

**PINTARAS JAYA BERHAD**(189900H)

Interim financial statements for the nine months ended 31 March 2018

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
For the Financial Period Ended 31 March 2018

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31.03.2018 RM'000	31.03.2017 RM'000	31.03.2018 RM'000	31.03.2017 RM'000
Revenue	30,311	52,570	73,764	172,077
Cost of sales	<u>(21,610)</u>	<u>(42,053)</u>	<u>(59,353)</u>	<u>(133,144)</u>
Gross profit	8,701	10,517	14,411	38,933
Other operating income	3,448	2,308	8,761	9,187
Administrative expenses	(301)	(905)	(2,438)	(2,912)
Other operating expenses	<u>(1,178)</u>	<u>(1,061)</u>	<u>(3,625)</u>	<u>(3,622)</u>
Profit before taxation	10,670	10,859	17,109	41,586
Taxation	<u>(4,166)</u>	<u>(2,406)</u>	<u>(5,028)</u>	<u>(8,611)</u>
Profit for the period	<u>6,504</u>	<u>8,453</u>	<u>12,081</u>	<u>32,975</u>
Other comprehensive income				
- Available-for-sale financial assets:				
- net changes in fair value	(2,782)	1,951	494	4,245
- reclassification to profit or loss	<u>(1,914)</u>	<u>(351)</u>	<u>(2,421)</u>	<u>(2,396)</u>
Changes in other comprehensive income	<u>(4,696)</u>	<u>1,600</u>	<u>(1,927)</u>	<u>1,849</u>
Total comprehensive income for the period	<u>1,808</u>	<u>10,053</u>	<u>10,154</u>	<u>34,824</u>
Profit attributable to:				
Equity holders of the Company	<u>6,504</u>	<u>8,453</u>	<u>12,081</u>	<u>32,975</u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>1,808</u>	<u>10,053</u>	<u>10,154</u>	<u>34,824</u>
Earnings per share (sen)				
- Basic	<u>3.9</u>	<u>5.2</u>	<u>7.3</u>	<u>20.2</u>
- Diluted	<u>3.9</u>	<u>5.2</u>	<u>7.3</u>	<u>20.1</u>

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017.

**PINTARAS JAYA BERHAD**(189900H)

Interim financial statements for the nine months ended 31 March 2018

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 31 March 2018

	As at 31.03.2018 RM'000	As at 30.06.2017 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	83,902	93,478
Investment properties	120	123
Available-for-sale financial assets	34,885	29,089
Deferred tax assets	3,567	3,940
	<u>122,474</u>	<u>126,630</u>
Current assets		
Amounts due from customers on contracts	2,339	44
Inventories	14,064	17,453
Tax recoverable	3,105	4,082
Receivables	86,534	86,523
Short-term deposits	149,285	171,040
Cash and bank balances	7,388	8,425
	<u>262,715</u>	<u>287,567</u>
TOTAL ASSETS	<u>385,189</u>	<u>414,197</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Capital and reserves		
Share capital	177,682	176,173
Share option reserve	997	1,284
Available-for-sale reserve	4,472	6,399
Retained earnings	149,242	156,974
Total equity	<u>332,393</u>	<u>340,830</u>
Non-current liability		
Deferred tax liabilities	11,485	12,995
	<u>11,485</u>	<u>12,995</u>
Current liabilities		
Amounts due to customers on contracts	720	557
Payables	39,091	44,905
Dividend payable	-	13,178
Taxation	1,500	1,732
	<u>41,311</u>	<u>60,372</u>
Total liabilities	<u>52,796</u>	<u>73,367</u>
TOTAL EQUITY AND LIABILITIES	<u>385,189</u>	<u>414,197</u>
Net assets per share attributable to equity holders of the Company (RM)	2.01	2.07

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017.

**PINTARAS JAYA BERHAD**(189900H)

Interim financial statements for the nine months ended 31 March 2018

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
For The Financial Period Ended 31 March 2018

	← Attributable to equity holders of the Company →					
	Share capital RM'000	Share premium RM'000	Share option reserve RM'000	Available-for-sale reserve RM'000	Retained earnings RM'000	Total equity RM'000
At 1 July 2017	176,173	-	1,284	6,399	156,974	340,830
Total comprehensive income for the period	-	-	-	(1,927)	12,081	10,154
Issuance of shares						
- exercise of ESOS	1,509	-	(287)	-	-	1,222
Dividends	-	-	-	-	(19,813)	(19,813)
At 31 March 2018	<u>177,682</u>	<u>-</u>	<u>997</u>	<u>4,472</u>	<u>149,242</u>	<u>332,393</u>
At 1 July 2016	163,526	8,477	1,786	3,986	153,554	331,329
Total comprehensive income for the period	-	-	-	1,849	32,975	34,824
Issuance of shares						
- exercise of ESOS	250	624	(166)	-	-	708
Dividends	-	-	-	-	(19,650)	(19,650)
Effects from adoption of CA 2016*	9,101	(9,101)	-	-	-	-
At 31 March 2017	<u>172,877</u>	<u>-</u>	<u>1,620</u>	<u>5,835</u>	<u>166,879</u>	<u>347,211</u>

* Pursuant to Section 618(2) of the Companies Act 2016 ("CA 2016"), any outstanding share premium and capital redemption reserve accounts shall become part of Share Capital.

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017.

**PINTARAS JAYA BERHAD**(189900H)

Interim financial statements for the nine months ended 31 March 2018

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**
For The Financial Period Ended 31 March 2018

	9 months ended	
	31.03.2018 RM'000	31.03.2017 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the financial period	12,081	32,975
Adjustments for:-		
Depreciation of property, plant and equipment and investment properties	9,982	11,227
Gain on disposals of available-for-sale financial assets	(2,165)	(3,026)
Impairment losses of available-for-sale financial assets	282	33
Taxation	5,028	8,611
Other non-cash items	805	758
Other non-operating items	(5,244)	(4,697)
	<u>20,769</u>	<u>45,881</u>
Changes in working capital:		
Net changes in current assets	1,431	(26,336)
Net changes in current liabilities	(5,823)	17,672
	<u>16,377</u>	<u>37,217</u>
Cash generated from operations	16,377	37,217
Tax paid	(5,420)	(6,674)
Tax refunded	1	-
Interest income received	2,850	3,327
	<u>13,808</u>	<u>33,870</u>
Net cash flows generated from operating activities	13,808	33,870
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(444)	(11,635)
Proceeds from disposal of property, plant and equipment	430	167
Purchases of available-for-sale financial assets	(23,256)	(13,513)
Proceeds from disposals of available-for-sale financial assets	16,592	13,108
Dividend income received	2,041	1,525
(Increase)/decrease in short-term deposits and bank balances used for investment purposes	(3,929)	878
	<u>(8,566)</u>	<u>(9,470)</u>
Net cash flows used in investing activities	(8,566)	(9,470)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from ESOS exercised	1,222	708
Dividends paid	(32,990)	(32,732)
	<u>(31,768)</u>	<u>(32,024)</u>
Net cash flows used in financing activities	(31,768)	(32,024)
NET DECREASE IN CASH & CASH EQUIVALENTS	(26,526)	(7,624)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	176,794	169,210
CURRENCY TRANSLATION DIFFERENCES	(195)	183
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>150,073</u>	<u>161,769</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017.



PINTARAS JAYA BERHAD (189900-H)

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Interim financial statements for the nine months ended 31 March 2018

Notes to the Interim Financial

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (MFRS) No. 134 - Interim Financial Reporting 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 financial statements for the financial year ended 30 June 2017. These explanatory notes attached to the 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 financial year ended 30 June 2017.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2017.

2. Auditors' Report on Preceding Annual Financial Statements

The audit report of the Group's most recent annual audited financial statements for the financial year ended 30 June 2017 was not qualified.

3. Seasonal or Cyclical Factors

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

4. Unusual Items

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

5. Changes in Estimates

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter.

6. Changes in Debt and Equity Securities

During the financial period ended 31 March 2018, a total of 431,800 new ordinary shares were issued and allotted pursuant to the exercise of the Company's Employee Share Option Scheme ("ESOS") at an exercise price of RM2.83 per ordinary share.

Other than as mentioned above, there were no other issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the financial period under review.

7. Dividend Paid

An interim single-tier dividend of 8 sen per share amounting to RM13,177,520 in respect of the financial year ended 30 June 2017 was declared on 26 May 2017 and paid on 12 July 2017.

The final single-tier dividend of 12 sen per share amounting to RM19,812,816 in respect of the financial year ended 30 June 2017 was approved by the shareholders during the Annual General Meeting on 17 October 2017 and paid on 12 January 2018.

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Interim financial statements for the nine months ended 31 March 2018**8. Segmental Information**

	Piling, civil engineering and construction works RM'000	Manufacturing RM'000	Group RM'000
9 months ended 31 March 2018			
<u>Revenue</u>			
Construction contracts	50,595	-	50,595
Sale of goods	-	23,169	23,169
Total revenue			<u>73,764</u>
<u>Results</u>			
Segment results	8,518	2,353	10,871
Unallocated income			7,144
Unallocated costs			(906)
Profit before taxation			<u>17,109</u>
Taxation			<u>(5,028)</u>
Profit for the financial period			<u>12,081</u>

	Piling, civil engineering and construction works RM'000	Manufacturing RM'000	Group RM'000
9 months ended 31 March 2017			
<u>Revenue</u>			
Construction contracts	148,769	-	148,769
Sale of goods	-	23,308	23,308
Total revenue			<u>172,077</u>
<u>Results</u>			
Segment results	30,457	3,871	34,328
Unallocated income			7,709
Unallocated costs			(451)
Profit before taxation			<u>41,586</u>
Taxation			<u>(8,611)</u>
Profit for the financial period			<u>32,975</u>

Segmental reporting by geographical area is not presented as the Group's activities are entirely carried out in Malaysia.

9. Valuation of Property, Plant and Equipment

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

**PINTARAS JAYA BERHAD (189900-H)**

(Incorporated in Malaysia)

Interim financial statements for the nine months ended 31 March 2018**10. Material Events Subsequent to the End of Financial Period**

There were no material events subsequent to the end of the current financial period ended 31 March 2018 up to the date of this report that have not been reflected in this financial statements.

11. Changes in Composition of the Group

There were no changes in the composition of the Group during the financial period under review.

12. Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets since the last audited financial statements of the Group.

13. Capital Commitments

There were no material capital commitments not provided for in the interim financial statements as at 31 March 2018.

14. Review of Performance**Financial review for current quarter and financial year to date**

	Individual Quarter			Cumulative Quarter		
	31.03.2018 RM'000	31.03.2017 RM'000	Variance (%)	31.03.2018 RM'000	31.03.2017 RM'000	Variance (%)
Revenue						
Construction	22,175	44,205	-50%	50,595	148,769	-66%
Manufacturing	8,136	8,365	-3%	23,169	23,308	-1%
	<u>30,311</u>	<u>52,570</u>	-42%	<u>73,764</u>	<u>172,077</u>	-57%
Profit Before Taxation('PBT')						
Construction	6,804	7,538	-10%	8,518	30,457	-72%
Manufacturing	1,168	1,498	-22%	2,353	3,871	-39%
Others - unallocated income(net of cost)	2,698	1,823	48%	6,238	7,258	-14%
	<u>10,670</u>	<u>10,859</u>	-2%	<u>17,109</u>	<u>41,586</u>	-59%

(a) Current Year 3rd Quarter (3Q2018) versus Preceding Year 3rd Quarter (3Q2017)

The Group recorded a revenue and PBT of RM30.3 million and RM10.7 million in 3Q2018, representing a decrease of 42% and 2% respectively compared to 3Q2017. The decline was attributable mainly to lower contribution from both the construction and manufacturing divisions over the preceding comparative financial quarter. Contribution from investment activities, however, was higher.

Construction Division

The construction division recorded a lower revenue of RM22.2 million in 3Q2018 compared to RM44.2 million in the same quarter last financial year. PBT fell by 10% to RM6.8 million from RM7.5 million. The decline in the current financial quarter results compared to 3Q2017 was mainly due to decreased volume of construction works as a result of fewer projects secured and slow start of its new projects. The reduction in profit was partially mitigated by additional profit recognised from completed projects in financial year 2017 upon closing of the final accounts.

Manufacturing Division

The manufacturing division recorded a revenue and PBT of RM8.1 million and RM1.2 million in 3Q2018, representing a decrease of 3% and 22% respectively compared to the same quarter last financial year. The decline in current financial quarter results compared to 3Q2017 was mainly due to lower sales volume and higher tinplate costs.



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(b) Current Year-to-date versus Preceding Year Corresponding Period

For the financial period ended 31 March 2018, the Group achieved a revenue of RM73.8 million against previous corresponding period of RM172.1 million representing a decrease of 57%. This was mainly due to the 66% drop in construction revenue which recorded an amount of only about RM50.6 million.

The Group recorded PBT of RM17.1 million for the current financial period under review. This represents a decrease of RM24.5 million or 59% from the PBT of RM41.6 million registered in the corresponding period of the preceding year. The decline was in line with the drop in revenue coupled with lower investment income.

Construction Division

The construction division recorded a lower revenue of RM50.6 million compared to RM148.8 million last financial year. Consequently, PBT reduced by 72% to RM8.5 million from RM30.5 million last financial year. The decline in revenue and profit were mainly due to greatly reduced construction activities and generally lower rates for newly secured contracts.

Manufacturing Division

Sales from manufacturing division has reduced marginally by 1% to RM23.2 million in 3Q2018 as compared to RM23.3 million in the same financial quarter last year. However, PBT was 39% lower at RM2.4 million compared to RM3.9 million in 3Q2017. The significant decrease in profit despite a slight drop in revenue was mainly due to higher material costs and increased operating expenditure. The average inventory cost for tinplate increased sharply by 33% compared to the same period last year.

15. Material Changes in the Quarterly Results compared to the results of the Immediate Preceding Quarter

	Current Quarter 31.03.2018 RM'000	Immediate Preceding Quarter 31.12.2017 RM'000	Variance (%)
Revenue	30,311	24,275	25%
Profit before taxation	10,670	2,557	317%

For the 3rd financial quarter under review, the Group recorded a revenue and PBT of RM30.3 million and RM10.7 million, representing an increase of 25% and 317% respectively compared to the immediate preceding quarter. The improvement was mainly due to the factors described below:

- i) Higher construction progress achieved from on-going projects; and
- ii) Much higher investment income.



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16. Prospects for the Current Financial Year

With the election of the New Government and the likely changes to government fiscal policies, the immediate future of our construction business is difficult to predict. Prior to and post Elections we experienced a reluctance of property developers to award projects and consequently this has negatively impacted our replenishment of contracts. Our current outstanding order book of about RM110 million will see us through in the next few months but it is critical for us to have job wins to improve on our low utilisation of our construction capacity.

On the manufacturing front, the Board expects the remaining financial period to perform satisfactory. We have managed to raise our selling prices to help cushion the sharp increase of tinplate prices. We will continue to defend our market share and at the same time make determined efforts to expand our domestic business and continue to push for export sales particularly in Australia and Middle-East in order to compensate for the slower domestic market.

Barring unforeseen circumstance, the Board of Directors is of the opinion that the Group's results will remain profitable for the remaining financial period of the financial year ending 30 June 2018.

17. Variance of Actual Profit from Forecast Profit/Profit Guarantee

There were no profit forecast/profit guarantee issued by the Group.

18. Taxation

Taxation comprises the following: -

	Current quarter ended 31.03.2018 RM'000	Cumulative quarter ended 31.03.2018 RM'000
Current taxation:		
- current financial period	(1,988)	(4,100)
- under provision in prior financial year	(2,065)	(2,065)
Deferred taxation	(113)	1,137
	<u>(4,166)</u>	<u>(5,028)</u>

The average effective tax rate differs from the statutory income tax rate of Malaysia as follows:

	Current quarter ended %	Cumulative quarter ended %
Statutory income tax rate	24	24
Tax effects of:		
- income not subject to tax	(5)	(6)
- expenses not deductible for tax purposes	1	1
- under provision in prior financial year	19	12
- utilisation of previously unrecognised deferred tax assets	-	(2)
Average effective tax rate	<u>39</u>	<u>29</u>



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19. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this report.

20. Group borrowings and Debt Securities

The Group does not have any borrowings or debt securities as at 31 March 2018.

21. Derivative Financial Instrume

The Group has no derivative financial instruments for the current financial period under review.

22. Fair Value Changes of Financial Liabilities

There are no financial liabilities measured at fair value through profit or loss as at 31 March 2018.

23. Changes in Material Litigation

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

24. Dividend

The Board of Directors declared an interim single-tier dividend of 8 sen per ordinary share in respect of the financial year ending 30 June 2018. This interim dividend will be paid on 12 July 2018.

25. Earnings Per Share

Basic earnings per share is calculated by dividing the Group's profit attributable to equity holders by the weighted average number of ordinary shares in issue during the financial period.

	Current quarter ended 31.03.2018	Cumulative quarter ended 31.03.2018
- Profit attributable to equity holders of the Company (RM'000)	6,504	12,081
- Weighted average number of ordinary shares in issue ('000)	165,054	165,054
- Basic earnings per share (sen)	3.9	7.3

For the diluted earnings per share calculation, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

- Profit attributable to equity holders of the Company (RM'000)	6,504	12,081
- Weighted average number of ordinary shares in issue ('000)	165,054	165,054
Effect of dilution arising from ESOS ('000)	276	276
Weighted average number of ordinary shares for diluted earnings per share ('000)	<u>165,330</u>	<u>165,330</u>
- Diluted earnings per share (sen)	3.9	7.3

**PINTARAS JAYA BERHAD (189900-H)**

(Incorporated in Malaysia)

Interim financial statements for the nine months ended 31 March 2018**26. Realised and Unrealised Profits/Losses Disclosure**

	As at 31.03.2018 RM'000	As at 30.06.2017 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	148,611	157,297
- Unrealised	(6,961)	(7,898)
	<u>141,650</u>	<u>149,399</u>
Add: Consolidation adjustments	7,592	7,575
Total group retained profits as per consolidated accounts	<u>149,242</u>	<u>156,974</u>

27. Profit before Taxation

	Current quarter ended 31.03.2018 RM'000	Cumulative quarter ended 31.03.2018 RM'000
Profit before taxation is arrived at after charging/(crediting):-		
(a) Interest income	(771)	(2,796)
(b) Other income including investment income		
- dividend income	(829)	(2,052)
- gain on disposals of property, plant and equipment	(260)	(395)
(c) Interest expenses	N/A	N/A
(d) Depreciation of property, plant and equipment and investment properties	3,173	9,982
(e) Provision for impairment of receivables	120	360
(f) Inventories written off	5	48
(g) Gain or loss on disposal of quoted or unquoted investments or properties		
- loss/(gain) on disposals of available-for-sale financial assets	(1,222)	(2,165)
- gain on disposal of investment property	N/A	N/A
(h) Impairment of assets		
- property, plant and equipment	N/A	N/A
- available-for-sale financial assets	-	282
(i) Net loss/(gain) on foreign exchange	(13)	77
(j) Gain or loss on derivatives	N/A	N/A
(k) Exceptional items	N/A	N/A

By order of the Board

KHOO YOK KEE

Executive Director

Shah Alam
25 May 2018