loss before taxation(36,158)(14,5)Adjustments for:9,90011,0Depreciation9,90011,0Finance costs4,7466,5Impairment loss on:4,7466,5- trade receivables8,5211,5- other receivables499- property, plant and equipment1,0097Reversal of impairment loss on trade receivables(9)(2,4Amortisation of intangible assets1,4701,0Impairment of intangible assets1,6,6039,2Unrealised foreign exchange gainShare of results of associates2,6986ain on disposal of property, plant and equipment(4)Gain on disposal of property, plant and equipment(4,017)10,7Decrease in income(3,670)-Operating (loss)/profit before working capital changes(4,017)10,7Decrease in inventories1193Decrease in inventories1193Decrease in receivables20,99238,5Decrease in payables(21,248)11,0Cash generated from operations22,75154,3Increase in payables(21,248)11,0Interest traceived3,67045,570Net dividends received3,67045,570Net ass generated from operating activities9,741(6,61Increase investment in an associateProceeds from disposal of investment-3,670Net ass generated from/(used in) investin		RM'000	RM'000
Adjustments for:9,90011,6Pepreciation9,90011,6Finance costs4,7466,5Impairment loss on:4,7466,5- other receivables49 other receivables49 property, plant and equipment1,009-Reversal of impairment loss on trade receivables(9)(2,6Amortisation of intangible assets1,4701,0Impairment of intangible assets1,6,6039,2Unrealised foreign exchange gainShare of results of associates2,698Gain on disposal of property, plant and equipment(4)Gain on disposal of investments(7,543)Interest income(1,628)(1,607)Dividend income(3,670)0Operating (loss)/profit before working capital changes20,99238,5Decrease, (increase) in other current assets11,4476,5Increase in amount due to customers on contracts11,4476,6Increase in amount due to customers on contracts1,4741,147Cash generated from operations22,75154,3Interest paid(1,711)(1,5Net cash generated from operating activities16,281,4Interest received3,6701Net proceed from disposal of investment7,5431Interest received3,6701Net proceed from disposal of investment-1,628Interest received1,6281,61,6 <tr< td=""><td></td><td>(36.158)</td><td>(14,541)</td></tr<>		(36.158)	(14,541)
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Impairment loss on:- trade receivables8,521- other receivables49- property, plant and equipment1,009Reversal of impairment loss on trade receivables(9)(2,4Amortisation of intangible assets1,470Impairment of intangible assets1,66039,2Gain on disposal of property, plant and equipment(4)Gain on disposal of property, plant and equipment(4)Gain on disposal of property, plant and equipment(1,628)(1,628)(1,628)Dividend income(3,670)Operating (loss)/profit before working capital changes(4,077)Decrease in inventories119Decrease in inventories119Decrease in inventories11910,recase in amount due to customers on contracts11,447(1,628)(1,248)(1,446)(6,52Interest paid(4,746)Incease plaid(1,711)Net cash generated from operating activities16,29445,745,7CASHFLOW FROM INVESTING ACTIVITIESInterest received1,628Net dividends received1,628Net dividends received1,628Net dividends received1,628Net dividends received1,628Net dividends received2,751Software development cost incurredProceeds from disposal of investment-Increase independent cost incurredProceeds from disp	Depreciation	9,900	11,654
- trade receivables8,5211,5- other receivables49- property, plant and equipment1,009Reversal of impairment loss on trade receivables(9)(2,4Amortisation of intangible assets1,4701,0Impairment of intangible assets1,4701,0Unrealised foreign exchange gainShare of results of associates2,698-Gain on disposal of property, plant and equipment(4)-Gain on disposal of property, plant and equipment(1,628)(1,628)Univelate income(1,628)(1,628)Dividend income(3,670)-Operating (loss)/profit before working capital changes20,99238,5Decrease in inventories119-Decrease in receivables20,99238,5Decrease in receivables22,75154,2Increase in amount due to customers on contracts11,4476,5Income taxes paid(1,7211)(1,248)Cash generated from operations22,75154,2Income taxes paid(1,7211)(1,248)Interest received1,6281,6Net dividends received3,670-Net proceed from disposal of investmentProceeds from disposal of property, plant and equipmentProceeds from disposal of property, plant and equipmentProceeds from disposal of property, plant and	Finance costs	4,746	6,584
- other receivables49- property, plant and equipment1,009Reversal of impairment loss on trade receivables(9)(2,4)Amortisation of intangible assets1,470(1)Impairment of intangible assets1,6603(2)Unrealised foreign exchange gainShare of results of associates2,698Gain on disposal of property, plant and equipment(4)Gain on disposal of property, plant and equipment(4)Gain on disposal of property, plant and equipment(4,017)Dividend income(1,628)(1,628)(1,407)Decrease in inventories119Decrease in inventories11,947Decrease (increase) in other current assets15,458(1)crease)/increase in payables(21,248)(1)crease pid(4,746)(6)crease)/increase in payables(21,248)(1,711)(1,427)Net cash generated from operating activities16,294Ats(4,746)Increase raceived1,628Interest received3,670Net proceed from disposal of investment7,543Increase of rom disposal of property, plant and equipmentProceeds from disposal of property, plant and	•		
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Increase investment in an associate-Proceeds from disposal of property, plant and equipment-Purchase of property, plant and equipment(3,100)Software development cost incurred-Net cash generated from/(used in) investing activities9,741CASHFLOW FROM FINANCING ACTIVITIESDividend paid-Net proceeds from loans and borrowings(12,697)(Repayment)/net proceeds of obligations under finance leases(609)		•	-
Proceeds from disposal of property, plant and equipment -		7,543	- (FF)
Purchase of property, plant and equipment(3,100)(7,3Software development cost incurred-(1,4Net cash generated from/(used in) investing activities9,741(6,8CASHFLOW FROM FINANCING ACTIVITIESDividend paid-(5,4Net proceeds from loans and borrowings(12,697)3(Repayment)/net proceeds of obligations under finance leases(609)1,2		-	(55) 177
Software development cost incurred-(1,4)Net cash generated from/(used in) investing activities9,741(6,8)CASHFLOW FROM FINANCING ACTIVITIESDividend paid-(5,4)Net proceeds from loans and borrowings(12,697)3)(Repayment)/net proceeds of obligations under finance leases(609)1,2)		(3 100)	(7,316)
Net cash generated from/(used in) investing activities9,741(6,8CASHFLOW FROM FINANCING ACTIVITIESDividend paid-(5,4Net proceeds from loans and borrowings(12,697)3(Repayment)/net proceeds of obligations under finance leases(609)1,2		(3,100)	(1,482)
Dividend paid-(5,4)Net proceeds from loans and borrowings(12,697)3(Repayment)/net proceeds of obligations under finance leases(609)1,2	•	9,741	(6,815)
Dividend paid-(5,4)Net proceeds from loans and borrowings(12,697)3(Repayment)/net proceeds of obligations under finance leases(609)1,2	CASHELOW FROM EINANCING ACTIVITIES		
Net proceeds from loans and borrowings(12,697)(Repayment)/net proceeds of obligations under finance leases(609)1,2		-	(5,461)
(Repayment)/net proceeds of obligations under finance leases (609) 1,2		(12,697)	326
Placement of deposits from securities for bank borrowings (19,839) (15,7	Repayment)/net proceeds of obligations under finance lease	es (609)	1,217
	Placement of deposits from securities for bank borrowings	(19,839)	(15,775)
Placement of deposits with licensed banks - (1,5	Placement of deposits with licensed banks	-	(1,515)
	Net cash used in financing activities	(33,145)	(21,208)
NET (DECREASE)/INCREASE IN CASH & CASH EQUIVALENTS (7,109) 17,7	NET (DECREASE)/INCREASE IN CASH & CASH EQUIVALENTS	(7,109)	17,722
			(576)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD 9,216 (7,5	CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PER	I OD 9,216	(7,930)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD 3,441 9,2	CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	3,441	9,216
CASH & CASH EQUIVALENTS COMPRISE:	CASH & CASH EQUIVALENTS COMPRISE:		
		18,953	22,138
	Fixed deposits with licensed banks		72,749
			(12,922)
			(4,629)
	Deposit pledged as securities for bank borrowings		(68,120)
3,4419,2		3,441	9,216

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Accounts for the year ended 31/12/2017. The document forms part of quarterly announcement for quarter ended 31/12/2018.

UNAUDITED RESULTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

Notes to The Financial Statements

1. BASIS OF PREPARATION

The interim financial statements have been prepared under the historical cost convention. The interim financial statements 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 Malaysia Securities Berhad.

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

2. CHANGES IN ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2017 except for the following new/revised Malaysian Financial Reporting Standards ("MFRS") that are issued but not yet effective:

Effective for annual periods beginning on or after 1 January 2018.

- MFRS 2 Classification and Measurement of Share-based Payment Transactions
- MFRS 9 Financial Instruments
- MFRS 15 Revenue from Contracts with Customers
- MFRS 140 Transfers of Investment Property
- Annual Improvements to MFRS Standards 2014-2016 Cycle
- IC Interpretation 22 Foreign Currency Transactions and Advance Consideration

MFRS 15 Revenue from Contracts with Customers

The Group adopted MFRS 15 on 1 January 2018. MFRS 15 establishes a new five-step model that will apply to revenue arising from contracts with customers. MFRS 15 supersedes the previous revenue recognition guidance including MFRS 118 Revenue, MFRS 111 Construction Contracts and the related interpretations.

The core principle of MFRS 15 is that an entity should recognise revenue which depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

The Group has elected to apply this standard using the modified retrospective method by recognising the cumulative effect of initial application as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) of the annual reporting period that includes the date of initial application.

2. CHANGES IN ACCOUNTING POLICIES (CONT'D)

MFRS 15 Revenue from Contracts with Customers (cont'd)

The Group had identified its on going contracts (using practical expedient allowed under the new standard) for the assessment of the contractual terms that form the performance obligation(s) in the contract. These contracts over a number of years and has multiple scope of work (such as a combination of system application and development, sale of hardware and software, maintenance services etc.). Specific performance obligations and the related amount have been expressly stipulated in these contracts. Since the inception of the contracts, the Group has been recognizing the revenue based on the specific performance obligation as stated in the contract.

The effect from the adoption of MFRS 15 on the opening retained profits are as follow.

	Retained profits
	As at 1.1.2018
	RM'000
Opening balance as at 1 January 2018 before adoption of MFRS 15	33,802
Effect from the adoption of MFRS 15	(7,899)
Opening balance as at 1 January 2018, as restated	25,903

MFRS 9 Financial Instruments

The Group adopted MFRS 9, Financial Instruments on 1 January 2018. MFRS 9 replaces the guidance in MFRS 139. Financial Instruments: Recognition and Measurement on the classification and measurement of financial assets and financial liabilities, impairment of financial assets, and on hedge accounting.

MFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics.

The three principal classifications categories for financial assets are: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The standard eliminates the existing MFRS 139 categories of held to maturity, loans and receivables and available for sale.

There was no material impact on the accounting of the Group's financial assets upon application of the new classification requirements.

3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

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

4. SEASONAL OR CYCLICAL FACTORS

The principal business operations of the Group are not significantly affected by seasonality or cyclical factors.

5. UNUSUAL ITEMS

Other than disclosed in the financial statements, there were no unusual items affecting the financial statements for the financial period under review.

6. CHANGES IN ESTIMATES

There were no significant changes in estimates that materially affect the financial statements for the financial period under review.

7. DEBTS AND EQUITY SECURITIES

There were no repayment and issuance of debt securities, share buy-backs, share cancellation, share held as treasury shares and resale of treasury shares for the financial period under review.

8. DIVIDENDS PAID

There was no dividend paid in the financial period under review.

9. VALUATION OF PROPERTY, PLANT & EQUIPMENT

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

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

10. CHANGES IN THE COMPOSITION OF THE GROUP

There were no material changes to the composition of the Group.

11. SUBSEQUENT EVENTS

There was no subsequent event for the current quarter under review.

12. CAPITAL COMMITMENT

There is no capital commitment to purchase property, plant and equipment for the period ended 31 December 2018.

13. CONTINGENT LIABILITIES

There were no contingent liabilities for the Group as at 21 February 2019 being the latest practicable date, which is not earlier than seven days from the date of issuance of this quarterly announcement.

14. SEGMENTAL REPORTING

In the past, HeiTech companies and their business were defined and reported based on the business offering of the respective company. Similar activities were grouped together and reported as one segment. Initially they were reported under three (3) segments, namely information technology; mailing and document processing services and services; and engineering works. Then, the segments were briefly reported as IT related product and services and strategic business. The segmental reporting is once again revised by taking into consideration the decision making process and business challenges that are faced by the Group during the period.

The Group segments are now reported as the following core businesses.

1. Core 1

Core 1 essentially consolidates HeiTech's brands in the information technology sectors. Activities focus on in serving the public and private sectors with the range of services and products portfolio from system integration and application development, maintenance, managed services, financial and business solutions.

2. Core 2

Core 2 leverages on the multi-offerings and multi-industries of the companies within the Group. These offerings range from energy sector constructions, bulk mailing and outsourcing services, automotive/insurance claims platform services, mobile applications, simulation and training to various customers.

14. SEGMENTAL REPORTING (CONT'D)

3. Core 3

Core 3 is set-up to pave the way for the Group with potential new business either within the existing or new market. In light of constant changes and volatility in the social, economic and political climates, the Group understand the needs for a dedicated team to explore and discover new potentials and possibilities.

For the period ended				Consolidation	
31 December 2018	Core 1	Core 2	Core 3	Adjustments	Consolidated
		RM '000	RM '000	RM '000	RM '000
REVENUE					
External	230,379	143,808	9,656	-	383,843
RESULT					
Profit/(Loss) after tax	5,961	(27,884)	(7,623)	(6,808)	(36,354)
Non-controlling interests		(7,179)			(7,179)
Loss attributable to equity holders of					
the Parent	5,961	(20,705)	(7,623)	(6,808)	(29,175)
For the period ended				Consolidation	
31 December 2017	Core 1	Core 2	Core 3	Adjustments	Consolidated
		RM '000	RM '000	RM '000	RM '000
REVENUE					
External	283,497	133,351	10,024	-	426,872
RESULT					
Loss after tax	(8,227)	(3,963)	(3,672)	516	(15,346)
Non-controlling interests	(-,)	(1,348)	(-,-,=)		(1,348)
Loss attributable to equity holders of		())			(, , , , , , , , , , , , , , , , , , ,
the Parent	(8,227)	(2,615)	(3,672)	516	(13,998)

15. REVIEW OF PERFORMANCE

	31/12/2018	31/12/2017
	RM'000	RM'000
Revenue	383,843	426,872
Earnings before depreciation, amortisation, impairment, provisions and impairments	11,792	11,757
Less: Depreciation and amortisation Provision for expected credit loss, impairment on property and	(11,370)	(12,678)
equipment, intangibles and goodwill	(36,580)	(13,620)
	(47,950)	(26,298)
Loss before taxation	(36,158)	(14,541)
Taxation	(196)	(805)
Loss for the period	(36,354)	(15,346)
Less: Non-controlling interests	(7,179)	(1,348)
Loss attributable to owners of parent	(29,175)	(13,998)

The Group has recorded a drop in its revenue from RM426,872,000 in 2017 to RM383,843,000 in 2018 in the absence of major contracts secured during the year following the tightening and prudent spending from the public sector.

Uncertainty and challenges at the macro and microeconomic level requires the Group to take a vigilant stand in assessing the recoverability of investment and assets own by the Group. Consequently, the Group has recorded higher provision for expected credit loss, impairment on property and equipment, intangibles and goodwill amounting to RM36,580,000 in 2018 as compared to RM13,620,000 in 2017.

While the net loss incurred by the Group is significantly higher in 2018, it is noteworthy to highlight that the Group still managed to record positive underlying operational performance before depreciation, amortisation, impairment and provisions of RM11,792,000 for the financial year ended 31 December 2018, demonstrating resilience in facing an extremely tough business environment.

16. COMMENTARY ON PROSPECTS

The Group's business environment is expected to remain challenging for 2019. However, the Group will continue to implement relevant strategies to overcome the challenges. These include securing recurring business from existing customers while gaining new business from both existing and new customers.

Core 1

2018 has been a very challenging year for IT sector especially from the threat of competition. Nevertheless, counting on our year of success as the incumbent in system integration and managed services, the Group is confident in establishing market confidence from both public and private sectors.

16. COMMENTARY ON PROSPECTS (CONT'D)

Moving forward, Core 1 is concentrating its effort in maintaining and regaining its market share, with a total pipeline of RM1.5 billion, mainly in internal security and transport sectors.

The top three significant prospects for Core 1 future performance are as follows:

No.	Customer	Ministry	
1.	Jabatan Imigresen Malaysia (JIM)	Kementerian Dalam Negeri	Note 1
2.	Jabatan Pendaftaran Negara (JPN)	Kementerian Dalam Negeri	Note 2
3.	Jabatan Pengangkutan Jalan (JPJ)	Kementerian Pengangkutan	Note 3

Note 1

The Ministry is expected to procure an improved and integrated system via open tender , which will replace the National Immigration Control System (SKIN) project. SKIN, which was meant to replace current system called myIMMS. myIMMS maintenance contract is currently provided by HeiTech until August 2020.

HeiTech's 20 years service deliveries experience in myIMMS system count as our strength in the bidding of the intended open tender for the new system development contract in current year prospect.

Note 2

HeiTech has developed the JPN National ID system in 1996 and has been maintaining the system until June 2017. HeiTech will bid in an open tender for the maintenance contract of the system in 2019.

Note 3

JPJ mySikap was developed by HeiTech in 2010 and it currently being serviced and maintained by HeiTech until June 2019. HeiTech will bid in an open tender for the maintenance contract of the system in 2019.

Total sales pipeline bid by customers market segment are as follows:

		RM '000
a.	Public sector	1,270,000
b.	Private sector	305,000
	Total pipeline bid	1,575,000

16. COMMENTARY ON PROSPECTS (CONT'D)

Core 2

Core 2 leverages on the multi-offerings and multi-industries of the companies within the Group. In 2019, the focus of Core 2 is directed towards green and renewable energy and mobile payment for e-government services.

Renewable energy

The Group is strategically positioning to bid for recently launched Large Scale Solar 3 (LSS3) that will tender out 500 MW of solar projects in peninsular Malaysia.

It was reported in the news that renewable energy constitutes 2% of Malaysia's total energy generation mix as at 2016. The government hopes to increase the renewable energy portion to 20% by 2025 and to generate half of the country's electricity by 2050.

Total sales pipeline bid for renewable energy initiative is at approximately between RM500 million to RM1 billion.

Mobile payment for e-government services

The Group, via a subsidiary that provides mobile applications and payment gateways, has entered the fray of mobile payment for e-government services platform via applications that consolidate information from various government agencies into a single platform that allow users to check information about validity, outstanding balances, summonses and perform payment via the same platform if needed to.

The platform focuses on five large areas of services:

- a. Information such as license expiry and election location
- b. Student loan checking and payment
- c. Local council and police summons
- d. Assessment and quit rent
- e. Insolvency

Based on the track record in serving the government through SMS services and short code for various agencies for the past 10 years, the Group is confident that the initiative on mobile payment for e-government services will position the Group in a competitive standing within the online application industry.

Core 3

As the exploration arm of the Group, Core 3 is eyeing its activities on consumer and concession based initiatives, especially within the transport sector. The areas of prospect that are strategically position e-testing for driving licence and smart parking for local and state authorities.

17. COMPARISON WITH PRECEDING QUARTER'S RESULTS

The Group recorded lower revenue at RM79,269,000 for the current quarter ended 31 December 2018 as compared to RM89,298,000 in the preceding quarter ended 30 September 2018.

The Group had also shown some reduction in the margins for the current quarted as opposed to the preceding quarter.

- i. Profit before tax decreased from RM47,000 in the preceding quarter ended 30 September 2018 to a loss of RM38,262,000.
- ii. The net results has declined from a loss of RM82,000 in preceding quarter ended 30 September 2018 to a loss of RM37,364,000 due to reasons as explained in review of performance in note 15 above.

18. VARIANCE ON FORECASTED PROFIT

Not applicable.

19. LOSS BEFORE TAX

Included in the loss before tax are the following items:

	Current Quarter 31/12/2018 RM'000	Accumulated Current Quarter 31/12/2018 RM'000
Interest income	(257)	(1,628)
Dividend income	-	(3,670)
Interest expense	1,047	4,746
Depreciation of property, plant and equipment	3,604	9,900
Amortisation of intangible assets	468	1,470
Impairment loss on :		
- Trade receivables	7,910	8,521
- Other receivables	-	49
- Intangible assets	16,603	16,603
- Property, plant and equipment	1,009	1,009
Reversal gain on trade receivables	-	(9)
Gain on disposal of a simple investment	-	(7,543)

20. TAXATION

The taxation of the Group for the financial period under review is as follows:-

I	Accumulated		
:	Current	Current	
•	Quarter	Quarter	
}	31/12/2018	31/12/2018	_
)	RM'000	RM'000	-
.,	(196)	898	

21. CORPORATE DEVELOPMENTS

There were no corporate developments during the financial period under review.

22. GROUP BORROWINGS AND DEBT SECURITIES

As at 31 December 2018, the Group has the following borrowings which are denominated in Ringgit Malaysia from local financial institutions:-

Secured:	Total RM'000
Short Term Borrowings	
Hire purchase creditor due within 12 months	366
Other short term borrowings due within 12 months	90,455
	90,821
Long Term Borrowings	
Hire purchase creditor due after 12 months	1,042
Other long term borrowings due after 12 months	3,710
	4,752
Total	95,573

23. MATERIAL LITIGATIONS

The Group is not engaged in any material litigations, claims or arbitration either as plaintiff or defendant as at 21 February 2019, being the latest practicable date, which is not earlier than seven days from the date of issuance of this quarterly announcement.

24. PROPOSED DIVIDEND

There was no dividend proposed for the financial period under review.

25. EARNING PER SHARE

<u>a) Basic</u>	Current Quarter 31/12/2018	Accumulated Current Quarter 31/12/2018
Net loss attributable to ordinary equity holders of the parent company (RM'000)	(32,579)	(29,175)
Weighted average number of ordinary shares in issue ('000)	101,225	101,225
Basic loss per share (sen)	(32.18)	(28.82)

b) Diluted

There is no transaction undertaken by the Group during the period that has a potential dilutive effect.

26. SIGNIFICANT EVENTS

- a. On 22 January 2019, the Company has secured a contract for Supplying, Transmitting, Installing, Configuring, Testing and Commissioning of Critical Care Information System (CCIS) in Intensive Care Unit for 11 hospitals under the Ministry of Health valued at RM33,179,367.26 for a period of 36 months.
- b. On 31 January 2019, the Company has accepted a Letter of Award to renew the software license for mainframe systems of Lembaga Hasil Dalam Negeri valued at RM14,400,000.00 for a period of 2 years.

By Order of the Board

AMIR ZAHINI BIN SAHRIM (7034464) SITI SHAHWANA BINTI ABDUL HAMID (7018383)

Secretary