



KEY ALLIANCE GROUP BERHAD (609953-K)
(Incorporated in Malaysia)
SECOND QUARTER ENDED 30 SEPTEMBER 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	2017	2016	<i>Changes</i>	2017	2016	<i>Changes</i>
	CURRENT QUARTER	PRECEDING YEAR CORRESPONDING QUARTER		CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD	
	30/9/2017	30/9/2016	%	30/9/2017	30/9/2016	%
	RM'000	RM'000		RM'000	RM'000	
REVENUE	7,797	5,410	44%	14,271	N/A	N/A
Operating expenses	(1,454)	(1,673)	-13%	(10,169)	N/A	N/A
Other income	1,546	82	1785%	1,611	N/A	N/A
Interest income	250	45	456%	352	N/A	N/A
Interest expense	(133)	(142)	-6%	(270)	N/A	N/A
Profit/(Loss) before taxation	209	(1,688)	-112%	(8,476)	N/A	N/A
Taxation	0	0	-	0	N/A	N/A
Profit/(Loss) after taxation	209	(1,688)	-112%	(8,476)	N/A	N/A
Profit/(loss) attributable to:						
Equity holders of the company	178	(1,724)	-110%	(8,790)	N/A	N/A
Non-controlling interest	31	36	-14%	314	N/A	N/A
Profit/(Loss) after taxation	209	(1,688)	-112%	(8,476)	N/A	N/A
Weighted average number of shares in issue ('000)	1,393,665	690,753		1,393,665	N/A	
Earnings per share (sen) - basic	0.01	(0.25)		(0.63)	N/A	

In view of the change in financial year end in previous year end, there were no comparative financial information available for the 6-month financial period ended 30 September 2017.

The unaudited condensed consolidated statement of profit and loss and other comprehensive income should be read in conjunction with the annual audited financial statements for the financial period ended 31 March 2017 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD (609953-K)
(Incorporated in Malaysia)
SECOND QUARTER ENDED 30 SEPTEMBER 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT END OF CURRENT QUARTER 30/9/2017 (Unaudited) RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/3/2017 (Audited) RM'000
ASSETS		
Non-current Assets		
Property, Plant and Equipment	37,499	25,736
Other investment	11,810	2,131
Goodwill	5,805	8,047
	55,114	35,914
Current Assets		
Inventories	7,917	8,105
Trade and other receivables	11,334	11,988
Amount owing by associate	14	-
Tax recoverable	539	522
Fixed deposits with licensed banks	5,235	5,106
Cash and bank balances	13,459	1,422
	38,498	27,143
TOTAL ASSETS	93,612	63,057
EQUITY AND LIABILITIES		
Capital and Reserves		
Issued capital	85,581	40,953
Share premium	9,216	10,037
Accumulated loss	(36,365)	(16,185)
Share option reserve	593	570
Warrants reserve	17,617	3,775
	76,642	39,150
Non-controlling interest	2,768	1,429
Total Equity	79,410	40,579
Non-current Liability		
Deferred tax liabilities	1,468	1,466
Borrowings	5,582	6,367
	7,050	7,833
Current Liabilities		
Trade and other payables	3,227	10,632
Bank overdrafts	1,975	1,996
Bank borrowings	1,645	1,712
Tax liabilities	305	305
	7,152	14,645
Total Liabilities	14,202	22,478
TOTAL EQUITY AND LIABILITIES	93,612	63,057
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.0550	0.0538

The unaudited condensed consolidated Balance Sheet should be read in conjunction with the annual audited financial statements for the financial period ended 31 March 2017 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD (609953-K)
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SECOND QUARTER ENDED 30 SEPTEMBER 2017

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	6-MONTHS ENDED 30/9/17 (Unaudited) RM'000	12-MONTHS ENDED 31/3/17 (Audited) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(8,476)	(4,786)
Adjustment for:		
Non-cash items	8,225	3,462
Non-operating items	(82)	514
Operating loss before working capital changes	(333)	(810)
Net changes in current assets	(603)	4,256
Net changes in current liabilities	(6,422)	(8,448)
Cash used in operations	(7,358)	(5,002)
Interest paid	(270)	(747)
Net tax paid	(8)	(488)
Net cash used in operating activities	(7,636)	(6,237)
CASH FLOWS FOR INVESTING ACTIVITIES		
Acquisition of subsidiaries	(383)	0
Advance to an associate	(14)	(29)
Interest received	352	232
Investment in other investments	(10,049)	0
Placement of fixed deposits	(129)	562
Proceeds from disposal of plant and equipment	503	35
Proceeds from redemption of redeemable preference shares	0	296
Purchase of property, plant and equipment	(13,525)	(5,276)
Net cash used in investing activities	(23,245)	(4,180)
CASH FLOWS FOR FINANCING ACTIVITIES		
Repayment of finance lease liabilities	(649)	(1,211)
Repayment of term loan	(219)	(525)
Share issuance expenses	(821)	(533)
Proceeds from bill payables	0	(345)
Proceeds from issuance of right shares	40,953	11,913
Proceeds from issuance of share issuance scheme	3,675	-
Net cash generated from/(used in) financing activities	42,939	9,299
NET DECREASE IN CASH AND CASH EQUIVALENTS	12,058	(1,118)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD/YEAR	(574)	544
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR	11,484	(574)
CASH AND CASH EQUIVALENTS COMPRISE OF:		
Fixed deposits with licensed bank	5,235	5,106
Cash and bank balances	13,459	1,422
Bank overdrafts	(1,975)	(1,996)
	16,719	4,532
Less : Fixed deposits pledged	(5,235)	(5,106)
	11,484	(574)

The unaudited condensed consolidated Cash Flow Statement should be read in conjunction with the annual audited financial statements for the financial period ended 31 March 2017 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD (609953-K)
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued Capital	Share Premium	Warrant Reserve	Share Option Reserve	Accumulated Loss	Non - Controlling Interest	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as of 1 April 2017	40,953	10,037	3,775	570	(16,185)	1,429	40,579
Total comprehensive loss for the period	0	0	0	0	(8,790)	314	(8,476)
Grant of share issuance scheme	0	0	0	2,475	0	0	2,475
Issuance of right share	40,953	(821)	13,842	0	(13,842)	0	40,132
Exercise of Share issuance scheme	3,675	0	0	(2,452)	2,452	0	3,675
Arising from acquisition of subsidiary	0	0	0	0	0	1,025	1,025
Balance as of 30 September 2017	85,581	9,216	17,617	593	(36,365)	2,768	79,410
	Issued Capital	Share Premium	Warrant Reserve	Capital Reserve	Accumulated Loss	Non - Controlling Interest	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as of 1 January 2016	29,040	10,087	3,775	1,053	(10,983)	1,322	34,294
Total comprehensive loss for the period	0	0	0	0	(5,051)	(75)	(5,126)
Share issuance	7,913	(533)	0	0	0	0	7,380
Balance as of 30 September 2016	36,953	9,554	3,775	1,053	(16,034)	1,247	36,548

The unaudited condensed consolidated Statement of Changes in Equity should be read in conjunction with the annual audited financial statements for the financial period ended 31 March 2017 and the accompanying explanatory notes attached to this interim financial statements.