

GPA Holdings Berhad

Unaudited Interim Report for the Twelve Months Ended 31 March 2017

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income*(The current year figures have not been audited)*

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current	Preceding Year
	Quarter	Corresponding	Year To	Corresponding
	3 months ended	Quarter	Date	Period
	31-03-17	31-03-16	31-03-17	31-03-16
	RM'000	RM'000	RM'000	RM'000
Sales	19,680	21,977	93,210	138,358
Cost of Sales	(20,195)	(20,660)	(88,031)	(141,992)
Gross Profit / (Loss)	(515)	1,317	5,179	(3,634)
Other income				
- Non-operating income	959	5,778	17,227	13,416
- Interest income	333	77	698	140
	777	7,172	23,104	9,922
Operating Expenses	(1,586)	(7,911)	(13,487)	(34,741)
Profit/ (Loss) from operations	(809)	(739)	9,617	(24,819)
Finance cost	(36)	(369)	(119)	(503)
Profit/ (Loss) before tax	(845)	(1,108)	9,498	(25,322)
Tax	(134)	169	(1,013)	(242)
Profit/ (Loss) after tax	(979)	(939)	8,485	(25,564)
Other comprehensive income, net of tax	-	21,478	-	21,478
Total Comprehensive Profit/ (Loss) for the period	(979)	20,539	8,485	(4,086)
Total Comprehensive Profit/(Loss) attributable to:				
-Owners of the Company	(987)	20,872	7,995	(2,883)
-Non-controlling interests	8	(333)	490	(1,203)
Total Comprehensive Profit/ (Loss) for the period	(979)	20,539	8,485	(4,086)
Earning/ (Loss) per share - basic (Sen)	(0.10)	2.13	0.82	(0.29)

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the financial statements for the financial year ended 31 March 2016

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Unaudited Interim Report as at 31 March 2017

Condensed Consolidated Statement of Financial Position*(The current year figures have not been audited)*

	As at 31/03/17 RM'000	As at 31/03/16 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	31,035	31,693
Investment properties	14,655	14,800
	<u>45,690</u>	<u>46,493</u>
Current assets		
Inventories	17,870	18,367
Receivables, deposits and prepayments	29,529	40,336
Tax Recoverable	1,163	1,056
Cash and bank balances	34,225	13,459
Non-current assets held for sale	-	4,813
	<u>82,787</u>	<u>78,031</u>
TOTAL ASSETS	<u>128,477</u>	<u>124,524</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	98,049	98,049
Reserves	11,042	6,102
Shareholders' equity	<u>109,091</u>	<u>104,151</u>
Non-controlling interests	4,587	4,097
Total Equity	<u>113,678</u>	<u>108,248</u>
Non-current liabilities		
Deferred tax liabilities	2,929	2,929
Bank borrowings	-	382
	<u>2,929</u>	<u>3,311</u>
Current liabilities		
Trade Payables	27	2,177
Other payables	11,843	10,147
Bank borrowings	-	641
	<u>11,870</u>	<u>12,965</u>
Total Liabilities	<u>14,799</u>	<u>16,276</u>
TOTAL EQUITY AND LIABILITIES	<u>128,477</u>	<u>124,524</u>
Net Assets per Share (RM)	<u>0.11</u>	<u>0.11</u>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the financial statements for the financial year ended 31 March 2016

GPA Holdings Berhad
 Unaudited Interim Report for the Twelve Months Ended 31 March 2017
Condensed Consolidated Statement of Changes in Equity
(The current year figures have not been audited)

	Note	Attributable to equity holders of the Parent						Total Equity RM '000	
		Non-distributable			Distributable		Total Equity Funds RM '000		Non- controlling interests RM '000
		Share Capital RM '000	Share Premium RM '000	Revaluation reserves RM '000	Retained Earnings RM '000	Total Equity RM '000			
Balance as at 1 April 2015		78,439	6,803	549	2,182	87,973	5,300	93,273	
Expenses on right issue		-	(549)	-	-	(549)	-	(549)	
Total Comprehensive/(Loss) for the period		-	-	-	(24,361)	(24,361)	(1,203)	(25,564)	
Issuance of share pursuant to Right Issue		19,610	-	-	-	19,610	-	19,610	
Revaluation surplus on land and buildings		-	-	21,478	-	21,478	-	21,478	
Balance as at 31 March 2016		98,049	6,254	22,027	(22,179)	104,151	4,097	108,248	
Balance as at 1 April 2016		98,049	6,254	22,027	(22,179)	104,151	4,097	108,248	
Total comprehensive income for the period		-	-	-	7,995	7,995	490	8,485	
Reversal of Revaluation surplus of Investment property		-	-	-	(3,055)	(3,055)	-	(3,055)	
Balance as at 31 March 2017		98,049	6,254	22,027	(17,239)	109,091	4,587	113,678	

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the financial statements for the financial year ended 31 March 2016

GPA Holdings Berhad

Unaudited Interim Report for the Twelve Months Ended 31 March 2017

Condensed Consolidated Statement of Cash flows*(The current year figures have not been audited)*

	12 months ended 31/03/17 RM'000	12 months ended 31/03/16 RM'000
Cash flows from operating activities		
Cash receipts from customers	109,363	167,334
Cash paid to suppliers and employees	(100,787)	(151,546)
Interest received	698	140
Tax refund	117	386
Tax paid	(1,239)	(308)
Net cash from operating activities	8,152	16,006
Cash flows from/ (for) investing activities		
Purchase of property, plant and equipment	(78)	(1,620)
Proceeds from disposal of property, plant and equipment	13,835	206
Net cash used in investing activities	13,757	(1,414)
Cash flows from/ (for) financing activities		
Net Repayment of borrowings	(328)	(10,031)
Interest paid	(119)	(504)
Proceeds from rights issue	-	18,665
repayments to hire purchase payables	(696)	(593)
Repayment to shareholders	-	(11,000)
Net cash from/ (used in) financing activities	(1,143)	(3,463)
Net increase in cash and cash equivalents	20,766	11,129
Cash and cash equivalents at beginning of the period	13,459	2,330
Cash and cash equivalents at end of the period	34,225	13,459

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the financial statements for the financial year ended 31 March 2016

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Notes to the Financial Information – Forth Quarter ended 31 March 2017

(The current year figures have not been audited)

A. Explanatory Notes Pursuant to MFRS 134

1) Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRSs") 134: Interim Financial Reporting in Malaysia and Appendix 9B of the ACE Market Listing Requirements of Bursa Securities ("Listing Requirements").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 March 2016. The explanatory notes attached to the 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 2016.

2) Changes in Accounting Policies

The Group's financial statements was prepared in accordance with MFRSs, which is in line with International Financial Reporting Standards as issued by the International Accounting Standards Board. The adoptions of new and revised MFRSs, Amendments/Improvements to MFRSs, IC Interpretations and Amendments to IC Interpretations in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 March 2016.

- a) During the current financial period, the Group has adopted the following new accounting standards and interpretations (including the consequential amendments):-

MFRSs and IC Interpretations (including the Consequential Amendments)

MFRS 10 Consolidated Financial Statements

MFRS 11 Joint Arrangements

MFRS 12 Disclosure of Interests in Other Entities

MFRS 13 Fair Value Measurement

MFRS 119 (2011) Employee Benefits

MFRS 127 (2011) Separate Financial Statements

MFRS 128 (2011) Investments in Associates and Joint Ventures

Amendments to MFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities

Amendments to MFRS 10, MFRS 11 and MFRS 12: Transition Guidance

Amendments to MFRS 101: Presentation of Items of Other Comprehensive Income

IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine

Annual Improvements to MFRSs 2009 – 2011 Cycle

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Group's interim financial statements.

2) Changes in Accounting Policies (Cont'd)

- b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial period:-

MFRSs and IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 9 (2009) Financial Instruments)
MFRS 9 (2010) Financial Instruments) To be
MFRS 9 Financial Instruments (Hedge Accounting and Amendments to MFRS 7, MFRS 9 and MFRS 139)) announced) by MASB
Amendments to MFRS 9 and MFRS 7: Mandatory Effective Date of MFRS 9 and Transition Disclosures))
MFRS 14 Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 127 (2011): Investment Entities	1 January 2014
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 119: Defined Benefit Plans – Employee Contributions	1 July 2014
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 136: Recoverable Amount Disclosures for Non-financial Assets	1 January 2014
Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21 Levies	1 January 2014
Annual Improvements to MFRSs 2010 – 2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011 – 2013 Cycle	1 July 2014

3) Auditors' Report

The auditors' report on the financial statements for the financial year ended 31st March 2016 was not subject to any qualification.

4) Seasonal and Cyclical Factors

Export Sales - High season for battery sales occur during the winter months and low season during the summer months.

Local Sales - Low season for battery sales occur during the major festive months.

5) **Individually Significant Items**

There were no individually significant items for the current quarter and financial year-to-date.

6) **Material Changes in Estimates**

There were no material changes in estimates for the current quarter and financial year-to-date.

7) **Debt and Equity Securities**

The Company had on 4 June 2015 issued and allotted 196,097,520 ordinary shares of RM0.10 each ("Rights Shares") together with 490,243,800 free detachable warrants ("Warrants 2015/2025") pursuant to its Rights Issue with Warrants exercise which was completed on 10 June 2015. The Warrants 2015/2025 were admitted to the Official List and were granted Listing and quotation on the Main Market of Bursa Malaysia Securities Berhad. As at the date of this annual report, none of the Warrants 2015/2025 have been exercised.

8) **Dividends Paid**

No dividend was paid during the current quarter ended 31st March 2017.

9) Segmental Reporting

The Group is organized into two main business segments as follows:

	Automotive Batteries RM'000	Non- Automotive Batteries RM'000	Eliminations RM'000	Group RM'000
Financial year-to-date ended 31 March 2017				
Revenue				
External revenue	79,028	14,182	-	93,210
Results				
Segment results	7,934	1,882	-	9,816
Unallocated expenses				(200)
Finance cost				(119)
Tax expense				(1,013)
Profit for the period				8,484
Net assets				
Segment assets	110,195	23,703	(81,864)	52,034
Unallocated assets				76,442
Total assets				128,476
Segment liabilities				
Segment liabilities	2,841	90,067	(81,864)	11,044
Unallocated liabilities				3,756
Total liabilities				14,800
Other information				
Capital expenditure	74	4	-	78
Depreciation	823	70	-	893

10) Carrying Amount of Revalued Assets

Property

A valuation of the Group's land and buildings by independent qualified valuers using the Comparison Method had been performed for the financial year ended 31 March 2016. The Group have revalued the said properties with a revaluation surplus of RM24 million recognised in other comprehensive income during financial year ended 31 March 2016.

11) Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter and the financial year-to-date.

12) Contingent Liabilities / Assets

The Group does not have any contingent liabilities or assets as at the date of this announcement.

13) Capital Commitments

There were no capital commitments as at the date of this announcement.

GPA HOLDINGS BERHAD

Notes to the Financial Information – Forth Quarter ended 31 March 2017

(The current year figures have not been audited)

B. Selected Explanatory Notes to the Interim Financial Report (Part A of Appendix 9B of Bursa Malaysia Listing Requirements)

1) Operating Segment Review

Automotive batteries segment

Revenue from the automotive batteries segment have shown a slight increase from RM16.37 million in previous year corresponding quarter to RM16.38 million in current quarter. And in the 12 months cumulative period ended 31 March 2017, revenue was higher by 4.58% year on year to RM79.03 million primarily due to increase of sales volume of imported maintenance free batteries.

This segment recorded a profit before tax (“PBT”) of RM7.82 million for the 12 months period ended 31 March 2017 compared to LBT of RM22.82 million in last year corresponding period.

The current year profit was mainly due to the net gain on disposal of investment property of RM11.88 million. However, this gain was offset by the provision made in respect of import duty claimed by the Royal Malaysian Custom Department of RM3.97 million. The losses in last year corresponding period were mainly attributed by the closure of production plant in November 2015 where retrenchment cost, impairment of fixed asset and write down of inventories were incurred.

Non-Automotive Batteries segment

Revenue for this segment increased from RM2.82 million in the previous corresponding quarter to RM3.29 million in the current quarter. On a 12 months cumulative period, revenue was RM14.18 million compared to RM56.31million in the previous year corresponding period. This was anticipated with the cessation of the production plant which affected the sales to its key export market.

This segment recorded a PBT of RM1.87 million for the 12 months ended 31 March 2017 compared to LBT of RM3.16 million in last year corresponding period. The loss in last year corresponding period was attributed to impairment of machinery as well as write down of inventories as a result of the plant closure.

2) Material Changes in Profit/(Loss) Before Tax for Current Quarter as Compared with the Immediate Preceding Quarter

The current quarter’s recorded a loss before tax of RM845k compared to profit before tax of RM440k in the immediate preceding quarter. This was mainly due to lower margin as a result of the increasing importation cost which was affected by the exposure of weakening Ringgit and escalation of lead prices.

3) **Current Year Prospects**

Business prospect for 2017 remain challenging despite the stabilization of the ringgit and lead prices. Market demand is expected to taper and competition more intense with all key players lobbying for position.

The group will continue with its various cost control initiatives to mitigate the exposure and work towards maintaining existing channels and growing new channels for bigger market presence in this challenging economic environment

4) **Variance of Actual Profit from Forecast**

Not applicable.

5) **Statement on Revenue or Profit Estimate, Forecast, Projection or Internal Targets Previously Announced or Disclosed in a Public Document**

Not Applicable.

6) **Tax**

	<i>3 months ended 31/03/2017 RM'000</i>	<i>12 months ended 31/03/2017 RM'000</i>
In respect of current period:		
- income tax	134	482
- deferred tax	-	-
- real property gain tax	-	531
	<u>134</u>	<u>1,013</u>

The effective tax rate on the Group's profit before tax for the financial year-to-date ended 31st March 2017 is lower than the statutory tax rate of 24.0% due to the unabsorbed loss carried forward by certain subsidiaries.

7) **Corporate Proposals**

There were no corporate proposals announced but not completed as at the date of this report.

8) **Bank Borrowings**

There were no borrowing as at the end of the current financial quarter.

9) **Material Litigation**

Since the preceding financial quarter ended 31 December 2016, there is no change in material litigation as at the date of this announcement except as disclosed below:

Shah Alam High Court Originating Summons No.24-516-05/2014

Pursuant to a compulsory acquisition by the Pentadbir Tanah Daerah Klang of a part of a land held under Lot PT 7836, H.S.(D) 17768, Mukim Kapar, District of Klang, Selangor ("Land"), GP Autobat Sdn Bhd ("GP Autobat") has accepted with protest from the Pentadbir Tanah Daerah Klang the compensation award amounting to RM216,000.00 for the aforesaid land acquisition. GP Autobat has opted to object the compensation amount and have the matter on compensation sum to be referred to the Court. GP Autobat via its solicitors is claiming against the Pentadbir Tanah Daerah Klang vide High Court of Shah Alam Originating Summons No. 24-516-05/2014 for an additional sum of RM600,000.00 being compensation to GP Autobat for injury caused to the land as a result of the compulsory acquisition. On 11th January 2017, the High Court of Shah Alam has assessed a sum of RM184,172.00 to be paid to GP Autobat for the injurious affection arising from the said acquisition.

10) **Dividends**

No interim or final dividend has been declared or recommended to be paid during the quarter under review.

11) **Earnings per Share**

		<i>3 months ended</i>		<i>12 months ended</i>	
		<i>31/03/2017</i>	<i>31/03/2016</i>	<i>31/03/2017</i>	<i>31/03/2016</i>
Basic earnings per share					
Net profit / (loss) attributable to ordinary equity holders of the parent company	(RM'000)	(987)	20,872	7,995	(2,883)
Total number of ordinary shares in issue	('000)	980,490	980,490	980,490	980,490
Basic earnings/(loss) per share	(sen)	(0.10)	2.13	0.82	(0.29)

The basic earnings per share of the Group is calculated by dividing the profit attributable to ordinary equity holders of the Company against the total number of ordinary shares in issue during the period.

12) Profit/(loss) Before Taxation

Profit/ (loss) before taxation is arrived at after charging / (crediting):-

	Current Quarter (RM'000)	YTD (RM'000)
Interest income	(333)	(698)
Other income including investment income	(505)	(1,327)
Interest expense	36	119
Depreciation and amortization	334	893
Write back of receivables	(163)	(1,337)
Provision of impairment of inventory	340	340
Loss/ (Gain) on disposal of Property	133	(12,079)
Foreign exchange loss/ (gain)	82	(1,978)

13) Realised and Unrealised Profits/(Losses) Disclosure

The retained profits as at 31st March 2017 and 31st March 2016 are analysed as follows:-

	31/03/17 RM'000	31/03/16 RM'000
Total retained earnings of the company and its subsidiaries:-		
- Realised	9,382	(31,581)
- Unrealised	(5,295)	5,716
Less: Consolidation adjustments	(21,326)	3,686
Total group retained earnings as per consolidated statements	<u>(17,239)</u>	<u>(22,179)</u>