

PLASTRADE TECHNOLOGY BERHAD

(Company No : 591077-X)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2017**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 30/09/2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2016 RM'000	CURRENT YEAR TO DATE 30/09/2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2016 RM'000
Revenue		11,475	12,970	34,639	44,756
Cost of Sales		(10,795)	(11,710)	(32,911)	(40,381)
Gross Profit		<u>680</u>	<u>1,260</u>	<u>1,728</u>	<u>4,375</u>
Other Income		45	73	421	237
Administrative Expenses		(610)	(855)	(1,864)	(1,917)
Selling and Distribution Expenses		(159)	(178)	(461)	(596)
Finance Costs		(113)	(134)	(375)	(478)
Share of Loss of Associate		(352)	17	(665)	(100)
(Loss)/Profit before Tax	19	<u>(509)</u>	<u>183</u>	<u>(1,216)</u>	<u>1,521</u>
Tax Expense	20	(15)	(72)	(27)	(547)
(Loss)/Profit after Tax		<u>(524)</u>	<u>111</u>	<u>(1,243)</u>	<u>974</u>
Other Comprehensive (Expense) /Income for the period, net of tax					
Share of associate's other comprehensive (Expense)/Income		(368)	172	(624)	(382)
Total Comprehensive (Expense) /Income for the period		<u>(892)</u>	<u>283</u>	<u>(1,867)</u>	<u>592</u>
(Loss)/Profit After Tax Attributable to:					
Equity Holders of The Company		(524)	111	(1,243)	974
Non-controlling interests		-	-	-	-
		<u>(524)</u>	<u>111</u>	<u>(1,243)</u>	<u>974</u>
Total Comprehensive (Expense) /Income attributable to:					
Equity Holders of The Company		(892)	283	(1,867)	592
Non-controlling interests		-	-	-	-
		<u>(892)</u>	<u>283</u>	<u>(1,867)</u>	<u>592</u>
(Loss)/Earnings per share attributable to equity holders of the Company (sen):					
Basic and Diluted	27	<u>(0.35)</u>	<u>0.07</u>	<u>(0.83)</u>	<u>0.65</u>

The Unaudited Condensed Consolidated Statement of Profit Or Loss And Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2016 and the accompanying explanatory notes attached to the Quarterly Report.

PLASTRADE TECHNOLOGY BERHAD

(Company No : 591077-X)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2017**

	(UNAUDITED)	(AUDITED)
	AS AT 30/09/2017 RM'000	AS AT 31/12/2016 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	10,433	10,206
Goodwill on consolidation	1,792	1,792
Investment in an associate	6,719	8,008
	<u>18,944</u>	<u>20,006</u>
Current Assets		
Inventories	8,754	10,116
Trade receivables	8,871	9,687
Other receivables, deposit and prepayments	213	509
Amount owing by related parties	-	1,089
Tax recoverable	392	88
Fixed deposits with licensed banks	5,423	7,587
Cash and cash equivalents	2,644	2,552
	<u>26,297</u>	<u>31,628</u>
TOTAL ASSETS	<u>45,241</u>	<u>51,634</u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share capital	21,122	15,040
Reserves	11,813	19,762
Total equity	<u>32,935</u>	<u>34,802</u>
Non-Current Liability		
Deferred taxation	238	238
	<u>238</u>	<u>238</u>
Current Liabilities		
Trade payables	4,617	4,664
Other payables and accruals	769	925
Short term borrowings	6,682	11,005
	<u>12,068</u>	<u>16,594</u>
Total Liabilities	<u>12,306</u>	<u>16,832</u>
TOTAL EQUITY AND LIABILITIES	<u>45,241</u>	<u>51,634</u>
Net assets per share (sen) attributable to equity holders of the Company	<u>21.90</u>	<u>23.14</u>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2016 and the accompanying explanatory notes attached to the Quarterly Report.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2017**

	SHARE CAPITAL RM'000	Attributable to Equity Holders of the Company			TOTAL RM'000
		SHARE PREMIUM RM'000	Non-Distributable FOREIGN TRANSLATION RESERVE RM'000	Distributable RETAINED PROFITS RM'000	
Balance at 01.01.2017	15,040	6,082	1,619	12,061	34,802
Total comprehensive expense for the year	-	-	(624)	(1,243)	(1,867)
Transfer in accordance with Section 618 (2) of CA 2016 ¹	6,082	(6,082)	-	-	-
Balance at 30.09.2017	<u>21,122</u>	<u>-</u>	<u>995</u>	<u>10,818</u>	<u>32,935</u>

	SHARE CAPITAL RM'000	Attributable to Equity Holders of the Company			TOTAL RM'000
		SHARE PREMIUM RM'000	Non-Distributable FOREIGN TRANSLATION RESERVE RM'000	Distributable RETAINED PROFITS RM'000	
Balance at 01.01.2016	15,040	6,082	1,786	10,904	33,812
Total comprehensive (expenses) /income for the year	-	-	(382)	974	592
Balance at 30.09.2016	<u>15,040</u>	<u>6,082</u>	<u>1,404</u>	<u>11,878</u>	<u>34,404</u>

Note 1:

The new Companies Act 2016 ("CA 2016"), which came into operation on 31 January 2017, abolished the concept of authorised share capital and par value of share capital. Consequently, the amounts standing to the credit of the share premium account becomes part of the Company's share capital pursuant to the transitional provisions set out in Section 618(2) of the CA2016. Companies have twenty four months upon the commencement of the CA2016 to utilise the credit. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2016 and the accompanying explanatory notes attached to the Quarterly Report.

PLASTRADE TECHNOLOGY BERHAD

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE QUARTER ENDED 30 SEPTEMBER 2017**

	CURRENT YEAR TO DATE 30/09/2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2016 RM'000
	Note	
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	(1,216)	1,521
Adjustment for:-		
Depreciation of property, plant and equipment	699	1,000
Interest expense	315	418
Interest income	(120)	(174)
Reversal of allowance for doubtful debts	(200)	-
Share of results of an associates	665	100
Operating profit before working capital changes	<u>143</u>	<u>2,865</u>
Decrease in inventories	1,362	707
Decrease/(Increase) in trade and other receivables	1,311	(1,384)
Decrease/(Increase) in amount owing by related parties	1,089	(92)
Decrease in trade and other payables	<u>(202)</u>	<u>(885)</u>
CASH FROM OPERATIONS	<u>3,703</u>	<u>1,211</u>
Interest paid	(315)	(418)
Tax paid	(402)	(607)
Tax refund	71	-
NET CASH FROM OPERATING ACTIVITIES	<u>3,057</u>	<u>186</u>
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(926)	(160)
Interest received	120	174
NET CASH (FOR)/FROM INVESTING ACTIVITIES	<u>(806)</u>	<u>14</u>
CASH FLOWS FOR FINANCING ACTIVITY		
Net repayment of bankers' acceptances	(4,323)	(4,191)
NET CASH FOR FINANCING ACTIVITY	<u>(4,323)</u>	<u>(4,191)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(2,072)</u>	<u>(3,991)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	10,139	13,679
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u>21</u> <u>8,067</u>	<u>9,688</u>

The Unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 31 December 2016 and the accompanying explanatory notes attached to the Quarterly Report.

PLASTRADE TECHNOLOGY BERHAD

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UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017

Notes to the Interim Financial Statements

1. Basis of Preparation

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements are unaudited and had been prepared in accordance with the MFRS 134 – Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and the requirements of the Appendix 9B of the Listing Requirements for the ACE Market.

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

2. Changes in Accounting Policies

The Group’s financial statements is prepared in accordance with the Malaysian Financial Reporting Standards (“MFRSs”) issued by the MASB that will also comply with International Financial Reporting Standards (“IFRS”). The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2016, except for the adoption of the following MFRSs, Amendments to MFRSs and IC interpretation during the current financial period:-

Amendments to MFRS 107: Disclosure Initiative

Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses

Annual Improvements to MFRS Standards 2014 – 2016 Cycles

- Amendments to MFRS 12: Clarification of the Scope of Standard

The adoption of the MFRSs, IC interpretation and Amendments did not have any material financial impact to the Group.

The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by MASB but are not yet effective for the current financial period:-

	<i>Effective date for financial periods beginning on or after</i>
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15 Revenue from Contracts with Customers	1 January 2018
MFRS 16 Leases	1 January 2019
MFRS 17 Insurance Contracts	1 January 2021
IC Interpretation 22 Foreign Currency Transactions and Advance Consideration	1 January 2018
IC Interpretation 23 Uncertainty over Income Tax Treatments	1 January 2019
Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 4: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018

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Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice
Amendments to MFRS 15: Effective Date of MFRS 15	1 January 2018
Amendments to MFRS 15: Clarification to MFRS 15 'Revenue from Contracts with Customers'	1 January 2018
Amendments to MFRS 140 - Transfers of Investment Property	1 January 2018
Annual Improvements to MFRS Standards 2014 - 2016 Cycles	1 January 2018
▪ Amendments to MFRS 1: Deletion of Short-term Exemptions for First-time Adopters	
▪ Amendments to MFRS 128: Measuring an Associate or Joint Venture at Fair Value	

The possible change of the accounting policies is expected to have no material impact on the financial statements of the Group upon their initial application.

3. Audit Report of Preceding Annual Financial Statements

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

4. Seasonal or Cyclical Factors

There were no seasonal or cyclical factors affecting the results of the Group for the current financial quarter under review.

5. Unusual Items

There were no other items which were unusual because of their nature, size, or incidence that has affected the assets, liabilities, equity, net income or cashflow of the Group for the financial quarter under review.

6. Material Changes in Estimates

There were no changes in estimates of amounts reported in prior interim periods that have a material effect on the current financial quarter.

7. Issuances and Repayment of Debt and Securities

There were no issuance and repayment of debt and equity securities for the current financial quarter under review.

8. Dividend Paid

The Board of Directors do not recommend any dividend payment in respect of the financial period ended 30 September 2017.

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UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017

9. Segmental Information

3rd Quarter Ended 30/09/2017	Investment Holding	Resin compound for wire and cable	Resin compound for other industries	Total
	RM'000	RM'000	RM'000	RM'000
External Revenue	-	9,294	2,181	11,475
Segment Result	(110)	216	(150)	(44)
Finance Cost		(72)	(41)	(113)
Share of loss of associate				(352)
Loss before Tax	(110)	144	(191)	(509)

3rd Quarter Ended 30/09/2016	Investment Holding	Resin compound for wire and cable	Resin compound for other industries	Total
	RM'000	RM'000	RM'000	RM'000
External Revenue	-	9,825	3,145	12,970
Segment Result	(23)	285	38	300
Finance Cost		(81)	(53)	(134)
Share of profit of associate				17
Profit before Tax	(23)	204	(15)	183

Nine Months Ended 30/09/2017	Investment Holding	Resin compound for wire and cable	Resin compound for other industries	Total
	RM'000	RM'000	RM'000	RM'000
External Revenue	-	27,055	7,584	34,639
Segment Result	(201)	(31)	56	(176)
Finance Cost	-	(252)	(123)	(375)
Share of loss of associate				(665)
Loss before Tax	(201)	(283)	(67)	(1,216)

Nine Months Ended 30/09/2016	Investment Holding	Resin compound for wire and cable	Resin compound for other industries	Total
	RM'000	RM'000	RM'000	RM'000
External Revenue	-	34,609	10,147	44,756
Segment Result	(63)	2,054	108	2,099
Finance Cost	-	(297)	(181)	(478)
Share of loss of associate				(100)
Profit before Tax	(63)	1,757	(73)	1,521

Assets and Liabilities As at 30/09/2017	Investment Holding	Resin compound for wire and cable	Resin compound for other industries	Total
	RM'000	RM'000	RM'000	RM'000
Segment assets	6,968	24,954	13,319	45,241
Segment liabilities	128	8,753	3,425	12,306

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UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017**9. Segmental Information (cont'd)**

Geographical reporting:-

Nine Months Ended	SEGMENT REVENUE	SEGMENT REVENUE
	30/09/2017 RM'000	30/09/2016 RM'000
Malaysia	27,264	34,391
Other ASEAN countries	6,844	6,728
Other Asian countries	31	2,066
Others	500	1,571
Total	34,639	44,756

10. Material Events subsequent to the End of the Current Quarter

There were no other events materially affecting the results of the Group for the current financial quarter and financial year-to-date, which might have occurred between 30 September 2017 and the date of this announcement.

11. Changes in the Composition of the Group

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

12. Changes in Contingent Liabilities and Contingent Assets

There were no changes in the material contingent liabilities or assets of the Group as at the date of this announcement.

13. Capital Commitments

There were no material capital commitments as at the date of this announcement.

14. Significant Related Party Transactions

The related party transactions are taken under normal course of business and on terms that are not more favourable than those available to other third parties.

<i>Companies in which certain directors have Interest:-</i>	3rd Quarter Ended 30/09/2017 RM'000	Nine Months Ended 30/09/2017 RM'000
Sales of goods	11	467
Purchase of goods	82	111
<i>Associate Company:-</i>		
Sales of goods	-	26

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UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017

Additional information required by the Listing Requirements for the ACE Market of the Bursa Malaysia Securities Berhad

15. Review of Performance for the Individual Quarter and Year-to-date

Segment:	Revenue					
	3rd Quarter Ended			Nine Months Ended		
	30/09/2017	30/09/2016	Changes	30/09/2017	30/09/2016	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Resin Compound for Wire and cable	9,294	9,825	-5.4	27,055	34,609	-21.8
Resin Compound for Other industries	2,181	3,145	-30.7	7,584	10,147	-25.3
Total	11,475	12,970	-11.5	34,639	44,756	-22.6

Segment:	Profit/(Loss) before Taxation					
	3rd Quarter Ended			Nine Months Ended		
	30/09/2017	30/09/2016	Changes	30/09/2017	30/09/2016	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Resin Compound for wire and cable	144	204	-29.4	(283)	1,757	-116.1
Resin compound for other industries	(191)	(15)	-1,173.3	(67)	(73)	8.2
Investment Holding	(110)	(23)	-378.3	(201)	(63)	-219
Associate company	(352)	17	2,170.6	(665)	(100)	-565
Total	(509)	183	-378.1	(1,216)	1,521	-179.9

PTB Group recorded a revenue of RM11.475 million for the current quarter ended 30 September 2017 (3Q2017), representing a decrease of approximately 11.5% as compared to the preceding year corresponding quarter ended 30 September 2016 (3Q2016) of RM12.970 million. The Group recorded a loss before taxation of RM0.509 million for 3Q2017 as compared to a profit before taxation of RM0.183 million for 3Q2016.

PTB Group recorded a revenue of RM34.639 million for the current nine months ended 30 September 2017 (9M2017), representing a decrease of approximately 22.6% as compared to the preceding year corresponding period ended 30 September 2016 (9M2016) of RM44.756 million. The Group recorded a loss before taxation of RM1.216 million for 9M2017 compared with a profit before taxation of RM1.521 million for 9M2016. The decrease in profit was mainly due to lower demand of the products arising from intense competition, higher cost of sales and lower contribution from associate company for the period under review.

PLASTRADE TECHNOLOGY BERHAD

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UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017Resin compound for wire and cable:

Revenue decreased by 5.4% to RM9.294 million in 3Q2017 compared to 3Q2016. This segment recorded a profit before taxation of RM0.144 million for 3Q2017 compared with a profit before taxation of RM0.204 million for 3Q2016. The decrease in profit was mainly due to lower demand of the products for the financial quarter under review.

For 9M2017, revenue decreased by 21.8% to RM27.055 million as compared to 9M2016. This segment recorded a loss before taxation of RM0.283 million for 9M2017 compared with a profit before taxation of RM1.757 million for 9M2016. The decrease in profit was mainly due to lower demand of the products arising from intense competition and higher cost of sales for the period under review.

Resin compound for other industries:

Revenue decreased by 30.7% to RM2.181 million in 3Q2017 compared to 3Q2016. This segment recorded a loss before taxation of RM0.191 million for 3Q2017 compared with a loss before taxation of RM0.015 million for 3Q2016. The increase in loss was mainly due to lower demand of the products and higher cost of sales for the financial quarter under review.

For 9M2017, revenue decreased by 25.3% to RM7.584 million as compared to 9M2016. This segment recorded a loss before taxation of RM0.067 million for 9M2017 compared with a loss before taxation of RM0.073 million for 9M2016. The result was relatively unchanged mainly due to lower operating costs for the period under review.

16. Comparison with previous quarter's results

Segment:	Revenue			Profit/(Loss) before Taxation		
	Current Quarter	Preceding Quarter		Current Quarter	Preceding Quarter	
	30/09/2017	30/06/2017	Changes	30/09/2017	30/06/2017	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Resin compound for wire and cable	9,294	7,537	23.3	144	(378)	138.1
Resin compound for other industries	2,181	2,885	-24.4	(191)	(40)	-377.5
Investment Holding	-	-	-	(110)	(65)	-69.2
Associate company	-	-	-	(352)	(159)	-121.4
Total	11,475	10,422	10.1	(509)	(642)	20.7

For 3Q2017, the Group recorded a revenue of RM11.475 million, representing an increase of approximately 10.1% as compared to the previous quarter ended 30 June 2017 (2Q2017) of RM10.422 million. The Group recorded a loss before taxation of RM0.509 million in 3Q2017 compared to 2Q2017 of loss before taxation of RM0.642 million. The decrease in loss was mainly due to higher demand for the resin compound for wire and cable for the financial period under review.

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UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017**17. Prospect**

Intense competition and fluctuating prices of materials continues to weigh down on all the Group's segments. The Board of Directors of PTB is of the view that the Group's financial performance for the financial year ending 2017 will remain challenging. Nevertheless, PTB will continue to focus on implementing costs saving measures and market its products to new territories to ensure that the business of the Group remains viable.

18. Variance of Profit Forecast

Not applicable as no profit forecast has been issued.

19. (Loss)/Profit Before Tax

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

	3rd Quarter Ended		Nine Month Ended	
	30/09/2017	30/09/2016	30/09/2017	30/09/2016
	RM'000	RM'000	RM'000	RM'000
Interest income	(37)	(56)	(120)	(174)
Foreign exchange loss/(gain)	21	20	23	139
Depreciation of property, plant and equipment	235	335	699	1,000
Interest expenses	97	116	315	418
Staff costs	847	1,033	3,026	3,110

20. Tax Income/(Expense)

The taxation charge for the quarter under review includes the following:

	3rd Quarter Ended		Nine Month Ended	
	30/09/2017	30/09/2016	30/09/2017	30/09/2016
	RM'000	RM'000	RM'000	RM'000
Estimated current tax payable	(15)	(72)	(28)	(535)
Over/(Under) provision in prior year	-	-	1	8
Deferred tax	-	-	-	(20)
	(15)	(72)	(27)	(547)

The Group's effective tax rate is higher than statutory tax rate of 24% mainly due to certain expenses which were not deductible for tax purposes.

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UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017**21. Cash and Cash Equivalents**

Cash and cash equivalents included in the cash flow statements comprise of the following:

	30/09/2017 RM'000
Fixed deposits with licensed banks	5,423
Cash and bank balances	2,644
	<u>8,067</u>

Included in fixed deposits are RM1.862 million (2016: RM2.307 million) which have been pledged to banks for banking facilities made available to the Group.

22. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this announcement.

23. Group Borrowings and Debt Securities

The Group's borrowings as at 30 September 2017 are shown below: -

	Secured RM'000	Unsecured RM'000	Total RM'000
Short Term Borrowings			
Bankers' acceptance	6,682	-	6,682
	<u>6,682</u>	<u>-</u>	<u>6,682</u>
Long Term Borrowings	-	-	-
Total	<u>6,682</u>	<u>-</u>	<u>6,682</u>

No borrowings in foreign currency.

24. Trade Receivables

The Group's trade receivables as at 30 September 2017 are shown below: -

	Gross Amount RM'000	Impairment RM'000	Carrying Value RM'000
Not past due	8,072	-	8,072
Past due: -	-	-	-
- 1 to 30 days	421	-	421
- 31 to 60 days	359	-	359
- more than 60 days	19	-	19
Total	<u>8,871</u>	<u>-</u>	<u>8,871</u>

The Group did not impair the past due trade receivables but monitors these receivables closely and is of the view that there will be no recoverability issues.

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UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017**25. Realised and Unrealised Profits or Losses of the Group**

	As At 30/09/2017 RM'000	As At 31/12/2016 RM'000
Total retained profits:		
- realised	14,292	14,246
- unrealised	(238)	(238)
	<u>14,054</u>	<u>14,008</u>
Total share of retained profits of associate:		
- realised	1,509	2,174
- unrealised	995	1,619
Less: Consolidation adjustments	(5,740)	(5,740)
Total Retained Profits	<u>10,818</u>	<u>12,061</u>

26. Material Litigation

Save as disclosed below, the Group is not engaged in any material litigation either as plaintiff or defendant and the directors do not have any knowledge of any proceedings pending or threatened against the Group as at 17 November 2017 being a date not earlier than 7 days from the date of this quarterly report:

Plascable Polymer Sdn Bhd ("PPSB"), a wholly-owned subsidiary of PTB had initiated legal proceedings against Power Cables Malaysia Sdn Bhd ("PCM") pursuant to a Writ and Statement of Claim dated 3.8.2016.

This legal suit is in relation to unpaid invoices in the amount of RM199,700.92 together with interest at the rate of 1.5% per month from the date the invoices were outstanding till full and final settlement of the same, in regard to PPSB's supply of goods to PCM. The unpaid invoices were issued pursuant to PCM's purchase orders and PPSB's delivery orders.

PCM responded by denying PPSB's claim and further initiated a counter-claim against PPSB pursuant to their Defence and Counter-Claim dated 13.9.2016. PCM's alleged counter-claim is in the amount of RM8,269,816.00 together with interest at 5% per annum for amongst others:-

- i) voltage failures caused by the goods supplied by PPSB to PCM;
- ii) loss of sales of the end product of the goods supplied by PPSB to PCM; and
- iii) losses due to the cancellation of retention of funds with PCM's vendors.

PPSB had pursuant to its Reply and Defence to the Counter-Claim dated 5.10.2016 denied PCM's counter-claim above as amongst others, being an afterthought and/or frivolous. Having considered the facts and documentary evidence and based on the advice of PPSB's external legal advisors, the Board of Directors of PTB are of the view that PPSB has a complete defence against PCM's alleged counter claim and PPSB will defend the counter-claim by PCM and pursue recovery of the debt due from PCM vigorously.

PPSB's external legal advisor has also advised that PCM's counter-claim is an afterthought, frivolous and without merit. As such after receiving the advice of the PPSB's external legal advisor, notwithstanding the amount counter-claimed by PCM, PTB is of the view that PCM's counter claim will have no significant impact on PTB's or PPSB's operation, business activity and/or financial condition.

PLASTRADE TECHNOLOGY BERHAD

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PPSB had on 1.12.2016 filed an application for Summary Judgment of its Statement of Claim dated 3.8.2016 ("Summary Judgment Application") and for Further and Better Particulars of PCM's Counter-Claim dated 13.9.2016 ("FNBP Application"). On 13.3.2017, the Shah Alam Sessions Court allowed the Summary Judgment Application ("SJA") and disallowed the FNBP Application.

PCM has appealed against the Shah Alam Sessions Court's SJA to the High Court on 20.3.2017 and PPSB has appealed against the Shah Alam Sessions Court's FNBP Application decision to the High Court on 27.3.2017. The hearing date for the appeals is fixed on 7.12.2017.

On 1.6.2017, PCM has made full payment towards the decision on the Summary Judgment Application to PPSB in the amount of RM244,812.08.

27. (Loss)/Earnings Per Share**▪ Basic (loss)/earnings per share**

	3rd Quarter Ended		Nine Months Ended	
	30/09/2017	30/09/2016	30/09/2017	30/09/2016
	RM'000	RM'000	RM'000	RM'000
Net (Loss)/Profit attributable to equity holders of the Company	(524)	111	(1,243)	974
Weighted average number of ordinary shares ('000)	150,400	150,400	150,400	150,400
Basic (loss)/earnings per share (sen)	(0.35)	0.07	(0.83)	0.65

- Diluted earnings per share is equal to the basic earnings per share as there were no potential ordinary shares outstanding in both the previous and current period under review.

By Order of the Board

Pua Kong Hoi

Managing Director