

## STRAITS INTER LOGISTICS BERHAD

(Formerly known as Raya International Berhad)

(Company No.: 412406-T)

(Incorporated in Malaysia)

### QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

#### SUMMARY OF KEY FINANCIAL INFORMATION

(These figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended 31 Dec 2017	Quarter Ended 31 Dec 2016	Year Ended 31 Dec 2017	Year Ended 31 Dec 2016 (audited)
	RM'000	RM'000	RM'000	RM'000
Revenue	51,705	18,272	134,567	68,525
Profit before tax	968	77	2,957	143
Income tax expense	(171)	(20)	(251)	(43)
Profit for the period	797	57	2,706	100
Profit attributable to :				
Owners of the Company	733	79	2,536	48
Non-controlling interest	64	(22)	170	52
	797	57	2,706	100
Basic earnings per share (sen)	0.20	0.04	1.04	0.03
Proposed/Declared Dividend per share (sen)	N/A	N/A	N/A	N/A

**Notes :**

Diluted earnings per share is not calculated because there is no potential dilutive effect arising from the outstanding warrants.

## STRAITS INTER LOGISTICS BERHAD

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### QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

#### CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(These figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended 31 Dec 2017	Quarter Ended 31 Dec 2016	Year Ended 31 Dec 2017	Year Ended 31 Dec 2016 (audited)
	RM'000	RM'000	RM'000	RM'000
Revenue	51,705	18,272	134,567	68,525
Operating expenses	(50,992)	(18,227)	(131,853)	(68,354)
Interest income	19	4	42	12
Other operating income	328	94	348	147
Employee benefits expenses	-	(56)	-	(148)
Depreciation	(92)	(9)	(147)	(38)
Finance costs	-	-	-	-
Share of losses of associates	-	(1)	-	(1)
<b>Profit before tax</b>	<b>968</b>	<b>77</b>	<b>2,957</b>	<b>143</b>
Income tax expense	(171)	(20)	(251)	(43)
<b>Profit after taxation</b>	<b>797</b>	<b>57</b>	<b>2,706</b>	<b>100</b>
<b>Other comprehensive income, net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period/year</b>	<b>797</b>	<b>57</b>	<b>2,706</b>	<b>100</b>
Profit attributable to :				
Owners of the Company	733	79	2,536	48
Non-controlling interest	64	(22)	170	52
	<b>797</b>	<b>57</b>	<b>2,706</b>	<b>100</b>
Total comprehensive income attributable to :				
Owners of the Company	733	79	2,536	48
Non-controlling interest	64	(22)	170	52
	<b>797</b>	<b>57</b>	<b>2,706</b>	<b>100</b>
Basic earnings per share (sen)	0.20	0.04	1.04	0.03

#### Notes :

The Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

Diluted earnings per share is not calculated because there is no potential dilutive effect arising from the outstanding warrants.

## STRAITS INTER LOGISTICS BERHAD

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### QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

#### CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(These figures have not been audited)

	Unaudited As At 31 December 2017 RM'000	Audited As At 31 December 2016 RM'000
<b>ASSETS</b>		
<b>Non-Current Asset</b>		
Property, plant & equipment	6,102	544
<b>Total Non-Current Asset</b>	<b>6,102</b>	<b>544</b>
<b>Current Assets</b>		
Inventories	1,072	184
Trade receivables	33,084	6,268
Other receivables, deposits & prepaid expenses	337	3,891
Tax recoverable	150	8
Amount owing from associate	5	6
Cash & bank balances	2,785	1,159
<b>Total Current Assets</b>	<b>37,433</b>	<b>11,516</b>
<b>TOTAL ASSETS</b>	<b>43,535</b>	<b>12,060</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Share capital	41,109	16,395
Share premium	-	10,425
Other reserve	(21,154)	-
Warrant reserve	21,154	-
Forex reserve	(314)	-
Accumulated losses	(4,523)	(15,587)
Equity Attributable to Owners of the Company	36,272	11,233
Non-controlling interests	377	207
<b>Total Equity</b>	<b>36,649</b>	<b>11,440</b>
<b>Non-Current Liabilities</b>		
Deferred tax liabilities	9	7
<b>Total Non-Current Liabilities</b>	<b>9</b>	<b>7</b>
<b>Current Liabilities</b>		
Trade payables	6,478	-
Other payables and accruals	264	582
Tax liabilities	135	31
<b>Total Current Liabilities</b>	<b>6,877</b>	<b>613</b>
<b>Total Liabilities</b>	<b>6,886</b>	<b>620</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>43,535</b>	<b>12,060</b>
Net asset per share attributable to owners of the Company (sen)	9.86	6.85

Note :

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

## STRAITS INTER LOGISTICS BERHAD

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### QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

#### CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(These figures have not been audited)

	←----- Attributable to Owners of the Company ----->							Total	Non-Controlling Interest	Total Equity
	Share Capital	Share Premium	* Other Reserve	Subtotal Total	Warrant Reserve	Forex Reserve	Accumulated Loss			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Year ended 31 December 2017</b>										
At 1 January 2017	16,395	10,425	-	26,820	-	-	(15,587)	11,233	207	11,440
Profit/(Loss) for the year	-	-	-	-	-	(314)	2,536	2,222	170	2,392
Capital reduction	(8,528)	-	-	(8,528)	-	-	8,528	-	-	-
Combination of share premium into share capital	10,425	(10,425)	-	-	-	-	-	-	-	-
Corporate exercise expenses set-off against share premium account	(1,537)	-	-	(1,537)	-	-	-	(1,537)	-	(1,537)
New shares issue	3,200	-	-	3,200	-	-	-	3,200	-	3,200
Rights issue	21,154	-	(21,154)	-	21,154	-	-	21,154	-	21,154
<b>At 31 Dec 2017</b>	<b>41,109</b>	<b>-</b>	<b>(21,154)</b>	<b>19,955</b>	<b>21,154</b>	<b>(314)</b>	<b>(4,523)</b>	<b>36,272</b>	<b>377</b>	<b>36,649</b>
<b>Year ended 31 December 2016</b>										
At 1 January 2016	14,345	9,403	-	23,748	-	-	(15,635)	8,113	155	8,268
Issuance of new shares via Special Bumiputra Issue	2,050	1,230	-	3,280	-	-	-	3,280	-	3,280
Special Bumiputra Issue expenses	-	(208)	-	(208)	-	-	-	(208)	-	(208)
Profit/(Loss) for the year	-	-	-	-	-	-	48	48	52	100
<b>At 31 Dec 2016</b>	<b>16,395</b>	<b>10,425</b>	<b>-</b>	<b>26,820</b>	<b>-</b>	<b>-</b>	<b>(15,587)</b>	<b>11,233</b>	<b>207</b>	<b>11,440</b>

## **STRAITS INTER LOGISTICS BERHAD**

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### **QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017**

#### **CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

(These figures have not been audited)

**Note :**

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to these interim financial statements.

The total issued share capital comprises the share capital of RM40.75 million and the amount standing to the credit of our Company's share premium account amounting to RM1.90 million in accordance with Section 618(2) of the Act, of which Corporate Exercise expenses amounting to RM1.54 million has been set-off against the share premium account.

\* Other reserve represent the discount on issuance of shares and the value of which is represented by the fair value of the warrant. The other reserve, in substance, form part of the issued and paid up share capital and is presented separately for better understanding.

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### QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

#### CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(These figures have not been audited)

	Year Ended 31 Dec 2017 (unaudited) RM'000	Year Ended 31 Dec 2016 (audited) RM'000
<b>Cash Flows From Operating Activities</b>		
Profit before taxation	2,957	143
Adjustments for :		
Bad debts written off	-	32
Depreciation of property, plant and equipment	147	38
Impairment loss on trade receivables	-	33
Inventories written down	-	78
Inventories written off	-	128
Share of loss of associate	-	1
Interest income	(42)	(12)
Waiver of interest expense on bank overdraft	-	(22)
Unrealised forex loss / (gain)	78	(125)
Operating profit before workings capital changes	3,140	294
Net change in current assets	(24,198)	(6,246)
Net change in current liabilities	6,108	153
Cash used in operations	(14,950)	(5,799)
Tax paid	(287)	(3)
Tax refund	-	112
Net cash used in operating activities	<b>(15,237)</b>	<b>(5,690)</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of property, plant & equipment	(5,997)	(356)
Purchase of investment in associate	-	(1)
Interest income received	42	12
Net cash used in operating activities	<b>(5,955)</b>	<b>(345)</b>
<b>Cash Flows From Financing Activities</b>		
Proceeds from issuance of shares	22,817	3,280
Expenses incurred for issuance of shares	-	(208)
Associated company	1	-
Net cash from financing activities	<b>22,818</b>	<b>3,072</b>
Net increase / (decrease) in cash and cash equivalent	1,626	(2,963)
Cash and cash equivalents at beginning of year	1,159	4,122
Cash and equivalents at end of year	<b>2,785</b>	<b>1,159</b>
Cash and cash equivalents at end of year comprise :		
Cash and bank balances	2,785	1,159

#### Note :

The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to these interim financial statements.

# STRAITS INTER LOGISTICS BERHAD

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## QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

### A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134

#### A1 Basis of preparation

The interim financial report has been prepared in accordance with MFRS 134, Interim Financial Reporting and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the ACE Market.

This interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2016. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the financial year ended 31 December 2016.

#### A2 Significant accounting policies

The significant accounting policies and methods adopted by the Group in the preparation of the interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2016 except for the adoption of the following Amendments and Annual Improvements to Standards became effective for the financial year under review:

##### Adoption of Amendments and Annual Improvements to Standards

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 Disclosure of Interests in Other Entities	

The adoption of the above pronouncements did not have any material impact on the financial statements of the Group.

##### MFRS and Amendments to MFRSs issued but not yet effective for the current financial year

*Effective for financial periods beginning on or after 1 January 2018*

MFRS 9	Financial Instruments (IFRS 9 issued by International Accounting Standards Board (“IASB”) in July 2014
MFRS 15	Revenue from Contracts with Customers
Amendments to MFRS 15	Clarifications to MFRS 15 Revenue Contracts with Customers
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to MFRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts
Amendments to MFRS 140	Transfers of Investment Property
Annual Improvements to MFRSs 2014 – 2016 Cycle	
- Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards	
- Amendments to MFRS 128 Investments in Associates and Joint Ventures	

## **MFRS and Amendments to MFRSs issued but not yet effective for the current financial year (Contd.)**

*Effective for financial periods beginning on or after 1 January 2019*

### **MFRS 16 - Leases**

The Group will adopt the above pronouncements when they become effective in the respective financial period. These pronouncements are not expected to have any effect to the financial statements of the Group upon their initial application.

### **Standards issued but not yet effective**

As at the date of authorisation of the Interim Reports, the Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investment in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and the Associate or Joint Venture were issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective and have not been adopted by the Group as they are not relevant to the Group. The effective dates of these Standards have been deferred, and are yet to be announced by MASB. The Group will adopt these Standards when they become effective and if they are applicable.

### **A3 Auditors report of preceding annual financial statements**

The audit report of the preceding annual financial statements was not subject to any qualification.

### **A4 Seasonality or cyclical**

The Group's interim operations were not affected by seasonal or cyclical factors.

### **A5 Unusual items**

During the current quarter under review, there were no items or events that arose, which will affect assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence.

### **A6 Material changes in estimates**

There were no major changes in the estimates of amounts reported in prior interim periods of the current financial year or in prior financial years that have had a material effect on the result in the quarter under review.

### **A7 Debt and equity securities**

There were no major issuances, cancellations, repurchase, resale and repayment of debt and equity securities for the quarter under review.

### **A8 Dividends**

No dividend has been declared or paid during the period under review.

**A9 Segment information**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended 31 Dec 2017	Quarter Ended 31 Dec 2016	Year Ended 31 Dec 2017	Year Ended 31 Dec 2016
BUSINESS SEGMENTS	RM'000	RM'000	RM'000	RM'000
<b><u>Segment Revenue</u></b>				
Air Filtration System, Fast Moving Consumer Product & Ancillary Support Services, General Trading	191	10	191	17
Consultancy Services	-	-	-	15
Oil Trading & Bunkering Services	51,514	18,262	134,376	68,493
	<u>51,705</u>	<u>18,272</u>	<u>134,567</u>	<u>68,525</u>
<b><u>Segment Profit Before Tax</u></b>				
Investment Holding	(642)	(206)	(1,411)	(653)
Air Filtration System, Fast Moving Consumer Product & Ancillary Support Services, General Trading	6	(298)	6	(276)
Consultancy Services	-	-	-	8
Others	(31)	-	(31)	(19)
Oil Trading & Bunkering Services	1,635	581	4,393	1,083
	<u>968</u>	<u>77</u>	<u>2,957</u>	<u>143</u>

**A10 Valuation of property, plant & equipment**

There has been no revaluation of property, plant & equipment during the current financial period.

**A11 Subsequent material events**

There were no other material events subsequent to the end of the quarter under review which is likely to substantially affect the results of the operations of the Group.

**A12 Changes in the composition of the Group**

There has been no material change in the composition of the Group during the quarter under review.

**A13 Contingencies**

There were no contingent liabilities or contingent assets arising since 31 December 2016.

**A14 Capital commitments**

As at 31 December 2017, the Group does not have any capital commitment.

**A15 Significant related party transactions**

There were no significant related party transactions during the quarter under review.

**A16 Profit before taxation**

INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
Quarter	Quarter	Year	Year
Ended	Ended	Ended	Ended
31 Dec	31 Dec	31 Dec	31 Dec
2017	2016	2017	2016
RM'000	RM'000	RM'000	RM'000

Profit before tax is arrived at after charging / (crediting) the following items :

(a) Interest income	(19)	(4)	(42)	(12)
(b) Depreciation & Amortisation	92	9	147	38
(c) Bad debts written off	-	33	-	32
(d) Inventories written off/down	-	201	-	206
(e) Foreign exchange (gain) / loss	292	(94)	388	(125)

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### QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

#### B ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING

##### B1 Review of performance

In line with the Group's plan to diversify its principal activities into oil bunkering and trading in oil product to build a sustaining revenue stream, it has managed to increase its oil bunkering and trading revenue for the fourth quarter of 2017 by RM33.43 million to RM51.70 million as compared to RM18.27 million recorded in the corresponding quarter of 2016.

Over the same quarter, the Group has achieved a significantly higher profit before tax of RM0.97 million in 2017, as compared to RM0.08 million in 2016 due to significant increase in the revenue and the improvement in the profit margin to 1.9% as compared to 0.4% for the corresponding quarter in 2016.

##### B2 Variation of results against preceding quarter

	Current Quarter 31 Dec 2017 RM'000	Preceding Quarter 30 Sep 2017 RM'000	Changes	
			RM'000	%
Revenue	51,705	32,955	18,750	57
Profit before tax	968	504	464	92
Profit after tax	797	551	246	45
Profit Attributable to Owners of the Company	733	631	102	16

Revenue for the fourth quarter of 2017 has increased by RM18.75 million to RM51.70 million, from RM32.95 million achieved in the preceding quarter. This jump in revenue is mainly due to the commencement of its oil bunkering business.

##### B3 Prospects for next financial year

In the coming financial year, the Group will continue to expand its oil trading and bunkering business by increasing its deliverable tonnage capacities through increasing its vessels base by acquisitions of vessels or chartering third parties' vessels, along with strengthening its operational capabilities and broadening its geographical coverage to capture the growth opportunities in the oil bunkering industry in Malaysia and ASIA region.

On 14 September 2017, the Group has entered into a 6-month contract for service with Tumpuan Megah Development Sdn Bhd for a contract sum of RM45 million.

The Group will continue to assess the demand from its existing and potential customers through continuous marketing activities in increasing its oil bunkering activities in the coming year.

With the Petroleum Development Act Licence ("PDA Licence") secured on 5 September 2016 by Selatan Bunker, the Group has commenced its oil bunkering operations from the Pasir Gudang Port, Johor in the fourth quarter of 2017.

Nevertheless, the Group's operations are dependent on the level of activity in the exploration, development and production of oil and natural gas, including the level of capital spending in the offshore oil and gas industry.

Despite the relatively positive outlook for the offshore oil and gas industry, the industry competition is expected to intensify further in view of the rising operating costs and fluctuations in foreign exchange rates. The Group will continue to take all reasonable steps and precautions to mitigate the impact of rising costs and intensifying market competition.

In its efforts to expand its regional business operation, the Group had on 18 January 2018 entered into a non-binding Heads of Agreement ("HOA") with Banle Energy International Limited ("Banle") to explore potential business cooperation and/or collaboration opportunities between the Group and Banle. Banle is principally engaged in the trading of bunker oil and provision of marketing administrative services.

#### **B4 Profit forecast and profit guarantee**

Not applicable as the Group has not previously provided a profit forecast in a public document or a profit guarantee.

#### **B5 Taxation**

The low effective tax rate of 17.7% was due to the availability of unutilised tax losses and allowances to set off the entire adjusted income generated by some operating entities.

#### **B6 Unquoted investments and properties**

There was no acquisitions or disposals of unquoted investments or properties during the financial quarter under review.

#### **B7 Quoted and marketable securities**

The Group does not hold any quoted or marketable securities as at 31 December 2017. There were no purchases or disposals of quoted securities for the current quarter.

#### **B8 Corporate Exercise**

- 1) On 15 December 2017, the Group had submitted to Bursa Malaysia Securities Berhad an application for a private placement of up to 55,185,638 new ordinary shares of Straits, representing up to 10% of the issued shares of Straits (assuming all outstanding warrants are exercised), to raise funds to finance its working capital as it expands its bunkering and trading of oil business. Bursa Malaysia Securities Berhad had on 19 January 2018 resolved to approve the listing and quotation of these new shares.
- 2) On 18 January 2018, The Group had entered into a non-binding Heads of Agreement ("HOA") with Banle Energy International Limited ("Banle") to explore potential business cooperation and/or collaboration opportunities between the Group and Banle. The Group is currently making arrangement to engage a team of professionals to conduct due diligence and financial review on Banle. This collaboration would enable the Group to explore potential business cooperation/collaboration opportunities, including joint venture and business partnership to further expand their business operations and geographical coverage.

- 3) The Company has completed the entire corporate proposals, collectively referred to as “the Proposals”:
- The share capital reduction of the Company pursuant to Section 116 of the Companies Act, 2016;
  - The acquisition on one (1) vessel known as “Sturgeon” for a consideration of RM3.20 million satisfied via the issuance of 20,000,000 new ordinary shares in Straits (“Straits Shares”) at RM0.16 per share;
  - The issuance and listing of renounceable rights issue of 183,952,000 new Straits Shares (“Rights Shares”) together with up to 183,952,000 free detachable new warrants (“Warrants”). Each warrant will entitle its holder to subscribe for one (1) Straits Share at the exercise price of RM0.115; and
  - The acquisition of one (1) vessel known as “Straits 1” for a consideration of RM2.80 million satisfied via cash from the proceeds raised from the completed Rights Issue of Shares with Warrants.

**B9 Status of utilisation of proceeds raised from the Rights Issue**

No	Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended Timeframe For Utilisation	Deviation RM'000	Deviation %	Explanation
1	Acquisition of Straits 1	2,800	2,800	-	-	-	-
2	Defray estimated expenses in relation to the Corporate Exercise	1,800	1,750	Within 1 month	50	2.8	-
3	Working capital						
3.1	Purchase of MGO	15,070	15,070	-	-	-	-
3.2	Oil bunkering activity related expenses	150	125	Within 12 months	25	16.7	Proposed utilisation not complete. Currently within utilisation intended timeframe
3.3	General operations expenses	288	254	Within 12 months	34	11.8	Proposed utilisation not complete. Currently within utilisation intended timeframe
3.4	Repair & maintenance cost	1,000	-	Within 12 months	1,000	100	Proposed utilisation not complete. Currently within utilisation intended timeframe
3.5	Rental of office premise	46	15	Within 12 months	31	67.4	Proposed utilisation not complete. Currently within utilisation intended timeframe
	<b>TOTAL</b>	<b>21,154</b>	<b>20,014</b>		<b>1,140</b>		

**B10 Group borrowings and debt securities**

As at 31 December 2017, the Group has no bank borrowings nor any debt securities.

**B11 Material litigation**

As at the date of this report, the Group has no material litigation which will materially and adversely affect the position or business of the Group.

**B12 Dividends**

The Directors do not recommend the payment of any dividend in respect of the current financial period.

**B13 Earnings per share**

	Individual Quarter		Cumulative Quarter	
	Quarter Ended 31 Dec 2017	Quarter Ended 31 Dec 2016	Year Ended 31 Dec 2017	Year Ended 31 Dec 2016
Profit for the period/year (RM'000)	733	79	2,536	48
<b>Basic Earnings Per Share</b>				
Weighted Average Number of Ordinary Shares in Issue ('000)	367,904	146,987	244,186	146,987
Basic Earnings Per Share (sen)	<u>0.20</u>	<u>0.05</u>	<u>1.04</u>	<u>0.03</u>

Basic earnings per share is calculated by dividing the net profit for the period under review by the weighted average number of shares in issue during the period.

Diluted earnings per share is not calculated because there is no potential dilutive effect arising from the outstanding warrants.

**B14 Realised and unrealised profits**

Supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad are as follow :

	As At 31 Dec 2017 RM'000	As At 31 Dec 2016 RM'000
Total accumulated losses of the Company and its subsidiaries :		
- Realised	(5,740)	(16,268)
- Unrealised	<u>80</u>	<u>(125)</u>
	(5,660)	(16,393)
Add : Consolidation adjustments	<u>1,137</u>	<u>806</u>
Total group accumulated losses as per consolidation accounts	<u>(4,523)</u>	<u>(15,587)</u>

**By Order of the Board**

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Dato' Sri Ho Kam Choy  
Group Managing Director  
Kuala Lumpur  
Date : 26<sup>th</sup> February 2018