

GETS GLOBAL BERHAD

(formerly known as KBES Berhad)

(Company No: 597132 A)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017

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AND ITS SUBSIDIARIES

UNAUDITED INTERIM FINANCIAL REPORT

FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017

CONTENTS	PAGES
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	1
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	2
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	3
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	4
Part A - EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING	5
Part B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD	7

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017

	CURRENT QUARTER		CUMULATIVE QUARTER	
	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	5,377	11,044	32,246	33,998
Cost of sales	<u>(8,274)</u>	<u>(8,743)</u>	<u>(32,376)</u>	<u>(29,080)</u>
Gross (loss)/profit	(2,897)	2,301	(130)	4,918
Other income	-	431	1,351	1,348
Administrative expenses	(4,991)	(1,244)	(9,840)	(7,553)
Selling and distribution expenses	<u>9</u>	<u>(6)</u>	<u>(81)</u>	<u>(179)</u>
Loss from operations	(7,879)	1,482	(8,700)	(1,466)
Finance costs	<u>(265)</u>	<u>(280)</u>	<u>(1,073)</u>	<u>(1,086)</u>
Loss before taxation	(8,144)	1,202	(9,773)	(2,552)
Taxation	(142)	(214)	(127)	(427)
Loss for the financial period	<u>(8,286)</u>	<u>988</u>	<u>(9,900)</u>	<u>(2,979)</u>
Other comprehensive income, net of taxation				
Revaluation surplus on buses	16,000	-	16,000	-
Total comprehensive loss for the financial period	<u>7,714</u>	<u>988</u>	<u>6,100</u>	<u>(2,979)</u>
Loss after taxation attributable to:-				
Owners of the Company	(7,982)	992	(9,592)	(3,175)
Non-controlling interests	<u>(304)</u>	<u>(4)</u>	<u>(308)</u>	<u>196</u>
	<u>(8,286)</u>	<u>988</u>	<u>(9,900)</u>	<u>(2,979)</u>
Total comprehensive loss attributable to:-				
Owners of the Company	4,818	992	3,208	(3,175)
Non-controlling interests	<u>2,896</u>	<u>(4)</u>	<u>2,892</u>	<u>196</u>
	<u>7,714</u>	<u>988</u>	<u>6,100</u>	<u>(2,979)</u>
Basic loss per ordinary share (sen) (Note B13)	(6.33)	0.79	(7.61)	(2.52)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017

	AS AT 31/12/2017 RM'000 (Unaudited)	AS AT 31/12/2016 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	69,682	68,063
Goodwill on consolidation	8,417	-
Trade and other receivables	1,652	1,256
Total non-current assets	79,751	69,319
Current assets		
Inventories	12,024	2,398
Trade and other receivables	15,659	14,224
Tax recoverable	115	808
Fixed deposits with licensed banks	-	-
Cash and bank balances	1,068	607
Assets classified as held for sale	-	6,180
Total current assets	28,866	24,217
TOTAL ASSETS	108,617	93,536
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	63,000	63,000
Reserves	(2,729)	(5,937)
Shareholders' funds	60,271	57,063
Non-controlling interests	1,750	963
TOTAL EQUITY	62,021	58,026
Non-current liabilities		
Loans and borrowings	3,584	5,700
Deferred tax liabilities	6,188	6,193
Trade and other payables	8,136	-
Total non-current liabilities	17,908	11,893
Current liabilities		
Trade and other payables	16,983	14,893
Loans and borrowings	11,705	8,700
Tax payables	-	24
Total current liabilities	28,688	23,617
TOTAL LIABILITIES	46,596	35,510
TOTAL EQUITY AND LIABILITIES	108,617	93,536
Net assets per ordinary share of RM0.50 each (RM)	0.49	0.46

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017

	Attributable to owners of the Company						Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Non-Distributable Reserve - Share Premium RM'000	Non-Distributable Reserve - Revaluation Reserves RM'000	Distributable Reserve - Accumulated Losses RM'000	Total RM'000	Non-controlling Interests RM'000			
As at 1 January 2016	63,000	6,145	-	(24,952)	44,193	767	44,960		
Loss for the period (Cumulative)	-	-	-	(3,175)	(3,175)	196	(2,979)		
Revaluation surplus of land and buildings net of deferred tax	-	-	16,045	-	16,045	-	16,045		
As at 31 December 2016	63,000	6,145	16,045	(28,127)	57,063	963	58,026		
As at 1 January 2017	63,000	6,145	16,045	(28,127)	57,063	963	58,026		
Loss for the period (Cumulative)	-	-	-	(9,592)	(9,592)	(308)	(9,900)		
Revaluation surplus on buses	-	-	12,800	-	12,800	3,200	16,000		
Acquisition of a subsidiary	-	-	-	-	-	(2,105)	(2,105)		
As at 31 December 2017	63,000	6,145	28,845	(37,719)	60,271	1,750	62,021		

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017

	Year To Date 31/12/2017 RM'000 (Unaudited)	Year To Date 31/12/2016 RM'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(9,773)	(2,552)
Adjustments for:-		
Amortisation of leasehold land and building	134	134
Bad debts recovered	-	-
Depreciation of property, plant and equipment	3,493	4,560
Impairment loss on property, plant and equipment	-	-
Property, plant and equipment written off	550	424
Gain on disposal of property, plant and equipment	-	(4,142)
Impairment loss on trade and other receivables	1,000	-
Gain on disposal of non-current asset held for sale	(917)	-
Fair value adjustments of other receivables	223	223
Interest expenses	1,073	1,087
Interest income	(2)	(3)
Operating profit before working capital changes	(4,219)	(269)
Changes in working capital:-		
Inventories	(26)	3,768
Trade and other receivables	(1,032)	(9,642)
Trade and other payables	1,646	(1,060)
Cash generated from operations	(3,631)	(7,203)
Tax paid	(20)	(575)
Tax refund	734	345
Net Operating Cash Flows	(2,917)	(7,433)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	2	3
Proceeds from disposal of property, plant and equipment	7,000	8,022
Purchase of property, plant and equipment	(6,747)	(823)
Net Investing Cash Flows	255	7,202
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(1,073)	(1,087)
Advances from directors	(21)	1,036
(Repayment)/Drawdown of hire purchase payables, net	(358)	(687)
(Repayment)/Drawdown of term loans, net	1,247	(1,267)
Net Financing Cash Flows	(205)	(2,005)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(2,867)	(2,236)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	(6,107)	(3,871)
CASH AND CASH EQUIVALENTS CARRIED FORWARD	(8,974)	(6,107)
ANALYSIS OF CASH AND CASH EQUIVALENTS:-		
Cash and bank balances	1,068	608
Fixed deposits with licensed banks	-	-
Bank overdrafts	(10,042)	(6,715)
	(8,974)	(6,107)

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.