

EKA NOODLES BERHAD (Company No.583565-U)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AND QUARTERLY REPORT FOR THE PERIOD ENDED
31 MARCH 2017

	Current Year	Preceding Year
	As at	As at
	31.03.17	31.12.16
	(Unaudited)	(Audited)
	RM'000	RM'000
ASSETS		
Current Assets		
Assets Held for Sale	53,013	57,991
Other Receivables, Deposits and Prepayments	615	609
Tax Recoverable	246	59
Cash and Bank Balances	64	511
	53,938	59,170
TOTAL ASSETS	53,938	59,170
EQUITY AND LIABILITIES		
Share Capital	46,800	46,800
Share Premium	3,600	3,600
Capital Reserve	4,837	4,837
Revaluation Reserve	9,204	9,204
Retained Profits/(Accumulated Losses)	(91,378)	(86,048)
Total Equity	(26,937)	(21,606)
Liabilities		
Trade Payables	8,615	8,571
Other Payables and Accruals	12,515	12,582
Amount Owing to Directors	386	375
Borrowings	59,122	59,197
Provision for Taxation	237	51
	80,875	80,776
Total Liabilities	80,875	80,776
TOTAL EQUITY AND LIABILITIES	53,938	59,170
Net Assets Per Ordinary Share Attributable to Ordinary Equity Shareholders (RM)	(0.08)	(0.07)

Notes:-

The Unaudited Condensed Consolidated Statement 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.

EKA NOODLES BERHAD (Company No.583565-U)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND
QUARTERLY REPORT ON CONSOLIDATED PERIOD ENDED
31 MARCH 2017

	Current Year Quarter	Individual Quarter Preceding Year Corresponding Quarter	Current Year To Date	Cumulative Quarter Preceding Year Corresponding Period
	(3 Months) 31.03.17 (Unaudited) RM'000	(3 Months) 31.03.16 (Unaudited) RM'000	(3 Months) 31.03.17 (Unaudited) RM'000	(3 Months) 31.03.16 (Unaudited) RM'000
Revenue	55	10,319	55	10,319
Cost of Sales	(1,292)	(7,867)	(1,292)	(7,867)
Gross Profit	(4,418)	2,452	(4,418)	2,452
Other Income	89	401	89	401
Administrative Expenses	(4,065)	(1,509)	(4,065)	(1,509)
Selling and Distribution Expenses	(103)	(943)	(103)	(943)
Operating Profit/(Loss)	(5,316)	401	(5,316)	401
Finance Costs	(14)	(1,009)	(14)	(1,009)
Profit/(Loss) Before Taxation	(5,330)	(608)	(5,330)	(608)
Taxation	-	-	-	-
Profit/(Loss) After Taxation	(5,330)	(608)	(5,330)	(608)
Earnings Per Share				
- Basic (sen)	(1.71)	(0.12)	(1.71)	(0.12)
- Diluted (sen)	-	-	-	-

The Unaudited Condensed Consolidated Statement of 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.

EKA NOODLES BERHAD (Company No.583565-U)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AND QUARTERLY REPORT ON
CONSOLIDATED RESULTS FOR THE YEAR ENDED 31 MARCH 2017

	Share Capital	Exchange Translation Reserve	----- Share Premium	Non-Distributable----- Capital Reserve	Revaluation Reserve	Distributable Accumulated Losses	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Audited</u>							
Balance as at 1 January 2016	46,800	-	3,600	4,837	9,204	(51,942)	12,499
Loss for the year	-	-	-	-	-	(34,106)	(34,106)
Balance as at 31 December 2016	46,800	-	3,600	4,837	9,204	(86,048)	(21,607)
<u>Unaudited</u>							
Balance as at 1 January 2017	46,800	-	3,600	4,837	9,204	(86,048)	(21,607)
Loss for the period	-	-	-	-	-	(5,330)	(5,330)
Balance as at 31 March 2017	46,800	-	3,600	4,837	9,204	(91,378)	(26,937)

Note:-

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial period ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

EKA NOODLES BERHAD (Company No.583565-U)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS AND QUARTERLY
REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD ENDED
31 MARCH 2017

	Current Year to Date	Preceding Year Corresponding Period
	(3 months) 31.03.17	(3 months) 31.03.16
	(Unaudited) RM'000	(Unaudited) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Operations	55	9,165
Payment to Suppliers	(328)	(8,253)
Payment to Employees	(203)	-
Income Tax Paid	-	(26)
Net Cash used in Operating Activities	(7,787)	886
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Disposal of Property, Plant and Equipment	101	17
Net Cash (used in)/from Investing Activities	101	17
CASH FLOWS FROM FINANCING ACTIVITIES		
Islamic Acceptance Bills	-	(76)
Proceeds from Term Loan	-	1,000
Repayment of Hire Purchase Payables	(75)	(21)
Repayment of Islamic Acceptance Bills	-	(237)
Advance from/(Repayment to) the Director	11	(300)
Interest Paid	(7)	(1,009)
Net Cash from/(used in) Financing Activities	(71)	(643)
Net increase/(decrease) in Cash and Cash Equivalents	(447)	260
Cash and Cash Equivalents at Beginning	511	2,008
Cash and Cash Equivalents at End	64	2,268
Represented by:-		
Fixed Deposits with Licensed Banks	-	1,175
Cash and Bank Balances	64	1,093
	64	2,268

Notes:-

The Unaudited Condensed Consolidated Statement of Cash Flows 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.

EKA NOODLES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORTS FOR QUARTER
ENDED 31 MARCH 2017

PART A: EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING
STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING

A1) Basis of Preparation

The interim financial statements for the current quarter are unaudited and have been prepared in accordance with the requirements outlined in the Malaysian Financial Reporting Standards (“MFRSs”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

This interim financial statement should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2016.

A2) Significant Accounting Policies

The significant accounting policies and presentations adopted by the Group are consistent with those adopted for the audited financial statements of the Group for the financial year ended 31 December 2016.

A3) Seasonal or Cyclical Factors

The Group’s performance is not significantly affected by any seasonal or cyclical factors.

A4) Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial year-to-date.

A5) Material Changes in Estimates

There was no material changes in estimates of amount reported in prior interim period or financial period that have a material effect in the current quarter and financial year-to-date.

A6) Debt and Equity Securities

There were no issuances, repurchases, and repayments of long term debt and equity issued during the current quarter and financial year-to-date.

A7) Dividend Paid

There was no dividend paid in the current quarter and financial year-to-date.

A8) Segmental Information

The Group is principally engaged in the manufacturing and marketing of all types of rice, sago sticks (vermicelli) and other related products. Business segmental information has therefore not been prepared as the Group’s revenue, operating profit, assets employed, liabilities, capital expenditure, depreciation and non-cash expenses are mainly confined to one business segment.

EKA NOODLES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORTS FOR QUARTER
ENDED 31 MARCH 2017

PART A: EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING
STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING

A8) Segmental Information(Continued)

The segmental information is therefore presented in respect of the Group’s geographical segments. The Group operates in two principal geographical areas namely West Malaysia and East Malaysia. The segmental information for the past three months ended 31 March 2017 was as follows:

	Revenue	Total Assets	Capital Expenditures
	RM’000	RM’000	RM’000
West Malaysia	55	42,658	-
East Malaysia	-	11,280	-
	<u>55</u>	<u>53,938</u>	<u>-</u>

A9) Valuation of Property, Plant and Equipment (PPE)

The Group had not carried out the valuation on its property, plant and equipment from the previous audited annual financial statements. The property, plant and equipment of the Group are stated at cost less accumulated depreciation and any accumulated impairment losses.

A10) Events Subsequent to the Balance Sheet Date

There were no other material events subsequent to the reporting period that have not been reflected in the interim financial statements as at the date of this report except disclosed in B7.

A11) Changes in the Composition of the Group

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

A12) Changes in Contingent Liabilities or Contingent Assets

There were no material contingent liabilities or contingent assets to be disclosed as at the date of the interim financial statements.

A13) Capital Commitments

There was no capital commitment in the current quarter under review.

EKA NOODLES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORT FOR QUARTER
ENDED 31 MARCH 2017

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

B1) Review of Group Performance

	Jan- Mar'17 RM'000	Oct- Dec'16 RM'000	Jan- Mar'17 RM'000	Jan- Mar'16 RM'000
Revenue				
- West Malaysia	55	1,967	55	10,319
- East Malaysia	-	-	-	-
Total	<u>55</u>	<u>1,967</u>	<u>55</u>	<u>10,319</u>
Profit/(Loss) before tax				
- West Malaysia	(5,200)	(13,088)	(5,200)	(209)
- East Malaysia	(130)	(4,921)	(130)	(399)
Total	<u>(5,330)</u>	<u>(18,009)</u>	<u>(5,330)</u>	<u>(608)</u>

Comparison with corresponding period in the previous year

The Group's revenue for the current quarter under review was RM0.06 million and loss before tax was RM5.3 million.

The revenue was lower by RM10.24 million than preceding year corresponding quarter under review. This was due to the group has ceased operation since January 2017. The revenue of RM55,000 was arised from stock clearance in a subsidiary.

The Group has suffered loss before tax of approximately RM5.3 million in the current quarter as compared with the loss before tax of RM0.61 million in corresponding quarter under review. The loss before tax of RM5.30 million for the period under review was mainly due to impairment of plant and machineries about RM3.7 million and fixed cost incurred.

Comparison with preceding quarter

The Group's revenue for the quarter under review was lower by RM1.91 million as compared with the preceding quarter. This was due to the group has ceased operation since January 2017. The revenue of RM55,000 was arised from stock clearance in a subsidiary.

The Group recorded loss before tax for the current quarter was RM5.3 million as compared to loss before tax RM18.0 million in the immediate preceding quarter under review. The loss before tax of RM5.30 million for the quarter under review was mainly due to impairment of plant and machineries about RM3.7 million and fixed cost incurred.

EKA NOODLES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORT FOR QUARTER
ENDED 31 MARCH 2017

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

B2) Current Year Prospects

Barring any unforeseen circumstances, the Group have its effort at cost cutting measures, improving in operation efficiency and productivity, improving in inventory control and credit control as well as focus on product development and quality improvement in the rice and sago sticks (vermicelli) operation in order to remain competitive in the local and overseas market.

The management are also currently reorganizing our sales team with the objective to capture more of the local market and will also explore the international market. Hence, The Board are confident that the prospect of the existing business are favourable.

B3) Variance between Actual Profit and Forecast Profit

The Group did not issue any profit forecast or profit guarantee during the current quarter under review.

B4) Taxation

	Current Year Quarter 31.03.17 RM'000	Current Year-to- Date 31.03.17 RM'000
Income Tax	-	-
Deferred Tax	-	-
	<hr/>	<hr/>
	-	-

B5) Unquoted Investments and Properties

There were no sales and purchases of unquoted investments and properties for the current quarter.

B6) Quoted Securities

There were no purchases or disposals of quoted securities for the current quarter.

B7) Corporate Proposals

There were no corporate proposal for the current quarter.

EKA NOODLES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORTS FOR QUARTER
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PART B: EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF
THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B8) Borrowings and Debts Securities

The Groups' borrowings as at 31 March 2017 are as follows:-

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Short Term Borrowings:-			
Hire Purchase Payables	-	460	460
Short Term Loan	2,524	-	2,524
Term Loans	56,138	-	56,138
Total	58,662	460	59,122

B9) Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk as at the date of the interim financial statements.

B10) Material Litigation

a) Tenaga Nasional Berhad vs Rasayang Food Industries Sdn Bhd

There is no further action until the lapse of Restraining Order on 25 June 2017.

b) Kepala Batas Bihun Sdn Bhd vs Kilang Bihun Bersatu Sdn Bhd

There is no further action until the lapse of Restraining Order on 25 Junr 2017.

c) SEV Partnership Enterprise vs Kilang Bihun Bersatu Sdn Bhd

There is no further action until the lapse of Restraining Order on 25 June 2017.

d) SEV Partnership Enterprise vs Rasayang Food Industries Sdn Bhd

There is no further action until the lapse of Restraining Order on 25 June 2017.

EKA NOODLES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORTS FOR QUARTER
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PART B: EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B11) Earnings per Share

The basic earnings per share of the Group are calculated by dividing the profit attributable to shareholders by the weighted average number of ordinary shares in issue during the financial period calculated as follows:-

	Current Months Period Ended	Individual Quarter Preceding Year Corresponding Quarter	Current Year to Date	Cumulative Period Preceding Year Corresponding Period
	31.03.17 RM'000	31.03.16 RM'000	31.03.17 RM'000	31.03.16 RM'000
Profit/(Loss) for the Period (RM'000)	(5,330)	(608)	(5,330)	(608)
Weighted Average Number of Ordinary Shares of RM0.15 each ('000)	312,000	312,000	312,000	312,000
Earnings Per Share				
- Basic (sen)	(1.71)	(0.12)	(1.71)	(0.12)
- Diluted (sen)	-	-	-	-

Diluted earnings per share have not been computed as the effect of the share options under ESOS is anti-dilutive in nature.

The Unaudited Condensed Consolidated Statement of 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.

B12) Realized and Unrealized Loss

	31.03.17 RM'000	31.03.16 RM'000
Total retained earnings of the Company and its subsidiaries :-		
- Realized	(149,295)	(64,095)
- Unrealized	-	(530)
	(149,295)	(64,625)
Consolidation adjustments	57,916	12,075
Total accumulated Profit/(losses) of the Group as per consolidated accounts	(91,379)	(52,550)

EKA NOODLES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORTS FOR QUARTER
ENDED 31 MARCH 2017

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

B13) Profit / (Loss) for the period / year

	Current Year Quarter 31.03.17 (Unaudited) RM'000	Individual Quarter Preceding Year Corresponding Quarter 31.03.16 (Unaudited) RM'000	Current Year to Date ⁽²⁾ 31.03.17 (3 Months) (Unaudited) RM'000	Cumulative Quarter Preceding Year Corresponding Period 31.03.16 (3 Months) (Unaudited) RM'000
Profit / (Loss) for the period/ year is arrive at after charging/(crediting) :				
Interest expense	14	1,009	14	1,009
Depreciation and amortization	1,180	1,840	1,180	1,840
(Gain)/Loss on disposal of PPE	22	(16)	22	(16)
Impairment of Property, plant and equipment	3,698	-	3,698	-

Notes:-

The Unaudited Condensed Consolidated Statement of 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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EKA NOODLES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORTS FOR QUARTER
ENDED 31 MARCH 2017

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

B14) Audit Report Qualifications

The auditors' report on the preceding audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2016 contain qualification.

Basis of Qualified Opinion

The financial statements of the Company have been prepared on the break up basis.

As the Company has ceased its operation with no immediate intention to resume business operations, the preparations of the financial statements for the year ended 31 December 2016 on the going concern basis is no longer appropriate. Accordingly, the financial statements, expressed in Ringgit Malaysia (RM), are prepared on a basis that the Company is not a going concern and on the breakup basis. The actual values realised may differ from the carrying values of assets and liabilities included in these financial statements. We are unable to obtain sufficient appropriate audit evidence to determine the estimated realised values of the Company's property, plant and equipments as the Company is unable to provide clear basis on arriving at the value of those assets in the statement of financial position.

B15) Authorization for Issue

The interim financial report was authorized for release by the Board of Directors in accordance with a resolution of the Board.

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