

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

	(UNAUDITED) AS AT 30 SEPTEMBER 2018 RM'000	(AUDITED) AS AT 31 DECEMBER 2017 RM'000
NON-CURRENT ASSETS		
PROPERTY, PLANT & EQUIPMENT	184,676	166,111
INVESTMENTS IN UNQUOTED SHARES	8,132	8,374
INVESTMENT IN QUOTED SHARES	15,864	16,056
INTANGIBLE ASSETS	1,904	2,383
GOODWILL	24,207	24,207
	<u>234,783</u>	<u>217,131</u>
CURRENT ASSETS		
INVENTORIES	144,960	113,331
TRADE RECEIVABLES	101,738	101,178
OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS	11,312	7,269
INVESTMENT IN MARKETABLE SECURITIES	-	509
DEPOSITS WITH FINANCIAL INSTITUTIONS		
- NOT PLEDGED (MATURITY PERIOD < 3 MONTHS)	1,202	6,545
- NOT PLEDGED (MATURITY PERIOD > 3 MONTHS)	1,636	1,286
- PLEDGED	455	446
CASH AND BANK BALANCES	45,522	35,634
	<u>306,825</u>	<u>266,198</u>
TOTAL ASSETS	<u><u>541,608</u></u>	<u><u>483,329</u></u>
EQUITY AND LIABILITIES		
EQUITY		
SHARE CAPITAL	129,841	110,350
IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES	256,865	-
RESERVES	(76,865)	108,100
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	<u>309,841</u>	<u>218,450</u>
NON-CONTROLLING INTERESTS	28,443	98,780
TOTAL EQUITY	<u>338,284</u>	<u>317,230</u>
NON-CURRENT LIABILITIES		
LONG-TERM BORROWINGS	14,567	11,027
DEFERRED TAXATION	10,203	10,203
	<u>24,770</u>	<u>21,230</u>
CURRENT LIABILITIES		
TRADE PAYABLES	124,444	91,990
OTHER PAYABLES AND ACCRUALS	24,429	24,392
DEFERRED INCOME	-	143
CURRENT TAX LIABILITIES	2,545	1,060
SHORT-TERM BORROWINGS	27,137	27,284
	<u>178,555</u>	<u>144,869</u>
TOTAL LIABILITIES	203,325	166,099
TOTAL EQUITY AND LIABILITIES	<u><u>541,609</u></u>	<u><u>483,329</u></u>
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (SEN)	29.77	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 SEPTEMBER 2018

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE PERIOD 9 MONTHS ENDED	
	(UNAUDITED) CURRENT YEAR QUARTER 30 SEPTEMBER 2018 RM'000	(UNAUDITED) CORRESPONDING QUARTER 30 SEPTEMBER 2017 RM'000	(UNAUDITED) CURRENT PERIOD ENDED 30 SEPTEMBER 2018 RM'000	(UNAUDITED) CORRESPONDING PERIOD ENDED 30 SEPTEMBER 2017 RM'000
CONTINUING OPERATIONS				
REVENUE	123,847	110,679	350,191	330,811
COST OF SALES	(88,656)	(81,912)	(252,987)	(247,832)
GROSS PROFIT	35,191	28,767	97,204	82,979
OTHER INCOME/(EXPENSE)	497	4,319	(1,244)	205
DISTRIBUTION EXPENSES	(1,667)	(1,411)	(4,747)	(3,891)
ADMINISTRATIVE EXPENSES	(11,764)	(11,308)	(33,161)	(31,515)
RESEARCH AND DEVELOPMENT EXPENSES	(8,006)	(4,974)	(21,219)	(15,429)
RESULTS FROM OPERATING ACTIVITIES	14,251	15,393	36,833	32,349
FINANCE COSTS	(834)	(516)	(1,749)	(1,643)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	13,417	14,877	35,084	30,706
INCOME TAX EXPENSE	(1,846)	(3,835)	(6,735)	(6,027)
PROFIT AFTER TAX FROM CONTINUING OPERATIONS	11,571	11,042	28,349	24,679
OTHER COMPREHENSIVE EXPENSES, NET OF TAX	(53)	(1,402)	(1,271)	(1,791)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	11,518	9,640	27,078	22,888
PROFIT ATTRIBUTABLE TO:-				
OWNERS OF THE COMPANY	10,372	6,730	23,635	15,429
NON-CONTROLLING INTERESTS	1,199	4,312	4,714	9,250
PROFIT FOR THE PERIOD	11,571	11,042	28,349	24,679
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-				
OWNERS OF THE COMPANY	10,562	5,482	22,679	13,564
NON-CONTROLLING INTERESTS	956	4,158	4,399	9,324
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	11,518	9,640	27,078	22,888
EARNINGS PER SHARE(SEN)*				
Basic(Sen)	1.00	0.67	2.30	1.55
Diluted(Sen)	0.69	0.65	1.68	1.49

* 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 SEPTEMBER 2018

	(UNAUDITED) CURRENT YEAR 9 MONTHS ENDED 30 SEPTEMBER 2018 RM'000	(UNAUDITED) PRECEDING YEAR 9 MONTHS ENDED 30 SEPTEMBER 2017 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	35,084	30,706
Adjustments for:-		
Amortisation of government grant	(143)	(214)
Amortisation of intangible assets	478	636
Depreciation of property, plant and equipment	21,969	20,050
Property, plant and equipment written off	85	1
Dividend income	(313)	(692)
Employees' share option scheme	2,269	1,800
Loss on disposal of property, plant & equipment	415	710
Gain on disposal of unquoted investment	(44)	(14)
Gain on disposal of marketable securities	(33)	-
Interest expense	1,118	1,265
Interest income	(179)	(96)
Net fair value loss/(gain) on marketable securities	61	(63)
Inventories written down	3,703	1,760
Unrealised foreign exchange loss	1,753	567
Operating profit before working capital changes	66,223	56,416
Increase in inventories	(35,333)	(6,086)
(Increase)/Decrease in trade and other receivables	(2,489)	5,733
Increase in trade and other payables	26,850	578
CASH FROM OPERATIONS	55,251	56,641
Income tax paid	(5,250)	(1,958)
Interest paid	(1,118)	(1,265)
NET CASH FROM OPERATING ACTIVITIES	48,883	53,418
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	179	96
Dividend received	313	692
Purchase of marketable securities	-	(22)
Net (placement)/withdrawal of fixed deposits with maturity period more than three months	(364)	5,136
Placement of fixed deposit pledged with licensed banks	(10)	(9)
Proceeds from disposal of unquoted shares	285	94
Proceeds from disposal of marketable securities	480	-
Proceeds from disposal of property, plant & equipment	135	6,307
Purchase of property, plant and equipment	(41,223)	(41,614)
NET CASH FOR INVESTING ACTIVITIES	(40,205)	(29,320)
CASH FLOWS FOR FINANCING ACTIVITIES		
ICPS issuance expenses	(1,609)	-
Dividend paid to:		
-shareholders of the Company	(7,300)	(4,991)
-non-controlling interest of the Company	(875)	-
Net repayment of bankers' acceptances	(7,257)	(4,358)
Net drawdown/(repayment) of hire purchase	490	(152)
Net drawdown of term loans	8,417	12,084
Exercise of employees share option scheme	1,559	2,249
Net drawdown/(repayment) of revolving credits	1,000	(15,500)
NET CASH FOR FINANCING ACTIVITIES	(5,575)	(10,668)
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,103	13,430
CURRENCY TRANSLATION DIFFERENCES	1,442	(3,546)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	42,179	36,682
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	46,724	46,566

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

	←	Non-distributable					→				
	Share Capital RM'000	Share Premium RM'000	Irredeemable Convertible Preference Shares ("ICPS") RM'000	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	-	-	-	233	-	-	(2,098)	15,429	13,564	9,324	22,888
Contribution by and distribution to Owners of the Company:											
-ESOS vested	-	-	-	-	1,800	-	-	-	1,800	-	1,800
-Issuance of ordinary shares	2,249	-	-	-	-	-	-	-	2,249	-	2,249
-Dividend paid	-	-	-	-	-	-	-	(4,991)	(4,991)	-	(4,991)
Total transactions with owners	2,249	-	-	-	1,800	-	-	(4,991)	(942)	-	(942)
Transfer of ESOS Reserve for lapsed ESOS options	-	-	-	-	(81)	-	-	81	-	-	-
Transfer to share capital for ESOS options exercised	1,840	-	-	-	(1,840)	-	-	-	-	-	-
Transfer to share capital upon implementation of Companies Act 2016 ⁽¹⁾	5,873	(5,873)	-	-	-	-	-	-	-	-	-
Balance at 30 September 2017	<u>108,945</u>	<u>-</u>	<u>-</u>	<u>(2,246)</u>	<u>12,251</u>	<u>29,918</u>	<u>10,596</u>	<u>50,461</u>	<u>209,925</u>	<u>100,398</u>	<u>310,323</u>
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	-	-	-	(764)	-	-	(192)	23,635	22,679	4,399	27,078
Contribution by and distribution to Owners of the Company:											
-ESOS vested	-	-	-	-	2,269	-	-	-	2,269	-	2,269
-Issuance of ordinary shares	1,559	-	-	-	-	-	-	-	1,559	-	1,559
-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	19,907	-	256,865	-	2,269	-	-	(208,652)	70,389	(74,736)	(4,347)
Transfer of ESOS Reserve for lapsed ESOS options	-	-	-	-	(219)	-	-	219	-	-	-
Transfer to share capital for ESOS options exercised	1,193	-	-	-	(1,193)	-	-	-	-	-	-
ICPS issuance expenses	(1,609)	-	-	-	-	-	-	-	(1,609)	-	(1,609)
Balance at 30 September 2018	<u>129,841</u>	<u>-</u>	<u>256,865</u>	<u>(3,069)</u>	<u>13,306</u>	<u>29,918</u>	<u>11,194</u>	<u>(128,214)</u>	<u>309,841</u>	<u>28,443</u>	<u>338,284</u>

Note

⁽¹⁾ 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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