

D & O GREEN TECHNOLOGIES BERHAD (645371 - V)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	(UNAUDITED) AS AT 31 DECEMBER 2018 RM'000	(AUDITED) AS AT 31 DECEMBER 2017 RM'000
NON-CURRENT ASSETS		
PROPERTY, PLANT & EQUIPMENT	190,455	166,111
INVESTMENTS IN UNQUOTED SHARES	8,132	8,374
INVESTMENT IN QUOTED SHARES	19,376	16,056
INTANGIBLE ASSETS	10,008	2,383
GOODWILL	24,207	24,207
	<u>252,178</u>	<u>217,131</u>
CURRENT ASSETS		
INVENTORIES	150,091	113,331
TRADE RECEIVABLES	102,409	101,178
OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS	8,187	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)	1,684	1,286
- PLEDGED	459	446
CASH AND BANK BALANCES	46,875	35,634
	<u>310,907</u>	<u>266,198</u>
TOTAL ASSETS	<u>563,085</u>	<u>483,329</u>
EQUITY AND LIABILITIES		
EQUITY		
SHARE CAPITAL	163,572	110,350
IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES	230,015	-
RESERVES	(67,306)	108,100
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	<u>326,281</u>	<u>218,450</u>
NON-CONTROLLING INTERESTS	29,190	98,780
TOTAL EQUITY	<u>355,471</u>	<u>317,230</u>
NON-CURRENT LIABILITIES		
LONG-TERM BORROWINGS	11,761	11,027
DEFERRED TAXATION	12,438	10,203
	<u>24,199</u>	<u>21,230</u>
CURRENT LIABILITIES		
TRADE PAYABLES	125,157	91,990
OTHER PAYABLES AND ACCRUALS	21,272	24,392
DEFERRED INCOME	-	143
CURRENT TAX LIABILITIES	1,161	1,060
SHORT-TERM BORROWINGS	35,825	27,284
	<u>183,415</u>	<u>144,869</u>
TOTAL LIABILITIES	207,614	166,099
TOTAL EQUITY AND LIABILITIES	<u>563,085</u>	<u>483,329</u>
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (SEN)	31.35	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 31 DECEMBER 2018

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE PERIOD 12 MONTHS ENDED	
	(UNAUDITED) CURRENT YEAR QUARTER 31 DECEMBER 2018 RM'000	(UNAUDITED) CORRESPONDING QUARTER 31 DECEMBER 2017 RM'000	(UNAUDITED) CURRENT YEAR ENDED 31 DECEMBER 2018 RM'000	(AUDITED) CORRESPONDING YEAR ENDED 31 DECEMBER 2017 RM'000
CONTINUING OPERATIONS				
REVENUE	140,584	132,527	490,775	463,337
COST OF SALES	(98,804)	(97,895)	(351,791)	(345,727)
GROSS PROFIT	41,780	34,632	138,984	117,610
NET OTHER EXPENSE	(3,704)	(1,850)	(4,948)	(1,645)
DISTRIBUTION EXPENSES	(1,653)	(1,490)	(6,400)	(5,382)
ADMINISTRATIVE EXPENSES	(10,724)	(11,195)	(43,885)	(42,708)
RESEARCH AND DEVELOPMENT EXPENSES	(8,090)	(4,617)	(29,309)	(20,046)
RESULTS FROM OPERATING ACTIVITIES	17,609	15,480	54,442	47,829
FINANCE COSTS	(570)	(467)	(2,319)	(2,110)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	17,039	15,013	52,123	45,719
INCOME TAX EXPENSE	(3,185)	(3,437)	(9,921)	(9,464)
PROFIT AFTER TAX FROM CONTINUING OPERATIONS	13,854	11,576	42,202	36,255
OTHER COMPREHENSIVE EXPENSES, NET OF TAX	3,574	826	2,304	(965)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	17,428	12,402	44,506	35,290
PROFIT ATTRIBUTABLE TO:-				
OWNERS OF THE COMPANY	12,327	6,940	35,961	22,369
NON-CONTROLLING INTERESTS	1,527	4,636	6,241	13,886
PROFIT FOR THE PERIOD	13,854	11,576	42,202	36,255
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-				
OWNERS OF THE COMPANY	16,681	7,671	39,360	21,235
NON-CONTROLLING INTERESTS	747	4,731	5,146	14,055
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	17,428	12,402	44,506	35,290
EARNINGS PER SHARE(SEN)*				
Basic(Sen)	1.12	0.69	3.44	2.24
Diluted(Sen)	0.81	0.66	2.52	2.14

* 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 31 DECEMBER 2018

	(UNAUDITED) CURRENT YEAR 12 MONTHS ENDED 31 DECEMBER 2018 RM'000	(AUDITED) PRECEDING YEAR 12 MONTHS ENDED 31 DECEMBER 2017 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	52,123	45,719
Adjustments for:-		
Amortisation of government grant	(143)	(286)
Amortisation of intangible assets	532	848
Depreciation of property, plant and equipment	30,095	27,051
Property, plant and equipment written off	635	145
Dividend income	(313)	(697)
Employees' share option scheme	5,444	2,625
Loss on disposal of property, plant & equipment	415	695
Gain on disposal of unquoted investment	(44)	(14)
Gain on disposal of marketable securities	(33)	-
Government grant income	(3,105)	(2,048)
Interest expense	1,557	1,600
Interest income	(207)	(149)
Net fair value loss/(gain) on marketable securities	61	(63)
Inventories written down	5,614	3,306
Unrealised foreign exchange loss	593	2,701
Allowance for impairment losses on receivables	700	153
Reversal of impairment losses on trade receivables	(149)	(153)
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Operating profit before working capital changes	93,775	81,433
Increase in inventories	(42,375)	(20)
Increase in trade and other receivables	(1,790)	(10,471)
Increase in trade and other payables	26,849	456
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CASH FROM OPERATIONS	76,459	71,398
Income tax paid	(7,585)	(6,295)
Interest paid	(1,557)	(1,600)
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NET CASH FROM OPERATING ACTIVITIES	67,317	63,503
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	207	149
Dividend received	313	697
Purchase of marketable securities	-	(22)
Additional investments in an existing subsidiary	-	(7,140)
Acquisition of intangible assets	(8,157)	-
Net (placement)/withdrawal of fixed deposits with maturity period more than three months	(487)	5,015
Placement of fixed deposit pledged with licensed banks	(13)	(12)
Proceeds from disposal of unquoted shares	285	94
Proceeds from disposal of marketable securities	480	36
Proceeds from disposal of property, plant & equipment	135	6,696
Purchase of property, plant and equipment	(55,460)	(48,096)
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NET CASH FOR INVESTING ACTIVITIES	(62,697)	(42,583)
CASH FLOWS FOR FINANCING ACTIVITIES		
ICPS issuance expenses	(1,609)	-
Dividend paid to:		
-shareholders of the Company	(14,697)	(4,991)
-non-controlling interest of the Company	(1,751)	-
Net drawdown/(repayment) of bankers' acceptances	375	(3,810)
Net drawdown/(repayment) of hire purchase	436	(178)
Government grant received	3,105	2,048
Net drawdown of term loans	5,278	10,351
Exercise of employees share option scheme	5,540	3,071
Net drawdown/(repayment) of revolving credits	2,500	(15,500)
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NET CASH FOR FINANCING ACTIVITIES	(823)	(9,009)
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,797	11,911
CURRENCY TRANSLATION DIFFERENCES	2,101	(7,080)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	42,179	36,682
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	48,077	41,513

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D & O GREEN TECHNOLOGIES BERHAD (645371 - V)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 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	-	-	-	174	-	-	(1,308)	22,369	21,235	14,055	35,290
Contribution by and distribution to Owners of the Company:											
-ESOS vested	-	-	-	-	2,625	-	-	-	2,625	-	2,625
-Issuance of ordinary shares	3,071	-	-	-	-	-	-	-	3,071	-	3,071
-Dividend paid	-	-	-	-	-	-	-	(4,991)	(4,991)	-	(4,991)
-Changes in a subsidiary's ownership interests that do not result in a loss of control	-	-	-	-	-	-	-	(793)	(793)	(6,348)	(7,141)
Total transactions with owners	3,071	-	-	-	2,625	-	-	(5,784)	(88)	(6,348)	(6,436)
Transfer of ESOS Reserve for lapsed ESOS options	-	-	-	-	(124)	-	-	124	-	-	-
Transfer to share capital for ESOS options exercised	2,423	-	-	-	(2,423)	-	-	-	-	-	-
Transfer to share capital upon implementation of Companies Act 2016 ⁽¹⁾	5,873	(5,873)	-	-	-	-	-	-	-	-	-
Balance at 31 December 2017	110,350	-	-	(2,305)	12,450	29,918	11,386	56,651	218,450	98,781	317,231
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	-	-	-	79	-	-	3,320	35,961	39,360	5,146	44,506
Contribution by and distribution to Owners of the Company:											
-ESOS vested	-	-	-	-	5,444	-	-	-	5,444	-	5,444
-Issuance of ordinary shares	5,540	-	-	-	-	-	-	-	5,540	-	5,540
-Issuance of ICPS	-	-	275,213	-	-	-	-	-	275,213	-	275,213
-Conversion of ICPS	45,198	-	(45,198)	-	-	-	-	-	-	-	-
-Dividends:											
-by the Company	-	-	-	-	-	-	-	(14,697)	(14,697)	-	(14,697)
-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	50,738	-	230,015	-	5,444	-	-	(216,049)	70,148	(74,736)	(4,588)
Transfer of ESOS Reserve for lapsed ESOS options	-	-	-	-	(219)	-	-	219	-	-	-
Transfer to share capital for ESOS options exercised	4,093	-	-	-	(4,093)	-	-	-	-	-	-
ICPS issuance expenses	(1,609)	-	-	-	-	-	-	-	(1,609)	-	(1,609)
Balance at 31 December 2018	163,572	-	230,015	(2,226)	13,581	29,918	14,706	(123,285)	326,281	29,190	355,471

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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