

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME****FOR THE SECOND QUARTER ENDED 31 DECEMBER 2016****(The figures have not been audited)**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year quarter ended 31/12/2016 RM '000	Preceding Year Corresponding quarter ended 31/12/2015 RM '000	Current Year to date 31/12/2016 RM '000	Preceding Year Corresponding period 31/12/2015 RM '000
Revenue	28,359	25,704	55,723	51,063
Cost of sales	(22,444)	(18,715)	(43,523)	(37,155)
Gross profit	5,915	6,989	12,200	13,908
Operating expenses	(5,265)	(5,669)	(10,959)	(10,668)
Finance cost	(26)	(28)	(39)	(54)
Other income	1,128	1,808	1,892	3,373
Profit before tax	1,752	3,101	3,094	6,560
Tax expense	(994)	(939)	(1,604)	(1,726)
Profit for the period	758	2,162	1,490	4,834
Other comprehensive income :-				
Currency translation differences for foreign operations	87	105	136	244
Total comprehensive income for the period	845	2,267	1,626	5,078
Profit/(loss) for the period attributable to :-				
Owners of the parent	730	2,139	1,417	4,921
Non-controlling interest	28	23	73	(87)
	758	2,162	1,490	4,834
Total comprehensive income/(loss) attributable to :				
Owners of the parent	817	2,201	1,553	5,066
Non-controlling interest	28	66	73	12
	845	2,267	1,626	5,078
Basic earning per share (sen)	1.07	3.16	2.08	7.27

**(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 31 DECEMBER 2016**

	(Unaudited) As at current financial period 31/12/2016 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	59,988	60,460
Investment Properties	2,013	2,025
Land held for property development	42,188	37,699
Intangible assets	292	281
	<u>104,481</u>	<u>100,465</u>
<b>Current Assets</b>		
Property development cost	10,885	10,388
Inventories	14,642	14,589
Trade and other receivables	25,342	27,244
Financial assets at fair value through profit or loss	11	11
Tax assets	93	213
Cash & cash equivalents	26,765	29,344
	<u>77,738</u>	<u>81,789</u>
<b>Total Assets</b>	<u><u>182,219</u></u>	<u><u>182,254</u></u>
<b>Equity</b>		
Share capital	102,094	68,081
Reserves		
Treasury shares	(67)	(221)
Share premium	0	2,345
Capital reserve	1,550	1,550
Currency translation reserve	529	236
Retained profits	38,353	68,334
	<u>40,365</u>	<u>72,244</u>
Equity attributable to owners of the Company	142,459	140,325
Non-controlling interests	441	1,667
<b>Total Equity</b>	<u><u>142,900</u></u>	<u><u>141,992</u></u>
<b>Non-Current Liabilities</b>		
Loans and borrowings	9,482	9,378
Deferred tax liabilities	4,340	4,342
Deferred income on government grant	1,796	1,977
	<u>15,618</u>	<u>15,697</u>
<b>Current Liabilities</b>		
Trade and other payables	20,594	20,887
Loans and borrowings	976	2,046
Progress billings	1,519	1,400
Tax liabilities	612	232
	<u>23,701</u>	<u>24,565</u>
<b>Total Liabilities</b>	<u><u>39,319</u></u>	<u><u>40,262</u></u>
<b>Total Equity and Liabilities</b>	<u><u>182,219</u></u>	<u><u>182,254</u></u>
Net assets per ordinary share attributable to owners of the Parent(RM)	1.40 #	2.07

# Decrease in net assets per share is mainly due to the increase in the number of ordinary share from 68,080,750 to 102,093,601

**(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 SECOND QUARTER ENDED ENDED 31 DECEMBER 2016**

Group	Attributable to owners of the Parent							Sub-total RM'000	Non- controlling Interest RM'000	Total Equity RM'000
	Non-distributable				Distributable					
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Fair Value reserve RM'000	Capital reserve RM'000	Translation reserve RM'000	Retained profit RM'000			
<b>CURRENT PERIOD</b>										
<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	-	154	-	-	-	-	-	154	-	154
Issurance of Bonus shares	34,013	-	(2,324)	-	-	-	(31,689)	-	-	0
Share issue expenses	-	-	(21)	-	-	-	-	(21)	-	(21)
Dividends to owners of the Company	-	-	-	-	-	-	-	-	-	0
Dividends to Non- controlling interests	-	-	-	-	-	-	-	-	(314)	(314)
Change in ownership interest in subsidiary	-	-	-	-	-	157	291	448	(985)	(537)
Total comprehensive income for the period	-	-	-	-	-	136	1,417	1,553	73	1,626
<b>Balance as at 31 December, 2016</b>	<b>102,094</b>	<b>(67)</b>	<b>-</b>	<b>-</b>	<b>1,550</b>	<b>529</b>	<b>38,353</b>	<b>142,459</b>	<b>441</b>	<b>142,900</b>

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2015**

Group	Attributable to owners of the Parent							Sub-total RM'000	Non- controlling Interest RM'000	Total Equity RM'000
	Non-distributable				Distributable					
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Fair Value reserve RM'000	Capital reserve RM'000	Translation reserve RM'000	Retained profit RM'000			
<b>CURRENT PERIOD</b>										
<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	-	-	-	-	-	145	4,921	5,066	12	5,078
Resale of treasury shares	-	424	-	-	-	-	-	424	-	424
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	(26)	(26)
<b>Balance as at 31 December, 2015</b>	<b>68,081</b>	<b>(464)</b>	<b>1,680</b>	<b>-</b>	<b>1,550</b>	<b>277</b>	<b>70,828</b>	<b>141,952</b>	<b>1,125</b>	<b>143,077</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 SECOND QUARTER ENDED 31 DECEMBER 2016**

	(Unaudited) Period Ended 31/12/2016 RM '000	(Unaudited) Period Ended 31/12/2015 RM '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax :	3,094	6,560
Adjustments for:		
- Non-cash items	2,892	2,400
- Non-operating items	(153)	(613)
Operating profit before changes in working capital	<u>5,833</u>	<u>8,347</u>
Changes in working capital:		
- Net change in current assets	1,849	(893)
- Net change in current liabilities	(1,436)	(4,100)
Net cash from/(used in) operating activities	<u>6,246</u>	<u>3,354</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of subsidiaries, net of cash acquired	(538)	(7)
Interest received	107	162
Proceeds from disposal of property, plant and equipment	19	456
Proceeds from resale of treasury shares	196	917
Additions to land held for property development	(4,986)	(4,461)
Purchase of property, plant and equipment	(2,413)	(2,739)
Net cash used in investing activities	<u>(7,615)</u>	<u>(5,672)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid to non-controlling interest	(314)	(26)
Government grant received	-	1,200
(Decrease)/increase in loans and borrowings	(967)	463
Interest paid	(39)	(54)
Net cash (used in)/ from financing activities	<u>(1,320)</u>	<u>1,583</u>
Currency translation differences	110	208
Net Change in Cash & Cash Equivalents	(2,579)	(527)
<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>24,168</u>	<u>26,751</u>
<b>CASH &amp; CASH EQUIVALENTS AS AT END OF THE PERIOD</b>		
Highly Liquid Investments	1,460	1,140
Deposits not pledged	1,310	1,635
Cash & bank balances	21,399	23,976
	<u>24,168</u>	<u>26,751</u>

# Note: Deposits amounting to RM2,596,880 (31.12.2015: RM741,105) have been pledged to local banks for bank guarantee facilities obtained by the Group as at 31 December 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)**

---

**A. Notes to the financial report for the second financial quarter ended 31 December 2016**

---

**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.

---

**A. Notes to the financial report for the second financial quarter ended 31 December 2016**

---

**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 and financial period to date.

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

a) Subsequent to the Shareholders' approval granted during the Extraordinary General Meeting held on 14 December 2016 on the proposed bonus issue of up to 34,040,375 new ordinary shares of RM1.00 each in the Company on the basis of one (1) bonus share for every two (2) shares held, the issued and paid-up share capital of the Company had increased from RM68,080,750 to RM102,093,601 following the allotment of entitlement on 30 December 2016. The bonus shares are listed and quoted on the Main Market of Bursa Securities on 3 January 2017.

b) In the quarter under review, the Company resold its treasury shares of 126,500 shares at an average price of RM1.55 per share.

Other than the above, 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. (31.12.2015 : 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
- c) Other operating segments – Include small operations related to property letting, hotel operation, money lending and supply of engineering parts.

**A. Notes to the financial report for the second financial quarter ended 31 December 2016**

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

	<b>Manufacturing</b>	<b>Property Development</b>	<b>Other Operating Segments</b>	<b>Unallocated Non-Operating Segments</b>	<b>Eliminations</b>	<b>Total</b>
<b>Current Period ended 31.12.2016</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue from external customer	52,700	941	2,082	-	-	55,723
Intersegment revenue	-	-	211	4,599	(4,810)	-
Interest income	59	4	17	433	(406)	107
Interest expense	34	407	-	8	(410)	39
Depreciation and amortisation	2,612	33	253	54		2,952
Tax expense	1,488	-	132	(16)	-	1,604
Reportable segment profit/(loss) after taxation	3,454	(1,090)	270	4,037	(5,181)	1,490
Reportable segment assets	97,711	58,632	17,652	119,724	(111,500)	182,219
Expenditure for non-current assets	2,356	3,215	13	44	-	5,628
Reportable segment liabilities	24,634	21,854	2,440	13,604	(23,213)	39,319

**A. Notes to the financial report for the second financial quarter ended 31 December 2016**

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

Corresponding Period ended 31.12.2015	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	49,987	-	1,076	-	-	51,063
Intersegment revenue	321	-	627	4,202	(5,150)	-
Interest income	113	4	12	33	-	162
Interest expense	46	57	-	12	(61)	54
Depreciation and amortisation	2,493	7	248	44	-	2,792
Tax expense	1,577	-	149	-	-	1,726
Reportable segment profit/(loss) after taxation	6,104	(790)	412	3,067	(3,959)	4,834
Reportable segment assets	99,193	51,005	17,415	98,427	(88,869)	177,171
Expenditure for non-current assets	2,550	4,627	18	5	-	7,200
Reportable segment liabilities	22,543	11,484	2,190	11,394	(13,517)	34,094

**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 31.12.2016 RM'000	Preceding Corresponding Period 31.12.2015 RM'000
Malaysia	34,678	30,098
United States of America	10,862	8,951
Singapore	5,910	6,605
Other Foreign Countries	4,273	5,409
	<u>55,723</u>	<u>51,063</u>



---

**A. Notes to the financial report for the second financial quarter ended 31 December 2016**

---

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

**Information about major customer**

For the financial period ended 31 December 2016, there was no customer who contributed more than 10% of the Group's total revenues for the period under review.

**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**

There were no major changes in the composition of the Group during the financial quarter ended 31 December 2016.

**12. Contingent assets and contingent liabilities**

There were no contingent assets or liabilities for the Group as at the date of the report. (31.12.2015 : RM: Nil).

**13. Material related party transaction**

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

**14. Capital Commitments**

Authorised capital commitments not recognised in the interim financial statement as at 31 December 2016 were as follows: -

	31.12.2016 RM'000	31.12.2015 RM'000
Approved but not contracted :-		
Property, Plant and Equipment	-	1,229
Contracted but not provided for :-		
Property, Plant and Equipment	608	751

---

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

	INDIVIDUAL PERIOD			CUMULATIVE PERIOD		
	Current Year	Preceding Year	Variance	Current Year	Preceding Year	Variance
	quarter ended	Corresponding quarter ended		todate	Corresponding Period	
	31.12.2016	31.12.2015		31.12.2016	31.12.2015	
<b>Operating Segment</b>	RM'000	RM'000	%	RM'000	RM'000	%
<b>Revenue:-</b>						
Manufacturing	27,372	25,164	8.8%	52,700	49,987	5.4%
Property Development	281	-	100%	941	-	100%
Other operating segments	706	540	30.7%	2,082	1,076	93.5%
Unallocated non-operating segments	-	-		-	-	
	<u>28,359</u>	<u>25,704</u>	10.3%	<u>55,723</u>	<u>51,063</u>	9.1%
<b>Profit/(loss) before tax:-</b>						
Manufacturing	2,898	3,641	-20.4%	4,942	7,681	-35.7%
Property Development	(604)	(495)	-22.0%	(1,090)	(790)	-38.0%
Other operating segments	181	259	-30.1%	402	561	-28.3%
Unallocated non-operating segments	1,701	1,189	43.1%	4,021	3,067	31.1%
	<u>4,176</u>	<u>4,594</u>		<u>8,275</u>	<u>10,519</u>	
Consolidation adjustments and eliminations	(2,424)	(1,493)		(5,181)	(3,959)	
	<u>1,752</u>	<u>3,101</u>	-43.5%	<u>3,094</u>	<u>6,560</u>	-52.8%

**1. Review of performance**

The Group posted an increase in revenue by 10.3% in current quarter and 9.1% for year-to-date as compared to previous year corresponding period. However, profit before tax has dropped by 43.5% for current financial quarter and 52.8% for year-to-date.

The manufacturing segment has recorded a marginal growth of 8.8% in revenue compared to preceding year corresponding quarter. On contrary, the profit before tax decline by 20.4% for current quarter mainly attributable to the adverse performance of the Group's oil & gas business unit. For year-to-date, despite the slight increase in revenue of 5.4%, the profit before reported a decline of 35.7%. The cut in crude production activities continued to impact the performance of our oil & gas business unit resulting the unit operating in loss.

The property development segment has reported a revenue of RM0.28 million for current quarter and RM0.94 million for year-to-date following the commencement of the segment's Langkawi project in July 2016. However, the segment encountered loss of RM 0.60 million for current quarter and RM1.09 million for year-to-date. Slowdown in property market has affected the revenue of the property development segment. Moreover, the revenue generated from a project was unable to offset overhead costs of other projects that are yet to kick off.

---

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


---

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

	Current Year quarter ended 31.12.2016 RM'000	Preceding quarter ended 30.9.2016 RM'000	Variance %
<b><u>Operating Segment</u></b>			
<b>Revenue:-</b>			
Manufacturing	27,372	25,328	8.1%
Property Development	281	660	-57.4%
Other operating segments	706	1,376	-48.7%
Unallocated non- operating segments	-	-	
	<u>28,359</u>	<u>27,364</u>	3.6%
<b>Profit/(loss) before tax:-</b>			
Manufacturing	2,898	2,044	41.8%
Property Development	(604)	(486)	-24.3%
Other operating segments	181	221	-18.1%
Unallocated non- operating segments	1,701	2,320	-26.7%
	<u>4,176</u>	<u>4,099</u>	
Consolidation adjustments and eliminations	(2,424)	(2,757)	
	<u>1,752</u>	<u>1,342</u>	30.6%

The Group reported a revenue of RM28.35 million and profit before tax of RM1.75 million for current quarter, compared to revenue of RM27.36 million and profit before tax of RM1.34 million in Qtr 1 2017.

As compared to preceding quarter, the manufacturing segment has shown a top and bottom line growth of 8.1% in revenue and 41.8% in profit before tax following the ramp up in demand by a customer.

The property development segment reported a revenue of RM0.28 in current quarter compared to preceding quarter of RM0.66 million. Corresponding to the drop in revenue, current quarter's losses deteriorated by 24.3%.

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

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

The manufacturing segment is expected to remain profitable for the coming quarters of FYE 2017 taping on the surging of demand for semiconductor product. Besides, the segment shall continue to focus on expanding its business on high value products for aerospace sector.

The property development segment is likely to remain flattish for FYE2017 in view of softened Malaysia's property market where buyer adopt a wait and see stance.

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.

**5. Profit for the period**

	<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
	Current Year quarter ended 31.12.2016	Preceding Year Corresponding quarter ended 31.12.2015	Current Year to date 31.12.2016	Preceding Corresponding Period 31.12.2015
<u>Group</u>	RM'000	RM'000	RM'000	RM'000
Profit for the period is arrived at after (crediting)/charging :-				
Interest income	(42)	(81)	(107)	(162)
Interest expenses	26	28	39	54
Depreciation of Property, plant and equipment	1,325	1,416	2,952	2,792
(Gain)/loss on disposal of property, plant and equipment	62	10	(85)	14
Property, plant and equipment written off	62	9	62	9
Gain on foreign exchange	(264)	(1,190)	(687)	(2,139)

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

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

**6. Taxation**

Taxation comprises the following:-

	<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
	Current Year quarter ended 31.12.2016 RM'000	Preceding Year Corresponding quarter ended 31.12.2015 RM'000	Current Year todate 31.12.2016 RM'000	Preceding Corresponding Period 31.12.2015 RM'000
Current tax	(1,033)	(1,067)	(1,606)	(1,977)
Deferred tax	39	128	2	251
	<u>(994)</u>	<u>(939)</u>	<u>(1,604)</u>	<u>(1,726)</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.

**7. Status of corporate proposals**

There were no corporate proposals announced as at the date of this interim report but pending completion.

**8. Group borrowings and debts securities**

Particular of the loans and borrowings for the Group as at 31 December 2016:-

	31.12.2016 RM'000	31.12.2015 RM'000
Repayable within 12 months	976	822
Repayable later than 12 months <sup>(a)</sup>	9,482	10,385
	<u>10,458</u>	<u>11,207</u>

<sup>(a)</sup> Included herein is a term loan of RM8.58 million (31.12.2015: RM9.03 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.

---

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

---

**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**

	31.12.2016	31.12.2015
	RM'000	RM'000
Total retained profits of the Company and its subsidiaries:-		
- Realised	59,519	78,829
- Unrealised	(1,928)	(1,184)
	<hr/> 57,591	<hr/> 77,645
Consolidation adjustments and eliminations	(19,238)	(6,817)
	<hr/> 38,353	<hr/> 70,828

**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 Summons 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 called up for mention and submission of written submission from both parties on 8 February 2016. The next hearing is fixed on 29 March 2017.

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 31 December 2016. (31.12.2015 : Nil).

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

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

	<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
	Current Year quarter ended 31.12.2016 RM'000	Preceding Year Corresponding quarter ended 31.12.2015 RM'000	Current Year todate 31.12.2016 RM'000	Preceding Corresponding Period 31.12.2015 RM'000
Profit attributable to ordinary equity holders of the parent	730	2,139	1,417	4,921
Weighted average number of :				
- Issued ordinary shares	68,271	68,081	68,271	68,081
- Effect of Shares Buy Back	(55)	(380)	(55)	(380)
	68,216	67,701	68,216	67,701
Earnings per Share (sen)	1.07	3.16	2.08	7.27

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