

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2016

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceeding Year	Current Year To	Preceeding Year
	Quarter	Corresponding	Date	Corresponding
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
	RM'000	RM'000	RM'000	RM'000
Revenue	8,954	6,695	31,684	25,945
Cost of sales	(3,176)	(3,249)	(11,594)	(9,976)
Gross profit	5,778	3,446	20,090	15,969
Other income	6,408	337	6,752	1,131
Distribution and selling expenses	(191)	(87)	(620)	(353)
Administrative expenses	(1,723)	(1,467)	(5,940)	(5,545)
Other expenses	(1,010)	(771)	(4,027)	(3,014)
Finance income	17	5	49	25
Finance costs	(5)	(37)	(35)	(101)
Profit before taxation	9,274	1,426	16,269	8,112
Taxation	(602)	(824)	(1,310)	(738)
Profit for the year	8,672	602	14,959	7,374
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	8,672	602	14,959	7,374
Earnings per share (sen)				
(a) Basic	5.14	0.36	8.86	4.36
(b) Fully diluted	N/A	N/A	N/A	N/A

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

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2016

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(the figures have not been audited)

	AS AT 31.12.2016 RM'000	AS AT 31.12.2015 RM'000
NON-CURRENT ASSETS		
<i>Property, plant and equipment</i>	31,158	28,922
<i>Prepaid lease payment on leasehold land</i>	13,793	13,978
<i>Investment property</i>	19,229	13,000
<i>Goodwill on consolidation</i>	584	584
	<u>64,764</u>	<u>56,484</u>
CURRENT ASSETS		
<i>Investment in unit trusts</i>	6,860	3,714
<i>Inventories</i>	222	272
<i>Trade receivables</i>	11,668	7,881
<i>Other receivables</i>	1,644	3,468
<i>Tax recoverable</i>	2,507	1,873
<i>Deposits, cash and bank balances</i>	5,698	7,146
	<u>28,599</u>	<u>24,354</u>
CURRENT LIABILITIES		
<i>Borrowings</i>	617	648
<i>Trade payables</i>	466	376
<i>Other payables</i>	2,973	4,196
	<u>4,056</u>	<u>5,220</u>
NET CURRENT ASSETS	<u>24,543</u>	<u>19,134</u>
	<u>89,307</u>	<u>75,618</u>
REPRESENTED BY:		
<i>Share capital</i>	17,079	17,079
<i>Share premium</i>	4,522	4,522
<i>Treasury shares</i>	(1,018)	(895)
<i>Retained profits</i>	64,056	49,942
<i>Shareholders' Equity</i>	<u>84,639</u>	<u>70,648</u>
<i>Borrowings</i>	3,533	4,116
<i>Deferred tax liabilities</i>	1,135	854
<i>Non-current liabilities</i>	<u>4,668</u>	<u>4,970</u>
	<u>89,307</u>	<u>75,618</u>
Net assets per share (sen)	<u>50.10</u>	<u>41.80</u>

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

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No : 642619-P
(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2016 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(The figures have not been audited)

Note	Share Capital RM'000	Non-Distributable Share Premium RM'000	Treasury Shares RM'000	Retained Profits RM'000	Total RM'000
At 1 January 2016	17,079	4,522	(895)	49,942	70,648
Purchase of treasury shares	-	-	(123)	-	(123)
Total comprehensive income for the year	-	-	-	14,959	14,959
Appropriation: Interim dividend paid for the financial year ended 31 December 2016	-	-	-	(845)	(845)
At 31 December 2016	17,079	4,522	(1,018)	64,056	84,639
At 1 January 2015	17,079	4,522	(806)	43,836	64,631
Purchase of treasury shares	-	-	(89)	-	(89)
Total comprehensive income for the year	-	-	-	7,374	7,374
Appropriation: Final dividend payable for the financial year ended 31 December 2014	-	-	-	(423)	(423)
Interim dividend payable for the financial year ended 31 December 2015	-	-	-	(845)	(845)
At 31 December 2015	17,079	4,522	(895)	49,942	70,648

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2016 CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(The figures have not been audited)

	Current Year To Date 31.12.2016 RM'000	Preceding Year Corresponding Period 31.12.2015 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	16,269	8,112
Adjustments for:		
Depreciation of property, plant and equipment	3,090	2,807
Amortisation of prepaid lease payment	185	185
Allowance for doubtful debts - net	791	103
Changes in fair value of investment	(13)	(217)
Changes in fair value of investment property	(6,229)	-
Inventory written off	26	-
Bad debts written off - net	23	-
Gain on investment in unit trust	(159)	(76)
Gain on disposal of property, plant and equipment	-	(40)
Property, plant and equipment written off	38	-
Interest expense	35	101
Interest income	(109)	(25)
Operating profit before working capital changes	<u>13,947</u>	<u>10,950</u>
(Increase)/Decrease in inventories	50	23
(Increase)/Decrease in trade receivables	(4,829)	(1,510)
(Increase)/Decrease in other receivables	1,252	(2,500)
Increase/(Decrease) in trade payables	203	88
Increase/(Decrease) in other payables	(1,236)	3,318
Cash generated from operations	<u>9,387</u>	<u>10,369</u>
Interest paid	(35)	(101)
Taxes paid	(2,066)	(2,054)
Taxes refunded	665	331
Net cash generated from operating activities	<u>7,951</u>	<u>8,545</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	109	25
Proceeds from disposal of property, plant and equipment	-	-
Investment in unit trust	(3,021)	-
Insurance claims received	13	-
Purchase of property, plant and equipment	(4,919)	(5,002)
Net cash used investing activities	<u>(7,818)</u>	<u>(4,977)</u>

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2016

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(The figures have not been audited)

	Current Year To Date 31.12.2016 RM'000	Preceding Year Corresponding Period 31.12.2015 RM'000
CASH OUTFLOW FROM FINANCING ACTIVITY		
Repayment of term loan	(429)	(364)
Repayment of hire purchase and lease financing - net	(184)	250
Purchase of treasury shares	(123)	(89)
Dividend paid	(845)	(1,268)
Net cash used in financing activities	(1,581)	(1,471)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(1,448)	2,097
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	7,146	5,049
CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note A15)	5,698	7,146

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

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2016

NOTES

A EXPLANATORY NOTES PURSUANT TO FRS 134 INTERIM FINANCIAL REPORTING

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysia Financial Reporting Standards 134 (MFRS134): "Interim Financial Reporting" and Rule 9.22 of ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements also comply with IAS34, Interim Financial Reporting issued by the International Accounting Standards Board.

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

The accounting policies and methods of computation adopted by the Company and its subsidiaries ("Group") in this interim financial statements are consistent with those adopted for the annual audited financial statements for the year ended 31 December 2015 except for the following new/amended MFRS:

MRFS 16	Leases
Amendments to MFRS 107	Disclosure Initiative
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses

The adoption of the new/amended MFRS and its amendments does not give rise to any adjustment to the opening balances of retained profit of prior and current years or changes in comparatives.

A2 Auditors' report of preceeding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2015 was not qualified.

A3 Seasonal or cyclical factors

The Group's operations were not subject to any seasonal or cyclical changes.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

Save for the information disclosed in this interim report, there were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Company during the quarter under review.

A5 Material changes in estimates

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

A6 Debt and equity securities

During the current quarter, the Company repurchased 10,000 unit of shares from the open market at an average price of RM1.17 per share and the total repurchase cost was RM11,700. The total repurchase consideration, including transaction costs were financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with the requirement of Section 67A of the Companies Act, 1965.

Save for the above, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter.

A7 Dividend paid

There were no dividends paid during the financial period.

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2016

NOTES

A8 Segment information

	Investment holding RM'000	Recovery and recycling services RM'000	Manufactur- ing RM'000	Trading RM'000	Others* RM'000	Eliminat- ions RM'000	Total RM'000
Current Year Quarter							
31.12.16							
Revenue							
External sales	-	8,636	20	38	260	-	8,954
Inter-segment sales	-	318	1	-	-	(319)	-
Total revenue	-	8,954	21	38	260	(319)	8,954
Results							
Segment results	(91)	3,694	(15)	(27)	6,435	-	9,996
Finance income	2	15	-	-	-	-	17
Finance cost	-	(5)	-	-	-	-	(5)
Depreciation and amortisation	-	(633)	(4)	(97)	-	-	(734)
Profit before taxation	(89)	3,071	(19)	(124)	6,435	-	9,274
Current Year To Date							
31.12.16							
Revenue							
External sales	-	29,971	345	356	1,012	-	31,684
Inter-segment sales	-	318	4	-	-	(322)	-
Total revenue	-	30,289	349	356	1,012	(322)	31,684
Results							
Segment results	(376)	12,589	136	217	7,080	(114)	19,532
Finance income	8	39	-	-	-	-	47
Finance cost	-	(35)	-	-	-	-	(35)
Depreciation and amortisation	-	(2,804)	(15)	(456)	-	-	(3,275)
Profit before taxation	(368)	9,789	121	(239)	7,080	(114)	16,269
Preceding Year Corresponding Quarter							
31.12.15							
Revenue							
External sales	-	6,111	242	98	244	-	6,695
Inter-segment sales	-	-	-	-	-	-	-
Total revenue	-	6,111	242	98	244	-	6,695
Results							
Segment results	(47)	1,898	204	(11)	227	-	2,271
Finance income	2	3	-	-	-	-	5
Finance cost	-	(37)	-	-	-	-	(37)
Depreciation and amortisation	-	(703)	(4)	(106)	-	-	(813)
Profit before taxation	(45)	1,161	200	(117)	227	-	1,426
Preceding Year Corresponding Period							
31.12.15							
Revenue							
External sales	-	24,223	366	382	974	-	25,945
Inter-segment sales	-	70	-	-	-	(70)	-
Total revenue	-	24,293	366	382	974	(70)	25,945
Results							
Segment results	(289)	10,639	223	(278)	885	-	11,180
Finance income	9	15	1	-	-	-	25
Finance cost	-	(101)	-	-	-	-	(101)
Depreciation and amortisation	-	(2,640)	(16)	(336)	-	-	(2,992)
Profit before taxation	(280)	7,913	208	(614)	885	-	8,112

* This segment represents renting of investment property

There is no geographical segmental information as the Company operates principally in Malaysia.

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2016

NOTES

A9 Valuation of property, plant and equipment

Property, plant and equipment of the Group are stated at cost less accumulated depreciation. No valuation of property, plant and equipment was undertaken during the current quarter under review.

A10 Material events subsequent to the end of the quarter

There were no material events subsequent to the current financial period up to the date of this report that would affect the financial results for the current financial period under review.

A11 Changes in the composition of the Company

There were no changes in the composition of the Company for the current financial quarter.

A12 Contingent liabilities

There were no contingent liabilities or contingent assets as at the date of this report.

A13 Capital commitments

	AS AT 31.12.2016 RM'000	AS AT 31.12.2015 RM'000
Approved and contracted for:		
Acquisition of property, plant and equipment	3,322	168

A14 Related party transactions

As at the end of the current quarter under review, the Group has not entered into any related party transactions.

A15 Cash and cash equivalents

	As at 31.12.2016 RM'000	As at 31.12.2015 RM'000
Cash in hand and at banks	5,048	6,924
Deposits with licensed investment bank	650	222
	<u>5,698</u>	<u>7,146</u>

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2016

NOTES

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET

B1 Review of performance

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2016 RM'000	Preceding Year Corresponding Quarter 31.12.2015 RM'000	Current Year To Date 31.12.2016 RM'000	Preceding Year Corresponding Period 31.12.2015 RM'000
Revenue	8,954	6,695	31,684	25,945
Profit before taxation	9,274	1,426	16,269	8,112

For the quarter ended 31 December 2016, Tex Cycle and its subsidiaries ("Group") generated total revenue of RM8.9million, an increase of RM2.3million or 34% compared to the corresponding quarter of the preceding year ended 31 December 2015. The increase in revenue was mainly derived from the Group's recycling and recovery division in the current quarter. The Group made a profit before taxation of RM9.3million for the current quarter, an increase of RM7.8million compared to the corresponding quarter of the preceding year ended 31 December 2015 due to an increase in fair value of the Group's investment property of RM6.2million for the current quarter.

Recycling and recovery division

For the quarter ended 31 December 2016, the revenue of the recycling business increased by RM2.5million or 41% as compared to that of the corresponding quarter preceding year. The increase is mainly due to higher sales volume from new customers.

Manufacturing division

For the current quarter, the revenue of the manufacturing division decreased by RM222,000 as compared to the corresponding quarter preceding year. The decrease is mainly due to lower demand from the defence industry.

Trading division

For the current quarter, the revenue of the trading division decreased by RM65,000 as compared to the corresponding quarter preceding year. The decrease is mainly due to the softening in industry demand.

B2 Material Changes in Quarterly Results compared to the Results of the preceding quarter

	Current Year	Previous Quarter
	Quarter 31.12.2016 RM'000	30.09.2016 RM'000
Revenue	8,954	8,133
Profit/(Loss) before taxation	9,274	2,622

The Group's revenue for the current quarter was RM8.9million as compared to the revenue for the preceding quarter of RM8.1million, representing an increase of RM0.8million, or 10%. The Group made a profit before taxation of RM9.3million for the current quarter, an increase of RM6.7million, or 254% compared to the preceding quarter ended 30 September 2016. The increase is mainly due to increase in fair value of the Group's investment property of RM6.2million for the current quarter.

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2016

NOTES

B3 Prospects

Tex Cycle (P2) plant, a wholly-owned subsidiary of Tex Cycle Technology (M) Berhad, had fully operationalised its production in 2015. The plant which is situated on eight and a half acres of industrial land with a built-up area of 160,800 sq.ft., located in Telok Gong, Selangor, is equipped with state of the art equipment. The plant is licensed by the Department of Environment to transport, recycle and recover thirty-one types of scheduled waste.

On 2 August 2016, Tex Cycle (P2) Sdn Bhd had obtained approval from Sustainable Energy Development Authority Malaysia (SEDA) to build and operate a renewable electrical energy power plant with a capacity to supply 2 MW per hour of electricity to Tenaga Nasional Berhad. The approval granted is for a period of 16 years, commencing no later than 28th January 2018.

The power purchase agreement ("PPA") with Tenaga Nasional Berhad was signed on 2 February 2017 at a fixed tariff rate of RM0.4766 per kWh for sixteen (16) years. The electrical energy power plant ("EEPP") will be located at Tex Cycle (P2) plant. The EEPP will have an installed capacity of 2.5 MW per hour. Construction of the EEPP had commenced in January 2017 and is expected to be completed in October 2017.

With the implementation of the power plant project, it is expected to contribute positively to the Group's results from 2018.

B4 Profit forecast and profit guarantee

Not applicable as no profit forecast was published by the Group.

B5 Taxation

The taxation is calculated based on the profit for the financial period ended 31 December 2016 comprises the following:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2016 RM'000	Preceeding Year Corresponding Quarter 31.12.2015 RM'000	Current Year To Date 31.12.2016 RM'000	Preceeding Year Corresponding Period 31.12.2015 RM'000
Income tax				
Estimated tax payable for current period	354	293	1,027	809
Under/(Over) provision in prior year	-	29	2	(6)
Deferred tax				
Estimated deferred tax for current period	248	502	281	(65)
	<u>602</u>	<u>824</u>	<u>1,310</u>	<u>738</u>

The effective tax rate is lower than the statutory tax rate due to the 70% tax exemption on tax payable granted to Tex Cycle (P2).

B6 Status of corporate proposals

There were no corporate proposals as at the date of this report.

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2016

NOTES

B7 Borrowings and debt securities

	As at 31.12.2016 RM'000	As at 31.12.2015 RM'000
<i>Short term borrowings:</i>		
Secured-Term Loan	452	108
Unsecured - Hire purchase and finance lease payables	165	339
	617	447
<i>Long term borrowings:</i>		
Secured-Term Loan	3,503	4,125
Unsecured - Hire purchase and finance lease payables	30	323
	3,533	4,448
	<u>4,150</u>	<u>4,895</u>

B8 Material litigation

- (a) TC Chemical Sdn. Bhd. ("TC Chemical"), a wholly-owned subsidiary company of the Company had on 20 March 2014 filed a writ of summons in the High Court Of Malaya, Kuala Lumpur against Petrozchem Sdn. Bhd. (PSB) and Petrozchem Oilfield Services Sdn. Bhd. ("POSSB"). TC Chemical sought to claim the outstanding amount as at 27 March 2014 of RM1,220,912 for the supply of "Synthetic Based Mud" to PSB with interest and other damages. PSB had by the Deed of Assignment dated 12 December 2012 transferred the entire business including all assets and liabilities to POSSB.

POSSB subsequently filed a counter-claim in High Court of Malaya, Kuala Lumpur against TC Chemical for the refund of the amount of RM1,500,000, the partial payment paid to TC Chemical for the supply of "Synthetic Based Mud" including interest and other relevant damages and charges ("the said Counter-Claim").

On 19 December 2014, the Court had dismissed the Company's claim against PSB and POSSB as well as allowed the counter claim by POSSB for RM1.5million. The Kuala Lumpur High Court had declared that the Company is not a valid creditor of PSB.

On 13 March 2015, the Kuala Lumpur High Court dismissed the remaining claims in the counterclaim against TC Chemical made by POSSB. It also awarded costs of RM125,000 against TC Chemical in respect of the judgment made on 19 December 2014 in favour of POSSB.

On 14 May 2015, TC Chemical was granted a Stay of Execution of the judgment pending the Company's appeal to the Court of Appeal on condition that the judgment sum be paid to an interest bearing account with a legal stakeholder which the Company has complied with. The Court of Appeal had subsequently fixed a hearing on 1 March 2016.

The Court of Appeal held case management on 21 April 2016 and 8 August 2016 and subsequently hearing was fixed for 3 November 2016 which was recently postponed to 15 December 2016.

The Court of Appeal ("Court") had on 15 December 2016 disallowed the appeal by TC Chemical with costs of RM20,000. The Court granted a stay of execution in respect of the RM1.5 million pending the Board's decision to appeal to the Federal Court within seven (7) days, to which the Board of Directors announced their decision not to appeal to the Federal Court in respect of the counter claim by POSSB on 20 December 2016.

- (b) On 28 July 2016, Tex Cycle Technology (M) Berhad ("TCTB") took legal action against Fact System (Malaysia) Sdn Bhd ("FACT") claiming the Defendant had breached the contract in respect of the successful implementation of the FACT System pursuant to TCTB's requirement for the implementation of GST with the deadline and in accordance with TCTB's requirements by 1 April 2015 for a sum of RM1,059,748.34 as damages.

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2016

NOTES

B8 Material litigation (cont'd.)

On 15 September 2016, the Defendant filed a counterclaim for the sum of RM38,668.80 being the additional 76 hours spent on the implementation of the software.

The Court had sanctioned the parties to mediate on 7 December 2016 but no settlement could be reached. The case management was held on 10 January 2017 to update the Court on mediation and trial of this matter has been fixed on 7 April 2017 and 14 April 2017.

B9 Dividends

No dividend has been recommended for the current financial period ended 31 December 2016.

B10 Realised and unrealised profit and loss

	As at 31.12.2016 RM'000	As at 31.12.2015 RM'000
Total retained profit of the Company and it's subsidiaries:		
Realised	50,791	42,822
Unrealised	13,265	7,303
	<u>64,056</u>	<u>49,942</u>

B11 Profit before tax

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2016 RM'000	Preceeding Year Corresponding Quarter 31.12.2015 RM'000	Current Year To Date 31.12.2016 RM'000	Preceeding Year Corresponding Period 31.12.2015 RM'000
Profit before tax is arrived at after the following charges/(credits):				
Depreciation of property, plant and equipment	665	651	3,090	2,807
Amortisation of prepaid lease payment	45	45	185	185
Allowance for doubtful debts - net	(31)	64	791	103
Inventory written off	-	-	26	-
Bad debts written off	23	-	23	-
Gain on investment in unit trust	(80)	-	(159)	(76)
Property, plant and equipment written off	38	-	38	-
Gain on disposal of property, plant and equipment - net of tax	-	(25)	-	(40)
Changes in fair value of investment property	(6,229)	-	(6,229)	-
Decrease/(Increase) in fair value of unit trust	77	(84)	(13)	(217)
Interest income from deposits placed with licensed banks	(17)	(5)	(109)	(25)
Interest expenses on term loans	2	32	22	87
Interest expenses on hire-purchase	3	5	13	14

TEX CYCLE TECHNOLOGY (M) BERHAD

Company's No.: 642619-P

(Incorporated in Malaysia)

Quarterly Report on Results for the 4th Quarter Ended 31 December 2016

NOTES

B12 Earnings per share

(a) Basic Earnings Per Ordinary Share

Basic earnings per share amounts are calculated by dividing the net profit for the period attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares in issue during the period.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2016 RM'000	Preceeding Year Corresponding Quarter 31.12.2015 RM'000	Current Year To Date 31.12.2016 RM'000	Preceeding Year Corresponding Period 31.12.2015 RM'000
Net profit for the period (RM'000)	8,672	602	14,959	7,374
Weighted average number of ordinary shares in issue ('000)	168,867	168,980	168,932	169,026
Basic earnings per share (sen)	5.14	0.36	8.86	4.36

(b) Diluted Earnings Per Ordinary Share

Not applicable to the Company

By Order of the Board

Periasamy A/L Sinakalai

Managing Director

Selangor Darul Ehsan

Date: 23 February 2017