

**KKB ENGINEERING BERHAD**

(Company No : 26495 - D)

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2017****Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income**

	3 MONTHS ENDED		CUMULATIVE 6 MONTHS ENDED	
	CURRENT QUARTER ENDED 30/06/2017 RM	COMPARATIVE QUARTER ENDED 30/06/2016 RM	CURRENT PERIOD ENDED 30/06/2017 RM	COMPARATIVE PERIOD ENDED 30/06/2016 RM
Revenue	46,873,122	27,178,555	89,797,024	49,341,202
Cost of sales	(53,557,615)	(24,096,826)	(97,154,730)	(45,565,127)
<b>Gross (loss)/profit</b>	<u>(6,684,493)</u>	<u>3,081,729</u>	<u>(7,357,706)</u>	<u>3,776,075</u>
Other income	1,407,368	1,574,960	5,141,731	3,536,036
Distribution costs	(69,896)	(224,173)	(120,384)	(389,180)
Administrative expenses	(3,801,028)	(4,229,933)	(7,690,348)	(7,854,753)
Other expenses	(263,486)	(397,616)	(547,474)	(827,324)
Finance costs	(219,862)	(100,457)	(378,696)	(210,434)
Share of results of associates	390,999	640,340	223,201	(347,552)
<b>(Loss)/profit before tax</b>	<u>(9,240,398)</u>	<u>344,850</u>	<u>(10,729,676)</u>	<u>(2,317,132)</u>
Income tax expense	2,351,142	149,495	2,612,375	859,091
<b>(Loss)/profit for the period</b>	<u>(6,889,256)</u>	<u>494,345</u>	<u>(8,117,301)</u>	<u>(1,458,041)</u>
<b>Other Comprehensive Income</b>	-	-	-	-
<b>Total Comprehensive (Expense)/Income for the period</b>	<u>(6,889,256)</u>	<u>494,345</u>	<u>(8,117,301)</u>	<u>(1,458,041)</u>
(Loss)/profit for the period attributable to:				
Owners of the parent	(7,202,011)	374,147	(8,677,303)	(1,581,810)
Non-controlling interests	312,755	120,198	560,002	123,769
	<u>(6,889,256)</u>	<u>494,345</u>	<u>(8,117,301)</u>	<u>(1,458,041)</u>
Total Comprehensive (Expense)/Income for the period attributable to:				
Owners of the parent	(7,202,011)	374,147	(8,677,303)	(1,581,810)
Non-controlling interests	312,755	120,198	560,002	123,769
	<u>(6,889,256)</u>	<u>494,345</u>	<u>(8,117,301)</u>	<u>(1,458,041)</u>
<b>(Loss)/earnings per share attributable to owners of the parent:</b>				
Basic, for (loss)/profit for the period (sen)	<u>(2.79)</u>	<u>0.15</u>	<u>(3.37)</u>	<u>(0.61)</u>
Diluted, for (loss)/profit for the period (sen) - Not Applicable				

(These Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.)

**KKB ENGINEERING BERHAD**

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(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2017****Unaudited Condensed Consolidated Statements of Financial Position**

	AS AT 30/06/2017 RM	AS AT 31/12/2016 RM
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	137,879,311	143,185,361
Investment in associates	2,001,878	1,778,677
Deferred tax assets	5,112,697	2,027,666
	<u>144,993,886</u>	<u>146,991,704</u>
<b>Current assets</b>		
Inventories	28,600,509	27,322,947
Trade and other receivables	56,800,862	17,584,698
Other current assets	4,389,416	3,818,310
Short term funds	100,376,083	101,315,507
Cash and bank balances	11,969,611	34,794,573
	<u>202,136,481</u>	<u>184,836,035</u>
<b>TOTAL ASSETS</b>	<b><u>347,130,367</u></b>	<b><u>331,827,739</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Amount due to customers for contract work	9,031,168	1,275,636
Loans and borrowings	3,863,828	7,161,470
Trade and other payables	41,712,807	20,985,781
Income tax payable	725,581	227,162
	<u>55,333,384</u>	<u>29,650,049</u>
<b>Net Current assets</b>	<u>146,803,097</u>	<u>155,185,986</u>
<b>Non-current liabilities</b>		
Loans and borrowings	2,751,883	4,719,244
Deferred tax liabilities	533,968	580,013
	<u>3,285,851</u>	<u>5,299,257</u>
<b>Total liabilities</b>	<u>58,619,235</u>	<u>34,949,306</u>
<b>Net assets</b>	<u>288,511,132</u>	<u>296,878,433</u>
<b>Equity attributable to owners of the parent</b>		
Share capital	128,896,000	128,896,000
Retained earnings	147,687,146	156,364,449
	<u>276,583,146</u>	<u>285,260,449</u>
<b>Non-controlling interests</b>	<u>11,927,986</u>	<u>11,617,984</u>
<b>Total equity</b>	<u>288,511,132</u>	<u>296,878,433</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>347,130,367</u></b>	<b><u>331,827,739</u></b>

(These Condensed Consolidated Statements of Financial Position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.)

**KKB ENGINEERING BERHAD**

(Company No : 26495 - D)

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2017****Unaudited Condensed Consolidated Statements of Changes in Equity**

	<----- Attributable to owners of the parent ----->			Non-controlling	Total
	Non-Distributable	Distributable	Total	Interests	Equity
	Share	Retained			
	Capital	Earnings			
	RM	RM	RM	RM	RM
<b>At 1 January 2016</b>	128,896,000	172,455,780	301,351,780	10,081,480	311,433,260
(Loss)/profit for the period	-	(1,581,810)	(1,581,810)	123,769	(1,458,041)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive (expense)/income for the period	-	(1,581,810)	(1,581,810)	123,769	(1,458,041)
Dividend paid to non-controlling interests	-	-	-	(750,000)	(750,000)
First and final dividend for FYE 31 December 2015	-	(10,311,680)	(10,311,680)	-	(10,311,680)
<b>At 30 June 2016</b>	<u>128,896,000</u>	<u>160,562,290</u>	<u>289,458,290</u>	<u>9,455,249</u>	<u>298,913,539</u>
<b>At 1 January 2017</b>	128,896,000	156,364,449	285,260,449	11,617,984	296,878,433
(Loss)/profit for the period	-	(8,677,303)	(8,677,303)	560,002	(8,117,301)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive (expense)/income for the period	-	(8,677,303)	(8,677,303)	560,002	(8,117,301)
Dividend paid to non-controlling interest of a subsidiary	-	-	-	(250,000)	(250,000)
<b>At 30 June 2017</b>	<u>128,896,000</u>	<u>147,687,146</u>	<u>276,583,146</u>	<u>11,927,986</u>	<u>288,511,132</u>

(These Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.)

**KKB ENGINEERING BERHAD**

(Company No : 26495 - D)

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2017****Unaudited Condensed Consolidated Statements of Cash Flows**

	CUMULATIVE 6 MONTHS ENDED 30/06/2017 RM	CUMULATIVE 6 MONTHS ENDED 30/06/2016 RM
Loss before taxation	(10,729,676)	(2,317,132)
Adjustments for:		
Depreciation of property, plant & equipment	6,242,939	6,050,471
Interest expense	378,696	210,434
Property, plant & equipment written off	4,058	1
Gain on disposal of property, plant & equipment	(47)	-
Impairment loss on trade receivables	5,381	73,461
Dividend income	(835,451)	(1,502,057)
Fair value changes in short term funds	(1,025,911)	(829,778)
Unrealised foreign exchange gain	(7,772)	(17,586)
Interest income	(2,508,129)	(143,277)
Share of results of associates	(223,201)	347,552
Total adjustments	<u>2,030,563</u>	<u>4,189,221</u>
Operating cash flows before changes in working capital	(8,699,113)	1,872,089
Changes in working capital		
Increase in inventories	(1,277,562)	(3,239,179)
Increase in amount due from customers for contract work	-	(7,217,105)
Increase/(decrease) in amount due to customers for contract work	7,755,532	(1,169,544)
(Increase)/decrease in receivables	(39,183,036)	6,251,647
Increase in payables	20,734,798	2,142,926
Increase in other current assets	(6,087)	(5,743)
Cash flows used in operations	<u>(20,675,468)</u>	<u>(1,364,909)</u>
Interest paid	(378,696)	(210,434)
Taxation paid, net of refund	(585,300)	(3,794,569)
Net cash flows used in operating activities	<u>(21,639,464)</u>	<u>(5,369,912)</u>
Investing activities		
Proceeds from disposal of property, plant & equipment	515	-
Acquisition of property, plant & equipment	(941,416)	(3,624,523)
Net proceeds from short term funds	2,800,786	22,233,072
Interest received	2,469,620	67,415
Dividend received from an associate	-	20,000
Net cash flows from investing activities	<u>4,329,505</u>	<u>18,695,964</u>
Financing activities		
Dividend paid to shareholders of the Company	-	(10,311,680)
Dividend paid to non-controlling interests	(250,000)	(750,000)
Net repayment of bankers' acceptances	(3,400,000)	-
Repayment of lease instalments	(1,865,003)	(1,594,816)
Net cash flows used in financing activities	<u>(5,515,003)</u>	<u>(12,656,496)</u>
Net (decrease)/increase in cash and cash equivalents	(22,824,962)	669,556
Cash and cash equivalents at the beginning of the period	34,794,573	16,763,950
Cash and cash equivalents at the end of the period	<u><u>11,969,611</u></u>	<u><u>17,433,506</u></u>

(These Condensed Consolidated Statements of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.)

## **NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**

### **Selected explanatory notes pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting**

#### **1. Basis of Preparation**

The condensed consolidated interim financial statements have been prepared in accordance with MFRS 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”), IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board 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 statements 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.

#### **2. 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 adoption of the following with effect from 1 January 2017:

- ❖ Amendments to MFRS 107: Disclosures Initiative
- ❖ Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses
- ❖ Annual Improvements to MFRS Standards 2014-2016 Cycle
  - Amendments to MFRS 12: Disclosure of Interests in Other Entities

The initial application of the above is not expected to have any material financial impact on the Group's results.

#### **3. 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.

#### **4. Seasonal or cyclical factors**

The business operations of the Group are not significantly affected by any seasonal or cyclical factors in the current quarter and financial year to date.

#### **5. Unusual Items Due to Their Nature, Size or Incidence**

There were no unusual items affecting the assets, liabilities, equities, net income or cash flows of the Group in the current quarter and financial year to date.

#### **6. Changes 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 and financial year to date.

## 7. Debt and equity securities

There were no issuances and repayments of debt and equity securities, share buy backs, shares cancellation, shares held as treasury shares and resale of treasury shares in the current quarter and financial year to date.

## 8. Dividend paid

No dividend was paid in the current quarter and financial year to date.

## 9. Segmental Reporting

The information for business segments predominantly conducted in Malaysia for the current financial year to date was as follows:

### RESULTS FOR PERIOD-TO-DATE ENDED 30 JUNE 2017

	Manufacturing RM	Engineering RM	Consolidated RM
Total revenue	10,347,150	84,590,711	94,937,861
Less: Inter-segment revenue	(4,233,036)	(907,801)	(5,140,837)
External revenue	6,114,114	83,682,910	89,797,024
Results	134,918	(10,709,099)	(10,574,181)
Finance costs	(96,978)	(281,718)	(378,696)
Share of results of associates	33,046	190,155	223,201
Profit/(loss) before tax	70,986	(10,800,662)	(10,729,676)
Income tax expense	94,454	2,517,921	2,612,375
Profit/(loss) after tax	165,440	(8,282,741)	(8,117,301)
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### OTHER INFORMATION

Interest income	41,742	2,466,387	2,508,129
Depreciation	489,195	5,753,744	6,242,939
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**RESULTS FOR PERIOD-TO-DATE ENDED 30 JUNE 2016**

	Manufacturing RM	Engineering RM	Consolidated RM
Total revenue	16,816,678	42,034,532	58,851,210
Less: Inter-segment revenue	(9,297,918)	(212,090)	(9,510,008)
External revenue	7,518,760	41,822,442	49,341,202
Results	(1,175)	(1,757,971)	(1,759,146)
Finance costs	-	(210,434)	(210,434)
Share of results of associates	(18,943)	(328,609)	(347,552)
Loss before tax	(20,118)	(2,297,014)	(2,317,132)
Income tax expense	79,419	779,672	859,091
Profit/(loss) after tax	59,301	(1,517,342)	(1,458,041)
	=====	=====	=====
<b>OTHER INFORMATION</b>			
Interest income	36,895	106,382	143,277
Depreciation	536,537	5,513,934	6,050,471
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**10. Material subsequent events**

There were no material subsequent events as at the date of this announcement.

**11. Changes in composition of the Group**

There were no changes in composition of the Group for the current quarter and financial year to date.

**12. Contingent liabilities/Contingent assets as at 30 June 2017**

There were no material contingent liabilities or contingent assets as at the date of this announcement.

**13. Capital Commitments**

	As at 30/06/2017 RM	As At 30/06/2016 RM
Commitments in respect of capital expenditure:		
Approved and contracted for:		
Property, plant and equipment	99,870	99,040
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## 14. Related Party Transactions

	3 Months Ended		Cumulative 6 Months Ended	
	Current Quarter Ended 30/06/2017 RM	Comparative Quarter Ended 30/06/2016 RM	Current Period Ended 30/06/2017 RM	Comparative Period Ended 30/06/2016 RM
Transactions with an associate, Edisi Optima Sdn. Bhd.				
- Sale of fabricated and galvanized steel products	557	25,083	11,202	51,390
- Provision of miscellaneous services such as machineries, equipments and labour	22,339	28,736	41,958	36,672
- Rental income	6,000	6,000	12,000	12,000
- Purchase of miscellaneous services such as machineries, equipments and labour	7,244	12,711	15,734	22,430
Transactions with an associate, OceanMight Sdn. Bhd.				
- Rental income	84,900	96,900	169,800	191,800
- Sales of fabricated/galvanized steel products, structural steel works and other related products	12,093,257	18,587,190	25,759,498	30,138,842
- Provision of miscellaneous services such as machineries/equipment/facilities, labour/subcontract works etc	-	-	5,974	-
Transactions with subsidiaries of an investor, Cahya Mata Sarawak Bhd.				
- Sales of steel pipes and pipe fittings to CMS Infra Trading Sdn. Bhd.	651,796	-	651,796	-
- Sales of steel pipes, pipe fittings, fabricated/galvanized steel products and structural steel works to PPES Works (Sarawak) Sdn. Bhd.	-	761,550	-	761,550
- Sales of fabricated/galvanized steel products and structural steel works to CMS Wires Sdn. Bhd.	-	200	-	200
- Purchase of steel and concrete products from CMS Concrete Products Sdn. Bhd.	-	8,584	-	131,445
Rental expense paid to companies in which certain directors of the Company have substantial financial interest and/or are also directors				
- KKB Development Sdn. Bhd.	17,850	17,850	35,700	35,700
- KKB Realty Sdn. Bhd.	17,400	17,400	34,800	34,800
- Sepang Kaya Sdn. Bhd.	30,857	30,857	61,714	61,714
Rental expense paid to a director, Dato Kho Kak Beng				
	7,200	19,200	14,400	38,400



Rental expense paid to a person connected with certain directors of the Company - Kho Siew Lan	4,800	4,800	9,600	6,400
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	12,944,200	19,617,061	26,824,176	31,523,343
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These transactions have been entered into with related parties on terms and conditions that are not more favourable to the related party than those generally available to the public.

## **Explanatory notes pursuant to Appendix 9B of Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

### **15. Detailed Review Of Performance**

The Group's current quarter revenue of RM46.9 million (2Q16: RM27.2 million) comprising revenue from the Engineering and Manufacturing sectors of RM42.2 million (2Q16: RM23.6 million) and RM4.6 million (2Q16: RM3.6 million) respectively, bringing its year-to-date revenue to RM89.8 million (1H16: RM49.3 million). Comparatively, revenue increased by 72.4% and 82.2% respectively for the quarter and year-to-date, mainly attributed to higher revenue recognition from the Group's Civil Construction division.

The Group recorded a pre-tax loss of RM9.2 million against pre-tax profit of RM345K in 2Q16. The highly competitive environment coupled with escalation of cost due to the weakening of exchange rates, volatility of global raw material prices and direct overhead cost, mainly in the Steel Fabrication division, had led to the reduction in profit margins.

#### Engineering Sector

The sector's revenue of RM42.2 million (2Q16: RM23.6 million) was 78.8% higher, as a result of higher progress billings from on-going projects under the Civil Construction division. The Construction Division's revenue for the quarter of RM26.7 million was solely derived from the development and upgrading of the Proposed Pan Borneo Highway in the State of Sarawak (Phase 1 Works Package Contract – WPC-09) which has just commenced during the 4<sup>th</sup> Quarter 2016.

Revenue from the Steel Fabrication Division reduced by 35.2% over the preceding year corresponding quarter to register RM14.7 million (2Q16: RM22.79 million). Revenue for the quarter were mainly derived from the on-going fabrication works involving the supply of Low/High Tension Steel Poles, subcontract works for the fabrication of Wellhead Platforms and other on-going miscellaneous fabrication works.

HDG Division's sales of RM850K (2Q16: RM833K) for the quarter remained fairly consistent with the preceding year corresponding quarter, mainly contributed from the supply of Hot-Dip Galvanised Steel Poles.

#### Manufacturing Sector

Revenue for the current quarter of RM4.6 million recorded an increase of 27.8% compared to the preceding year corresponding quarter of RM3.6 million, due to improved sales from the Group's Steel Pipes and LPG cylinders Manufacturing Divisions.

LPG Cylinders manufacturing division recorded an increase in revenue of 25.0%, resulting from higher offtake of LPG cylinders as compared to the preceding year 2<sup>nd</sup> quarter. 2Q17 revenue of RM3.5 million (2Q16: RM2.8 million) was for the supply of LPG cylinders to Mygaz Sdn Bhd, Boustead Petroleum Marketing Sdn Bhd and Petron Malaysia Refining & Marketing Bhd (formerly known as Esso Malaysia Bhd).

The Group's Steel Pipes Manufacturing division under the two subsidiaries registered aggregate revenue of RM1.1 million (2Q16: RM780K), an increase of 41.0% over the preceding year corresponding quarter. Revenue for the quarter was mostly for the supply of MSCL Pipes and Specials to its existing customer - CMS Infra Trading Sdn Bhd and to other ad-hoc customers.

**16. Material changes in the quarterly results compared to the results of the preceding quarter**

The Group recorded a pre-tax loss of RM9.2 million in 2Q17 compared to RM1.5 million registered in 1Q17. Higher cost of raw material and direct overhead cost, in particular the Engineering sector have contributed to the overall weak performance of the Group despite revenue increased marginally by 9.3% compared to the preceding quarter.

**17. Prospects**

The current financial year has been a challenging one for the Group. The Board remains cautious that the Group's performance for the remaining 2H17 will continue to be challenging underpinned by the continued uncertainties in the global economic environment.

The weak crude oil prices has caused Major Oil Companies in Malaysia to make substantial cuts in their capital expenditures on field developments and resulted in the slow-down of both the Upstream and Downstream industry, which will have an impact on the Group's Engineering sector.

The Group will continue to bid for new contracts/projects, particularly the government infrastructure projects whenever the opportunity arises and identify new strategic and potential business opportunities in the Major Onshore Fabrication, in collaboration with OceanMight Sdn Bhd and other strategic partner(s).

Notwithstanding, our diverse portfolio of businesses coupled with the Group's healthy financial position with relatively low gearing will provide us with the resilience to mitigate the adverse effects under the prevailing competitive and challenging business environment.

**18. Variances from financial estimate, forecast or projection, or profit guarantee**

Not applicable to the Group as no financial estimate, forecast or projection, or profit guarantee were published.

**19. Commentary on the company's progress to achieve the financial estimate, forecast, projection or internal targets in the remaining period to the end of the financial year and the forecast period which was previously announced or disclosed in a public document and steps taken or proposed to be taken to achieve the financial estimate, forecast, projection or internal targets**

Not applicable to the Group as no announcements or disclosures were published in a public document as to the financial estimate, forecast, projection or internal targets as at the date of this announcement.

**20. Statement of the Board of Directors' opinion as to whether the financial estimate, forecast, projection or internal targets in the remaining period to the end of the financial year and the forecast period which was previously announced or disclosed in a public document are likely to be achieved**

Not applicable to the Group as no announcements or disclosures were published in a public document as to the financial estimate, forecast, projection or internal targets as at the date of this announcement.

**21. Income Tax Expense**

	3 Months Ended		Cumulative 6 Months Ended	
	Current Quarter Ended 30/06/2017 RM	Comparative Quarter Ended 30/06/2016 RM	Current Period Ended 30/06/2017 RM	Comparative Period Ended 30/06/2016 RM
Malaysian taxation - Current year	279,252	23,824	518,701	23,824
Deferred tax	(2,630,394)	(173,319)	(3,131,076)	(882,915)
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	(2,351,142)	(149,495)	(2,612,375)	(859,091)
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**22. Status of Corporate Proposals**

There were no new or outstanding corporate proposals announced which have not been completed as at the date of this announcement.

**23. Group's Borrowings and Debt Securities**

Total Group's loans and borrowings as at 30 June 2017 were as follows: -

Loans and Borrowings (denominated in Ringgit Malaysia)	Secured RM
<u>Current</u>	
Lease payables	3,863,828
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<u>Non-Current</u>	
Lease payables	2,751,883
	-----
Total borrowings	6,615,711
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**24. Material Litigations**

The hearing of the arbitration proceedings between KKB Builders Sdn Bhd (a wholly owned subsidiary of the Company) as the Claimant and Global Upline Sdn Bhd as the Respondent is on-going.

The legal opinion given by the Company's lawyers is that the Respondent's claim is without basis.

Save as disclosed above, there were no pending material litigations against the Group which might materially and adversely affect the Group's financial position.

**25. Dividend**

No interim dividend has been recommended for payment in the current quarter and financial year-to-date.

## 26. Earnings per share

	3 Months Ended		Cumulative 6 Months Ended	
	Current Quarter Ended 30/06/2017	Comparative Quarter Ended 30/06/2016	Current Period Ended 30/06/2017	Comparative Period Ended 30/06/2016
Net (loss)/profit attributable to owners of the parent (RM)	<u>(7,202,011)</u>	<u>374,147</u>	<u>(8,677,303)</u>	<u>(1,581,810)</u>
Weighted average number of ordinary shares in issue	<u>257,792,000</u>	<u>257,792,000</u>	<u>257,792,000</u>	<u>257,792,000</u>
Basic (loss)/earnings per share for the period attributable to owners of the parent (sen)	<u>(2.79)</u>	<u>0.15</u>	<u>(3.37)</u>	<u>(0.61)</u>

There is no dilution in its loss per ordinary share in the current quarter and financial year to date as there are no dilutive potential ordinary shares outstanding at the end of the reporting period.

## 27. Realised and Unrealised Profits/Losses

	As at 30/06/2017 RM	As at 31/12/2016 RM
Total retained profits of the Company and its subsidiaries:		
- Realised	146,961,452	158,693,004
- Unrealised	12,816,523	9,685,447
	-----	-----
	159,777,975	168,378,451
Total share of accumulated losses from associates:		
- Realised	(2,825,118)	(3,048,319)
	-----	-----
	156,952,857	165,330,132
Less: Consolidation adjustments	(9,265,711)	(8,965,683)
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Total group retained profits as per consolidated accounts	147,687,146	156,364,449
	=====	=====

## 28. Additional Disclosures on Profit for the period

	3 Months Ended		Cumulative 6 Months Ended	
	Current Quarter Ended 30/06/2017 RM	Comparative Quarter Ended 30/06/2016 RM	Current Period Ended 30/06/2017 RM	Comparative Period Ended 30/06/2016 RM
Profit for the period is arrived at after charging/(crediting):				
Interest income	(244,848)	(62,931)	(2,508,129)	(143,277)
Realised foreign exchange (gain)/loss	(202)	(196,438)	20,808	(132,062)
Unrealised foreign exchange gain	-	-	(7,772)	(17,586)
Rental income	(102,900)	(114,900)	(196,300)	(227,800)
Gain on disposal of property, plant and equipment	-	-	(47)	-
Depreciation of property, plant and equipment	3,121,184	3,056,633	6,242,939	6,050,471
Interest expense	219,862	100,457	378,696	210,434

Impairment loss on trade receivables	2,690	35,589	5,381	73,461
Property, plant and equipment written off	-	-	4,058	1

Other than the above items which have been included in the statement of profit or loss and other comprehensive income, there were no provision for and write off of receivables, provision for and write off of inventories, gain or loss on disposal of quoted or unquoted investments, gain or loss on derivatives and exceptional items for the current quarter and period ended 30 June 2017.