



AT SYSTEMATIZATION BERHAD

**(COMPANY NO: 644800-X)
(INCORPORATED IN MALAYSIA)**

**UNAUDITED INTERIM FINANCIAL REPORT
FOR 2nd QUARTER ENDED 31 AUGUST 2015**



**Condensed Consolidated Statements of Financial Position
For 2nd Quarter ended 31 August 2015**

	(Unaudited) As At 31.8.2015 RM '000	(Audited) As At 28.2.2015 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	39,592	37,976
Investment in unquoted share	-	25
	39,592	38,001
Current assets		
Inventories	2,689	2,783
Trade receivables	6,047	6,113
Other receivables, deposits and prepayments	3,355	3,097
Tax assets	632	387
Cash and cash equivalents	5,554	3,586
	18,277	15,966
TOTAL ASSETS	57,869	53,967
EQUITY AND LIABILITIES		
Equity		
Share capital	43,306	39,369
Share premium	10,768	10,967
Warrant reserve	17,126	17,126
Revaluation reserve	6,768	6,768
Accumulated losses	(34,180)	(32,780)
	43,788	41,450
Non-controlling interests	67	40
Total equity	43,855	41,490
Liabilities		
Non-current liabilities		
Finance lease payables	4,152	2,122
Bank borrowings	2,116	764
Deferred tax liabilities	2,180	2,180
	8,448	5,066
Current liabilities		
Trade payables	2,730	3,233
Other payables & deposits	1,279	2,976
Finance lease payables	1,387	967
Bank borrowings	170	235
	5,566	7,411
Total liabilities	14,014	12,477
TOTAL EQUITY AND LIABILITIES	57,869	53,967
Net assets per share (Sen)	11.12	10.53

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 28 February 2015 and the accompanying explanatory notes attached to the interim financial report.



**Condensed consolidated statements of comprehensive income
For 2nd Quarter ended 31 August 2015**

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		6 Months Ended	
	31.8.2015	31.8.2014	31.8.2015	31.8.2014
	RM '000	RM '000	RM '000	RM '000
Revenue	4,415	6,837	8,786	13,158
Cost of sales	(4,227)	(5,064)	(8,034)	(9,519)
Gross profit	188	1,773	752	3,639
Other income	503	426	941	894
Administrative and general expenses	(1,321)	(1,418)	(2,750)	(2,702)
Selling and distribution expenses	(76)	(43)	(99)	(56)
	(1,397)	(1,461)	(2,849)	(2,758)
Profit/(Loss) from operations	(706)	738	(1,156)	1,775
Finance costs	(108)	(63)	(179)	(266)
Profit/(Loss) before tax	(814)	675	(1,335)	1,509
Tax income/(expense)	(38)	(176)	(38)	(411)
Profit/(Loss) for the period	(852)	499	(1,373)	1,098
Attributable to:-				
Owners of the parent	(865)	499	(1,400)	1,098
Non-controlling interests	13	-	27	-
	(852)	499	(1,373)	1,098
Profit/(Loss) per share attributable to owners of the parent (sen)				
- Basic	(0.21)	0.13	(0.35)	0.28
- Diluted	(0.21)	0.13	(0.35)	0.28

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 28 February 2015 and the accompanying explanatory notes attached to the interim financial report.



**Condensed consolidated statements of comprehensive income
For 2nd Quarter ended 31 August 2015 (Cont'd)**

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		6 Months Ended	
	31.8.2015	31.8.2014	31.8.2015	31.8.2014
	RM '000	RM '000	RM '000	RM '000
Profit/(Loss) for the period	(852)	499	(1,373)	1,098
Other comprehensive income:-				
Foreign currency translations	-	-	-	-
Revaluation surplus on property, plant and equipment	-	-	-	-
Total comprehensive income for the period	<u>(852)</u>	<u>499</u>	<u>(1,373)</u>	<u>1,098</u>
Attributable to:-				
Owners of the parent	(865)	499	(1,400)	1,098
Non-controlling interests	13	-	27	-
Total comprehensive income for the period	<u>(852)</u>	<u>499</u>	<u>(1,373)</u>	<u>1,098</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 28 February 2015 and the accompanying explanatory notes attached to the interim financial report.



Condensed Consolidated Statements of Equity
For 2nd Quarter ended 31 August 2015

	<----- Attributable to owners of the parent ----->							
	<----- Non-Distributable ----->				Distributable			
	Share Capital RM '000	Share Premium RM '000	Revaluation Reserve RM '000	Warrant Reserve RM '000	Accumulated Losses RM '000	Sub Total RM '000	Non- Controlling Interests RM '000	Total Equity RM '000
At 1 March 2014	39,369	10,967	217	17,126	(33,467)	34,212	17	34,229
Comprehensive income								
Profit for the financial period	-	-	-	-	1,098	1,098	-	1,098
Other comprehensive income								
Revaluation surplus from property, plant and equipment	-	-	-	-	-	-	-	-
Total comprehensive income for the financial period	-	-	-		1,098	1,098	-	1,098
Transactions with owners								
Issue of shares	-	-	-	-	-	-	-	-
(Dilution)/Accretion from change in stake in subsidiaries	-	-	-	-	-	-	-	-
Total transactions with owners	-	-	-		-	-	-	-
At 31 August 2014	39,369	10,967	217	17,126	(32,369)	35,310	17	35,327



**Condensed consolidated statements of Equity
For 2nd Quarter ended 31 August 2015 (Cont'd)**

	<----- Attributable to owners of the parent ----->							
	<----- Non-Distributable ----->				Distributable			
	Share Capital RM '000	Share Premium RM '000	Revaluation Reserve RM '000	Warrant Reserve RM '000	Accumulated Losses RM '000	Sub Total RM '000	Non- Controlling Interests RM '000	Total Equity RM '000
At 1 March 2015	39,369	10,967	6,768	17,126	(32,780)	41,450	40	41,490
Comprehensive income								
Loss for the financial period	-	-	-	-	(1,400)	(1,400)	27	(1,373)
Other comprehensive income								
Revaluation surplus from property, plant and equipment	-	-	-	-	-	-	-	-
Total comprehensive income for the financial period	-	-	-	-	(1,400)	(1,400)	27	(1,373)
Transactions with owners								
Issue of shares	3,937	(199)	-	-	-	3,738	-	3,738
(Dilution)/Accretion from change in stake in subsidiaries	-	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	-	-
At 31 August 2015	43,306	10,768	6,768	17,126	(34,180)	43,788	67	43,855

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 28 February 2015 and the accompanying explanatory notes attached to the interim financial report.



Condensed Consolidated Statements of Cash Flows
For 2nd Quarter ended 31 August 2015

	Current Year To-Date 31.8.2015 (Unaudited) RM'000	Preceding Year Corresponding Period 31.8.2014 (Unaudited) RM'000
Cash flows from operating activities		
Profit/(Loss) before tax	(1,335)	1,509
Adjustments for non-cash and non-operating items	1,340	1,213
Operating profit before working capital changes	5	2,722
(Increase)/Decrease in inventories	94	(444)
(Increase)/Decrease in receivables	(91)	(3,112)
Increase/(Decrease) in payables	(1,932)	1,079
Cash generated from operations	(1,924)	245
Tax paid, net of tax refund	(283)	(73)
Net cash used in operating activities	(2,207)	172
Cash flows from investing activities		
Investment in unquoted share	-	(25)
Dividend and interest received	4	161
Proceeds from disposal of investment in unquoted shares	25	-
Proceeds from disposal of property, plant and equipment	90	-
Purchase of property, plant and equipment	(220)	(719)
Net cash (used in)/from investing activities	(101)	(583)
Cash flows from financing activities		
Proceeds from issue of shares	3,738	-
Interest paid	(179)	(266)
Repayments of finance lease payables	(614)	(525)
Net drawdown/(repayment) of term loans	1,287	(11,937)
Net cash from/(used in) financing activities	4,232	(12,728)
Effects of exchange rate changes on cash and cash equivalents	44	-
Net (decrease)/increase in cash and cash equivalents	1,968	(13,139)
Cash and cash equivalents brought forward	3,586	19,957
Cash and cash equivalents carried forward	5,554	6,818

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 28 February 2015 and the accompanying explanatory notes attached to the interim financial report.



**Part B – Additional information required under Listing Requirements
2nd Quarter ended 31 August 2015**

A1) Basis of Preparation

The interim financial report is unaudited and has been prepared in compliance with Malaysia Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board (“MASB”) and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 28 February 2015 and the accompanying notes attached to the interim financial report.

A2) Changes in Accounting Policies

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 28 February 2015.

As at the date of authorisation of this interim financial report, the following Standards, Amendments and Issues Committee (“IC”) Interpretations have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective and have not been adopted by the Group:

		Effective for financial periods beginning on or after
<u>New MFRSs</u>		
MFRS 9	: Financial Instruments	1 January 2018
MFRS 15	: Revenue from Contracts with Customers	1 January 2017
<u>Amendments/Improvements to MFRSs</u>		
MFRS 5	: Non-current Asset Held for Sale and Discontinued Operations	1 January 2016
MFRS 7	: Financial Instruments: Disclosures	1 January 2016
MFRS 10	: Consolidated Financial Statements	1 January 2016
MFRS 11	: Joint Arrangements	1 January 2016
MFRS 12	: Disclosures of Interests in Other Entities	1 January 2016
MFRS 101	: Presentation of Financial Statements	1 January 2016
MFRS 116	: Property, Plant and Equipment	1 July 2014/ 1 January 2016
MFRS 119	: Employee Benefits	1 July 2014/ 1 January 2016
MFRS 127	: Separate Financial Statements	1 January 2016



Part B – Additional information required under Listing Requirements
2nd Quarter ended 31 August 2015

A2) Changes in Accounting Policies (cont'd)

MFRS 128	:	Investments in Associates and Joint Ventures	1 January 2016
MFRS 138	:	Intangible Assets	1 July 2014/ 1 January 2016
MFRS 141	:	Agriculture	1 January 2016

The Group will adopt the above pronouncements when they become effective in the respective financial periods.

A3) Auditors' Report of Preceding Annual Audited Financial Statements

The auditor's report of the Group's most recent annual audited financial statements for the year ended 28 February 2015 was not subject to any qualification.

A4) Seasonal or Cyclical Factors

The Group sells its products and services to customers from various sub-sectors of the semiconductor and manufacturing industries. The Group's performance is, to certain extent, dependent on the outlook and cyclical nature of these semiconductor and manufacturing industries.

A5) Unusual Items

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

A6) Material Changes in Estimates

There were no changes in estimates that have a material effect for the current quarter and financial period.

A7) Debt and Equity Securities

Other than the issuance of 39,369,100 new ordinary shares of RM0.10 each under private placement at a value of RM0.10 for each share and for a total consideration of RM 3.94 million, there were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial period under review.



Part B – Additional information required under Listing Requirements
2nd Quarter ended 31 August 2015

A8) Dividend Paid

There was no dividend paid in the current quarter and financial period.

A10) Segmental Information

The segmental information of the Group are presented by operating segments as follows:-

- (a) **Fabrication and automation** - Fabrication of industrial and engineering parts; Design and manufacturing of industrial automation systems and machinery;
- (b) **Others** - Investment holding and provision of management services to subsidiaries, neither which are of a sufficient size to be reported separately.

Cumulative Quarter Ended 31.8.2015

	Fabrication and automation RM '000	Others RM '000	Eliminations RM '000	Total RM '000
Revenue				
External revenue	8,786	-	-	8,786
Inter-segment revenue	-	420	(420)	-
Total revenue	8,786	420	(420)	8,786
Results				
Interest income	-	298	(290)	8
Finance costs	(469)	-	290	(179)
Tax (credit)/expense	-	(38)	-	(38)
Segment profit/(loss)	(1,396)	23	-	(1,373)
Other material non-cash items :-				
- Depreciation of property, plant and equipment	(1,196)	(9)	-	(1,205)
- Unrealised gain/(loss) on foreign exchange	172	-	-	172
- Loss on disposal of property, plant and equipment	(107)	-	-	(107)



Part B – Additional information required under Listing Requirements
2nd Quarter ended 31 August 2015

A10) Segmental Information (cont'd)

Cumulative Quarter Ended 31.8.2014

	Fabrication and automation RM '000	Others RM '000	Eliminations RM '000	Total RM '000
Revenue				
External revenue	13,158	-	-	13,158
Inter-segment revenue	-	655	(655)	-
Total revenue	<u>13,158</u>	<u>655</u>	<u>(655)</u>	<u>13,158</u>
Results				
Interest income	1	-	-	1
Finance costs	(266)	-	-	(266)
Tax (credit)/expense	411	-	-	411
Segment profit/(loss)	<u>962</u>	<u>136</u>	<u>-</u>	<u>1,098</u>
Other material non-cash items :-				
- Depreciation of property, plant and equipment	(1,104)	(4)	-	(1,108)
- Unrealised gain/(loss) on foreign exchange	<u>(4)</u>	<u>-</u>	<u>-</u>	<u>(4)</u>

A11) Valuation of Property, Plant and Equipment

The carrying values of property, plant and equipment have been brought forward, without amendment from the previous audited financial statements.

A12) Events after the Reporting Period

Other than those disclosed elsewhere in the interim financial report, there were no other material events subsequent to the end of the interim period.

A13) Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter and financial period under review.



Part B – Additional information required under Listing Requirements
2nd Quarter ended 31 August 2015

A14) Changes in Contingent Liabilities or Contingent Assets

There were no material contingent liabilities or contingent assets to be disclosed as at the date of the interim financial report.

A15) Contingent Liabilities

As of 31 August 2015, the Group has no material contingent liabilities save for corporate guarantee provided by the Company to financial institutions for credit facilities granted to certain subsidiaries up to a total limit of approximately RM15,305,000. Total utilisation of these credit facilities as at 31 August 2015 amounted to approximately RM7,825,000.

A16) Capital Commitment

As of 31 August 2015, capital commitment are in respect of the factory expansion & refurbishment and investment in machineries by the Group:

	RM'000
Approved but not contracted for	1,449
Contracted but not provided for	-
	<u>1,449</u>

A17) Related Party Transactions

There were no significant transactions with related parties during the current quarter and financial period.

B1) Review of Performance

Current Quarter

The Group recorded lower revenue of RM4.42 million for the second quarter ended 31 August 2015 as compared to RM6.84 million in the previous corresponding quarter, dragged down by lower contribution from the fabrication business. Revenue from fabrication business slipped by 35% mainly due to customer in hard disk drives (“HDD”) manufacturing continues to face business slowdown in HDD market. The decrease was however mitigated by higher fabrication orders arising from exports to the Group’s Singapore strategic partner.

The Group recorded pre-tax loss of RM0.81 million for the current quarter as compared to pre-tax profit of RM0.68 million in the previous corresponding quarter. This was mainly due to weaker performance in both fabrication and automation business, coupled with RM 0.1 million loss on disposal of machineries and higher hire-purchase interest cost. The loss was however partially offset by RM0.2 million gain on foreign exchange as the Group benefits from the weakening ringgit, underpinned by sales denominated in SGD.



Part B – Additional information required under Listing Requirements
2nd Quarter ended 31 August 2015

B1) Review of Performance (cont'd)

Cumulative Quarter

The Group posted revenue of RM8.79 million for the cumulative quarter ended 31 August 2015, which was RM4.37 million or 33% lower as compared to RM13.16 million in the corresponding cumulative quarter. The decrease was mainly attributable to lower customers' order in the fabrication business.

The Group recorded pre-tax loss of RM1.34 million for the cumulative quarter ended 31 August 2015, a decrease of RM2.85 million as compared to pre-tax profit of RM1.51 million in the corresponding cumulative quarter. The decrease was mainly due to weaker performance in fabrication business. The decrease was however mitigated by higher rental income and higher gain on foreign exchange.

B2) Material Change in the Profit before Taxation of Current Quarter Compared with the Immediate Preceding Quarter

The Group posted pre-tax loss of RM0.81 million for the second quarter ended 31 August 2015 as compared to pre-tax loss of RM0.52 million in the preceding quarter. Higher pre-tax loss was mainly due to weaker performance in fabrication, coupled with loss on disposal of machineries of RM0.1 million in this quarter.

B3) Prospects

The Group will continue to focus and expand on the core business in the fabrication of industrial & engineering parts and the design & manufacture of industrial automation system and machinery. Notwithstanding that, the Group will continuously seek opportunity for business growth and look for new market opportunities by way of capitalizing the strength of the business venture with strategic partners.

B4) Variance between Actual Profit and Forecast Profit

The Group did not issue any profit forecast or profit guarantee during the current quarter and financial period.



Part B – Additional information required under Listing Requirements
2nd Quarter ended 31 August 2015

B5) Taxation

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		6 Months Ended	
	31.8.2015	31.8.2014	31.8.2015	31.8.2014
	RM '000	RM '000	RM '000	RM '000
Corporate tax income/(expense)	(38)	(176)	(38)	(411)
Deferred tax income/(expense)	-	-	-	-
	<u>(38)</u>	<u>(176)</u>	<u>(38)</u>	<u>(411)</u>

The effective tax rate of the Group for the current quarter and for the current financial period is lower than the statutory income tax rate mainly due to losses suffered by certain subsidiaries and availability of group tax relief to the Company.

B6) Corporate Proposals

- The Company completed Rights Issue with Free Warrants (“Rights Issue Exercise”) on 5 February 2014. On 28 August 2014, the Company announced the variation to the utilisation of proceeds arising from the Rights Issue Exercise. Taking into consideration the variation of proceeds, the summary of the utilisation of proceeds are set out below:-

Details	Proposed utilisation	Revised utilisation	Amounts utilised as at 31 August 2015	Balance unutilised	Estimated timeframe for the utilisation of proceeds
	RM'000	RM'000	RM'000	RM'000	
Repayment of bank borrowings	12,600	12,600	12,600	-	Within six (6) months
Working capital	3,785	285	285	-	Within twelve (12) months
Partially finance the construction of factory building extension	2,800	5,450	4,940	510	Within twelve (12) months
Goods and Services Tax compliance and implementation	-	150	150	-	Within twelve (12) months
Capital expenditure and/or working capital for the Group’s wholly-owned subsidiary, namely AT Precision Tooling Sdn Bhd	-	700	700	-	Within twelve (12) months
To defray expenses relating to rights issue exercise	500	500	500	-	Within three (3) months
Total	19,685	19,685	19,175	510	



Part B – Additional information required under Listing Requirements
2nd Quarter ended 31 August 2015

B6) Corporate Proposals (cont'd)

- 2) On 5 August 2015, the Company completed a private placement exercise following the listing and quotation of 39,369,100 new ordinary shares of RM0.10 each in the Company. The Company raised cash proceeds of RM3.94 million and the summary of the utilisation of proceeds are as follows :-

Details	Proposed utilisation	Amounts utilised as at 31 August 2015	Balance unutilised	Estimated timeframe for the utilisation of proceeds
	RM'000	RM'000	RM'000	
Business expansion and/or investments	3,500	-	3,500	Within twelve (12) months
Working capital	297	-	297	Within twelve (12) months
To defray expenses relating to private placement exercise	140	71	69	-
Total	3,937	71	3,866	

- 3) On 14 July 2015, the Company proposed to establish and implement a share issuance scheme of up to thirty percent (30%) of the Company's issued and paid-up share capital (excluding any treasury shares) for the eligible Directors and employees of AT and its non-dormant wholly-owned subsidiaries ("Proposed SIS").

Bursa Malaysia Securities Berhad has vide its letter dated 23 July 2015 (which was received on 30 July 2015) approved the Proposed SIS. On 26 August 2015, the Proposed SIS was approved by the shareholders in the Extraordinary General Meeting.

- 4) On 10 March 2015, the Company announced that its wholly-owned subsidiary, AT Engineering Solution Sdn. Bhd. ("ATES") has secured the Feed-in Tariff quota from Sustainable Energy Development Authority Malaysia ("SEDA") on 9 March 2015. ATES is expected to sign an agreement with Tenaga Nasional Berhad ("TNB") for the sale and delivery of renewable energy by ATES to TNB for a concession period of 21 years.



Part B – Additional information required under Listing Requirements
2nd Quarter ended 31 August 2015

B7) Borrowings and Debts Securities

Group's borrowings as at 31 August 2015 are as follows:-

	Current (Secured) RM '000	Non-Current (Secured) RM '000
Finance lease payables	1,387	4,152
Bank borrowings	170	2,116
	1,557	6,268

B8) Material Litigation

There were no material litigations against the Group as at the date of the interim financial report. The directors of the Group do not have any knowledge of any proceeding pending or threatened against the Group which might materially and adversely affect the financial position or business of the Group.

B9) Dividend

There was no dividend declared or paid for the current period under review.

B10) Earnings/(Loss) per Share

The basic earnings/(loss) per share is calculated by dividing the Group's profit/(loss) for the financial period/year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period as follows:-

	Individual Quarter 3 Months Ended		Cumulative Quarter 6 Months Ended	
	31.8.2015 RM '000	31.8.2014 RM '000	31.8.2015 RM '000	31.8.2014 RM '000
Profit/(Loss) attributable to owners of the parent	(865)	499	(1,400)	1,098
Weighted average number of shares in issue ('000)	404,390	393,692	399,041	393,692
Earnings/(Loss) Per Share				
- Basic (sen)	(0.21)	0.13	(0.35)	0.28
- Diluted (sen)	(0.21)	0.13	(0.35)	0.28



Part B – Additional information required under Listing Requirements
2nd Quarter ended 31 August 2015

B10) Earnings/(Loss) per Share (cont'd)

The diluted earnings/(loss) per share equal the basic earnings/(loss) per share as the Company did not have any dilutive potential ordinary shares during the financial period. The Company's warrants are anti-dilutive for the financial period under review.

B11) Profit/(Loss) Before Tax

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		6 Months Ended	
	31.8.2015	31.8.2014	31.8.2015	31.8.2014
	RM '000	RM '000	RM '000	RM '000
Included in the profit/(loss) before tax is after charging/(crediting) :-				
Interest expense	108	63	179	266
Impairment loss on loan & receivables	-	-	-	-
Depreciation of property, plant and equipment	592	556	1,205	1,108
Rental income	(393)	(367)	(798)	(703)
Dividend income	-	(45)	(1)	(46)
Income distribution from fixed income fund	(7)	-	(7)	(115)
Interest income	(4)	(1)	(8)	(1)
Gain on foreign exchange:				
- realised	(50)	(4)	(50)	(7)
- unrealised	(147)	(5)	(172)	(4)
Loss/(Gain) on disposal of property, plant & equipment	107	-	107	-

B12) Fair Value Hierarchy

(a) The following table provides an analysis of assets and liabilities that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

(i) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.



Part B – Additional information required under Listing Requirements
2nd Quarter ended 31 August 2015

B12) Fair Value Hierarchy (cont'd)

- (ii) Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- (iii) Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at 31 August 2015, the Group held the following financial instruments not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position:

	Fair value of financial instruments not carried at				Carrying amount RM'000
	fair value				
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	
Group					
2015					
Financial liabilities					
- Finance lease payables	-	5,772	-	5,772	5,539
- Term loans	-	2,286	-	2,286	2,286
	-	8,058	-	8,058	7,825

B13) Realised and Unrealised Profits/ (Losses)

	As At 31.8.2015	As At 28.2.2015
Total accumulated lossess of the Company and its subsidiaries		
- Realised	(35,050)	(33,676)
- Unrealised	(2,180)	(2,180)
	(37,229)	(35,856)
Consolidation adjustments and eliminations	3,050	3,076
Total accumulated lossess as per statement of financial position	(34,180)	(32,780)

B14) Authorisation for Issue

The interim financial report was authorized for issue by the Board of Directors in accordance with a resolution of the Board on 29 October 2015.