

TADMAX RESOURCES BERHAD (Company No. 8184-W)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2016

(The figures have not been audited)

	3rd Quarter 3 months ended		Cumulative to Date 9 months ended	
	30/09/2016 RM'000	30/09/2015 RM'000	30/09/2016 RM'000	30/09/2015 RM'000
Continuing Operations				
Revenue	13,609	3,388	28,738	4,370
Cost of sales	<u>(12,323)</u>	<u>(2,989)</u>	<u>(25,958)</u>	<u>(3,874)</u>
Gross profit	1,286	399	2,780	496
Other operating income/(expenses)	118	136	440	74,552
Operating expenses	<u>(4,212)</u>	<u>(3,171)</u>	<u>(11,433)</u>	<u>(8,297)</u>
Operating profit/(loss)	<u>(2,808)</u>	<u>(2,636)</u>	<u>(8,213)</u>	<u>66,751</u>
Finance costs	<u>(456)</u>	<u>(119)</u>	<u>(945)</u>	<u>(331)</u>
Profit/(Loss) before taxation	<u>(3,264)</u>	<u>(2,755)</u>	<u>(9,158)</u>	<u>66,420</u>
Taxation	<u>(234)</u>	<u>(121)</u>	<u>(531)</u>	<u>(330)</u>
Net profit/(loss) from continuing operations	<u>(3,498)</u>	<u>(2,876)</u>	<u>(9,689)</u>	<u>66,090</u>
Discontinuing operations	-	-	-	-
Net profit/(loss) for the financial period	<u>(3,498)</u>	<u>(2,876)</u>	<u>(9,689)</u>	<u>66,090</u>
Other comprehensive income/(loss)				
Foreign currency translation	<u>(225)</u>	<u>17</u>	<u>(171)</u>	<u>180</u>
Total comprehensive profit/(loss) for the period	<u>(3,723)</u>	<u>(2,859)</u>	<u>(9,860)</u>	<u>66,270</u>
Net profit/(loss) attributable to :				
Owners of the Company	<u>(3,639)</u>	<u>(2,809)</u>	<u>(9,480)</u>	<u>66,292</u>
Non-controlling interests	<u>141</u>	<u>(67)</u>	<u>(209)</u>	<u>(202)</u>
	<u>(3,498)</u>	<u>(2,876)</u>	<u>(9,689)</u>	<u>66,090</u>
Total comprehensive profit/(loss) attributable to:				
Owners of the Company	<u>(3,864)</u>	<u>(2,792)</u>	<u>(9,651)</u>	<u>66,472</u>
Non-controlling interests	<u>141</u>	<u>(67)</u>	<u>(209)</u>	<u>(202)</u>
	<u>(3,723)</u>	<u>(2,859)</u>	<u>(9,860)</u>	<u>66,270</u>
Basic earnings/(loss) per ordinary share (sen)				
- from continuing operations	<u>(0.71)</u>	<u>(0.65)</u>	<u>(2.09)</u>	<u>14.86</u>
- from discontinuing operations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(0.71)</u>	<u>(0.65)</u>	<u>(2.09)</u>	<u>14.86</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.)

TADMAX RESOURCES BERHAD (Company No. 8184-W)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2016

	(UNAUDITED) As At End Of Current Quarter 30/09/2016 RM'000	(AUDITED) As At Preceding Financial Year End 31/12/2015 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	41,248	15,218
Prepaid land lease payments	2,283	2,352
Prepaid land lease payments with cultivation rights	59,636	61,114
Investment in joint venture	14	14
Other investment	50	100
Timber concession rights	218,000	218,000
Land and development expenditure	9,110	7,630
Deferred tax assets	873	1,713
	331,214	306,141
Current assets		
Inventories	588	721
Land and development expenditure	59,148	30,727
Amount due from contract customers	-	-
Trade receivables	14,099	13,380
Other receivables, deposits and prepayments	34,786	33,783
Tax recoverable	1,067	1,085
Deposits placed with licensed banks	7,329	3,642
Cash and bank balances	6,770	2,003
	123,787	85,341
TOTAL ASSETS	455,001	391,482
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share capital	244,854	222,616
Share premium	1,367	1,367
Treasury shares	(155)	(155)
Reserves:		
- translation reserve	695	866
- retained profits/(accumulated losses)	7,891	39,609
Shareholders' funds	254,652	264,303
Non-controlling interests	27,970	28,179
Total equity	282,622	292,482

TADMAX RESOURCES BERHAD (Company No. 8184-W)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2016 - continued

	(UNAUDITED) As At End Of Current Quarter 30/09/2016 RM'000	(AUDITED) As At Preceding Financial Year End 31/12/2015 RM'000
Non-current liabilities		
Deferred tax liabilities	83,099	70,364
Hire purchase liabilities	824	984
	83,923	71,348
Current liabilities		
Trade payables	7,423	5,482
Other payables, deposits and accruals	48,672	14,485
Progress billing	2,772	3,250
Amount due to customers on contract	1,410	748
Amount due to directors	792	1,546
Hire purchase liabilities	727	641
Bank borrowings	26,582	1,500
Tax payables	78	-
	88,456	27,652
TOTAL LIABILITIES	172,379	99,000
TOTAL EQUITY AND LIABILITIES	455,001	391,482
	-	-
Net assets per share attributable to ordinary equity holders of the parent (sen)	52	59

Note: Net assets per share is calculated based on total assets minus total liabilities divided by the total number of ordinary shares of RM0.50 each in issue.

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.)

TADMAX RESOURCES BERHAD (Company No. 8184-W)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016

(The figures have not been audited)

	←----- Attributable to owners of the Company -----→							
	←----- Non-Distributable -----→			Distributable				
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Other Reserves RM'000	Retained profits/ (Accumulated Losses) RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
<u>9 months ended 30 September 2016</u>								
As at 1 January 2016	222,616	1,367	(155)	866	39,609	264,303	28,179	292,482
Equity interests of non-controlling interest in a new subsidiary to the Group							-	-
Total comprehensive loss for the period	-	-	-	-	(9,480)	(9,480)	(209)	(9,689)
Bonus Issue	22,238	-	-	-	(22,238)	-	-	-
Exchange differences on translation of foreign entities	-	-	-	(171)	-	(171)	-	(171)
As at 30 September 2016	244,854	1,367	(155)	695	7,891	254,652	27,970	282,622
						-		
<u>9 months ended 30 September 2015</u>								
As at 1 January 2015	222,616	1,367	(155)	948	(27,916)	196,860	28,438	225,298
Total comprehensive loss for the period	-	-	-	-	66,292	66,292	(202)	66,090
Exchange differences on translation of foreign entities	-	-	-	180	-	180	-	180
As at 30 September 2015	222,616	1,367	(155)	1,128	38,376	263,332	28,236	291,568
						-		

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.)

TADMAX RESOURCES BERHAD (Company No. 8184-W)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016

(The figures have not been audited)

	CUMULATIVE QUARTER	
	Current Quarter	Preceding Year Corresponding Quarter
	30/09/2016	30/09/2015
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	(9,158)	66,420
<u>Adjustments for non-cash items:</u>		
Amortisation of prepaid land lease payments:	70	70
Gain on disposal of subsidiary companies	-	(141,545)
Goodwill written off	-	67,210
Amortisation of prepaid land lease payments with cultivation rights	1,479	1,479
Depreciation	1,442	673
Gain on recognition of financial assets	-	(38)
Interest expense	945	331
Interest income	(270)	(78)
Net gain on disposal of plant and equipment	(56)	18
Gift of club membership to outgoing Director	50	-
Plant and equipment written off	-	8
Operating loss before working capital changes	(5,498)	(5,452)
<u>Changes in working capital:</u>		
Inventories	133	(3,981)
Contract customers	663	2,067
Land and Development expenditure	(1,327)	-
Receivables	(1,222)	(17,567)
Payables	34,898	(16,709)
Cash generated from/(used in) operations	27,647	(41,642)
Interest received	270	78
Interest paid	(945)	(331)
Net of tax refunded/(paid)	16	(756)
Net cash from/(used in) operating activities	26,988	(42,651)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (Note 1)	(891)	(2,058)
Increase in other investments	-	(50)
Proceeds from disposal of subsidiary companies, net of cash and cash equivalents	-	281,574
Proceeds from disposal of plant & equipment	212	132
Subscription and acquisition of shares in a new subsidiary (Note 2)	(41,982)	-
Net cash from/(used in) investing activities	(42,661)	279,598
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment to)/Advances from directors	(217)	(7,084)
Drawn down of bank borrowings	27,727	-
Repayment of bank borrowings	(2,645)	(217,940)
Repayment of hire purchase liabilities	(567)	(210)
Net cash used in financing activities	24,298	(225,234)
NET INCREASE IN CASH AND CASH EQUIVALENTS	8,625	11,713
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(171)	55
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	5,615	2,424
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	14,069	14,192
	-	-

TADMAX RESOURCES BERHAD (Company No. 8184-W)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE QUARTER ENDED 30 SEPTEMBER 2016 - continued
(The figures have not been audited)

Cash and cash equivalents at the end of the financial period comprise the following:

	As at	As at
	30/09/2016	30/09/2015
	RM'000	RM'000
Deposits placement with licensed banks	7,329	12,153
Cash and bank balances	6,770	2,039
	14,099	14,192
Less: Deposit pledged with bank as security for banking facilities	(30)	-
	14,069	14,192

NOTE 1 - PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

During the financial period, the Group acquired property, plant and equipment with an aggregate cost of RM1,384,000 of which RM493,000 was acquired under hire purchase arrangements by the Group. Cash payment made by the Group for the acquisition of property, plant and equipment amounted to RM891,000.

NOTE 2 - SUBSCRIPTION AND ACQUISITION OF SHARES IN A NEW SUBSIDIARY

The effect of the subscription and acquisition of shares in a new subsidiary on the cashflow of the Group is as follows :-

	As at date of subscription & acquisition RM'000
Property Plant & Equipment	4
Property Development Expenditure	54,815
Other Debtor & Deposits	500
Cash & Bank Balance	568
Deferred Tax Liabilities	(13,121)
Other Payables and Accruals	(216)
Net Impact	42,550
Cash Consideration for subscription and acquisition	42,550
Less: Cash & cash equivalent in subscription and acquisition of shares	(568)
Net cash inflow on the subscription and acquisition of shares	41,982

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.)

TADMAX RESOURCES BERHAD (8184-W)
(Incorporated in Malaysia)

Notes to the Condensed Consolidated Interim Financial Statements
For the quarter ended 30 September 2016

1. Basis of Preparation and Accounting Policies

The interim financial statements have been prepared under the historical cost convention, except for the valuation of timber concession rights, leasehold land & buildings and certain financial assets and liabilities that are stated at fair value.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysia Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the annual audited financial statements of the Group for the year ended 31 December 2015.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2015, except for the mandatory adoption of the new MFRSs, amendments/improvements to MFRSs and New IC interpretations (“IC Int.”) that have been issued by the Malaysian Accounting Standards Board (“MASB”) which take effects on and/or after 1 January 2016.

The adoption of the amendments/improvements to MFRSs and new IC Int. do not have significant impact on the financial statements of the Group upon their initial application.

2. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report of the annual financial statements of the Group for the financial year ended 31 December 2015 was not subject to any qualification.

3. Seasonal or Cyclical Factors

The business of the Group was not affected by any significant seasonal or cyclical factors during the quarter under review.

4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the financial quarter under review except as disclosed.

5. Material Changes in Estimates

There were no significant changes made in the estimates of amounts reported in prior financial years.

6. Changes in Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during current quarter under review.

7. Dividends Paid

There was no dividend paid during the current quarter ended 30 September 2016 (30 September 2015: Nil).

8. Segmental Reporting

The segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. Segmental information is presented in respect of the Group's business segment as follow:

Business Activity	Current Quarter 3 months ended				Cumulative Quarter 9 months ended			
	30/09/2016		30/09/2015		30/09/2016		30/09/2015	
	Profit/(Loss) Before		Profit/(Loss) Before		Profit/(Loss) Before		Profit/(Loss) Before	
	Revenue	Taxation	Revenue	Taxation	Revenue	Taxation	Revenue	Taxation
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
• Property	9,764	(921)	2,260	(443)	19,335	(1,698)	3,242	(859)
• Industrial supplies	3,845	437	1,128	(176)	9,403	742	1,128	(214)
• Timber	-	-	-	(4)	-	-	-	(9)
• Investment holding	-	(1,776)	-	(1,464)	-	(5,614)	-	136,353
• Others	-	(548)	-	(549)	-	(1,643)	-	(68,520)
	13,609	(2,808)	3,388	(2,636)	28,738	(8,213)	4,370	66,751
Finance costs	-	(456)	-	(119)	-	(945)	-	(331)
	13,609	(3,264)	3,388	(2,755)	28,738	(9,158)	4,370	66,420

9. Carrying Amount of Revalued Assets

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the financial year ended 31 December 2015.

10. Subsequent Material Events

There were no material events subsequent to the end of the current financial quarter under review to the date of announcement which were likely to substantially affect the results and the operations of the Group.

11. Changes in Composition of the Group

There were no changes in the composition of the Group for the current financial quarter under review except as follows :-

- (i) On 22 July 2016, the Company acquired the remaining 45% equity interests in Wawasan Metro Bina Sdn Bhd (“WMB”) from three (3) corporate entities, namely Inas Angkasa Sdn Bhd, Impiria Jaya Sdn Bhd and Global Showcase Sdn Bhd, each owning 15% each in WMB for a total cash consideration of RM42,000,000. The acquisition will enable Tadmax Group to have complete control of WMB operations as well as its future strategic directions which is in line with Tadmax’s aim to further strengthen its foothold in the property development and construction activities. Further, this acquisition also presents an opportunity for the Tadmax Group to consolidate WMB earnings in full as its wholly-owned subsidiary company and WMB is expected to contribute positively to Tadmax Group’s future earnings upon the commencement of property development activities.
- (ii) On 26 August 2016, the Company announced that it had incorporated a wholly-owned subsidiary known as Tadmax PMC Sdn Bhd with an issued and paid-up share capital of RM2 comprising 2 ordinary shares of RM1.00 each, a company intended to be utilized for the Group’s project management activities

12. Changes in Contingent Liabilities and Contingent Assets

There were no additional contingent liabilities or contingent assets since 31 December 2015 till the date of announcement of this quarterly report.

13. Capital Commitments

There are no authorised capital commitments not provided for in the interim financial statements as at 30 September 2016.

14. Significant Related Party Transactions

There are no significant related party transactions in the current quarter under review.

Additional Explanatory Notes in compliance with Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

15. Review of Performance

The performance of the Group by operating segments are analysed below:

in RM'000	Current Quarter		Inc/(Dec) %	Preceding Quarter	Inc/(Dec) %	Cumulative Quarter		Inc/(Dec) %
	30/09/2016	30/09/2015				30/09/2016	30/09/2015	
Revenue								
• Property	9,764	2,260	332%	6,467	51%	19,335	3,242	496%
• Industrial supplies	3,845	1,128	241%	3,165	21%	9,403	1,128	734%
	13,609	3,388	302%	9,632	41%	28,738	4,370	558%
Profit/(Loss) before tax								
• Property	(921)	(443)	108%	(354)	160%	(1,698)	(859)	98%
• Industrial supplies	437	(176)	-348%	174	151%	742	(214)	-447%
• Timber	-	(4)	-100%	-	-	-	(9)	-100%
• Investment holding	(1,776)	(1,464)	21%	(1,802)	-1%	(5,614)	136,353	-104%
• Others	(548)	(549)	0%	(543)	1%	(1,643)	(68,520)	-98%
	(2,808)	(2,636)	7%	(2,525)	11%	(8,213)	66,751	-112%
Finance costs	(456)	(119)	283%	(446)	2%	(945)	(331)	185%
	(3,264)	(2,755)	18%	(2,971)	10%	(9,158)	66,420	-114%

Review on Performance - Current Quarter compared to Corresponding Quarter

Revenue for the Group for 3Q 2016 was RM13.6 million, which is 102% higher than the RM3.4 million reported in 3Q 2015. The higher percentage completion of Phase 1 property development project in Ganggarak, Labuan FT coupled with the commencement of revenue recognition from Phase 2 of the same development since 2nd quarter 2016, contributed to the threefold increase in revenue in the current quarter compared to the corresponding preceding year quarter. However, the Group recorded an 18% higher loss due mainly to initial expenditure incurred by the new property development project in Taman Metropolitan, Kepong which is expected to be launched sometime in December 2016 and higher finance cost, which was partly set off by the higher profits achieved by the industrial supplies business segment.

Review on Performance - Current Quarter compared to Preceding Quarter

Continuing from the momentum of the last quarter, the construction progress in Labuan was a major contributor to the higher turnover of RM9.7 million vis-a-vis the preceding quarter of RM6.5 million with the registration of a higher percentage completion vis-a-vis preceding quarter. Despite higher turnover, higher losses before finance cost was registered in the current quarter due to higher expenditure incurred by the new property development project in Taman Metropolitan, Kepong which is expected to be launched sometime in December 2016.

16. Prospects

With the Phase 1 project in Ganggarak, Labuan targeted to be completed in the first half of Year 2018, contribution towards Revenue is expected to be higher in the ensuing period as higher percentage completion is anticipated. As the development involves affordable housing, the phase 1 will not make any positive contribution towards profitability.

The earlier anticipated positive contribution from the new development project in Taman Metropolitan, Kepong known as MIZUMI RESIDENCES which is presently undertaking earthworks at site, will not be recognised in the current financial year following the rescheduled launch of the Project now expected sometime in December 2016. Accordingly, the Revenue and Profit contribution is only expected to be recognised in the next financial year.

Based on the above, the Group is expected to record operating losses for the current financial year ended 2016.

17. Profit Forecast and Profit Guarantee

There is no profit forecast and profit guarantee that is applicable to the Group.

18. Taxation

Taxation comprises the following:

	Current Quarter (3 months ended)		Cumulative Quarter (9 months ended)	
	30/09/2016 RM'000	30/09/2015 RM'000	30/09/2016 RM'000	30/09/2015 RM'000
Current tax:				
Malaysian income tax	78	-	78	-
	-	-	-	-
Under/ (Over) provision of Malaysian income tax in prior years	-	-	-	-
	-	-	-	-
Deferred tax	156	121	453	330
Total income tax expense	<u>234</u>	<u>121</u>	<u>531</u>	<u>330</u>

Included in the income tax figure for the quarter ended 30 September 2016 are the net adjustment for deferred tax charges in respect of amortization of prepaid land lease payment with cultivation rights, prepaid land lease payment and temporary timing difference.

19. Corporate Proposals

Status of Corporate Proposals Announced but Not Completed

(A) Proposed Establishment of Joint Venture

On 3 August 2012, the Company had entered into a conditional Joint Venture Agreements (“JV Agreement”) with Bumimas Raya Sdn Bhd (“BRSB”), Pacific Inter-Link Sdn Bhd (“PIL”) Yakin Dijaya Sdn. Bhd (“YDSB”) and Al Salam Bank Bahrain (“ASBB”) for the establishment of a proposed joint venture company, namely Tulen Jayamas Sdn. Bhd (“TJSB” or “JV Company”) for the construction of an Integrated Timber Complex (“ITC”) at District of Jair and District of Mandobo, Boven Digoel Regency, Papua Province, Republic of Indonesia (“Subject Properties”) and on completion of the ITC, undertaking the business of processing timber logs extracted from the Subject Properties into plywood, sawn timber, wood chips and other timber products as TJSB’s Board may determine from time to time (“Project”).

Pursuant to the terms and conditions of the JV Agreement, the JV Company has on 19 October 2012 increased its paid up share capital from RM2 to RM100,000 and Company’s share of the allotment was 14,000 ordinary shares of RM1.00 each, equivalent to 14% equity interest in TJSB.

All the parties to the JV Company are presently working towards fulfilment of the conditions precedent set out in the JV Agreement. The conditions precedent comprise:

- (i) Entry of a formal agreement by the relevant parties having the requisite rights over the Subject Properties with BRSB for the extraction of timber over the Subject Properties; and
- (ii) Entry of a formal agreement by the relevant parties having the requisite rights over the Subject Properties with BRSB for land clearing of the Subject Properties suitable for cultivation of oil palm on mutually agreed terms in accordance with the market practice and market rate.

(B) Letter of Award for the Development of 1,000MW – 1,200MW Combined Cycle Gas-Fired Power Plant in Pulau Indah

On 3 August 2016, the Company announced that it has received a Letter of Award dated 2 August 2016 from the Government of Malaysia, through the Energy Commission (“EC”) for the development of a new 1,000 MW combined cycle gas-fired power plant (“CCGT”) which will be situated on the Group’s existing land in Pulau Indah, Selangor Darul Ehsan (“the Project”). On 14 October 2016, the EC had approved the Company’s application to increase the capacity of the CCGT to 1,000MW - 1,200 MW.

The Letter of Award is subject to various conditions including finalizing the terms of the agreement relating to the Project with relevant parties and further subject to changes arising from negotiations prior to submission to Energy Commission. In line with the decision of the Government of Malaysia, Tenaga Nasional Berhad is to be invited to participate in the Project.

None of the directors and/or major shareholders of the Company and/or persons connected to the directors and/or major shareholders of the Company have any interest, direct or indirect, in the Project.

The Company will release the appropriate announcement as and when there are material developments in relation to the Project.

20. Group Borrowings and Debts Securities

Group borrowings are as follows:-

	As at 30/09/2016 RM'000	As at 30/09/2015 RM'000
(a) Current borrowings – secured		
Term loan	20,000	-
Bridging Loan	6,582	-
Hire purchase payable	727	615
	<u>27,309</u>	<u>615</u>
(b) Non-current borrowings – secured		
Hire purchase payable	824	1,143
	<u>824</u>	<u>1,143</u>

21. Financial Instruments**(a) Derivatives**

There were no outstanding derivatives as at 30 September 2016.

(b) Gain/(Loss) arising from fair value changes in financial assets and liabilities

The Group's policy is to recognise the financial assets and liabilities at amortised cost as stated below:

	Current Quarter (3 months ended)		Cumulative Quarter (9 months ended)	
	30/09/2016 RM'000	30/09/2015 RM'000	30/09/2016 RM'000	30/09/2015 RM'000
Net gain from fair value adjustment	-	-	-	38

The above gain arose from amortization of other receivable.

22. Material Litigation

There was no other material litigation pending as at 10 November 2016 (being the latest practicable date which shall not be earlier than 7 days from the date of issue of this quarterly report).

23. Dividend Payable

No interim ordinary dividend has been declared for the financial period ended 30 September 2016 (30 September 2015: Nil).

24. Earnings/(Loss) Per Share

a) Basic Earnings/(Loss) Per Share

	Current Quarter 30/09/2016	Cumulative Quarter 30/09/2016
Loss for the financial period attributable to equity holders of the Company (RM'000)	3,639	9,480
Weighted average number of ordinary shares in issue ('000)	489,233	463,262
Basic earnings/(loss) per share (sen)	(0.74)	(2.05)

b) Diluted Earnings/(Loss) Per Share

There are no outstanding options, warrants or convertible securities during the current quarter hence, there are no dilutive effect to the earnings/(loss) per share of the Group.

25. Realised and Unrealised Profit/(Losses)

	As at 30/09/2016 RM'000	As at 31/12/2015 RM'000
Total retained earnings of Company and its subsidiaries:		
- Realised	7,407	38,692
- Unrealised	484	917
Total Group retained earnings	7,891	39,609

26. Additional disclosures for Profit/(Loss) for the period

	Current Quarter 30/09/2016 RM'000	Cumulative Quarter 30/09/2016 RM'000
<i>Profit/(Loss) for the period is arrived at after crediting:-</i>		
Interest income	88	270
Gain on disposal of property, plant and equipment	-	71
<i>and after charging:-</i>		
Interest expense	456	945
Rental of staff houses	36	91
Depreciation of property, plant and equipment	578	1,442
Loss on disposal of property, plant and equipment	-	15
Amortisation of prepaid land lease payments	24	70
Amortisation of prepaid land lease payments with cultivation rights	493	1,479

Other than the above, there was no provision for and write-off of receivables, provision for and write-off of inventories, gain or loss on disposal of quoted or unquoted investments or properties, gain or loss on derivatives, and exceptional items included in the results for the current quarter and financial period ended 30 September 2016.

27. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 15 November 2016.