

RAYA INTERNATIONAL BERHAD

(Company No: 412406-T)

(Incorporated in Malaysia)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016

On consolidated results for the fourth quarter ended 31 December 2016

SUMMARY OF KEY FINANCIAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended 31 December 2016 RM'000	Quarter Ended 31 December 2015 RM'000	Year Ended 31 December 2016 RM'000	Year Ended 31 December 2015 RM'000
Revenue	18,272	1,381	68,525	14,473
Profit/(Loss) before tax	77	(521)	129	(284)
Income tax expense	(20)	(192)	(20)	(194)
Profit/(Loss) for the period	57	(713)	109	(478)
Profit/(Loss) attributable to:				
Owners of the Company	79	(718)	82	(483)
Non-controlling interest	(22)	5	27	5
	57	(713)	109	(478)
Basic earnings/(loss) per share (sen)	0.04	(0.55)	0.07	(0.37)
Proposed/Declared Dividend per share (sen)	N/A	N/A	N/A	N/A

RAYA INTERNATIONAL BERHAD
 (Company No: 412406-T)
 (Incorporated in Malaysia)
QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(These figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31 December 2016 RM'000	QUARTER ENDED 31 December 2015 RM'000	YEAR ENDED 31 December 2016 RM'000	YEAR ENDED 31 December 2015 RM'000
Revenue	18,272	1,381	68,525	14,473
Operating expenses	(18,227)	(2,083)	(68,345)	(14,889)
Other operating income	98	253	155	587
Employee benefits expenses	(56)	(34)	(164)	(98)
Depreciation	(9)	(31)	(41)	(113)
Finance costs	-	(7)	-	(244)
Share of losses of associates	(1)	-	(1)	-
Profit/(Loss) before tax	<u>77</u>	<u>(521)</u>	<u>129</u>	<u>(284)</u>
Income tax expense	(20)	(192)	(20)	(194)
Profit/(Loss) after tax	<u>57</u>	<u>(713)</u>	<u>109</u>	<u>(478)</u>
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the period	<u><u>57</u></u>	<u><u>(713)</u></u>	<u><u>109</u></u>	<u><u>(478)</u></u>
Profit/(Loss) attributable to:				
Owners of the Company	79	(718)	82	(483)
Non-controlling interest	(22)	5	27	5
	<u>57</u>	<u>(713)</u>	<u>109</u>	<u>(478)</u>
Total comprehensive income/(loss) attributable to:				
Owners of the Company	79	(718)	82	(483)
Non-controlling interest	(22)	5	27	5
	<u>57</u>	<u>(713)</u>	<u>109</u>	<u>(478)</u>
Earnings per share (sen)				
(a) Basic	<u>0.04</u>	<u>(0.55)</u>	<u>0.07</u>	<u>(0.37)</u>
(b) Diluted	<u>0.04</u>	<u>(0.55)</u>	<u>0.07</u>	<u>(0.37)</u>

Notes:

The Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to these interim financial statements.

RAYA INTERNATIONAL BERHAD
(Company No: 412406-T)
(Incorporated in Malaysia)
QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Unaudited As at 31 December 2016 RM'000	Audited As at 31 December 2015 RM'000
ASSETS		
Non-current Asset		
Property, plant and equipment	544	226
Total Non-current Asset	<u>544</u>	<u>226</u>
Current Assets		
Inventories	184	403
Trade receivables	6,268	3,438
Other receivables, deposits and prepaid expenses	3,888	408
Tax recoverable	15	125
Amount owing by associates	6	-
Cash and bank balances	1,159	4,122
Total Current Assets	<u>11,520</u>	<u>8,496</u>
TOTAL ASSETS	<u><u>12,064</u></u>	<u><u>8,722</u></u>
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	16,395	14,345
Share premium	10,425	9,403
Accumulated loss	(15,554)	(15,636)
Equity Attributable to Owners of the Company	<u>11,266</u>	<u>8,112</u>
Non-controlling interests	182	155
Total Equity	<u>11,448</u>	<u>8,267</u>
Current Liabilities		
Trade payables	-	97
Other payables and accruals	595	354
Tax liabilities	21	4
Total Current Liabilities	<u>616</u>	<u>455</u>
Total Liabilities	<u>616</u>	<u>455</u>
TOTAL EQUITY AND LIABILITIES	<u><u>12,064</u></u>	<u><u>8,722</u></u>
Net asset per share attributable to owners of the Company (sen)	<u>6.98</u>	<u>5.76</u>

Note :

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 2015 and the accompanying explanatory notes attached to these interim financial statements.

RAYA INTERNATIONAL BERHAD

(Company No: 412406-T)

(Incorporated in Malaysia)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(These figures have not been audited)

	Attributable to equity holders of the Company				Total	Non-controlling Interests	Total Equity
	Share Capital	Share Premium	Revaluation Reserve	Accumulated Loss			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Year ended 31 December 2016							
At 1 January 2016	14,345	9,403	-	(15,636)	8,112	155	8,267
Issuance of ordinary shares pursuant to Special Bumiputra Issue	2,050	1,230	-	-	3,280	-	3,280
Special Bumiputra Issue expenses	-	(208)	-	-	(208)	-	(208)
Profit for the year	-	-	-	82	82	27	109
At 31 December 2016	16,395	10,425	-	(15,554)	11,266	182	11,448
Year ended 31 December 2015							
At 1 January 2015	13,041	8,826	2,727	(17,879)	6,715	3	6,718
Issuance of ordinary shares pursuant to Private Placement	1,304	652	-	-	1,956	-	1,956
Private Placement expenses	-	(75)	-	-	(75)	-	(75)
Transfer due to realisation of revaluation reserve	-	-	(2,727)	2,727	-	-	-
Acquisition of subsidiary	-	-	-	-	-	147	147
Loss for the year	-	-	-	(478)	(478)	5	(473)
At 31 December 2015	14,345	9,403	-	(15,630)	8,118	155	8,273

Note :

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 2015 and the accompanying explanatory notes attached to these interim financial statements.

RAYA INTERNATIONAL BERHAD

(Company No: 412406-T)

(Incorporated in Malaysia)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(These figures have not been audited)

	YEAR ENDED	
	31 December 2016 RM('000)	31 December 2015 RM('000)
Cash Flows From Operating Activities		
Profit/(Loss) before taxation	129	(284)
Adjustments for:		
Depreciation of property, plant and equipment	41	113
Gain on disposal of property, plant and equipment	-	(138)
Impairment of goodwill	-	96
Finance costs	-	244
Inventories written off	205	275
Inventories written down	-	15
Interest income	(9)	(1)
Share of losses of associates	1	-
Waiver of director's advance	-	(448)
Operating profit/(loss) before working capital changes	367	(128)
Net change in current assets	(6,302)	671
Net change in current liabilities	144	(2,046)
Cash used in operations	(5,791)	(1,503)
Tax paid	(3)	(251)
Tax refund	110	-
Net cash used in operating activities	(5,684)	(1,754)
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(359)	(132)
Purchase of investment in associate	(1)	-
Proceeds from disposal of property, plant and equipment	-	8,335
Acquisition of investment in subsidiaries, net of cash acquired	-	147
Interest income received	9	1
Net cash from/(used in) investing activities	(351)	8,351
Cash Flows From Financing Activities		
Repayment of term loan	-	(4,032)
Proceeds from issuance of ordinary shares pursuant to Special Bumiputera Issue/Private Placement	3,280	1,956
Special Bumiputera Issue/Private Placement expenses	(208)	(75)
Finance costs paid	-	(244)
Net cash from/(used in) financing activities	3,072	(2,395)
Net increase/(decrease) in cash and cash equivalents	(2,963)	4,202
Cash and cash equivalents at beginning of year	4,122	(80)
Cash and cash equivalents at end of year	1,159	4,122
Cash and cash equivalents at end of year comprise:		
Cash and bank balances	1,159	4,122

The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to these interim financial statements.

RAYA INTERNATIONAL BERHAD

(Company No: 412406-T)

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QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2016

A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134

A1 Basis of preparation

The interim financial report has been prepared in accordance with MFRS 134, Interim Financial Reporting and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the ACE Market.

This interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2015. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the financial year ended 31 December 2015.

A2 Significant accounting policies

The significant accounting policies and methods adopted by the Group in the preparation of this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2015 except for the adoption of the following Amendments and Annual Improvement to Standards.

Adoption of Amendments and Annual Improvements to Standards

MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS 11	Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations
Amendments to MFRS 127	Consolidated and Separate Financial Statements - Equity Method in Separate Financial Statements
Amendments to MFRS 116 and MFRS 138	Property, Plant and Equipment and Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 116 and MFRS 141	Property, Plant and Equipment and Agriculture - Bearer Plants
Annual Improvements to MFRSs 2012 - 2014 Cycle	
Amendments to MFRS 101	Presentation of Financial Statements - Disclosure Initiative
Amendments to MFRS 10, MFRS 12 and MFRS 128	Consolidated Financial Statements, Disclosure of Interests in Other Entities and Investments in Associates and Joint Ventures - Investment Entities: Applying the Consolidation Exception

The adoption of the above pronouncements did not have any impact on the financial statements of the Group.

MFRS and Amendments to MFRSs issued but not yet effective for the current financial year

Effective for financial periods beginning on or after 1 January 2017:

Amendments to MFRS 107	Disclosure Initiative
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses

Effective for financial periods beginning on or after 1 January 2018:

MFRS 9	Financial Instruments (IFRS 9 issued by International Accounting Standards Board ("IASB") in July 2014)
MFRS 15	Revenue from Contracts with Customers
Clarifications to MFRS 15 Revenue Contracts with Customers	
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions

MFRS and Amendments to MFRSs issued but not yet effective for the current financial year (Cont'd)

Effective for financial periods beginning on or after 1 January 2019:

MFRS 16

Leases

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any effect to the financial statements of the Group upon their initial application.

As at the date of authorisation of the Interim Report, the Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture were issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective and have not been adopted by the Group as they are not relevant to the Group. The effective dates of these Standards have been deferred, and are yet to be announced by MASB. The Group will adopt these Standards when they become effective and if they are applicable.

A3 Auditors' report of preceding annual financial statements

The audit report of the preceding annual financial statements was not subject to any qualification.

A4 Seasonality or cyclicity

The Group's interim operations were not affected by seasonal or cyclical factors.

A5 Unusual items

During the current quarter under review, there were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence.

A6 Material changes in estimates

There were no major changes in the estimates of amounts reported in prior interim periods of the current financial year or in prior financial years that have had a material effect on the results in the quarter under review.

A7 Debt and equity securities

There were no major issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the quarter under review.

A8 Dividends

No dividend has been declared or paid during the period under review.

A9 Segment information

BUSINESS SEGMENTS	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER	QUARTER	YEAR	YEAR
	ENDED	ENDED	ENDED	ENDED
	31 December 2016 RM('000)	31 December 2015 RM('000)	31 December 2016 RM('000)	31 December 2015 RM('000)
<u>Segment Revenue</u>				
Oil Trading Services	18,262	1,005	68,493	1,005
Air Filtration System, Fast Moving Consumer Products & Ancillary Support Services, General Trading & Services	10	206	17	13,298
Consultancy Services	-	170	15	170
Total including inter-segment sales	18,272	1,381	68,525	14,473
Elimination of inter-segment sales	-	-	-	-
Total Revenue	18,272	1,381	68,525	14,473

Segment Profit/(Loss) Before Tax

Oil Trading Services	581	4	1,057	4
Investment Holding	(206)	(317)	(630)	(280)
Air Filtration System, Fast Moving Consumer Products & Ancillary Support Services, General Trading & Services	(298)	(373)	(311)	(173)
Consultancy Services	-	165	13	165
Total Profit/(Loss) Before Tax	77	(521)	129	(284)

A10 Valuation of property, plant and equipment

There has been no revaluation of property, plant & equipment during the current financial period.

A11 Subsequent material events

There were no material events subsequent to the end of the quarter under review which is likely to substantially affect the results of the operations of the Group.

A12 Changes in the composition of the Group

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

A13 Contingencies

There were no contingent liabilities or contingent assets arising since 31 December 2015.

A14 Capital commitments

The Group does not have any capital commitment as at 31 December 2016.

A15 Significant related party transactions

There were no significant related party transactions during the quarter under review.

A16 Profit before taxation

	INDIVIDUAL QUARTER QUARTER ENDED 31 December 2016 RM('000)	QUARTER QUARTER ENDED 31 December 2015 RM('000)	CUMULATIVE QUARTER YEAR ENDED 31 December 2016 RM('000)	QUARTER YEAR ENDED 31 December 2015 RM('000)
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Profit before tax is arrived at after charging/(crediting) the following items:

(a) Other income (interest income)	(4)	N/A	(9)	(1)
(b) Depreciation and amortisation	9	31	41	113
(c) Deposits written off	N/A	N/A	N/A	N/A
(d) Impairment loss on receivables	N/A	N/A	N/A	N/A
(e) Bad debts written off	33	N/A	33	N/A
(f) Provision for inventories	N/A	N/A	N/A	N/A
(g) Inventories written off/down	201	N/A	205	290
(h) (Gain)/Loss on disposal of quoted/unquoted investments	N/A	N/A	N/A	N/A
(i) (Gain)/Loss on disposal of assets	N/A	(124)	N/A	(138)
(j) Impairment of goodwill on consolidation	N/A	96	N/A	96
(k) Foreign exchange (gain)/loss	(94)	N/A	(124)	N/A
(l) Loss on derivatives	N/A	N/A	N/A	N/A
(m) Interest expenses	N/A	7	N/A	244
(n) Unusual items	N/A	N/A	N/A	N/A

RAYA INTERNATIONAL BERHAD

(Company No: 412406-T)

(Incorporated in Malaysia)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016

NOTES

B ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS

B1 Review of performance

For the current quarter, the Group recorded a significant increase in revenue of RM18.3m as compared to RM1.4m reported in the same quarter preceding year mainly due to the higher volume of oil trading as the Group focused on this segment of activities. The Group registered a profit before tax of RM77k, reversing the loss before tax of RM521k reported in the same quarter of the preceding year. The improvement in the financial results of the Group is mainly due to higher revenue from oil trading, despite a lower other operating income compared to the preceding year's corresponding quarter.

B2 Variation of results against preceding quarter

	Current quarter 31 December 2016 RM'000	Preceding quarter 30 September 2016 RM'000
Revenue	18,272	20,170
Profit before tax	77	28

Revenue for the current quarter decreased slightly by 9.4% compared to the previous quarter, mainly due to fluctuating oil trading volumes. The Group has however, reported a higher profit before tax for the current quarter due to higher foreign exchange gain recorded of RM94k arising from its oil trading activities.

B3 Prospects for current financial year

For the coming financial year, the Group expects minimal contribution from its water filter trading activities due to intense competition from cheaper products in the market. The management also do not expect good prospects for trading and distribution of fast consumer goods for flood aid victims as this is highly dependent on weather and availability of government aid programs. The Group plans to exit this business activity in the current financial year.

During the year, the Group has diversified its principal activities to include oil bunkering and trading in oil products to increase its revenue streams and enhance the prospects of the Group. The Group has announced a corporate exercise to acquire two (2) ships to carry out its oil bunkering activity and a fund raising exercise to raise working capital for this purpose.

B4 Profit forecast and profit guarantee

Not applicable as the Group has not previously provided a profit forecast in a public document or a profit guarantee.

B5 Taxation

The effective tax rate for the current quarter approximates the statutory tax rate. Lower effective tax rate for the current year is due to utilisation of brought forward tax losses to set off the taxable profit that would otherwise be taxable.

B6 Unquoted investments and properties

There were no acquisitions or disposals of unquoted investments or properties during the financial quarter under review.

B7 Quoted and marketable securities

The Group does not hold any quoted or marketable securities as at 31 December 2016. There were no purchases or disposals of quoted securities for the current quarter.

B8 Status of corporate proposal

The following corporate proposals were undertaken by the Group during the period under review.

(1) Corporate Exercise

On 14 November 2016, TA Securities Holdings Bhd (TA Securities) announced on behalf of the Company the following :

(a) proposed acquisition of one (1) vessel known as “Sturgeon” for a consideration of RM3.20 million to be satisfied via the issuance of new ordinary shares of RM0.10 each in Raya (“Raya Shares” or “Shares”) (“Proposed Acquisition of Sturgeon”);

(b) proposed acquisition of one (1) vessel known as “Straits 1” for a consideration of RM2.80 million to be satisfied via cash from the proceeds raised from the Proposed Rights Issue of Shares with Warrants (“Proposed Acquisition of Straits 1”); (the “Proposed Acquisition of Sturgeon” and the “Proposed Acquisition of Straits 1” shall collectively be referred to as “Proposed Acquisitions”)

(c) proposed renounceable rights issue of up to 183,952,000 new Raya Shares (“Rights Share”) on the basis of one (1) Rights Share for every one (1) existing Raya Share held on an entitlement date to be determined later (“Rights Entitlement Date”), together with up to 183,952,000 free detachable new warrants (“Warrants”) on the basis of one (1) Warrant for every one (1) Rights Share subscribed by the entitled shareholders (“Proposed Rights Issue of Shares with Warrants”);

(d) proposed increase in the authorised share capital of Raya from RM25,000,000 comprising 250,000,000 Raya Shares to RM100,000,000 comprising 1,000,000,000 Raya Shares (“Proposed IASC”); and

(e) proposed amendment to the Memorandum of Association of Raya to facilitate the implementation of the Proposed IASC (“Proposed Amendment”).

(items (a) to (e) hereinafter collectively referred to as the “Proposals”).

On 13 January 2017, TA Securities announced the Company is proposing to undertake a proposed reduction of the share premium account of Raya pursuant to Sections 60(2) and 64(1) of the Companies Act, 1965 (“Act”) and such credit will be utilized to set-off against the accumulated losses of the Company (“Proposed Share Premium Reduction”).

On 3 February 2017, TA Securities announced the following revisions to the Proposals on behalf of the Company:

The Companies Act, 2016 (“CA 2016”) came into effect on 31 January 2017 and in view thereof, revisions are made to the Proposals as follows:

(i) Due to the implementation of CA2016, the amount standing to the credit of the Company’s share premium account shall become part of the Company’s share capital. Following from this, Raya will now be undertaking a share capital reduction pursuant to Section 116 of CA 2016 in lieu of the Proposed Share Premium Reduction;

(ii) The Proposed IASC shall be excluded from the Proposals, arising from abolishment of the par value under the CA 2016 and consequently the concept of authorised share capital; and

(iii) Pursuant to item (ii), the Proposed Amendment shall consequently be excluded from the Proposals.

On 7 February 2017, TA Securities announced that the additional listing application in relation to the proposals has been submitted to Bursa Securities.

(2) *Private Placement*

On 28 December 2015, the Company completed its private placement exercise of 13,041,138 new ordinary shares of RM0.10 each in the Company representing approximately 10 % of the existing issued and paid-up share capital of the Company at RM0.15 per share.

The utilisation of proceeds from the above private placement is as follows:

Purpose	Proposed Utilisation RM('000)	Actual Utilisation as at 31 December 2016 RM('000)	Balance Unutilised RM('000)
General trading business	1,060	414	646
Application of Petroleum Development Act, licenses and related expenses for oil bunkering activity	294	409	(115)
Working capital	533	533	-
Estimated expenses in relation to the Private Placement	69	95	(26)
	<u>1,956</u>	<u>1,451</u>	<u>505</u>

(3) *Special Bumiputera Issue*

On 26 October 2016, the Company had completed the issuance of a first tranche of 12,500,000 new Raya Shares at RM0.16 as part of the Proposed Special Bumiputera Issue. The Company completed the issuance of the balance 8,000,000 new Raya shares at RM0.16 per share on 8th November 2016

Purpose	Proposed Utilisation RM('000)	Actual Utilisation as at 31 December 2016 RM('000)	Balance Unutilised RM('000)
Oil bunkering activity related expenses:			
Purchase of marine gas oil ("MGO")	2,921	3,200	(279)
Marketing expenses	53	-	53
Estimated expenses for the proposals	306	227	79
	<u>3,280</u>	<u>3,427</u>	<u>(147)</u>

B9 Group borrowings and debt securities

As at 31 December 2016, the Group has no bank borrowings nor any debt securities.

B10 Material litigation

As at the date of this report, the Group has no material litigation which will materially and adversely affect the position or business of the Group.

B11 Dividends

The Directors do not recommend the payment of any dividend in respect of the current financial period.

B12 Earnings per share

	Individual quarter ended 31 December 2016	Individual quarter ended 31 December 2015	Cumulative year ended 31 December 2016	Cumulative year ended 31 December 2015
Basic Earnings Per Share				
Profit/(Loss) for the period (RM'000)	79	(718)	82	(483)
Weighted Average Number of Ordinary Shares in Issue('000)	146,987	130,554	157,323	130,554
Basic Earnings/(Loss) Per Share (sen)	<u>0.05</u>	<u>(0.55)</u>	<u>0.05</u>	<u>(0.37)</u>

Basic earnings per share is calculated by dividing the net profit for the period under review by the weighted average number of ordinary shares in issue during the period.

The Company does not have any financial instrument in issue or other contract that may entitle its holder to ordinary share which may dilute its basic earnings per share.

B13 Realised and Unrealised Profits

Supplementary information in accordance with Guidance on 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, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad are as follow:

	As at 31 December 2016 RM '000	As at 31 December 2015 RM '000
Total accumulated profits/(losses) of the Company and its subsidiaries:		
- Realised	(16,473)	(16,549)
- Unrealised	124	-
	<u>(16,349)</u>	<u>(16,549)</u>
Add: Consolidation adjustments	795	913
Total group accumulated losses as per consolidated accounts	<u>(15,554)</u>	<u>(15,636)</u>

By Order of the Board

Dato' Tan Seng Hu
Managing Director
Kuala Lumpur

Date: 27 February 2017