

P.A. RESOURCES BERHAD (Company No. 664612-X)
(Incorporated in Malaysia)

P.A. RESOURCES BERHAD
UNAUDITED INTERIM FINANCIAL STATEMENT

FOR FINANCIAL PERIOD ENDED 31 DEC 2018

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DEC 2018**

(The figures have not been audited)

| | As at 31-Dec-18 (Unaudited) RM'000 | As at 30-Jun-18 (Audited) RM'000 |
|---|---|---|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 70,924 | 71,239 |
| Trade and loan receivables | 6,268 | 8,778 |
| | <u>77,192</u> | <u>80,017</u> |
| Current assets | | |
| Inventories | 9,444 | 15,103 |
| Trade receivables | 39,910 | 30,076 |
| Other receivables, deposits and prepayments | 4,206 | 2,051 |
| Assets held for sale | 660 | 660 |
| Tax refund receivables | 116 | 202 |
| Cash and bank balances | 1,260 | 1,623 |
| | <u>55,596</u> | <u>49,715</u> |
| Total assets | <u>132,788</u> | <u>129,732</u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the parent | | |
| Share capital | 127,433 | 119,933 |
| Reserves | (23,336) | (25,657) |
| | <u>104,097</u> | <u>94,276</u> |
| Non-controlling interest | (5,783) | (5,783) |
| Total equity | <u>98,314</u> | <u>88,493</u> |
| LIABILITIES | | |
| Non-current liabilities | | |
| Borrowings | 4,863 | 6,282 |
| Deferred taxation | - | - |
| | <u>4,863</u> | <u>6,282</u> |
| Current liabilities | | |
| Trade payables | 5,878 | 7,900 |
| Other payables and accruals | 4,361 | 5,646 |
| Borrowings | 19,372 | 21,394 |
| Current tax liabilities | - | 17 |
| | <u>29,611</u> | <u>34,957</u> |
| Total liabilities | <u>34,474</u> | <u>41,239</u> |
| Total equity and liabilities | <u>132,788</u> | <u>129,732</u> |
| Net assets per share attributable to equity holders of the Company (sen) | <u>5.97</u> | <u>6.32</u> |

The condensed consolidated Statement of Financial Position should be read in conjunction with the Audited financial statements for the financial period ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DEC 2018**

(The figures have not been audited)

| | Quarter | | Year-to-date | |
|--|-----------------------|------------------|-----------------------|------------------|
| | 3 months ended | | 6 months ended | |
| | 31-Dec-18 | 31-Dec-17 | 31-Dec-18 | 31-Dec-17 |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 43,933 | 21,297 | 87,935 | 50,192 |
| Cost of sales | (40,952) | (23,632) | (82,685) | (52,897) |
| Gross profit/(loss) | 2,981 | (2,335) | 5,250 | (2,705) |
| Other income | 46 | 143 | 79 | 336 |
| Other operating expenses | (299) | (2,259) | 410 | (3,161) |
| Distribution and administrative expenses | (1,245) | (1,373) | (2,430) | (2,662) |
| Operating profit / (loss) | 1,483 | (5,824) | 3,309 | (8,192) |
| Finance costs | (442) | (1,407) | (988) | (2,338) |
| Profit / (loss) before taxation | 1,041 | (7,231) | 2,321 | (10,530) |
| Tax expenses | - | - | - | - |
| Profit / (loss) for the period | 1,041 | (7,231) | 2,321 | (10,530) |
| Other comprehensive income | | | | |
| Deferred tax on revaluation surplus transferred | - | - | - | - |
| Total comprehensive profit / (loss) for the period | 1,041 | (7,231) | 2,321 | (10,530) |
| Profit / (loss) attributable to: | | | | |
| Owner of the Company | 1,041 | (7,231) | 2,321 | (10,530) |
| Non-controlling interest | - | - | - | - |
| | 1,041 | (7,231) | 2,321 | (10,530) |
| Total comprehensive profit / (loss) attributable to: | | | | |
| Owner of the Company | 1,041 | (7,231) | 2,321 | (10,530) |
| Non-controlling interest | - | - | - | - |
| | 1,041 | (7,231) | 2,321 | (10,530) |
| Net profit / (loss) per share for profit attributable to the owners of the Company: | | | | |
| Net profit / (loss) per share (sen) | 0.06 | (0.72) | 0.13 | (1.05) |

The condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DEC 2018**

(The figure have not been audited)

| | Attributable to equity holders of the Company | | | | | | Distributable Retained Earnings RM'000 | Total RM'000 | Non- controlling interests RM'000 | Total Equity RM'000 |
|---|---|----------------------------|-----------------------------------|----------------------------------|-------------------------------|------------------------------------|---|-----------------|--|------------------------|
| | Share Capital RM'000 | Share Premium RM'000 | Revaluation Reserves RM'000 | Translation Reserve RM'000 | Warrants Reserve RM'000 | Other Capital Reserve RM'000 | | | | |
| As at 1 July 2017 | 99,034 | - | 11,502 | - | - | 12,065 | (47,277) | 75,324 | (4,684) | 70,640 |
| Rights issue of 757,225,327 new ordinary shares of RM0.05 each | 20,899 | - | - | - | 16,962 | - | - | 37,861 | - | 37,861 |
| Total comprehensive loss for the year | - | - | - | - | - | - | (18,909) | (18,909) | (1,099) | (20,008) |
| Transfer to retained earnings | - | - | (110) | - | - | - | 110 | - | - | - |
| As at 30 June 2018 | 119,933 | - | 11,392 | - | 16,962 | 12,065 | (66,076) | 94,276 | (5,783) | 88,493 |
| As at 1 July 2018 | 119,933 | - | 11,392 | - | 16,962 | 12,065 | (66,076) | 94,276 | (5,783) | 88,493 |
| Private Placement of 166,666,500 new ordinary shares of RM0.045 | 7,500 | - | - | - | - | - | - | 7,500 | - | 7,500 |
| Total comprehensive profit for the year | - | - | - | - | - | - | 2,321 | 2,321 | - | 2,321 |
| As at 31 Dec 2018 | 127,433 | - | 11,392 | - | 16,962 | 12,065 | (63,755) | 104,097 | (5,783) | 98,314 |

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED 31 DEC 2018**

(The figures have not been audited)

| | 31-Dec-18 (Unaudited) RM'000 | 30-Jun-18 (Audited) RM'000 |
|---|--|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit/(Loss) before taxation | 2,321 | (19,927) |
| Adjustment for : | | |
| Allowance for impairment losses on : | | |
| - trade receivables | - | 3,325 |
| - contract assets | | 3,354 |
| Bad debts written off | - | 7 |
| Depreciation of property, plant and equipment | 3,402 | 6,769 |
| Deconsolidation of subsidiary | | - |
| Loss/(Gain) on disposal of plant and equipment | 151 | (42) |
| Unrealised loss on foreign exchange | 89 | 78 |
| Interest Expenses | 956 | 3,282 |
| Interest Income | (11) | (40) |
| Plant and equipment written off | - | 9 |
| Reversal of impairment losses on : | | |
| - trade receivables | | (390) |
| Operating profit/(loss) before working capital changes | 6,908 | (3,575) |
| Decrease/(Increase) in inventories | 5,659 | (5,236) |
| (Increase) in receivables | (9,480) | (831) |
| Increase/(Decrease) in payables | (3,309) | (4,926) |
| Cash generated from operations | (222) | (14,568) |
| Interest paid | (956) | (3,282) |
| Income tax paid | (24) | (149) |
| Income tax refundable | - | 811 |
| Net cash generated from operating activities | (1,202) | (17,188) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest received | 11 | 40 |
| Purchase of property, plant and equipment | (3,261) | (4,567) |
| Proceeds from disposal of property, plant and equipment | - | 42 |
| Net cash outflow from investing activities | (3,250) | (4,485) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| (Repayment of) / proceeds from finance lease payables | (220) | (133) |
| (Repayment of) / proceeds from trade bills payables | (133) | (14,637) |
| Repayment of Revolving credit | - | (2,000) |
| Repayment of term loans | (1,787) | (2,999) |
| Proceed from term loans | - | 10,308 |
| (Increase) / Decrease in fixed deposits pledged | (9) | 359 |
| Proceeds from private placement | 7,500 | |
| Proceeds from issuance of right issues | - | 37,861 |
| Net cash Inflow from financing activities | 5,351 | 28,759 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 899 | 7,086 |
| Effect of foreign exchange fluctuations | 29 | 29 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD | (6,336) | (13,451) |
| CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | (5,408) | (6,336) |
| ANALYSIS OF CASH AND CASH EQUIVALENTS | | |
| Bank overdrafts | (6,063) | (7,365) |
| Deposits, cash in hand and at banks | 657 | 1,029 |
| Fixed deposits with licensed banks | 603 | 594 |
| | (4,803) | (5,742) |
| Fixed deposits pledged | (603) | (594) |
| | (5,406) | (6,336) |

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE INTERIM FINANCIAL REPORT
(The figures have not been audited)

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

1. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial period ended 30 June 2018 which was prepared in accordance with Financial Reporting Standards (“FRS”).

2. SIGNIFICANT ACCOUNTING POLICIES

The Group has adopted the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act, 2016 in Malaysia for accounting period beginning 1 Jul 2018. As disclosed in the Group’s annual financial statements for the financial statements for the financial year ended 30 June 2018, the following are new/revised accounting standards effective for annual periods beginning on or after 1 July 2018 as follows:

| | |
|------------------------------------|---|
| MFRS 9 | Financial Instruments |
| MFRS 15 | Revenue from Contracts with Customers |
| Amendments to MFRS 2 | Classification and Measurement of Share-based Payment Transaction |
| Amendments to MFRS 4 | Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts |
| Amendments to MFRS 10 and MFRS 128 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture |
| Amendments to MFRS 15 | Effective Date of MFRS 15 |
| Amendments to MFRS 15 | Clarifications to MFRS 15 |
| Amendments to MFRS 140 | Transfers of Investment Property |
| IC Interpretation 22 | Foreign Currency Transaction and Advance Consideration |

The adoptions of these standards, amendments and interpretations have no material impact to these interim financial statements.

3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report for the audited financial statements of the Group for the financial period ended 30 June 2018 was not subject to any qualification.

4. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The business of the Group was not affected materially by any seasonally or cyclical factors for the financial quarter under review.

5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There are no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current financial quarter and financial period-to-date.

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6. CHANGES IN ESTIMATES

There were no material changes in the estimates used for the presentation of this interim financial statement.

7. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resales and repayments of debt and equity securities for the financial quarter ended 31 Dec 2018.

8. DIVIDENDS PAID

No dividend was paid during the current financial period.

9. SEGMENTAL INFORMATION

MFRS 8 requires separate reporting of segmental information for operating segments. Operating segments reflects the Group's management structure and the way financial information is regularly reviewed by the Group's chief operating decision maker, which is defined as the Executive Board.

The Group is focused in six areas of activity, extrusion and fabrication, aluminum billets and tolling, construction contract, renewable energy, money lending and others.

| <u>6 months</u> <u>period ended</u> <u>31.12.2018</u> | Extrusion and fabrication RM'000 | Aluminium billets and tolling RM'000 | Construction RM'000 | Renewable Energy RM'000 | Money Lending RM'000 | Others RM'000 | Total RM'000 |
|--|---|---|--------------------------------------|--|---|--------------------------------|-------------------------------|
| Revenue | | | | | | | |
| Total Sales | 101,701 | 66,303 | 293 | 183 | 265 | - | 168,745 |
| Inter-segment sales | (14,479) | (66,038) | (293) | - | - | - | (80,810) |
| External sales | 87,222 | 265 | (0) | 183 | 265 | - | 87,935 |
| Results | | | | | | | |
| Profit from operation | 2,873 | 701 | (30) | (151) | 150 | (234) | 3,309 |
| Finance costs | (394) | (591) | (0) | (3) | (0) | - | (988) |
| Taxation | - | - | - | - | - | - | - |
| Profit after taxation | | | | | | | 2,321 |

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9. SEGMENTAL INFORMATION (Cont'd)

| <u>6 months</u> <u>period ended</u> <u>31.12.2018</u> | Extrusion and fabrication RM'000 | Aluminium billets and tolling RM'000 | Construction RM'000 | Renewable Energy RM'000 | Money Lending RM'000 | Others RM'000 | Total RM'000 |
|--|---|---|--------------------------------------|--|---|--------------------------------|-------------------------------|
| Assets | | | | | | | |
| Segment assets | 110,379 | 68,022 | 1,773 | 6,929 | 9,664 | (63,979) | 132,788 |
| Liabilities | | | | | | | |
| Segment liabilities | (122,511) | (44,178) | (21,082) | (7,016) | (7,051) | 167,364 | (34,474) |
| Other information: | | | | | | | |
| Capital expenditure | 3,261 | - | - | - | - | - | 3,261 |
| Depreciation | 2,976 | 395 | 5 | 26 | 0 | - | 3,402 |
| Revenue | | | | | | | |
| <u>6 months</u> <u>period ended</u> <u>31.12.2017</u> | Extrusion and fabrication RM'000 | Aluminium billets and tolling RM'000 | Construction RM'000 | Renewable Energy RM'000 | Money Lending RM'000 | Others RM'000 | Total RM'000 |
| Revenue | | | | | | | |
| Total Sales | 65,275 | 45,788 | (2,922) | 786 | 291 | - | 109,218 |
| Inter-segment sales | (13,214) | (45,560) | (223) | (29) | - | - | (59,026) |
| External sales | 52,060 | 1228 | (3,145) | 757 | 291 | - | 50,192 |
| Results | | | | | | | |
| Profit from operation | (5,165) | 1,307 | (3,374) | (473) | 178 | (665) | (8,192) |
| Finance costs | (498) | (1,543) | (0) | (297) | (0) | - | (2,338) |
| Taxation | - | - | - | - | - | - | - |
| Profit after taxation | | | | | | | (10,530) |
| Assets | | | | | | | |
| Segment assets | 224,082 | 63,001 | 2,307 | 16,136 | 10,180 | (178,378) | 137,328 |
| Liabilities | | | | | | | |
| Segment liabilities | (224,102) | (39,507) | (21,294) | (14,406) | (8,127) | 268,080 | (39,356) |
| Assets | | | | | | | |

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9. SEGMENTAL INFORMATION (Cont'd)

| <u>6 months</u> <u>year ended</u> <u>31.12.2017</u> | Extrusion and fabrication | Aluminium billets and tolling | Construction contract | Renewable Energy | Money Lending | Others | Total |
|---|--|--|----------------------------------|-----------------------------|--------------------------|---------------|---------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |

Assets

Other information:

| | | | | | | | |
|---------------------|-------|-----|----|----|---|---|-------|
| Capital expenditure | 1,061 | 680 | - | - | - | - | 1,741 |
| Depreciation | 3,134 | 385 | 10 | 41 | - | - | 3,570 |

10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

In line with the Group's policy, the properties of the Group were revalued during the last financial year and the resultant revaluation surplus were credited to revaluation surplus in the financial period ended 30 June 2018.

11. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the current financial quarter.

12. CHANGES IN COMPOSITION OF THE GROUP

There was no change to the composition of the group during the quarter under review.

13. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no material changes in contingent liabilities or contingent assets since the last statement of financial position as at 30 June 2018.

14. CAPITAL COMMITMENTS

There was no material capital commitment for the quarter under review except as below: -

| | |
|---------------------------------|---------------|
| | RM'000 |
| Contracted but not provided for | 5,146 |
| Approved but not contracted for | 7,700 |
| | ----- |
| | 12,746 |
| | ===== |

PART B - NOTES PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

15. PERFORMANCE REVIEW

| | Year To Date 31-Dec Revenue | | Year To Date 31-Dec Operating Profit / (Loss) | |
|-------------------------------|-----------------------------------|---------------|---|----------------|
| | 2018 | 2017 | 2018 | 2017 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Extrusion and fabrication | 87,222 | 52,061 | 2,873 | (5,165) |
| Aluminium billets and tolling | 265 | 228 | 701 | 1,307 |
| Construction | - | (3,145) | (30) | (3,374) |
| Renewable energy | 183 | 757 | (151) | (473) |
| Money lending | 265 | 291 | 150 | 178 |
| Others | - | - | (234) | (665) |
| | <u>87,935</u> | <u>50,192</u> | <u>3,309</u> | <u>(8,192)</u> |

Extrusion and fabrication

Year to date turnover increased from RM52.1m to RM87.2m, a jump of 67%. In line with the increased turnover an operating profit of RM2.9m was recorded compared to a loss of RM5.1m previously. The better performance was due to benefits from the economy of scale with the higher turnover as well as improved production efficiency in the current year.

Aluminium billet and tolling

Total internal and external sales year to date was RM66.3m compared to RM45.8m previously. However operating profits was lower at RM0.7m compared to RM1.3m. The poorer performance was mainly due to higher production overheads and repair cost in this segment.

Construction

No turnover was recorded for this segment. The operating loss of RM0.03m was mainly administrative costs incurred in this segment

Renewable Energy

This segment only recorded a year to date turnover of RM0.2m compared to RM0.7m in the previous year. An operating loss of RM0.1m was recorded compared to RM0.5m. The lower losses was mainly due to reduction in overheads in this segment.

Money Lending

Year to date turnover and operating profits were consistent at RM0.3m and RM0.2m respectively compared to the previous year.

Others

This was mainly expenses incurred by the holding company.

16. QUARTERLY RESULTS COMPARISON

| | Quarter ended | | Quarter ended | |
|-------------------------------|---------------|---------------|---------------------------|--------------|
| | Revenue | | Operating Profit / (Loss) | |
| | 31-Dec-2018 | 30-Sep-2018 | 31-Dec-2018 | 30-Sep-2018 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Extrusion and fabrication | 43,640 | 43,582 | 1,324 | 1,549 |
| Aluminium billets and tolling | 154 | 111 | 313 | 388 |
| Construction | - | - | (26) | (4) |
| Renewable energy | 1 | 182 | (75) | (76) |
| Money lending | 138 | 128 | 90 | 60 |
| Others | - | - | (143) | (92) |
| | <u>43,933</u> | <u>44,003</u> | <u>1,483</u> | <u>1,825</u> |

Extrusion and fabrication

Turnover for the current quarter and the previous quarter was consistent at RM43.6m while operating profits was slightly lower at RM1.3m compared to RM1.5m. The lower profits were mainly due to higher utility cost and the effects of the stronger Malaysian ringgit against the US dollar.

Aluminium billet and tolling

Turnover for this segment is also consistent with the previous quarter, RM33.9m compared to RM32.1m. Operating profits was also consistent at RM0.3m compared to RM0.4m.

Construction

No turnover was recorded for this segment in this quarter.

Renewable Energy

No turnover was recorded for this segment in this quarter. Operating losses was the same for the current and previous quarters at RM0.1m

Money Lending

Turnover and operating profits were consistent for both quarters.

17. COMING QUARTER PROSPECTS

Extrusion and fabrication

The performance of this segment is expected to be maintained in the coming quarter and should improve in the later part of the year. Additional production lines and other capacity improvement work is ongoing currently. This should contribute significantly to our performance when completed in the next quarters.

Aluminium billet and tolling

Performance in this segment is expected to be consistent with the increase in the extrusion segment.

Construction

The management is very cautious in securing jobs in view of the current very competitive construction market.

Renewable Energy

Turnover is not expected to be high in this segment in light of the very competitive nature of this segment.

Money Lending

Performance is expected to be consistent in this segment.

18. PROFIT FORECAST OR PROFIT GUARANTEE

No profit forecast or profit guarantee has been issued by the Group.

19. RELATED PARTY TRANSACTIONS

- (i) There were no related party transactions entered into by the Company and/or its subsidiaries during the financial period to date.
- (ii) There were no transactions with the directors and key management personnel other than the remuneration package paid to them in accordance with the terms and conditions of their appointment.

20. TAXATION

| | Current Quarter 31-Dec-2018 RM'000 | Current Year To Date 3-Dec-2018 RM'000 |
|------------------------|---|---|
| Current period / year: | | |
| - current taxation | - | - |
| - deferred taxation | - | - |
| | <u> </u> | <u> </u> |
| | <u> </u> | <u> </u> |

The taxation of the Group and the Company, is determined by applying the Malaysian income tax rate @ 24% to profit before taxation as stipulated in paragraph 2A, schedule 1, part 1 of the Income tax Act, 1967.

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21. STATUS OF CORPORATE PROPOSALS

There were no outstanding corporate proposals in the quarter under review.

22. GROUP BORROWINGS

The Group's borrowings as at 31 Dec 2018 comprise the following: -

| | | RM'000 | RM'000 |
|-----|-------------------------------|---------------|----------------------|
| (a) | Current | | |
| | Bank Overdraft (Secured) | 6,063 | |
| | Trade bills payable (Secured) | 6,084 | |
| | Revolving credit (Secured) | 3,000 | |
| | Foreign Currency Trade Loan | - | |
| | Hire purchase liabilities | 448 | |
| | Term loans (Secured) | <u>3,777</u> | |
| | | | 19,372 |
| (b) | Non-current | | |
| | Term loans (Secured) | 4,197 | |
| | Hire purchase liabilities | <u>666</u> | |
| | | | <u>4,863</u> |
| | | | <u><u>24,235</u></u> |

The above banking facilities of the Group are secured by way of: -

- (a) The Group's freehold land and factory buildings;
- (b) The Group's leasehold land and building;
- (c) Fixed deposits of the Group;
- (d) Corporate guarantee(s) given by the Company; and
- (e) Joint and several guarantees by certain directors.

23. DIVIDEND

No dividend has been recommended for the current financial quarter.

24. EARNINGS PER SHARE

The basic earnings per share for the financial period has been calculated by dividing the net profit/loss after tax and non-controlling interest attributable to shareholders by the weighted average number of ordinary shares in issue during the period.

a. Basic earning per share

| | Quarter Ended | | Year To Date | |
|--|----------------------|--------------------|---------------------|--------------------|
| | 31-Dec-2018 | 31-Dec-2017 | 31-Dec-2018 | 31-Dec-2017 |
| Net profit / (loss) attributable to shareholders (RM'000) | 1,041 | (7,230) | 2,321 | (10,529) |
| Weighted average number of ordinary shares in issue ('000) | 1,744,852 | 1,000,031 | 1,744,852 | 1,000,031 |
| Net profit / (loss) per share (sen) | 0.06 | (0.72) | 0.13 | (1.05) |

b. Diluted earnings per share

There is no potential diluted earnings per share during the period.

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25. PROFIT / (LOSS) BEFORE TAXATION

| | Quarter Ended | | Year Ended | |
|---|---------------|--------|------------|--------|
| | 31-Dec | | 31-Dec | |
| | 2018 | 2017 | 2018 | 2017 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| This is stated after charging: - | | | | |
| Depreciation on property, plant & equipment | 1,698 | 1,782 | 3,402 | 3,570 |
| Foreign exchange losses / (gain) | | | | |
| - realized | (430) | 300 | (1,197) | 644 |
| - unrealized | 421 | 735 | 89 | 867 |
| Interest expense: | | | | |
| - term loans | 243 | 95 | 515 | 274 |
| - hire purchase | 20 | 4 | 42 | 8 |
| - bank overdrafts | 106 | 267 | 262 | 555 |
| - trade line facilities | 53 | 1,021 | 137 | 1,473 |
| - revolving credits | | | | |
| Amount paid/payable to a legal firm in which a director has an interest | | | | |
| - fees | 1 | | 1 | |
| - others | 0 | | 0 | |
| Loss/(gain) on disposal of plant and equipment | - | (7) | - | (7) |
| Provision for Doubtful Debt | - | - | - | - |
| Plant and equipment written off | - | - | - | - |
| And after crediting: - | | | | |
| - allowance for doubtful debt | - | - | - | - |
| - agency fee, net of foreign exchange effect | | | | |
| - miscellaneous | 40 | 135 | 68 | 324 |
| - interest income | 5 | 7 | 11 | 12 |

There was no gain or loss on disposal of quoted or unquoted investments or properties, impairment of assets, impairment of receivables, written down of inventories, gain or loss on derivatives and exceptional items for the current quarter under review and financial year-to-date ended 31 Dec 2018.

26. AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of directors in accordance with a resolution of the directors on 22nd Feb 2019.