



**LKL INTERNATIONAL BERHAD (1140005-V)**  
**UNAUDITED COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER**  
**ENDED 31 JANUARY 2016 <sup>(1)</sup>**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 31 JANUARY 2016 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31 JANUARY 2015 <sup>(2)</sup> RM'000	CURRENT YEAR-TO-DATE 31 JANUARY 2016 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31 JANUARY 2015 <sup>(2)</sup> RM'000
Revenue	A9	11,781	N/A	27,838	N/A
Cost of sales		(6,310)	N/A	(15,424)	N/A
Gross profit		5,471	N/A	12,414	N/A
Other income		88	N/A	539	N/A
Selling and distribution expenses		(507)	N/A	(1,602)	N/A
Administrative expenses		(1,814)	N/A	(4,944)	N/A
Other expenses		(136)	N/A	(400)	N/A
Finance costs		(108)	N/A	(374)	N/A
Profit before taxation		2,994	N/A	5,633	N/A
Income tax expense	B4	(648)	N/A	(1,504)	N/A
Profit after taxation ("PAT")		2,346	N/A	4,129	N/A
Other comprehensive income		-	N/A	-	N/A
Total comprehensive income for the financial period		2,346	N/A	4,129	N/A
PAT/Total comprehensive income attributable to:-					
Owners of the Company		2,346	N/A	4,129	N/A
Earnings per share (sen)					
- Basic <sup>(3)</sup>	B11	117.30	N/A	206.45	N/A
- Diluted <sup>(4)</sup>	B11	117.30	N/A	206.45	N/A

**Notes:-**

(1) The basis of preparation of the Unaudited Combined Statements of Profit or Loss and Other Comprehensive Income are detailed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 26 April 2016 and the accompanying explanatory notes attached to this interim financial report.

(2) This is the first interim financial report announced in compliance with the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"). There are no comparative figures for the preceding quarter available as no interim financial report was prepared for the comparative financial period concerned.

(3) Basic earnings per share is calculated based on the combined share capital of 2,000,100 ordinary shares in issue as at 31 January 2016.

(4) Diluted earnings per share of the Company for the individual quarter 31 January 2016 and cumulative quarter 31 January 2016 is equivalent to the basic earnings per share as the Company does not have convertible options at the end of the reporting period.

N/A - Not applicable

\* **For illustration purposes**, basic earnings per share for the individual quarter 31 January 2016 and cumulative quarter 31 January 2016 (assuming number of shares in issue of 315,800,000 after the acquisition by LKL International Berhad ("LKL International") of the entire issued and paid-up share capital of LKL Advance Metaltech Sdn. Bhd. ("LKLAM") but before public issue) is 0.74 sen and 1.31 sen respectively.



**LKL INTERNATIONAL BERHAD (1140005-V)**

UNAUDITED COMBINED STATEMENTS OF FINANCIAL POSITION AT 31 JANUARY 2016 <sup>(1)</sup>

	Note	UNAUDITED AT 31 JANUARY 2016 RM'000	AUDITED AT 30 APRIL 2015 RM'000
<b>ASSETS</b>			
<b>Non-current Asset</b>			
Property, plant and equipment		21,798	21,712
<b>Current Assets</b>			
Inventories		10,202	10,095
Trade receivables		5,346	7,029
Other receivables, deposits and prepayments		1,272	1,548
Amount owing by directors		-	58
Current tax assets		191	345
Fixed deposit with a licensed bank		659	619
Cash and bank balances		11,105	3,986
		<u>28,775</u>	<u>23,680</u>
<b>TOTAL ASSETS</b>		<u>50,573</u>	<u>45,392</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital <sup>(2)</sup>		2,000	1,500
Retained profits		33,939	29,810
<b>TOTAL EQUITY</b>		<u>35,939</u>	<u>31,310</u>
<b>Non-current Liabilities</b>			
Hire purchase payables	B8	546	491
Term loans	B8	7,779	8,030
Deferred tax liabilities		566	566
		<u>8,891</u>	<u>9,087</u>
<b>Current Liabilities</b>			
Trade payables		2,228	2,225
Other payables and accruals		2,665	1,179
Amount owing to a director		3	3
Bankers' acceptance		-	638
Hire purchase payables	B8	195	216
Term loans	B8	652	734
		<u>5,743</u>	<u>4,995</u>
<b>TOTAL LIABILITIES</b>		14,634	14,082
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>50,573</u>	<u>45,392</u>
Net assets per share (RM) <sup>(3)</sup>		<u>17.97</u>	<u>20.87</u>

**Notes:-**

(1) The basis of preparation of the Unaudited Combined Statements of Financial Position are detailed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 26 April 2016 and the accompanying explanatory notes attached to this interim financial report.

(2) The number of shares in issue comprise of 2,000,000 shares issued in LKLAM and 100 shares issued in LKL International as at 31 January 2016; and 1,500,000 shares issued in LKLAM and 100 shares issued in LKL International as at 30 April 2015.

\* **For illustration purposes**, net assets per share as at 31 January 2016 and 30 April 2015 (assuming number of shares in issue of 315,800,000 after the acquisition by LKL International of the entire issued and paid-up share capital of LKLAM but before public issue) is 11.38 sen and 9.91 sen respectively.



**LKL INTERNATIONAL BERHAD (1140005-V)**

**UNAUDITED COMBINED STATEMENTS OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 31 JANUARY 2016 <sup>(1)</sup>**

	<b>Non-Distributable Share Capital RM'000</b>	<b>Distributable Retained Profits RM'000</b>	<b>Total Equity RM'000</b>
<b>Balance at 1 May 2015</b>	1,500	29,810	31,310
Contributions by owners of the Company: - Issuance of shares	500	-	500
PAT/Total comprehensive income for the financial period	-	4,129	4,129
<b>Balance at 31 January 2016</b>	<u>2,000</u>	<u>33,939</u>	<u>35,939</u>

**Notes:-**

*(1) The basis of preparation of the Unaudited Combined Statements of Changes in Equity are detailed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 26 April 2016 and the accompanying explanatory notes attached to this interim financial report.*

*\* This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding quarter available as no interim financial report was prepared for the comparative financial period concerned.*



**LKL INTERNATIONAL BERHAD (1140005-V)**

**UNAUDITED COMBINED STATEMENTS OF CASH FLOWS FOR THE THIRD QUARTER ENDED 31 JANUARY 2016 <sup>(1)</sup>**

	CUMULATIVE QUARTER	
	CURRENT YEAR-TO-DATE 31 JANUARY 2016 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31 JANUARY 2015 <sup>(2)</sup> RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	5,633	N/A
Adjustments for:		
Depreciation of property, plant and equipment	846	N/A
Allowance for impairment losses on trade receivables	9	N/A
Interest expense	375	N/A
Gain on disposal of property, plant and equipment	(4)	N/A
Interest income	(40)	N/A
Writeback of allowance for impairment losses on trade receivables	(112)	N/A
Unrealised gain on foreign exchange	(293)	N/A
<b>Operating profit before working capital changes</b>	<b>6,414</b>	<b>N/A</b>
Increase in inventories	(107)	N/A
Decrease in trade and other receivables	2,011	N/A
Increase in trade and other payables	1,489	N/A
<b>CASH FROM OPERATIONS</b>	<b>9,807</b>	<b>N/A</b>
Interest paid	(375)	N/A
Income tax paid	(1,350)	N/A
Interest received	40	N/A
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>8,122</b>	<b>N/A</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Placement of fixed deposit pledged to a licensed bank	(40)	N/A
Purchase of property, plant and equipment	(733)	N/A
Proceeds from disposal of property, plant and equipment	29	N/A
Repayment from a director	58	N/A
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<b>(686)</b>	<b>N/A</b>
<b>CASH FLOWS FOR FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares	500	N/A
Drawdown of term loans	3,300	N/A
Repayment of hire purchase obligations	(190)	N/A
Repayment of bankers' acceptances	(638)	N/A
Repayment of term loans	(3,633)	N/A
<b>NET CASH FOR FINANCING ACTIVITIES</b>	<b>(661)</b>	<b>N/A</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>6,775</b>	<b>N/A</b>
<b>EFFECT OF FOREIGN EXCHANGE TRANSLATION</b>	<b>344</b>	<b>N/A</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<b>3,986</b>	<b>N/A</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<b>11,105</b>	<b>N/A</b>
<b>Cash and cash equivalents at end of the financial period comprises the following:-</b>		
Cash and bank balances	11,105	N/A
Fixed deposit with a licensed bank	659	N/A
	11,764	N/A
Less: Fixed deposit pledged to a licensed bank	(659)	N/A
	11,105	N/A

**Notes:-**

(1) The basis of preparation of the Unaudited Combined Statements of Cash Flows are detailed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 26 April 2016 and the accompanying explanatory notes attached to this interim financial report.

(2) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding quarter available as no interim financial report was prepared for the comparative financial period concerned.

N/A - Not applicable