

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

**UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 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 30 JUNE 2016**

RM'000	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	QUARTER ENDED 30/06/2016 Unaudited	QUARTER ENDED 30/06/2015 Unaudited	YEAR-TO-DATE ENDED 30/06/2016 Unaudited	YEAR-TO-DATE ENDED 30/06/2015 Unaudited
<b>Continuing operations</b>				
Revenue	116,243	181,935	268,116	317,802
Cost of sales	(87,010)	(137,482)	(211,343)	(244,457)
Gross profit	29,233	44,453	56,773	73,345
Other operating income	735	422	1,304	1,086
Selling and distribution costs	(6,047)	(7,384)	(13,689)	(15,075)
Administrative expenses	(12,123)	(13,257)	(23,713)	(25,590)
Other operating gains / (losses)	674	(454)	4,364	359
Operating profit	12,472	23,780	25,039	34,125
Finance costs	(1,404)	(1,985)	(2,844)	(3,972)
Share of results of a joint venture (net of tax)	180	613	308	613
Share of results of associates (net of tax)	81	1,689	314	5,256
Profit before tax	11,329	24,097	22,817	36,022
Income tax expense	(2,321)	(4,741)	(6,066)	(7,414)
<b>Profit from continuing operations</b>	<b>9,008</b>	<b>19,356</b>	<b>16,751</b>	<b>28,608</b>
<b>Discontinued operation</b>				
Profit from discontinued operation (net of tax)	0	0	0	1,041
<b>Profit for the period</b>	<b>9,008</b>	<b>19,356</b>	<b>16,751</b>	<b>29,649</b>
<b>Other comprehensive income</b>				
<b>Currency translation differences</b>	<b>369</b>	<b>149</b>	<b>(196)</b>	<b>484</b>
<b>Total comprehensive income for the period</b>	<b>9,377</b>	<b>19,505</b>	<b>16,555</b>	<b>30,133</b>
<b>Profit attributable to:</b>				
- Equity holders of the Company	7,335	17,088	13,288	25,316
- Non-controlling interests	1,673	2,268	3,463	4,333
	<b>9,008</b>	<b>19,356</b>	<b>16,751</b>	<b>29,649</b>
<b>Total comprehensive income attributable to:</b>				
- Equity holders of the Company	7,586	17,149	13,295	25,483
- Non-controlling interests	1,791	2,356	3,260	4,650
	<b>9,377</b>	<b>19,505</b>	<b>16,555</b>	<b>30,133</b>
<b>Earnings per share (EPS) attributable to equity holders of the Company (sen)</b>				
<b>- Basic EPS</b>				
- From continuing operations	1.83	4.27	3.32	6.07
- From discontinued operation	0.00	0.00	0.00	0.26
	<b>1.83</b>	<b>4.27</b>	<b>3.32</b>	<b>6.33</b>
<b>- Diluted EPS</b>				
- From continuing operations	1.81	4.25	3.28	6.04
- From discontinued operation	0.00	0.00	0.00	0.26
	<b>1.81</b>	<b>4.25</b>	<b>3.28</b>	<b>6.30</b>

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)**  
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**UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2016**

<b>RM'000</b>	<b>As at 30/6/2016</b>	<b>As at 31/12/2015</b>
	<b>Unaudited</b>	<b>Audited</b>
<b>ASSETS</b>		
Property, plant and equipment	212,434	226,786
Investment properties	853	865
Intangible assets	2,910	3,091
Associates	44,679	44,750
Joint venture	27,330	27,022
Deferred tax assets	4,957	6,306
<b>Non-current Assets</b>	<b>293,163</b>	<b>308,820</b>
Inventories	25,228	20,440
Amounts due from an associate	24	1,616
Amounts due from a joint venture	11	177
Trade receivables	125,636	175,467
Deferred cost	7,302	9,226
Other receivables, deposits and prepayments	19,622	18,651
Tax recoverable	3,763	3,657
Restricted cash	10,833	10,882
Cash and cash equivalents	106,793	123,830
<b>Current Assets</b>	<b>299,212</b>	<b>363,946</b>
<b>TOTAL ASSETS</b>	<b>592,375</b>	<b>672,766</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	200,000	200,000
Equity - share based payment	408	206
Retained earnings	144,543	145,255
Merger deficit	(50,000)	(50,000)
Foreign currency translation	(2,729)	(2,736)
Equity attributable to equity holders of the Company	292,222	292,725
Non-controlling interests	28,052	26,262
<b>Total Equity</b>	<b>320,274</b>	<b>318,987</b>
Borrowings	67,651	79,960
Deferred tax liabilities	19,924	18,662
<b>Non-current Liabilities</b>	<b>87,575</b>	<b>98,622</b>
Trade payables	87,405	144,471
Deferred revenue	11,122	8,883
Other payables and accruals	20,283	33,272
Amounts due to an associate	7,030	7,517
Amounts due to a joint venture	250	299
Dividend payable	309	343
Taxation	844	2,946
Borrowings	57,283	57,426
<b>Current Liabilities</b>	<b>184,526</b>	<b>255,157</b>
<b>Total Liabilities</b>	<b>272,101</b>	<b>353,779</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>592,375</b>	<b>672,766</b>

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 30 JUNE 2016**

	← Issued and fully paid ordinary shares of RM0.50 each		Attributable to equity holders of the Company				Total	Non-controlling interests	Total equity
			-----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	RM'000	RM'000	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	25,316	25,316	4,333	29,649
Other comprehensive income for the financial period	0	0	0	167	0	0	167	317	484
Total comprehensive income for the financial period	0	0	0	167	0	25,316	25,483	4,650	30,133
Share based payment	0	0	580	0	0	0	580	0	580
Dividend	0	0	0	0	0	(20,000)	(20,000)	(6,728)	(26,728)
At 30 June 2015	<u>400,000</u>	<u>200,000</u>	<u>580</u>	<u>(2,883)</u>	<u>(50,000)</u>	<u>133,159</u>	<u>280,856</u>	<u>28,051</u>	<u>308,907</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	13,288	13,288	3,463	16,751
Other comprehensive income for the financial period	0	0	0	7	0	0	7	(203)	(196)
Total comprehensive income for the financial period	0	0	0	7	0	13,288	13,295	3,260	16,555
Share based payment	0	0	202	0	0	0	202	0	202
Dividend	0	0	0	0	0	(14,000)	(14,000)	(1,470)	(15,470)
At 30 June 2016	<u>400,000</u>	<u>200,000</u>	<u>408</u>	<u>(2,729)</u>	<u>(50,000)</u>	<u>144,543</u>	<u>292,222</u>	<u>28,052</u>	<u>320,274</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.

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**UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR-TO-DATE ENDED 30 JUNE 2016**

RM'000	YEAR-TO-DATE ENDED	
	30/06/2016	30/06/2015
	Unaudited	Unaudited
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the period	16,751	29,649
<u>Adjustments for:</u>		
Impairment for doubtful debts:		
Trade receivables		
- impairment made	171	347
- write back of impairment	0	(301)
Other receivables		
- write back of impairment	(2,300)	0
Allowance for slow moving inventories:		
- write back of allowance	(62)	(19)
Amortisation of intangible assets	543	434
Financial guarantee receivables	(9)	(4)
Depreciation:		
- property, plant and equipment	16,396	13,930
- investment properties	12	11
Bad debts written off:		
- trade receivables	0	105
- other receivables	60	0
Provision for liquidated damages		
- provision made	38	2
Gain on disposals of property, plant and equipment	(93)	(11)
Write-off:		
- property, plant and equipment	0	6
Interest income	(818)	(581)
Finance cost	2,844	4,000
Share based payment expense	202	580
Share of results of associates	(314)	(5,256)
Share of results of a joint venture	(308)	(613)
Tax expense	6,066	7,392
Unrealised foreign exchange (gains) / losses	(3,351)	176
Gain from sale of discontinued operation	0	(1,127)
Operating profit before working capital changes	35,828	48,720
<u>Changes in working capital</u>		
Inventories	(4,726)	5,688
Amounts due from a joint venture	(51)	0
Trade receivables	50,026	17,406
Deferred costs	1,924	5,040
Other receivables, deposits and prepayments	877	1,001
Trade payables	(50,960)	14,305
Other payables and accruals	(12,752)	(24,899)
Deferred revenue	2,239	(5,219)
Cash generated from operations	22,405	62,042
Tax paid	(5,723)	(8,453)
Tax refunded	60	0
Interest paid	(2,719)	(3,978)
<b>Net cash generated from operating activities</b>	<b>14,023</b>	<b>49,611</b>

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**UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR-TO-DATE ENDED 30 JUNE 2016 (CONT'D)**

RM'000	YEAR-TO-DATE ENDED	
	30/06/2016	30/06/2015
	Unaudited	Unaudited
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	812	576
Property, plant and equipment		
- Purchases	(2,985)	(18,142)
- Proceeds from disposals	394	186
Purchases of intangible assets	(362)	(365)
Dividend received from associates	1,600	4,332
Amounts due from an associate	(8)	0
Amounts due from a joint venture	217	(234)
Amounts due to an associate	(487)	6,623
Amounts due to a joint venture	(49)	168
<b>Net cash used in investing activities</b>	<b>(868)</b>	<b>(6,856)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Revolving credit		
- Drawn down	1,150	7,500
- Repayment	(2,000)	(6,000)
Loans against import		
- Drawn down	2,073	1,934
- Repayment	(1,359)	0
Term loan		
- Repayment	(12,300)	(6,299)
Repayment of hire purchase under finance lease	(16)	(17)
Dividends paid to:		
- Shareholders	(13,957)	(19,567)
- Non-controlling interest	(1,547)	(5,956)
Decrease / (increase) in restricted cash	49	(7,895)
<b>Net cash used in financing activities</b>	<b>(27,907)</b>	<b>(36,300)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(14,752)</b>	<b>6,455</b>
Foreign currency translation	(2,285)	3,277
Disposal of discontinued operation	0	(5,878)
Cash and cash equivalents at beginning of the period	123,830	80,717
<b>Cash and cash equivalents at end of period</b>	<b>106,793</b>	<b>84,571</b>
<b>COMPOSITION OF CASH AND CASH EQUIVALENTS</b>		
Short term deposits	88,914	68,937
Cash and bank balances	28,712	24,252
	117,626	93,189
Restricted cash	(10,833)	(8,618)
<b>Cash and cash equivalents at end of period</b>	<b>106,793</b>	<b>84,571</b>

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.