

**KOBAY TECHNOLOGY BHD. (Co. No. 308279-A)**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2016**  
**(The figures have not been audited)**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year quarter ended 30/9/2016 RM '000	Preceding Year Corresponding quarter ended 30/9/2015 RM '000	Current Year to date 30/9/2016 RM '000	Preceding Year Corresponding period 30/9/2015 RM '000
Revenue	27,364	25,359	27,364	25,359
Cost of sales	(21,079)	(18,440)	(21,079)	(18,440)
Gross profit	6,285	6,919	6,285	6,919
Operating expenses	(5,694)	(4,999)	(5,694)	(4,999)
Finance cost	(13)	(26)	(13)	(26)
Other income	764	1,565	764	1,565
Profit before tax	1,342	3,459	1,342	3,459
Tax expense	(610)	(787)	(610)	(787)
Profit for the period	732	2,672	732	2,672
Other comprehensive income :-				
Currency translation differences for foreign operations	49	139	49	139
Total comprehensive income for the period	781	2,811	781	2,811
Profit/(loss) for the period attributable to :-				
Owners of the parent	687	2,782	687	2,782
Non-controlling interest	45	(110)	45	(110)
	732	2,672	732	2,672
Total comprehensive income/(loss) attributable to :				
Owners of the parent	736	2,865	736	2,865
Non-controlling interest	45	(54)	45	(54)
	781	2,811	781	2,811
Basic earning per share (sen)	1.01	4.13	1.01	4.13

**(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30<sup>th</sup> June 2016)**

**KOBAY TECHNOLOGY BHD.**  
(Co. No. 308279-A)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2016**

	(Unaudited) As at current financial period 30/09/2016 RM '000	(Audited) As at preceding financial period 30/06/2016 RM '000
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	60,070	60,460
Investment Properties	2,025	2,025
Land held for property development	39,632	37,699
Intangible assets	285	281
	102,013	100,465
<b>Current Assets</b>		
Property development cost	10,388	10,388
Inventories	14,965	14,589
Trade and other receivables	24,291	27,244
Financial assets at fair value through profit or loss	11	11
Tax assets	242	213
Cash & cash equivalents	29,253	29,344
	79,150	81,789
<b>Total Assets</b>	181,162	182,254
<b>Equity</b>		
Share capital	68,081	68,081
Reserves		
Treasury shares	(221)	(221)
Share premium	2,345	2,345
Capital reserve	1,550	1,550
Currency translation reserve	442	236
Retained profits	69,312	68,334
	73,428	72,244
Equity attributable to owners of the Company	141,509	140,325
Non-controlling interests	425	1,667
<b>Total Equity</b>	141,934	141,992
<b>Non-Current Liabilities</b>		
Loans and borrowings	10,631	9,378
Deferred tax liabilities	4,379	4,342
Deferred income on government grant	1,880	1,977
	16,890	15,697
<b>Current Liabilities</b>		
Trade and other payables	19,046	20,887
Loans and borrowings	1,407	2,046
Progress billings	1,604	1,400
Tax liabilities	281	232
	22,338	24,565
<b>Total Liabilities</b>	39,228	40,262
<b>Total Equity and Liabilities</b>	181,162	182,254
Net assets per ordinary share attributable to owners of the Parent(RM)	2.08	2.07

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30<sup>th</sup> June 2016)

**KOBAY TECHNOLOGY BHD.**

(Co. No. 308279-A)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FIRST QUARTER ENDED ENDED 30 SEPTEMBER 2016**

Group	Attributable to owners of the Parent						Distributable	Sub-total	Non-controlling Interest	Total Equity
	Share capital	Treasury shares	Share premium	Fair Value reserve	Capital reserve	Translation reserve				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>As at 1 July, 2016</b>	68,081	(221)	2,345	-	1,550	236	68,334	140,325	1,667	141,992
Resale of treasury shares	-	-	-	-	-	-	-	-	-	0
Dividends to owners of the Company	-	-	-	-	-	-	-	-	-	0
Dividends to Non- controlling interests	-	-	-	-	-	-	-	-	(302)	(302)
Change in ownership interest in subsidiary	-	-	-	-	-	157	291	448	(985)	(537)
Total comprehensive income for the period	-	-	-	-	-	49	687	736	45	781
<b>Balance as at 30 September, 2016</b>	<b>68,081</b>	<b>(221)</b>	<b>2,345</b>	<b>-</b>	<b>1,550</b>	<b>442</b>	<b>69,312</b>	<b>141,509</b>	<b>425</b>	<b>141,934</b>

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015**

Group	Attributable to owners of the Parent						Distributable	Sub-total	Non-controlling Interest	Total Equity
	Share capital	Treasury shares	Share premium	Fair Value reserve	Capital reserve	Translation reserve				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>As at 1 July, 2015</b>	68,081	(888)	1,680	-	1,550	132	65,907	136,462	1,139	137,601
Total comprehensive income for the period	-	-	-	-	-	83	2,782	2,865	(54)	2,811
<b>Balance as at 30 September, 2015</b>	<b>68,081</b>	<b>(888)</b>	<b>1,680</b>	<b>-</b>	<b>1,550</b>	<b>215</b>	<b>68,689</b>	<b>139,327</b>	<b>1,085</b>	<b>140,412</b>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30<sup>th</sup> June 2016)

**KOBAY TECHNOLOGY BHD.**  
(Co. No. 308279-A)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2016**

	(Unaudited) Period Ended 30/9/2016 RM '000	(Unaudited) Period Ended 30/9/2015 RM '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax :	1,342	3,459
Adjustments for:		
- Non-cash items	1,658	1,376
- Non-operating items	(197)	(71)
Operating profit before changes in working capital	<u>2,803</u>	<u>4,764</u>
Changes in working capital:		
- Net change in current assets	2,578	(2,301)
- Net change in current liabilities	(2,515)	(4,909)
Net cash from/(used in) operating activities	<u>2,866</u>	<u>(2,446)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of subsidiaries, net of cash acquired	(538)	(7)
Interest received	65	81
Proceeds from disposal of property, plant and equipment	135	347
Additions to land held for property development	(1,934)	(3,495)
Purchase of property, plant and equipment	(1,023)	(1,030)
Net cash used in investing activities	<u>(3,295)</u>	<u>(4,104)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid to non-controlling interest	(302)	-
Government grant received	-	1,200
Increase/(decrease) in loans and borrowings	613	(412)
Interest paid	(13)	(26)
Net cash from financing activities	<u>298</u>	<u>762</u>
Currency translation differences	40	109
Net Change in Cash & Cash Equivalents	(91)	(5,679)
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<u>26,747</u>	<u>27,278</u>
<b>CASH &amp; CASH EQUIVALENTS AS AT END OF THE PERIOD</b>	<u>26,656</u>	<u>21,599</u>
<b>CASH &amp; CASH EQUIVALENTS AS AT END OF THE PERIOD</b>		
Highly Liquid Investments	2,507	1,210
Deposits not pledged	608	1,549
Cash & bank balances	<u>23,541</u>	<u>18,840</u>
	<u>26,656</u>	<u>21,599</u>

# Note: Deposits amounting to RM2,596,880 (30.9.2015: RM741,105) have been pledged to local banks for bank guarantee facilities obtained by the Group as at 30 September 2016. As such, these amounts are not included as cash and cash equivalents as at the aforementioned dates.

**(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30<sup>th</sup> June 2016)**

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**A. Notes to the financial report for the first financial quarter ended 30 September 2016**

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**1. Basis of preparation**

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards ("FRS") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2016.

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 30 June 2016.

Malaysia Financial Reporting Standards

In November 2011, the MASB issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS") Framework. The issuance was made in conjunction with the MASB's plan to converge with International Financial Reporting Standards ("IFRS") in 2012. The MFRS Framework is a fully IFRS-compliant framework and equivalent to IFRSs.

The MFRS Framework is to be applied by all entities other than private entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 *Agriculture* and/or IC Interpretation 15 *Agreements for the Construction of Real Estate*, including their parents, significant investors and joint venturers ("Transitioning Entities"). As announced by the MASB on 8 September 2015, Transitioning Entities are allowed to defer the adoption of the MFRS Framework to annual periods beginning on or after 1 January 2018.

Being a Transitioning Entity as defined above, the Group and the Company have elected to continue preparing their financial statements in accordance with the FRS Framework and will first present the financial statements in accordance with the MFRS Framework for the financial year ending 30 June 2019. Management is currently examining the financial impacts of transition to the MFRS Framework.

**2. Audit report of preceding annual financial statements**

The auditors' report on the financial statements of the Group for the financial year ended 30th June 2016 was not subject to any qualification.

**3. Seasonal or cyclical operations**

The business operations of the Group are subject to cyclical effects of the global semiconductors and electronics industries.

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**A. Notes to the financial report for the first financial quarter ended 30 September 2016**

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**4. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that unusual because of their nature, size or incidence**

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

**5. Nature and amount of changes in estimates of amounts reported in prior interim periods of the current financial year, which give a material effect in the current interim period**

There were no significant changes in the estimates that have a material effect in the current quarter under review.

**6. Issuance, cancellations, repurchases, resale or repayments of debts and equity securities**

There were no issuance, cancellations, repurchase and repayments of debts and equity securities during the current quarter under review.

**7. Dividend Paid**

There were no dividend paid for the quarter and financial period under review. (30.9.2015 : Nil)

**8. Segment Information**

For management purposes, the Group is organised into business units based on their nature of business and services.

The Group's reportable operating segments are as follows:

- a) Manufacturing – Manufacture of precision machined components, precision stamping, sheet metal parts, surface treatment, precision molds, tooling & dies, semiconductor assembly and testing equipment, metal works and structures, modules and parts for oil and gas production and extraction equipment.
- b) Property Development – Property development
- c) Other operating segments – Include small operations related to money lending, property letting, hotel operation and supply of engineering parts.

**A. Notes to the financial report for the first financial quarter ended 30 September 2016**

**8. Segment Information (cont'd)**

	Manufacturing	Property Development	Other Operating Segments	Unallocated Non-Operating Segments	Eliminations	Total
Current Period ended 30.9.2016	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customer	25,328	660	1,375	1	-	27,364
Intersegment revenue	-	-	65	1,890	(1,955)	-
Interest income	34	2	10	19		65
Interest expense	13	149	-	2	(151)	13
Depreciation and amortisation	1,244	16	340	27		1,627
Tax expense	548	-	78	(16)	-	610
Reportable segment profit/(loss) after taxation	1,496	(486)	143	2,336	(2,757)	732
Reportable segment assets	97,252	55,682	18,404	120,099	(110,275)	181,162
Expenditure for non-current assets	833	2,084	11	29	-	2,957
Reportable segment liabilities	24,653	18,299	2,423	15,847	(21,994)	39,228

**A. Notes to the financial report for the first financial quarter ended 30 September 2016**

**8. Segment Information (cont'd)**

Corresponding Period ended 30.9.2015	Manufacturing	Property Development	Other Operating Segments	Unallocated Non-Operating Segments	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customer	24,823	-	536	-	-	25,359
Intersegment revenue	160	-	272	2,518	(2,950)	-
Interest income	46	1	5	29	-	81
Interest expense	24	-	-	4	(2)	26
Depreciation and amortisation	1,228	3	117	22	6	1,376
Tax expense	733	-	54	-	-	787
Reportable segment profit/(loss) after taxation	3,307	(295)	248	1,878	(2,466)	2,672
Reportable segment assets	97,240	49,629	17,174	95,716	(87,606)	172,153
Expenditure for non-current assets	953	3,567	5	-	-	4,525
Reportable segment liabilities	22,052	9,619	2,113	10,290	(12,334)	31,740

**Segment information by geographical regions**

The following is an analysis of the Group's revenue by geographical market, irrespective of the origin of the goods/services :

	Current Year todate 30.9.2016 RM'000	Preceding Corresponding Period 30.9.2015 RM'000
Malaysia	15,712	15,474
United States of America	4,898	4,474
Singapore	4,372	2,889
Other Foreign Countries	2,382	2,522
	<u>27,364</u>	<u>25,359</u>



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**A. Notes to the financial report for the first financial quarter ended 30 September 2016**

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**8. Segment Information (cont'd)**

**Information about major customer**

For the financial period ended 30 September 2016, there was a (30.9.2015 : 1) major customer of manufacturing segment that contributed more than 10% of the Group's total revenues and the total revenue generated from this major customer amounted to RM3.20 million (30.9.15 : 3.77 million).

**9. Valuation of property, plant and equipment**

The valuation of property, plant and equipment has been brought forward without any amendment from the previous annual report.

**10. Subsequent events**

There were no material events subsequent to the end of the reporting period that have not been reflected in the financial statements.

**11. Changes in the composition of the group**

On 1 June 2016, Kobay's wholly owned subsidiary, Lipo Corporation Sdn. Bhd. ("Lipo") and its 60% owned subsidiary, Kobay SCM (S) Pte. Ltd. ("KSCM") have entered into a Sale of Shares Agreement with Mr. Chai Meng Meng ("Chai") to acquire his 4,000 ordinary shares represents 40% equity interest in KSCM for a cash consideration of SGD280,000-00 and 1,000 ordinary shares represents 0.2% equity interest in Microhandling Asia Pte. Ltd. ("MHA") for a cash consideration of SGD1-00. The proposal was completed on 23 August 2016 and subsequent to the acquisition, KSCM has become a wholly owned subsidiary of Lipo.

Other than the above, there were no major changes in the composition of the Group during the financial quarter ended 30 September 2016.

**12. Contingent assets and contingent liabilities**

There were no contingent assets or liabilities for the Group as at the date of the report. (30.9.2015 : RM: Nil).

**13. Material related party transaction**

There was no material transaction entered by the group with any related party.

**A. Notes to the financial report for the first financial quarter ended 30 September 2016**

**14. Capital Commitments**

Authorised capital commitments not recognised in the interim financial statement as at 30 September 2016 were as follows: -

	30.9.2016 RM'000	30.9.2015 RM'000
Approved but not contracted :- Property, Plant and Equipment	-	1,310
Contracted but not provided for :- Property, Plant and Equipment	1,792	2,751

**B. Additional information required by the Listing Requirements of Bursa Securities**

**1. Review of performance**

	<u>INDIVIDUAL PERIOD</u>			<u>CUMULATIVE PERIOD</u>		
	Current Year quarter ended 30.9.2016 RM'000	Preceding Year Corresponding quarter ended 30.9.2015 RM'000	Variance %	Current Year todate 30.9.2016 RM'000	Preceding Corresponding Period 30.9.2015 RM'000	Variance %
<b><u>Operating Segment</u></b>						
<b>Revenue:-</b>						
Manufacturing	25,328	24,823	2.0%	25,328	24,823	2.0%
Property Development	660	-	100%	660	-	100%
Other operating segments	1,376	536	156.7%	1,376	536	156.7%
Unallocated non-operating segments	-	-		-	-	
	<u>27,364</u>	<u>25,359</u>	7.9%	<u>27,364</u>	<u>25,359</u>	7.9%
<b>Profit/(loss) before tax:-</b>						
Manufacturing	2,044	4,040	-49.4%	2,044	4,040	-49.4%
Property Development	(486)	(295)	-64.7%	(486)	(295)	-64.7%
Other operating segments	221	302	-26.8%	221	302	-26.8%
Unallocated non-operating segments	2,320	1,878	23.5%	2,320	1,878	23.5%
	<u>4,099</u>	<u>5,925</u>		<u>4,099</u>	<u>5,925</u>	
Consolidation adjustments and eliminations	(2,757)	(2,466)		(2,757)	(2,466)	
	<u>1,342</u>	<u>3,459</u>	-61.2%	<u>1,342</u>	<u>3,459</u>	-61.2%

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**B. Additional information required by the Listing Requirements of Bursa Securities**


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**1. Review of performance (cont'd)**

The Group posted a growth in revenue of 7.9% to RM27.36 million in current quarter from RM25.35 million in the preceding corresponding quarter. However, profit before tax has dropped by 61.2% for current financial quarter.

The manufacturing segment has recorded a marginal growth of 2.0% in revenue compared to preceding year corresponding quarter. On contrary, the profit before tax decline by 49.4% mainly attributable to the adverse performance of the Group's oil & gas business unit and reduced in gain from foreign currency exchange. In addition, the segment's new venture die casting business was still operating at loss with low orders.

The property development segment has reported a revenue of RM0.66 million following the commencement of the segment's Langkawi project in July 16. However, the segment encountered loss of RM 0.48 million for current quarter as the revenue was unable to offset overhead costs of other projects that are yet to kick off.

**2. Comparison with preceding quarter's results**

	Current Year quarter ended 30.9.2016 RM'000	Preceding quarter ended 30.6.2016 RM'000	Variance %
<b><u>Operating Segment</u></b>			
<b>Revenue:-</b>			
Manufacturing	25,328	30,069	-15.8%
Property Development	660	-	100.0%
Other operating segments	1,376	586	134.8%
Unallocated non-operating segments	-	-	
	<u>27,364</u>	<u>30,655</u>	-10.7%
<b>Profit/(loss) before tax:-</b>			
Manufacturing	2,044	2,535	-19.4%
Property Development	(486)	(998)	51.3%
Other operating segments	221	120	84.2%
Unallocated non-operating segments	2,320	19,469	-88.1%
	<u>4,099</u>	<u>21,126</u>	
Consolidation adjustments and eliminations	(2,757)	(17,829)	
	<u>1,342</u>	<u>3,297</u>	-59.3%

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**B. Additional information required by the Listing Requirements of Bursa Securities**

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**2. Comparison with preceding quarter's results (cont'd)**

The Group reported a revenue of RM27.36 million and profit before tax of RM1.34 million for current quarter, compared to revenue of RM30.65 million and profit before tax of RM3.29 million in Qtr 4 2016. However, should the gain from disposal of a factory building of RM2.4 million in preceding quarter be excluded from comparison, the Group reported a better profit before tax for current quarter due to the project kicked off in property development segment.

The manufacturing segment encountered a 15.8% decline in revenue mainly due to the drop in its equipment orders. Capturing the impact of drop in revenue and lower output on high margin product, the profit before tax for the segment has dropped by 19.4% to RM2.04 million.

The property development segment reported a loss of RM0.48 million compared to loss of RM0.99 million in preceding quarter. The recognition of progress revenue for current quarter has cushioned the operating loss for the segment.

**3. Commentary on the prospects of the Group**

The manufacturing segment is expected to sustain its current performance for the coming quarters of FYE 2017. The segment will continue to penetrate into export market on high value products for aerospace and medical sectors and reforms its engineering strength to secure more business opportunities. Apart from that, the segment will also focus on enhancing productivity growth and raise efficiency by improving processes and upgrading technologies and to implement a series of cost cutting initiatives to maintain a lean cost structure.

The property development segment will progress in a slower pace in view of softened Malaysia's property market.

We continue to navigate the challenging market conditions, and cautiously optimistic that the Group will achieve a positive result for the financial year.

**4. Variance on forecast profit/profit guarantee**

No profit forecast or profit guarantee was issued during the period.

**B. Additional information required by the Listing Requirements of Bursa Securities**

**5. Profit for the period**

	<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
	Current Year quarter ended 30.9.2016	Preceding Year Corresponding quarter ended 30.9.2015	Current Year to date 30.9.2016	Preceding Corresponding Period 30.9.2015
<b>Group</b>	RM'000	RM'000	RM'000	RM'000
Profit for the period is arrived at after (crediting)/charging :-				
Interest income	(65)	(81)	(65)	(81)
Interest expenses	13	26	13	26
Depreciation of Property, plant and equipment	1,627	1,376	1,627	1,376
(Gain)/loss on disposal of property, plant and equipment	(147)	4	(147)	4
Gain on foreign exchange	(423)	(949)	(423)	(949)

Save as disclosed above, other items as required under Appendix 9B, Part A (16) of the Bursa Listing Requirements are not applicable.

**6. Taxation**

Taxation comprises the following:-

	<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
	Current Year quarter ended 30.9.2016 RM'000	Preceding Year Corresponding quarter ended 30.9.2015 RM'000	Current Year to date 30.9.2016 RM'000	Preceding Corresponding Period 30.9.2015 RM'000
Current tax	(573)	(910)	(573)	(910)
Deferred tax	(37)	123	(37)	123
	<u>(610)</u>	<u>(787)</u>	<u>(610)</u>	<u>(787)</u>

The effective tax rate for the cumulative period is higher than the statutory tax rate mainly due to the losses of certain subsidiaries cannot be set off against taxable profits made by other subsidiaries.

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**B. Additional information required by the Listing Requirements of Bursa Securities**

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**7. Status of corporate proposals**

On 25 October 2016, the Board of Directors proposed to undertake a bonus issue of up to 34,040,375 new ordinary shares of RM1.00 each in Kobay ("Kobay Shares" or "Shares") ("Bonus Shares") on the basis of (1) Bonus Share for every two (2) existing Kobay Shares held, on an entitlement date to be determined later and the increase in the authorised share capital of Kobay from RM100,000,000 comprising 100,000,000 Kobay Shares to RM200,000,000 comprising 200,000,000 Kobay Shares. Bursa Securities had vide its letter dated 31 October 2016, approved the listing and quotation of up to 34,040,375 Bonus Shares to be issued pursuant to the Proposed Bonus Issue. The proposal is still pending completion as at the date of this interim report and is subject to shareholders' approval at the forthcoming Extraordinary General Meeting.

**8. Group borrowings and debts securities**

Particular of the loans and borrowings for the Group as at 30 September 2016:-

	30.9.2016 RM'000	30.9.2015 RM'000
Repayable within 12 months	1,407	1,181
Repayable later than 12 months <sup>(a)</sup>	10,631	9,151
	12,038	10,322

<sup>(a)</sup> Included herein is a term loan of RM9.18 million (30.9.2015: RM8.64 million) which carries no finance cost as the loan is offset with equivalent cash deposit that is available in the facility account.

**9. Derivative Financial Instrument**

There were no derivative financial instruments as at the date of this quarterly report.

**10. Gain and losses arising from Fair Value Changes of Financial Liabilities**

There were no gain and losses arising from fair value changes of financial liabilities for the current quarter and current financial year to date.

**11. Breakdown of realised and unrealised profits or losses of the Group**

	30.9.2016 RM'000	30.9.2015 RM'000
Total retained profits of the Company and its subsidiaries:-		
- Realised	90,485	76,732
- Unrealised	(1,968)	(1,295)
	88,517	75,437
Consolidation adjustments and eliminations	(19,205)	(6,748)
	69,312	68,689

**B. Additional information required by the Listing Requirements of Bursa Securities**

**12. Material litigation**

Further to the announcement dated 27 May 2016 and 31 May 2016 on the impairment loss in relation to the non-repayment of Stakeholder Sum by Stakeholder, on 7 October 2016, the Company had initiated civil suit against Miss Jaswinder Kaur and the partner of Messrs. Jaswinder Kaur Gill & Associates, by serving Writ of Summon and Statement of Claim on the Stakeholder sum of RM3.4 million inclusive interest of 5% per annum on the Stakeholder Sum until the date of full settlement. The case was mentioned on 24 November 2016 and the next case management is fixed on 9 December 2016.

Other than the above, there was no pending material litigation as at the date of this report.

**13. Dividend**

The Board of Directors does not recommend any dividend for the financial quarter ended 30 September 2016. (30.9.2015 : Nil).

**14. Earnings Per Share ("EPS")**

	<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
	Current Year quarter ended 30.9.2016 RM'000	Preceding Year Corresponding quarter ended 30.9.2015 RM'000	Current Year todate 30.9.2016 RM'000	Preceding Corresponding Period 30.9.2015 RM'000
Profit attributable to ordinary equity holders of the parent	687	2,782	687	2,782
Weighted average number of :				
- Issued ordinary shares at beginning of period	68,081	68,081	68,081	68,081
- Effect of Shares Buy Back	(182)	(728)	(182)	(728)
	67,899	67,353	67,899	67,353
Earnings per Share (sen)	1.01	4.13	1.01	4.13

Diluted earnings per share are not disclosed herein as it is not applicable to the Group.