

**IDEAL JACOBS (MALAYSIA) CORPORATION BHD (857363-U)**

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 2ND QUARTER ENDED 30 JUNE 2016

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2016**

	(Unaudited) AS AT 30/06/2016 RM'000	(Audited) AS AT 31/12/2015 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	19,317	20,477
Investment property	1,362	1,489
Prepaid land lease payments	1,577	1,752
Other investment	109	109
<b>TOTAL NON-CURRENT ASSETS</b>	<b>22,365</b>	<b>23,827</b>
<b>Current assets</b>		
Inventories	4,372	3,952
Trade receivables	9,599	11,519
Other receivables	1,764	1,629
Amount due from a corporate shareholder	489	1,059
Fixed deposits with licensed bank	7,763	8,224
Cash and bank balances	7,178	7,385
<b>TOTAL CURRENT ASSETS</b>	<b>31,165</b>	<b>33,768</b>
<b>TOTAL ASSETS</b>	<b>53,530</b>	<b>57,595</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	13,570	13,570
Reserves	11,442	12,838
	25,012	26,408
<b>Non-controlling interests</b>	(136)	(127)
<b>TOTAL EQUITY</b>	<b>24,876</b>	<b>26,281</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Bank borrowings	7,835	8,616
Deferred tax liability	36	36
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>7,871</b>	<b>8,652</b>
<b>Current liabilities</b>		
Trade payables	5,115	4,403
Other payables	2,986	4,429
Tax payable	287	571
Bank borrowings	12,395	13,259
<b>TOTAL CURRENT LIABILITIES</b>	<b>20,783</b>	<b>22,662</b>
<b>TOTAL LIABILITIES</b>	<b>28,654</b>	<b>31,314</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>53,530</b>	<b>57,595</b>
Number of ordinary shares in issue ('000) #	135,701	135,701
Net assets per share attributable to owners of the parent (RM)	0.18	0.19

Notes :

(i) The 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 to the interim financial statements.

# Based on the ordinary shares of RM0.10 each.

**IDEAL JACOBS (MALAYSIA) CORPORATION BHD (857363-U)**
**UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 2ND QUARTER ENDED 30 JUNE 2016**

<b>UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 2ND QUARTER ENDED 30 JUNE 2016</b>				
	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>CURRENT YEAR QUARTER 30/06/2016 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING QUARTER 30/06/2015 RM'000</b>	<b>CURRENT YEAR TO DATE 30/06/2016 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD 30/06/2015 RM'000</b>
Revenue	10,055	9,084	19,354	16,619
Cost of sales	(5,115)	(4,731)	(9,964)	(8,815)
Gross profit	4,940	4,353	9,390	7,804
Operating expenses	(3,525)	(5,043)	(7,403)	(8,541)
Profit/(Loss) from operations	1,415	(690)	1,987	(737)
Interest income	187	128	197	196
Other income	147	48	780	118
Finance costs	(212)	(89)	(554)	(157)
Profit/(Loss) before tax	1,537	(603)	2,410	(580)
Taxation	(329)	(288)	(539)	(528)
(iii) Profit/(Loss) for the period	1,208	(891)	1,871	(1,108)
Other comprehensive (loss)/income				
Item that will be reclassified subsequently to profit or loss				
Foreign exchange translation difference	(424)	1,403	(3,276)	2,312
Total comprehensive income/(loss) for the period	784	512	(1,405)	1,204
Profit/(Loss) for the period attributable to:				
Owners of the parent	1,209	(858)	1,872	(918)
Non-controlling interests	(1)	(33)	(1)	(190)
	1,208	(891)	1,871	(1,108)
Total comprehensive income/(loss) for the period attributable to:				
Owners of the parent	783	724	(1,396)	1,571
Non-controlling interests	1	(212)	(9)	(367)
	784	512	(1,405)	1,204
Weighted average number of ordinary shares issued ('000)	135,701	135,679	135,701	133,845
Weighted average number of ordinary shares issued adjusted for the effects of dilutive potential ordinary shares ('000)	135,701	136,446	135,701	134,679
EPS - Basic (Sen)	0.89	(0.63)	1.38	(0.69)
EPS - Diluted (Sen)	0.89	(0.63)	1.38	(0.68)

**Notes:**

(i) The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statement for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

(ii) Profit/(Loss) for the period has been determined after (crediting)/charging amongst other items the following:-

	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Amortisation of prepaid land lease payments	8	8	17	16
Corporate exercise expenses expensed off	-	1,720	-	1,720
Depreciation	285	165	576	363
Interest expenses	212	89	554	157
Interest income	(187)	(128)	(197)	(196)
Loss on disposal of property, plant and equipment	-	33	-	45
Property, plant and equipment written off	2	-	2	-
Reversal of impairment loss on trade receivables	-	(47)	-	(74)
Realised gain on foreign exchange	(221)	-	(175)	-
Unrealised loss/(gain) on foreign exchange	53	120	(551)	290

Other than the items highlighted above which have been included in the condensed consolidated statement of profit or loss and other comprehensive income, no other additional disclosures item in relation to Rule 16 of Appendix 9B Chapter 9 of the Listing Requirements were incurred for the current quarter and period ended 31 December 2015.

**IDEAL JACOBS (MALAYSIA) CORPORATION BHD (857363-U)**

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 2ND QUARTER ENDED 30 JUNE 2016

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE 2ND QUARTER ENDED 30 JUNE 2016**

	←-----Non Distributable----->						Distributable		Non-Controlling Interests RM'000	TOTAL EQUITY RM'000
	Share Capital RM'000	Share Premium RM'000	Translation Reserve RM'000	Share Option Reserve RM'000	Statutory Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings/ (Accumulated losses) RM'000	TOTAL RM'000		
<b>As at 01 January 2015</b>	13,170	6,423	3,284	630	2,413	128	(3,811)	22,237	(2,094)	20,143
Issued at premium pursuant to:-										
- Exercise of ESOS	400	840	-	(400)	-	-	-	840	-	840
Total profit or loss and other comprehensive income for the period	-	-	2,489	-	-	-	(918)	1,571	(367)	1,204
<b>As at 30 June 2015</b>	<u>13,570</u>	<u>7,263</u>	<u>5,773</u>	<u>230</u>	<u>2,413</u>	<u>128</u>	<u>(4,729)</u>	<u>24,648</u>	<u>(2,461)</u>	<u>22,187</u>
<b>As at 01 January 2016</b>	13,570	7,263	7,486	230	2,969	128	(5,238)	26,408	(127)	26,281
Total profit or loss and other comprehensive income for the period	-	-	(3,268)	-	-	-	1,872	(1,396)	(9)	(1,405)
<b>As at 30 June 2016</b>	<u>13,570</u>	<u>7,263</u>	<u>4,218</u>	<u>230</u>	<u>2,969</u>	<u>128</u>	<u>(3,366)</u>	<u>25,012</u>	<u>(136)</u>	<u>24,876</u>

Note :

- (i) The 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 to the interim financial statements.

**IDEAL JACOBS (MALAYSIA) CORPORATION BHD (857363-U)**

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 2ND QUARTER ENDED 30 JUNE 2016

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE 2ND QUARTER ENDED 30 JUNE 2016**

	(Unaudited) Current Year To Date 30/06/2016 RM ' 000	(Unaudited) Preceding Year To Date 30/06/2015 RM ' 000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	2,410	(580)
Adjustments:		
Depreciation	576	363
Amortisation of prepaid land lease payments	17	16
Interest expenses	554	157
Interest income	(197)	(196)
Loss on disposal of property, plant and equipment	-	45
Property, plant and equipment written off	2	-
Reversal of impairment loss on trade receivables	-	(74)
Unrealised (gain)/loss on foreign exchange	(551)	290
<b>Operating profit before changes in working capital</b>	<b>2,811</b>	<b>21</b>
Corporate shareholder	492	(142)
Director	-	(53)
Inventories	(807)	(279)
Receivables	632	(2,297)
Payables	496	622
Cash from/(used in) operating activities	3,624	(2,128)
Tax paid	(780)	(734)
Interest received	197	196
Interest paid	(554)	(157)
<b>Net cash from/(used in) operating activities</b>	<b>2,487</b>	<b>(2,823)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
(Placement of)/Reduction in fixed deposits pledged to banks	(295)	10
Purchase of property, plant and equipment	(1,289)	(6,290)
Proceeds from disposal of property, plant and equipment	-	124
Proceeds from disposal of assets held for sales	-	426
<b>Net cash used in investing activities</b>	<b>(1,584)</b>	<b>(5,730)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdowns of term loans	4,715	11,925
Repayments of term loans	(4,528)	(5,487)
Proceeds from issuance of share pursuant of ESOS exercised	-	840
<b>Net cash from financing activities</b>	<b>187</b>	<b>7,278</b>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,090	(1,275)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	7,385	6,620
EFFECT OF EXCHANGE RATE CHANGES	(1,297)	437
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>7,178</b>	<b>5,782</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Fixed deposits with a licensed bank	7,763	6,038
Cash and bank balances	7,178	5,782
Less: Fixed deposits pledge with licensed bank	(7,763)	(6,038)
	<b>7,178</b>	<b>5,782</b>

Note :

- (i) The 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 to the interim financial statements.

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2016

A. **NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2016**

A1. **Basis of Preparation**

The interim financial report is unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134: *Interim Financial Reporting in Malaysia* and ACE Market ("ACE") Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements do not included all the information required for full annual financial statements and should be read together with audited financial statements of Ideal Jacobs (Malaysia) Corporation Bhd ("the Group") for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial report. The audited financial statements of the Group for the financial year ended 31 December 2015 were prepared in accordance with MFRS.

The accounting policies and method of computation adopted for the interim financial reports are consistent with those adopted in audited financial statements for financial year ended 31 December 2015. The adoption of new MFRSs has not resulted in any material impact on the financial statements of the Group.

A2. **Audit Report of Preceding Annual Financial Statements**

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

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**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group since the last annual audited financial statements.

A5. **Material Changes in Estimates**

There were no material changes in estimates for the quarter ended 30 June 2016.

A6. **Debt and Equity Securities**

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

## IDEAL JACOBS (MALAYSIA) CORPORATION BHD (857363-U)

---

### A7. Dividend Paid

There were no dividends declared or paid by the Group for the current quarter under review.

### A8. Segment Information

#### (i) Business Segment

Period ended	Industrial <u>labels</u>	Laser/ die-cut <u>products</u>	Fabrication of plastic <u>parts</u>	Trading of non-core <u>products</u>	<u>Elimination</u>	<u>Total</u>
30/06/2016	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue:-</u>						
External customers	6,729	8,042	4,385	198	-	19,354
Inter-segment	157	962	1,358	7	(2,484)	-
	<u>6,886</u>	<u>9,004</u>	<u>5,743</u>	<u>205</u>	<u>(2,484)</u>	<u>19,354</u>
<u>Results:-</u>						
Interest income						197
Finance costs						(554)
Depreciation and amortisation						(593)
Other non-cash income/(expenses) (a)						549
Taxation						(539)
Segment profit						<u>1,871</u>
<u>Assets:-</u>						
Additions to non-current assets (b)						1,289
Unallocated corporate assets						<u>53,530</u>
<u>Liabilities:-</u>						
Unallocated corporate liabilities						<u>28,654</u>

*[The rest of this page is intentionally left blank]*

**IDEAL JACOBS (MALAYSIA) CORPORATION BHD (857363-U)**

**A8. Segment Information (continued)**

(i) Business Segment (continued)

Period ended	Industrial labels	Laser/ die-cut products	Fabrication of plastic parts	Trading of non-core products	Elimination	Total
30/06/2015	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue:-</u>						
External customers	5,970	6,136	4,361	152	-	16,619
Inter-segment	121	304	310	-	(735)	-
	<u>6,091</u>	<u>6,440</u>	<u>4,671</u>	<u>152</u>	<u>(735)</u>	<u>16,619</u>
<u>Results:-</u>						
Interest income						196
Finance costs						(157)
Depreciation and amortisation						(379)
Other non-cash income/(expenses) (a)						(261)
Taxation						(528)
Segment loss						<u>(1,108)</u>
<u>Assets:-</u>						
Additions to non-current assets (b)						6,290
Unallocated corporate assets						<u>48,875</u>
<u>Liabilities:-</u>						
Unallocated corporate liabilities						<u>26,688</u>

*[The rest of this page is intentionally left blank]*

**A8. Segment Information (continued)**

Notes:

(a) Notes to other non-cash income/(expenses) consist of the following item:

	Current Year to-Date	Preceding Year Period
	30/06/2016	30/06/2015
	RM'000	RM'000
Loss on disposal of property, plant and equipment	-	(45)
Property, plant and equipment written off	(2)	-
Reversal of impairment loss on trade receivables	-	74
Unrealised gain/(loss) on foreign exchange	551	(290)
	<u>549</u>	<u>(261)</u>

(b) Additional to non-current assets consist of:

	Current Year to-Date	Preceding Year Period
	30/06/2016	30/06/2015
	RM'000	RM'000
Property, plant and equipment	<u>1,289</u>	<u>6,290</u>

(c) It was not practicable to separate out the segment results for its business segments as the Directors of the Company are of the opinion that excessive costs would be incurred.

(d) Unallocated assets and liabilities were jointly used by four products segments.

*[The rest of this page is intentionally left blank]*



**IDEAL JACOBS (MALAYSIA) CORPORATION BHD (857363-U)**

**A8. Segment Information (continued)**

(e) Inter-segment revenues are eliminated on consolidation

(i) Geographical Segments for Revenue and Non-Current Assets

	<u>Individual Quarter</u> <u>Ended</u> 30/06/2016		<u>Cumulative Quarter</u> <u>Ended</u> 30/06/2016	
	<u>Revenue</u>	<u>Non-Current Assets</u>	<u>Revenue</u>	<u>Non-Current Assets</u>
	RM'000	RM'000	RM'000	RM'000
PRC	6,387	22,327	12,332	22,327
USA	1,221	-	2,198	-
Thailand	1,083	-	2,077	-
Hong Kong	408	-	636	-
Malaysia	245	38	565	38
UK	117	-	221	-
Canada	103	-	162	-
Netherlands	97	-	110	-
Israel	95	-	416	-
Taiwan	64	-	270	-
New Zealand	61	-	77	-
Sweden	61	-	64	-
Poland	19	-	30	-
Japan	17	-	22	-
Philippines	17	-	17	-
Vietnam	13	-	25	-
India	12	-	31	-
Singapore	11	-	27	-
Lithuania	8	-	8	-
Germany	6	-	11	-
Mexico	3	-	36	-
France	3	-	8	-
Romania	2	-	2	-
Switzerland	2	-	2	-
Hungary	-	-	5	-
Finland	-	-	2	-
	<u>10,055</u>	<u>22,365</u>	<u>19,354</u>	<u>22,365</u>

**IDEAL JACOBS (MALAYSIA) CORPORATION BHD (857363-U)**

**A8. Segment Information (continued)**

(e) Inter-segment revenues are eliminated on consolidation (continued)

(i) Geographical Segments for Revenue and Non-Current Assets (continued)

	<u>Individual Quarter</u> <u>Ended</u> 30/06/2015		<u>Cumulative Quarter</u> <u>Ended</u> 30/06/2015	
	<u>Revenue</u> RM'000	<u>Non-Current</u> <u>Assets</u> RM'000	<u>Revenue</u> RM'000	<u>Non-Current</u> <u>Assets</u> RM'000
PRC	6,609	18,993	12,395	18,993
USA	877	-	1,489	-
Thailand	526	-	962	-
Hong Kong	233	-	462	-
Taiwan	201	-	244	-
Malaysia	165	45	282	45
Netherland	144	-	144	-
UK	96	-	219	-
Israel	67	-	146	-
France	47	-	66	-
India	31	-	35	-
New Zealand	27	-	41	-
Vietnam	18	-	44	-
Singapore	14	-	23	-
Japan	9	-	9	-
Australia	7	-	9	-
Poland	6	-	11	-
Canada	5	-	35	-
Lithuania	2	-	2	-
Mexico	-	-	1	-
	<u>9,084</u>	<u>19,038</u>	<u>16,619</u>	<u>19,038</u>

Non-current assets information presented above consist of the following items as presented in the consolidated statement of financial position:

	As at 30/06/2016 RM'000	As at 30/06/2015 RM'000
Property, plant and equipment	19,317	15,893
Prepaid land lease payments	1,577	1,653
Investment property	1,362	1,383
Other investment	109	109
	<u>22,365</u>	<u>19,038</u>

**A8. Segment Information (continued)**

(ii) Information About Major Customers

On the period to date basis, revenue from major customers amounted to RM3.21 million (2015: RM3.40 million) with the majority arising from sales of by the Laser/Die-cut and Fabrication of Plastic Parts segment (2015: Laser/Die-cut and Fabrication of Plastic Parts segment).

**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 Property**

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

**A11. Changes in The Composition Of The Group**

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

**A12. Contingent Liabilities**

	As at 30/06/2016 RM'000	As at 30/06/2015 RM'000
Unsecured		
Corporate guarantee given by a subsidiary company to financial institution on the banking facilities granted to a corporate shareholder of a subsidiary company - utilised amount	-	475
	<u>                    </u>	<u>                    </u>

**A13. Capital Commitment**

Commitment not provided for in the financial statements is as follows:-

Capital commitment

	As at 30/06/2016 RM'000	As at 30/06/2015 RM'000
Capital expenditure		
- Authorised and contracted for:		
- Property, plant & equipment	507	2,990
	<u>                    </u>	<u>                    </u>

**A14. Related Party Disclosures**

The Group has the following transactions with the related parties at negotiated terms agree between the parties during the interim financial period:

	Current Year to-Date 30/06/2016 RM'000	Preceding Year Period 30/06/2015 RM'000
Sales to a corporate shareholder	<u>1,064</u>	<u>859</u>
Purchases from a corporate shareholder	<u>65</u>	<u>28</u>
Commission paid to a corporate shareholder	<u>3</u>	<u>21</u>

**A15. Material Events Subsequent to The End Of The Reporting Quarter**

There were no material events subsequent to the current financial quarter ended 30 June 2016 up to the date of this report which is likely to substantially affect the results or the operations of the Group.

*[The rest of this page is intentionally left blank]*

**B. ADDITIONAL INFORMATION REQUIRED PURSUANT TO THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES**

**B1. Review of Performance**

	Quarter Ended		Variance	
	<u>30/06/2016</u>	<u>30/06/2015</u>	<u>RM'000</u>	<u>%</u>
Revenue	10,055	9,084	971	11
Profit/(Loss) from operation	1,415	(690)	2,105	305
Profit/(Loss) before tax	1,537	(603)	2,140	355
Profit/(Loss) after tax	1,208	(891)	2,099	236

For the quarter under review, the Group's revenue increased by 11% to RM10.06 million from RM9.08 million in the preceding financial year corresponding quarter.

Revenue from all products segment observed increases except for revenue from Trading of Non-core Products segment which decreased slightly by RM0.02 million. The increases in revenue were from:-

- (i) Laser/Die-cut segment increased by RM0.48 million mainly due to increases in orders from new and existing customers;
- (ii) Industrial Labels segment increased by RM0.42 million mainly due to increases in orders from new and existing customers; and
- (iii) Fabrication of Plastic Parts at RM0.09 million.

The Group recorded profit after tax of RM1.21 million in the current quarter as compared to preceding financial year corresponding quarter's loss after tax of RM0.89 million.

The improvement was mainly due to higher sales recorded in the current quarter, realised gain on foreign exchange of RM0.22 million in the current quarter and absence of corporate exercise expenses of RM1.72 million expensed off which was incurred in the preceding financial year corresponding quarter.

*[The rest of this page is intentionally left blank]*

**B1. Review of Performance (continued)**

	<u>Cumulative Quarter Ended</u>		<u>Variance</u>	
	<u>30/06/2016</u>	<u>30/06/2015</u>	<u>RM'000</u>	<u>%</u>
Revenue	19,354	16,619	2,735	16
Profit/(Loss) from operation	1,987	(737)	2,724	370
Profit/(Loss) before tax	2,410	(580)	2,990	516
Profit/(Loss) after tax	1,871	(1,108)	2,979	269

On the year to date basis, the Group's revenue increased by 16% to RM19.35 million from RM16.62 million recorded in the preceding financial year corresponding period.

Revenue from all products segment observed increases. The increases in revenue were from:-

- (i) Laser/Die-cut segment increased by RM1.91 million mainly due to increases in orders from new and existing customers;
- (ii) Industrial Labels segment increased by RM0.76 million mainly due to increases in orders from new and existing customers; and
- (iii) Fabrication of Plastic Parts segment and Trading of Non-core Products segment increased marginally by RM0.02 million and RM0.05 million respectively.

The Group recorded a profit after tax of RM1.87 million as compared to preceding financial year corresponding period's loss after tax of RM1.11 million. The improvement was mainly due to increased orders from new and existing customers, favourable unrealised and realised gain on foreign exchange of RM0.73 million and cessation of the loss making manufacturing activity for smartphone components in the preceding financial year. Included in the preceding financial year corresponding period were unrealised exchange loss of RM0.29 million and corporate exercise expenses of RM1.72 million expensed off.

*[The rest of this page is intentionally left blank]*

**B2. Comparison to the Results of the preceding quarter**

	<u>Quarter Ended</u>		<u>Variance</u>	
	<u>30/06/2016</u>	<u>31/03/2016</u>	<u>RM'000</u>	<u>%</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>%</u>
Revenue	10,055	9,299	756	8
Profit from operation	1,415	572	843	147
Profit before tax	1,537	873	664	76
Profit after tax	1,208	663	545	82

The Group's revenue increased by RM0.76 million to RM10.06 million during the current quarter as compared to the revenue of RM9.30 million recorded in the immediate preceding quarter due to due to increased business activity after the PRC observed a long festive celebration in first quarter of year 2016.

The quarter under review observed a profit after tax of RM1.21 million as compared to profit after tax of RM0.66 million in the preceding quarter. The increase was mainly due to higher sales recorded in the current quarter, realised gain on foreign exchange of RM0.20 million arising from favourable foreign exchange movements and lower operating expenses recorded as compared to the preceding quarter.

**B3. Prospects**

The sales from all segments had improved in period ended 30 June 2016 as compared to the previous year corresponding period. With the existing well-diversified customer base and vast variety of products and services, the sustainability of the Group is ensured. However, in view of the escalating competitiveness, the Board is anticipating the rest of the year to remain challenging.

**B4. Profit Forecast**

The Group did not announce any profit forecast in any publicly available documents or announcement.

**B5. Taxation**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current Year</u>	<u>Preceding</u>	<u>Current Year</u>	<u>Preceding</u>
	<u>Quarter</u>	<u>Year Quarter</u>	<u>to- Date</u>	<u>Year Period</u>
	<u>30/06/2016</u>	<u>30/06/2015</u>	<u>30/06/2016</u>	<u>30/06/2015</u>
Current income tax:				
- Malaysia	-	-	-	-
- Foreign	329	288	539	528
	<u>329</u>	<u>288</u>	<u>539</u>	<u>528</u>

Included herein the income tax provision are income tax payable by a subsidiary company in PRC, and it is calculated based on the statutory income tax rate of 15% (2015: 15%) in accordance with the relevant PRC income tax rules.

**B6. Unquoted Investments and Properties**

There were no acquisitions or disposals of unquoted investments and properties during the financial quarter under review and the financial year-to-date.

**B7. Quoted Securities**

There were no acquisitions or disposals of quoted securities for the financial quarter under review and the financial year-to-date.

**B8. Status of Corporate Proposals**

There was no corporate proposal announced but not completed as at the date of issuance of this announcement.

**B9. Group's Borrowings and Debt Securities**

The Group's secured borrowings as at end of the reporting quarter are as follows:-

	Short Term RM'000	Long Term RM'000
Term Loan	<u>12,395</u>	<u>7,835</u>
RMB	5,123	7,835
USD	<u>7,272</u>	<u>-</u>

**B10. Off Balance Sheet Financial Instruments**

There were no financial instruments with off-balance sheet risk as at the date of this interim report.

**B11. Material Litigation**

There were no material litigations involving the Group as at the date of this interim report.

**B12. Dividends**

No dividends have been declared or paid during the quarter under review.

*[The rest of this page is intentionally left blank]*



**B13. Earnings/(Loss) Per Share (“EPS”)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30/06/2016	Preceding Year Quarter 30/06/2015	Current Year to Date 30/06/2016	Preceding Year Period 30/06/2015
<b>(i) Basic EPS</b>				
Net profit/(loss) for the period (RM'000)	1,209	(858)	1,872	(918)
Weighted average number of ordinary shares issued ('000)	135,701	135,679	135,701	133,845
Basic earnings/(loss) per share (sen)	0.89	(0.63)	1.38	(0.69)
<b>(ii) Diluted EPS</b>				
Net profit/(loss) for the period (RM'000)	1,209	(858)	1,872	(918)
Weighted average number of ordinary shares issued adjusted for the effects of dilutive potential ordinary shares ('000)	135,701	136,446	135,701	134,679
Basic earnings/(loss) per share (sen)	0.89	(0.63)	1.38	(0.68)

- (i) The basic EPS is calculated by dividing the net profit/(loss) attributable to the owners of the Parent by the weighted average number of shares in issued during the period.
- (ii) The diluted EPS is calculated by dividing the net profit/(loss) attributable to the owners of the Parent by the weighted average numbers of shares in issued during the period adjusted for the effects of dilutive potential ordinary shares.

**IDEAL JACOBS (MALAYSIA) CORPORATION BHD (857363-U)**

---

**B14. Realised And Unrealised Profits And Losses**

	As at 30/06/2016 RM'000	As at 30/06/2015 RM'000
Total accumulated losses for the Group :		
- Realised loss	(3,649)	(5,573)
- Unrealised gain/(loss)	515	(290)
	<u>(3,134)</u>	<u>(5,863)</u>
 Add: Consolidation adjustments	 (232)	 1,134
 Total Group's accumulated losses as per consolidated statement of financial position	 <u>(3,366)</u>	 <u>(4,729)</u>

*[The rest of this page is intentionally left blank]*