

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 MARCH 2016
(The figures have not been audited)

		Quarter ended 31.03.16 RM'000	Quarter ended 31.03.15 RM'000 (#)	Year to date 31.03.16 RM'000	Year to date 31.03.15 RM'000 (#)
Revenue	17	23,893	19,210	78,584	89,053
Operating expenses		(27,164)	(18,878)	(81,092)	(86,847)
Other income		136	74	862	532
Operating (loss)/profit		<u>(3,135)</u>	<u>406</u>	<u>(1,646)</u>	<u>2,738</u>
Finance costs		(559)	(575)	(2,118)	(2,316)
(Loss)/Profit after finance costs		(3,694)	(169)	(3,764)	422
Share of profits/(losses) from associate companies		588	(21)	1,525	795
(Loss)/Profit before taxation	18	<u>(3,106)</u>	<u>(190)</u>	<u>(2,239)</u>	<u>1,217</u>
Taxation	19	447	(518)	81	(1,334)
Loss for the period		<u>(2,659)</u>	<u>(708)</u>	<u>(2,158)</u>	<u>(117)</u>
Other comprehensive income					
Foreign currency translation differences on foreign operations		61	13,604	72	13,589
Realisation of revaluation surplus upon depreciation		60	-	142	-
Transfer from realisation of revaluation surplus to retained profits		(60)	-	(142)	-
Total comprehensive (loss)/income for the period		<u>(2,598)</u>	<u>12,896</u>	<u>(2,086)</u>	<u>13,472</u>
Attributable to :					
Owners of the Parent		(2,628)	(707)	(2,124)	(108)
Non-controlling interests		<u>(31)</u>	<u>(1)</u>	<u>(34)</u>	<u>(9)</u>
Loss for the period		<u>(2,659)</u>	<u>(708)</u>	<u>(2,158)</u>	<u>(117)</u>
Attributable to :					
Owners of the Parent		(2,567)	12,897	(2,052)	13,481
Non-controlling interests		<u>(31)</u>	<u>(1)</u>	<u>(34)</u>	<u>(9)</u>
Total comprehensive (loss)/income for the period		<u>(2,598)</u>	<u>12,896</u>	<u>(2,086)</u>	<u>13,472</u>
Loss per share attributable to owners of the parent					
- Basic (sen)	25	<u>(0.95)</u>	<u>(0.26)</u>	<u>(0.77)</u>	<u>(0.04)</u>
Diluted loss per share (sen)	25	<u>(0.95)</u>	<u>(0.26)</u>	<u>(0.77)</u>	<u>(0.04)</u>

Notes:

(#) Certain figure has been restated to conform to audited financial statements ended 31 March 2015.

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

BOON KOON GROUP BERHAD
Company No. 553434-U

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016
(The figures have not been audited)

		As At 31.03.16 RM'000	(Audited) As At 31.03.15 RM'000
	Note		
ASSETS			
Non-current assets			
Property, plant and equipment		49,416	52,987
Investment properties		5,505	5,541
Investment in associates		6,089	5,995
Deferred tax assets		2,153	2,125
		<u>63,163</u>	<u>66,648</u>
Current assets			
Inventories		39,065	32,680
Trade receivables		32,568	39,410
Other receivables, deposits and prepayments		10,470	3,118
Tax recoverable		14	259
Cash and bank balances	21	7,047	3,893
		<u>89,164</u>	<u>79,360</u>
TOTAL ASSETS		<u>152,327</u>	<u>146,008</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the Parent			
Share capital		55,350	55,350
Foreign currency translation reserve		24	(48)
Revaluation reserve		13,474	13,616
Other Reserve		(28)	14
Warrant reserve		8,367	8,367
Retained profits	23	5,381	7,368
		<u>82,568</u>	<u>84,667</u>
Non-controlling interest		385	134
Total equity		<u>82,953</u>	<u>84,801</u>
Non-current liabilities			
Borrowings	24	1,023	1,197
Deferred tax liabilities		3,394	3,609
		<u>4,417</u>	<u>4,806</u>
Current liabilities			
Trade payables		10,596	7,279
Other payables and accruals		14,436	6,142
Borrowings	24	39,886	42,980
Tax Payable		39	-
		<u>64,957</u>	<u>56,401</u>
Total liabilities		<u>69,374</u>	<u>61,207</u>
TOTAL EQUITY AND LIABILITIES		<u>152,327</u>	<u>146,008</u>
Net assets per share attributable to owners of the Parent (RM)		0.30	0.31

Notes:

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 MARCH 2016
(The figures have not been audited)

	-----Attributable to Owners of the Parent-----						Total	Non-controlling interests	Total Equity
	-----Non-Distributable-----			Distributable					
	Share Capital	Warrant Reserve	Exchange Translation Reserve	Other Reserve	Revaluation Reserve	Retained Profits			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>12 months period ended 31 March 2015</u>									
Balance at 1 April 2014	55,350	8,367	(21)	14	-	7,476	71,186	142	71,328
Total comprehensive income for the period	-	-	(27)	-	13,616	(108)	13,481	(8)	13,473
Loss for the period	-	-	-	-	-	(108)	(108)	(8)	(116)
Foreign currency translation reserve	-	-	(27)	-	13,616	-	13,589	-	13,589
Balance at 31 March 2015	55,350	8,367	(48)	14	13,616	7,368	84,667	134	84,801

Notes:

(#) Certain figure has been restated to conform to audited financial statements ended 31 March 2015.

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 MARCH 2016
(The figures have not been audited)

	-----Attributable to Owners of the Parent-----						Total	Non-controlling interests	Total Equity
	-----Non-Distributable-----			Distributable					
	Share Capital	Warrant Reserve	Exchange Translation Reserve	Other Reserve	Revaluation Reserve	Retained Profits	RM'000	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>12 months period ended 31 March 2016</u>									
Balance at 1 April 2015	55,350	8,367	(48)	14	13,616	7,368	84,667	134	84,801
Total comprehensive loss for the period	-	-	72	(42)	(142)	(1,987)	(2,099)	251	(1,848)
Loss for the period	-	-	-	-	-	(2,124)	(2,124)	(34)	(2,158)
Foreign currency translation reserve	-	-	72	-	-	-	72	-	72
Transfer of realisation of revaluation reserve to retained profits	-	-	-	-	(142)	142	-	-	-
Effect on acquisition of subsidiary	-	-	-	-	-	-	-	310	310
Acquisition of equity interest from non-controlling interest	-	-	-	(42)	-	-	(42)	(25)	(67)
Dividend paid to shareholders	-	-	-	-	-	(5)	(5)	-	(5)
Balance at 31 March 2016	55,350	8,367	24	(28)	13,474	5,381	82,568	385	82,953

Notes:

(#) Certain figure has been restated to conform to audited financial statements ended 31 March 2015.

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2016
(The figures have not been audited)

	Year to date 31.03.16 RM'000	Year to date 31.03.15 RM'000 (#)
(Loss) / Profit before taxation	(2,239)	1,217
Adjustments for :		
Bad debts	54	-
Bad debts recovered	(2)	(1)
Depreciation	4,244	4,396
Gain on bargain purchase arising from acquisition	(173)	-
Gain on disposal of property, plant and equipment	(222)	(45)
Impairment loss on receivables	40	228
Impairment loss on receivables no longer required	(54)	(17)
Impairment loss on property, plant & equipment	109	-
Interest expense	2,118	2,316
Interest income	(41)	(38)
Inventories written down	2,649	-
Loss on deemed disposal of investments	94	-
Property, plant and equipment written off	122	100
Share of losses from associate companies	(1,525)	(794)
Unrealised gain on foreign exchange	(96)	-
Operating profit before changes in working capital	<u>5,078</u>	<u>7,362</u>
Changes in working capital		
Changes in inventories	(9,110)	5,537
Changes in trade and other receivables	(3,635)	(10,163)
Changes in trade and other payables	16,362	5,444
Interest paid	(2,118)	(2,316)
Interest received	5	4
Income tax refund	335	81
Income tax paid	(213)	(406)
Net cash flows from operating activities	<u>6,704</u>	<u>5,543</u>
Investing activities		
Interest received	36	34
Acquisition of shares from non-controlling interest	(15)	-
Acquisition of subsidiaries, net of cash acquired ⁽¹⁾	205	-
Proceeds from disposal of property, plant and equipment	595	321
Investment in an associate company	-	(233)
Purchase of property, plant and equipment	(530)	(604)
Net cash flows used in investing activities	<u>291</u>	<u>(482)</u>
Financing activities		
Dividend paid on share capital	(5)	-
Placement of short-term deposits	(100)	(2,797)
Repayment of borrowings	(3,584)	(5,066)
Net cash flows used in financing activities	<u>(3,689)</u>	<u>(7,863)</u>
Net increase / (decrease) in cash and cash equivalents	3,306	(2,802)
Effects of changes in exchange rates	72	(27)
Cash and cash equivalents at beginning of the period	3,522	6,351
Cash and cash equivalents at end of the period	<u>6,900</u>	<u>3,522</u>
Represented by :		
Cash and cash equivalents	6,947	3,893
Bank overdrafts	(47)	(371)
	<u>6,900</u>	<u>3,522</u>

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2016
(The figures have not been audited)

Notes to Consolidated Statement of Cash Flows

Acquisition of subsidiaries, net of cash acquired

During the financial year, the fair values of net assets of subsidiaries acquired were as follows:

	Year to date 31.03.16 RM'000	Year to date 31.03.15 RM'000
(1) Share of net asset acquired	3,057	-
Amount previously accounted for as associated	(1,506)	-
Loss on deemed disposal of investments	94	-
Gain on bargain purchase arising from acquisition	(173)	-
Total purchase consideration	<u>1,472</u>	<u>-</u>
Less: Purchase retention sum	(324)	-
Less: Cash and bank balances	<u>(1,353)</u>	<u>-</u>
Acquisition of subsidiaries, net of cash acquired	<u>(205)</u>	<u>-</u>

Notes :

(#) Certain figure has been restated to conform to audited financial statements ended 31 March 2015.

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

Notes to the Interim Financial Statements for the fourth quarter ended 31 March 2016

1. Basis of Preparation

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (MFRS) 134 : Interim Financial Reporting issued by Malaysian Accounting Standard Board ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The Interim Financial Report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2015. The explanatory notes attached to these interim financial statements provide an explanation of event and transactions that are significant to an understanding of the changes in the financial position and performance of the Group.

2. Changes in Accounting Policies

The significant accounting policies, methods of computation and basis of consolidation adopted by the Group in preparing the interim financial statements were consistent with those adopted in the annual audited financial statements for the year ended 31 March 2015. At the date of authorization of these financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group :

		<u>Effective Date</u>
MFRS 9	Financial Instruments	1 January 2018
MFRS 14	Regulatory Deferral Accounts	1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2018
MFRS 16	Leases	1 January 2019
Amendment to MFRS 5	Annual Improvements to MFRSs 2012-2014 Cycle	1 January 2016
Amendment to MFRS 7 & MFRS 9	Annual Improvements to MFRSs 2012-2014 Cycle	1 January 2016
Amendment to MFRS 10 & MFRS 128	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Yet to be confirmed
Amendment to MFRS 10 & MFRS 12 & MFRS 128	Investment Entities : Applying the Consolidation Exception	1 January 2016
Amendment to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendment to MFRS 101	Disclosure Initiative	1 January 2016
Amendment to MFRS 116 & MFRS 138	Clarification of Acceptable Methods of Depreciation & Amortisation	1 January 2016
Amendment to MFRS 119	Annual Improvements to MFRSs 2012-2014 Cycle	1 January 2016
Amendment to MFRS 127	Equity Method in Separate Financial Statements	1 January 2016
Amendment to MFRS 134	Annual Improvements to MFRSs 2012-2014 Cycle	1 January 2016
Admendment to MFRS 107	Disclosure Initiatives	1 January 2017
Admendment to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017

3. Audit Report

The auditors' report on the financial statements for the year ended 31 March 2015 was not qualified.

4. Seasonality or Cyclicity

The Group's performance was not significantly affected by any seasonal or cyclical factor for the financial period under review.

5. Exceptional Items

There were no exceptional items for the financial period under review.

6. Estimates

There were no material changes in the estimates for the financial period under review.

Notes to the Interim Financial Statements for the fourth quarter ended 31 March 2016

7. Issuance or Repayment of Debt/Equity Securities

There were no issuance of debt/equity securities for the financial period under review.

8. Dividends

No dividends were declared or paid for the financial period under review.

9. Valuation of Property, Plant and Equipment

There were no changes in the valuation of property, plant and equipment since the last audited financial statements for the financial year ended 31 March 2015.

10. Subsequent Events

There were no material events subsequent to the end of the financial period under review under except for following :

- (i) BKG Development Sdn. Bhd. (Company No. 1070270-M) ("BKGD"), a wholly-owned subsidiary of the Company had on 5 April 2016 entered into a share purchase agreement ("SPA") with Dato' Goh Boon Koon and Mr Goh Boon Leong, for the acquisition of 100,000 ordinary shares of RM1.00 each in BKHS Capital Sdn. Bhd. (Company No. 966615-K) ("BKHS"), for a total cash consideration of Ringgit Malaysia One Hundred And Fifty Thousand (RM150,000.00) only as follows :-

Name of Vendors	Number of Ordinary Shares of RM1.00 each	Consideration RM
Dato' Goh Boon Koon	50,000	75,000.00
Goh Boon Leong	50,000	75,000.00

BKHS is a private limited company incorporated in Malaysia and having its registered office at 51-13-A, Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 Penang. BKHS's principal activity is to carry on the business of property development. Upon completion of the Acquisition, BKGD will own 50% equity interest in BKHS.

The above Acquisition is to complement the growth plan of the Group in property development business.

- (ii) Boon Koon Vehicles Industries Sdn Bhd, a wholly-owned subsidiary of the Company has on 14 April 2016 subscribed three hundred (300) units of common shares, representing 60% equity interest in Boon Koon Japan Co., Ltd ("BK Japan") for a total cash consideration of Japanese Yen Three Million, approximately Ringgit Malaysia One Hundred Seven Thousand and Five Hundred (RM107,500.00) only.

BK Japan was incorporated in Japan on 7 March 2016 and is presently dormant and its intended principal activities are sourcing and trading of used components and spare parts of commercial vehicles and the provision of related services.

Notes to the Interim Financial Statements for the fourth quarter ended 31 March 2016

11. Changes in the Composition of the Group

- (i) The Company had on 17 September 2015 acquired 2,500,000 ordinary shares of RM1.00 each, representing 100% equity interest in the capital of BK Alliance Sdn Bhd ("BKA") for a total cash consideration of Ringgit Malaysia Fifty Thousand and Two (RM50,002.00) from the following parties :

Name of Vendors	Number of Ordinary Shares of RM1.00 each	Consideration RM
Boon Koon Marketing (East Malaysia) Sdn Bhd	1,749,998	35,000.00
Tan Siaw Chuan	750,000	15,000.00
Goh Peng Yeong	1	1.00
Chong Chun Chieh	1	1.00

After the said acquisition, BKA became a wholly-owned subsidiary company of BKG.

- (ii) Boon Koon Vehicles Industries Sdn Bhd ("BKVI"), a wholly-owned subsidiary of the Company had on 21 December 2015 entered into share sale agreements ("SSA") with Gyman Global Industries Sdn Bhd (Company No. 889184A) for the acquisition of the following ordinary shares of RM1.00 each :

a. 825,000 ordinary shares of RM1.00 each, representing 55% equity interest in the capital of BKGM Industries Sdn Bhd (Company No. 1025153H) ("BKGM") for a total cash consideration of Ringgit Malaysia One Million Three Hundred Thirty Six Thousand and Three Hundred (RM1,336,300.00) only (hereinafter referred to as Acquisition of BKGM Shares");

b. 100,000 ordinary shares of RM1.00 each, representing approximately 18.75% equity interest in the capital of BK Sepadu Sdn Bhd (Company No. 1081886X) ("BK Sepadu") for a total cash consideration of Ringgit Malaysia One Hundred and Thirty Six Thousand and Six Hundred (RM136,600.00) only (hereinafter referred to as Acquisition of BK Sepadu Shares").

After the said acquisition, BKGM became a wholly-owned subsidiary while BK Sepadu became a 62.5% owned subsidiary company of BKVI.

12. Contingent Liabilities

Corporate guarantee extended by the Group to banks and financial institutions for credit facilities granted to subsidiaries as at the end of current quarter under review were as follows :-

	As At 31.03.16 RM'000	As At 31.03.15 RM'000
- Limit	<u>48,021</u>	<u>50,018</u>
- Utilised	<u>40,776</u>	<u>44,077</u>

Notes to the Interim Financial Statements for the fourth quarter ended 31 March 2016

13. Capital Commitments

There were no outstanding capital commitments at the end of current quarter under review.

14. Profit Forecast Variance

Not applicable.

15. Corporate Proposals

There were no corporate proposals announced but yet to be completed by the Group for the financial period under review.

16. Related Party Transactions

There were no related party transactions during the current quarter under review except as follows :-

	Quarter ended 31.03.16 RM'000	Year to date 31.03.16 RM'000
Rental expense paid to other related party*	(24)	(103)
Rental expense to a person connected to a director of the Company	(29)	(116)
Hire purchase interest paid to an associate	(7)	(45)
Purchase from associate companies	(711)	(1,373)
Sales to associate companies	428	4,431
Rental received from associate companies	-	56
Handling charges received from associate companies	-	962

* Being corporations in which certain directors of the Company have financial interest.

17. Detailed Analysis of Performance

Segmental information is presented in respect of the Group's business segments.

The Group comprises of the following main business segments :

(a)	Commercial vehicles and bodyworks	Manufacturing and trading of rebuilt commercial vehicles, bodyworks and their related services
(b)	Rental and fleet management services	Rental of commercial vehicles and forklift, provision of fleet management and other related services
(c)	Other Segment	Investment holding and the provision of management services

Notes to the Interim Financial Statements for the fourth quarter ended 31 March 2016

	Quarter ended 31.12.15 RM'000	Quarter ended 31.03.16 RM'000	Quarter ended 31.03.15 RM'000 (#)	Year to date 31.03.16 RM'000	Year to date 31.03.15 RM'000 (#)
Revenue					
(a) Commercial vehicles and bodyworks	13,387	22,214	18,199	71,389	81,278
(b) Rental and fleet management services	1,938	1,615	1,350	7,233	7,751
(c) Other Segment	194	208	204	783	843
	<u>15,519</u>	<u>24,037</u>	<u>19,753</u>	<u>79,405</u>	<u>89,872</u>
Less : Elimination	(76)	(144)	(543)	(821)	(819)
Total	<u>15,443</u>	<u>23,893</u>	<u>19,210</u>	<u>78,584</u>	<u>89,053</u>
(Loss)/Profit before taxation					
(a) Commercial vehicles and bodyworks	252	(2,847)	961	(874)	3,804
(b) Rental and fleet management services	(88)	(396)	(689)	(718)	(1,125)
(c) Other Segment	(518)	(534)	(370)	(2,271)	(2,027)
	<u>(354)</u>	<u>(3,777)</u>	<u>(98)</u>	<u>(3,863)</u>	<u>652</u>
Less : Elimination	56	83	511	99	352
	<u>(298)</u>	<u>(3,694)</u>	<u>413</u>	<u>(3,764)</u>	<u>1,004</u>
Share of profits / (losses) from associate companies	704	588	(603)	1,525	213
Total	<u>406</u>	<u>(3,106)</u>	<u>(190)</u>	<u>(2,239)</u>	<u>1,217</u>

Comparison with corresponding period in the previous year

(a) For commercial vehicles and bodyworks segment, revenue for the current quarter was RM22.21 million, a decrease of 22.07% compared to RM18.20 million in the previous year's corresponding quarter. The higher revenue was mainly due to higher demand of rebuilt commercial vehicles. Loss before taxation in the current quarter was RM2.85 million, a decrease of RM3.81 million compared to profit before taxation RM0.96 million in the previous year's corresponding quarter. The higher loss before taxation was mainly attributed to lower profit margin and inventories written down amounting to RM2.49 million incurred in the current quarter as compared to previous year's corresponding quarter.

(b) For rental and fleet management services segment, revenue for the current quarter was RM1.62 million, an increase of RM0.27 million compared to RM1.35 million in previous year's corresponding quarter. The higher revenue was mainly due to higher rental income recorded in current quarter. Loss before taxation in the current quarter was RM0.40 million, an decrease of RM0.29 million compared to RM0.69 million in the previous year's corresponding quarter. The lower loss before taxation was mainly attributed to high revenue recorded in the current quarter.

(c) Other Segment refers to BKG company level operations. Revenue for the current quarter was RM0.20 million, on par with revenue recorded in previous year's corresponding quarter. Loss before taxation in the current quarter was RM0.53 million as compared to RM0.37 million in previous year's corresponding quarter. The higher loss before taxation of RM0.16 million was mainly due to higher operating expenses incurred in the current quarter.

Comparison with preceding quarter

(a) For commercial vehicles and bodyworks segment, revenue for the current quarter was RM22.21 million, an increase of RM8.83 million compared to RM13.39 million in the preceding quarter. The higher revenue was mainly due to the spill over of orders from previous quarter for rebuilt commercial vehicles. Loss before taxation in the current quarter was RM2.85 million, a decrease of RM3.10 million compared to profit before taxation of RM0.25 million in preceding quarter. The higher loss before taxation was mainly attributed to inventories written down amounting to RM2.49 million incurred in the current quarter as compared to preceding quarter.

Notes to the Interim Financial Statements for the fourth quarter ended 31 March 2016

(b) For rental and fleet management services segment, revenue for the current quarter was RM1.62 million, a decrease of RM0.32 million compared to RM1.94 million in the preceding quarter. The lower revenue was mainly due to weaker economic activities in the current quarter. Loss before taxation increased by RM0.31 million compared to the preceding quarter mainly due to impairment loss on receivables and property, plant and equipment as well as inventories written down in the current quarter.

(c) Other Segment refers to BKG company level operations. Revenue for the current quarter was RM0.20 million, on par with the revenue recorded in the preceding quarter. Loss before taxation for the current quarter was RM0.53 million, on par with loss before taxation recorded in the preceding quarter.

18. Loss before taxation

This was arrived at :

	Quarter ended 31.03.16 RM'000	Year to date 31.03.16 RM'000
After charging :		
Bad Debts	54	54
Depreciation	1,092	4,244
Impairment loss on receivables	40	40
Impairment loss on property, plant and equipment	109	109
Inventories written down to net realisable value	2,649	2,649
Interest expenses	559	2,118
Property, plant and equipment written off	122	122
Realised loss on foreign exchange	2	2
And crediting :		
Bad debts recovered	-	2
Interest income	14	41
Impairment loss on receivables no longer required	54	54
Gain on disposal of property, plant and equipment	56	222
Realised gain on foreign exchange	(150)	-
Unrealised gain on foreign exchange	96	96

19. Taxation

	Quarter ended 31.03.16 RM'000	Year to date 31.03.16 RM'000
Malaysian taxation based on profit for the period:		
-Current tax	(172)	(172)
-Deferred tax	699	333
Over/(under) provision in prior years		
-Current tax	10	10
-Deferred tax	(90)	(90)
	<u>447</u>	<u>81</u>

20. Commentary of Prospects

The Group shall continue to grow the market for its new light commercial vehicles. It shall also intensify its marketing activities especially in East Malaysia for its new and rebuilt commercial vehicles division.

21. Cash and Bank Balances

	As At 31.03.16 RM'000	As At 31.03.15 RM'000
Cash and cash equivalents	6,947	3,893
Pledged fixed deposits with licensed bank	100	-
Cash and bank balances	<u>7,047</u>	<u>3,893</u>

Notes to the Interim Financial Statements for the fourth quarter ended 31 March 2016

22. Material Litigation

There were no material litigation for the financial period under review except :

Boon Koon Vehicles Industries Sdn Bhd ("BKVI"), a wholly-owned subsidiary of the Company had on 22 January 2016 received a writ of summon and statement of claim from Dato' Seri Kasmi Bin Mat Arsat for a claim amounting to RM2,238,000.00.

BKVI through its legal counsel has entered defence on the case and has also filed for an application to strike off the claim. The matter has been fixed for case management on 13 June 2016.

BKVI strongly denies this baseless, frivolous and vexatious claim.

The Board of Directors do not foresee any material financial and operation impact of the writ of summon and statement of claim on the Group as BKVI denies having entered into an agreement with Plaintiff as alleged.

23. Realised and Unrealised Profits or Losses

The Group's total retained profits as at 31 March 2016 were as below:-

	As At 31.03.16 RM'000	As At 31.03.15 RM'000
Total retained profits		
- Realised	7,188	9,742
- Unrealised	(1,219)	(1,465)
	<u>5,969</u>	<u>8,277</u>
Total share of profits/(losses) of associates		
- Realised	1,029	(488)
	<u>6,998</u>	<u>7,789</u>
Less: Consolidation adjustments	(1,617)	(421)
Total retained profits as per consolidated accounts	<u><u>5,381</u></u>	<u><u>7,368</u></u>

24. Group Borrowings and Debt Securities

Group borrowings as at 31 March 2016 were as below:-

	Secured RM'000	Unsecured RM'000	Total RM'000
<u>Current liabilities</u>			
Bankers acceptance / Trade loans	39,123	-	39,123
Overdraft	-	47	47
Finance lease liabilities	716 *	-	716
Sub-total	<u>39,839</u>	<u>47</u>	<u>39,886</u>
<u>Non-current liabilities</u>			
Finance lease liabilities	1,023 *	-	1,023
Sub-total	<u>1,023</u>	<u>-</u>	<u>1,023</u>
Total	<u><u>40,862</u></u>	<u><u>47</u></u>	<u><u>40,909</u></u>

* Included herein was an amount of RM0.37 million due to Hitachi Capital Malaysia Sdn Bhd (formerly known as First Peninsula Credit Sdn. Bhd.), an associate of the Group.

Notes to the Interim Financial Statements for the fourth quarter ended 31 March 2016

25. Basis of Calculation of Loss Per Share Attributable to Owners of the Parent

The basic loss per share for the current quarter and cumulative year to date were computed as follow:

	Quarter ended 31.03.16	Year to date 31.03.16
Loss for the period attributable to the owners of the Parent (RM'000)	<u>(2,628)</u>	<u>(2,124)</u>
Weighted average number of ordinary shares of RM0.20 each in issue ('000 units)	<u>276,750</u>	<u>276,750</u>
Basic Loss Per Share based on weighted average number of ordinary shares of RM0.20 each in issue (sen)	<u>(0.95)</u>	<u>(0.77)</u>

There is no diluted loss per share as the warrants are anti-dilutive since its exercise price exceeds the average market price of the ordinary shares.

Date : 30 May 2016