

**SEAL INCORPORATED BERHAD (4887-M)**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2016**  
**(THE FIGURES HAVE NOT BEEN AUDITED)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter Ended 30/06/2016 RM' 000	Preceding Year Corresponding Quarter Ended 30/06/2015 RM' 000	Current Year To Date 30/06/2016 RM' 000	Preceding Year Corresponding Period 30/06/2015 RM' 000
<b>Revenue</b>	11,626	8,420	71,681	29,190
Cost of sales	(10,651)	(5,140)	(58,327)	(13,536)
<b>Gross profit</b>	975	3,280	13,354	15,654
Other income	646	866	4,170	3,253
Operating expenses	(2,907)	(2,660)	(11,136)	(14,517)
Finance cost	(238)	(270)	(1,170)	(291)
<b>(Loss)/Profit before tax</b>	(1,524)	1,216	5,218	4,099
Income tax	166	(7,951)	(2,381)	(10,815)
<b>(Loss)/Profit for the year</b>	(1,358)	(6,735)	2,837	(6,716)
<b>Other comprehensive income/(loss)</b>				
Fair value movement on available-for-sale investment	-	12	(3)	24
<b>Total comprehensive (loss)/income for the year</b>	(1,358)	(6,723)	2,834	(6,692)
<b>(Loss)/Profit attributable to:</b>				
Owners of the parent	(378)	(6,583)	3,596	(5,523)
Non-controlling interests	(980)	(152)	(759)	(1,193)
	(1,358)	(6,735)	2,837	(6,716)
<b>Total comprehensive (loss)/income attributable to:</b>				
Owners of the parent	(378)	(6,575)	3,593	(5,509)
Non-controlling interests	(980)	(148)	(759)	(1,183)
	(1,358)	(6,723)	2,834	(6,692)
<b>Earnings per share (sen)</b>				
- Basic	(0.17)	(3.05)	1.67	(2.56)
- Diluted	-	-	-	-

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2015)

**SEAL INCORPORATED BERHAD (4887-M)**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2016**

	(UNAUDITED) As at Financial Year End 30/06/2016 RM' 000	(AUDITED) As At Preceding Financial Year End 30/06/2015 RM' 000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,386	2,147
Investment properties	51,949	51,949
Land held for development	17,513	17,487
Held-to-maturity investments	-	19,299
Timber concessions	16,761	19,442
	<u>88,609</u>	<u>110,324</u>
<b>Current assets</b>		
Property development costs	108,140	87,372
Inventories	30,792	28,224
Trade receivables	29,076	13,155
Other receivables, deposits and prepayments	57,618	61,444
Tax recoverable	2,521	1,453
Held-to-maturity investments	10,299	-
Available-for-sale financial assets	11,252	37,481
Fixed deposits with licensed banks	46,079	42,052
Cash and bank balances	4,155	3,845
	<u>299,932</u>	<u>275,026</u>
<b>TOTAL ASSETS</b>	<u>388,541</u>	<u>385,350</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	88,561	88,561
Share premium	45,448	45,448
Treasury shares	(2,164)	(2,130)
Reserves	(955)	(952)
Retained profits	110,308	106,712
	<u>241,198</u>	<u>237,639</u>
<b>Non-controlling interests</b>	65,257	66,016
<b>Total equity</b>	<u>306,455</u>	<u>303,655</u>
<b>Non-current liabilities</b>		
Deferred tax	-	6
Hire purchase payable	643	431
Bank borrowings	22,809	34,824
	<u>23,452</u>	<u>35,261</u>
<b>Current liabilities</b>		
Gross amount due to customer on contract	2,696	-
Trade payables	13,450	8,745
Progress billing in respect of property development	-	532
Other payables and accruals	23,540	23,846
Hire purchase payable	275	187
Bank borrowings	18,064	12,809
Provision for taxation	609	315
	<u>58,634</u>	<u>46,434</u>
<b>Total liabilities</b>	<u>82,086</u>	<u>81,695</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>388,541</u>	<u>385,350</u>
<b>Net assets per share attributable to owners of the parent (RM)</b>	1.12	1.10

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2015)

**SEAL INCORPORATED BERHAD (4887-M)**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2016**  
**(THE FIGURES HAVE NOT BEEN AUDITED)**

	←----- Attributable to owners of the parent -----→					-----→	Total	Non-Controlling Interests	Total Equity
	Share Capital	Share Premium	Treasury Shares	Revaluation Reserve	Fair Value Reserve				
<b>12 Months Ended</b>	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>30 June 2016</b>									
Balance at 1 July 2015	88,561	45,448	(2,130)	(955)	3	106,712	237,639	66,016	303,655
Purchase of treasury shares	-	-	(34)	-	-	-	(34)	-	(34)
Total comprehensive income for the year	-	-	-	-	(3)	3,596	3,593	(759)	2,834
Balance at 30 June 2016	<u>88,561</u>	<u>45,448</u>	<u>(2,164)</u>	<u>(955)</u>	<u>-</u>	<u>110,308</u>	<u>241,198</u>	<u>65,257</u>	<u>306,455</u>
<b>12 Months Ended</b>									
<b>30 June 2015</b>									
Balance at 1 July 2014	88,561	45,448	(2,093)	353	(11)	112,235	244,493	85,741	330,234
Purchase of treasury shares	-	-	(37)	-	-	-	(37)	-	(37)
Premium paid on acquisition of subsidiary from non-controlling interest	-	-	-	(1,308)	-	-	(1,308)	78	(1,230)
Payment of dividends to non-controlling interests	-	-	-	-	-	-	-	(18,620)	(18,620)
Total comprehensive income/(loss) for the year	-	-	-	-	14	(5,523)	(5,509)	(1,183)	(6,692)
Balance at 30 June 2015	<u>88,561</u>	<u>45,448</u>	<u>(2,130)</u>	<u>(955)</u>	<u>3</u>	<u>106,712</u>	<u>237,639</u>	<u>66,016</u>	<u>303,655</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 30 June 2015)

**SEAL INCORPORATED BERHAD (4887-M)**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2016**  
**(THE FIGURES HAVE NOT BEEN AUDITED)**

	<b>Current Year To Date 30/06/2016 RM'000</b>	<b>Preceding Year Corresponding Period 30/06/2015 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	5,218	4,099
Adjustments for:		
Non-cash items	434	560
Non-operating items	(2)	265
Interest expenses	1,170	291
Interest income	(1,856)	(1,615)
Dividend income	(1,658)	(2,066)
Operating profit before working capital changes	3,306	1,534
Inventories	(2,568)	(2,271)
Timber concession	2,681	(950)
Property development costs	(20,171)	(42,298)
Trade and other receivables	(12,095)	26,574
Trade and other payables	6,563	(23,850)
Cash used in operations	(22,284)	(41,261)
Interest paid	(1,764)	(629)
Tax paid	(3,215)	(18,471)
Tax refund	55	151
<b>Net cash used in operating activities</b>	<b>(27,208)</b>	<b>(60,210)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(169)	(694)
Purchase of shares from non-controlling interests	-	(1,230)
Placement of short term investment	(12,060)	(93,226)
Proceeds from redemption of other investments	47,288	80,683
Proceeds from disposal of property, plant and equipment	-	18
Dividend received	1,658	2,066
Interest received	1,856	1,615
<b>Net cash generated from/(used in) investing activities</b>	<b>38,573</b>	<b>(10,768)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of borrowings	6,162	56,200
Payment of dividends to non-controlling interests	-	(18,620)
Payment of bank borrowings	(12,949)	(9,562)
Payment of hire purchase payable	(206)	(169)
Purchase of treasury shares	(34)	(37)
Changes in fixed deposits with licensed bank	(56)	(60)
<b>Net cash (used in)/generated from financing activities</b>	<b>(7,083)</b>	<b>27,752</b>
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>	<b>4,282</b>	<b>(43,226)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>43,958</b>	<b>87,712</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>48,240</b>	<b>44,486</b>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2015)



Year ended 30 June 2015

	Property Construction RM'000	Property Management RM'000	Timber Related RM'000	Property Development RM'000	Investment Properties RM'000	Others RM'000	Total RM'000
Segment revenue	2,389	20,298	-	5,968	-	535	29,190
Segment results	(115)	4,250	(713)	(303)	-	(344)	2,775
Interest income							1,615
Profit from operations							4,390
Finance cost							(291)
Profit before tax							4,099
Income tax							(10,815)
Loss for the year							(6,716)

#### 8 Valuation of Property, Plant and Equipment, Investment Properties and Development Properties

There has been no valuation undertaken by the Group since the last annual financial statements for the financial year ended 30 June 2016.

#### 9 Material Subsequent Events

There were no material subsequent events at the date of this announcement.

#### 10 Changes in the Composition of the Group

##### Acquisitions

On 2 July 2015, Seal Incorporated Berhad ("SEAL") has incorporated a new wholly-owned subsidiary company, namely Seal Properties (PG) Sdn Bhd. comprising two subscribers' share of RM1.00 each for a total consideration of RM2.00.

On 19 April 2016, Seal Incorporated Berhad ("SEAL") has incorporated a new wholly-owned subsidiary company, namely Seal Mall (KL) Sdn Bhd. comprising two subscribers' share of RM2.00 each for a total consideration of RM2.00.

#### 11 Contingent Liabilities and Contingent Assets

Corporate guarantees extended to banks for banking facilities granted to a subsidiary amounting to RM18 million.

#### 12 Commitments

##### Joint venture commitments

- balance of cash consideration of RM15,874,640; and
- construction of one block of commercial building, the costs of which is yet to be ascertained.

#### 13 Operating Lease Commitments

	As at 30 June 2016 RM'000
Not later than one year	4,018
Later than one year and not later than five years	-
	<u>4,018</u>

The operating lease commitments are in respect of leaseback of Selayang Mall for a term of ten years.

#### 14 Related Party Transactions

There were no related party transactions for the financial year ended 30 June 2016.

### ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

#### 15 Review of Performance of the Company and Its Principal Subsidiaries

For the current quarter under review, the Group recorded total revenue of RM11.6 million and loss before taxation of RM1.5 million as compared to the revenue of RM8.4 million and profit before taxation of RM1.2 million in the preceding year corresponding quarter. The increase in revenue was mainly contributed from property construction and marketing services from a development project known as "Queensville", located at Cheras, Kuala Lumpur. The lower profit before taxation was mainly due to rectification by way of revocation of certain units of Bayan City project.

For the financial year ended 30 June 2016, the Group recorded a total revenue of RM71.7 million and profit before taxation of RM5.2 million as compared to the revenue of RM29.2 million and profit before taxation of RM4.1 million in the preceding year corresponding financial period. The increase in revenue and profit before taxation were mainly contributed from property construction and marketing services from a development project known as "Queensville", located at Cheras, Kuala Lumpur.

#### 16 Material Changes for the Current Quarter as Compared with the Preceding Quarter

The group's reported revenue of RM11.6 million and loss before taxation of RM1.5 million as compare to the revenue of RM12.9 million and profit before taxation of RM1.0 million in the preceding quarter ended 31 March 2016. The lower revenue and profit before taxation were mainly due to rectification by way of revocation of certain units of Bayan City project.

## 17 Prospect

The Group expects a steady stream of income from its investment properties, property management, property construction and development segment in next financial year. Barring any unforeseen circumstances, the Group is confident it will continue to deliver satisfactory results in next financial year.

## 18 Variance from Forecast Profit and Profit Guarantee

The Group has not provided any profit forecast or profit guarantee.

## 19 Income Tax Expenses

	Current quarter RM'000	Financial period to date RM'000
Malaysian income tax:		
- Current tax expense	(137)	2,410
- Overprovision in prior year	(23)	(23)
Deferred tax expense	(6)	(6)
	<u>(166)</u>	<u>2,381</u>

The Group's effective tax rate for the financial year was higher than the statutory tax rate mainly due to tax losses incurred by certain subsidiary companies that were not available to set off against taxable profits in other companies within the group.

## 20 Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this announcement.

## 21 Group Borrowings and Debts Securities

Total Group borrowings as at 30 June 2016 are as follows:

	Secured RM'000	Unsecured RM'000
<u>Long term borrowings</u>		
Term loans	<u>22,809</u>	<u>-</u>
<u>Short term borrowings</u>		
Term loans	<u>13,552</u>	<u>4,512</u>

## 22 Material Litigation

On 15 February 2016, Seal Incorporated Berhad ("the Company") and its subsidiaries had been served with an Originating Summon which has been filed at the High Court at Penang under Section 181 Companies Act 1965 ("the said Action") by Sovereign Paramount Sdn Bhd (a shareholder in Seal Properties (Bayan City) Sdn Bhd, a subsidiary of the Company), alleging minority oppression.

The matter has been fixed for further case management on 30 September 2016. The Company will contest the said Action.

## 23 Dividends

No dividend has been proposed for the financial year ended 30 June 2016.

## 24 Earnings Per Share

### Basic Earnings per Share

The calculation of basic earnings per share is based on the profit attributable to the owners of the parent of RM3,595,876 divided by the weighted average number of ordinary shares in issue as at 30 June 2016 of 215,534,111 shares after taking in the effects of share buy back of the Company.

### Diluted Earnings per Share

There is no diluted earnings per share as there were no potential dilutive ordinary shares as at 30 June 2016.

## 25 Disclosure of Realised and Unrealised Profits

	As at 30 June 2016 RM'000	As at 30 June 2015 RM'000
The retained profits of the Company and its subsidiaries		
- Realised	109,279	104,802
- Unrealised	-	-
	<u>109,279</u>	<u>104,802</u>
Add : Consolidation adjustments	1,029	1,910
Total retained profits as per consolidated accounts	<u>110,308</u>	<u>106,712</u>

**26 Profit before taxation**

	3 months ended 30 June 2016 RM'000	Year-to-date ended 30 June 2016 RM'000
Profit before taxation is arrived at after crediting/(charging):		
Depreciation	(111)	(434)
Dividend income	111	1,658
Fixed assets written off	-	(3)
Interest expenses	(237)	(1,170)
Interest income	364	1,856

Save as disclosed above, there were no deposits written off, no impairment of assets, no foreign exchange gains or losses, no gains or losses on derivatives and exceptional items for the current quarter and the financial year ended 30 June 2016.

**27 Auditors' Report on Preceding Annual Financial Statements**

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