

SENTORIA GROUP BERHAD (Company No : 463344-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
FINANCIAL QUARTER AND YEAR ENDED 30 SEPTEMBER 2017
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	UNAUDITED CURRENT YEAR QUARTER 30/9/2017 RM'000	UNAUDITED PRECEDING YEAR QUARTER 30/9/2016 RM'000	UNAUDITED CURRENT YEAR TO DATE 30/9/2017 RM'000	AUDITED PRECEDING YEAR TO DATE 30/9/2016 RM'000
Revenue	99,656	72,364	280,415	224,224
Cost of sales	(67,470)	(42,075)	(183,751)	(134,276)
Gross profit	32,186	30,289	96,664	89,948
Other income	5,513	6,124	6,241	6,595
Distribution expenses	(749)	(585)	(1,950)	(1,475)
Administration expenses	(8,539)	(9,912)	(35,721)	(34,091)
Amortisation and depreciation	(3,005)	(2,868)	(11,186)	(12,389)
Profit from operations	25,406	23,049	54,048	48,588
Finance income	132	213	572	535
Finance costs	(455)	(1,259)	(3,268)	(3,941)
Profit before taxation	25,083	22,003	51,352	45,182
Taxation	(6,083)	(6,085)	(13,333)	(12,071)
Net profit from operations	19,000	15,918	38,019	33,111
Other comprehensive income, net of tax				
Items that will not be reclassified subsequently to profit or loss:				
Revaluation of buildings and land	599	-	599	-
Deferred tax relating to revaluation of building and land	(144)	-	(144)	-
Total comprehensive income	19,455	15,918	38,474	33,111
Net profit from operations attributable to:				
Owners of the Company	18,963	15,924	38,016	33,129
Non-controlling interests	37	(6)	3	(18)
	19,000	15,918	38,019	33,111
Total comprehensive income attributable to:				
Owners of the Company	19,418	15,924	38,471	33,129
Non-controlling interests	37	(6)	3	(18)
	19,455	15,918	38,474	33,111
Earnings per share attributable to owners of the Company:				
Basic (sen)	3.81	3.27	7.73	6.83
Diluted (sen)	3.79	3.25	7.62	6.68

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2016 and the accompanying explanatory notes attached to the interim financial report.

SENTORIA GROUP BERHAD (Company No : 463344-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
FINANCIAL QUARTER AND YEAR ENDED 30 SEPTEMBER 2017
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED AS AT END OF CURRENT YEAR 30/9/2017 RM'000	AUDITED AS AT PRECEDING YEAR ENDED 30/09/2016 RM'000
Non-Current Assets		
Property, plant and equipment	419,244	375,542
Biological assets	3,657	4,362
Property development costs	22,972	14,329
Investment properties	38,155	30,562
Fixed deposits with licensed banks	7,005	3,684
Investment in short term funds	7,524	7,288
Goodwill on consolidation	3	3
Deferred tax assets	50,361	50,307
Total Non-Current Assets	548,921	486,077
Current Assets		
Property development costs	185,032	136,647
Amount due from customers	15,270	18,812
Amount due from holding company	3,179	-
Inventories	1,734	2,199
Trade and other receivables	222,891	189,934
Tax recoverable	4	368
Fixed deposits with licensed banks	-	73
Investment in short term funds	8,000	-
Cash and bank balances	38,038	14,386
Total Current Assets	474,148	362,419
Total Assets	1,023,069	848,496
Equity and Liabilities		
Share capital	103,822	97,822
Share premium	48,744	48,744
Treasury shares	(851)	-
Revaluation reserves	66,174	66,298
Retained earnings	228,578	189,853
	446,467	402,717
Non-controlling interests	953	475
Total Equity	447,420	403,192
Non-Current Liabilities		
Deferred tax liabilities	4,107	3,382
Borrowings	222,483	191,627
Total Non-Current Liabilities	226,590	195,009
Current Liabilities		
Trade and other payables	178,945	162,594
Amount due to customers	-	10
Borrowings	166,187	84,653
Tax payable	3,927	3,038
Total Current Liabilities	349,059	250,295
Total Liabilities	575,649	445,304
Total Equity and Liabilities	1,023,069	848,496
Net assets per share (RM)	0.90	0.82

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2016 and the accompanying explanatory notes attached to the interim financial statements.

SENTORIA GROUP BERHAD (Company No : 463344-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
FINANCIAL QUARTER AND YEAR ENDED 30 SEPTEMBER 2017
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to owners of the Company →					Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Non-distributable		Distributable			
			Treasury Shares RM'000	Revaluation Reserves RM'000	Retained Earnings RM'000			
Unaudited								
Financial year ended 30 September 2017								
As at 1 October 2016	97,822	48,744	-	66,298	189,853	402,717	475	403,192
Revaluation of property, plant and equipment	-	-	-	455	-	455	-	455
Crystallisation of revaluation reserves	-	-	-	(579)	579	-	-	-
Net profit from operations	-	-	-	-	38,016	38,016	3	38,019
Total comprehensive income	-	-	-	(124)	38,595	38,471	3	38,474
Transactions with owners								
Exercise of warrants	6,000	-	-	-	-	6,000	-	6,000
Additional investment in a subsidiary company	-	-	-	-	-	-	475	475
Share buy-backs	-	-	(851)	-	130	(721)	-	(721)
	6,000	-	(851)	-	130	5,279	475	5,754
As at 30 September 2017	103,822	48,744	(851)	66,174	228,578	446,467	953	447,420
Audited								
Financial year ended 30 September 2016								
As at 1 October 2015	96,822	46,744	-	66,878	165,826	376,270	93	376,363
Crystallisation of revaluation reserves	-	-	-	(580)	580	-	-	-
Net profit from operations	-	-	-	-	33,129	33,129	(18)	33,111
Total comprehensive income	-	-	-	(580)	33,709	33,129	(18)	33,111
Transactions with owners								
Exercise of warrants	1,000	2,000	-	-	-	3,000	-	3,000
Additional investment in a subsidiary company	-	-	-	-	-	-	400	400
Dividends paid	-	-	-	-	(9,682)	(9,682)	-	(9,682)
	1,000	2,000	-	-	(9,682)	(6,682)	400	(6,282)
As at 30 September 2016	97,822	48,744	-	66,298	189,853	402,717	475	403,192

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2016 and the accompanying explanatory notes attached to the interim financial statements.

SENTORIA GROUP BERHAD (Company No : 463344-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
FINANCIAL QUARTER AND YEAR ENDED 30 SEPTEMBER 2017
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	UNAUDITED CURRENT YEAR TO DATE 30/9/2017 RM'000	AUDITED PRECEDING YEAR YEAR TO DATE 30/9/2016 RM'000
Operating Activities		
Profit before taxation	51,352	45,182
Adjustments for :		
Amortisation and depreciation	11,186	12,389
Biological assets written off	550	339
Interest and commission expenses	3,268	3,941
Fair value gain on revaluation of property, plant and equipment	(599)	-
Fair value gain on revaluation of investment properties	(5,462)	(5,751)
Gain on disposal of property, plant and equipment	-	-
Interest income	(572)	(535)
Operating profit before changes in working capital	59,723	55,565
Property development costs	(57,028)	(65,761)
Inventories	465	407
Amount due from customers	3,532	(18,643)
Amount due from holding company	(3,179)	-
Receivables	(32,957)	(30,073)
Payables	16,348	5,139
Cash used in operations	(13,096)	(53,366)
Interest and commission expense paid	(3,268)	(3,941)
Interest income received	572	535
Net tax paid	(11,409)	(12,128)
Net cash used in operating activities	(27,201)	(68,900)
Investing Activities		
Proceeds from subscription of shares in a subsidiary by non-controlling interests	475	400
Net movement in fixed deposits with licensed banks	(3,321)	1,795
Net movement in short term funds	(236)	(244)
Purchase of biological assets	(535)	(499)
Purchase of property, plant and equipment	(52,644)	(48,280)
Purchase of investment properties	(1,678)	-
Net cash used in investing activities	(57,939)	(46,828)
Financing Activities		
Share buy-backs	(1,576)	-
Proceeds from sale of treasury shares	855	-
Proceeds from issuance of shares	6,000	3,000
Dividends paid	-	(9,682)
Repayment of finance lease liabilities	(81)	(1,095)
Repayment to holding company	-	(12)
Repayment of borrowings	(1,145)	(8,646)
Drawdown of borrowings	111,268	116,113
Net cash from financing activities	115,321	99,678
Net change in cash and cash equivalents	30,181	(16,050)
Cash and cash equivalents at beginning of financial year	(11,601)	4,449
Cash and cash equivalents at end of financial year	18,580	(11,601)
Cash and cash equivalents at the end of the financial year comprise the following:		
Cash and bank balances	38,038	14,386
Fixed deposits with licensed banks	-	73
Investment in short term funds	8,000	-
Bank overdrafts	(27,458)	(26,060)
	18,580	(11,601)

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2016 and the accompanying explanatory notes attached to the interim financial statements.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2017

NOTES TO THE FINANCIAL STATEMENTS

A1 Accounting Policies and Basis of Preparation

The interim financial report is unaudited and is prepared in accordance with Financial Reporting Standard (“FRS”) 134 Interim Financial Reporting and Paragraph 9.22 of Bursa Malaysia Securities Berhad’s (“Bursa Securities”) Main Market Listing Requirements (“Listing Requirements”).

The interim financial statements should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2016 and these explanatory notes.

These explanatory notes 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 30 September 2016.

The accounting policies and methods of computation adopted by the Group in the interim financial statements are consistent with those adopted in the Audited Financial Statements for the financial year ended 30 September 2016 except for the changes in accounting policies and presentation resulting from the adoption of new and revised Financial Reporting Standards (“FRS”) and Amendments to FRSs that are effective for the financial periods beginning on or after 1 October 2016.

The Group has not adopted the following new FRSs and Amendments to FRSs issued by Malaysian Accounting Standards Board (“MASB”):

Amendments to FRSs effective 1 January 2017

FRS 12	Annual Improvements to FRS Standards 2014-2016 Cycle
FRS 107	Disclosure Initiative
FRS 112	Recognition of Deferred Tax Assets for Unrealised Losses

FRS, Amendments to FRSs and Interpretation effective 1 January 2018

FRS 9	Financial Instruments (International Financial Reporting Standards (“IFRS”) 9 issued by International Accounting Standards Board (“IASB”) in July 2014)
Amendments to FRS 1	Annual Improvements to FRS Standards 2014-2016 Cycle
Amendments to FRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to FRS 4	Applying FRS 9 Financial Instruments with FRS 4 Insurance Contracts *
Amendments to FRS 7	Disclosure: Mandatory effective date of FRS 9 and transitional disclosures
Amendments to FRS 128	Annual Improvements to FRS Standards 2014-2016 Cycle
Amendments to FRS 140	Transfer of Investment Property
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration

Interpretation effective 1 January 2019

IC Interpretation 23	Uncertainty over Income Tax Treatments
----------------------	--

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER
ENDED 30 SEPTEMBER 2017

NOTES TO THE FINANCIAL STATEMENTS

Amendments to FRSs (deferred effective dates to be announced by MASB):

FRS 10 and 128 Consolidated Financial Statements and Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

* See FRS 4 Paragraphs 46, 47A and 48 for the effective date

FRS 128 and Amendments to FRS 2, FRS 4 and FRS 128 are not applicable to the Group's existing operations.

The adoption of the above FRSs and Amendments to FRSs (except for FRS 9 and FRS 107) are not expected to have any significant financial impact to the Group. As for FRS 9 and 107, the financial impacts in the period of initial application cannot be determined at present.

New MASB Approved Accounting Standards

To converge with International Financial Reporting Standards ("IFRSs") in 2012, MASB had on 19 November 2011, issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS"), which are mandatory for annual financial periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and MFRS 15 Revenue from Contracts with Customers for Construction, including its parent, significant investor and venture ("Transitioning Entities").

Transitioning Entities are allowed to defer adoption of the new MFRSs. Consequently, the adoption of MFRSs by Transitioning Entities will be mandatory for annual financial periods beginning on or after 1 January 2018.

The Group falls within the scope of Transitioning Entities and has opted to defer the adoption of MFRSs. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the financial year ending 30 September 2019.

In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of the MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

The Group expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 30 September 2019.

MFRSs and Amendments to MFRSs effective 1 January 2018

MFRS 15 Revenue from Contracts with Customers

MFRS effective 1 January 2019

MFRS 16 Leases

The adoption of MFRS 15 and 16 will result in a change in accounting policy in the period of initial application, the possible impact of which cannot be determined at present.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2017

NOTES TO THE FINANCIAL STATEMENTS

A2 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the financial year ended 30 September 2016 was not subject to any qualification.

A3 Seasonality or Cyclicity of Operations

The operations of the property development segment were not subjected to seasonal or cyclical factors. As for the leisure and hospitality segment, its operations normally peak during major festivities, and public and school holiday seasons.

A4 Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flow for the current financial year to-date.

A5 Changes in Estimates

There were no changes in estimates of amounts reported in a prior financial quarter of the current financial year or a prior financial year, which have material impact on the current financial year to-date.

A6 Changes in Debt and Equity Securities

The Company bought back 2,131,000 of its own ordinary shares for a total consideration of RM1,587,241 during the current financial year to-date. These purchased shares were dealt with as treasury shares. As of 17 November 2017, 1,000,000 of these treasury shares were sold for a total consideration of RM853,169.

As of 17 November 2017, the Company has issued 10,001,100 ordinary shares at 60 sen per share on the exercise of Warrants-A pursuant to the Deed Poll of 27 March 2014 for current financial year to-date.

Other than the above, there were no issuances, cancellations, repurchases, resales and repayments of debt and equity securities during the current financial year to-date.

A7 Dividends Paid

No dividends were paid by the Company during the current financial year to-date.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2017

NOTES TO THE FINANCIAL STATEMENTS

A8 Segmental Information

The Group has identified property development, leisure and hospitality and others as operating segments. These segments are monitored and strategic decisions are made on the basis of adjusted segment results.

Segment results for the current financial year to-date were as follows:

	Property Development RM'000	Leisure & Hospitality RM'000	Others RM'000	Elimination/ Adjustments RM'000	Consolidated RM'000
Revenue					
External	237,346	43,069	-	-	280,415
Inter-segment	-	3,140	-	(3,140)	-
	237,346	46,209	-	(3,140)	280,415
Results					
Segment profit	52,887	2,403	1,504	(2,746)	54,048
Finance income	328	-	244	-	572
Finance costs	(1,367)	(1,854)	(47)	-	(3,268)
Profit before taxation	51,848	549	1,701	(2,746)	51,352
Taxation	(12,860)	(177)	-	(296)	(13,333)
Net profit from operations	38,988	372	1,701	(3,042)	38,019

The Group's businesses are operated entirely within Malaysia and as such, no segment information based on geographical location is presented.

A9 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 which have not been reflected in the interim financial statements.

A10 Changes in the Composition of the Group

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

A11 Contingent Assets and Contingent Liabilities

There were no material changes to the contingent assets and contingent liabilities of the Group since the end of the prior financial year.

A12 Capital Commitments

The Group's capital commitments at the end of the current financial quarter were as follows:

	RM'000
Authorised and contracted for	48,439
Authorised but not contracted for	-

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER
ENDED 30 SEPTEMBER 2017

NOTES TO THE FINANCIAL STATEMENTS

A13 Related Party Transactions

- (a) The Group's significant related party transactions during the current financial year to-date were as follows:

RM'000

Transactions with companies in which certain Directors have interests:

Rental expenses paid/payable	490
Sales of food and beverages, room sales and provision of transportation services	364
Rental income received/receivable	353
Sales of properties	15,136

Transactions with holding company

Sales of properties	3,179
---------------------	-------

Transactions with persons connected with a Director

Rental expenses paid/payable	60
Tax consulting fees paid/payable	213
Commission paid/payable	186

- (b) During the current financial year to-date:
- (i) the holding company's shares in the Company were pledged as security for the construction and completion of a joint venture development project of the Group. The market value of these shares as at the end of the current financial quarter was approximately RM20.0 million. The holding company also provided a corporate guarantee and indemnity to guarantee the payment by the Group of certain sums of up to RM30.0 million due to the land owner for the project concerned.
 - (ii) certain Directors jointly and severally guaranteed banking facilities granted to a subsidiary company. The amount of these facilities outstanding as at the end of the current financial quarter was approximately RM1.7 million.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2017

NOTES TO THE FINANCIAL STATEMENTS

B1 Review of Performance

Group's revenue for the current financial quarter ("CFQ") increased by 37.7% year-on-year ("YoY") to RM99.7 million from RM72.4 million. This increase was mainly contributed by the Property Development Division whose revenue increased by 42.1% to RM88.8 million from RM62.5 million while the Leisure and Hospitality Division improved by 9.6% to RM10.8 million.

The Group's gross margin for the CFQ of 32.3% was lower than that of 38.3% in the preceding corresponding financial quarter ("PFQ") due to increased construction costs. Despite this margin reduction and with net operating expenses reduced from RM8.3 million in the PFQ to RM7.1 million for the CFQ, the increased revenue caused the Group's profit before taxation ["PBT"] for the CFQ to increase by 14.0% YoY to RM25.1 million from that of RM22.0 million attained in the PFQ. As for the post-tax profit, it increased by 19.5% YoY from RM15.9 million in the PFQ to RM19.0 million for the CFQ. The disparity between the pre-tax and post-tax rates of increase was due to the fact that the effective tax rate for the CFQ was only 24.3% as compared to that of 27.7% for the PFQ. The lower effective tax rate for the CFQ was due to the fact that the deferred tax on the fair value gain on revaluation of investment properties of RM5.4 million was provided at the Real Property Gains Tax ("RPGT") rate of 5%.

On a year to date ["YTD"] basis, Group's revenue of RM280.4 million was higher by 25.1% YoY. Property Development Division was also the major contributor to the higher revenue and its share of Group's revenue for the current YTD has increased to 83.5% as compared to 77.6% in the preceding YTD. With net operating expenses more or less the same YoY, the increased revenue caused the Group's PBT for the current YTD to increase by 13.7% to RM51.4 million from that of RM45.2 million achieved in the preceding YTD. The Group's profit after tax for the current YTD of RM38.0 million was higher by 14.8% YoY. The effective tax rate of 25.9% for the YTD was lower than that of 26.6% for the corresponding YTD due to the provision of deferred tax at the RPGT rate of 5% mentioned in the preceding paragraph.

B2 Comparison with Immediate Preceding Quarter's Results

The Group's revenue of RM99.7 million for the CFQ was higher by 47.7% as compared to that of RM67.5 million in the preceding financial quarter. This quarter-on-quarter ("QoQ") increase in revenue was contributed by the Property Development Division.

Gross margin of 32.3% for the CFQ was marginally higher than that of 31.9% achieved in the preceding financial quarter. With operating expenses more or less the same QoQ, the improved margin together with the huge jump in revenue and coupled with the fair value gain of RM5.4million on revaluation of investment properties caused the Group's PBT for the CFQ to increase by 182.0% to RM25.1 million from that of RM8.9 million attained in the preceding financial quarter.

On a post-tax basis, the QoQ increase was 196.8%; this is higher than the pre-tax rate of increase described in the preceding paragraph due to the fact that the effective tax rate for the CFQ was 24.3% as compared to that of 28.6% for the preceding financial quarter. The reason for the lower effective tax rate for the CFQ has been detailed in Note B1.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER
ENDED 30 SEPTEMBER 2017

NOTES TO THE FINANCIAL STATEMENTS

B3 Commentary on Prospects

The Group's unbilled sales from its on-going projects stood at RM296 million as of 30 September 2017.

The Group believes that the demand for affordable housing will be sustained in the foreseeable future. Therefore the Group intends to launch more products in this segment in Kuantan, Morib and Kuching

The on-going projects together with the planned launches in the coming financial year should augur well for the Group going forward.

The Leisure and Hospitality Division will continue its efforts to optimise management and operational efficiencies. The Group's new theme parks, that is, Langkawi Nature Park and Borneo Samariang Water Park will come on stream by Q2FY2018 which are expected to contribute positively to its performance.

B4 Profit Forecast or Profit Guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax with profit forecast and shortfall in profit guarantee are not applicable.

B5 Taxation

	Current Year Quarter	Current Year To- Date
	RM'000	RM'000
Current tax expense – Malaysian income tax	5,772	12,662
Deferred taxation	311	671
	<hr/>	<hr/>
	6,083	13,333
	<hr/>	<hr/>
Effective income tax rate	24.3%	25.9%

The Group's effective income tax rate for the YTD is more than the applicable income tax rate of 24% due to losses by certain subsidiary companies not available for set-off against taxable profits of other subsidiary companies.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER
ENDED 30 SEPTEMBER 2017

NOTES TO THE FINANCIAL STATEMENTS

B6 Status of Corporate Proposals Announced

On 15 November 2017, the shareholders of the Company approved the following corporate proposals:

- (a) A bonus issue of up to 52.8 million new ordinary shares in the Company to be credited as fully paid-up on the basis of 1 bonus share for every 10 existing ordinary shares held on an entitlement date to be determined later; and
- (b) A renounceable rights issue of up to 211.2 million new warrants (“Warrants-B”) in the Company at an issue price of 25 sen per warrant on the basis of 4 Warrants-B for every 10 existing ordinary shares held by the entitled shareholders on an entitlement date to be determined later.

These corporate proposals have yet to be completed as of 17 November 2017.

Other than the above, there were no corporate proposals announced but not completed as of 17 November 2017.

B7 Borrowings and Debt Securities

The Group's borrowings, all of which were secured and denominated in RM as at the end of the current financial quarter were as follows:

	Short term RM'000	Long term RM'000	Total RM'000
Bankers' acceptances	22,824	-	22,824
Bridging loan	39,037	5,925	44,962
Bank overdrafts	27,458	-	27,458
Revolving credit	41,159	-	41,159
Finance lease liabilities	803	1,291	2,094
Term loans	34,906	215,267	250,173
	<u>166,187</u>	<u>222,483</u>	<u>388,670</u>

B8 Changes in Material Litigation

The Group has no material litigation as of 17 September 2017.

B9 Dividends

No dividend has been declared or recommended for the current financial year to-date.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2017

NOTES TO THE FINANCIAL STATEMENTS

B10 Earnings per Share

(i) Basic earnings per share

The basic earnings per ordinary share for a financial period is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period concerned.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/9/2017	Preceding Year Quarter 30/9/2016	Current Year To-Date 30/9/2017	Preceding Year To-Date 30/9/2016
Profit attributable to owners of the Company (RM'000)	18,963	15,924	38,016	33,129
Weighted average number of ordinary shares in issue ('000)	497,980	487,426	491,756	484,944
Basic earnings per share (sen)	3.81	3.27	7.73	6.83

(ii) Diluted earnings per share

The diluted earnings per ordinary share for a financial period is calculated by dividing the profit attributable to owners of the Company divided by the weighted average number of ordinary shares outstanding and the assumed conversion of warrants outstanding during and as of the end of the financial period concerned respectively.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/9/2017	Preceding Year Quarter 30/9/2016	Current Year To-Date 30/9/2017	Preceding Year To-Date 30/9/2016
Profit attributable to owners of the Company (RM'000)	18,963	15,924	38,016	33,129
Weighted average number of ordinary shares in issue ('000)	499,948	490,080	498,656	496,001
Diluted earnings per share (sen)	3.79	3.25	7.62	6.68

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER
ENDED 30 SEPTEMBER 2017

NOTES TO THE FINANCIAL STATEMENTS

B11 Profit Before Tax

Profit before tax is arrived at after taking into account the following income/(expenses):

	Current Year Quarter	Current Year To-Date
	RM'000	RM'000
Interest income	132	572
Other income	5,513	6,241
Interest and commission expenses	(455)	(3,268)
Amortisation and depreciation	(3,005)	(11,186)

The following items which were not disclosed were not applicable.

- a) Allowance and write off of receivables;
- b) Allowance and write off of inventories;
- c) Gain or loss on disposal of quoted or unquoted investments or properties;
- d) Impairment of assets;
- e) Foreign exchange gain or loss;
- f) Gain or loss on derivatives; and
- g) Exceptional items (with details).

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER
ENDED 30 SEPTEMBER 2017

NOTES TO THE FINANCIAL STATEMENTS

B12 Supplementary Information Disclosed Pursuant to Listing Requirements

The breakdown of retained profits of the Group as at the reporting dates into realised and unrealised profits is as follows:

	As at 30/9/2017 RM'000	As at 30/9/2016 RM'000
Total retained profits of the Company and its subsidiaries		
Realised	185,675	147,509
Unrealised	59,088	58,572
Consolidation adjustments	(16,185)	(16,228)
Total retained profits of the Group	228,578	189,853

The determination of realised and unrealised profits is based on the Guidance on Special Matter No. 1 *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to the Listing Requirements*, issued by the Malaysian Institute of Accountants.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

By order of the Board

Datuk Tan Leh Kiah
Company Secretary

24 November 2017