

**GLOBETRONICS TECHNOLOGY BHD (410285-W)**  
**INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2019**  
**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
The figures have not been audited

	Note	Individual Period (2nd quarter)		Cumulative Period	
		Current Quarter Ended	Corresponding Quarter Ended	Current Year To-date Ended	Corresponding Year To-date Ended
		30/06/2019	30/06/2018	30/06/2019	30/06/2018
<b>Continuing operations</b>		<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue		47,049	71,527	91,096	158,013
Cost of sales		(30,581)	(51,734)	(62,434)	(111,173)
Gross profit		16,468	19,793	28,662	46,840
Administrative and operating expenses		(10,407)	(11,365)	(19,781)	(22,183)
Other operating income		2,606	2,711	4,098	3,507
Results from operating activities		8,667	11,139	12,979	28,164
Finance costs		(95)	(311)	(236)	(570)
Share of profit of equity-accounted associate, net of tax		40	37	62	14
Profit before tax		8,612	10,865	12,805	27,608
Tax expense	22	(471)	(1,524)	(1,572)	(3,079)
Profit for the period		8,141	9,341	11,233	24,529
<b>Other comprehensive income/(expense), net of tax</b>					
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Net change in fair value of equity investments designated at fair value through other comprehensive income ("FVOCI")		134	(152)	459	(227)
<b>Items that are or may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences for foreign operations		300	973	(122)	(111)
<b>Other comprehensive income/(expense) for the period, net of tax</b>		434	821	337	(338)
<b>Total comprehensive income for the period</b>		8,575	10,162	11,570	24,191

	Individual Period (2nd quarter)		Cumulative Period	
	Current Quarter Ended 30/06/2019	Corresponding Quarter Ended 30/06/2018	Current Year To-date Ended 30/06/2019	Corresponding Year To-date Ended 30/06/2018
	RM'000	RM'000	RM'000	RM'000
<b>Profit attributable to :</b>				
Owners of the Company	8,141	9,341	11,233	24,529
<b>Profit for the period</b>	<b>8,141</b>	<b>9,341</b>	<b>11,233</b>	<b>24,529</b>
<b>Total comprehensive income attributable to :</b>				
Owners of the Company	8,575	10,162	11,570	24,191
<b>Total comprehensive income for the period</b>	<b>8,575</b>	<b>10,162</b>	<b>11,570</b>	<b>24,191</b>
<b>Earnings per ordinary share (sen)</b>	27			
- Basic	1.22	1.40	1.68	3.68
- Diluted	1.22	1.40	1.68	3.67

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's audited Financial Statements as at 31 December 2018. The accompanying notes are an integral part of this Statement.

**GLOBETRONICS TECHNOLOGY BHD (410285-W)**  
**INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2019**  
**Condensed Consolidated Statement of Financial Position**

The figures have not been audited

	Note	As at 30/06/2019 RM'000	As at 31/12/2018 RM'000
<b>Assets</b>			
Property, plant and equipment	21	133,916	145,441
Investment property		6,722	6,850
Investment in an associate		5,410	5,348
Other investments		8,457	8,191
Deferred tax assets	23	799	899
<b>Total non-current assets</b>		<b>155,304</b>	<b>166,729</b>
Inventories		9,678	12,619
Current tax assets		1,671	1,169
Trade receivables	24	37,454	72,055
Other receivables, deposits and prepayments		5,645	2,490
Cash and cash equivalents		128,442	121,007
<b>Total current assets</b>		<b>182,890</b>	<b>209,340</b>
<b>Total assets</b>		<b>338,194</b>	<b>376,069</b>
<b>Equity</b>			
Share capital		185,918	185,772
Reserves			
Share option reserve		2,819	2,500
Capital reserve		41	41
Fair value reserve		550	87
Translation reserve		2,909	3,031
Retained earnings		100,870	109,714
<b>Total equity attributable to owners of the Company</b>		<b>293,107</b>	<b>301,145</b>
<b>Liabilities</b>			
Deferred income		3,014	4,038
Loans and borrowings	25	-	4,157
<b>Total non-current liabilities</b>		<b>3,014</b>	<b>8,195</b>
Loans and borrowings	25	12,402	20,785
Current tax liabilities		30	71
Trade payables		5,814	6,915
Other payables and accruals		23,827	38,958
<b>Total current liabilities</b>		<b>42,073</b>	<b>66,729</b>
<b>Total liabilities</b>		<b>45,087</b>	<b>74,924</b>
<b>Total equity and liabilities</b>		<b>338,194</b>	<b>376,069</b>
<b>Net assets per share (RM)</b>		<b>0.44</b>	<b>0.45</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited Financial Statements as at 31 December 2018. The accompanying notes are an integral part of this Statement.

**GLOBETRONICS TECHNOLOGY BHD (410285-W)**  
**INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2019**  
**Condensed Consolidated Statement of Changes in Equity**

The figures have not been audited

	← <i>Attributable to owners of the Company</i> →						Total equity
	← <i>Non-distributable</i> →			→ <i>Distributable</i> →			
	Share capital RM'000	Share option reserve RM'000	Capital reserve RM'000	Fair value reserve RM'000	Translation reserve RM'000	Retained earnings RM'000	RM'000
<b>6 months ended 30/06/2019</b>							
At 1 January 2019	185,772	2,500	41	87	3,031	109,714	301,145
Foreign currency translation differences for foreign operations	-	-	-	-	(122)	-	(122)
Net change in fair value of equity investment designated at FVOCI	-	-	-	459	-	-	459
Total other comprehensive income/(expense) for the period	-	-	-	459	(122)	-	337
Profit for the period	-	-	-	-	-	11,233	11,233
<b>Total comprehensive income/(expense) for the period</b>	-	-	-	459	(122)	11,233	11,570
<b>Contributions by and distributions to owners of the Company</b>							
Issuance of new ordinary shares pursuant to ESOS 2014	146	-	-	-	-	-	146
Share-based payment transactions	-	319	-	-	-	-	319
Dividends to owners of the Company	-	-	-	-	-	(20,073)	(20,073)
<b>Total transactions with owners of the Company</b>	146	319	-	-	-	(20,073)	(19,608)
Transfer upon the disposal of equity investment designated at FVOCI	-	-	-	4	-	(4)	-
<b>At 30 June 2019</b>	185,918	2,819	41	550	2,909	100,870	293,107

**GLOBETRONICS TECHNOLOGY BHD (410285-W)**  
**INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2019**  
**Condensed Consolidated Statement of Changes in Equity**

The figures have not been audited

	← <i>Attributable to owners of the Company</i> →						
	← <i>Non-distributable</i> →				→ <i>Distributable</i>		
	Share capital RM'000	Share option reserve RM'000	Capital reserve RM'000	Fair Value reserve RM'000	Translation reserve RM'000	Retained earnings RM'000	Total equity RM'000
<b>6 months ended 30/06/2018</b>							
At 1 January 2018	178,904	2,398	32	656	2,531	96,824	281,345
Foreign currency translation differences for foreign operations	-	-	-	-	(111)	-	(111)
Net change in fair value of equity investment designated at FVOCI	-	-	-	(227)	-	-	(227)
Total other comprehensive expense for the period	-	-	-	(227)	(111)	-	(338)
Profit for the period	-	-	-	-	-	24,529	24,529
<b>Total comprehensive (expense)/income for the period</b>	-	-	-	(227)	(111)	24,529	24,191
<b>Contributions by and distributions to owners of the Company</b>							
Issuance of new ordinary shares pursuant to ESOS 2014	2,194	-	-	-	-	-	2,194
Share-based payment transactions	-	439	-	-	-	-	439
Dividends to owners of the Company	-	-	-	-	-	(17,137)	(17,137)
<b>Total transactions with owners of the Company</b>	2,194	439	-	-	-	(17,137)	(14,504)
<b>At 30 June 2018</b>	<b>181,098</b>	<b>2,837</b>	<b>32</b>	<b>429</b>	<b>2,420</b>	<b>104,216</b>	<b>291,032</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited Financial Statements as at 31 December 2018. The accompanying notes are an integral part of this Statement.

**GLOBETRONICS TECHNOLOGY BHD (410285-W)**  
**INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2019**  
**Condensed Consolidated Statement of Cash Flows**

The figures have not been audited

		<b>6 months ended 30/06/2019</b>	<b>6 months ended 30/06/2018</b>
	<b>Note</b>	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax from continuing operations		12,805	27,608
Adjustments for:-			
Depreciation of property, plant and equipment		13,377	13,894
Depreciation of investment property		128	128
Plant and equipment written off		1	-
Impairment loss on plant and equipment		533	-
Interest income		(1,862)	(1,339)
Amortisation of deferred income		(1,024)	(1,118)
Share of profit of equity-accounted associate, net of tax		(62)	(14)
Share-based payments		319	439
Interest expense		236	570
Unrealised gain on foreign exchange for loans and borrowings		(15)	(223)
Operating profit before changes in working capital		24,436	39,945
Change in inventories		2,922	239
Change in trade and other receivables		31,443	30,902
Change in trade and other payables		(16,231)	(14,564)
Cash generated from operations		42,570	56,522
Tax paid		(2,015)	(2,977)
Net cash generated from operating activities		<b>40,555</b>	<b>53,545</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property, plant and equipment	21	(2,393)	(7,246)
Acquisition of other investments	8	(75)	(1,072)
Proceeds from disposal of:			
- property, plant and equipment		7	-
- other investments	8	250	-
Interest received		1,862	1,339
Net cash used in investing activities		<b>(349)</b>	<b>(6,979)</b>

<b>6 months ended 30/06/2019 RM'000</b>	<b>6 months ended 30/06/2018 RM'000</b>
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#### CASH FLOWS FROM FINANCING ACTIVITIES

Dividends paid to owners of the Company	(20,073)	(17,137)
Drawdown of term loans	-	14,914
Repayment of term loans	-	(12,831)
Repayment of other borrowings, net	(12,525)	(7,796)
Proceeds from issue of ordinary shares	146	2,194
Interest paid	(236)	(570)
Net cash used in financing activities	<b>(32,688)</b>	<b>(21,226)</b>
Net increase in cash and cash equivalents	<b>7,518</b>	<b>25,340</b>
Effect of exchange rate fluctuations on cash held	(83)	(91)
<b>Cash and cash equivalents as at 1 January</b>	121,007	116,352
<b>Cash and cash equivalents as at 30 June</b>	<b>128,442</b>	<b>141,601</b>

#### Cash and cash equivalents

Cash and cash equivalents included in the Condensed Consolidated Statement of Cash Flows comprise :

Funds placed with financial institutions:		
- Short term investment funds	69,674	64,977
- Short term deposits	26,686	25,531
Cash and bank balances	32,082	51,093
	<b>128,442</b>	<b>141,601</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited Financial Statements as at 31 December 2018. The accompanying notes are an integral part of this Statement.

**GLOBETRONICS TECHNOLOGY BHD (410285-W)**  
**INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2019**  
**Notes to the condensed consolidated interim financial statements**

**1. Basis of Preparation**

These condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting in Malaysia, requirements of the Companies Act 2016 ("CA 2016") and paragraph 9.22 and Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities LR").

They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and 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 an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2018.

**2. Significant Accounting Policies**

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated annual financial statements as at and for the year ended 31 December 2018.

For the adoption of new and revised MFRSs and IC Interpretations below that are relevant and came into effect for accounting periods beginning on or after 1 January, 2019 did not have any significant impact to the unaudited consolidated financial statements upon their initial application:

- MFRS 16, *Leases*
- IC Interpretation 23, *Uncertainty over Income Tax Treatments*
- Amendments to MFRS 3, *Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 9, *Financial Instruments - Prepayment Features with Negative Compensation*
- Amendments to MFRS 112, *Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 119, *Employee Benefits - Plan Amendments, Curtailment or Settlement*
- Amendments to MFRS 123, *Borrowing Costs (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures - Long-term Interests in Associates and Joint Ventures*

**3. Audit Report of Preceding Annual Financial Statements**

The auditors' report of the Group's most recent annual audited financial statements for the year ended 31 December 2018 was unmodified.

**4. Changes in Estimates**

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that was applied to the financial statements as at and for the year ended 31 December 2018.

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

**5. Comparative Figures**

Certain comparative figures have been reclassified to conform with current period's presentation.



6. **Material Impairment of Assets**

There was no material impairment of assets during the period under review.

7. **Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

During the financial period under review, there were no items affecting assets, liabilities, equity, net income, or cash flow that are unusual because of their nature, size, or incidence.

8. **Quoted Securities and Bond**

There were purchases of quoted investments during the financial period under review, as disclosed below:

	<b>6 months ended</b>
	<b>30/06/2019</b>
	<b>RM'000</b>
Purchases	75
Sales	250
Gain on disposal of investments	-

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

There were no changes in the composition of the Group during the current quarter and financial period to date.

10. **Debt and Equity Securities**

There were no issuance and repayments of debt and equity securities, share buy back, shares held as treasury stocks and resale of treasury shares for the financial period to date except for the issuance of the following ordinary shares exercised by the eligible employees pursuant to the Company's ESOS:

ESOS Option Price RM per share	Number of Shares '000
1.41	36.7
1.78	52.8

11. **Changes in Contingent Liabilities**

The Group has issued corporate guarantees to financial institutions for banking facilities granted to certain subsidiaries up to a limit of RM77.3 million of which RM16.2 million has been utilized as at 30 June 2019, a decrease of RM12.6 million as compared to 31 December 2018.

## 12. Operating Segments

The Group's operating segment comprises of only one key business activities, which is the manufacture, assembly, testing and sales of integrated circuits, chip carrier quartz crystal products, optoelectronic products, LED lighting system, LED components and modules, small outline components, sensors and optical products and technical plating services for the semiconductor and electronics industries.

The Group's geographical segmental report for the financial period-to-date is as follows:-

### Analysis By Geographical Segments

#### 6 months ended 30/06/2019

	<b>South East Asia RM'000</b>	<b>North America RM'000</b>	<b>Others RM'000</b>	<b>Group RM'000</b>
Segment profit/(loss) before taxation	9,713	1,532	(66)	11,179
Revenue from external customer	83,178	7,681	237	91,096

#### 6 months ended 30/06/2018

	<b>South East Asia RM'000</b>	<b>North America RM'000</b>	<b>Others RM'000</b>	<b>Group RM'000</b>
Segment profit/(loss) before taxation	25,273	1,618	(52)	26,839
Revenue from external customer	149,390	8,516	107	158,013

	<b>30/06/2019 RM'000</b>	<b>30/06/2018 RM'000</b>
Reconciliation of segment profit:		
Reportable segments	11,179	26,839
Finance costs	(236)	(570)
Interest income	1,862	1,339
Consolidated profit before taxation	12,805	27,608
Tax expense	(1,572)	(3,079)
Consolidated profit after taxation	11,233	24,529

### 13. Related parties

#### Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group.

The Group has related party relationship with:

- i) Subsidiaries and associate of the Company as disclosed in Note 5 and Note 6 of the audited Consolidated Financial Statements of the Group as at and for the year ended 31 December 2018;
- ii) Key management personnel; and
- iii) Companies in which a Director, Mr. Ng Kweng Chong is deemed to have substantial financial interest:
  - Ng Kweng Chong Holdings Sdn. Bhd. (Company No: 51580 - M)
  - Wiserite Sdn. Bhd. (Company No: 410593 - W)
  - Glencare Sdn. Bhd. (Company No: 549058 - U)

#### Significant related party transactions are as follows:

	<b>6 months ended 30/06/2019 RM'000</b>
i) Transactions with an associate	
<i>NGK Globetronics Technology Sdn Bhd</i>	
Rental of investment property	993
Provision of management support services	96
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### 14. Events Subsequent to the Balance Sheet Date

There were no material events subsequent to the balance sheet date.

### 15. Seasonal/Cyclical Factors

The business operations of the Group are not affected by any major seasonal or cyclical factors other than the volatility of the customers' demand which is inherent in the industry that we operate in.

### 16. Dividends Paid

A third interim single tier ordinary dividend of 1 sen (2018: 2 sen but equivalent to approximately 0.9 sen of the current enlarged share capital) per share and a single tier special dividend of 2 sen (2018: 4 sen but equivalent to approximately 1.7 sen of the current enlarged share capital) per share, totalling RM20.1 million (2018: RM17.1 million) in respect of the financial year ended 31 December 2018 was paid on 26 March 2019 to Depositors who are registered in the Record of Depositors of the Company on 13 March 2019.

A first interim single tier ordinary dividend of 1 sen (2018: 1 sen) per share and a single tier special dividend of 1 sen (2018: 2 sen) per share, totalling RM13.4 million (2018: RM20 million) in respect of the financial year ending 31 December 2019 was paid on 02 July 2019 to Depositors who are registered in the Record of Depositors of the Company on 20 June 2019.

## 17. Overall Review of Group's Financial Performance And Segmental Analysis

Financial review for current quarter and financial period to date

	Individual Period (2nd quarter)			Cumulative Period		
	Current Quarter Ended	Corresponding Quarter Ended	Changes	Current Year To-date Ended	Corresponding Year To-date Ended	Changes
	30/06/2019	30/06/2018		30/06/2019	30/06/2018	
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	47,049	71,527	-34	91,096	158,013	-42
Operating Profit	8,667	11,139	-22	12,979	28,164	-54
Profit Before Interest and Tax	8,707	11,176	-22	13,041	28,178	-54
Profit Before Tax	8,612	10,865	-21	12,805	27,608	-54
Profit After Tax	8,141	9,341	-13	11,233	24,529	-54
Profit Attributable to Owners of the Company	8,141	9,341	-13	11,233	24,529	-54

The Group's revenue and net profit for the quarter under review was RM47 million and RM8.1 million, a decrease of 34% and 13% respectively as compared to RM71.5 million and RM9.3 million in the corresponding quarter ended 30 June 2018.

The lower revenue and net profit achieved in the current quarter were mainly due to lower volume loadings of products from certain customers in the Group.

For the period under review, the Group recorded a lower revenue and net profit of RM91.1 million and RM11.2 million as compared to RM158 million and 24.5 million respectively in the corresponding period last year (decrease of 42% and 54% respectively). South East Asia segment recorded sales decrease as compared to the last corresponding period.

The lower revenue and net profit achieved in the current period was mainly due to:-

- i) Phased out of certain matured products of a Japanese customer; and
- ii) Lower volume loadings for products related to mobile / smartphone market.

## 18. Material Changes in the Quarterly Results Compared to the Results of the Immediate Preceding

	Current Quarter Ended	Immediate Preceding Quarter Ended	Changes
	30/06/2019	31/3/2019	%
	RM'000	RM'000	
Revenue	47,049	44,047	7
Operating Profit	8,667	4,312	>100
Profit Before Interest and Tax	8,707	4,334	>100
Profit Before Tax	8,612	4,193	>100
Profit After Tax	8,141	3,092	>100
Profit Attributable to Owner of the Company	8,141	3,092	>100

The Group's revenue for the quarter under review was RM47 million, an increase of 7% from the preceding quarter of RM44 million while the net profit after tax of the Group for the quarter was RM8.1 million, an increase of more than 100% from the preceding quarter of RM3.1 million.

The higher revenue and net profit were mainly due to:

- i) Higher volume loadings and better economies of scale achieved from certain of the Group's customers;
- ii) Forex gain of RM0.7 million recognised in the income statement as compared to the preceding quarter's forex loss of RM0.5 million; and
- iii) Better utilisation of our operational resources and facilities.

19. **Prospects**

Based on the current customers' forecast, as compared with the first half of 2019, we expect a strong recovery in our overall business and volume loadings in the second half of 2019.

The Group will continue to focus on escalating up the value chain and riding on the R&D initiatives in new products design and development with our key customers moving forward.

20. **Variance of Actual Profit from Forecast Profit**

Not Applicable.

21. **Property, Plant and Equipment**

The carrying amount of land and buildings has been brought forward, without amendment from the previous audited financial statements.

**(a) Acquisitions**

During the six months ended 30 June 2019, the Group acquired assets with a cost of RM2.4 million (Six months ended 30 June 2018: RM7.3 million).

**(b) Capital commitments**

As at 30 June 2019, the Group has entered into contracts to purchase property, plant and equipment for RM0.8 million (30 June 2018: RM19.1 million).

**(c) Disposals**

Assets with a carrying amount of RM7K were disposed of during the six months ended 30 June 2019 (Six months ended 30 June 2018: RM3), resulting in a gain on disposal of RM447 (Six months ended 30 June 2018: gain of RM307), which is included as other operating income in the income statement.

There were no amendments to the valuation of property, plant and equipment brought forward.

22. **Tax Expense**

	3 months ended		6 months ended	
	30/06/2019	30/06/2018	30/06/2019	30/06/2018
	RM'000	RM'000	RM'000	RM'000
<b>Current tax expense</b>				
Malaysia - current period	471	1,524	1,472	3,029
<b>Deferred tax expense</b>				
Malaysia - current period	-	-	100	50
	<u>471</u>	<u>1,524</u>	<u>1,572</u>	<u>3,079</u>

The effective tax rate of the Group is lower than the statutory tax rate in the corresponding quarter and period-to-date ended 30 June 2018 mainly due to tax incentives enjoyed by certain subsidiaries in the Group.

23. **Deferred Tax Assets**

Deferred tax assets of the Group are in relation to the following:-

- i) Unutilised investment tax allowance of a subsidiary; and
- ii) Other temporary timing differences arising from accounting depreciation and capital allowances.

The Board of Directors is of the view that it is probable that future taxable profits will be available against which the deferred tax assets can be utilised.

#### 24. Trade Receivables

The age analysis of trade receivables is as follow:

	<b>Current Quarter Ended 30/06/2019 RM'000</b>	<b>Corresponding Quarter Ended 30/06/2018 RM'000</b>
Not past due	32,954	48,550
Past due but not impaired:		
1-30 days	3,684	6,741
31-60 days	769	1,174
Above 60 days	47	156
	4,500	8,071
Past due and impaired:		
Above 60 days	-	-
	<u>37,454</u>	<u>56,621</u>

The Group is satisfied that recovery of the amount is possible, therefore there is no impairment for past due trade receivables.

#### 25. Loans and borrowings

Loans and borrowings denominated in foreign currency:

	<b>As at 30/06/2019</b>		<b>As at 30/06/2018</b>	
	<b>USD'000</b>	<b>RM'000 Equivalent</b>	<b>USD'000</b>	<b>RM'000 Equivalent</b>
<b>Non - Current</b>				
Revolving credits - unsecured	-	-	3,000	12,132
<b>Current</b>				
Term loans - unsecured	-	-	1,188	4,805
Revolving credits - unsecured	3,000	12,402	7,000	28,307
	3,000	12,402	8,188	33,112
<b>Total loans and borrowings</b>	<u>3,000</u>	<u>12,402</u>	<u>11,188</u>	<u>45,244</u>

The term loans are backed by corporate guarantees of a subsidiary of the Group whilst revolving credits are backed by a corporate guarantee of the Company.

#### 26. Profit Before Tax

Profit before tax is arrived at after charging/(crediting):-

	<b>Current Quarter Ended 30/06/2019 RM'000</b>	<b>Corresponding Quarter Ended 30/06/2018 RM'000</b>	<b>Current Year To-date Ended 30/06/2019 RM'000</b>	<b>Corresponding Year To-date Ended 30/06/2018 RM'000</b>
Depreciation of property, plant and equipment	7,394	5,532	13,377	13,894
Depreciation of investment property	64	64	128	128
Property, plant and equipment written off	1	-	1	-
Impairment loss on plant and equipment	533	-	533	-
Rental of office equipment	77	32	125	56
Rental expenses	336	388	753	855
Rental income	(726)	(578)	(1,401)	(1,257)
Amortization of deferred income	(510)	(558)	(1,024)	(1,118)
Interest income	(992)	(783)	(1,862)	(1,339)
Interest expense	95	311	236	570
(Gain)/loss on foreign exchange – realised	(463)	(439)	(145)	2,865
Gain on foreign exchange – unrealised	(235)	(267)	(41)	(2,699)

27. **Earnings Per Ordinary Share ("EPS")**

**After the effects of the subdivision of shares and bonus issue on basic and diluted EPS**

Pursuant to the requirements of MFRS 133 Earnings per Share, the weighted average number of ordinary shares used in the calculation of basic and diluted EPS for the previous quarter and period ended 30 June 2018 have been retrospectively adjusted to reflect the subdivision of shares and bonus issue, as follows:

		3 months ended		6 months ended	
		30/06/2019	30/06/2018	30/06/2019	30/06/2018
<b>(i) Basic earnings per ordinary share</b>					
Net profit for the period	(RM'000)	8,141	9,341	11,233	24,529
Issued ordinary shares at beginning of the period	('000)	669,033	285,304	669,033	285,304
Effect of shares issued during the period	('000)	52	349	52	349
Effect of subdivision of shares on 30 May 2018	('000)	-	285,653	-	285,653
Effect of bonus issue on 30 May 2018	('000)	-	95,208	-	95,208
<b>Weighted average number of ordinary shares</b>	('000)	669,085	666,514	669,085	666,514
Basic earnings per ordinary share	(sen)	1.22	1.40	1.68	3.68
<b>(ii) Diluted earnings per ordinary share</b>					
Net profit for the period	(RM'000)	8,141	9,341	11,233	24,529
Issued ordinary shares at beginning of the period	('000)	669,033	285,304	669,033	285,304
Effect of shares issued during the period	('000)	52	349	52	349
Effect of share option-ESOS	('000)	104	1,242	104	1,242
Effect of subdivision of shares on 30 May 2018	('000)	-	285,653	-	285,653
Effect of bonus issue on 30 May 2018	('000)	-	95,208	-	95,208
<b>Weighted average number of ordinary shares (diluted)</b>		669,189	667,756	669,189	667,756
Diluted earnings per ordinary share	(sen)	1.22	1.40	1.68	3.67

**28. Corporate Proposals**

(a) There were no corporate proposals by the Company during the financial period to date.

(b) There were no unutilised proceeds raised from corporate proposals by the Company during the financial period to date.

**29. Changes In Material Litigation**

To date, the Company has no material litigation case pending.

**30. Foreign Currency Risk Management**

The Group is exposed to foreign currency risk on sales, purchases, cash and cash equivalents and borrowings that are denominated in a currency other than the respective functional currencies of the Group entities.

The Group ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

**31. Dividends Declared**

The Board of Directors has declared a first interim single tier ordinary dividend of 1 sen (2018: 1 sen) per share and a single tier special dividend of 1 sen (2018: 2 sen) per share, totalling RM13.4 million (2018: RM20 million) in respect of the financial year ending 31 December 2019 to Depositors who are registered in the Record of Depositors of the Company on 20 June 2019.

The above interim dividend was paid on 02 July 2019 as disclosed in Note 16 of this announcement.

By Order of the Board

Lee Peng Loon (MACS 01258)  
P'ng Chiew Keem (MAICSA 7026443)

Joint Secretaries

Dated this 31 July 2019