

QUARTERLY REPORT ON THE CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	CURRENT QUARTER ENDED 31-Dec-17 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31-Dec-16 RM'000	CURRENT YEAR TO DATE ENDED 31-Dec-17 RM'000	PRECEDING YEAR TO DATE ENDED 31-Dec-16 RM'000
Revenue	134,406	107,140	485,428	401,513
Cost of sales	(104,534)	(83,766)	(366,462)	(313,834)
Gross profit	29,872	23,374	118,966	87,679
Other income	6,478	11,151	8,552	14,797
Administrative expenses	(17,386)	(14,707)	(61,433)	(50,120)
Operating profit	18,964	19,818	66,085	52,356
Finance costs	(7,945)	(4,250)	(22,229)	(10,596)
Share of results of associates/ JV	75	(61)	75	(61)
Profit before tax	11,094	15,507	43,931	41,699
Taxation	(3,053)	(4,095)	(12,391)	(11,343)
Profit for the financial period	8,041	11,412	31,540	30,356
Other comprehensive income, net of tax:				
Actuarial gain from employee benefits	28	8	28	8
Foreign currency translation	(3,677)	(1,541)	(3,168)	(1,541)
Total comprehensive income for the financial period	4,392	9,879	28,400	28,823
Profit attributable to:				
Owners of the Company	6,974	11,950	24,571	26,574
Non-controlling interests	1,067	(538)	6,969	3,782
	8,041	11,412	31,540	30,356
Total comprehensive income attributable to:				
Owners of the Company	3,390	9,902	20,546	24,526
Non-controlling interests	1,002	(23)	7,854	4,297
	4,392	9,879	28,400	28,823

Note:

The Condensed Consolidated Statement of Comprehensive Income for the fourth quarter ended 31 December 2017 should be read in conjunction with the Audited Financial Statements for the financial year ended (“FYE”) 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	UNAUDITED As at 31-Dec-17 RM'000	AUDITED As at 31-Dec-16 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	383,881	268,548
Investment properties	16,800	14,500
Deferred tax assets	267	173
Intangible assets	172,237	21,944
Investment in an associate company and a joint venture	475	-
Trade receivables	22,420	19,790
	596,080	324,955
Current Assets		
Inventories	72,226	50,368
Amount due from contract customers	11,034	13,870
Other Investments	-	226
Trade and other receivables	321,968	292,231
Tax recoverable	3,069	1,681
Derivative financial assets	-	195
Fixed deposits placed with licensed banks	19,927	14,430
Cash and bank balances	98,239	114,854
	526,463	487,855
TOTAL ASSETS	1,122,543	812,810
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	244,305	87,147
Share premium	-	157,150
Warrant reserve	84,134	84,136
Revaluation reserve	4,306	4,405
Foreign currency translation reserve	(5,553)	(1,587)
Reserve arising from reverse acquisition	(17,007)	(17,007)
Capital reserve	208	-
Retained earnings	116,115	100,619
	426,508	414,863
Non-controlling interests	56,452	49,038
Total Equity	482,960	463,901
Non-Current Liabilities		
Loan and borrowings	178,564	65,214
Deferred tax liabilities	14,258	8,189
Trade payables	3,541	19,795
Post employment benefit liabilities	353	325
	196,716	93,523
Current Liabilities		
Amount due to contract customers	978	637
Trade and other payables	163,355	168,431
Loan and borrowings	277,128	81,843
Tax payables	1,406	4,475
	442,867	255,386
TOTAL LIABILITIES	639,583	348,909
TOTAL EQUITY AND LIABILITIES	1,122,543	812,810
Net assets per share attributable to owners of the Company (RM)	0.49	0.48

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31
DECEMBER 2017 (CONT'D)**

Note:

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2017

	Attributable to owners of the Company								Non-Controlling Interests	Total Equity
	Non-distributable						Distributable			
	Share Capital	Share Premium	Warrant Reserve	Translation / Revaluation Reserve	Reverse Acquisition Reserve	Capital Reserve	Retained Earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
At 1 January 2017	87,147	157,150	84,136	2,818	(17,007)	-	100,619	414,863	49,038	463,901
Transfer to share capital (Note 1)	157,150	(157,150)	-	-	-	-	-	-	-	-
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	(266)	(266)
Subscription of shares by NCI in a subsidiary	-	-	-	-	-	-	-	-	1,983	1,983
Dividend paid	-	-	-	-	-	-	(8,715)	(8,715)	(2,349)	(11,064)
Bonus Issue in a subsidiary	-	-	-	-	-	208	(400)	(192)	192	-
Exercise of Warrants	8	-	(2)	-	-	-	-	6	-	6
Actuarial gain from employee benefits	-	-	-	-	-	-	24	24	4	28
Foreign currency translation	-	-	-	(4,049)	-	-	-	(4,049)	881	(3,168)
Realisation of revaluation reserve	-	-	-	(16)	-	-	16	-	-	-
Total comprehensive income for the financial period	-	-	-	-	-	-	24,571	24,571	6,969	31,540
At 31 December 2017	244,305	-	84,134	(1,247)	(17,007)	208	116,115	426,508	56,452	482,960
At 1 January 2016	79,224	102,869	84,136	4,971	(17,007)	-	78,693	332,886	10,370	343,256
Subscription of shares by NCI in subsidiaries	-	-	-	-	-	-	-	-	35,174	35,174
Dividend paid	-	-	-	-	-	-	(4,754)	(4,754)	(803)	(5,556)
Private Placement	7,923	56,249	-	-	-	-	-	64,172	-	64,172
Share issuance expenses	-	(1,968)	-	-	-	-	-	(1,968)	-	(1,968)
Actuarial gain from employee benefits	-	-	-	-	-	-	7	7	1	8
Foreign currency translation	-	-	-	(2,054)	-	-	-	(2,054)	513	(1,541)
Realisation of revaluation reserve	-	-	-	(99)	-	-	99	-	-	-
Total comprehensive income for the financial period	-	-	-	-	-	-	26,574	26,574	3,782	30,356
At 31 December 2016	87,147	157,150	84,136	2,818	(17,007)	-	100,619	414,863	49,038	463,901

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONT'D)

Note:

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

Note 1:

The new Companies Act 2016 ("New Act"), which came into effect on 31 January 2017, abolished the concept of authorized share capital and par value of share capital. Consequently, the amounts standing to the credit of the share premium account becomes part of the Company's share capital pursuant to the transitional provisions set out in Section 618(2) of the New Act. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2017

	Current Year To Date Ended 31-Dec-17 RM'000	Preceding Year To Date Ended 31-Dec-16 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	43,931	41,699
Adjustments for:		
Depreciation	30,345	11,719
Net unrealised loss/(gain) on foreign exchange	-	3,182
Amortisation of intangibles	2,907	1,751
Reversal of fair value gain on derivative assets	195	(163)
Provision for post employment benefits	-	78
Gain on disposal of property, plant and equipment	-	(156)
Interest expenses	22,229	10,596
Interest income	(972)	(5,360)
Share of results of an associate / JV	(75)	61
	<u>98,560</u>	<u>63,407</u>
Changes in working capital:		
Inventories	(21,802)	(19,433)
Receivables	(13,930)	(92,686)
Payables	(33,057)	23,811
Amount due from customer for contract works	-	1,607
	<u>29,771</u>	<u>(23,294)</u>
Tax paid	(11,987)	(11,062)
Tax refunded	-	7
Interests received	972	3,310
Net cash flows used in operating activities	<u>18,756</u>	<u>(31,039)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of a subsidiary	(213,027)	-
Advances to ultimate holding company	-	(18)
Advances to an associated company	-	(1,136)
Change in pledged deposits	891	(3,082)
Income from short term cash investments	-	2,050
Purchase of property, plant and equipment and investment properties	(99,607)	(127,414)
Proceeds from disposal of property plant and equipment	-	168
Investment in an associate / JV	(400)	(61)
Other investments	226	(186)
Net cash flows used in investing activities	<u>(311,917)</u>	<u>(129,679)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Advances from shareholder of a subsidiary	-	649
Interests paid	(22,229)	(10,596)
Net drawdown of borrowings	317,817	19,273
Proceed from private placement	-	64,172
Share issuance expenses	-	(1,967)
Proceeds from exercise of warrants	6	-
Subscription of shares by non-controlling interests in a subsidiary	1,929	35,174
Dividends paid to:		
- owners of the Company	-	(4,753)
- non-controlling interests	(2,349)	(802)
Net cash flows from financing activities	<u>295,174</u>	<u>101,149</u>
Net change in cash and cash equivalents	2,013	(59,569)
Effects of exchange rate changes	(3,058)	(5,411)
Cash and cash equivalents:		
At the beginning of the financial period	<u>84,825</u>	<u>149,805</u>
At the end of the financial period	<u>83,780</u>	<u>84,825</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	98,239	114,854
Fixed deposits	19,927	14,430
Bank overdraft	(23,474)	(32,656)
	<u>94,692</u>	<u>96,628</u>
Less: Fixed deposits pledged with licensed banks	<u>(10,912)</u>	<u>(11,803)</u>
	<u>83,780</u>	<u>84,825</u>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED
31 DECEMBER 2017 (CONT'D)**

Note:

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with Audited Financial Statements for the FYE 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

QUARTERLY REPORT FOR THE QUARTER ENDED 31 DECEMBER 2017

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED (“FPE”) 31 DECEMBER 2017

A. NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (MFRS 134):

A1. Basis of Preparation

These condensed consolidated interim financial statements (“interim financial report”) have been prepared in accordance with MFRS 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 FYE 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

The significant accounting policies and methods adopted for the unaudited condensed financial statements are consistent with those adopted for the audited financial statements for the FYE 31 December 2016.

Companies Act 2016

The Companies Act 2016 (“New Act”) was enacted to replace the Companies Act 1965 with the objectives to create a legal and regulatory structure that will facilitate business, and promote accountability as well as protection of corporate directors and shareholders, taking into consideration the interest of other stakeholders. The New Act was passed on 4 April 2016 by the Dewan Rakyat (House of Representative) and gazette on 15 September 2016. The New Act (except section 241 and Division 8 of Part III) becomes effective on 31 January 2017.

Amongst the key changes introduced in the New Act which will affect the financial statements of the Group and of the Company upon the commencement of the New Act on 31 January 2017 are:

- a) removal of the authorised share capital;
- b) shares of the Company will cease to have par or nominal value; and
- c) the Company’s share premium account will become part of the Company’s share capital.

The adoption of the above did not have any significant effects on the interim financial report upon their initial application.

A2. Summary of Significant Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent audited financial statements for the FYE 31 December 2016 except for the adoption of the following MFRSs, IC Interpretation and Amendments to MFRSs effective for financial year beginning on or after 1 January 2017.

Amendments/Improvements to MFRSs:

MFRS 12	Disclosure of Interests in Other Entities
MFRS 107	Statement of Cash Flows
MFRS 112	Income Taxes

The adoption of the above did not have any significant effects on the interim financial report upon their initial application.

A3. Auditors' Report

There was no qualification on the audited financial statements of the Company and its subsidiary companies for the FYE 31 December 2016.

A4. Comments about Seasonal or Cyclical Factors

The Group's businesses did not experience significant fluctuations due to seasonal or cyclical factors during the current quarter under review.

A5. Items of Unusual Nature and Amount

There were no unusual items affecting assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence during the current quarter under review.

A6. Material Changes in Estimates

There were no changes in the estimates of amounts reported in prior year that had a material effect in the current quarter under review.

A7. Issuances, Cancellations, Repurchase, Resale and Repayments of Debts and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial period under review.

A8. Dividends Paid

There is no dividend paid in the current quarter under review.

A9. Segmental Information

The segmental results of the Group for the FPE 31 December 2017 based on segment activities are as follows:

Cumulative Quarter 31 December 2017	Telecommunication Network Services RM'000	Green Energy and Power Solution RM'000	Trading RM'000	M&E Engineering Services RM'000	Investment Holding Company RM'000	Elimination RM'000	Group RM'000
Revenue from							
External customers	416,418	38,325	4,419	26,266	-	-	485,428
Inter-segment revenue	27,511	2,521	3,976	4,579	-	(38,587)	-
Total Revenue	443,929	40,846	8,395	30,845	-	(38,587)	485,428
Profit before tax	37,663	3,708	1,284	1,086	9,771	(9,581)	43,931
Taxation	(10,177)	(645)	(297)	(437)	(1,685)	850	(12,391)
Profit for the financial period	27,486	3,063	987	649	8,086	(8,731)	31,540

Cumulative Quarter 31 December 2016	Telecommunication Network Services RM'000	Green Energy and Power Solution RM'000	Trading RM'000	M&E Engineering Services RM'000	Investment Holding Company RM'000	Elimination RM'000	Group RM'000
Revenue from							
External customers	334,634	37,279	8,774	20,826	-	-	401,513
Inter-segment revenue	23,044	108	6,122	2,974	-	(32,248)	-
Total Revenue	357,678	37,387	14,896	23,800	-	(32,248)	401,513
Profit before tax	32,754	1,107	2,754	1,096	6,531	(2,543)	41,699
Taxation	(8,671)	(465)	(705)	(325)	(1,615)	438	(11,343)
Profit for the financial period	24,083	642	2,049	771	4,916	(2,105)	30,356

A9. Segmental Information (Cont'd)

The segmental results of the Group for the FPE 31 December 2017 based on geographical segment are as follows:

Cumulative Quarter	Malaysia	Regional	Elimination	Group
31 December 2017	RM'000	RM'000	RM'000	RM'000
Revenue from				
External customers	322,685	162,743	-	485,428
Inter-segment revenue	36,896	1,691	(38,587)	-
Total Revenue	359,581	164,434	(38,587)	485,428
Profit before tax	37,696	15,817	(9,581)	43,931
Taxation	(8,450)	(4,791)	850	(12,391)
Profit for the financial period	29,246	11,026	(8,731)	31,540

Cumulative Quarter	Malaysia	Regional	Elimination	Group
31 December 2016	RM'000	RM'000	RM'000	RM'000
Revenue from				
External customers	321,067	80,446	-	401,513
Inter-segment revenue	32,248	-	(32,248)	-
Total Revenue	353,315	80,446	(32,248)	401,513
Profit before tax	38,194	6,048	(2,543)	41,699
Taxation	(9,654)	(2,127)	438	(11,343)
Profit for the financial period	28,540	3,921	(2,105)	30,356

A10. Valuation of property, plant and equipment

There was no valuation of property, plant and equipment in the current quarter under review.

A11. Capital Commitments

As at 31 December 2017, the capital commitments are as follows:

	UNAUDITED	AUDITED
	as at	as at
	31-Dec-17	31-Dec-16
	RM'000	RM'000
Capital expenditure approved and contracted for	64,770	154,352

A12. Material subsequent event

There are no material events subsequent to the end of the current financial quarter under review.

A13. Changes in the Composition of the Group

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

A14. Contingent Liabilities and Contingent Assets

As at 31 December 2017, the contingent liabilities are as follows:

	UNAUDITED as at 31-Dec-17 RM'000	AUDITED as at 31-Dec-16 RM'000
Financial guarantees given by OCK Group Berhad to licensed banks for facilities granted to subsidiaries	454,385	145,229
Financial guarantees given to a third party for the sales of goods to a subsidiary	21,561	41,858

A15. Significant Related Party Transaction

Save as disclosed below, there was no other significant related party transactions for the current quarter under review:

Nature of Transactions	UNAUDITED as at 31-Dec-17 RM'000	AUDITED as at 31-Dec-16 RM'000
Sales	(8,173)	(20,092)

All the above transactions were carried out on terms and conditions not materially different from those obtainable in transactions with unrelated parties and in the ordinary course of business of the Group.

B. ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS

B1. Review of Performance

Individual Quarter	Telecommunication Network Services RM'000	Green Energy and Power Solution RM'000	Trading RM'000	M&E Engineering Services RM'000	Investment Holding Company RM'000	Elimination RM'000	Group RM'000
31 December 2017							
Total Revenue	113,694	7,534	1,841	15,688	-	(4,351)	134,406
Profit before tax	5,056	(323)	139	971	10,878	(5,627)	11,094

Individual Quarter	Telecommunication Network Services RM'000	Green Energy and Power Solution RM'000	Trading RM'000	M&E Engineering Services RM'000	Investment Holding Company RM'000	Elimination RM'000	Group RM'000
31 December 2016							
Total Revenue	100,700	9,891	4,199	3,846	-	(11,496)	107,140
Profit before tax	8,744	(850)	971	485	6,618	(461)	15,507

Cumulative Quarter	Telecommunication Network Services RM'000	Green Energy and Power Solution RM'000	Trading RM'000	M&E Engineering Services RM'000	Investment Holding Company RM'000	Elimination RM'000	Group RM'000
31 December 2017							
Total Revenue	443,929	40,846	8,395	30,845	-	(38,587)	485,428
Profit before tax	37,663	3,708	1,284	1,086	9,771	(9,581)	43,931

Cumulative Quarter	Telecommunication Network Services RM'000	Green Energy and Power Solution RM'000	Trading RM'000	M&E Engineering Services RM'000	Investment Holding Company RM'000	Elimination RM'000	Group RM'000
31 December 2016							
Total Revenue	357,678	37,387	14,896	23,800	-	(32,248)	401,513
Profit before tax	32,754	1,107	2,754	1,096	6,531	(2,543)	41,699

For the current quarter and cumulative quarter ended 31 December 2017, the Group reported a higher revenue as compared to the corresponding quarter and cumulative quarter of previous year, mainly due to higher revenue contribution from telecommunication network services (“TNS”). For the cumulative quarter, there are higher revenue contribution from the tower leasing business from Myanmar and Vietnam. In addition, the managed services/ site maintenance business also has higher year-on-year revenue contribution from both the Malaysian and Indonesian markets.

B2. Material Changes in the Current Quarter's results compared to the results of the immediate Preceding Quarter

Individual Quarter	Telecommunication Network Services RM'000	Green Energy and Power Solution RM'000	Trading RM'000	M&E Engineering Services RM'000	Investment Holding Company RM'000	Elimination RM'000	Group RM'000
31 December 2017							
Total Revenue	113,694	7,534	1,841	15,688	-	(4,351)	134,406
Profit before tax	5,056	(323)	139	971	10,878	(5,627)	11,094

Individual Quarter	Telecommunication Network Services RM'000	Green Energy and Power Solution RM'000	Trading RM'000	M&E Engineering Services RM'000	Investment Holding Company RM'000	Elimination RM'000	Group RM'000
30 September 2017							
Total Revenue	116,482	11,440	2,077	5,016	-	(9,777)	125,238
Profit before tax	14,040	1,208	347	(72)	(322)	(2,911)	12,290

The total revenue of RM134.4 million recorded for the current quarter was higher as compared to the revenue in the preceding quarter of RM125.2 million mainly due to higher revenue contribution from M&E Engineering services in current quarter.

B3. Prospects

Major telecommunications companies ("telcos") have been investing in upgrading their equipment and infrastructures to accommodate the growth in data by expanding their LTE (Long Term Evolution) coverage in Malaysia and Vietnam. The Group is expected to benefit from the increase projects coming out from the networks expansion and upgrade undertaken by these telcos.

The mobile network operators ("MNOs") in Malaysia continued with expand their LTE-A and LTE coverage, and the network optimisation that is on-going would provide business opportunity for the Group. In addition, the Group has also secured an over RM100 million of frame contracts on Full-turnkey, Upgrading and Network fiberisation in end FY2017. All these will drive the revenue growth of our Malaysia's business.

The Group will continue to grow its recurring revenue business via build-own-and-lease and acquiring existing tower sites operators in ASEAN. For our tower leasing business expansion, the Group is leveraging on its established presence in ASEAN and its vast experiences in building telecommunication infrastructures and site maintenance of telecommunication infrastructure. The build-own-and-lease business model is based on building, owning and leasing back the tower sites to telecommunication operators over a long-term period.

B3. Prospects (Cont'd)

In Myanmar, to-date the Group owned over ~780 towers and is continuing its works for the rollout of towers in Myanmar. Whilst the Group continued to build our footprint in Myanmar, the Group have successfully signed on with all the major MNOs in Myanmar. Our customers list now includes Telenor Myanmar Limited (“Telenor”), Myanma Posts and Telecommunications (“MPT”), Telecom International Myanmar Company Limited (“Mytel”) and Ooredoo Myanmar Limited (“Ooredoo”).

In Vietnam, the Group has completed the acquisition of 60% of SEATH, on 13 January 2017. The Group current owns close to 2,000 towers. The Vietnam’s mobile market will be an exciting business space moving forward as the telco operators are gearing up for their 4G LTE roll-out in the near future, and the Group foresees that the tower business in Vietnam also will grow in-line with this trend.

With the Group’s continuous investment to grow its regional business, the Group expects significant contribution from its overseas business in Indonesia, Myanmar and Vietnam moving forward.

Apart from focusing on the Group’s telecommunication business, the Group is also sourcing for more business and/or investment opportunities in the sustainable energy sector.

Based on the current industry outlook and the plans as indicated above, the Board of Directors is of the opinion that the business and performance of the Group are expected to remain positive for the FYE 31 December 2018.

B4. Profit forecast

No profit forecast has been issued by the Group previously in any public document.

B5. Taxation

	Quarter Ended		Year-To-Date Ended	
	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
	RM'000	RM'000	RM'000	RM'000
Taxation for the period	2,828	4,143	11,935	11,177
(Over)/Under provision in prior year	(686)	(267)	(686)	(48)
Deferred Tax	911	219	1,142	214
Total taxation	3,053	4,095	12,391	11,343

The Group’s effective tax rate for the current quarter and financial year-to-date is higher than statutory tax rate of 24%, mainly due to tax effects of non-deductible expenses.

B6. Status of Corporate Proposal

There was no corporate proposal announced but not completed as at the date of this announcement.

B7. Group borrowings and debt securities

The Group's borrowings as at 31 December 2017 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Long term borrowings:-			
Hire purchase	30,860	-	30,860
Term loans	147,704	-	147,704
	<u>178,564</u>	<u>-</u>	<u>178,564</u>
Short term borrowings:-			
Overdraft	23,474	-	23,474
Bankers' acceptance	14,794	-	14,794
Bonds	-	1,306	1,306
Revolving project loan	58,323	-	58,323
Hire purchase payables	7,169	-	7,169
Term loans	172,062	-	172,062
	<u>275,822</u>	<u>1,306</u>	<u>277,128</u>

The above borrowings are denominated in Ringgit Malaysia, except for term loans amounting to RM273.6 million and RM3.6 million which are denominated in USD and IDR, respectively.

B8. Material Litigation

Since the preceding FYE 31 December 2016, there is no change in material litigation as at the date of this announcement.

B9. Earnings Per Share

The basic and diluted earnings per share is calculated based on the Group's profit attributable to equity holders of the Company divided by the weighted average number of ordinary shares as follows:

	Quarter Ended		Year-To-Date Ended	
	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
Group's profit attributable to equity holders of the Company (RM'000)	6,974	11,950	24,571	26,574
Weighted average number of ordinary shares ('000)	871,473	821,978	871,471	821,978
Upon conversion of warrants ('000)	55,749	20,578	55,749	20,578
Adjusted weighted average number of ordinary shares ('000)	927,222	842,556	927,220	842,556
Earnings per share (sen):				
- Basic ^	0.80	1.45	2.82	3.23
- Diluted *	0.75	1.42	2.65	3.15

Notes:

^ Basic earnings per share are based on the profit attributable to owners of the Company and weighted average number of ordinary shares outstanding during the quarter/period.

* Diluted earnings per share are based on the profit attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the quarter/period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

B10. Profit for the year

	Quarter Ended		Year-To-Date Ended	
	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
	RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at after charging/(crediting):				
- depreciation and amortisation	10,030	5,151	33,252	13,470
- interest expenses	7,945	4,250	22,229	10,596
- interest income	(623)	(3,539)	(972)	(5,360)
- (gain)/loss on foreign exchange	1,683	(3,756)	1,224	(4,301)
- other income	-	(1,394)	(1,725)	(3,220)

B11. Dividend

On 29 December 2017, the Board of Directors approved and declared an interim dividend of RM0.01 per share under the single tier system in respect of the financial year ended 31 December 2017, which is payable on 28 March 2018, amounting to approximately RM8.7 million.

By Order of the Board

Wong Youn Kim (MAICSA 7018778)
Company Secretary
Kuala Lumpur
Date: 26 February 2018