

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2016
 (The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
		Current Year Quarter <u>31 Mar 2016</u> RM'000	Preceding Year Corresponding Quarter <u>31 Mar 2015</u> RM'000	Current Year To Date <u>31 Mar 2016</u> RM'000	Preceding Year Corresponding Period <u>31 Mar 2015</u> RM'000
Revenue	A9	1,270	3,482	1,270	3,482
Cost of sales		<u>(144)</u>	<u>(630)</u>	<u>(144)</u>	<u>(630)</u>
Gross profit		1,126	2,852	1,126	2,852
Other income		87	64	87	64
Administrative expenses		<u>(4,058)</u>	<u>(2,063)</u>	<u>(4,058)</u>	<u>(2,063)</u>
(Loss)/profit from operations		(2,845)	853	(2,845)	853
Finance costs		<u>(1)</u>	<u>(1)</u>	<u>(1)</u>	<u>(1)</u>
(Loss)/profit before taxation		(2,846)	852	(2,846)	852
Taxation		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(Loss)/profit after taxation		(2,846)	852	(2,846)	852
Other comprehensive income					
Exchange difference arising on translation of foreign operation		8	-	8	-
Total comprehensive (loss)/income for the period		<u>(2,838)</u>	<u>852</u>	<u>(2,838)</u>	<u>852</u>
(Loss)/profit after taxation attributable to:					
Equity holders of the parent		<u>(2,846)</u>	<u>852</u>	<u>(2,846)</u>	<u>852</u>
Total comprehensive (loss)/income attributable to:					
Equity holders of the parent		<u>(2,838)</u>	<u>852</u>	<u>(2,838)</u>	<u>852</u>
(Loss)/Earnings Per Share					
Basic (sen)	B10	(1.01)	0.31	(1.01)	0.31
Diluted (sen)	B10	(1.01)	0.28	(1.01)	0.28

Notes:

The unaudited Condensed Consolidated Statement of 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 in this interim financial statements.

APPASIA BERHAD
Company No. 643683-U
(Incorporated In Malaysia)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2016

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 Mar 2016	31 Dec 2015
	(Unaudited)	(Audited)
	RM'000	RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	1,440	1,290
Investment properties	3,767	1,287
	<u>5,207</u>	<u>2,577</u>
CURRENT ASSETS		
Inventories	539	532
Trade receivables	1,790	517
Other receivables	937	1,877
Tax recoverable	63	85
Deposits placed with licensed banks	106	242
Cash and bank balances	7,642	11,476
	<u>11,077</u>	<u>14,729</u>
TOTAL ASSETS	<u>16,284</u>	<u>17,306</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	28,112	28,112
Share premium	4,013	4,013
Share issuance scheme option reserve	2,804	1,286
Foreign currency translation reserve	5	(3)
Warrants reserve	20,982	20,982
Other reserve	(20,982)	(20,982)
Accumulated losses	(21,077)	(18,231)
Total Equity	<u>13,857</u>	<u>15,177</u>
NON-CURRENT LIABILITY		
Finance lease payable	<u>48</u>	<u>48</u>
CURRENT LIABILITIES		
Trade payables	39	469
Other payables	2,313	1,577
Finance lease payable	27	35
	<u>2,379</u>	<u>2,081</u>
Total Liabilities	<u>2,427</u>	<u>2,129</u>
TOTAL EQUITY AND LIABILITIES	<u>16,284</u>	<u>17,306</u>
	-	-
Weighted average number of ordinary shares at RM0.10 par each ('000)	281,123	277,532
Net Asset per share (sen)	4.93	5.47

Notes:

The unaudited Condensed Consolidated Statement 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 in this interim financial statements.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2016
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<----- Attributable to Equity Holders of the Parent ----->							
	<----- Non-Distributable ----->							
	Share Capital	Share Premium	Share-Based Payment Reserve	Foreign Currency Translation Reserve	Warrants Reserve	Other Reserve	Accumulated Losses	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Three (3) months ended								
31 March 2016								
As at 1 January 2016	28,112	4,013	1,286	(3)	20,982	(20,982)	(18,231)	15,177
Shares options granted under SIS	-	-	1,518	-	-	-	-	1,518
Total comprehensive loss for the period	-	-	-	8	-	-	(2,846)	(2,838)
As at 31 March 2016	28,112	4,013	2,804	5	20,982	(20,982)	(21,077)	13,857
Three (3) months ended								
31 March 2015								
As at 1 January 2015	13,896	4,082	-	-	-	-	(13,053)	4,925
Issuance of shares pursuant to: -								
Rights issue	13,895	-	-	-	-	-	-	13,895
Issuance of warrants	-	-	-	-	20,982	(20,982)	-	-
Shares issuance expenses	-	(567)	-	-	-	-	-	(567)
Total comprehensive income for the period	-	-	-	-	-	-	852	852
As at 31 March 2015	27,791	3,515	-	-	20,982	(20,982)	(12,201)	19,105

Notes:

The unaudited Condensed Consolidated Statement 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 in this interim financial statements.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2016

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	1 January 2016 to 31 March 2016	Preceding Year Corresponding Period 1 January 2015 to 31 March 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before taxation	(2,846)	852
Adjustments for:-		
Depreciation of investment properties	20	-
Bad debts written off	-	1
Depreciation of property, plant and equipment	232	10
Loss on disposal of property, plant and equipment	-	74
Interest expense	1	1
Interest income	(44)	(31)
Share-based payment	1,518	-
Unrealised loss on foreign exchange	92	-
Operating (loss) / profit before working capital changes	(1,027)	907
Changes in working capital		
Inventories	(7)	(649)
Trade receivables	(1,273)	(400)
Other receivables	940	389
Trade payables	(430)	(191)
Other payables	736	711
	(34)	(140)
Cash (used in) / generated from operations	(1,061)	767
Interest paid	(1)	(1)
Interest income	44	31
Tax refunded / (paid)	22	(15)
Foreign exchange translation differences	8	-
Net cash (used in) / generated from operating activities	(988)	782
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	3	-
Purchase of property, plant and equipment	(383)	(614)
Purchase of investment properties	(2,500)	-
Product development expenditure	-	(414)
Drawdown of fixed deposits pledged	134	-
Net cash used in investing activities	(2,746)	(1,028)
CASH FLOWS FOR FINANCING ACTIVITIES		
Proceeds on issuance of shares capital	-	13,895
Shares issuance expenses	-	(567)
Repayment of finance lease payable	(8)	(21)
Net cash (used in) / generated from financing activities	(8)	13,307
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(3,742)	13,061
EFFECT OF EXCHANGE TRANSLATION ON CASH AND CASH EQUIVALENTS	(92)	-
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	11,476	2,179
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	7,642	15,240
Cash and cash equivalents comprise:		
Deposits placed with licensed banks	106	308
Cash and bank balances	7,642	15,240
	7,748	15,548
Less: Fixed deposits pledged	(106)	(308)
	7,642	15,240

Notes:

The unaudited Condensed Consolidated Statement 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 in this interim financial statements.