

UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30.09.2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.09.2016 ⁽²⁾ RM'000	CURRENT YEAR QUARTER 30.09.2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.09.2016 ⁽²⁾ RM'000
Revenue	30,182	N/A	83,227	N/A
Cost of sales	(24,981)	N/A	(68,299)	N/A
Gross profit	5,201	N/A	14,928	N/A
Other income	189	N/A	247	N/A
Administrative expenses	(2,278)	N/A	(6,825)	N/A
Finance costs	(284)	N/A	(893)	N/A
Profit before tax	2,828	N/A	7,457	N/A
Income tax expense	(705)	N/A	(2,108)	N/A
Profit / Total comprehensive income for the period	2,123	N/A	5,349	N/A
Profit / Total comprehensive income attributable to owners of the Company	2,123	N/A	5,349	N/A
Earnings per share attributable to owners of the Company (sen) ⁽³⁾ :				
Basic	0.88	N/A	2.23	N/A
Diluted	0.88	N/A	2.23	N/A

Notes:

- (1) The basis of preparation of the Unaudited Condensed Statements of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 30 October 2017 and the accompanying explanatory notes attached to the interim financial report.
- (2) There are no comparative figures for the preceding year and preceding quarter available as this is the second interim financial report for the third quarter ended 30 September 2017 announced in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements").
- (3) Based on the Company's weighted average number of ordinary shares at the end of the reporting period.
- N/A Not applicable

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION⁽¹⁾

	Unaudited As at 30.09.2017 RM'000	Unaudited As at 30.09.2016 ⁽²⁾ RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	7,657	N/A
	<u>7,657</u>	<u>N/A</u>
Current assets		
Trade receivables	32,638	N/A
Other receivables, deposits and prepayments	3,696	N/A
Amount owing by contract customers	13,890	N/A
Deposits with licensed banks	4,561	N/A
Cash and bank balances	9,245	N/A
	<u>64,030</u>	<u>N/A</u>
TOTAL ASSETS	<u>71,687</u>	<u>N/A</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	12,000	N/A
Retained profits	9,473	N/A
Total equity attributable to owners of the Company	<u>21,473</u>	<u>N/A</u>
Non-current liabilities		
Hire purchase payables	565	N/A
Term loan	4,821	N/A
Deferred tax liabilities	58	N/A
	<u>5,444</u>	<u>N/A</u>
Current liabilities		
Trade payables	23,316	N/A
Other payables and accruals	2,062	N/A
Amount owing to contract customers	8,898	N/A
Hire purchase payables	305	N/A
Short-term borrowings	9,063	N/A
Current tax liabilities	1,126	N/A
	<u>44,770</u>	<u>N/A</u>
TOTAL LIABILITIES	<u>50,214</u>	<u>N/A</u>
TOTAL EQUITY AND LIABILITIES	<u>71,687</u>	<u>N/A</u>
Net asset per share (RM) ⁽³⁾	<u>0.09</u>	<u>N/A</u>

Notes:

- (1) The basis of preparation of the Unaudited Condensed Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 30 October 2017 and the accompanying explanatory notes attached to this interim financial report.
- (2) There are no comparative figures for the preceding year and preceding quarter available as this is the second interim financial report for the third quarter ended 30 September 2017 announced in compliance with the Listing Requirements.
- (3) Based on the Company's number of ordinary shares as at the end of the reporting period.
- N/A Not applicable

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY⁽¹⁾⁽²⁾

	Non- distributable Share Capital RM'000	Distributable Retained Profits RM'000	Total Equity RM'000
Balance at 01.01.2017	1,000	15,124	16,124
Issue of bonus issue shares	11,000	(11,000)	-
Profit after taxation / Total comprehensive income for the period	-	5,349	5,349
Balance as at 30.09.2017	12,000	9,473	21,473

Notes:

- (1) The basis of preparation of the Unaudited Condensed Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 30 October 2017 and the accompanying explanatory notes attached to this interim financial report.
- (2) There are no comparative figures for the preceding year and preceding quarter available as this is the second interim financial report for the third quarter ended 30 September 2017 announced in compliance with the Listing Requirements.

UNAUDITED CONDENSED STATEMENT OF CASH FLOWS⁽¹⁾

	CUMULATIVE PERIOD	
	Current Period Ended 30.09.2017 RM'000	Comparative Period Ended 30.09.2016 ⁽²⁾ RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	7,457	N/A
Adjustments for:		
Depreciation	442	N/A
Share issue expenses	1,365	N/A
Interest expense	893	N/A
Interest income	(252)	N/A
Property, plant and equipment written off	14	N/A
Operating profit before changes in working capital	9,919	N/A
Increase in amount owing to contract customers	(1,315)	N/A
Increase in trade and other receivables	(280)	N/A
Decrease in trade and other payables	(1,488)	N/A
Cash flows from operations	6,836	N/A
Interest paid	(893)	
Interest received	252	N/A
Tax paid	(1,839)	N/A
Net cash from operating activities	4,356	N/A
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,740)	N/A
Net cash used in investing activities	(1,740)	N/A
CASH FLOWS FROM FINANCING ACTIVITIES		
Placement of fixed deposits pledged to banks	(448)	N/A
Payment of share issue expenses	(1,365)	N/A
Drawdown of term loan	4,000	N/A
Repayment in bank factoring	(1,180)	N/A
Repayment of hire purchase obligations	(130)	N/A
Repayment of term loans	(3,390)	N/A
Net cash used in financing activities	(2,513)	N/A
NET INCREASE IN CASH AND CASH EQUIVALENTS	103	N/A
Cash and cash equivalents at beginning of the financial period	5,294	N/A
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	5,397	N/A
Cash and cash equivalents comprise :		
Deposits with licensed banks	4,561	N/A
Cash and bank balances	9,245	N/A
Bank overdrafts	(3,848)	N/A
	9,958	N/A
Less: Deposits pledged to licensed banks	(4,561)	N/A
	5,397	N/A

Notes:

- (1) The basis of preparation of the Unaudited Condensed Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 30 October 2017 and the accompanying explanatory notes attached to this interim financial report.

- (2) There are no comparative figures for the preceding year and preceding quarter available as this is the second interim financial report for the third quarter ended 30 September 2017 announced in compliance with the Listing Requirements.

PART A – EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

A1 Basis of Preparation

The interim financial statements of the Company are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 : Interim Financial Reporting, Paragraph 9.22 of the Listing Requirements.

This is the second interim financial report on the Company’s results for the third quarter ended 30 September 2017 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year’s corresponding period.

The interim financial reports should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus of the Company dated 30 October 2017.

A2 Significant Accounting Policies

The accounting policies and presentations adopted by the Company in this interim financial statements are consistent with those adopted for the audited financial statements of the Company for the financial period ended 31 May 2017 as disclosed in the Accountants’ Report in the Prospectus of the Company dated 30 October 2017.

The Company has not early adopted any new or revised standards, amendments or IC Interpretations which are applicable to the Company that have been issued by the MASB but are not yet effective for the Company’s current financial year ending 31 December 2017.

A3 Auditors’ Report

There was no qualification on the audited financial statements of the Company for the financial year ended 31 December 2016.

A4 Seasonal and Cyclical Factors

The business operations of the Company are not materially affected by any seasonal or cyclical factors.

A5 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Company during the financial quarter and period under review.

A6 Changes in Estimates

There were no material changes in estimates that have a material effect on the financial quarter and period under review.

A7 Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the third quarter ended 30 September 2017.

A8 Dividends Paid

No dividend has been paid during the third quarter ended 30 September 2017.

PART A – EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

A9 Segmental Reporting

Our Company is principally involved in the provision of electrical and mechanical engineering services. As such, the revenue of the Company for the current financial quarter under review and the financial period to date is derived entirely from its electrical and mechanical engineering services.

No geographical analysis has been prepared as the Company operates wholly in Malaysia.

A10 Material Events after the End of the Reporting Period

Save as disclosed in Note B6 “Status of Corporate Proposals”, there were no other material events subsequent to the end of the current financial quarter that have not been reflected in the interim financial report.

A11 Changes in the Composition of the Company

There were no changes in the composition of the Company during the current financial quarter and financial period to date.

A12 Contingent Liabilities and Contingent Assets

Contingent liabilities of the Company as at 30 September 2017 comprised guarantee given to third parties in respect of performance bonds for the Company’s projects amounting to RM4.02 million.

There were no contingent assets as at the date of this interim report.

A13 Capital Commitments

	RM’000
Approved and contracted but not provided for:	
- Property, plant and equipment	2,061
Approved but not contracted for :	-

A14 Significant related party transactions

There were no significant related party transactions in the current financial quarter and financial period under review.

PART B – ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1 Review of Company Performance

The Company recorded revenue of RM30.18 million and profit before tax of RM2.83 million for the current financial quarter ended 30 September 2017. The Company's revenue was derived from provision of electrical and mechanical engineering services which mainly comprised electrical engineering services.

No comparative figures for the preceding year and preceding quarter are available as this is the second interim financial report for the third quarter ended 30 September 2017 announced in compliance with the Listing Requirements.

B2 Comparison with Immediate Preceding Quarter Results

The Company recorded higher gross profit of RM5.20 million for the current quarter as compared with RM5.01 million in the preceding quarter mainly due to higher revenue generated. The Company's profit before tax of RM2.83 million for the current quarter was 34.12% more than the RM2.11 million achieved in the previous quarter. The increase is mainly due to the much lower profit before tax in the previous quarter due to the non-recurrent listing expenses of approximately RM1.11 million compared with RM0.26 million incurred in current quarter.

B3 Prospects for the Current Financial Year

The Company will continue to focus on the following future plans and business strategies for the future growth and expansion of its business:-

- (i) grow its market share in Malaysia by increasing tendering activities, focusing on affordable housing sector and geographical expansion;
- (ii) strengthen its capabilities by growing its mechanical engineering services segment; and
- (iii) diversifying its revenue stream by providing maintenance services including upgrading, expansion, refurbishment, retrofitting and renovation projects.

Barring unforeseen circumstances, the Board of Directors is of the opinion that the Company's financial performance for the current year to be satisfactory.

B4 Profit Forecast

The Company did not issue any profit forecast or guarantee during the current financial quarter under review and the financial period to date.

B5 Taxation

	Current quarter ended 30 September 2017 RM'000	Comparative quarter ended 30 September 2016⁽¹⁾ RM'000	Cumulative 9-month period ended 30 September 2017	Cumulative 9-month period ended 30 September 2016⁽¹⁾
Income tax	705	N/A	2,096	N/A
Deferred tax	705	N/A	12	N/A
	705	N/A	2,108	N/A
Effective tax rate ⁽²⁾	24.93%	N/A	28.27%	N/A

PART B – ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

Notes:

- (1) No comparative figures for the preceding year and preceding quarter are available as this is the second interim financial report for the third quarter ended 30 September 2017 announced in compliance with the Listing Requirements.
- (2) The effective tax rate for the current quarter is higher than the statutory tax rate of 24% mainly due to adjustment for non-deductible expenses.

N/A – Not applicable

B6 Status of Corporate Proposals

In conjunction with and as an integral part of the listing of and quotation for the entire issued share capital of the Company on the ACE Market of Bursa Securities, the following listing scheme was undertaken by the Company:

(i) Public Issue

The Company issued 80,000,000 new shares (“Issue Shares”) at the issue price of RM0.25 per share in the following manner:-

- (a) 16,000,000 new shares for application by the Malaysian public;
- (b) 8,000,000 new shares for application by eligible employees and persons who have contributed to the success of the Company; and
- (c) 56,000,000 new shares by way of private placement to institutional and selected investors.

(ii) Listing

The listing of the Company’s entire enlarged issued share capital on the ACE Market of Bursa Securities was completed on 17 November 2017.

PART B – ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B7 Utilisation of Proceeds Raised from Public Issue

The gross proceeds from the Public Issue amounting to RM20.00 million is intended to be utilised in the following manner:

Details of utilisation	Proposed Utilisation RM'000	Actual Utilisation⁽¹⁾ RM'000	Balance Unutilised RM'000	Estimated timeframe for utilisation upon listing
Working capital	12,100	-	12,100	Within 24 months
Capital expenditure	2,200	-	2,200	Within 18 months
Setting up a proposed new branch office in Johor Bahru and an additional office in Kuala Lumpur	600	(213) ⁽²⁾	387	Within 12 months
Repayment of bank borrowings	1,600	-	1,600	Within 12 months
Estimated listing expenses	3,500	(1,374) ⁽³⁾	2,126	Immediate
Total	20,000	(1,587)	18,413	

Notes:

- (1) Actual utilisation as at 30 September 2017.
- (2) Expenditure incurred for setting up an additional office in Kuala Lumpur prior to the listing of the Company on the ACE Market which was funded using internally generated funds and will be reimbursed from the proceeds obtained from the initial public offering of the Company.
- (3) Prepaid listing expenses which was funded using internally generated funds and will be reimbursed from the proceeds obtained from the initial public offering of the Company.

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 30 October 2017.

PART B – ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B8. Company Borrowings and Debt Securities

The details of the borrowings of the Company are as follows:-

	As at 30 September 2017 RM'000	As at 30 September 2016 ⁽¹⁾ RM'000
Non-current:		
Term loans	4,821	N/A
Hire purchase payables	565	N/A
	5,386	N/A
Current		
Term loans	790	N/A
Hire purchase payables	305	N/A
Bank overdrafts	3,848	N/A
Bank factoring	4,425	N/A
	9,368	N/A

All the Company's borrowings are denominated in Ringgit Malaysia.

Note:

- (1) No comparative figures for the preceding year and preceding quarter are available as this is the second interim financial report for the third quarter ended 30 September 2017 announced in compliance with the Listing Requirements.

N/A – Not applicable

B9. Material Litigation

As at the date of this report, the Company was not engaged in any material litigation.

B10. Dividends

No dividend has been declared or recommended for the current quarter.

B11. Earnings Per Share

The basic and diluted earnings per share for the current quarter is computed as follows:-

	Quarter ended 30 September 2017	Quarter ended 30 September 2016 ⁽³⁾
Profit after tax attributable to owners of the Company (RM'000)	2,123	N/A
Weighted average number of ordinary shares ('000)	240,000	N/A
Basic earnings per share (sen) ⁽¹⁾	0.88	N/A
Diluted earnings per share (sen) ⁽²⁾	0.88	N/A

PART B – ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

Notes:

- (1) The basic earnings per share is computed based on the profit attributable to the equity shareholders of the Company divided by the total number of ordinary shares in issue for the period under review.
- (2) Diluted earnings per share is equivalent to the basic earnings per share as the Company does not have convertible securities as at 30 September 2017.
- (3) No comparative figures for the preceding year and preceding quarter are available as this is the second interim financial report for the third quarter ended 30 September 2017 announced in compliance with the Listing Requirements.

N/A – Not applicable

B12. Disclosure of Realised and Unrealised Profits

The breakdown of the retained profits of the Company as at 30 September 2017 into realised and unrealised profits is as follows:-

	As at 30 September 2017 RM'000	As at 30 September 2016⁽¹⁾ RM'000
Total retained profits of the Company:		
- Realised	9,473	N/A
- Unrealised	-	N/A
	9,473	N/A

Note:

- (1) No comparative figures for the preceding year and preceding quarter are available as this is the second interim financial report for the third quarter ended 30 September 2017 announced in compliance with the Listing Requirements.

N/A – Not applicable

PART B – ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B13. Notes to the Statement of Profit or Loss and Comprehensive Income

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

	Current quarter ended 30 September 2017 RM'000	Cumulative quarter ended 30 September 2016⁽¹⁾ RM'000	Cumulative 9-month period ended 30 September 2017 RM'000	Cumulative 9-month period ended 30 September 2016⁽¹⁾ RM'000
Interest income	(189)	N/A	(252)	N/A
Interest expense	284	N/A	893	N/A
Depreciation of property, plant and machinery	158	N/A	442	N/A
Professional fees	255	N/A	1,537 ⁽²⁾	N/A

Notes:

- (1) No comparative figures for the preceding year and preceding quarter are available as this is the second interim financial report for the third quarter ended 30 September 2017 announced in compliance with the Listing Requirements.
- (2) Out of which RM1.37 million was in relation to the listing exercise of KAB, which are non-recurrent in nature.

N/A – Not applicable

B14. Authorised for issue

The interim financial statements were authorised by the Board of Directors in accordance with the resolution of the Directors on 17 November 2017.