

QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		(Unaudited) Current Year Quarter 30.09.2017	(Audited) Preceding Year Corresponding Quarter 30.09.2016	(Unaudited) Current Year To Date 30.09.2017	(Audited) Preceding Year To Date 30.09.2016
		RM'000	RM'000	RM'000	RM'000
Revenue	9	29,207	46,414	91,717	154,999
Cost of sales		(25,374)	(43,136)	(80,260)	(143,495)
Gross profit		3,833	3,278	11,457	11,504
Other operating income		260	1,280	2,139	3,973
Operating expenses		(1,726)	(2,187)	(5,477)	(7,611)
Finance costs		(532)	(632)	(3,450)	(2,542)
Profit before taxation	9, 20	1,835	1,739	4,669	5,324
Taxation	21	(607)	(484)	(1,439)	(1,372)
Net profit for the period		1,228	1,255	3,230	3,952
Other comprehensive income:-					
Items that will be reclassified subsequently to profit or loss:					
Foreign currency translation		46	1,740	260	287
Total comprehensive income		1,274	2,995	3,490	4,239
Net profit/(loss) attributable to:-					
Equity holders of the parent		1,219	722	3,164	3,799
Non-controlling interests		9	533	66	153
		1,228	1,255	3,230	3,952
Total comprehensive income/(expense) attributable to:-					
Equity holders of the parent		1,259	2,397	3,427	4,095
Non-controlling interests		15	598	63	144
		1,274	2,995	3,490	4,239
Earnings per share attributable to equity holders of the parent:-					
Basic earnings per share (sen)	26(a)	0.35	0.23	0.91	1.20
Diluted earnings per share (sen)	26(b)	0.26	0.16	0.67	0.86

The Unaudited Condensed Consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2016.

The notes set out on pages 5 to 15 form an integral part of the interim financial report.

QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	(Unaudited) At End Of Current Year To Date 30.09.2017	(Audited) At End Of Preceding Financial Year 31.12.2016
		RM'000	RM'000
NON CURRENT ASSETS			
Property, plant and equipment		7,065	7,290
Land and property development costs		81,893	79,898
Intangible assets		8,261	8,261
Trade receivables - retention sum		5,776	8,954
Other receivables		5,346	5,668
		<hr/>	<hr/>
Total Non Current Assets		108,341	110,071
CURRENT ASSETS			
Inventories		834	6,538
Land and property development costs		67,337	90,143
Amount owing by customers on contracts		85,327	76,454
Trade receivables		60,352	69,526
Other receivables		13,279	15,684
Tax recoverable		713	56
Fixed deposits with license bank		5,955	6,267
Cash held under Housing Development Account		329	166
Cash and bank balances		3,095	1,808
		<hr/>	<hr/>
Total Current Assets		237,221	266,642
CURRENT LIABILITIES			
Amount owing to customers on contracts		993	1,102
Trade payables		50,455	64,786
Other payables		13,689	12,595
Hire purchase payables		206	38
Short term borrowings	23	41,085	43,318
Short term loans	23	8,376	15,873
Tax payables		886	794
		<hr/>	<hr/>
Total Current Liabilities		115,690	138,506
NET CURRENT ASSETS		<hr/>	<hr/>
		121,531	128,136
		<hr/>	<hr/>
		229,872	238,207
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT			
Share Capital		44,957	31,696
Share Premium		-	8,552
Reserves		148,787	145,360
		<hr/>	<hr/>
		193,744	185,608
NON-CONTROLLING INTERESTS		<hr/>	<hr/>
		1,792	1,729
TOTAL EQUITY		<hr/>	<hr/>
		195,536	187,337
LONG TERM AND DEFERRED LIABILITIES			
Trade payables		9,526	13,446
Hire purchase payables		353	-
Long term loans	23	23,358	36,325
Deferred taxation		1,099	1,099
		<hr/>	<hr/>
Total Long Term And Deferred Liabilities		34,336	50,870
		<hr/>	<hr/>
		229,872	238,207
NET ASSETS PER SHARE (RM)		<hr/>	<hr/>
		0.56	0.59

The Unaudited Condensed Statements of Financial Position should be read in conjunction with the audited financial statement of the Group for the financial year ended 31 December 2016.

The notes set out on pages 5 to 15 form an integral part of the interim financial report.

QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Company						Total	Non-Controlling Interests	Total Equity
	Share Capital	Non - Distributable			Distributable				
		Share Premium	Exchange Reserve	Capital Reserve	Warrants Reserve	Retained Profits			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At End Of Current Year To Date									
30.09.2017 (Unaudited)									
At 1 January 2017	31,696	8,552	9,138	58,030	24,089	54,103	185,608	1,729	187,337
Issuance of share	4,849	-	-	-	-	-	4,849	-	4,849
Share issuance expenses	-	(140)	-	-	-	-	(140)	-	(140)
Net profit for the period	-	-	-	-	-	3,164	3,164	66	3,230
Other comprehensive income/(expense) for the period	-	-	263	-	-	-	263	(3)	260
Total comprehensive income for the period	-	-	263	-	-	3,164	3,427	63	3,490
Transition to no-par value regime on 31 January 2017 ^	8,412	(8,412)	-	-	-	-	-	-	-
At 30 September 2017	44,957	-	9,401	58,030	24,089	57,267	193,744	1,792	195,536
At End Of Preceding Year									
Corresponding Period 30.09.2016 (Audited)									
At 1 January 2016	31,696	8,552	7,177	58,030	24,089	49,770	179,314	1,811	181,125
Net profit for the period	-	-	-	-	-	3,799	3,799	153	3,952
Other comprehensive expense for the period	-	-	296	-	-	-	296	(9)	287
Total comprehensive income/(expense) for the period	-	-	296	-	-	3,799	4,095	144	4,239
At 30 September 2016	31,696	8,552	7,473	58,030	24,089	53,569	183,409	1,955	185,364

^ With effect from 31 January 2017, the Company Act 2016 ("the Act") have abolished the concept of nominal value in shares. Instead the amount standing in the share premium account will be recognized as part of the company's share capital pursuant to the transitional provisions set out in Section 618(2) of the Act. Notwithstanding this provision, the Company may within 24 months from the effective date of the Act, use the amount standing to the credit of its share premium account of RM8,411,660 for the purposes as set out in Section 618(3) of the Act.

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2016.

The notes set out on pages 5 to 15 form an integral part of the interim financial report.



QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	(Unaudited) Current Year To Date 30.09.2017	(Audited) Preceding Year To Date 30.09.2016
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	4,669	5,324
Adjustments for:-		
Non-cash items	958	1,090
Non-operating items	1,700	263
Operating profit before working capital changes	7,327	6,677
Net change in current assets	36,237	28,543
Net change in current liabilities	(15,238)	(37,209)
Cash generated from/(used in) operations	28,326	(1,989)
Interest received	184	1,141
Interest paid	(4,590)	(5,517)
Tax refund	188	92
Tax paid	(2,191)	(643)
Net cash from/(used in) operating activities	21,917	(6,916)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	78	3,816
Purchase of property, plant and equipment	-	(102)
Release in retention sums	(742)	(167)
Addition in land and property development costs	(1,996)	373
Net cash (used in)/from investing activities	(2,660)	3,920
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	4,849	-
Repayment of hire purchase payables	(278)	(669)
Drawdown of bank borrowings	8,000	2,038
Repayment of bank borrowings	(28,464)	(10,672)
Release of fixed deposits	312	3,454
Net cash used in financing activities	(15,581)	(5,849)
NET CHANGE IN CASH AND CASH EQUIVALENTS	3,676	(8,845)
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	8	10
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	(41,345)	(28,800)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	(37,661)	(37,635)
Cash and cash equivalents at the end of period comprise:-		
Cash and bank balances	3,424	2,341
Fixed deposits with licensed banks	5,955	6,219
Less: short term borrowings	(41,085)	(39,976)
	(31,706)	(31,416)
Less: fixed deposits pledged with licensed banks	(5,955)	(6,219)
	(37,661)	(37,635)

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2016.

The notes set out on pages 5 to 15 form an integral part of the interim financial report.



**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
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PART A: EXPLANATORY INFORMATION IN COMPLIANCE WITH FINANCIAL REPORTING STANDARD ("FRS") 134

1. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with FRS 134 "Interim Financial Reporting" and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the annual audited financial statements of the Prinsiptek Corporation Berhad Group ("the Group") for the financial year ended 31 December 2016.

These explanatory information attached to the interim financial report 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 2016.

On 16 November 2017, the Board of Directors had approved the change of financial year end of the Company from 31 December to 30 June. The next audited financial statements of the Company shall be for a period of eighteen (18) months, made up from 1 January 2017 to 30 June 2018. Thereafter, the financial year end of the Company shall be end on 30 June for each subsequent year.

2. CHANGES IN ACCOUNTING STANDARDS

The Group falls within the scope definition of Transitioning Entities. Transitioning Entities were initially allowed to defer adoption of the new Malaysian Financial Reporting Standards ("MFRS") Framework until 1 January 2013. Adoption of the MFRS Framework by Transitioning Entities were then mandatory for annual periods beginning on or after 1 January 2013, thereby requiring the Group to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ended 31 December 2013.

On 28 October 2015, MASB further notified that Transitioning Entities would be required to comply with the new MFRS framework for annual periods beginning 1 January 2018. The Group, being Transitioning Entity, will continue to apply with FRS until the MFRS Framework is adopted, no later than annual periods beginning on or after 1 January 2018. For the financial year ending 31 December 2017, the Group therefore continues to prepare financial statements using Financial Reporting Standards ("FRS").

The significant accounting policies adopted were consistent with those of the audited financial statements for the financial year ended 31 December 2016 except for the adoption of the following amendments to Financial Reporting standards ("FRSs") effective for financial periods as stated below:-

		Effective date for financial periods beginning on or after
FRS 14	Regulatory Deferral Accounts	1 January 2016
Amendments to FRS 5	Non-Current Assets Held for Sale and Discontinued Operations (Annual Improvements to FRSs 2012-2014 Cycle)	1 January 2016

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
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2. CHANGES IN ACCOUNTING STANDARDS (CONT'D)

		Effective date for financial periods beginning on or after
Amendments to FRS 7	Financial Instruments: Disclosures (Annual Improvements to FRSs 2012-2014 Cycle)	1 January 2016
Amendments to FRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to FRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to FRS 101	Disclosure Initiative	1 January 2016
Amendments to FRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 119	Employee Benefits (Annual Improvements to FRSs 2012-2014 Cycle)	1 January 2016
Amendments to FRS 127	Equity Method in Separate Financial Statements	1 January 2016
Amendments to FRS 134	Interim Financial Reporting (Annual Improvements to FRSs 2012-2014 Cycle)	1 January 2016

Accounting standards, amendments to accounting standards and interpretations that are applicable for the Group in the following periods but are not yet effective:

		Effective date for financial periods beginning on or after
Amendments to FRS 12	Disclosure of Interests in Other Entities (Annual Improvements to FRSs 2014-2016 Cycle)	1 January 2017
Amendments to FRS 107	Disclosure Initiative	1 January 2017
Amendments to FRS 112	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to FRS 1	First time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to FRSs 2014-2016 Cycle)	1 January 2018

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2. CHANGES IN ACCOUNTING STANDARDS (CONT'D)

		Effective date for financial periods beginning on or after
Amendments to FRS 2	Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to FRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018
FRS 9	Financial Instruments	1 January 2018
Amendments to FRS 128	Investments in Associates and Joint Ventures (Annual Improvements to FRSs 2014-2016 Cycle)	1 January 2018
Amendments to FRS 140	Transfer of Investment Property	1 January 2018
IC Interpretations 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
Amendments to FRS 10 and FRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date yet to be determined by the Malaysian Accounting Standards Board

The Group will adopt the above pronouncement when they become effective in the respective financial periods. The Group does not expect any material impact to the financial statement. However, the Group is still in the midst of assessing the impact of the above pronouncement.

The impact of the above accounting standards, amendments to accounting standards and interpretations effective during the financial year does not have any impact to the financial results and position of the Group.

3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the preceding audited financial statements of the Group was not subjected to any audit qualifications.

4. SEASONAL OR CYCLICAL FACTORS

The Group's performance during the current year quarter under review and year to date was not affected by unusual seasonal or cyclical fluctuations.

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
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5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows of the Group during the current year quarter under review and year to date.

6. CHANGES IN ESTIMATES

There were no material changes in estimates of the amounts reported by the Group in prior financial years which have a material effect in the current year quarter.

7. DEBT AND EQUITY SECURITIES

There were no cancellation, repurchases, resale and repayments of debt and equity securities by the Company during the current year quarter under review and year to date.

8. DIVIDEND

There was no dividend paid during the current year quarter under review and year to date.

9. SEGMENTAL INFORMATION

Segmental information for the current year to date is presented in respect of the Group's business segments as follows:-

	<u>Construction</u>	<u>Property Development</u>	<u>Trading and Others</u>	<u>Elimination</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>					
External sales	40,024	35,373	16,320	-	91,717
Inter-segment sales	19,935	-	12	(19,947)	-
Total revenue	59,959	35,373	16,332	(19,947)	91,717
<u>Results</u>					
Segment results	4,094	2,213	61	-	6,368
Interest expense					(3,450)
Interest income					1,751
Total results					4,669

10. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

The Group states its property, plant and equipment at cost less accumulated depreciation and accumulated impairment losses. The Group does not adopt a policy to revalue its property, plant and equipment.



**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
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11. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD

There were no material subsequent events from the end of the current interim financial period to the date of this report that have not been reflected in this report.

12. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in composition of the Group during the current year quarter under review and year to date.

13. DISCONTINUED OPERATIONS

There was no discontinued operations event during the current year quarter under review / year to date.

14. CAPITAL COMMITMENT

There is no capital commitment for the interim financial statement as at 30 September 2017.

15. CHANGES IN CONTINGENT ASSETS AND CONTINGENT LIABILITIES

	RM'000
Secured bank guarantees given by the Group in the ordinary course of business to:-	
- trade suppliers	1,800
- authorities	240
- clients	22,350
	<u>24,390</u>
	<u><u>24,390</u></u>



**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
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**PART B: ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES")**

16. REVIEW OF PERFORMANCE

For the current year quarter, the Group achieved a total revenue of RM29.21 million representing a decrease of RM17.20 million or 37.06% as compared to RM46.41 million in the preceding year corresponding quarter. This was mainly due to a re-measurement of provisional quantity and adjustment to the provisional sum on the construction project. However, the Group maintained a profit after taxation of RM1.23 million as compared to RM1.26 million in the preceding year corresponding quarter due to the recognition of higher profit margin projects during the current year quarter.

The Group registered a total revenue of RM91.72 million for the current year to date representing a decrease of RM63.28 million or 40.83% as compared to RM155.00 million in the preceding year to date. The Group recorded a profit after taxation of RM3.23 million as compared to RM3.95 million in the preceding year to date, representing a slight decrease of RM0.72 million or 18.23% of the profit after taxation.

17. COMPARISON WITH PRECEDING QUARTER'S RESULTS

The Group registered a higher revenue of RM29.21 million for the current year quarter as compared to RM22.46 million in the preceding quarter. The increase in revenue of RM6.75 million or 30.05% was due to the increased in the recognition of progress billing from the Property Development project.

As a result, the profit before taxation was increased to RM1.84 million in the current year quarter as compared to RM1.40 million in the preceding quarter, representing an increase of RM0.44 million or 31.43% of the profit before taxation.

18. PROSPECTS

With the existing balance order book in the Construction Division, the progressive recognition of sales from the Property Development Division and the potential new construction projects, the Board of Directors is cautious of the sustaining performance of the Group for the coming financial quarter.

The Group will continue to adopt a prudent approach in its investments and focus on its core activities to enhance and strengthen the synergy among its group of companies.

**19. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT AND SHORTFALL IN PROFIT
GUARANTEE**

The Group did not publish any profit forecast in respect of the current year quarter.

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
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20. PROFIT BEFORE TAXATION IS DERIVED AFTER CHARGING/(CREDITING)

	Current Year Quarter <u>30.09.2017</u> RM'000	Current Year To Date <u>30.09.2017</u> RM'000
Interest income	(66)	(1,751)
Other income	(184)	(327)
Interest expense	532	3,450
Depreciation and amortisation	234	674
Gain on disposal of property, plant and equipment	(10)	(61)

21. TAXATION

	Current Year Quarter <u>30.09.2017</u> RM'000	Current Year To Date <u>30.09.2017</u> RM'000
Malaysia tax in respect of:-		
- current results	607	1,439

The effective tax rate for the current year quarter and year to date was higher than the statutory tax rate due to certain expenses are not allowable as deduction for tax purpose and no group relief is available with respect to losses incurred by certain companies within the Group.

22. CORPORATE PROPOSALS - STATUS OF THE CORPORATE PROPOSALS

- (a) There were no corporate proposals announced but not completed as at the date of this report.
- (b) The status of utilisation of proceeds from Private Placement as at 30 September 2017 is as follow:-

Purposes	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance unutilised RM'000
(i) Working capital	4,749	3,140	1,609
(ii) Estimated expenses	100	100	-
Total	4,849	3,240	1,609

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
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23. GROUP BORROWINGS

	Current Year To Date <u>30.09.2017</u> RM'000	Preceding Year To Date <u>30.09.2016</u> RM'000
<u>Secured</u>		
Bank overdrafts	36,744	34,695
Banker's acceptance	4,341	8,623
Fixed loan	1,970	2,014
Term loan	29,700	33,000
Commodity Murabahah Term Financing	64	17,184
Total bank borrowings	<u>72,819</u>	<u>95,516</u>
Analysed as:		
<u>Secured</u>		
Short term borrowings and loans	49,461	59,191
Long term loans	23,358	36,325
	<u>72,819</u>	<u>95,516</u>

24. REALISED AND UNREALISED PROFITS / (LOSSES)

The breakdown of retained profits of the Group as at reporting date, into realised and unrealised is as follow:

	Current Year To Date <u>30.09.2017</u> RM'000	(Audited) Financial Year <u>31.12.2016</u> RM'000
Total retained profits of the Company and its subsidiary companies		
- Realised	98,550	95,249
- Unrealised	(1,099)	(1,099)
	97,451	94,150
Less: Consolidation adjustments	(40,184)	(40,047)
Total Group retained profits as per statements of financial position	<u>57,267</u>	<u>54,103</u>

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
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25. MATERIAL LITIGATIONS

Save as disclosed below, the Company and its subsidiary companies are not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant as at the date of this report:-

In respect of an arbitration filed by Prinsiptek (M) Sdn Bhd ("PST") on 22 May 2014, PST is claimed against Teamforce Builders Sdn Bhd ("Teamforce") for a sum of RM648,526.57 being the advance payment for the construction and completion of structural and architectural works and the supply of labour and materials for the installation of cornice works rendered by Teamforce to PST.

Teamforce has filed the Statement of Defence and Counterclaim for a sum of RM2,547,603.02 for workdone on 25 July 2014.

Teamforce served on PST the Statement Of Re-Amended Defence and Re-Amended Counterclaim where the sum claimed by Teamforce has been revised to RM3,292,792.60. PST's claim against Teamforce has now revised to RM1,412,763.39.

During the hearing on 22 February 2016, the Arbitrator directed both parties that an expert witness will be appointed to measure certain disputed items and the cost of such appointment to be shared equally by parties.

There was a site inspection held on 2 August 2016, for which the Arbitrator and the expert witness have been accompanied by both parties to having a visual inspection on the disputed items. On 12 January 2017, the expert witness was unable to complete his expert report within the time granted thus, the Arbitrator has directed all the parties that there will be a period of 3 months given to the expert witness upon agreeable by both parties. On 15 March 2017, the expert has again failed to deliver the expert report by the extended period and he has requested to withdraw from the appointment of the expert witness. To avoid further prolongation to the conclusion of this Arbitration, the Tribunal has decided to appoint a new expert witness and the new expert witness is currently in the midst of finalizing the expert report to be circulated to all the parties.

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
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26. EARNINGS PER SHARE

a) Basic earnings per share

The basic earnings per share has been calculated by dividing the Group's net profit attributable to the shareholders for the current year quarter / year to date by the weighted average number of ordinary shares in issue during the current year quarter / year to date under review as follows:-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2017	Preceding Year Corresponding Quarter 30.09.2016	Current Year To Date 30.09.2017	Preceding Year To Date 30.09.2016
Net profit attributable to the equity holders of parent (RM'000)	1,219	722	3,164	3,799
Weighted average number of ordinary shares in issue ('000)	348,652	316,957	348,652	316,957
Basic earnings per share (sen)	0.35	0.23	0.91	1.20

b) Diluted earnings per share

The diluted earnings per share has been calculated by dividing the Group's net profit attributable to the equity holders of parent for the current year quarter / year to date by the weighted average number of ordinary shares, after adjusted for the effects of dilutive potential ordinary shares from the assumed full exercise of warrants at the beginning of the financial period of the Company as follows:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2017	Preceding Year Corresponding Quarter 30.09.2016	Current Year To Date 30.09.2017	Preceding Year To Date 30.09.2016
Net profit attributable to the equity holders of parent (RM'000)	1,219	722	3,164	3,799
Weighted average number of Ordinary shares in issue ('000)	348,652	316,957	348,652	316,957
Adjustment for the assumed full exercise of warrants ('000)	126,783	126,783	126,783	126,783
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	475,435	443,740	475,435	443,740
Diluted earnings per share (sen)	0.26	0.16	0.67	0.86



**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2017**

**PART C : INFORMATION ON PROVISION OF FINANCIAL ASSISTANCE PURSUANT TO
PARAGRAPH 8.23 AND PRACTICE NOTE 11 / 2001 UNDER LISTING
REQUIREMENTS OF BURSA SECURITIES**

27. FINANCIAL ASSISTANCE

There is no financial assistance rendered by the Company and the Group for the current year quarter / year to date.

By order of the Board

Dato' Foo Chu Jong
Managing Director

Subang Jaya
Date: 28 November 2017