

DELEUM BERHAD (715640-T)
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2016

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DELEUM BERHAD (715640-T)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2016**

RM'000	QUARTER AND YEAR-TO-DATE ENDED	
	31/03/2016	31/03/2015
	Unaudited	Unaudited
Continuing operations		
Revenue	151,873	135,867
Cost of sales	(124,333)	(106,975)
Gross profit	27,540	28,892
Other operating income	569	664
Selling and distribution costs	(7,642)	(7,691)
Administrative expenses	(11,590)	(12,333)
Other operating gains	3,690	813
Operating profit	12,567	10,345
Finance costs	(1,440)	(1,987)
Share of results of a joint venture (net of tax)	128	0
Share of results of associates (net of tax)	233	3,567
Profit before tax	11,488	11,925
Income tax expense	(3,745)	(2,673)
Profit from continuing operations	7,743	9,252
Discontinued operation		
Profit from discontinued operation (net of tax)	0	1,041
Profit for the period	7,743	10,293
Other comprehensive income		
Currency translation differences	(565)	335
Total comprehensive income for the period	7,178	10,628
Profit attributable to:		
- Equity holders of the Company	5,953	8,228
- Non-controlling interests	1,790	2,065
	7,743	10,293
Total comprehensive income attributable to:		
- Equity holders of the Company	5,709	8,334
- Non-controlling interests	1,469	2,294
	7,178	10,628
Earnings per share (EPS) attributable to equity holders of the Company (sen)		
- Basic EPS		
- From continuing operations	1.49	1.80
- From discontinued operation	0.00	0.26
	<u>1.49</u>	<u>2.06</u>
- Diluted EPS		
- From continuing operations	1.48	1.79
- From discontinued operation	0.00	0.26
	<u>1.48</u>	<u>2.05</u>

The above unaudited condensed interim consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

DELEUM BERHAD (715640-T)
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2016

RM'000	As at 31/03/2016	As at 31/12/2015
	Unaudited	Audited
ASSETS		
Property, plant and equipment	219,430	226,786
Investment properties	859	865
Intangible assets	2,985	3,091
Associates	44,338	44,750
Joint venture	27,150	27,022
Deferred tax assets	5,138	6,306
Non-current Assets	299,900	308,820
Inventories	26,130	20,440
Amounts due from an associate	15	1,616
Amounts due from a joint venture	104	177
Trade receivables	155,652	175,467
Deferred cost	7,308	9,226
Other receivables, deposits and prepayments	17,834	18,651
Tax recoverable	3,722	3,657
Restricted cash	11,135	10,882
Cash and cash equivalents	78,445	123,830
Current Assets	300,345	363,946
TOTAL ASSETS	600,245	672,766
EQUITY AND LIABILITIES		
Share capital	200,000	200,000
Equity - share based payment	313	206
Retained earnings	137,208	145,255
Merger deficit	(50,000)	(50,000)
Foreign currency translation	(2,811)	(2,736)
Equity attributable to equity holders of the Company	284,710	292,725
Non-controlling interests	26,261	26,262
Total Equity	310,971	318,987
Borrowings	73,806	79,960
Deferred tax liabilities	18,817	18,662
Non-current Liabilities	92,623	98,622
Trade payables	88,341	144,471
Deferred revenue	9,913	8,883
Other payables and accruals	31,393	33,272
Amounts due to an associate	6,879	7,517
Amounts due to a joint venture	297	299
Dividend payable	567	343
Taxation	2,481	2,946
Borrowings	56,780	57,426
Current Liabilities	196,651	255,157
Total Liabilities	289,274	353,779
TOTAL EQUITY AND LIABILITIES	600,245	672,766

The above unaudited condensed interim consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

DELEUM BERHAD (715640-T)
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UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2016

	← Attributable to equity holders of the Company →						Non-controlling interests	Total equity	
	Issued and fully paid ordinary shares of RM0.50 each		-----Non-distributable-----		Distributable				
	Number of shares '000	Nominal value RM'000	Share based payment RM'000	Foreign currency translation RM'000	Merger deficit RM'000	Retained earnings RM'000			Total RM'000
At 1 January 2015	400,000	200,000	0	(3,050)	(50,000)	127,843	274,793	30,129	304,922
Profit for the financial period	0	0	0	0	0	8,228	8,228	2,065	10,293
Other comprehensive income for the period	0	0	0	106	0	0	106	229	335
Total comprehensive income for the period	0	0	0	106	0	8,228	8,334	2,294	10,628
Share based payment	0	0	153	0	0	0	153	0	153
Dividend	0	0	0	0	0	(20,000)	(20,000)	(5,649)	(25,649)
At 31 March 2015	<u>400,000</u>	<u>200,000</u>	<u>153</u>	<u>(2,944)</u>	<u>(50,000)</u>	<u>116,071</u>	<u>263,280</u>	<u>26,774</u>	<u>290,054</u>
At 1 January 2016	400,000	200,000	206	(2,736)	(50,000)	145,255	292,725	26,262	318,987
Profit for the financial period	0	0	0	0	0	5,953	5,953	1,790	7,743
Other comprehensive income for the period	0	0	0	(75)	0	0	(75)	(321)	(396)
Total comprehensive income for the period	0	0	0	(75)	0	5,953	5,878	1,469	7,347
Share based payment	0	0	107	0	0	0	107	0	107
Dividend	0	0	0	0	0	(14,000)	(14,000)	(1,470)	(15,470)
At 31 March 2016	<u>400,000</u>	<u>200,000</u>	<u>313</u>	<u>(2,811)</u>	<u>(50,000)</u>	<u>137,208</u>	<u>284,710</u>	<u>26,261</u>	<u>310,971</u>

The above unaudited condensed interim consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

DELEUM BERHAD (715640-T)
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UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR-TO-DATE ENDED 31 MARCH 2016

RM'000	YEAR-TO-DATE ENDED	
	31/03/2016	31/03/2015
	Unaudited	Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	7,743	10,293
<u>Adjustments for:</u>		
Impairment for doubtful debts:		
Trade receivables		
- impairment made	0	347
- write back of impairment	0	(45)
Other receivables		
- write back of impairment	(1,500)	0
Allowance for slow moving inventories:		
- write back of allowance	(21)	(5)
Amortisation of intangible assets	269	196
Financial guarantee receivables	(5)	0
Depreciation:		
- property, plant and equipment	8,284	7,092
- investment properties	6	5
Bad debts written off:		
- trade receivables	0	105
- other receivables	42	0
Provision for liquidated damages		
- provision made	2	0
Loss/(gain) on disposals of property, plant and equipment	2	(13)
Interest income	(339)	(354)
Finance cost	1,440	2,015
Share based payment expense	107	153
Reversal of share based payment expense		0
Share of results of associates	(233)	(3,567)
Share of results of a joint venture	(128)	0
Tax expense	3,745	2,652
Unrealised foreign exchange gains	(760)	(1,403)
Gain from sale of discontinued operation	0	(1,127)
Operating profit before working capital changes	18,654	16,344
<u>Changes in working capital</u>		
Inventories	(5,669)	6,404
Amounts due from a joint venture	(86)	0
Trade receivables	13,952	43,009
Deferred costs	1,918	1,408
Other receivables, deposits and prepayments	2,000	3,933
Trade payables	(45,694)	(7,495)
Other payables and accruals	(1,793)	(18,742)
Deferred revenue	1,030	8,339
Cash (used in) / generated from operations	(15,688)	53,200
Tax paid	(2,952)	(4,539)
Interest paid	(1,362)	(2,015)
Net cash (used in) / generated from operating activities	(20,002)	46,646

DELEUM BERHAD (715640-T)
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UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR-TO-DATE ENDED 31 MARCH 2016 (CONTINUED)

RM'000	YEAR-TO-DATE ENDED	
	31/03/2016	31/03/2015
	Unaudited	Unaudited
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	330	362
Property, plant and equipment		
- Purchases	(1,081)	(12,115)
- Proceeds from disposals	151	176
Purchases of intangible assets	(163)	(149)
Dividend received from associates	1,600	4,332
Proceed from reduction of capital in Associate		
Amounts due from an associate	1	(1)
Amounts due from a joint venture	159	0
Amounts due to an associate	(638)	3,151
Amounts due to a joint venture	(2)	0
Net cash generated from / (used in) investing activities	357	(4,244)
CASH FLOWS FROM FINANCING ACTIVITIES		
Revolving credit		
- Drawn down	0	2,700
- Repayment	(2,000)	(6,000)
Loans against import		
- Drawn down	1,359	0
Term loan		
- Repayment	(6,150)	(148)
Repayment of hire purchase under finance lease	(9)	(9)
Dividends paid to:		
- Shareholders	(13,723)	(19,567)
- Non-controlling interest	(1,523)	(4,876)
Increase in restricted cash	(253)	(7,709)
Net cash used in financing activities	(22,299)	(35,609)
Net (decrease) / increase in cash and cash equivalents	(41,944)	6,793
Foreign currency translation	(3,441)	2,447
Disposal of discontinued operation	0	(5,878)
Cash and cash equivalents at beginning of the period	123,830	80,717
Cash and cash equivalents at end of period	78,445	84,079
COMPOSITION OF CASH AND CASH EQUIVALENTS		
Short term deposits	53,103	66,093
Cash and bank balances	36,477	26,418
	89,580	92,511
Restricted cash	(11,135)	(8,432)
Cash and cash equivalents at end of period	78,445	84,079

The above consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.