

PERAK TRANSIT BERHAD (Company No: 831878-V)

The Board of Directors of Perak Transit Berhad (“Perak Transit” or the “Company”) (“Board”) is pleased to announce the following unaudited consolidated results for the quarter and financial period ended (“FPE”) 30 September 2018.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND FPE 30 SEPTEMBER 2018 ⁽¹⁾

	Note	Current period 3 months ended		Cumulative period 9 months ended	
		30.09.2018 RM'000	30.09.2017 RM'000	30.09.2018 RM'000	30.09.2017 RM'000
Revenue	A9	27,687	26,492	85,048	81,520
Cost of sales and services		(17,646)	(15,702)	(51,520)	(46,442)
Gross profit		10,041	10,790	33,528	35,078
Other operating income		1,716	447	3,323	1,449
General and administrative expenses		(2,277)	(1,838)	(7,584)	(6,051)
Finance costs		(1,795)	(1,705)	(5,664)	(5,327)
Profit before tax	B12	7,685	7,694	23,603	25,149
Tax (expenses)/income	B5	737	(991)	3,486	(4,556)
Profit and total comprehensive income for the period		8,422	6,703	27,089	20,593
Profit and total comprehensive income for the period attributable to:					
Owners of the Company		8,369	6,654	26,948	20,458
Non-controlling interest		53	49	141	135
		8,422	6,703	27,089	20,593
Earnings per share					
- Basic (Sen)		0.61 ⁽²⁾	0.53	2.07 ⁽²⁾	1.63
- Diluted (Sen)		0.43 ⁽³⁾	0.52	1.44 ⁽³⁾	1.62

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Notes:

- (1) *The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are detailed in note A1 and should be read in conjunction with the audited financial statements of the Company for Financial Year Ended ("FYE") 31 December 2017 as well as the accompanying explanatory notes attached to the interim financial report.*
- (2) *Basic earnings per share are calculated based on the Company's weighted average share capital of 1,370,734,465 and 1,302,787,169 ordinary shares for the current quarter and FPE 30 September 2018.*
- (3) *Diluted earnings per share of the Company for the current quarter and FPE 30 September 2018 was derived taking in consideration of the enlarged number of ordinary shares of the Company following 571,474,000 free warrants.*

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PERAK TRANSIT BERHAD (Company No: 831878-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS AT 30 SEPTEMBER 2018 ⁽¹⁾**

		Unaudited as at 30.09.2018 RM'000	Audited as at 31.12.2017 RM'000
	Note		
ASSETS			
Non-current assets			
Property, plant and equipment		393,243	325,361
Goodwill on consolidation		1,623	1,623
Deferred tax assets		9,516	4,051
Total non-current assets		404,382	331,035
Current assets			
Inventories		1,163	1,060
Trade and other receivables		37,325	24,199
Current tax assets		183	315
Other assets		20,133	25,607
Fixed deposits, cash and bank balances		27,844	25,850
Total current assets		86,648	77,031
Total assets		491,030	408,066
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		157,721	127,534
Revaluation reserve		10,938	10,938
Retained earnings		95,392	80,864
Equity attributable to owners of the Company		264,051	219,336
Non-controlling interests		1,051	926
Total equity		265,102	220,262
Non-current liabilities			
Obligations under hire-purchase arrangements	B8	175	2
Borrowings	B8	154,709	126,641
Lease liabilities	B8	1,150	-
Deferred capital grant		8,632	8,781
Deferred tax liabilities		1,255	1,267
Total non-current liabilities		165,921	136,691
Current liabilities			
Trade and other payables		4,454	2,178
Obligations under hire-purchase arrangements	B8	63	85
Borrowings	B8	44,327	43,058
Lease liabilities	B8	309	-
Current tax liabilities		199	185
Deferred capital grant		200	200
Other liabilities		10,455	5,407
Total current liabilities		60,007	51,113
Total liabilities		225,928	187,804
Total equity and liabilities		491,030	408,066

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Net assets per ordinary share attributable to ordinary equity holders of the Company (RM)	0.2027 ⁽²⁾	0.1744 ⁽²⁾
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Notes:

- (1) *The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are detailed in note A1 and should be read in conjunction with the audited financial statements of the Company for FYE 31 December 2017 as well as the accompanying explanatory notes attached to the interim financial report.*
- (2) *Net assets per ordinary share attributable to ordinary equity holders of the Company is calculated based on the Company's weighted average share capital of 1,302,787,169 ordinary shares and 1,257,399,300 ordinary shares as at 30 September 2018 and 31 December 2017, respectively.*

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PERAK TRANSIT BERHAD (Company No: 831878-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES
IN EQUITY FOR THE FPE 30 SEPTEMBER 2018 ⁽¹⁾**

	Note	← ----- Attributable to Owners of the Company ----- →					Non- controlling Interests RM'000	Total Equity RM'000
		Share Capital RM'000	Share Premium RM'000	Non- Distributable Reserve - Property Revaluation Reserve RM'000	Distributable Reserve - Retained Earnings RM'000	Subtotal RM'000		
Balance as of January 1, 2017		114,295	13,202	12,928	60,319	200,744	743	201,487
Transfer pursuant to Section 618(2) of the Act ⁽²⁾		13,202	(13,202)	-	-	-	-	-
Profit and total comprehensive income for the period		-	-	-	20,458	20,458	135	20,593
Dividends	B10	-	-	-	(8,286)	(8,286)	(9)	(8,295)
Balance as of September 30, 2017		<u>127,497</u>	<u>-</u>	<u>12,928</u>	<u>72,491</u>	<u>212,916</u>	<u>869</u>	<u>213,785</u>

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← ----- Attributable to Owners of the Company ----- →						
Note	Share Capital RM'000	Non- Distributable Reserve - Property Revaluation Reserve RM'000	Distributable Reserve - Retained Earnings RM'000	Subtotal RM'000	Non- controlling Interests RM'000	Total Equity RM'000
Balance as of January 1, 2018	127,534	10,938	80,864	219,336	926	220,262
Private placement	30,187	-	-	30,187	-	30,187
Profit and total comprehensive income for the period	-	-	26,948	26,948	141	27,089
Dividends B10	-	-	(12,420)	(12,420)	(16)	(12,436)
Balance as of September 30, 2018	<u>157,721</u>	<u>10,938</u>	<u>95,392</u>	<u>264,051</u>	<u>1,051</u>	<u>265,102</u>

Notes:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are detailed in note A1 and should be read in conjunction with the audited financial statements of the Company for FYE 31 December 2017 as well as the accompanying explanatory notes attached to the interim financial report.

(2) "No Par Value" Regime

The Act, which came into operation on 31 January 2017, introduces the "no par value" regime. Accordingly, the concepts of "authorised share capital" and "par value" have been abolished.

In accordance with the transitional provision of the Act, the amount standing to the credit of the Company's share premium has become part of the Company's share capital. These changes do not have an impact on the number of shares in issue or the related entitlement of any of the shareholders. However, the Company has a period of 24 months from the effective date of the Act to use the existing balances credited in the share premium in a manner as specified by the Act.

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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOWS
STATEMENT FOR THE FPE 30 SEPTEMBER 2018 ⁽¹⁾**

	Current period-to-date 30.09.2018 RM'000	Preceding period-to-date 30.09.2017 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	27,089	20,593
Adjustment for:		
Finance costs	5,664	5,326
Depreciation of property, plant & equipment	8,175	6,920
Property, plant and equipment written off	523	-
Tax (income)/expenses	(3,486)	4,556
Amortisation of deferred capital grant	(149)	(149)
Interest income	(386)	(323)
	<u>37,430</u>	<u>36,923</u>
Movements in working capital:		
Inventories	(103)	(107)
Trade and other receivables	(13,126)	(16,094)
Other assets	383	(1,065)
Trade and other payables	1,043	1,959
Other liabilities	(143)	(215)
Cash Generated From Operations	<u>25,484</u>	<u>21,401</u>
Income tax refunded	177	-
Interest received on current accounts	20	17
Income tax paid	(2,022)	(1,586)
Net Cash Generated From Operating Activities	<u>23,659</u>	<u>19,832</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Interest received on fixed deposits	339	294
Interest received on other investment	27	12
Purchase of property, plant and equipment	(65,579)	(40,578)
Deposits paid for purchase of property, plant and equipment	-	(2,995)
Withdrawal of fixed deposits no longer meet the definition of cash equivalents	-	5,031
Net Cash Used In Investing Activities	<u>(65,213)</u>	<u>(38,236)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loans, Al Bai' Bithaman Ajil facilities ("BBA"), Muamalat Term financing, Commodity Murabahah Term Financing and Term Financing-i	34,889	23,825
Proceeds from Cash Line-i	1,393	5,011
Finance costs paid	(8,122)	(5,369)
Dividends paid	(7,579)	(6,858)
Repayment of term loans, BBA facilities, Muamalat Term Financing, Commodity Murabahah Term Financing and Term Financing-i	(6,884)	(6,006)
Placement of fixed deposits pledged to banks	(1,276)	(6,043)
Repayment of obligations under hire-purchase arrangements	(90)	(66)
Repayment of lease liabilities	(170)	-
Dividends paid to non-controlling interests	(16)	(9)

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	Current period-to-date 30.09.2018 RM'000	Preceding period-to-date 30.09.2017 RM'000
Proceeds from private placement	30,187	-
Net Cash From Financing Activities	42,332	4,485
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	778	(13,919)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD, 1ST JANUARY	13,249	22,040
CASH AND CASH EQUIVALENTS AT END OF PERIOD, 30TH SEPTEMBER	14,027	8,121
Short term deposits	217	396
Fixed deposits with licensed banks	13,817	12,135
Cash and bank balances	13,810	7,725
	27,844	20,256
Less: Fixed deposits pledged to licensed banks	(13,817)	(12,135)
	14,027	8,121

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Cash Flows Statement are detailed in note A1 and should be read in conjunction with the audited financial statements of the Company for FYE 31 December 2017 as well as the accompanying explanatory notes attached to the interim financial report.

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PERAK TRANSIT BERHAD (Company No: 831878-V)

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2018

A COMPLIANCE WITH MALAYSIA FINANCIAL REPORTING STANDARD (MFRS) 134: INTERIM FINANCIAL REPORTING AND THE LISTING REQUIREMENTS OF BURSA SECURITIES

A1 Basis of preparation

This condensed consolidated interim financial report is unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Rule 9.22 and Appendix 9B of the Listing Requirements.

The accounting policies and methods of computation adopted by the Group in this unaudited condensed consolidated interim financial report are consistent with those adopted in the annual financial statements of the Group. This unaudited condensed consolidated interim financial report should be read in conjunction with the audited financial statements of the Company for FYE 31 December 2017 and the accompanying explanatory notes therein.

The accompanying explanatory notes attached to this unaudited condensed consolidated interim financial report provide an explanation of events and transaction that are significant to an understanding of the changes in the financial position and performance of Perak Transit Group since FYE 31 December 2017.

A2 Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for FYE 31 December 2017, except for the adoption of the following MFRSs, Amendments and/or IC Interpretations:

MFRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)
MFRS 15	Revenue from Contracts with Customers
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to MFRS 15	Clarification to MFRS 15: Revenue from Contracts with Customers
Amendments to MFRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts
Amendments to MFRS 140	Transfers of Investment Property
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration
Amendments to MFRS 107	Statement of Cash Flows: Disclosure Initiative
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses
Annual Improvements to MFRSs 2014 – 2016 Cycle	

Except as described below, the accounting policies adopted in this unaudited condensed consolidated interim financial report are consistent with those adopted as disclosed in the audited financial statements of the Company for FYE 31 December 2017, except for the following as they are not yet effective for the financial period:

MFRS 16	Leases ¹
Amendments to MFRS 9	Prepayment Features with Negative Compensation ¹
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement ¹
Amendments to MFRS 128	Long-term Interests in Associates and Joint Venture ¹
IC Interpretation 23	Uncertainty over Income Tax Treatments ¹
Annual Improvements to MFRSs 2015 – 2017 Cycle ¹	
MFRS 17	Insurance Contracts ²
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³

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- ¹ Effective for financial periods beginning on or after January 1, 2019.
- ² Effective for financial periods beginning on or after January 1, 2021.
- ³ Effective date to be announced.

The changes in accounting policies are also expected to be reflected in the Group's consolidated financial statements as at and for FYE 31 December 2018.

MFRS 15 Revenue from Contracts with Customers

The Group has adopted MFRS 15 Revenue from Contracts with Customers on 1 January 2018. MFRS 15 was issued in September 2014 and establishes a new five-step model that will apply to recognition of revenue arising from contracts with customers. Revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principle of MFRS 15 is to provide a more structured approach to measuring and recognizing revenue.

The Group is currently assessing the financial impact that may arise from the adoption of MFRS 15.

MFRS 9 Financial Instruments

The Group has adopted MFRS 9 Financial Instruments on 1 January 2018. MFRS 9 replaces the guidance in MFRS 139 Financial Instruments: Recognition and Measurement on the classification and measurement of financial assets and financial liabilities, impairment of financial assets, and hedge accounting.

MFRS 19 contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics.

MFRS 9 contains the classification categories for financial assets either measured at amortized cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVTPL"). The standard eliminates the existing MFRS 139 categories of held to maturity, loans and receivables and available for sale.

MFRS 9 also replaces the incurred loss model in MFRS 139 with a forward-looking Expected credit loss ("ECL") model. Under MFRS 9 loss allowances will be measured on either 12 month ECLs or Lifetime ECLs and the Group elected not to restate the comparatives.

The Group is currently assessing the financial impact that may arise from the adoption of MFRS 9.

A3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the preceding audited financial statements of the Group for FYE 31 December 2017 was not subject to any qualification.

A4 Seasonal or Cyclical Factors

During the current financial quarter under review, the Group continues to witness higher than average passenger movement for its public bus services operations during long weekends, public holidays and school holidays, where commuters take advantage of the long break to travel. The Group's Terminal AmanJaya and petrol station operations also witness similar seasonal trends.

A5 Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current financial quarter and current FPE 30 September 2018 under review.

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A6 Changes in Estimates

There were no material changes in estimates that have had a material effect in the current financial quarter under review.

A7 Changes in Debt and Equity Securities

Save and except for the following, there were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter and current FPE 30 September 2018 under review:

- (i) Private placement of 2,000,000 ordinary shares on 21 February 2018.
- (ii) Private placement of 4,000,000 ordinary shares on 28 February 2018.
- (iii) Private placement of 4,000,000 ordinary shares on 16 March 2018.
- (iv) Private placement of 50,000,000 ordinary shares on 14 June 2018.
- (v) Private placement of 16,000,000 ordinary shares on 10 July 2018.
- (vi) Private placement of 45,000,000 ordinary shares on 20 July 2018.
- (vii) Private placement of 4,500,000 ordinary shares on 25 July 2018.

A8 Dividends Paid

A first interim single tier dividend in respect of FYE 31 December 2018 of RM0.0025 per share, amounted to RM3,143,497 in respect of ordinary shares for the current financial period was declared by the Company on 5 January 2018, entitled on 22 January 2018 was paid on 9 February 2018.

A second interim single tier dividend in respect of FYE 31 December 2018 of RM0.0035 per share, amounted to RM4,435,897 in respect of ordinary shares for the current financial period was declared by the Company on 14 March 2018, entitled on 30 May 2018 was paid on 13 June 2018.

A9 Segmental Information

Analysis of revenue by core activities:

	Current period 3 months ended		Cumulative period 9 months ended	
	30.09.2018 RM'000	30.09.2017 RM'000	30.09.2018 RM'000	30.09.2017 RM'000
Integrated public transportation terminal operations	10,653	9,762	32,694	31,961
Petrol station operations	10,012	8,928	29,700	26,176
Bus operations	7,022	7,802	22,654	23,383
	<u>27,687</u>	<u>26,492</u>	<u>85,048</u>	<u>81,520</u>

Presently, the Group's operations are based in Perak with services provided within Malaysia. No historical analysis of geographical segmentation is necessary since the Group's business activities are based in Perak.

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A10 Valuation of Property, Plant and Equipment

There were no valuations of property, plant and equipment during the current financial quarter and current FPE 30 September 2018 under review.

A11 Material Events Subsequent to the end of the current quarter

There were no material events subsequent to the end of the current quarter that have not been reflected in this financial report.

A12 Changes in the Composition of the Group

There were no changes in the composition of the Group for the current financial quarter and current FPE 30 September 2018 under review.

A13 Contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets as at the date of this interim financial report.

A14 Capital Commitments

Capital commitments in respect of property, plant and equipment not provided for in the interim financial report are as follows:

**Unaudited
As at
30.09.2018
RM'000**

Approved and contracted for

25,506

A15 Significant related party transactions

There were no significant related party transactions during the current financial quarter and current FPE 30 September 2018 under review.

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B COMPLIANCE WITH APPENDIX 9B OF THE LISTING REQUIREMENTS**B1 Review of Performance**

Our Group's revenue was mainly derived from:

- (a) Integrated public transportation terminal operations;
 - i. Rental of advertising and promotional ("A&P") spaces;
 - ii. Rental of shops and kiosks;
 - iii. Project facilitation fee; and
 - iv. Others such as bus and taxi entrance fee and fee imposed for the usage of the basement car park and lavatory.
- (b) Providing public stage bus and express bus services and bus charter services; and
- (c) Petrol stations operations.

The Group recorded revenue of RM27.69 million and profit before taxation of RM7.69 million for the current quarter as compared to RM26.49 million and RM7.69 million in the corresponding 3-months FPE 30 September 2017. The revenue was higher due to higher contribution from the petrol station operations and integrated public transportation terminal operations in the current quarter. The Group recorded revenue of RM85.05 million and profit before taxation of RM23.60 million for the current FPE 30 September 2018 as compared to RM81.52 million and RM25.15 million in the corresponding 9-months FPE 30 September 2017. The revenue in the current FPE 30 September 2018 was higher mainly due to higher contribution from the petrol station operations and integrated public transportation terminal operations. The profit before taxation in the current FPE 30 September 2018 was lower mainly due to the increase in cost of sales and services and general and administrative expenses during the current FPE 30 September 2018.

The integrated public transportation terminal operations segment reported revenue of RM10.65 million in the current quarter as compared to revenue of RM9.76 million in the corresponding 3-months FPE 30 September 2017. The revenue recorded for the current FPE 30 September 2018 of RM32.69 million is higher compared to RM31.96 million in the corresponding 9-months FPE 30 September 2017. The increase was mainly due to the revised upward of rental of A&P spaces recorded in the current quarter and current FPE 30 September 2018.

The bus operations segment recorded revenue of RM7.02 million in the current quarter and RM7.80 million in the corresponding 3-months FPE 30 September 2017. The revenue recorded for the current FPE 30 September 2018 of RM22.65 million as compared to RM23.38 million in the corresponding 9-months FPE 30 September 2017. The decrease was mainly due to higher revenue recorded from bus fares in the corresponding 3-months and 9-months FPE 30 September 2017.

The petrol station operations segment recorded revenue of RM10.01 million in the current quarter as compared to the revenue of RM8.93 million in the corresponding 3-months FPE 30 September 2017. The revenue recorded for the current FPE 30 September 2018 of RM29.70 million as compared to RM26.18 million in the corresponding 9-months FPE 30 September 2017. The increase in revenue was mainly due to the increase in fuel prices during the current quarter and current FPE 30 September 2018.

B2 Comparison with preceding quarter's results

The Group's revenue of RM27.69 million and profit before taxation of RM7.69 million for the current quarter was lower compared to the preceding quarter revenue of RM31.25 million and profit before taxation of RM10.20 million. The decrease in revenue and profit before taxation was mainly attributable to the higher project facilitation fee in the preceding quarter of RM7.00 million as compared to RM4.50 million in the current quarter.

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B3 Prospects

The outlook of integrated public transportation terminal operations segment is expected to be favourable driven by the Group's plans for expansion in other part of Perak, whereby the construction of the Terminal Kampar has commenced and it is on schedule. It is expected to be completed by 4th quarter of 2018. In addition to Terminal Kampar, the Group intends to develop similar integrated public transportation terminal in Bidor and Tronoh. As of this juncture, the Group is unable to determine the construction cost for the terminals to be built as the construction project is still at its preliminary stage and the approvals for construction have yet to be obtained from the relevant authorities. In regards to the status of the Bidor land, the acquisition of the land is pending completion subject to the fulfilment of the conditions precedent by the vendor. In regards to the status of the Tronoh land, the Company has on 1 October 2018 announced that all the conditions precedent has been fulfilled by the vendor and the Sale and Purchase Agreement has become unconditional.

There are no significant changes in product or service mix, no new regulations or rules, no changes in business direction or new development which may have an impact to the Group's operating activities or the prospects of the Group's operating segments. Barring any unforeseen circumstances, the Board is of the opinion that the prospects of the Group's financial performance for FYE 31 December 2018 will remain favourable.

B4 Variance between Actual Profit and Forecast Profit

The Group has not provided any revenue or profit forecast in any public documents and announcements.

B5 Taxation

	Current period 3 months ended		Cumulative period 9 months ended	
	30.09.2018 RM'000	30.09.2017 RM'000	30.09.2018 RM'000	30.09.2017 RM'000
Income tax				
Current period	643	534	1,990	1,861
Prior period	1	(75)	1	(75)
	<u>644</u>	<u>459</u>	<u>1,991</u>	<u>1,786</u>
Deferred tax				
Current period	(1,402)	320	(5,483)	2,555
Prior period	21	212	6	215
	<u>(737)</u>	<u>991</u>	<u>(3,486)</u>	<u>4,556</u>

Notes:

The effective tax rate for the current quarter and current FPE 30 September 2018 under review of 8.37% (3-months FPE 30 September 2017: 6.94%) and 8.43% (9-months FPE 30 September 2017: 7.40%) respectively, were lower than the statutory tax rate of 24%. The variances were mainly due to utilisation of the investment allowance generated from Approved Service Project Status off-set against taxable profit in the current quarter and current FPE 30 September 2018 under review.

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B6 Status of Corporate Proposals

Pursuant to the private placement exercise, the Company has raised a total proceeds of RM30,186,900 by issuing 125,500,000 ordinary shares in 7 tranches, resulting in an enlarged issued share capital of 1,382,899,300 ordinary shares. The Company has on 25 July 2018 completed the private placement exercise.

The Company had announced to undertake the proposed transfer of the listing of and quotation for the entire issued share capital and the outstanding warrants from the ACE Market to the Main Market of Bursa Malaysia Securities Berhad on 22 February 2018. The Company has on 28 May 2018 announced that the application in relation to the proposed transfer has been submitted to the Securities Commission Malaysia. The proposed transfer is pending completion.

B7 Utilisation of proceeds

a) Initial Public Offering

The gross proceeds generated from the IPO exercise amounted to RM36.75 million and the status of the utilisation of the proceeds as at the date of this interim financial report is as follows:

Purpose	Intended utilisation RM'000	Actual utilisation to-date RM'000	Deviation		Intended timeframe for utilisation (from date of listing)
			RM'000	%	
Business expansion	20,000	20,000	-	-	Within 24 months
Repayment of hire purchase facilities	2,109	1,798	311	14.75	Within 12 months
Working capital	10,481	11,177	(696)	(6.64)	Within 24 months
Estimated listing expenses	4,160	3,775	385	9.25	Within 6 months
Total	36,750	36,750	-		

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 15 September 2016.

The deviation from the repayment of hire purchase facilities of RM0.31 million was due to the reduction in the balance of hire purchase facilities as the monthly repayment made which is lower than the amount allocated for. The deviation from the estimated listing expenses of RM0.39 million was mainly due to the actual amount incurred for miscellaneous expenses (within the estimated listing expenses category) was lower than the amount allocated for. The differences were included into the portion allocated for working capital purposes.

The Company has fully utilised the proceeds in the current quarter and current FPE 30 September 2018 under review.

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b) Private Placement

The gross proceeds generated from private placement amounted to RM30.19 million and the status of the utilisation of the proceeds as at the date of this interim financial report is as follows:

Purpose	Intended utilisation RM'000	Actual utilisation to-date RM'000	Deviation		Intended timeframe for utilisation (from date of listing of the placement shares)
			RM'000	%	
Settlement of the Balance Purchase Price of Bidor Land and Tronoh Lands	9,480	797	-	-	Within 18 months
Repayment of bank borrowings	17,745	18,075	(330)	(1.86)	Within 6 months
Installation of terminal management system and Touch 'N Go system	2,500	2,500	-	-	Within 12 months
Estimated expenses for the Proposed Private Placement	462	132	330	71.43	Within 6 months
Total	30,187	21,504	-		

The utilisation of the proceeds as disclosed above should be read in conjunction with the Announcement of the Company dated 30 November 2017.

The deviation from the estimated expenses for the Proposed Private Placement of RM0.33 million was mainly due to the actual amount incurred for placement fees and other incidental expenses (within the estimated expenses for the Proposed Private Placement category) were lower than the amount allocated for. The difference was included into the portion allocated for repayment of bank borrowings purposes.

B8 Borrowings and Debt Securities

The Group's total debts as at 30 September 2018 which are denominated in Ringgit Malaysia are as follows:

	Unaudited As At 30.09.2018 RM'000	Unaudited As At 30.09.2017 RM'000
Short-term indebtedness:		
<u>Secured and guaranteed</u>		
Obligations under hire-purchase arrangements	63	91
Borrowings	44,327	36,020
Lease liabilities	309	-
Long-term indebtedness:		
<u>Secured and guaranteed</u>		
Obligations under hire-purchase arrangements	175	18
Borrowings	154,709	107,078
Lease liabilities	1,150	-
Total indebtedness	200,733	143,207

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B9 Material Litigation

As at the date of this interim financial report, there is no litigation against the Group which has a material effect on the financial position of the Group and the Board is not aware of any material litigation or any proceedings pending or threatened or of any fact likely to give rise to any proceedings.

B10 Dividend

A first interim single tier dividend in respect of FYE 31 December 2017 of RM0.002 per share, amounted to RM2,285,896 in respect of ordinary shares for the current financial period was declared by the Company on 9 March 2017, entitled on 28 April 2017 and was paid on 19 May 2017.

A second interim single tier dividend in respect of FYE 31 December 2017 of RM0.0025 per share, amounted to RM2,857,370 in respect of ordinary shares for the current financial period was declared by the Company on 16 June 2017, entitled on 28 August 2017 and was paid on 15 September 2017.

A third interim single tier dividend in respect of FYE 31 December 2017 of RM0.0025 per share, amounted to RM3,143,497 in respect of ordinary shares for the current financial period was declared by the Company on 14 September 2017, entitled on 24 November 2017 and was paid on 13 December 2017.

A first interim single tier dividend in respect of FYE 31 December 2018 of RM0.0025 per share, amounted to RM3,143,497 in respect of ordinary shares for the current financial period was declared by the Company on 5 January 2018, entitled on 22 January 2018 and was paid on 9 February 2018.

A second interim single tier dividend in respect of FYE 31 December 2018 of RM0.0035 per share, amounted to RM4,435,897 in respect of ordinary shares for the current financial period was declared by the Company on 14 March 2018, entitled on 30 May 2018 and to be paid on 13 June 2018.

A third interim single tier dividend in respect of FYE 31 December 2018 of RM0.0035 per share, amounted to RM4,840,148 in respect of ordinary shares for the current financial period was declared by the Company on 13 September 2018, entitled on 28 November 2018 and will be paid on 12 December 2018.

B11 Earnings Per Share ("EPS")

	Current period 3 months ended		Cumulative period 9 months ended	
	Unaudited As At 30.09.2018	Unaudited As At 30.09.2017	Unaudited As At 30.09.2018	Unaudited As At 30.09.2017
Profit and total comprehensive income for the period attributable to owners of the Company (RM'000)	8,369	6,654	26,948	20,458
Basic Earnings Per Share				
Weighted Average Number of Ordinary Shares ('000)	1,370,734	1,257,243	1,302,780	1,257,243
Earnings per share (Sen)	0.61	0.53	2.07	1.63
Diluted Earnings Per Share				
Weighted Average Number of Ordinary Shares ('000)	1,942,052	1,269,803	1,874,097	1,261,445
Earnings per share (Sen)	0.43	0.52	1.44	1.62

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B12 Notes to the Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

Profit before taxation has been arrived at after crediting/(charging):

	Current period	Cumulative period
	Unaudited	Unaudited
	3 months ended	9 months ended
	30.09.2018	30.09.2018
	RM'000	RM'000
Interest income	138	386
Rental income	1,453	2,658
Amortisation of deferred capital grant	49	149
Interest expenses	(1,786)	(5,646)
Depreciation of property, plant and equipment	(2,902)	(8,175)

There is no provision for and write-off of receivables and inventories, gain or loss on disposal of quoted or unquoted investments or properties, impairment of assets, foreign exchange gain or loss, gain or loss on derivatives and other exceptional items recorded in the current quarter and current FPE 30 September 2018 under review.