ASIAN PAC HOLDINGS BERHAD (129-T)
(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR SECOND QUARTER ENDED 30 SEPTEMBER 2018

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING YEAR
	30/09/18 RM'000	30/09/17 RM'000 (Restated)	30/09/18 RM'000	30/09/17 RM'000 (Restated)
Revenue	32,148	44,386	56,134	91,202
Operating expenses	(21,464)	(32,366)	(37,623)	(70,049)
Other operating income	597	1,711	1,750	2,364
Profit from operations	11,281	13,731	20,261	23,517
Finance costs	(5,638)	(6,096)	(9,418)	(11,821)
Profit before taxation	5,643	7,635	10,843	11,696
Taxation	(1,999)	(2,131)	(2,483)	(3,193)
Profit after tax for the period	3,644	5,504	8,360	8,503
Attributable to:-				
Owners of the Parent	3,644	5,504	8,360	8,503
EPS - Basic (sen)				
Before mandatory conversion of ICULS	0.35	0.55	0.81	0.85
After mandatory conversion of ICULS	0.24	0.37	0.56	0.57
- Diluted (sen)	0.24 #	0.37 #	0.56 #	0.57 #

The assumed exercise of the Warrants at average market price is treated as an issue ordinary share for no consideration. The dilutive effect of the assumed exercise of Warrants for the current quarter and current year todate are not considered because the Warrants are 'out of money'.

(The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the audited financial statements for the year ended 31 March 2018 and the notes to the Interim Financial Report).

ASIAN PAC HOLDINGS BERHAD (129-T)

(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR SECOND QUARTER ENDED 30 SEPTEMBER 2018

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING YEAR
	30/09/18 RM'000	30/09/17 RM'000 (Restated)	30/09/18 RM'000	30/09/17 RM'000 (Restated)
Profit after tax for the period	3,644	5,504	8,360	8,503
Other comprehensive income :				
Fair value income on available-for-sale financial assets	0	1	121	489
Total comprehensive income for the period	3,644	5,505	8,481	8,992
Total comprehensive income attributable to :				
Owners of the Parent	3,644	5,505	8,481	8,992

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2018 and the notes to the Interim Financial Report).

ASIAN PAC HOLDINGS BHD (129-T)
(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2018
(The figures have not been audited)

	AS AT END OF FINANCIAL YEAR 30/09/18 RM'000	AS AT PRECEDING FINANCIAL YEAR END 31/03/18 RM'000 (Restated)
ASSETS		
Non Current Assets		
Property, plant and equipment	5,768	10,280
Land held for property development	55,024	55,019
Investment properties	1,273,371	1,272,764
Intangible assets	503	503
Available-for-sale investments	4,856	4,735
Prepayment	4,846	5,634
Deferred tax assets	5	133
	1,344,373	1,349,068
Current Assets		
Property development costs	75,831	74,635
Inventories	29,438	30,307
Trade & other receivables	82,953	49,493
Accrued billings in respect of property development costs	40,965	39,511
Accrued income	2,044	2,274
Prepayment	1,570	980
Tax recoverable	3,060	2,829
Others investment	23,943	47,350
Cash and bank balances	51,327	53,774
	311,131	301,153
TOTAL ASSETS	1,655,504	1,650,221
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	210,977	209,943
Reserves	3,108	2,071
ICULS	76,847	77,726
Retained profits	714,148	705,796
Total shareholder's equity	1,005,080	995,536
Non Current Liabilities		
Deferred tax liabilities	208,467	207,008
Long Term Trade Creditors	19,686	19,687
Loans and borrowings	257,498	260,233
	485,651	486,928
Current Liabilities		
Loans and borrowings	102,975	81,706
Trade & other payables	61,448	81,855
Prepayment from tenants	117	750
Progress billings in respect of property development costs	-	-
Tax payable	233	3,446
	164,773	167,757
Total liabilities	650,424	654,685
TOTAL EQUITY AND LIABILITIES	1,655,504	1,650,221
Net assets per share attributable to equity holders of the parent (Sen)	96.9	96.5

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the financial statements for the year ended 31 March 2018 and the Notes to the Interim Financial Report)

ASIAN PAC HOLDINGS BHD (129-T)
(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR SECOND QUARTER ENDED 30 SEPTEMBER 2018

	Attributable to Equity Holders of the Parent						
	Non-distributable			Distributable		Non	
	Share Capital	Other Reserves	ICULS	Retained Profits	Total	Controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 April 2018, as previously reported	209,943	2,071	77,726	701,550	991,290	-	991,290
Effects of adoption of MFRS Framework	-	-	-	4,246	4,246	-	4,246
As Restated	209,943	2,071	77,726	705,796	995,536	-	995,536
Total comprehensive income for the year	-	121	-	8,360	8,481	-	8,481
Revaluation surplus	-	916	-	-	916	-	916
Conversion of ICULS	1,034	-	(879)	(8)	147	-	147
At 30 September 2018	210,977	3,108	76,847	714,148	1,005,080	-	1,005,080
At 1 April 2017, as previously reported	202,064	1,226	-	657,347	860,637	(120)	860,517
Effects of adoption of MFRS Framework	-	-	-	194	194	-	194
As Restated	202,064	1,226	-	657,541	860,831	(120)	860,711
Total comprehensive income for the year	-	489	-	8,503	8,992	-	8,992
Equity component of ICULS	-	-	84,429	-	84,429	-	84,429
Warrant Reserve	-	979	-	-	979	-	979
Conversion of ICULS	2,511	-	(2,136)	(61)	314	-	314.00
At 30 September 2017	204,575	2,694	82,293	665,983	955,545	(120)	955,425

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the financial statements for the year ended 31 March 2018 and the Notes to the Interim Financial Report)

ASIAN PAC HOLDINGS BHD (129-T)
(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR SECOND QUARTER ENDED 30 SEPTEMBER 2018

(The figures have not been audited)

	30/09/18	30/09/17
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	10,843	11,696
Adjustment for non-cash items :		
Non-cash items	1,440	305
Non-operating items	7,668	10,765
Operating profit before working capital changes	19,951	22,766
Changes in Working Capital :		
(Increase) / Decrease in receivables	(35,471)	18,243
Movement in property development cost	(1)	2,605
Movement in stocks	869	7,764
Decrease in payables	(18,902)	(13,603)
Cash (used in) / generated from operations	(33,554)	37,775
Interest and dividend received	423	204
Taxation paid	(4,340)	(2,768)
Net cash (used in) / generated from operations	(37,471)	35,211
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and dividend received	603	834
Other investments/placements	23,456	(69,886)
Purchase property, plant & equipment (net of disposal)	(635)	(1,221)
Investment in investment property	(195)	-
Proceeds from government land acquisition	4,965	-
Net cash generated from / (used in) investing activities	28,194	(70,273)
CASH FLOWS FROM FINANCING ATIVITIES		
Net proceeds from issuance of ICULS	-	97,938
(Repayment) / Drawdown of hire purchase financing (net)	(222)	59
Drawdown of Short & Long Term Loan	26,376	9,626
Repayment of bank borrowings	(5,528)	(55,415)
Interest paid	(11,055)	(10,942)
ICULS Coupon paid	(2,741)	-
Net cash generated from financing activities	6,830	41,266
NET CHANGES IN CASH & BANK BALANCES	(2,447)	6,204
CASH & BANK BALANCES AT THE BEGINNING OF THE YEAR	53,774	62,775
CASH & BANK BALANCES AT THE END OF THE PERIOD	**51,327**	**68,979**

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the financial statements for the year ended 31 March 2018 and Notes to the Interim Financial Report)

PART A : EXPLANATORY NOTES PURSUANT TO FRS 134

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134 : Interim Financial Reporting and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2018. The 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 31 March 2018.

The financial statements of the Group for the three months period ended 30 June 2018 are the first set of interim financial statements prepared in accordance with MFRS Framework, hence MFRS 1 First-time Adoption of Malaysian Financial Standards has been applied. The MFRS Framework is effective for the Group from 1 April 2018 and the date of transition to the MFRS Framework for the purpose of preparation of MFRS compliant interim financial report is 1 April 2017.

The accounting policies and methods of computation adopted in this interim financial statements are consistent with those adopted in the preparation of the audited financial statements for the year ended 31 March 2018, except for the adoption of the MFRS framework. The Group has consistently applied the same accounting policies in its opening MFRS statement of financial position as at 1 April 2017 and throughout all comparable interim periods presented, as if these policies has always been in effect. Comparative information in these interim financial statements have been restated to give effect to above changes. The two newly effective standards which were adopted pursuant to the adoption of MFRS Framework, namely MFRS 9 Financial Instruments and MFRS 15 Revenue from Contracts with Customers has resulted in the following key changes to the financial statements:

MFRS 9: Financial Instruments

The key effect of the adoption of this standard on the Group and the Company would principally be in respect of the assessment of impairment losses of outstanding external and internal debts based on an “expected credit loss model” instead of the “incurred loss” model. This may have the effect of accelerating the recognition of impairment losses in respect of these debts, if any.

MFRS 15: Revenue from Contracts with Customers

The key effects as a result of adopting this standard on the property development activities of the Group are as follows:

(i) in respect of sales of properties that do not come under the purview of Financial Reporting Standards Implementation Committee (“FRSIC”) Consensus 23 Application of MFRS 15 on Sale of Residential Properties issued by the Malaysian Institute of Accountants, the Group has to assess if the property has an alternative use to the Group and whether the sales and purchase arrangement provides the Group with an enforceable right to payment for work completed to date, in determining whether or not the sale of property units should be recognised at a point in time (completion method) or over time (percentage of completion method);

(ii) it requires the identification of separate performance obligations arising from the sale of property units from the various property development projects of the Group, such as the sale of property with complimentary giveaways, and may result in the acceleration or deferment of revenue recognition relating to these separate performance obligations depending on whether the related goods and/or services are delivered or satisfied. This would affect the timing of revenue recognition for the property development activities;

(iii) it requires that expenses attributable to securing contracts with customers such as commission expense be capitalised and expensed by reference to the progress towards complete satisfaction of the performance obligation; and

A1 Basis of Preparation (Continued)

MFRS 15: Revenue from Contracts with Customers (Continued)

(iv) it views the expenses absorbed on behalf of purchasers (such as legal fees, GST and any other expenses) and liquidated ascertained damages ("LAD") payable when the developer fails to deliver vacant possession within the stipulated period as consideration payable to customers and is presented as a reduction of the transaction price which would then be accounted for in the profit or loss over the tenure of the property development project instead of being accounted for as a direct charge to the profit or loss when the obligation arises.

As a result, the following comparatives in the interim financial report have been restated:

Consolidated Statement of Profit or Loss
For the six months ended 30 September 2017

	As previously stated	Adjustments	As Restated
	RM'000	**RM'000**	**RM'000**
Revenue	92,664	(1,462)	91,202
Operating expenses	(73,309)	3,260	(70,049)
Other operating income	2,364	-	2,364
Profit from operations	21,719	1,798	23,517
Finance costs	(11,821)	-	(11,821)
Profit before taxation	9,898	1,798	11,696
Taxation	(2,762)	(431)	(3,193)
Profit after tax for the period	7,136	1,367	8,503
Attributable to:-			
Owners of the Parent	7,136	1,367	8,503

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the six months ended 30 September 2017

	As previously stated	Adjustments	As Restated
	RM'000	**RM'000**	**RM'000**
Profit after tax for the period	7,136	1,367	8,503
Other comprehensive income/(expense) :			
Fair value income on available-for-sale financial assets	489	-	489
Total comprehensive income for the period	7,625	1,367	8,992
Total comprehensive income attributable to :			
Owners of the Parent	7,625	1,367	8,992

A1 Basis of Preparation (Continued)

As a result, the following comparatives in the interim financial report have been restated: (Continued)

Consolidated Statement of Financial Position
As at 31 March 2018

	As previously stated	Adjustments	As Restated
	RM'000	**RM'000**	**RM'000**
ASSETS			
Non Current Assets			
Property, plant and equipment	10,280	-	10,280
Land held for property development	55,019	-	55,019
Investment properties	1,272,764	-	1,272,764
Intangible assets	503	-	503
Available-for-sale investments	4,735	-	4,735
Prepayment	5,634	-	5,634
Deferred tax assets	97	36	133
	1,349,032	36	1,349,068
Current Assets			
Property development costs	74,999	(364)	74,635
Available-for-sale investments	-	-	-
Inventories	30,381	(74)	30,307
Trade & other receivables	49,575	(82)	49,493
Accrued billings in respect of property development costs	33,378	6,133	39,511
Accrued income	2,274	-	2,274
Prepayment	980	-	980
Tax recoverable	2,829	-	2,829
Others investment	47,350	-	47,350
Cash and bank balances	53,774	-	53,774
	295,540	5,613	301,153
TOTAL ASSETS	1,644,572	5,649	1,650,221
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	209,943	-	209,943
Reserves	2,071	-	2,071
ICULS	77,726	-	77,726
Retained profits	701,550	4,246	705,796
Total shareholder's equity	991,290	4,246	995,536
Non Current Liabilities			
Deferred tax liabilities	205,605	1,403	207,008
Long Term Trade Creditors	19,687	-	19,687
Loans and borrowings	260,233	-	260,233
	485,525	1,403	486,928
Current Liabilities			
Loans and borrowings	81,706	-	81,706
Trade & other payables	81,855	-	81,855
Prepayment from tenants	750	-	750
Tax payable	3,446	-	3,446
	167,757	-	167,757
Total liabilities	653,282	1,403	654,685
TOTAL EQUITY AND LIABILITIES	1,644,572	5,649	1,650,221

A2 Audit Qualification

The audit report of the preceding annual financial statements was not qualified.

A3 Seasonal or Cyclical Factors

The Group's activities are not affected by any seasonal or cyclical factors.

A4 Nature and Amount of Unusual Items

There were no items of an exceptional or unusual nature that have affected the assets, liabilities, equity, net income or cashflows of the Group during the current quarter.

A5 Changes in estimates

There are no significant changes in estimates in the current quarter.

A6 Debt and Equity Securities

Other than disclose below, there were no other issuances, cancellations, repurchases, resale and repayment of debt and equity securities in the current quarter:-

- On 6 September 2018, the ICULS holder converted RM580,700 ICULS into 2,903,500 new Asian Pac shares on the basis of 1 ICULS for 5 new Asian Pac shares.

A7 Dividend

There were no dividend paid during the current quarter ended 30 September 2018.

A8 Subsequent Events

There were no material events subsequent to the second quarter ended 30 September 2018 up to the date of this report, which is likely to substantially affect the results of the operations of the Group.

A9 Effects of Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter.

A10 Contingent Liabilities

Contingent liabilities of the Group as at the date of this report, are in respect of guarantees given to government bodies and service providers amounting to RM2,409,050.

A11 Capital Commitment

The following is the capital commitment as at the date of this announcement.

	RM'000
Acquisition of land as stated in Note B6(b)	270,000

A12 Related Party Transactions

There were no significant related party transactions as at the date of this announcement.

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1 Review of Performance of the Operating Segments

	CUMULATIVE QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/09/18 RM'000	30/09/17 RM'000 (Restated)	30/09/18 RM'000	30/09/17 RM'000 (Restated)
Revenue				
Investment holding and others	1,040	520	2,075	1,239
Property development	15,208	31,392	22,780	65,412
Property investment	306	325	651	650
Mall operations	20,515	16,951	39,930	33,287
Carpark operations	2,564	2,141	4,813	4,204
	39,634	51,329	70,250	104,792
Adjustments and eliminations	(7,485)	(6,943)	(14,115)	(13,590)
Total revenue	32,148	44,386	56,134	91,202
Results				
Investment holding and others	(815)	(966)	398	(1,890)
Property development	(617)	4,761	(3,352)	9,291
Property investment	184	226	1,055	425
Mall Operations	5,337	2,216	9,684	3,792
Carpark operations	1,560	1,514	3,064	2,907
	5,649	7,751	10,849	14,525
Adjustments and eliminations	-	(116)	-	(2,829)
Profit before tax	5,649	7,635	10,849	11,696

Current Quarter vs Previous Year Corresponding Quarter

For the current quarter under review, the Group recorded a lower revenue of RM12.2 million or 28% as compared to preceding year corresponding quarter of RM44.4 million. Revenue from property development segment decreased by RM16.2 million in current quarter due to one on-going project as compared to two on-going projects in previous financial year.

However, the decrease was softened by an increase in the Mall and Car Park's revenue of RM3.6 million and RM423,000 respectively due to higher occupancy and turnover rent for the Mall division and increase in the volume of traffic for Car Park division.

The Group recorded a profit before tax of RM5.6 million in the current quarter as compared to RM7.6 million in the preceding year corresponding quarter. The decrease in profit before tax in the current quarter was mainly from Property Development division due to the reason mentioned above. Nonetheless, the Mall division achieved higher profit of RM5.3 million due to higher occupancy rate and increase in rental rates upon renewal of retail tenancies commencing from April 2018 and higher turnover rent.

B2 Comment on Financial Results (Current quarter compared with the preceding quarter)

	Current Quarter 30/9/18 RM'000	Preceding Quarter 30/6/18 RM'000	Variance RM'000
Profit before tax	5,649	5,200	449

The Group recorded a higher pre-tax profit of RM443,000 as compared to preceding quarter mainly due to higher value of work certified for on-going project, Fortune Centra, higher base rent and turnover rent from the Mall division and revenue increase from car park operations.

B3 Prospects

The Group currently has three active divisions contributing to the Group's results, namely, Property Development, Mall Operations and the Car Park Operations. The Group anticipates the Mall and Car Park operations will continue to contribute positively to the Group's performance and is cautious of its Property Development Division's performance due to the current lacklustre demand for residential and commercial properties.

B4 Profit Forecast / Guarantee

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

B5 Taxation

Taxation comprises:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TODATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/09/18 RM'000	30/09/17 RM'000 (Restated)	30/09/18 RM'000	30/09/17 RM'000 (Restated)
Company Level				
- current taxation	143	-	74	-
- prior year	(0)	(124)	(0)	(124)
Subsidiary Companies				
- current taxation	(2,142)	(2,007)	(2,557)	(3,069)
- prior year	-	-	-	-
	(1,999)	(2,131)	(2,483)	(3,193)

The tax charge in the current quarter and current year-to-date arises from the operating and investment income of subsidiary companies.

The difference between the income tax expense at the statutory income tax rate and the income tax expense at the effective income tax rate of the Group is due to certain income not subject to tax, certain expenses not deductible for tax purposes, utilisation of previously unrecognised tax losses and deferred tax assets not recognised during the current quarter and current year-to-date.

B6 Status of Corporate Proposals

a) Rights Issue of ICULS with Warrants:

Pursuant to the Rights Issue of ICULS with Warrants, the Group wishes to announce the following:

i) The utilisation of proceeds of RM99,256,000 from the Rights Issue of ICULS with Warrants as at the date of announcement is as follows:

Purpose	Allocation RM'000	Utilisation RM'000	Re-allocation RM'000	Balance untilised RM'000	Intended timeframe for utilisation from completed date
Acquisition of new land	62,550	(30,000)	-	32,550	Within 24 months
Working capital	10,006	(5,529)	361	4,838	Within 9 months (Extended another 15 months)
Repayment of bank borrowings	25,000	(25,000)	-	-	Within 3 months
Payment of expenses in connection with corporate exercise	1,700	(1,339)	(361)	-	Within 3 months
	99,256	(61,868)	-	37,388	

ii) The number and percentage of voting shares or voting rights and the conversion or subscription rights or options in Asian Pac held by Mr. Mah Sau Cheong and Ms. Chin Lai Kuen as at latest practicable date prior to the disclosure are as below:

Name	As at 29 November 2018			
	No. of Asian Pac Shares	%	No. of ICULS	No. of Warrants
Mah Sau Cheong	182,068,669	17.56%	RM58,800,411	117,600,822
Chin Lai Kuen	5,260,000	0.51%	0	0
Total	187,328,669	18.06%	RM58,800,411	117,600,822

iii) The maximum potential voting shares or voting rights of Mr. Mah Sau Cheong and Ms. Chin Lai Kuen in Asian Pac, if only Mr. Mah Sau Cheong and Ms. Chin Lai Kuen (but not other holders) exercise the conversion or subscription rights or options in full are as below:

Name	Maximum Potential	
	No. of Asian Pac Shares	%
Mah Sau Cheong	593,671,546	36.96%
Chin Lai Kuen	5,260,000	0.33%
Total	598,931,546	37.29%

iv) As at 30 September 2018, the following are the outstanding ICULS and Warrants:

- ICULS RM90,343,961
- No. of warrants 198,512,922

B6 Status of Corporate Proposals (Continued)

b) Proposed acquisition of five parcels of leasehold lands

BH Builders Sdn Bhd ("BHB"), a wholly-owned subsidiary of Asian Pac Holdings Berhad ("Asian Pac") had on 25 May 2018 entered into a conditional Sale and Purchase Agreement ("SPA") with Jiwa Murni Sdn Bhd ("Vendor") to acquire 5 parcels of leasehold lands in Mukim Petaling, Daerah Petaling, Selangor measuring approximately 74 acres in total for a total cash consideration of RM300 million. Asian Pac had obtained the approval of the shareholders at the extraordinary general meeting held on 21 September 2018. The proposed acquisition is subject to the following approvals to be obtained:

i) the written approval from the creditors of the Vendor;

ii) the relevant State Consent to transfer the Lands from the Vendor to BHB; and

iii) any other relevant authorities/parties, if required.

As at the date of this announcement, the above approvals are still pending.

c) Proposed shares acquisition by Asian Pac of 90,000 ordinary shares of Harmoni Bumiria Sdn Bhd "Harmoni"

APHB had on 30 August 2018 entered into a Share Sale Agreement ("SSA") with Ikatan Khusus Sdn Bhd to acquire 90,000 ordinary shares in Harmoni representing 90% equity interest in the company for a total cash consideration of RM3,150,000.00.

Harmoni is principally engaged in property development and investment acitivities. Harmoni had on 24 August 2015 entered into a joint venture agreement with Koperasi Serbaguna Sanya Berhad, to develop on all that parcel of land situated at Likas, District of Kota Kinabalu, Sabah and held under Town Lease 017514617 (with an unexpired term of 45 years) with an area of approximate 1.85 acres.

As at date of announcement the SSA is pending completion.

B7 Group Borrowings as at 30 September 2018 are as follows:

		RM'000
a)	**Current**	
	Secured:-	
	Term loans and Revolving Credits	99,416
	Bank Overdaft	3,193
	Obligation under finance lease	366
		102,975
b)	**Non-current**	
	Secured:-	
	Term loans	247,746
	Obligation under finance lease	267
		248,013
	Non-secured:-	
	Liability portion of ICULS	9,485
		257,498
Total Borrowings		360,473

B8 Material Litigation

The Directors are not aware of any material litigation that would adversely affect the operations and financial affairs of the Group as at the date of this announcement.

B9 Proposed Dividend

The Directors do not recommend any dividend for the 2nd quarter ended 30 September 2018.

B10 Earnings Per Share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER Restated	CURRENT YEAR TODATE	PRECEDING YEAR CORRESPONDING PERIOD Restated
	30/09/18 RM'000	30/09/17 RM'000	30/09/18 RM'000	30/09/17 RM'000
a) Basic earnings per share				
Net profit attributable to owners of the parent	3,644	5,504	8,360	8,503
Weighted average no. of ordinary share in issue	1,035,985	1,002,871	1,035,985	1,002,871
Assumed full conversion of ICULS ('000)	451,720	483,727	451,720	483,727
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	1,487,704	1,486,598	1,487,704	1,486,598
Basic earnings per share (sen)				
- Before mandatory conversion of ICULS (sen)	0.35	0.55	0.81	0.85
- After mandatory conversion of ICULS (sen)	0.24	0.37	0.56	0.57
b) Diluted earning per share				
Net profit attributable to ordinary equity holders of the parent	3,644	5,504	8,360	8,503
Weighted average no. of ordinary share in issue	1,035,985	1,002,871	1,035,985	1,002,871
Effects of dilution:				
Assumed full conversion of ICULS ('000)	451,720	483,727	451,720	483,727
Assumed exercise of Warrants	#	#	#	na
	1,487,704	1,486,598	1,487,704	1,486,598
Diluted earning per share (sen)	0.24	0.37	0.56	0.57

The assumed exercise of the Warrants at average market price is treated as an issue ordinary share for no consideration. The dilutive effect of the assumed exercise of Warrants for the current quarter and current year todate are not considered because the Warrants are 'out of money'.

B11 Profit Before Tax

The following amounts have been included in arriving at profit before tax:

	CURRENT YEAR QUARTER 30/09/18 RM'000	CURRENT YEAR TODATE 30/09/18 RM'000
Charging:		
Depreciation	787	1,363
Finance cost	5,638	9,418
Allowance of doubtful debts	(6)	47
And crediting:		
Interest income	384	993
Fair value gain on short term investment	170	49
Gain on disposal of investment property	0	677
Other income	250	448

The gain or loss on derivaties is not applicable to the Group as the Group's policy states that no trading in derivative financial instruments shall be undertaken.

Dated : 29 November 2018
Kuala Lumpur, Malaysia

By order of the Board
Chan Yoon Mun
Secretary