Quarterly report on consolidated results for the third financial quarter ended 31 March 2016

EXPLANATORY NOTES:

A1 **Basis of Preparation & Significant Accounting Policies**

This Quarterly Report is unaudited and has been prepared in accordance with the Malaysian Financial Reporting Standard ("MFRS") 134 - Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of the Bursa Malaysia Securities Berhad ("Bursa Malaysia") Listing Requirements. In addition, the financial statements comply with IFRS as issued by IASB. The report should be read in conjunction with the Group's audited financial statements for the financial year ended 30 June 2015 which was prepared in accordance with the MFRS.

The explanatory notes attached to the unaudited interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the last financial year ended 30 June 2015.

The significant accounting policies and methods adopted for this unaudited interim financial report are consistent with those adopted for the audited financial statements for the financial year ended 30 June 2015.

The Group have not adopted the following new standards, amendments to standards and interpretations that have been issued but not yet effective for its current financial year.

- Amendment to MFRS 11 'Joint arrangements' (effective from 1 January 2016)
- Amendments to MFRS 116 'Property, plant and equipment' and MFRS 138 'Intangible assets' (effective from 1 January 2016)
- Amendments to MFRS 10 and MFRS 128 regarding sale or contribution of assets between an investor and its associate or joint venture (effective from 1 January 2016)
- MFRS 9 'Financial Instruments' (effective from 1 January 2018) will replace MFRS 139 "Financial Instruments: Recognition and Measurement". The complete version of MFRS 9 was issued in November 2014.
- MFRS 15 'Revenue from contracts with customers' (effective from 1 January 2018) replaces MFRS 118 'Revenue' and MFRS 111 'Construction contracts' and related interpretations.

The Group is of the opinion that the abovementioned new standards, amendments to standards and interpretations will not have any material financial impact to the Group upon their initial application when effective.

Quarterly report on consolidated results for the third financial quarter ended 31 March 2016

EXPLANATORY NOTES:

A2 **Audit qualification**

The audit report of the Group in respect of the financial statements for the financial year ended 30 June 2015 was not subject to any audit qualification.

A3 **Seasonality or cyclicality of operations**

The business of the Group and the Company is generally neither cyclical nor seasonal except for decreased activities during the Ramadan and Chinese New Year festive months.

A4 **Unusual items**

There are no unusual items affecting assets, liabilities, equity, net income or cash flows attributable to its nature, size or incidence during the current financial quarter.

A5 **Changes in estimates**

There are no changes in estimates that have any material effect on the financial results during the current financial quarter.

A6 **Debts and equity securities**

There are no issuances, cancellations, repurchases, or resale of the Company's equity securities during the current financial quarter.

The Group has a policy to maintain its Gearing Ratio (measured as interest bearing debts over equity adjusted for the exclusion of intangibles) at below 1.25 times.

	31/03/2016	30/06/2015
Total interest bearing debts in RM'million	184.9	266.1
Adjusted Equity in RM'million	421.6	405.7
Gearing Ratio	0.44	0.66

The Group's debt securities are mainly represented by the Cold Rolled subsidiary's debenture (around RM68.6 million) and the Steel Tube subsidiary's debenture (around RM50 million), whilst the remaining interest bearing debts are unsecured suppliers' trade credits extended to the respective operating subsidiaries (see Note B10). The operating subsidiaries complied with their respective Gearing Ratio covenants for the current financial quarter ended 31 March 2016.

A7 **Dividends paid**

No dividend was declared or paid in the current financial quarter.

Quarterly report on consolidated results for the third financial quarter ended 31 March 2016

EXPLANATORY NOTES:

A8 **Segmental reporting**

Segmental information in respect of the Group's business segments is as follows:

	Steel Tube	Cold Rolled	Investment Holding	Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
Total revenue	154,617	278,425	-	18,692	451,734
Inter segment	(636)	(17,645)	-	-	(18,281)
External revenue	153,981	260,780	-	18,692	433,453
Pre-tax profit/(losses)	9,480	18,557	(9,768)	(71)	18,198
Segment assets	109,867	378,624	110,757	12,252	611,500

Reconciliation of segment assets to total assets is as follows:

	RM'000
Segment assets	611,500
Amount owing by an associate	36,628
Deferred tax assets	2,749
Derivative assets	32
Tax recoverable	246
	651,155

The businesses of the Group are carried out entirely in Malaysia.

A9 **Valuation of property, plant and equipment**

The valuation of property, plant and equipment has been brought forward from the audited financial statements for the financial year ended 30 June 2015 and adjusted for the current financial year's depreciation where applicable to reflect the current period's ending net carrying value.

Quarterly report on consolidated results for the third financial quarter ended 31 March 2016

EXPLANATORY NOTES:

A10 **Fair value measurement**

Except for the financial instruments disclosed below which are fair valued by valuation methods, the carrying value of short-term maturity financial instruments like cash deposits and bank balances, receivables, and short-term borrowings and payables approximate their fair values.

Financial instruments subjected to fair valuation methods are categorised into the following fair value hierarchy and are represented in the table below as at 31 March 2016:

Level 1: based on unadjusted quoted prices in active markets for identical assets and liabilities
Level 2: based on observable inputs not included within level 1
Level 3: based on unobservable inputs

Recurring fair value measurement	Fair Value RM'000		
Foreign Currency Forwards	Level 1	Level 2	Level 3
as Assets (not hedge accounted)	-	32.2	-
as Liabilities (not hedge accounted)	-	(94.4)	-
as Liabilities (hedge accounted)	-	(7,276.1)	-
Total	-	(7,338.3)	-

The Foreign Currency Forwards are fair valued by way of marking-to-market using reference bank's published forward rates.

A11 **Investment in Associate**

The Company through a wholly owned subsidiary retains a 49% interest in Mperial Power Ltd ("Mperial') being the holding company for Siam Power Generation Public Company Ltd ("Siam Power"), Siam Power Phase 2 Company Ltd ("Siam Power 2"), Siam Power Phase 3 Company Ltd ("Siam Power 3"), and MPower TT Ltd – hereinafter referred to as the 'Power Associate' or the 'Power Group.'

The Power Group is no longer a material associate of MIG Group considering its' carrying investment value has been reduced to nil with its share of the said associate's losses since end-September 2014. The Group's continuing share of the Associate's subsequent losses is not recognised but is recorded for future set-off against any arising share of gains. Details of the Group's unrecognised share of the Power Associate's losses amounting to RM150.9 million as at the close of the current quarter are as follows:

Investment in the Power Associate

	As at 31/03/2016 RM'000	As at 30/6/2015 RM'000
Carrying value at the beginning of the financial year	-	22,541
Unrecognised share of losses b/f	(84,844)	-
Share of Net Loss	(70,119)	(92,953)
Share of Other Comprehensive Income/(Loss)	4,050	(14,432)
Unrecognised share of losses c/f at closing of the period	(150,913)	(84,844)

Quarterly report on consolidated results for the third financial quarter ended 31 March 2016

EXPLANATORY NOTES:

A11 **Investment in Associate** (continued)

The previously reported Memorandum of Understanding executed by Mperial with a counter-party interested to acquire the entire equity stake in its power subsidiaries has stalled and is unlikely to materialise. However, new parties interested to acquire the aforementioned equity stake have since emerged and the management of Mperial is hopeful to secure a deal in the near future. Mperial's power subsidiary has reported that its power-plant in Thailand has experienced improved power uptake averaging 63% of sellable capacity (i.e. 120 mwh) for the current quarter compared to 48% in the preceding quarter- due to improved power up-take by the single steel customer (besides the other customer being the power authority of Thailand). The improving commercial viability of the power-plant may help accelerate the planned disposal.

A12 **Significant events and transactions**

Besides the following external developments, there were no other significant events or transactions for the current quarter affecting the Group's financial position and performance of its entities.

- In January 2016, the Authority levied anti-dumping duties on imported cold rolled coils from China, Korea and Vietnam. This could be viewed as positive for the Group's Cold Rolled segment

- In January 2016, the Authority ruled negatively on the safeguard petition filed by the dominant domestic hot rolled coil supplier in seeking protective duties of 40% (on top of the existing 15% import duties imposed) on imported HRC. This could be viewed as positive for both the Group's Cold Rolled and Steel Tube segments.

- On 3 February 2016, the Company acquired the remaining 360,000 ordinary shares of RM1 each representing 30% of the total issued and paid up capital of Melewar Integrated Engineering Sdn Bhd ("MIE") from a non-controlling interest ("NCI") for a total consideration of RM1. At the point of acquisition, MIE was carrying a net liability position of RM2.5 million. As a result, the Group absorbs the NCI's carrying share of losses amounting to RM0.4 million in the current quarter.

- In February 2016, the dominant domestic HRC supplier abruptly halted production and supply reportedly due to unpaid electric bills and stiff foreign competition. The Group's Steel Tube's production was affected by unfulfilled delivery orders of 2,500 tonnes of HRC.

- The Ringgit appreciated against the USD in the 3rd quarter by around 8.6% from the 2nd quarter, resulting in mostly mark-to-market losses on its FX derivatives on balance sheet as disclosed in Note A10 above. However, such FX derivatives incepted for hedging purposes and mostly hedge accounted have substantially mitigated volatility in its net foreign exchange gain or loss over the past quarters – as disclosed in Notes B5 and B11.

A13 **Subsequent material events**

There are no material events occurring between 1 April 2016 and the issuance date of this interim financial report that warrant any adjustment for the current quarter ended 31 March 2016.

Quarterly report on consolidated results for the third financial quarter ended 31 March 2016

EXPLANATORY NOTES:

A14 **Changes in the composition of the Group**

Other than the increase in the Company's equity-stake holding in Melewar Integrated Engineering Sdn Bhd from 70% to 100% (see Note A12), there are no other changes to the composition of the Group during the current financial quarter.

A15 **Contingent liabilities or contingent assets**

There are no contingent liabilities or contingent assets as at the end of the current reporting quarter.

A16 **Capital commitments**

There are no material capital commitments whether provided or not already provided for in the financial statements at the end of the reporting quarter.

Quarterly report on consolidated results for the third financial quarter ended 31 March 2016

EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENTS – PART A OF APPENDIX 9B)

B1 **Review of the performance of the Company and its principal subsidiaries**

For the third quarter ended 31 March 2016, the Group registered a 9% lower total revenue of RM151.8 million as compared to RM166.7 million achieved in the preceding year's corresponding quarter. The decrease in revenue is mainly attributed to the lower sales volume in both its Cold Rolled and Steel Tube subsidiaries (down by 3% and 4% respectively) and the lower average selling price per tonne (down by 10% and 7% respectively) as a reflection of the current soft market conditions.

Despite the weaker sales in the current quarter, the gross margin for the Cold Rolled and the Steel Tube operations are up by 9% and 5% respectively due to better spread between the average selling price and the average cost of raw materials consumed as compared to the preceding year's corresponding quarter. The better gross margin is partly attributable to synergistic cost benefits arising from the corporate reorganisation exercise (concluded in last April 2015), and the development of certain positive external events as disclosed in Note A12. As a result, the Group recorded a higher gross profit of RM19.6 million for the current quarter as compared to the preceding year's corresponding quarter gross profit of RM9.1 million. The Group also achieved a higher operating profit of RM10.7 million for the current quarter as compared to an operating loss of RM1.2 million in the preceding year's corresponding quarter which was affected by a net foreign exchange loss of RM1.9 million. Consequently, the Group recorded a pre-tax-profit of RM7.9 million (after-tax-profit of RM6.1 million) for the current quarter as compared to a pre-tax-loss of RM4.8 million (after-tax-loss of RM3.5 million) in the preceding year's corresponding quarter.

The Group recorded a higher EBITDA of RM15.8 million compared to the preceding year's corresponding quarter's EBITDA of RM3.4 million.

B2 **Material change in the loss before tax as compared to the immediate preceding quarter**

The Group's revenue at RM151.8 million for the current 3rd quarter is 3% higher compared to the immediate preceding 2nd quarter at RM146.9 million mainly due to a higher sales volume contribution from its Cold Rolled subsidiary (up by 9%) despite saddling the seasonal low Chinese New Year festive holidays. The Steel Tube subsidiary recorded a lower sales volume (down by 11%) for the current quarter due to the festive holidays and raw coil supply disruption from the cessation of Megasteel (as mentioned in Note A12).

At the pre-tax level, the Group's operations registered a marginally higher pre-tax profit of around RM7.9 million compared with the immediate preceding quarter's pre-tax profit of around RM7 million which is mainly attributed to the higher gross profit (higher margin spread between selling price and raw material price) at the Cold Rolled segment. At the post-tax level, the Group recorded a net profit of RM6.1 million compared to a net profit of RM4.9 million in the immediate preceding quarter, bringing the total year-to-date net profit at around RM12.9 million.

The Group recorded a slightly higher EBITDA at RM15.8 million compared to the immediate preceding quarter's RM15.1 million.

Quarterly report on consolidated results for the third financial quarter ended 31 March 2016

EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENTS – PART A OF APPENDIX 9B)

B3 **Prospects for the remaining financial year**

Weak sentiment fuelled by a mix of cost-pushed inflation, high debt levels, weak currency, and sovereign credit risk will likely continue to weigh on the domestic economy for the remaining of the current financial year; whilst developments in taxation, foreign labour supply, levies, and minimum wage will further add pressure on corporate earnings.

On the positive side, the global steel industry experienced renewed vigour in recent months spurred by raw steel shortages arising from shutdowns and production cuts in China and other parts of the world due to prolonged declines. As a results, steel prices rallied sharply in April 2016 (up more than 50% from the twelve months' low) on the back of short physical supply and voluminous long positions on the metal-futures market. The euphoria has gradually eased in May as supplies readjusted and speculative paper-trades curbed. Even-though the Group's performance is not directly correlated with raw steel prices, such sharp and volatile price movement increases pricing-risk and counter-party-default risk on the Group's steel operations.

In the current quarter, the custom authority conducted a nationwide sweep on steel importers to weed-out import-duties evasion. Consequently, unfair pricing advantage of unscrupulous competitors should be reduced, and this should augur well for the Group for the remaining period. Demand outlook for the Group's steel products is expected to remain stable with sustained demand from domestic industrial consumers and from clusters of on-going projects including those government driven Economic Transformation Projects. But demand volume is expected to remain cautious and conservative amidst heightened price volatility risk.

The Group's engineering subsidiary is expected to contribute positively for the remaining period as work progresses on secured contracts. The engineering subsidiary obtained the Class-A Contractors registration with the Ministry of Finance in recent quarter, and it looks forward to tendering for various engineering and construction works with the Government in the near future.

In summary, prospect-outlook on the Group for the balance period is slightly optimistic compared to the start of the current financial year due to those positive developments in the steel supply chain as mentioned above and in Note A12. Nevertheless, the demand dynamics for steel remains delicate in-line with the slower economic growth of the nation and in the region. Also, the planned disposal of the power business by its Associate has yet to materialize. Barring any external shocks and consequential impairments, the Group is hopeful to continue delivering positive results for the balance period.

B4 **Variance of actual profit from forecast profit**

The Group did not issue any profit forecast or profit guarantee.

Quarterly report on consolidated results for the third financial quarter ended 31 March 2016

EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENTS – PART A OF APPENDIX 9B)

B5 **Proft/(Loss) before tax**

The following expenses have been charged in arriving at profit/(loss) before tax:

	Current year quarter 31/03/2016 RM'000	Preceding year corresponding quarter 31/03/2015 RM'000	Current year to date 31/03/2016 RM'000	Preceding year corresponding period 31/03/2015 RM'000
Depreciation and amortisation	(5,027)	(4,595)	(15,058)	(13,461)
Interest expenses	(2,984)	(3,855)	(9,780)	(11,028)
Interest income	175	233	556	2,764
Foreign exchange gain/(loss)	10,050	(4,668)	1,864	(9,960)
FX forward (loss)/gain	(10,013)	2,748	(2,708)	4,710

B6 **Taxation**

Taxation comprises:

	Current year quarter 31/03/2016 RM'000	Preceding year corresponding quarter 31/03/2015 RM'000	Current year to date 31/03/2016 RM'000	Preceding year corresponding period 31/03/2015 RM'000
Current tax expense				
Current period	(575)	116	(2,131)	(495)
(Under)/over provision in prior year	(160)	1	(160)	1
Deferred tax income				
Current period	(1,079)	1,205	(3,001)	2,815
	(1,814)	1,322	(5,292)	2,321

The 'current year-to-date' tax expense is higher than the statutory tax-rate due to deferred tax liability adjustments.

B7 **Profit on sale of unquoted investments and / or properties**

The Group did not engage in any sale of unquoted investments and / or properties in the current financial quarter.

B8 **Purchase or disposal of quoted securities**

There are no purchases or disposals of quoted securities in the current financial quarter.

Quarterly report on consolidated results for the third financial quarter ended 31 March 2016

EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENTS – PART A OF APPENDIX 9B)

B9 **Status of corporate proposals**

There are no outstanding corporate proposals as at the date of this announcement.

B10 **Group borrowings and debt securities**

The Group's bank borrowings from lending institutions as at 31 March 2016, which are denominated entirely in Ringgit Malaysia, are as follows:

	RM'000
Short-term borrowings:	
Unsecured	10,255
Secured	108,564
	118,819
Long-term borrowings:	
Secured	7,697
	7,697
Total borrowings	126,516

Besides the above borrowings, the Group's Cold Rolled subsidiary (Mycron Steel CRC Sdn Bhd) and the Steel Tube subsidiary (Melewar Steel Tube Sdn. Bhd,) also draw on interest-bearing trade credits from their respective raw-coil suppliers with outstanding amounts of RM43.7 million and RM14.7 million respectively as at 31 March 2016. Inclusive of this, the Group's net gearing ratio as at 31 March 2016 is around 0.44 times.

B11 **Outstanding derivatives**

The Group's steel segments have entered into forward foreign currency exchange contracts ("FX forwards") to manage its foreign currency exchange exposure arising from purchases of raw materials denominated in US Dollar ("USD") and certain sales denominated in Singapore Dollar ("SGD"). In this regard, the Group covers its foreign exchange exposure at a range between 80% to 90% of its exposure depending on the length of the forward period and the availability of FX facilities.

The Group designates eligible hedge relations on FX forwards incepted to cover its USD and/ or SGD exposure for the purpose of hedge accounting. These are designated as fair value hedges with the arising mark-to-market foreign currency fair value gain/ (loss) of both the hedging instruments (i.e. FX Forwards) and the hedged items (i.e. forward purchases of raw material and/ or accounts payables in USD or accounts receivables in SGD) being charged to the Statement of Profit or Loss.

Quarterly report on consolidated results for the third financial quarter ended 31 March 2016

EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENTS – PART A OF APPENDIX 9B)

B11 **Outstanding derivatives** (continued)

Details on outstanding derivative FX forward contracts for both the non-designated and designated for hedge accounting as at 31 March 2016 are outline below:

Non-designated

FX Forward Contracts (SDG/RM) as non-designated hedging instrument				
	Notional Value '000		Fair Value RM'000	
Maturity	Short SGD	Long RM	Financial Asset	Financial Liability
Less than 1 year	275	829	32.2	-

Non-designated

FX Forward Contracts (USD/RM) as non-designated hedging instrument				
	Notional Value '000		Fair Value RM'000	
Maturity	Long USD	Short RM	Financial Asset	Financial Liability
Less than 1 year	500	2,059	-	94.4

Designated

FX Forward Contracts as designated hedging Instrument					Forward purchase of raw material and/or a/c payable as hedge items				
	Notional Value '000		Fair Value RM'000			Notional Value '000		Fair Value RM'000	
Maturity	Long USD	Short RM	Financial Asset	Financial Liability	Maturity	Short USD	n.a.	Financial Asset	Financial Liability
Less than 1 year	26,103	110,337	-	7,276.1	Matching	26,103	n.a.	7,276.1	-

Besides the above unrealised positions, the Group has recorded a total realised net gain of around RM4.6 million from its FX Forward Contracts incepted for hedging purposes over the current financial year.

(i) Risk associated with the derivatives

Counter-Party Risk
The Forward FX contracts are entered into with domestic licensed financial institutions which have extended FX lines to the Group. The associated Counter-Party risk is negligible.

(ii) Cash requirements of the derivatives

There is no cash movement from the Group to the counterparties when the Forward FX contracts are incepted. Upon maturity of the Forward FX contracts, domestic currency is exchanged for the foreign currency to meet its obligations.

(iii) Policies in place for mitigating or controlling the risk associated with the derivatives

The Group uses derivative financial instruments to hedge specific risk exposures of the underlying hedge items and does not enter into derivative financial instruments for speculative purposes. The Group monitors the fluctuations in foreign currency exchange rates closely with an objective to minimise potential adverse effects on the financial performance of the Group. The Board of Directors regularly reviews the risk and approves the policy for managing the risk.

Quarterly report on consolidated results for the third financial quarter ended 31 March 2016

EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENTS – PART A OF APPENDIX 9B)

B12 **Off balance sheet financial instruments and commitments**

There are no off balance sheet financial instruments as at the date of this announcement except for bank guarantees issued amounting to RM3 million being security for the supply of hot rolled coil and inbound supply of services and utilities; and standby-letter-of-credit of around RM42.8 million for the power Phase 2 project (where the project's delivery deadline has been extended to June 2018) for due performance by its associate.

In the current quarter, the Company issued a corporate guarantee for the due performance of its wholly owned engineering subsidiary to its client under an EPC (or Engineering, Procurement, and Construction) contract valued at RM83 million. This contract was announced and disclosed in the last quarter.

B13 **Realised and unrealised losses disclosure**

	As at 31/03/2016 RM'000	As at 30/06/2015 RM'000
Total retained losses of the Company and its subsidiaries:		
- Realised	(180,180)	(207,247)
- Unrealised	(38,542)	(25,430)
	(218,722)	(232,677)
Add: Consolidation adjustments	263,900	269,057
Total retained earnings as per consolidated accounts	45,178	36,380

B14 **Material litigation**

Mycron Steel Berhad v Multi Resources Holdings Sdn Bhd
<u>(High Court of Sabah and Sarawak Suit No. KCH-22-80-2011)</u>
This case relates to the Company's subsidiary, Mycron Steel Berhad ("MSB") successful legal action against Multi Resources Holdings Sdn Bhd ("Defendant") to recoup its cost of investment of RM17.0 million in PMP Galvanizers Sdn Bhd ("PMPG") as a result of non-compliance of certain conditions by the Defendant pursuant to a shareholders' agreement entered in 2005. MSB was awarded the RM17 million claimed together with interest at 6% p.a. and cost (RM70,000) against the Defendant/ Respondent, Multi Resources Holdings on 12 February 2015. The Defendant is under receivership administration, and the Company liaised with the appointed receivers for recovery. During the current quarter, the management sent a technical team to evaluate the recoverability from PMPG assets and concluded that the probability of any monetary recovery is slim. The management do not see any likelihood of recovery for any reversal of the full impairment previously made. In this regard, the continuing disclosure of this case will cease after the current financial year end.

Save as disclosed above, the Group is not engaged in any material litigation, either as a plaintiff or defendant, claims or arbitration which have a material effect on the financial position of the Group and the Board is not aware of any proceedings pending or threatened against the Group or of any other facts likely to give rise to any proceedings which may materially and/or adversely affect the financial position and business of the Group as at the date of this announcement.

Quarterly report on consolidated results for the third financial quarter ended 31 March 2016

EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENTS – PART A OF APPENDIX 9B)

B15 **Dividends**

The Company did not declare or pay any interim dividend in the current financial quarter.

B16 **Earnings/(Loss) per share**

(i) Basic earnings/(loss) per ordinary share

	Current year quarter 31/03/2016	Preceding year corresponding quarter 31/03/2015	Current year to date 31/03/2016	Preceding year corresponding period 31/03/2015
Profit/(Loss) attributable to owners of the Company (RM'000)	4,246	(2,577)	9,200	(27,693)
Weighted average number of ordinary shares in issue (net of treasury shares) ('000)	225,523	225,523	225,523	225,523
Basic earnings/(loss) per share (sen)	**1.88**	**(1.14)**	**4.08**	**(12.28)**

(ii) Diluted earnings/(loss) per ordinary share
This is not applicable to the Group.

This interim financial report has been authorised for issue by the Board of Directors on the date set-forth below.

By order of the Board
LILY YIN KAM MAY (MAICSA 0878038)
Secretary
Kuala Lumpur
27 May 2016