



CN ASIA CORPORATION BHD  
(Company No.: 399442-A)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2017**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2017**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 Months Ended 30.06.2017 RM'000	3 Months Ended 30.06.2016 RM'000	6 Months Ended 30.06.2017 RM'000	6 Months Ended 30.06.2016 RM'000
Revenue	5,620	4,129	10,109	9,466
Cost of sales	(4,331)	(2,847)	(7,560)	(7,420)
Gross profit	1,289	1,282	2,549	2,046
Selling and distribution expenses	(47)	(18)	(109)	(77)
Administrative expenses	(853)	(905)	(1,745)	(1,858)
Other operating expenses	(4)	(52)	(6)	(111)
Other income	245	3	525	3
Profit from operations before interest	630	310	1,214	3
Finance costs	(6)	(176)	(10)	(368)
Share of profit / (loss) of an associate	-	(1)	-	(1)
Profit / (Loss) before tax	624	133	1,204	(366)
Tax expense	41	-	41	-
Profit / (Loss) after tax for the period	665	133	1,245	(366)
Other comprehensive income, net of tax that may be reclassified subsequently to profit and loss				
Foreign exchange translation differences	(9)	(4)	(14)	32
Total comprehensive income / (expenses) for the period	656	129	1,231	(334)
Net profit / (loss) for the period attributable to:-				
Owners of the Company	665	133	1,245	(366)
Non-controlling interests	-	-	-	-
	665	133	1,245	(366)
Total comprehensive income/ (expenses) for the period attributable to:-				
Owners of the Company	656	129	1,231	(334)
Non-controlling interests	-	-	-	-
	656	129	1,231	(334)
Earnings / (Loss) per share (sen)				
- Basic	1.5	0.3	2.7	(0.8)
- Diluted	1.5	0.3	2.7	(0.8)

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2017**

	<b>As At End of Current Quarter 30.06.2017 RM'000</b>	<b>As At Preceding Financial Year Ended 31.12.2016 RM'000</b>
<b>ASSETS</b>		
Non-current Assets		
<i>Property, plant and equipment</i>	11,629	11,945
<i>Other investment</i>	-	-
<i>Deferred Tax Assets</i>	685	685
	<u>12,314</u>	<u>12,630</u>
Current Assets		
<i>Inventories</i>	2,879	2,777
<i>Trade and other receivables</i>	3,889	1,810
<i>Current tax asset</i>	6	6
<i>Fixed deposits with licensed banks</i>	22,861	25,800
<i>Cash and bank balances</i>	1,225	2,951
	<u>30,860</u>	<u>33,344</u>
<b>TOTAL ASSETS</b>	<u><u>43,174</u></u>	<u><u>45,974</u></u>
<b>EQUITY AND LIABILITIES</b>		
Equity		
<i>Share capital</i>	48,874	45,382
<i>Reserves</i>	(8,251)	(5,990)
Shareholders' Equity	<u>40,623</u>	<u>39,392</u>
Liabilities		
Non-current Liabilities		
<i>Finance lease liabilities</i>	248	299
	<u>248</u>	<u>299</u>
Current Liabilities		
<i>Trade and other payables</i>	1,934	4,570
<i>Short-term borrowings</i>	369	1,322
<i>Current tax liabilities</i>	-	391
	<u>2,303</u>	<u>6,283</u>
<b>TOTAL LIABILITIES</b>	<u>2,551</u>	<u>6,582</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>43,174</u></u>	<u><u>45,974</u></u>
Net Assets Per Share (RM)	<u>0.90</u>	<u>0.87</u>

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2017**

	<b>6 Months Ended 30.06.2017 RM'000</b>	<b>6 Months Ended 30.06.2016 RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Profit / (Loss) Before Tax	1,204	(366)
Adjustments For:-		
Depreciation of property, plant and equipment	377	484
(Gain) / Loss on foreign exchange - Unrealised	(36)	17
Interest expenses	9	368
Interest income	(487)	-
(Gain) / Loss on disposal of property, plant and equipment	-	(3)
Share of loss of an associate	-	1
	<u>(137)</u>	<u>867</u>
Operating Profit / (Loss) Before Working Capital Changes	1,067	501
Changes In Working Capital		
Inventories	(102)	1,112
Amount due from customer for contract work	-	50
Trade and other receivables	(2,066)	352
Trade and other payables	(2,636)	(936)
Cash (Used In) / Generated From Operations	(3,737)	1,079
Interest paid	(9)	(368)
Net Cash (Used In) / Generated From Operating Activities	<u>(3,746)</u>	<u>711</u>
<b>Cash Flows From Investing Activities</b>		
Interest received	487	-
Proceeds from disposal of property, plant & equipment	-	3
Purchase of property, plant and equipment	(67)	(5)
Net Cash Generated From / (Used In) Investing Activities	<u>420</u>	<u>(2)</u>
<b>Cash Flows From Financing Activities</b>		
Net repayments of bankers' acceptance	(1,225)	(268)
Net payments of finance lease liabilities	(48)	(46)
Real property gains tax paid	(351)	-
Net Cash Used In Financing Activities	<u>(1,624)</u>	<u>(314)</u>
Net (Decrease) / Increase In Cash And Cash Equivalents	(4,950)	395
Effects of Change in Foreign Exchange Differences	15	(59)
Cash And Cash Equivalents At Beginning Of The Financial Year	<u>19,251</u>	<u>(4,755)</u>
Cash And Cash Equivalents At End Of The Financial Period	<u>14,316</u>	<u>(4,419)</u>
Cash and cash equivalents at end of the financial period comprises:		
Fixed deposits with licensed banks	22,861	-
Cash and bank balances	1,225	653
Bank overdrafts	(270)	(5,072)
	<u>23,816</u>	<u>(4,419)</u>
Less: Deposits pledged to licensed banks	(9,500)	-
	<u>14,316</u>	<u>(4,419)</u>

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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2017**

	-----Attributable to owners of the Company-----				
	-----Non-distributable -----			Distributable	
	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	FOREIGN CURRENCY TRANSLATION RESERVE RM'000	ACCUMULATED LOSSES RM'000	TOTAL EQUITY RM'000
<b>Current financial period ended 30 June 2017</b>					
At 1 January 2017	45,382	3,492	266	(9,748)	39,392
Reclassification pursuant to S618(2) of CA2016 (Note 1)	3,492	(3,492)	-	-	-
	48,874	-	266	(9,748)	39,392
Movement during the period (cumulative)					
- Profit for the period	-	-	-	1,245	1,245
Other comprehensive expenses					
- Translation difference	-	-	(14)	-	(14)
Total comprehensive income for the period	-	-	(14)	1,245	1,231
At 30 June 2017	48,874	-	252	(8,503)	40,623
<b>Preceding financial period ended 30 June 2016</b>					
At 1 January 2016	45,382	3,492	187	(31,795)	17,266
Movement during the period (cumulative)					
- Loss for the period	-	-	-	(366)	(366)
Other comprehensive expenses					
- Translation difference	-	-	32	-	32
Total comprehensive expense for the period	-	-	32	(366)	(334)
At 30 June 2016	45,382	3,492	219	(32,161)	16,932

Note 1: Pursuant to the Companies Act, 2016 ("CA2016") which came into effect on 31 January 2017, the credit amounts in the share premium account has been transferred to the share capital account. The Group may exercise its right to use the credit amounts transferred from the share premium account within 24 months after the commencement of the CA2016.

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

**Notes To The Condensed Consolidated Interim Financial Statements  
For The Second Financial Quarter Ended 30 June 2017**

**Part A: Explanatory Notes Pursuant To MFRS 134**

**1. Corporate information**

CN ASIA CORPORATION BHD is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities).

**2. Basis of preparation**

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134 *Interim Financial Reporting* and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Securities. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the audited financial statements of the Group as at and for the year ended 31 December 2016.

The significant accounting policies applied by the Group in these condensed consolidated interim financial statements are consistent with the audited financial statements of the Group for the financial year ended 31 December 2016 except for the adoption of the Amendments/ Improvements to MFRSs that are applicable to the Group effective 1 January 2017 and Companies Act, 2016 effective 31 January 2017. The adoption of these MFRSs does not have any material impact on the Group's results and financial position.

**3. Audit report of preceding financial year**

The auditor's report of the Group's annual audited financial statements for the financial year ended 31 December 2016 was not subject to any qualification.

**4. Comments on seasonal and cyclical factors**

The business operations of the Group were not significantly affected by any seasonal and cyclical factors in the current quarter and financial year-to-date.

**5. Items of an unusual nature**

There was no item affecting assets, liabilities, equity, net income, or cash flows that are unusual due to their nature, size or incidence.

**6. Material changes in estimates**

There were no changes in estimates reported in prior interim periods of the current financial year or prior financial year, which have a material effect in the current interim period.

**7. Debts and equity securities**

There were no issuances, cancellation, repurchase, resale and repayments of debts and equity securities for the current financial year-to-date.

## 8. Dividend paid

There was no dividend paid during the financial year-to-date.

## 9. Segmental information

For management purposes, the Group is organised into business units based on their products and services provided. The Group's main business segments are as follows:-

- (a) Manufacturing  
Manufacture tanks and related products, engineering works and fabrication works.
- (b) Investment  
Investment holdings and comprise companies providing management services and dormant companies.

### Business segments

	<b>Manufacturing RM'000</b>	<b>Investment RM'000</b>	<b>Elimination RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>				
External revenue	10,109	-	-	10,109
Inter-segment revenue	-	30	(30)	-
Total revenue	<u>10,109</u>	<u>30</u>	<u>(30)</u>	<u>10,109</u>
<b>Results</b>				
Segment results	900	(173)	-	727
Finance costs	(10)	-	-	(10)
Interest income	441	46	-	487
Profit before tax	<u>1,331</u>	<u>(127)</u>	<u>-</u>	<u>1,204</u>
Tax expense	41	-	-	41
Profit after tax	<u>1,372</u>	<u>(127)</u>	<u>-</u>	<u>1,245</u>
<b>Assets</b>				
Segment assets	<u>40,519</u>	<u>2,655</u>	<u>-</u>	<u>43,174</u>
<b>Liabilities</b>				
Segment liabilities	<u>2,492</u>	<u>59</u>	<u>-</u>	<u>2,551</u>
<b>Included in the measure of segment assets</b>				
Capital expenditure	67	-	-	67
Depreciation	<u>377</u>	<u>-</u>	<u>-</u>	<u>377</u>

Geographical information

	Malaysia RM'000	Republic of China RM'000	Elimination RM'000	Consolidated RM'000
<b>Revenue</b>				
External revenue	10,109	-	-	10,109
Inter-segment revenue	30	-	(30)	-
Total revenue	<u>10,139</u>	<u>-</u>	<u>(30)</u>	<u>10,109</u>
<b>Results</b>				
Segment results	720	7	-	727
Finance costs	(10)	-	-	(10)
Interest income	487	-	-	487
Profit before tax	<u>1,197</u>	<u>7</u>	<u>-</u>	<u>1,204</u>
Tax expense	41	-	-	41
Profit after tax	<u>1,238</u>	<u>7</u>	<u>-</u>	<u>1,245</u>
<b>Assets</b>				
Segment assets	<u>42,431</u>	<u>743</u>	<u>-</u>	<u>43,174</u>
<b>Liabilities</b>				
Segment liabilities	<u>2,551</u>	<u>-</u>	<u>-</u>	<u>2,551</u>
<b>Included in the measure of segment assets</b>				
Capital expenditure	67	-	-	67
Depreciation	<u>377</u>	<u>-</u>	<u>-</u>	<u>377</u>

**10. Trade and other receivables**

	Current Quarter Ended 30.06.2017 RM'000	Financial Year Ended 31.12.2016 RM'000
Trade receivables		
Non-related parties	3,219	1,194
Less: Accumulated impairment losses	(111)	(111)
Trade receivables, net	<u>3,108</u>	<u>1,083</u>
Other receivables	781	727
Total trade and other receivables	<u>3,889</u>	<u>1,810</u>

The trade receivables of the Group as at the end of the current quarter amounted to RM3.1 million can be analysed as follows:-

	Within credit period		Exceeding credit period		Total
	Neither past due nor impaired	1 to 30 days past due but not impaired	31 to 60 days past due but not impaired	> 60 days past due but not impaired	
Trade receivables (RM'000)	2,297	259	370	182	3,108
% of total trade receivables (%)	<u>74</u>	<u>8</u>	<u>12</u>	<u>6</u>	<u>100</u>



The Group's normal trade credit term granted to its customers ranges from 30 days to 90 days. For the current financial quarter ended 30 June 2017, the trade receivables that are past due for more than 60 days amount to RM0.2 million, representing 6% of the total trade receivables of the Group.

#### 11. Material subsequent events

There were no material events subsequent to the end of the current quarter reported on that have not been reflected in the financial statements for the period.

#### 12. Changes in the composition of the Group

There were no changes in the composition of the company for the current quarter and financial year-to-date.

#### 13. Changes in contingent liabilities

	<b>Current Quarter Ended 30.06.2017 RM'000</b>	<b>Financial Year Ended 31.12.2016 RM'000</b>
Corporate guarantee granted to a subsidiary	8	8
Banker's guarantee	133	47
	141	55

#### 14. Capital commitments

There were no capital expenditure approved and contracted for in the current quarter and the financial year-to-date.

#### 15. Significant related party transactions

There was no related party transaction during the financial year-to-date. However, the following were the significant related party transactions for the preceding corresponding period, in which two of the directors of the Company, namely Mr Ho Cheng San and Madam Angeline Chan Kit Fong, are the directors and have substantial financial interest:-

	<b>3 Months Ended 30.06.2017 RM'000</b>	<b>3 Months Ended 30.06.2016 RM'000</b>	<b>6 Months Ended 30.06.2017 RM'000</b>	<b>6 Months Ended 30.06.2016 RM'000</b>
Rental of premises paid to:-				
- Crystal Bond Sdn Bhd	-	24	-	48
- Marvellous Production Sdn Bhd	-	84	-	168

**PART B: Explanatory Notes Pursuant To Main Market Listing Requirements of Bursa Securities**

**1. Performance review**

	3 Months Ended 30.06.2017 RM'000	3 Months Ended 30.06.2016 RM'000	Changes		6 Months Ended 30.06.2017 RM'000	6 Months Ended 30.06.2016 RM'000	Changes	
			Amount RM'000	%			Amount RM'000	%
Revenue	5,620	4,129	1,491	36	10,109	9,466	643	7
Operating profit	630	310	320	103	1,214	3	1,211	40,367
Profit before interest and tax	630	310	320	103	1,214	3	1,211	40,367
Profit / (Loss) before tax	624	133	491	369	1,204	(366)	1,570	428
Profit / (Loss) after tax	665	133	532	400	1,245	(366)	1,611	440
Profit / (Loss) attributable to owners of the Company	665	133	532	400	1,245	(366)	1,611	440

During the quarter under review, the Group achieved a higher revenue of RM5.6 million as compared to RM4.1 million in the corresponding quarter of the previous financial year. The increase was mainly attributable to increase revenue from storage tanks and road tankers by RM2.2 million and offset with the decrease in revenue from LPG vessels and metal forming services by RM0.7 million.

The Group's profit before tax for the quarter increased by RM0.5 million from RM0.1 million in the preceding corresponding quarter to RM0.6 million as a result of the increase in revenue coupled with the:-

- decrease in administrative expenses by 6% as a results of the savings on amortisation on leasehold lands disposed in prior year;
- decrease in finance costs by 97% owing to the improved cash flow position resulted from the Disposals;
- decrease in other operating expense by 92% mainly due to loss on foreign exchange incurred during the preceding corresponding quarter; and
- increase in other income by RM0.2 million resulted from interest earned from fixed deposits.

For the current financial year to-date, the Group recorded a profit before tax of RM1.2 million as compared to a loss before tax of RM0.4 million in the preceding corresponding period with a marginal increase in revenue by 7% in the current financial year-to-date. The improved results were mainly attributable to the:-

- improved gross profit margin resulted from the cost reduction initiatives undertaken by the Group;
- decrease in administrative expenses by 6% as a results of the savings on amortisation on leasehold lands disposed in prior year;
- decrease in finance costs by 97% owing to the improved cash flow position resulted from the Disposals;
- decrease in other operating expense by 95% mainly due to loss on foreign exchange incurred during the preceding corresponding quarter; and
- increase in other income by RM0.5 million resulted from interest earned from fixed deposits.

**2. Comments on results against the immediate preceding quarter**

	3 Months Current Quarter 30.06.2017 RM'000	3 Months Preceding Quarter 31.03.2017 RM'000	Changes	
			Amount RM'000	%
Revenue	5,620	4,489	1,131	25
Operating profit	630	584	46	8
Profit before interest and tax	630	584	46	8
Profit / (Loss) before tax	624	580	44	8
Profit / (Loss) after tax	665	580	44	8
Profit / (Loss) attributable to owners of the Company	665	580	44	8

The Group's revenue for the current quarter increased by RM1.1 million from RM4.5 million in the preceding quarter to RM5.6 million. The increase was mainly attributable to increase revenue from storage tanks and road tankers by RM2.6 million and offset with the decrease in revenue from LPG vessels and metal forming services by RM1.5 million.

Despite a 25% increase in revenue, the Group's profit before tax for the current quarter increased marginally by 8% as compared to the preceding quarter and the cost of sales increased by 34% from RM3.2 million in the preceding quarter to RM4.3 million. This is mainly due to higher labour cost from the road tankers segment which requires more man hours to assemble the comprehensive operating system.

**3. Commentary of prospects**

In view of the uncertainty in the global economic situation, the weak local market conditions, rising raw material costs and the volatility of Malaysian Ringgit, the Directors are of the view that the current financial year will continue to be challenging to the Group. Nevertheless, the Group will continue its efforts in enhancing the operating efficiency through the cost control initiatives to limit its exposure to the uncertainties.

Barring unforeseen circumstances, the Directors are cautiously optimistic that the Group's performance for the current financial year will remain sustainable primarily on the back of the Group's order book in hand and the positive operating results reported in the four (4) immediate preceding quarters consecutively.

**4. Profit forecast or profit guarantee**

Not applicable as no profit forecast was announced or disclosed in any public document.

**5. Tax expense**

	3 Months Ended 30.06.2017 RM'000	3 Months Ended 30.06.2016 RM'000	6 Months Ended 30.06.2017 RM'000	6 Months Ended 30.06.2016 RM'000
Malaysia income tax – current period's provision	-	-	-	-
Real property gains tax overprovided in prior year	41	-	41	-
	<u>41</u>	<u>-</u>	<u>41</u>	<u>-</u>

The Group's effective tax rate for the quarter was lower than the statutory tax rate mainly due to utilisation of previously unrecognised deferred tax assets.

## 6. Status of corporate proposals

### (a) Regularisation Plan

On 27 February 2017, M&A Securities Sdn Bhd ("M&A") had, on behalf of the Company made the requisite announcement pursuant to Paragraph 4.2(a) of PN17, which sets out the Company's Proposed Regularisation Plan comprising the following:

- i. The business rationalisation plan of the Company which include the disposal of the properties of the Group, cost reduction and business expansion plans; and
- ii. The capital reduction exercise to be carried out pursuant to Section 116 of the Companies Act, 2016 to reduce the share capital of the Company.

On 28 February 2017, M&A had, on behalf of the Company, sought from Bursa Securities for an additional one (1) month up to 28 March 2017 to submit the Regularisation Plan to the authorities of which the approval was granted by Bursa Securities vide its letter dated 8 March 2017.

On 10 March 2017, M&A had, on behalf of the Company, submitted the application for the Proposed Regularisation Plan to Bursa Securities.

On 19 July 2017, it was announced that Bursa Securities had, vide its letter dated 19 July 2017, resolved to approve the Proposed Regularisation Plan of the Company.

On 18 August 2017, the Circular to shareholders in relation to the Proposed Regularisation Plan together with the Notice of Extraordinary General Meeting ("EGM"), have been despatched to the shareholders to convene the EGM of the Company to be held on 13 September 2017.

The necessary announcement in relation to the Regularisation Plan will be made in due course.

### (b) Disposal of Properties (the "Disposals")

The status of the utilisation of proceeds from the Disposals of RM36,682,500 as at the date of this report are as follows:-

<b>Purpose</b>	<b>Proposed Utilisation RM'000</b>	<b>Actual Utilisation RM'000</b>	<b>Deviation * RM'000</b>	<b>Balance Unutilised RM'000</b>	<b>Intended Timeframe for Utilisation</b>
I Real property gains tax	1,100	(1,700)	600	-	2 months
ii Repayment of bank borrowings	11,786	(11,786)	-	-	3 months
iii Relocation and construction costs	6,000	-	-	6,000	36 months
iv Pledge to secure banking facilities	5,000	(5,000)	-	-	12 months
v Working capital	11,797	(11,125)	(672)	-	12 months
vi To defray estimated expenses for the Proposed Disposals	1,000	(1,072)	72	-	1 month
	<u>36,683</u>	<u>30,683</u>	<u>-</u>	<u>6,000</u>	

\* The excess expenses on the Disposals are reallocated from working capital.

## 7. Group borrowings

	<b>As at end of Current Quarter 30.06.2017 RM'000</b>
SECURED	
Short term:	
Finance Lease Liabilities	99
Bank Overdrafts	270
	<hr/> 369 <hr/>
Long term:	
Finance Lease Liabilities	248
	<hr/> 248 <hr/>
Total Borrowings	<hr/> <b>617</b> <hr/>

There was no foreign currency borrowings included in the above balances.

## 8. Material litigation

There was no pending material litigation against the Group at the date of this report.

## 9. Dividend

There was no interim dividend declared during the current quarter and financial year-to-date.

## 10. Earnings / (Loss) per share

	<b>3 Months Ended 30.06.2017 RM'000</b>	<b>3 Months Ended 30.06.2016 RM'000</b>	<b>6 Months Ended 30.06.2017 RM'000</b>	<b>6 Months Ended 30.06.2016 RM'000</b>
Profit / (Loss) after tax for the period	665	133	1,245	(366)
Weighted average number of ordinary shares in issue ('000)	45,382	45,382	45,382	45,382
Earnings / (loss) per share (sen)				
- Basic	1.5	0.3	2.7	(0.8)
	<hr/> 1.5 <hr/>	<hr/> 0.3 <hr/>	<hr/> 2.7 <hr/>	<hr/> (0.8) <hr/>
- Diluted	1.5	0.3	2.7	(0.8)
	<hr/> 1.5 <hr/>	<hr/> 0.3 <hr/>	<hr/> 2.7 <hr/>	<hr/> (0.8) <hr/>

**11. Additional disclosure on profit / (loss) before tax**

	<b>3 Months Ended 30.06.2017 RM'000</b>	<b>3 Months Ended 30.06.2016 RM'000</b>	<b>6 Months Ended 30.06.2017 RM'000</b>	<b>6 Months Ended 30.06.2016 RM'000</b>
Profit/(Loss) before tax is derived after charging/ (crediting) amongst others, the following items:-				
Depreciation of property, plant and equipment	189	235	377	484
Interest expenses	5	176	9	368
Interest income	(209)	-	(487)	-
(Gain) / Loss on disposal of property, plant and equipment	-	(3)	-	(3)
(Gain) / Loss on foreign exchange				
- Unrealised	(35)	17	(36)	17
- Realised	2	21	3	74

**12. Realised and unrealised accumulated losses**

	<b>As At End of Current Quarter 30.06.2017 RM'000</b>	<b>As At Preceding Financial Year Ended 31.12.2016 RM'000</b>
<b>Company and Subsidiary Companies</b>		
Total accumulated losses		
- Realised	(8,651)	(10,619)
- Unrealised	(36)	689
	(8,687)	(9,930)
Less: Consolidation adjustments	184	182
Total consolidated accumulated losses	(8,503)	(9,748)

**13. Authorisation for issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 21 August 2017.

**BY ORDER OF THE BOARD**

**LIM PAIK GOOT (MIA 13304)**  
**WONG CHOOI FUN (MAISCA 7027549)**  
**GOH CHOOI WOAN (MAISCA 7056110)**  
Company Secretaries  
Selangor, 21 August 2017