

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2016

The figures have not been audited.

	Note	3 months ended		3 months ended	
		31.03.2016 RM'000	31.03.2015 RM'000	31.03.2016 RM'000	31.03.2015 RM'000
Continuing Operations					
Revenue	A5	2,332	923	2,332	923
Cost of sales		(303)	(807)	(303)	(807)
Gross profit / (loss)		2,029	116	2,029	116
Other income		109	2	109	2
Administrative and other expenses		(1,672)	(1,149)	(1,672)	(1,149)
Finance cost		(347)	(357)	(347)	(357)
Share of results in associate		(12)	-	(12)	-
Profit / (Loss) before taxation	A5	107	(1,388)	107	(1,388)
Taxation	B5	-	1,455	-	1,455
Profit / (Loss) for the financial period		107	67	107	67
Other comprehensive income		-	-	-	-
Total comprehensive income for the financial period		107	67	107	67
Profit / (Loss) attributable to:					
Equity holders of the parent		108	67	108	67
Minority interests		(1)	-	(1)	-
		107	67	107	67
Total comprehensive income attributable to:					
Equity holders of the parent		108	67	108	67
Minority interests		(1)	-	(1)	-
		107	67	107	67
Earnings per share attributable to equity holders of the parent:					
Basic, for profit / (loss) for the period (sen)	B10	0.01	0.01	0.01	0.01
Diluted, for profit / (loss) for the period (sen)	B10	N/A	N/A	N/A	N/A

The condensed consolidated income statements 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.

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2016

The figures have not been audited.

	Note	As at 31.03.2016 RM'000	As at 31.12.2015 RM'000 (Audited)
ASSETS			
Non-Current Assets			
Property, plant and equipment	A10	1,887	2,007
Investment properties	A10	70,000	70,000
Building in-progress		23,271	21,198
Investment in an associate		-	316
Deferred Tax Assets		1,527	1,527
		96,685	95,048
Current Assets			
Trade receivables		40	739
Other receivables		983	375
Amount owing from related parties		1,813	735
Fixed deposits with licensed institution		230	230
Cash and bank balances		944	5,892
		4,010	7,971
TOTAL ASSETS		100,695	103,019
EQUITY AND LIABILITIES			
Equity			
Share capital		86,346	86,346
Reserves		2,791	2,441
Retained earnings		(23,168)	(23,276)
Equity attributable to owners of the Company		65,969	65,511
Minority interest		(3)	(2)
Total equity		65,966	65,509
Non-current liabilities			
Borrowings - Hire purchase & finance lease	B7	489	522
Borrowings - Term loan	B7	12,785	13,080
Amount due to director		9,864	8,082
		23,138	21,684
Current Liabilities			
Borrowings - Overdraft	B7	2,974	3,000
Borrowings - Term loan	B7	920	964
Borrowings - Hire purchase & finance lease	B7	129	129
Trade payables		137	137
Other payables		7,147	11,312
Income tax payable		284	284
		11,591	15,826
Total Liabilities		34,729	37,510
TOTAL EQUITY AND LIABILITIES		100,695	103,019
Net assets per share (RM)		0.0764	0.0759

The condensed consolidated balance sheet 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.

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2016

The figures have not been audited.

Note	<----- Attributable to Equity Holders of the Parent ----->					Minority Interest	Total Equity
	Share Capital	Share Premium	SIS Options Reserve	Distributable Retained Earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 01.01.2015	77,224	1,404	-	(24,715)	53,913	75	53,988
Total comprehensive income for the financial period	-	-	-	1,439	1,439	(77)	1,362
<u>Transaction with owners:</u>							
Private Placement	7,822	-	-	-	7,822	-	7,822
Exercise of SIS Options	1,300	487	(387)	-	1,400	-	1,400
Vested	-	-	937	-	937	-	937
Total transaction with owners	9,122	487	550	-	10,159	-	10,159
Balance as at 31.12.2015	86,346	1,891	550	(23,276)	65,511	(2)	65,509
Balance as at 01.01.2016	86,346	1,891	550	(23,276)	65,511	(2)	65,509
Total comprehensive income for the financial period	-	-	-	108	108	(1)	107
<u>Transaction with owners:</u>							
Private Placement	-	-	-	-	-	-	-
Exercise of SIS Options	-	-	-	-	-	-	-
Vested	-	-	350	-	350	-	350
Total transaction with owners	-	-	350	-	350	-	350
Balance as at 31.03.2016	86,346	1,891	900	(23,168)	65,969	(3)	65,966

The condensed consolidated statement 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.

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

CASH FLOW STATEMENT

FOR THE PERIOD ENDED 31 MARCH 2016

The figures have not been audited.

	3 months ended	
	31.03.2016	31.03.2015
	RM'000	RM'000
Net cash generated from / (used in) operating activities	(6,727)	(2,888)
Net cash generated from / (used in) investing activities	395	(222)
Net cash generated from / (used in) financing activities	1,410	1,142
Net increase / (decrease) in cash and cash equivalents	(4,922)	(1,968)
Cash and cash equivalents at beginning of financial period	2,892	(1,499)
Cash and cash equivalents at end of financial period	(2,030)	(3,467)

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

Cash and bank balances	944	35
Bank overdraft	(2,974)	(3,502)
	(2,030)	(3,467)

The condensed consolidated cash flow statement 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.

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2016

The figures have not been audited.

	3 months ended	
	31.03.2016	31.03.2015
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	107	(1,388)
Adjustments for:		
Depreciation	134	95
Gain on disposal of Associate	(96)	-
Interest expense	347	357
Interest income	(9)	(2)
Impairment loss on trade receivables	5	-
Share Options to employees	350	-
Share of results in associate	12	-
Operating profit/ (loss) before working capital changes	850	(938)
(Increase) / Decrease construction-in-progress of investment property	(2,073)	(984)
(Increase) / Decrease in receivables	(992)	(150)
Increase / (Decrease) in payables	(4,165)	(459)
Cash generated from / (used in) operations	(6,380)	(2,531)
Interest paid	(347)	(357)
Net cash generated from / (used in) operating activities	(6,727)	(2,888)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant, property and equipment	(14)	(224)
Proceed from disposal of an associate company	400	-
Interest received	9	2
Net cash generated from / (used in) operating activities	395	(222)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown / (repayment) of term loan & borrowings	(339)	(227)
Net drawdown / (repayment) of hire purchase	(33)	(12)
Advance from/ (repayment) to Director	1,782	1,381
Net cash generated from / (used in) investing activities	1,410	1,142
Net increase / (decrease) in cash and cash equivalents	(4,922)	(1,968)
Cash and cash equivalents as at 1 January	2,892	(1,499)
Cash and cash equivalents as at end of period	(2,030)	(3,467)
CASH AND CASH EQUIVALENTS COMPRISE: -		
Cash and bank balances	944	35
Bank overdraft	(2,974)	(3,502)
	(2,030)	(3,467)

The condensed consolidated cash flow statement 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.

Part A – Explanatory Notes Pursuant to FRS 134

A1. BASIS OF PREPARATION

The interim financial statements have been prepared under the historical cost convention except for the financial assets and investment properties which were stated at fair values.

The interim financial statements were unaudited and have been prepared in accordance with requirements of the Financial Reporting Standards (“FRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2015. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that were significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2015.

A2. CHANGES IN ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2015 except for the adoption of the following Amendments and Annual improvements to Standards:

Effective for financial periods beginning on or after 1 January 2016:

Annual Improvements to FRSs 2012 - 2014 Cycle

Amendments to FRS 10, FRS 12, FRS 128: Investment Entities: Applying the Consolidation Exception

Amendments to FRS 11: Accounting for Acquisitions of Interests in Joint Operations

Amendments to FRS 101: Disclosure Initiatives

Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation

Amendments to FRS 127: Equity Method in Separate Financial Statements

FRS 14 Regulatory Deferral Accounts

The adoption of the above standards, amendments and annual improvement do not have any significant financial impact to the Group's financial statements.

A3. COMPARATIVES

There were no changes to the comparatives during the current financial period.

A4. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors’ report on the preceding financial statements for the year ended 31 December 2015 was not qualified by the Auditors of the Company.

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

Part A – Explanatory Notes Pursuant to FRS 134

A5. SEGMENTAL INFORMATION

Period ended	Project Management Consultancy RM'000	Investment Property RM'000	Trading RM'000	Investment Holding And Others RM'000	Eliminations RM'000	Group RM'000
31 March 2016						
<u>Revenue</u>						
External Revenue	2,310	22	-	-	-	2,332
Inter Segment Revenue	-	-	-	-	-	-
Total Segment Revenue	2,310	22	-	-	-	2,332
<u>Results</u>						
Segment Results	2,007	(148)	-	(1,490)	97	466
Finance Costs						(347)
Share of associate's result						(12)
Profit/ (loss) before taxation						107
Taxation						-
Net profit/ (loss) after taxation						107

Period ended	Project Management Consultancy RM'000	Investment Property RM'000	Trading RM'000	Investment Holding And Others RM'000	Eliminations RM'000	Group RM'000
31 March 2015						
<u>Revenue</u>						
External Revenue	-	22	901	-	-	923
Inter Segment Revenue	-	-	-	-	-	-
Total Segment Revenue	-	22	901	-	-	923
<u>Results</u>						
Segment Results	-	(136)	-	95	(990)	(1,031)
Finance Costs						(357)
Profit/ (loss) before taxation						(1,388)
Taxation						1,455
Net profit/ (loss) after taxation						67

Part A – Explanatory Notes Pursuant to FRS 134

A6. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE, OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 31 March 2016.

A7. CHANGES IN ESTIMATES

There was no change in estimates that had a material effect on the current quarter results.

A8. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group's performance is not affected by any seasonal or cyclical factors during the quarter under review.

A9. DIVIDENDS PAID

No interim ordinary dividend has been paid in the current financial period ended 31 March 2016 (31 March 2015: Nil).

A10. CARRYING AMOUNT OF REVALUED ASSETS

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

A11. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale or repayments of debts and equity securities for the current quarter ended 31 March 2016.

A12. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group for the current financial quarter, other than as disclosed.

On 1 March 2016, Naim Indah Corporation Berhad ("Nicorp") had entered into a Share Sale Agreement to dispose its entire 20% equity interest in Naim Indah Mobile Communications Sdn Bhd ("NIMCSB") for a total sale consideration of RM 400,000.

Part A – Explanatory Notes Pursuant to FRS 134

A12. CHANGES IN COMPOSITION OF THE GROUP (Continued)

Upon completion of the disposal on 8 March 2016, NIMCSB cease to be an associate company.

Other than the above, there were no other material changes in the composition of the Group for the current quarter ended 31 March 2016.

A13. DISCONTINUED OPERATION

There were no existing business segments that can be categorised as discontinued in the current financial period.

A14. CAPITAL COMMITMENTS

There were no material changes in capital commitments since the previous quarter.

A15. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no material changes in contingent liabilities or contingent assets since the previous quarter.

A16. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the reporting quarter that have not been reflected in the quarter under review, other than as disclosed.

On 25 April 2016, the Group initiated an internal reorganisation exercise as follows:-

- i) 2,040,000 ordinary shares of RM1.00 each representing 51% equity interest in the share capital of **Bitarex Sdn. Bhd.** (Company No. 262011-W) ("**Bitarex**") for a cash consideration of RM1.00 (Ringgit Malaysia: One) only ("**Bitarex Disposal**");
- ii) 2 ordinary shares of RM1.00 each representing 100% equity interest in the share capital of **Consistent Harvest Properties Sdn. Bhd.** (Company No. 1065903-K) ("**CHP**") for a cash consideration of RM1.00 (Ringgit Malaysia: One) only ("**CHP Disposal**"); and

Part A – Explanatory Notes Pursuant to FRS 134

A16. SUBSEQUENT EVENTS (Continued)

- iii) 2 ordinary shares of RM1.00 each representing 100% equity interest in the share capital of **Ni-Corp Oil & Gas Technology Sdn. Bhd.** (Company No. 635676-W) (“**NCOGT**”) for a cash consideration of RM1.00 (Ringgit Malaysia: One) only (“**NCOGT Disposal**”).

The Bitarex Disposal, CHP Disposal and NCOGT Disposal are collectively referred to as “the Internal Reorganisation”.

The above internal reorganisation is to streamline NICORP’s group of companies. Upon completion of the above internal reorganisation:-

- Bitarex will become a subsidiary of AL; and
- CHP and NCOGT will become wholly owned subsidiaries of AL

The Internal Reorganisation will not have any effect on NICORP’s share capital and substantial shareholders’ shareholdings. There will be no material effect on the earnings per share, gearing and net assets per share of the NICORP Group for the financial year ending 31 December 2016.

None of the Directors and Major Shareholders of NICORP and persons connected with them have any interest, direct or indirect, in the Internal Reorganisation.

A17. RELATED PARTY TRANSACTIONS

Except as disclosed below, there was no other related party transaction during the financial quarter ended 31 March 2016.

	3 months ended 31.03.2016 RM’000
Project Management Consultancy services rendered to related parties	<u>2,310</u>

**PART B - Explanatory Notes Pursuant to Appendix 9B of
the Listing Requirements of Bursa Malaysia Securities Berhad**

B1. PERFORMANCE REVIEW

For the current quarter financial period ended 31 March 2016, the Group's revenue was RM2.33 million as compared to RM0.92 million in the preceding financial period ended 31 March 2015. Revenue increased was mainly due to the revenue from project management consultancy activities.

The Group recorded a profit before tax of approximately RM0.11 million as compared to a loss before tax of approximately RM1.39 million for the corresponding preceding financial period ended 31 March 2015. Mainly due to the higher profit margin derived from project management consultancy activities.

B2. COMMENT ON MATERIAL CHANGE IN PROFIT BEFORE TAXATION

The Group's recorded a turnover of approximately RM2.33 million for the current quarter as compared to RM3.27 million for the preceding quarter ended 31 December 2015 due to the amount of works certified for project management consultancy services provided in current quarter was lower as compared to preceding quarter 31 December 2015.

The profit after tax of approximately RM0.11 million for the current quarter decreased as compared to profit after tax approximately RM0.80 million for the preceding quarter ended 31 December 2015. Mainly due to lower turnover from project management consultancy in the current quarter.

B3. COMMENTARY ON PROSPECTS

The refurbishment of the Seremban mall is expected to be completed and fully operational in third quarter 2016, the rental income receivable will contribute positively towards the revenue and cash flow to the Group.

The Directors are of the view that the project management consultancy activities is an important contributor to the Group's earnings. The Group is also actively identifying suitable business opportunities to venture into property investment, construction and renewable energy, where these businesses are expected to contribute substantially to the Group performance.

**PART B – Explanatory Notes Pursuant to Appendix 9B of
the Listing Requirements of Bursa Malaysia Securities Berhad**

B3. COMMENTARY ON PROSPECTS (Continued)

Barring any unforeseen circumstances, the Directors expect to achieve better financial results of the Group in the coming years as compared to previous year.

B4. PROFIT FORECAST OR PROFIT GUARANTEE

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interests and forecast profit after tax and minority interests and for the shortfall in profit guarantee are not applicable.

B5. INCOME TAX EXPENSE

	3 months ended	
	31.03.2016	31.03.2015
	RM'000	RM'000
Current tax:		
Malaysian income tax	-	-
Deferred taxation	-	1,455
	<u>-</u>	<u>1,455</u>

B6. CORPORATE PROPOSALS

There were no corporate proposals in the current quarter under review except for the following:

On 15 June 2015, Naim Indah Corporation Berhad (“NICORP”) announced that Naim Indah City Development Sdn. Bhd. (“NICDSB”), a wholly-owned subsidiary of NICORP has signed a Memorandum of Understanding (“MOU”) with United Pacific Development Co. Ltd (“UPD”), a company incorporated in Myanmar and under the control of Hla Myint Shwe and Aye Myat Mon for the proposed development a 32-storey office tower in Pyay Road, Yangon Myanmar on part of all that piece of lands belonging to Hla Myint Shwe and Aye Myat Mon through the incorporation of a joint venture company (“JVC”) in Myanmar which shall be set up and approved under the Myanmar Foreign Investment Law 2012 to undertake the project. The proposed shareholding of the JVC will be NICDSB shall hold an equivalent to fifty one percent (51%) and UPD equivalent to forty nine percent (49%) interest in the JVC.

On 16 June 2015, NICORP further announced the UPD is to contribute its proportion of the committed investment amount in kind through a lease of the said Land while NICDSB is to contribute its proportion of the committed investment amount in cash in accordance with a payment scheduled agreed between the Parties. The MOU is for

**PART B – Explanatory Notes Pursuant to Appendix 9B of
the Listing Requirements of Bursa Malaysia Securities Berhad**

B6. CORPORATE PROPOSALS (Continued)

a period of six (6) months. On 14 December 2015, NICORP announced extension for another three (3) months to 10 March 2016 to facilitate both parties to complete the documentation for the Joint Venture Agreement.

On 10 March 2016, The MOU has been further extended to another three (3) months to 10 June 2016. The extension is for the parties to finalise the terms of the Joint Venture Agreement and the materials required for the application to Myanmar Investment Commission for its approval to be proceed prior to signing of the joint venture agreement.

PROCEEDS UTILISATION FROM PRIVATE PLACEMENT

Pursuant to the completion of the private placement exercise on 2 December 2015, the utilisations of the gross proceeds of RM7,822,300 raised from the Private Placement as at the date of this quarterly announcement are as follows:

Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Intended Timeframe for Utilisation	Balance / (Deviation) (RM'000)	%	Note
Renovation of Shopping Mall	2,968	3,092	Within 6 mths	(124)	4	
Repayment of Bank Borrowings	2,160	887	Within 12 mths	1,273	-	
Working Capital	2,614	2,418	Within 12 mths	196	-	1
Exercise Expenses	80	72	Within 1 mth	8	-	
TOTAL	7,822	6,469		1,353		

Note 1: The utilisations of the RM2.4 million are as follows:-

<u>Purpose</u>	RM'000
1. Salaries, Wages & Contributions	866
2. Administrative expenses (e.g. Professional fees, quit rent & assessment, rental and etc)	1,552
TOTAL	<u>2,418</u>

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

**PART B – Explanatory Notes Pursuant to Appendix 9B of
the Listing Requirements of Bursa Malaysia Securities Berhad**

B7. BORROWINGS

	As at 31.03.2016 RM'000
Secured borrowings: -	
Payable within one year	1,049
Payable after one year	13,274
	<u>14,323</u>

B8. CHANGES IN MATERIAL LITIGATION

There was no material litigation for the current financial period under review.

B9. DIVIDENDS PAYABLE

No interim ordinary dividend has been declared for the financial period ended 31 March 2016 (31 March 2015: Nil).

B10. EARNINGS PER SHARE

Basic EPS	3 months ended	
	31.03.2016	31.03.2015
Profit / (Loss) attributable to ordinary equity holders of the parent (RM'000)	<u>108</u>	<u>67</u>
Weighted average number of Ordinary Shares in issue ('000):-	<u>863,460</u>	<u>772,237</u>
Basic earnings per share (sen)	<u>0.01</u>	<u>0.01</u>

The diluted earnings per share was not presented as there is anti-dilutive effect arising from the assumed conversion of the SIS.

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

**PART B – Explanatory Notes Pursuant to Appendix 9B of
the Listing Requirements of Bursa Malaysia Securities Berhad**

B11. DISCLOSURE OF REALISED AND UNREALISED PROFITS / LOSSES

	3 months ended 31.03.2016 RM'000	3 months ended 31.03.2015 RM'000
Total retained profits / (accumulated losses) of the Company and its subsidiaries:		
-Realised	(24,780)	(20,427)
-Unrealised	1,527	1,455
 Total share of profits from associate		
-Realised	(12)	-
-Unrealised	-	-
	<hr style="width: 100%; border: 0.5px solid black;"/> (23,265)	<hr style="width: 100%; border: 0.5px solid black;"/> (18,972)
Less: Consolidation adjustments	97	(5,676)
	<hr style="width: 100%; border: 0.5px solid black;"/> (23,168)	<hr style="width: 100%; border: 0.5px solid black;"/> (24,648)

B12. DISCLOSURE OF ADDITIONAL INFORMATION

	3 months ended 31.03.2016 RM'000	3 months ended 31.03.2015 RM'000
Interest income	9	2
Interest expenses	(347)	(357)
Impairment loss on trade receivables	(5)	-
Depreciation and amortization	(134)	(95)
Gain on disposal of associate	96	-

By order of the Board
Dated this 30 May 2016