

MATANG BERHAD (1142377-X)
(Incorporated in Malaysia)

UNAUDITED CONDENSED COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME OF THE GROUP FOR THE THIRD QUARTER ENDED 31 MARCH 2017

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ⁽²⁾ 31/03/2016 RM'000	CURRENT PERIOD TO-DATE 31/03/2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD ⁽²⁾ 31/03/2016 RM'000
Revenue	2,691	N/A	7,454	N/A
Cost of sales	(773)	N/A	(2,395)	N/A
Gross profit	1,918	N/A	5,058	N/A
Other income	1,431	N/A	2,647	N/A
Operating expenses	(3,150)	N/A	(6,315)	N/A
Finance costs	-	N/A	-	N/A
Profit before tax	199	N/A	1,391	N/A
Income tax expense	(158)	N/A	(597)	N/A
Profit for the period	41	N/A	794	N/A
Other comprehensive income				
Fair value gain/(loss) on other investments	-	N/A	-	N/A
Total comprehensive income for the period	41	N/A	794	N/A
Profit for the period attributable to:				
Equity holders of the parent	41	N/A	794	N/A
Non-controlling interests	-	N/A	-	N/A
	41	N/A	794	N/A
Total comprehensive income for the period attributable to:				
Equity holders of the parent	41	N/A	794	N/A
Non-controlling interests	-	N/A	-	N/A
	41	N/A	794	N/A
Earnings per share (sen) ⁽³⁾				
(i) Basic	0.00	N/A	0.04	N/A
(ii) Fully diluted	0.00	N/A	0.04	N/A
Dividends per share (sen)	-	N/A	-	N/A

NOTES:

- The Unaudited Combined Statements of Profit or Loss and Other Comprehensive Income of the Group are prepared based on the combined results of Matang Berhad ('Matang') and its subsidiaries ('Matang Group' or 'Group') for the quarter ended 31 March 2017 further to the completion of the Exchange of Shares and the acquisition by Matang of the Matang Holdings Berhad ('MHB Group') on 14 November 2016 as well as the completion of the Public Issue on 17 January 2017, further details of which are incorporated in Note A12 of the accompanying explanatory notes. This interim financial report should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.
- This is the third 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 corresponding quarter and year to date in preceding financial year available as no interim financial report was prepared for the comparative financial period concerned.
- Based on the issued and paid up capital of 1,810,000,256 new Matang shares ("Matang Shares") after the completion of the Exchange of Shares as well as the Public Issue and Listing which were completed on 17 January 2017.
- Diluted earnings per share of the Group for the quarter and year to date ended 31 March 2017 is equivalent to the basic earnings per share as the Group does not have convertible options or securities as at the end of the reporting period.

The interim financial result for quarter ended 31 March 2017 included, inter alia, the charging of one-time Listing expenses of RM1.622 million to the Unaudited Condensed Combined Statement of Profit or Loss and Other Comprehensive Income. Further commentary of the same has been included under Note B1 of the accompanying explanatory notes.

N/A denotes not applicable

MATANG BERHAD (1142377-X)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE GROUP
AS AT 31 MARCH 2017**

(The figures have not been audited)

	UNAUDITED AS AT 31/03/2017 RM'000	AUDITED AS AT 30/06/2016 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	138,673	140,307
Land held for property development	1,058	1,058
Investment properties	11,650	11,650
Other investments	162	162
	<u>151,543</u>	<u>153,177</u>
Current assets		
Inventories	28	122
Agriculture Produce	848	603
Trade and other receivables	885	1,345
Tax recoverable	-	-
Cash and cash equivalents	33,651	14,357
	<u>35,412</u>	<u>16,427</u>
TOTAL ASSETS	<u>186,955</u>	<u>169,604</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share Capital	181,000	168,000
Share Premium	2,837	-
Available-for-sale reserve	38	38
Retained earnings	107,964	107,170
Merger deficit	(108,000)	(108,000)
Total equity	<u>183,839</u>	<u>167,208</u>
Non-current liabilities		
Deferred tax	1,449	1,443
	<u>1,449</u>	<u>1,443</u>
Current Liabilities		
Trade and other payables	1,364	490
Current tax liabilities	302	463
	<u>1,666</u>	<u>953</u>
Total liabilities	<u>3,115</u>	<u>2,396</u>
TOTAL EQUITY AND LIABILITIES	<u>186,955</u>	<u>169,604</u>
 Net assets per share (RM) ⁽⁴⁾	 <u>0.10</u>	 <u>0.10</u>

Notes:

- The Unaudited Combined Statements of Profit or Loss and Other Comprehensive Income of the Group are prepared based on the combined results of Matang Berhad ("Matang") and its subsidiaries ("Matang Group" or "Group") for the quarter ended 31 March 2017 further to the completion of the Exchange of Shares and the acquisition by Matang of the Matang Holdings Berhad ("MHB Group") on 14 November 2016 as well as the completion of the Public Issue on 17 January 2017, further details of which are incorporated in Note A12 of the accompanying explanatory notes. This interim financial report should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.
- Based on the issued and paid up capital of 1,810,000,256 new Matang shares ("Matang Shares") after the completion of the Exchange of Shares as well as the Public Issue and Listing which were completed on 17 January 2017.
- The Unaudited Consolidated Statement of Financial Position should be read in conjunction with the Proforma Consolidated Statement of Financial Information as at 30 June 2016 and the Accountants' Report for the financial year ended 30 June 2016 as disclosed in the Prospectus of Matang Berhad dated 19 December 2016 and the accompanying notes attached to this interim financial report.

MATANG BERHAD (1142377-X)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY OF THE GROUP
FOR THE YEAR TO DATE ENDED 31 MARCH 2017**

(The figures have not been audited)

	← Attributable to owners of the parent →					Total
	Share Capital RM '000	Share Premium RM '000	Merger Deficit ⁽³⁾ RM '000	Available-for- sale Reserve RM '000	Distributable Retained Earnings RM '000	
9 months ended						
31 March 2017						
Balance as at 1 July 2016	168,000	-	(108,000)	38	107,170	167,208
Issuance of new shares	13,000	3,900				16,900
Total comprehensive income for the period	-	-	-	-	794	794
Distribution of dividends	-	-	-	-	-	-
Equity related expenses		(1,063)				(1,063)
Balance as at 31 March 2017	181,000	2,837	(108,000)	38	107,964	183,839

Notes:

- The Unaudited Consolidated Statements of Changes in Equity of the Group are prepared based on the combined results of Matang Berhad ('Matang') and its subsidiaries ('Matang Group' or 'Group') for the quarter ended 31 March 2017 further to the completion of the Exchange of Shares and the acquisition by Matang of the Matang Holdings Berhad ('MHB Group') on 14 November 2016 as well as the completion of the Public Issue on 17 January 2017, further details of which are incorporated in Note A12 of the accompanying explanatory notes. This interim financial report should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.
- This is the third 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 corresponding quarter and year to date in preceding financial year available as no interim financial report was prepared for the comparative financial period concerned.
- These represents the effects of applying the merger method of accounting for the acquisition of MHB Group completed on 14 November 2016. Under this method, the invested equity of RM108,000,000 was set off against the purchase consideration totalling RM168,000,006 for the aforesaid acquisition.

MATANG BERHAD (1142377-X)
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE GROUP
FOR THE YEAR TO DATE ENDED 31 MARCH 2017**

(The figures have not been audited)

	9 months ended 31 March	
	2017 RM'000	2016 ⁽²⁾ RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	1,390	N/A
Adjustments for:		
Depreciation of property, plant and equipment	1,463	N/A
Fair value adjustment of agriculture produce	(245)	N/A
Amortisation of prepaid lease payments for land	-	N/A
Unrealised gain on foreign currency translations	-	N/A
Reversal of impairment loss on other investments	-	N/A
Interest income	(278)	N/A
Rental income from investment properties	-	N/A
Dividend income	-	N/A
Loss on disposal of other investments	-	N/A
Gain on disposal of property, plant and equipment	(960)	N/A
Operating profit before changes in working capital	1,370	N/A
Changes in working capital		
Inventories	94	N/A
Receivables	460	N/A
Payables	873	N/A
Cash generated from operations	2,797	N/A
Interest received		N/A
Income taxes paid	(851)	N/A
Income tax refund	101	N/A
Net cash from operating activities	2,047	N/A
CASH FLOWS FROM INVESTING ACTIVITIES		
Rental received from investment properties	-	N/A
Interest received	278	N/A
Purchase of:		N/A
- bearer plants	(109)	N/A
- property, plant and equipment	-	N/A
Proceeds from disposal of other investments	-	N/A
Proceeds from disposal of property, plant and equipment	1,241	N/A
Net cash used in investing activities	1,410	N/A
CASH FLOWS FROM FINANCING ACTIVITY		
Issuance of New Shares	15,837	N/A
Net cash used in financing activity	15,837	N/A
NET INCREASE IN CASH AND CASH EQUIVALENTS	19,294	N/A
Currency translation differences	-	N/A
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	14,328	N/A
CASH AND CASH EQUIVALENTS AT END OF PERIOD	33,622	N/A

Components of cash and cash equivalents are as follows:

	UNAUDITED AS AT 31/03/2017 RM'000	AUDITED AS AT 30/06/2016 RM'000
Cash and bank balances	33,651	14,357
Deposits with licensed bank (more than 3 months)	(29)	(29)
	33,622	14,328

Notes:

- The Unaudited Consolidated Statements of Cash Flows of the Group are prepared based on the combined results of Matang Berhad ('Matang') and its subsidiaries ('Matang Group' or 'Group') for the year to date ended 31 March 2017 further to the completion of the Exchange of Shares and the acquisition by Matang of the Matang Holdings Berhad ('MHB Group') on 14 November 2016 as well as the completion of the Public Issue on 17 January 2017, further details of which are incorporated in Note A12 of the accompanying explanatory notes. This interim financial report should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.
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