

**PASDEC HOLDINGS BERHAD**  
**Company no: 367122-D**  
**(Incorporated in Malaysia)**

**Financial Statements**  
**as at 31 March 2019**

**PASDEC HOLDINGS BERHAD**

(Incorporated in Malaysia)

**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income for the period ended 31 March 2019**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		3 months ended	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	RM'000	RM'000	RM'000	RM'000
Revenue	47,511	26,087	47,511	26,087
Cost of sales	<u>(39,435)</u>	<u>(21,230)</u>	<u>(39,435)</u>	<u>(21,230)</u>
<b>Gross profit</b>	<b>8,076</b>	<b>4,857</b>	<b>8,076</b>	<b>4,857</b>
<b>Other items of income</b>				
Interest income	408	327	408	327
Other income	352	1,425	352	1,425
<b>Other items of expense</b>				
Personnel expenses	(4,037)	(4,454)	(4,037)	(4,454)
Other expenses	(5,588)	(4,188)	(5,588)	(4,188)
Finance costs	(2,774)	(2,938)	(2,774)	(2,938)
Share of profits of associates	<u>200</u>	<u>918</u>	<u>200</u>	<u>918</u>
<b>Loss before tax from continuing operations</b>	<b>(3,363)</b>	<b>(4,053)</b>	<b>(3,363)</b>	<b>(4,053)</b>
Taxation (Note B6)	<u>(277)</u>	<u>-</u>	<u>(277)</u>	<u>-</u>
<b>Loss from continuing operations, net of tax</b>	<b>(3,640)</b>	<b>(4,053)</b>	<b>(3,640)</b>	<b>(4,053)</b>
<b>Profit from discontinued operations</b>	<u>-</u>	<u>18</u>	<u>-</u>	<u>18</u>
<b>Loss net of tax</b>	<b>(3,640)</b>	<b>(4,035)</b>	<b>(3,640)</b>	<b>(4,035)</b>

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# PASDEC HOLDINGS BERHAD

(Incorporated in Malaysia)

## Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income for the period ended 31 March 2019 (continued)

	INDIVIDUAL QUARTER		22519	
	3 months ended		3 months ended	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	RM'000	RM'000	RM'000	RM'000
<b>Other comprehensive income/(loss)</b>				
Net gain available-for sale financial assets				
- Gain/ (loss) on fair value changes	30	(22)	30	(22)
- Gain/ (loss) on foreign currency translation	128	2,308	128	2,308
Remeasurement loss on defined benefit plan	(88)	-	(88)	-
<b>Other comprehensive income, net of tax</b>	<b>70</b>	<b>2,286</b>	<b>70</b>	<b>2,286</b>
<b>Total comprehensive loss for the period, net of tax</b>	<b>(3,570)</b>	<b>(1,749)</b>	<b>(3,570)</b>	<b>(1,749)</b>
<b>(Loss)/profit attributable to:</b>				
Owners of the parent				
- Continuing operations	(3,178)	(3,652)	(3,178)	(3,652)
- Discontinued operation	-	18	-	18
	<b>(3,178)</b>	<b>(3,634)</b>	<b>(3,178)</b>	<b>(3,634)</b>
Non-controlling interests	(462)	(401)	(462)	(401)
	<b>(3,640)</b>	<b>(4,035)</b>	<b>(3,640)</b>	<b>(4,035)</b>
<b>Total comprehensive (loss)/profit attributable to:</b>				
Owners of the parent				
- Continuing operations	(2,825)	(1,546)	(2,825)	(1,546)
- Discontinued operation	-	18	-	18
	<b>(2,825)</b>	<b>(1,528)</b>	<b>(2,825)</b>	<b>(1,528)</b>
Non-controlling interests	(745)	(221)	(745)	(221)
	<b>(3,570)</b>	<b>(1,749)</b>	<b>(3,570)</b>	<b>(1,749)</b>
<b>Loss per share attributable to owners of the Company (Note B16)</b>				
Basic (sen)	<b>(0.79)</b>	<b>(1.27)</b>	<b>(0.79)</b>	<b>(1.27)</b>

# PASDEC HOLDINGS BERHAD

(Incorporated in Malaysia)

## Condensed Consolidated Statements of Financial Position as at 31 March 2019

	Notes	Unaudited 31.03.2019 RM'000	Audited 31.12.2018 RM'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		31,464	31,659
Work in progress		8,123	8,013
Land held for property development		145,622	145,382
Investment properties		57,919	58,234
Investments in associates		3,991	3,791
Investment securities	B9	408	377
		<u>247,527</u>	<u>247,456</u>
<b>Current Assets</b>			
Property development costs		102,029	102,521
Inventories		104,302	108,420
Trade receivables	B10	32,411	35,778
Other receivables		5,629	9,215
Other current assets		9,432	10,908
Tax recoverable		4,486	5,458
Cash and bank balances		20,374	29,556
		<u>278,663</u>	<u>301,856</u>
<b>TOTAL ASSETS</b>		<u>526,190</u>	<u>549,312</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Current Liabilities</b>			
Retirement benefit obligations		73	150
Loans and borrowings	B11	43,260	56,432
Overdrafts	64,635	21,375	20,313
Trade payables		56,565	52,192
Other payables		35,901	46,637
Tax payable		277	1,703
		<u>157,451</u>	<u>177,427</u>
<b>NET CURRENT ASSETS</b>		<u>121,212</u>	<u>124,429</u>

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# PASDEC HOLDINGS BERHAD

(Incorporated in Malaysia)

## Condensed Consolidated Statements of Financial Position as at 31 March 2019 (continued)

	Notes	Unaudited 31.03.2019 RM'000	Audited 31.12.2018 RM'000
<b>Non-Current Liabilities</b>			
Retirement benefit obligations		4,600	4,474
Loans and borrowings	B11	22,468	24,264
		<u>27,068</u>	<u>28,738</u>
<b>TOTAL LIABILITIES</b>		<b><u>184,519</u></b>	<b><u>206,165</u></b>
<b>Equity attributable to owners of the parent</b>			
Share capital	B12	327,693	327,693
Other reserves	B13	(1,659)	(2,100)
Retained earnings		20,949	22,121
		<u>346,983</u>	<u>347,714</u>
Non-controlling interests		(5,312)	(4,567)
<b>TOTAL EQUITY</b>		<b><u>341,671</u></b>	<b><u>343,147</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>526,190</u></b>	<b><u>549,312</u></b>
Net assets per share (RM)		0.85	0.86

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**PASDEC HOLDINGS BERHAD**

(Incorporated in Malaysia)

**Condensed Consolidated Statement of Changes in Equity  
for the period ended 31 March 2019**

	-----Attributable to owners of the parent-----					-----Non Distributable-----				Non-controlling interest
	Non Distributable		Distributable			Fair value change reserve	Non Distributable		Warrant reserve	
	Total equity	Total equity attributable to owners of the parent	Share capital	Retained earnings	Total other reserves		Others	Foreign currency exchange reserve		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>1 January 2019</b>	<b>343,147</b>	<b>347,714</b>	<b>327,693</b>	<b>22,121</b>	<b>(2,100)</b>	<b>(72)</b>	<b>(9,347)</b>	<b>1,599</b>	<b>5,720</b>	<b>(4,567)</b>
Comprehensive loss	(3,640)	(3,178)	-	(3,178)	-	-	-	-	-	(462)
Other comprehensive profit/(loss)	70	353	-	(88)	441	30	-	411	-	(283)
<b>Total comprehensive (loss)/income</b>	<b>(3,570)</b>	<b>(2,825)</b>	<b>-</b>	<b>(3,266)</b>	<b>441</b>	<b>30</b>	<b>-</b>	<b>411</b>	<b>-</b>	<b>(745)</b>
Struck-off companies (Note A12)	2,094	2,094	-	2,094	-	-	-	-	-	-
<b>31 March 2019</b>	<b>341,671</b>	<b>346,983</b>	<b>327,693</b>	<b>20,949</b>	<b>(1,659)</b>	<b>(42)</b>	<b>(9,347)</b>	<b>2,010</b>	<b>5,720</b>	<b>(5,312)</b>

# PASDEC HOLDINGS BERHAD

(Incorporated in Malaysia)

## Condensed Consolidated Statement of Changes in Equity for the period ended 31 March 2018

	-----Attributable to owners of the parent-----								
	Non Distributable			Distributable	-----Non Distributable-----			Non-controlling interest	
	Total equity	Total equity attributable to owners of the parent	Share capital	Retained earnings	Total other reserves	Fair value change reserve	Others		Foreign currency exchange reserve
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000
1 January 2018	322,303	324,142	293,376	56,299	(25,533)	9	(12,439)	(13,103)	(1,839)
Comprehensive loss	(4,035)	(3,634)	-	(3,634)	-	-	-	-	(401)
Other comprehensive profit/(loss)	2,286	2,106	-	-	2,106	(22)	-	2,128	180
<b>Total comprehensive (loss)/income</b>	<b>(1,749)</b>	<b>(1,528)</b>	<b>-</b>	<b>(3,634)</b>	<b>2,106</b>	<b>(22)</b>	<b>-</b>	<b>2,128</b>	<b>(221)</b>
<b>31 March 2018</b>	<b>320,554</b>	<b>322,614</b>	<b>293,376</b>	<b>52,665</b>	<b>(23,427)</b>	<b>(13)</b>	<b>(12,439)</b>	<b>(10,975)</b>	<b>(2,060)</b>

# PASDEC HOLDINGS BERHAD

(Incorporated in Malaysia)

## Condensed Consolidated Statements of Cash Flow for the period ended 31 March 2019

	CUMULATIVE QUARTER	
	31.03.2019	31.03.2018
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Cash receipts from customers	43,927	38,738
Cash payments to suppliers and contractors	(26,532)	(30,121)
Cash payments to employees and for expenses	(13,892)	(8,457)
Cash generated from operations	3,503	160
Net income tax paid	(397)	(262)
Net cash generated from/(used) in operating activities	3,106	(102)
<b>Cash flows from investing activities</b>		
Proceed from disposal of investment property	338	-
Interest received	22	54
Purchase of property, plant and equipment	(56)	(5)
Proceed from sale of property, plant and equipment	4	-
Net cash generated from investing activities	308	49
<b>Cash flows from financing activities</b>		
Drawdown of term loan	-	3,194
Repayment of term loans	(12,923)	(4,976)
Repayment of obligation under finance leases	(29)	(45)
Loan interest	(706)	(2,654)
Net cash used in financing activities	(13,658)	(4,481)
<b>Net decrease in cash and cash equivalents</b>	<b>(10,244)</b>	<b>(4,534)</b>
Cash and cash equivalents at beginning of period	9,243	(24,134)
<b>Cash and cash equivalents at end of period</b>	<b>(1,001)</b>	<b>(28,668)</b>
<b>Represented by:</b>		
Cash and bank balances		
- Continuing operations	20,374	15,373
- Discontinued operations	-	27
Bank overdrafts	(21,375)	(44,068)
	<b>(1,001)</b>	<b>(28,668)</b>



# PASDEC HOLDINGS BERHAD

(Incorporated in Malaysia)

## Interim Financial Report for the three (3) months period ended 31 March 2019

### PART A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (“MFRS 134”) INTERIM FINANCIAL REPORTING

#### A1. Basis of preparation

The interim financial report has 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 2018. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of Pasdec Holdings Berhad (“**Pasdec**”) and its subsidiaries (“**Group**”) since the year ended 31 December 2018.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2018 and after FRSs, Amendments to FRSs and IC Interpretations issued become effective for annual periods beginning on or after 1 January 2019.

#### A2. Changes in accounting policies

The Group intends to adopt the following standards, where applicable, when they become effective. The adoption of the following standards is not expected to have material effect on the financial statements:-

		Effective for the financial period beginning on or after
<b><u>New MFRSs</u></b>		
MFRS 16	Leases	1 January 2019
MFRS 17	Insurance Contracts	1 January 2021
<b><u>Amendments/Improvements to MFRSs</u></b>		
MFRS 1	First time Adoption of Malaysian Financial Reporting Standards	1 January 2021
MFRS 2	Share-based Payment	1 January 2020
MFRS 3	Business Combinations	1 January 2019/ 1 January 2020
MFRS 5	Non-current Assets Held for Sale and Discontinued Operation	1 January 2021
MFRS 6	Exploration for and Evaluation of Mineral Resources	1 January 2020
MFRS 7	Financial Instruments: Disclosures	1 January 2021
MFRS 9	Prepayment Features with Negative Compensation	1 January 2019
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 11	Joint Arrangements (Annual Improvement to MFRS Standards 2015 - 2017 Cycle)	1 January 2019
MFRS 14	Regulatory Deferral Accounts	1 January 2020
MFRS 15	Revenue from Contracts with Customers	1 January 2021
MFRS 16	Leases	1 January 2019
MFRS 17	Insurance Contract	1 January 2021
MFRS 101	Presentation of Financial Statements	1 January 2020
MFRS 107	Statement of Cash Flows	1 January 2021
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2020
MFRS 112	Income Taxes (Annual Improvements to MFRS Standards 2015 - 2017 Cycle)	1 January 2019

# PASDEC HOLDINGS BERHAD

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## A2. Changes in accounting policies (continued)

### Amendments/Improvements to MFRSs (continued)

MFRS 116	Property, Plant and Equipment	1 January 2021
MFRS 119	Plan Amendment, Curtailment or Settlement	1 January 2019
MFRS 123	Borrowing Costs (Annual Improvements to MFRS Standards 2015 - 2017 Cycle)	1 January 2019
MFRS 128	Long-term Interest in Associate and Joint Ventures	1 January 2019
MFRS 132	Financial Instruments: Presentation	1 January 2021
MFRS 134	Interim Financial Reporting	1 January 2020
MFRS 136	Impairment of Assets	1 January 2021
MFRS 137	Provision, Contingent Liabilities and Contingent Assets	1 January 2020
MFRS 138	Intangible Assets	1 January 2021
MFRS 140	Investment Property	1 January 2021

### New IC Int

IC Int 23	Service Concession Arrangements	1 January 2020
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### Amendments to IC Int

IC Int 12	Service Concession Arrangement	1 January 2020
IC Int 19	Extinguishing Financial Liabilities with Equity Instruments	1 January 2020
IC Int 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2020
IC Int 22	Foreign Currency Transactions and Advance Consideration	1 January 2020
IC Int 132	Intangible Assets - Web Site Costs	1 January 2020

## A3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2018 was not qualified.

## A4. Seasonal or cyclical factors

The Group's performances were not materially affected by any significant seasonal or cyclical factors for the current quarter.

## A5. Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income and cash flows of the Group that are unusual due to their nature, size or incidence during the current quarter under review.

## A6. Changes in estimates

There were no material changes in estimates of amounts reported in prior interim periods that have a material effect in the current quarter results.

## A7. Issuance or repayment of debt and equity securities

There were no issuance, cancellations, repurchases, resale, and repayment of debts and equity securities for the current quarter except for those disclosed in the Condensed Consolidated Statements of Cash Flow.

## A8. Dividends paid

There were no dividends paid during the current quarter under review.

## A9. Valuation of property, plant and equipment

There was no valuation of property, plant and equipment conducted during the quarter for the Group.

# PASDEC HOLDINGS BERHAD

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## A10. Segmental information

The segment information by activities for the Company and its subsidiaries for the quarter is as follows:-

<b>CUMULATIVE PERIOD</b>						
<b>3 MONTHS ENDED 31 MARCH 2019</b>						
	<b>Properties</b>	<b>Manufac- turing</b>	<b>Construc- tion</b>	<b>Others</b>	<b>Elimi- nation</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>REVENUE :</b>						
External sales	10,245	36,642	616	8	-	47,511
Inter-segment sales	8	-	890	1,238	(2,136)	-
	<b>10,253</b>	<b>36,642</b>	<b>1,506</b>	<b>1,246</b>	<b>(2,136)</b>	<b>47,511</b>
<b>SEGMENT RESULTS:</b>						
Operating profit/(loss)	909	(159)	79	1,952	(3,978)	(1,197)
Interest income	171	-	1	366	(130)	408
Finance costs	(579)	(1,813)	(33)	(479)	130	(2,774)
Share of results of associates	-	-	-	200	-	200
<b>Profit/ (loss) for the period</b>	<b>501</b>	<b>(1,972)</b>	<b>47</b>	<b>2,039</b>	<b>(3,978)</b>	<b>(3,363)</b>
Taxation	(277)	-	-	-	-	(277)
<b>Profit/ (loss) net of tax</b>	<b>224</b>	<b>(1,972)</b>	<b>47</b>	<b>2,039</b>	<b>(3,978)</b>	<b>(3,640)</b>
<b>Assets and Liabilities</b>						
Segment assets	450,521	51,984	14,927	346,999	(363,101)	501,330
Cash and bank balances	8,543	994	325	5,398	-	15,260
Deposit with licensed banks	4,556	-	111	447	-	5,114
Current tax assets	4,190	-	2	294	-	4,486
<b>Total assets</b>	<b>467,810</b>	<b>52,978</b>	<b>15,365</b>	<b>353,138</b>	<b>(363,101)</b>	<b>526,190</b>
Segment liabilities	198,883	59,624	12,838	22,519	(196,725)	97,139
Provision for taxation	277	-	-	-	-	277
Bank overdraft	2,707	16,795	1,858	15	-	21,375
Borrowings	16,890	31,731	-	17,107	-	65,728
<b>Total liabilities</b>	<b>218,757</b>	<b>108,150</b>	<b>14,696</b>	<b>39,641</b>	<b>(196,725)</b>	<b>184,519</b>
Capital expenditure	-	-	(1)	(55)	-	(56)
Depreciation	157	680	6	300	(12)	1,131

**PASDEC HOLDINGS BERHAD**

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**A10. Segmental information (continued)**

The segment information by activities for the Company and its subsidiaries for the quarter is as follows:-

<b>CUMULATIVE PERIOD</b>								
<b>3 MONTHS ENDED 31 MARCH 2018</b>								
	Properties	Manufacturing	Construction	Others	Elimination	Continuing operations	Discontinued operations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>REVENUE :</b>								
External sales	6,738	18,924	329	97	-	26,088	-	26,088
Inter-segment sales	-	-	46	159	(205)	-	-	-
	<b>6,738</b>	<b>18,924</b>	<b>375</b>	<b>256</b>	<b>(205)</b>	<b>26,088</b>	<b>-</b>	<b>26,088</b>
<b>SEGMENT RESULTS:</b>								
Operating profit/(loss)	(395)	(762)	80	(1,262)	(21)	(2,360)	18	(2,342)
Interest income	216	-	1	470	(360)	327	-	327
Finance costs	(896)	(2,012)	(92)	(298)	360	(2,938)	-	(2,938)
Share of results of associates	-	984	-	(66)	-	918	-	918
<b>(Loss)/ profit for the period</b>	<b>(1,075)</b>	<b>(1,790)</b>	<b>(11)</b>	<b>(1,156)</b>	<b>(21)</b>	<b>(4,053)</b>	<b>18</b>	<b>(4,035)</b>
Taxation	-	-	-	-	-	-	-	-
<b>(Loss)/ profit net of tax</b>	<b>(1,075)</b>	<b>(1,790)</b>	<b>(11)</b>	<b>(1,156)</b>	<b>(21)</b>	<b>(4,053)</b>	<b>18</b>	<b>(4,035)</b>
<b>Assets and Liabilities</b>								
Segment assets	474,738	81,661	14,773	358,550	(378,222)	551,500	5	551,505
Cash and bank balances	4,261	1,522	2,408	1,935	-	10,126	27	10,153
Deposit with licensed banks	4,401	-	108	739	-	5,248	-	5,248
Current tax assets	1,905	-	3	406	-	2,314	-	2,314
<b>Total assets</b>	<b>485,305</b>	<b>83,183</b>	<b>17,292</b>	<b>361,630</b>	<b>(378,222)</b>	<b>569,188</b>	<b>32</b>	<b>569,220</b>
Segment liabilities	194,995	70,205	25,761	28,057	(196,494)	122,524	31	122,555
Provision for taxation	-	-	-	12	-	12	-	12
Bank overdraft	22,234	19,748	1,922	164	-	44,068	-	44,068
Borrowings	23,865	37,791	-	20,375	-	82,031	-	82,031
<b>Total liabilities</b>	<b>241,094</b>	<b>127,744</b>	<b>27,683</b>	<b>48,608</b>	<b>(196,494)</b>	<b>248,635</b>	<b>31</b>	<b>248,666</b>
Capital expenditure	-	-	-	(5)	-	(5)	-	(5)
Depreciation	147	317	32	292	(12)	776	1	777

## PASDEC HOLDINGS BERHAD

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### A11. Material events

There were no material events subsequent to the reporting date up to 24 May 2019, being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim Financial Report.

### A12. Changes in the composition of the Group

There were no changes to the composition of the Group during the quarter under review. However, 2 companies Deep Sea Thermal Solutions Sdn Bhd and Pahang Aircraft Industries Sdn Bhd were approved to be struck-off from the Register and are pending publication of their names in the Gazette.

### A13. Events after the Reporting Period

The Board of Directors of PASDEC had announced that on 5 April 2019 the Company had entered into a Sale of Shares Agreement with Wofema Sdn Bhd for the disposal of 3,000,000 ordinary shares representing 100% equity interest held by the Company in Sumbangan Sakti Sdn Bhd for a total cash consideration of RM875,774.

### A14. Contingent liabilities

There were no changes in the contingent liabilities as at the date of this announcement since the preceding financial year ended 31 December 2018.

### A15. Capital commitments of the Group

	<b>Current Quarter</b>	<b>Preceding Quarter</b>
	<b>31.03.2019</b>	<b>31.12.2018</b>
	<b>RM'000</b>	<b>RM'000</b>
Capital expenditure Approved and contracted for: Property, plant and equipment	<b>69,925</b>	<b>79,535</b>

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# PASDEC HOLDINGS BERHAD

(Incorporated in Malaysia)

## Interim Financial Report for three (3) months period ended 31 March 2019

### B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES

#### B1. Review of performance

	Individual Quarter Unaudited		Changes		Cumulative Quarter Unaudited		Changes	
	Current Quarter	Preceding year Quarter			Current year to-date	Preceding year to-date		
	31.03.2019 RM'000	31.03.2018 RM'000	RM'000	%	31.03.2019 RM'000	31.03.2018 RM'000	RM'000	%
Revenue	47,511	26,087	21,424	82	47,511	26,087	21,424	82
Gross profit	8,076	4,857	3,219	66	8,076	4,857	3,219	66
Loss before interest & tax	(589)	(1,097)	508	46	(589)	(1,097)	508	46
Loss before tax	(3,363)	(4,035)	672	17	(3,363)	(4,035)	672	17
Loss after tax	(3,640)	(4,035)	395	10	(3,640)	(4,035)	395	10
Loss attributable to ordinary equity holders of the parent	(3,178)	(3,634)	456	13	(3,178)	(3,634)	456	13

The Group had registered revenue of RM47.51 million in the period under review as compared to the same corresponding period last year's revenue of RM26.09 million. The increase in revenue was mainly due to higher revenue of RM17.72 million generated from manufacturing operations in South Africa and RM3.51 million generated from property development activities. The Group had recorded loss after tax of RM3.64 million compared to loss after tax of RM4.04 million for the same corresponding period in 2018.

The property development activities had registered revenue of RM10.25 million for the current period compared to RM6.74 million for the same corresponding period last year.

The higher revenue recorded during the current quarter was attributable to sales of completed projects.

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### **B1. Review of performance (continued)**

The manufacturing segment on the other hand had registered revenue for the period under review of RM36.64 million compared to RM18.92 million for the same period last year, as a result of continued contract with Nissan, Renault and Volkswagen South Africa to manufacture and supply electrical wiring harness.

In South African currency, recorded sales was ZAR124.88 million compared to the same period last year of ZAR57.66 million; an increase of 117%. Based on the average exchange rate during the period at RM29 against ZAR100 (2018: RM32 against ZAR100), the increase in registered revenue of 117% was mainly due to increase in production volumes.

Despite the increase in revenue, the manufacturing division recorded loss before tax of RM1.97 million for the current period compared to loss before tax of RM1.79 million for the corresponding period last year due to continued high operational costs.

Pasdec Bina, the main contractor of the Group's construction division had been focusing on in-house projects since completion of MRT feeder bus depot in Kawasan Perindustrian Desa Tun Razak, Daerah Petaling, Kuala Lumpur in 2Q, 2018. Revenue for construction division during the quarter under review was mainly derived from a variation order approved for the completed KPJ Pahang Specialist Hospital in Kuantan.

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## B2. Comparison of current quarter results with the preceding quarter

### Q1, 2019 vs Q4, 2018

	Current Quarter 31.03.2019 RM'000	Immediate Preceding Quarter 31.12.2018 RM'000	Changes	
			RM'000	%
Revenue	47,511	39,096	8,415	22
Gross profit	8,076	10,461	(2,385)	(23)
(Loss)/ profit before interest & tax	(589)	818	(1,407)	(172)
Loss before tax	(3,363)	(3,097)	(266)	(8)
Loss after tax	(3,640)	(9,710)	6,070	62
Loss attributable to ordinary equity holders of the parent	(3,178)	(8,162)	4,984	61

<u>Revenue</u>	Current Quarter Q1, 2019 RM'million	Immediate Preceding Quarter Q4, 2018 RM'million
<b>Segments</b>		
- Property development	10.25	12.21
- Manufacturing	36.64	26.65
- Others	0.62	0.24
	<b>47.51</b>	<b>39.10</b>

During the quarter under review, the property division recorded revenue was RM10.25 million as compared to RM12.21 million in the immediate preceding quarter, a drop of 16% due to less loans approved to buyers by the financial institutions on the existing registered bookings.

Despite consistent revenue recorded by the manufacturing segment in Africa, this division continued to record losses due to high manufacturing costs that led to operating loss. The loss was no longer mitigated due to the disposal of profit making associate, CRH Africa Automotive Proprietary Limited in 4Q, 2018.

Overall, the loss after tax of the Group of RM3.64 million was mainly attributable to loss of RM1.97 million from manufacturing division and impairment losses of RM1.66 million.

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## PASDEC HOLDINGS BERHAD

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### B3. Prospects for the current financial year

The Group's property segment will continue with its strategy of disposing its 387 unsold units worth RM158.2 million and completing the on-going projects in order to unlock the value of inventories and achieve better revenues in the year 2019.

The manufacturing division is unlikely to contribute positively to the Group in view of its high operational costs.

### B4. Profit forecast and profit guarantee

The Group had not provided any profit forecast or profit guarantee in a public document.

### B5. Notes to consolidated statement of comprehensive income

	31.03.2019	31.03.2018
	RM'000	RM'000
<b>Loss for the period is arrived at after charging</b>		
Depreciation	1,131	777
Interest expense	2,774	2,938
Impairment losses on trade receivables	12	-
Struck-off companies:		
- Impairment losses on investments	1,010	-
- Impairment losses on receivables	650	-
<b>And after crediting</b>		
Other income	352	1,425
Interest income	408	327
Reversal of impairment loss on trade receivables	(41)	-

### B6. Taxation

	INDIVIDUAL QUARTER 3 months ended		CUMULATIVE QUARTER 3 months ended	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax				
- Current	<u>277</u>	-	<u>277</u>	-

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### B7. Corporate proposal

There was no corporate proposal announced and pending completion during the quarter under review.

### B8. Status of utilisation of proceeds as at 31 March 2019 raised from the Rights Issue with Warrants are as follows:-

a)

No	Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance RM'000	Estimate Timeframe
1	Land premium	7,436	2,281	5,155	Within 6 months
2	Property development	18,000	7,081	10,919	Within 21 months
3	Working capital purpose	13,501	13,140	361	Within 9 months
4	Expenses for the Rights Issue with Warrants	1,100	1,100	-	Not applicable
	<b>Total</b>	<b>40,037</b>	<b>23,602</b>	<b>16,435</b>	

#### 1. Land premium

Premium payment of RM4.19 million (Note B8(c)) for the 60 acres of Muadzam Shah land out of the balance of RM5.16 million is still pending issuance of land title from the Land Office.

#### 2. Property development

The balance of RM10.92 million had been set for 7 new projects and 2 existing projects will be utilised as mentioned in Note B8(d).

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## PASDEC HOLDINGS BERHAD

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### B8. Status of utilisation of proceeds as at 31 March 2019 raised from the Rights Issue with warrants are as follows:- (continued)

b) 3 identified projects financed from the Rights Issues proceeds continued to progress and 1 project has been completed. Status of the projects as at the reporting date was as follows:-

No	Property name	% Progress as at 31 March 2019	Expected completion
1	51 units of two and two-and-a-half storey terrace house at Vista Verde (Phase 2), located in Kuantan, Pahang.	98%	3Q, 2019
2	71 units of one and two storey terrace house at Balok Perdana Zone 3 (Phase 4 and 5), located in Gebeng, Pahang.	91%	2Q, 2019
3	15 units of double storey commercial shop office at Cenderawasih Pesona, located in Kuantan, Pahang.	70%	3Q, 2019
4	104 units of one, two and three storey terrace house at Bandar Putra 7A5, located in Kuantan, Pahang.	100%	Not applicable

c) The Group had on 31 January 2019 announced variation in the utilisation of proceeds raised from the Rights Issues as follows:

Particulars	Approved allocation	Actual spending as at 31 March 2019	Remaining to be utilised	Approved variation
	RM'000	RM'000	RM'000	RM'000
1 Land premium	7,436	2,281	4,188	967
2 Property development	18,000	7,081	2,030	8,889
3 Working capital	13,501	13,140	361	-
4 Expenses for Rights Issue	1,100	1,100	-	-
<b>Total</b>	<b>40,037</b>	<b>23,602</b>	<b>6,579</b>	<b>9,856</b>

The land premium of RM3.24 million originally provided was settled at RM2.28 million following to successful appeal from Pahang State Government, hence, gave rise to the variation of RM0.97 million, which will be utilised for working capital purposes.

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## PASDEC HOLDINGS BERHAD

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### B8. Status of utilisation of proceeds as at 31 March 2019 raised from the Rights Issue with Warrants are as follows:- (continued)

d) Effective from 31 January 2019, the approved variation of RM8.89 million will be utilised for the following projects:-

New projects		Estimated GDV RM' million	Estimated date of commencement
1	Balok Perdana 3A Phase 7	16.17	Aug-19
2	Balok Perdana Commercial 2A2	9.57	Aug-19
3	Pasdec Damansara Zone 3A3	54.07	Jun-19
4	Muadzam Shah Phase 1	30.67	Nov-19
5	Pasdec Avenue	105.34	Dec-19
6	Bandar Putra Package 6A9	34.32	Jul-19
7	Habour Park	173.71	Sep-19
<b>Total</b>		<b>423.85</b>	

On-going projects		Estimated GDV RM' million	Stage of completion as at 31 March 2019 (%)
1	Balok Perdana 3A Phase 4&5	40.47	99%
2	Pasdec Damansara Package 4	22.16	98%
<b>Total</b>		<b>62.63</b>	
<b>Grand total</b>		<b>486.48</b>	

The amount to be allocated for each project has yet to be determined at this juncture, and is dependent on funding requirements of each project. Nonetheless, the Company will continue to provide updates on the status and details of the proceeds allocation, and the proceeds will be fully utilised within the stipulated timeframe.

### B9. Investment securities

Fair Value through Other Comprehensive Income

	As at 31.03.2019 Carrying amount Market value of quoted investments RM'000	As at 31.03.2018 Carrying amount Market value of quoted investments RM'000
At fair value:		
Shares quoted in Malaysia	9	9
Unit trusts quoted in Malaysia	399	427
	<b>408</b>	<b>436</b>

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### B10. Trade receivables

The ageing analysis of the trade receivables for 31 March 2019 is as follows:

	Gross RM'000	Impairment RM'000	Net RM'000	%
Current	6,264	83	6,181	19%
Past due 1- 30 days	4,712	88	4,624	14%
Past due 31 – 120 days	3,657	96	3,561	11%
Past due > 120 days	25,413	7,368	18,045	56%
<b>TOTAL</b>	<b>40,046</b>	<b>7,635</b>	<b>32,411</b>	<b>100%</b>

The Group did not impair some past due trade receivables as the Group was satisfied on its recovery, which was from property buyers. The banks or financial institutions would release the buyers' loan upon fulfilment of terms and conditions of loan agreements.

### B11. Loans and borrowings

The Group's exposure in loans and borrowings is as follows:

Secured facilities	Denomination	Short term RM'000	Long term RM'000	As at 31.03.2019 RM'000	As at 31.03.2018 RM'000	Interest rates	Remarks
1) Overdraft	RM	4,579	-	4,579	24,320	7.85% - 9.35%	Working capital
2) Overdraft	BWP	16,796	-	16,796	19,748	8.50%	Working capital
3) Term loan	RM	7,343	10,872	18,215	2,169	8.00%	Working capital
4) Term loan	RM	3,552	11,574	15,126	19,466	4.70% - 4.95%	Investment
5) Term loan	BWP	31,731	-	31,731	37,792	4.00% - 9.0%	Purchase of plant & equipment
6) Revolving credit	RM	500	-	500	21,500	8.95%	Working capital
7) Bridging loan	RM	-	-	-	667	7.95% - 8.20%	Project financing
8) Finance lease	RM	134	22	156	437	2.42% - 3.00%	Purchase of motor vehicle
<b>TOTAL</b>		<b>64,635</b>	<b>22,468</b>	<b>87,103</b>	126,099		

#### Note

BWP : Botswana Pula (1 BWP = RM0.3785)

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## B12. Share Capital

	Period- ended 31.03.2019	Year- ended 31.12.2018
	RM'000	RM'000
<b>Issued and fully paid</b>		
1 January	327,693	293,376
Rights Issues	-	34,317
	<u>327,693</u>	<u>327,693</u>

	Period- ended 31.03.2019	Year- ended 31.12.2018
	No of ordinary shares ('000)	No of ordinary shares ('000)
<b>Issued and fully paid</b>		
1 January	400,369	285,978
Rights Issues	-	114,391
	<u>400,369</u>	<u>400,369</u>

On 11 July 2018, 114,391,200 Rights Shares on the basis of 2 Rights Shares for every 5 existing Pasdec Shares held on 16 May 2018, together with 114,391,200 free detachable Warrants were listed and quoted on the Main Market of Bursa Securities, at an issue price of RM0.35 per Rights Shares.

## B13. Other reserves

### a) Fair value change reserve

Fair value adjustment reserve represents the cumulative fair value changes of available-for-sale financial assets until they are disposed of or impaired.

### b) Others

The other reserves represent:-

- i) Premium paid on acquisition of non-controlling interest in a subsidiary. The difference between the consideration and fair value of the interest acquired of RM9.9 million was reflected in equity as premium paid on acquisition of the non-controlling interest.
- ii) Capital reserve of RM0.55 million on revaluation reserve (1Q, 2018: share option reserve of RM2.54 million) of an associate.

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### B13. Other reserves (continued)

#### c) Foreign currency exchange reserve

The foreign currency exchange deficit represents the differences arising from translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

#### d) Warrant reserve

The Warrants of RM5.72 million in respect of 114,391,200 free detachable Warrants on the basis of 1 Warrant for every 1 Rights Share subscribed at a fair value of RM0.05 per Warrant, listed and quoted on the main market of Bursa Securities on 11 July 2018.

### B14. Material litigation

There was no material litigation involving the Group at the date of this report.

### B15. Dividend

There was no dividend declared for the quarter under review.

### B16. Losses per share

	INDIVIDUAL QUARTER 3 months ended		CUMULATIVE QUARTER 3 months ended	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
<b>Basic losses per share</b>				
Losses attributable to owners of the parent (RM'000)	(3,178)	(3,634)	(3,178)	(3,634)
Number of weightage average shares (unit '000)	400,369	285,978	400,369	285,978
Basic losses per share (sen)	(0.79)	(1.27)	(0.79)	(1.27)

### B17. Comparative figures

Certain comparative figures have been reclassified to conform to current period presentations.

## **PASDEC HOLDINGS BERHAD**

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### **B18. Authority for issue**

The interim financial report were authorised for issue by the Board of Directors in accordance with a resolution of the Directors.

By order of the Board

**Shakerah Enayetali**

Group Corporate Secretary & Governance