

SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017**

		30 September 2017	30 September 2016	30 September 2017	30 September 2016
	Note	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Continuing Operations					
Revenue	4	17,912	15,853	47,499	41,543
Cost of sales		(14,558)	(13,662)	(38,948)	(36,062)
Gross profit		3,354	2,191	8,551	5,481
Other income/(other expenses)		46	(9)	166	55
Administrative expenses		(1,708)	(1,026)	(3,935)	(3,217)
Selling and marketing expenses		(1,633)	(1,200)	(4,460)	(3,026)
Operating profit/(loss)		59	(44)	322	(707)
Finance costs		(445)	(462)	(1,325)	(1,265)
Share of loss of an associate		-	(87)	-	(262)
Loss before tax		(386)	(593)	(1,003)	(2,234)
Income tax expense	21	-	-	-	-
Loss for the period attributable to equity holders of the Company		(386)	(593)	(1,003)	(2,234)
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive loss for the period attributable to equity holders of the Company		(386)	(593)	(1,003)	(2,234)
Loss per share attributable to equity holders of the Company:					
Basic, for loss for the period (sen)	26	(0.48)	(0.81)	(1.24)	(3.04)
Diluted, for loss for the period (sen)- Not Applicable					

These Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017****Unaudited Condensed Consolidated Statements of Financial Position**

		As At 30 September 2017 (Unaudited) (RM'000)	As At 31 December 2016 (Audited) (RM'000)
ASSETS			
Non-current assets			
Property, plant and equipment	9	43,588	38,051
Other assets		2,120	2,588
Goodwill on acquisition		5,648	-
		51,356	40,639
Current assets			
Inventories		23,850	19,227
Trade receivables		20,530	16,995
Other receivables		1,061	325
Other current assets		3,271	1,087
Income tax recoverable		126	142
Cash & bank balances		3,283	14,476
		52,121	52,252
TOTAL ASSETS		103,477	92,891
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		77,817	73,583
Share premium		5,097	5,097
Accumulated losses		(27,802)	(26,799)
Total equity		55,112	51,881
Non-current liabilities			
Borrowings	23	12,372	12,777
Other payables		147	147
Deferred taxation		117	-
		12,636	12,924
Current liabilities			
Borrowings	23	11,542	11,051
Trade payables		20,426	14,073
Other payables		3,748	2,949
Other current liabilities		13	13
		35,729	28,086
Total liabilities		48,365	41,010
TOTAL EQUITY AND LIABILITIES		103,477	92,891
Net assets per share (RM)		0.68	0.71

These Condensed Statements of Financial Position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

	Share capital (RM'000)	Share premium (RM'000)	Revaluation reserve (RM'000)	Accumulated losses (RM'000)	Total (RM'000)
At 1 January 2016	73,583	5,097	-	(28,391)	50,289
Total comprehensive loss for the period	-	-	-	(2,234)	(2,234)
At 30 September 2016	<u>73,583</u>	<u>5,097</u>	<u>-</u>	<u>(30,625)</u>	<u>48,055</u>
At 1 January 2017	73,583	5,097	-	(26,799)	51,881
Total comprehensive loss for the period	-	-	-	(1,003)	(1,003)
Issued of ordinary shares	4,234	-	-	-	4,234
At 30 September 2017	<u>77,817</u>	<u>5,097</u>	<u>-</u>	<u>(27,802)</u>	<u>55,112</u>

These Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017****Unaudited Condensed Consolidated Statements of Cash Flow**

	9 Months ended 30 September 2017 RM'000	9 Months ended 30 September 2016 RM'000
Cash flows from operating activities		
Loss before tax	(1,003)	(2,234)
Adjustment for:		
Interest income	(77)	(65)
Interest expense	1,325	1,265
Depreciation of property, plant and equipment	3,102	3,352
Reversal of Impairment loss on trade and other receivables	(8)	(142)
Inventories written off/ (back)	1	(8)
Share of loss of associate	-	262
Property, plant and equipment written off	-	1
Operating profit before working capital changes	<u>3,340</u>	<u>2,431</u>
Increase in inventories	(4,161)	(1,910)
Increase in trade and other receivables	(2,682)	(5,561)
Decrease/(Increase) in other assets	468	(599)
Increase in other current assets	(1,594)	(1,194)
Increase in trade and other payables	3,992	3,142
Cash used in operations	<u>(637)</u>	<u>(3,691)</u>
Taxation paid, net of refund	16	(52)
Interest received	77	65
Interest paid	(1,325)	(1,265)
Net cash used in operating activities	<u>(1,869)</u>	<u>(4,943)</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(4,145)	(683)
Acquisition of subsidiary (Note 20)	(5,265)	-
Net cash used in investing activities	<u>(9,410)</u>	<u>(683)</u>
Cash flows from financing activities		
Proceeds from borrowings	2,625	7,718
Repayment of borrowings	(2,543)	(3,058)
Net cash generated from financing activities	<u>82</u>	<u>4,660</u>
Net decrease in cash and cash equivalents	(11,197)	(966)
Cash and cash equivalents at the beginning of the period	14,113	5,187
Cash and cash equivalents at the end of the period	<u>2,916</u>	<u>4,221</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	3,283	4,672
Bank overdraft (included within short term borrowings in Note 23)	(4)	(103)
Less: Fixed deposit pledged	(363)	(348)
	<u>2,916</u>	<u>4,221</u>

The Unaudited Condensed Consolidated Statements of Cash Flow should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134 – INTERIM FINANCIAL REPORTING

1. Basis of Preparation

The condensed consolidated interim financial statements (“Condensed Report”) have been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This Condensed Report also complies with IAS 134 Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”).

The Condensed Report should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 31 December 2016. The explanatory notes attached to the Condensed 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 year ended 31 December 2016.

The Condensed Report are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM’000).

2. Significant accounting policies

The significant accounting policies and methods of computation applied in the interim financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 December 2016 except for the adoption of the following with effect from 1 January 2017:

Amendments to MFRS 107: Disclosure Initiatives

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

Amendments to MFRS 12: Disclosure of Interests in Other Entities (Annual Improvements to MFRSs 2014 - 2016 Cycle)

The initial application of the above is not expected to have any significant financial impact on the Group’s financial statements.

3. Auditors’ report on preceding annual financial statements

The auditors’ report on the financial statements for the year ended 31 December 2016 was not qualified.

SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017****NOTES (cont'd)****4. Segmental information****Results for 3 months ended 30 September 2017**

	Manu- facturing RM'000	Property trading RM'000	Const- ruction RM'000	Others RM'000	Consolidated RM'000
Segment Revenue					
Total revenue including inter-segment sales	15,077	-	2,835	-	17,912
Less: Inter-segment sales	-	-	-	-	-
External revenue	<u>15,077</u>	<u>-</u>	<u>2,835</u>	<u>-</u>	<u>17,912</u>
Segment Results					
Results	(160)	(18)	237	-	59
Finance costs	(445)	-	-	-	(445)
Share of results of an associate					-
Loss before tax					<u>(386)</u>
Income tax income					-
Loss after tax					<u>(386)</u>
Other information					
Interest income	<u>8</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8</u>

Results for 3 months ended 30 September 2016

	Manu- facturing RM'000	Property trading RM'000	Const- ruction RM'000	Others RM'000	Consolidated RM'000
Segment Revenue					
Total revenue including inter-segment sales	15,853	-	-	-	15,853
Add/(Less): Inter-segment (return)/sales	-	-	-	-	-
External revenue	<u>15,853</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,853</u>

SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017****NOTES (cont'd)****4. Segmental information (cont'd)****Results for 3 months ended 30 September 2016 (cont'd)**

	Manu- facturing RM'000	Property trading RM'000	Const- ruction RM'000	Others RM'000	Consolidated RM'000
Segment Results					
Results	61	(8)	(97)	-	(44)
Finance costs	(462)	-	-	-	(462)
Share of results of an associate					(87)
Loss before tax					(593)
Income tax income					-
Loss after tax					(593)
Other information					
Interest income	25	-	1	-	26

Results for 9 months ended 30 September 2017

	Manu- facturing RM'000	Property trading RM'000	Const- ruction RM'000	Others RM'000	Consolidated RM'000
Segment Revenue					
Total revenue including inter- segment sales	44,289	375	2,835	-	47,499
Less: Inter-segment sales	-	-	-	-	-
External revenue	44,289	375	2,835	-	47,499
Segment Results					
Results	306	(8)	25	(1)	322
Finance costs	(1,325)	-	-	-	(1,325)
Share of results of an associate					-
Loss before tax					(1,003)
Income tax expense					-
Loss after tax					(1,003)
Other information					
Interest income	77	-	-	-	77

SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017****NOTES (cont'd)****4. Segmental information (cont'd)****Results for 9 months ended 30 September 2016 (cont'd)**

	Manu- facturing RM'000	Property trading RM'000	Const- ruction RM'000	Others RM'000	Consolidated RM'000
Segment Revenue					
Total revenue including inter-segment sales	41,543	-	-	-	41,543
Less: Inter-segment sales	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
External revenue	<u>41,543</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,543</u>
Segment Results					
Results	(333)	(25)	(348)	(1)	(707)
Finance costs	(1,265)	-	-	-	(1,265)
Share of results of an associate					<u>(262)</u>
Profit before tax					2,234
Income tax expense					<u>-</u>
Profit after tax					<u>2,234</u>
Other information					
Interest income	<u>64</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>65</u>

5. Unusual items due to their nature, size and incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 30 September 2017 except as disclosed in Note 2.

6. Changes in estimates

There were no changes in estimates that have had a material effect in the current quarter results.

7. Comments about seasonal or cyclical factors

The business of the Group was not affected by any significant seasonal or cyclical factors.

8. Dividend

The Company did not declare or pay any dividend during the quarter and financial period ended 30 September 2017.

9. Acquisitions and disposals of property, plant and equipment

During the quarter and financial period ended 30 September 2017, the Group acquired Property, Plant and Equipment ("PPE") with an aggregate cost of RM791,657 (3rd Quarter 30 September 2016: RM343,273) and RM4,145,657 (30 September 2016: RM683,808). Net Book Value of PPE disposed by the Group for the financial period ended 30 September 2017 was RM Nil (3rd Quarter 30 September 2016: RM Nil).

SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

NOTES (cont'd)

10. Related party disclosures

i) Transactions with companies in which certain directors of the Company have financial interest:

	3 months ended		9 months ended	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016
	RM'000	RM'000	RM'000	RM'000
Income				
Sale of construction materials to:				
-Zecon Berhad	-	-	53	-
-Zecon Construction (Sarawak) Sdn Bhd	-	-	-	10
-Zecon Engineering and Construction Sdn Bhd	-	-	-	10
-Petra Jaya Properties Sdn. Bhd.	3	-	145	369
-Rekaruang Sdn Bhd	-	-	-	706
-Oricon Sdn Bhd	1	75	2	75
Expenditure				
Insurance premium paid to Transnational Insurance Brokers (M) Sdn Bhd	121	110	215	153
Management fees paid to Santubong Suites Sdn Bhd	10	10	29	29
Rental paid to Reignvest Corporation Sdn Bhd	180	180	540	540
Purchase of roofing construction material from Super Glory Sdn. Bhd.	-	-	77	-

11. Debt and equity securities

There were no issuances and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter and financial period-to-date.

SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

NOTES (cont'd)

12. Changes in composition of the Group

Saved as disclosed below, there were no changes in the composition of the Group for the current quarter and financial period-to-date.

On 28 December 2016, the Company entered into a conditional share sale agreement (“SSA”) with Gaya Belian Sdn. Bhd., Brian Francis Ticcioni and Asgari Bin Mohd Fuad Stephens (collectively referred to as the “Sellers”) for the proposed acquisition of 4,463,640 ordinary shares of RM1.00 each representing the entire equity interest in Carlton Gardens Sdn. Bhd. (“CGSB”) for a total purchase price of RM9,500,000.

Upon fulfilment of all the Conditions Precedent as set out in the SSA and completion of the proposed CGSB acquisition, CGSB will be wholly owned subsidiary of the Company. On 3 July 2017, consideration shares were issued to the Sellers pursuant to the SSA which marks the completion of CGSB acquisition.

13. Capital commitments

	As At 30.09.2017 RM'000	As At 31.12.2016 RM'000
Capital expenditure not provided for in the financial statements:		
Authorised and contracted for	315	2,729
Approved but not contracted for	757	1,949
	<u>1,072</u>	<u>4,678</u>
	=====	=====

14. Contingent liabilities – Unsecured

	As At 30.09.2017 RM'000	As At 31.12.2016 RM'000
Corporate guarantee given to bank for credit facilities granted to a subsidiary	<u>23,829</u>	<u>23,721</u>
	=====	=====

15. Subsequent event

There were no material events subsequent to the end of the current quarter

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

NOTES (cont'd)

PART B -ADDITIONAL INFORMATION PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD

16. Performance review

The Group's revenue has increased by 13% or RM2 million from RM15.9 million reported in the third quarter of 2016 to RM17.9 million in the third quarter of 2017. Higher revenue was reported primarily due to roll out of the Pan Borneo Highway projects from its Manufacturing division. Besides that, the construction project revenue from the newly acquired company (i.e. Carlton Gardens Sdn Bhd) also contributed to a slightly increase of revenue. The Group has reported a reduced loss before tax of RM386,000 as compared to loss before tax of RM593,000 posted in the corresponding quarter last year.

On a year-to-date basis, the Group reported revenue of RM47.5 million in the nine months period of 2017, as compared to RM41.5 million for the same period last year representing an increase of 14%. The manufacturing division being the key driver and largest contributor to the Group's revenue, reported revenue of about RM44.3 million and RM41.5 million for the 9 months period ended 30 September 2017 and 30 September 2016 respectively. The Group recorded a lower loss before tax of RM1,003,000 as compared to RM2,234,000 reported for the same period last year. The loss before tax is due to higher selling and distribution expenses and corporate exercise expenses incurred this year.

The construction division has reported a revenue of 2.8 million which contributed profit of RM25,000. The net assets of the Group as at 30 September 2017 stood at RM55.1 million which translates to RM0.68 net assets value per share.

17. Variation of results against preceding quarter

The Group registered a loss before tax of RM386,000 from a revenue of RM17.9 million for the current quarter as compared to a profit before tax of RM224,000 from a revenue of RM14.7 million in the preceding quarter. A higher loss before tax as compared to the preceding quarter is mainly due to higher operating and administrative cost in the third quarter this year.

18. Prospects for the remaining quarter

The Malaysian economy is expected to achieve moderate growth in 2017. The Group remains focused on managing its cost structure and promoting its IBS products for new projects. The Group has benefited from the rolling out of the Pan Borneo Highway project and expects significant improvement in its order book and anticipates better results for the remaining quarter.

19. (a) Variance of actual profit from forecast profit
Not applicable

(b) Shortfall in the profit guarantee

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INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

Not applicable

NOTES (cont'd)

20. Acquisition of subsidiary

On 03 July 2017, The Group acquired 100% equity interest in Carlton Gardens Sdn Bhd (“CGSB”), a company incorporated in Malaysia. The principal activities of the Company are to engage in business of engineering and construction, project and construction management.

	RM'000
Fair Value of net identifiable assets and liabilities acquired	3,852
Goodwill on acquisition	5,648
Total purchase consideration	9,500
Less: purchase consideration satisfied by issuance of ordinary shares	(4,234)
Purchase consideration satisfied by cash	5,266
Less: Cash of CGSB	(1)
Net cash flow on acquisition	5,265

21. Income tax (income)/ expense

	3 months ended		9 months ended	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016
	RM'000	RM'000	RM'000	RM'000
Current tax	-	-	-	-
(Over) /Underprovision of tax in prior year	-	-	-	-
Deferred tax	-	-	-	-
Total income tax (income)/ expense	-	-	-	-

22. Corporate Proposals

Save for the proposed CGSB acquisition (as disclosed in note 12 of this Interim Financial Report), proposed amendments to the memorandum and articles of association of the Company and proposed private placement of up to 36,397,125 new ordinary share capital in SCIB representing up to 45% of the enlarged share capital of SCIB after completion of the proposed CGSB acquisition to be subscribed by potential investors to be identified later, there are no other outstanding proposals which have been announced by the Company but pending implementation.

SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017****NOTES (cont'd)****23. Borrowings**

	As at 30.09.2017 RM'000	As at 31.12.2016 RM'000
Short term borrowings		
Secured	11,538	11,051
Unsecured	4	-
	<u>11,542</u>	<u>11,051</u>
Long term borrowings		
Secured	12,372	12,777
	<u>23,914</u>	<u>23,828</u>

All of the above borrowings are denominated in Ringgit Malaysia.

24. Derivatives financial instruments

There were no outstanding derivatives as at the end of the reporting year.

25. Dividend payable

No interim ordinary dividend has been declared for the financial period ended 30 September 2017 (30 September 2016: Nil).

26. Basic loss per share

	3 months ended		9 months ended	
	30.09.2017 RM'000	30.09.2016 RM'000	30.09.2017 RM'000	30.09.2016 RM'000
Loss attributable to ordinary equity holders of the Company	<u>(386)</u>	<u>(593)</u>	<u>(1,003)</u>	<u>(2,234)</u>
	As at 30.09.2017	As at 30.09.2016	As at 30.09.2017	As at 30.09.2016
Weighted average number of ordinary shares in issue	<u>80,882,500</u>	<u>73,582,500</u>	<u>80,882,500</u>	<u>73,582,500</u>

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INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

NOTES (cont'd)

26. Basic loss per share (cont'd)

	3 months ended		9 months ended	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016
	Sen	Sen	Sen	Sen
Basic loss per share for loss for the period	<u>(0.48)</u>	<u>(0.81)</u>	<u>(1.24)</u>	<u>(3.04)</u>

There is no dilution in its loss per share in the current quarter and financial period to date as there are no dilutive potential ordinary shares outstanding at the end of the reporting period.

27. Breakdown of accumulated losses of the Group as at the reporting date into realised and unrealised

	As at 30.09.2017 RM'000	As at 31.12.2016 RM'000
Total accumulated losses		
- Realised	(29,341)	(27,432)
- Unrealised	-	-
	<u>(29,341)</u>	<u>(27,432)</u>
Consolidation adjustments	1,539	633
Total Group accumulated losses as per consolidated accounts	<u>(27,802)</u>	<u>(26,799)</u>

The determination of realised and unrealised profits or losses is based on the Guidance of Special Matter No. 1, Determination of Realised and unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised losses above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia Securities Berhad and should not be applied for any other purposes.

28. Material litigation

On 5 July 2016, SCIB Industrialised Building System Sdn. Bhd. ("SIBS"), a wholly owned subsidiary of SCIB had, vide its solicitors, Messrs Loke, King, Goh & Partners, filed writ and statement of claim against Millennium Crest Sdn. Bhd. claiming for RM2,786,696 being the work delivered as at 29 December 2014. Subsequently, Millennium Crest Sdn. Bhd. has filed defence and counterclaim dated 10 October 2016. On 2 May 2017, a Consent Judgment was entered against Millennium Crest Sdn. Bhd. in the sum of RM1,982,000 with interest of 6% per annum calculated from the date of the Consent Judgment until full and final settlement by Millennium Crest Sdn. Bhd.. Writ of Seizure and Prohibitory Order were served against Millennium Crest Sdn. Bhd. on 17th July 2017. SIBS is seeking the necessary legal advice for the next course of action.

SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

NOTES (cont'd)

29. Additional disclosures on loss for the period

Loss for the period is arrived at after charging/(crediting):

	3 months ended		9 months ended	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and Equipment ("PPE")	1,156	1,122	3,102	3,352
Reversal of impairment loss on trade receivables	-	-	(2)	(142)
Reversal of impairment loss on other receivables	-	-	(6)	-
Interest expense	445	462	1,325	1,265
Interest income	(8)	(26)	(77)	(65)
Inventories written off/ (back)	-	-	1	(8)
Property, plant and equipment ("PPE") written off	-	-	-	1
Share of loss of associate	-	87	-	262

30. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 29 November 2017.