

NICHE CAPITAL EMAS HOLDINGS BERHAD (527272-V)
INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015
Condensed Consolidated Income Statement (Unaudited)

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year-To-Date	Preceding Year-To-Date
	Quarter	Corresponding Quarter		
	30/09/2015		30/09/2015	
	RM'000	RM'000	RM'000	RM'000
Revenue	4,421	n/a	4,421	n/a
Cost of goods sold	(4,755)		(4,755)	
Gross profit / (loss)	(334)		(334)	
Administrative expenses	(1,410)		(1,410)	
Other expenses	(61)	n/a	(61)	n/a
Other income	5,178		5,178	
Operating profit / (loss)	3,373	n/a	3,373	n/a
Finance cost	(3)		(3)	
Profit/(Loss) before tax	3,370	n/a	3,370	n/a
Taxation	-		-	
Profit/(Loss) for the period	3,370	n/a	3,370	n/a
Profit/(Loss) after tax attributable to:				
- Equity holders of the Company	3,960	n/a	3,960	n/a
- Non-Controlling Interest	(590)		(590)	
	3,370	n/a	3,370	n/a
Earnings per share (sen)				
- basic	1.45	n/a	1.45	n/a
- diluted	1.21	n/a	1.21	n/a

The Condensed Consolidated Income Statements should be read in conjunction with the Group's audited Financial Statements for the 18-month financial period ended 30 June 2015. The accompanying notes form an integral part of this Income Statement.

NICHE CAPITAL EMAS HOLDINGS BERHAD (527272-V)
INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015
Condensed Consolidated Statement of Comprehensive Income (Unaudited)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-To-Date	Preceding Year-To-Date
	30/09/2015 RM'000	RM'000	30/09/2015 RM'000	RM'000
Profit / (Loss) for the period	3,370	n/a	3,370	n/a
Other comprehensive income:				
Currency translation differences	498		498	
Total comprehensive income/ (loss) for the period	<u>3,868</u>	<u>n/a</u>	<u>3,868</u>	<u>n/a</u>
Total comprehensive income/ (loss) attributable to:				
Equity holders of the Company	4,213	n/a	4,213	n/a
Non-Controlling interest	(345)		(345)	
	<u>3,868</u>	<u>n/a</u>	<u>3,868</u>	<u>n/a</u>

NICHE CAPITAL EMAS HOLDINGS BERHAD (527272-V)
INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015
Condensed Consolidated Statement of Financial Position

	Unaudited As at 30/09/2015	Audited As at 30/06/2015
	RM'000	RM'000
Non-Current Assets		
Property, Plant & Equipment	378	399
Current Assets		
Inventories	29,347	26,745
Trade receivables	552	693
Other receivables, deposits and prepayments	6,768	5,660
Cash & cash equivalents	1,471	1,655
	38,138	34,753
Assets held for sale	-	-
Total Current Assets	38,138	34,753
Total Assets	38,516	35,152
Equity		
Share Capital	27,872	26,872
Reserves		
Share Premium	7,123	6,607
Exchange Fluctuation Reserve	1,535	1,282
Warrants Reserve	1,225	1,225
Unappropriated profits / (loss)	(17,518)	(21,478)
Equity attributable to the shareholders of the Company	20,237	14,508
Non-Controlling Interest	(3,650)	(3,305)
Total Equity	16,587	11,203
Non Current Liability		
Long term Loan	122	141
Total non-current liability	122	141
Current Liabilities		
Trade payables	3,156	8,306
Other payables & accruals	17,610	14,977
Provision	-	-
Gold Future Contract Payable	954	438
Bank Borrowings	87	87
Total current liabilities	21,807	23,808
Total equity and liabilities	38,516	35,152
Net Assets per share (RM)	0.07	0.05

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited Financial Statements for the 18-month financial period ended 30 June 2015. The accompanying notes form an integral part of this Statement of Financial Position.

NICHE CAPITAL EMAS HOLDINGS BERHAD (527272-V)
INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015
Condensed Consolidated Statement of Changes in Equity (Unaudited)

	← Attributable to shareholders of the Company →					Total	Non-Controlling Interest	Total
	← Non-Distributable →			Distributable				
	Share Capital	Share Premium	Warrants Reserve	Exchange Fluctuation Reserve	Retained Earnings / (Accumulated Losses)			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance as at 30/6/2015	26,872	6,607	1,225	1,282	(21,478)	14,508	(3,305)	11,203
Profit / (Loss) for the period	-	-	-	-	3,960	3,960	(590)	3,370
Other Comprehensive Income / (Loss)	-	-	-	253	-	253	245	498
Total Comprehensive Income / (Loss) for the period	-	-	-	253	3,960	4,213	(345)	3,868
Transactions with owners	-	-	-	-	-	-	-	-
Private Placement Share Issuance	1,000	500	-	-	-	1,500	-	1,500
Share Issuance Expenses	-	(8)	-	-	-	(8)	-	(8)
Previous share issuance expenses reversed	-	24	-	-	-	24	-	24
Balance as at 30/9/2015	27,872	7,123	1,225	1,535	(17,518)	20,237	(3,650)	16,587

NICHE CAPITAL EMAS HOLDINGS BERHAD (527272-V)
INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015
Condensed Consolidated Statement of Changes in Equity (Continued)

	← Attributable to shareholders of the Company →					Total	Non-Controlling Interest	Total			
	← Non-Distributable →			Distributable					Total	Non-Controlling Interest	Total
	Share Capital	Share Premium	Warrants Reserve	Exchange Fluctuation Reserve	Retained Earnings / (Accumulated Losses)						
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000				
Balance as at 31/12/2013	11,799	1,895	1,225	651	(19,660)	(4,090)	(1,148)	(5,238)			
Profit / (Loss) for the period	-	-	-	-	(1,818)	(1,818)	(2,762)	(4,580)			
Other Comprehensive Income / (Loss)	-	-	-	631	-	631	605	1,236			
Total Comprehensive Income / (Loss) for the period	-	-	-	631	(1,818)	(1,187)	(2,157)	(3,344)			
Transactions with owners	-	-	-	-	-	-	-	-			
Debt Settlement Share Issuance	11,513	3,454	-	-	-	14,967	-	14,967			
Private Placement Share Issuance	3,560	1,780	-	-	-	5,340	-	5,340			
Share Issuance expenses	-	(522)	-	-	-	(522)	-	(522)			
Balance as at 30/6/2015	26,872	6,607	1,225	1,282	(21,478)	14,508	(3,305)	11,203			

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited Financial Statements for the 18-month financial period ended 30 June 2015. The accompanying notes form an integral part of this statement.

NICHE CAPITAL EMAS HOLDINGS BERHAD (527272-V)
INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015
Condensed Consolidated Statement of Cash Flows (Unaudited)

	3-month ended 30/09/2015 RM'000	Preceding Corresponding Period RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) Before Tax	3,370	n/a
Adjustments for: -		
Depreciation	70	
Fixed Asset written off	-	
Gain on reimbursement from former subsidiary	(5,007)	
Interest expenses	3	
Interest income	-	
Operating profit / (loss) before working capital changes	<u>(1,564)</u>	
Changes in working capital		
Inventories	412	n/a
Trade and other receivables	(514)	
Trade and other payables	(67)	
Cash generated from / (used in) operating activities	<u>(1,733)</u>	
Interest paid	(3)	n/a
Interest received	-	
Tax refund/(paid)	-	
Net cash generated from / (used in) operating activities	<u>(1,736)</u>	
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(13)	n/a
Proceeds from disposal of property, plant and equipment	-	
Net cash generated from / (used in) investing activities	<u>(13)</u>	
CASH FLOW FROM FINANCING ACTIVITIES		
Bank Borrowings	(19)	n/a
Private Placement Share Issuance	1,500	-
Refund from Debt Settlement Exercise	-	-
Net cash generated from / (used in) financing activities	<u>1,481</u>	
Exchange difference in Translation	84	
Net increase / (decrease) in cash and cash equivalents	<u>(184)</u>	
Cash and cash equivalents as at 30 June 2015	<u>1,655</u>	
Cash and cash equivalents as at 30 September 2015	<u>1,471</u>	
Cash and cash equivalents comprise:		
Short term investment in cash fund of financial institutions	3	n/a
Cash and bank balances	1,468	
	<u>1,471</u>	-

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited Financial Statements for the 18-month financial period ended 30 June 2015. The accompanying notes form an integral part of this statement.

NICHE CAPITAL EMAS HOLDINGS BERHAD (527272-V)
INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015

A. Explanatory Notes Pursuant to Financial Reporting Standard (FRS 134)

1. Accounting Policies

Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirement of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the 18-month financial period ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements.

Changes in Accounting Policies

The accounting policies and methods of the computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial period ended 30 June 2015.

2. Change of Financial Year End

On 11 December 2014, the Company announced an immediate change of its financial year end from 31 December to 30 June.

Due to the change of financial year end in the previous period, there are no comparative figures given for preceding year corresponding quarter in the current report.

3. Audit Report of Preceding Annual Financial Statements

The audited financial statements of the Group for the 18-month financial period ended 30 June 2015 were subjected to audit qualification as follows:-

Extracts from the Audit Report:

Basis for Qualified Opinion

- 1. As disclosed in Note 9(b)(ii) to the financial statements, included in the Group's deposits is an amount of RM4,635,000/- paid pursuant to a Purchase Agreement ("Agreement") dated 13th May 2015 entered into between Niche Express Gold Sdn. Bhd. ("NEG"), a wholly owned subsidiary of the Company and a third party. The deposits paid was intended for the procurement of jadeite stone block weighing approximately 38 kilograms which is to be further processed, cut and marketed for sale. The Directors are of the opinion that the said deposits are recoverable through the cash flows to be generated from the sale of the processed jadeite. We were unable to obtain sufficient appropriate audit evidence on the assumptions made in the cash flow forecasts and hence the recoverability of the said deposit in accordance with MFRS 139: Financial Instruments: Recognition and Measurement. Therefore, we could not determine the effect of adjustments, if any, on the financial position of the Group as at 30th June 2015, or on its financial performance and cash flows for the period then ended.*

3. Audit Report of Preceding Annual Financial Statements (Continued)

2. *As disclosed in Note 9(b)(iii) to the financial statements, included in the Group's deposits is an amount of RM243,000/- paid to acquire 90,000 units of ordinary shares representing 30% equity interests in an investee company by Niche Diamond Sdn. Bhd., a wholly owned subsidiary of the Company. As at the date of this report, the transaction has not been completed. We are unable to obtain sufficient appropriate audit evidence on the recoverability of the said deposits in accordance with MFRS 139: Financial Instruments: Recognition and Measurement. Therefore, we could not determine the effect of adjustments, if any, on the financial position of the Group as at 30th June 2015, or on its financial performance and cash flows for the period then ended.*

Current Status of matters giving rise to the qualified opinion of the current audit report:

1. The Company has taken possession over the jadeite stone block weighing approximately 38kg. The jadeite stone block will be further processed, cut and marketed for sale in the coming quarters.
2. The Company has terminated the share sale and purchase agreement and demanded for the refund of the deposit. The Company is of the view that the deposit is recoverable.

4. Seasonal or Cyclical Factors

Turnover of the Group is normally higher during the festive seasons.

5. Unusual Items Due to their Nature, Size or Incidence

There were no items affecting assets, liabilities, equity, net income or cash flow for the current quarter and financial period-to-date that are unusual due to their nature, size or incidence.

6. Changes in Estimates

There was no material change in estimates of amounts reported in prior interim periods of the current financial period or prior financial year.

7. Issuances and Repayment of Debt and Equity Securities

There was no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial period under review except for the following:

- On 18 August 2015, the Company issued 10,000,000 ordinary shares of RM0.10 each at an issue price of RM0.15 each to identified investors under the private placement exercise. The new shares were listed on the Main Market of Bursa Malaysia Securities Berhad on 20 August 2015.

8. Dividend Paid

No dividend has been paid during the current quarter and financial period-to-date.

9. Segmental Information

	Malaysia		HongKong / China		Group	
	Current Year-To-Date 30.9.2015 RM'000	Preceding Year-To-Date RM'000	Current Year-To-Date 30.9.2015 RM'000	Preceding Year-To-Date RM'000	Current Year-To-Date 30.9.2015 RM'000	Preceding Year-To-Date RM'000
Revenue						
Total Revenue	-	n/a	4,421	n/a	4,421	n/a
Inter-segment revenue	-	-	-	-	-	-
External Sales	-	-	4,421	-	4,421	-
Segment Result	4,615	n/a	(1,172)	n/a	3,443	n/a
Interest Income	-	-	-	-	-	-
Interest Expense	(3)	-	-	-	(3)	-
Depreciation and amortisation	(31)	-	(39)	-	(70)	-
Profit before tax	4,581	-	(1,211)	-	3,370	-
Taxation	-	n/a	-	n/a	-	n/a
Profit after tax	4,581	-	(1,211)	-	3,370	-
Assets						
Segment Assets	6,353	n/a	32,163	n/a	38,516	n/a
Unallocated Assets	-	-	-	-	-	-
Total Assets	6,353	-	32,163	-	38,516	-
Liabilities						
Segment Liabilities	1,944	n/a	19,985	n/a	21,929	n/a
Unallocated Liabilities	-	-	-	-	-	-
Total Liabilities	1,944	-	19,985	-	21,929	-

The segmental information is presented based on the geographical location of customers. No business segment analysis is considered necessary as the Group is primarily engaged in the trading and retailing of gold, gold jewellery and ornaments.

10. Property, Plant and Equipment

The valuations of land and buildings have been brought forward without any amendment from the previous audited financial statements.

11. Material Subsequent Events

There was no material event subsequent to the current quarter under review.

12. Changes in the Composition of the Group

On 19 August 2015, Niche Express Gold Sdn. Bhd., the wholly owned subsidiary acquired a new subsidiary with the acquisition of 2 ordinary shares of RM1.00 each in Jadekey Bridge Sdn. Bhd (“JBSB”) for a total cash consideration of RM2 representing 100% equity interest in the issued and paid-up share capital of JBSB. JBSB remain dormant as at the end of this reporting period.

13. Significant Related Party Transactions

There was no related party transaction in the financial period under review except the following:

	Transactions value for the period ended 30/9/2015 RM	Balance Outstanding RM
Advances from/(Repayment to) a subsidiary director, namely Dato Daniel Choong Yew Chee, for his advances* to a subsidiary company, namely Yikoni Gold (ShenZhen) Co. Ltd.,	(186,570)	9,429,327
Advances from/(Repayment to) a subsidiary director, namely Dato Daniel Choong Yew Chee, for his advances* to a subsidiary company, namely Yikon (HK) Limited	129,138	547,967

* *The director’s advances are unsecured, interest-free and repayable on demand.*

The Directors of the Company are of the opinion that the advances were entered into in the ordinary course of business and the terms have been established on a negotiated basis.

14. Contingent Assets

The Company had issued corporate guarantees to AmBank (M) Berhad, CIMB Bank Berhad, RHB Bank Berhad and United Overseas Bank (Malaysia) Berhad (the “Creditor Banks”) for banking facilities granted to Yikon Jewellery Industry Sdn Bhd (“former subsidiary” or “YJI”) for an amount of RM22,759,000/-. The former subsidiary had defaulted in the repayment of the Creditor Banks’ borrowings during the period from 28th February 2010 to 12th July 2012, leading to a Debt Settlement Agreement being inked among the Creditor Banks, the Company and the former subsidiary on 26th June 2014 where the Company will settle the borrowings on behalf of the former subsidiary. Pursuant to the Debt Settlement Agreement, the Company had, on 23rd December 2014, allotted 115,130,000 new ordinary shares to the Creditor Banks as full and final settlement for the former subsidiary’s defaulted bank borrowings with the Creditor Banks, which as at 31st December 2013 amounted to RM18,314,300/-.

As a result of the Company settling the Creditor Banks on behalf of the former subsidiary, the Company has obtained undertakings from the former subsidiary to reimburse the Company for all expenses incurred in the settlement of the former subsidiary’s borrowing with the Creditor Banks. Following are the Company’s entitlement to future receivables from the former subsidiary:-

14. Contingent Assets (Continued)

- (i) Letter of undertaking dated 8 April 2013 and Suit Assignment Agreement dated 25 April 2013 from the former subsidiary assigning all its rights to money to be recovered from its Royal Mint suit to the Company (“Suit Assignment”)

The former subsidiary had instituted legal proceedings under the Penang High Court (“the Suit”) against The Royal Mint of Malaysia Sdn Bhd (“RMM”), Paradym Resources Sdn Bhd (“PRI”), Azli Bin Abdul Rahman, Mimi Sharkina Bte Md Noh and Bank Negara Malaysia (“BNM”) for inter-alia, the recovery of all the cupro nickel material stocks (“the Stocks”) which are currently held by BNM and which the former subsidiary had supplied to RMM for a value up to RM18,879,435/-.

On 14th April 2014, the Company and BNM have reached settlement and entered into a consent judgement. It is recorded in the consent judgement that the former subsidiary and BNM have been awarded joint ownership over the Stocks which is currently held under custody of the Seremban Criminal Session Court. The consent judgement, inter alia, states that the former subsidiary and BNM shall jointly make an application to the Seremban Criminal Session Court for the release of the Stocks from the court’s custody. Both the former subsidiary and BNM shall then put up the Stocks for public open tender, whereby both parties are also eligible to bid for the Stocks with a reserve price of no less than 80% of the Stocks’ market value. The proceeds from the sales of the Stocks through the aforesaid open tender shall be split between the former subsidiary and BNM at the ratio of 40:60. NICE is entitled to the former subsidiary’s split of the sales proceed pursuant to the Suit Assignment Agreement.

- (ii) Settlement Agreement dated 25 September 2015

On 25th September 2015, NICE and YJI had entered into a Settlement Agreement to partially settle the amount owing by YJI to NICE. Under the Settlement Agreement, YJI proposed to partially settle the amount owing up to RM8.2 million by way of assignment debts and delivering gemstones and jewellerys to NICE.

B. Explanatory Notes Pursuant to Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

15. Detailed Analysis of Group Performance for the Current Quarter and Financial Period-to-Date

The Group recorded a turnover of RM4.42 million in the current quarter. The revenue from the current and preceding quarter is normally lower due to the concentration of many festivities in the January to March period. The stagnant revenue was due to China's retail market being affected adversely by the domestic economic downturn and the jewelry sector was affected significantly.

The Group's turnover is mainly contributed by retail operations of the China-based subsidiary, namely Yikoni Gold (ShenZhen) Co. Ltd. The current quarter revenue from the China operations before foreign exchange conversion is 2.91% lower compared with the corresponding calendar period in year 2014. The average gold price between the two corresponding calendar periods has dropped by around 12.32% while the average foreign exchange rate from China Yuan Renminbi to Ringgit Malaysia has appreciated by 23.94%.

As at the end of the reporting quarter, the Group maintains and operates a total of 9 retail outlets for its China operation.

The Group recorded profit before taxation of RM3.37 million for the current quarter and financial period-to-date. The Company has recognized a gain from reimbursement from a former subsidiary amounting to RM5 million through execution of a Settlement Agreement dated 25 September 2015.

16. Comment on Material Change in the Profit before Taxation for the Current Quarter Compared with the Immediate Preceding Quarter

The Group recorded a profit before taxation of RM3.37 million in the current quarter compared to a loss before tax of RM1.63 million in the immediate preceding quarter. During the current reporting period, the Company has recognized a gain from reimbursement from a former subsidiary amounting to RM5 million through execution of a Settlement Agreement dated 25 September 2015.

17. Current Year Prospects

Moving forward, the Group wished to diversify its market presence to include the Malaysian market by establishing retail presence in Malaysia. The initiative is given fresh impetus with the implementation of the proposed private placement. The Board is of the opinion that the existing overseas operation in China is constrained by excessive competition and fluctuations of the foreign exchange. The heightened competition in China has resulted in the Group earning low margin on its product sold there. Due to capital constraint, the Group will not be expanding its China operations. Barring any unforeseen circumstances, the Group expects the sales from its existing retail network in China to maintain its current performance.

Despite the efforts undertaken by the Group, the next 12 months is expected to be challenging for the Asian economy. The Group has taken steps to weather such challenging times, such as streamlining its operations, redistributing its resources for increased efficiency and close monitoring of expenses.

18. Profit Forecast

Not applicable as no profit forecast was published.

19. Taxation

The taxation of the Group for the financial period under review is as follows:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-To-Date	Preceding Year-To-Date
	30/09/2015		30/09/2015	
	RM'000	RM'000	RM'000	RM'000
Tax Expense				
Malaysia -current year	-	n/a	-	n/a
Malaysia -prior year	-		-	
Overseas- current year	-		-	
Total	-	-	-	-
Deferred Tax Expenses				
Malaysia -current year	-	n/a	-	n/a
Malaysia -prior year	-		-	
Subtotal	-	-	-	-
Total	-	-	-	-

20. Status of Corporate Proposals Announced

There were no corporate proposals that have been announced by the Company but not completed at the date of this announcement except for the following:

Proposed Private Placement

On 30th June 2014, M&A has on behalf of NICE, announced that NICE intend to undertake a Proposed private placement of up to 69,639,000 new NICE Shares to independent third party investor(s) to be identified at an issue price of RM0.15 per NICE Share (“Proposed Private Placement”).

Through an Extraordinary General Meeting held on 22 December 2014, the Company has obtained the shareholders’ approval to proceed with the Proposed Private Placement. The Proposed Private Placement may be implemented in tranches within six months after the receipt of all relevant approvals for the Proposed Private Placement and shall depend on investors’ interest at the point of the implementation.

On 20 March 2015, M&A on behalf of the Board of Directors of NICE, announced that Bursa Malaysia Securities Berhad had vide its letter dated 20 March 2015 resolved to grant an extension of time of six (6) months until 24 September 2015 for NICE to complete the Proposed Private Placement.

On 14 April 2015, NICE allotted 35,600,000 new ordinary shares under the private placement exercise.

On 18 August 2015, NICE allotted 10,000,000 new ordinary shares under the private placement exercise.

The Company was granted extension of time up to 23 March 2016 to fully issue the remaining proposed Private Placement shares up to 24,039,000 units.

21. Status of Utilisation of Proceeds Raised from Corporate Proposal

The net proceeds raised from Private Placement is tabulated below:

	Maximum scenario as per Proposed Private Placement RM'000	Cumulative Private Placement executed as at 30/9/15 RM'000	Cumulative Private Placement executed as at 30/10/15 RM'000
Proceeds from Issuance of Private Placement Shares	10,446	6,840	6,840
Expenses of the Corporate Exercise	(500)	(508)	(508)
Working Capital Available	9,946	6,332	6,332

The proceeds of RM6.33 million from the Private Placement has been utilised in the following manner as at the latest practicable date of this report:

Purpose	Proposed Utilisation RM'000	Actual Utilisation as at 30/9/15 RM'000	Actual Utilisation as at latest practicable date of this report RM'000	Intended Timeframe for Utilisation
Purchase of inventory	9,946	5,887	5,887	12 months from the listing of the Placement Shares
	9,946	5,887	5,887	

Remark: RM5.887 million has been utilised in procurement of inventory and deposit in an arrangement to procure inventory.

Intended Timeframe for Proceed Utilisation:

Tranches of Private Placement Shares Listed	Net Proceed (RM'000)	12 months from Listing Date
35.6 million Placement Shares listed on 16.4.15	4,840	17.4.16
10 million Placemenet Shares listed on 20.8.15	1,492	21.8.16
	6,332	

22. Group Borrowings and Debt Securities

The Group borrowing as at 30 September 2015 is as follows:

	As at 30/9/2015 RM'000	As at 30/6/2015 RM'000
Amount payable within 12 months	87	87
Amount payable after 12 months	122	141
Total	<u>209</u>	<u>228</u>

The bank borrowing of the Group is in Ringgit Malaysia. The bank borrowing of the Company is unsecured and the subsidiaries of the Company do not have bank borrowing as at the end of the reporting period.

23. Changes In Material Litigation

As at the latest practicable date, neither the Company nor any of its subsidiary companies is engaged in any material litigation, either as plaintiff or defendant and the Directors of the Company are not aware of any proceedings pending or threatened against the Company and its subsidiary companies or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Group.

24. Proposed Dividend

No dividend has been proposed for the current quarter and financial period-to-date.

25. Earnings Per Share

(i) Basic Earnings Per Share	Individual Quarter		Cumulative Quarters	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year Quarter	Preceding Year Corresponding Quarter
	30/09/2015		30/09/2015	
Net profit/(loss) attributable to owners of the Company (Basic EPS numerator) (RM'000)	3,960	n/a	3,960	n/a
Weighted average number of ordinary shares in issue (Basic EPS denominator) ('000)	273,505		273,505	
Basic earnings/(loss) per share (sen)	1.45		1.45	
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(ii) Diluted Earnings Per Share	Individual Quarter		Cumulative Quarters	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year Quarter	Preceding Year Corresponding Quarter
	30/09/2015		30/09/2015	
Net profit/(loss) attributable to owners of the Company (Diluted EPS numerator) (RM'000)	3,960	n/a	3,960	n/a
Weighted average number of ordinary shares in issue ('000)	273,505		273,505	
Effect of dilution				
- Warrants 2012/2017 ('000)	53,097		53,097	
Adjusted weighted average number of ordinary shares in issue (Diluted EPS denominator) ('000)	326,602		326,602	
Basic earnings/(loss) per share (sen)	1.21		1.21	
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26. Realised and Unrealised Retained Profits

	As at 30.9.2015 RM'000	As at 30.6.2015 RM'000
Total retained profits / (accumulated losses) of the Company and its subsidiaries		
- Realised	(35,961)	(33,283)
- Unrealised	-	(5)
	<u>(35,961)</u>	<u>(33,288)</u>
Less: Consolidation Adjustment	18,451	11,810
Total Group retained profits / (accumulated losses) as per consolidated accounts	<u>(17,510)</u>	<u>(21,478)</u>

27. Notes to Statement of Comprehensive Income

Profit / (Loss) Before Taxation is arrived at after (charging) / crediting the following items:

	Current Quarter RM '000	Cumulative Quarter RM '000
(a) Interest Income	-	-
(b) Other Income	5,178	5,178
(c) Interest Expense	(3)	(3)
(d) Depreciation and Amortization	(70)	(70)
(e) Provision / Write off of Receivables	n/a	n/a
(f) Provision / Write off of Inventories	n/a	n/a
(g) Gain / (Loss) on Disposal of quoted or unquoted investments or properties	n/a	n/a
(h) Impairment of Assets	n/a	n/a
(i) Foreign Exchange Gain / (Loss)	-	-
(j) Gain / (Loss) on derivatives	n/a	n/a
(k) Exceptional Items	n/a	n/a

By Order of the Board
Ong Tze-En (MAICSA 7026537)
Company Secretary
Dated this 30 November 2015