

**D & O GREEN TECHNOLOGIES BERHAD (645371 - V)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2018**

	(UNAUDITED) AS AT 30 JUNE 2018 RM'000	(AUDITED) AS AT 31 DECEMBER 2017 RM'000
<b>NON-CURRENT ASSETS</b>		
PROPERTY, PLANT & EQUIPMENT	167,106	166,111
INVESTMENTS IN UNQUOTED SHARES	8,293	8,374
INVESTMENT IN QUOTED SHARES	16,030	16,056
INTANGIBLE ASSETS	1,958	2,383
GOODWILL	24,207	24,207
	<u>217,594</u>	<u>217,131</u>
<b>CURRENT ASSETS</b>		
INVENTORIES	124,348	113,331
TRADE RECEIVABLES	84,063	101,178
OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS	7,769	7,269
CURRENT TAX ASSETS	7,094	3,830
INVESTMENT IN MARKETABLE SECURITIES	-	509
DEPOSITS WITH FINANCIAL INSTITUTIONS		
- NOT PLEDGED (MATURITY PERIOD < 3 MONTHS)	9,976	6,545
- NOT PLEDGED (MATURITY PERIOD > 3 MONTHS)	1,464	1,286
- PLEDGED	452	446
CASH AND BANK BALANCES	32,513	35,634
	<u>267,679</u>	<u>270,028</u>
<b>TOTAL ASSETS</b>	<u>485,273</u>	<u>487,159</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
SHARE CAPITAL	129,040	110,350
IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES	256,865	-
RESERVES	(87,794)	108,100
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<u>298,111</u>	<u>218,450</u>
<b>NON-CONTROLLING INTERESTS</b>	27,204	98,780
<b>TOTAL EQUITY</b>	<u>325,315</u>	<u>317,230</u>
<b>NON-CURRENT LIABILITIES</b>		
LONG-TERM BORROWINGS	7,435	11,027
DEFERRED TAXATION	9,929	10,203
	<u>17,364</u>	<u>21,230</u>
<b>CURRENT LIABILITIES</b>		
TRADE PAYABLES	84,926	91,990
OTHER PAYABLES AND ACCRUALS	19,122	24,392
DEFERRED INCOME	-	143
CURRENT TAX LIABILITIES	9,720	4,890
SHORT-TERM BORROWINGS	28,826	27,284
	<u>142,594</u>	<u>148,699</u>
<b>TOTAL LIABILITIES</b>	159,958	169,929
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>485,273</u>	<u>487,159</u>
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (SEN)	28.70	21.76

Note: This interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.

**D & O GREEN TECHNOLOGIES BERHAD (645371 - V)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 30 JUNE 2018**

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE PERIOD 6 MONTHS ENDED	
	(UNAUDITED) CURRENT YEAR QUARTER 30 JUNE 2018 RM'000	(UNAUDITED) CORRESPONDING QUARTER 30 JUNE 2017 RM'000	(UNAUDITED) CURRENT PERIOD ENDED 30 JUNE 2018 RM'000	(UNAUDITED) CORRESPONDING PERIOD ENDED 30 JUNE 2017 RM'000
<b>CONTINUING OPERATIONS</b>				
REVENUE	113,264	101,770	226,345	220,132
COST OF SALES	(82,090)	(77,211)	(164,331)	(165,920)
<b>GROSS PROFIT</b>	<b>31,174</b>	<b>24,559</b>	<b>62,014</b>	<b>54,212</b>
OTHER INCOME/(EXPENSE)	2,331	(581)	(1,741)	(4,114)
DISTRIBUTION EXPENSES	(1,605)	(1,215)	(3,080)	(2,480)
ADMINISTRATIVE EXPENSES	(10,795)	(9,726)	(21,398)	(20,208)
RESEARCH AND DEVELOPMENT EXPENSES	(8,855)	(4,819)	(13,213)	(10,454)
<b>RESULTS FROM OPERATING ACTIVITIES</b>	<b>12,250</b>	<b>8,218</b>	<b>22,582</b>	<b>16,956</b>
FINANCE COSTS	(452)	(564)	(915)	(1,128)
<b>PROFIT BEFORE TAX FROM CONTINUING OPERATIONS</b>	<b>11,798</b>	<b>7,654</b>	<b>21,667</b>	<b>15,828</b>
INCOME TAX EXPENSE	(2,669)	(1,049)	(4,889)	(2,192)
<b>PROFIT AFTER TAX FROM CONTINUING OPERATIONS</b>	<b>9,129</b>	<b>6,605</b>	<b>16,778</b>	<b>13,636</b>
OTHER COMPREHENSIVE INCOME/(EXPENSES), NET OF TAX	970	(3,424)	(1,501)	(388)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>10,099</b>	<b>3,181</b>	<b>15,277</b>	<b>13,248</b>
<b>PROFIT ATTRIBUTABLE TO:-</b>				
OWNERS OF THE COMPANY	8,130	3,713	13,263	8,699
NON-CONTROLLING INTERESTS	999	2,892	3,515	4,937
<b>PROFIT FOR THE PERIOD</b>	<b>9,129</b>	<b>6,605</b>	<b>16,778</b>	<b>13,636</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-</b>				
OWNERS OF THE COMPANY	9,143	703	12,117	8,082
NON-CONTROLLING INTERESTS	956	2,478	3,160	5,166
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>10,099</b>	<b>3,181</b>	<b>15,277</b>	<b>13,248</b>
<b>EARNINGS PER SHARE(SEN)*</b>				
Basic(Sen)	0.78	0.37	1.30	0.88
Diluted(Sen)	0.54	0.36	0.98	0.84

\* Earnings per share is calculated based on the Profit Attributable to Owners of the Company divided by the weighted average number of ordinary shares in issue during the respective period.

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**D & O GREEN TECHNOLOGIES BERHAD (645371 - V)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE PERIOD ENDED 30 JUNE 2018**

	(UNAUDITED) CURRENT YEAR 6 MONTHS ENDED 30 JUNE 2018 RM'000	(UNAUDITED) PRECEDING YEAR 6 MONTHS ENDED 30 JUNE 2017 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	21,667	15,828
Adjustments for:-		
Amortisation of government grant	(143)	(143)
Amortisation of intangible assets	424	424
Depreciation of property, plant and equipment	14,351	13,346
Property, plant and equipment written off	85	-
Dividend income	(10)	(11)
Employees' share option scheme	1,528	1,219
Loss on disposal of property, plant & equipment	503	710
Gain on disposal of unquoted investment	(16)	(14)
Gain on disposal of marketable securities	(33)	-
Interest expense	704	870
Interest income	(67)	(71)
Net fair value loss/(gain) on marketable securities	61	(48)
Inventories written down	1,422	1,685
Unrealised foreign exchange gain	(763)	(640)
Operating profit before working capital changes	39,713	33,155
(Increase)/Decrease in inventories	(12,440)	3,406
Decrease in trade and other receivables	18,852	25,353
Decrease in trade and other payables	(15,183)	(13,945)
<b>CASH FROM OPERATIONS</b>	<b>30,942</b>	<b>47,969</b>
Income tax paid	(3,597)	(683)
Interest paid	(704)	(870)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>26,641</b>	<b>46,416</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest received	67	71
Dividend received	10	11
Purchase of marketable securities	-	(11)
Net placement of fixed deposits with maturity period more than three months	(242)	(524)
Placement of fixed deposit pledged with licensed banks	(6)	(6)
Proceeds from disposal of unquoted shares	96	94
Proceeds from disposal of marketable securities	480	-
Proceeds from disposal of property, plant & equipment	47	6,306
Purchase of property, plant and equipment	(16,335)	(30,129)
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<b>(15,883)</b>	<b>(24,188)</b>
<b>CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES</b>		
ICPS issuance expenses	(1,568)	-
Dividend paid to:		
-shareholders of the Company	(7,300)	-
-non-controlling interest of the Company	(875)	-
Net repayment of bankers' acceptances	(1,333)	(3,196)
Repayment of hire purchase	(52)	(108)
Net (repayment)/drawdown of term loans	(3,331)	13,814
Exercise of employees share option scheme	1,091	1,670
Net drawdown/(repayment) of revolving credits	2,500	(10,500)
<b>NET CASH (FOR)/FROM FINANCING ACTIVITIES</b>	<b>(10,868)</b>	<b>1,680</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(110)</b>	<b>23,908</b>
<b>CURRENCY TRANSLATION DIFFERENCES</b>	<b>420</b>	<b>(2,272)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<b>42,179</b>	<b>36,682</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>42,489</b>	<b>58,318</b>

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**D & O GREEN TECHNOLOGIES BERHAD (645371 - V)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30 JUNE 2018**

	Share Capital RM'000	Share Premium RM'000	Irredeemable Convertible Preference Shares ("ICPS") RM'000	Non-distributable Foreign Exchange Translation Reserve RM'000	Employees' Share Option Scheme ("ESOS") Reserve RM'000	Capital Reserve RM'000	Fair Value Reserve RM'000	Distributable Retained Profit/ (Accumulated losses) RM'000	Equity Attributable To Owners of the Company RM'000	Non-controlling Interests RM'000	Total Equity RM'000
Balance at 1 January 2017	98,983	5,873	-	(2,479)	12,372	29,918	12,694	39,942	197,303	91,074	288,377
Total comprehensive income for the year	-	-	-	258	-	-	(875)	8,699	8,082	5,166	13,248
Contribution by and distribution to Owners of the Company:											
-ESOS vested	-	-	-	-	1,219	-	-	-	1,219	-	1,219
-Issuance of ordinary shares	1,669	-	-	-	-	-	-	-	1,669	-	1,669
-Dividend paid	-	-	-	-	-	-	-	(4,991)	(4,991)	-	(4,991)
Total transactions with owners	1,669	-	-	-	1,219	-	-	(4,991)	(2,103)	-	(2,103)
Transfer of ESOS Reserve for lapsed ESOS options	-	-	-	-	(71)	-	-	71	-	-	-
Transfer to share capital for ESOS options exercised	1,356	-	-	-	(1,356)	-	-	-	-	-	-
Transfer to share capital upon implementation of Companies Act 2016 <sup>(1)</sup>	5,873	(5,873)	-	-	-	-	-	-	-	-	-
Balance at 30 June 2017	107,881	-	-	(2,221)	12,164	29,918	11,819	43,721	203,282	96,240	299,522
Balance at 1 January 2018	110,350	-	-	(2,305)	12,449	29,918	11,386	56,652	218,450	98,780	317,230
Impact arising from adoption of:											
-MFRS 9	-	-	-	-	-	-	-	(68)	(68)	-	(68)
Total comprehensive (expense)/income for the year	-	-	-	(1,119)	-	-	(27)	13,263	12,117	3,160	15,277
Contribution by and distribution to Owners of the Company:											
-ESOS vested	-	-	-	-	1,528	-	-	-	1,528	-	1,528
-Issuance of ordinary shares	1,091	-	-	-	-	-	-	-	1,091	-	1,091
-Issuance of ICPS	-	-	275,213	-	-	-	-	-	275,213	-	275,213
-Conversion of ICPS	18,348	-	(18,348)	-	-	-	-	-	-	-	-
-Dividends:											
-by the Company	-	-	-	-	-	-	-	(7,300)	(7,300)	-	(7,300)
-by the subsidiary to non-controlling interests	-	-	-	-	-	-	-	-	-	(875)	(875)
-Changes in a subsidiary's ownership interests that do not result in a loss of control	-	-	-	-	-	-	-	(201,352)	(201,352)	(73,861)	(275,213)
Total transactions with owners	19,439	-	256,865	-	1,528	-	-	(208,652)	69,180	(74,736)	(5,556)
Transfer of ESOS Reserve for lapsed ESOS options	-	-	-	-	(219)	-	-	219	-	-	-
Transfer to share capital for ESOS options exercised	819	-	-	-	(819)	-	-	-	-	-	-
ICPS issuance expenses	(1,568)	-	-	-	-	-	-	-	(1,568)	-	(1,568)
Balance at 30 June 2018	129,040	-	256,865	(3,424)	12,939	29,918	11,359	(138,586)	298,111	27,204	325,315

**Note**

<sup>(1)</sup> Effective from 31 January 2017, the new Companies Act 2016 ("the Act") abolished the concept of authorised share capital and par value of share capital. Consequently, the credit balance of the share premium becomes part of the Company's share capital pursuant to the transitional provision set out in Section 618(2) of the Act. Notwithstanding this provision, the Company may within 24 months from the commencement of the Act, use this amount for purposes as set out in Section 618(3) of the Act. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

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