

Quarterly rpt on consolidated results for the financial period ended 31 Dec 2017

ADVANCECON HOLDINGS BERHAD

Financial Year End	31 Dec 2017
Quarter	4 Qtr
Quarterly report for the financial period ended	31 Dec 2017
The figures	have not been audited

Attachments

Advancecon-Quarterly Report Q4 2017.pdf
262.5 kB

Default Currency	Other Currency
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Currency: Malaysian Ringgit (MYR)

SUMMARY OF KEY FINANCIAL INFORMATION 31 Dec 2017

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
	\$\$'000	\$\$'000	\$\$'000	\$\$'000
1 Revenue	63,750	0	265,988	0
2 Profit/(loss) before tax	2,541	0	26,735	0
3 Profit/(loss) for the period	803	0	18,463	0
4 Profit/(loss) attributable to ordinary equity holders of the parent	803	0	18,463	0
5 Basic earnings/(loss) per share (Subunit)	0.20	0.00	4.59	0.00
6 Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7 Net assets per share attributable to ordinary equity holders of the parent (\$\$)		0.4300		0.3400

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit.
Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

Announcement Info

Company Name	ADVANCECON HOLDINGS BERHAD
Stock Name	ADVCON
Date Announced	27 Feb 2018
Category	Financial Results
Reference Number	FRA-26022018-00174

ADVANCECON

ADVANCECON HOLDINGS BERHAD
(Company Number : 426965 - M)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR FOURTH QUARTER ENDED 31 DEC 2017
(The figures have not been audited)

	Notes	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 31 DEC 2017 RM	PRECEDING YEAR CORRESPONDING QUARTER ⁽²⁾ 31 DEC 2016 RM	CURRENT YEAR TO DATE 31 DEC 2017 RM	PRECEDING YEAR CORRESPONDING PERIOD 31 DEC 2016 RM
Revenue	A9	63,750,236	N/A	265,988,572	N/A
Cost of Sales		(54,801,427)	N/A	(215,060,939)	N/A
Gross Profit		8,948,809	N/A	50,927,633	N/A
Other Income		2,201,670	N/A	5,874,710	N/A
		11,150,479	N/A	56,802,343	N/A
Administrative Expenses		(5,885,531)	N/A	(21,347,459)	N/A
Other Operating Expenses		(1,117,869)	N/A	(3,316,278)	N/A
Finance Costs		(1,605,853)	N/A	(5,403,324)	N/A
Profit Before Taxation	B13	2,541,226	N/A	26,735,282	N/A
Income Tax Expense	B5	(1,737,828)	N/A	(8,272,192)	N/A
Profit After Taxation/Total Comprehensive income for		803,398	N/A	18,463,090	N/A
Total Comprehensive Income attributable to:-					
Owners of the Company		803,398	N/A	18,463,090	N/A
Attributable to equity holders of the Company:					
Basic earnings per share (sen) ⁽³⁾	B11	0.20	N/A	4.59	N/A
Diluted earnings per share (sen)		N/A	N/A	N/A	N/A

Notes:

- (1) The Unaudited Consolidated Statement Of Profit Or Loss And Other Comprehensive Income should be read in conjunction with the Accountant's Report as disclosed in the Prospectus of the Group dated 19 June 2017 and the accompanying explanatory notes attached to the interim financial statements.
- (2) No comparative figures for the preceding year's quarter and preceding year-to-date are available as these are the fourth interim financial statements on the consolidated results being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- (3) Based on the weighted average number of ordinary shares in issue as detailed in Note B11.

NA Not applicable

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED AS AT CURRENT QUARTER 31 DEC 2017 RM	AUDITED AS AT FINANCIAL YEAR ENDED 31 DEC 2016 RM
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	151,367,900	105,089,439
Investment properties	32,927,635	31,074,673
Finance lease asset	1,691,881	-
Trade receivables	155,675	-
	<u>186,143,091</u>	<u>136,164,112</u>
CURRENT ASSETS		
Amount owing by contract customers	8,762,940	3,527,631
Finance lease asset	399,149	-
Trade receivables	113,918,084	119,485,397
Other receivables, deposits and prepayments	7,993,583	10,802,671
Current tax assets	2,270,569	1,457,016
Deposits with licensed banks	22,315,291	20,830,529
Short term investment	2,293,570	-
Cash and bank balances	24,581,370	3,620,597
	<u>182,534,556</u>	<u>159,723,841</u>
TOTAL ASSETS	<u>368,677,647</u>	<u>295,887,953</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	85,752,871	31,207,900
Retained profits	88,855,029	74,412,729
TOTAL EQUITY	<u>174,607,900</u>	<u>105,620,629</u>
NON-CURRENT LIABILITIES		
Deferred tax liabilities	6,624,084	4,734,467
Long-term borrowings	64,746,151	42,710,092
	<u>71,370,235</u>	<u>47,444,559</u>
CURRENT LIABILITIES		
Amount owing to contract customers	8,976,387	20,358,291
Trade payables	44,793,675	41,034,633
Other payables and accruals	25,278,026	27,241,843
Dividend payable	-	9,500,000
Current tax liabilities	193,754	2,047,127
Short-term borrowings	40,556,315	33,012,003
Bank overdrafts	2,901,355	9,628,868
	<u>122,699,512</u>	<u>142,822,765</u>
TOTAL LIABILITIES	<u>194,069,747</u>	<u>190,267,324</u>
TOTAL EQUITY AND LIABILITIES	<u>368,677,647</u>	<u>295,887,953</u>
	-	-
Net asset per share (RM) ⁽²⁾	<u>0.43</u>	<u>0.34</u>

Notes:

(1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Accountant's Report as disclosed in the Prospectus of the Group dated 19 June 2017 and the accompanying explanatory notes attached to the interim financial statements.

(2) Based on the weighted average number of ordinary shares in issue as detailed in Note B11.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR FOURTH QUARTER ENDED 31 DEC 2017

	SHARE CAPITAL RM	RETAINED PROFITS RM	TOTAL RM
The Group			
(Audited)			
Balance at 1.1.2016	1,248,316	92,424,991	93,673,307
Profit after taxation/Total comprehensive income for the financial year	-	26,447,322	26,447,322
Contribution by and distribution to owners of the company:			
- Issuance of shares	29,959,584	(29,959,584)	-
- Dividends	-	(14,500,000)	(14,500,000)
Balance at 31.12.2016	31,207,900	74,412,729	105,620,629
(Unaudited)			
Balance at 1.1.2017	31,207,900	74,412,729	105,620,629
Profit after taxation/Total comprehensive income for the financial year	-	18,463,090	18,463,090
Contribution by and distribution to owners of the company:			
- Issuance of shares	56,700,000	-	56,700,000
- Dividends	-	(4,020,790)	(4,020,790)
Share issue expenses	(2,155,029)	-	(2,155,029)
Balance at 31.12.2017	85,752,871	88,855,029	174,607,900

Note:

- (1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Accountant's Report as disclosed in the Prospectus of the Group dated 19 June 2017 and the accompanying explanatory notes attached to the interim financial statements.

ADVANCECON HOLDINGS BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR FOURTH QUARTER ENDED 31 DEC 2017

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(The figures have not been audited)

	CUMULATIVE CURRENT PERIOD ENDED 31 DEC 2017 RM	CUMULATIVE COMPARATIVE PERIOD PERIOD (2) 31 DEC 2016 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	26,735,282	N/A
<u>Adjustments for:-</u>		
Depreciation:		
- investment properties	466,410	N/A
- property, plant and equipment	20,485,991	N/A
Fair value adjustments:		
- trade receivables	25,477	N/A
- trade payables	(136,316)	N/A
Interest expense	5,403,324	N/A
Property, plant and equipment written off	315,761	N/A
Gain on disposal of property, plant and equipment	(752,373)	N/A
Gain on disposal of investment property	(153,823)	N/A
Interest income		
-deposit with licensed banks	(1,138,217)	N/A
-trade receivables	(586)	N/A
-others	(25,044)	N/A
Finance Income	(30,030)	N/A
Reversal of impairment losses on		
-trade receivables	(96,220)	N/A
-other receivables	(366,536)	N/A
Operating profit before working capital changes	50,733,100	N/A
(Increase) in amount owing by contract customers	(5,235,309)	N/A
(Decrease) in amount owing to contract customers	(11,381,904)	N/A
Decrease in trade and other receivables	8,658,005	N/A
Decrease in trade and other payables	(8,339,005)	N/A
Cash from operations	34,434,887	N/A
Interest paid	(5,403,324)	N/A
Tax paid	(9,049,501)	N/A
Interest received from trade receivables	586	N/A
NET CASH FROM OPERATING ACTIVITIES	19,982,648	N/A
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	1,193,291	N/A
Decrease in deposits pledged with licensed bank	3,115,238	N/A
Purchase of property, plant and equipment	(17,568,000)	N/A
Purchase of investment properties	(3,315,549)	N/A
Proceeds from disposal of property, plant and equipment	3,073,686	N/A
Proceeds from disposal of investment properties	1,150,000	N/A
Partial sale proceeds received from disposal of investment property	-	N/A
Placement in short terms investment	(2,293,570)	N/A
Placement of deposits with original maturity of more than 3 months	(4,600,000)	N/A
Repayment of finance lease obligations	95,970	N/A
NET CASH FOR INVESTING ACTIVITIES	(19,148,934)	N/A
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	56,700,000	N/A
Share issue expenses	(2,155,029)	N/A
Dividend paid	(13,520,790)	N/A
Drawdown of term loan	3,522,909	N/A
Net repayment of hire purchase obligations	(21,570,792)	N/A
Net drawdown in bank factoring	-	N/A
Net drawdown in bankers' acceptances	1,471,914	N/A
Net repayment in invoice financing	(1,219,691)	N/A
Net drawdown in revolving credit	8,000,000	N/A
Repayment of term loans	(4,373,949)	N/A
NET CASH FROM FINANCING ACTIVITIES	26,854,572	N/A
NET INCREASE IN CASH AND CASH EQUIVALENT	27,688,286	N/A
Cash and cash equivalents at beginning of the financial year	(6,008,271)	N/A
CASH AND CASH EQUIVALENT AT END OF THE FINANCIAL YEAR	21,680,015	N/A

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Cash and cash equivalent comprised of:

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	RM	RM
Deposits with licensed banks	22,315,291	N/A
Cash and bank balances	24,581,370	N/A
Bank overdrafts	<u>(2,901,355)</u>	<u>N/A</u>
	43,995,306	N/A
Less: Deposits pledged to licensed banks	(17,715,291)	N/A
Less: Deposit with original maturity for more than 3 months	<u>(4,600,000)</u>	<u>N/A</u>
	<u>21,680,015</u>	<u>N/A</u>

Notes:

- (1) The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Group dated 19 June 2017 and the accompanying explanatory notes attached to the interim financial statements.

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A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DEC 2017

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A1. Basis of Preparation

The interim financial report of the Group are unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting, International Accounting Standard ("IAS") 34, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") ("Listing Requirements").

These are the fourth interim financial report on the Company's consolidated results for the fourth quarter ended 31 December 2017 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year's corresponding period.

This interim financial report should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 19 June 2017 .

A2. Changes In Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2016 as disclosed in the Accountants' Report in the Prospectus of the Company dated 19 June 2017, except as follows:

- (i) Adoption of the following Amendments to MFRSs, which are relevant and effective for annual periods beginning on or after 1 January 2017:

Amendments to MFRS 12	Disclosure of Interests in Other Entities (Annual Improvements to MFRS Standards 2014 – 2016 Cycle)
Amendments to MFRS 107	Statements of Cash Flows – Disclosure Initiative
Amendments to MFRS 112	Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses

The adoption of the above pronouncements did not have any material financial impact to the Group.

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

A3. Auditors' Report

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

A4. Seasonal or Cyclical Factors

The business operations of the Group were not materially affected by any seasonal or cyclical factors for the financial period under review.

A5. Unusual items affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items for the financial period under review.

A6. Changes in Estimates

There were no material changes in estimates for the financial period under review.

A7. Debt and Equity Securities

There were no issuance or repayment of debt and equity securities, share buy-backs, shares cancellations, shares held as treasury shares or resale of treasury shares for the financial period under review.

A8. Dividends Paid

(1) A total of RM 9.50 million dividends was declared for financial year ended 31 December 2016 and was paid to the shareholders on:

- (i) 10 January 2017 a total of RM 4.50 million; and
(ii) 28 February 2017 a total of RM 5.00 million.

(2) A 1st interim single tier dividend of 1 sen for financial year ended 31 December 2017 for a total of RM 4.02 million was declared and paid to the shareholders on 16 October 2017.

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(Company Number : 426965 - M)

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DEC 2017
(CONT'D)

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A9. Segmental Reporting

The Group's operating and reportable segments comprised of:

- (a) Construction and Support Services under Earthworks and Civil Engineering Sector; and
- (b) Property Investment that deals with the holding of investment properties for capital gain and/or rental income.

The Group	Construction and Support Services	Property Investment	Consolidation Adjustment	Total
	RM	RM	RM	RM
Revenue				
External revenue	265,708,139	280,433	-	265,988,572
Inter-segment revenue	70,518,336	-	(70,518,336)	-
Consolidated revenue	<u>336,226,475</u>	<u>280,433</u>	<u>(70,518,336)</u>	<u>265,988,572</u>
Results				
Segment results	43,005,553	(99,636)	(11,930,572)	30,975,345
Interest income				<u>1,163,261</u>
Finance costs				<u>(5,403,324)</u>
Consolidated profit before taxation				26,735,282
Income tax expense				<u>(8,272,192)</u>
Consolidated profit after taxation				18,463,090

A10. Significant Events after the End of the Interim Financial Period

- i) On 18 January 2018, all resolutions as prescribed in relation to the proposed establishment of an Employee's Share Option Scheme ("ESOS") of up to 15% of the total number of issued shares (excluding treasury shares, if any) were duly passed by way of poll at the Extraordinary General Meeting. The effective date of the ESOS is expected to be determined by March 2018.
- ii) On 6 February 2018, Advancecon Trading Sdn Bhd and Advancecon Rock Sdn Bhd, both wholly-owned subsidiaries of Advancecon Holdings Berhad, had their respective Extraordinary General Meeting held, obtained approval from the sole shareholder to commence Member's Voluntary Winding Up pursuant to Section 439(1)(b) of the Companies Act, 2016 ("Winding Up").

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group for the financial period under review.

A12. Fair Value of Financial Instruments

There were no gains or losses arising from fair value changes for all financial assets and liabilities for the financial period under review.

A13. Capital Commitments

	Unaudited As at 31 Dec 2017 RM
Approved and contracted for:-	
Purchase of property, plant and equipment	35,924,442
Purchase of investment properties	<u>1,395,900</u>
	<u>37,320,342</u>

ADVANCECON HOLDINGS BERHAD
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A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DEC 2017
(CONT'D)

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A14. Operating Lease Commitment

The future minimum lease payments under the non-cancellable operating lease was:

	Unaudited As at 31 Dec 2017 RM
Not later than 1 year	1,260,000
Later than 1 year and not later than 5 years	420,000
	<u>1,680,000</u>

A15. Contingent Liabilities

There were no contingent liabilities at the Group level as at the date of this report.

A16. Significant Related Party Transactions

	Unaudited 12 Months Ended 31 Dec 2017 RM
(i) Transaction with Director	
Paid and payable:-	
Rental of premise	<u>66,000</u>

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ADVANCECON HOLDINGS BERHAD
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B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

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B1. Review of Group Performance

	3 Months ended		12 Months Ended	
	31 Dec 2017	31 Dec 2016 ⁽¹⁾	31 Dec 2017	31 Dec 2016 ⁽¹⁾
	RM	RM	RM	RM
Revenue	63,750,236	N/A	265,988,572	N/A
Profit Before Taxation	2,541,226	N/A	26,735,282	N/A
Profit After Taxation	803,398	N/A	18,463,090	N/A

The Group's revenue mainly derived from Construction and Support Services which contributed RM 63.68 million or 99.9% and RM 265.71 million or 99.9% for current quarter under review and financial period-to-date respectively. The balance of revenue was derived from Property Investment.

(1) No comparative figures for the preceding year's quarter and preceding year-to-date are available as these are the third interim financial statements on the consolidated results being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

B2. Comparison with Immediate Preceding Quarter Results

	3 Months ended		Variance
	31 Dec 2017	30 Sept 2017	
	RM	RM	
Revenue	63,750,236	60,901,611	4.7%
Gross Profit	8,948,809	9,427,056	-5.1%
Profit Before Taxation	2,541,226	4,668,154	-45.6%
Profit After Taxation	803,398	3,312,537	-75.7%

The Group's revenue for current quarter under review was higher than immediate preceding quarter mainly attributable to slight improvement in progress billing as compared to the immediate preceding quarter.

However, during the same period under review, the decrease in gross profit was mainly due to higher volume weighted average price for industrial diesel of RM 1.94 per litre and RM 2.09 per litre in West Malaysia and East Malaysia respectively versus RM 1.74 per litre and RM 1.89 per litre as compared to the immediate preceding quarter.

For the current quarter under review, the Group's profit before taxation was primarily affected by increased operating expenses in the form of staff costs, higher depreciation charges and hire purchase interest as a result of additional capital expenditure incurred as compared to the immediate preceding quarter. As for the Group's profit after taxation, besides factors mentioned above, the reduction was also contributed by higher tax provision during the current quarter as compared to immediate preceding quarter.

B3. Prospects for the Current Financial Year

The outlook of the construction industry remains encouraging as it continues being driven by government-led initiatives and spending, in particular projects such as highways and other public infrastructures. The construction industry in Malaysia will remain a major contributor to our revenue in the coming financial years.

The Group will continue to bid actively for infrastructure related projects and with the Group's current order book of RM 603.16 million, the Board is confident that the Group's financial performance shall remain positive in the future.

B4. Profit Forecast

The Group did not issue any profit forecast or profit guarantee for the financial period under review.

B5. Taxation

	Unaudited	
	12 Months Ended	
	31 Dec 2017	31 Dec 2016
	RM	RM
Income tax	6,382,575	N/A
Deferred tax	1,889,617	N/A
	8,272,192	N/A
Effective tax rate ⁽¹⁾	30.9%	N/A

Notes:

(1) The Group's effective tax rate for the current quarter was higher than the statutory tax rate of 24% mainly due to adjustment for non-deductible expenses.

N/A Not applicable

ADVANCECON HOLDINGS BERHAD
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B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

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B6. Status of Corporate Proposals

On 18 January 2018, all resolutions as prescribed in relation to the proposed establishment of an Employee's Share Option Scheme ("ESOS") of up to 15% of the total number of issued shares (excluding treasury shares, if any) were duly passed by way of poll at the Extraordinary General Meeting. The effective date of the ESOS is expected to be determined by March 2018.

B7. Utilisation of Proceeds Raised from Public Issue

The gross proceeds from the Public Issue amounting to RM56.70 million was intended to be utilised in the following manner:

No.	Details of utilisation	Estimated timeframe for utilisation upon Listing	Amount	Actual Utilisation	Percentage Utilised
			RM'000	RM'000	%
i.	Total Capital expenditures:-	Within 24 months	29,700	(12,960)	44%
	(a) Purchase of new construction machinery and equipment	Within 12 months	15,100	(12,960)	86%
	(b) Construction of new workshop	Within 24 months	14,600	-	0%
ii.	Repayment of bank borrowings	Within 6 months	12,500	(3,463)	28%
iii.	Working capital	Within 24 months	10,700	(10,500)	98%
iv.	Estimated listing expenses	Upon Listing	3,800	(3,800)	100%
			56,700	(30,723)	54%

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 19 June 2017.

B8. Group Borrowings and Debt Securities

	Unaudited As at 31 Dec 2017 RM	Audited As at 31 Dec 2016 RM
Non-current		
Term Loans	21,374,650	23,461,002
Hire Purchase Payables	43,371,501	19,249,090
Current		
Term Loans	5,201,055	3,965,743
Hire Purchase Payables	13,301,930	15,245,153
Bankers' Acceptances	4,820,000	3,348,086
Bank Factoring	-	-
Invoice Financing	3,233,330	4,453,021
Revolving Credit	14,000,000	6,000,000
Bank Overdrafts	2,901,355	9,628,868
	108,203,821	85,350,963

B9. Material Litigation

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

B10. Dividends Declared

There was no final dividend declared for the current quarter under review as the Group had achieved the minimum 20% dividend policy based on the 1st interim single tier dividend of 1 sen for financial year ended 31 December 2017 which was paid on 16 October 2017.

ADVANCECON HOLDINGS BERHAD
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B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA
SECURITIES BERHAD (CONT'D)

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B11. Earnings Per Share

The basic earnings per share was computed as follow:

	Unaudited 12 Months Ended	
	31 Dec 2017	31 Dec 2016
Profit after tax attributable to the owners of the Company (RM)	18,463,090	N/A
Weighted average number of ordinary shares	402,079,000	N/A
Basic earnings per share (sen) ⁽¹⁾	4.59	N/A
Diluted earnings per share (sen)	N/A	N/A

Notes:

(1) The basic earnings per share was computed based on profit attributable to owners of the Company divided by the weighted average number of ordinary shares.

N/A Not applicable

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B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

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B13. Notes to the Statement of Comprehensive Income

Profit/Loss before taxation was arrived at after charging/(crediting):-

	Unaudited	
	Individual Quarter 31 Dec 2017 RM	Cumulative Quarter 31 Dec 2017 RM
Auditors' remuneration:	53,730	129,000
Depreciation:		
- property, plant and equipment	5,950,018	20,485,991
- investment properties	123,372	466,410
Directors' remuneration	771,838	2,971,888
Interest expenses	1,605,853	5,403,324
Property, plant and equipment written off	308,946	315,761
Rental of machinery	1,064,199	5,294,199
Rental of premises:		
- a director	16,500	66,000
- third party	3,900	15,600
Staff costs	11,747,723	41,495,818
Gain on disposal of property, plant and equipment	(114,064)	(752,373)
Gain on disposal of investment properties	-	(153,823)
Interest income	(350,266)	(1,163,847)
Rental income	(16,982)	(67,925)

BY ORDER OF THE BOARD
27 FEBRUARY 2018