

# ADVANCECON

ADVANCECON HOLDINGS BERHAD  
(Company Number : 426965 - M)  
(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THIRD QUARTER ENDED 30 SEPT 2017

(The figures have not been audited)

	Notes	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 30 SEPT 2017 RM	PRECEDING YEAR CORRESPONDING QUARTER <sup>(2)</sup> 30 SEPT 2016 RM	CURRENT YEAR TO DATE 30 SEPT 2017 RM	PRECEDING YEAR CORRESPONDING PERIOD <sup>(2)</sup> 30 SEPT 2016 RM
Revenue	A9	60,901,611	N/A	202,238,336	N/A
Cost of Sales		(51,474,555)	N/A	(160,259,512)	N/A
Gross Profit		9,427,056	N/A	41,978,824	N/A
Other Income		1,945,086	N/A	3,673,040	N/A
		11,372,142	N/A	45,651,864	N/A
Administrative Expenses		(4,882,700)	N/A	(15,461,928)	N/A
Other Operating Expenses		(764,912)	N/A	(2,198,409)	N/A
Finance Costs		(1,056,376)	N/A	(3,797,471)	N/A
<b>Profit Before Taxation</b>	B13	<b>4,668,154</b>	<b>N/A</b>	<b>24,194,056</b>	<b>N/A</b>
Income Tax Expense	B5	(1,355,617)	N/A	(6,534,364)	N/A
<b>Profit After Taxation/Total Comprehensive income for</b>		<b>3,312,537</b>	<b>N/A</b>	<b>17,659,692</b>	<b>N/A</b>
<b>Total Comprehensive Income attributable to:-</b>					
Owners of the Company		<b>3,312,537</b>	<b>N/A</b>	<b>17,659,692</b>	<b>N/A</b>
<b>Attributable to equity holders of the Company:</b>					
Basic earnings per share (sen) <sup>(3)</sup>	B11	0.82	N/A	4.39	N/A
Diluted earnings per share (sen)		N/A	N/A	N/A	N/A

**Notes:**

- (1) The Unaudited Consolidated Statement Of Profit Or Loss And Other Comprehensive Income should be read in conjunction with the Accountant's Report as disclosed in the Prospectus of the Group dated 19 June 2017 and the accompanying explanatory notes attached to the interim financial statements.
  - (2) No comparative figures for the preceding year's quarter and preceding year-to-date are available as these are the third interim financial statements on the consolidated results being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
  - (3) Based on the weighted average number of ordinary shares in issue as detailed in Note B11.
- NA Not applicable

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED AS AT CURRENT QUARTER 30 SEPT 2017 RM	AUDITED AS AT FINANCIAL YEAR ENDED 31 DECEMBER 2016 RM
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	132,205,597	105,089,439
Investment properties	32,025,015	31,074,673
Finance lease asset	1,993,480	-
	<u>166,224,092</u>	<u>136,164,112</u>
<b>CURRENT ASSETS</b>		
Amount owing by contract customers	9,978,805	3,527,631
Finance lease asset	504,000	-
Trade receivables	92,279,858	119,485,397
Other receivables, deposits and prepayments	8,797,905	10,802,671
Current tax assets	1,871,562	1,457,016
Deposits with licensed banks	37,921,152	20,830,529
Short term investment	507,326	-
Cash and bank balances	21,305,309	3,620,597
	<u>173,165,917</u>	<u>159,723,841</u>
<b>TOTAL ASSETS</b>	<b><u>339,390,009</u></b>	<b><u>295,887,953</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	85,752,871	31,207,900
Retained profits	88,051,631	74,412,729
<b>TOTAL EQUITY</b>	<b><u>173,804,502</u></b>	<b><u>105,620,629</u></b>
<b>NON-CURRENT LIABILITIES</b>		
Deferred tax liabilities	5,508,288	4,734,467
Long-term borrowings	65,452,214	42,710,092
Other payables	204,020	-
	<u>71,164,522</u>	<u>47,444,559</u>
<b>CURRENT LIABILITIES</b>		
Amount owing to contract customers	4,602,885	20,358,291
Trade payables	38,667,824	41,034,633
Other payables and accruals	14,332,017	27,241,843
Dividend payable	4,020,790	9,500,000
Current tax liabilities	2,513,190	2,047,127
Short-term borrowings	26,706,868	33,012,003
Bank overdrafts	3,577,411	9,628,868
	<u>94,420,985</u>	<u>142,822,765</u>
<b>TOTAL LIABILITIES</b>	<b><u>165,585,507</u></b>	<b><u>190,267,324</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>339,390,009</u></b>	<b><u>295,887,953</u></b>
	-	-
Net asset per share (RM) <sup>(2)</sup>	<u>0.43</u>	<u>0.34</u>

**Notes:**

- (1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Accountant's Report as disclosed in the Prospectus of the Group dated 19 June 2017 and the accompanying explanatory notes attached to the interim financial statements.
- (2) Based on the weighted average number of ordinary shares in issue as detailed in Note B11.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THIRD QUARTER ENDED 30 SEPT 2017

	SHARE CAPITAL RM	RETAINED PROFITS RM	TOTAL RM
<b>The Group</b>			
<b>(Audited)</b>			
Balance at 1.1.2016	1,248,316	92,424,991	93,673,307
Profit after taxation/Total comprehensive income for the financial year	-	26,447,322	26,447,322
Contribution by and distribution to owners of the company:			
- Issuance of shares	29,959,584	(29,959,584)	-
- Dividends	-	(14,500,000)	(14,500,000)
<b>Balance at 31.12.2016</b>	<b>31,207,900</b>	<b>74,412,729</b>	<b>105,620,629</b>
<b>(Unaudited)</b>			
Balance at 1.1.2017	31,207,900	74,412,729	105,620,629
Profit after taxation/Total comprehensive income for the financial year	-	17,659,692	17,659,692
Contribution by and distribution to owners of the company:			
- Issuance of shares	56,700,000	-	56,700,000
- Dividends	-	(4,020,790)	(4,020,790)
Share issue expenses	(2,155,029)	-	(2,155,029)
<b>Balance at 30.9.2017</b>	<b>85,752,871</b>	<b>88,051,631</b>	<b>173,804,502</b>

**Note:**

- (1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Accountant's Report as disclosed in the Prospectus of the Group dated 19 June 2017 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THIRD QUARTER ENDED 30 SEPT 2017  
(The figures have not been audited)

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	CUMULATIVE CURRENT PERIOD ENDED 30 SEPT 2017 RM	CUMULATIVE COMPARATIVE PERIOD PERIOD (2) 30 SEPT 2016 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	24,194,056	N/A
<u>Adjustments for:-</u>		
Depreciation:		
- investment properties	343,038	N/A
- property, plant and equipment	14,535,973	N/A
Interest expense	3,797,471	N/A
Property, plant and equipment written off	6,815	N/A
Gain on disposal of property, plant and equipment	(638,309)	N/A
Gain on disposal of investment property	(153,823)	N/A
Interest income		
-deposit with licensed banks	(813,581)	N/A
Reversal of impairment losses on trade receivables	(64,946)	N/A
Operating profit before working capital changes	41,206,694	N/A
(Increase) in amount owing by contract customers	(6,451,174)	N/A
(Decrease) in amount owing to contract customers	(15,755,406)	N/A
Decrease in trade and other receivables	29,275,251	N/A
Decrease in trade and other payables	(15,390,095)	N/A
<b>Cash from operations</b>	<b>32,885,270</b>	<b>N/A</b>
Interest paid	(3,797,471)	N/A
Tax paid	(5,709,026)	N/A
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>23,378,773</b>	<b>N/A</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest received	813,581	N/A
Decrease in deposits pledged with licensed bank	79,445	N/A
Purchase of property, plant and equipment	(45,584,180)	N/A
Purchase of investment properties	(2,289,557)	N/A
Proceeds from disposal of property, plant and equipment	2,383,543	N/A
Proceeds from disposal of investment properties	1,150,000	N/A
Placement in short terms investment	(507,326)	N/A
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<b>(43,954,494)</b>	<b>N/A</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares	56,700,000	N/A
Share issue expenses	(2,155,029)	N/A
Dividend paid	(9,500,000)	N/A
Drawdown of term loan	1,831,762	N/A
Net drawdown of hire purchase obligations	22,954,206	N/A
Net drawdown in bankers' acceptances	542,915	N/A
Net (repayment) in invoice financing	(212,814)	N/A
Net (repayment) in revolving credit	(6,000,000)	N/A
Repayment of term loans	(2,679,082)	N/A
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>61,481,958</b>	<b>N/A</b>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENT</b>	<b>40,906,237</b>	<b>N/A</b>
Cash and cash equivalents at beginning of the financial year	(6,008,271)	N/A
<b>CASH AND CASH EQUIVALENT AT END OF THE FINANCIAL YEAR</b>	<b>34,897,966</b>	<b>N/A</b>

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**Cash and cash equivalent comprised of:**

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	<b>RM</b>	<b>RM</b>
Deposits with licensed banks	37,921,152	N/A
Cash and bank balances	21,305,309	N/A
Bank overdrafts	<u>(3,577,411)</u>	<u>N/A</u>
	55,649,050	N/A
Less: Deposits pledged to licensed banks	<u>(20,751,084)</u>	<u>N/A</u>
	<u>34,897,966</u>	<u>N/A</u>

**Notes:**

- (1) The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Group dated 19 June 2017 and the accompanying explanatory notes attached to the interim financial statements.
  
- (2) No comparative figures for the preceding year's quarter and preceding year-to-date are available as these are the third interim financial statements on the consolidated results being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

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**A1. Basis of Preparation**

The interim financial report of the Group are unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting, International Accounting Standard ("IAS") 34, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") ("Listing Requirements").

These are the third interim financial report on the Company's consolidated results for the third quarter ended 30 Sept 2017 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year's corresponding period.

This interim financial report should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 19 June 2017 .

**A2. Changes In Accounting Policies**

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2016 as disclosed in the Accountants' Report in the Prospectus of the Company dated 19 June 2017, except as follows:

- (i) Adoption of the following Amendments to MFRSs, which are relevant and effective for annual periods beginning on or after 1 January 2017:

Amendments to MFRS 12	Disclosure of Interests in Other Entities (Annual Improvements to MFRS Standards 2014 – 2016 Cycle)
Amendments to MFRS 107	Statements of Cash Flows – Disclosure Initiative
Amendments to MFRS 112	Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses

The adoption of the above pronouncements did not have any material financial impact to the Group.

The Group has not early adopted any new or revised standards, amendments or IC Interpretations which are applicable to the Group that have been issued by the MASB but are not yet effective for the Group's current financial year ending 31 December 2017.

**A3. Auditors' Report**

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2016.

**A4. Seasonal or Cyclical Factors**

The business operations of the Group were not materially affected by any seasonal or cyclical factors for the financial period under review.

**A5. Unusual items affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items for the financial period under review.

**A6. Changes in Estimates**

There were no material changes in estimates for the financial period under review.

**A7. Debt and Equity Securities**

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

**A8. Dividends Paid**

(1) A total of RM 9.50 million dividends was declared for financial year ended 31 December 2016 and was paid to the shareholders on:

- (i) 10 January 2017 a total of RM 4.50 million; and  
(ii) 28 February 2017 a total of RM 5.00 million.

(2) A 1st interim single tier dividend of 1 sen for financial year ended 31 December 2017 for a total of RM 4.02 million was declared and paid to the shareholders on 16 October 2017.

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**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPT 2017**  
(CONT'D)

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**A9. Segmental Reporting**

The Group's operating and reportable segments comprised of:

- (a) Construction and Support Services under Earthworks and Civil Engineering Sector; and
- (b) Property Investment that deals with the holding of investment properties for capital gain and/or rental income.

<b>The Group</b>	<b>Construction and Support Services</b>	<b>Property Investment</b>	<b>Consolidation Adjustment</b>	<b>Total</b>
	RM	RM	RM	RM
<b>Revenue</b>				
External revenue	202,023,589	214,747	-	202,238,336
Inter-segment revenue	52,139,801	-	(52,139,801)	-
Consolidated revenue	<u>254,163,390</u>	<u>214,747</u>	<u>(52,139,801)</u>	<u>202,238,336</u>
<b>Results</b>				
Segment results	37,110,041	67,905	(10,000,000)	27,177,946
Interest income				813,581
Finance costs				<u>(3,797,471)</u>
<b>Consolidated profit before taxation</b>				<b>24,194,056</b>
Income tax expense				<u>(6,534,364)</u>
<b>Consolidated profit after taxation</b>				<b><u>17,659,692</u></b>

**A10. Significant Events after the End of the Interim Financial Period**

On 13 November 2017, the Company announced a proposed establishment of an Employee's Share Option Scheme up to 15% of the total number of issued shares (excluding treasury shares, if any) at any point in time.

**A11. Changes in the Composition of the Group**

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

**A12. Fair Value of Financial Instruments**

There were no gains or losses arising from fair value changes for all financial assets and liabilities for the financial period under review.

**A13. Capital Commitments**

	<b>Unaudited As at 30 Sept 2017 RM</b>
Approved and contracted for:-	
Purchase of property, plant and equipment	21,860,367
Purchase of investment properties	<u>2,421,892</u>
	<b><u>24,282,259</u></b>



**A14. Operating Lease Commitment**

The future minimum lease payments under the non-cancellable operating lease was:

	<b>Unaudited As at 30 Sept 2017 RM</b>
Not later than 1 year	1,260,000
Later than 1 year and not later than 5 years	<u>735,000</u>
	<u>1,995,000</u>

**A15. Contingent Liabilities**

There were no contingent liabilities at the Group level as at the date of this report.

**A16. Significant Related Party Transactions**

	<b>Unaudited 9 Months Ended 30 Sept 2017 RM</b>
(i) <b>Transaction with Director</b>	
Paid and payable:-	
Rental of premise	<u>49,500</u>

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**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD** Page 9

**B1. Review of Group Performance**

	3 Months ended		9 Months Ended	
	30 Sept 2017	30 Sept 2016 <sup>(1)</sup>	30 Sept 2017	30 Sept 2016 <sup>(1)</sup>
	RM	RM	RM	RM
Revenue	60,901,611	N/A	202,238,336	N/A
Profit Before Taxation	4,668,154	N/A	24,194,056	N/A
Profit After Taxation	3,312,537	N/A	17,659,692	N/A

The Group's revenue mainly derived from Construction and Support Services which contributed RM 60.83 million or 99.9% and RM 202.02 million or 99.9% for current quarter under review and financial period-to-date respectively. The remaining revenue was derived from Property Investment.

(1) No comparative figures for the preceding year's quarter and preceding year-to-date are available as these are the third interim financial statements on the consolidated results being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

**B2. Comparison with Immediate Preceding Quarter Results**

	3 Months ended		Variance
	30 Sept 2017	30 June 2017	
	RM	RM	
Revenue	60,901,611	82,186,897	-25.9%
Gross Profit	9,427,056	17,443,093	-46.0%
Profit Before Taxation	4,668,154	10,313,178	-54.7%
Profit After Taxation	3,312,537	7,494,927	-55.8%

The Group's revenue for current quarter under review was lower than immediate preceding quarter mainly attributable to slower than expected progress for major infrastructure projects under the Group. In particular, progress was affected by delay in handover of project sites by the project principals and the occurrence of adverse weather pattern compared to immediate preceding quarter. The sale of construction materials was also affected due to reduced construction activities.

The Group's gross profit and profit before tax for the current quarter under review were lower in line with decrease in revenue and also caused by higher operating expenses such as depreciation and projects' staff overheads as part of our plan for future growth.

**B3. Prospects for the Current Financial Year**

The outlook of the construction industry remains encouraging as it continues being driven by government-led initiatives and spending, in particular projects such as highways and other public infrastructures. The construction industry in Malaysia will remain a major contributor to our revenue in the current financial year.

The Group will continue to bid actively for infrastructure related projects and with the Group's current order book of RM 527.8 million, the Board is confident that the Group's financial performance shall remain satisfactory in the future.

**B4. Profit Forecast**

The Group did not issue any profit forecast or profit guarantee for the financial period under review.

**B5. Taxation**

	Unaudited	
	9 Months Ended	
	30 Sept 2017	30 Sept 2016 <sup>(1)</sup>
	RM	RM
Income tax	5,760,543	N/A
Deferred tax	773,821	N/A
	6,534,364	N/A
Effective tax rate <sup>(2)</sup>	27%	N/A

Notes:

(1) No comparative figures for the preceding year's quarter and preceding year-to-date are available as these are the third interim financial statements on the consolidated results being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

(2) The Group's effective tax rate for the current quarter was higher than the statutory tax rate of 24% mainly due to adjustment for non-deductible expenses.

N/A Not applicable

**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)** Page 10

**B6. Status of Corporate Proposals**

(1) In conjunction with and as an integral part of the listing and quotation of the Company's entire issued and paid-up share capital on the Main Market of Bursa Malaysia Securities Berhad, the following listing scheme was undertaken by the Company:

**(a) Public Issue**

The Company issued 90,000,000 new shares ("Issue Shares") at the issue price of RM0.63 per share in the following manner:

- (i) 30,000,000 Issue Shares for application by the Malaysian Public;
- (ii) 5,000,000 Issue Shares for application by the Company's eligible Directors and employees who have contributed to the success of the Group
- (iii) 37,000,000 Issue Shares for application by way of private placement to institutional and identified investors; and
- (iv) 18,000,000 Issue Shares for application by way of private placement to identified Bumiputera investors approved by the Ministry of International Trade and Industry of Malaysia.

**(b) Offered for Sale**

The Company offered 33,000,000 ordinary shares at the IPO Price of RM0.63 per share.

**(c) Listing on Bursa Securities**

The listing of the Company's entire enlarged issued share capital on the Main Market of Bursa Securities was completed on 10 July 2017.

(2) On 13 November 2017, the Company announced a proposed establishment of an Employee's Share Option Scheme up to 15% of the total number of issued shares (excluding treasury shares, if any) at any point in time.

As at the latest practicable date of 21 November 2017 (7 days before the date of this report), the above proposal has not been completed.

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**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)** Page 11

**B7. Utilisation of Proceeds Raised from Public Issue**

The gross proceeds from the Public Issue amounting to RM56.70 million was intended to be utilised in the following manner:

No.	Details of utilisation	Estimated timeframe for utilisation upon Listing	Amount	Actual Utilisation	Percentage Utilised
			RM'000	RM'000	%
i.	<b>Total Capital expenditures:-</b>	Within 24 months	29,700	(6,660)	22%
	(a) Purchase of new construction machinery and equipment	Within 12 months	15,100	(6,660)	44%
	(b) Construction of new workshop	Within 24 months	14,600	-	0%
ii.	<b>Repayment of bank borrowings</b>	Within 6 months	12,500	-	0%
iii.	<b>Working capital</b>	Within 24 months	10,700	(3,492)	33%
iv.	<b>Estimated listing expenses</b>	Upon Listing	3,800	(3,800)	100%
			<b>56,700</b>	<b>(13,952)</b>	<b>25%</b>

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 19 June 2017.

**B8. Group Borrowings and Debt Securities**

	Unaudited	
	As at 30 Sept 2017 RM	As at 31 Dec 2016 RM
<b>Non-current</b>		
Term Loans	22,397,329	23,461,002
Hire Purchase Payables	43,054,885	19,249,090
<b>Current</b>		
Term Loans	4,182,097	3,965,743
Hire Purchase Payables	14,393,564	15,245,153
Bankers' Acceptances	3,891,000	3,348,086
Bank Factoring	-	-
Invoice Financing	4,240,207	4,453,021
Revolving Credit	-	6,000,000
Bank Overdrafts	3,577,411	9,628,868
	<b>95,736,493</b>	<b>85,350,963</b>

**B9. Material Litigation**

As at the date of this report, the Group was not engaged in any material litigation.

**B10. Dividends Declared**

There was no dividend declared for the current financial period under review.

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**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)** Page 12

**B11. Earnings Per Share**

The basic earnings per share was computed as follow:

	<b>Unaudited 9 Months Ended</b>	
	<b>30 Sept 2017</b>	<b>30 Sept 2016 <sup>(1)</sup></b>
Profit after tax attributable to the owners of the Company (RM)	17,659,692	N/A
Weighted average number of ordinary shares	402,079,000	N/A
Basic earnings per share (sen) <sup>(2)</sup>	4.39	N/A
Diluted earnings per share (sen)	N/A	N/A

Notes:

- (1) No comparative figures for the preceding year's quarter and preceding year-to-date are available as these are the third interim financial statements on the consolidated results being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- (2) The basic earnings per share was computed based on profit attributable to owners of the Company divided by the weighted average number of ordinary shares.

N/A Not applicable

**B12. Realised and Unrealised Profits or Losses**

	<b>As at 30 Sept 2017 RM</b>	<b>As at 31 Dec 2016 RM</b>
Total retained profits		
- Realised	86,678,082	72,265,359
- Unrealised	1,373,549	2,147,370
	88,051,631	74,412,729

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**ADVANCECON HOLDINGS BERHAD**  
(Company Number : 426965 - M)

**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)** Page 13

**B13. Notes to the Statement of Comprehensive Income**

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

	Unaudited	
	Individual Quarter 30 Sept 2017 RM	Cumulative Quarter 30 Sept 2017 RM
Auditors' remuneration:	25,090	75,270
Depreciation:		
- property, plant and equipment	5,434,854	14,535,973
- investment properties	118,325	343,038
Directors' remuneration	752,550	2,200,050
Interest expenses	1,056,376	3,797,471
Property, plant and equipment written off	2,952	6,815
Rental of machinery	1,109,792	4,230,000
Rental of premises:		
- a director	11,000	49,500
- third party	3,900	11,700
Staff costs	10,403,724	29,748,095
Loss on disposal of property, plant and equipment	(10,706)	-
Gain on disposal of property, plant and equipment	(126,145)	(638,309)
Gain on disposal of investment properties	-	(153,823)
Interest income	(411,725)	(813,581)
Rental income	(16,981)	(50,943)

**BY ORDER OF THE BOARD**  
**28 NOVEMBER 2017**