



**Interim Financial Statement
For the Financial Quarter Ended 31 March 2017**

HCK CAPITAL GROUP BERHAD

(Incorporated in Malaysia)

(Company no: 484964-H)

**Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
For the Financial Quarter Ended 31 March 2017**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>31.03.2017</u>	<u>31.03.2016</u>	<u>31.03.2017</u>	<u>31.03.2016</u>
	<u>RM '000</u>	<u>RM '000</u>	<u>RM '000</u>	<u>RM '000</u>
Continuing Operations				
Revenue	5,967	4,658	5,967	4,658
Cost of sales	(1,189)	(1,308)	(1,189)	(1,308)
Gross Profit	<u>4,778</u>	<u>3,350</u>	<u>4,778</u>	<u>3,350</u>
Other operating income	2	8	2	8
Administrative and general expenses	(4,980)	(3,823)	(4,980)	(3,823)
Sales and marketing expenses	(241)	(100)	(241)	(100)
Loss from operations	<u>(441)</u>	<u>(565)</u>	<u>(441)</u>	<u>(565)</u>
Interest income	36	95	36	95
Interest expense	(722)	(15)	(722)	(15)
Loss before taxation	<u>(1,127)</u>	<u>(485)</u>	<u>(1,127)</u>	<u>(485)</u>
Tax expense	(42)	(59)	(42)	(59)
Loss after taxation	<u>(1,169)</u>	<u>(544)</u>	<u>(1,169)</u>	<u>(544)</u>
Attributable to:				
Owners of the parent	(1,095)	(506)	(1,095)	(506)
Non-controlling interests	(74)	(38)	(74)	(38)
	<u>(1,169)</u>	<u>(544)</u>	<u>(1,169)</u>	<u>(544)</u>
Basic loss per share attributable to equity holders of the parent (sen):	<u>(1.71)</u>	<u>(0.91)</u>	<u>(1.71)</u>	<u>(0.91)</u>

The above condensed consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

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(Company no: 484964-H)

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For the Financial Quarter Ended 31 March 2017**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>31.03.2017</u>	<u>31.03.2016</u>	<u>31.03.2017</u>	<u>31.03.2016</u>
	<u>RM '000</u>	<u>RM '000</u>	<u>RM '000</u>	<u>RM '000</u>
Loss after taxation for the period	(1,169)	(544)	(1,169)	(544)
Other comprehensive income				
Item that may not be subsequently reclassified to profit or loss	-	-	-	-
Total comprehensive expenses	<u>(1,169)</u>	<u>(544)</u>	<u>(1,169)</u>	<u>(544)</u>
Total comprehensive expenses attributable to:				
Owners of the parent	(1,095)	(506)	(1,095)	(506)
Non-controlling interests	(74)	(38)	(74)	(38)
	<u>(1,169)</u>	<u>(544)</u>	<u>(1,169)</u>	<u>(544)</u>

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

HCK CAPITAL GROUP BERHAD

(Incorporated in Malaysia)

(Company no: 484964-H)

Unaudited Condensed Consolidated Statements of Financial Position**For the Financial Quarter Ended 31 March 2017**

	AS AT 31.03.2017 RM' 000 Unaudited	AS AT 31.12.2016 RM' 000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	24,596	24,792
Land held for property development	61,277	61,277
Investment property	28,000	28,000
Goodwill	4,454	4,454
Intangible assets	613	626
	<u>118,940</u>	<u>119,149</u>
Current assets		
Inventories	229,438	229,196
Trade and other receivables	20,431	20,496
Assets held for sale	800	-
Current tax assets	1,115	950
Short term fund	158	78
Fixed deposit with a licensed bank	1,033	1,000
Cash and bank balances	203	2,963
	<u>253,178</u>	<u>254,683</u>
TOTAL ASSETS	<u><u>372,118</u></u>	<u><u>373,832</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	84,234	84,234
Share premium	69,471	69,486
Retained earnings	21,631	22,726
	<u>175,336</u>	<u>176,446</u>
Non-controlling interests	4,987	5,061
Total equity	<u>180,323</u>	<u>181,507</u>
Non-current liabilities		
Deferred tax liabilities	3,727	3,727
Long term borrowings	110,317	112,787
	<u>114,044</u>	<u>116,514</u>
Current liabilities		
Trade and other payables	54,517	63,556
Short term borrowings	23,186	12,183
Current tax liabilities	48	72
	<u>77,751</u>	<u>75,811</u>
Total liabilities	<u>191,795</u>	<u>192,325</u>
TOTAL EQUITY AND LIABILITIES	<u><u>372,118</u></u>	<u><u>373,832</u></u>
Net assets per share attributable to owners of the parent (RM)	<u>2.08</u>	<u>2.09</u>

The above condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

HCK CAPITAL GROUP BERHAD

(Incorporated in Malaysia)

(Company no: 484964-H)

**Unaudited Condensed Consolidation Statements of Changes in Equity
For the Financial Quarter Ended 31 March 2017**

	← Attributable to Owners of the Parent →					
	Non-Distributable		Distributable		Non- controlling interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Retained earnings RM'000	Total RM'000		
As at 1 January 2016	55,440	25,591	21,221	102,252	5,298	107,550
Acquisition of subsidiaries	-	-	-	-	(11)	(11)
Total comprehensive expenses	-	-	(506)	(506)	(38)	(544)
As at 31 March 2016	<u>55,440</u>	<u>25,591</u>	<u>20,715</u>	<u>101,746</u>	<u>5,249</u>	<u>106,995</u>
As at 1 January 2017	84,234	69,486	22,726	176,446	5,061	181,507
Total comprehensive expenses	-	-	(1,095)	(1,095)	(74)	(1,169)
Corporate exercise expenses	-	(15)	-	(15)	-	(15)
As at 31 March 2017	<u>84,234</u>	<u>69,471</u>	<u>21,631</u>	<u>175,336</u>	<u>4,987</u>	<u>180,323</u>

The above condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

HCK CAPITAL GROUP BERHAD

(Incorporated in Malaysia)

(Company no: 484964-H)

**Unaudited Condensed Consolidated Statement of Cash Flow
For the Financial Quarter Ended 31 March 2017**

	<u>Cumulative Quarter</u>	
	31.03.2017	31.03.2016
	RM' 000	RM' 000
Loss before taxation	(1,127)	(485)
<u>Adjustments for :</u>		
Non-cash items	964	263
Non-operating items	(36)	(95)
Total adjustment	928	168
Operating cash flow before changes in working capital	(199)	(317)
<u>Changes in working capital</u>		
Changes in inventories	(242)	61
Changes in land held for property development	-	(269)
Changes in trade and other receivables	(735)	(5,384)
Changes in trade and other payables	734	(2,563)
Total changes in working capital	(243)	(8,155)
Cash flow used in operations	(442)	(8,472)
Interest paid	(722)	(15)
Tax paid	(231)	(145)
Net cash flows used in operating activities	(1,395)	(8,632)
<u>Investing activities</u>		
Interest received	36	95
Placement of fixed deposit with a licensed bank	(33)	-
Proceeds from disposal of equipment	6	-
Purchase of equipment	(39)	(293)
Net cash flows used in investing activities	(30)	(198)
<u>Financing activities</u>		
Corporate exercise expenses paid	(15)	-
Repayment to directors	(9,773)	(2,809)
Repayment of hire purchases	(81)	(56)
Drawdown of revolving credit	10,000	-
Repayment to term loans	(1,386)	-
Net cash flows used in financing activities	(1,255)	(2,865)
Net decrease in cash and cash equivalents	(2,680)	(11,695)
Cash and cash equivalents at beginning of year	3,041	16,865
	361	5,170
<u>Composition of cash and cash equivalents:</u>		
Short term fund	158	2,434
Cash & bank balances	203	2,736
Cash and cash equivalents at end of period	361	5,170

The above condensed consolidated statements of cash flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

HCK CAPITAL GROUP BERHAD

(Incorporated in Malaysia)

(Company no: 484964-H)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2017

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of Preparation

The unaudited interim financial report has been prepared in accordance with the reporting requirement as set out in Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached herein for a better understanding of changes in financial position and performance of the Group.

The significant accounting policies adopted in the preparation the unaudited interim financial report are consistent with those followed in the preparation of the Group's audited financial statements for the financial year ended 31 December 2016 except for the adoption of all MFRSs which are in effective and the following new MFRSs and Interpretations and amendments to certain MFRSs and Interpretations with effect from 1 January 2017.

	Effective for financial periods beginning on or after
MFRSs and Amendments to MFRSs	
Amendments to MFRS 107 Statement of Cash Flows: <i>Disclosure Initiative</i>	01 January 2017
Amendments to MFRS 112 Income Taxes: <i>Recognition of Deferred Tax Assets for Unrealised Losses</i>	01 January 2017
Annual Improvements to MFRS Standards 2014 - 2016 Cycles:	01 January 2017
• <i>Amendments to MFRS 12: Clarification of the Scope of Standard</i>	

The adoption of the all and above pronouncement did not have any significant impact on the financial statements of the Group.

As at the date of authorisation of the unaudited interim financial report, the following Standards were issued but not yet effective and have not been adopted by the Group:

	Effective for financial periods beginning on or after
MRFSSs, Amendments to MFRSs and IC Interpretations	
Amendments to MFRS 2: <i>Classification and Measurement of Share-based Payment Transactions</i>	01 January 2018
Amendments to MFRS 4: <i>Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts</i>	01 January 2018
MFRS 9 Financial Instruments (International Financing Reporting Standards ("IFRS") 9 as issued by International Accounting Standards Board ("IASB") in July 2014)	01 January 2018
MFRS 15: <i>Revenue from Contracts with Customers</i>	01 January 2018
Amendments to MFRS 15: Effective Date of MFRS 15	01 January 2018
Amendments to MFRS 15: <i>Clarifications to MFRS 15 'Revenue from Contracts with Customers'</i>	01 January 2018
Amendments to MFRS 140: <i>Transfers of Investment Property</i>	01 January 2018
IC Interpretation 22: <i>Foreign Currency Transactions and Advance Consideration</i>	01 January 2018
Annual Improvements to MFRS Standards 2014 - 2016 Cycles	01 January 2018
• <i>Amendments to MFRS 1: Deletion of Short-term Exemptions for First-time Adopters</i>	
• <i>Amendments to MFRS 128: Measuring an Associate or Joint Venture at Fair Value</i>	

A1. Basis of Preparation (Cont'd)

As at the date of authorisation of the unaudited interim financial report, the following Standards were issued but not yet effective and have not been adopted by the Group (Cont'd):

MFRSs, Amendments to MFRSs and IC Interpretations (Cont'd)	Effective for financial periods beginning on or
MFRS 16: <i>Leases</i>	01 January 2019
Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred until further notice

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have significant impact to the financial statements of the Group except for the following MFRSs where the Group is currently assessing their potential impacts.

(i) *MFRS 9: Financial Instruments*

MFRS 9 (IFRS 9 issued by IASB in July 2014) replaces the existing guidance in MFRS 139 and introduces a revised guidance on the classification and measurement of financial instruments, including a single forward-looking 'expected loss' impairment model for calculating impairment on financial assets, and a new approach to hedge accounting. Under this MFRS 9, the classification of financial assets is driven by cash flow characteristics and the business model in which a financial asset is held. Therefore, it is expected that the Group's investments in unquoted shares that are currently stated at cost less accumulated impairment losses will be measured at fair value through other comprehensive income upon the adoption of MFRS 9. The Group is currently assessing the financial impact of adopting MFRS 9.

(ii) *MFRS 15: Revenue from Contracts with Customers*

MFRS 15 establishes a single comprehensive model for revenue recognition and will supersede the current revenue recognition guidance and other related interpretations when it becomes effective. Under MFRS 15, an entity shall recognise revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the distinct promised goods or services underlying the particular performance obligation is transferred to the customers. The amendments to MFRS 15 further clarify the concept of 'distinct' for the purposes of this accounting standard. In addition, extensive disclosures are also required by MFRS 15. The Group anticipates that the application of MFRS 15 in the future may have an impact on the amounts reported and disclosures made in the financial statements. However, it is not practicable to provide a reasonable estimate of the financial impacts of MFRS 15 until the Group performs a detailed review.

(iii) *MFRS 16: Leases*

MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and will replace the current guidance on lease accounting when it becomes effective. Under MFRS 16, the classification of leases as either finance leases or operating leases is eliminated for lessees. All lessees are required to recognise their leased assets and the related lease obligations in the statements of financial position (with limited exceptions). The leased assets are subject to depreciation and the interest on lease liabilities are calculated using the effective interest method. The Group anticipates that the application of MFRS 16 in the future may have an impact on the amounts reported and disclosures made in the financial statements. However, it is not practicable to provide a reasonable estimate of the financial impacts of MFRS 16 until the Group performs a detailed review.

(iv) *Amendments to MFRS 107 Statement of Cash Flows: Disclosure Initiative*

The amendments to MFRS 107 require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. Accordingly, there will be no financial impact on the financial statements of the Group upon its initial application. However, additional disclosure notes on the statements of cash flows may be required.

A2. Valuation of Property, Plant and Equipment and Investment Properties

There were no changes in the valuation on property, plant and equipment and investment properties in the current financial quarter under review.

A3. Seasonal or Cyclical Factors

The Group's performance is not materially affected by any seasonal or cyclical factors.

A4. Unusual Items

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

A5. Changes in Estimates

There were no changes in estimates that have had any material effect on the result for the current financial quarter and financial period under review.

A6. Debt and Equity Securities

There were no issuances, repurchases and repayments of debt and equity securities during the current financial quarter and financial period under review.

A7. Dividend Paid

No dividend was paid during the current financial quarter and previous corresponding financial quarter.

A8. Segmental Information

	Properties RM'000	Food RM'000	Others RM'000	Total RM'000
Results for 3 months ended 31 March 2017				
<u>Revenue</u>				
External	5,382	585	-	5,967
Inter-segment	1,200	-	1,000	2,200
	<u>6,582</u>	<u>585</u>	<u>1,000</u>	<u>8,167</u>
Consolidated adjustments and elimination				<u>(2,200)</u>
Consolidated revenue				<u>5,967</u>
<u>Results</u>				
Results before the following adjustments	767	(235)	(344)	188
Consolidated adjustments and elimination	22	-	(1)	21
Amortisation of intangible asset	(1)	(12)	-	(13)
Depreciation of property and equipment	(112)	(110)	(1)	(223)
Direct operating expenses on investment property	(414)	-	-	(414)
Segment results	<u>262</u>	<u>(357)</u>	<u>(346)</u>	<u>(441)</u>
Interest income				36
Interest expense				(722)
Tax expense				(42)
Consolidated loss after taxation				<u>(1,169)</u>

A8. Segmental Information (Cont'd)

	Properties RM'000	Food RM'000	Others RM'000	Total RM'000
Results for 3 months ended 31 March 2016				
<u>Revenue</u>				
External	3,852	716	90	4,658
Inter-segment	2,250	-	818	3,068
	<u>6,102</u>	<u>716</u>	<u>908</u>	<u>7,726</u>
Consolidated adjustments and elimination				(3,068)
Consolidated revenue				<u>4,658</u>
<u>Results</u>				
Results before the following adjustments	545	(342)	(68)	135
Consolidated adjustments and elimination	9	-	(78)	(69)
Amortisation of intangible asset	-	(12)	-	(12)
Depreciation of equipment	(102)	(110)	(1)	(213)
Direct operating expenses on investment property	(406)			(406)
Segment results	<u>46</u>	<u>(464)</u>	<u>(147)</u>	<u>(565)</u>
Interest income				95
Interest expense				(15)
Tax expense				(59)
Consolidated loss after taxation				<u>(544)</u>

A9. Material Events Subsequent to The End of Interim Period

On 6 April 2017, HCK Properties Sdn. Bhd. ("HCK Properties") had entered into a Share Sale Agreement with a third party for the disposal of 300,000 ordinary shares representing 75% of the issued and paid-up capital of Oscar Springs Development Sdn. Bhd. ("Oscar Springs") for a total cash consideration of RM800,000.

Upon completion of the disposal, Oscar Springs ceased to be a subsidiary of HCK Properties.

A10. Changes in Composition of the Group

(a) On 13 March 2017, HCK Properties Sdn. Bhd. ("HCK Properties") acquired 1 ordinary share representing the remaining 50% equity interest in Binary Binajaya Sdn. Bhd. ("Binary Binajaya") for a total consideration of RM1. Consequently, Binary Binajaya became a wholly owned subsidiary of HCK Properties.

(b) On 27 March 2017, Binary Binajaya incorporated a wholly-owned subsidiary, namely HCK Bestari Sdn. Bhd. with 70 ordinary shares representing 100% equity interest for a total cash consideration of RM70.

A11. Changes in Contingent Assets and Contingent Liabilities

There were no changes in contingent assets and contingent liabilities since the end of the previous financial year.

A12. Capital Commitments

	As at 31/03/2017 RM'000
<u>Contracted but not provided for:</u>	
Purchase of a piece of leasehold land	<u>7,796</u>

A13. Operating Lease Commitments

	As at 31/03/2017 RM'000
(i) Leases as Lessee	
The future minimum lease payments under the non-cancellable operating leases are as follows:-	
Not more than 1 year	404
Later than 1 year and not later than 5 years	23
	<u>427</u>

(ii) Leases as Lessor

The Group has entered into a non-cancellable operating lease agreement with a non-controlling interest, in respect of the leases of the investment property. The lease has non-cancellable term of 3 years, with a renew option of 3 years included in the lease agreement, at the option of the lessee.

	As at 31/03/2017 RM'000
The future minimum lease payments under the non-cancellable operating leases are as follows:-	
Not more than 1 year	3,806
Later than 1 year and not later than 5 years	4,168
	<u>7,974</u>

HCK CAPITAL GROUP BERHAD

(Incorporated in Malaysia)

(Company no: 484964-H)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2017

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of performance

For the financial quarter ended 31 March 2017, the Group achieved a revenue of RM6.0 million which is higher by RM1.3 million in comparison to the corresponding financial quarter ended 31 March 2016.

The Group recorded a loss before taxation ("LBT") for the current financial quarter of RM1.1 million as compared to LBT of RM0.5 million in the corresponding financial quarter due to interest expense incurred by new subsidiary companies (acquired in December 2016) to fund their land acquisitions.

B2. Comment on financial results (current quarter compared with the preceding quarter)

	3 months ended	
	31/03/2017	31/12/2016
	RM'000	RM'000
Revenue	5,967	8,309
(Loss)/Profit before taxation	(1,127)	5,035

In the preceding quarter ended 31 December 2016, on completion the acquisition of new subsidiary companies, the Group recorded an one-off bargain purchase gain of RM3.5 million.

B3. Future Prospects

The Malaysian property market in the short term is generally affected by the financial institutions' stricter lending requirements due to the tightening of domestic liquidity conditions. Nevertheless, the medium term prospects of the Malaysian property market and economy remain favourable.

Notwithstanding the above, the Group is cautiously optimistic its property division in the near future will contribute positively to the Group's results given the strategic location of its projects, innovative sales and marketing strategies.

B4. Profit Forecast or Profit Guarantee

The Group has not provided any profit forecast in a public document.

B5. Variance from profit forecast or profit guarantee

Not applicable.

B6. Taxation

	Current quarter		Cumulative quarter	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016
	RM '000	RM '000	RM '000	RM '000
Current income tax				
- Malaysia income tax	42	59	42	59

Income tax expense is recognised in each interim period based on the best estimate of the income tax payable for the full financial year.

B7. Status of Corporate Proposals

On 7 April 2017, the Company had announced it proposes to undertake the following corporate proposals:-

- (i) A share split involving the subdivision of every one (1) existing ordinary share in the Company ("HCK"), held on an entitlement date to be determined later, into five (5) ordinary shares in HCK ("Split Share(s)") ("Proposed Share Split"); and
- (ii) A renounceable rights issue of 210,585,820 warrants in HCK ("Warrant(s)") at an indicative issue price of RM0.05 per Warrant on the basis of one (1) Warrant for every two (2) Split Shares held on an entitlement date to be determined later after the Proposed Share Split.

The above corporate proposals are pending approvals from the relevant parties.

B8. Borrowings and Debt Securities

Details of Group's borrowings as at 31 March 2017 are as follows:

	31/03/2017	31/12/2016
	RM'000	RM'000
a) Current (secured)		
- Revolving credit	10,000	-
- Hire purchases	249	245
- Term loans	12,937	11,938
	<u>23,186</u>	<u>12,183</u>
b) Non-current (secured)		
- Hire purchases	644	729
- Term loans	109,673	112,058
	<u>110,317</u>	<u>112,787</u>
	<u>133,503</u>	<u>124,970</u>

All loans and borrowings are denominated in Ringgit Malaysia ("RM").

B9. Changes in Material litigation

There was no material litigation against the Group as at the reporting date.

B10. Proposed Dividend

There was no dividend proposed in the current financial quarter and the previous corresponding financial quarter.

B11. Basic Loss per Ordinary share

	Individual Quarter		Cumulative Quarter	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016
Loss after taxation attributable to ordinary equity owners of the parent (RM'000)	(1,095)	(506)	(1,095)	(506)
Weighted average number of ordinary shares in issue ('000)	63,881	55,440	63,881	55,440
Basic loss per share (sen)	<u>(1.71)</u>	<u>(0.91)</u>	<u>(1.71)</u>	<u>(0.91)</u>

The Group does not have in issue any financial instrument or other contract that may entitle its holder to ordinary shares and which may dilute its basic earnings per share.

B12. Auditors' report on preceding annual financial statement

The auditors' report on the financial statements for the financial year ended 31 December 2016 was not qualified.

B13. Breakdown of Realised and Unrealised Profits or Losses

The determination of realised and unrealised profits is based on the Guidance on Special Matter No. 1 *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad's Main Market Listing Requirements*, issued by the Malaysian Institute of Accountants.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia Securities Berhad and should not be applied for any other purposes.

	Cumulative Quarter	
	31/03/2017 RM'000	31/12/2016 RM'000
Retained earnings		
Realised	22,142	23,237
Unrealised	<u>(3,727)</u>	<u>(3,727)</u>
	18,415	19,510
Less: Consolidation adjustments	<u>3,216</u>	<u>3,216</u>
Group's retained earnings	<u>21,631</u>	<u>22,726</u>

B14. Loss for the period

	Individual Quarter		Cumulative Quarter	
	31/03/2017 RM'000	31/03/2016 RM'000	31/03/2017 RM'000	31/03/2016 RM'000
This is arrived at after charging/(crediting):				
Interest income	(36)	(95)	(36)	(95)
Interest expense	722	15	722	15
Amortisation of intangible assets	13	12	13	12
Depreciation of property, plant and equipment	223	213	223	213
Loss on disposal of equipment	<u>6</u>	<u>-</u>	<u>6</u>	<u>-</u>

B15. Authorised for Issue

The condensed consolidated financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 24 May 2017.