

**ADVANCED PACKAGING TECHNOLOGY (M) BHD (82982-K)**  
**(INCORPORATED IN MALAYSIA)**  
**CONDENSED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30. 09.2017**

	Unaudited as at 30.09.2017 RM'000	Audited as at 31.12.2016 RM'000
<b><u>ASSETS</u></b>		
<b>Non-current assets</b>		
Property, plant and equipment	12,346	8,226
Other investments	5,000	5,000
<b>Total non current assets</b>	<b>17,346</b>	<b>13,226</b>
<b>Current assets</b>		
Inventories	4,313	4,751
Trade receivables	6,277	6,101
Non- trade receivables, deposits and prepayments	164	1,424
Deposits with licensed banks	6,500	10,000
Cash and cash equivalents	2,686	3,814
<b>Total current assets</b>	<b>19,940</b>	<b>26,090</b>
<b>TOTAL ASSETS</b>	<b>37,286</b>	<b>39,316</b>
<b><u>EQUITY AND LIABILITIES</u></b>		
<b><u>EQUITY</u></b>		
<b>Equity attributable to equity owners of the parent</b>		
Share capital	20,504	20,504
Treasury shares	(1,096)	(1,096)
Reserves	11,736	11,875
<b>TOTAL EQUITY</b>	<b>31,144</b>	<b>31,283</b>
<b><u>LIABILITIES</u></b>		
<b>Non-current liabilities</b>		
Deferred taxation	450	611
Provision for staff gratuity	2,327	2,273
<b>Total non-current liabilities</b>	<b>2,777</b>	<b>2,884</b>
<b>Current Liabilities</b>		
Trade payables	1,883	2,398
Amount due to directors	169	237
Non- trade payable and accruals	1,238	1,211
Dividend payable	-	1,147
Tax payable	75	156
<b>Total current liabilities</b>	<b>3,365</b>	<b>5,149</b>
<b>TOTAL LIABILITIES</b>	<b>6,142</b>	<b>8,033</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>37,286</b>	<b>39,316</b>

Net assets per share (RM) 1.63 1.64

(The Condensed Statement of Financial Position should be read in conjunction with the Annual Financial Reports for the year ended 31.12.2016 and the accompanying explanatory notes attached to the interim financial statements)

**ADVANCED PACKAGING TECHNOLOGY (M) BHD (82982-K)**  
**(INCORPORATED IN MALAYSIA)**

**CONDENSED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE THIRD QUARTER ENDED 30.09.2017**

(The figures for the period ended 30.09.2017 have not been audited)

	Share capital RM'000	Treasury shares RM'000	Retained profits RM'000	Total RM'000
<b>Balance as at 01.01.2016</b>	20,504	(1,092)	11,288	30,700
Purchase of treasury shares	-	(4)	-	(4)
Profit and other comprehensive income for the period	-	-	2,880	2,880
Dividends	-	-	(2,293)	(2,293)
<b>Balance as at 31.12.2016</b>	20,504	(1,096)	11,875	31,283
Profit and other Comprehensive income for the period	-	-	1,008	1,008
Dividends	-	-	(1,147)	(1,147)
<b>Balance as at 30.09.2017</b>	20,504	(1,096)	11,736	31,144

	Share capital RM'000	Treasury shares RM'000	Retained profits RM'000	Total RM'000
<b>Balance as at 01.01.2015</b>	20,504	(1,083)	10,791	30,212
Purchase of treasury shares	-	(9)	-	(9)
Profit and other comprehensive income for the period	-	-	2,790	2,790
Dividends	-	-	(2,293)	(2,293)
<b>Balance as at 31.12.2015</b>	20,504	(1,092)	11,288	30,700
Purchase of treasury shares	-	(4)	-	(4)
Profit and other Comprehensive income for the period	-	-	2,217	2,217
Dividends	-	-	(1,147)	(1,147)
<b>Balance as at 30.09.2016</b>	20,504	(1,096)	12,358	31,766

(The Condensed Statement Of Changes In Equity should be read in conjunction with the Annual Financial Reports for the year ended 31.12.2016 and the explanatory notes attached to the interim financial statements)

**ADVANCED PACKAGING TECHNOLOGY (M) BHD (82982-K)**  
**(INCORPORATED IN MALAYSIA)**  
**CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE THIRD QUARTER ENDED 30.09.2017**  
**(The figures have not been audited)**

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	CURRENT YEAR QUARTER 30.09.2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.09.2016 RM'000	CURRENT YEAR TO DATE 30.09.2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.09.2016 RM'000
Revenue	6,682	6,236	18,510	20,747
Other operating income	88	142	250	388
Changes in inventories of finished goods and work-in-progress	369	(23)	(24)	1
Raw materials and consumables used	(4,396)	(3,668)	(11,350)	(12,098)
Employee Benefits Expense(inclusive of Directors' remuneration)	(958)	(922)	(2,857)	(2,927)
Depreciation	(307)	(311)	(921)	(933)
Impairment of financial assets				
Inventory written off/ written down	(23)	(4)	(29)	(23)
Foreign Exchange -Realised	15	21	56	91
Foreign Exchange -Unrealised	(6)	3	(21)	1
Other operating expenses	(915)	(823)	(2,564)	(2,502)
<b>Operating profits</b>	<b>549</b>	<b>651</b>	<b>1,050</b>	<b>2,745</b>
Interest income/Profit from Islamic fixed return investment	60	94	229	291
<b>Profit before tax</b>	<b>609</b>	<b>745</b>	<b>1,279</b>	<b>3,036</b>
Income tax expense	(131)	(160)	(271)	(819)
<b>Profit and other comprehensive income for the period</b>	<b>478</b>	<b>585</b>	<b>1,008</b>	<b>2,217</b>
<b>Profit and other comprehensive income for the period attributable to :</b>				
Owners of the parent	478	585	1,008	2,217
Basic earnings per share (sen)	2.50	3.06	5.27	11.60

Note: there was no transaction on items like interest expense, impairment of asset, gain or loss on disposal of quoted or unquoted investments or properties, gain/(loss) on derivatives and exceptional items for the current quarter and financial year to date.

(The Condensed Statement Of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Reports for the year ended 31.12.2016 and the accompanying notes attached to the interim financial statements)

**ADVANCED PACKAGING TECHNOLOGY (M) BHD (82982-K)**  
**(INCORPORATED IN MALAYSIA)**  
**CONDENSED STATEMENT OF CASH FLOWS**  
**FOR THE THIRD QUARTER ENDED 30.09.2017**

	Unaudited 30.09.2017 RM'000	Unaudited 30.09.2016 RM'000
<b>Cash flows from operating activities</b>		
Receipts from customers	19,731	21,783
Payment to suppliers and employees	(14,966)	(16,902)
Payment of other operating expenses	(1,992)	(2,021)
Payment of income tax	(513)	(825)
Payment of staff gratuity	-	(28)
Other receipts	67	123
Unrealised exchange (loss)/gain	(21)	1
Bad debts written off	-	(54)
<b>Net cash from operating activities</b>	<b>2,306</b>	<b>2,077</b>
<b>Cash flows from investing activities</b>		
Interest income/Profit from Islamic fixed return investment received	278	369
Investment income received	118	82
Acquisition of property, plant and equipment	(5,042)	(158)
Proceeds from disposal of property, plant & equipment	5	10
<b>Net cash (used)/from investing activities</b>	<b>(4,641)</b>	<b>303</b>
<b>Cash flows from financing activities</b>		
Dividend paid	(2,293)	(2,294)
Purchase of treasury shares	-	(4)
<b>Net cash used in financing activities</b>	<b>(2,293)</b>	<b>(2,298)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(4,628)</b>	<b>82</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>13,814</b>	<b>13,072</b>
<b>Cash and cash equivalents at end of the period</b>	<b>9,186</b>	<b>13,154</b>
<b>Cash and cash equivalents at the end of the financial period comprise of the following:</b>		
Cash and bank balances	2,686	3,154
Deposits with licensed banks	6,500	10,000
	<b>9,186</b>	<b>13,154</b>

(The Condensed Statement Of Cash Flows should be read in conjunction with the Annual Financial Reports for the year ended 31.12.2016 and the accompanying notes attached to the interim financial statements)

**Quarterly Report On Results For The Third Quarter Ended 30 September 2017**

**NOTES**

**A1 Accounting Policies and Method of Computation**

The quarterly financial report is unaudited and has been prepared in accordance with MFRS 134, "Interim Financial Reporting" issued by the Malaysian Accounting Standard Board and part A of Appendix 9B of the Bursa Malaysia Securities Berhad Listing Requirements, and should be read in conjunction with the audited financial statements for the year ended 31 December 2016.

The Company's financial statements have been prepared under the historical cost convention other than as disclosed in the notes to the quarterly report and in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the Companies Act, 2016 in Malaysia.

The accompanying financial statements have been prepared assuming that the Company will continue as going concern which contemplates the realization of assets and settlement of liabilities in the normal course of business.

The significant accounting policies adopted by the Company in this report are consistent with those used in the Audited Financial Statements of the Company for the financial year ended 31 December 2016.

**(a) Standards issued and effective**

On 1 January 2017, the Company has also adopted the following new and amended MFRS and IC Interpretations which are mandatory for annual financial periods beginning on or after 1 January 2017.

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
• Annual improvement to MFRSs 2A14-2016 cycle	
- Amendments to MFRS 12, Disclosure of Interest in Other Entities	1 January 2017
• Amendment to MFRS 107, Statement of Cash Flow Disclosure Initiative	1 January 2017
• Amendment to MFRS 112, Income Tax: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017

The Directors expect that the adoption of the new and amended MFRS and IC Interpretation above will have no impact on the financial statements of the Company.

**(b) Standards issued but not yet effective**

The Company has not adopted the following standards and interpretations that have been issued but not yet effective:

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
• Annual improvement to MFRSs 2A14-2016 cycle	
- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards	1 January 2018

**Quarterly Report On Results For The Third Quarter Ended 30 September 2017**

**NOTES**

**(b) Standards issued but not yet effective (continued)**

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
<ul style="list-style-type: none"> <li>• Annual improvement to MFRSs 2A14-2016 cycle</li> <li style="padding-left: 20px;">- Amendments to MFRS 128, Investments in Associates and Joint Venture</li> </ul>	1 January 2018
<ul style="list-style-type: none"> <li>• Amendments to MFRS 2, Share-based Payment: Classification and Measurement of Share-based Payment Transactions</li> </ul>	1 January 2018
<ul style="list-style-type: none"> <li>• Amendments to MFRS 4, Insurance Contract-Appling MFRS 9 Financial Instrument with MFRS 4 Insurance Contracts</li> </ul>	1 January 2018
<ul style="list-style-type: none"> <li>• MFRS 9, Financial Instruments</li> </ul>	1 January 2018
<ul style="list-style-type: none"> <li>• MFRS 15, Revenue from Contracts with Customers</li> <li style="padding-left: 20px;">Classification to MFRS 15, Revenue from Contracts with Customers</li> </ul>	1 January 2018
<ul style="list-style-type: none"> <li>• MFRS 16, Leases</li> </ul>	1 January 2019
<ul style="list-style-type: none"> <li>• Amendment to MFRS 10, Consolidated Financial Statements and MFRS 128 Investment in Associate: Sales or Contribution of Assets between an investor and its Associate or Joint Ventures</li> </ul>	Deferred
<ul style="list-style-type: none"> <li>• Amendments to MFRS 140, Investment Property: Transfer of Investment property</li> </ul>	1 January 2018
<ul style="list-style-type: none"> <li>• IC Interpretation 22, Foreign Currency Transactions and Advance Consideration</li> </ul>	1 January 2018

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

MFRS 9 replace the guidance in MFRS 139, Financial Instruments: Recognition and Measurement on the classification and measurement of financial assets. Upon adoption of MFRS 9, financial assets will be measured at either fair value or amortised costs. It is expected that the Company's investment in unquoted shares will be measured at fair value through other comprehensive income.

The adoption of MFRS 9 will result in a change in accounting policy. The Company is currently assessing the financial impact of adopting MFRS 9.

**MFRS 15 Revenue from Contracts with customers**

MFRS 15 replaces the guidance in MFRS 111, Construction Contracts, MFRS 118, Revenue, IC Interpretations 13, Customer Loyalty Programmes, IC Interpretations 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. Upon adoption of MFRS 15, it is expected that the timing of revenue recognition might be different as compared with the current practices.

The adoption of MFRS 15 will result in a change in accounting policy. The Company is currently assessing the financial impact of adopting MFRS 15.

**Quarterly Report On Results For The Third Quarter Ended 30 September 2017**

**NOTES**

**A2 Audit Report**

The auditors' report of the Company's preceding annual financial statements was not qualified.

**A3 Seasonal or Cyclical Factors**

The business operations of the Company during the financial quarter under review were not materially affected by any seasonal or cyclical factors.

**A4 Exceptional /Extraordinary Items**

There were no exceptional /extraordinary items for the financial period under review.

**A5 Changes in Estimates**

There was no material change in estimates of amounts reported in the prior quarters of the current financial year or changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter.

**A6 Debts and Equity Securities**

During the current quarter under review, the Company did not purchase any shares under the share buyback scheme. Shares purchased as at 30 September 2017 totalling 1,392,016 ordinary shares were held as treasury shares in accordance with Section 127 of The Companies Act 2016 and stated at cost.

**A7 Dividend Paid**

Quarters	Type of dividend	Gross dividend per share	Amount of net dividend (RM)	Date of payment
Quarters ended 31/03/2017	Interim Dividend for the financial year ended 31 December 2016	6.00% single tier	1,146,734	17 January 2017
Quarters ended 30/09/2017	Final Dividend for the financial year ended 31 December 2016	6.00% single tier	1,146,734	20 July 2017
Preceding year's quarters ended 31/03/2016	Interim Dividend for the financial year ended 31 December 2015.	6.00% single tier	1,146,854	21 January 2016
Preceding year's quarter Ended 30/06/2016	Final Dividend for the financial year ended 31 December 2015.	6.00% single tier	1,146,734	22 June 2016

**A8 Segment Information**

There was no segmental reporting as the Company is currently involved primarily in a single line product.

**Quarterly Report On Results For The Third Quarter Ended 30 September 2017**

**NOTES**

**A9 Revaluation of Property, Plant and Equipment**

There was no revaluation of property, plant and equipment during the quarter.

**A10 Material Events Subsequent to the end of the Reporting Period**

There was no material event subsequent to the end of the reporting period.

**A11 Changes in the Composition of the Company**

There was no change in the composition of the Company during the quarter.

**A12 Contingent Liabilities**

Bank guarantee given by financial institution to third party amounting to RM 211,215.

**A13 Capital Commitments**

There was no capital commitment made during the quarter.

**A14 Fair Value of Financial Instruments**

In respect of the financial instrument classified under current assets and current liabilities, the carrying amount approximate fair value due to the relatively short term nature of these financial instruments.

The aggregate fair value and the carrying amounts of the financial assets carried on the reporting date are as below:

	As at 30/09/2017		As at 31/12/2016	
	Carrying amount	Fair value	Carrying amount	Fair value
	RM	RM	RM	RM
<u>Available-for-sale</u>				
Other investment	5,000,000	5,000,000	5,000,000	5,000,000

The fair value of other investment is equivalent to its carrying value.

**A15 Disclosure of Derivatives**

The Company does not have any outstanding derivatives as at the end of the reporting quarter.

**A16 Gain/(Loss) Arising From Fair Value Changes Of Financial Liabilities**

There is no gain/(loss) arising from fair value changes of financial liabilities for the quarter ended 30 September 2017.



**Quarterly Report On Results For The Third Quarter Ended 30 September 2017**

**NOTES**

**B1 Review of Performance**

A turnover of 6.682 million was recorded for the quarter ended 30 September 2017 which was RM 0.083 million or 1.22% lower than the preceding quarter's turnover of RM6.765 million. Net profit before tax for the quarter under review was RM0.609 million compared to RM0.465 million recorded in the preceding quarter ended 30 June 2017 which showed an increase of 30.96%. The increase in profit in the current quarter against the last quarter was contributed mainly by the better sales mix and lower operating cost.

Turnover of RM18.510 million achieved for the period ended 30 September 2017 was RM2.237 million or 10.78% lower than the turnover of RM20.747 million in the preceding year's cumulative quarters ended 30 September 2016. Net profit before tax for the quarters under review was RM1.279 million compared with RM3.036 million achieved in the preceding year's cumulative quarters which showed a decrease of 57.87% contributed mainly by lower sales revenue, lower amount of other incomes and higher raw material cost. Net profit after tax of RM1.008 million was achieved in the current period against RM2.217 million of the preceding year's cumulative quarters. Average selling price and raw material cost for the cumulative quarters ended 30 September 2017 was 1.38% and 6.87% higher than in the preceding year's cumulative quarters. Lower sales for the cumulative three quarters ended 30 September 2017 was due to a drop in sales orders from major customers and disruption of operation in the first quarter. Sales had since picked up in the second quarter.

Below are the key financial information presented in a tabular format:

Table 1 : Financial Review for current quarter compared with immediate preceding quarter:

	Current Quarter Ended 30.09.2017	Preceding Quarter Ended 30.06.2017	Changes in amount	Changes in %
	RM'000	RM'000	RM'000	
Revenue	6,682	6,765	(83)	(1.22)
Operating profit	549	386	163	42.22
Profit before interest and tax	609	465	144	30.96
Profit before tax	609	465	144	30.96
Profit after tax	478	371	107	28.84
Profit attributable to Equity Holders	478	371	107	28.84

**Quarterly Report On Results For The Third Quarter Ended 30 September 2017**

**NOTES**

Table 2: Financial review for current quarter and financial year to date:

	Current Year quarter 30/09/17	Preceding year Corresponding quarter 30/09/16	Change in RM'000/ %	Current year to-date 30/09/17	Preceding year Corresponding period 30/09/16	Change in RM'000/ %
	RM'000	RM'000		RM'000	RM'000	
Revenue	6,682	6,236	446/ 7.15%	18,510	20,747	(2,237)/ (10.78)%
Operating profit	549	651	(102)/ (15.66)%	1,050	2,745	(1,695)/ (61.74)%
Profit before interest and tax	609	745	(136)/ (18.25)%	1,279	3,036	(1,757)/ (57.87)%
Profit before tax	609	745	(136)/ (18.25)%	1,279	3,036	(1,757)/ (57.87)%
Profit after tax	478	585	(107)/ (18.29)%	1,008	2,217	(1,209)/ (54.53)%
Profit attributable to Equity Holders	478	585	(107)/ (18.29)%	1,008	2,217	(1,209)/ (54.53)%

**B2 Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter**

There was a material change in the Company's net profit before taxation and net profit after tax for the quarter ended 30 September 2017 when compare to that of the preceding year. The details of and reasons for the changes are disclosed under B1 and B5 of the notes.

**B3 Prospects for the Current Financial Year**

Fluctuation in crude oil and raw material price, uncertainties in the global economy and market sentiment and competition are the key concerns of the Company for the current year which may affect sales turnover and profitability.

**B4 Variance of Actual Profit from Forecast Profit**

This is not applicable.

**B5 Taxation**

Details of taxation are as follows: -

	Current Year Quarter 30/09/2017 RM'000	Current Year To Date 30/09/2017 RM'000
Current taxation	195	450
Overprovision of tax	(18)	(18)
Deferred taxation	(46)	(161)
	<u>131</u>	<u>271</u>

The effective tax rate is lower than the statutory tax rate for the quarter ended 30 September 2017 due to utilisation of deferred tax during the quarter.

**Quarterly Report On Results For The Third Quarter Ended 30 September 2017**

**NOTES**

**B6 Profits /(Loss) on Sale of Unquoted Investments and/or Properties**

There was no disposal of unquoted investments and /or properties for the financial quarter under review.

**B7 Purchases or Disposals of Quoted Securities**

There were no purchases and/or disposals of quoted securities for the financial period under review.

**B8 Status of Corporate Proposals**

There was no corporate proposal announced during the quarter.

**B9 Borrowings and Debt Securities**

There was no borrowing and debt security at the end of this quarter.

**B10 Off Balance Sheet Financial Instruments**

The Company does not have any financial instruments with off balance sheet risk as at the date of issue of this quarterly report.

**B11 Material Litigation**

There was no material litigation during the financial quarter ended 30 September 2017.

**B12 Dividend**

No dividend was declared during the quarter.

**B13 Earnings per Share**

The basic earning per share is calculated by dividing the Company's profit after tax attributable to ordinary shareholders for the current quarter and cumulative quarter to 30 September 2017 by the weighted average number of shares in issue of the Company at the end of the quarter.

	Current year's quarter	Cumulative quarters
Profit for the period (RM'000)	478	1,008
Weighted average number of ordinary shares in issue('000)	19,112	19,112
Basic earning per share(sen)	2.50	5.27

**B14 Disclosure of realised and unrealised profits/losses**

The breakdown of retained profit of the Company as at the reporting date, into realised and unrealised profits or losses, pursuant to the directive given by Bursa Malaysia Securities Berhad ("Bursa Malaysia"), is as follows:

**Quarterly Report On Results For The Third Quarter Ended 30 September 2017**

**NOTES**

	As at 30/09/2017	As at 31/12/2016
	RM'000	RM'000
Realised	11,307	11,279
Unrealised		
-Forex exchange –loss	(21)	(15)
-Deferred tax	450	611
Total retained profits as per condensed accounts	11,736	11,875

This disclosure is made solely for complying with the disclosure requirements as stipulated in the directive of Bursa Malaysia and is not made for any other purpose.

**B15 Other income /Expenses**

Other income comprises of sales of scrapped materials and cylinders and reversal of impairment loss of trade receivable. Lower amount of other income for the current and cumulative quarters was due to lower sales of scrapped materials, lower exchange gain and lesser amount of reversal of impairment loss.

Other expenses which are normal operating expenses for the cumulative quarters ended 30/09/2017 decreased by 9% due to lower sales revenue and operating activities.

**B16 Foreign Exchange exposure /Hedging policy**

The company carries out foreign exchange hedging as and when required. The Company is a single entity and does not have overseas operation.

**B17 Trade receivables**

The Company's normal credit term ranges from 30 days to 90 days. Other credit terms are assessed and approved on a case to case basis. A significant portion of the trade receivables are regular customers that have been transacting with the Company. None of the trade receivable is considered related parties to the Company. The Company uses ageing analysis to monitor the credit quality of the trade receivables. There was no impairment of trade receivable during the quarter under review as a significant amount of the trade receivable that were past due and over 90 days have been collected as at the reporting date.

Ageing analysis of trade receivable:

	Amount not due /due but less than 90 days	Amount due and over 90 days
	RM	RM
Trade receivable	5,832,411	444,262

**B18 Material Impairment of assets**

There was no material impairment of assets during the quarter except for the normal depreciation on straight line method.

By Order of the Board  
Leong Shiak Wan  
Company Secretary  
Dated: 28 November 2017