

GE-SHEN CORPORATION BERHAD
(Incorporated in Malaysia)

Interim Financial Statements

First Quarter Results
Period ended
31 March 2018

GE-SHEN CORPORATION BERHADCompany No. 633814-X
(Incorporated in Malaysia)**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2018**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current Quarter</u>	<u>Preceding Year Corresponding Quarter</u>	<u>Current Quarter</u>	<u>Preceding Year Corresponding Quarter</u>
	31 Mar 2018	31 Mar 2017	31 Mar 2018	31 Mar 2017
	RM'000	RM'000	RM'000	RM'000
Revenue	56,173	47,872	56,173	47,872
Other income	244	990	244	990
Share of results in associate	(4)	(52)	(4)	(52)
Changes in inventories of finished goods and work-in-progress	1,413	185	1,413	185
Raw materials used	(28,330)	(20,473)	(28,330)	(20,473)
Employee benefits	(13,265)	(11,640)	(13,265)	(11,640)
Depreciation of property, plant and machinery	(2,294)	(2,270)	(2,294)	(2,270)
Other operating expenses	(10,776)	(9,020)	(10,776)	(9,020)
Finance costs	(1,011)	(767)	(1,011)	(767)
Profit before tax	2,150	4,825	2,150	4,825
Tax expenses (Note B6)	(1,199)	(1,485)	(1,199)	(1,485)
Profit for the period	951	3,340	951	3,340
Other Comprehensive Income				
Exchange differences on Translating foreign operations	(147)	(83)	(147)	(83)
Total Comprehensive Income For the period	804	3,257	804	3,257
Profit after tax attributable to:				
Owners of the Company	1,250	3,164	1,250	3,164
Non-Controlling Interest	(299)	176	(299)	176
	951	3,340	951	3,340
Total Comprehensive Income attributable to:				
Owners of the Company	1,103	3,081	1,103	3,081
Non-Controlling Interest	(299)	176	(299)	176
	804	3,257	804	3,257

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2018 – CONTINUED**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current</u> <u>Quarter</u>	<u>Preceding</u> <u>Year</u> <u>Corresponding</u> <u>Quarter</u>	<u>Current</u> <u>Quarter</u>	<u>Preceding</u> <u>Year</u> <u>Corresponding</u> <u>Quarter</u>
	31 Mar 2018 RM'000	31 Mar 2017 RM'000	31 Mar 2018 RM'000	31 Mar 2017 RM'000
Earnings per share (Sen)				
Basic (Note B14)	1.63	4.11	1.63	4.11
	=====	=====	=====	=====
Diluted (Note B14)	1.21	3.00	1.21	3.00
	=====	=====	=====	=====

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2017 and accompanying explanatory notes attached to the interim financial statements.

GE-SHEN CORPORATION BERHAD

Company No. 633814-X
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018**

	<u>Unaudited</u> 31 Mar 2018 RM'000	<u>Audited</u> 31 Dec 2017 RM'000
ASSETS		
Non-Current Assets		
Investment in an associate	895	899
Property, plant and equipment	94,117	90,530
Prepaid lease payments	3,338	3,918
Goodwill on consolidation	31,195	31,195
	-----	-----
	129,545	126,542
	-----	-----
Current Assets		
Inventories	26,547	25,121
Trade receivables	42,750	48,876
Other receivables, deposits and prepayments	5,425	7,037
Current tax assets	1,700	1,299
Fixed deposits with licensed banks	2,333	2,920
Cash and bank balances	12,446	10,266
	-----	-----
	91,201	95,519
	-----	-----
Total Assets	220,746	222,061
	=====	=====
EQUITY AND LIABILITIES		
Equity		
Share capital	45,643	45,643
Treasury shares	(1,843)	(1,843)
Reserves	54,083	52,980
	-----	-----
Total Equity Attributable to Owners of the Company	97,883	96,780
Non-controlling interests	5,520	5,819
	-----	-----
	103,403	102,599
	-----	-----
Non-Current Liabilities		
Long term borrowings (Note B10)	44,305	37,806
Redeemable convertible preference shares	2,089	2,047
Deferred taxation	3,484	3,497
	-----	-----
	49,878	43,350
	-----	-----

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018 – CONTINUED**

	<u>Unaudited</u> 31 Mar 2018 RM'000	<u>Audited</u> 31 Dec 2017 RM'000
Current Liabilities		
Trade payables	27,036	28,229
Other payables and accruals	13,011	20,312
Short-term borrowings (Note B10)	17,852	24,909
Bank overdraft	8,661	1,730
Current tax liabilities	905	932
	----- 67,465	----- 76,112
Total Liabilities	----- 117,343	----- 119,462
Total Equity and Liabilities	----- 220,746	----- 222,061
	=====	=====
Net Assets per Ordinary Share Attributable to Owners of the Company (RM)	1.27	1.26
	=====	=====

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2017 and accompanying explanatory notes attached to the interim financial statements.

GE-SHEN CORPORATION BERHADCompany No. 633814-X
(Incorporated in Malaysia)**UNAUDITED CONDENSED CONSOLIDATED CASH FLOWS STATEMENT
FOR THE FIRST QUARTER ENDED 31 MARCH 2018**

	Current Year to Date 31 Mar 2018 RM'000	Preceding Year Corresponding Period 31 Mar 2017 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,150	4,825
Adjustments for:		
Depreciation of property, plant and equipment	2,294	2,270
Impairment of prepaid lease payment	580	79
Interest expense	1,011	767
Loss on foreign exchange – unrealised	240	1,261
Property, plant and equipment written off	2	-
Share of results of an associate	4	52
Gain on disposal of property, plant and equipment	-	(49)
Interest income	(28)	(36)
	-----	-----
Operating profit before working capital changes	6,253	9,169
Increase in inventories	(1,426)	(335)
Decrease in trade and other receivables	7,580	5,206
Decrease in trade and other payables	(10,675)	(9,363)
	-----	-----
CASH FLOWS FROM OPERATIONS	1,732	4,677
Interest paid	(968)	(767)
Tax paid	(1,639)	(1,275)
Tax refund	-	74
	-----	-----
NET CASH (FOR)/FROM OPERATING ACTIVITIES	(875)	2,709
	-----	-----
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	28	36
Purchase of property, plant and equipment	(4,291)	(608)
Proceeds from disposal of property, plant and equipment	-	194
	-----	-----
NET CASH FOR INVESTING ACTIVITIES	(4,263)	(378)
	-----	-----

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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOWS STATEMENT
FOR THE FIRST QUARTER ENDED 31 MARCH 2018 – CONTINUED**

	Current Year to Date 31 Mar 2018 RM'000	Preceding Year Corresponding Period 31 Mar 2017 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown of term loans	2,629	3,520
Net repayment of other short-term bank borrowings	(6,179)	(4,282)
Net drawdown/(Repayment) of hire purchase obligations	3,237	(629)
Placement of fixed deposits pledged to licensed banks	115	-
	-----	-----
NET CASH FOR FINANCING ACTIVITIES	(198)	(1,391)
	-----	-----
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(5,336)	940
EFFECT OF CHANGES IN EXCHANGE RATES	114	(68)
CASH AND CASH EQUIVALENT AS AT BEGINNING OF PERIOD	9,036	5,458
	-----	-----
CASH AND CASH EQUIVALENT AS AT END OF PERIOD	3,814	6,330
	=====	=====

Cash and cash equivalents included in the cash flows statement comprise of the followings:

	31 Mar 2018 RM'000	31 Mar 2017 RM'000
Fixed deposits with licensed banks	2,334	2,246
Cash and bank balances	12,446	12,030
Bank overdrafts	(8,661)	(6,303)
Less: Fixed deposits pledged to licensed banks	(2,305)	(1,643)
	-----	-----
	3,814	6,330
	=====	=====

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2017 and accompanying explanatory notes attached to the interim financial statements.

GE-SHEN CORPORATION BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2018

	Non-Distributable				Distributable			Total Attributable to Owners of the Company RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Shares Option Reserve RM'000	Redeemable Convertible Preference Share RM'000	Foreign Exchange Translation Reserve RM'000	Retained Earnings RM'000			
As at 1 January 2017	40,000	5,593	(1,843)	-	13,738	2,616	25,047	85,151	5,585	90,736
Profit for the period	-	-	-	-	-	-	3,164	3,164	176	3,340
Other comprehensive income: - Foreign currency translation- differences	-	-	-	-	-	(83)	-	(83)	-	(83)
As at 31 March 2017	40,000	5,593	(1,843)	-	13,738	2,533	28,211	88,232	5,761	93,993
As at 1 January 2018	45,643	-	(1,843)	1,464	13,738	2,175	35,603	96,780	5,819	102,599
Profit for the period	-	-	-	-	-	-	1,250	1,250	(299)	951
Other comprehensive income: - Foreign currency translation differences	-	-	-	-	-	(147)	-	(147)	-	(147)
As at 31 March 2018	45,643	-	(1,843)	1,464	13,738	2,028	36,853	97,883	5,520	103,403

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2017 and accompanying explanatory notes attached to the interim financial statements.

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A. EXPLANATORY NOTES IN ACCORDANCE WITH MFRS 134

A1. Basis of Preparation

Statement of compliance

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2017. 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 year ended 31 December 2017.

Significant accounting policies

- (a) The significant accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the preparation of the financial statements of the Group for the financial year ended 31 December 2017.
- (b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:

MFRSs and Interpretations	Effective for financial periods beginning on or after
MFRS 16 Leases	1 January 2019
MFRS 17 Insurance Contracts	1 January 2021
IC Interpretation 23 Uncertainty over Income Tax Treatments	1 January 2019
Amendments to MFRS 9: Prepayment Features with Negative Compensation	1 January 2019
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures	1 January 2019
Annual Improvements to MFRS Standards 2015 – 2017 Cycles	1 January 2019

The Group is in the process of making an assessment of the impact of the adoption of these standards and amendments to existing standards.

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A2. Seasonality or Cyclical Factors

The Group's operations experience certain seasonality or cyclical factors that is common in the industry of which the Group operates in.

A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

During the quarter, there were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

A4. Change in Estimates

There were no significant changes in estimates that have a material effect on the results for the quarter.

A5. Issuance, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

During the quarter, there were no issuance and repayment of debts and equity securities, share buy-backs, shares cancellation, shares held as treasury shares and resale of treasury shares for the quarter under review.

A6. Dividend Paid

There was no dividend paid during the quarter under review.

A7. Segmental Reporting

The Group is organised into the two main geographical segments and operating in manufacturing of plastic moulded products, metal stamping products and components. The segmental information has been presented as follows:

(a) By Geographical Segment**Current Quarter**

	Malaysia RM'000	Vietnam RM'000	Elimination RM'000	Consolidated RM'000
As at 31 Mar 2018				
Revenue				
- sales to external parties	50,906	5,267	-	56,173
- inter-segment sales	13	-	(13)	-
	<hr/>			
Total revenue	50,919	5,267	(13)	56,173
	<hr/>			
Segment results	4,531	(1,357)	(13)	3,161
	<hr/>			
Finance costs				(1,011)
	<hr/>			
Profit before taxation				2,150
	<hr/>			

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A7. Segmental Reporting – continued

(a) By Geographical Segment – continued**Preceding Quarter**

	Malaysia RM'000	Vietnam RM'000	Elimination RM'000	Consolidated RM'000
As at 31 Dec 2017				
Revenue				
- sales to external parties	52,198	6,790	-	58,988
- inter-segment sales	14	-	(14)	-
Total revenue	52,212	6,790	(14)	58,988
Segment results	4,158	(1,610)	(52)	2,496
Finance costs				(1,071)
Profit before taxation				1,425

Preceding Year Corresponding Quarter

	Malaysia RM'000	Vietnam RM'000	Elimination RM'000	Consolidated RM'000
As at 31 Mar 2017				
Revenue				
- sales to external parties	41,481	6,391	-	47,872
- inter-segment sales	14	-	(14)	-
Total revenue	41,495	6,391	(14)	47,872
Segment results	5,826	(218)	(16)	5,592
Finance costs				(767)
Profit before taxation				4,825

(b) By Industry Segment

Industrial segmental information is not applicable.

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A8. Material Events Subsequent to the End of the Quarter Under Review

There was no material event subsequent to the end of the quarter that require disclosure or adjustments to the unaudited interim financial statements.

A9. Changes in the Composition of the Group

There are no material changes in the composition of the Group for the current financial period ended 31 March 2018.

A10. Changes in Contingent Liabilities or Contingent Assets

There were no changes in the contingent liabilities or contingent assets of the Group during the quarter except for the company provided corporate guarantee of RM101.62 million to subsidiary companies and RM65.89 million was utilised as at 31 March 2018.

A11. Capital Commitments

The amount of capital commitments not provided for in the interim financial statements are as follows:

	<u>Unaudited</u> 31 Mar 2018 RM'000	<u>Audited</u> 31 Dec 2017 RM'000
Approved and contracted for:		
Purchase of property, plant and equipment	8,690	9,204
	=====	=====
Approved but not contracted for:		
Purchase of property, plant and equipment	7,982	6,300
	=====	=====

A12. Related Party Transactions

Significant transactions between the Company and related parties are as follows:

	<u>Individual Quarter ended</u>		<u>Cumulative Quarter ended</u>	
	31 Mar 2018 RM'000	31 Mar 2017 RM'000	31 Mar 2018 RM'000	31 Mar 2017 RM'000
Transaction with related parties:				
Purchase of components	584	431	584	431
Transport charges	-	20	-	20
Rental of premises	69	177	69	177
Technical fee	30	33	30	33
Sales of goods	481	559	481	559
	=====	=====	=====	=====

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B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS**B1. Review of Group's Results for the Quarter Ended 31 March 2018**

	Individual Quarter		Changes %
	Current Quarter	Preceding Year Corresponding Quarter	
	31 Mar 2018	31 Mar 2017	
	RM'000	RM'000	
Revenue	56,173	47,872	17.3
Operating Profit	3,164	5,559	(43.1)
Profit Before Interest and Tax	3,161	5,592	(43.5)
Profit Before Tax	2,150	4,825	(55.4)
Profit After Tax	951	3,340	(71.5)
Profit Attributable to Owners of the Company	1,250	3,164	(60.5)
EBITDAF	6,647	8,304	(20.0)

Quarter Ended 31 March 2018 compared to Quarter Ended 31 March 2017

For the current quarter, the Group recorded higher revenue but lower profit before tax of RM56.2 million and RM2.2 million respectively as compared to the revenue and profit before tax of RM47.9 million and RM4.8 million respectively for the corresponding quarter of the preceding financial period.

The higher revenue was mainly contributed by increase sales demand from key existing and new customers. However, the profit before tax have decreased by 55.4% mainly due to higher raw material costs. Also, additional CAPEX resulted in higher depreciation and finance cost.

Vietnam entity incurred high operational costs in current quarter due to two factories running simultaneously during shifting period from old factory to new factory in March 2018.

Overall EBITDAF (Earnings before Interest, Taxation, Depreciation, Amortization and Foreign exchange gain/loss) was RM6.6 million for the current quarter and RM8.3 million for the corresponding quarter of the preceding financial period.

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B2. Variation of Results Against Preceding Quarter

	Current Quarter	Immediate Preceding Quarter	Changes %
	31 Mar 2018	30 Dec 2017	
	RM'000	RM'000	
Revenue	56,173	58,988	(4.8)
Operating Profit	3,164	2,367	33.7
Profit Before Interest and Tax	3,161	2,496	26.6
Profit Before Tax	2,150	1,425	50.9
Profit After Tax	951	641	48.4
Profit Attributable to Owners of the Company	1,250	762	64.0
EBITDAF	6,647	5,853	13.6

The Group's revenue for the current quarter has decreased by RM2.8 million from RM59.0 million in the preceding quarter to RM56.2 million due to first quarter being low revenue season. Profit before tax has increased by 50.9% from RM1.4 million in the immediate preceding quarter to RM2.2 million for the current period due to lower raw material costs and decrease in other operational expenses.

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B3. Prospects of the Group

The Group has been taking initiatives to adopt automation to improve productivity and quality to meet future demands, reduce rising labour cost and operating costs. Moving forward, a surge in capital expenditure is inevitable with purchase of machines and enhancement of business process management software.

The Group is still looking towards factory expansion across the subsidiaries to increase factory space and manufacturing assets in order to, amongst others achieve higher sales, improve cost structure and gain economies of scale.

- The construction and renovation of the new facilities in Vietnam is in progress and is expected to fully operate in the 2nd Quarter of 2018 which is expected to improve the cost structure and increase production capacities in the Vietnam subsidiary.
- The proposed acquisition of the land and building (Lot 3929) by Ge-Shen Plastic (M) Sdn Bhd provides the security of tenure and allows Management to make long term plans for more efficient factory design which shall improve overall cost efficiencies.
- The proposed renting with an option to purchase of freehold land No.15 and No.17 by Demand Options Sdn Bhd allows for expansion and more efficient production planning process.

Raw material prices remain a challenge. Prices are expected to remain unpredictable due to continued economic and political uncertainties in key regions, affecting crude oil prices.

Business development activities and efforts to grow revenue across all subsidiaries in the group remains high on the Group's agenda.

B4. Profit Forecast

The Group did not publish any profit forecast during the quarter.

B5. Explanation Note on Profit Forecast

Not Applicable.

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B6. Tax Expense

Tax expense comprises of the followings:

	<u>Individual Quarter ended</u>		<u>Cumulative Quarter ended</u>	
	31 Mar 2018 RM'000	31 Mar 2017 RM'000	31 Mar 2018 RM'000	31 Mar 2017 RM'000
In respect of the current period:				
Income tax	1,212	1,502	1,212	1,502
Deferred tax	(13)	(17)	(13)	(17)
Tax expense	<u>1,199</u>	<u>1,485</u>	<u>1,199</u>	<u>1,485</u>

B7. Sale of Unquoted Investments, or Properties

There was no disposal of unquoted investments, or properties during the quarter.

B8. Purchase or Disposal of Quoted and Marketable Securities

There was no purchase or disposal of quoted and marketable securities during the quarter.

B9. Corporate Proposals

The following is the corporate proposal that has been announced by the Company which has not yet completed as at 8 May 2018, the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report:

- (a) Ge-Shen Plastic (M) Sdn Bhd's proposed acquisition of a piece of land held under H.S.(D) 6136, No. PT: lot 3929, Mukim Terbau, District of Johor Bahru, State of Johor Darul Takzim measuring approximately 0.383 hectare together with one (1) unit of detached factory erected thereon measuring approximately 25,755 square feet ("property") for the consideration of RM6,300,000.00.

The Proposed Acquisition is expected to be completed during the third quarter of 2020.

- (b) Demand Options Sdn Bhd's proposed renting with option to purchase of all that piece of freehold land held under H.S.D 169007 PTD 91805, Mukim, Plentong, Daerah Johor Bahru measuring approximately 4,909.1147 square metres together with the building erected thereon bearing a postal address of No.12, Jalan Mahir 5, Taman Perindustrian Cemerlang, 81800 Ulu Tiram, Johor Darul Takzim, by Demand Options Sdn. Bhd. (446459-W), for a period of fifteen (15) months, as a monthly rental of RM23,000/- and purchase consideration of RM7,300,000/-.

The Proposed renting is expected to be completed during the fourth quarter of 2019.

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B10. Borrowings (Secured)

The Group's borrowings, all are repayable in Ringgit Malaysia and secured, as of the end of the quarter are as follows:

	<u>Unaudited</u> 31 Mar 2018 RM'000	<u>Audited</u> 31 Dec 2017 RM'000
Short term borrowings:		
Bankers' acceptance	6,874	9,547
Hire purchase payables	3,974	3,236
Term loans	6,104	7,720
Revolving credit	900	3,378
Multi currency trade loan	-	1,028
	----- 17,852	----- 24,909
Long term borrowings:		
Hire purchase payables	8,057	5,300
Term loans	36,248	32,506
	----- 44,305	----- 37,806
	----- 62,157	----- 62,715
	=====	=====

B11. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this report.

B12. Material Litigation

The directors do not have any knowledge of any proceedings pending or threatened against the Group as the date of this report.

B13. Dividend Proposed

There was no dividend declared or proposed by the company for the current quarter ended 31 March 2018.

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B14. Earnings per Share (EPS)

Basic earnings per share

	<u>Individual Quarter ended</u>		<u>Cumulative Quarter ended</u>	
	<u>31 Mar 2018</u>	<u>31 Mar 2017</u>	<u>31 Mar 2018</u>	<u>31 Mar 2017</u>
Profit attributable to ordinary shareholders (RM'000)	1,250	3,164	1,250	3,164
Weighted average number of shares in issue ('000)*	76,916	76,908	76,916	76,908
Basic EPS (Sen)	1.63	4.11	1.63	4.11

Diluted earnings per share

	<u>Individual Quarter ended</u>		<u>Cumulative Quarter ended</u>	
	<u>31 Mar 2018</u>	<u>31 Mar 2017</u>	<u>31 Mar 2018</u>	<u>31 Mar 2017</u>
Profit attributable to ordinary shareholders (RM'000)	1,250	3,164	1,250	3,164
Impact of assumed conversion, interest on RCPS (RM'000)	43	44	43	44
	1,293	3,208	1,293	3,208
Weighted average number Of shares in issue ('000)*	76,916	76,908	76,916	76,908
Weighted average number of new ordinary shares, assumption on conversion of the remaining:-				
- RCPS ('000)	30,000	30,000	30,000	30,000
	106,916	106,908	106,916	106,908
Diluted EPS (Sen)	1.21	3.00	1.21	3.00

Note:

* Upon deducting 3,092,000 treasury shares held by the company as at end of the quarter under review.

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B15. Audit Report

The auditors' report of the company for the financial year ended 31 December 2017 was not subject to any qualification.

B16. Notes to the Statement of Comprehensive Income

	<u>Individual Quarter ended</u>		<u>Cumulative Quarter ended</u>	
	<u>31 Mar</u> <u>2018</u> <u>RM'000</u>	<u>31 Mar</u> <u>2017</u> <u>RM'000</u>	<u>31 Mar</u> <u>2018</u> <u>RM'000</u>	<u>31 Mar</u> <u>2017</u> <u>RM'000</u>
Profit before taxation is arrived at after crediting:				
Interest income	(28)	(36)	(28)	(36)
Gain on foreign exchange - realised	(28)	(819)	(28)	(819)
Gain on disposal of property, Plant and equipment	-	(49)	-	(49)
Depreciation of property, plant and equipment	2,294	2,270	2,294	2,270
Interest expense	1,011	767	1,011	767
Loss on foreign exchange				
- realised	980	-	980	-
- unrealised	240	1,261	240	1,261
Property, plant and equipment written off	2	-	2	-
	=====	=====	=====	=====

Save as disclosed in the above, there were no gain/(loss) on disposal of quoted/unquoted investments, exceptional items, and other items required to be disclosed under the additional disclosure requirement for public listed companies that are listed on Main or Ace Markets of the Bursa Malaysia Securities Berhad.