

BRIGHT PACKAGING INDUSTRY BERHAD (161776 - W)
BURSA SECURITIES QUARTERLY REPORT - FOURTH QUARTER

Part A2 :- SUMMARY OF KEY FINANCIAL INFORMATION - UNAUDITED

Summary of Key Financial Information for the financial year ended 31 August 2018

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/8/2018 RM'000	31/8/2017 RM'000	31/8/2018 RM'000	31/8/2017 RM'000
1 Revenue	17,317	15,418	54,282	42,190
2 Profit / (loss) before tax	594	(1,087)	(3,800)	(3,590)
3 Profit / (loss) after tax and minority interest	996	(109)	(3,402)	(2,616)
4 Profit / (loss) for the period	996	(109)	(3,402)	(2,616)
5 Basic earnings / (loss) per share (sen)	0.49	(0.07)	(1.66)	(1.59)
6 Dividend per share (sen)	-	-	-	-
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7 Net assets per share (RM)	0.56		0.58	

Part A3 :- ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/8/2018 RM'000	31/8/2017 RM'000	31/8/2018 RM'000	31/8/2017 RM'000
1 Profit / (Loss) from operations	288	(1,371)	(4,961)	(4,691)
2 Gross Interest Income	327	320	1,266	1,185
3 Gross Interest Expense	21	36	105	84

BURSA SECURITIES QUARTERLY REPORT - FOURTH QUARTER

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 AUGUST 2018 CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/8/2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/8/2017 RM'000	CURRENT YEAR TO DATE 31/8/2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/8/2017 RM'000
Revenue	17,317	15,418	54,282	42,190
Cost Of Sales	(16,294)	(14,695)	(55,029)	(41,885)
Gross Profit / (Loss)	1,023	723	(747)	305
Other Income	254	136	542	375
Operating Expenses	(989)	(2,230)	(4,756)	(5,371)
Profit / (Loss) From Operations	288	(1,371)	(4,961)	(4,691)
Interest income	327	320	1,266	1,185
Finance Costs	(21)	(36)	(105)	(84)
Profit/(Loss) Before Tax	594	(1,087)	(3,800)	(3,590)
Taxation	402	978	398	974
Profit / (Loss) for the period	996	(109)	(3,402)	(2,616)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	996	(109)	(3,402)	(2,616)
Profit attributable to:				
Owners of the parent	996	(109)	(3,402)	(2,616)
Non-controlling Interest	-	-	-	-
	996	(109)	(3,402)	(2,616)
Earnings per share attributed to owners of the parent (sen):				
Basic, for the profit / (loss) for the period	0.49	(0.07)	(1.66)	(1.59)
Diluted, for the profit / (loss) for the period	0.49	(0.05)	(1.66)	(1.18)

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 August 2017 and the accompanying explanatory notes attached to the interim financial statements

BRIGHT PACKAGING INDUSTRY BERHAD (161776 - W)**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 AUGUST 2018
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	AS AT END OF CURRENT QUARTER 31/8/2018 RM'000 (Unaudited)	AS AT PRECEDING FINANCIAL YEAR ENDED 31/08/2017 RM'000
ASSETS		
Non-current assets		
Property, Plant and Machinery	61,917	68,545
	<u>61,917</u>	<u>68,545</u>
Current assets		
Inventories & Work In Progress	11,640	6,379
Trade & Other Receivables	14,083	13,750
Cash & Cash Equivalent	39,521	39,647
	<u>65,244</u>	<u>59,776</u>
TOTAL ASSETS	<u>127,161</u>	<u>128,321</u>
EQUITY AND LIABILITIES		
Share capital	97,716	97,716
Share Premium	-	-
Warrant Reserves	30,496	30,496
Other Reserves	(30,496)	(30,496)
Accumulated Profit	18,096	21,498
Equity attributable to owners of the parent	<u>115,812</u>	<u>119,214</u>
Non-controlling interest	<u>-</u>	<u>-</u>
Total equity	<u>115,812</u>	<u>119,214</u>
Non-current liabilities		
Hire Purchase Payables	98	127
Deferred Taxation	2,143	2,568
	<u>2,241</u>	<u>2,695</u>
Current liabilities		
Trade & Other Payables	9,060	6,383
Taxation	19	-
Hire Purchase Payables	29	29
	<u>9,108</u>	<u>6,412</u>
Total liabilities	<u>11,349</u>	<u>9,107</u>
TOTAL EQUITY AND LIABILITIES	<u>127,161</u>	<u>128,321</u>
 Net Assets Per Share (sen)	 56.40	 58.06

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 August 2017 and the accompanying explanatory notes attached to the interim financial statements

BRIGHT PACKAGING INDUSTRY BERHAD (161776 - W)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 AUGUST 2018 CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Fourth Quarter Ended 31/08/2018 RM'000	Preceding Year Corresponding Quarter 31/08/2017 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (Loss) before taxation	(3,800)	(3,590)
Adjustment for non-cash flow:-		
Depreciation of property, plant and equipment	6,628	6,617
Impairment losses	-	1,778
Inventories written down	26	21
Provision for debts written off	-	-
Gain on disposal of property, plant and equipment	-	(40)
Loss/(Gain) on foreign exchange - unrealised	(348)	(185)
Property, plant and equipment written off	-	-
Interest income	(1,266)	(1,185)
Interest expense	105	84
Operating profit before changes in working capital	1,345	3,500
Inventories	(5,235)	6,621
Debtors	2,667	(6,670)
Creditors	2,822	(1,739)
Net cash generated from operations	(1,599)	1,712
Taxation paid	(7)	(9)
Taxation refund	-	56
Net cash generated from operating activities	(1,606)	1,759
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	(29)
Proceeds from disposal of property, plant and equipment	-	40
Net cash used in investing activities	-	11
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of hire purchase liabilities	(29)	(2)
Interest received	1,266	1,185
Interest paid	(105)	(84)
Net cash generated from financing activities	1,132	1,099
NET INCREASE IN CASH AND CASH EQUIVALENTS	(474)	2,869
EFFECT OF CHANGES IN FOREIGN EXCHANGE RATE	348	248
CASH AND CASH EQUIVALENTS AT 1 SEPTEMBER 2017	39,647	36,530
CASH AND CASH EQUIVALENTS AT 30 AUGUST 2018	39,521	39,647
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	37,877	36,231
Fixed deposits with licensed banks	1,644	3,416
	39,521	39,647

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 August 2017 and the accompanying explanatory notes attached to the interim financial statements

BRIGHT PACKAGING INDUSTRY BERHAD (161776 - W)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 AUGUST 2018 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent							
	Share Capital	Share Premium	Non - Distributable Share Option Reserves	Warrant Reserves	Other Reserves	Accumulated Profit / (Losses)	Non-controlling Interest	Total
GROUP	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
At 1 September 2016	82,132	15,584	-	30,496	(30,496)	24,114	-	121,830
Total comprehensive income for the period	15,584	(15,584)	-	-	-	(2,616)	-	(2,616)
At 31 August 2017	97,716	-	-	30,496	(30,496)	21,498	-	119,214
At 1 September 2017	97,716	-	-	30,496	(30,496)	21,498	-	119,214
Total comprehensive income for the period	-	-	-	-	-	(3,402)	-	(3,402)
At 31 August 2018	97,716	-	-	30,496	(30,496)	18,096	-	115,812

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 August 2017 and the accompanying explanatory notes attached to the interim financial statements.

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QUARTERLY REPORT
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1. NOTES TO THE INTERIM FINANCIAL STATEMENTS

1.01 Basis of Preparation

The interim financial statement has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”). The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 August 2017.

1.02 Changes in Accounting Policies

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the significant accounting policies below.

Adoption of new and amended standards

During the financial year, the Group and the Company have adopted the following new MFRSs and amendments to MFRSs issued by the Malaysian Accounting Standards Board (“MASB”) that are mandatory for current financial year:

Amendments to MFRS 107	Disclosure Initiative
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses
Annual Improvements to MFRSs 2014 – 2016 Cycle	Amendments to MFRS 12

The adoption of above new MFRSs and amendments to MFRSs did not have any significant impact on the financial statements of the Group and of the Company.

Standards issued but not yet effective

The Group and the Company have not applied the following new MFRSs, new interpretation and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and the Company:

		Effective dates for financial periods beginning on or after
MFRS 9	Financial Instrument (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018

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1.02 Changes in Accounting Policies (Cont'd)

(a) Statement of compliance (Cont'd)

Standards issued but not yet effective (Cont'd)

		Effective dates for financial periods beginning on or after
		<u>1 January 2018</u>
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	
Amendments to MFRS 2	Classification and measurement of Share-based payment Transactions	1 January 2018
Amendments to MFRS 4	Applying MFRS 9 <i>Financial Instruments</i> with MFRS 4 <i>Insurance Contracts</i>	1 January 2018*
Amendments to MFRS 15	Clarification to MFRS 15	1 January 2018
Amendments to MFRS 140	Transfer of Investment Property	1 January 2018
Annual Improvements to MFRSs 2014 – 2016 Cycle:		
• Amendments to MFRS 1		1 January 2018
• Amendments to MFRS 128		1 January 2018
MFRS 16	Leases	1 January 2019
IC Interpretation 23	Uncertainty over Income Tax Treatments	1 January 2019
Amendments to MFRS 9	Prepayment Features with Negative Compensation	1 January 2019
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement	1 January 2019
Amendments to MFRS 128	Long-term interests in Associates and Joint Ventures	1 January 2019
Annual Improvements to MFRSs 2015 – 2017 Cycle:		
• Amendments to MFRS 3		1 January 2019
• Amendments to MFRS 11		1 January 2019
• Amendments to MFRS 112		1 January 2019
• Amendments to MFRS 123		1 January 2019
Amendments to References to the Conceptual Framework in MFRS Standards		
MFRS 17	Insurance Contracts	1 January 2020
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2021

Note:

- * *Entities that meet the specific criteria in MFRS 4, paragraph 20B, may choose to defer the application of MFRS 9 until that earlier of the application of the forthcoming insurance contracts standard or annual periods beginning before 1 January 2021.*

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1.02 Changes in Accounting Policies (cont'd)

Standards issued but not yet effective (Cont'd)

The initial application of the abovementioned MFRSs is not expected to have any significant impacts on the financial statements of the Group and of the Company except as mentioned below:

MFRS 9 *Financial Instruments* (IFRS 9 issued by IASB in July 2014)

MFRS 9 (IFRS 9 issued by IASB in July 2014) replaces earlier versions of MFRS 9 and introduces a package of improvements which includes a classification and measurement model, a single forward looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. MFRS 9 when effective will replace MFRS 139 *Financial Instruments: Recognition and Measurement*.

MFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other profit or loss and other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in MFRS 139.

For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other profit or loss and other comprehensive income, for liabilities designated at fair value through profit or loss. MFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under MFRS 139.

MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014) (Cont'd)

Based on the analysis of the Group's and the Company's financial assets and liabilities as at 30 June 2018 on the basis of facts and circumstances that existed at that date, the Directors of the Group's and the Company have assessed the impact of MFRS 9 to the Group's and the Company's financial statements as follows:

(1) Classification and measurement

MFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which the assets are managed and their cash flow characteristics.

MFRS 9 contains three (3) principal classification categories for financial assets:

- Amortised Cost ("AC");
- 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 ("HTM"), Loans and Receivables ("L&R") and Available-for-Sale ("AFS").

Based on its assessment, the Group and the Company believe that the new classification requirements will have no material impact on the Group's and the Company's financial assets and financial liabilities.

Accordingly, the Group and the Company does not expect the new guidance to affect the classification and measurement of the above financial assets.

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1.02 Changes in Accounting Policies (cont'd)

Standards issued but not yet effective (Cont'd)

(2) Impairment

MFRS 9 replaces the “incurred loss” model in MFRS 139 with a forward-looking “expected credit loss” (“ECL”) model. This will require considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis.

The new impairment model will apply to financial assets measured at AC or FVOCI, except for investment securities.

Under MFRS 9, loss allowances will be measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since initial recognition and 12-month ECL measurement applies if it has not increased significantly. A financial asset’s credit risk deemed not increased significantly if the asset has low credit risk at the reporting date. However, the Group and the Company have adopted lifetime ECL measurements for loans and receivables due to the expected lifetime period of loans and receivables are generally less than 12 months.

Based on the assessments undertaken to date, the Group and the Company do not expect the above new requirements to affect the classification and measurements of its financial assets and financial liabilities.

The Group and the Company will apply the new rules retrospectively from 1 July 2018, with the practical expedients permitted under the standard. Comparative for 2018 will not be restated.

(3) Hedge accounting

The Group and Company does not adopt hedge accounting in the Group’s and the Company’s financial statements. Hence, hedging requirements of MFRS 9 will not have any impact on the Group’s and the Company’s financial statements.

The assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the Company in 2018 when the Company adopt MFRS 9. 2.

MFRS 15 Revenue from Contracts with Customers

MFRS 15 replaces MFRS 118 Revenue, MFRS 111 Construction Contracts and related IC Interpretations. The Standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity’s contracts with customers.

Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The core principle in MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

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1.02 Changes in Accounting Policies (cont'd)

(a) Statement of compliance (Cont'd)

Standards issued but not yet effective (Cont'd)

MFRS 15 Revenue from Contracts with Customers (Cont'd)

An entity recognises revenue in accordance with the core principle by applying the following steps:

- (1) Identify the contracts with a customer;
- (2) Identify the performance obligation in the contract;
- (3) Determine the transaction price;
- (4) Allocate the transaction price to the performance obligations in the contract;
- (5) Recognise revenue when the entity satisfies a performance obligation.

The Group and the Company intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 July 2018 and that comparatives will not be restated.

MFRS 15 also includes new disclosures that would result in an entity providing users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers.

Based on the assessment, the Group and the Company do not expect the application of MFRS 15 to have a significant impact on its consolidated financial statements. Consequently its property development cost and inventories are not expected to be significantly impacted.

The assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the Group and the Company in 2018 when the Group and the Company adopt MFRS 15 and the Group and the Company have not finalised the testing and assessment of controls over its new accounting system.

MFRS 16 Leases

MFRS 16, which upon the effective date will supersede MFRS 117 Leases, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under MFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, MFRS 117.

In respect of the lessor accounting, MFRS 16 substantially carries forward the lessor accounting requirements in MFRS 117. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The Group and the Company do not expect the application of MFRS 16 to have a significant impact on its consolidated financial statements.

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1.03 Qualified Audit Report

The auditors' report on the financial statements for the year ended 31 August 2017 was not qualified.

1.04 Seasonality Or Cyclicity Of Operations

The business of the Group for the quarter under review has not been affected by any seasonality or cyclicity of operations.

1.05 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no items affecting assets, liabilities, equity, net income or cash flows that unusual because of their nature, size or incidence during the financial period to date.

1.06 Changes In Estimates

There is no significant change in estimates of amounts reported in prior interim period or previous financial year.

1.07 Dividend Paid

There was no dividend paid in the current financial period to date.

1.08 Segmental Information

The Group is principally engaged in the manufacturing segment within Malaysia. The other segments are not significant to be disclosed under the requirements of MFRS 8 – Operating Segments.

1.09 Subsequent Events

As at the date of this report, there are no material events subsequent to the balance sheet that have a material impact on the financial position of the Group.

1.10 Changes In The Composition Of The Group

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

1.11 Changes In Contingent Liabilities

There were no changes in other contingent liabilities since the last annual financial statements as at 31 August 2017.

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2. NOTES AS REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD REQUIREMENTS

2.01 Review Of Performance

The Group for the fourth quarter ended 31 August 2018 registered a total turnover of RM17.32 million, as compared to RM15.42 million in the fourth quarter of last financial year. The higher turnover was due to the increase in customers' order from tobacco industry.

2.02 Comparison With Preceding Quarter's Results

During the current quarter, the Group registered total revenue of RM17.32 million as compared to the preceding quarter of RM14.05 million. The Group has registered a profit after tax and minority interest of RM1.00 million as compared to preceding quarter loss after tax of RM0.70 million. The decrease in losses was mainly due to the increase in other income which mainly consisted of interest income, discount received and foreign currency translation.

2.03 Current Year Prospects

Barring unforeseen circumstances, the Directors foresee a reasonable performance for the Group for the year ahead.

2.04 Variance Of Actual Profit From Forecast Profit / Profit Guarantee

Not applicable.

2.05 Taxation

The taxation of the Group for the financial period under review was as follow:-

	Current Quarter ended 31 August 2018 RM'000	Current Year to date 31 August 2018 RM'000
<i>Tax expense:</i>		
Current year tax provision	28.20	28.20
(Over)/under provided in prior years	(0.20)	(0.20)
	-----	-----
	28	28
	=====	=====
<i>Deferred taxation:</i>		
Relating to origination and reversal of temporary differences	(1,042)	(1,042)
(Over)/under provision in prior year relating to the changes of tax rate	616	616
	-----	-----
	(426)	(426)
	=====	=====
	-----	-----
	(398)	(398)
	=====	=====

Tax expense for the current quarter ended 31 August 2018 is derived based on management's best estimate for the financial period.

2.06 Profit On Sale Of Investment And / Or Properties

There were no sales of investment / or properties for the financial period under review.

2.07 Purchase Or Disposal Of Quoted Securities

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

2.08 Status Of Corporate Proposals

There were no new corporate proposals for the financial period under review.

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2.09 Group Borrowings and Debt Securities

As at 31 August 2018, the Group's bank borrowings are as follows:

	Payable within 12 months	Payable after 12 months	Total
<u>Secured borrowings</u>	RM'000	RM'000	RM'000
Hire Purchase	29	98	127

2.10 Off Balance Sheet Financial Instruments

The Group has no off balance sheet financial instruments as at the date of this announcement.

2.11 Material Litigation

As at the date of this announcement, the Group is not engaged in any material litigation.

2.12 Dividend

No dividend was recommended for the quarter under review.

2.13 Earnings Per Share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year Quarter	Preceding Year Corresponding Quarter
	31/08/2018	31/08/2017	31/08/2018	31/08/2017
a) <u>Basic earnings per share</u>				
Net profit/(loss) for the period (RM'000)	996	(109)	(3,402)	(2,616)
Weighted average number of Ordinary shares issued	205,331	164,265	205,331	164,265
Basic earnings/ (loss) per share (sen)	0.49	(0.07)	(1.66)	(1.59)
b) <u>Diluted earnings per share</u>				
	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year Quarter	Preceding Year Corresponding Quarter
	31/08/2018	31/08/2017	31/08/2018	31/08/2017
Net profit/(loss) for the period (RM'000)	996	(109)	(3,402)	(2,616)
<u>Potential ordinary share (units)</u>	205,331	221,978	205,331	221,978
Weighted average number of Ordinary shares issued	205,331	164,265	205,331	164,265
Full conversion of Warrants to Shares *	-	57,713	-	57,713
Full conversion of Options to Shares	-	-	-	-
Diluted earnings/ (loss) per share (sen)	0.49	(0.05)	(1.66)	(1.18)

- The outstanding warrants do not have any impact on the diluted earnings per share as the exercise price of the warrants exceeded the average market price of the Company's ordinary shares.

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2.14 Realised and Unrealised Profit/ (Losses) Disclosure

The accumulated loss of the Group as at 31 August 2018 and 31 August 2017 are analyzed as follows:

	As at 31/08/2018 RM'000	As at 31/08/2017 RM'000
Total accumulated loss of the Company and its subsidiaries:		
-Realised	(33,078)	(29,624)
-Unrealised	11,973	11,921
	<u>(21,105)</u>	<u>(17,703)</u>
Add: Consolidation adjustments	<u>39,201</u>	<u>39,201</u>
Accumulated profit / (loss) as per financial statements	<u>18,096</u>	<u>21,498</u>