

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FOURTH QUARTER ENDED 30 JUNE 2018

(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year quarter ended 30/6/2018 RM '000	Preceding Year Ended 30/6/2017 RM '000	Current Year Ended 30/6/2018 RM '000	Preceding Year Ended 30/6/2017 RM '000
Revenue	44,422	38,590	156,612	125,429
Cost of sales	(31,743)	(30,511)	(114,234)	(97,400)
Gross profit	12,678	8,079	42,377	28,029
Operating expenses	(6,503)	(7,255)	(26,962)	(23,764)
Finance cost	(59)	(38)	(215)	(102)
Other income	1,330	907	3,659	3,464
Profit before tax	7,446	1,693	18,859	7,627
Tax expense	(1,885)	(489)	(5,466)	(2,765)
Profit for the period	5,561	1,204	13,393	4,862
Other comprehensive income :- Currency translation differences for foreign operations	(395)	(3)	(418)	111
Total comprehensive income for the period	5,166	1,201	12,975	4,973
Profit for the period attributable to :- Owners of the parent Non-controlling interest	5,487 74	1,174 30	13,184 209	4,739 123
	5,561	1,204	13,393	4,862
Total comprehensive income attributable to : Owners of the parent Non-controlling interest	5,092 74	1,166 35	12,766 209	4,845 128
	5,166	1,201	12,975	4,973
Basic earning per share (sen)	5.38	1.15	12.92	4.65

(The Condensed Consolidated Statement of profit or loss and other comprehensive income should be read in conjunction with the Audited Financial Statements for the FYE 30.6.2017 and the accompanying explanatory notes attached to this interim financial statements)

KOBAY TECHNOLOGY BHD.
(Co. No. 308279-A)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	(Unaudited) As at current financial period 30/6/2018 RM '000	(Audited) As at preceding financial period 30/06/2017 RM '000
Assets		
Non-Current Assets		
Property, plant and equipment	56,514	57,958
Investment Properties	-	2,000
Deferred tax asset	289	-
Land held for property development	38,234	41,190
Intangible assets	80	93
	95,117	101,241
Current Assets		
Property development cost	20,081	13,172
Inventories	15,135	14,888
Trade and other receivables	35,472	33,756
Assets held for sale	1,976	-
Tax assets	76	485
Cash & cash equivalents	41,806	27,700
	114,546	90,001
Total Assets	209,663	191,242
Equity		
Share capital	102,104	102,094
Reserves		
Treasury shares	-	(67)
Capital reserve	1,550	1,550
Currency translation reserve	80	498
Retained profits	54,864	41,680
	56,494	43,661
Equity attributable to owners of the Company	158,598	145,755
Non-controlling interests	484	437
Total Equity	159,082	146,192
Non-Current Liabilities		
Loans and borrowings	7,326	8,774
Deferred tax liabilities	4,473	4,293
Deferred income on government grant	1,735	1,630
	13,534	14,697
Current Liabilities		
Trade and other payables	28,020	26,303
Financial liabilities at fair value through profit or loss	51	-
Loans and borrowings	4,693	3,434
Progress billings	3,255	370
Tax liabilities	1,028	246
	37,047	30,353
Total Liabilities	50,581	45,050
Total Equity and Liabilities	209,663	191,242
Net assets per ordinary share attributable to owners of the Parent(RM)	1.55	1.43

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited Financial Statements for the FYE 30.6.2017 and the accompanying explanatory notes attached to this interim financial statements)

KOBAY TECHNOLOGY BHD.

(Co. No. 308279-A)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED ENDED 30 JUNE 2018**

Group	Attributable to owners of the Parent						Sub-total RM'000	Non- controlling Interest RM'000	Total Equity RM'000
	Non-distributable					Distributable			
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Capital reserve RM'000	Translation reserve RM'000	Retained profit RM'000			
CURRENT PERIOD									
As at 1 July, 2017	102,094	(67)	-	1,550	498	41,680	145,755	437	146,192
Resale of treasury shares	10	67	-	-	-	-	77	-	77
Dividends to Non- controlling interests	-	-	-	-	-	-	-	(93)	(93)
Upon dissolution of subsidiary	-	-	-	-	(418)	-	(418)	-	(418)
Change in ownership interest in subsidiary	-	-	-	-	-	-	-	(69)	(69)
Total comprehensive income for the period	-	-	-	-	-	13,184	13,184	209	13,393
Balance as at 30 June, 2018	102,104	-	-	1,550	80	54,864	158,598	484	159,082

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED ENDED 30 JUNE 2017**

Group	Attributable to owners of the Parent						Sub-total RM'000	Non- controlling Interest RM'000	Total Equity RM'000
	Non-distributable					Distributable			
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Capital reserve RM'000	Translation reserve RM'000	Retained profit RM'000			
CURRENT PERIOD									
As at 1 July, 2016	68,081	(221)	2,345	1,550	236	68,334	140,325	1,667	141,992
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	(369)	(369)
Changes in ownership interests in subsidiaries	-	-	-	-	157	296	453	(989)	(536)
Total comprehensive income for the period	-	-	-	-	105	4,739	4,844	128	4,972
Resale of treasury shares	-	154	38	-	-	-	192	-	192
Issurance of bonus shares	34,013	-	(2,324)	-	-	(31,689)	-	-	-
Share issue expenses	-	-	(59)	-	-	-	(59)	-	(59)
Balance as at 30 June, 2017	102,094	(67)	-	1,550	498	41,680	145,755	437	146,192

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the FYE 30.6.17 and the accompanying explanatory notes attached to this interim financial statements)

KOBAY TECHNOLOGY BHD.
(Co. No. 308279-A)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 30 JUNE 2018**

	(Unaudited) Year Ended 30/6/2018 RM '000	(Audited) Year Ended 30/6/2017 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax :	18,859	7,627
Adjustments for:		
- Non-cash items	7,654	6,536
- Non-operating items	(306)	(236)
Operating profit before changes in working capital	<u>26,207</u>	13,927
Changes in working capital:		
- Net change in current assets	(7,923)	(7,315)
- Net change in current liabilities	418	1,211
Net cash from operating activities	<u>18,702</u>	7,823
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	518	295
Proceeds from disposal of property, plant and equipment	255	325
Additions to land held for property development	(1,389)	(5,997)
Purchase of property, plant and equipment	(3,360)	(4,028)
Net cash used in investing activities	<u>(3,976)</u>	(9,405)
CASH FLOWS FROM FINANCING ACTIVITIES		
Acquisition of shares from non-controlling interests	(67)	(537)
Dividend paid to non-controlling interest	(93)	(369)
Reissue of treasury shares	77	192
(Decrease)/Increase in loans and borrowings	(189)	712
Share issue transaction costs paid	-	(59)
Interest paid	(215)	(102)
Placement of term deposits pledged as security	(3,575)	(18)
Net cash used in financing activities	<u>(4,062)</u>	(181)
Currency translation differences	(132)	101
Net Change in Cash & Cash Equivalents	10,532	(1,662)
CASH & CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	<u>25,085</u>	26,747
CASH & CASH EQUIVALENTS AS AT END OF THE PERIOD	<u><u>35,617</u></u>	25,085
CASH & CASH EQUIVALENTS AS AT END OF THE PERIOD		
Highly Liquid Investments	2,736	1,536
Deposits not pledged	918	850
Cash & bank balances	<u>31,962</u>	22,699
	<u><u>35,617</u></u>	25,085

Deposits amounting to RM6,189,370 (3.6.2017: RM2,614,372) have been pledged to local banks for bank guarantee facilities obtained by the Group as at 30 June 2018. As such, these amounts are not included as cash and cash equivalents as at the aforementioned dates.

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the FYE 30.6.2017 and the accompanying explanatory notes attached to this interim financial statements)

A. Notes to the financial report for the fourth financial quarter ended 30 June 2018

1. Basis of preparation

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards ("FRS") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2017.

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 30 June 2017.

Malaysia Financial Reporting Standards

In November 2011, the MASB issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS") Framework. The issuance was made in conjunction with the MASB's plan to converge with International Financial Reporting Standards ("IFRS") in 2012. The MFRS Framework is a fully IFRS-compliant framework and equivalent to IFRSs.

The MFRS Framework is to be applied by all entities other than private entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 *Agriculture* and/or IC Interpretation 15 *Agreements for the Construction of Real Estate*, including their parents, significant investors and joint venturers ("Transitioning Entities"). As announced by the Malaysian Accounting Standards on 28 October 2015, Transitioning Entities are allowed to defer the adoption of the Malaysian Financial Reporting Standards to annual periods beginning on or after 1 January 2018.

Being a Transitioning Entity involved in property development, the Group continues to prepare its financial statements for the financial year ending 30 June 2018 in accordance with Financial Reporting Standards ("FRSs") and will first present the financial statements in accordance with the MFRS Framework for the financial year ending 30 June 2019.

The main standards that were in issue but not yet effective and not early adopted by the Group are as follows:-

- MFRS 9, Financial Instruments
- MFRS 15, Revenue from Contracts with Customers

The Group has assessed the initial application of these accounting standards, amendments or interpretations, and does not expect any significant financial impacts to the financial statements of the Group.

A. Notes to the financial report for the fourth financial quarter ended 30 June 2018

2. Audit report of preceding annual financial statements

The auditors' report on the financial statements of the Group for the financial year ended 30th June 2017 was not subject to any qualification.

3. Seasonal or cyclical operations

The business operations of the Group are subject to cyclical effects of the global electronics industries and volatility of property market.

4. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that unusual because of their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter under review.

5. Nature and amount of changes in estimates of amounts reported in prior interim periods of the current financial year, which give a material effect in the current interim period

There were no significant changes in the estimates that have a material effect in the current quarter and current financial year.

6. Issuance, cancellations, repurchases, resale or repayments of debts and equity securities

There were no issuance, repurchase and repayments of debts and equity securities during the current quarter under review.

7. Dividend Paid

There were no dividend paid for the quarter and financial year under review. (30.6.2017 : Nil)

A. Notes to the financial report for the fourth financial quarter ended 30 June 2018
8. Segment Information

For management purposes, the Group is organised into business units based on their nature of business and services.

The Group's reportable operating segments are as follows:

- Manufacturing – Manufacture of precision machined components, precision stamping, sheet metal parts, surface treatment, precision moulds, tooling & dies, semiconductor assembly and testing equipment, metal works and structures, modules and parts for oil and gas production and extraction equipment.
- Property Development
- Other operating segments – Include small operations related to property letting, hotel operation, money lending and supply of engineering parts.

Current year ended 30.6.2018	Manufacturing	Property Development	Other Operating Segments	Unallocated Non-Operating Segments	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customer	140,404	12,138	4,070	-	-	156,612
Intersegment revenue	13,133	-	1,487	25,590	(40,210)	-
Interest income	350	9	55	1,107	(1,003)	518
Interest expense	39	548	-	223	(595)	215
Depreciation and amortisation	5,334	245	503	75		6,157
Tax expense	5,322	(287)	212	219	-	5,466
Reportable segment profit/(loss) after taxation	17,585	(1,261)	506	6,753	(10,190)	13,393
Reportable segment assets	111,575	72,640	16,681	132,800	(124,033)	209,663
Expenditure for non-current assets	2,858	1,832	47	12	-	4,749
Reportable segment liabilities	28,810	13,551	2,277	15,927	(9,984)	50,581

A. Notes to the financial report for the fourth financial quarter ended 30 June 2018

8. Segment Information (cont'd)

Current Year ended 30.6.2017	Manufacturing	Property Development	Other Operating Segments	Unallocated Non-Operating Segments	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customer	118,644	2,271	4,514	-	-	125,429
Intersegment revenue	720	-	514	18,667	(19,901)	-
Interest income	202	9	47	1,011	(973)	296
Interest expense	63	464	-	47	(472)	102
Depreciation and amortisation	5,299	227	502	99	(6)	6,121
Tax expense	2,417	-	206	142	-	2,765
Reportable segment profit/(loss) after taxation	9,487	(2,337)	663	6,416	(9,367)	4,862
Reportable segment assets	105,207	60,044	17,334	124,776	(116,119)	191,242
Expenditure for non-current assets	3,553	6,721	84	60	(392)	10,026
Reportable segment liabilities	30,292	24,512	2,264	14,679	(26,697)	45,050

Segment information by geographical regions

The following is an analysis of the Group's revenue by geographical market, irrespective of the origin of the goods/services :

	30.6.2018	30.6.2017
	RM'000	RM'000
Malaysia	103,553	81,265
United States of America	20,735	20,931
Singapore	25,272	13,683
Other Foreign Countries	7,052	9,550
	156,612	125,429

A. Notes to the financial report for the fourth financial quarter ended 30 June 2018

8. Segment Information (cont'd)

Information about major customer

For the financial year ended 30 June 2018, there was one major customer (30.6.2017: 1) of manufacturing segment who contributed 17% of the Group's total revenues and the total revenue generated from this major customer amounted to RM26.77 million (30.6.2017 : RM21.8 million) for the current period under review.

9. Valuation of property, plant and equipment

The valuation of property, plant and equipment has been brought forward without any amendment from the previous annual report.

10. Subsequent events

There were no material events subsequent to the end of the reporting period that have not been reflected in the financial statements

11. Changes in the composition of the group

There were no major changes in the composition of the Group during the period ended 30 June 2018.

12. Contingent assets and contingent liabilities

There were no contingent assets or liabilities for the Group as at the date of the report. (30.6.2017: RM Nil).

13. Material related party transaction

There was no material transaction entered by the group with any related party.

14. Capital Commitments

Authorised capital commitments not recognised in the interim financial statement as at 30 June 2018 were as follows: -

	30.6.2018	30.6.2017
	RM'000	RM'000
Contracted but not provided for :-		
Property, Plant and Equipment	14,400	261
Landowners' entitlement for joint development projects	13,075	13,255

B. Additional information required by the Listing Requirements of Bursa Securities

1. Review of performance

<u>Operating Segment</u>	<u>INDIVIDUAL PERIOD</u>			<u>CUMULATIVE PERIOD</u>		
	<u>Current Year</u>	<u>Preceding</u>	<u>Variance</u>	<u>Current</u>	<u>Preceding</u>	<u>Variance</u>
	<u>quarter</u>	<u>corresponding</u>		<u>Year</u>	<u>corresponding</u>	
	<u>ended</u>	<u>quarter</u>		<u>Year</u>	<u>year</u>	
	30.6.2018	30.6.2017		30.6.2018	30.6.2017	
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue:-						
Manufacturing	37,988	36,160	5.1%	140,404	118,644	18.3%
Property Development	5,534	785	605.0%	12,138	2,271	434.5%
Other operating segments	900	1,645	-45.3%	4,070	4,514	-9.8%
Unallocated non-operating segments	-	-		-	-	
	44,422	38,590	15.1%	156,612	125,429	24.9%
Profit/(loss) before tax:-						
Manufacturing	8,067	3,153	155.9%	22,907	11,904	92.4%
Property Development	731	(733)	-199.7%	(1,548)	(2,337)	-33.8%
Other operating segments	117	296	-60.5%	718	869	-17.4%
Unallocated non-operating segments	2,073	2,092	-0.9%	6,972	6,558	6.3%
	10,988	4,808		29,049	16,994	
Consolidation adjustments and eliminations	(3,542)	(3,115)		(10,190)	(9,367)	
	7,446	1,693	339.8%	18,859	7,627	147.3%

Statement of Profit & Loss and Other Comprehensive Income

The Group reported a revenue of RM44.42 million for current quarter and RM156.61 million for current year-to-date, an increase of 15.1% and 24.90% compared to the preceding year's corresponding quarter/year. Major revenue driver was manufacturing segment, which contributed close to 90% of the Group's year-to-date revenue. Correspondingly, profit before tax for current year increased by 147.3% with better product mix and profit margin recorded.

Statement of Financial Position

The Group's total assets stood at RM209.66 million and total liabilities stood at RM50.58 million as at 30.6.2018. Shareholders' equity increased by RM12.84 million mainly contributed by the profits generated from current year.

B. Additional information required by the Listing Requirements of Bursa Securities

Statement of Cash Flow

The Group's cash and cash equivalents stood at RM35.62 million as at 30.6.2018. Net cash flow from operating activities increased by RM10.87 million as compared to the preceding year's corresponding period due to increase in Group's profit. Capital investments for current year-to-date amounted to RM 4.74 million, consists of purchase of additional development land of RM1.38 million for property segment and RM3.36 million on machinery and renovations.

1.1 Segmental Analysis

Manufacturing

The manufacturing segment reported revenue of RM37.98 million and RM140.40 million for current quarter and current year-to-date respectively, representing an increase of 5.1% and 18.30% respectively compared to preceding year's corresponding quarter/year. Correspondingly, profit before tax upsurged by 155.9 % for current quarter and 92.4% for current year-to-date as compared to preceding quarter/year. The positive results mainly due to increase in orders from electronics customers, expanded customer base, improved production efficiency and better product margin achieved by the Group's Precision Components and Semiconductor Equipment business. These two divisions recorded an increase in net profit by RM6.68 million compared to FY2017's net profit of RM11.60 million.

Property Development

As of the current year under review, there was only one project launched by the property development division, i.e. Phase 1 of Lavanya Residences, Langkawi. The gross development value of the said phase is RM76.4 million with cumulative sales to-date of RM46.05 million recorded.

The segment recorded revenue of RM5.53 million for current quarter and RM12.13 million for current year-to-date. With the ongoing construction progress, the segment reported a positive profit before tax of RM0.73 million in current quarter compared to losses in preceding corresponding quarter. However, the segment still unable to unwind the loss situation for current year as the progress billing derived from the division's partly launched project still unable to cover the operating cost of other projects that are yet to kick off. On top of that, there was a written off of renovation cost amounted to RM0.49 million for current year.

B. Additional information required by the Listing Requirements of Bursa Securities

2. Comparison with preceding quarter's results

<u>Operating Segment</u>	Current Year quarter ended 30.6.2018 RM'000	Preceding quarter ended 31.3.2018 RM'000	Variance %
Revenue:-			
Manufacturing	37,988	31,896	19.1%
Property Development	5,534	3,519	57.3%
Other operating segments	900	1,649	-45.4%
Unallocated non-operating segments	-	-	
	44,422	37,064	19.9%
Profit/(loss) before tax:-			
Manufacturing	8,067	3,761	114.5%
Property Development	731	(1,194)	161.2%
Other operating segments	117	271	56.8%
Unallocated non-operating segments	2,073	1,293	60.3%
	10,988	4,131	
Consolidation adjustments and eliminations	(3,542)	(1,970)	
	7,446	2,161	244.6%

The Group reported a revenue of RM37.98 million and profit before tax of RM7.44 million for current quarter, compared to revenue of RM31.89 million and profit before tax of RM2.16 million in Q3 FYE2018, increased in both the top and the bottom lines by 19.9% and 244.6% respectively.

Manufacturing

The segment regained its momentum in Q4 of FY2018 after the long festive break in Q3 FY2018. A steady growth of 19.1% in revenue and 114.5% in profit before tax compared to Q3 FY2018, arising from clearance of backlog orders from electronics customers. On top of that, the segment's profit for Q3 FY2018 was distorted by a foreign exchange losses of RM1.1 million and impairment loss on trade receivables of RM1.1 million.

Property Development

The increase in construction progress billing has contributed a positive earnings for current quarter. However, the losses reported in Q3 FY2018 was partially resulted from written off of renovation cost amounted to RM0.49 million.

B. Additional information required by the Listing Requirements of Bursa Securities

3. Commentary on the prospects of the Group**Manufacturing**

Barring any unforeseen circumstances, the management anticipates that the manufacturing segment will encounter moderate growth for coming quarters in view of the slowdown in sales orders from electronics industries. The segment shall continue to look for new emerging industries products in aerospace sector, medical healthcare and life science. On the other hand, we shall simultaneously re-gear the existing oil and gas business in view of the signs of improvements in the industry.

Property Development

For property development division, the management is expecting a new launch of Lavanya Langkawi Phase 2 by Q1 2019, which comprises of 223 units of serviced studio and serviced apartment with projected gross development value of RM 244 million.

The management is mindful of the challenging market sentiments and shall re-strategise its property products to cater to demand. Moving forward, we shall refocus our efforts towards the middle-income group, to cater a wider target catchment amid challenges in the high end markets.

Overall, the management is optimistic that the performance of the Group to remain satisfactory for the coming financial year, backing on the modest growth forecasted for manufacturing.

4. Variance on forecast profit/profit guarantee

No profit forecast or profit guarantee was issued during the period.

5. Profit for the period

	Current Year quarter ended	Current Year to date
	30.6.2018	30.6.2018
<u>Group</u>	RM'000	RM'000
Profit for the period is arrived at after (crediting)/charging of :-		
Depreciation of property, plant and equipment	1,604	6,157
Impairment loss on receivables	472	1,662
Interest expenses	59	215
Loss on financial instrument at FVTPL	51	51
Property, plant and equipment written off	14	414
(Gain)/Loss on foreign exchange	(778)	863
Gain disposal of property, plant and equipment	(14)	(169)
Interest income	(83)	(518)
	_____	_____

Save as disclosed above, other items as required under Appendix 9B, Part A(16) of the Bursa Listing Requirements are not applicable.

B. Additional information required by the Listing Requirements of Bursa Securities

6. Taxation

Taxation comprises the following:-

	<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
	Current Year quarter ended 30.6.2018 RM'000	Preceding corresponding quarter period 30.6.2017 RM'000	Current Year todate 30.6.2018 RM'000	Preceding corresponding period 30.6.2017 RM'000
Current tax	(1,992)	(900)	(5,575)	(3,022)
Deferred tax	107	411	109	257
	(1,885)	(489)	(5,466)	(2,765)

The effective tax rates for the current and cumulative period are higher than the statutory tax rate mainly due to the losses of certain subsidiaries cannot be set off against taxable profits made by other subsidiaries.

7. Status of corporate proposals

There were no corporate proposals announced as at the date of this interim report but pending completion.

8. Trade receivables

Trade receivables are unsecured, non-interest bearing and generally on 30 to 90 days terms.

The ageing analysis of the trade receivables not impaired is as follows: -

	30.6.2018
	RM'000
Not past due	23,158
Past due 1 to 30 days	6,641
Past due 31 to 120 days	1,757
Past due more than 120 days	287
	31,843

Trade receivables amounting to RM 8.68 million that are past due and not impaired are creditworthy debtors.

B. Additional information required by the Listing Requirements of Bursa Securities**9. Group borrowings and debts securities**

	30.6.2018	30.6.2017
	RM'000	RM'000
Secured :-		
Term loans ^(a)	7,823	10,276
Revolving credit	2,000	-
Bank Overdraft	1,994	-
Unsecured :-		
Revolving credit	202	1,932
	12,019	12,208
Disclosed as :-		
Current liabilities	4,693	3,434
Non-current liabilities	7,326	8,774
	12,019	12,208
Currency Profile :-		
Ringgit Malaysia	11,497	10,276
US Dollar	202	1,932
	12,019	12,208

^(a)Included herein is a term loan of RM7.71 million (30.6.2017: RM8.57 million) which carries no finance cost as the loan is offset with equivalent cash deposit that is available in the facility account.

Secured term loans are secured against certain freehold and leasehold land, property, plant and equipment.

The effective interest rate of loans and borrowings as at 30 June 2018 ranged from 4.20% to 6.92% per annum (30.6.2017: 4.52% to 7.65%).

10. Derivative Financial Instrument

	30.6.18	30.6.17
	RM'000	RM'000
Derivative classified as held for trading, at fair value	51	-

Derivatives consist of forward exchange contracts which are used to hedge the exposure to currency risk.

Other than the above, there were no other derivative financial instruments as at the date of this quarterly report.

B. Additional information required by the Listing Requirements of Bursa Securities

11. Gain and losses arising from Fair Value Changes of Financial Liabilities

There were no gain and losses arising from fair value changes of financial liabilities for the current quarter and current financial year to date.

12. Material litigation

a) Non-repayment of stakeholder sum by stakeholder

Further to the announcement dated 27 May 2016 and 31 May 2016 on the impairment loss in relation to the non-repayment of Stakeholder Sum by the Stakeholder, on 7 October 2016, the Company had initiated civil suit against Miss Jaswinder Kaur, the partner of Messrs. Jaswinder Kaur Gill & Associates to claim for refund of Stakeholder sum of RM3.4 million.

Writ of Seizure and Sale (WSS) had been obtained against Jaswinder's immovable property. Court Prohibitory Order has also been obtained to stop Jaswinder from transferring her immovable property. Application for order for sale will be filed in August 2018.

In addition, Kobay has made an application for a compensation out of the Bar council Compensation Fund. The Bar Council Committee conducted a hearing on the claim on 3rd August 2018 and still pending final decision as at the date of this report.

Other than the above, there was no pending material litigation as at the date of this report.

13. Dividend

The Board of Directors does not recommend any dividend for the financial quarter ended 30 June 2018. (30.6.2017 : Nil).

14. Earnings Per Share ("EPS")

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year quarter ended 30/6/2018 RM '000	Preceding Year Corresponding quarter ended 30/6/2017 RM '000	Current Year to date 30/6/2018 RM '000	Preceding Year Corresponding period 30/6/2017 RM '000
Profit attributable to ordinary equity holders of the Parent	5,487	1,174	13,184	4,739
Weighted average number of ordinary shares in issue ('000)	102,056	101,949	102,056	101,949
Basic earnings per share (sen)	5.38	1.15	12.92	4.65

Diluted earnings per share are not disclosed herein as it is not applicable to the Group.