

QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2017

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

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		(Unaudited) Current Year Quarter 30.06.2017	(Audited) Preceding Year Corresponding Quarter 30.06.2016	(Unaudited) Current Year To Date 30.06.2017	(Audited) Preceding Year To Date 30.06.2016
		RM'000	RM'000	RM'000	RM'000
Revenue	9	22,462	59,896	62,510	108,585
Cost of sales		(19,025)	(55,730)	(54,886)	(100,359)
Gross profit		3,437	4,166	7,624	8,226
Other operating income		1,798	1,319	1,879	2,693
Operating expenses		(1,809)	(2,060)	(3,751)	(5,424)
Finance costs		(2,029)	(1,637)	(2,918)	(1,910)
Profit before taxation	9, 20	1,397	1,788	2,834	3,585
Taxation	21	(463)	(491)	(832)	(888)
Net profit for the period		934	1,297	2,002	2,697
Other comprehensive income:-					
Items that will be reclassified subsequently to profit or loss:					
Foreign currency translation		(666)	986	214	(1,453)
Total comprehensive income		268	2,283	2,216	1,244
Net profit/(loss) attributable to:-					
Equity holders of the parent		1,145	918	1,945	3,077
Non-controlling interests		(211)	379	57	(380)
		934	1,297	2,002	2,697
Total comprehensive income/(expense) attributable to:-					
Equity holders of the parent		520	1,871	2,168	1,698
Non-controlling interests		(252)	412	48	(454)
		268	2,283	2,216	1,244
Earnings per share attributable to equity holders of the parent:-					
Basic earnings per share (sen)	26(a)	0.33	0.29	0.56	0.97
Diluted earnings per share (sen)	26(b)	0.24	0.21	0.41	0.69

The Unaudited Condensed Consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2016.

The notes set out on pages 5 to 15 form an integral part of the interim financial report.

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2017**
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	(Unaudited) At End Of Current Year To Date 30.06.2017	(Audited) At End Of Preceding Financial Year 31.12.2016
Note	RM'000	RM'000
<b>NON CURRENT ASSETS</b>		
Property, plant and equipment	7,580	7,290
Land and property development costs	81,232	79,898
Intangible assets	8,261	8,261
Trade receivables - retention sum	5,776	8,954
Other receivables	5,435	5,668
	<hr/>	<hr/>
Total Non Current Assets	108,284	110,071
<b>CURRENT ASSETS</b>		
Inventories	832	6,538
Land and property development costs	76,034	90,143
Amount owing by customers on contracts	74,121	76,454
Trade receivables	72,323	69,526
Other receivables	14,153	15,684
Tax recoverable	664	56
Fixed deposits with license bank	9,762	6,267
Cash held under Housing Development Account	150	166
Cash and bank balances	5,785	1,808
	<hr/>	<hr/>
Total Current Assets	253,824	266,642
<b>CURRENT LIABILITIES</b>		
Amount owing to customers on contracts	1,006	1,102
Trade payables	51,056	64,786
Other payables	17,201	12,595
Hire purchase payables	202	38
Short term borrowings	51,002	43,318
Short term loans	10,100	15,873
Tax payables	1,221	794
	<hr/>	<hr/>
Total Current Liabilities	131,788	138,506
<b>NET CURRENT ASSETS</b>	<hr/>	<hr/>
	122,036	128,136
	<hr/>	<hr/>
	230,320	238,207
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>		
Share Capital	44,962	31,696
Share Premium	-	8,552
Reserves	147,528	145,360
	<hr/>	<hr/>
	192,490	185,608
<b>NON-CONTROLLING INTERESTS</b>	<hr/>	<hr/>
	1,777	1,729
<b>TOTAL EQUITY</b>	<hr/>	<hr/>
	194,267	187,337
<b>LONG TERM AND DEFERRED LIABILITIES</b>		
Trade payables	9,526	13,446
Hire purchase payables	405	-
Long term loans	25,023	36,325
Deferred taxation	1,099	1,099
	<hr/>	<hr/>
Total Long Term And Deferred Liabilities	36,053	50,870
	<hr/>	<hr/>
	230,320	238,207
<b>NET ASSETS PER SHARE (RM)</b>	<hr/>	<hr/>
	0.55	0.59

The Unaudited Condensed Statements of Financial Position should be read in conjunction with the audited financial statement of the Group for the financial year ended 31 December 2016.

The notes set out on pages 5 to 15 form an integral part of the interim financial report.



QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Company						Non-Controlling Interests	Total Equity	
	Share Capital	Non - Distributable			Distributable	Total			
		Share Premium	Exchange Reserve	Capital Reserve	Warrants Reserve				Retained Profits
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b>At End Of Current Year To Date</b>									
<b>30.06.2017 (Unaudited)</b>									
At 1 January 2017	31,696	8,552	9,138	58,030	24,089	54,103	185,608	1,729	187,337
Issuance of share	4,849	-	-	-	-	-	4,849	-	4,849
Share issuance expenses	-	(135)	-	-	-	-	(135)	-	(135)
Net profit for the period	-	-	-	-	-	1,945	1,945	57	2,002
Other comprehensive income/(expense) for the period	-	-	223	-	-	-	223	(9)	214
Total comprehensive income for the period	-	-	223	-	-	1,945	2,168	48	2,216
Transition to no-par value regime on 31 January 2017 <sup>^</sup>	8,417	(8,417)	-	-	-	-	-	-	-
At 30 June 2017	44,962	-	9,361	58,030	24,089	56,048	192,490	1,777	194,267
<b>At End Of Preceding Year</b>									
<b>Corresponding Period 30.06.2016 (Audited)</b>									
At 1 January 2016	31,696	8,552	7,177	58,030	24,089	49,770	179,314	1,811	181,125
Net profit for the period	-	-	-	-	-	3,077	3,077	(380)	2,697
Other comprehensive expense for the period	-	-	(1,379)	-	-	-	(1,379)	(74)	(1,453)
Total comprehensive income/(expense) for the period	-	-	(1,379)	-	-	3,077	1,698	(454)	1,244
At 30 June 2016	31,696	8,552	5,798	58,030	24,089	52,847	181,012	1,357	182,369

<sup>^</sup> With effect from 31 January 2017, the Company Act 2016 ("the Act") have abolished the concept of nominal value in shares. Instead the amount standing in the share premium account will be recognized as part of the company's share capital pursuant to the transitional provisions set out in Section 618(2) of the Act. Notwithstanding this provision, the Company may within 24 months from the effective date of the Act, use the amount standing to the credit of its share premium account of RM8,416,960 for the purposes as set out in Section 618(3) of the Act.

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2016.

The notes set out on pages 5 to 15 form an integral part of the interim financial report.



QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	(Unaudited) Current Year To Date 30.06.2017	(Audited) Preceding Year To Date 30.06.2016
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	2,834	3,585
Adjustments for:-		
Non-cash items	477	835
Non-operating items	1,232	595
Operating profit before working capital changes	4,543	5,015
Net change in current assets	25,259	12,846
Net change in current liabilities	(11,102)	(29,727)
Cash generated from/(used in) operations	18,700	(11,866)
Interest received	119	178
Interest paid	(3,532)	(3,377)
Tax refund	180	92
Tax paid	(1,193)	(330)
Net cash from/(used in) operating activities	14,274	(15,303)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	2	3,301
Purchase of property, plant and equipment	18	(100)
Release in retention sums	(742)	(166)
Addition in land and property development costs	(1,334)	1,045
Net cash (used in)/from investing activities	(2,056)	4,080
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares	4,849	-
Repayment of hire purchase payables	(224)	(611)
Drawdown of bank borrowings	8,000	2,038
Repayment of bank borrowings	(25,076)	(7,991)
Placement of fixed deposits	(3,495)	(3,587)
Net cash used in financing activities	(15,946)	(10,151)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(3,728)	(21,374)
<b>EFFECTS OF FOREIGN EXCHANGE RATE CHANGES</b>	6	(99)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	(41,345)	(28,800)
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	(45,067)	(50,273)
Cash and cash equivalents at the end of period comprise:-		
Cash and bank balances	5,935	2,605
Fixed deposits with licensed banks	9,762	13,260
Less: short term borrowings	(51,002)	(52,878)
	(35,305)	(37,013)
Less: fixed deposits pledged with licensed banks	(9,762)	(13,260)
	(45,067)	(50,273)

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2016.

The notes set out on pages 5 to 15 form an integral part of the interim financial report.

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2017**

**PART A: EXPLANATORY INFORMATION IN COMPLIANCE WITH FINANCIAL REPORTING STANDARD ("FRS") 134**

**1. BASIS OF PREPARATION**

The interim financial report is unaudited and has been prepared in accordance with FRS 134 "Interim Financial Reporting" and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the annual audited financial statements of the Prinsiptek Corporation Berhad Group ("the Group") for the financial year ended 31 December 2016.

These explanatory information attached to the interim financial report 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 December 2016.

**2. CHANGES IN ACCOUNTING STANDARDS**

The Group falls within the scope definition of Transitioning Entities. Transitioning Entities were initially allowed to defer adoption of the new Malaysian Financial Reporting Standards ("MFRS") Framework until 1 January 2013. Adoption of the MFRS Framework by Transitioning Entities were then mandatory for annual periods beginning on or after 1 January 2013, thereby requiring the Group to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ended 31 December 2013.

On 28 October 2015, MASB further notified that Transitioning Entities would be required to comply with the new MFRS framework for annual periods beginning 1 January 2018. The Group, being Transitioning Entity, will continue to apply with FRS until the MFRS Framework is adopted, no later than annual periods beginning on or after 1 January 2018. For the financial year ending 31 December 2017, the Group therefore continues to prepare financial statements using Financial Reporting Standards ("FRS").

The significant accounting policies adopted were consistent with those of the audited financial statements for the financial year ended 31 December 2016 except for the adoption of the following amendments to Financial Reporting standards ("FRSs") effective for financial periods as stated below:-

		Effective date for financial periods beginning on or after
FRS 14	Regulatory Deferral Accounts	1 January 2016
Amendments to FRS 5	Non-Current Assets Held for Sale and Discontinued Operations (Annual Improvements to FRSs 2012-2014 Cycle)	1 January 2016
Amendments to FRS 7	Financial Instruments: Disclosures (Annual Improvements to FRSs 2012-2014 Cycle)	1 January 2016

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS  
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**2. CHANGES IN ACCOUNTING STANDARDS (CONT'D)**

		Effective date for financial periods beginning on or after
Amendments to FRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to FRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to FRS 101	Disclosure Initiative	1 January 2016
Amendments to FRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 119	Employee Benefits (Annual Improvements to FRSs 2012-2014 Cycle)	1 January 2016
Amendments to FRS 127	Equity Method in Separate Financial Statements	1 January 2016
Amendments to FRS 134	Interim Financial Reporting (Annual Improvements to FRSs 2012-2014 Cycle)	1 January 2016

Accounting standards, amendments to accounting standards and interpretations that are applicable for the Group in the following periods but are not yet effective:

		Effective date for financial periods beginning on or after
Amendments to FRS 12	Disclosure of Interests in Other Entities (Annual Improvements to FRSs 2014-2016 Cycle)	1 January 2017
Amendments to FRS 107	Disclosure Initiative	1 January 2017
Amendments to FRS 112	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to FRS 1	First time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to FRSs 2014-2016 Cycle)	1 January 2018
Amendments to FRS 2	Classification and Measurement of Share- based Payment Transactions	1 January 2018
Amendments to FRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS  
 FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2017**

**2. CHANGES IN ACCOUNTING STANDARDS (CONT'D)**

		Effective date for financial periods beginning on or after
FRS 9	Financial Instruments	1 January 2018
Amendments to FRS 128	Investments in Associates and Joint Ventures (Annual Improvements to FRSs 2014-2016 Cycle)	1 January 2018
Amendments to FRS 140	Transfer of Investment Property	1 January 2018
IC Interpretations 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
Amendments to FRS 10 and FRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date yet to be determined by the Malaysian Accounting Standards Board

The Group will adopt the above pronouncement when they become effective in the respective financial periods. The Group does not expect any material impact to the financial statement. However, the Group is still in the midst of assessing the impact of the above pronouncement.

The impact of the above accounting standards, amendments to accounting standards and interpretations effective during the financial year does not have any impact to the financial results and position of the Group.

**3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the preceding audited financial statements of the Group was not subjected to any audit qualifications.

**4. SEASONAL OR CYCLICAL FACTORS**

The Group's performance during the current year quarter under review and year to date was not affected by unusual seasonal or cyclical fluctuations.

**5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows of the Group during the current year quarter under review and year to date.

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS  
 FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2017**

**6. CHANGES IN ESTIMATES**

There were no material changes in estimates of the amounts reported by the Group in prior financial years which have a material effect in the current year quarter.

**7. DEBT AND EQUITY SECURITIES**

There were no cancellation, repurchases, resale and repayments of debt and equity securities by the Company during the current year quarter under review and year to date.

**8. DIVIDEND**

There was no dividend paid during the current year quarter under review and year to date.

**9. SEGMENTAL INFORMATION**

Segmental information for the current year to date is presented in respect of the Group's business segments as follows:-

	<u>Construction</u>	<u>Property Development</u>	<u>Trading and Others</u>	<u>Elimination</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>					
External sales	30,648	20,455	11,407	-	62,510
Inter-segment sales	9,137	429	11	(9,577)	-
Total revenue	<u>39,785</u>	<u>20,884</u>	<u>11,418</u>	<u>(9,577)</u>	<u>62,510</u>
<u>Results</u>					
Segment results	2,748	1,254	65	-	4,067
Interest expense					(2,918)
Interest income					1,685
Total results					<u>2,834</u>

**10. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT**

The Group states its property, plant and equipment at cost less accumulated depreciation and accumulated impairment losses. The Group does not adopt a policy to revalue its property, plant and equipment.

**11. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD**

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



**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2017**

**12. CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in composition of the Group during the current year quarter under review and year to date.

**13. DISCONTINUED OPERATIONS**

There was no discontinued operations event during the current year quarter under review / year to date.

**14. CAPITAL COMMITMENT**

There is no capital commitment for the interim financial statement as at 30 June 2017.

**15. CHANGES IN CONTINGENT ASSETS AND CONTINGENT LIABILITIES**

	<b>RM'000</b>
Secured bank guarantees given by the Group in the ordinary course of business to:-	
- trade suppliers	2,150
- authorities	240
- clients	26,052
	<u>28,442</u>

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS  
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**PART B: ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES")**

**16. REVIEW OF PERFORMANCE**

For the current year quarter, the Group achieved a total revenue of RM22.46 million representing a decrease of RM37.44 million or 62.50% as compared to RM59.90 million in the preceding year corresponding quarter. This was due to the completion of one (1) construction project coupled with implementing value engineering on the ongoing project. Thus, the Group also recorded a lower profit after taxation of RM0.93 million representing a decrease of RM0.37 million or 28.46% as compared to RM1.30 million in the preceding year corresponding quarter.

The Group registered a total revenue of RM62.51 million for the current year to date representing a decrease of RM46.08 million or 42.43% as compared to RM108.59 million in the preceding year to date. As a result, the Group recorded a profit after taxation of RM2.00 million as compared to RM2.70 million in the preceding year to date, representing a decrease of RM0.70 million or 25.93% of the profit after taxation.

**17. COMPARISON WITH PRECEDING QUARTER'S RESULTS**

The Group registered a lower revenue of RM22.46 million for the current year quarter as compared to RM40.05 million in the preceding quarter. The decrease in revenue of RM17.59 million or 43.92% was due to the lower progress billings pursuant to the completion of one construction project.

However, the profit before taxation was maintained at RM1.40 million in the current year quarter as compared to RM1.44 million in the preceding quarter. This was mainly due to higher operating income generated from the amortization of fair value for the long term financial assets during the current year quarter.

**18. PROSPECTS**

With the existing balance order book in the Construction Division, the progressive recognition of sales from the Property Development Division and the potential new construction projects, the Board of Directors is cautious of the sustaining performance of the Group for the coming financial quarter.

The Group will continue to adopt a prudent approach in its investments and focus on its core activities to enhance and strengthen the synergy among its group of companies.

**19. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT AND SHORTFALL IN PROFIT  
GUARANTEE**

The Group did not publish any profit forecast in respect of the current year quarter.

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2017**

**20. PROFIT BEFORE TAXATION IS DERIVED AFTER CHARGING/(CREDITING)**

	<b>Current Year Quarter <u>30.06.2017</u> RM'000</b>	<b>Current Year To Date <u>30.06.2017</u> RM'000</b>
Interest income	(1,635)	(1,685)
Other income	(163)	(143)
Interest expense	2,029	2,918
Depreciation and amortisation	222	440
Gain on disposal of property, plant and equipment	-	(51)

**21. TAXATION**

	<b>Current Year Quarter <u>30.06.2017</u> RM'000</b>	<b>Current Year To Date <u>30.06.2017</u> RM'000</b>
Malaysia tax in respect of:-		
- current results	463	832

The effective tax rate for the current year quarter and year to date was higher than the statutory tax rate due to certain expenses are not allowable as deduction for tax purpose and no group relief is available with respect to losses incurred by certain companies within the Group.

**22. CORPORATE PROPOSALS - STATUS OF THE CORPORATE PROPOSALS**

- (a) There were no corporate proposals announced but not completed as at the date of this report.
- (b) The status of utilisation of proceeds from Private Placement as at 30 June 2017 is as follow:-

Purposes	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance unutilised RM'000
(i) Working capital	4,749	740	4,009
(ii) Estimated expenses	100	100	-
<b>Total</b>	<b>4,849</b>	<b>840</b>	<b>4,009</b>

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS  
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**23. GROUP BORROWINGS**

	<b>Current Year To Date <u>30.06.2017</u> RM'000</b>
<b><u>Secured</u></b>	
Short term borrowings and loans	61,102
Long term loans	<u>25,023</u>
	<b><u>86,125</u></b>

**24. REALISED AND UNREALISED PROFITS / (LOSSES)**

The breakdown of retained profits of the Group as at reporting date, into realised and unrealised is as follow:

	<b>Current Year To Date <u>30.06.2017</u> RM'000</b>	<b>(Audited) Financial Year <u>31.12.2016</u> RM'000</b>
Total retained profits of the Company and its subsidiary companies		
- Realised	97,344	95,249
- Unrealised	<u>(1,099)</u>	<u>(1,099)</u>
	96,245	94,150
Less: Consolidation adjustments	<u>(40,197)</u>	<u>(40,047)</u>
Total Group retained profits as per statements of financial position	<b><u>56,048</u></b>	<b><u>54,103</u></b>

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2017**

**25. MATERIAL LITIGATIONS**

Save as disclosed below, the Company and its subsidiary companies are not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant as at the date of this report:-

In respect of an arbitration filed by Prinsiptek (M) Sdn Bhd ("PST") on 22 May 2014, PST is claimed against Teamforce Builders Sdn Bhd ("Teamforce") for a sum of RM648,526.57 being the advance payment for the construction and completion of structural and architectural works and the supply of labour and materials for the installation of cornice works rendered by Teamforce to PST.

Teamforce has filed the Statement of Defence and Counterclaim for a sum of RM2,547,603.02 for workdone on 25 July 2014.

Teamforce served on PST the Statement Of Re-Amended Defence and Re-Amended Counterclaim where the sum claimed by Teamforce has been revised to RM3,292,792.60. PST's claim against Teamforce has now revised to RM1,412,763.39.

During the hearing on 22 February 2016, the Arbitrator directed both parties that an expert witness will be appointed to measure certain disputed items and the cost of such appointment to be shared equally by parties.

There was a site inspection held on 2 August 2016, for which the Arbitrator and the expert witness have been accompanied by both parties to having a visual inspection on the disputed items. On 12 January 2017, the expert witness was unable to complete his expert report within the time granted thus, the Arbitrator has directed all the parties that there will be a period of 3 months given to the expert witness upon agreeable by both parties. On 15 March 2017, the expert has again failed to deliver the expert report by the extended period and he has requested to withdraw from the appointment of the expert witness. To avoid further prolongation to the conclusion of this Arbitration, the Tribunal has decided to appoint a new expert witness and both parties are currently in the midst of finalising the said appointment

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2017**

**26. EARNINGS PER SHARE**

a) Basic earnings per share

The basic earnings per share has been calculated by dividing the Group's net profit attributable to the shareholders for the current year quarter / year to date by the weighted average number of ordinary shares in issue during the current year quarter / year to date under review as follows:-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2017	Preceding Year Corresponding Quarter 30.06.2016	Current Year To Date 30.06.2017	Preceding Year To Date 30.06.2016
Net profit attributable to the equity holders of parent (RM'000)	1,145	918	1,945	3,077
Weighted average number of ordinary shares in issue ('000)	348,652	316,957	348,652	316,957
Basic earnings per share (sen)	0.33	0.29	0.56	0.97

b) Diluted earnings per share

The diluted earnings per share has been calculated by dividing the Group's net profit attributable to the equity holders of parent for the current year quarter / year to date by the weighted average number of ordinary shares, after adjusted for the effects of dilutive potential ordinary shares from the assumed full exercise of warrants at the beginning of the financial period of the Company as follows:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2017	Preceding Year Corresponding Quarter 31.03.2016	Current Year To Date 30.06.2017	Preceding Year To Date 31.03.2016
Net profit attributable to the equity holders of parent (RM'000)	1,145	918	1,945	3,077
Weighted average number of Ordinary shares in issue ('000)	348,652	316,957	348,652	316,957
Adjustment for the assumed full exercise of warrants ('000)	126,783	126,783	126,783	126,783
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	475,435	443,740	475,435	443,740
Diluted earnings per share (sen)	0.24	0.21	0.41	0.69



**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2017**

**PART C : INFORMATION ON PROVISION OF FINANCIAL ASSISTANCE PURSUANT TO  
PARAGRAPH 8.23 AND PRACTICE NOTE 11 / 2001 UNDER LISTING  
REQUIREMENTS OF BURSA SECURITIES**

**27. FINANCIAL ASSISTANCE**

There is no financial assistance rendered by the Company and the Group for the current year quarter / year to date.

By order of the Board

Dato' Foo Chu Jong  
Managing Director

Subang Jaya  
Date: 24 August 2017