

FCW HOLDINGS BERHAD (Company No. : 3116 K)  
 Summary of Key Financial Information for the period ended 31 DECEMBER 2016

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
		31/12/2016	31/12/2015	31/12/2016	31/12/2015
		RM'000	RM'000	RM'000	RM'000
1	Revenue	6,036	5,954	13,915	12,279
2	Profit Before Tax	787	2,620	2,943	1,545
3	Profit for the Period	466	2,481	1,975	1,316
4	Profit for the Period and Other Comprehensive Income Attributable to:	466	2,481	1,975	1,316
5	Basic earnings per share (sen)	0.19	0.99	0.79	0.53
6	Proposed/Declared dividend per share (sen)	0.00	1.50	20.00	1.50

		As At End Of Current Quarter	As At Preceding Financial Year End
7	Net assets per share attributable to ordinary equity holders of the parent (RM)	0.68	0.88

ADDITIONAL INFORMATION

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
		31/12/2016	31/12/2015	31/12/2016	31/12/2015
		RM'000	RM'000	RM'000	RM'000
1	Gross interest income	1,406	2,282	3,296	4,008
2	Gross interest expense	(31)	(49)	(62)	(87)

**FCW HOLDINGS BERHAD (Company No. : 3116 K)**  
**CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016**  
**(Unaudited)**

	FY 2016/17 Current Quarter Ended 31-Dec RM'000	FY 2015/16 Comparative Quarter Ended 31-Dec RM'000	FY 2016/17 Current 6 Months Cumulative To Date RM'000	FY 2015/16 Comparative 6 Months Cumulative To Date RM'000
Revenue	6,036	5,954	13,915	12,279
Cost of Sales	<u>(4,861)</u>	<u>(4,557)</u>	<u>(11,184)</u>	<u>(9,626)</u>
<b>Gross Profit</b>	1,175	1,397	2,731	2,653
Other Income	1,428	2,295	3,414	4,046
<b>Other Items of Expenses</b>				
Administrative Expenses	(570)	(601)	(1,001)	(963)
Marketing Expenses	(166)	(139)	(174)	(144)
Other Expenses	(824)	(753)	(1,620)	(1,605)
Share of Results of an Associate	40	608	69	(1,668)
Share of Results of a Joint Venture	<u>(266)</u>	<u>(146)</u>	<u>(415)</u>	<u>(687)</u>
<b>Profit From Operations</b>	817	2,661	3,004	1,632
Finance Costs	<u>(30)</u>	<u>(41)</u>	<u>(61)</u>	<u>(87)</u>
<b>Profit Before Tax</b>	787	2,620	2,943	1,545
Taxation	<u>(321)</u>	<u>(139)</u>	<u>(968)</u>	<u>(229)</u>
<b>Profit for the Period</b>	466	2,481	1,975	1,316
Other Comprehensive Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Comprehensive Income for the period</b>	<u><u>466</u></u>	<u><u>2,481</u></u>	<u><u>1,975</u></u>	<u><u>1,316</u></u>
<b>Profit for the Period and Other Comprehensive Income Attributable to:</b>				
Owners of the Company	466	2,481	1,975	1,316
Non-controlling Interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>466</u></u>	<u><u>2,481</u></u>	<u><u>1,975</u></u>	<u><u>1,316</u></u>
<b>Earnings per share Attributable to Owners of the Parent (sen per share)</b>				
- Basic	0.19	0.99	0.79	0.53

*The Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2016.*

**FCW HOLDINGS BERHAD (Company No. : 3116 K)**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016**  
**(Unaudited)**

	As At 31-Dec FY2017 RM'000	As At 30-Jun FY2016 RM'000
<b>Non Current Assets</b>		
Property, plant and equipment	4,917	4,956
Investment property	3,100	3,100
Investment in an associate	30,878	30,809
Other investments	634	131
Goodwill on consolidation	1,726	1,726
	<u>41,255</u>	<u>40,722</u>
<b>Current Assets</b>		
Inventories	4,197	4,661
Receivables	54,982	56,751
Tax recoverable	-	68
Cash and cash equivalents	126,421	174,051
	<u>185,600</u>	<u>235,531</u>
<b>Total Assets</b>	<u>226,855</u>	<u>276,253</u>
<b>Share Capital</b>	124,997	124,997
<b>Reserves</b>	46,074	94,098
<b>Shareholders' Equity</b>	<u>171,071</u>	<u>219,095</u>
<b>Minority Interest</b>	(14)	(14)
<b>Total equity</b>	<u>171,057</u>	<u>219,081</u>
<b>Non Current Liabilities</b>		
Loans and borrowings	1,134	1,272
Deferred tax liabilities	196	196
Deferred income	48,420	48,472
	<u>49,750</u>	<u>49,940</u>
<b>Current Liabilities</b>		
Payables	5,145	5,994
Loans and borrowings	366	359
Taxation	537	879
	<u>6,048</u>	<u>7,232</u>
<b>Total Equity And Liabilities</b>	<u>226,855</u>	<u>276,253</u>
<b>Net assets per share attributable to ordinary equity holders of the Company (RM)</b>	<u>0.68</u>	<u>0.88</u>

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2016.*

**FCW HOLDINGS BERHAD (Company No. : 3116 K)**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016**  
**(Unaudited)**

	FY2016/17 6 Months ended 31-Dec-16 RM' 000	FY2015/16 6 Months ended 31-Dec-15 RM' 000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	2,943	1,545
Adjustments for:		
Non-cash items	204	172
Share of results of an associate	(69)	1,668
Share of results of a joint venture	415	687
Gain on disposal of plant, property and epequipment	(85)	-
Non-operating items	(3,234)	(3,897)
Operating profit before working capital changes	<u>174</u>	<u>175</u>
Net changes in current assets	2,233	(14,875)
Net changes in current liabilities	(1,316)	(619)
Cash generated from / (used in) operations	<u>1,091</u>	<u>(15,319)</u>
Interest income received	3,296	4,008
Interest expense paid	(62)	(87)
Tax paid	(1,242)	(788)
Net cash generated from / (used in) operating activities	<u>3,083</u>	<u>(12,186)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	85	-
Purchase of property, plant and equipment	(165)	(14)
Placement of other investment	(503)	-
Net cash used in investing activities	<u>(583)</u>	<u>(14)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividends paid on ordinary shares	(49,999)	-
Repayment of short term borrowings	(96)	(105)
Repayment of hire purchase creditors	(35)	10
Net cash used in financing activities	<u>(50,130)</u>	<u>(95)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(47,630)	(12,295)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	174,051	180,711
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u>126,421</u>	<u>168,416</u>

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 30 June 2016.*

**FCW HOLDINGS BERHAD (Company No. : 3116 K)**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016**  
**(Unaudited)**

	<i>Attributable to Shareholders of the Company</i>				Sub-Total	Minority Interest	Grand-Total Equity
	Non-Distributable		Distributable				
	Share Capital	Capital Reserve	Reserves Premium paid on acquisition of MI	Accumulated Profit			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Year ended 31 December 2016	<hr/>						
At 1st July 2016	124,997	2,704	(1,145)	92,539	219,095	(14)	219,081
Dividends paid	-	-	-	(49,999)	(49,999)	-	(49,999)
Total comprehensive income for the period	-	-	-	1,975	1,975	-	1,975
At 31 December 2016	<u>124,997</u>	<u>2,704</u>	<u>(1,145)</u>	<u>44,515</u>	<u>171,071</u>	<u>(14)</u>	<u>171,057</u>
Year ended 31 December 2015	<hr/>						
At 1st July 2015	124,997	2,704	(1,145)	91,878	218,434	(11)	218,423
Total comprehensive income for the period	-	-	-	1,316	1,316	2	1,318
At 31 December 2015	<u>124,997</u>	<u>2,704</u>	<u>(1,145)</u>	<u>93,194</u>	<u>219,750</u>	<u>(9)</u>	<u>219,741</u>

***The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2016.***

# **FCW HOLDINGS BERHAD (3116-K)**

## **QUARTERLY REPORT ON CONSOLIDATED RESULTS For The Financial Year Ended 31 December 2016**

### **PART A. NOTES TO THE INTERIM FINANCIAL REPORT**

#### **1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

The accounting policies in the interim financial statements of the Group are consistent with those adopted in the most recent audited financial statements for the financial year ended 30 June 2016 except for the newly-issued Malaysia Financial Reporting Standards (“MFRSs”), Amendments to published standards and IC Interpretations (“IC Int”). The Company had adopted the amendments/improvements to MFRSs that are mandatory for the current financial year.

The adoption of the amendments/improvements to MFRSs did not have any significant effect on the financial statements of the Company, and did not result in significant changes to the Company’s existing accounting policies.

#### **2. Auditors’ Report on Preceding Annual Financial Statements**

The auditors’ report on the Company’s financial statements for the year ended 30 June 2016 was not subject to any qualification.

#### **3. Seasonal or Cyclical Factors**

The operations of the Group are not subject to any seasonal or cyclical factors.

#### **4. Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows of the Group.

#### **5. Material Changes in Estimates of Amount Reported Previously Affecting Current Interim Period**

There were no changes in estimates of amount reported in prior financial years which have a material effect in the current interim period.

#### **6. Dividend Paid**

On 23<sup>rd</sup> September 2016, the company declared a special interim dividend at 40% per ordinary share at RM0.50 each under single tier system amounting to RM49,998,825 and was paid on 24<sup>th</sup> October 2016 to the depositors in the Company’s Record of Depository as at 10<sup>th</sup> October 2016.

## FCW HOLDINGS BERHAD (3116-K)

### PART A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

#### 7. Segmental Information

(RM'000)	31-12-16 2nd Qtr	31-12-15 2nd Qtr	31-12-16 6 Mths Cum	31-12-15 6 Mths Cum
<u>Segment Revenue</u>				
Contract Manufacturing	6,036	5,954	13,915	12,279
Total	<u>6,036</u>	<u>5,954</u>	<u>13,915</u>	<u>12,279</u>
<u>Segment Results</u>				
Contract Manufacturing	197	435	999	814
Share of Results of an Associate	40	608	69	(1,668)
Share of Results of a Joint Venture	(266)	(146)	(415)	(687)
Others	816	1,723	2,290	3,086
Total	<u>787</u>	<u>2,620</u>	<u>2,943</u>	<u>1,545</u>

#### 8. Subsequent Events

There was no material events subsequent to the end of the financial quarter ended 31 December 2016.

#### 9. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial quarter ended 31 December 2016.

#### 10. Capital Commitments

The Group has no material capital commitment in respect of property, plant and equipment as at 31 December 2016.

**PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**

**1. Performance review**

**Continuing Operations**

**Contract manufacturing segment**

Current quarter

The contract manufacturing segment posted a slight increase in revenue from RM5.95 million for the preceding year's corresponding quarter to RM6.04 million for the current quarter. However the profit before tax for the current quarter has decreased from RM435,000 from the corresponding quarter of the preceding year to RM197,000 mainly due to increase in cost of goods sold and lower margin sales mix.

Year to date

The contract manufacturing segment posted a 13.3% increase in revenue from RM12.28 million for the 6 months ended 31<sup>st</sup> December 2015 to RM13.92 million for the 6 months ended 31<sup>st</sup> December 2016, mainly due to increase in orders from a major customer. The segment reported a higher profit before tax from RM0.81 million for the preceding year to date to RM1.0 million for the current year to date, corresponding to the increase in revenue.

**Power & Telecommunication Cables Manufacturing segment (associate company)**

Current quarter

Our associate company, Fujikura Federal Cables Sdn Bhd, contributed a share of a profit in the current quarter of RM40,000 as compared with a share of profit of RM608,000 in the corresponding quarter of the preceding year. The losses were mainly due to the decrease export sales by 28% which affected margin.

Year to date

The share of results from our associate company for year to date has improved significantly from a loss after tax of RM1.67 million to a profit after tax of RM69,000, mainly due to unrealized foreign exchange loss as a result of the strength US Dollar versus the Ringgit in the preceding year for its US Dollar receivables.

**Property development and property rental segment (joint venture company)**

Current quarter

Our joint venture company, 368 Segambut Sdn. Bhd., contributed a share of a loss in the current quarter of RM266,000 as compared with a loss of RM146,000 in the same quarter of last year. The decline was mainly due to cessation in rental income received and lower interest income earned due to funds used for development activities.

Year to date

Our joint venture company's loss before tax for the current year to date of RM415,000 was a 65.5% reduction as compared to RM687,000 loss same year to date quarter due to a one time stamp duty charged out for bank loan obtained in the preceding year.



**PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (CONT'D)**

**1. Performance review (cont'd)**

**Others**

Current quarter

Results have decreased from profit before tax of RM1.72 million in the corresponding quarter of the preceding year to RM816,000 in the current quarter due to lower interest income earned after the dividend paid out in October 2016.

Year to date

Results show decrease from profit before tax of RM3.09 million for the half year to 31 December 2015 to a profit before tax of RM2.29 million for this current half year mainly due to the lower interest income earned after the dividend paid out in October 2016.

**2. Comparison with preceding quarter's result**

The Group registered a profit before tax of RM787,000 in the current quarter as compared with profit before tax of RM2.16 million in the immediate preceding quarter.

The decrease in the current quarter was mainly attributed to the our contract manufacturing segment which recorded increasing cost of goods sold and lower margin product mix and also due to lower interest income earned.

**3. Commentary of Prospects**

Management expects the revenue and profitability of the contract manufacturing to remain challenging in the local markets and the sluggish economy may dampen demand.

However, the management is optimistic that the export markets may pick up slightly in the remaining financial year.

As for the associate company, which is in the cables industry, the Management expects the business to remain challenging in view of the keen competition in both the local and export markets and sluggish global economy may dampen demand for metal cable products.

Going forward, the Group expects the contribution from its joint venture property development project in future years.

**4. Variance on profit forecast**

Not applicable

## FCW HOLDINGS BERHAD (3116-K)

### PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (CONT'D)

#### 5. Items included in the Consolidated Statement of Comprehensive Income

Total comprehensive income for the period is arrived at after charging/ (crediting) the following items:

	31-12-16 Current Quarter RM'000	31-12-15 Current Quarter RM'000	31-12-16 6-months Cumulative RM'000	31-12-15 6-months Cumulative RM'000
(Gain)/loss on disposal of property, plant & equipment	0	0	(85)	0
Interest income	(1,406)	(2,282)	(3,296)	(4,008)
Other income	0	(13)	0	(38)
Interest expenses	31	49	62	87
Depreciation and amortisation	99	110	204	246
(Gain)/ loss on foreign exchange	(22)	(95)	(33)	(62)
Provision for and write off of receivables	0	0	0	0
Provision for and write off of inventories	0	0	0	0
Gain on disposal of assets held for sale	0	0	0	0
Loss on derivatives	0	0	0	0
Exceptional items	0	0	0	0
Loss on disposal at investment	0	0	0	0
Reversal of provision for diminution in investment	0	0	0	0

#### 6. Tax

	Current Quarter RM'000	Year to date RM'000
Income tax : - Current year Continuing Operation	321	968
	321	968

Current income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the quarter.

Potential tax benefits to be derived from unused tax losses and unabsorbed capital allowances were recognized as there is strong evidence indicating that it is probable that future taxable profit can be available for utilisation against those unused tax losses and unabsorbed capital allowances.

**PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (CONT'D)**

**7. Group Borrowings and Debt Securities**

	As at 31-12-16	As at 31-12-15
	RM'000	RM'000
<b>Short term borrowings</b>		
- Term loan payable within a year	353	321
- Hire purchase creditor payable within a year	13	67
<b>Sub Total</b>	<b>366</b>	<b>388</b>
<b>Long Term borrowings</b>		
- Term loan payable > 1 year	1,082	1,424
- Hire purchase creditor payable > 1 year	52	12
<b>Sub Total</b>	<b>1,134</b>	<b>1,436</b>

**8. Material Litigation**

There is no pending material litigation.

**9. Dividend Declared/Recommended**

On 23<sup>rd</sup> September 2016, the company declared a special interim dividend at 40% per ordinary share at RM0.50 each under single tier system amounting to RM49,998,825 and was paid on 24<sup>th</sup> October 2016.

**10. Earnings Per Share**

**Basic earnings per share**

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

	Individual Quarter		Cumulative Quarter	
	31-12-16	31-12-15	31-12-16	31-12-15
	RM'000	RM'000	RM'000	RM'000
Net profit attributable to shareholders	466	2,481	1,975	1,316
Weighted average number of ordinary shares in issue	249,994	249,994	249,994	249,994
<b>Basic earnings per share (sen)</b>	<b>0.19</b>	<b>0.99</b>	<b>0.79</b>	<b>0.53</b>

**FCW HOLDINGS BERHAD (3116-K)****PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (CONT'D)****11. Group Realised and Unrealised Profits / (Losses)**

	<b>As at 31-12-16 (RM'000)</b>	<b>As at 30-06-16 (RM'000)</b>
The retained profits / (accumulated losses) of FCW Holdings Bhd and its subsidiaries:		
- Realised	(35,903)	11,105
- Unrealised	(195)	(138)
	(36,098)	10,967
Total share of accumulated losses from associated company:		
- Realised	5,332	(7,431)
- Unrealised	(7,656)	5,037
	(38,422)	8,573
Total share of retained (loss) / profits from jointly controlled company:		
- Realised	(491)	(76)
- Unrealised	-	-
	(38,913)	8,497
Less: Consolidation adjustments	83,428	84,042
Total group retained profits as per consolidated accounts	44,515	92,539

**By Order of the Board****Lai Sze Pheng  
Executive Director****23 Feb 2017  
Kuala Lumpur**