

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 31 DECEMBER 2017**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 31/12/2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2016 RM'000	CURRENT YEAR TO DATE 31/12/2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2016 RM'000
Revenue		12,664	12,883	47,303	57,639
Cost of Sales		(12,040)	(12,314)	(44,951)	(52,695)
Gross Profit		<u>624</u>	<u>569</u>	<u>2,352</u>	<u>4,944</u>
Other Income		140	135	561	372
Administrative Expenses		(1,226)	(640)	(3,090)	(2,557)
Selling and Distribution Expenses		(171)	(173)	(632)	(769)
Finance Costs		(106)	(130)	(481)	(608)
Impairment of Goodwill on Consolidation		(1,792)	-	(1,792)	-
Share of Result in Associate		214	129	(451)	29
(Loss)/Profit before Tax	19	<u>(2,317)</u>	<u>(110)</u>	<u>(3,533)</u>	<u>1,411</u>
Tax Income/(Expense)	20	81	293	54	(254)
(Loss)/Profit after Tax		<u>(2,236)</u>	<u>183</u>	<u>(3,479)</u>	<u>1,157</u>
Other Comprehensive Income /(Expense) for the period, net of tax					
Share of associate's other comprehensive Income/(Expense)		388	215	(236)	(167)
Total Comprehensive (Expense) /Income for the period		<u>(1,848)</u>	<u>398</u>	<u>(3,715)</u>	<u>990</u>
(Loss)/Profit After Tax Attributable to:					
Equity Holders of The Company		(2,236)	183	(3,479)	1,157
Non-controlling interests		-	-	-	-
		<u>(2,236)</u>	<u>183</u>	<u>(3,479)</u>	<u>1,157</u>
Total Comprehensive Income /(Expense) attributable to:					
Equity Holders of The Company		(1,848)	398	(3,715)	990
Non-controlling interests		-	-	-	-
		<u>(1,848)</u>	<u>398</u>	<u>(3,715)</u>	<u>990</u>
(Loss)/Earnings per share attributable to equity holders of the Company (sen):					
Basic and Diluted	27	<u>(1.49)</u>	<u>0.12</u>	<u>(2.31)</u>	<u>0.77</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 31 DECEMBER 2017**

		<u>(UNAUDITED)</u>	<u>(AUDITED)</u>
		AS AT	AS AT
		31/12/2017	31/12/2016
	Note	RM'000	RM'000
<u>ASSETS</u>			
Non-Current Assets			
Property, plant and equipment		9,647	10,206
Goodwill on consolidation		-	1,792
Investment in an associate		7,321	8,008
		<u>16,968</u>	<u>20,006</u>
Current Assets			
Inventories		10,563	10,116
Trade receivables	24	9,644	9,687
Other receivables, deposit and prepayments		595	509
Amount owing by related parties		-	1,089
Tax recoverable		524	88
Fixed deposits with licensed banks		4,523	7,587
Cash and cash equivalents		2,665	2,552
		<u>28,514</u>	<u>31,628</u>
TOTAL ASSETS		<u>45,482</u>	<u>51,634</u>
<u>EQUITY AND LIABILITIES</u>			
Equity Attributable to Equity Holders of the Company			
Share capital		21,122	15,040
Reserves		9,965	19,762
Total equity		<u>31,087</u>	<u>34,802</u>
Non-Current Liability			
Deferred taxation		132	238
		<u>132</u>	<u>238</u>
Current Liabilities			
Trade payables		4,470	4,664
Other payables and accruals		868	925
Short term borrowings		8,925	11,005
		<u>14,263</u>	<u>16,594</u>
Total Liabilities		<u>14,395</u>	<u>16,832</u>
TOTAL EQUITY AND LIABILITIES		<u>45,482</u>	<u>51,634</u>
Net assets per share (sen) attributable to equity holders of the Company		<u>20.67</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 31 DECEMBER 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	-	-	(236)	(3,479)	(3,715)
Transfer in accordance with Section 618 (2) of CA 2016 ¹	6,082	(6,082)	-	-	-
Balance at 31.12.2017	<u>21,122</u>	<u>-</u>	<u>1,383</u>	<u>8,582</u>	<u>31,087</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	-	-	(167)	1,157	990
Balance at 31.12.2016	<u>15,040</u>	<u>6,082</u>	<u>1,619</u>	<u>12,061</u>	<u>34,802</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.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 DECEMBER 2017**

	CURRENT YEAR TO DATE 31/12/2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2016 RM'000
	Note	
CASH FLOWS FOR OPERATING ACTIVITIES		
(Loss)/Profit before tax	(3,533)	1,411
Adjustments for:-		
Allowance for doubtful debts	-	200
Impairment of goodwill on consolidation	1,792	-
Impairment of fixed assets	547	-
Inventories written down to net realisable value	252	468
Depreciation of property, plant and equipment	956	1,337
Equipment written off	3	-
Loss on disposal of equipment	-	(10)
Interest expense	399	523
Interest income	(216)	(272)
Reversal of previously written down inventories	(183)	(170)
Reversal of allowance for doubtful debts	(200)	-
Share of results of an associates	451	(29)
Operating profit before working capital changes	268	3,458
(Increase)/Decrease in inventories	(517)	54
Decrease/(Increase) in trade and other receivables	157	(2,570)
Decrease in amount owing by related parties	1,089	584
Decrease in trade and other payables	(250)	(616)
CASH FROM OPERATIONS	747	910
Interest paid	(399)	(523)
Interest received	26	-
Tax paid	(646)	(814)
Tax refund	158	103
NET CASH FOR OPERATING ACTIVITIES	(114)	(324)
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(948)	(356)
Proceeds from disposal of plant and equipment	1	10
Interest received	190	272
(Placement)/Release of fixed deposits pledged	(57)	446
NET CASH (FOR)/FROM INVESTING ACTIVITIES	(814)	372
CASH FLOWS FOR FINANCING ACTIVITY		
Net repayment of bankers' acceptances	(2,080)	(3,142)
NET CASH FOR FINANCING ACTIVITY	(2,080)	(3,142)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(3,008)	(3,094)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	8,295	11,389
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	5,287	8,295
	21	

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.

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UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 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
IC Interpretation 22 Foreign Currency Transactions and Advance Consideration	1 January 2018
Amendments to MFRS 2 Share-based Payment: Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 4 Insurance Contracts: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018
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	

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▪ Amendments to MFRS 128: Measuring an Associate or Joint Venture at Fair Value	
MFRS 16 Leases	1 January 2019
IC Interpretation 23 Uncertainty over Income Tax Treatments	1 January 2019
Amendments to MFRS 9: Prepayment Features with Negative Compensation	1 January 2019
Amendments to MFRS 128 Investments in Associate and Joint Ventures: Long-term Interests in Associates and Joint Ventures	1 January 2019
Annual Improvements to MFRS Standards 2015 – 2017 Cycles	1 January 2019
▪ Amendments to MFRS 3 Business Combinations	
▪ Amendments to MFRS 11 Joint Arrangements	
▪ Amendments to MFRS 112 Income Taxes	
▪ Amendments to MFRS 123 Borrowing Costs	
MFRS 17 Insurance Contracts	1 January 2021
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

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 other than MFRS 9 Financial Instruments. The Group is still in the progress of assessing the financial impact of MFRS 9.

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 does not recommend any dividend payment in respect of the financial period ended 31 December 2017.

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UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017

9. Segmental Information

4th Quarter Ended 31/12/2017	Investment Holding	Resin compound for wire and cable	Resin compound for other industries	Total
	RM'000	RM'000	RM'000	RM'000
External Revenue	-	9,772	2,892	12,664
Segment Result	(80)	(401)	(152)	(633)
Finance Cost	-	(65)	(41)	(106)
Impairment of Goodwill on Consolidation	-	-	-	(1,792)
Share of loss of associate	-	-	-	214
Loss before Tax	(80)	(466)	(193)	(2,317)

4th Quarter Ended 31/12/2016	Investment Holding	Resin compound for wire and cable	Resin compound for other industries	Total
	RM'000	RM'000	RM'000	RM'000
External Revenue	-	11,303	1,580	12,883
Segment Result	(36)	76	(149)	(109)
Finance Cost	-	(86)	(44)	(130)
Share of profit of associate	-	-	-	129
Loss before Tax	(36)	(10)	(193)	(110)

Financial Year Ended 31/12/2017	Investment Holding	Resin compound for wire and cable	Resin compound for other industries	Total
	RM'000	RM'000	RM'000	RM'000
External Revenue	-	36,827	10,476	47,303
Segment Result	(281)	(432)	(96)	(809)
Finance Cost	-	(317)	(164)	(481)
Impairment of Goodwill on Consolidation	-	-	-	(1,792)
Share of loss of associate	-	-	-	(451)
Loss before Tax	(281)	(749)	(260)	(3,533)

Financial Year Ended 31/12/2016	Investment Holding	Resin compound for wire and cable	Resin compound for other industries	Total
	RM'000	RM'000	RM'000	RM'000
External Revenue	-	45,912	11,727	57,639
Segment Result	(99)	2,130	(41)	1,990
Finance Cost	-	(383)	(225)	(608)
Share of loss of associate	-	-	-	29
Profit before Tax	(99)	1,747	(266)	1,411

Assets and Liabilities As at 31/12/2017	Investment Holding	Resin compound for wire and cable	Resin compound for other industries	Impairment of Goodwill on Consolidation	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Segment assets	7,962	24,320	14,992	(1,792)	45,482
Segment liabilities	175	8,914	5,306		14,395

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UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017**9. Segmental Information (cont'd)**

Geographical reporting:-

Financial Year Ended	SEGMENT REVENUE	SEGMENT REVENUE
	31/12/2017 RM'000	31/12/2016 RM'000
Malaysia	37,400	46,352
Other ASEAN countries	8,607	7,279
Other Asian countries	144	2,066
Others	1,152	1,942
Total	47,303	57,639

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 31 December 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>	4th Quarter Ended 31/12/2017 RM'000	Financial Year Ended 31/12/2017 RM'000
Sales of goods	73	540
Purchase of goods	33	144
<i>Associate Company:-</i>		
Sales of goods	-	26

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UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 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					
	4th Quarter Ended			Financial Year Ended		
	31/12/2017	31/12/2016	Changes	31/12/2017	31/12/2016	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Resin Compound for Wire and cable	9,772	11,303	-13.5	36,827	45,912	-19.8
Resin Compound for Other industries	2,892	1,580	83.0	10,476	11,727	-10.7
Total	12,664	12,883	-1.7	47,303	57,639	-17.9

Segment:	Profit/(Loss) before Taxation					
	4th Quarter Ended			Financial Year Ended		
	12/12/2017	31/12/2016	Changes	31/12/2017	31/12/2016	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Resin Compound for wire and cable	(466)	(10)	910.0	(749)	1,747	-111.6
Resin compound for other industries	(193)	(193)	-	(260)	(266)	-2.3
Investment Holding	(80)	(36)	-122.2	(281)	(99)	-183.8
Associate company	214	129	65.9	(451)	29	-1655.2
Impairment of Goodwill on Consolidation	(1,792)	-	-	(1,792)	-	-
Total	(2,317)	(110)	2006.4	(3,533)	1,411	-350.4

PTB Group recorded a revenue of RM12.664 million for the current quarter ended 31 December 2017 (4Q2017), representing a decrease of approximately 1.7% as compared to the preceding year corresponding quarter ended 31 December 2016 (4Q2016) of RM12.883 million. The Group recorded a loss before tax of RM2.317 million for 4Q2017 as compared to a loss before tax of RM0.110 million for 4Q2016.

PTB Group recorded a revenue of RM47.303 million for the financial year ended 31 December 2017 (FY2017), representing a decrease of approximately 17.9% as compared to the preceding year corresponding period ended 31 December 2016 (FY2016) of RM57.639 million. The Group recorded a loss before tax of RM3.533 million for FY2017 compared with a profit before tax of RM1.411 million for FY2016. The significant decrease in profit was mainly due to impairment of goodwill on consolidation of RM1.792 million, impairment of fixed assets for RM0.547 million and lower customers' order which in turn due to the intense competition faced from the overseas competitors, higher cost of raw materials and lower contribution from associate company for the period under review.

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UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017Resin compound for wire and cable:

Revenue decreased by 13.5% to RM9.772 million in 4Q2017 compared to 4Q2016. This segment recorded a loss before tax of RM0.466 million for 4Q2017 compared with a loss before tax of RM0.010 million for 4Q2016. The increase in loss was mainly due to impairment of fixed assets which amounting to RM0.547 million for the financial quarter under review.

For FY2017, revenue decreased by 19.8% to RM36.827 million as compared to FY2016. This segment recorded a loss before tax of RM0.749 million for FY2017 compared with a profit before tax of RM1.747 million for FY2016. The decrease in profit was mainly due to impairment of fixed assets which amounting to RM0.547 million, lower customers' order which in turn due to intense competition faced from the overseas competitors and higher cost of raw materials for the period under review.

Resin compound for other industries:

Revenue increased by 83% to RM2.892 million in 4Q2017 compared to 4Q2016. This segment recorded a loss before tax of RM0.193 million for 4Q2017 compared with a loss before tax of RM0.193 million for 4Q2016. The result remains fairly consistent even though higher revenue was reported which was mainly due to the cost push effect of higher cost of raw materials and operating costs reported for the financial quarter under review.

For FY2017, revenue decreased by 10.7% to RM10.476 million as compared to FY2016. This segment recorded a loss before tax of RM0.260 million for FY017 compared with a loss before tax of RM0.266 million for FY2016. The result was relatively consistent mainly due to lower operating costs achieved and recovery of doubtful debts reported 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	
	31/12/2017	30/09/2017	Changes	31/12/2017	30/09/2017	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Resin compound for wire and cable	9,772	9,294	5.1	(466)	144	-423.6
Resin compound for other industries	2,892	2,181	32.6	(193)	(191)	-1.05
Investment Holding	-	-	-	(80)	(110)	27.3
Associate company	-	-	-	214	(352)	160.8
Impairment of Goodwill on Consolidation	-	-	-	(1,792)	-	-
Total	12,664	11,475	10.4	(2,317)	(509)	355.2

For 4Q2017, the Group recorded a revenue of RM12.664 million, representing an increase of approximately 10.4% as compared to the previous quarter ended 30 September 2017 (3Q2017) of RM11.475 million. The Group recorded a loss before tax of RM2.317 million in 4Q2017 compared to 3Q2017 of loss before tax of RM0.509 million. The increase in loss was mainly due to impairment of goodwill on consolidation of RM1.792 million and impairment of fixed assets which amounting to RM0.547 for the financial period under review.

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UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017**17. 2018 Prospect**

The Board of Directors of PTB expects the Group's financial performance for the financial year ending 2018 to improve slightly based on customers' feedback on their expected demand for the Group's products. However, intense competition and fluctuation in materials prices will continue to impact the performance of all the Group's segments. PTB will continue to assess cost inflation 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:

	4th Quarter Ended		Financial Year Ended	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	RM'000	RM'000	RM'000	RM'000
Interest income	(96)	(98)	(216)	(272)
Foreign exchange loss/(gain)	28	(116)	51	23
Depreciation of property, plant and equipment	257	337	956	1,337
Interest expense	84	105	399	523
Staff costs	924	1,166	3,950	4,276
Impairment of fixed assets	547	-	547	-
Impairment of goodwill on consolidation	1,792	-	1,792	-

20. Tax Income/(Expense)

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

	4th Quarter Ended		Financial Year Ended	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	RM'000	RM'000	RM'000	RM'000
Estimated current tax payable	(25)	(24)	(53)	(559)
Over/(Under) provision in prior year	-	-	1	8
Deferred tax	106	317	106	297
	81	293	54	(254)

Tax income arose from the reversal of temporary differences.

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UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017**21. Cash and Cash Equivalents**

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

	31/12/2017 RM'000
Fixed deposits with licensed banks	4,523
Cash and bank balances	2,665
	<u>7,188</u>
Less: Fixed deposits pledged to licensed banks	<u>(1,901)</u>
	<u>5,287</u>

Fixed deposits of the Group totalling of RM1.901 million (2016: RM1.844 million), which have been pledged to banks for banking facilities granted to certain subsidiaries are not available for general use by the Group other than to meet the obligations under the banking facilities.

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 31 December 2017 are shown below: -

	Secured RM'000	Unsecured RM'000	Total RM'000
Short Term Borrowings			
Bankers' acceptance	8,925	-	8,925
Total	<u>8,925</u>	<u>-</u>	<u>8,925</u>

No borrowings in foreign currency.

24. Trade Receivables

The Group's trade receivables as at 31 December 2017 are shown below: -

	Gross Amount RM'000	Impairment RM'000	Carrying Value RM'000
Not past due	7,495	-	7,495
Past due: -			
- less than 3 months	2,143	-	2,143
- 3 to 6 months	6	-	6
- more than 6 months	-	-	-
Total	<u>9,644</u>	<u>-</u>	<u>9,644</u>

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

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25. 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 20 February 2018 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.

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.

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.

On 7.12.2017, the High Court dismissed PCM's appeal against the Shah Alam Sessions Court's decision on the SJA. The hearing of PPSB's appeal against the Shah Alam Sessions Court's decision on the FNBP Application was adjourned to another date.

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On 21.2.2018, PCM withdrew PCM's Counter Claim dated 13.9.2016 with costs of RM1,000 to be paid to PPSB. In light of the same, PPSB's appeal against the Shah Alam Sessions Court's decision on the FNBP Application will likewise be withdrawn.

Accordingly, this litigation has now been disposed of and there are no further steps to be taken.

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

	4th Quarter Ended		Financial Year Ended	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	RM'000	RM'000	RM'000	RM'000
Net (Loss)/Profit attributable to equity holders of the Company	(2,236)	183	(3,479)	1,157
Weighted average number of ordinary shares ('000)	150,400	150,400	150,400	150,400
Basic (loss)/earnings per share (sen)	(1.49)	0.12	(2.31)	0.77

- 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.