

# APFT BERHAD

Company's No.: 886873-T  
(Incorporated in Malaysia)

## Quarterly Report on Results for the Second Quarter Ended 30 September 2015

### CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER ENDED	PRECEDING YEAR CORRESPONDING QUARTER ENDED	CURRENT YEAR TO DATE ENDED	PRECEDING YEAR CORRESPONDING PERIOD ENDED
	30.09.2015 RM'000	30.09.2014 RM'000	30.09.2015 RM'000	30.09.2014 RM'000
Operating revenue	1,591	24,414	14,453	52,645
Cost of services	(3,934)	(19,721)	(14,091)	(42,526)
<b>Gross (loss)/profit</b>	<b>(2,343)</b>	<b>4,693</b>	<b>362</b>	<b>10,119</b>
Other income	534	474	598	712
Administrative expenses	(4,463)	(2,111)	(9,587)	(3,995)
Marketing expenses	(105)	(54)	(187)	(148)
Other operating expenses	(1,977)	(1,083)	(2,000)	(2,126)
Finance costs	(353)	(555)	(673)	(1,194)
Share of loss in an associate	(19)	-	(21)	-
<b>(Loss)/Profit before taxation</b>	<b>(8,726)</b>	<b>1,364</b>	<b>(11,508)</b>	<b>3,368</b>
Taxation	(354)	(545)	(354)	(1,091)
<b>Net (loss)/profit for the period</b>	<b>(9,080)</b>	<b>819</b>	<b>(11,862)</b>	<b>2,277</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive (loss)/profit</b>	<b>(9,080)</b>	<b>819</b>	<b>(11,862)</b>	<b>2,277</b>
<b>Net (loss)/profit attributable to:</b>				
Owners of the Company	(7,229)	26	(9,099)	29
Non-controlling interests	(1,851)	793	(2,763)	2,248
Net (loss)/profit for the financial period	(9,080)	819	(11,862)	2,277
<b>Total comprehensive (loss)/profit attributable to:</b>				
Owners of the Company	(7,229)	26	(9,099)	29
Non-controlling interests	(1,851)	793	(2,763)	2,248
Total comprehensive (loss)/profit for the financial period	(9,080)	819	(11,862)	2,277
Weighted average no. of ordinary shares in issue ('000)	358,203	315,203	352,110	311,464
<b>(Loss)/Profit per share (sen)</b>				
(a) Basic	(2.02)	0.01	(2.58)	0.01

Notes:

- a. The Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2015 and the accompanying notes attached to this interim financial report.

# APFT BERHAD

Company's No.: 886873-T  
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## Quarterly Report on Results for the Second Quarter Ended 30 September 2015 CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	UNAUDITED AS AT 30.09.2015 RM'000	AUDITED AS AT 31.03.2015 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
<i>Property, plant and equipment</i>	40,427	41,324
<i>Investment in an associate company</i>	1,601	1,623
<i>Goodwill on consolidation</i>	21,306	21,306
<i>Deferred cost</i>	429	506
<i>Fixed deposits</i>	679	678
<b>Total non-current assets</b>	<u>64,442</u>	<u>65,437</u>
<b>Current assets</b>		
<i>Inventories</i>	1,314	1,479
<i>Amount due from contract customers</i>	10,405	10,753
<i>Trade receivables</i>	11,212	14,686
<i>Other receivables</i>	3,685	3,256
<i>Amount due from non-controlling interests</i>	103	-
<i>Tax recoverable</i>	859	729
<i>Cash and bank balances</i>	2,866	1,988
<b>Total current assets</b>	<u>30,444</u>	<u>32,891</u>
<b>Total assets</b>	<u>94,886</u>	<u>98,328</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
<i>Share capital</i>	85,255	63,041
<i>Share premium</i>	15,627	15,478
<i>Merger deficit</i>	(21,000)	(21,000)
<i>Warrant reserve</i>	19,233	19,233
<i>Discount on shares</i>	(19,233)	(19,233)
<i>Translation reserve</i>	(69)	(10)
<i>Accumulated losses</i>	(37,031)	(27,932)
	<u>42,782</u>	<u>29,577</u>
<i>Non-controlling interests</i>	689	3,452
<b>Total equity</b>	<u>43,471</u>	<u>33,029</u>
<b>Non-current liabilities</b>		
<i>Borrowings</i>	2,135	5,437
<i>Hire purchase creditors</i>	1,061	1,182
<i>Deferred tax liability</i>	134	134
<i>Employee benefits</i>	24	34
<b>Total non-current liabilities</b>	<u>3,354</u>	<u>6,787</u>
<b>Current liabilities</b>		
<i>Trade payables</i>	20,119	16,136
<i>Other payables</i>	11,301	9,616
<i>Amount due to an associate company</i>	1,191	1,146
<i>Amount due to non-controlling interests</i>	-	3,335
<i>Amount due to Director</i>	5,692	20,247
<i>Deferred income</i>	1,229	2,496
<i>Borrowings</i>	4,990	2,237
<i>Hire purchase creditors</i>	1,063	1,285
<i>Tax payable</i>	461	-
<i>Bank overdraft</i>	2,015	2,014
<b>Total current liabilities</b>	<u>48,061</u>	<u>58,512</u>
<b>Total liabilities</b>	<u>51,415</u>	<u>65,299</u>
<b>Total liabilities and equity</b>	<u>94,886</u>	<u>98,328</u>
Number of ordinary shares in issue ('000)	426,273	308,730
Net assets per share attributable to ordinary equity holders of the company (RM)	<u>0.10</u>	<u>0.10</u>

Note:

The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2015 and the accompanying notes attached to this interim financial report.

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## Quarterly Report on Results for the Second Quarter Ended 30 September 2015 CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(The figures have not been audited)

	Share Capital	Merger Deficit	Share Premium	Warrant Reserve	Discount on Shares	Translation Reserve	(Accumulated Losses)	Total	Non-Controlling Interests	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Balance as at 1 April 2015</b>	63,041	(21,000)	15,478	19,233	(19,233)	(10)	(27,932)	29,577	3,452	33,029
Total comprehensive loss	-	-	-	-	-	(59)	(9,099)	(9,158)	(2,763)	(11,921)
<b>Transactions with owners of the Company</b>										
Issuance of shares	22,214	-	149	-	-	-	-	22,363	-	22,363
<b>Balance as at 30 September 2015</b>	<u>85,255</u>	<u>(21,000)</u>	<u>15,627</u>	<u>19,233</u>	<u>(19,233)</u>	<u>(69)</u>	<u>(37,031)</u>	<u>42,782</u>	<u>689</u>	<u>43,471</u>
<b>Balance as at 1 April 2014</b>	61,746	(21,000)	15,615	19,233	(19,233)	-	(5,880)	50,481	3,186	53,667
Arising from acquisition of a subsidiary company	-	-	-	-	-	-	-	-	187	187
Total comprehensive (loss)/profit	-	-	-	-	-	(10)	(22,052)	(22,062)	79	(21,983)
<b>Transactions with owners of the Company</b>										
Issuance of shares	1,295	-	(137)	-	-	-	-	1,158	-	1,158
<b>Balance as at 31 March 2015</b>	<u>63,041</u>	<u>(21,000)</u>	<u>15,478</u>	<u>19,233</u>	<u>(19,233)</u>	<u>(10)</u>	<u>(27,932)</u>	<u>29,577</u>	<u>3,452</u>	<u>33,029</u>

**Notes:**  
The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2015 and the accompanying notes attached to this interim financial report.

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## Quarterly Report on Results for the Second Quarter Ended 30 September 2015

### CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(The figures have not been audited)

	CURRENT PERIOD TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30.09.2015	30.09.2014
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss)/Profit before taxation	(11,508)	3,368
Adjustments for:		
Depreciation	2,331	2,674
Interest income	(17)	(1)
Interest expenses	673	1,194
Share of loss of an associate	21	-
Unrealised gain on foreign exchange	(60)	-
Amortisation of deferred costs	77	77
Provision for employee benefit	(10)	-
Operating (loss)/profit before working capital changes	(8,493)	7,312
Changes in working capital:		
Inventories	165	345
Contract customers	348	(5,188)
Receivables	3,045	(10,652)
Payables	5,668	317
Deferred income	(1,267)	459
Non-controlling interests	(3,438)	8,607
Director	(9,885)	2,328
Cash (used in)/generated from operations	(13,857)	3,528
Interest income	17	1
Interest paid	(343)	(741)
Taxes paid	(23)	(434)
<b>Net cash (used in)/ from operating activities</b>	<b>(14,206)</b>	<b>2,354</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(1,434)	(1,929)
Placement of fixed deposits	-	(113)
<b>Net cash used in investing activities</b>	<b>(1,434)</b>	<b>(2,042)</b>

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### CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(The figures have not been audited)

	CURRENT PERIOD TO DATE 30.09.2015 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.09.2014 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	(549)	(796)
Repayment of hire purchase creditors	(343)	(368)
Net proceeds from issuance of shares Associate	17,364 45	1,158 -
<b>Net cash from/(used in) financing activities</b>	<b>16,517</b>	<b>(6)</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Net increase	877	306
Brought forward	(26)	(663)
<b>Carried forward</b>	<b>851</b>	<b>(357)</b>

Notes :

The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2015 and the accompanying notes attached to this interim financial report.

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**NOTES**

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**A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING**

**A1 Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards 134 (MFRS134): "Interim Financial Reporting" and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements also comply with IAS 34, Interim Financial Reporting issued by the International Accounting Standards Board. For periods up to and including the financial year ended 31 March 2015, the Group prepared its financial statements in accordance with Malaysian Financial Reporting Standards ("MFRS").

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

The Group has adopted the Malaysian Financial Reporting Standards ("MFRS") framework issued by Malaysian Accounting Standards Board ("MASB") with effect from 1 January 2013. This MFRS framework was introduced by the MASB in order to fully converge Malaysia's existing Financial Reporting Standards ("FRS") framework with the International Financial Reporting Standards ("IFRS") framework issued by the International Accounting Standards Board.

The Group has also adopted all the new and revised MFRSs and IC Interpretations that are relevant and effective for the accounting periods beginning on or after 1 April 2015. The adoption of these standards, amendments and interpretations have not resulted in any material impacts to these interim financial statements.

**A2 Change in accounting policies**

The significant accounting policies and method of computation adopted by the Group in this interim financial report are consistent with those of the audited financial statements for the year ended 31 March 2015 except for those standards, amendments and interpretations which are effective from the annual period beginning 1 April 2015.

**A3 Auditor's report**

The auditor's report on the preceding audited financial statements of the Group for the financial year ended 31 March 2015 was not subject to any qualification.

**A4 Seasonal or cyclical factor**

The Group's business does not experience any material seasonality

**A5 Unusual items affecting financial statements**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter under review.

**A6 Material changes in estimates**

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

**A7 Debts and equity securities**

There was no issuance, cancellation, repurchases, resale nor repayment of equity securities or debt securities during the current financial quarter under review except for the corporate proposals as disclosed in B8(a)

**A8 Dividend paid**

There were no dividends paid by the Company since the last financial year.

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**A9 Operating segment**

Operating segments are components in which separate financial information is available that is evaluated regularly by the Board of Directors in deciding how to allocate resources and in assessing performance of the Group. The Group has identified the business of flight education and training, mechanical engineering works and services and maintenance training services as its operating segments.

Period ended 30 September 2015	Flight education and training	Mechanical engineering works and services	Maintenance Training Services	Others	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue from</b>						
External customers	6,898	6,480	939	136	-	14,453
Inter-segment revenue	-	-	-	1,768	(1,768)	-
<b>Total revenue</b>	<u>6,898</u>	<u>6,480</u>	<u>939</u>	<u>1,904</u>	<u>(1,768)</u>	<u>14,453</u>
Segmented result	(4,100)	(4,744)	(1,159)	(1,484)	-	(11,487)
Share of result of an associate	(21)	-	-	-	-	(21)
<b>Loss before taxation</b>						(11,508)
Income tax expenses						(354)
<b>Net loss for the financial year</b>						<u>(11,862)</u>
<b>Segment assets</b>	<u>55,817</u>	<u>21,797</u>	<u>1,011</u>	<u>109,872</u>	<u>(93,611)</u>	<u>94,886</u>

**Notes:**

*There is no geographical segmental information as the Group operates principally in Malaysia and the result of oversea operation is immaterial.*

**A10 Valuation of aircraft, property, plant and equipment**

Aircraft, property, plant and equipment of the Group are stated at cost less accumulated depreciation and impairment losses. No valuation of aircraft, property, plant and equipment was undertaken during the current quarter under review.

**A11 Material events subsequent to the end of the quarter**

Save as disclosed in B8, there were no material events subsequent to the current financial quarter ended 30 September 2015 up to the date of this report which is likely to substantially affect the results of the operations of the Group.

**A12 Changes in the composition of the Company**

There were no changes in the composition of the Group during the current quarter under review.

**A13 Contingent liabilities**

Contingent liabilities of the Group as at 30 September 2015 is RM8.357 million for corporate guarantee granted to subsidiary company.

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**A14 Capital commitments**

- a. Non-cancellable lease commitments of the Group as at 30 September 2015 are as follows

	<b>AS AT 30.09.2015 RM'000</b>	<b>AS AT 30.09.2014 RM'000</b>
Current		
- within one year	421	333
Non-current		
- between one (1) and two (2) years	421	412
- between two (2) and five (5) years	35	772
	<u>877</u>	<u>1,517</u>

- b. Capital commitment for property, plant and equipment not provided for as at 30 September 2015 are as follows

	<b>AS AT 30.09.2015 RM'000</b>	<b>AS AT 30.09.2014 RM'000</b>
Approved and contracted for:		
Aircraft, property, plant and equipment	<u>-</u>	<u>-</u>

**A15 Significant related party transaction**

The Group had entered into the following transaction during the current financial quarter with a Director of the Company:-

<b>Transaction</b>	<b>Current financial quarter RM'000</b>	<b>Current financial year to-date RM'000</b>
Interest paid to a Director	135	307

The above interest paid to a Director is charged based on interest rate of 8.35% per annum on the monthly weighted average balance due to the Director.



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**B EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1 Review of performance**

For the quarter ended 30 September 2015, APFT Berhad and its subsidiaries ("APFT Group" or "Group") generated revenue of RM1.591 million and loss before taxation ("LBT") of RM8.726 million as compared to revenue of RM24.414 million and profit before taxation ("PBT") of RM1.364 million in the preceding year corresponding period ended 30 September 2014 respectively. The decrease in revenue by RM22.823 million for the current financial quarter under review as compared to the preceding year corresponding quarter was mainly due to decrease in contribution from PT Technic (M) Sdn Bhd ("PTTSB"). The loss before tax of RM8.726 million was mainly due to decrease in revenue.

**B2 Variation of results against preceding quarter**

The Group registered a revenue of RM1.591 million for the current quarter under review representing a decrease of RM11.271 million from the RM12.862 million in the preceding quarter. The Group's loss before tax was RM8.726 million for the current quarter under review as compared to loss before tax of RM2.782 million in the preceding quarter.

The decrease in revenue is mainly due to decreased in contribution from PTTSB by RM7.940 million and decrease in revenue from flight education and training segment by RM3.326 million while the increase in loss before tax is mainly due to decrease in revenue.

**B3 Prospects**

The reduction in revenue contribution from PTTSB is mainly due to gap in timing between completion of old projects and start of new project for the company. With the new secured project which is expected to contribute positively by end of 2015 and with the positive response from our potential customers on our current bidding, the Group is confident on the prospects for PTTSB in the near future.

In the flight training academy, the helicopter training course has been having good response and a new course in Air Traffic Management has been added.

The maintenance training academy can expect an increase in intake now that it has the approval from the Ministry of Education for the Diploma and Advance Diploma in Aircraft Maintenance Engineering (AME) courses. This is also complemented by the EASA part 66 CAT A license course delivered in partnership with Lufthansa Technical Training of Germany. The Aviation skills training course under the Jabatan Kemahiran Kementerian Sumber Manusia have gained a reputation for producing marketable participants and intakes are expected to increase.

**B4 Profit forecast and profit guarantee**

The Group has not issued any profit forecast or profit estimate for the current financial quarter under review or in any public documents.

**B5 Taxation**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE ENDED	PRECEDING YEAR TO DATE ENDED
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
	RM'000	RM'000	RM'000	RM'000
Income tax				
Estimated tax payable for current period	354	545	354	1,091
	<u>354</u>	<u>545</u>	<u>354</u>	<u>1,091</u>

A subsidiary of the Company namely Asia Pacific Flight Training Sdn Bhd ("APFTSB") was granted Investment Tax Allowance under Section 27G of the Promotion of Investment Act, 1986, which allows APFTSB to deduct 100% of qualifying capital expenditure incurred for 10 years from its statutory income (without 70% restriction) pursuant to Section 29H of the Promotion of Investment Act, 1986. The effective period of the Tax Allowance is from 12 January 2006 to 11 January 2016.

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**B6 Sales of unquoted investments and/or properties**

There were no sales of unquoted investments and properties for the current quarter and current financial period to-date.

**B7 Quoted securities**

There were no acquisitions or disposals of quoted securities for the current quarter and current financial period to-date.

**B8 (a) Status of corporate proposals**

The following corporate proposals were announced by the Company to Bursa Malaysia Securities Berhad ("Bursa Securities"):-

- 1) Proposed private placement of up to 118,110,000 new ordinary shares of RM0.20 each in APFT (APFT Shares or Shares) (Placement Shares), representing up to approximately 30% of the issued and paid-up share capital of APFT (Proposed Private Placement).

The first tranche of private placement comprising 10,000,000 ordinary shares of RM0.20 each at an issue price of RM0.20 per share were allotted and issued on 1 April 2015. These shares were listed on 2 April 2015

The second tranche of private placement comprising 10,000,000 ordinary shares of RM0.20 each at an issue price of RM0.20 per share were allotted and issued on 5 April 2015. These shares were listed on 6 April 2015

The third tranche of private placement comprising 2,000,000 ordinary shares of RM0.20 each at an issue price of RM0.20 per share were allotted and issued on 26 April 2015. These shares were listed on 27 April 2015

The fourth tranche of private placement comprising 8,000,000 ordinary shares of RM0.20 each at an issue price of RM0.20 per share were allotted and issued on 27 April 2015. These shares were listed on 28 April 2015.

The fifth tranche of private placement comprising 3,000,000 ordinary shares of RM0.20 each at an issue price of RM0.20 per share were allotted and issued on 7 May 2015. These shares were listed on 8 May 2015

The sixth tranche of private placement comprising 10,000,000 ordinary shares of RM0.20 each at an issue price of RM0.20 per share were allotted and issued on 8 June 2015. These shares were listed on 9 June 2015

The seventh tranche of private placement comprising 10,000,000 ordinary shares of RM0.20 each at an issue price of RM0.20 per share were allotted and issued on 13 July 2015. These shares were listed on 14 July 2015

The eighth tranche of private placement comprising 17,000,000 ordinary shares of RM0.20 each at an issue price of RM0.20 per share were allotted and issued on 30 July 2015. These shares were listed on 31 July 2015

The ninth tranche of private placement comprising 4,250,000 ordinary shares of RM0.20 each at an issue price of RM0.205 per share were allotted and issued on 13 August 2015. These shares were listed on 14 August 2015

The tenth tranche of private placement comprising 3,000,000 ordinary shares of RM0.20 each at an issue price of RM0.210 per share were allotted and issued on 7 September 2015. These shares were listed on 8 September 2015

The eleventh tranche of private placement comprising 5,000,000 ordinary shares of RM0.20 each at an issue price of RM0.200 per share were allotted and issued on 25 September 2015. These shares were listed on 28 September 2015

The twelfth tranche of private placement comprising 3,000,000 ordinary shares of RM0.20 each at an issue price of RM0.200 per share were allotted and issued on 30 September 2015. These shares were listed on 1 October 2015

The listing application in relation to the Proposed Private Placement has been submitted to Bursa Securities on 26 August 2014 and approved during our EGM on 17 September 2014.

- 2) Proposed settlement of debts owing to Dato' Faruk Bin Othman via the issuance of 24,570,024 new ordinary shares of RM0.20 each in APFT Berhad at an issue price of RM0.2035 per settlement share (Proposed Capitalisation).

The listing application in relation to the Proposed Capitalisation has been submitted to Bursa Securities on 23 July 2015 and approval granted on 5 August 2015. The exercise was completed on 28 September 2015.

Save as disclosed above, there is no other corporate proposal announced or not completed by the Group as at the date of this report.

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**B8 (b) Status of utilisation of proceeds of private placement**

The status of utilisation of the proceeds from private placement as at 30 September 2015 are as follows:

Purpose	Proposed Utilisation RM'000	Estimated time frame for utilisation	Actual utilisation RM'000	Balance
Purchase of aircraft	3,000	Within 24 months	1,173	1,827
Repayment of bank borrowings	1,500	Within 12 months	892	608
Working capital requirements of the Group				
- Payment of salary	4,200	Within 12 months	3,950	250
- Payment of creditors	8,974	Within 12 months	7,810	1,164
- Maintenance of aircrafts	1,000	Within 12 months	610	390
Estimated expenses in relation to the Proposals	238	Within 1 month	238	-
<b>Total</b>	<u>18,912</u>		<u>14,673</u>	<u>4,239</u>

**B9 Borrowings and debt securities**

	AS AT 30.09.2015 RM'000	AS AT 30.09.2014 RM'000
<b>Short term borrowings:</b>		
Secured		
Hire purchase creditors	1,063	1,305
Term loans	4,990	2,188
	<u>6,053</u>	<u>3,493</u>
<b>Long term borrowings:</b>		
Secured		
Hire purchase creditors	1,061	1,763
Term loans	2,135	6,576
	<u>3,196</u>	<u>8,339</u>
	<u>9,249</u>	<u>11,832</u>

**B10 Notes to the statement of profit or loss and other comprehensive income**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30.09.2015 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.09.2014 RM'000	CURRENT YEAR TO DATE ENDED 30.09.2015 RM'000	PRECEDING YEAR TO DATE ENDED 30.09.2014 RM'000
Interest income	(4)	-	(17)	(1)
Rental income	(802)	(289)	(802)	(289)
Other income	(327)	(402)	(327)	(423)
Interest expenses				-
- term loans	98	192	196	456
- hire purchase	6	35	30	126
- bank overdraft	82	72	86	158
- director	135	256	307	453
- other	32	-	54	-
Amortisation of deferred costs	39	39	77	77
Depreciation	1,019	1,355	2,331	2,674
Unrealised gain on foreign exchange	(60)	-	(60)	-

There were no off balance sheet financial instruments as at the date of this report

**APFT BERHAD**  
**Company's No.: 886873-T**  
(Incorporated in Malaysia)  
**Quarterly Report on Results for the Second Quarter Ended 30 September 2015**  
**NOTES**

**B11 Material litigations**

Save as disclosed below, the Company and its subsidiary companies are not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant as at the date of this report:-

PT Technic (M) Sdn Bhd (PTTM), a 51% owned subsidiary company of APFT Berhad was served on 4 August 2015 with a Writ of Summons by Shamira Sdn Bhd (Plaintiff) whereby the Plaintiff alleges that PTTM owes a sum of RM783,527.30 to the Plaintiff being the outstanding payment as at 30 June 2015 for services rendered by the Plaintiff pursuant to a letter of award dated 16 April 2014.

The Company is in the midst of seeking legal advice on the steps to be taken for the said suit.

**B12 Dividends**

No dividends have been declared in respect of the financial period under review

**B13 (Loss)/Profit per share**

**Basic**

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE ENDED	PRECEDING YEAR TO DATE ENDED
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
Net (loss)/profit for the period attributable to ordinary shareholders of the Company (RM'000)	(7,229)	26	(9,099)	29
Weighted average number of ordinary shares in issue ('000)	358,203	315,203	352,110	311,464
Basic (loss)/profit per share (sen)	<u>(2.02)</u>	<u>0.01</u>	<u>(2.58)</u>	<u>0.01</u>

**Diluted**

The diluted loss per share for the current quarter and current year to date was not presented as there is no potential dilutive ordinary share.

**B14 Realised and Unrealised Losses Disclosure**

	AS AT	AS AT
	30.09.2015	30.09.2014
	RM'000	RM'000
Total unappropriated losses of the Group and its subsidiaries		
- Realised	(41,691)	(6,110)
- Unrealised	(74)	(134)
Total group's unappropriated losses	<u>(41,765)</u>	<u>(6,244)</u>
Consolidation adjustment	4,734	393
Total group unappropriated losses	<u>(37,031)</u>	<u>(5,851)</u>

**B15 Authorisation for issue**

This interim financial report was duly reviewed by the Audit Committee and approved by the Board of Directors on 30 November 2015.

**By Order of the Board**

**Tan Kok Aun**  
**Company Secretary**  
**Date : 30 November 2015**