

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2016

	As At End of Current Quarter 30.9.2016	(Audited) As At Preceding Financial Year End 31.12.2015
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	458,471	460,373
Goodwill	2,999	2,999
Deferred tax assets	2,726	1,572
	<u>464,196</u>	<u>464,944</u>
<b>Current Assets</b>		
Property development cost	229	229
Inventories	21,692	20,648
Trade and other receivables	101,674	80,753
Amount due from contract customers	48,796	13,877
Tax Recoverable	-	690
Cash and Cash Equivalents	31,157	29,259
	<u>203,548</u>	<u>145,456</u>
<b>Total Assets</b>	<u>667,744</u>	<u>610,400</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Share Capital	235,277	189,597
Treasury shares	(179)	(179)
Reserves	324,930	326,104
	<u>560,028</u>	<u>515,522</u>
<b>Non Controlling Interest</b>	2,932	2,932
<b>Total Equity</b>	<u>562,960</u>	<u>518,454</u>
<b>Non-Current Liabilities</b>		
Long Term Borrowing	2,942	2,280
Long Term Provisions	965	906
<b>Total Non-Current Liabilities</b>	<u>3,907</u>	<u>3,186</u>
<b>Current Liabilities</b>		
Trade And Other Payables	46,531	39,587
Amount due to contract customers	-	3,857
Short Term Borrowings	52,559	43,682
Tax payables	1,787	1,634
<b>Total Current Liabilities</b>	<u>100,877</u>	<u>88,760</u>
<b>Total Liabilities</b>	104,784	91,946
<b>Total Equity and Liabilities</b>	<u>667,744</u>	<u>610,400</u>
Net Assets per share attributable to ordinary equity holders of the parent (RM)	<u>2.38</u>	<u>2.72</u>

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31st December 2015)

**SEACERA GROUP BERHAD ( Company No. 163751-H )**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2016**

	Current Quarter Ended 30.9.2016 RM'000	Corresponding Quarter Ended 30.9.2015 RM'000	Current Year to Date Ended 30.9.2016 RM'000	Corresponding Year to Date Ended 30.9.2015 RM'000
Revenue	25,527	14,807	76,543	52,130
Operating Expenses	(25,360)	(14,015)	(75,673)	(47,980)
Other Operating Income	5,690	1,154	8,919	1,615
Finance Cost	(1,102)	(546)	(3,381)	(2,546)
Profit Before Taxation	4,755	1,400	6,408	3,219
Taxation	(502)	118	(533)	(597)
<b>Net profit for the Period from continuing operation</b>	<b>4,253</b>	<b>1,518</b>	<b>5,875</b>	<b>2,622</b>
Revaluation surplus	-	5,203	-	294,338
<b>Total comprehensive income for the year</b>	<b>4,253</b>	<b>6,721</b>	<b>5,875</b>	<b>296,960</b>
<b>Profit attributable to :</b>				
Equity holders of the parent	4,253	5,858	5,875	296,608
Non-controlling Interest	-	863	-	352
<b>Total comprehensive income attributable to :</b>				
Equity holders of the parent	4,253	5,858	5,875	296,608
Non-controlling Interest	-	863	-	352
<b>EPS</b>				
Net profit per share (sen)				
- Basic	1.81	0.84	2.50	1.44
- Diluted	1.81	0.84	2.50	1.44

(The Condensed Consolidated Statements of Profit or Loss and other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31st December 2015)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES EQUITY  
FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2016**

**Attributable to Equity Holders of the Parent**

	Share Capital RM'000	Retained Earnings RM'000	Non- Distributable Revaluation Reserve RM'000	Total Reserves RM'000	Non- Distributable Treasury Shares RM'000	Non Controlling interests RM'000	Total Equity RM'000
<b>Balance at 1 January 2015</b>	181,747	20,746	-	20,746	(177)	2,816	205,132
Shares buy back					(2)		(2)
<b>Profit for the year</b>		2,270		2,270			2,270
<b>Revaluation surplus</b>			294,338	294,338			294,338
Non-Controlling interest						352	352
Dividend paid		(5,443)		(5,443)			(5,443)
<b>Balance at 30 September 2015</b>	<b>181,747</b>	<b>17,573</b>	<b>294,338</b>	<b>311,911</b>	<b>(179)</b>	<b>3,168</b>	<b>496,647</b>
<b>Balance at 1 January 2016</b>	189,598	19,496	306,608	326,104	(179)	2,932	518,455
Issuance of new ordinary shares	45,679						45,679
<b>Profit for the year</b>		5,875		5,875			5,875
<b>Dividend Paid</b>		(7,049)		(7,049)			(7,049)
<b>Balance at 30 September 2016</b>	<b>235,277</b>	<b>18,322</b>	<b>306,608</b>	<b>324,930</b>	<b>(179)</b>	<b>2,932</b>	<b>562,960</b>

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st December 2015)

**SEACERA GROUP BERHAD ( Company No. 163751-H )**

Unaudited Condensed Consolidated Cash Flow Statements  
For the period ended 30 September 2016

	<b>Current Period Ended 30.9.2016 (RM '000)</b>	<b>Corresponding Period Ended 30.9.2015 (RM '000)</b>
Profit before taxation	6,408	3,219
Adjustment for non-cash flow items	<u>3,573</u>	<u>(286,747)</u>
Operating profit before changes in working capital	9,981	(283,528)
(Increase)/Decrease in inventories	<u>1,044</u>	<u>(4,918)</u>
(Increase) /Decrease in receivables	<u>(55,840)</u>	<u>112,040</u>
(Decrease)/Increase in payables	<u>873</u>	<u>2,083</u>
Changes flows (used in )/from operations	<u>(43,942)</u>	<u>(174,323)</u>
Incomes tax paid/refund	<u>(802)</u>	<u>(1,063)</u>
Interest paid	<u>(3,384)</u>	<u>(2,546)</u>
Interest received	<u>353</u>	<u>1,214</u>
Cash flow (used in)/generated from operations	<u>(47,775)</u>	<u>(176,718)</u>
Issuance of new ordinary shares	<u>45,679</u>	<u>-</u>
Revaluation of property, plant and equipments	<u>-</u>	<u>289,135</u>
Purchase of property, plant and equipment	<u>-</u>	<u>(105,212)</u>
Net cash (used in)/ generated from investing activities	<u>45,679</u>	<u>183,923</u>
(Increase)in deposit pledged	<u>201</u>	<u>(497)</u>
Dividend paid	<u>(7,049)</u>	<u>(5,443)</u>
Bank borrowing	<u>9,539</u>	<u>(5,467)</u>
Net cash from/(used in)Financing Activities	<u>2,691</u>	<u>(11,407)</u>
<b>Net Change in Cash &amp; Cash Equivalents</b>	<u>595</u>	<u>(4,202)</u>
Cash & Cash Equivalents at beginning of year	(11)	1,832
<b>Cash &amp; Cash Equivalents at end of period</b>	<u><u>584</u></u>	<u><u>(2,370)</u></u>
<b>Cash &amp; Cash Equivalents</b>	<b>2016 RM'000</b>	<b>2015 RM'000</b>
Cash and bank balances	3,986	872
Deposits pledged with licensed bank	<u>27,171</u>	<u>26,253</u>
Cash and bank balances	<u>31,157</u>	<u>27,125</u>
Less:		
Deposits pledged with licensed bank	<u>(27,171)</u>	<u>(26,253)</u>
Bank overdrafts	<u>(3,402)</u>	<u>(3,242)</u>
Cash and cash equivalents	<u><u>584</u></u>	<u><u>(2,370)</u></u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2015)

SEACERA GROUP BERHAD (Company No: 163751-H)  
INTERIM FINANCIAL REPORTING / STATEMENT FOR  
THE THIRD QUARTER ENDED 30 SEPTEMBER 2016

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**A. Notes Required Under FRS 134**

**A1. Basis of preparation of financial statements**

This Interim Financial Statements are unaudited and has been prepared in accordance with FRS 134 "Interim Financial Reporting" issued by Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of the Bursa Malaysia Securities Berhad's Listing Requirements and should be read in conjunction with the Group's annual audited financial statements for the financial year ended 31 December 2015. These explanatory notes accompanied the Interim Financial Statements provide an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last financial year ended 31 December 2015.

**A2. Significant Changes in Accounting Policies**

The significant accounting policies adopted are consistent with those of the financial statements for the year ended 31 December 2015.

**A3. Qualification in Auditor's Report**

There are no qualifications in the Auditors' Report of the audited financial statements for year ended 31 December 2015.

**A4. Seasonality or Cyclicity of Operations**

The Group's performance is directly related to the level of respective market activity which normally experiences slowdown during festive seasons.

**A5. Unusual Items**

There are no unusual items affecting assets, liabilities, equity, net income or cash flow that are unusual because of their nature, sizes, or incidence that had affected the current quarter ended 30 September 2016 except as disclosed in the interim financial statements.

**A6. Material Changes in Estimates**

There were no material changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter ended 30 September 2016.

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**A7. Issuance, Cancellation, Repurchases, Resale & Repayments of Debt and Equity Securities**

On 30 June 2009, the Company had obtained approval from its shareholders to buy-back its own shares. The latest approval obtained for the renewal of share Buy-back Authority was on 30 June 2016.

On a cumulative basis, as at 30.9.2016, the Company has purchased 306,000 ordinary shares for RM178,990.74, representing in average RM0.59 per share.

None of the treasury shares held were resold or cancelled during the financial quarter.

**A8. Dividend Paid**

There was no payment of dividend for the current quarter under review.

**A9. Segmental Reporting**

Segment information is presented in respect of the Group business segments. The business segment is based on the Group's management and internal report structure. Segment information by geographical segments is not provided as the activities of the Group are located principally in Malaysia. Inter-segment pricing is determined based on negotiated terms.

Segments result, asset and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise corporate assets and expenses.

*Business Segments*

The Group is organized into the following business segments:-

- i) Tiles- manufacturing, trading and marketing of all kinds of ceramic and related building material products.
- ii) Property/Construction – property development and construction

The directors are of the opinion that all inter-segment transactions have been entered during the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

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	Tiles RM'000	Property/ Construction RM'000	Eliminations RM'000	Consolidated RM'000
Revenue-External	31,382	44,711		76,543
Operating profit	(386)	1,256		870
Other operating income	8,701	218		8,919
Interest expenses	(2,106)	(1,275)		(3,381)
Profit before taxation	6,209	199		6,408
Tax expenses	(466)	(67)		(533)
Profit/(loss) for the period	5,743	132		5,875
Total comprehensive income	5,743	132		5,875
Segments assets	360,896	489,253	(185,404)	664,745
Goodwill				2,999
Total assets				667,744
Segments liabilities	81,251	130,587	(107,054)	104,784
Depreciation and amortization	2,088	378		2,466

*Geographical segments*

The Group's production facilities are located in Malaysia only.

In determining the geographical segment of the Group, revenue is based on the geographical location of customers.

	Revenue RM'000
Malaysia	69,584
Other countries	6,959
	<u>76,543</u>

**A10. Valuations of Property, Plant & Equipment**

The property, plant and equipment have not been revalued since the previous annual audited financial statements.

**A11. Material Events Subsequent to End of Interim Period**

There were no material events subsequent to the end of the quarter under review that have not been reflected in the financial statements.

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**A12. Changes in the Composition of the Group**

There was no change in the composition of the Group during the current quarter under review except for the disposal of 51% equity interest in Seacera Land Sdn Bhd as announced on 23 September 2016.

**A13. Capital Commitments**

Except as disclosed in notes B6, there were no other material capital commitments during the current quarter ended 30 September 2016.

**B. Notes Required Under Bursa Malaysia Securities Berhad's Listing Requirements.**

**B1. Quarter vs Preceding Year Quarter**

The Group's revenue for the third quarter ended 30 September 2016 was higher by RM10.72 million or 73% as compared to previous year of the corresponding quarter mainly due to higher revenue recorded by the Construction Division. The Group recorded higher profit before taxation for the third quarter ended 30 September 2016 of RM4.76million compared to profit before taxation of RM1.4 million in the previous year corresponding quarter mainly due to gain on disposal of 51% equity in Seacera Land Sdn Bhd.

**B2. Material Changes for the Current and Preceding Quarter.**

The Group's revenue for the third quarter ended 30 September 2016 was marginally higher by RM0.452 million (30.6.2016: Revenue of RM 25.07 million) or 1.8% higher compared to the preceding quarter. The Group's profit before taxation for the current financial quarter of RM4.76 million (30.6.2016: Profit before tax of RM0.386 million) was higher by RM4.37 million in comparison with preceding quarter mainly due to gain on disposal of 51%equity in Seacera Land Sdn Bhd.

**B3. Prospects**

The Board anticipates that the Year 2016 will be a challenging period for business environment in view of the uncertainty of local and global economy , lower commodity prices and weak RM against USD . However, with some positive measures to be undertaken and if materialized, the Board expects that the performance for the current year is to be satisfactory

**B4. Provision of Profit Forecast of Profit Guarantee in Public Document**

The Group did not announce any profit forecast or profit guarantee in a public document.



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**B5. Taxation**

	2016 Quarter ended 30 Sept RM '000	2015 Quarter ended 30 Sept RM '000	2016 Year to Date ended 30 Sept RM '000	2015 Year to date ended 30 Sept RM '000
<b>Current year</b>				
- Income tax	502	(118)	533	597
	<u>502</u>	<u>(118)</u>	<u>533</u>	<u>597</u>

The effective tax rate is lower than the statutory tax rate was mainly due to certain income is not subject to taxation. The transactions is pending fulfillment of conditions precedents.

**B6. Status of Corporate Proposals**

- a) On 5 April 2005, Seacera Properties Sdn. Bhd. (403089-X) ("SPSB") a wholly owned subsidiary of the company entered into a conditional Joint Venture Development Agreement ("JVDA") with Duta Skyline Sdn. Bhd. ("DSSB") to develop pieces of freehold land owned by DSSB. The JVDA is pending completion and is further extended to 30 December 2016 as certain conditions precedents have yet to be met.
- b) On 24 June 2014, the Company had entered into the Memorandum of Understanding ("MOU") with Intelligent Fence (M) Sdn Bhd. ("IFSB") to record the understanding of Seacera and IFSB to participate in the tender under Public Private Partnership ("PPP") to Malaysia's Ministry of Home Affairs ("MOHA") to build, operate and transfer an electric security fence along the national border of Malaysia and Thailand which is approximately 600 kilometres ("Proposed Project"). There is no major development of the MOU since the last announcement or disclose.
- c) On 12 January 2016, the Company had entered into a Subscription cum Shareholders Agreement ("SSA") with Proligen Sdn Bhd ("Proligen"), Zakaria bin Abdul Rashid ("Zakaria") and Andrew Suriady Sjoekoer ("Andrew") to subscribe for 520,000 ordinary shares of RM1.00 each with the share premium of RM4.70 each in Proligen at a subscription price of RM2,964,000 and upon the terms and conditions as stipulated in the SSA. As at the date of this report, the SSA is pending to have its conditions precedent to be met by respective parties.
- d) On 27 April 2016 Seacera Properties Sdn Bhd ("Seacera Properties" or "Purchaser"), a wholly-owned subsidiary of Seacera had entered into a conditional sale and purchase agreement ("SPA") with Ismail bin Othman ("Ismail") and Zainab binti Mansor ("Zainab") (collectively the "Vendors") for the proposed acquisition of 1,500,000 ordinary shares of RM1.00 each ("Sale Shares") representing the entire equity interest in Duta Nilai Holdings Sdn. Bhd. ("DNHSB") for a total consideration of RM220,000,000.00 ("Purchase Consideration") to be satisfied in cash. The Company and the Vendors had, on November 2016, mutually agreed to terminate the SPA dated 27 April 2016.

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- e) On 16 November 2016 Seacera Properties Sdn Bhd ("Seacera Properties" or "Purchaser"), a wholly-owned subsidiary of Seacera had entered into a conditional sale and purchase agreement ("SPA") with Ismail bin Othman ("Ismail") and Zainab binti Mansor ("Zainab") (collectively the "Vendors") for the proposed acquisition of 1,500,000 ordinary shares of RM1.00 each ("Sale Shares") representing the entire equity interest in Duta Nilai Holdings Sdn. Bhd. ("DNHSB") for a total consideration of RM165,100,000.00 ("Purchase Consideration") to be satisfied partly via issuance of 90,000,000 new ordinary shares of RM1.00 each in Seacera ("Seacera Shares") and the balance to be settle via cash payment of RM75,100,000. The transaction is pending fulfillment of the conditions precedents.

**B7. Group Borrowings**

Group borrowings consist of the following:

	<b>As at 30.9.2016 RM'000</b>
Dominated in Ringgit Malaysia	
<b>Secured</b>	
Long term borrowings	<u>2,942</u>
<b>Secured</b>	
Short term borrowings	30,537
Bankers acceptance	<u>12,410</u>
	<u>52,559</u>
<b>Total</b>	<u>55,501</u>

**B8. Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments entered into by the Group as at the date of this report except for the Corporate Guarantee issued by Seacera Group Berhad in favour of the financiers' of the subsidiary companies for their banking facilities amounting to RM51.50million.

**B9. Changes in the Material Litigation**

There were no other material litigation, claims or arbitration, either as plaintiff or defendant and the Directors have no knowledge of any proceedings pending or threatened against the Company and/or its subsidiaries or of any fact likely to give rise to any proceedings which might adversely and materially affect the financial position or business of the Company and/or its subsidiaries.

**B10. Dividend**

The Board of Directors does not recommend any dividend for the current quarter under review.

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**B11. Earnings per Ordinary Share (EPS)**

The earnings per ordinary share of the Group as at the end of this period are calculated as follows:

	<b>2016 Quarter ended 30 Sept RM'000</b>	<b>2015 Quarter ended 30 Sept RM'000</b>	<b>2016 Year to date ended 30 Sept RM'000</b>	<b>2015 Year to date ended 30 Sept RM'000</b>
Net profit for the Period/Year (RM'000)	4,253	1,518	5,875	2,622
No. of ordinary shares ('000)	235,277	181,747	235,277	181,747
Owner of the parent	4,253	(104)	5,875	296,608
Non-controlling interest	-	148	-	352
EPS (sen) - Basic	1.81	0.84	2.50	1.44
EPS (sen) - Diluted	1.81	0.84	2.50	1.44

**B12. Disclosure of realised and unrealised profits and losses**

Retained earnings	<b>2016 30 Sept RM'000</b>	<b>2015 30 Sept RM'000</b>
Total retained earnings of Seacera and its subsidiaries		
- Realised	33,921	26,361
- Unrealised	-	(2,999)
	33,921	23,362
Less : Consolidation adjustments	(15,599)	(5,789)
Total Group retained Earnings as per Consolidated Financial Statements	18,322	17,573

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**B13. Profit/(loss) for the period/year**

	<b>2016 Quarter ended 30 Sept RM'000</b>	<b>2015 Quarter ended 30 Sept RM'000</b>	<b>2016 Year to date ended 30 Sept RM'000</b>	<b>2015 Year to date ended 30 Sept RM'000</b>
<b>Profit for the period/year after charging/(crediting):</b>				
Interest expense	1,102	547	3,381	2,546
Depreciation	828	945	2,466	2,346
Foreign exchange loss/(gain)	241	(281)	392	(527)
Interest income	(322)	(534)	(603)	(808)

**B14. Authorisation for issue**

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution by the Directors.