

MQ TECHNOLOGY BERHAD
(Company No. 635804-H)
(Incorporated in Malaysia)

SUMMARY OF KEY FINANCIAL INFORMATION FOR THE QUARTER ENDED 31 DECEMBER 2016

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31-Dec-16 RM '000	31-Dec-15 RM '000	31-Dec-16 RM '000	31-Dec-15 RM '000
1 Revenue	4,225	5,325	16,763	17,950
2 Profit/(Loss) before tax	(4,760)	145	(7,610)	(1,594)
3 Profit/(Loss) for the period	(5,142)	151	(7,992)	(1,588)
4 Net Profit/(loss) attributable to ordinary equity holders of the parent	(5,446)	518	(7,992)	(863)
5 Basic Profit/(loss) per share	(1.24)	0.06	(1.93)	(0.63)
6 Proposed/Declared dividend per share	-	-	-	-
			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 (RM)			31-Dec-16	31-Dec-15
			0.11	0.10

Note: For full text of the above announcement, please access the Bursa Malaysia website at www.bursamalaysia.com

** The Basic Earnings per share is computed based on the following:

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Net (loss)/profit for the period - RM	(5,142,129)	151,056	(7,991,794)	(1,587,856)
Number of shares in issue	414,765,125	253,618,907	414,765,125	253,618,907
Profit/(Loss) per share (sen) - Basic	(1.24)	0.06	(1.93)	(0.63)

MQ TECHNOLOGY BERHAD
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CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2016
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31-Dec-16 RM	PRECEDING YEAR CORRESPONDING QUARTER 31-Dec-15 RM	CURRENT YEAR TO DATE 31-Dec-16 RM	PRECEDING YEAR CORRESPONDING PERIOD 31-Dec-15 RM
Revenue	4,224,640	5,325,475	16,763,173	17,949,550
Cost of sales	(6,452,310)	(3,842,857)	(17,211,785)	(15,102,179)
Gross Profit/(loss)	<u>(2,227,670)</u>	<u>1,482,618</u>	<u>(448,612)</u>	<u>2,847,371</u>
Other income	(53,526)	350,563	27,211	418,318
Operating expenses	(2,000,302)	(1,592,124)	(6,469,060)	(4,455,877)
Finance cost	(478,938)	(96,078)	(719,640)	(403,745)
Profit/(Loss) before tax	<u>(4,760,436)</u>	<u>144,980</u>	<u>(7,610,101)</u>	<u>(1,593,932)</u>
Tax income	(381,693)	6,076	(381,693)	6,076
Net Profit/(loss) for the period	<u><u>(5,142,129)</u></u>	<u><u>151,056</u></u>	<u><u>(7,991,794)</u></u>	<u><u>(1,587,856)</u></u>
Other comprehensive Profit/(loss) after tax:	-	-		
Exchange translation differences	(303,613)	367,205	-	725,090
Other comprehensive profit for the period, net of tax	<u>(303,613)</u>	<u>367,205</u>	<u>-</u>	<u>725,090</u>
Total comprehensive income/(loss) for the period	<u><u>(5,445,742)</u></u>	<u><u>518,261</u></u>	<u><u>(7,991,794)</u></u>	<u><u>(862,767)</u></u>
Attributable to:				
Equity holders of the Company	<u><u>(5,445,742)</u></u>	<u><u>518,261</u></u>	<u><u>(7,991,794)</u></u>	<u><u>(862,767)</u></u>
Earnings per share - (Sen)				
Basic	(1.24)	0.06	(1.93)	(0.63)
Diluted	NA	NA	NA	NA

MQ TECHNOLOGY BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016
(The figures have not been audited)

	UNAUDITED AS AT 31-Dec-16 RM	AUDITED AS AT 31-Dec-15 RM
NON-CURRENT ASSETS		
Property, plant and equipment	22,879,993	26,125,526
	22,879,993	26,125,526
CURRENT ASSETS		
Inventories	961,356	1,163,322
Trade and other receivables	25,466,920	7,901,089
Current tax assets	228,306	433,339
Cash and bank balances	3,966,476	2,136,266
	30,623,059	11,634,016
CURRENT LIABILITIES		
Trade payables	2,941,329	3,868,196
Borrowings	403,372	1,692,366
	3,344,701	5,560,562
NET CURRENT ASSETS	27,278,358	6,073,454
NON-CURRENT LIABILITIES		
Borrowings	3,004,575	3,607,412
Deferred tax liabilities	1,899,218	1,899,218
	4,903,793	5,506,630
NET ASSETS	45,254,556	26,692,350
FINANCED BY		
Share capital	41,476,513	27,898,071
Share premium	6,897,257	8,257,853
Exchange translation reserve	1,358,300	971,200
Revaluation Reserve	6,315,268	6,315,268
Accumulated losses	(10,792,782)	(16,750,042)
SHAREHOLDERS' EQUITY	45,254,556	26,692,350
Net assets ("NA") per share (RM)	0.11	0.10

MQ TECHNOLOGY BERHAD
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2016**

(The figures have not been audited)

		←	→			
Share Capital	Non-Distributable Share Premium	Exchange Translation Reserve	Assets Revaluation Reserve	Distributable (Accumulated Losses)	Total	
RM	RM	RM	RM	RM	RM	
Period ended 31 December 2016						
At 1 January 2016	27,898,071	8,257,853	971,200	6,315,268	(16,750,042)	26,692,350
Exchange translation differences	-	-	387,100	-	-	387,100
Right Issue Proceeds	13,578,442	-	-	13,949,053	-	27,527,495
Right Issue Expenses	-	(1,360,596)	-	-	-	(1,360,596)
Net Profit for the year	-	-	-	(7,991,794)	-	(7,991,794)
Total comprehensive income for the year	13,578,442	(1,360,596)	387,100	-	5,957,260	18,562,205
At 31 December 2016	<u>41,476,513</u>	<u>6,897,257</u>	<u>1,358,300</u>	<u>6,315,268</u>	<u>(10,792,782)</u>	<u>45,254,555</u>
Period ended 31 December 2015						
At 1 January 2015	25,361,891	8,387,534	332,368	6,315,268	(15,226,253)	25,170,808
Exchange translation differences	-	-	638,832	-	-	638,832
Private Placement	2,536,180	-	-	-	-	2,536,180
Payment of Private Placement Expenses	-	(129,681)	-	-	-	(129,681)
Net loss for the year	-	-	-	(1,523,789)	-	(1,523,789)
Total comprehensive loss for the year	2,536,180	(129,681)	638,832	-	(1,523,789)	1,521,542
At 31 December 2015	<u>27,898,071</u>	<u>8,257,853</u>	<u>971,200</u>	<u>6,315,268</u>	<u>(16,750,042)</u>	<u>26,692,350</u>

MQ TECHNOLOGY BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2016
(The figures have not been audited)

	CURRENT YEAR TO DATE 31-Dec-16 RM	PRECEDING YEAR CORRESPONDING PERIOD 31-Dec-15 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before tax	(7,610,101)	(899,618)
Adjustments for:		
Depreciation	3,432,314	1,551,749
Interest expense	309,385	205,525
Property, plant and equipment written off	-	3,263
Loss/(Gain) on disposal of property, plant and equipment	59,503	(35,769)
Unrealised loss/(gain) on foreign exchange	(181,212)	75,334
Interest income	(4,051)	(1,620)
Operating (loss)/profit before working capital changes	(3,994,162)	898,864
Increase/decrease in inventories	206,939	(425,784)
Increase/decrease in receivables	(17,354,214)	(619,223)
Decrease in payables	(926,073)	(558,226)
Cash used in operations	(22,067,510)	(704,370)
Income taxes refunded	-	-
Income taxes paid	(158,532)	(122,195)
Net cash used in operating activities	(22,226,043)	(826,565)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(100,761)	(1,083,134)
Interest received	4,100	1,620
Proceeds from disposal of property, plant and equipment	50,000	8,500
Net cash used in investing activities	(46,661)	(1,073,014)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(309,385)	(205,525)
Drawdown of Term Loan	-	278,333
Proceeds from Right Issues	26,166,898	-
Repayment of term loans	(1,076,339)	(500,004)
Repayment of hire purchase obligations	(849,668)	(352,293)
Net cash generated/(used) in financing activities	23,931,506	(779,489)
Net decrease in cash and cash equivalents	1,658,803	(2,679,068)
Effect of exchange rate changes	51,966	43,951
Cash and cash equivalents brought forward	2,255,707	4,911,189
Cash and cash equivalents carried forward	<u>3,966,476</u>	<u>2,276,073</u>
<u>Cash and cash equivalents comprise:</u>		
Short-term funds	-	-
Cash and bank balances	<u>3,966,476</u>	<u>2,276,073</u>

MQ TECHNOLOGY BERHAD
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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2016

A NOTES TO THE INTERIM FINANCIAL REPORT

A1 Basis of preparation of Interim Financial Report

These condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting in Malaysia, International Accounting Standard ("IAS") 34, Interim Financial Reporting and all the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad. They do not include all the information required for full annual financial statements and should be read in conjunction with the Group's financial statements for the financial year ended 31st December 2015.

The Group's condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS framework annual financial statements and MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards has been applied.

The adoptions of these standards, amendments and interpretations have no material impact to these interim financial statements.

A2 Seasonal or cyclical factors

There were no seasonal or cyclical factors affecting the results of the Group for the period under review.

A3 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 of the Group for the period under review.

A4 Material changes in estimates

There were no changes in the nature and amount of estimates reported in prior financial year that have a material effect in the period under review.

A5 Debt and equity securities

There have been no other issuance, cancellation, repurchases, resale and repayments of debts and equity securities during the quarter under review.

A6 Dividend paid

There was no dividend paid during the current financial quarter.

A7 Segment reporting

Business Segments

The Group operates in a single business segment, namely design and manufacturing of moulds, tools, dies, jigs, fixtures, advanced suspension tooling, progressive tooling, semiconductor cavity/encapsulation moulds for use in manufacturing and application in hard disk drives and semiconductor industries and design, development and manufacture of advanced automation modules/assemblies for digital data storage, medical instrument systems/devices and optoelectronics applications and related components. Accordingly, no industry segment information of the Group has been presented.

Geographical Segments

The business segment of the Group is managed principally in Malaysia and Thailand. The products are distributed mainly in Malaysia and to other Asia Pacific countries. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers whereas segment assets and capital expenditure are based on the geographical location of assets.

	SEGMENT REVENUE			
	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Malaysia	1,723,825.99	1,358,483	4,116,115	2,834,044
Thailand	986,071.28	1,947,482	5,789,586	6,446,546
Other Asia Pacific countries	-	7,557	5,962	358,378
United States of America	1,514,742.29	2,011,952	6,851,509	8,310,581
	4,224,640	5,325,474	16,763,173	17,949,549

	SEGMENT ASSETS		CAPITAL EXPENDITURE	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Malaysia	92,369,942	29,982,873	71,880	2,035,580
Thailand	15,808,534	7,368,547	28,880	685,000
	108,178,476	37,351,420	100,761	2,720,580

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2016

A NOTES TO THE INTERIM FINANCIAL REPORT

A8 Valuation of property, plant and equipment

The Group did not revalue any of its property, plant and equipment during the period under review. As At 31 December 2016, property, plant and equipment at cost except for land and buildings and improvements which are stated at valuations less accumulated depreciation.

A9 Material events subsequent to the end of the quarter

In the opinion of the Directors, there are no items, transactions or events of a material and unusual nature that have arisen since 31 December 2016 to the date of this announcement which would substantially affect the financial results of the Group.

A10 Changes in the composition of the Group

There were no material changes in the composition of the Group during the period under review.

A11 Contingent liabilities

The Company has issued corporate guarantee to financial institutions for credit facilities granted to certain subsidiaries up to a total limit of approximately RM5,980,000(2015: RM9,595,400) of which RM2,925,993.47 (2015: RM4,614,406) has been utilised as at the balance sheet date.

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2016

B DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET

B1 Review of performance

For the quarter under review, Group 's revenue at RM 4.22 million showed a decrease of RM 1.1 million. The decrease in automation sales due to orders for smaller items and rebates accounted for RM 1.4 million drop in sales. This was partially offset by increase in shipment of renewable energy related components.

The Group recorded a net loss of RM 5.14 million for the quarter under review, a RM 4.99 million adverse impact compared to a profit of RM 0.15 million in the previous year's corresponding quarter. The higher loss was due lower revenue and increase in cost of sales, operating expenses and finance cost.

a) The higher cost of sales were the result of lower yield due to learning curve because of commencement of production of a new line for renewable energy related components. The cost of sales were also affected by higher product cost from sales to less profitable customers during the quarter, higher outsourcing cost due to rush orders from customers and impairment cost of certain automation inventories due to lower realisable value

b) The higher operating expenses were due to development cost on automatiion designs expensed during the quarter.

c) Finance cost had also increased due to additional term loan drawdown in the current year.

B2 Variation of results against immediate preceding quarter

The Group recorded loss before tax of RM 4.76 million compared to the loss before tax of RM0.14 million in the preceding quarter. During the quarter under review, sales decreased by RM1.1 million compared to preceding quarter. The sales decrease was mainly due to drop in automation deliveries during the quarter. The adverse performance during the quarter was the results of rebates given, impairment cost of certain automation inventories due to lower realisable value and development cost on automation designs expensed off.

B3 Prospects for the forthcoming financial year

Tooling and precision component

The outlook for Group's tooling and precision components looks positive for first half 2017 based on customers feedback of their requirement. The Group will continue to strengthen its core business by gaining new customers and higher sales as well as implement cost cutting measures. Together with more business coming from automation projects in 2017, future performance of the group manufacturing business expected to improve in 2017. The Group intends to reduce outsourcing in 2017 via better production planning and recruitment of new workers. This will enable the Group to achieve profitability for its manufacturing business in 2017.

Theme park component

The theme park component of the Group has yet to be fully operational and is not expected to contribute significantly to the Group in 2017. Nonetheless, the joint venture between Star Acres Sdn Bhd and Cash Support Sdn Bhd is expected to be completed in the first half of 2017, barring unforeseen circumstances.

B4 Profit forecast and profit guarantee

The Group did not provide any profit estimate, forecast, projection, internal targets or profit guarantee in any public documents for the financial year ending 31 December 2016.

B5 Taxation

	INDIVIDUAL QUARTER	INDIVIDUAL QUARTER	CUMULATIVE QUARTER	CUMULATIVE QUARTER
	Current	Preceding year	Current	Preceding year
	year	corresponding	year	corresponding
	quarter	quarter	to date	period
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	RM	RM	RM	RM
Tax based on results for the quarter/period:				
Malaysian income tax and deferred tax	-	-	-	-

The effective tax rate of the Group for the current period under review was lower than the statutory tax rates mainly due to a subsidiary, Microlead Precision Technology Sdn Bhd had been granted Pioneer Status by the Malaysian Industrial Development Authority in which 100% of the subsidiary's statutory income from Pioneer Products is exempted from income tax for a period of 5 years (extendable for further 5 years).

B6 Sale of unquoted investments and/or properties

There was no sale of unquoted investments or properties during the period under review.

B7 Purchase or Sale of quoted securities

There was no purchase or sale of quoted securities during the period under review.

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2016

B DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET

B8 Status of Corporate Proposals

Bursa Malaysia Securities Berhad ("Bursa Securities") had vide its letter dated 4 May 2016 approved the following:

- (i) admission of the Warrants to the Official List of Bursa Securities and the listing of and quotation for the Warrants; and
- (ii) listing of and quotation for the Rights Shares and new MQ Shares to be issued pursuant to the exercise of the Warrants and SIS options, on the ACE Market of Bursa Securities.

MQ's shareholders had approved the following Proposals, among others, at the extraordinary general meeting held on 13 June 2016:

- (i) joint venture between MQ's wholly-owned subsidiary Star Acres Sdn Bhd, and Cash Support Sdn Bhd to develop and carry on the business of theme park;
- (ii) renounceable rights issue of up to 418,471,060 MQ Shares ("Rights Shares") on the basis of three (3) Rights Shares for every one (1) existing MQ Share held, together with up to 278,980,706 free detachable warrants ("Warrants") on the basis of two (2) Warrants for every three (3) Rights Shares subscribed for; and
- (iii) establishment of a new share issuance scheme ("SIS") of up to thirty percent (30%) of the issued and paid-up share capital of the Company (excluding treasury shares, if any) at any one time during the duration of the scheme for the eligible directors and employees of MQ Group (excluding dormant subsidiaries).

(collectively referred to as the "Proposals")

- a) Joint venture between Star Acres Sdn Bhd and Cash Support Sdn Bhd to develop and carry on the business of theme park.

TA Securities, had on 19 January 2017, announced on behalf of MQ that Star Acres Sdn Bhd and Cash Support Sdn Bhd had mutually agreed to further extend the SSA Cut-Off Date from 19 January 2017 to 19 July 2017 for the parties to obtain/fulfil conditions precedent

The joint venture between Star Acres Sdn Bhd and Cash Support Sdn Bhd is pending the transfer of the project land and issuance of shares in Cash Support Property Sdn Bhd ("JV Entity"). The transfer of the project land from Cash Support Sdn Bhd to the JV Entity is pending approval from the state government.

- b) Renounceable rights issue of up to 418,471,060 MQ Shares together with up to 278,980,706 free detachable warrants

The Rights Issue of Shares with Warrants was completed on 28 November 2016 following the listing of 275,274,945 Rights Shares together with 183,516,630 Warrants on the ACE Market of Bursa Securities.

- c) Establishment of a new share issuance scheme of up to thirty percent of the issued and paid-up share capital of the Company

The new share issuance scheme has yet to be implemented and no share options have been issued to any eligible persons as at the date of this announcement.

- d) Status of utilisation of rights issue proceeds as at 31 December 2016

Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance to be utilised (RM'000)	Intended Timeframe for Utilisation from the date of Listing of Rights Shares	Deviation	Explanation
i) Payment for Subscription Shares	15,900	15,226	674	Within 3 months		
ii) Extension to existing factory	9,480	-	9,480	Within 12 months		
iii) Purchase of equipment and machineries	-	-	-	-		
iv) Working capital	987	3,541	-	Within 3 months	72%	(1)
v) Estimated expenses in relation to the Corporate Exercise	1,160	1,160	-	Within 2 weeks	0%	
	27,527	19,927	7,600			

Explanation for deviation

- (1) Proceeds were used for working capital as it is more urgent compared to the extension of factory and purchase of equipments.

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2016

B DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET

B9 Group's borrowings and debt securities

	AS AT
	31-Dec-16
	RM
<u>Secured</u>	
Short term borrowings	403,372
Long term borrowings	3,004,575
	3,407,947

B10 Realised and Unrealised Profit or Losses

	As at	As at
	31-Dec-16	31-Dec-15
Total retained profits of the Company and its subsidiaries:-		
- Realised loss	(17,495,461)	(27,167,041)
- Unrealised profit	61,255	4,047
	(17,434,206)	(27,162,994)
Less: Consolidation adjustments and eliminations	11,783,534	10,348,854
Total Accumulated losses as per statement of financial position	(5,650,672)	(16,814,140)

B11 Loss for the Period

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	RM	RM	RM	RM
Loss for the period is arrived at after crediting:				
Interest income	513	1,007	4,100	2,895
Other income	134,262	350,563	(53,526)	418,318
Gain on disposal of property, plant and equipment	(59,503)	171,191	59,503.00	162,530
Unrealised Foreign exchange gain or (Loss)	119,957	163,058	(181,212)	(4,047)
and after charging:				
Interest expense	550,087	(98,917)	(309,385)	(395,162)
Depreciation	(812,865)	569,605	3,432,314	3,080,269

There were no gain or loss on disposal of quoted or unquoted investments or properties, gain or loss on derivatives or exceptional items for current quarter and financial period end 31 December 2016 (31 December 2015: Nil)

B12 Off balance sheet financial instruments

The Group does not have any derivative financial instruments as at the date of this report.

B13 Material litigation

There were no material litigation pending since the last the last annual balance sheet date until the date of this

B14 Dividends

No dividend has been declared or paid by the Company in this financial quarter.

B15 Loss per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Net loss attributable to shareholders (RM)	(5,142,129)	151,056	(7,991,794)	(1,587,856)
Weighted average number of ordinary shares in issue	414,765,125	278,980,707	414,765,125	260,150,439
Loss per share - (Sen)				
Basic	(1.24)	0.05	(1.93)	(0.61)
Diluted	NA	NA	NA	NA

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2016

B DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET

B16 Auditor's report on preceding annual financial statements

The auditors have expressed an unqualified opinion on the Company's statutory financial statements for the year ended 31 December 2015 in their report dated 18 April 2016.

B17 Authorise for issue

The interim financial statements were authorised for issue by the Board of Directors on 24 February 2017.