

RAPID SYNERGY BERHAD
(Company No. 325935-U)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

Condensed Consolidated Statement of Financial Position

	UNAUDITED AS AT 31/12/2017 RM'000	AUDITED AS AT 31/12/2016 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	3,139	3,389
Investment properties	262,597	245,566
Prepaid lease payments	2,336	2,409
Other investments	10,881	8,455
Deferred tax assets	268	282
	<u>279,221</u>	<u>260,101</u>
Current Assets		
Inventories	631	896
Receivables, deposits and prepayment	7,724	5,274
Current tax assets	226	419
Cash & bank balances	6,373	3,697
	<u>14,954</u>	<u>10,286</u>
TOTAL ASSETS	<u>294,175</u>	<u>270,387</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	106,896	87,457
Reserves	34,629	29,234
Total equity	<u>141,525</u>	<u>116,691</u>
Non-current liabilities		
Loan and borrowings	117,883	106,502
Deferred income	1,016	1,071
Deferred tax liabilities	316	600
	<u>119,215</u>	<u>108,173</u>
Current liabilities		
Loan and borrowings	23,167	31,039
Payables and accruals	10,162	14,357
Provision for taxation	51	72
Deferred income	55	55
	<u>33,435</u>	<u>45,523</u>
Total liabilities	<u>152,650</u>	<u>153,696</u>
TOTAL EQUITY AND LIABILITIES	<u>294,175</u>	<u>270,387</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.32	1.33

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements).

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INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

The Board of directors is pleased to submit its quarterly report on the consolidated results of the group for the fourth quarter ended 31 December 2017. The figures have not been audited.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Individual Period (4th quarter)		Changes in Amount		Cumulative Period		Changes in Amount		Changes in %	
	Current Year Quarter	Preceding Year Corresponding Quarter			Current Year To- date	Preceding Year Corresponding Period				
	31/12/2017 RM'000	31/12/2016 RM'000	RM'000	RM'000	31/12/2017 RM'000	31/12/2016 RM'000	RM'000	RM'000		
Continuing Operations										
Revenue	8,619	5,570	3,049	55	31,430	25,165	6,265	25		
Cost of sales	(2,270)	(1,802)	(468)	(26)	(9,256)	(7,520)	(1,736)	(23)		
Gross profit	6,349	3,768	2,581	68	22,174	17,645	4,529	26		
Interest income	36	20	16	80	74	20	54	270		
Gain from disposal of investment properties	-	241	(241)	(100)	3,527	2,262	1,265	56		
Other income	438	288	150	52	516	1,302	(786)	(60)		
Administrative and Distribution expenses	(1,843)	(1,286)	(557)	(43)	(6,033)	(4,256)	(1,777)	(42)		
Depreciation of investment properties and PPE	(1,083)	(1,187)	104	9	(4,335)	(4,942)	607	12		
Other expenses	(500)	(129)	(371)	(288)	(2,189)	(2,099)	(90)	(4)		
Finance costs	(2,382)	(2,448)	66	3	(9,642)	(10,171)	529	5		
Profit/(Loss) before taxation	1,015	(733)	1,748	238	4,092	(239)	4,331	1,812		
Income tax expense	(75)	(155)	80	52	(1,152)	(1,324)	172	13		
Profit/(Loss) for the period	940	(888)	1,828	206	2,940	(1,563)	4,503	288		

Other comprehensive income, net of tax	2,455	1,639	816	50	2,455	1,639	816	50
- fair value of available-for-sale financial assets								
	3,395	751	2,644	352	5,395	76	5,319	6,999
Profit/(Loss) attributable to:								
- from continuing operations	940	(888)	1,828	206	2,940	(1,563)	4,503	288
- from discontinued operations	-	-	-	-	-	(79)	-	-
	940	(888)	1,828	206	2,940	(1,642)	4,582	279
Earning/(Loss) per share attributable to shareholders of the parent:								
- from continuing operations	0.88	(1.02)			2.92	(1.79)		
- from discontinued operations	-	-			-	(0.09)		
Basic earnings/(loss) per ordinary share (sen)	0.88	(1.02)			2.92	(1.88)		
- from continuing operations	0.88	(0.85)			2.92	(1.50)		
- from discontinued operations	-	-			-	(0.08)		
Diluted earnings/(loss) per ordinary share (sen)	0.88	(0.85)			2.92	(1.58)		

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statement for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements).

RAPID SYNERGY BERHAD
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INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

Condensed Consolidated Statement of Changes in Equity

	← Attributable to shareholders of the parent →				Total RM'000
	Share Capital RM'000	Share Premium RM'000	Fair Value Reserve RM'000	Retained Earnings RM'000	
At 1 January 2016	87,445	595	(171)	28,813	116,682
Fair value of available-for-sale financial assets	-	-	1,639	-	1,639
Loss for the period	-	-	-	(1,642)	(1,642)
Total comprehensive income for the period	-	-	1,639	(1,642)	(3)
Shares Issued pursuant to exercise of warrant at RM1.00 per share	12	-	-	-	12
At 31 December 2016	87,457	595	1,468	27,171	116,691
At 1 January 2017	87,457	595	1,468	27,171	116,691
Other comprehensive income	-	-	2,455	-	2,455
- fair value of available-for-sale financial assets	-	-	2,455	-	2,455
Profit for the period	-	-	-	2,940	2,940
Total comprehensive income for the period	-	-	2,455	2,940	5,395
Shares Issued pursuant to exercise of warrant at RM1.00 per share	19,439	-	-	-	19,439
At 31 December 2017	106,896	595	3,923	30,111	141,525

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements).

RAPID SYNERGY BERHAD
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INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

Condensed Consolidated Statement of Cash Flows

Note	12 months period ended 31 December	
	2017 RM'000	2016 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit/(loss) before tax		
- continuing operations	4,092	(239)
- discontinued operations	-	(79)
Adjustment for:-		
Depreciation and amortisation	4,335	4,942
Dividend received	(440)	(286)
Interest income	(74)	(20)
Interest expense	9,642	10,171
Unrealised loss/(gain) on foreign exchange	-	96
Impairment loss on:		
- other investments	28	261
- trade receivables, net	-	132
Reversal of impairment loss on other receivables	-	(919)
Gain from disposal of Investment properties	(3,527)	(2,262)
Operating profit before working capital changes	14,056	11,797
Decrease/(Increase) in:		
Inventories	265	(248)
Receivables	(2,450)	3,614

Increase/(Decrease) in:		
Deferred income	(55)	(56)
Payables	(4,195)	(456)
Cash generated from operating activities	<u>7,621</u>	<u>14,651</u>
Tax (paid)/refund	(2,229)	(1,461)
Net cash generated from operating activities	<u>5,392</u>	<u>13,190</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	74	20
Dividend received	440	286
Acquisition of:		
- property, plant and equipment	(261)	(5)
- investment properties	(23,164)	(2,020)
Proceeds from disposal of investment properties	6,886	4,367
Net cash (used in)/generated from investing activities	<u>(16,025)</u>	<u>2,648</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of finance lease liability	(289)	(280)
Interest paid	(9,642)	(10,171)
Redemption of term loan	(13,951)	-
Drawdown of term loan	37,740	4,312
Repayment of term loan	(12,504)	(12,022)
Proceeds from conversion of warrants to shares	19,439	12
Withdrawal/(Placement) of pledged deposit	(854)	(20)
Net cash generated from/(used in) financing activities	<u>19,939</u>	<u>(18,169)</u>
Net increase/(decrease) in cash and cash equivalents	<u>9,306</u>	<u>(2,331)</u>
Cash and cash equivalents at 1 January	<u>(15,430)</u>	<u>(13,099)</u>
Cash and cash equivalents at 31 December	<u>(6,124)</u>	<u>(15,430)</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements).

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(Company No. 325935-U)
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INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

Condensed Consolidated Statement of Cash Flows

	12 months period ended 31 December	
	2017	2016
	RM'000	RM'000
Net Cash Generated From Operating Activities	5,392	13,190
Net Cash (Used In)/Generated From Investing Activities	(16,025)	2,648
Net Cash Generated From/(Used In) Financing Activities	19,939	(18,169)
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>9,306</u>	<u>(2,331)</u>
CASH AND CASH EQUIVALENTS AT 1 JANUARY	<u>(15,430)</u>	<u>(13,099)</u>
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	<u>(6,124)</u>	<u>(15,430)</u>
Cash and Cash Equivalents at 31 December consist of:-		
Cash and bank balances	6,373	3,697
Bank overdrafts	(10,582)	(18,067)
Less: Deposit pledged to the financial institutions	(1,915)	(1,060)
	<u>(6,124)</u>	<u>(15,430)</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER IN RESPECT OF FINANCIAL YEAR ENDING 31 DECEMBER 2017 – UNAUDITED

Part A: Selected explanatory notes pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting

A1 Basis of preparation

These condensed consolidated interim financial reports, for the period ended 31 December 2017, have been prepared in accordance with MFRS 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”) 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 annual financial statement of the Group for the financial year ended 31 December 2016. The explanatory notes attached to the condensed consolidated 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 2016.

A2 Significant Accounting Policies

The significant accounting policies and methods of computation applied in the interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2016 except for the newly issued Malaysian Financial Reporting Standards (“MFRS”) and amendments to standards to be applied by all Entities Other Than Private Entities for the financial periods beginning on or after 1 January 2017:

- Amendments to MFRS 12 Disclosure of Interests in Other Entities (Annual Improvements to MFRS Standards 2014-2016 Cycle)
- Amendments to MFRS 107 Statement of Cash Flows - Disclosure Initiative
- Amendments to MFRS 112 Income Taxes - Recognition of Deferred Tax Assets for Unrealised losses

The following revised MFRSs and Amendments to MFRSs applicable to the Group have been issued by the MASB and are not yet effective for adoption by the Group.

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018

- MFRS 9 Financial Instruments (2014)
- MFRS 15 Revenue from Contracts with Customers
- Clarifications to MFRS 15 Revenue from Contracts with Customers

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- Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards
- Amendments to MFRS 2 Share-based Payment - Classification and Measurement of Share-based Payment Transactions
- Amendments to MFRS 128 Investments in Associates and Joint Ventures
- Amendments to MFRS 140 Investment Property - Transfers of Investment Property
- IC Interpretation 22 Foreign Currency Transactions and Advance Consideration

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019

- MFRS 16 Leases
- IC Interpretations 23 Uncertainty over Income Tax Treatments

MFRSs, Interpretations and amendments effective for a date yet to be confirmed

- Amendments to MFRS 10 Consolidated Financial Statements
- MFRS 128 Investment in Associates and Joint Ventures - Sale or Contribution by Assets between an Investor and its Associate or Joint Venture

The adoption of the above standards and amendments are not expected to have any material financial impact to the Group.

A3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the financial year ended 31 December 2016 was not qualified.

A4 Seasonal or cyclical factors

The Group's operations were not affected by any significant seasonal or cyclical factors in the current quarter.

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A5 Unusual items Due to Their Nature, Size or Incidence

Other than disclosed in the financial statements, there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the current fourth quarter ended 31 December 2017 in respect of financial year ending 31 December 2017 ("Q4 FY17").

A6 Change in Estimates

There were no significant changes in estimates of amounts reported in prior financial years which have a material effect in the current quarter ended 31 December 2017.

A7 Debts and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter and financial year-to-date.

A8 Dividend

There was no dividend payment made for the current quarter under review.

A9 Segmental Reporting

Segmental reporting by quarter and cumulative year-to-date basis is as tabulated.

3 Months ended Q4 FY17	Manufacturing RM'000		Investment Holding RM'000		Consolidated RM'000	
	2017	2016	2017	2016	2017	2016
Revenue	3,888	2,692	4,731	2,878	8,619	5,570
Results						
Segment results	764	531	2,633	1,184	3,397	1,715
Interest expense	(141)	(157)	(2,241)	(2,291)	(2,382)	(2,448)
					1,015	(733)

(Incorporated in Malaysia)

12 Months ended Q4 FY17	Manufacturing RM'000		Investment Holding RM'000		Consolidated RM'000	
	2017	2016	2017	2016	2017	2016
Revenue	14,660	10,060	16,770	15,105	31,430	25,165
Results						
Segment results	2,525	735	11,209	9,204	13,734	9,939
Interest expense	(546)	(672)	(9,096)	(9,506)	(9,642)	(10,178)
					4,092	(239)

A10 Valuations of property, plant and equipment

The valuations of property, plant and equipment have been brought forward without amendments from the audited financial statements for the financial year ended 31 December 2017.

A11 Material events subsequent to balance sheet date

There were no material events subsequent to the end of the period under review to 16 February 2018.

A12 Changes in the composition of the Group

There were no changes in the composition of the Group subsequent to the end of the period under review to 16 February 2018.

A13 Changes in contingent liabilities or contingent assets as at 31 December 2017

The contingent liabilities / assets as at 31 December 2017 is as tabulated:

Unsecured:	RM '000
Corporate guarantee issued to banks for credit facilities granted to subsidiary companies	125,340



(Incorporated in Malaysia)

A14 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation, amortisation and impairment losses.

A15 Capital commitments

There was no capital commitment during the current quarter ended 31 December 2017.

Part B: Additional information required under Part A of Appendix 9B of Main Market Listing Requirements of Bursa Malaysia Securities Berhad

B1 Group's Financial Performance Review and Segmental Analysis

(a) Overall review of Group's financial performance by quarter

Segment	3 months ended 31 December			
	Current year quarter 4Q FY17	Preceding year corresponding quarter 4Q FY16	Changes in amount RM'000	Changes in %
Manufacturing				
Revenue	3,888	2,692	1,196	44
Operating profit	623	374	249	67
Profit Before Interest and Tax	764	531	233	44
Profit Before Tax	623	374	249	67
Profit After taxation	516	145	371	256
Investment holding				
Revenue	4,731	2,878	1,853	64
Operating profit/(loss)	392	(1,107)	1,499	135
Profit Before Interest and Tax	2,633	1,184	1,449	122
Profit/(Loss) Before Tax	392	(1,107)	1,499	135
Profit/(Loss) After taxation	424	(1,033)	1,457	141
Total				
Revenue	8,619	5,570	3,049	55
Operating profit/(loss)	1,015	(733)	1,748	238
Profit Before Interest and Tax	3,397	1,715	1,682	98
Profit/(Loss) Before Tax	1,015	(733)	1,748	238
Profit/(Loss) After Tax	940	(888)	1828	206

(Incorporated in Malaysia)

(b) Overall review of Group's financial performance on a cumulative quarter basis

12 months ended 31 December

Segment	Current year quarter 4Q FY17	Preceding year corresponding quarter 4Q FY16	Changes in amount RM'000	Changes in %
Manufacturing				
Revenue	14,660	10,060	4,600	46
Operating profit	1,980	63	1,917	3,043
Profit Before Interest and Tax	2,526	736	1,790	243
Profit Before Tax	1,980	63	1,917	3,043
Profit/(Loss) After taxation	1,380	(381)	1,761	462
Investment holding				
Revenue	16,770	15,105	1,665	11
Operating profit/(loss)	2,112	(302)	2,415	800
Profit Before Interest and Tax	11,208	9,203	2,005	22
Profit/(Loss) Before Tax	2,112	(302)	2,414	800
Profit/(Loss) After taxation	1,560	(1,182)	2,742	232
Total				
Revenue	31,430	25,165	6,265	25
Operating profit/(loss)	4,092	(239)	4,331	1812
Profit Before Interest and Tax	13,734	9,939	3,785	38
Profit/(Loss) Before Tax	4,092	(239)	4,331	1812
Profit/(Loss) After taxation	2,940	(1,563)	4,503	288

(i) Statement of Profit or Loss and Other Comprehensive Income

During the current quarter the Group recorded revenue of RM8.62 million, an increase of RM3.05 million from RM5.57 million reported in the preceding year corresponding quarter with growth contributed by both operating divisions of manufacturing and investment holding. Group profit before tax ("PBT") was RM1.02 million compared to loss before tax ("LBT") of RM0.73 million reported for Q4 FY16. The improvement to the revenue and PBT for the current quarter was contributed by both divisions.

For the twelve months ended 31 December 2017, the Group recorded revenue of RM31.43 million and PBT of RM4.09 million against revenue of RM25.17 million and LBT of RM0.24 million for the corresponding period in FY16. The increase in revenue was mainly contributed by the manufacturing division arising from higher orders from existing customers whilst higher PBT was contributed by both operating divisions.

(Incorporated in Malaysia)

(ii) **Statement of Financial Position**

As at 31 December 2017, total equity attributable to owners of the Company increased to RM141.06 million from RM116.69 million as at FY16 mainly due to issuance of new ordinary shares arising from conversion of warrants, increase in retained earnings contributed by higher net profit and upward adjustment to the fair value of quoted shares which is currently suspended. Total borrowings of the Group increased to RM141.05 million against RM137.54 million as at FY16 mainly due to drawdown of term loan.

(iii) **Statement of Cash Flows**

The net operating cash generated from operations of the Group was RM5.39 million for the twelve months ended 31 December 2017 against RM13.19 million for the corresponding period in 2016. The reduction in cash generated from operating activities were due to full settlement of payables owing to a building contractor and increase in receivables.

The net cash used in investing activities increased to RM16.02 million against RM2.65 million generated during period ended 4Q FY16. Net cash generated from financing activities increased to RM19.94 million against RM18.17 million net cash used during the corresponding period in 2016. On overall, cash and cash equivalents increased by RM9.31 million as compared with opening cash and cash equivalents as at 1 January 2017.

(c) **Segmental Analysis**

(i) **Current quarter compared with previous corresponding quarter**

During the current quarter the Group recorded revenue of RM8.62 million and PBT of RM1.02 million.

The manufacturing division recorded a revenue and PBT of RM3.89 million and RM0.62 million compared with RM2.69 million and RM0.37 million respectively in the preceding year corresponding quarter. The overall improvement in performance of the division is attributed to higher orders received from existing customers.

The investment holding division recorded a revenue of RM4.73 million for the current quarter, an increase of RM1.85 million from RM2.88 million in the preceding year corresponding quarter. The increase in revenue was mainly due to procurement of new tenants for existing investment properties. The investment holding division recorded a PBT of RM0.39 million, a multifold increase from a LBT position of RM1.11 million in the preceding year corresponding quarter. The improvement was mainly due to increase in rental received from existing properties.

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- (ii) Current twelve (12) months financial period compared with previous corresponding financial period

The Group recorded revenue of RM31.43 million as compared to RM25.17 million in the previous corresponding period. The Group PBT for the current twelve months was RM4.09 million as compared to LBT of RM0.24 million recorded in the previous corresponding period. The performance of the Group is explained in the respective operating segments as follows.

The manufacturing division recorded a revenue of RM14.66 million compared with RM10.06 million achieved in the previous year corresponding period. The PBT was RM1.98 million, about RM1.92 million higher than RM0.06 million reported for the previous year corresponding period. The overall improvement in performance of the manufacturing division was attributed to higher orders received from existing customers.

The investment holding division recorded a revenue and PBT of RM16.77 million and RM2.11 million respectively. The revenue increased by RM1.7 million as compared with previous year corresponding period. The PBT grew by RM2.41 million as compared to LBT of RM0.30 million recorded in the previous year corresponding period. The improvement to the revenue is mainly due to increase in rental received and higher PBT was mainly due to gain from disposal of investment properties.

B2 Financial review for current quarter compared with immediate preceding quarter

The Group posted revenue of RM8.62 million in respect of the current financial quarter, a decrease of RM0.45 million from RM9.07 million as recorded in the immediate preceding quarter. The Group PBT increase to RM1.02 million as compared to RM0.45 million reported in the immediate preceding quarter. The contributory factors to the above performance are explained in the respective business segments as follows:

	Current Quarter ended 31.12.2017 RM'000	Immediate Preceding Quarter ended 30.09.2017 RM'000	Changes in amount RM'000	Changes in %
Manufacturing				
Revenue	3,888	4,747	(859)	(18)
Operating Profit	623	824	(201)	(24)
Profit before Interest and Tax	764	978	(214)	(22)
Profit before Tax	623	824	(201)	(24)
Profit after Tax	516	619	(103)	(17)

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The main revenue stream for the Group is from the investment holding division which is derived through rental income from investment properties.

The retail business in Malaysia remains tough due to unfavorable global economic conditions, inflationary impact from general increase in cost of living which has reduced the purchasing powers tremendously coupled with depreciation of the Malaysian Ringgit. The continued dismal outlook will be a challenge to the investment holding division to maintain its tenancies.

B4 Profit forecast

This was not applicable as no profit forecast was published.

B5 Profit/(Loss) before taxation

Profit/(Loss) before taxation is arrived at after crediting/ (charging) the following income/ (expenses):

	3 months ended		12 months ended	
	31.12.2017 RM'000	31.12.2016 RM'000	31.12.2017 RM'000	31.12.2016 RM'000
(a) Gain on disposal of investment properties	-	241	3,527	2,262
(b) Interest expense	(2,382)	(2,448)	(9,642)	(10,178)
(c) Interest income	36	20	74	20
(d) Allowance for write (down)/back of inventories	(75)	10	(300)	(11)
(e) Gain/(loss) on foreign exchange				
– realised	(54)	46	(5)	164
– unrealised	(31)	87	14	-
(f) Depreciation and amortisation	(1,083)	(1,187)	(4,335)	(4,942)
(g) Impairment of other investment	(28)	(261)	(28)	(261)

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	Current Quarter ended 31.12.2017 RM'000	Immediate Preceding Quarter ended 30.09.2017 RM'000	Changes in amount RM'000	Changes in %
Investment holding				
Revenue	4,731	4,323	408	9
Operating Profit/(Loss)	392	(375)	767	205
Profit before Interest and Tax	2,633	1,870	763	41
Profit/(Loss) before Tax	392	(375)	767	205
Profit/(Loss) after Tax	424	(421)	845	201
Total				
Revenue	8,619	9,070	(451)	(5)
Operating Profit	1,015	449	566	126
Profit before Interest and Tax	3,397	2,848	549	19
Profit before Tax	1,015	449	566	126
Profit after Tax	940	198	742	375

- (a) The manufacturing division recorded revenue of RM3.89 million and PBT of RM0.62 million in the current quarter compared to RM4.75 million and RM0.82 million in the immediate preceding quarter respectively. The lower revenue and corresponding PBT in the quarter under review was mainly due to longer lead time and recognition of revenue was carried forward to the new financial year 2018.
- (b) The investment holding division reported revenue of RM4.73 million in the current quarter, an increase of RM0.41 million from RM4.32 million in the immediate preceding quarter. The increase in revenue was mainly due to procurement of new tenants for existing and new investment properties. This division reported PBT of RM0.39 million for the current quarter as compared to LBT of RM0.38 million recorded in the immediate preceding quarter. The PBT recorded in the current quarter was mainly due to increase in rental received from tenants for existing and new investment properties.

B3 Prospects for FY2018

The manufacturing division's performance is still very much dependent on continued orders from existing customers and are expected to contribute positively for the current financial year in line with improvements seen in the semiconductor industry.

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B6 Tax expense

	3 months ended		12 months ended	
	31.12.2017 RM'000	31.12.2016 RM'000	31.12.2017 RM'000	31.12.2016 RM'000
Income tax expense				
- Current	712	539	1,789	1,708
- Prior year	(352)	3	(352)	55
Deferred tax expense				
-Current	(44)	(387)	(44)	(439)
-Prior Year	(241)	-	(241)	-
	75	155	1,152	1,324

The effective tax rate for the current quarter is higher than the statutory tax rate mainly due to certain expenses which are not tax deductible.

B7 Gain/(losses) on sale of unquoted investments and/or properties

There were no gain or loss on sale of unquoted investment and/or properties in the current quarter ended 31 December 2017.

B8 Marketable securities

There were no purchase or disposal of quoted securities during the current quarter ended 31 December 2017.

B9 Status of corporate proposals

There were no corporate proposals for the current quarter ended 31 December 2017.

B10 Borrowing and debts securities

All borrowings of the Group are denominated in Ringgit Malaysia.

	As at 31.12.2017 (RM'000)		
	Long Term	Short Term	Total Borrowings
Bank Overdraft	-	10,581	10,581
Bank Loan	117,591	12,543	130,134
Finance Lease Liability	292	43	335
Total	117,883	23,167	141,050

(Incorporated in Malaysia)

	As at 31.12.2016 (RM'000)		
	Long Term	Short Term	Total Borrowings
Bank Overdraft	-	18,067	18,067
Bank Loan	106,134	12,672	118,806
Finance Lease Liability	368	300	668
Total	106,502	31,039	137,541

B11 Off balance sheet financial instruments

The Group does not have any financial instruments with off-balance sheet risk as at 16 February 2018.

B12 Changes in material litigation

There was no material litigation during the current quarter and period ended 31 December 2017.

B13 Dividends

No dividend has been recommended for the quarter under review.

B14 Basis of calculation of earnings per share

The basic earnings per share for the current quarter and cumulative year to date are computed as follows:

	3 months ended		12 months ended	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Net profit for the period attributable to owners of the Company (RM'000)	940	(888)	2,940	(1,563)
Weighted average number of ordinary shares in issue	106,896,506	104,217,136	106,896,506	104,225,141
Basic earnings/(loss) per share (sen)	0.88	(0.85)	2.92	(1.58)

