



LKL INTERNATIONAL BERHAD (1140005-V)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 30 APRIL 2016 ⁽¹⁾

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 30 APRIL 2016 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30 APRIL 2015 ⁽²⁾ RM'000	CURRENT YEAR-TO-DATE 30 APRIL 2016 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30 APRIL 2015 RM'000
Revenue	A9	9,311	N/A	37,149	39,039
Cost of sales		(6,309)	N/A	(21,733)	(23,402)
Gross profit		3,002	N/A	15,416	15,637
Other income		57	N/A	596	246
Selling and distribution expenses		(378)	N/A	(1,980)	(2,117)
Administrative expenses		(1,336)	N/A	(6,280)	(5,063)
Other expenses		(1,727)	N/A	(2,127)	(1,045)
Finance costs		(116)	N/A	(490)	(360)
(Loss)/Profit before taxation		(498)	N/A	5,135	7,298
Income tax expense	B4	(114)	N/A	(1,618)	(1,336)
(Loss)/Profit after taxation ("LAT")/("PAT")		(612)	N/A	3,517	5,962
Other comprehensive income		-	N/A	-	-
Total comprehensive (expense)/ income for the financial period		(612)	N/A	3,517	5,962
(LAT)/PAT/Total comprehensive (expense)/income attributable to:- Owners of the Company		(612)	N/A	3,517	5,962
(Loss)/Earnings per share (sen)					
- Basic ⁽³⁾	B11	(0.19)	N/A	1.11	1.89
- Diluted ⁽⁴⁾	B11	(0.19)	N/A	1.11	1.89

Notes:-

(1) The basis of preparation of the Unaudited Condensed Consolidated 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 for the fourth quarter ended 30 April 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 year's quarter available as no interim financial report was prepared for the comparative financial period concerned.

(3) Basic (loss)/earnings per share is calculated based on the share capital of 315,800,000 ordinary shares.

(4) Diluted (loss)/earnings per share of the Company for the individual quarter 30 April 2016, cumulative quarter 30 April 2016 and cumulative quarter 30 April 2015 is equivalent to the basic (loss)/earnings per share as the Company does not have convertible options at the end of the reporting period.

N/A - Not applicable



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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AT 30 APRIL 2016 ⁽¹⁾

	Note	UNAUDITED AT 30 APRIL 2016 RM'000	AUDITED AT 30 APRIL 2015 RM'000
ASSETS			
Non-current Asset			
Property, plant and equipment		22,192	21,712
Current Assets			
Inventories		10,408	10,095
Trade receivables		9,592	7,029
Other receivables, deposits and prepayments		1,307	1,548
Amount owing by directors		-	58
Current tax assets		496	345
Fixed deposit with a licensed bank		659	619
Cash and bank balances		7,805	3,986
		<u>30,267</u>	<u>23,680</u>
TOTAL ASSETS		<u>52,459</u>	<u>45,392</u>
EQUITY AND LIABILITIES			
Equity			
Share capital ⁽²⁾		31,580	1,500
Merger deficit		(29,580)	-
Retained profits		33,327	29,810
TOTAL EQUITY		<u>35,327</u>	<u>31,310</u>
Non-current Liabilities			
Hire purchase payables	B8	928	491
Term loans	B8	7,546	8,030
Deferred tax liabilities		535	566
		<u>9,009</u>	<u>9,087</u>
Current Liabilities			
Trade payables		3,379	2,225
Other payables and accruals		3,726	1,179
Amount owing to a director		-	3
Bankers' acceptance		-	638
Hire purchase payables	B8	276	216
Term loans	B8	742	734
		<u>8,123</u>	<u>4,995</u>
TOTAL LIABILITIES		17,132	14,082
TOTAL EQUITY AND LIABILITIES		<u>52,459</u>	<u>45,392</u>
Net assets per share ⁽²⁾ (RM)		<u>0.11</u>	<u>20.87</u>

Notes:-

(1) The basis of preparation of the Unaudited Condensed Consolidated 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 315,800,000 shares issued in LKL International as at 30 April 2016; and 1,500,000 shares issued in LKLAM and 100 shares issued in LKL International as at 30 April 2015.



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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FOURTH QUARTER ENDED 30 APRIL 2016 ⁽¹⁾

	<----- Non-Distributable ----->		Distributable	Total Equity
	Share Capital	Merger Deficit	Retained Profits	
	RM'000	RM'000	RM'000	RM'000
Balance at 1 May 2015	^	-	29,810	29,810
Effect arising from merger	31,580	(29,580)	-	2,000
PAT/Total comprehensive income for the financial period	-	-	3,517	3,517
Balance at 30 April 2016	<u>31,580</u>	<u>(29,580)</u>	<u>33,327</u>	<u>35,327</u>

Notes:-

(1) The basis of preparation of the Unaudited Condensed Consolidated 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 for the fourth quarter ended 30 April 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.*

^ - Represents RM10



LKL INTERNATIONAL BERHAD (1140005-V)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 30 APRIL 2016 ⁽¹⁾

	CUMULATIVE QUARTER	
	CURRENT YEAR-TO-DATE 30 APRIL 2016 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30 APRIL 2015 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	5,135	7,298
Adjustments for:		
Depreciation of property, plant and equipment	1,162	1,097
Allowance for impairment losses on trade receivables	65	371
Bad debts written off	-	15
Deposits written off	-	100
Interest expense	490	360
Allowance/(Reversal of allowance) for annual leave	158	(105)
Gain on disposal of property, plant and equipment	(130)	*
Interest income	(44)	(8)
Listing expenses	1,486	65
Writeback of allowance for impairment losses on trade receivables	(122)	(45)
Writeback of allowance for impairment losses on amount owing by a related party	-	(43)
Unrealised gain on foreign exchange	(254)	(51)
Operating profit before working capital changes	7,946	9,054
Increase in inventories	(313)	(703)
(Increase)/Decrease in trade and other receivables	(1,762)	1,850
Increase/(Decrease) in trade and other payables	2,973	(940)
Decrease in amount owing by related parties	-	43
(Decrease) in amount owing to related parties	-	(51)
CASH FROM OPERATIONS	8,844	9,253
Interest paid	(490)	(360)
Income tax paid	(1,800)	(1,942)
Interest received	44	8
NET CASH FROM OPERATING ACTIVITIES	6,598	6,959
CASH FLOWS FOR INVESTING ACTIVITIES		
Placement of fixed deposit pledged to a licensed bank	(40)	-
Purchase of property, plant and equipment	(927)	(6,588)
Proceeds from disposal of property, plant and equipment	164	4
Repayment from related parties	-	278
Repayment from/(Advance to) a director	58	(58)
NET CASH FOR INVESTING ACTIVITIES	(745)	(6,364)
CASH FLOWS FOR FINANCING ACTIVITIES		
(Repayment to)/Advance from a director	(3)	3
Proceeds from issuance of shares	500	500
Drawdown of term loans	3,300	4,336
Payment of listing expenses	(1,419)	(86)
Repayment of hire purchase obligations	(252)	(259)
(Repayment)/Drawdown of bankers' acceptances	(638)	323
Repayment of term loans	(3,776)	(851)
Dividend paid	-	(7,500)
NET CASH FOR FINANCING ACTIVITIES	(2,288)	(3,534)
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,565	(2,939)
EFFECT OF FOREIGN EXCHANGE TRANSLATION	254	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	3,986	6,925
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	7,805	3,986
<u>Cash and cash equivalents at end of the financial period comprises the following:-</u>		
Cash and bank balances	7,805	3,986
Fixed deposit with a licensed bank	659	619
	8,464	4,605
Less: Fixed deposit pledged to a licensed bank	(659)	(619)
	7,805	3,986

Notes:-

(1) The basis of preparation of the Unaudited Condensed Consolidated 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.

* - Represents RM241