

PERMAJU INDUSTRIES BERHAD
(INCORPORATED IN MALAYSIA) Company No. 379057-V

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31ST DECEMBER 2018

| | Note | Individual Quarter | | Cumulative Period | |
|--|------|-----------------------------------|--|-----------------------------------|---|
| | | Current Year Quarter | Preceding Year Corresponding Quarter | Current Period To-Date | Preceding Period Corresponding Period |
| | | 31.12.2018 RM'000 Unaudited | 31.12.2017 RM'000 Unaudited | 31.12.2018 RM'000 Unaudited | 31.12.2017 RM'000 Audited |
| Revenue | | 19,277 | 19,543 | 81,888 | 69,702 |
| Cost of sales | | (17,510) | (17,917) | (73,168) | (62,970) |
| Gross profit | | <u>1,767</u> | <u>1,626</u> | <u>8,720</u> | <u>6,732</u> |
| Other income | | 355 | 1,526 | 1,131 | 2,546 |
| Selling and marketing expenses | | (1,131) | (991) | (4,202) | (4,154) |
| Administrative expenses | | (2,865) | (2,580) | (9,703) | (10,527) |
| Operating loss | | <u>(1,874)</u> | <u>(419)</u> | <u>(4,054)</u> | <u>(5,403)</u> |
| Finance costs | | (114) | (327) | (829) | (1,722) |
| Loss before tax | | <u>(1,988)</u> | <u>(746)</u> | <u>(4,883)</u> | <u>(7,125)</u> |
| Income tax expense | 19 | 20 | 293 | 80 | 326 |
| Loss for the period | 20 | <u>(1,968)</u> | <u>(453)</u> | <u>(4,803)</u> | <u>(6,799)</u> |
| Other comprehensive loss for the period, net of tax | | - | - | - | - |
| Total comprehensive loss for the period | | <u>(1,968)</u> | <u>(453)</u> | <u>(4,803)</u> | <u>(6,799)</u> |
| Loss attributed to | | | | | |
| - Owners of the company | | (1,804) | (277) | (4,039) | (6,007) |
| - Non-controlling interests | | (164) | (176) | (764) | (792) |
| | | <u>(1,968)</u> | <u>(453)</u> | <u>(4,803)</u> | <u>(6,799)</u> |
| Total comprehensive loss attributed to | | | | | |
| - Owners of the company | | (1,804) | (277) | (4,039) | (6,007) |
| - Non-controlling interests | | (164) | (176) | (764) | (792) |
| | | <u>(1,968)</u> | <u>(453)</u> | <u>(4,803)</u> | <u>(6,799)</u> |
| Basic profit/(loss) per share attributable to owners of the Company : | | | | | |
| Basic loss per share for the period (sen) | 27 | (0.96) | (0.15) | (2.16) | (3.21) |

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31st December 2017.

PERMAJU INDUSTRIES BERHAD
(INCORPORATED IN MALAYSIA) Company No. 379057-V

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2018

| | Note | As at end of financial period 31.12.2018 RM'000 (Unaudited) | As at preceding financial year ended 31.12.2017 RM'000 (Audited) |
|---|------|---|--|
| ASSETS | | | |
| Non - current assets | | | |
| Property, plant and equipment | | 56,524 | 58,349 |
| Land held for property development | | 63,727 | 63,714 |
| Investment properties | | 3,445 | 3,489 |
| Biological assets | | 6,736 | 6,093 |
| Deferred tax assets | | 1,106 | 1,106 |
| | | <u>131,538</u> | <u>132,751</u> |
| Current assets | | | |
| Property development costs | | 42,428 | 42,382 |
| Inventories | | 28,043 | 29,113 |
| Trade and other receivables | | 9,945 | 7,076 |
| Other current asset | | - | 101 |
| Income tax refundable | | 175 | 21 |
| Cash and bank balances | | 756 | 860 |
| | | <u>81,347</u> | <u>79,553</u> |
| TOTAL ASSETS | | <u>212,885</u> | <u>212,304</u> |
| EQUITY AND LIABILITIES | | | |
| Current liabilities | | | |
| Loans and borrowings | 23 | 5,087 | 14,385 |
| Trade and other payables | | 64,152 | 49,157 |
| Income tax payable | | 5 | 70 |
| | | <u>69,244</u> | <u>63,612</u> |
| Net current assets | | <u>12,103</u> | <u>15,941</u> |
| Non - current liabilities | | | |
| Loans and borrowings | 23 | - | 168 |
| Deferred tax liabilities | | 7,521 | 7,601 |
| | | <u>7,521</u> | <u>7,769</u> |
| Total liabilities | | <u>76,765</u> | <u>71,381</u> |
| Net assets | | <u>136,120</u> | <u>140,923</u> |
| Equity attributable to owners of the Company | | | |
| Share capital | | 228,310 | 228,310 |
| Treasury shares | 8 | (3,280) | (3,280) |
| Merger deficit | | (16,217) | (16,217) |
| Revaluation reserve | | 21,552 | 21,552 |
| Accumulated losses | | (107,942) | (103,903) |
| | | <u>122,423</u> | <u>126,462</u> |
| Non-controlling interest | | 13,697 | 14,461 |
| Total equity | | <u>136,120</u> | <u>140,923</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>212,885</u> | <u>212,304</u> |
| Net asset per share - RM | | 0.69 | 0.75 |

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31st December 2017.

PERMAJU INDUSTRIES BERHAD
(INCORPORATED IN MALAYSIA) Company No. 379057-V

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31ST DECEMBER 2018
(The figures have not been audited)

| Note | ----- Attributable to Owners of the Company ----- | | | | | | | | | |
|---|---|---|-------------------------------|------------------------------|-----------------------------|-----------------------------------|--|--------------------------------|------------------|---------------|
| | Equity Total RM'000 | Equity attributable to owners of the parent, Total RM'000 | ----- Non-Distributable ----- | | | | | Distributable | | |
| Share Capital RM'000 | | | Share Premium RM'000 | Treasury Shares RM'000 | Merger Deficit RM'000 | Revaluation Reserves RM'000 | Capital Redemption Reserve RM'000 | Retained Earnings RM'000 | | |
| As at 1st January 2017 | 147,440 | 132,186 | 228,310 | - | (3,280) | (16,217) | 21,552 | - | (98,179) | 15,254 |
| Total comprehensive loss for the period | (6,517) | (5,724) | - | - | - | - | - | - | (5,724) | (793) |
| As at 31st December 2017 | <u>140,923</u> | <u>126,462</u> | <u>228,310</u> | <u>-</u> | <u>(3,280)</u> | <u>(16,217)</u> | <u>21,552</u> | <u>-</u> | <u>(103,903)</u> | <u>14,461</u> |
| As at 1st January 2018 | 140,923 | 126,462 | 228,310 | - | (3,280) | (16,217) | 21,552 | - | (103,903) | 14,461 |
| Total comprehensive loss for the period | (4,803) | (4,039) | - | - | - | - | - | - | (4,039) | (764) |
| As at 31st December 2018 | <u>136,120</u> | <u>122,423</u> | <u>228,310</u> | <u>-</u> | <u>(3,280)</u> | <u>(16,217)</u> | <u>21,552</u> | <u>-</u> | <u>(107,942)</u> | <u>13,697</u> |

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31st December 2017.

PERMAJU INDUSTRIES BERHAD
(INCORPORATED IN MALAYSIA) Company No. 379057-V

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31ST DECEMBER 2018

| | 12 months ended 31.12.2018 RM'000 Unaudited | 12 months ended 31.12.2017 RM'000 Audited |
|---|--|--|
| Operating activities | | |
| Loss before tax | (4,883) | (6,906) |
| Adjustments for : | | |
| Interest income | (2) | (227) |
| Finance costs | 829 | 1,720 |
| Depreciation of property, plant and equipment | 969 | 1,335 |
| Net gain on disposal of property, plant and equipment | (73) | (265) |
| Gain on disposal of investment property | - | (982) |
| Impairment loss on trade and other receivables | - | 4 |
| Impairment loss on inventories | - | 438 |
| Reversal of impairment on biological assets | - | (244) |
| Amortisation of investment properties | 44 | 62 |
| Operating cash flows before changes in working capital | <u>(3,116)</u> | <u>(5,065)</u> |
| Increase in property development costs | (45) | (6,261) |
| Decrease in inventories | 1,071 | 4,247 |
| (Increase) / Decrease in trade and other receivables | (2,653) | 6,151 |
| Decrease in other current assets | 101 | 1,512 |
| Increase in trade and other payables | 14,720 | 6,749 |
| Cash flows from operations | <u>10,078</u> | <u>7,333</u> |
| Interest received | 2 | 227 |
| Interest paid | (829) | (1,720) |
| Tax paid | (225) | (1,072) |
| Tax refunded | 23 | - |
| Net cash flows from operating activities | <u>9,049</u> | <u>4,768</u> |
| Investing activities | | |
| Purchase of property, plant and equipment | (3) | (967) |
| Proceeds from disposal of property, plant and equipment | 224 | 1,786 |
| Proceeds from disposal of investment property | - | 2,189 |
| Additions costs incurred on land held for property development | (13) | 54 |
| Tree planting expenditure | - | (45) |
| Net cash flows from investing activities | <u>208</u> | <u>3,017</u> |
| Financing activities | | |
| Repayment of loans and borrowings | (8,725) | (4,493) |
| Repayment of obligations under finance leases | (255) | (248) |
| Deposits pledged | - | 7,518 |
| Net cash flows (used in) / from financing activities | <u>(8,980)</u> | <u>2,777</u> |
| Net increase in cash and cash equivalents | 277 | 10,562 |
| Cash and cash equivalents at beginning of financial period | (2,024) | (12,586) |
| Cash and cash equivalents at end of financial period | (1,747) | (2,024) |
| Cash and cash equivalents at the end of the financial period comprise the following : | | |
| | As at 31.12.2018 RM'000 | As at 31.12.2017 RM'000 |
| Cash and bank balances | 252 | 356 |
| Deposits pledged | 504 | - |
| Bank overdrafts | (1,999) | (2,380) |
| | <u>(1,243)</u> | <u>(2,024)</u> |
| Less: Deposits pledged | (504) | - |
| | <u>(1,747)</u> | <u>(2,024)</u> |

The condensed consolidated statements cash flows should be read in conjunction with the audited financial statements for the year ended 31st December 2017.