

MERGE ENERGY BHD. (420099-X)
QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 31 JULY 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Unaudited As at 31.07.2015 RM'000	Audited As at 31.01.2015 RM'000
ASSETS		
Non Current Assets		
Property, plant and equipment	21,474	20,672
Investment properties	13,750	13,750
Investment in an associate	2,249	2,270
Goodwill on consolidation	1,556	1,010
	39,029	37,702
Current Assets		
Inventories	93	89
Amounts due from customers for contract works	18,290	37,132
Trade receivables	28,588	19,325
Other receivables, deposits and prepayments	1,355	4,715
Tax Recoverable	82	145
Amount due from associate	141	141
Deposits place with licensed banks	7,619	12,187
Cash and bank balances	8,392	4,092
GST input tax assets	37	-
	64,597	77,826
TOTAL ASSETS	103,626	115,528
EQUITY AND LIABILITIES		
Equity Attributable To Owner Of The Parent		
Share capital	67,000	67,000
Reserves		
Share premium	7,713	7,713
Accumulated losses	(14,777)	(16,727)
Shareholders' Equity	59,936	57,986
Non-Controlling Interests	2,488	1,930
Total Equity	62,424	59,916
Non Current Liabilities		
Loans and borrowing	1,447	1,286
Deferred tax liabilities	257	248
Current Liabilities		
Amounts due to customers for contract works	396	344
Trade payables	14,219	11,502
Other payables and accruals	22,538	41,231
Amount due to directors	3	197
Loans and borrowing	1,771	451
Provision for taxation	571	353
	39,498	54,078
Total Liabilities	41,202	55,612
TOTAL EQUITY AND LIABILITIES	103,626	115,528
Net assets per share attributable to owner of the parent of the company	0.89	0.87

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2015.)

MERGE ENERGY BHD. (420099-X)
QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 31 JULY 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	SECOND QUARTER		CUMMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31.07.2015 RM'000	PRECEDING YEAR QUARTER 31.07.2014 RM'000	CURRENT YEAR TO DATE 31.07.2015 RM'000	PRECEDING YEAR TO DATE 31.07.2014 RM'000
Revenue	15,860	36,084	43,106	53,504
Cost of Sales	(12,558)	(32,273)	(34,166)	(47,011)
Gross Profit	3,302	3,811	8,940	6,493
Other Operating Income	136	222	286	351
Total Income	3,438	4,033	9,226	6,844
Admin & Distribution Costs	(2,480)	(3,843)	(6,384)	(6,216)
Other Operating Expenses	-	-	-	-
Profit/(Loss) from Operation	958	190	2,842	628
Finance Costs	(30)	(32)	(56)	(42)
Share of Result in Associate	(3)	(14)	(21)	(32)
Profit/(Loss) before taxation and zakat	925	144	2,765	554
Taxation	(123)	(95)	(258)	(220)
Profit/(Loss) after taxation and zakat	802	49	2,507	334
Total Comprehensive Income / (Loss) For The Period	802	49	2,507	334
Profit/(Loss) attributable to :				
Owners of the parent	929	226	1,949	276
Non-controlling interest	(127)	(177)	558	58
Profit/(Loss)	802	49	2,507	334
Total Comprehensive Income / (Loss) attributable to :				
Owners of the parent	929	226	1,949	276
Non-controlling interest	(127)	(177)	558	58
Total Comprehensive Income / (Loss)	802	49	2,507	334
Earnings per share : --	sen	sen	sen	sen
- basic / diluted	1.39	0.34	2.91	0.41

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2015.)

Additional Information	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) from Operations	958	190	2,842	628
Gross Interest Income	19	98	36	110
Gross Interest Expense	30	32	56	42
Depreciation of Property, Plant and Equipment	285	227	569	444

MERGE ENERGY BHD. (420099-X)
QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 31 JULY 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

← Attributable to Equity Holders of the Company →

	Share Capital RM'000	Share Premium RM'000	Accumulated Losses RM'000	Total RM'000	Non Controlling Interests RM'000	Total Equity RM'000
At 1 February 2015	67,000	7,713	(16,727)	57,986	1,930	59,916
Total Comprehensive Income for the period			1,949	1,949	558	2,507
At 31 July 2015	67,000	7,713	(14,777)	59,936	2,488	62,424

← Attributable to Equity Holders of the Company →

	Share Capital RM'000	Share Premium RM'000	Accumulated Losses RM'000	Total RM'000	Non Controlling Interests RM'000	Total Equity RM'000
At 1 February 2014	67,000	7,713	(18,899)	55,814	1,402	57,216
Total Comprehensive Income for the period			276	276	334	610
At 31 July 2014	67,000	7,713	(18,623)	56,090	1,736	57,826

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2015.)

MERGE ENERGY BHD. (420099-X)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 31 JULY 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	6 months ended 31.07.2015 RM'000	6 months ended 31.07.2014 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,765	555
Adjustments for :		
Non-cash items	569	444
Non-operating items (which are investing / financing)	41	238
Operating profit before changes in working capital	3,375	1,237
Changes in working capital :		
Net changes in current assets	18,026	(13,579)
Net changes in current liabilities	(16,830)	19,067
Cash (used in) / generated from operations	4,571	6,725
Interest paid	-	-
Tax paid	(189)	(214)
Zakat	-	-
Net cash (used in) / generated from operating activities	4,382	6,511
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash generated from / (used in) investing activities	(5,035)	(377)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash used in financing activities	(499)	325
Net (decrease) / increase in cash and cash equivalents	(1,152)	6,459
Cash and cash equivalents at beginning of financial year	16,168	10,188
Cash and cash equivalents at end of the quarter	15,016	16,647

(The Condensed Consolidated Statements Of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2015.)