

FIAMMA HOLDINGS BERHAD

Quarterly Report on consolidated results for the third quarter ended 30 June 2016

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(The figures have not been audited).

	NOTE	INDIVIDUAL QUARTER (Q3)		CUMULATIVE QUARTER (9 MONTHS)	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		30 JUNE 2016 RM'000	30 JUNE 2015 RM'000	30 JUNE 2016 RM'000	30 JUNE 2015 RM'000
Revenue		79,483	77,704	210,520	246,680
Operating expenses		(68,544)	(64,721)	(187,191)	(205,369)
Other operating income		456	1,129	3,788	3,420
Profit from operations		11,395	14,112	27,117	44,731
Finance costs		(1,472)	(1,251)	(4,363)	(2,450)
Depreciation and amortisation		(1,069)	(854)	(3,147)	(2,431)
Profit before taxation		8,854	12,007	19,607	39,850
Taxation	B5	(2,708)	(3,193)	(5,932)	(10,820)
Profit for the period		6,146	8,814	13,675	29,030
Other comprehensive income					
Foreign exchange translation difference		336	442	(557)	939
Total comprehensive income		6,482	9,256	13,118	29,969
Profit for the period attributable to:					
Owners of the Company		5,961	7,904	12,276	25,776
Non-controlling Interest		185	910	1,399	3,254
Profit for the period		6,146	8,814	13,675	29,030
Total comprehensive income for the period attributable to:					
Owners of the Company		6,196	8,214	11,886	26,434
Non-controlling Interest		286	1,042	1,232	3,535
Total comprehensive income		6,482	9,256	13,118	29,969
Basic earnings per share (sen)	B11	1.21	1.61	2.42	7.31
Diluted earnings per share (sen)	B11	1.21	1.56	2.42	6.97

Notes:

- 1) This Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2015.
- 2) Basic earnings per share and diluted earnings per share for the preceding year corresponding quarter and preceding year corresponding period have been restated, to take into consideration the implementation of share split and bonus issue, which was completed on 18 April 2016.

FIAMMA HOLDINGS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

(The figures have not been audited).

	NOTE	AS AT 30 JUNE 2016 RM'000	AS AT 30 SEPT 2015 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		87,314	85,769
Investment properties		71,256	71,256
Intangible assets		500	500
Land held for property development		81,127	79,627
Deferred tax assets		1,244	770
		<u>241,441</u>	<u>237,922</u>
Current assets			
Property development costs		175,446	154,028
Inventories		70,630	63,484
Trade and other receivables		99,673	103,716
Prepayments		1,661	696
Tax recoverable		2,554	2,290
Cash and cash equivalents		85,809	92,210
		<u>435,773</u>	<u>416,424</u>
TOTAL ASSETS		<u>677,214</u>	<u>654,346</u>
EQUITY			
Share capital		264,951	144,725
Treasury shares		(2,075)	(6,044)
Reserves and retained earnings		150,700	231,307
Total equity attributable to owners of the Company		<u>413,576</u>	<u>369,988</u>
Non-controlling interest		<u>20,324</u>	<u>19,695</u>
TOTAL EQUITY		<u>433,900</u>	<u>389,683</u>
LIABILITIES			
Non-current liabilities			
Loans and borrowings	B7	105,166	81,330
Other payables		12,749	12,749
Deferred tax liabilities		4,630	4,955
		<u>122,545</u>	<u>99,034</u>
Current liabilities			
Loans and borrowings	B7	66,040	91,351
Trade and other payables		53,448	71,097
Provision for warranties		435	435
Taxation		846	2,746
		<u>120,769</u>	<u>165,629</u>
TOTAL LIABILITIES		<u>243,314</u>	<u>264,663</u>
TOTAL EQUITY AND LIABILITIES		<u>677,214</u>	<u>654,346</u>
Net assets per share (RM)		<u>0.79</u>	<u>0.90</u>

Notes:

- 1) This Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2015.
- 2) Net assets per share attributable to owners of the Company as at preceding financial year end has been restated, to take into consideration the implementation of share split and bonus issue, which was completed on 18 April 2016.

FIAMMA HOLDINGS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 9 MONTHS ENDED 30 JUNE 2016
(The figures have not been audited).

ATTRIBUTABLE TO OWNERS OF THE COMPANY

NOTE	ATTRIBUTABLE TO OWNERS OF THE COMPANY										NON-CONTROLLING INTEREST RM'000	TOTAL EQUITY RM'000
	SHARE CAPITAL RM'000	TREASURY SHARES RM'000	SHARE PREMIUM RM'000	CAPITAL RESERVE RM'000	TRANSLATION RESERVE RM'000	REVALUATION RESERVE RM'000	SHARE OPTION RESERVE RM'000	RETAINED EARNINGS RM'000	TOTAL RM'000	RM'000		
At 1 October 2015	144,725	(6,044)	46	421	1,934	20,821	-	208,085	369,988	19,695	389,683	
Total comprehensive income for the financial period	-	-	-	-	(390)	-	-	-	(390)	(167)	(557)	
- foreign exchange translation reserve	-	-	-	-	-	-	-	12,276	12,276	1,399	13,675	
- profit for the financial period	-	-	-	-	(390)	-	-	12,276	11,886	1,232	13,118	
Total comprehensive income for the financial period												
<i>Contribution by and (distributions to) owners of the Company</i>	32,628	-	-	-	-	-	-	-	32,628	-	32,628	
- Exercise of warrants	-	-	-	-	-	-	-	(12,660)	(12,660)	-	(12,660)	
- Dividends to owners of the company	-	-	-	-	-	-	-	-	-	-	-	
- share-based payment transactions	-	-	-	-	-	-	445	-	445	-	445	
- own shares acquired/sold	-	3,969	7,543	-	-	-	-	-	11,512	-	11,512	
- corporate exercise expenses	-	-	(223)	-	-	-	-	-	(223)	-	(223)	
Total transactions with owners of the Company	32,628	3,969	7,320	-	-	-	445	(12,660)	31,702	-	31,702	
Bonus issue	87,598	-	(7,366)	-	-	-	-	(80,232)	-	-	-	
Changes in ownership interests in a subsidiary	-	-	-	-	-	-	-	-	-	44	44	
Dividends paid by subsidiaries to non-controlling interest	-	-	-	-	-	-	-	-	-	(647)	(647)	
At 30 June 2016	264,951	(2,075)	-	421	1,544	20,821	445	127,469	413,576	20,324	433,900	

This Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2015.

FIAMMA HOLDINGS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE 9 MONTHS ENDED 30 JUNE 2016

(The figures have not been audited).

ATTRIBUTABLE TO OWNERS OF THE COMPANY

	NOTE	SHARE CAPITAL RM'000	TREASURY SHARES RM'000	SHARE PREMIUM RM'000	CAPITAL RESERVE RM'000	TRANSLATION RESERVE RM'000	REVALUATION RESERVE RM'000	SHARE OPTION RESERVE RM'000	RETAINED EARNINGS RM'000	TOTAL RM'000	NON- CONTROLLING INTEREST RM'000	TOTAL EQUITY RM'000
At 1 October 2014		144,085	(5,775)	46	421	368	21,917	-	159,796	320,858	16,212	337,070
Total comprehensive income for the financial period		-	-	-	-	-	-	-	-	657	282	939
- foreign exchange translation reserve		-	-	-	-	657	-	-	-	25,776	3,254	29,030
- profit for the financial period		-	-	-	-	-	-	-	25,776	25,776	3,254	29,030
Total comprehensive income for the financial period		-	-	-	-	657	-	-	25,776	26,433	3,536	29,969
<i>Contribution by and (distributions to) owners of the Company</i>		640	-	-	-	-	-	-	-	640	-	640
- Exercise of warrants		640	-	-	-	-	-	-	-	640	-	640
Total transactions with owners of the Company		-	-	-	-	-	-	-	(8,249)	(8,249)	(510)	(8,759)
Dividends paid		-	-	-	-	-	-	-	-	-	-	-
At 30 June 2015		144,725	(5,775)	46	421	1,025	21,917	-	177,323	339,682	19,238	358,920

This Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2015.

FIAMMA HOLDINGS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 9 MONTHS ENDED 30 JUNE 2016

(The figures have not been audited).

NOTE	9 MONTHS ENDED 30 JUNE 2016 RM'000	9 MONTHS ENDED 30 JUNE 2015 RM'000
Cash flows from operating activities		
Profit before taxation	19,607	39,850
Adjustments	7,035	1,611
Operating profit before changes in working capital	<u>26,642</u>	<u>41,461</u>
Changes in working capital:		
Inventories	(8,513)	(8,569)
Prepayments	(965)	(334)
Property development costs	(21,418)	(29,975)
Trade and other receivables	4,043	(13,081)
Trade and other payables	(17,672)	2,983
Cash and bank balance held under Housing Development Account	802	(3,927)
Cash used in operations	<u>(17,081)</u>	<u>(11,442)</u>
Interest paid	(4,072)	(2,115)
Tax paid net of refund	(8,917)	(11,825)
Net cash used in operating activities	<u>(30,070)</u>	<u>(25,382)</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(5,132)	(42,376)
Acquisition of land held for property development	(1,500)	(51,137)
Interest received	2,013	2,929
Construction of investment properties	-	(6,226)
Proceeds from disposal of property, plant and equipment	36	3
Net cash used in investing activities	<u>(4,583)</u>	<u>(96,807)</u>
Cash flows from financing activities		
Dividends paid to non-controlling interest	(647)	(510)
Dividends paid	(12,660)	(8,249)
Drawdown of borrowings - net	7,358	73,919
Sale/purchase of own shares and corporate expenses	11,289	-
Proceeds from exercise of warrants	32,628	640
Net cash generated from financing activities	<u>37,968</u>	<u>65,800</u>
Net increase/(decrease) in cash and cash equivalents	3,315	(56,389)
Cash and cash equivalents at beginning of period	79,217	104,109
Effect of exchange rate fluctuation on cash held	(81)	54
Cash and cash equivalents at end of period	<u>82,451</u>	<u>47,774</u>
Cash and cash equivalents		
Cash and bank balance and deposits placed with licensed banks	85,809	72,750
Bank overdraft	(980)	(19,852)
Cash and bank balances held under Housing Development Account	(2,378)	(5,124)
	<u>82,451</u>	<u>47,774</u>

This Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2015.