



DGB ASIA BERHAD (721605-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH (4TH) QUARTER ENDED 30 SEPTEMBER 2015

	UNAUDITED INDIVIDUAL QUARTER		UNAUDITED CUMULATIVE QUARTER	
	CURRENT QUARTER ENDED 30-Sep-2015	PRECEDING CORRESPONDING QUARTER ENDED 30-Sep-2014	CURRENT YEAR TO DATE ENDED 30-Sep-2015	PRECEDING CORRESPONDING YEAR TO DATE ENDED 30-Sep-2014
	RM'000	RM'000	RM'000	RM'000
Revenue	393	1,260	6,056	8,800
Operating expenses	(4,893)	(4,291)	(11,697)	(14,014)
Other operating income	272	60	325	121
Loss from operations	<u>(4,228)</u>	<u>(2,971)</u>	<u>(5,316)</u>	<u>(5,093)</u>
Finance expenses	-	1	-	(66)
Loss before tax expenses	<u>(4,228)</u>	<u>(2,970)</u>	<u>(5,316)</u>	<u>(5,159)</u>
Tax expenses	-	-	-	-
Loss after tax expenses	<u>(4,228)</u>	<u>(2,970)</u>	<u>(5,316)</u>	<u>(5,159)</u>
Other comprehensive expense				
- Foreign exchange translation from the foreign operations	(186)	(53)	(198)	(75)
Total comprehensive expense	<u>(4,414)</u>	<u>(3,023)</u>	<u>(5,514)</u>	<u>(5,234)</u>
Loss attributable to :				
Equity holders of the company	(4,197)	(2,946)	(5,284)	(5,112)
Minority shareholders	<u>(31)</u>	<u>(24)</u>	<u>(32)</u>	<u>(47)</u>
	<u>(4,228)</u>	<u>(2,970)</u>	<u>(5,316)</u>	<u>(5,159)</u>
Total comprehensive loss :				
Equity holders of the company	(4,366)	(3,002)	(5,478)	(5,190)
Minority shareholders	<u>(48)</u>	<u>(21)</u>	<u>(36)</u>	<u>(44)</u>
	<u>(4,414)</u>	<u>(3,023)</u>	<u>(5,514)</u>	<u>(5,234)</u>
Loss per share attributable to the equity holders of the Company (sen)	<u>(1.72)</u>	<u>(2.21)</u>	<u>(2.17)</u>	<u>(3.84)</u>

Note:-

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 September 2014 and the accompanying explanatory notes to the interim financial statements.

There was no income / expense in relation to gain or loss on disposal of quoted or unquoted investment or properties, and gain or loss on derivatives and exceptional items.



DGB ASIA BERHAD (721605-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE FOURTH (4TH) QUARTER ENDED 30 SEPTEMBER 2015

	UNAUDITED AS AT END OF CURRENT QUARTER 30-Sep-2015	AUDITED AS AT PRECEDING FINANCIAL YEAR ENDED 30-Sep-2014
	RM'000	RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	1,356	153
Goodwill	-	183
Intangible assets	-	2,408
	<u>1,356</u>	<u>2,744</u>
Current Assets		
Inventories	6,811	500
Trade receivables	3,364	1,191
Other receivables, deposits and prepayments	2,431	156
Tax recoverable	9	9
Investment	734	-
Fixed deposit with licensed banks	15,189	3
Cash and bank balances	11,839	3,989
	<u>40,377</u>	<u>5,848</u>
TOTAL ASSETS	<u>41,733</u>	<u>8,592</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share Capital	48,900	16,300
Share Premium	3,605	379
Foreign exchange fluctuation reserve	(55)	138
Accumulated losses	(14,329)	(9,045)
Shareholders' funds	<u>38,121</u>	<u>7,772</u>
Minority interests	(150)	(114)
Total Equity	<u>37,971</u>	<u>7,658</u>
Current Liabilities		
Trade payables	2,935	326
Other payables and accruals	827	604
Dividend payable	-	4
	<u>3,762</u>	<u>934</u>
Total Liabilities	3,762	934
TOTAL EQUITY AND LIABILITIES	<u>41,733</u>	<u>8,592</u>
Net assets per share (RM)	<u>0.08</u>	<u>0.05</u>

Note:-

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 September 2014 and the accompanying explanatory notes attached to the interim financial statements.



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH (4TH) QUARTER ENDED 30 SEPTEMBER 2015

	<----->	Non-Distributable	----->				
	Share Capital	Share Premium	Foreign Exchange	Distributable	Shareholders'	Non-controlling	Total
	RM'000	RM'000	Fluctuation Reserve	Accumulated losses	Fund	Interests	Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 30 September 2013							
At 1 October 2013	11,440	207	217	(3,933)	7,931	(70)	7,861
Issuance of share capital pursuant to SIS	3,432	172	-	-	3,604	-	3,604
Issuance of share capital pursuant to Private Placement	1,428	-	-	-	1,428	-	1,428
Total comprehensive expense for the financial period	-	-	(79)	(5,112)	(5,191)	(44)	(5,235)
At 30 September 2014 (audited)	<u>16,300</u>	<u>379</u>	<u>138</u>	<u>(9,045)</u>	<u>7,772</u>	<u>(114)</u>	<u>7,658</u>
At 1 October 2014	16,300	379	138	(9,045)	7,772	(114)	7,658
Issuance of share capital pursuant to Right Issue	32,600	3,226	-	-	35,826	-	35,826
Total comprehensive expense for the financial period	-	-	(193)	(5,284)	(5,477)	(36)	(5,513)
At 30 September 2015 (Unaudited)	<u>48,900</u>	<u>3,605</u>	<u>(55)</u>	<u>(14,329)</u>	<u>38,121</u>	<u>(150)</u>	<u>37,971</u>

Note:-

The unaudited Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 September 2014 and the accompanying explanatory notes attached to the interim financial statements.



DGB ASIA BERHAD (721605-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH (4TH) QUARTER ENDED 30 SEPTEMBER 2015

	UNAUDITED CURRENT YEAR TO DATE ENDED 30-Sep-2015 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR ENDED AT 30-Sep-2014 RM'000
Cash flows from operating activities		
Loss before tax	(5,316)	(5,159)
Adjustments for:		
Amortisation of intangible assets	818	843
Depreciation of property, plant and equipment	165	126
Finance cost	-	66
Gain on disposal of plant and equipment	-	(4)
Impairment loss on trade receivables	576	20
Impairment loss on intellectual property	1,917	1,556
Fair value loss of financial assets recognised in profit and loss	201	-
Inventories written off	33	62
Property, plant and equipment write-off	12	(70)
Interest income	(243)	(7)
Reversal of impairment loss on trade receivables	(15)	(20)
Unrealised loss / (gain) on foreign exchange translation	(16)	4
Operating loss before working capital changes	(1,868)	(2,583)
Changes in working capital:		
(Increase) / Decrease in inventories	(6,311)	1,155
(Increase) / Decrease in receivables	(6,131)	690
Decrease / (Increase) in payables	2,832	(702)
Cash flows absorbed by operations	(11,478)	(1,440)
Tax refund	-	77
Net cash used in operating activities	(11,478)	(1,363)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,360)	(43)
Proceed from disposal of property, plant and equipment	-	269
Interest income received	243	7
Net cash (used in) / from investing activities	(1,117)	233
Cash flows from financing activities		
Finance and interest cost paid	-	(66)
Issuance of share capital	35,826	5,032
Repayment of term loan	-	(1,415)
Net cash from financing activities	35,826	3,551
Net (decrease) / increase in cash and cash equivalents	23,231	2,421
Foreign exchange fluctuation reserve	(195)	(1)
Cash and cash equivalents at beginning of the financial period/year	3,992	1,572
Cash and cash equivalents at end of the financial period/year	27,028	3,992
Cash and cash equivalents at the end of the financial period/year comprises the following :-		
Fixed deposits with licensed banks (pledged)	15,189	3
Cash and bank balances	11,839	3,989
	27,028	3,992

Note:-

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 September 2014 and the accompanying explanatory notes attached to the interim financial statements.



DGB ASIA BERHAD (721605-K)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

Quarterly Report For The Fourth Quarter Ended 30 September 2015

A NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

A1. Basis of preparation

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the DGB Asia Berhad ("Group") for the financial year ended 30 September 2014.

A2. Changes in accounting policies

The significant accounting policies, method of computation and basis of consolidation adopted by the Group in this interim financial report are consistent with those adopted in the most recent audited financial statements for the year ended 30 September 2014 except for the adoption of the following new and revised Malaysian Financial Reporting Standards ("MFRS") and amendment to MFRS that had been issued but not yet effective.

MFRS 9	Financial Instruments
MFRS 10	Consolidated Financial Statements : Investment Entities; Sale or contribution of Assets between an Investor and its Associate or Joint Venture
MFRS 11	Joint Arrangements (Accounting for Acquisitions of interests in Joint Operations)
MFRS 12	Disclosure of Interest in Other Entities : Investment Entities (Applying the Consolidation Exception)
MFRS 14	Regulatory Deferral Accounts
MFRS 15	Revenue from Contracts with Customers
MFRS 101	Presentation of Financial Statements : Disclosure Initiative
MFRS 116	Property, Plant and Equipment (Clarification of Acceptable Methods of Depreciation)
MFRS 127	Consolidated and Separate Financial Statements, Equity Method in Separate Financial Statement
MFRS 128	Investment in Associates and Joint Ventures : Investment Entities
MFRS 138	Intangible Assets (Clarification of Acceptable Methods of Amortisation)
MFRS 139	Financial Instruments : Recognition and Measurement
MFRS 141	Agriculture : Bearer Plants
New MFRS 14	Regulatory Deferral Accounts
MFRSs 2012-2014 Cycle	Annual Improvements

The adoptions of new and revised MFRSs, and amendment to MFRS are not expected to have significant financial impact to the Group.

A3. Auditors' report on preceding annual financial statements

The preceding year's annual financial statements were not subject to any qualification.



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A4. Seasonal or cyclical factors

The Group's operations are not materially affected by seasonal or cyclical factors.

A5. 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 financial quarter under review.

A6. Material changes in estimates

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

A7. Debts and equity securities

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities, share buy backs, share cancellation, shares held as treasury share and resale of treasury shares for the current financial quarter under review.

A8. Dividend

There were no dividends declared or paid during the current financial quarter under review.

A9. Segmental information

(a) Analysis of revenue by geographical area

	Current Quarter Ended 30/09/2015 RM'000	Preceding Corresponding Quarter Ended 30/09/2014 RM'000	Current Year To Date Ended 30/09/2015 RM'000	Preceding Corresponding Year To Date Ended 30/09/2014 RM'000
Singapore	144	365	271	3,862
Malaysia	183	1,158	1,338	5,190
Hong Kong	-	-	2,800	-
Indonesia	37	-	1,072	-
Others	16	(61)	680	48
	<u>380</u>	<u>1,462</u>	<u>6,161</u>	<u>9,100</u>
Less: Inter-company transactions	13	(202)	(105)	(300)
Total revenue	<u>393</u>	<u>1,260</u>	<u>6,056</u>	<u>8,800</u>



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A9. Segmental information (Cont'd)

(b) Analysis of revenue by product categories

	Current Quarter Ended 30/09/2015 RM'000	Preceding Corresponding Quarter Ended 30/09/2014 RM'000	Current Year To Date Ended 30/09/2015 RM'000	Preceding Corresponding Year To Date Ended 30/09/2014 RM'000
Proprietary software	22	30	857	465
Value added products & services	297	1,268	4,627	6,694
AIDC hardware / equipment	61	164	677	1,941
	380	1,462	6,161	9,100
Less: Inter-company transactions	13	(202)	(105)	(300)
	393	1,260	6,056	8,800

A10. Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment in the current financial quarter under review.

A11. Material events subsequent to the end of the quarter

There were no material events subsequent to the end of the current financial quarter under review.

A12. Changes in composition of the Group

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

A13. Contingent assets or liabilities

The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at reporting date.

A14. Capital commitments

There were no material capital commitments in respect of property, plant and equipment as at the end of the current quarter under review.



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A15. Significant related party transactions

During the current financial quarter, the Directors are of the opinion that the Group has no related party transactions which would have a significant impact on the financial position and business of the Group.

A16. Cash and cash equivalents

	As at 30/09/2015 RM'000	As at 30/09/2014 RM'000
Cash and bank balances	11,839	3,989
Fixed deposits with licensed banks	15,189	3
	<hr/> <hr/> 27,028	<hr/> <hr/> 3,992



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ADDITIONAL NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE ACE MARKET

B1. Review of performance

Current Year 4th Quarter versus Previous Year 4th Quarter

For the quarter under review, the Group generated revenue of RM0.39 million and Loss before Tax expenses (“LBT”) of RM4.23 million respectively, compared with revenue of RM1.26 million and LBT of RM2.97 million in the corresponding quarter of the preceding year ended 30 September 2014. The decrease in revenue for the quarter under review was mainly due to lower sales of value added products and services secured in Malaysia and Singapore in comparison with corresponding quarter of the preceding year ended 30 September 2014.

B2. Comparison with preceding quarter’s results

	Current Quarter 30/09/2015 RM'000	Preceding Quarter 30/06/2015 RM'000	Variance RM'000
Revenue	393	537	(144)
Loss before tax	4,228	799	3,429

The Group’s revenue and LBT for the quarter under review were RM0.39 million and RM4.23 million respectively as compared with the preceding quarter’s revenue and LBT of RM0.54 million and RM0.80 million respectively. The lower revenue was due to lower sales secured in current quarter as compared with the preceding quarter especially less contribution from value added products and services. The higher in LBT was mainly due to higher operation and non-cash item cost including impairment loss on trade receivables, depreciation and amortization and foreign exchange loss incurred during the quarter under review.

B3. Prospects

The prospects ahead for the Group will be challenging due to the rising costs of materials brought about by the depreciation of the Malaysian Ringgit and the implementation of the Goods and Services Tax (GST). Notwithstanding these challenges the Group will continue to focus on undertaking cost reduction to improve overall overheads.

B4. Tax expenses

There was no provision of tax liability for the quarter under review.

B5. Profit forecast and profit guarantee

The Group has not issued any profit forecast or profit guarantee during the current financial quarter under review.



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B6. Status of corporate proposals announced and not completed

There were no corporate proposal announced but not completed as at the date of this report.

B7. Status of utilisation of proceeds raised from previous corporate proposals

(i.) Right Issue of shares

The utilisation of the proceeds of RM35,860,000 from the Rights Issues of 326,000,000 new ordinary shares of RM0.11 each as of the date of this report is as follows:-

	Proposed	Amount	Amount	Timeframe for
	Amount	Utilised	Unutilised	Utilisation
Purpose	RM'000	RM'000	RM'000	(from the date of listing)
Working capital	29,910	6,792	23,118	Within 18 months
Capital expenditure	5,500	-	5,500	Within 18 months
Estimated expenses in relation to the corporate exercises	450	450	-	Within 2 weeks
Total estimated proceeds	35,860	7,242	28,618	

B8. Borrowings and debt securities

There were no borrowings as at the end of the current quarter under review.

B9. Material litigation

There was no material litigation as at the date of this report.

B10. Dividends

The Board of Directors does not recommend any dividends for the current financial quarter under review and the financial year-to-date.



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B11. Earnings per share

1) Basic earnings per ordinary shares

Basic earnings per share amounts were calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Corresponding Quarter Ended	Current Year To Date Ended	Preceding Corresponding Year To Date Ended
	30/09/2015	30/09/2014	30/09/2015	30/09/2014
Net loss attributable to ordinary equity holders of the Company (RM'000)	(4,197)	(2,946)	(5,284)	(5,112)
Weighted average number of ordinary shares in issue ('000)	243,830	133,237	243,830	133,237
Basic loss per share (sen)	(1.72)	(2.21)	(2.17)	(3.84)

2) Diluted Earnings per ordinary shares

The diluted earnings per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue and issuable after the conversion of all outstanding warrants during the financial period ended 30 September 2015.

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Corresponding Quarter Ended	Current Year To Date Ended	Preceding Corresponding Year To Date Ended
	30/09/2015	30/09/2014	30/09/2015	30/09/2014
Net loss attributable to ordinary equity holders of the Company (RM'000)	(4,197)	(2,946)	(5,284)	(5,112)
Weighted average number of ordinary shares in issue ('000)	243,830	133,237	243,830	133,237
Effect of dilution after conversion of all outstanding Warrants ('000)	244,500	-	244,500	-
Adjusted weighted average number of ordinary shares in issue ('000) for the purpose of diluted earnings per share	488,330	133,237	488,330	133,237
Diluted basic loss per share (sen)	(0.01)	(2.21)	(0.01)	(3.84)



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Quarterly Report For The Fourth Quarter Ended 30 September 2015

B12. Disclosure of Realised and Unrealised Profits / (Losses)

	As at 30/09/2015	As at 30/9/2014
	RM'000	RM'000
Realised	(32,590)	(8,232)
Unrealised	(45)	4
	<u>(32,635)</u>	<u>(8,228)</u>
Less: Consolidation adjustment	<u>18,306</u>	<u>(817)</u>
Accumulated losses	<u><u>(14,329)</u></u>	<u><u>(9,045)</u></u>

B13. Comprehensive Income Disclosure

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30/09/2015	Preceding Corresponding Quarter Ended 30/09/2014	Current Year To Date Ended 30/09/2015	Preceding Year To Date Ended 30/09/2014
Interest Income	(190)	(1)	(243)	(7)
Interest Expense	-	6	-	33
Impairment loss on trade receivables	576	20	576	20
Depreciation and amortisation	617	100	983	205
Forex Loss	276	14	265	59
Allowance for slow moving inventories	55	36	55	36
Inventories written-off	33	26	33	26
Impairment of goodwill	1,451	1,556	1,917	1,55

B14. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 27 November 2015.

DGB Asia Berhad
27 November 2015