PELANGI PUBLISHING GROUP BHD
(Company No. 593649-H)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2017
(The figures have not been audited)

	CURRENT 3 months ended		YEAR TO DATE 12 months ended	
	30.09.2017 RM'000	30.09.2016 RM'000 (Audited)	30.09.2017 RM'000	30.09.2016 RM'000 (Audited)
Revenue	5,056	5,684	74,142	63,052
Cost of sales	(5,791)	(6,395)	(46,017)	(37,216)
Gross profit	(735)	(711)	28,125	25,836
Other income	384	1,199	2,217	1,909
Administrative expenses	(4,116)	(4,496)	(14,265)	(13,873)
Selling expenses	(2,260)	(1,566)	(8,467)	(6,449)
Other expenses	(695)	(587)	(2,341)	(2,415)
Operating profit	(7,422)	(6,161)	5,269	5,008
Finance costs	(161)	(180)	(663)	(765)
Share of (loss)/profit of equity-accounted associate	(45)	133	53	197
(Loss)/profit before tax	(7,628)	(6,208)	4,659	4,440
Tax expenses	2,371	1,063	(1,784)	(2,048)
(Loss)/profit for the period/year	**(5,257)**	**(5,145)**	**2,875**	**2,392**
Other comprehensive income:				
Item that will be reclassified subsequently to profit or loss				
Foreign currency translation	334	(251)	642	(604)
Post-employment benefit net of tax	10	58	10	58
	(4,913)	(5,338)	3,527	1,846
(Loss)/profit attributable to:				
Owners of the Company	**(5,074)**	**(5,059)**	**2,982**	**2,404**
Non-controlling interests	(183)	(86)	(107)	(12)
	(5,257)	(5,145)	2,875	2,392
Other comprehensive (loss)/income attributable to:				
Owners of the Company	**(4,672)**	**(5,242)**	**3,574**	**1,909**
Non-controlling interests	(241)	(96)	(47)	(63)
	(4,913)	(5,338)	3,527	1,846
Earnings per share attributable to owners of the Company:				
Basic (Sen)	(5.14)	(5.12)	3.02	2.43
Diluted (Sen)	(4.92)	(5.12)	2.89	2.43

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 September 2016 and the accompanying notes attached to the Interim Financial Statements.

PELANGI PUBLISHING GROUP BHD
(Company No. 593649-H)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2017
(The figures have not been audited)

	As at 30.09.2017 RM'000	As at 30.09.2016 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	55,271	60,171
Investment properties	4,762	1,953
Investment in associate	268	209
Other Investments	1,027	1,027
Intangible assets	174	252
Deferred tax assets	5,854	3,980
	67,356	67,592
Current assets		
Inventories	37,726	35,061
Trade receivables	14,147	13,846
Other receivables	1,381	1,103
Prepayment	1,553	757
Tax recoverable	857	410
Cash and bank balances	20,568	18,898
	76,232	70,075
TOTAL ASSETS	**143,588**	**137,667**
EQUITY AND LIABILITIES		
Current liabilities		
Short term borrowings	1,110	1,211
Trade Payables	9,342	7,207
Other Payables	20,237	17,833
Tax Payable	359	644
	31,048	26,895
Non current liabilities		
Long term borrowings	12,604	13,704
Employees' benefits	413	74
Deferred tax liabilities	2,484	2,462
	15,501	16,240
Total liabilities	46,549	43,135
Equity attributable to owners of the parent		
Share capital	50,025	50,000
Treasury shares	(1,508)	(1,453)
Foreign exchange reserve	581	(1)
Employee share option reserve	348	-
Retained earnings	46,951	45,291
	96,397	93,837
Non-controlling interests	642	695
Total equity	97,039	94,532
TOTAL EQUITY AND LIABILITIES	**143,588**	**137,667**
Net assets per share attributable to owners of the parent (RM)	0.9979	0.9710

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 September 2016 and the accompanying explanatory notes to the Interim Financial Statements.

PELANGI PUBLISHING GROUP BHD
(Company No. 593649-H)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2017
(The figures have not been audited)

	Share Capital	Treasury Shares	Foreign Exchange Reserve	Employee Share Option Reserve	Retained Earnings	Total	Non - Controlling Interests	Total Equity
	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000
At 1 October 2016	50,000	(1,453)	(1)	-	45,291	93,837	695	94,532
Total comprehensive income	-	-	582	-	2,992	3,574	(47)	3,527
Dividend	-	-	-	-	(1,332)	(1,332)	-	(1,332)
Own shares acquired	-	(55)	-	-	-	(55)	-	(55)
Disposal of non-controlling interest	-	-	-	-	-	-	(6)	(6)
Employee share option granted	-	-	-	385	-	385	-	385
Exercise of ESOS	25	-	-	(3)	-	22	-	22
Employee share option forfeited	-	-	-	(34)	-	(34)	-	(34)
At 30 September 2017	50,025	(1,508)	581	348	46,951	96,397	642	97,039
At 1 October 2015	50,000	(1,408)	549	-	44,041	93,182	759	93,941
Total comprehensive income	-	-	(550)	-	2,459	1,909	(64)	1,845
Dividend	-	-	-	-	(1,209)	(1,209)	-	(1,209)
Own shares acquired	-	(45)	-		-	(45)	-	(45)
At 30 September 2016	50,000	(1,453)	(1)	-	45,291	93,837	695	94,532

The unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 30 September 2016 and the Notes to the Interim Financial Statements.

PELANGI PUBLISHING GROUP BHD
(Company No. 593649-H)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2017
(The figures have not been audited)

	12 months ended 30.09.2017 RM'000	12 months ended 30.09.2016 RM'000 (Audited)
Cash flows from operating activities		
Profit before tax	4,659	4,440
Adjustments for :-		
Employee share option expenses	351	-
Other non-cash items	3,574	3,800
Operating profit before working capital changes	8,584	8,240
Net change in current assets	(4,960)	(1,070)
Net change in current liabilities	4,936	2,552
Cash generated from operations	8,560	9,722
Tax paid (net of tax refunded)	(4,257)	(842)
Net cash from operating activities	4,303	8,880
Cash flows from investing activities		
Interest received	472	294
Proceeds from disposal of property, plant and equipment	49	38
Purchase of property, plant and equipment	(420)	(2,856)
Net cash outflow from disposal of subsidiary	(6)	-
Net cash from/(used in) investing activities	95	(2,524)
Cash flows from financing activities		
Dividend paid on ordinary shares	(1,332)	(1,209)
Interest paid	(663)	(765)
Proceeds from ESOS exercised	22	-
Proceeds from finance leases	47	-
Purchase of treasury shares	(56)	(45)
Repayment of obligation under finance leases	(408)	(504)
Repayment of term loans	(840)	(1,310)
Placement of fixed deposit with licensed bank	(100)	(200)
Net cash used in financing activities	(3,330)	(4,033)
Net increase in cash and cash equivalents	1,068	2,323
Effect of exchange rate changes	502	(660)
Cash and cash equivalents at beginning of year	18,498	16,835
Cash and cash equivalents at end of year	20,068	18,498

Cash and cash equivalents at the end of the year comprise the following:

	12 months ended RM'000	RM'000
Cash and bank balances	20,568	18,898
Less: Fixed deposits pledged with licensed banks	(500)	(400)
	20,068	18,498

The unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 30 September 2016 and the Notes to the Interim Financial Statements.

A: EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements of Malaysian Financial Reporting Standards (“MFRSs”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 Main Market Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements for financial year ended 30 September 2016. The 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 30 September 2016.

2. Significant accounting policies

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the financial statements for the year ended 30 September 2016. At the beginning of the current financial year, the Group adopted amendments to MFRSs and IC interpretations ("IC Int") which are mandatory for the financial period beginning on or after 1 October 2016.

Initial application of the amendments to the standards and IC Int did not have material impact to the financial statements.

Standard Issued But Not Yet Effective
At the date of authorisation of these interim financial statements, the Group has not applied the following new standards, amendments to standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the Group:

Amendments to MFRS effective 1 January 2017:
Amendments to MFRS 107 Statement of Cash Flows: Disclosure Initiatives
Amendments to MFRS 112 Income Taxes: Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to MFRS 12 Disclosure of Interests in Other Entities (under Annual Improvements to MFRS Standards 2014-2016 Cycle)

MFRS, Amendments to MFRS and IC Interpretation effective 1 January 2018:
Amendments to MFRS 2 Share-based Payment: Classification and Measurement of Share-based Payment Transactions
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)
MFRS 15 Revenue from Contracts with Customers
Amendments to MFRS 4 Insurance Contracts: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts)
Amendments to MFRS 140 Investment Property: Transfers of Investment Property
Annual Improvements to MFRS Standards 2014-2016 Cycle (except for Amendments to MFRS 12 Disclosure of Interests in Other Entities)
IC Interpretation 22 Foreign Currency Transactions and Advance Consideration

MFRS effective 1 January 2019:
MFRS 16 Leases

MFRS effective 1 January 2021:
MFRS 17 Insurance Contracts

Amendments to MFRSs - effective date deferred indefinitely
Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The initial application of the above standards, amendments and interpretation are not expected to have any financial impacts to the financial statements, except for:

MFRS 9 Financial Instruments
MFRS 9 replaces MFRS 139 Financial Instruments: Recognition and Measurement and all previous version of MFRS 9. The new standard introduces extensive requirements and guidance for classification and measurement of financial assets and financial liabilities which fall under scope of MFRS 9, new "expected credit loss model" under the impairment of financial assets and greater flexibility has been allowed in hedge accounting transactions. Upon adoption of MFRS 9, financial assets will be measured at either fair value or amortised cost. It is also expected that the Group's investment in unquoted shares will be measured at fair value through other comprehensive income.

The adoption of MFRS 9 will result in a change of accounting policy. The Group is currently examining the financial impact of adopting MFRS 9.

MFRS 15 Revenue from Contracts with Customers
MFRS 15 presents new requirements for the recognition of revenue, replacing the guidance of MFRS 111 Construction Contracts, MFRS 118 Revenue, IC Interpretation 13 Customer Loyalty Programmes, IC Interpretation 15 Agreements for Construction of Real Estate, IC Interpretation 18 Transfers of Assets from Customers and IC Interpretation 131 Revenue – Barter Transaction Involving Advertising Services. The principles in MFRS 15 provide a more structured approach to measuring and recognizing revenue. It establishes a new five-step model that will apply to revenue arising from contracts with customers. Under MFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchanged for transferring goods or services to a customer.

The adoption of MFRS 15 will results in a change in accounting policy. The Group is currently assessing the impact of MFRS 15 and plans to adopt the new standards on the required effective date.

MFRS 16 Leases

MFRS 16 replaces MFRS 117 Leases. MFRS 16 eliminates the distinction between finance and operating leases for lessees. As off-balance sheet will no longer be allowed except for some limited practical exemptions, all leases will be brought onto the statement of financial position by recognising a “right-of-use” asset and a lease liability. In other words, for a lessee that has material operating leases, the assets and liabilities reported on its statement of financial position are expected to be different compared with the current position.

The Group is currently assessing the impact of MFRS 16 and plans to adopt the new standards on the required effective date of 1 January 2019.

3. Auditors’ report on preceding annual financial statements

The auditors’ report on the financial statements for the year ended 30 September 2016 was not subject to qualification.

4. Comments about seasonal or cyclical factors

The Group is basically involved in the production and distribution of books. In relation to our academic books, school terms will have impact on revenue and margin.

The bulk of Group's revenue comes from 1st quarter of our financial year (i.e., that is October 2016 to December 2016) before school term reopened in January 2017. The revenue cycle is expected to drop and coupled with higher goods returns in other quarters during the financial year.

The revenue starts picking up towards the end of our 4th quarter and the momentum is well carried forward to the 1st quarter of our next financial year before school term reopens again.

5. Unusual items due to their nature, size and incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter.

6. Changes in estimates

There were no changes to the estimates that have a material effect in the current quarter under review.

7. Debts and equity securities

There were no issuances, cancellation, repurchases, resale and repayments of debts and equity securities for the current quarter under review except for the following:

Share Buy-Back/Treasury Shares
The Company has not repurchased any ordinary shares from the open market during the quarter ended 30 September 2017.

As at 30 September 2017, a total of 3,445,500 shares of RM0.50 each are held as treasury shares by the Company. These treasury shares are held at a total carrying amount of RM1,508,413.

The shares repurchased transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016. None of the treasury shares are held were resold or cancelled during the period ended 30 September 2017.

Employees' Share Option Scheme ("ESOS")
Following the approval of shareholders at an Extraordinary General Meeting held on 18 March 2016, the Group has implemented its employees' share options scheme ("ESOS") on 9 December 2016. As at 30 September, a total of 5,493,000 options at an exercise price of RM0.50 per share have been granted and accepted by eligible persons pursuant to paragraph 9.19(51) of the Main Market Listing Requirements of Bursa Securities.

During the financial year ended 30 September 2017, a total of 43,000 new ordinary shares were issued and allocated pursuant to the exercise of the Company's ESOS at an execise price of RM0.50 per ordinary share.

8. Dividends

A single tier dividend of 1.38 sen per ordinary share on 96,554,500 ordinary shares of RM0.50 each amounting to RM1,332,452 in respect of the financial year ended 30 September 2016 was paid on 27 April 2017.

9. Segment information

	Quarter ended		Financial year ended	
	30.09.2017 RM'000	30.09.2016 RM'000	30.09.2017 RM'000	30.09.2016 RM'000
Segment Revenue				
Revenue				
Publishing	3,211	3,608	66,389	54,662
Printing	2,766	3,257	11,784	12,810
Education	143	131	543	454
Others	1,510	741	6,011	13,586
Total revenue including inter segment sales	7,630	7,737	84,727	81,512
Elimination of inter-segment sales	(2,574)	(2,053)	(10,585)	(18,460)
Total revenue	5,056	5,684	74,142	63,052
Segment Results				
Publishing	(7,939)	(6,817)	3,965	3,386
Printing	(9)	399	322	679
Education	20	(47)	(258)	(215)
Others	506	304	1,240	1,158
Total operating profit	(7,422)	(6,161)	5,269	5,008

10. Valuation of property, plant and equipment

There were no revaluation of property, plant and equipment during the current quarter under review.

11. Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the current quarter up to the date of this report.

12. Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter under review.

13. Changes in contingent liabilities/assets

There were no material changes in contingent liabilities/assets since the last balance sheet date up to the date of this report.

14. Capital commitments

There were no capital commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 30 September 2017.

15. Significant related party transactions

The following are significant related party transactions:

	Quarter ended		Financial year ended	
	30.09.2017 RM'000	30.09.2016 RM'000	30.09.2017 RM'000	30.09.2016 RM'000
Purchase of production papers	-	2,682	6,383 *	7,256
Rental expense	19	19	76	76

*The transaction amount is from Oct 2016 - March 2017 as Teh Hui Guan resigned as a Director on 31 March 2017

B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

16. Performance review (YTD Q4 2017 vs YTD Q4 2016)

Publishing Segment

Publishing Segment generated revenue of RM66.39 million for the current period ended 30 September 2017 as compared to RM54.66 million for the comparative period ended 30 September 2016. Publishing Segment recorded operating profit of RM3.96 million in the current period compared to RM3.39 million in the comparative period, an increase of RM0.57 million.

PPG's publishing subsidiary Penerbitan Pelangi Sdn. Bhd. ("PPSB") has achieved improved sales and operating profit for Publishing Segment due to being awarded with government contracts for Mathematics and English for Form 1 and Digital English Language for Form 1, as announced on 19 May 2016 and 11 November 2016.

Printing Segment

Printing Segment generated revenue of RM11.78 million for the current period ended 30 September 2017 as compared to RM12.81 million for the comparative period ended 30 September 2016. This segment also recorded lesser operating profit of RM0.36 million due to more intense competition, leading to lower sales performance from Comtech Marketing Sdn Bhd.

Education Segment

During the current period, the Education Segment generated a total revenue of RM0.54 million as compared to a total revenue of RM0.45 million for the comparative period ended 30 September 2016.

The Education Segment remains as a minor segment within the Group, a component that still yields no profit since its inception. This Segment recorded operating loss of RM0.26 million in the current period ended 30 September 2017, as compared to operating loss of RM0.22 million in the comparative period ended 30 September 2016. Pelangi Education Sdn Bhd has seen improved revenue in this financial year, contributed by increased number of student enrolment, while Pelangi Multimedia Sdn Bhd has written off obsolescent inventories worth RM0.24 million. This has led to the Education segment registering operating loss of RM0.04 million, compared to FY 2016.

Education Segment still plays a role to complement the Group in promoting a greater brand name for public awareness.

Other Segment

The Other Segment generated revenue of RM6.01 million in the current period as compared to RM13.59 million for the comparative period ended 30 September 2016 and the significant decrease in revenue of RM7.58 million was mainly due to settlement of debts between inter-companies and declaration of dividend-in-kind by its subsidiaries in last comparative period.

17. Comparison of current quarter with preceding quarter results (Q4 2017 vs Q3 2017)

The Group reported loss before tax of RM7.63 million for the current quarter ended 30 September 2017 as compared to the profit before tax of RM0.36 million in the preceding quarter ended 30 June 2017. The lower profit generated during this quarter is in line with the business trend and annual cyclical order as explained in Note 4.

18. Commentary of prospects

The Group will continue to look for opportunities to maintain its competitive advantage against other market players by penetrating into new markets, pursuing the development and registration of new products for both local and overseas market. Nevertheless, the Group will remain focused in managing its operating costs effectively and improving its operation efficiency.

Despite competitiveness of this industry and market players, the Board will strive towards better Group's performance for the financial year ending 30 September 2018.

19. Profit forecast and profit guarantee

The Group has not issued any profit guarantee during the current quarter under review.

20. Taxation

	Quarter ended		Financial year ended	
	30.09.2017 RM'000	**30.09.2016 RM'000**	**30.09.2017 RM'000**	**30.09.2016 RM'000**
Income tax:				
Malaysian	957	1,365	(3,059)	(2,570)
Overseas	70	42	(466)	(294)
Deferred tax:				
Malaysian	1,258	(534)	1,655	726
Overseas	86	190	86	90
Total tax expenses	2,371	1,063	(1,784)	(2,048)

The effective tax rate of the Group for the financial period is higher than the statutory tax rate principally due to certain expenses incurred during the period which are not deductible for tax purposes.

21. Corporate proposals

There were no material corporate proposals announced but not completed as at the date of this report.

22. Borrowings and debt securities

		As at 30.09.2017	
	Secured RM'000	**Unsecured RM'000**	**Total RM'000**
Short term	1,110	-	1,110
Long term	12,604	-	12,604
	13,714	-	13,714

23. Changes in material litigation

On 25 July 2017, PPG has made an announcement to Bursa Securities which PPG through its wholly owned subsidiary, PPSB, has taken legal action against Sasbadi Sdn Bhd ("SSB"), a wholly-owned subsidiary of Sasbadi Holdings Berhad, by serving SSB a copy of the sealed Writ and Statement of Claim dated 29 June 2017. The Sealed Writ and Statement of Claim was served on 20 July 2017 by Messrs Skrine, acting on behalf PPSB.

The claims pursuant to the Writ and Statement of Claim are in relation to the infringement of Copyright Works by SSB for the Sijil Tinggi Persekolahan Malaysia (“STPM”) examination and Malaysian University English Test (“MUET”) question papers as well as the performance analysis reports for the STPM examination and the MUET where PPSB has the exclusive right in Malaysia in pursuant to the several publishing agreements between PPSB and Majlis Peperiksaan Malaysia (“MPM”) to control, among others, the reproduction, communication, distribution, and commercialisation of the Copyright Works.

SSB had, on 30 August 2017, via its solicitors, Messrs Shook Lin & Bok, filed its defence against the claim and filed a counterclaim seeking for reliefs.

For details of the circumstances leading to the filing of the Writ and Statement of Claim against SBB and counterclaim filed by SSB may refer to the Company's announcement in the Bursa Securities website.

On 28 September 2017, PPG has made an announcement in the Bursa Securities which PPG through its wholly owned subsidiary, PPSB, has filed on 27 September 2017 a Reply to Defence and Defence to Counterclaim whereby Pelangi challenged SSB's counterclaims and put SSB to strict proof of the said claims, on the basis that at all material times, PPSB is the owner of the copyright in the Copyright Works and PPSB had acted within its rights.

24. Earnings per share

a) Basic earnings per share

The basic earnings per ordinary share for current period is calculated by dividing the (loss)/profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the current period concerned.

	Quarter ended		Financial year ended	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016
Net (loss)/profit for the year (RM'000)	(5,074)	(5,059)	2,982	2,404
Weighted average number of ordinary shares in issue ('000)	98,673	98,729	98,673	98,729
(Loss)/earnings per share (Sen)	(5.14)	(5.12)	3.02	2.43

b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, the (loss)/profit for the period attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the financial period have been adjusted for the dilutive effects of all potential ordinary shares, i.e., share options granted to employees.

	Quarter ended		Financial year ended	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016
Net (loss)/profit for the year (RM'000)	(5,074)	-	2,982	-
Weighted average number of ordinary shares in issue ('000)	98,673	-	98,673	-
Effect of dilution arising from ESOS ('000)	4,447	-	4,447	-
Weighted averge number of ordinary shares for diluted earnings per share ('000)	103,120	-	103,120	-
Diluted earnings per share (Sen)	(4.92)	-	2.89	-

25. Notes to the condensed consolidated statement of comprehensive income

The following items have been (credited)/charged in arriving at (loss)/profit before tax:

	Quarter ended		Financial year ended	
	30.09.2017 RM'000	30.09.2016 RM'000	30.09.2017 RM'000	30.09.2016 RM'000
a) Interest income	(123)	(112)	(472)	(294)
b) Other income	(261)	(1,087)	(1,745)	(1,615)
c) Interest expense	161	180	663	765
d) Depreciation and amortisation	657	676	2,669	2,744
e) Provision for and write off receivables	1,138	947	1,222	1,257
f) Provision for and write off of inventories	232	595	486	595
g) (Gain)/loss on disposal of property, plant and equipment	(6)	19	(48)	23
h) Loss/(gain) on foreign exchange	333	(475)	(75)	(266)
i) Reversal of impairment loss on receivables	(98)	(397)	(909)	(872)
j) Derivative gain	-	-	-	-
k) Exceptional items:				
- employee benefit expenses	(34)	-	351	-

26. Realised and unrealised profit

The retained earnings as at reporting date are analysed as follows:

	As at 30.09.2017 RM'000	As at 30.09.2016 RM'000
Holding Company & its Subsidiaries		
Realised	65,675	66,484
Unrealised	4,057	2,114
	69,732	68,598
Associates		
Realised	(102)	(161)
Unrealised	-	-
	69,630	68,437
Consolidation adjustments	(22,679)	(23,146)
	46,951	45,291

27. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors in accordance with a resolution of the Directors on 30 November 2017.