

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

## ADVANCECON HOLDINGS BERHAD

Financial Year End 31 Dec 2017  
 Quarter 1 Qtr  
 Quarterly report for the financial period ended 31 Mar 2017  
 The figures have not been audited

### Attachments

AHGrp-Quarterly Report Q1 2017.pdf  
 296.3 kB

Default Currency	Other Currency
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Currency: Malaysian Ringgit (MYR)

### SUMMARY OF KEY FINANCIAL INFORMATION 31 Mar 2017

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31 Mar 2017	31 Mar 2016	31 Mar 2017	31 Mar 2016
	\$\$'000	\$\$'000	\$\$'000	\$\$'000
1 Revenue	59,150	0	59,150	0
2 Profit/(loss) before tax	9,213	0	9,213	0
3 Profit/(loss) for the period	6,852	0	6,852	0
4 Profit/(loss) attributable to ordinary equity holders of the parent	6,852	0	6,852	0
5 Basic earnings/(loss) per share (Subunit)	2.20	0.00	2.20	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 (\$\$)		0.3600		0.3400

**Remarks :**

No comparative figures for the preceding year and preceding quarter are presented as this is the first interim financial report on the consolidated results for the period ended 31 March 2017 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

**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**

<b>Company Name</b>	ADVANCECON HOLDINGS BERHAD
<b>Stock Name</b>	ADVCON
<b>Date Announced</b>	19 Jun 2017
<b>Category</b>	Financial Results
<b>Reference Number</b>	FRA-19062017-00007

# **ADVANCECON**

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

## **INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017**

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Interim Financial Report on Consolidated Statement Of Profit Or Loss And Other Comprehensive Income for the First Quarter (3 months) Ended 31 March 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME <sup>(1)</sup>

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
	QUARTER	CORRESPONDING	TO DATE	CORRESPONDING
	RM	QUARTER <sup>(2)</sup>	RM	PERIOD <sup>(2)</sup>
		RM		RM
Revenue	59,149,828	N/A	59,149,828	N/A
Cost of Sales	(44,041,153)	N/A	(44,041,153)	N/A
Gross Profit	15,108,675	N/A	15,108,675	N/A
Other Income	864,430	N/A	864,430	N/A
	15,973,105	N/A	15,973,105	N/A
Administrative Expenses	(4,715,744)	N/A	(4,715,744)	N/A
Other Operating Expenses	(697,144)	N/A	(697,144)	N/A
Finance Costs	(1,347,493)	N/A	(1,347,493)	N/A
Profit Before Taxation	9,212,724	N/A	9,212,724	N/A
Income Tax Expense	(2,360,496)	N/A	(2,360,496)	N/A
<b>Profit After Taxation/Total Comprehensive income for the Financial Period</b>	<b>6,852,228</b>	<b>N/A</b>	<b>6,852,228</b>	<b>N/A</b>
<b>Profit After Taxation attributable to:-</b>				
Owners of the Company	6,852,228	N/A	6,852,228	N/A
<b>Total Comprehensive Income attributable to:-</b>				
Owners of the Company	6,852,228	N/A	6,852,228	N/A
Weighted average no. of ordinary shares ('000)	312,079,000	N/A	312,079,000	N/A
<b>Attributable to equity holders of the Company:</b>				
Basic earnings per share (sen) <sup>(3)</sup>	2.20	N/A	2.20	N/A
Fully diluted earnings per share (sen) <sup>(3)</sup>	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 and preceding quarter are presented as this is the first interim financial report on the consolidated results for the period ended 31 March 2017 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- (3) Based on the Company's issued share capital of 312,079,000 ordinary shares in the Company (" Shares ") as at 31 March 2017.

NA Not applicable

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited AS AT CURRENT QUARTER 31.03.2017 RM	Audited AS AT FINANCIAL YEAR ENDED 31.12.2016 RM
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	106,365,485	105,089,439
Investment properties	31,258,411	31,074,673
Deferred tax assets	-	-
	137,623,896	136,164,112
<b>CURRENT ASSETS</b>		
Amount owing by contract customers	6,655,662	3,527,631
Trade receivables	85,827,949	119,485,397
Other receivables, deposits and prepayments	7,682,703	10,802,671
Current tax assets	1,269,673	1,457,016
Deposits with licensed banks	19,686,443	20,830,529
Cash and bank balances	24,663,569	3,620,597
	145,785,999	159,723,841
<b>TOTAL ASSETS</b>	<b>283,409,895</b>	<b>295,887,953</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	31,207,900	31,207,900
Retained profits	81,264,957	74,412,729
<b>TOTAL EQUITY</b>	<b>112,472,857</b>	<b>105,620,629</b>
<b>NON-CURRENT LIABILITIES</b>		
Deferred tax liabilities	4,734,467	4,734,467
Long-term borrowings	42,994,934	42,710,092
	47,729,401	47,444,559
<b>CURRENT LIABILITIES</b>		
Amount owing to contract customers	23,679,250	20,358,291
Trade payables	32,749,863	41,034,633
Other payables and accruals	25,747,229	27,241,843
Dividend payables	-	9,500,000
Current tax liabilities	3,143,793	2,047,127
Short-term borrowings	30,916,169	33,012,003
Bank overdrafts	6,971,333	9,628,868
	123,207,637	142,822,765
<b>TOTAL LIABILITIES</b>	<b>170,937,038</b>	<b>190,267,324</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>283,409,895</b>	<b>295,887,953</b>
Net asset per share (RM)	0.36	0.34

**Note:**  
(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.

NA Not applicable

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital RM	Retained Profits RM	Total RM
<b>The Group (Audited)</b>			
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)
<b>Balance at 31.12.2016</b>	<b>31,207,900</b>	<b>74,412,729</b>	<b>105,620,629</b>
<b>(Unaudited)</b>			
Balance at 1.1.2017	31,207,900	74,412,729	105,620,629
Profit after taxation/Total comprehensive income for the financial year		6,852,228	6,852,228
<b>Balance at 31.3.2017</b>	<b>31,207,900</b>	<b>81,264,957</b>	<b>112,472,857</b>

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.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(The figures have not been audited)

	CUMULATIVE PERIOD CURRENT PERIOD ENDED 31.3.2017 RM	CUMULATIVE PERIOD COMPARATIVE PERIOD ENDED 31.3.2016 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	9,212,724	N/A
<u>Adjustments for:-</u>		
Depreciation:		
- investment properties	112,999	N/A
- property, plant and equipment	4,233,395	N/A
Interest expense	1,347,493	N/A
Property, plant and equipment written off	-	N/A
Loss on disposal of property, plant and equipment	3,242	N/A
Gain on disposal of investment property	(153,823)	N/A
Interest income		
-deposit with licensed banks	(150,572)	N/A
Operating profit before working capital changes	14,605,458	N/A
Increase in amount owing by contract customers	(3,128,031)	N/A
Increase/ (Decrease) in amount owing to contract customers	3,320,959	N/A
Decrease in trade and other receivables	37,812,415	N/A
Decrease in trade and other payables	(9,779,383)	N/A
CASH FROM OPERATIONS	42,831,418	N/A
Interest paid	(1,347,493)	N/A
Tax paid	(1,076,487)	N/A
NET CASH FROM OPERATING ACTIVITIES	40,407,438	N/A
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest received	150,572	N/A
Decrease / (Increase ) in deposits pledged with licensed bank	1,144,086	N/A
Purchase of property, plant and equipment	(5,513,248)	N/A
Purchase of investment properties	(1,292,915)	N/A
Proceeds from disposal of property, plant and equipment	566	N/A
Partial sale proceeds received from disposal of investment properties	115,000	N/A
NET CASH FOR INVESTING ACTIVITIES	(5,395,939)	N/A
<b>CASH FLOWS FOR FINANCING ACTIVITIES</b>		
Dividend paid	(9,500,000)	N/A
Drawdown of term loan	1,192,760	N/A
Repayment of hire purchase obligations	(2,846,295)	N/A
Net repayment in bank factoring	-	N/A
Net drawdown in bankers' acceptances	281,262	N/A
Net drawdown/ (repayment) in invoice financing	232,174	N/A
Net drawdown in revolving credit	-	N/A
Repayment of term loans	(670,893)	N/A
NET CASH FOR FINANCING ACTIVITIES	(11,310,992)	N/A
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>23,700,507</b>	<b>N/A</b>
Cash and cash equivalents at beginning of the financial year	(6,008,271)	N/A
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<b>17,692,236</b>	<b>N/A</b>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(The figures have not been audited)

	CUMULATIVE PERIOD CURRENT PERIOD ENDED 31.3.2017 RM	CUMULATIVE PERIOD COMPARATIVE PERIOD ENDED 31.3.2016 RM
<b>Cash and cash equivalents at the end of the financial period comprises:</b>		
Deposits with licensed banks	19,686,443	N/A
Cash and bank balances	24,663,569	N/A
Bank overdrafts	(6,971,333)	N/A
	<u>37,378,679</u>	<u>N/A</u>
Less: Deposits pledged to licensed banks	(19,686,443)	N/A
	<u>17,692,236</u>	<u>N/A</u>

**Notes:**

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.

No comparative figures for the preceding year and preceding quarter are presented as this is the first interim financial report on the consolidated results for the period ended 31 March 2017 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

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**ADVANCECON HOLDINGS BERHAD**

(Company Number : 426965 - M)

**PART A: EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017**

**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").

This is the first interim financial report on the Company's consolidated results for the first quarter ended 31 March 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 during the 3 months financial period ended 31 March 2017 have not been materially affected by any seasonal or cyclical factors.

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

There were no unusual items for the 3 months financial period ended 31 March 2017.

**ADVANCECON HOLDINGS BERHAD**  
(Company Number : 426965 - M)

**PART A: EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017 (CONT'D)**

**A6. Changes in Estimates**

There were no material changes in estimates for the 3 months financial period ended 31 March 2017.

**A7. Debt and Equity Securities**

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the 3 months financial period ended 31 March 2017.

**A8. Dividends Paid**

The RM9.50 million dividends declared for financial year ended 31.12.2016 have been subsequently paid to the shareholders as follows:

- (i) RM4,500,000 was paid on 10 January 2017; and
- (ii) RM5,000,000 was paid on 28 February 2017.

**A9. Segmental Reporting**

The Group's operating and reportable segments are business units operating in :

- (a) Construction and Support Services – involved in Earthworks and Civil Engineering Services; and
- (b) Property Investments – involved in sales of investment properties for capital gain and rental of investment properties.

The segmental analysis for the 3 months financial period ended 31 March 2017 is as follows:-

<b>The Group 31 March 2017</b>	<b>Construction and Support Services RM</b>	<b>Property Investment RM</b>	<b>Consolidation Adjustment RM</b>	<b>Total RM</b>
<b>Revenue</b>				
External revenue	59,120,578	29,250	-	59,149,828
Inter-segment revenue	11,419,520	-	(11,419,520)	-
Consolidated revenue	70,540,098	29,250	(11,419,520)	59,149,828
<b>Results</b>				
Segment results	10,286,510	123,135	-	10,409,645
Interest income				150,572
Finance costs				(1,347,493)
Consolidated profit before taxation				9,212,724
Income tax expense				(2,360,496)
Consolidated profit after taxation				6,852,228

**ADVANCECON HOLDINGS BERHAD**

(Company Number : 426965 - M)

**PART A: EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017 (CONT'D)**

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

Save as disclosed in B6 "Status of Corporate Proposals", there were no significant events after 31 March 2017.

**A11. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the 3 months financial period ended 31 March 2017.

**A12. Fair Value of Financial Instruments**

There were no gain or losses arising from fair value changes for all financial assets and liabilities for the 3 months financial period ended 31 March 2017.

**A13. Capital commitments**

	<b>Unaudited As at 31 March 2017 RM</b>
Approved and contracted for:-	
Purchase of property, plant and equipment	2,502,018
Purchase of investment properties	3,418,535
	<hr/> <b>5,920,553</b> <hr/>

**A14. Operating Lease Commitment**

The future minimum lease payments under the non-cancellable operating leases are as follows:-

	<b>Unaudited As at 31 March 2017 RM</b>
Not later than 1 year	1,260,000
Later than 1 year and not later than 5 years	1,365,000
	<hr/> <b>2,625,000</b> <hr/>

**A15. Contingent Liabilities**

There are no contingent liabilities at the Group level.

**A16. Significant Related Party Transactions**

	<b>Unaudited 3 Months Ended 31 March 2017 RM</b>
(i) <b>Transaction with Director</b>	
Paid and payable:-	
Rental of premise	<hr/> <b>16,500</b> <hr/>

**ADVANCECON HOLDINGS BERHAD**

(Company Number : 426965 - M)

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

**B1. Review of Group Performance**

The Group recorded revenue of approximately RM59.15 million and profit before tax of approximately RM9.21 million for the current financial quarter ended 31 March 2017. The Group's revenue was mainly derived from the Construction and Support Services which accounted for approximately RM59.12 million or 99% of the total revenue. The balance revenue was derived from our Property Investment segment.

No comparative figures for the preceding quarter and preceding year are presented as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2017 being announced by the Company in compliance with the Listing Requirements.

**B2. Comparison with Immediate Preceding Quarter Results**

No comparative figures for the preceding quarter and preceding year are presented as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2017 being announced by the Company in compliance with the Listing Requirements.

**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 current financial year. Barring unforeseen circumstances, the Board expects the financial performance for the current year to be satisfactory.

**B4. Profit Forecast**

The Company did not issue any profit forecast or guarantee during the current financial quarter under review and the financial period to date.

**B5. Taxation**

Taxation comprises:-

	Unaudited 3 Months Ended	
	31 March 2017 RM	31 March 2016 <sup>(1)</sup> RM
Income tax	2,360,496	N/A
Deferred tax	-	N/A
	<hr/>	<hr/>
	2,360,496	N/A
Effective tax rate <sup>(2)</sup>	26%	N/A

Notes:

(1) No comparative figures for the preceding quarter and preceding year are presented as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2017 being announced by the Company in compliance with the Listing Requirements.

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

(3) Tax expense is recognised based on management's best estimate.

N/A- Not applicable

**ADVANCECON HOLDINGS BERHAD**

(Company Number : 426965 - M)

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

**B6. Status of Corporate Proposals**

In conjunction with and as an integral part of the listing and quotation of the Company's entire issued and paid-up share capital on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities"), the following listing scheme are undertaken by the Company:

(a) Public Issue

The Company is undertaking a public issue of 90,000,000 new shares ("Issue Shares") at the issue price of RM0.63 per share in the following manner:

- (i) 30,000,000 Issue Shares for application by the Malaysian Public;
- (ii) 5,000,000 Issue Shares for application by the Company's eligible Directors and employees who have contributed to the success of the Group
- (iii) 37,000,000 Issue Shares for application by way of private placement to institutional and identified investors; and
- (iv) 18,000,000 Issue Shares for application by way of private placement to identified Bumiputera investors approved by the Ministry of International Trade and Industry of Malaysia.

(b) Offer for Sale

Concurrent with the Public Issue, the existing shareholders of the Company will offer for sale 33,000,000 ordinary shares at the IPO Price of RM0.63 per share.

(c) Listing on Bursa Securities

The listing of and quotation for the Company's entire enlarged issued share capital on the Main Market of Bursa Securities is expected to be completed on 10 July 2017.

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**ADVANCECON HOLDINGS BERHAD**

(Company Number : 426965 - M)

**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)****B7. Utilisation of Proceeds Raised from Public Issue**

The gross proceeds from the Public Issue amounting to RM56.70 million is 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.	<b>Total Capital expenditures:-</b>	Within 24 months	29,700	-	-
	(a) Purchase of new construction machinery and equipment	Within 12 months	15,100	-	-
	(b) Construction of new workshop	Within 24 months	14,600	-	-
ii.	<b>Repayment of bank borrowings</b>	Within 6 months	12,500	-	-
iii.	<b>Working capital</b>	Within 24 months	10,700	-	-
iv.	<b>Estimated listing expenses</b>	Upon Listing	3,800	-	-
			<b>56,700</b>	-	-

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**

The details of the borrowings of the Group are as follows:-

	Unaudited	
	As at 31 March 2017	As at 31 March 2016 <sup>(1)</sup>
	RM	RM
<b>Non-current:</b>		
Term Loans	23,904,245	N/A
Hire Purchase Payables	19,090,689	N/A
<b>Current:</b>		
Term Loans	4,044,366	N/A
Hire Purchase Payables	12,557,260	N/A
Bankers' Acceptances	3,629,348	N/A
Invoice Financing	4,685,195	N/A
Revolving Credit	6,000,000	N/A
Bank Overdrafts	6,971,333	N/A
	<b>80,882,436</b>	<b>N/A</b>

All the Group's borrowings are dominated in Ringgit Malaysia.

**ADVANCECON HOLDINGS BERHAD**

(Company Number : 426965 - M)

**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)****B8. Group Borrowings and Debt Securities (Continued)**

Notes:

- (1) No comparative figures for the preceding quarter and preceding year are presented as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2017 being announced by the Company in compliance with the Listing Requirements.

N/A- Not applicable

**B9. Material Litigation**

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

**B10. Dividends Declared**

No dividend has been declared or recommended for payment by the Company during the 3 months financial period ended 31 March 2017.

**B11. Earnings Per Share**

The basic and diluted earnings per share for the current quarter is computed as follows:

	Unaudited 3 Months Ended	
	31 March 2017	31 March 2016 <sup>(3)</sup>
Profit after tax attributable to the owners of the Company (RM)	6,852,228	N/A
Weighted average number of ordinary shares	312,079,000	N/A
Basic earnings per share (sen) <sup>(1)</sup>	2.20	N/A
Diluted earnings per share (sen) <sup>(2)</sup>	N/A	N/A

Notes:

- (1) The basic earnings per share is computed based on the profit attributable to the equity shareholders of the company divided by the total number of ordinary shares in issue for the period under review.
- (2) Diluted earnings per share is equivalent to the basic earnings per share as the Group does not have convertible securities as at 31 March 2017.
- (3) No comparative figures for the preceding quarter and preceding year are presented as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2017 being announced by the Company in compliance with the Listing Requirements.

N/A- Not applicable

**ADVANCECON HOLDINGS BERHAD**

(Company Number : 426965 - M)

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

**B12. Realised and Unrealised Profits or Losses**

The breakdown of the Group's retained profits as at 31 March 2017 into realised and unrealised profits or losses pursuant to Bursa Malaysia's directive, is as follows:-

	As at 31 March 2017 RM	As at 31 March 2016 <sup>(1)</sup> RM
Total retained profits of the Company and its subsidiaries:		
- Realised	79,117,587	N/A
- Unrealised	2,147,370	N/A
	81,264,957	N/A
Total Group retained profits as per consolidated accounts	81,264,957	N/A

Notes:

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.

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

(1) No comparative figures for the preceding quarter and preceding year are presented as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2017 being announced by the Company in compliance with the Listing Requirements.

N/A- Not applicable

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**ADVANCECON HOLDINGS BERHAD**

(Company Number : 426965 - M)

**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)****B13. Notes to the Statement of Comprehensive Income**

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

	Unaudited 3 Months Ended	
	31 March 2017 RM	31 March 2016 <sup>(1)</sup> RM
Auditors' remuneration:		
- statutory audit		
- current financial year	25,090	N/A
Depreciation :		
-property, plant and equipment	4,233,395	N/A
-investment properties	112,999	N/A
Direct operating expenses on investment properties:-		
- income generating investment properties	9,816	N/A
- non-income generating investment properties	34,827	N/A
Directors' remuneration:		
- fees	53,334	N/A
- non-fee emoluments	670,500	N/A
Interest expenses:		
- bankers' acceptances	34,175	N/A
- bank overdrafts	115,453	N/A
- hire purchase	499,929	N/A
- term loans	291,112	N/A
- bank factoring	62,049	N/A
- revolving credit	80,458	N/A
- invoice financing	101,928	N/A
- others	162,389	N/A
Rental of machinery	911,129	N/A
Rental of site equipment	125,062	N/A
Rental of motor vehicles	6,650	N/A
Rental of workshop	21,000	N/A
Rental of land	7,500	N/A
Rental of premises:		
- a director	16,500	N/A
- third party	3,900	N/A
Staff cost:		
- salaries, bonuses, allowances and wages	7,018,930	N/A
- defined contribution plan	562,677	N/A
- other benefits	393,936	N/A
Loss on disposal of property, plant and equipment	3,242	N/A
Gain on disposal of investment property	(153,823)	N/A
Interest income		
- deposits with licensed banks	(150,572)	N/A
Rental income	(16,981)	N/A

Notes:

- (1) No comparative figures for the preceding quarter and preceding year are presented as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2017 being announced by the Company in compliance with the Listing Requirements.

N/A- Not applicable

**BY ORDER OF THE BOARD**  
**19 JUNE 2017**

