

**MERCURY INDUSTRIES BERHAD**  
(Company No. 105550 - K)

The Board of Directors is pleased to announce the following :

**UNAUDITED INTERIM REPORT OF THE GROUP FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2017**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	INDIVIDUAL PERIOD				CUMULATIVE PERIOD			
	Preceding Year		Changes		Preceding Year		Changes	
	Current Quarter	Corresponding Quarter	Amount	%	Current Period To Date	Corresponding Period	Amount	%
	30-09-17	30-09-16	RM'000		30-09-17	30-09-16	RM'000	
	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000	
<b>Continuing Operations</b>								
Revenue	21,304	20,957	347	1.7%	54,521	53,500	1,021	1.9%
Cost of sales	(16,984)	(16,823)	(161)	1.0%	(44,787)	(43,985)	(802)	1.8%
<b>Gross Profit</b>	<b>4,320</b>	<b>4,134</b>	<b>186</b>		<b>9,734</b>	<b>9,515</b>	<b>219</b>	
<b>Other income</b>								
Gain on sale of property, plant and equipment	-	-	-		58	-	58	100.0%
Gain on sale of subsidiaries	-	-	-		9,062	-	9,062	100.0%
Impairment loss no longer required:								
- other investments	-	-	-		4	-	4	100.0%
Other incomes	569	204	365	178.9%	874	266	608	228.6%
	<u>569</u>	<u>204</u>	<u>365</u>	178.9%	<u>9,998</u>	<u>266</u>	<u>9,732</u>	3658.6%
<b>Operating expenses</b>								
Depreciation & amortisation	377	307	70	22.8%	1,032	938	94	10.0%
Impairment loss on:								
- other investments	3	16	(13)	-79.3%	-	68	(68)	-100.0%
Loss on sale of property, plant and equipment	-	-	-		-	5	(5)	-100.0%
Other operating expenses	1,247	672	575	85.5%	3,074	1,511	1,563	103.4%
	<u>1,627</u>	<u>995</u>	<u>632</u>	63.5%	<u>4,106</u>	<u>2,522</u>	<u>1,584</u>	62.8%
<b>Results From Operating Activities</b>	<b>3,262</b>	<b>3,343</b>	<b>(81)</b>	-2.4%	<b>15,626</b>	<b>7,259</b>	<b>8,367</b>	115.3%
Interest income	98	12	86	100.0%	228	12	216	100.0%
Interest expense	(85)	(616)	531	-86.2%	(1,118)	(1,829)	711	-38.9%
Net Finance Costs	13	(604)	617	-102.1%	(890)	(1,817)	927	-51.0%
<b>Profit Before Taxation</b>	<b>3,275</b>	<b>2,739</b>	<b>536</b>	19.6%	<b>14,736</b>	<b>5,442</b>	<b>9,294</b>	170.8%
Income Tax Expense	(903)	(878)	(25)	2.9%	(1,858)	(1,825)	(33)	1.8%
<b>Profit From Continuing Operations</b>	<b>2,372</b>	<b>1,861</b>	<b>511</b>	27.4%	<b>12,878</b>	<b>3,617</b>	<b>9,261</b>	256.0%
<b>Discontinued Operation</b>								
Profit from discontinued operation, net of tax	-	1,109	(1,109)	-100.0%	1,988	3,040	(1,052)	-34.6%
<b>Profit For The Period</b>	<b>2,372</b>	<b>2,970</b>	<b>(598)</b>	-20.1%	<b>14,866</b>	<b>6,657</b>	<b>8,209</b>	123.3%
<b>Other Comprehensive Income, Net Of Tax</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total comprehensive income for the period</b>	<b>2,372</b>	<b>2,970</b>	<b>(598)</b>	-20.1%	<b>14,866</b>	<b>6,657</b>	<b>8,209</b>	123.3%
<b>Total comprehensive income attributable to:</b>								
Owners of the Company - continuing operations	1,689	1,128	105	9.3%	11,355	2,007	8,855	441.2%
Owners of the Company - discontinued operation	-	1,109	(1,109)	-100.0%	1,988	3,040	(1,052)	-34.6%
Non-controlling interests	683	733	406	55.3%	1,523	1,610	406	25.2%
<b>Total comprehensive income for the period</b>	<b>2,372</b>	<b>2,970</b>	<b>(598)</b>	-20.1%	<b>14,866</b>	<b>6,657</b>	<b>8,209</b>	123.3%
<b>Earnings per share (Sen)</b>								
- Continuing Operations	4.20	2.81			28.26	4.99		
- Discontinued Operation	-	2.76			4.95	7.57		
	<u>4.20</u>	<u>5.57</u>			<u>33.21</u>	<u>12.56</u>		

The Condensed Consolidated Statements of Profit or Loss And Other Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2016.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Unaudited As At 30-09-17 RM'000</b>	<b>Audited As At 31-12-16 RM'000</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	5,307	3,526
Goodwill on consolidation	31,579	28,438
Investment properties	6,068	2,914
Deferred tax assets	63	63
	<u>43,017</u>	<u>34,941</u>
<b>Current Assets</b>		
Trade receivables	80,070	50,165
Others receivables	2,665	366
Amount due from customers on contracts	11,516	9,457
Other Investments	143	139
Short term deposits	14,111	9,017
Cash and bank balances	262	838
	<u>108,767</u>	<u>69,982</u>
Assets classified as held for sale	-	47,461
	<u>108,767</u>	<u>117,443</u>
<b>TOTAL ASSETS</b>	<b><u>151,784</u></b>	<b><u>152,384</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share Capital	122,001	40,182
Share Premium	-	81,819
Accumulated losses	(48,158)	(61,501)
<b>Equity attributable to owners of the Company</b>	<u>73,843</u>	<u>60,500</u>
Non-controlling interests	10,525	9,002
<b>Total Equity</b>	<u>84,368</u>	<u>69,502</u>
<b>Non-Current Liabilities</b>		
Term loan > 12 months	-	28,302
Finance lease liabilities	717	1,072
	<u>717</u>	<u>29,374</u>
<b>Current Liabilities</b>		
Trade payables	56,404	29,505
Others payables	4,250	7,959
Finance lease liabilities	1,144	924
Term loan < 12 months	2,185	1,698
Bank overdrafts	81	998
Bank borrowings	2,140	1,984
Tax payable	495	562
Proposed Dividend	-	2,411
	<u>66,699</u>	<u>46,041</u>
Liabilities classified as held for sale	-	7,467
	<u>66,699</u>	<u>53,508</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>151,784</u></b>	<b><u>152,384</u></b>
<b>Net assets per share (RM)</b>	<b>1.84</b>	<b>1.51</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2016.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	<b>&lt;-- Attributable To Owners Of The Company --&gt;</b>				<b>Non-Controlling Interest</b>	<b>Total Equity</b>
	<b>Issued Capital</b>	<b>Share Premium</b>	<b>Accumulated Loss</b>	<b>Total Equity</b>		
	RM'000	RM'000	RM'000	RM'000		
<b>Balance as of 1.1.2017</b>	122,001	-	(61,501)	60,500	9,002	69,502
Total Comprehensive Income For The Period	-	-	13,343	13,343	1,523	14,866
<b>Balance as of 30.09.2017</b>	<u>122,001</u>	<u>-</u>	<u>(48,158)</u>	<u>73,843</u>	<u>10,525</u>	<u>84,368</u>
<b>Balance as of 1.1.2016</b>	40,182	81,819	(63,249)	58,752	6,901	65,653
Total Comprehensive Income For The Period	-	-	5,047	5,047	1,610	6,657
First Interim Dividend (Note 8)	-	-	(2,411)	(2,411)	-	(2,411)
<b>Balance as of 30.09.2016</b>	<u>40,182</u>	<u>81,819</u>	<u>(60,613)</u>	<u>61,388</u>	<u>8,511</u>	<u>69,899</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2016.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

<b>The Group</b>	<b>9 months ended 30-09-17 RM'000</b>	<b>9 months ended 30-09-16 RM'000</b>
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>		
Profit before taxation from continuing operations	14,735	5,442
Profit before taxation from discontinued operation	<u>2,653</u>	<u>4,130</u>
	17,388	9,572
Adjustment for non-cash items	<u>(9,275)</u>	3,003
Operating Profit Before Working Capital Changes	8,113	12,575
Changes in working capital:		
Inventories	-	(1,107)
Receivables	(5,598)	(15,702)
Customers on contract	(2,059)	-
Payables	(1,104)	9,026
Bills payable	(1,000)	1,996
Income tax paid	<u>(1,893)</u>	<u>(3,286)</u>
<b>Net Cash (Used in)/From Operating Activities</b>	<u>(3,541)</u>	<u>3,502</u>
<b>CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>		
Acquisition of subsidiary company, net of cash acquired	(7,192)	-
Purchase of property, plant and equipment	(2,746)	(347)
Purchase of investment property	(42)	-
Placement of fixed deposits pledged	(89)	-
Proceeds from disposal of property, plant & equipment	57	4
Proceeds from disposal of assets held for sale	50,500	-
Interest received	228	165
<b>Net Cash From/(Used in) Investing Activities</b>	<u>40,716</u>	<u>(178)</u>
<b>CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>		
Dividend paid to shareholders	(2,411)	(2,411)
Drawdown of finance lease	513	-
Drawdown of term loan	2,000	-
Finance costs paid	(233)	(1,268)
Term loan interest paid	(920)	-
Repayment of HP/finance lease liabilities	(760)	(471)
Repayment for term loan	<u>(30,018)</u>	-
<b>Net Cash (Used In) Financing Activities</b>	<u>(31,829)</u>	<u>(4,150)</u>
<b>CASH AND CASH EQUIVALENTS</b>		
Net changes	5,346	(826)
Effect of exchange rate changes	-	(165)
Balance as of 1 January	8,240	12,281
<b>Balance as at end of financial period</b>	<u><u>13,586</u></u>	<u><u>11,290</u></u>

Cash and cash equivalents at the end of the financial period comprise the following balance amount:

	<b>As at 30-09-17 RM'000</b>	<b>As at 30-09-16 RM'000</b>
Cash and bank balances	262	4,183
Bank overdrafts	(81)	(1,267)
Short term deposits	14,111	8,374
Less: Fixed deposits pledged	<u>(706)</u>	-
	<u><u>13,586</u></u>	<u><u>11,290</u></u>

The Condensed Consolidated statement of Cash Flow should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2016.

## Part A - Explanatory Notes Pursuant To Financial Reporting Standard 134

### 1. Basis of Preparation

The interim financial report is unaudited and have been prepared in compliance with Malaysian Financial Reporting Standard (MFRS) 134 - Interim Financial Reporting, issued by the Malaysian Accounting Standards Board ("MASB") and Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB").

The same accounting policies and methods of computation are followed in the quarterly financial statements as compared with the Annual Financial Statements of the Group for the year ended 31 December 2016.

Apart from the above, the quarterly financial statements are to be read in conjunction with the Annual Financial Statements for the year ended 31 December 2016.

### 2. Financial Reporting Standards

Significant accounting policies adopted by the Group in these interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2016.

The Group has adopted the Malaysian Financial Reporting Standards ("MFRS") framework issued by MASB with effect from 1 January 2012. This MFRS framework was introduced by MASB in order to fully converge Malaysia's existing Financial Reporting Standards ("FRS") framework with the International Financial Reporting Standards ("IFRS") framework issued by the International Accounting Standards Board. There has been no material impact upon the adoption of the MFRS on the financial statements of the Group.

The Group has also adopted all the new and revised MFRSs and IC Interpretations that are relevant and effective for accounting periods beginning on or after 1 January 2017. The adoption of these new and revised MFRS and IC Interpretations have not resulted in any material impact upon the financial statements of the Group.

MFRSs and IC Interpretations that were issued but are not yet effective have not been early adopted by the Group.

### 3. Auditors' Report on Preceding Annual Financial Statements

There was no qualification of the Group audited financial statements for the year ended 31 December 2016.

### 4. Segmental Reporting

Segmental report for the financial period ended 30 September 2017 is as follows:

	<i>Discontinued Operation</i>		<i>&lt;----- Continuing Operations -----&gt;</i>			<i>Eliminations</i>	<i>Consolidated</i>
	<i>Manufacturing &amp; Trading</i>	<i>Building Materials</i>	<i>Construction</i>	<i>Investment Holding</i>			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>9 Months Ended 30/09/2017</b>							
<b>Revenue</b>							
External revenue	17,083	3,466	51,055	-	-	71,604	
Inter-segment revenue	8,100	2,948	-	-	(11,048)	-	
Total revenue	<u>25,183</u>	<u>6,414</u>	<u>51,055</u>	<u>-</u>	<u>(11,048)</u>	<u>71,604</u>	
<b>Results</b>							
Segment profit	2,599	409	7,026	39,769	(31,578)	18,224	
Interest income	54	-	14	214	-	282	
Finance cost	-	(28)	(196)	(894)	-	(1,118)	
Profit before tax	<u>2,653</u>	<u>381</u>	<u>6,844</u>	<u>39,089</u>	<u>(31,578)</u>	<u>17,388</u>	
<b>9 Months Ended 30/09/2016</b>							
<b>Revenue</b>							
External revenue	29,620	-	53,500	-	-	83,120	
Inter-segment revenue	14,412	-	-	11,092	(25,504)	-	
Total revenue	<u>44,032</u>	<u>-</u>	<u>53,500</u>	<u>11,092</u>	<u>(25,504)</u>	<u>83,120</u>	
<b>Results</b>							
Segment profit	3,977	-	7,349	10,750	(10,840)	11,236	
Interest income	153	-	12	-	-	165	
Finance cost	-	-	(169)	(1,660)	-	(1,829)	
Profit before tax	<u>4,130</u>	<u>-</u>	<u>7,192</u>	<u>9,090</u>	<u>(10,840)</u>	<u>9,572</u>	

### Sales Revenue By Geographical Market

	<b>9 months ended 30-09-17</b>	<b>9 months ended 30-09-16</b>
	RM'000	RM'000
Malaysia - continuing operations	54,521	53,500
Malaysia - discontinued operation	12,811	22,707
	<u>67,332</u>	<u>76,207</u>
Other Countries - discontinued operation *	4,272	6,913
	<u>71,604</u>	<u>83,120</u>

\* less than 5% for each of the components.

**5. Unusual Item Affecting Assets, Liabilities, Equity, Net Income Or Cash Flow**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial quarter under review.

**6 Change Of Estimates Used**

There was no material change in estimates for the financial quarter under review.

**7 Seasonality Or Cyclical Of Interim Operations**

The Group's operations are not significantly affected by any seasonal or cyclical factors.

**8 Dividends Paid**

No dividend has been paid during the current quarter ended 30 September 2017 (2016: First Single Tier Interim Dividend of 6 sen per ordinary share amounting to RM2,410,920).

**9. Issuance, Cancellation, Repurchases, Resale and Repayments Of Debt and Equity Securities**

There were no issuance, cancellation, repurchases, resale and repayments of debt and equity securities for the current quarter ended 30 September 2017.

**10. Material Events Not Reflected In The Financial Statements**

There were no material events in the financial quarter under review that have not been reflected in the financial statements for the said

**11. Changes In The Composition Of The Group**

There were no changes in the composition of the Group for the current quarter ended 30 September 2017.

**12. Capital Commitments**

There is a capital commitment of RM3.12 million for the purchase of property, plant and equipment, which has not been reflected in the interim financial statements for the current quarter ended 30 September 2017.

**13. Contingent Liabilities / Assets**

The Company has issued unsecured corporate guarantees totalling RM77.14 million to certain financial institutions and building materials suppliers for credit facilities granted to certain of its subsidiary companies. Accordingly, the Company is contingently liable to such financial institutions and suppliers to the extent of the amount of credit facilities utilised. There is no contingent assets as at the date of this report.

**14. Recurrent Related Party Transactions**

Details of the relationship between the Group and its related party are as described below.

**Name of Related Party**

**Relationship**

(a) Leow Lai Ching ("LLC")

\* LLC is the wife of Chow Kit Loong, who is a director and major shareholder of Paramount Bounty Sdn Bhd ("PBSB") and holds the balance 30% equity interest in PBSB.

(b) Pujian Development Sdn Bhd ("Pujian")

\* Pujian is a subsidiary of Ecofirst Consolidated Berhad in which Dato' Tiong Kwing Hee ("Dato' Tiong") is the Group Chief Executive Officer, Director and major shareholder. Dato' Tiong is also the Managing Director and major shareholder of Mercury.

(c) Maju Puncakbumi Sdn Bhd ("Maju Puncak")

Maju Puncak is a subsidiary of Meda Inc. Berhad in which Dato' Tiong is a major shareholder. Dato' Tiong is also the Managing Director and major shareholder of Mercury.

\* Shareholders' mandate has already been obtained at the last Annual General Meeting held on 24 May 2017.

The information on the transactions which have been entered into with the Group during the period is as follows:

Nature of Transactions	Current	Year	
	Quarter	to date	
	30-09-17	30-09-17	
	RM'000	RM'000	
(a) LLC	Rental of office space from LLC	12	36
(b) Pujian	(i) Civil & construction works for Pujian	11,712	16,467
	(ii) Provision of insurance agency services by Pujian	-	204
(c) Maju Puncak	Sales of building materials by AMSB	-	45

**15. Material Subsequent Event**

There were no material events subsequent to the end of the financial period under review that have not been reflected in the financial statements for the said period.

**Part B - Explanatory Notes Pursuant To Appendix 9B Of The Listing Requirements Of Bursa Malaysia Securities Berhad**

**16. Review Of Performance**

With the disposal of the Paints Division, the review of performance for the current quarter will cover only the continuing operations.

Group's revenue increased by RM0.35 million (+1.7%) to RM21.3 million during the current quarter as compared to RM20.96 million achieved in the corresponding quarter in 2016, while Group's pretax profit increased by RM0.54 million (+19.5%) to RM3.27 million as compared to RM2.74 million achieved in the corresponding quarter of 2016.

For the Construction Segment, revenue decreased by RM2.47 million (-11.8%) to RM18.48 million while pretax profit decreased by RM0.21 million (-6.3%) to RM3.11 million as compared to RM20.96 million and RM3.32 million respectively in the corresponding quarter of 2016. The decrease in revenue was due to the completion of the construction work at its Bangi project during the quarter. The decrease in pretax profit was due to the lower revenue, higher depreciation charge and higher interest cost.

For the Building Materials Segment, the newly acquired wholly-owned subsidiary, Andaman Marketing Sdn Bhd ("AMSB"), the principal activity of which is the marketing of building materials, made a contribution of RM2.67 million to Group's revenue and RM0.27 million to Group's pretax profit in the current quarter. No comparative figures is used for the corresponding quarter in 2016 as AMSB has not been acquired then.

For the current year to date period, Group revenue of the Continuing Operations increased marginally by RM1.02 million (+1.9%) to RM54.5 million while pretax profit increased by RM9.29 million (+170.8%) to RM14.7 million as compared to the corresponding period in 2016. The increase in pretax profit was mainly due to a gain of RM9.06 million arising from the disposal of the entire equity interest in SPSB.

## 17. Comparison With Previous Quarter's Results

	Current Quarter	Previous Quarter	Changes	
	30/09/2017	30/06/2017	RM'000	%
<b>Continuing Operations</b>	RM'000	RM'000	RM'000	%
Revenue	21,304	19,671	1,633	8.3
Operating Profit	3,262	11,566	(8,304)	(71.8)
Profit Before Interest and Tax	3,262	11,566	(8,304)	(71.8)
Profit Before Tax	3,275	11,195	(7,920)	(70.7)
Profit After Tax	2,372	10,547	(8,175)	(77.5)
Profit Attributable to Owners of the Company	1,689	9,976	(8,287)	(83.1)
<b>Discontinued Operation</b>				
Revenue	-	6,790	(6,790)	(100.0)
Profit Before Tax	-	1,029	(1,029)	(100.0)
Profit After Tax	-	1,194	(1,194)	(100.0)

For the current quarter, revenue increased by RM1.63 million (+8.3%) while pretax profit decreased by RM7.92 million (-70.7%) as compared to the previous quarter. The increase in revenue was solely due to the contribution of RM2.67 million from AMSB which compensated for the decrease in revenue of the Construction Segment. Pretax profit was much lower in the current quarter as there was a gain of RM9.06 million in the previous quarter arising from the disposal of SPSB.

## 18. Prospects For 2017

Despite the growth in the construction sector, generated by the construction works on public transportation infrastructure networks and expressways, the residential property sector where the Group operates, still suffers a slowdown in construction activities as a result of the overhang of unsold stock of completed properties. The difficulty of potential buyers in getting bank financing has resulted in a slowdown in sales and thus the construction of residential and commercial properties and the soft property market is expected to continue into 2018. As for the Group's construction subsidiary, in spite of a slowdown in the residential property sector, it is still expected to contribute positively to the Group's revenue and profitability based on its existing orderbook in hand of RM299 million as at 30/9/2017.

For the financial year 2017, barring unforeseen circumstances, the Board is optimistic that the profitability of the Group will be higher due to the remaining orderbook of construction works in hand, the expected profit contribution from AMSB, the interest savings from the repayment of the RM30 million term loan and the gain of RM9.06 million from the disposal of SPSB.

## 19. Variance From Profit Forecast

This note is not applicable.

## 20. Discontinued Operation

The results of the discontinued operation is as summarised below:

	Current Quarter	Corresponding Quarter	Year to date	Year to date
	30-09-17	30-09-16	30-09-17	30-09-16
	RM'000	RM'000	RM'000	RM'000
Revenue	-	9,770	17,083	29,620
Cost of goods sold	-	(6,344)	(10,688)	(19,102)
Other incomes	-	231	200	750
Operating	-	(2,138)	(3,942)	(7,138)
	-	1,519	2,653	4,130
Income Tax	-	(410)	(665)	(1,090)
Profit for the period	-	1,109	1,988	3,040

## 21. Income Tax Expense

	<b>Current Quarter 30-09-17 RM'000</b>	<b>Year to date 30-09-17 RM'000</b>
Provision for current taxation		
- Current year	854	1,809
- Under/(Overprovision) in prior year	<u>49</u>	<u>49</u>
	<u><u>903</u></u>	<u><u>1,858</u></u>

## 22. Gain or Loss On Derivatives

This is not applicable as the Group does not deal in derivatives.

## 23. Exceptional Items

There were no exceptional items during the financial quarter under review.

## 24. Status Of Corporate Proposals

There is no outstanding corporate proposal in the financial quarter under review.

## 25. Status of Utilisation of Proceeds From Disposal of SPSB

Purpose	Proposed Utilisation RM'000	Actual Utilisation As At 30 September 2017 RM'000	Initial Timeframe For Utilisation Of Proceeds From Date of Disposal ( 22 June 2017)	Balance Of Unutilised Proceeds RM'000
(a) Repayment of bank borrowings	30,000	30,000	Within 12 months	Nil
(b) Working capital purposes	19,650	3,933	Within 24 months	15,717
(c) Defray expenses on disposal of SPSB #	850	759	Within 3 months	91
<b>Total</b>	<b>50,500</b>	<b>34,692</b>		<b>15,808</b>

# Remaining balance of RM91,000 will be channeled as working capital purposes of the Company.

## 26. Group Borrowings And Debt Securities

(a) The Group's borrowings as of 30 September 2017 are as follows:

	<b>As At Period Ended 30/09/2017</b>		
	<b>Long term RM</b>	<b>Short term RM</b>	<b>Total borrowings RM</b>
Secured:-			
Term loan	-	2,185	2,185
	<u>-</u>	<u>2,185</u>	<u>2,185</u>
Unsecured:-			
Bank overdrafts	-	81	81
Bankers' acceptance	-	2,140	2,140
	<u>-</u>	<u>2,221</u>	<u>2,221</u>
Total	<u>-</u>	<u>4,406</u>	<u>4,406</u>

	<b>As At Period Ended 30/09/2016</b>		
	<b>Long term RM</b>	<b>Short term RM</b>	<b>Total borrowings RM</b>
Secured:-			
Term loan	29,582	418	30,000
	<u>29,582</u>	<u>418</u>	<u>30,000</u>
Unsecured:-			
Bank overdrafts	-	1,267	1,267
Bankers' acceptance	-	1,996	1,996
	<u>-</u>	<u>3,263</u>	<u>3,263</u>
Total	<u>29,582</u>	<u>3,681</u>	<u>33,263</u>

(b) There were no borrowings or debt securities denominated in foreign currencies.



**27. Accumulated Loss**

The breakdown of the accumulated loss of the Group as at the reporting date is as follows:

	<b>As At 30-09-17</b>	<b>As At 30-09-16</b>
	RM'000	RM'000
<b>Analysed By:</b>		
- Realised Loss	(48,221)	(61,693)
- Unrealised Gain	63	1,080
	<u>(48,158)</u>	<u>(60,613)</u>

**28. Changes In Material Litigation**

There is no material litigation as of the date of this report.

**29. Dividend Payable**

The Board has not declared any dividend payment for the financial quarter ended 30 September 2017 (2016: Second Single Tier Interim Dividend of 6 sen per ordinary share amounting to RM2,410,920).

**30. Profit Guarantee**

(i) In the acquisition of the 70% equity interest in PBSB, the Vendor has guaranteed that PBSB will achieve an audited profit after tax ("PAT") of RM6.6 million per annum for each of the financial year ending 31 December 2015, 31 December 2016 and 31 December 2017.

The guaranteed PAT for the financial year ended 31 December 2016 has been fulfilled.

(ii) In the acquisition of the 100% equity interest in AMSB, the vendors have guaranteed that AMSB will achieve an audited PAT of RM1.0 million per annum for each of the financial year ending 31 December 2018, 31 December 2019 and 31 December 2020.

**31. Earnings Per Ordinary share**

The basic earnings per share is calculated by dividing the profit for the period attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the period:-

	<u>Current Quarter</u>		<u>Year to date</u>	
	<u>30-09-17</u>	<u>30-09-16</u>	<u>30-09-17</u>	<u>30-09-16</u>
Profit attributable to owners of the Company (RM'000)				
- continuing operations	1,689	1,128	11,355	2,007
- discontinued operation	-	1,109	1,988	3,040
	<u>1,689</u>	<u>2,237</u>	<u>13,343</u>	<u>5,047</u>
Weighted average number of ordinary shares in issue ('000)	40,182	40,182	40,182	40,182
Basic earnings per share (Sen)				
- continuing operations	4.20	2.81	28.26	4.99
- discontinued operation	-	2.76	4.95	7.57
	<u>4.20</u>	<u>5.57</u>	<u>33.21</u>	<u>12.56</u>