

SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018****Unaudited Condensed Consolidated Statement of Comprehensive Income**

		3 months ended 30 September 2018	3 months ended 30 September 2017	9 months ended 30 September 2018	9 months ended 30 September 2017
	Note	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Continuing Operations					
Revenue	4	19,923	17,912	57,446	47,499
Cost of sales		<u>(16,689)</u>	<u>(14,558)</u>	<u>(47,701)</u>	<u>(38,948)</u>
Gross profit		3,234	3,354	9,745	8,551
Other income		423	46	689	166
Administrative expenses		(796)	(1,708)	(9,841)	(3,935)
Selling and marketing expenses		(1,688)	(1,633)	(5,047)	(4,460)
		<u>1,173</u>	<u>59</u>	<u>(4,454)</u>	<u>322</u>
Operating profit/(loss)		1,173	59	(4,454)	322
Finance costs		<u>(477)</u>	<u>(445)</u>	<u>(1,415)</u>	<u>(1,325)</u>
Profit/ (loss) before tax		696	(386)	(5,869)	(1,003)
Income tax credit/(expense)	20	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>
Profit/ (loss) for the period attributable to equity holders of the Company		697	(386)	(5,868)	(1,003)
Other comprehensive income, net of tax		-	-	-	-
		<u>697</u>	<u>(386)</u>	<u>(5,868)</u>	<u>(1,003)</u>
Total comprehensive profit/ (loss) for the period attributable to equity holders of the Company		697	(386)	(5,868)	(1,003)
Profit/ (loss) per share attributable to equity holders of the Company:					
Basic, for profit/(loss) for the period (sen)	25	0.81	(0.48)	(6.83)	(1.24)
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 2018****Unaudited Condensed Consolidated Statements of Financial Position**

		As At 30 September 2018 (Unaudited) (RM'000)	As At 31 December 2017 (Audited) (RM'000)
ASSETS			
Non-current assets			
Property, plant and equipment	9	40,091	43,077
Other assets		1,600	2,120
Intangible asset		-	5,648
		41,691	50,845
Current assets			
Inventories		23,011	23,261
Trade receivables		29,017	23,259
Other receivables		1,457	1,111
Other current assets		6,733	4,922
Income tax recoverable		52	96
Cash & bank balances		2,786	5,125
		63,056	57,774
TOTAL ASSETS		104,747	108,619
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		85,913	85,913
Accumulated losses		(32,925)	(27,057)
Total equity		52,988	58,856
Non-current liabilities			
Borrowings	22	11,012	10,227
Other payables		146	146
Deferred taxation		117	117
		11,275	10,490
Current liabilities			
Borrowings	22	12,710	13,603
Trade payables		23,647	21,683
Other payables		4,094	3,893
Other current liabilities		13	13
Tax provision		20	81
		40,484	39,273
Total liabilities		51,759	49,763
TOTAL EQUITY AND LIABILITIES		104,747	108,619
Net assets per share (RM)		0.62	0.69

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 2018

Unaudited Condensed Consolidated Statements of Changes in Equity

	← Attributable to owners of the Company →				
	Non-distributable				
	<u>Share capital</u> (RM'000)	<u>Share premium</u> (RM'000)	<u>Revaluation reserve</u> (RM'000)	<u>Accumulated losses</u> (RM'000)	<u>Total</u> (RM'000)
At 1 January 2017	73,583	5,097	-	(26,799)	51,881
Total comprehensive loss for the period	-	-	-	(1,003)	(1,003)
Transition to no-par value regime	5,097	(5,097)	-	-	-
Issued of ordinary shares	4,234	-	-	-	4,234
At 30 September 2017	<u>82,914</u>	<u>-</u>	<u>-</u>	<u>(27,802)</u>	<u>55,112</u>
At 1 January 2018	85,913	-	-	(27,057)	58,856
Total comprehensive loss for the period	-	-	-	(5,868)	(5,868)
At 30 September 2018	<u>85,913</u>	<u>-</u>	<u>-</u>	<u>(32,925)</u>	<u>52,988</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 2018****Unaudited Condensed Consolidated Statements of Cash Flow**

	9 Months ended 30 September 2018 RM'000	9 Months ended 30 September 2017 RM'000
Cash flows from operating activities		
Loss before tax	(5,869)	(1,003)
Adjustment for:		
Interest income	(37)	(77)
Interest expense	1,415	1,325
Depreciation of property, plant and equipment	3,621	3,102
Reversal of Impairment loss on trade receivables	(1,307)	(2)
Reversal of Impairment loss on other receivables	-	(6)
Impairment of goodwill	5,648	-
Inventories written off/ (back)	(16)	1
Operating profit before working capital changes	<u>3,455</u>	<u>3,340</u>
Decrease/(Increase) in inventories	266	(4,161)
Increase in trade and other receivables	(4,797)	(2,682)
Decrease in other assets	520	468
Increase in other current assets	(1,811)	(1,594)
Increase in trade and other payables	2,165	3,992
Decrease in fixed deposit pledged to bank	2	-
Cash used in operations	<u>(200)</u>	<u>(637)</u>
Taxation paid, net of refund	(17)	16
Interest received	37	77
Interest paid	(1,415)	(1,325)
Net cash used in operating activities	<u>(1,595)</u>	<u>(1,869)</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(635)	(4,145)
Acquisition of subsidiary	-	(5,265)
Net cash used in investing activities	<u>(635)</u>	<u>(9,410)</u>
Cash flows from financing activities		
Proceeds from borrowings	7,000	-
Repayment of term loans	(2,329)	(2,115)
(Repayment)/Drawdown of revolving credit	(5,000)	1,281
Additional finance under finance lease	614	1,344
Repayment of obligations under finance lease	(450)	(428)
Net cash (used in)/ generated from financing activities	<u>(165)</u>	<u>82</u>
Net decrease in cash and cash equivalents	<u>(2,395)</u>	<u>(11,197)</u>
Cash and cash equivalents at the beginning of the period	<u>4,585</u>	<u>14,113</u>
Cash and cash equivalents at the end of the period	<u><u>2,190</u></u>	<u><u>2,916</u></u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	2,786	3,283
Bank overdraft (included within short term borrowings in Note 22)	(222)	(4)
Less: Fixed deposit pledged	(374)	(363)
	<u><u>2,190</u></u>	<u><u>2,916</u></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 2018

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 2017. 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 2017.

The Condensed Report are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM000).

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 2017 except for the adoption of the following with effect from 1 January 2018:

Annual Improvements to MFRS Standards 2014 - 2016 Cycle:

- i. Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards
- ii. Amendments to MFRS 128: Investments in Associates and Joint Ventures

Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions

Amendments to MFRS 140: Transfers of Investment Property

MFRS 15: Revenue from Contracts with Customers

MFRS 9: Financial Instruments IC Interpretation 22: Foreign Currency Transactions and Advance Consideration

Amendments to MFRS 4: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts

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 2017 was not qualified.

SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018****NOTES (cont'd)****4. Segmental information****Results for 3 months ended 30 September 2018**

	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	19,903	-	20	-	19,923
Less: Inter-segment sales	-	-	-	-	-
External revenue	<u>19,903</u>	<u>-</u>	<u>20</u>	<u>-</u>	<u>19,923</u>
Segment Results					
Results	1,364	(11)	(178)	(2)	1,173
Finance costs	(477)	-	-	-	(477)
Profit before tax					<u>696</u>
Income tax credit/(expense)					1
Profit after tax					<u>697</u>
Other information					
Interest income	<u>7</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7</u>

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	-	17,192
Add/(Less): Inter-segment (return)/sales	-	-	-	-	-
External revenue	<u>15,077</u>	<u>-</u>	<u>2,835</u>	<u>-</u>	<u>17,192</u>

SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018****NOTES (cont'd)****4. Segmental information (cont'd)****Results for 3 months ended 30 September 2017 (cont'd)**

	Manu- facturing RM'000	Property trading RM'000	Const- ruction RM'000	Others RM'000	Consolidated RM'000
Segment Results					
Results	(160)	(18)	237	-	59
Finance costs	(445)	-	-	-	(445)
Loss before tax					(386)
Income tax credit/(expense)					-
Loss after tax					(386)
Other information					
Interest income	8	-	-	-	8

Results for 9 months ended 30 September 2018

	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	55,486	-	1,960	-	57,446
Less: Inter-segment sales	-	-	-	-	-
External revenue	55,486	-	1,960	-	57,446
Segment Results					
Results	(3,765)	(36)	(651)	(2)	(4,454)
Finance costs	(1,415)	-	-	-	(1,415)
Loss before tax					(5,869)
Income tax credit/(expense)					1
Loss after tax					(5,868)
Other information					
Interest income	37	-	-	-	37

SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018

NOTES (cont'd)

4. Segmental information (cont'd)

Results for 9 months ended 30 September 2017 (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	44,289	375	2,835	-	47,499
Less: Inter-segment sales	-	-	-	-	-
External revenue	<u>44,289</u>	<u>375</u>	<u>2,835</u>	<u>-</u>	<u>47,499</u>
Segment Results					
Results	306	(8)	25	(1)	322
Finance costs	(1,325)	-	-	-	<u>(1,325)</u>
Loss before tax					<u>(1,003)</u>
Income tax credit/ (expense)					-
Loss after tax					<u><u>(1,003)</u></u>
Other information					
Interest income	<u>77</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>77</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 2018 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 2018.

9. Acquisitions and disposals of property, plant and equipment

During the quarter and financial period ended 30 September 2018, the Group acquired Property, Plant and Equipment ( PPE ) with an aggregate cost of RM55,780 (3rd Quarter 30 September 2017: RM791,657) and RM635,448 (30 September 2017: RM4,145,657). Net Book Value of PPE disposed by the Group for the financial period ended 30 September 2018 was RM87 (3rd Quarter 30 September 2017: RM Nil).

SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018

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	
	30.09.2018	30.09.2017	30.09.2018	30.09.2017
	RM'000	RM'000	RM'000	RM'000
Income				
Sale of construction materials to:				
-Zecon Berhad	8	-	154	53
-Petra Jaya Properties Sdn. Bhd.	-	3	-	145
-Oricon Sdn Bhd	-	1	135	2
Expenditure				
Insurance premium paid to Transnational Insurance Brokers (M) Sdn Bhd	119	121	231	215
Management fees paid to Santubong Suites Sdn Bhd	10	10	31	29
Rental paid to Reignvest Corporation Sdn Bhd	180	180	540	540
Purchase of roofing construction material from Super Glory Sdn. Bhd.	-	-	27	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.

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**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD
QUARTER ENDED 30 SEPTEMBER 2018**

NOTES (cont'd)

12. Changes in composition of the Group

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

13. Capital commitments

	As At 30.09.2018 RM'000	As At 31.12.2017 RM'000
Capital expenditure not provided for in the financial statements:		
Authorised and contracted for	408	22
Approved but not contracted for	2,321	2,707
	<u>2,729</u>	<u>2,729</u>
	=====	=====

14. Contingent liabilities – Unsecured

	As At 30.09.2018 RM'000	As At 31.12.2017 RM'000
Corporate guarantee given to bank for credit facilities granted to a subsidiary	23,133	23,758
	<u>23,133</u>	<u>23,758</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 2018

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 11% or RM2 million from RM17.9 million reported in the third quarter of 2017 to RM19.9 million in the third quarter of 2018. Higher revenue was primarily due to higher demand for RC, spun piles and IBS products given rolling out of the Pan Borneo Highway Project, schools and private projects from its Manufacturing division in the current quarter. The Group has reported a profit before tax of RM696,000 as compared to loss before tax of RM386,000 posted in the corresponding quarter last year. A profit before tax during the quarter is mainly attributable to reversal of impairment loss on trade receivables amounting to RM1,005,000.

On a year-to-date basis, the Group reported a revenue of RM57.4 million in the nine months period of 2018, as compared to RM47.5 million for the same period last year representing an increase of 21%. The manufacturing division being the key driver and largest contributor to the Group's revenue, reported revenue of about RM55.5 million and RM44.3 million for the 9 months period ended 30 September 2018 and 30 September 2017 respectively. The Group recorded a loss before tax of RM5,869,000 as compared to RM1,003,000 reported for the same period last year, mainly due to full impairment of goodwill amounting to RM5,648,000.

The construction division has reported a revenue of 1.9 million which reported a loss of RM651,000 for the 9 months period ended 30 September 2018. There was no contribution from the Properties division.

The net assets of the Group as at 30 September 2018 stood at RM52.9 million which translates to RM0.62 net assets value per share.

17. Variation of results against preceding quarter

The Group registered a profit before tax of RM696,000 from a revenue of RM19.9 million for the current quarter as compared to a loss before tax of RM6,778,000 from a revenue of RM16.1 million in the preceding quarter. A profit before tax for the current quarter as compared to the loss before tax in the preceding quarter is mainly due to reversal of impairment loss in trade receivables amounting to RM1,005,000 and the full impairment of goodwill provided in the second quarter of RM5,648,000.

18. Prospects for the remaining quarter

The Malaysian economy is expected to achieve moderate growth in 2018. The Group remains focused on managing its cost structure and promoting its IBS products for new projects, especially schools and private projects. The Group has benefited from the rolling out of the Pan Borneo Highway project and expects some improvement in its order book and anticipates better results for the remaining quarter.

SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018

NOTES (cont'd)

19. (a) **Variance of actual profit from forecast profit**

Not applicable

(b) **Shortfall in the profit guarantee**

Not applicable

20. **Income tax credit/(expense)**

	3 months ended		9 months ended	
	30.09.2018	30.09.2017	30.09.2018	30.09.2017
	RM'000	RM'000	RM'000	RM'000
Current tax	-	-	-	-
(Over) /Underprovision of tax in prior year	(1)	-	(1)	-
Deferred tax	-	-	-	-
Total income tax credit/(expense)	-	-	-	-

21. **Corporate Proposals**

On 6 November 2017, 5,000,000 private placement shares were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad. Only 5,000,000 new SCIB shares out of the 36,397,125 new SCIB Shares were placed out pursuant to the Private Placement. The corporate exercise is deemed completed on 20 July 2018.

22. **Borrowings**

	As at	As at
	30.09.2018	31.12.2017
	RM'000	RM'000
Short term borrowings		
Secured	12,488	13,439
Unsecured	222	164
	<u>12,710</u>	<u>13,603</u>
Long term borrowings		
Secured	11,012	10,227
	<u>23,722</u>	<u>23,830</u>

All of the above borrowings are denominated in Ringgit Malaysia.

SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018

NOTES (cont'd)

23. Derivatives financial instruments

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

24. Dividend payable

No interim ordinary dividend has been declared for the financial period ended 30 September 2018 (30 September 2017: Nil).

25. Basic profit/(loss) per share

	3 months ended		9 months ended	
	30.09.2018	30.09.2017	30.09.2018	30.09.2017
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) attributable to ordinary equity holders of the Company	<u>697</u>	<u>(386)</u>	<u>(5,868)</u>	<u>(1,003)</u>
	As at	As at	As at	As at
	30.09.2018	30.09.2017	30.09.2018	30.09.2017
Weighted average number of ordinary shares in issue	<u>85,882,500</u>	<u>80,882,500</u>	<u>85,882,500</u>	<u>80,882,500</u>
	3 months ended	3 months ended	9 months ended	9 months ended
	30.09.2018	30.09.2017	30.09.2018	30.09.2017
	Sen	Sen	Sen	Sen
Basic profit/(loss) per share for loss for the period	<u>0.81</u>	<u>(0.48)</u>	<u>(6.83)</u>	<u>(1.24)</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.

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INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018

NOTES (cont'd)

26. Material litigation

On 5 July 2016, SCIB Industrialised Building System Sdn. Bhd. (öSIBSö), 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. Millennium Crest has settled RM500,000 in the last quarter of 2017 and RM600,000 in 2018 which resulted in the reversal of impairment loss on trade receivables.

On 2 July 2018, Sarawak Consolidated Industries Berhad (öSCIBö) (öthe Plaintiffö), filed the Originating Summons under Suit No. BKI-24NCC(ARB)-2/7-2018 (HC2) against Gaya Belian Sdn Bhd and two other individuals (öthe Defendantsö), vide its solicitors, Messrs J Marimuttu & Partners, Advocates and Solicitors. The High Court had on the 3 July 2018 granted the Ex-Parte Order restraining the Defendants from selling, transferring or other dealing with 7,121,000 shares in the Plaintiff.

27. Additional disclosures on loss for the period

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

	3 months ended		9 months ended	
	30.09.2018	30.09.2017	30.09.2018	30.09.2017
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment (öPPEö)	1,212	1,156	3,621	3,102
Reversal of impairment loss on trade receivables	(1,005)	-	(1,307)	(2)
Reversal of impairment loss on other receivables	-	-	-	(6)
Impairment of goodwill	-	-	5,648	-
Interest expense	477	445	1,415	1,325
Interest income	(7)	(8)	(37)	(77)
Inventories written off/ (back)	(16)	-	(16)	1

28. 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 28 November 2018.