

MEGA SUN CITY HOLDINGS BERHAD (640850-U)
(Formerly known as Ideal Sun City Holdings Berhad)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Fourth Quarter Ended 31 December 2016

(The figures have not been audited)

| | INDIVIDUAL QUARTER ENDED | | CUMULATIVE PERIOD ENDED | |
|---|--------------------------|--------------------|-------------------------|---------------------|
| | 31.12.16 RM'000 | 31.12.15 RM'000 | 31.12.16 RM'000 | 31.12.15 RM'000 |
| Revenue | 3,299 | 2,733 | 10,642 | 10,539 |
| Cost of sales | (441) | (937) | (2,375) | (3,222) |
| Gross profit | <u>2,858</u> | <u>1,796</u> | <u>8,267</u> | <u>7,317</u> |
| Other operating income | 107 | 213 | 361 | 331 |
| Administration expenses | (909) | (499) | (2,616) | (2,623) |
| Profit from operations | <u>2,056</u> | <u>1,510</u> | <u>6,012</u> | <u>5,025</u> |
| Finance costs | - | (733) | - | (733) |
| Profit before tax | <u>2,056</u> | <u>777</u> | <u>6,012</u> | <u>4,292</u> |
| Income tax expense | (637) | 183 | (1,791) | (50) |
| Profit for the period | <u>1,419</u> | <u>960</u> | <u>4,221</u> | <u>4,242</u> |
| Other comprehensive income for the period | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total comprehensive income for the period | <u><u>1,419</u></u> | <u><u>960</u></u> | <u><u>4,221</u></u> | <u><u>4,242</u></u> |
| Profit for the period attributable to: | | | | |
| Owners | 1,419 | 960 | 4,221 | 4,242 |
| Minority interest | - | - | - | - |
| | <u>1,419</u> | <u>960</u> | <u>4,221</u> | <u>4,242</u> |
| Total comprehensive income for the period attributable to: | | | | |
| Owners | 1,419 | 960 | 4,221 | 4,242 |
| Minority interest | - | - | - | - |
| | <u>1,419</u> | <u>960</u> | <u>4,221</u> | <u>4,242</u> |
| Earnings per share attributable to Owners: | | | | |
| - Basic (sen) | 0.75 | 0.52 | 2.24 | 2.47 |
| - Diluted (sen) | 0.62 | 0.41 | 1.84 | 1.95 |

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

MEGA SUN CITY HOLDINGS BERHAD (640850-U)
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For The Fourth Quarter Ended 31 December 2016

(The figures have not been audited)

| | 31.12.16 | 31.12.15 |
|--|----------------------|----------------------|
| | RM'000 | RM'000 |
| | (Unaudited) | (Audited) |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 8,602 | 8,451 |
| Investment properties | 40,012 | 19,056 |
| | <u>48,614</u> | <u>27,507</u> |
| Current assets | | |
| Trade receivables | 9,353 | 9,290 |
| Other receivables and prepaid expenses | 1,013 | 3,864 |
| Current tax assets | 2 | 362 |
| Deposits, cash and bank balances | 10,199 | 8,311 |
| | <u>20,567</u> | <u>21,827</u> |
| TOTAL ASSETS | <u><u>69,181</u></u> | <u><u>49,334</u></u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to owners | | |
| Share capital | 18,989 | 18,627 |
| Discount on shares | (2,123) | (2,267) |
| Reserves | 34,409 | 30,332 |
| TOTAL EQUITY | <u>51,275</u> | <u>46,692</u> |
| Non-current liabilities | | |
| Deferred tax liabilities | 30 | 41 |
| | <u>30</u> | <u>41</u> |
| Current liabilities | | |
| Trade payables | 25 | 4 |
| Other payables and accrued expenses | 17,094 | 2,588 |
| Current tax liabilities | 757 | 9 |
| | <u>17,876</u> | <u>2,601</u> |
| TOTAL LIABILITIES | <u>17,906</u> | <u>2,642</u> |
| TOTAL EQUITY AND LIABILITIES | <u><u>69,181</u></u> | <u><u>49,334</u></u> |
| Net Assets Per Share (RM) | 0.27 | 0.25 |

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial report.

MEGA SUN CITY HOLDINGS BERHAD (640850-U)
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Fourth Quarter Ended 31 December 2016

(The figures have not been audited)

| | Non-Distributable | | | Distributable | | Total RM'000 | |
|---------------------------------------|----------------------------|---------------------------------|----------------------------|------------------------------|------------------------------|-----------------|-------------------------------|
| | Share Capital RM'000 | Discount on Shares RM'000 | Share Premium RM'000 | Warrant Reserve RM'000 | Capital Reserve RM'000 | | Retained Profits RM'000 |
| Balance as of 1 January 2015 | 14,150 | (2,360) | - | 2,360 | 2,692 | 7,323 | 24,165 |
| Issuance of shares | | | | | | | |
| - private placement, net of expenses | 4,245 | - | 13,808 | - | - | - | 18,053 |
| - exercise of warrants | 232 | 93 | - | (93) | - | - | 232 |
| Profit for the financial year | - | - | - | - | - | 4,242 | 4,242 |
| Balance as of 31 December 2015 | 18,627 | (2,267) | 13,808 | 2,267 | 2,692 | 11,565 | 46,692 |
| Balance as of 1 January 2016 | 18,627 | (2,267) | 13,808 | 2,267 | 2,692 | 11,565 | 46,692 |
| Issuance of shares | 362 | 144 | - | (144) | - | - | 362 |
| Profit for the financial year | - | - | - | - | - | 4,221 | 4,221 |
| Balance as of 31 December 2016 | 18,989 | (2,123) | 13,808 | 2,123 | 2,692 | 15,786 | 51,275 |

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial report.

MEGA SUN CITY HOLDINGS BERHAD (640850-U)
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Fourth Quarter Ended 31 December 2016

(The figures have not been audited)

| | Current Year Cumulative Period Ended 31.12.16 RM'000 | Preceding Year Corresponding Period Ended 31.12.15 RM'000 |
|---|---|--|
| Cash Flows From Operating Activities | | |
| Profit before tax | 6,012 | 4,292 |
| Adjustments for: | | |
| Depreciation charge | 615 | 349 |
| Finance costs | - | 733 |
| Interest income | (9) | (77) |
| Operating Profit Before Working Capital Changes | <u>6,618</u> | <u>5,297</u> |
| Changes in Working Capital: | | |
| Decrease in: | | |
| Receivables | 2,788 | 3,752 |
| Increase/(Decrease) in: | | |
| Payables | 14,527 | (4,572) |
| Cash Generated From Operations | <u>23,933</u> | <u>4,477</u> |
| Interest received | 9 | 77 |
| Income tax refund | 230 | - |
| Income tax paid | (924) | (130) |
| Interest paid | - | (733) |
| Net Cash Generated From Operating Activities | <u>23,248</u> | <u>3,691</u> |
| Cash Flows From Investing Activities | | |
| Purchase of investment properties | (21,240) | (19,214) |
| Purchase of property, plant and equipment | (482) | (8,365) |
| Net Cash Used In Investing Activities | <u>(21,722)</u> | <u>(27,579)</u> |
| Cash Flows From Financing Activities | | |
| Proceeds from issuance of shares, net of expenses | 362 | 18,285 |
| Net Cash Generated From Financing Activities | <u>362</u> | <u>18,285</u> |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | 1,888 | (5,603) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | 8,311 | 13,914 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | <u>10,199</u> | <u>8,311</u> |

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial report.