

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FORTH QUARTER ENDED AUGUST 2017**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER (31-08-2017) RM'000	PRECEDING YEAR CORRESPONDING QUARTER (31-08-2016) RM'000	CURRENT YEAR TODATE (31-08-2017) RM'000	PRECEDING YEAR CORRESPONDING PERIOD (31-08-2016) RM'000
Revenue	30,964	49,202	154,438	175,552
Operating expenses	(26,277)	(48,527)	(148,703)	(166,247)
Other operating income	(4,695)	255	367	4,897
(Loss)/Profit from operations	(9)	931	6,102	14,202
Goodwill on consolidation written off	-	-	-	(8,311)
Finance costs	(811)	(1,127)	(4,008)	(3,732)
(Loss)/Profit after finance cost	(820)	(196)	2,094	2,159
Share of results of an associate	(11)	(110)	(4)	(124)
Share of results of a joint venture	(20)	(44)	(41)	(74)
(Loss)/Profit before taxation	(851)	(351)	2,049	1,961
Taxation	(477)	(1,090)	(2,146)	(3,578)
Loss for the period	(1,327)	(1,441)	(96)	(1,618)
Other comprehensive income/(loss), net of tax item that may be reclassified subsequently to profit or loss				
Fair value adjustment on available-for-sale financial assets	(1)	-	6	(3,849)
Total comprehensive loss	(1,328)	(1,441)	(90)	(5,467)
(Loss)/Profit attributable to:				
Owners of the Company	(335)	(1,232)	3,693	(535)
Non-controlling interests	(992)	(209)	(3,789)	(1,082)
	(1,327)	(1,441)	(96)	(1,618)
Total comprehensive (loss)/ income attributable to:				
Owners of the Company	(336)	(1,232)	3,699	(4,385)
Non-controlling interests	(992)	(209)	(3,789)	(1,082)
	(1,328)	(1,441)	(90)	(5,467)
Earnings/(loss) per share attributable to owners of the Company:-				
Basic(sen)	(0.41)	(1.50)	4.49	(0.65)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 August 2016 and the accompanying explanatory notes attached.)

PLB ENGINEERING BERHAD
(Company Number : 418224 - X)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2017

(The figures have not been audited)

	UNAUDITED AS AT END OF CURRENT QUARTER 31-08-2017 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR END 31-08-2016 RM'000
ASSETS		
<u>Non-Current assets</u>		
Property, plant and equipment	48,956	38,440
Investment properties	13,096	13,472
Investment in an associate	4,095	244
Investment in a joint venture	732	772
Land held for development	51,272	52,794
Other investments	9	2
Deferred tax assets	-	109
	<u>118,160</u>	<u>105,833</u>
<u>Current assets</u>		
Inventories	52,482	11,065
Property development costs	133,043	169,834
Gross amount due from customers on contracts	2,760	591
Trade receivables	24,946	34,165
Other receivables, deposits and prepayments	12,540	8,004
Tax recoverable	1,461	60
Fixed deposits with licensed banks	9,301	4,867
Cash and bank balances	10,278	5,273
	<u>246,810</u>	<u>233,858</u>
TOTAL ASSETS	<u><u>364,970</u></u>	<u><u>339,691</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owner of the Company		
Share capital	107,233	91,282
Reserves	30,738	43,811
Treasury shares	(10,508)	(10,508)
Shareholders' fund	<u>127,462</u>	<u>124,585</u>
Non-controlling interests	(4,716)	(898)
Total equity	<u>122,746</u>	<u>123,687</u>
<u>Non-current liabilities</u>		
Bank borrowings	74,529	66,952
Deferred tax liabilities	92	-
	<u>74,621</u>	<u>66,952</u>
<u>Current liabilities</u>		
Gross amount due to customers on contracts	6,146	7,447
Trade payables	25,807	20,197
Other payables and accruals	38,246	46,543
Bank borrowings	97,391	74,107
Provision for taxation	12	758
	<u>167,603</u>	<u>149,052</u>
Total liabilities	<u>242,224</u>	<u>216,004</u>
TOTAL EQUITY AND LIABILITIES	<u><u>364,970</u></u>	<u><u>339,691</u></u>
Net tangible assets per share (RM)	1.55	1.52

(The Condensed Consolidated of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 August 2016 and the accompanying explanatory notes attached.)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 AUGUST 2017

(The figures have not been audited)

	← Attributable to owners of the Company →							Non-controlling Interest	Total Equity
	← Non-Distributable →				Distributable		Total		
	Share Capital	Treasury Shares	Share Premium	Fair Value Adjustment Reserve	Retained Profits/ (Accumulated Losses)				
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
12 months period end 31 August 2017									
Balance at 1 September 2016	91,282	(10,508)	15,951	(6)	27,866	124,585	(898)	123,687	
Total comprehensive income for the period	-	-	-	6	3,693	3,699	(3,789)	(90)	
Transition to no par value regime	15,951	-	(15,951)	-	-	-	-	-	
Transactions with owners:									
Dividend to non-controlling interest of a subsidiaries	-	-	-	-	-	-	(29)	(29)	
Dividend	-	-	-	-	(822)	(822)	-	(822)	
Total transactions with owners	-	-	-	-	(822)	(822)	(29)	(851)	
Balance at 31 August 2017	107,233	(10,508)	-	-	30,737	127,463	(4,717)	122,746	
12 months period end 31 August 2016									
Balance at 1 September 2015	91,282	(10,508)	15,951	3,843	32,517	133,085	86	133,171	
Total comprehensive loss for the period	-	-	-	(3,849)	(535)	(4,385)	(1,082)	(5,467)	
Transactions with owners:									
Dividend to non-controlling interest of a subsidiaries	-	-	-	-	-	-	(300)	(300)	
Changes in ownership interest in a subsidiary	-	-	-	-	(8)	(8)	8	-	
Issuance of shares to non-controlling interests	-	-	-	-	-	-	400	400	
Acquisition of investment in subsidiaries	-	-	-	-	-	-	(9)	(9)	
Dividend	-	-	-	-	(4,108)	(4,108)	-	(4,108)	
Total transactions with owners	-	-	-	-	(4,116)	(4,116)	99	(4,017)	
Balance at 31 August 2016	91,282	(10,508)	15,951	(6)	27,866	124,585	(897)	123,687	

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 August 2016 and the accompanying explanatory notes attached.)

PLB ENGINEERING BERHAD
(Company Number : 418224 - X)

(Indirect method)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 31 AUGUST 2017

(The figures have not been audited)

	12 months ended 31-08-2017 RM'000	12 months ended 31-08-2016 RM'000
Cash Flows From Operating Activities		
Profit before taxation	2,049	1,961
Adjustment for :-		
Non-cash items - operating	6,992	299
Non-operating items - investing	(4,088)	(2,507)
Non-operating items - financing	4,008	3,732
Operating profit before working capital changes	<u>8,961</u>	<u>3,485</u>
Net Change in current assets	(1,995)	(35,074)
Net Change in current liabilities	(3,988)	14,642
Cash provided from/(used in) operations	<u>2,979</u>	<u>(16,947)</u>
Interest income	314	476
Interest paid	(4,008)	(3,732)
Income tax paid	(4,204)	(4,627)
Income tax refunded	112	-
Net cash used in operating activities	<u>(4,807)</u>	<u>(24,830)</u>
Cash Flows From Investing Activities		
Land held for development	1,522	(41)
(Placement)/withdrawal of fixed deposits	(4,659)	1,418
Purchase of property, plant & equipment	(17,348)	(2,610)
Proceed from disposal of investment properties	-	8,237
Proceeds from disposal of other investments	-	1
Proceeds from disposal of property, plant & equipment	63	-
Net cash (used in)/provided from investing activities	<u>(20,423)</u>	<u>7,005</u>
Cash Flows From Financing Activities		
Dividend paid	(822)	(4,108)
Drawdown from bank borrowings	36,568	16,029
Dividend paid to non-controlling interest of a subsidiary	(29)	(300)
Proceeds from issue of shares to non-controlling interest of a subsidiary	-	400
Net cash provided from financing activities	<u>35,717</u>	<u>12,021</u>
Net increase/(decrease) in Cash	<u>10,488</u>	<u>(5,804)</u>
Cash And Cash Equivalents At Beginning	<u>(13,780)</u>	<u>(7,983)</u>
Cash And Cash Equivalents At End	<u><u>(3,292)</u></u>	<u><u>(13,787)</u></u>

Notes :

Cash and cash equivalents consists of net cash and bank balances and overdraft utilised.

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 31 August 2016 and the accompanying explanatory notes attached.)

Quarterly report on consolidated results for the period ended 31 August 2017

A NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for year ended 31 August 2016. 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 August 2016.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the financial statements for the year ended 31 August 2016 except for the adoption of the applicable new and revised FRSs and IC Interpretations which were mandatory for the financial periods beginning on or after 1 September 2016.

Malaysian Financial Reporting Standards Framework

On 19 November 2011, the Malaysian Accounting Standards Board (“MASB”) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (“MFRS Framework”).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual period beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venturer (“Transitioning Entities”).

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

The Group and Company fall within the definition of Transitioning Entities and has opted to defer the adoption of MFRS Framework. Accordingly, the Group and Company will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the financial year ending 31 August 2019.

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

Quarterly report on consolidated results for the period ended 31 August 2017

The Group and Company expect to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 August 2019.

A2. Audit qualification

There was no qualification on the report of the auditors on the annual financial statements of the Company for the immediate preceding financial year.

A3. Seasonal or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors during the financial period under review apart from unfavorable weather conditions, increase in cost of construction materials or festival seasons.

A4. Item of unusual nature

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

A5. Changes in estimates

There were no significant changes in the estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years.

A6. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities during the financial period under review.

Out of the total **91,281,667** issued and fully paid ordinary shares as at 31 August 2017, **9,124,500** are held as treasury shares by the Company. As at 31 August 2017, the number of outstanding ordinary shares in issue and fully paid is therefore **82,157,167** ordinary shares of RM1 each.

Quarterly report on consolidated results for the period ended 31 August 2017

A7. Dividends paid

On 27 October 2016, The Board of Directors had recommended a first and final single tier dividend of 1.00% amounting to RM821,572 for the financial year ended 31 August 2016 which was approved at the Company's Annual General Meeting held on 19 January 2017. The payment for first and final single tier dividend of 1.00% amounting to RM821,572 has been made on 21 March 2017.

There was no dividend proposed during the quarter under review.

A8. Segmental analysis

Current period ended 31 August 2017	Investment Holding	Trading	Property Letting	Construction	Property Development	Waste Management	Other (Note 2)	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>									
External sales	2	9,360	581	69,687	56,460	17,963	385	-	154,438
Inter-segment sales	4,388	5,424	526	62,932	20,036	3,785	88	(97,179)	-
Total revenue	4,390	14,784	1,107	132,619	76,496	21,748	473	(97,179)	154,438
	Investment Holding	Trading	Property Letting	Construction	Property Development	Waste Management	Other (Note 2)	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment results	(270)	546	764	5,082	12,600	(13,717)	(237)	967	5,735
Unallocated income (Note 1)									367
Profit from operations									6,102
Finance costs									(4,008)
Share of result of an associate									(4)
Share of result of a joint venture									(41)
Profit before taxation									2,049

Note:

1. Unallocated income mainly represent fixed deposit interest income, gain on disposal of development land, property, plant and equipment, scrap sales, rental of building, land, factory & leasing of palm tree.
2. Other segment represents sales from brick making, advisory services, solar and renewable energy.

Quarterly report on consolidated results for the period ended 31 August 2017

	Investment Holding	Trading	Property Letting	Construction	Property Development	Waste Management	Other	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000
Assets									
Segment assets	1,265	4,082	11,309	48,616	216,808	56,299	724		339,103
Investment in an associate	4,095	-	-	-	-	-	-		4,095
Investment in a Joint venture	-	-	-	-	732	-	-		732
Tax recoverable	394	-	-	360	707	-	-		1,461
Fixed deposits with licensed banks	-	-	-	5,951	2,287	1,063	-		9,301
Cash and bank balances	12	-	3	6,189	2,605	1,467	2		10,278
Total assets	5,766	4,082	11,312	61,116	223,139	58,829	726		364,970
Liabilities									
Segment liabilities	402	3,065	153	53,019	7,369	6,175	17		70,200
Borrowings	-	4,993	-	46,389	103,908	16,630	-		171,920
Provision for taxation	-	-	8	-	-	4	-		12
Deferred tax assets/(liabilities)	-	-	-	-	92	-	-		92
Total liabilities	402	8,058	161	99,408	111,369	22,809	17		242,224
Current period ended 31 August 2016									
	Investment Holding	Trading	Property Letting	Construction	Property Development	Waste Management	Other (Note 4)	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue									
External sales	1	5,979	554	75,989	76,085	15,874	1,070	-	175,552
Inter-segment sales	16,996	17,163	542	64,105	15,172	3,883	737	(118,598)	-
Total revenue	16,997	23,142	1,096	140,094	91,257	19,757	1,807	(118,598)	175,552
	Investment Holding	Trading	Property Letting	Construction	Property Development	Waste Management	Other (Note 2)	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment results	(302)	509	409	4,100	12,197	(4,707)	463	(3,364)	9,305
Unallocated income (Note 3)									4,897
Profit from operations									14,202

Quarterly report on consolidated results for the period ended 31 August 2017

Goodwill on consolidation written off	(8,311)
Finance costs	(3,732)
Share of result of an associate	(124)
Share of result of a joint venture	(74)
Profit before taxation	<u>1,961</u>

Note:

- Unallocated income mainly represent fixed deposit interest income, gain on disposal of quoted investment, scrap sales, rental of building, land, factory & leasing of palm tree.
- Other segment represents sales from brick making.

	Investment Holding	Trading	Property Letting	Construction	Property Development	Waste Management	Other	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000
Assets									
Segment assets	1,081	2,258	12,965	36,515	237,670	37,538	340		328,367
Investment in an associate	244	-	-	-	-	-	-		244
Investment in a Joint venture	-	-	-	-	772	-	-		772
Tax recoverable	-	-	-	19	41	-	-		60
Fixed deposits with licensed banks	-	-	-	4,104	763	-	-		4,867
Cash and bank balances	33	-	5	1,155	1,773	2,305	2		5,273
Deferred tax assets/(liabilities)	-	-	-	(506)	615	-	-		109
Total assets	1,358	2,258	12,970	41,287	241,634	39,843	342		339,692
Liabilities									
Segment liabilities	391	4,038	158	60,355	6,653	2,583	9		74,187
Borrowings	-	2,114	-	41,597	82,847	14,501	-		141,059
Provision for taxation	168	-	5	104	334	147	-		758
Total liabilities	559	6,152	163	102,056	89,834	17,231	9		216,004

Quarterly report on consolidated results for the period ended 31 August 2017

A9. Valuations of property, plant and equipment

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

A10. Subsequent material event

There were no material events subsequent to the reporting period up to 23 October 2017 (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) that have been reflected in the financial statements for the quarter under review.

A11. Change in composition of the Group

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

A12. Contingent liabilities

	Company
	As at 31/08/17 RM'000
Unsecured:	
Corporate guarantees issued to financial institutions for banking facilities granted to certain subsidiaries	171,370
Corporate guarantees issued to financial institutions for banker guarantee facilities granted to certain subsidiaries for contract bond in favour of third parties	13,826
Performance guarantees issued to third parties for performance by certain subsidiaries	2,000

A13. Capital commitments

Capital expenditure not provided for in the financial statements is as follows:

	As at 31/08/2017 RM'000
Property, plant and equipment	
- Approved but not contracted	28,813
Development land	
- Contracted	<u>261</u>
	<u>29,074</u>

Quarterly report on consolidated results for the period ended 31 August 2017

A14. Related party transactions

The Group's related party transaction in the current financial year to date are as follows:-

	As at 31/08/2017
	RM'000
Purchase of construction materials from related party	
- Hoon Teik Enterprise Sdn. Bhd.	166
- QM Machinery Sdn Bhd	253
- Infitech Machinery Sdn Bhd	22
Progress billing from related party	
- KH Base Engineering Sdn Bhd	17,638
Sales of Construction materials to related party	
- KH Base Engineering Sdn Bhd	1,768
- QM Machinery Sdn Bhd	51
- Infitech Machinery Sdn Bhd	200
Purchase of recycling materials from related party	
- Infitech Machinery Sdn Bhd	5,241
- QM Machinery Sdn Bhd	1,179
- Infitech Ecogistic Sdn Bhd	246
- HLB Infitech Sdn Bhd	132
Sales of recycling materials to related party	
- Infitech Machinery Sdn Bhd	451
- Infitech Ecogistic Sdn Bhd	76
- QM Machinery Sdn Bhd	92
- HLB Infitech Sdn Bhd	67
Rental of machinery paid to related party	
- Infitech Machinery Sdn Bhd	3,351
Diesel and hydraulic oil paid to related party	
- Infitech Machinery Sdn Bhd	31
Upkeep and maintenance fee paid to related party	
- Infitech Machinery Sdn Bhd	105

Quarterly report on consolidated results for the period ended 31 August 2017

	As at 31/08/2017
	RM'000
Reimbursement costs charged by related party	
- KH Base Engineering Sdn Bhd	18
- Northern Guide Properties Sdn Bhd	4
Brokerage fees paid to a related party	
- Northern Guide Properties Sdn Bhd	284
Contract wages paid to a related party	
- Northern Guide Properties Sdn Bhd	<u>27</u>

Related party	Relationship
Hoon Teik Enterprise Sdn. Bhd.	: A company in which certain directors of the Company, have substantial financial interests.
KH-Base Engineering Sdn. Bhd.	: A company in which persons connected to certain directors of the Company, have substantial financial interests.
Infitech Machinery Sdn. Bhd.	: A company in which a director of certain subsidiaries, has substantial financial interests.
Infitech Ecogistic Sdn. Bhd.	: A company in which a director of certain subsidiaries, has substantial financial interests.
Infitech LG (Malaysia) Sdn. Bhd.	: A company in which a director of certain subsidiaries, has substantial financial interests.
HLB Infitech Sdn. Bhd.	: A company in which a director of certain subsidiaries, has substantial financial interests.
QM Machinery Sdn. Bhd.	: A company in which a director of certain subsidiaries, has substantial financial interests.
Northern Guide Properties Sdn. Bhd.	: A company in which a director of a subsidiary, has substantial financial interests

Quarterly report on consolidated results for the period ended 31 August 2017

B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of performance

	Current Year To date 31.08.2017 RM'000	Preceding Year Corresponding Period 31.08.2016 RM'000
Revenue	154,438	175,552
Consolidated profit before taxation	2,049	1,961

For the year ended 31 August 2017, the Group recorded revenue of RM154.44 million and profit before tax of RM2.05 million compared to revenue of RM175.55 million and profit before tax of RM1.96 million respectively in the preceding year corresponding period.

The Group recorded lower revenue for the current year to date compared to preceding year corresponding period. This is mainly due to lower contribution from the on-going construction and property development projects. The higher profit before taxation in the current year to date is mainly due to disposal of development land, Lot 3176.

B2. Variation of results against immediate preceding quarter

	Current Quarter 31.08.2017 RM'000	Preceding Quarter 31.05.2017 RM'000
Revenue	30,964	24,327
Consolidated loss before taxation	(851)	(376)

The Group recorded higher loss before tax for the current quarter is due to losses generated from Waste Segregation project.

Quarterly report on consolidated results for the period ended 31 August 2017

B3. Prospects

The Group will continue to focus on and develop its major business segments which are construction and property development.

For Construction segment, the current on-going external construction projects at the unbilled sales of RM88 million located at Bukit Minyak-Prai, Kulim and Penang Island is expected to contribute to the Group turnover over the next two year.

The property development segment for the Group shall continue with the development of Greenwish Garden at Batu Maung and affordable houses at Paya Terubong on Penang Island.

B4. Comparison with profit forecast

Not applicable.

B5. Notes to the statement of comprehensive income

	Current Quarter 31/08/2017 RM'000	Cumulative Quarter 31/08/2017 RM'000
Profit for the period is arrived at after (crediting)/charging:		
-Interest income	(60)	(314)
-Other income including investment income	-	-
-Interest expense	812	4,008
-Depreciation and amortization	1,083	4,666
-Provision of impairment loss on trade receivables	384	384
-Provision for and write off of inventories	-	-
-Provision for and write off of property, plant & equipment	263	2,503
-(Gain)/loss on disposal of quoted investment	-	-
-(Gain)/loss on disposal of unquoted investment	-	-
-(Gain)/loss on disposal of properties	4,567	(130)
-Impairment of assets	-	-
-Foreign exchange (gain)/loss	-	-
-(Gain) or loss on derivatives	-	-

Quarterly report on consolidated results for the period ended 31 August 2017

B6. Tax expense

	Current Quarter 31/08/2017 RM'000	Cumulative Quarter 31/08/2017 RM'000
Malaysian income tax: Based on results for the period		
- Current taxation	(453)	(2,774)
- Deferred taxation	308	1,312
- RPGT	-	(3)
	<hr/>	<hr/>
	(145)	(1,465)
Over/(under) provision in prior years		
- Current taxation	(330)	832
- Deferred taxation	(2)	(1,513)
	<hr/>	<hr/>
	(477)	(2,146)
	<hr/>	<hr/>

The effective tax rate of the Group for the cumulative quarter-to-date is higher than the statutory income tax rate. This is due to unabsorbed tax losses and tax allowances brought forward are not available to set off against taxable profits of other subsidiaries and certain expenses which are not deductible for tax purpose.

B7. Sale of unquoted investments and properties

There was no sale of unquoted investments and/or properties outside the ordinary course of the Group's business for the current quarter and financial year-to-date.

B8. Quoted securities

(a) There were no purchases or disposals of quoted securities for the current financial quarter and year-to-date.

(b) Investments in quoted securities as at 31 August 2017 were as follows: -

	RM'000
Share quoted in Malaysia:-	
Balance at 01/09/2016	2
Fair value adjustment	<u>6</u>
Balance at 31/08/2017	<u>8</u>
At Market Value of quoted shares in Malaysia	<u>8</u>

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B9. Status of corporate proposals

Save as disclosed below, there are no corporate proposals that have been announced by the Company but not completed as at to-date:-

The Company had on 27 September 2017, announced the Proposed Bonus Issue of up to 22,820,416 new ordinary shares in the Company ("Bonus Share(S)") on the basis of 1 bonus share for every 4 existing shares held on an entitlement date to be determined later ("entitlement date").

B10. Group borrowings and debt securities

As at 31/08/2017	Group 31/08/17 RM'000	Secured 31/08/17 RM'000	Unsecured 31/08/17 RM'000	S/Term 31/08/17 RM'000	L/Term 31/08/17 RM'000
Banker's acceptance	41,919	41,919	-	41,919	-
Invoice financing	135	135	-	135	-
Bank overdraft	13,570	13,570	-	13,570	-
Hire purchases	549	549	-	150	399
Revolving credits	21,900	-	21,900	21,900	-
Term loans	93,847	93,847	-	19,718	74,129
Total	171,920	150,020	21,900	97,392	74,528

As at 31/08/2016	Group 31/08/16 RM'000	Secured 31/08/16 RM'000	Unsecured 31/08/16 RM'000	S/Term 31/08/16 RM'000	L/Term 31/08/16 RM'000
Banker's acceptance	28,451	28,451	-	28,451	-
Invoice financing	497	497	-	497	-
Bank overdraft	19,277	19,277	-	19,277	-
Hire purchases	1,032	1,032	-	580	452
Revolving credits	5,400	-	5,400	5,400	-
Term loans	86,402	86,402	-	19,902	66,500
Total	141,059	135,659	5,400	74,107	66,952

B11. Derivative financial instruments

The Group does not have any financial instruments with off-balance sheet risk as at 31 August 2017.

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B12. Realised and unrealised profit/(loss) disclosure

The retained profits of the Group as at 31 August 2017 and 31 August 2016 are analyzed as follows:

	As at 31/08/2017 RM'000	As at 31/08/2016 (Audited) RM'000
Total retained profits of the Company and its subsidiaries:		
-Realised	43,261	42,968
-Unrealised	(1,376)	(1,402)
	<hr/> 41,885	<hr/> 41,567
Total share of retained profits from associates:		
-Realised	(1)	(56)
	<hr/> 41,884	<hr/> 41,511
Total share of retained profits from jointly controlled entities:		
-Realised	33,063	32,956
	<hr/> 74,947	<hr/> 74,466
Less: Consolidation adjustments	(44,209)	(46,600)
Total retained profits as per Consolidated Statement of Financial Position	<hr/> 30,737	<hr/> 27,866

B13. Changes in material litigation

Hunza Properties (Gurney) Sdn Bhd & Hunza Properties (Penang) Sdn Bhd (“Hunza”) vs PLB-KH Bina Sdn Bhd (“PLB-KH”)

On 7 August 2017, both parties to the arbitration had entered into a Consent Award to terminate all arbitration proceedings without any further claims from either party.

B14. Dividend

No interim dividend has been declared by the Board for the financial quarter ended 31 August 2017.

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B15. Earnings/(loss) per share

Basic earnings/(loss) per share

The basic earnings per share of the Group is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the financial period.

	Individual quarter		Cumulative quarter	
	Current year quarter 31/08/17 RM'000	Preceding year corresponding 31/08/16 RM'000	Current year to date 31/08/17 RM'000	Preceding year corresponding 31/08/16 RM'000
Net profit/(loss) attributable to owners of the parent	(335)	(1,232)	3,693	(535)
Basic earnings/(loss) per share				
Weighted average number of ordinary shares of RM1.00 each	82,157	82,157	82,157	82,157
Basic earnings/(loss) per ordinary share of RM1.00 each (sen)	<u>(0.41)</u>	<u>(1.50)</u>	<u>4.49</u>	<u>(0.65)</u>

Diluted earnings/(loss) per ordinary share

There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the current quarter and financial period-to-date.

B16. Authorisation for issue

These financial statements were authorised for issue by the Board of Directors of the Group.

Date : 31 October 2017