

**IQ GROUP HOLDINGS BERHAD**  
**(Company No. 636944-U)**  
(Incorporated in Malaysia under the Companies Act, 1965)

**THIRD QUARTER REPORT ENDED 31 DECEMBER 2016**

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2016**

	Individual Quarter		Cumulative Quarter	
	Current year quarter ended	Preceding year corresponding quarter ended	Current year to-date for 9 months ended	Preceding year corresponding period of 9 months ended
	31 December 2016 RM'000	31 December 2015 RM'000	31 December 2016 RM'000	31 December 2015 RM'000
Revenue	47,922	44,389	151,403	138,887
Investment revenue	294	259	704	637
Other gains and losses	2,194	(463)	3,073	4,467
Changes in inventories of finished goods and work-in-progress	2,339	(395)	4,384	(4,424)
Raw materials and consumables used	(19,310)	(14,679)	(58,735)	(48,846)
Purchase of trading goods	(3,876)	(6,097)	(15,562)	(15,012)
Employee benefits expense	(11,230)	(10,416)	(33,751)	(30,194)
Depreciation and amortisation of non-current assets	(1,306)	(1,593)	(4,020)	(4,825)
Finance costs	-	(1)	-	(2)
Other operating expenses	(6,483)	(6,280)	(19,890)	(19,321)
Profit/(loss) before tax	<u>10,544</u>	4,724	<u>27,606</u>	21,367
Tax income/(expense)	(2,194)	(1,199)	(5,636)	(5,383)
Profit/(loss) for the period	<u><u>8,350</u></u>	<u><u>3,525</u></u>	<u><u>21,970</u></u>	<u><u>15,984</u></u>
Profit/(loss) for the period attributable to:				
Owners of the Company	8,350	3,506	21,970	16,146
Non-controlling interests	-	19	-	(162)
	<u><u>8,350</u></u>	<u><u>3,525</u></u>	<u><u>21,970</u></u>	<u><u>15,984</u></u>
Earnings/(loss) per ordinary share attributable to owners of the Company (sen):				
Basic	9.49	4.00	24.96	18.41
Diluted	N/A	N/A	N/A	N/A

*The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 31 March 2016 and the accompanying explanatory notes attached to this interim financial report.*

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**THIRD QUARTER REPORT ENDED 31 DECEMBER 2016**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2016**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current year quarter ended</b>	<b>Preceding year corresponding quarter ended</b>	<b>Current year to-date for 9 months ended</b>	<b>Preceding year corresponding period of 9 months ended</b>
	<b>31 December 2016 RM'000</b>	<b>31 December 2015 RM'000</b>	<b>31 December 2016 RM'000</b>	<b>31 December 2015 RM'000</b>
<b>Net profit/(loss) for the period</b>	<b>8,350</b>	3,525	<b>21,970</b>	15,984
<b>Exchange differences on translating foreign operations</b>	<b>2,184</b>	(1,714)	<b>5,280</b>	6,096
<b>Total comprehensive income/(loss) for the period</b>	<b><u>10,534</u></b>	<u>1,811</u>	<b><u>27,250</u></b>	<u>22,080</u>
Total comprehensive income/(loss) attributable to:				
Owners of the Company	10,534	1,792	27,250	22,242
Non-controlling interests	-	19	-	(162)
	<b><u>10,534</u></b>	<u>1,811</u>	<b><u>27,250</u></b>	<u>22,080</u>

*The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2016 and the accompanying explanatory notes attached to this interim financial report.*

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**THIRD QUARTER REPORT ENDED 31 DECEMBER 2016**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As at end of current quarter 31 December 2016 Unaudited RM'000	As at preceding financial year ended 31 March 2016 Audited RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	14,959	15,441
Prepaid lease payments on leasehold land	1,573	1,609
Product development costs	12,163	10,011
Deferred tax assets	184	1,008
Goodwill on consolidation	-	101
<b>Total non-current assets</b>	<b>28,879</b>	<b>28,170</b>
<b>Current assets</b>		
Inventories	45,812	37,904
Trade and other receivables	60,559	53,151
Other financial assets	1,249	92
Current tax assets	725	193
Other assets	6,220	4,599
Short-term deposits with licensed banks	24,000	27,542
Cash and bank balances	35,307	20,027
<b>Total current assets</b>	<b>173,872</b>	<b>143,508</b>
<b>Total assets</b>	<b>202,751</b>	<b>171,678</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Share capital	88,028	88,028
Reserves	13,646	8,366
Retained earnings/(accumulated losses)	57,240	40,273
<b>Total equity attributable to Owners of the Company</b>	<b>158,914</b>	<b>136,667</b>
Non-controlling interest	-	456
<b>Total equity</b>	<b>158,914</b>	<b>137,123</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	1,232	1,593
Deferred revenue	-	126
<b>Total non-current liabilities</b>	<b>1,232</b>	<b>1,719</b>
<b>Current liabilities</b>		
Trade and other payables	38,954	31,147
Other financial liabilities	1,841	-
Tax liabilities	1,810	1,580
Deferred revenue	-	109
<b>Total current liabilities</b>	<b>42,605</b>	<b>32,836</b>
<b>Total liabilities</b>	<b>43,837</b>	<b>34,555</b>
<b>Total equity and liabilities</b>	<b>202,751</b>	<b>171,678</b>
Net assets per share attributable to owners of the Company (RM)	1.81	1.55

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2016 and the accompanying explanatory notes attached to this interim financial report.*

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE NINE MONTHS ENDED 31 DECEMBER 2016**

	< -----Attributable to owners of the Company ----->							
	<u>Non-Distributable</u>					<u>Distributable</u>		
	Share Capital RM'000	Share Premium RM'000	Translation Reserve RM'000	Share Option Reserve RM'000	Legal Reserve RM'000	Retained Earnings RM'000	Non- controlling interest RM'000	Total RM'000
Balance as of 1 April 2016	88,028	8,149	92	-	125	40,273	456	137,123
Profit/(Loss) for the year						21,970		21,970
Other comprehensive income/(loss) for the period			5,280					5,280
Total comprehensive income/(loss) for the period			<u>5,280</u>			<u>21,970</u>	<u>-</u>	<u>27,250</u>
Transactions with owners of the Company:								
Share-based payment forfeited						-		-
Share-based payment exercised						-		-
Recognition of share-based payment								-
Dividends paid						(5,282)		(5,282)
Decrease of non-controlling interest on the purchase of shares in a subsidiary company						279	(456)	(177)
Balance as of 31 December 2016	<u>88,028</u>	<u>8,149</u>	<u>5,372</u>	<u>-</u>	<u>125</u>	<u>57,240</u>	<u>-</u>	<u>158,914</u>
Balance as of 1 April 2015	87,364	7,854	(1,885)	81	70	26,421	683	120,588
Profit/(Loss) for the year						16,146	(162)	15,984
Other comprehensive income/(loss) for the period			6,096					6,096
Total comprehensive income/(loss) for the period			<u>6,096</u>			<u>16,146</u>	<u>(162)</u>	<u>22,080</u>
Transactions with owners of the Company:								
Share-based payment forfeited				(5)		5		-
Share-based payment exercised				(76)		76		-
Recognition of share-based payment								-
Dilution arising on the purchase of shares in a subsidiary company								-
Non-controlling interest arising on the acquisition of subsidiary								-
Issue of ordinary shares under employee share option scheme	664	295						959
Dividends paid						(3,508)		(3,508)
Appropriation to reserve on dividends paid by subsidiary					57	(57)		-
Balance as of 31 December 2015	<u>88,028</u>	<u>8,149</u>	<u>4,211</u>	<u>-</u>	<u>127</u>	<u>39,083</u>	<u>521</u>	<u>140,119</u>

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2016 and the accompanying explanatory notes attached to this interim financial report.*

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**THIRD QUARTER REPORT ENDED 31 DECEMBER 2016**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE NINE MONTHS ENDED 31 DECEMBER 2016**

	Individual Quarter	
	Current year quarter ended 31 December 2016 RM'000	Preceding year corresponding quarter ended 31 December 2015 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(loss) for the year	21,970	15,984
Adjustments for :		
Depreciation and amortisation of non-current assets	4,020	4,825
Tax expense recognised in profit or loss	5,636	5,383
Unrealised (gain)/loss on foreign exchange	(1,286)	631
Finance costs recognised in profit and loss	-	2
(Gain)/Loss on disposal of property, plant and equipment	132	4
Net fair value (gain)/loss on other financial asset	572	(598)
Interest revenue recognised in profit and loss	(625)	(546)
Impairment on goodwill	102	
Amortisation of government grant	(236)	(158)
Operating profit/(loss) before working capital changes	30,285	25,527
(Increase) / Decrease in:		
Inventories	(7,908)	1,042
Trade and other receivables	(3,694)	(13,850)
Other assets	(1,621)	(1,190)
Increase / (Decrease) in:		
Trade and other payables	5,281	5,588
Cash generated from operations	22,343	17,117
Tax refunded	-	-
Tax paid	(5,405)	(4,965)
<b>Net cash (used in)/generated from operating activities</b>	<b>16,938</b>	<b>12,152</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	346	91
Interest received	625	546
Purchase of property, plant and equipment	(1,885)	(2,610)
Addition to capitalised development costs	(3,868)	(3,282)
Share of pre acquisition loss with non-controlling interest	(177)	-
<b>Net cash (used in)/generated from investing activities</b>	<b>(4,959)</b>	<b>(5,255)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	-	960
Dividend paid	(5,282)	(3,508)
Interest paid	-	(2)
<b>Net cash (used in)/generated from financing activities</b>	<b>(5,282)</b>	<b>(2,550)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>6,697</b>	<b>4,347</b>
Effect of foreign exchange rate changes	5,041	5,368
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>47,569</b>	<b>43,160</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>59,307</b>	<b>52,875</b>

*The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 March 2016 and the accompanying explanatory notes attached to this interim financial report.*

**THIRD QUARTER REPORT ENDED 31 DECEMBER 2016**

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2016**

**PART A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134 - INTERIM FINANCIAL REPORTING**

**1. BASIS OF PREPARATION**

The interim financial report is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting, Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities).

The accounting policies and methods of computation adopted by the Group for the interim financial report are consistent with those adopted in the audited financial statements for the year ended 31 March 2016 except for the accounting policy changes that are expected to be reflected in financial statement for the year ended 31 March 2017.

The preparation of an interim financial report in conformity with MFRS 134, Interim Financial Reporting requires management to make judgement, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

At the transition date, the Group reviewed its accounting policies and the adoption of MFRS has no significant impact on the financial statements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2016.

**2. CHANGES IN ACCOUNTING POLICIES**

At the date of authorisation of these interim financial statements, the following MFRSs and Amendments to MFRS were issued but not yet effective and have not been applied by the Group.

MFRS and Amendments to MFRS	Effective for annual period beginning on or after	
MFRS 9	Financial Instruments	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
MFRS 16	Leases	1 January 2019
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 101	Disclosure Initiative	1 January 2016
Amendments to MFRS 107	Disclosure Initiative	1 January 2017
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRSs	Annual Improvements to MFRSs 2012-2014 Cycle	1 January 2016

**3. AUDIT REPORT ON THE PRECEDING ANNUAL FINANCIAL STATEMENTS**

The audit report of the preceding annual financial statements was not subject to any qualification.

**4. SEASONAL OR CYCLICAL FACTORS**

The Group serves a wide customer base in Europe, Japan, Australasia and USA with localised seasonal and model mix requirements. Hence fluctuations in demand during the year are normal and expected.

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**THIRD QUARTER REPORT ENDED 31 DECEMBER 2016**

**5. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS**

There was no unusual material event during the reporting quarter.

**6. MATERIAL CHANGES IN ESTIMATES**

There were no changes in estimates that have a material effect in the current quarter results.

**7. CHANGES IN DEBT AND EQUITY SECURITIES**

**Proposed Authority for the Company to purchase its own shares**

At the Annual General Meeting of the Company held on 30 August 2016, the shareholders of the Company had granted a mandate for the Company to purchase its own ordinary shares of RM1.00 each as may be determined by the Directors of the Company up to maximum of 10% of the issued and paid-up capital of the Company. The mandate will expire upon the conclusion of the next Annual General Meeting of the Company.

There were no cancellations, repurchases, resale and repayment of debt and equity securities, share buy-back or shares held as treasury shares during the quarter ended 31 December 2016.

**8. DIVIDENDS PAID**

An interim single-tier dividend of RM0.05 per share in respect of the financial year ending 31 March 2017 has been paid on 25 January 2017 to shareholders registered in the Record of Depositors at the close of business on 30 December 2016.

**9. SEGMENT REPORTING**

**Cumulative quarter ended  
31 December 2016**

	Investment holding RM'000	Manufacturing RM'000	Trading RM'000	Eliminations RM'000	Total RM'000
<b>Revenue</b>					
External revenue	-	110,179	41,224		151,403
Inter-segment revenue	11,019	78,136	90,373	(179,528)	-
Total revenue	<u>11,019</u>	<u>188,315</u>	<u>131,597</u>	<u>(179,528)</u>	<u>151,403</u>
<b>Results</b>					
	Investment holding RM'000	Manufacturing RM'000	Trading RM'000	Eliminations RM'000	Total RM'000
Profit/(loss) from operations	7,514	15,078	11,397	(7,087)	26,902
Investment revenue	192	512			704
Finance cost					-
Profit/(loss) before tax					27,606
Income tax income/(expense)					(5,636)
Profit/(loss) after tax					<u>21,970</u>

**10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment are stated at cost less accumulated depreciation. There was no revaluation of property, plant and equipment for the current quarter.

**11. MATERIAL SUBSEQUENT EVENT**

There were no material events subsequent to the current financial quarter ended 31 December 2016 up to the date of this report.

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**12. CHANGES IN THE COMPOSITION OF THE GROUP**

On 1 November 2016, the Company has acquired the remaining 3,300,000 ordinary shares of RM1.00 each representing 33% of the total issued and paid up capital of SILQ (Malaysia) Sdn. Bhd. ("SILQ"). Subsequent to the acquisition, SILQ is a wholly-owned subsidiary of the Company.

**13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There were no material contingent liabilities or contingent assets as at date of issue of this interim financial report.

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**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2016**

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

**1. PERFORMANCE REVIEW**

For the current quarter under review, the Group's revenue increased by RM3.53 million or 8.0% as compared to the third quarter ended 31 December 2015.

The Group recorded a profit before taxation of RM10.54 million for the quarter under review, representing an increase in profit by RM5.82 million as compared to that of the preceding year quarter. The profit before tax increased mainly due to higher gross profit as a result of change in sales model mixes, favourable US Dollar exchange rate against Ringgit Malaysia & Chinese Renminbi and increase in revenue in the current year quarter. Moreover, there is foreign exchange gain of RM2.31 million in the current year quarter as compared to foreign exchange loss of RM0.5 million in preceding year quarter.

The performance of the respective operating segments are analysed as follows:-

	Individual Quarter		Cumulative Quarter	
	Current year quarter ended	Preceding year corresponding quarter ended	Current year to-date for 9 months ended	Preceding year corresponding period of 9 months ended
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>				
Investment holding	7,966	5,843	11,019	9,302
Manufacturing	56,314	54,145	188,315	174,126
Trading	41,808	35,483	131,596	108,141
Total	106,088	95,471	330,930	291,569
Eliminations	(58,166)	(51,082)	(179,527)	(152,682)
Revenue after eliminations	47,922	44,389	151,403	138,887
<u>Profit/(loss) before tax</u>				
Investment holding	6,925	5,258	7,706	7,844
Manufacturing	4,827	3,650	15,590	15,914
Trading	5,259	593	11,397	2,699
Total	17,011	9,501	34,693	26,457
Eliminations	(6,467)	(4,777)	(7,087)	(5,090)
Profit/(loss) before tax after eliminations	10,544	4,724	27,606	21,367

Investment Holdings

Q3 FY2017 vs. Q3 FY2016

The investment holding segment profit increased by RM1.67 million in the current quarter as compared to preceding year quarter, mainly due to higher dividends received from a wholly owned subsidiary by RM2.04 million in the current year quarter as compared to preceding year quarter.

Q3 YTD FY2017 vs. Q3 YTD FY2016

The investment holding segment YTD profit decreased by RM0.14 million in the current year as compared to preceding year, mainly due to lower foreign exchange gain by RM0.66 million.

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Manufacturing

Q3 FY2017 vs. Q3 FY2016

The manufacturing segment profit increased by RM1.18 million, mainly due to higher revenue and foreign exchange gain of RM0.79 million in the current year quarter as compared to foreign exchange loss of RM0.46 million in the preceding year quarter.

Q3 YTD FY2017 vs. Q3 YTD FY2016

Despite the increase in revenue, the manufacturing segment YTD profit decreased by RM0.32 million, mainly due to lower foreign exchange gain by RM1.04 million in the current year as compared to preceding year but was offset by lower operating expenses.

Trading

Q3 FY2017 vs. Q3 FY2016

The trading profit increased by RM4.67 million in the current year quarter as compared to preceding year quarter, mainly due to higher gross profit as a result of increase in revenue and higher foreign exchange gain by RM1.17 million in current year quarter as compared to preceding year quarter.

Q3 YTD FY2017 vs. Q3 YTD FY2016

The trading segment YTD profit increased by RM8.7 million in the current year as compared to preceding year, mainly due to increase in gross profit as a result of higher revenue.

**2. COMPARISON WITH THE IMMEDIATE PRECEDING QUARTER'S RESULTS**

The Group's revenue for the current quarter was RM47.92 million, representing a decrease of RM1.65 million or 3.3% as compared to that of the immediate preceding quarter ended 30 September 2016.

The Group recorded a profit before taxation of RM10.55 million for the quarter under review, representing an increase in profit by RM1.4 million as compared to that of the immediate preceding quarter. Despite the decrease in revenue, the profit before tax increased mainly due to higher foreign exchange gain by RM1.93 million in the current quarter as compared to immediate preceding quarter.

**3. COMMENTARY ON PROSPECTS**

As evident from the last financial year and recent results, initiatives remain focused on driving business growth. Such current and emerging initiatives remain central to our considerations and as such the Directors are confident that the Group is well positioned to enjoy a positive business outlook.

**4. VARIANCE OF ACTUAL AND FORECASTED PROFIT AND SHORTFALL IN PROFIT GUARANTEE**

The disclosure requirements for explanatory notes for the variance of actual profit after tax and forecast profit after tax are not applicable.

The Group did not announce any profit guarantee.

**5. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME**

	Quarter ended 31 Dec 2016 RM'000	Current year- to-date ended 31 Dec 2016 RM'000
Interest income	(294)	(704)
Other income including investment income	116	(36)
Interest expense	-	-
Depreciation and amortisation	1,306	4,020
Provision for and written off of receivables *	-	-
Provision for and written off of inventories	-	499
(Gain)/loss on disposal of quoted/unquoted investments *	-	-
(Gain)/Loss on disposal of properties *	-	-
Impairment of assets #	-	-
Foreign exchange (gain) or loss	(2,310)	(3,037)
(Gain) or loss on derivatives *	-	-
Exceptional item charged / (credited) *	-	-

\* Not applicable during the period

# Product development cost written off

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**6. INCOME TAX EXPENSE**

	Quarter ended 31 Dec 2016 RM'000	Current year- to-date ended 31 Dec 2016 RM'000
Estimated income tax expense:		
Current tax expense/(income)	2,381	5,129
Under/(over)-provision in prior quarter/ year	(9)	(9)
Deferred tax	(178)	516
	2,194	5,636

The Group's current quarter and financial year to-date income tax reflects an effective tax rate which is lower than the statutory income tax rate mainly due to profit of a subsidiary which is not subject to corporate tax.

**7. DISCLOSURE ON REALISED AND UNREALISED PROFITS/(LOSSES)**

The breakdown of the retained earnings/(accumulated losses) are as follows:

	As at 31 Dec 2016 RM'000	As at 30 Sep 2016 RM'000
Total retained earnings/(accumulated losses) of the Company and its subsidiaries		
Realised	90,604	85,452
Unrealised	1,963	(1,551)
	92,567	83,901
Add: Consolidation adjustments	(35,327)	(35,045)
Total Group retained earnings/(accumulated losses) as per statement of financial position	57,240	48,856

**8. STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT YET TO BE COMPLETED**

There were no corporate proposals announced but not completed as at the date of issue of this interim financial report.

**9. GROUP BORROWINGS AND DEBT SECURITIES**

There were no group borrowings and debt securities as at the end of the reporting quarter.

**10. FINANCIAL INSTRUMENTS**

As at 31 December 2016, the foreign currency contracts which have been entered into by the Group to hedge its foreign receivables in US Dollar and Japanese Yen are as follows:

	Contract value USD'000	Notional value RM'000	Financial liabilities carried at fair value RM'000
Forward Foreign Currency Contracts			
Less than 1 year	5,200	21,486	1,841
	5,200	21,486	1,841
	Contract value JPY'000	Notional value USD'000	Financial assets carried at fair value RM'000
Forward Foreign Currency Contracts			
Less than 1 year	228,845	2,216	1,249
	228,845	2,216	1,249

Financial instruments are classified as Financial assets/liabilities at fair value through profit or loss (FVTPL).

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**THIRD QUARTER REPORT ENDED 31 DECEMBER 2016**

Financial assets/liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss is included in the "other gains and losses" line item in the statement of comprehensive income.

**11. MATERIAL LITIGATION**

There was no material litigation pending as at date of issue of this interim financial report.

**12. DIVIDENDS DECLARED OR PAYABLE**

No interim dividend has been declared by the Company for the quarter ended 31 December 2016.

**13. EARNINGS PER SHARE**

**a. Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

	Current Quarter ended 31 Dec 2016	Current year- to-date ended 31 Dec 2016
Profit/(loss) for the period attributable to the owners of the Company (RM'000)	<u>8,350</u>	<u>21,970</u>
Weighted average number of ordinary shares in issue ('000)	<u>88,028</u>	<u>88,028</u>
Basic earnings/(loss) per share (sen)	<u>9.49</u>	<u>24.96</u>

**b. Diluted earnings per share**

The Group has no dilution in its earnings per ordinary share for the current quarter and year to-date under review as the Group has no potential ordinary shares in issue.

Date: 27 February 2017