Condensed Consolidated Statement Of Financial Position
As at 31 December 2018

Central Industrial Corporation Berhad
Consolidated Statement Of Financial Position As At 31 December 2018

	31 December 2018 Unaudited RM'000	31 December 2017 Audited RM'000
Assets		
Property, plant & equipment	15,028	13,010
Prepaid lease payments	1,429	1,475
Investment properties	1,012	1,044
Investment in Associate	-	1,399
Deferred Tax Assets	64	2,275
Goodwill	22	-
Retention	2,625	-
Total non-current assets	20,180	19,203
Inventories	19,585	15,498
Trade & other receivables	32,784	11,313
Deposit, cash & bank balances	8,199	12,493
Total current assets	60,568	39,304
Total Assets	**80,748**	**58,507**
Equity		
Share capital	51,407	51,407
Reserves	276	277
Retained earnings	(3,107)	1,375
Total equity attributable to owners of the Company	48,576	53,059
Non-controlling interests	3,546	-
Total equity	**52,122**	**53,059**
Liabilities		
Employee benefits	1,717	1,715
Retention	962	-
Deferred tax Liabilities	910	-
Total non-current liabilities	**3,589**	**1,715**
Trade & other payables	25,037	3,733
Total current liabilities	25,037	3,733
Total liabilities	28,626	5,448
Total Equity and Liabilities	**80,748**	**58,507**
Net assets per ordinary share (RM)	**0.58**	**1.06**

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2017 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement Of Profit Or Loss And Other Comprehensive Income
For Twelve Months Ended 31 December 2018

	Current quarter Three months ended 31 December		Cumulative quarteer Twelve months ended 31 December	
	2018	2017	2018	2017
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue	21,077	13,550	83,577	62,658
Cost of sales	(18,983)	(11,708)	(74,785)	(53,381)
Gross profit	2,094	1,842	8,792	9,277
Other operating income	1,002	90	1,181	830
Selling and distribution expenses	(854)	(683)	(3,669)	(3,489)
Administrative expenses	(2,134)	(1,313)	(6,576)	(4,709)
Other operating expenses	(123)	(110)	(530)	(894)
Profit from operating activities	(15)	(174)	(802)	1,015
Finance costs	-	-	-	-
Finance income	44	77	296	150
Share of net profit of associated company	-	(48)	165	98
Loss on previously held interest in associated company	-	-	(628)	-
Net finance costs	44	29	(167)	248
Profit before tax	29	(145)	(969)	1,263
Tax expense	(3,048)	2,237	(2,837)	2,235
Profit for the period	(3,019)	2,092	(3,806)	3,498
Other comprehensive income/(expense) , net of tax				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	3	(28)	(1)	(23)
Remeasurement of defined benefit liability	-	-	-	-
Other comprehensive income/(expense) for the perioc	3	(28)	(1)	(23)
Total comprehensive income for the period/year	(3,016)	2,064	(3,807)	3,475
Profit attributable to :				
Owners of the Company	(3,143)	2,092	(3,607)	3,498
Non-controlling interests	124	-	(199)	-
Profit for the period	(3,019)	2,092	(3,806)	3,498

Total comprehensive income attributable to :				
Owners of the Company	(3,140)	2,064	(3,608)	3,475
Non-controlling interests	124	-	(199)	-
Total comprehensive income for the period	(3,016)	2,064	(3,807)	3,475
Basic profit per ordinary share (sen)	(3.49)	4.18	(5.87)	7.17
Diluted profit per ordinary share (sen)	(3.49)	4.18	(5.87)	7.17

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2017 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement Of Changes In Equity
For the Twelve Months ended 31 December 2018 – *Unaudited*

	/------------- Attributable to owners of the Company ------------/					
	/ ---------------- Non- distributable ----------------/			Distributable		
	Share Capital RM'000	Share Premium RM'000	Translation Reserve RM'000	Retained Earnings RM'000	Non-controlling Interest RM'000	Total Equity RM'000
At 1 January 2018	51,407	0	277	1,375	-	53,059
Foreign currency translation differences for foreign operations	-	-	(1)	-		(1)
Total other comprehensive income for the period	-	-	(1)	-		(1)
Profit for the period	-	-	-	(3,607)	(199)	(3,806)
Total comprehensive income for the period	-	-	(1)	(3,607)	(199)	(3,807)
Total transactions with owners of the Company						
Contributions by and distributions to owners of the Company						
- Dividend paid for FY2017	-	-	-	(875)		(875)
- Acquisition of new subsidiary					3,745	3,745
At 31 December 2018	**51,407**	**-**	**276**	**(3,107)**	**3,546**	**52,122**

Condensed Consolidated Statement Of Changes In Equity
For Twelve Months ended 31 December 2017 – *Unaudited*

	/------------- Attributable to owners of the Company ------------/					
	/ ---------------- Non- distributable ----------------/			Distributable		
	Share Capital RM'000	Share Premium RM'000	Translation Reserve RM'000	Retained Earnings RM'000	Non-controlling Interest RM'000	Total Equity RM'000
At 1 January 2017	45,780	1,407	300	(2,122)	-	45,365
Foreign currency translation differences for foreign operations	-	-	(23)	-		(23)
Total other comprehensive income for the period	-	-	(23)	-		(23)
Profit for the period	-	-	-	3,497		3,497
Total comprehensive income for the period	-	-	(23)	3,497	-	3,474
Total transactions with owners of the Company						
Contributions by and distributions to owners of the Company						
- Issue of ordinary shares	4,220	-	-	-		4,220
Total transactions with owners of the Company						
At 31 December 2017	**50,000**	**1,407**	**277**	**1,375**	**-**	**53,059**

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2017 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement Of Cash Flows
For The Twelve Months Ended 31 December 2018

	Twelve months ended 31 December 2018 Unaudited RM'000	31 December 2017 Unaudited RM'000
Cash flows from operating activities		
Profit before tax from - continuing operations	(969)	1,263
Adjustment for :-		
Amortisation of prepaid lease payments	48	46
Depreciation of property, plant and equipment	2,533	1,768
Depreciation of investment properties	28	27
Finance income	(296)	(150)
Property, plant & equipment written off	-	7
Loss/(Gain) on disposal of property, plant and equipment	1	(102)
Provision for retirement benefits	37	174
Loss on previously held interest in PBSB	628	-
Share of net profit of associated company	(165)	(98)
Operating profit / (loss) before changes in working capital	1,845	2,935
Change in inventories	(4,084)	(1,080)
Change in trade and other receivables	(7,017)	156
Change in trade and other payables	2,461	(1,860)
Cash (used in) / generated from operations	(6,795)	151
Income tax (paid) / refund	(427)	(40)
Retirement benefit paid	(34)	(118)
Net cash flow (used in) / from operating activities	(7,256)	(7)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(202)	(1,122)
Interest received	296	150
Investment in associated company	(2,984)	(1,300)
Proceeds from disposal of property, plant and equipment	-	102
Net cash flow from / (used in) investing activities	(2,890)	(2,170)
Cash flows from financing activities		
Dividend paid to the owners of the Company	(875)	-
Proceeds from issuance of share capital	-	4,220
Net cash flow from / (used in) financing activities	(875)	4,220

Net increase / (decrease) in cash & cash equivalents	(11,021)	2,043
Effect of exchange rate fluctuations on cash held	2	(16)
Effect of acquisition of new subsidiary	6,725	-
Cash and cash equivalents at 1 January	12,493	10,466
Cash and cash equivalents at 31 December	8,199	12,493

Cash and cash equivalents

Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise:

	Twelve months ended	
		31 December
	2018	**2017**
	RM'000	**RM'000**
Fixed deposits placed with a licensed bank	4,632	9,099
Short term deposit	-	472
Cash and bank balances	3,567	2,922
	8,199	12,493

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2017 and the accompanying explanatory notes attached to the interim financial statements.

Notes to the condensed consolidated interim financial statements for the twelve months ended 31 December 2018

1. *Basis of Preparation*

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and Malaysia Financial Reporting Standards (MFRS) 134, *Interim Financial Reporting* in Malaysia and also comply with IAS 34, *Interim Financial Reporting* issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements of the Company and its subsidiaries ("Group") for the year ended 31 December 2016. The explanatory notes attached to these 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.

2. *Significant Accounting Policies*

The accounting principles and policies adopted in preparing these interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2016.

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted 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
- IC Interpretation 22, Foreign Currency Transactions and Advance Consideration
- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2014-2016 Cycle)
- Amendments to MFRS 2, Share-based Payment - Classification and Measurement of Share-based Payment Transactions
- Amendments to MFRS 4, Insurance Contracts - Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts
- Amendments to MFRS 128, Investments in Associates and Joint Ventures (Annual Improvements to MFRS Standards 2014-2016 Cycle)
- Amendments to MFRS 140, Investment Property - Transfers of Investment Property

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

- MFRS 16, Leases
- IC Interpretation 23, Uncertainty over Income Tax Treatments
- Amendments to MFRS 3, Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)

- Amendments to MFRS 9, Financial Instruments – Prepayment Features with Negative Compensation
- Amendments to MFRS 11, Joint Arrangements (Annual Improvements to MFRS Standards 2015-2017 Cycle)##
- Amendments to MFRS 112, Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)
- Amendments to MFRS 119, Employee Benefits – Plan Amendment, Curtailment or Settlement
- Amendments to MFRS 123, Borrowing Costs (Annual Improvements to MFRS Standards 2015-2017 Cycle)
- Amendments to MFRS 128, Investments in Associates and Joint Ventures – Long-term Interests in Associates and Joint Ventures

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- MFRS 17, Insurance Contracts

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

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

The Group and the Company plan to apply the abovementioned accounting standards, amendments and interpretations in the respective financial years when the abovementioned accounting standards, amendments and interpretations become effective.

The initial application of the abovementioned accounting standards, amendments or interpretations are not expected to have any material financial impacts to the Group and the Company except as mentioned below:

(i) MFRS 15, *Revenue from Contracts with Customers*

MFRS 15 replaces the guidance in MFRS 111, Construction Contracts, MFRS 118, Revenue, IC Interpretation 13, Customer Loyalty Programs, IC Interpretation 15, Agreements for Construction of Real Estate, IC Interpretation 18, Transfers of Assets from Customers and IC Interpretation 131, Revenue – Barter Transactions Involving Advertising Services.

The Group and the Company have assessed the estimated impact that the initial application of MFRS 15 will have on their financial statements as at 1 January 2018. Based on the assessment, the Group and the Company do not expect the application of MFRS 15 to have a significant impact on their financial statements.

(ii) MFRS 9, *Financial Instruments*

MFRS 9 replaces the guidance in MFRS 139, Financial Instruments: Recognition and Measurement on the classification and measurement of financial assets.

MFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics. MFRS 9 also introduces a new impairment model with a forward-looking expected credit loss (ECL) model.

The Group and the Company have assessed the estimated impact that the initial application of MFRS 9 will have on their financial statements as at 1 January 2018. Based on the assessment, the Group and the Company do not expect the application of MFRS 9 to have a significant impact on their financial statements.

(iii) MFRS 16, *Leases*

MFRS 16 replaces the guidance in MFRS 117, Leases, IC Interpretation 4, determining whether an Arrangement contains a Lease, IC Interpretation 115, Operating Leases – Incentives and IC Interpretation 127, evaluating the Substance of Transactions Involving the Legal Form of a Lease.

MFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligations to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard which continues to be classified as finance or operating lease.

The Group and the Company will assess the financial impact that may arise from the adoption of MFRS 16.

3. ***Auditors' Report***

The auditor's report of the preceding annual financial statements is not subject to any qualification.

4. ***Changes in the Composition of the Group***

There were no changes in the composition of the Group for the current quarter under review.

5. ***Seasonal or Cyclical Factors***

The Group's performance is not materially affected by any seasonal or cyclical factors.

6. ***Debts and Equity Securities***

There were no issuances, cancellation, repurchases, resale or repayments of debt or equity securities for the current quarter under review.

7 ***Profit Forecast or Profit Guarantee***

The Group did not issue any profit forecast or profit guarantee during the current quarter under review.

8. ***Unquoted Investments and Properties***

There were no purchases or sales of unquoted investments and properties in the current quarter under review.

9. ***Quoted Securities***

There were no purchases or sales of quoted securities during the current quarter under review.

10. ***Changes in Estimates***

There were no changes in estimates that have a material effect in the current interim results.

11. ***Exceptional or unusual items***

There were no exceptional or unusual items for the Group in the current quarter under review.

12. ***Corporate Proposals***

During the quarter under review, Central Industrial Corporation Bhd (CICB) has proposed on internal reorganization by way of a members' scheme of arrangement.

In conjunction with the Proposed Internal Reorganization, CICB had, on 30 October 2018, entered into a conditional scheme agreement with Central Global Berhad (CGB) for the purpose of the implementation of the Proposed Internal Reorganization.

13. ***Material Litigation***

The Group has not engaged in any litigation which has a material effect on the financial position of the Group for the quarter under review.

14. ***Valuations of Property, Plant & Equipment***

There were no valuations of property, plant and equipment during the current quarter under review.

15. ***Dividends Paid***

There was no dividend paid during the quarter under review. During the financial year, a single-tier dividend of 1.75 sen per ordinary share in respect of Financial Year 2017 was paid on 27 August 2018 which amounted to RM875,144.

16. ***Segmental Reporting***

The Group's primary business segment is principally engaged in the manufacture and sale of self-adhesive tapes of its own brand, labels stocks and trading of other self-adhesive label stocks and tapes.

The Group has diversified into construction and construction related activities with the completion of the Company's shares subscription in Proventus Bina Sdn Bhd in June 2018. Segmental reporting for the Group by geographical segment for the current quarter ended 31 December 2018 are stated as follows:-

	Current quarter Three months ended		Cumulative quarter Twelve months ended	
		31 Dec		31 Dec
	2018	2017	2018	2017
Segment Revenue - Unaudited	RM'000	RM'000	RM'000	RM'000
- Malaysia	17,830	9,055	64,301	37,443
- Oversea	4,277	5,326	23,372	28,607
Elimination of inter segment revenue	(1,030)	(831)	(4,096)	(3,392)
Total Segment Revenue	21,077	13,550	83,577	62,658

	Current quarter Three months ended		Cumulative quarter Twelve months ended	
		31 Dec		31 Dec
	2018	2017	2018	2017
Segment Results	RM'000	RM'000	RM'000	RM'000
- Malaysia	241	(21)	(35)	852
- Oversea	(256)	(152)	(767)	163
Total Segment Results	(15)	(173)	(802)	1,015
Finance Cost	-	-	-	-
Finance Income	44	77	296	150
Share of Net Profit of Associated Company	-	(49)	165	98
Loss on previously held interest in associated company	-	-	(628)	-
Profit Before Tax	29	(145)	(969)	1,263

17. *Contingent Liabilities or Contingent Assets*

The contingent liabilities of the Group is RM4.0 Million. This is in relation to Corporate Guarantee issued to Aspen Vision Construction Sdn Bhd for Tri-Pinnacle project in Penang.

18. *Capital Commitments*

The amount of capital commitments for the purchase of properties, plant & equipment not provided for in the interim financial statements are as follow:

	Quarter ended 31 December 2018	Quarter ended 31 December 2017
Amount approved but not contracted for	RM'000	RM'000
- Property, plant & equipment	99	30

19. ***Subsequent Events***

There were no subsequent events up to the date of this interim report that have not been reflected in these interim financial statements.

20. ***Review of Performance***

The Group recorded revenue of RM21.077 million and Profit Before Tax of RM0.029 Million in the quarter under review as compared to revenue of RM13.550 Million and Loss Before Tax of RM0.145 million recorded in the corresponding quarter last year.

The higher revenue registered by the Group was mainly due to contribution from its construction subsidiary, Proventus Bina Sdn Bhd ("PBSB") which recorded revenue of RM8.909 million in the quarter under review.

21. ***Material Changes in results with immediate preceding quarter***

The comparison of the Group's revenue and Profit Before Tax for the current quarter and preceding quarter are summarized as follows:-

	Quarter ended 31 Dec 2018 RM'000	Quarter ended 30 Sep 2018 RM'000	Variance RM'000	%
Revenue	21,077	34,612	(13,535)	(39.1%)
Profit / (Loss) before tax	29	(71)	100	140.8%

The Group's revenue decreased by 39.1% from RM34.612 million in the immediate preceding quarter to RM21.077 million in the current quarter under review. The lower revenue registered by the Group was mainly due to drop in revenue from its construction subsidiary from RM17.437 million to RM8.909 million. Revenue from construction sector has reduced due to completion of Tri-Pinnacle project in Tanjung Tokong, Penang.

The Group recorded Profit Before Tax of RM0.029 million in the current quarter compared to Loss Before Tax of RM0.071 million in the preceding quarter. Profit before Tax was attributed mainly from partial insurance claims by PBSB amounting to RM0.685 million due to fire incident at the Tri Pinnacle project.

22. *Commentary of Prospects*

a. Manufacturing

The outlook for the 1st quarter 2019, remain uncertain with a soft domestic market, weighed down by post-election issues and exposure to global uncertainties on the external front including rising trade tensions between China and the USA. Overall, the manufacturing index for Malaysia has contracted consecutively for past 4 months since September 2018 with no visible signs of thawing out.

The 1st quarter of 2019 is also traditionally, a soft quarter as the major festive holiday of Chinese New Year and the short working month for February impacting both productivity and economic activities.

While the domestic segment, being more resilient and forecast to at least maintain its sales performance, the challenge is to seek out new opportunities for its portfolio of products to raise the performance bar given the domestic market sluggish outlook. The Company's efforts will intensify efforts to seek out immediate sales opportunities for labels stocks and tapes to drive revenue and volume improvements in the 1st quarter

Tapes sales will continue to intensify towards increasing Automotive grade masking tapes as well as General Purpose Jumbo Rolls, competitively price against China imports (which are being dumped in the local market due to excess capacities in China manufacturers affected by the USA China trade issues).

Domestic labels stocks sales which hit new lows in 2018, saw an increase of 7.5% in the 4th quarter and the Company will build on this momentum to continue with the growth trajectory in the next quarter, albeit increasing credit exposure to this business segment.

The export segment continue to present a cautious outlook for the 1st quarter amidst USA/China trade tensions and Chinese manufacturers continue to price dump in Asia markets. This is prevalent in price sensitive markets and less quality conscious markets such as India which has seen the resurgence of China products after a lull of two years when China products had significant quality issues. But with new lows on pricing, the Asian markets are again receptive to try China products. The weakened Renminbi against the USD (RMB 7 = USD1) has also allowed China manufacturers to price lower in USD terms.

The Company has stabilized its quality issues encountered in 2018 and export sales in the 1st quarter are expected to benefit from the resumption of supplies to key export customers. However, the Company's production processes and quality control remain critical components to ensure significant quality issues do not recur.

Notwithstanding, the technical department's efforts to fast track and qualify alternative and lower cost raw materials in particular crepe paper are beginning to bear new results and has been promising. This augurs well as the Company faces new challenges in 2019 where the large customers expect cost down on their purchases from the Company.

The plant's output for the 4th quarter declined reflecting the soft domestic market and export market's competitive landscape.

Moving forward into the 1st quarter, the plant's output is forecasted at a similar levels to the immediate preceding quarter as the short working month in February impact productivity and output.

The plant's discipline in monitoring and controlling over consumption of raw materials and excess wastages are key issues in the cost control of product costs as these two issues has resulted in higher Cost Of Goods in 2018 than budgeted.

Plant management capabilities and alignment of necessary resources will be reviewed to ensure achievement of set goals.

Against the above back ground sentiments, the 1st quarter will continue to be challenging and an uncompromised focus on markets and operations is needed to improve the current situation.

b. Construction

The construction sector remains challenging in 2019. Civil engineering is expected to remain as the driver of the construction sector in 2019 supported by infrastructure projects including Pan Borneo Highway, Mass Rapid Transit (MRT) and Light Rail Transit Line 3. The sector is expected to record slower growth amid all the revision of mega projects in the country. This is in line with the slowdown in the global construction sector.

The residential subsector is expected to grow at a marginal pace resulted by the oversupply of residential development. The sector remained under pressure in the second half of 2018, with the transaction slowing further and unsold completed homes at a record high. Affordable housing projects is expected to lead the residential subsector. The commercial subsector is expected to decline due to the oversupply of office lots and neighborhood shopping mall. However, we do expect the factory shop lots and warehouses to have a moderate growth with the transformation of Malaysia as an e-commerce hub for the region.

PBSB currently is active with three construction projects, (a) Prima Homes @ Lukut, Negeri Sembilan with a contract value of RM34.6 Million at 79% completion stage; (b) Beacon condominium at Sungai Pinang, Penang with a contract value of RM71.55 Million at 5% completion stage and (c) Terrace Houses at Eco Horizon, Batu Kawan, Penang with a contract value of RM52.77 Million which have just commenced construction work in December 2018.

For the next quarter, these three projects will continue to contribute to PBSB revenues and profits.

23. *Profit For The Period*

Profit for the period is arrived at after charging:

	Current quarter Three months ended 31 December		Cumulative quarter Twelve months ended 31 December	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Amortization of prepaid lease payments	12	12	46	46
Auditors' remuneration	64	36	118	90
Bad debts written off	11	2	13	28
Depreciation				
- Property, plant and equipment	823	434	2,532	1,756
- Investment properties	7	7	27	27
Loss on foreign exchange - realized	3	22	64	125
Loss on foreign exchange – unrealized	11	74	11	74

Inventories written off	53	33	236	227
Loss on disposal of plant and equipment	-	-	1	6
Provision for retirement benefits	(94)	44	36	175
Rental expense:				
- Land and building	103	56	283	224
- Equipment	2	14	7	51

And after crediting:-

Bad debts recovered	29	5	37	29
Finance income	44	77	296	150
Gain on disposal of plant and equipment	-	-	-	102
Rental income from investment properties	24	24	96	91

24. ***Tax Expense***

	Current quarter Three months ended 31 December		Cumulative quarter Twelve months ended 31 December	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Current tax expense	260	54	41	57
Deferred Tax adjustment*	2,788	(2,275)	2,788	(2,275)
(Over)/Under provision in prior year	0	(16)	8	(17)
Tax expense	3,048	(2,237)	2,837	(2,235)

* Mainly due to reversal of Deferred Tax Assets recognized in 2017 on unutilized Reinvestment Allowances (RA). The reversal is due to new ruling announced during Budget 2019 where unutilized RA are only allowed to carried forward up to 7 consecutive year of assessment. Based on the assessment done, the Company will not be able to utilize the RA carried forward within the time frame.

25. ***Dividend Proposed***

The Board of Directors did not recommend any dividend in the current quarter under review

26. ***Earnings Per Share***

Basic earnings per ordinary share are calculated based on the Group's net profit attributable to equity holders of the Company and the weighted average number of ordinary shares in issue during the current quarter and the financial year to date.

Diluted earnings per ordinary share is the same as the basic earnings per ordinary share as the effect of anti-dilutive potential ordinary shares are ignored in calculating diluted earnings per ordinary share in accordance with MFRS 133 on Earnings per Share.

	Current quarter Three months ended 31 December		Cumulative quarter Twelve months ended 31 December	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Basic				
Profit attributable to the owners of the company	(3,143)	2,092	(3,607)	3,498
Weighted average number of ordinary shares in issue ('000)	90,000	50,000	61,397	48,818
Basic earnings per ordinary share (sen)	(3.49)	4.18	(5.87)	7.17
Diluted				
Diluted earnings per ordinary share (sen)	(3.49)	4.18	(5.87)	7.17

27. ***Authorization for Issue***

The interim financial statements and the accompanying notes were authorized for issue by the Board of Directors.