

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current year Quarter 30-Sep-15 RM'000	Preceding year Corresponding Quarter 30-Sep-14 RM'000	Current year Quarter 30-Sep-15 RM'000	Preceding year Corresponding Period 30-Sep-14 RM'000
Revenue	20,238	31,042	60,884	102,759
Direct costs	(183)	(109)	(479)	(303)
Changes in inventories of finished goods and work in progress	1,737	1,988	1,537	4,926
Raw materials and consumable used	(19,666)	(23,148)	(49,659)	(80,683)
Changes in inventories of trading merchandise	(1,164)	(2,255)	(3,154)	(4,267)
Staff costs	(2,362)	(2,977)	(8,526)	(9,339)
Staff costs - SIS	(9,083)	-	(9,083)	-
Other income ⁽¹⁾	(3,526)	1,052	1,891	2,882
Depreciation and amortisation	(823)	(789)	(2,452)	(2,282)
Other operating expenses	(1,883)	(2,558)	(5,659)	(7,019)
Finance cost	(175)	(331)	(485)	(878)
(Loss) / Profit before taxation	(16,890)	1,915	(15,185)	5,796
Taxation	(398)	(200)	(485)	(500)
(Loss) / Profit after taxation	(17,288)	1,715	(15,670)	5,296
Other comprehensive (loss) / income, net of tax	-	-	-	-
Total comprehensive (loss) / income for the period	(17,288)	1,715	(15,670)	5,296
(Loss) / Profit attributable to:				
Owners of the Company	(17,288)	1,715	(15,670)	5,296
Total comprehensive (loss) / income attributable to:				
Owners of the Company	(17,288)	1,715	(15,670)	5,296
(Loss) / Earning per share attributable to owners of the Company (sen per share):				
Basic (loss) / earning per ordinary share	(1.59)	0.20	(1.46)	0.74
Diluted (loss) / earning per ordinary share	(1.27)	0.16	(1.15)	0.67

The unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to this interim financial statements.

Remarks:

	Current year Quarter 30-Sep-15 RM'000	Current Year To date 30-Sep-15 RM'000
(1) Other income comprised		
- Other income	5,530	10,947
- Reversal of data entry errors	(9,056)	(9,056)
	(3,526)	1,891

JAG BERHAD ("JAG" OR "COMPANY")
(Company No. 439230 - A)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at end of Current Quarter 30-Sep-15 RM'000	Audited As at preceding Financial Year Ended 31-Dec-14 RM'000
ASSETS		
Non Current assets		
Property, plant and equipment	67,717	65,453
Other investment	2,708	106
	70,425	65,559
Current Assets		
Inventories	40,182	42,621
Trade and other receivables	21,209	26,524
Fixed deposits with licensed banks	1,561	7,210
Cash and bank balances	8,908	8,920
	71,860	85,275
TOTAL ASSETS	142,285	150,834
EQUITY AND LIABILITIES		
Capital and reserves attributable to owners of the parent		
Share capital	111,964	104,444
Share premium	22,012	19,137
Reverse acquisition reserve	(72,051)	(72,051)
Revaluation reserve	14,686	14,686
Reserve - SIS	6,341	
Retained profits	33,942	49,612
Total equity	116,894	115,828
Long term liabilities		
Deferred taxation	2,678	2,678
Deferred income	833	902
Hire purchase liabilities	345	712
Term loan	10,441	10,774
	14,297	15,066
Current Liabilities		
Trade and other payables	9,951	12,996
Short term borrowings	-	5,519
Hire purchase liabilities	631	796
Term loan	512	566
Derivative liabilities	-	63
	11,094	19,940
TOTAL LIABILITIES	25,391	35,006
TOTAL EQUITY AND LIABILITIES	142,285	150,834
Net assets per share (sen) attributable to owners of the Company	10.44	11.00

The unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to this interim financial statements.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW

	Cumulative Current Year 30-Sep-15 RM'000	Preceding Year Corresponding Period 30-Sep-14 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / Profit before taxation	(15,185)	5,796
Adjustments for:		
Changes in fair value on derivative financial instrument	(63)	24
Depreciation of property, plant and equipment	2,452	2,282
Gain on disposal of property, plant and equipment	(41)	(1)
Gain on disposal of quoted shares	(721)	(263)
(Gain)/Loss on foreign exchange - unrealized	10	(685)
(Gain)/Loss on other investment	(433)	-
Government grant income	(69)	-
Provision for doubtful debts	74	-
Interest income	(124)	(162)
Interest expense	485	878
Staff cost - SIS	9,083	-
Operating cash flows before working capital changes	(4,532)	7,869
Changes in working capital:		
(Increase)/Decrease in inventories	2,439	6,211
Decrease/(Increase) in trade and receivables	5,242	(458)
(Decrease)/Increase in trade and payables	(2,949)	(2,269)
Cash generated from operations	200	11,353
Income tax paid	(1,086)	(1,590)
Net cash (used) / generated from operating activities	(886)	9,763
CASH FLOWS FROM INVESTING ACTIVITIES		
Government grant received	-	599
Increase in fixed deposit pledged	(28)	(26)
Interest received	124	162
Proceeds from disposal of property, plant and equipment	61	1
Proceeds from disposal of quoted shares	2,804	2,063
Purchase of property, plant and equipment	(4,736)	(8,525)
Purchase of quoted shares	(4,252)	(1,800)
Net cash used in investing activities	(6,027)	(7,526)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	-	(2,355)
Interest paid	(485)	(878)
Payment for share issue expenses	-	(19)
Proceeds from hire purchase	145	-
Proceeds from issuance of shares	7,653	-
Proceeds from trade finance	-	39,261
Proceeds from revolving credit	-	1,800
Repayment of hire purchase	(677)	(857)
Repayment of term loan	(387)	(130)
Repayment from trade finance	(5,519)	(41,025)
Repayment of revolving credit	-	(5,300)
Net cash used in financing activities	730	(9,503)
Net decrease in cash and cash equivalents	(6,183)	(7,266)
Effect of exchange rate changes	494	261
Cash and cash equivalents at 1 January	14,925	22,904
Cash and cash equivalents at 30 September	9,236	15,899
Cash and cash equivalents at end of financial period comprised:		
Cash & bank balances	8,908	15,585
Fixed deposits with licensed banks	1,561	1,509
	10,469	17,094
Less: Fixed deposits pledged	(1,233)	(1,195)
	9,236	15,899

The unaudited Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to this interim financial statements.

JAG BERHAD ("JAG" OR "COMPANY")
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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Reverse acquisition reserve RM'000	Reserve - SIS RM'000	Retained profits RM'000	Total equity RM'000
At 1 January 2014	64,981	41,621	14,686	(72,051)	-	48,234	97,471
Issuance of shares in respect of bonus issue	29,241	(29,241)	-	-	-	-	-
Share issue expenses	-	(19)	-	-	-	-	(19)
Net profit/Total comprehensive profit	-	-	-	-	-	5,296	5,296
Dividend paid	-	-	-	-	-	(2,355)	(2,355)
At 30 September 2014	94,222	12,361	14,686	(72,051)	-	51,175	100,393
At 1 January 2015	104,444	19,137	14,686	(72,051)	-	49,612	115,628
Issuance of shares in respect of conversion of warrants	2,220	-	-	-	-	-	2,220
Issuance of shares in respect of share issuance scheme:							
- Issuance of shares	5,300	-	-	-	-	-	5,300
- Reserve - Grant of SIS options	-	133	-	-	9,083	-	9,083
- Share premium	-	2,742	-	-	(2,742)	-	133
- Transfer to share premium - Exercise of SIS options	-	-	-	-	-	-	-
Total issuance of shares in respect of share issuance scheme	5,300	2,875	-	-	6,341	-	14,516
Net (loss)/profit / Total comprehensive (loss) / income	-	-	-	-	-	(15,670)	(15,670)
At 30 September 2015	111,964	22,012	14,686	(72,051)	6,341	33,942	116,894

The unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to this interim financial statements.

JAG BERHAD ("JAG" OR "COMPANY")
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QUARTERLY REPORT

Notes on the quarterly report for the third quarter ended 30 September 2015

Part A - Explanatory notes pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting

A1. BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS134: Interim Financial Reporting and Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

A2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted as disclosed in the Group's annual audited financial statements for the financial year ended 31 December 2014.

The Group has adopted the new and revised Malaysian Financial Reporting Standards ("MFRSs") and IC Interpretations that became mandatory for the current reporting period. The adoption of these new and revised MFRSs and IC Interpretations does not result in significant changes in the accounting policies of the Group.

A3. AUDITORS REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

There was no audit qualification on the annual financial statements of JAG for the financial year ended 31 December 2014.

A4. SEASONAL AND CYCLICAL FACTORS

The Group's business operations were mainly attributable (i.e., contributing approximately 98% of its total revenue) from its manufacturing and trading segments involving recycling and recovery activities and are affected by the cyclicity of the semiconductor companies. The semiconductor industry is cyclical and dependent on its end user industries, in particular the electrical & electronic industries. The demand for semiconductors typically mirrors the trend in the demand for personal computers, mobile phones and other electronic equipment.

As the availability of electrical and electronic waste ("E-waste") for recycling and manufacturing services is dependent on the volume of E-waste discharged by semiconductor manufacturers, the E-waste recycling industry is dependent on the trends in the semiconductor industry.

A5. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial quarter and period under review.

A6. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates that have had effect on the financial quarter and period under review.

JAG BERHAD (“JAG” OR “COMPANY”)
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QUARTERLY REPORT

Notes on the quarterly report for the third quarter ended 30 September 2015

A7. ISSUANCES, CANCELLATIONS, REPURCHASES, RESALE AND REPAYMENTS OF DEBT AND EQUITY SECURITIES

Save as disclosed below, there were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities held as treasury shares or resale of treasury shares during the financial quarter and period under review:

- a) conversion of 22,200,000 warrants into 22,200,000 new ordinary shares of RM0.10 each in JAG (“JAG Shares”); and
- b) issuance of 53,000,000 new JAG Shares arising from the exercise of 53,000,000 options pursuant to the share issuance scheme (“SIS Options”) of the Company.

A8. DIVIDEND

There was no dividend being declared, recommended or paid during the financial quarter and period under review.

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JAG BERHAD (“JAG” OR “COMPANY”)
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QUARTERLY REPORT

Notes on the quarterly report for the third quarter ended 30 September 2015

A9. SEGMENT INFORMATION

The Group’s segmental information is as follows:

	Current Quarter Ended		Year to date	
	30 Sep 2015 RM’000	30 Sep 2014 RM’000	30 Sep 2015 RM’000	30 Sep 2014 RM’000
Revenue By Business Segments				
Manufacturing activities	19,089	29,175	56,329	97,326
Trading activities	799	1,717	3,629	4,879
Proprietary solutions and software maintenance	350	150	926	554
	<u>20,238</u>	<u>31,042</u>	<u>60,884</u>	<u>102,759</u>
Elimination of inter-segment sales	-	-	-	-
	<u>20,238</u>	<u>31,042</u>	<u>60,884</u>	<u>102,759</u>
Segment results				
Manufacturing activities	(7,572)	2,147	(5,850)	5,573
Trading activities	(436)	397	44	1,430
Investment holding*	(9,355)	(380)	(10,097)	(380)
Proprietary solutions and software maintenance	610	(1)	1,079	(111)
(Loss) / Profit from operations	<u>(16,753)</u>	<u>2,163</u>	<u>(14,824)</u>	<u>6,512</u>
Interest income	38	83	124	162
Finance cost	(175)	(331)	(485)	(878)
(Loss) / Profit before taxation	<u>(16,890)</u>	<u>1,915</u>	<u>(15,185)</u>	<u>5,796</u>
Taxation	(398)	(200)	(485)	(500)
(Loss) / Profit after taxation	<u>(17,288)</u>	<u>1,715</u>	<u>(15,670)</u>	<u>5,296</u>
Revenue By Geographical Segment				
Malaysia	4,024	9,623	14,687	39,051
Foreign countries	16,214	21,419	46,197	63,708
	<u>20,238</u>	<u>31,042</u>	<u>60,884</u>	<u>102,759</u>

Note:

* The segment loss from investment holding was mainly attributable to cost arising from the granting SIS Options during the financial quarter and period.

A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no other valuation or revaluation of property, plant and equipment during the financial quarter and period under review and the valuation of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

A11. MATERIAL EVENTS SUBSEQUENT TO THE CURRENT FINANCIAL QUARTER

There were no material events subsequent to the current financial quarter ended 30 September 2015 up to the date of this report.

QUARTERLY REPORT

Notes on the quarterly report for the third quarter ended 30 September 2015

A12. CHANGES IN THE COMPOSITION OF THE GROUP

The Board of Directors of JAG ("Board") announced:

- i. On 10 February 2015, that the Company had on 6 February 2015 incorporated a new wholly-owned subsidiary, JAG Land Sdn Bhd ("JAG Land"). JAG Land is a private limited company which has an authorized share capital of RM1,000,000 comprising 1,000,000 ordinary shares of RM1 each and the present issued and paid-up capital is RM2 divided into two (2) ordinary shares of RM1 each.

JAG Land has not commenced business since its incorporation. The intended activity of JAG Land is to acquire and deal with any land or property, whether movable or immovable, and to carry on business in connection with the construction of buildings.

- ii. On 13 February 2015, that Jaring Metal Industries Sdn Bhd, a wholly-owned subsidiary of the Company, incorporated the then wholly-owned subsidiary, JAG Nasmec Sdn Bhd ("**JAG Nasmec**"). JAG Nasmec is a private limited company. As at the date of this announcement, JAG Nasmec has an authorized share capital of RM500,000 comprising 500,000 ordinary shares of RM1 each and a present issued and paid-up share capital of RM100,000 divided into 100,000 ordinary shares of RM1 each. JAG Nasmec is a 80% owned subsidiary of Jaring Metal Industries Sdn Bhd and the remaining 20% equity interest are held by Bubblelab Laundry Sdn Bhd (10%) and Wong Chan Kong (10%).

During the financial period under review, JAG Nasmec commenced operations to undertake the development, implementation, management and operation of twenty-four (24)-hour coin-operated (self-operated) laundry business in Malaysia as mentioned in Note B6.

Save as disclosed above, there were no other changes and/or intended changes in the composition of the Group during the current financial quarter and period under review.

A13. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no changes in the contingent liabilities and contingent assets during the financial quarter and period under review.

A14. CAPITAL COMMITMENTS

The outstanding capital commitments as at 30 September 2015 was approximately RM281,225.

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QUARTERLY REPORT

Notes on the quarterly report for the third quarter ended 30 September 2015

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities for the ACE Market

B1. REVIEW OF PERFORMANCE

The Group recorded revenue of approximately RM20.24 million for the current financial quarter and RM60.88 million for the financial period ended 30 September 2015. Export sales accounted for about RM16.21 million or 80.12% of total revenue for the current financial quarter and RM46.20 or 75.88% of total revenue for the period ended 30 September 2015.

The Group recorded lower revenue for the current financial quarter and current financial period compared to the previous corresponding quarter and previous financial period. The said lower revenue was mainly due to lower commodity prices, particularly copper.

The negative other income of RM3.53 million for the current quarter resulted from the adjustments made to reverse data entry errors. Had the data entry errors and the necessary adjustments not been made, the Group would have reported other income of RM0.69 million, comprising mainly gain on disposal of other investment for the current quarter. Other income of RM1.89 million for the current financial period mainly consisted of gain on disposal of fixed assets, gain on other investment and interest received.

The loss after tax of RM17.29 million and RM15.67 million for the current quarter and nine (9)-month period ended 30 September 2015, respectively, was mainly due to lower margin sales of recovered metals, particularly copper. The cost of raw materials and consumables used was relatively high in the current quarter as the E-waste was procured when copper prices were higher while the sales were made when copper prices were lower. In addition, the increased staff cost arising from the granting of SIS Options which amounted to RM9.08 million further contributed to the loss after tax for the said quarter and period.

Other operating expenses mainly consisted of bank charges, repair and maintenance, waste disposal charges, professional fees, rental expense, security charges, utilities and travelling expenses. The decrease in other operating expenses in the current financial quarter and period compared to the previous corresponding quarter and previous financial period was mainly due to lower bank charges, professional fees, repair and maintenance, and rental incurred.

B2. COMPARISON OF CURRENT FINANCIAL QUARTER RESULTS WITH THE PRECEDING QUARTER

The Group recorded revenue of approximately RM20.24 million and RM20.11 million for the current quarter ended 30 September 2015 and preceding quarter ended 30 June 2015, respectively. The increase was mainly attributable to the higher export sales of end products and higher sales from software division.

The Group incurred a relatively high cost of raw materials and consumables used and significantly higher staff cost (as mentioned in Note B1) that resulted in a loss after tax of RM17.29 million in the current quarter compared to a profit after tax of RM1.41 million in the preceding quarter.

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**JAG BERHAD (“JAG” OR “COMPANY”)
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Notes on the quarterly report for the third quarter ended 30 September 2015

B3. PROSPECTS FOR CURRENT FINANCIAL YEAR

The Group foresees the current financial year to be challenging amid the relatively lower commodity prices, particularly copper.

B4. VARIANCE OF FORECAST PROFIT AND PROFIT GUARANTEE

The Group has not provided any profit forecast or profit guarantee and thus this is not applicable to the Group.

B5. TAXATION

	Current Quarter Ended		Year to date	
	30 Sep 2015 RM'000	30 Sep 2014 RM'000	30 Sep 2015 RM'000	30 Sep 2014 RM'000
Current income tax	(398)	(200)	(485)	(500)
Deferred tax	-	-	-	-
	<u>(398)</u>	<u>(200)</u>	<u>(485)</u>	<u>(500)</u>

The effective tax rate of the Group for current quarter and financial period ended 30 September 2015 are lower than the statutory tax rate of 25% due to availability of reinvestment allowance which arose from the capital expenditure of a subsidiary in the current financial quarter under review and previous financial year.

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**JAG BERHAD (“JAG” OR “COMPANY”)
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QUARTERLY REPORT

Notes on the quarterly report for the third quarter ended 30 September 2015

B6. STATUS OF CORPORATE PROPOSALS

Save as disclosed below, there were no other corporate proposals announced but not completed as at 30 September 2015:

On 10 April 2015, TA Securities Holdings Berhad (“TA Securities”) had on behalf of the Board announced that the Company proposes to establish and implement a share issuance scheme of up to thirty percent (30%) of the Company’s total issued and paid-up share capital (excluding treasury shares, if any) at any one time during the duration of the scheme, for the Directors and employees of the Company and its subsidiaries (excluding dormant subsidiaries) who fulfil the eligibility criteria (“Proposed SIS”). The listing application in relation to the Proposed SIS was submitted to Bursa Securities on 13 April 2015.

The Company had on 28 April 2015 obtained Bursa Securities’ approval for the listing of and quotation for such number of additional new JAG Shares representing up to 30% of the issued and paid-up ordinary share capital of JAG (excluding treasury shares) to be issued pursuant to the exercise of options pursuant to the Proposed SIS. The approval granted by Bursa Securities for the Proposed SIS, is subject to the following conditions:

- (i) TA Securities is required to submit a confirmation to Bursa Securities of full compliance of the Proposed SIS pursuant to Rule 6.44(1) of the ACE Marketing Listing Requirements of Bursa Securities (“Listing Requirements”) and stating the effective date of implementation together with a certified true copy of the resolution passed by the shareholders in general meeting approving the Proposed SIS; and
- (ii) JAG is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of options, arising from the Proposed SIS as at the end of each quarter together with a detailed computation of listing fees payable.

JAG is required to ensure full compliance of all the requirements pertaining to the Proposed SIS as provided under the Listing Requirements at all times.

The effective date for the implementation of the Proposed SIS is 1 July 2015, which is the date of full compliance of the SIS in accordance with Rule 6.44(1) of the Listing Requirements.

On 18 September 2015, the Board announced that Jaring Metal Industries Sdn. Bhd., a wholly-owned subsidiary of JAG has on 18 September 2015 entered into a joint venture agreement with Bubblelab Laundry Sdn. Bhd. and Wong Chan Kong to jointly undertake the development, implementation, management and operation of twenty-four (24) hour coin-operated (self-operated) laundry business in Malaysia via JAG Nasmech. As at the date of this announcement, JAG Nasmech has commenced operations and the transaction has been completed.

B7. GROUP BORROWINGS

The Group’s borrowings as at 30 September 2015 are as follows:-

	Short term (Secured) RM’000	Long Term (Secured) RM’000	Total RM’000
Term loan	512	10,441	10,953
Hire purchase liabilities	631	345	976
Total	1,143	10,786	11,929

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Notes on the quarterly report for the third quarter ended 30 September 2015

B8. MATERIAL LITIGATION

There was no pending material litigation as at the date of this announcement.

B9. DIVIDEND

There was no dividend declared, recommended or paid during the current financial quarter under review.

B10. REALISED AND UNREALISED PROFITS DISCLOSURE

The accumulated profits of the Group may be analyzed as follows:

	As at 30 Sep 2015 RM'000	As at 30 Sep 2014 RM'000
Total accumulated profits of the Group		
- Realized	33,952	50,490
- Unrealized	(10)	685
Total before consolidation adjustments	33,942	51,175
Less: Consolidation adjustments	-	-
Total accumulated profits as per statement of financial position	33,942	51,175

B11. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

	Current Quarter Ended		Year to date	
	30 Sep 2015 RM'000	30 Sep 2014 RM'000	30 Sep 2015 RM'000	30 Sep 2014 RM'000
Changes in fair value on derivative financial instrument	-	-	(63)	24
Depreciation of property, plant and equipment	823	789	2,452	2,282
Gain on disposal of property, plant and equipment	-	-	(41)	(1)
Gain on disposal of quoted shares	(721)	-	(721)	(263)
(Gain)/Loss on foreign exchange – Unrealized	(69)	(309)	10	(685)
Government grant income	(23)	-	(69)	-
Interest income	(38)	(83)	(124)	(162)
Interest expenses	175	331	485	878
Provision of doubtful debts	74	-	74	-
Staff cost - SIS	9,083	-	9,083	-
Unrealized gain on other investment	77	-	(433)	-

Other than as disclosed above, the Group does not have other material items (such as provision for and write-off of inventories, impairment of assets and exception items) that are recognized as profit/(loss) in the Statement of Comprehensive Income.

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Notes on the quarterly report for the third quarter ended 30 September 2015

B12. EARNINGS PER SHARE

(i) Basic (loss) / earnings per share

The basic (loss) / earnings per share was calculated by dividing the net (loss) / profit for the current financial quarter and the current financial year to date by the weighted average number of ordinary shares in issue:

	Current Quarter Ended		Year to date	
	30 Sep 2015 RM	30 Sep 2014 RM	30 Sep 2015 RM	30 Sep 2014 RM
Net (loss) / profit attributable to owners of the Company (RM'000)	(17,288)	1,715	(15,670)	5,296
Weighted average number of ordinary shares in issue ('000)	1,090,311	884,761	1,071,378	714,799
Basic (loss) / earnings per share (sen)	(1.59)	0.20	(1.46)	0.74

(ii) Diluted (loss) / earnings per share

The diluted (loss) / earnings per share was calculated by dividing the net (loss) / profit for the current financial quarter and year to date by the weighted average number of ordinary shares based on the assumption that the warrants issued are fully exercised and converted into ordinary shares.

	Current Quarter Ended		Year to date	
	30 Sep 2015 RM	30 Sep 2014 RM	30 Sep 2015 RM	30 Sep 2014 RM
Net (loss) / profit attributable to owners of the Company (RM'000)	(17,288)	1,715	(15,670)	5,296
Weighted average number of ordinary shares in issue ('000)	1,361,349	1,061,364	1,361,349	787,000
Diluted (loss) / earnings per share (sen)	(1.27)	0.16	(1.15)	0.67

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