

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR SECOND QUARTER ENDED 30 SEPTEMBER 2016**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/09/16 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/15 RM'000	CURRENT YEAR TO DATE 30/09/16 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/15 RM'000
Revenue	50,490	28,272	111,280	49,339
Operating expenses	(44,616)	(26,537)	(97,251)	(48,989)
Other operating income	604	908	1,173	1,507
Profit from operations	<u>6,478</u>	<u>2,643</u>	<u>15,202</u>	<u>1,857</u>
Finance costs	(6,076)	(7,110)	(12,469)	(13,199)
Share of result of associate	-	-	-	-
Profit/(loss) before taxation	<u>402</u>	<u>(4,467)</u>	<u>2,733</u>	<u>(11,342)</u>
Taxation	(1,590)	(103)	(2,239)	(159)
(Loss)/Profit after tax for the period	<u><u>(1,188)</u></u>	<u><u>(4,570)</u></u>	<u><u>494</u></u>	<u><u>(11,501)</u></u>
Attributable to:-				
Owners of the Parent	(1,181)	(4,561)	508	(11,490)
Non-controlling interests	(7)	(9)	(14)	(11)
	<u><u>(1,188)</u></u>	<u><u>(4,570)</u></u>	<u><u>494</u></u>	<u><u>(11,501)</u></u>
EPS				
- Basic (sen)	(0.12)	(0.46)	0.05	(1.16)
- Diluted (sen)	(0.12) @	(0.46) @	0.05 @	(1.16) @

@ There is no dilutive event as at 30 September 2015/2016. Therefore, the diluted EPS is the same as basic EPS.

(The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the audited financial statements for the year ended 31 March 2016 and the notes to the Interim Financial Report).

ASIAN PAC HOLDINGS BERHAD (129-T)

(INCORPORATED IN MALAYSIA)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR SECOND QUARTER ENDED 30 SEPTEMBER 2016**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER Restated	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD Restated
	30/09/16 RM'000	30/09/15 RM'000	30/09/16 RM'000	30/09/15 RM'000
(Loss)/Profit after tax for the period	(1,188)	(4,570)	494	(11,501)
Other comprehensive (expense)/income :				
Fair value income/(expense) on available-for-sale financial assets	81	-	(155)	164
Total comprehensive (expense)/income for the period	<u>(1,107)</u>	<u>(4,570)</u>	<u>339</u>	<u>(11,337)</u>
Total comprehensive (expense)/income attributable to :				
Owners of the Parent	(1,100)	(4,561)	353	(11,326)
Non-controlling interests	(7)	(9)	(14)	(2)
	<u>(1,107)</u>	<u>(4,570)</u>	<u>339</u>	<u>(11,328)</u>

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2016 and the notes to the Interim Financial Report).

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2016

(The figures have not been audited)

	AS AT END OF FINANCIAL PERIOD 30/09/16 RM'000	AS AT PRECEDING FINANCIAL YEAR END 31/03/16 RM'000
ASSETS		
Non Current Assets		
Property, plant and equipment	10,157	11,135
Land held for property development	54,444	54,373
Investment properties	1,247,225	1,247,226
Intangible assets	14,052	14,104
Investment in associate	-	-
Available-for-sale investments	3,712	3,867
Deferred tax assets	290	1,223
	<u>1,329,880</u>	<u>1,331,928</u>
Current Assets		
Property development costs	91,508	90,993
Inventories of completed properties	38,835	47,672
Trade & other receivables	65,562	57,823
Accrued billings in respect of property development costs	10,799	20,451
Accrued income	6,638	8,033
Prepayment	252	440
Tax recoverable	2,531	5,583
Others investment	10,116	13,682
Cash and bank balances	52,590	55,932
	<u>278,831</u>	<u>300,609</u>
TOTAL ASSETS	<u><u>1,608,711</u></u>	<u><u>1,632,537</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	198,513	198,513
Reserves	3,440	6,885
Retained profits	660,716	656,918
Total shareholder's equity	<u>862,669</u>	<u>862,316</u>
Non-Controlling interest	219	233
Total Equity	<u>862,888</u>	<u>862,549</u>
Non Current Liabilities		
Deferred tax liabilities	197,417	198,969
Long Term Trade Creditors	23,086	23,086
Loans and borrowings	228,332	264,233
	<u>448,835</u>	<u>486,288</u>
Current Liabilities		
Loans and borrowings	133,936	116,828
Trade & other payables	154,361	158,884
Prepayment from tenants	118	699
Progress billings in respect of property development costs	6,814	3,968
Tax payable	1,759	3,321
	<u>296,988</u>	<u>283,700</u>
Total liabilities	<u>745,823</u>	<u>769,988</u>
TOTAL EQUITY AND LIABILITIES	<u><u>1,608,711</u></u>	<u><u>1,632,537</u></u>
Net assets per share attributable to equity holders of the parent (Sen)	86.9	86.9

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the financial statements for the year ended 31 March 2016 and the Notes to the Interim Financial Report)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR SECOND QUARTER ENDED 30 SEPTEMBER 2016**

	Attributable to Equity Holders of the Parent					Non Controlling Interest	Total Equity
	Non-distributable			Distributable			
	Share Capital	Share Premium	Other Reserves	Retained Profits Restated	Total		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 April 2016	198,513	3,551	3,334	656,918	862,316	233	862,549
Total comprehensive (expense) /income for the period	-	-	(155)	508	353	(14)	339
Expiry of employees' share options	-	-	(3,290)	3,290	-	-	-
At 30 September 2016	<u>198,513</u>	<u>3,551</u>	<u>(111)</u>	<u>660,716</u>	<u>862,669</u>	<u>219</u>	<u>862,888</u>
At 1 April 2015	198,205	3,427	3,778	586,262	791,672	256	791,928
Total comprehensive (expense)/ income for the period	-	-	164	(11,490)	(11,326)	(11)	(11,337)
Issue of ordinary shares pursuant to ESOS	308	124	(121)	-	311	-	311
At 30 September 2015	<u>198,513</u>	<u>3,551</u>	<u>3,821</u>	<u>574,772</u>	<u>780,657</u>	<u>245</u>	<u>780,902</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the financial statements for the year ended 31 March 2016 and the Notes to the Interim Financial Report)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR SECOND QUARTER ENDED 30 SEPTEMBER 2016**

(The figures have not been audited)

	30/09/16	30/09/15
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	2,733	(11,342)
Adjustment for non-cash items :		
Non-cash items	965	1,335
Non-operating items	11,786	12,445
Operating profit before working capital changes	<u>15,484</u>	<u>2,438</u>
Changes in Working Capital :		
Decrease in receivables	3,723	2,997
Movement in property development cost	(587)	(1,860)
Movement in stocks	8,837	-
Decrease in payable	(1,933)	(27,729)
Cash generated from/(used in) operations	<u>25,524</u>	<u>(24,154)</u>
Interest and dividend received	2	259
Taxation paid	(1,369)	(7,656)
Net cash generated from/(used in) operations	<u>24,157</u>	<u>(31,551)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and dividend received	645	510
Other investments/placements	3,566	12,253
Purchase property, plant & equipment (net of disposal)	(123)	(1,158)
Net cash generated from investing activities	<u>4,088</u>	<u>11,605</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceed from exercise of ESOS	-	311
Repayment hire purchase financing (net)	(241)	(299)
Drawdown of Short & Long Term Loan	-	15,153
Repayment of Short/Long Term Loan & Financing Cost	(19,183)	(10,201)
Interest paid	(12,163)	(12,569)
Net cash used in financing activities	<u>(31,587)</u>	<u>(7,605)</u>
NET CHANGES IN CASH & BANK BALANCES	<u>(3,342)</u>	<u>(27,551)</u>
CASH & BANK BALANCES AT THE BEGINNING OF THE PERIOD	<u>55,932</u>	<u>71,883</u>
CASH & BANK BALANCES AT THE END OF THE PERIOD	<u><u>52,590</u></u>	<u><u>44,332</u></u>

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the financial statements for the year ended 31 March 2016 and Notes to the Interim Financial Report)

PART A : EXPLANATORY NOTES PURSUANT TO FRS 134

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards ("FRS") 134 : Interim Financial Reporting and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2016. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2016.

The accounting policies and methods of computation adopted in this interim financial statements are consistent with those adopted in the preparation of the audited financial statements for the year ended 31 March 2016, except for the adoption of the following Financial Reporting Standards (FRS), amendment to FRS and Issues Committee ("IC") Interpretations, which are applicable for the Group's financial year period 1 April 2016:-

Annual Improvements to FRSs 2012 - 2014 Cycle	1 January 2016
Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 116 and FRS 141: Agriculture: Bearer Plants	1 January 2016
Amendments to FRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to FRS 127: Equity Method in Separate Financial Statements	1 January 2016
Amendments to FRS 101: Disclosure Initiatives	1 January 2016
Amendments to FRS 10, FRS 12 and FRS 128: Investment Entities: Applying the Consolidation Exception	1 January 2016
FRS 14 Regulatory Deferral Accounts	1 January 2016
FRS 9 Financial Instruments	1 January 2018

Adoption of the above standards and interpretations did not have any significant effect on the financial performance and position of the Group.

Malaysian Financial Reporting Standards (MFRS Framework)

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 : Agriculture (MFRS 141) and IC Interpretation 15 : Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

The Group falls within the definition of Transitioning Entities and is currently exempted from adopting the MFRS. Accordingly, the Group will adopt the MFRS and present its first MFRS financial statements when adoption of the MFRS is mandated by the MASB. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group is in the process of assessing the financial effects of the differences between the accounting standards under FRS and under MFRS Framework. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the year ended 31 March 2016 could be different if prepared under the MFRS Framework.

A2 Audit Qualification

The audit report of the preceding annual financial statements was not qualified.

A3 Seasonal or Cyclical Factors

The Group's activities are not affected by any seasonal or cyclical factors.

A4 Nature and Amount of Unusual Items

There were no items of an exceptional or unusual nature that have affected the assets, liabilities, equity, net income or cashflows of the Group during the current quarter.

A5 Changes in estimates

There are no significant changes in estimates in the current quarter.

A6 Debt and Equity Securities

There were no other issuances, cancellations, repurchases, resale and repayment of debt and equity securities in the current quarter.

A7 Dividend

There were no dividend paid for the second quarter of 30 September 2016.

A8 Subsequent Events

There were no material events subsequent to the second quarter ended 30 September 2016 up to the date of this report, which is likely to substantially affect the results of the operations of the Group.

A9 Effects of Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter since the last financial report.

A10 Contingent Liabilities

Contingent liabilities of the Group as at the date of this report, are in respect of guarantees given to government bodies and service providers amounting to RM13,648,000.

A11 Capital Commitment

The capital commitment as at the date of this announcement is as follows:

	<u>RM'000</u>
Approved and contracted for:	
Acquisition of equity interest	<u>2,000</u>

A12 Related Party Transactions

There were no significant related party transactions as at the date of this announcement.

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1 Review of Performance of the Operating Segments

	CUMULATIVE QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
	QUARTER	CORRESPONDING QUARTER	TO DATE	CORRESPONDING PERIOD
	30/09/16 RM'000	30/09/15 RM'000	30/09/16 RM'000	30/09/15 RM'000
<u>Revenue</u>				
Investment holding and others	738	49	2,074	245
Property development	37,920	19,209	86,198	34,071
Property investment	313	312	626	624
Mall operations	10,003	7,991	19,512	13,428
Carpark operations	1,516	711	2,870	971
Total revenue	<u>50,490</u>	<u>28,272</u>	<u>111,280</u>	<u>49,339</u>
<u>Results</u>				
Investment holding and others	(842)	(1,188)	(1,585)	(2,265)
Property development	2,626	(682)	8,165	(3,308)
Property investment	(19)	218	(17)	441
Mall Operations	928	(2,959)	358	(6,203)
Carpark operations	1,190	242	2,504	249
	<u>3,883</u>	<u>(4,369)</u>	<u>9,425</u>	<u>(11,086)</u>
Adjustments and eliminations	(3,481)	(98)	(6,692)	(256)
Profit before tax	<u>402</u>	<u>(4,467)</u>	<u>2,733</u>	<u>(11,342)</u>

Current Quarter vs Previous Year Corresponding Quarter

For the current quarter under review, the Group recorded a higher revenue of RM50.5 million as compared to preceding year corresponding quarter of RM28.3 million. The higher revenue in current quarter was mainly due to the higher revenue recognised by the Property Development Division for projects at Fortune Perdana and Dataran Larkin, higher revenue achieved by the Mall and Car Park divisions as compared to the preceding year corresponding quarter. The increase in the Mall operations' revenue was due to the increase in the occupancy rate for the Imago Mall from 85% in the preceding year corresponding quarter to 89% in the current quarter. In addition, the Car Park division has commenced its business to the public for Imago Mall site on 1st May 2016 and recorded a revenue of RM1.43 million for five months ended 30 September 2016.

The Group recorded a profit before tax of RM0.4 million in the current quarter as compared to loss before tax of RM4.5 million in the preceding year corresponding quarter. The higher profit before tax in the current quarter is mainly due to higher profit recognised for work completed for the development projects and higher profit from the Mall Operations and Car Park Division as mentioned above.

B2 Comment on Financial Results (Current quarter compared with the preceding quarter)

	Current Quarter	Preceding Quarter	Variance
	30/9/16	30/6/16	
	RM'000	RM'000	RM'000
Profit before tax	402	2,331	(1,929)

The Group recorded a pre-tax profit of RM0.4 million in the current quarter ended 30 September 2016, a negative variance of RM1.9 million from the pre-tax profit of RM2.3 million in the preceding quarter ended 30 June 2016. The decrease in pre-tax profit was mainly due to lower profit recognised from the Property Development Division for Fortune Perdana and Dataran Larkin projects in the current quarter.

B3 Prospects

The Group currently has three active divisions contributing to the Group's results, namely, Property Development, Mall Operations and the Car Park Operations. Amid the current difficult economics environment, the Group is cautiously optimistic of its performance in the remaining financial year.

B4 Profit Forecast / Guarantee

There were no profit forecast or profit guarantee issued by the Group.

B5 Taxation

Taxation comprises:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TODATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/09/16 RM'000	30/09/15 RM'000	30/09/16 RM'000	30/09/15 RM'000
Company Level				
- current taxation	-	-	-	-
- prior year	-	-	-	-
Subsidiary Companies				
- current taxation	(1,590)	(103)	(2,239)	(159)
- prior year	-	-	-	-
	<u>(1,590)</u>	<u>(103)</u>	<u>(2,239)</u>	<u>(159)</u>

The tax charge in the current quarter and current year-to-date arises from the operating and investment income of subsidiary companies.

The difference between the income tax expense at the statutory income tax rate and the income tax expense at the effective income tax rate of the Group is due to certain income not subject to tax, certain expenses not deductible for tax purposes, utilisation of previously unrecognised tax losses and deferred tax assets not recognised during the current quarter and current year-to-date.

B6 Status of Corporate Proposals

On 8 August 2016, the Company has announced to undertake the following proposals :

- i) Proposed renounceable rights issue of up to RM99,256,461 nominal value of 5-year 3% irredeemable convertible unsecured loan stocks to be issued at 100% of its nominal value of RM1.00 each ("ICULS") on the basis of 1 ICULS for every 10 ordinary shares of RM0.20 each in Asian Pac ("Asian Pac Shares") held by the entitled shareholders on an entitlement date to be determined later together with up to 198,512,922 free new detachable warrants ("Warrants") to be issued on the basis of 2 Warrants for each ICULS subscribed ("**Proposed Rights Issue**"); and
- ii) Proposed exemption to Mah Sau Cheong and persons acting in concert with him ("PACS") from the obligation to undertake a mandatory take-over offer for all the Asian Pac Shares, convertible securities and new Asian Pac Shares to be issued pursuant to the conversion of ICULS or the exercise of the warrants not held by Mah Sau Cheong or his PACs ("**Proposed Exemption**")

(collectively, **the Proposals**)

The Proposals are currently pending authorities approval.

B7 Group Borrowings as at 30 September 2016 are as follows:

	RM'000
a) Current Secured:-	
Term loans and Revolving Credits	133,537
Obligation under finance lease	399
	<u>133,936</u>
b) Non-current Secured:-	
Term loans	227,563
Obligation under finance lease	769
	<u>228,332</u>
Total Borrowings	<u><u>362,268</u></u>

B8 Material Litigation

The Directors are not aware of any material litigation that would adversely affect the operations and financial affairs of the Group as at the date of this announcement.

B9 Proposed Dividend

The Directors do not recommend any dividend for the second quarter ended 30 September 2016.

B10 Earnings Per Share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/09/16 RM'000	30/09/15 RM'000	30/09/16 RM'000	30/09/15 RM'000
a) Basic earnings per share				
Net profit attributable to owners of the parent	(1,181)	(4,561)	508	(11,490)
Weighted average no. of ordinary share in issue	992,565	992,252	992,565	992,252
Basic earnings per share (sen)	<u><u>(0.12)</u></u>	<u><u>(0.46)</u></u>	<u><u>0.05</u></u>	<u><u>(1.16)</u></u>
b) Diluted earning per share				

There is no dilutive event as at 30 September 2015/2016. Therefore, the diluted EPS is the same as basic EPS.

B11 Profit Before Tax

The following amounts have been included in arriving at profit before tax:

	CURRENT YEAR QUARTER 30/09/16 RM'000	CURRENT YEAR TODATE 30/09/16 RM'000
Charging:		
Depreciation	550	1,101
Finance cost	6,076	12,469
Impairment of goodwill	52	52
And crediting:		
Interest income	326	683
Bad debts recovered	-	6
Write back allowance of doubtful debts	182	182
Other income	296	530

The gain or loss on derivatives is not applicable to the Group as the Group's policy states that no trading in derivative financial instruments shall be undertaken.

B12 Realised and Unrealised Retained Profit Disclosure

	As at 30/09/2016 RM'000	As at 31/3/2016 RM'000
Total retained profits		
- Unrealised retained profits	496,333	497,078
- Realised retained profits	189,582	179,911
	685,915	676,989
Add : Consolidation adjustments	(25,199)	(20,071)
Total Group retained profits	660,716	656,918

Dated : 28 November 2016
Kuala Lumpur, Malaysia

By order of the Board
Chan Yoon Mun
Secretary