

**NEXGRAM HOLDINGS BERHAD**

(Company No. 660055-H)

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016**

NEXGRAM HOLDINGS BERHAD

Company No. 660055-H

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD  
ENDED 31 JULY 2016

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER THREE MONTHS 1 MAY 2016 TO 31 JULY 2016 RM	PRECEDING YEAR CORRESPONDING QUARTER THREE MONTHS 1 MAY 2015 TO 31 JULY 2015 RM	CURRENT YEAR TO-DATE FIFTEEN MONTHS 1 MAY 2015 TO 31 JULY 2016 RM	PRECEDING YEAR CORRESPONDING PERIOD FIFTEEN MONTHS 1 MAY 2014 TO 31 JULY 2015 RM
Revenue		9,571,786	26,768,206	106,169,228	-
Operating expenses		(20,901,236)	(23,620,409)	(104,529,594)	-
<b>(Loss)/ profit from operations</b>		<b>(11,329,450)</b>	<b>3,147,797</b>	<b>1,639,634</b>	<b>-</b>
Depreciation and amortisation		(2,902,164)	(2,736,400)	(15,183,325)	-
Share of profit from associate		183,041	103,432	117,254	-
Finance costs		1,200,183	(985,599)	(2,781,721)	-
Interest income		34,081	46,509	169,403	-
Gain on disposal of subsidiary company		-	-	27,253,356	-
<b>(Loss)/profit before taxation</b>		<b>(12,814,309)</b>	<b>(424,261)</b>	<b>11,214,601</b>	<b>-</b>
Taxation	B5	284,517	(6,287)	119,224	-
<b>(Loss)/profit for the period</b>		<b>(12,529,792)</b>	<b>(430,548)</b>	<b>11,333,825</b>	<b>-</b>
<b>Other comprehensive income/(loss), net of tax</b>					
Foreign currency translation		1,180,414	4,263,117	(40,635,022)	-
Loss on fair value changes of available-for-sale financial assets		(938,233)	-	(938,233)	-
<b>Total comprehensive (loss)/income for the period, net of tax</b>		<b>(12,287,611)</b>	<b>3,832,569</b>	<b>(30,239,430)</b>	<b>-</b>
<b>(Loss)/profit for the period attributable to:</b>					
Equity holders of the Company		(11,718,392)	(513,272)	12,006,551	-
Non-controlling interests		(811,400)	82,724	(672,726)	-
<b>(Loss)/profit for the period</b>		<b>(12,529,792)</b>	<b>(430,548)</b>	<b>11,333,825</b>	<b>-</b>
<b>Total comprehensive (loss)/income attributable to:</b>					
Equity holders of the Company		(12,626,137)	2,456,385	(17,385,107)	-
Non-controlling interests		338,526	1,376,184	(12,854,323)	-
<b>Total comprehensive (loss)/income for the period</b>		<b>(12,287,611)</b>	<b>3,832,569</b>	<b>(30,239,430)</b>	<b>-</b>
Earnings per share attributable to equity holders of the Company:-					
- Basic (sen)	B12	(0.63)	(0.03)	0.64	-
- Diluted (sen)		-	-	0.64	-

(Due to the change in the current financial year end from 30 April to 31 July, there were no comparative financial information available for the preceding year corresponding period ended 31 July 2015.)

(The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 April 2015 and the accompanying Notes to the Unaudited Interim Financial Report on pages 5 to 14)

**NEXGRAM HOLDINGS BERHAD**

Company No. 660055-H  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD  
ENDED 31 JULY 2016**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	AT 31 JULY 2016 (UNAUDITED) RM	AT 30 APRIL 2015 (AUDITED) RM
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	24,909,902	18,146,554
Investment properties	79,400,000	79,400,000
Research and development expenditure	1,544,716	2,517,443
Intangible assets	13,660,242	32,796,292
Investment in quoted share	12,362,182	2,935,301
Investment in associate	664,714	547,460
Other investment	17,035,442	15,301,710
Goodwill on consolidation	59,810,612	10,019,264
Total non-current assets	209,387,810	161,664,024
<b>Current assets</b>		
Inventories	76,681,605	89,843,333
Work in progress	-	-
Trade and other receivables	41,509,596	80,828,586
Amount due from associate company	431,700	1,049,168
Tax recoverable	1,294,822	23,265
Fixed deposits with a licensed bank	3,654,388	3,251,078
Cash and bank balances	7,196,724	31,138,506
Total current assets	130,768,835	206,133,936
<b>Total assets</b>	340,156,645	367,797,960
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
<b>Equity attributable to owners of the parent:</b>		
Share capital	94,156,725	188,313,449
Share premium	5,460,724	5,720,000
Reserves	72,316,509	4,437,839
Retained earnings	47,025,969	53,602,302
	218,959,927	252,073,590
Non-controlling interests	9,003,359	6,548,402
<b>Total equity</b>	227,963,286	258,621,992
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Deferred tax	291,373	1,933,509
Finance lease payables	5,139,953	1,876,344
Term loans	61,638,054	61,724,224
Total non-current liabilities	67,069,380	65,534,077
<b>Current liabilities</b>		
Trade and other payables	26,215,150	31,947,331
Amount due to director	4,279,396	1,004,091
Finance lease payables	3,818,671	415,886
Term loans	3,992,819	2,672,394
Bank overdraft	2,224,770	3,438,301
Tax payable	4,593,173	4,163,888
Total current liabilities	45,123,979	43,641,891
<b>Total liabilities</b>	112,193,359	109,175,968
<b>Total equity and liabilities</b>	340,156,645	367,797,960
<b>Net assets per share attributable to ordinary equity holders of the Company (sen)</b>		
	11.63	13.39

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 April 2015 and the accompanying Notes to the Unaudited Interim Financial Report on pages 5 to 14)

NEXGRAM HOLDINGS BERHAD

Company No. 660055-H

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD  
ENDED 31 JULY 2016

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

<----- Attributable to owners of the parent ----->

Non-Distributable

Distributable

	Share capital RM	Share premium RM	Warrants reserve RM	Fair value reserve RM	Capital reserve RM	Treasury share RM	Translation reserve RM	Retained earnings RM	Total RM	Non- controlling interests RM	Total equity RM
At 1 May 2015	188,313,449	5,720,000	6,281,395	(330,038)	-	(83,500)	(1,430,018)	53,602,302	252,073,590	6,548,402	258,621,992
Transaction with owners:											
- Par value reduction	(94,156,724)	(259,276)	-	-	94,156,724	-	-	-	(259,276)	-	(259,276)
- Share buy back	-	-	-	-	-	(160,000)	-	-	(160,000)	-	(160,000)
Total transactions with owners	(94,156,724)	(259,276)	-	-	94,156,724	(160,000)	-	-	(419,276)	-	(419,276)
Foreign currency translation	-	-	-	-	-	-	(25,159,701)	(105,743)	(25,265,444)	628,640	(24,636,804)
Disposal of subsidiary	-	-	-	-	-	-	(1,925,572)	(17,538,908)	(19,464,480)	-	(19,464,480)
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	2,499,043	2,499,043
Reversal of fair value loss	-	-	-	967,219	-	-	-	(938,233)	28,986	-	28,986
Profit for the financial period	-	-	-	-	-	-	-	12,006,551	12,006,551	(672,726)	11,333,825
Total comprehensive income for the financial period	-	-	-	967,219	-	-	(27,085,273)	(6,576,333)	(32,694,387)	2,454,957	(30,239,430)
At 31 July 2016	<u>94,156,725</u>	<u>5,460,724</u>	<u>6,281,395</u>	<u>637,181</u>	<u>94,156,724</u>	<u>(243,500)</u>	<u>(28,515,291)</u>	<u>47,025,969</u>	<u>218,959,927</u>	<u>9,003,359</u>	<u>227,963,286</u>
At 1 May 2014	169,246,782	-	6,281,395	312,738	-	-	(959,411)	46,658,301	221,539,805	(2,066,265)	219,473,540
Transaction with owners:											
- Issue of ordinary shares	19,066,667	5,720,000	-	-	-	-	-	-	24,786,667	-	24,786,667
- Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	6,498,318	6,498,318
- Share buy back	-	-	-	-	-	(83,500)	-	-	(83,500)	-	(83,500)
Total transactions with owners	19,066,667	5,720,000	-	-	-	(83,500)	-	-	24,703,167	6,498,318	31,201,485
Foreign currency translation	-	-	-	-	-	-	-	-	-	-	-
Profit for the financial period	-	-	-	-	-	-	-	6,944,001	6,944,001	2,105,899	9,049,900
Other comprehensive income	-	-	-	(642,776)	-	-	(470,607)	-	(1,113,383)	10,450	(1,102,933)
Total comprehensive income for the financial period	-	-	-	(642,776)	-	-	(470,607)	6,944,001	5,830,618	2,116,349	7,946,967
At 30 April 2015	<u>188,313,449</u>	<u>5,720,000</u>	<u>6,281,395</u>	<u>(330,038)</u>	<u>-</u>	<u>(83,500)</u>	<u>(1,430,018)</u>	<u>53,602,302</u>	<u>252,073,590</u>	<u>6,548,402</u>	<u>258,621,992</u>

(The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 April 2015 and the accompanying Notes to the Unaudited Interim Financial Report on pages 5 to 14)

**NEXGRAM HOLDINGS BERHAD**

Company No. 660055-H  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD  
ENDED 31 JULY 2016**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**

	<b>CURRENT YEAR TO-DATE 31 JULY 2016</b>	<b>CUMULATIVE QUARTER PRECEDING YEAR TO-DATE 31 JULY 2015</b>
	<b>RM</b>	<b>RM</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	11,214,601	-
Adjustments for non-cash flow:		
Non-cash items	(1,921,565)	-
Finance costs	2,781,721	-
Interest income	(169,403)	-
Operating profit before working capital changes	<u>11,905,354</u>	<u>-</u>
Changes in working capital:		
Net change in current assets	(12,704,891)	-
Net change in current liabilities	(8,107,610)	-
Cash generated from operations	<u>(8,907,147)</u>	<u>-</u>
Interest paid	(2,781,721)	-
Income tax paid	231,482	-
<b>Net cash from operating activities</b>	<u>(11,457,386)</u>	<u>-</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(9,329,952)	-
Purchase of quoted investment	(8,204,765)	-
Purchase of unquoted investment	(1,092,420)	-
Proceeds from disposal of property, plant and equipment	89,010	-
<b>Net cash used in investing activities</b>	<u>(18,538,127)</u>	<u>-</u>
<b>Cash flows from financing activities</b>		
Issuance of share	(419,276)	-
Interest received	169,403	-
Drawdown of finance lease payables	6,040,700	-
Repayment of finance lease payables	(812,278)	-
Placement of fixed deposit	(131,487)	-
Repayment of term loans	(2,453,997)	-
<b>Net cash from financing activities</b>	<u>2,393,065</u>	<u>-</u>
<b>Net increase in cash and cash equivalents</b>	<u>(27,602,448)</u>	<u>-</u>
<b>Cash and cash equivalents at 1 May</b>	27,700,205	-
<b>Translation differences</b>	4,874,197	-
<b>Cash and cash equivalents at end of period</b>	<u><u>4,971,954</u></u>	<u><u>-</u></u>
<b>Cash and cash equivalents comprise of :-</b>		
Cash and bank balances	7,196,724	-
Bank overdraft	(2,224,770)	-
	<u><u>4,971,954</u></u>	<u><u>-</u></u>

(Due to the change in the current financial year end from 30 April to 31 July, there were no comparative financial information available for the preceding year-to-date 31 July 2015.)

(The Unaudited Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 30 April 2015 and the accompanying Notes to the Unaudited Interim Financial Report on pages 5 to 14)

**NEXGRAM HOLDINGS BERHAD**

Company No. 660055-H  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL  
PERIOD ENDED 31 JULY 2016**

**NOTES TO THE INTERIM FINANCIAL REPORT**

**A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 INTERIM FINANCIAL REPORTING**

**A1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134 “Interim Financial Reporting” and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial report should be read in conjunction with the latest audited financial statements of Nexgram Holdings Berhad (“Nexgram” or the “Company”) and its subsidiaries (“Group”) for the financial year ended 30 April 2015.

The accounting policies adopted by the Group in this interim financial statements are consistent with those of the audited financial statements for the financial year ended 30 April 2015.

**A2. Qualification of financial statements**

There was no audit qualification reported in the audited financial statements of the Group for the financial year ended 30 April 2015.

**A3. Seasonal or cyclical factors**

The results of the Group were not materially affected by any significant seasonal or cyclical factors during the current quarter under review.

**A4. 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 during the current quarter under review.

**A5. Material changes in estimates**

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

**NEXGRAM HOLDINGS BERHAD**

Company No. 660055-H

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL  
PERIOD ENDED 31 JULY 2016****A6. Debts and equity securities**

There were no issuance, repurchase, cancellation, resale, and repayment of debt and equity securities of the Company for the current quarter under review.

**A7. Dividend paid**

There was no dividend paid during the current quarter under review.

**A8. Segmental information**

The segmental analysis of revenue and profit before taxation of the Group for the financial period ended 31 July 2016 is tabulated below:

Segment	ICT		Property Investment RM	Logistic RM	Elimination RM	Total RM
	Malaysia RM	Other Countries RM				
Revenue	84,307,232	14,379,283	5,738,606	3,199,569	(1,455,462)	106,169,228
Profit /(loss) before taxation	82,450,995	(108,939,582)	39,187,207	(1,484,019)	-	11,214,601

**A9. Valuation of property, plant and equipment**

The Group did not revalue any of its property, plant and equipment during the current quarter under review.

**A10. Valuation of investment properties**

The Group did not revalue any of its investment properties during the current quarter under review.

**NEXGRAM HOLDINGS BERHAD**

Company No. 660055-H  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL  
PERIOD ENDED 31 JULY 2016**

**A11. Material events subsequent to the end of the quarter**

As at the date of the report, being the latest practicable date of this Report, there is no material events subsequent to the quarter ended 31 July 2016.

**A12. Changes in composition of the Group**

Other than as disclosed below, there were no changes in the composition of the Group during the financial period ended 31 July 2016.

**a) Acquisition of 70% equity interest in Blue Hill Development Sdn. Bhd. (“BHDSB”)**

On 14 April 2016, the Company entered into a Conditional Share Sale Agreement (“SSA”) to acquire 770,000 ordinary shares of RM1 each in BHDSB from Spacious Glory Sdn. Bhd. for a total consideration of RM12,500,000 (“The Acquisition”).

The Acquisition has been completed on 4 July 2016.

**A13. Contingent assets or liabilities**

Save as disclosed below, the Company does not have any contingent assets or liabilities as at the date of the report.

	RM
<u>Contingent liability :</u>	
Corporate guarantee granted to subsidiary companies	<u>65,168,339</u>

**A14. Capital commitments**

There were no capital commitments during the period under review.

**A15. Change of Financial Year End**

On 25 May 2016, the Board of Directors of the Group has approved the change of financial year end of the Company from 30 April 2016 to 31 July 2016.



# NEXGRAM HOLDINGS BERHAD

Company No. 660055-H  
(Incorporated in Malaysia)

## UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

### ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

#### **B1. Review of performance**

##### **(a) Performance of the current quarter/ period against the preceding year corresponding quarter/ period**

The Group recorded revenue of RM9.6 million in the current 3-months financial period ended 31 July 2016 as compared to RM26.8 million reported in the previous year corresponding period. The Group's revenue significantly decreased by 64.2% mainly in revenue reduction from subsidiaries involves in information technologies ("IT") and a group of subsidiaries involves in dealing with a wide-ranging choice of security and video surveillance equipment which due to environment changes across the IT and telecommunication industries has dropped tremendously. Fortunately, the management of the Group has tried their best effort to diversified and successfully acquired a logistic company in fourth quarter of the year and a construction company in fifth quarter of the year and has fulfilled their duty for shareholders by achieving the Group on going concern.

The Group recorded a loss before taxation of RM12.8 million for the current 3-months financial period ended 31 July 2016 as compared to a loss before taxation of RM0.4 million reported in the previous year corresponding period. The significant increase of 3100.0% in loss before taxation recorded was mainly due to an increase in operating expenses, depreciation, provision for doubtful debt of RM9.6 million and losses contributed from subsidiaries involved in IT during the current period under review.

##### **(b) Performance of the financial year-to-date against preceding year corresponding period**

There were no comparative financial information available for the preceding year-to-date 31 July 2015 due to the change in the current financial year end from 30 April to 31 July.

##### **(c) Performance of the current quarter against the preceding quarter**

For the current quarter ended 31 July 2016, the Group recorded revenue of RM9.6 million as compared to RM13.6 million recorded in the previous quarter ended 30 April 2016. The Group's revenue decreased by 29.4% mainly in revenue reduction from subsidiaries involves in information technologies ("IT") and a group of subsidiaries involves in dealing with a wide-ranging choice of security and video surveillance equipment which due to environment changes across the IT and telecommunication industries has dropped tremendously.

Fortunately, the management of the Group has tried their best effort to diversified and successfully acquired a logistic company in fourth quarter of the year and a

## NEXGRAM HOLDINGS BERHAD

Company No. 660055-H  
(Incorporated in Malaysia)

### UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

**(c) Performance of the current quarter against the preceding quarter (cont'd)**

construction company in fifth quarter of the year and has fulfilled their duty for shareholders by achieving the Group on going concern.

The Group recorded a loss before taxation of RM12.8 million for the current quarter ended 31 July 2016 as compared to loss before taxation of RM3.9 million recorded in the previous quarter ended 30 April 2016. The significant decrease in profit before taxation recorded was mainly due to provision of doubtful debt of RM9.6 million from one of the trade receivable during the current period under review.

**B2. Current year's prospect**

In view of the uncertainties and challenges ahead, the Group is expected to continue and focus on the development and future growth of its existing businesses.

The Group has also diversified and ventured into property development sector through Nexgram Land Sdn. Bhd., a wholly-owned subsidiary of Nexgram Holdings Bhd, which has entered into an Off Take Agreement cum Sales and Purchase Agreement with Myangkasa Bina Sdn. Bhd., which its ultimately 100% owned by Angkatan Koperasi Kebangsaan Malaysia Bhd..

The property development project is to develop parcel of lands in Putrajaya and Cyberjaya which involves a residential development of two (2) block 35-storey on a 5.3 acres commercial land and a mixed commercial development comprised of corporate office building, small office home office ("SOHO"), commercial retail shop and high-end suites apartment on a 5.9 acres commercial land respectively. The Development Order has been obtained for the Cyberjaya project. The total Gross Development Value for both project is estimated RM1.45 billion.

The expected full completion date of the both project will be in the year of 2020.

As part of on-going business rationalization, the company has disposed off subsidiaries which are dormant and had contributed losses to the Group for the past years.

Furthermore, as a continuation Group's long term growth strategy of venturing into other sectors beyond its ICT and property-based businesses, on 13 January 2016, the company had acquired 51,000 ordinary shares of RM1 each in Transeaways Shipping Sdn. Bhd. ("TSSB") from Hopscoth Invest & Trade Inc. for a total consideration of RM41,200,000. TSSB is principally engages as a shipping agent. TSSB was established to provide total logistic solutions to all importers and exporters in Kuantan and east coast of peninsular Malaysia.

On 14 April 2016, the Company had entered into agreement to acquire 770,000 ordinary shares of RM1 each in Blue Hill Development Sdn Bhd ("BHDSB") from Spacious

**NEXGRAM HOLDINGS BERHAD**Company No. 660055-H  
(Incorporated in Malaysia)**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL  
PERIOD ENDED 31 JULY 2016****B2. Current year's prospect (cont'd)**

Glory Sdn Bhd for a total consideration of RM12,500,000.00. BHDSB is principally involved in building construction.

The acquisition would provide a new source of recurring income to the Group as well as diversify the earnings base of the Group which is currently derived from ICT and property-based businesses. Besides, the Group is in the midst of securing new projects on property and constructions businesses.

**B3. Variance of actual profit from forecast profit**

The Group has not published or issued any profit forecast for the current period and financial year as at the date of the report.

**B4. Profit before tax is stated after charging/(crediting):**

	Quarter ended 31.7.2016 RM	Year to date 31.7.2016 RM
Amortisation of development expenditure	56,101	972,727
Amortisation of intangible assets	1,929,363	9,646,815
Depreciation of property, plant and equipment	916,700	4,563,783
Gain on disposal of asset held for sale	-	-
Gain on disposal of property, plant equipment	21,490	(66,835)
Gain or loss on derivatives	-	-
Impairment of assets	-	-
Interest expense	1,200,183	2,781,721
Interest income	(34,081)	(169,403)
Provision for and write off of receivables	9,601,437	9,601,437
Provision for and write off of inventories	-	-
Realised loss on foreign exchange	(172,618)	(32,568,108)

**NEXGRAM HOLDINGS BERHAD**

Company No. 660055-H  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL  
PERIOD ENDED 31 JULY 2016**

**B5. Taxation**

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Current year to-date	Preceding year corresponding period
	31.7.2016 RM	31.7.2015 RM	31.7.2016 RM	31.7.2015 RM
Current period's provision	(1,421,757)	(6,287)	(1,428,044)	-
Over/(under) provision	262,643	-	103,637	-
Deferred tax provision	1,443,631	-	1,443,631	-
<b>Total</b>	<b>284,517</b>	<b>(6,287)</b>	<b>119,224</b>	<b>-</b>

**B6. Status of corporate proposals and utilisation of proceeds**

As at the date of the report, being the latest practicable date of this Report, there were no other corporate proposals announced by the Company and pending for completion except the following:-

On 21 September 2016, on behalf of Nexgram Holdings Berhad ("the Company"), M&A Securities Sdn Bhd announced that the Company proposes to undertake a private placement of up to 10% of the existing issued and paid-up share capital of the Company, entail the issuance of up to 188,073,400 new ordinary share of RM0.05 each ("Placement Shares")("Proposed Private Placement")

For illustrative purposes, based on the indicative issue price of RM0.05 per Placement Shares, the Proposed Private Placement is expected to raise gross proceeds of RM9.40 million. The proceeds raised are expected to be utilised in the following manner:

	<u>RM'000</u>	<u>Expected time frame for utilisation of proceeds (from listing date)</u>
Repayment of bank borrowings	3,900 (i)	Within six (6) months
Working capital	5,324 (ii)	Within six (6) months
Estimated expenses for the Proposed Private Placement	180 (iii)	Within one (1) month
<b>Total estimated proceeds</b>	<b><u>9,404</u></b>	

**NEXGRAM HOLDINGS BERHAD**

Company No. 660055-H  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL  
PERIOD ENDED 31 JULY 2016**

**B6. Status of corporate proposals and utilisation of proceeds (cont'd)**

Notes:

- (i) The Company proposes to utilise RM3.90 million of the proceeds to repay part of its existing short-term bank borrowings amounting to approximately RM9.58 million as at 31 August 2016. The proposed repayment is expected to result in annual interest savings of approximately RM0.45 million based on the interest rates ranging from 7.22% to 9.15% per annum.
- (ii) The working capital expenses include the operational expenses to be incurred by Nexgram and its subsidiaries ("Group") within the ordinary course of business of the Group. The estimated breakdown of the proposed utilisation of proceeds is as follows:

	<u><b>RM'000</b></u>
<u>Business working capital:</u>	
▪ <i>Payment for mobilisation cost for the Group's proposed construction project</i>	4,000
▪ <i>Payment to trade and non-trade creditors</i>	800
<u>Operating expenses</u>	
▪ <i>Overheads such as employee remuneration expenses, utilities, quit rent, and other operating expenses to fund the group's day-to-day operations</i>	524
	<hr/> <hr/> 5,324

- (iii) The estimated expenses consist of fees payable to the relevant authority, advisory and placement fees. Any variation in the actual amount of expenses will be adjusted to/from the amount allocated for operating expenses.

The expected completion of the Proposed Private Placement is during Quarter 1 2017.

**NEXGRAM HOLDINGS BERHAD**

Company No. 660055-H  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL  
PERIOD ENDED 31 JULY 2016**

**B7. Borrowings and debt securities**

Save as disclosed below, the Group does not have any loan outstanding or created, convertible debt securities, mortgages or charges outstanding as at 31 July 2016.

<b>Secured borrowings</b>	<b>Payable within 12 months</b>	<b>Payable after 12 months</b>
Denominated in: Malaysian Ringgit	10,036,260	66,778,007

The above borrowings are in the Malaysian currencies. There has been no default on payment of either interest and/or principal sum, in respect of the abovementioned borrowings throughout the past one (1) financial year.

**B8. Off balance sheet financial instruments**

The Group does not have any off balance sheet financial instruments as at the date of the report.

**B9. Realised and unrealised profits**

	<b>As at 31.7.2016 RM</b>	<b>As at 30.4.2015 RM</b>
Total accumulated profits of the Company and its subsidiary companies:		
- Realised	1,435,250	(4,001,943)
- Unrealised	360,509	2,502,271
	1,795,759	(6,504,214)
Total share of accumulated (profits)/ losses from the associate company:		
- Realised	44,257	605,839
	1,840,016	(5,898,375)
Less: Consolidation adjustments	45,185,953	59,500,677
Total retained earnings as per Consolidated Statements of Financial Position	<u>47,025,969</u>	<u>53,602,302</u>

**NEXGRAM HOLDINGS BERHAD**Company No. 660055-H  
(Incorporated in Malaysia)**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL  
PERIOD ENDED 31 JULY 2016****B10. Material litigation**

There is no material litigation as at the date of the report.

**B11. Dividend**

There is no dividend declared for the current quarter under review.

**B12. Earnings per share****(a) Basic**

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

	<b>Current Quarter</b>	<b>Current Year to date</b>
Profit attributable to ordinary equity holders of the Company (RM)	(11,718,392)	12,006,551
Weighted average number of shares	1,865,896,124	1,865,896,124
Basic earnings per shares (sen)	(0.63)	0.64

**(b) Diluted**

Diluted earnings per shares is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue and issuable during the period.

	<b>Current Quarter</b>	<b>Current Year to date</b>
Profit attributable to ordinary equity holders of the Company (RM)	(11,718,392)	12,006,551
Weighted average number of shares	1,865,896,124	1,865,896,124
Effects of dilution in outstanding warrants	-	-
Adjusted weighted average number of ordinary shares in issue and issuable	1,865,894,124	1,865,896,124
Diluted earnings per shares (sen)	N/A	0.64