PELANGI PUBLISHING GROUP BHD
(Company No. 593649-H)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31DECEMBER 2015
(The figures have not been audited)

	CURRENT 3 months ended		YEAR TO DATE 3 months ended	
	31.12.2015 RM'000	31.12.2014 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
Revenue	27,870	23,793	27,870	23,793
Cost of sales	(13,662)	(14,062)	(13,662)	(14,062)
Gross profit	14,208	9,731	14,208	9,731
Other income	457	98	457	98
Administrative expenses	(3,121)	(1,824)	(3,121)	(1,824)
Selling and marketing expenses	(3,271)	(1,948)	(3,271)	(1,948)
Other expenses	(625)	(630)	(625)	(630)
Operating profit	7,648	5,427	7,648	5,427
Finance costs	(203)	(144)	(203)	(144)
Share of profit of associates	51	-	51	-
Profit before tax	7,496	5,283	7,496	5,283
Income tax expenses	(3,525)	(1,614)	(3,525)	(1,614)
Profit for the period	**3,971**	**3,669**	**3,971**	**3,669**
Other comprehensive income that will subsequently be reclassified to profit or loss:				
Foreign currency translation	(273)	(26)	(273)	(26)
Total comprehensive income for the period	3,698	3,643	3,698	3,643
Profit/(loss) attributable to:				
Owners of the Company	**3,945**	**3,701**	**3,945**	**3,701**
Non-controlling interests	26	(32)	26	(32)
	3,971	3,669	3,971	3,669
Total comprehensive income attributable to:				
Owners of the Company	**3,695**	**3,649**	**3,695**	**3,649**
Non-controlling interests	3	(6)	3	(6)
	3,698	3,643	3,698	3,643
Earning per share attributable to owners of the Company :				
Basic (Sen)	4.00	3.75	4.00	3.75
Diluted (Sen)	4.00	3.75	4.00	3.75

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 September 2015 and the accompanying notes attached to the Interim Financial Statements.

PELANGI PUBLISHING GROUP BHD
(Company No. 593649-H)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015
(The figures have not been audited)

	As at 31.12.2015 RM'000	As at 30.9.2015 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	59,340	59,986
Investment properties	1,953	1,953
Intangible assets	311	330
Investment in associates	65	16
Other Investments	1,027	1,027
Deferred tax assets	2,853	2,889
	65,549	66,201
Current assets		
Inventories	30,961	33,475
Trade receivables	23,834	14,089
Other receivables	1,000	1,139
Prepayment	1,032	1,035
Tax recoverable	233	2,071
Cash and bank balances	17,078	17,035
	74,138	68,844
TOTAL ASSETS	**139,687**	**135,045**
EQUITY AND LIABILITIES		
Current liabilities		
Short term borrowings	1,648	1,795
Trade Payables	6,708	6,946
Other Payables	15,494	14,962
Tax Payable	1,467	282
	25,317	23,985
Non current liabilities		
Long term borrowings	14,625	14,934
Deferred tax liabilities	2,106	2,185
	16,731	17,119
Total liabilities	42,048	41,104
Equity attributable to owners of the parent		
Share capital	50,000	50,000
Treasury shares	(1,408)	(1,408)
Foreign exchange reserve	299	549
Retained earnings	47,986	44,041
	96,877	93,182
Non-controlling interests	762	759
Total equity	97,639	93,941
TOTAL EQUITY AND LIABILITIES	**139,687**	**135,045**
Net assets per share attributable to owners of the parent (RM)	1.0094	0.9712

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 September 2015 and the accompanying explanatory notes to the Interim Financial Statements.

PELANGI PUBLISHING GROUP BHD
(Company No. 593649-H)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 DECEMBER 2015
(The figures have not been audited)

	Share Capital	Treasury Shares	Foreign Exchange Reserve	Retained Earnings	Total	Non - Controlling Interests	Total Equity
	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000
At 1 October 2015	50,000	(1,408)	549	44,041	93,182	759	93,941
Total comprehensive income	-	-	(250)	3,945	3,695	3	3,698
At 31 December 2015	50,000	(1,408)	299	47,986	96,877	762	97,639
At 1 October 2014	50,000	(1,408)	448	43,496	92,536	264	92,800
Total comprehensive income	-	-	(52)	3,701	3,649	(6)	3,643
At 31 December 2014	50,000	(1,408)	396	47,197	96,185	258	96,443

The unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 30 September 2015 and the Notes to the Interim Financial Statements.

PELANGI PUBLISHING GROUP BHD
(Company No. 593649-H)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 DECEMBER 2015
(The figures have not been audited)

	3 months ended	
	31.12.2015	31.12.2014
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	7,496	5,283
Adjustments for non-cash items	1,356	(66)
Operating profit before working capital changes	8,852	5,217
Net change in current assets	(7,827)	(12,012)
Net change in current liabilities	482	(6,954)
Cash used in operations	1,507	(13,749)
Tax paid (net of refund)	(502)	(575)
Interest paid	(203)	(144)
Net cash (used in)/from operating activities	802	(14,468)
Cash flows from investing activities		
Interest received	35	45
Proceeds from disposal of property, plant and equipment	55	9
Purchase of property, plant and equipment	(58)	(482)
Net cash used in investing activities	32	(428)
Cash flows from financing activities		
Proceeds from term loans	-	13,950
Proceeds from finance leases	-	70
Repayment of obligation under finance leases	(139)	(73)
Repayment of term loans	(319)	(85)
Net cash generated from/(used in) financing activities	(458)	13,862
Net decrease in cash and cash equivalents	376	(1,034)
Effect of exchange rate changes	(333)	(88)
Cash and cash equivalents at beginning of period	17,035	20,300
Cash and cash equivalents at end of period	17,078	19,178

Cash and cash equivalents at the end of the period comprise the following:

	3 months ended	
	RM'000	RM'000
Cash on hand and at banks	15,749	12,860
Fixed deposits	1,329	6,318
	17,078	19,178

The unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 30 September 2015 and the Notes to the Interim Financial Statements.

A: EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements of Malaysia Financial Reporting Standards ("MFRSs") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 Main Market Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for financial year ended 30 September 2015. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 September 2015.

2. Significant accounting policies

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the financial statements for the year ended 30 September 2015. On 1 October 2015, the Group adopted the following new and amended MFRSs and IC interpretations:

Amendments to MFRS effective 1 July 2014:

Amendments to MFRS 119 Defined Benefit Plans: Employee Contributions

The amendments to MFRS 119 clarify how an entity should account for contributions made by employees or third parties to defined benefits plans, based on whether those contributions are dependent on the number of years of service provided by the employee.

For contributions that are independent of the number of years of service the entity may either recognise the contributions as a reduction in the service cost in the period in which the related service is rendered, or to attribute them to the employees' periods of service using the projected unit credit control; whereas for contributions that are independent on the number of years of service the entity is required to attribute them to the employees' periods of service.

MFRS 3 Business Combinations

The amendments clarify that all contingent consideration arrangements classified as liabilities (or assets) arising from a business combination should be subsequently measured at fair value through profit or loss whether or not they fall within the scope of MFRS 9 (or MFRS 139, as applicable).

MFRS 8 Operating Segments

The amendments clarify that:

An entity must disclose the judgement made by management in applying the aggregation criteria in paragraph 12 of MFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics (e.g. sales and gross margins) used to assess whether the segments are "similar".

The reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker, similar to the required disclosures for segment liabilities.

MFRS 13 Fair Value Measurement

It clarifies in the Basis for Conclusion that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial.

MRFS 116 Property, Plant and Equipment and MFRS 138 Intangible Assets

The amendment clarifies in MFRS 116 and MFRS 138 that the asset may be revalued by reference to observable data on either the gross or the net carrying amount. In addition, the accumulated depreciation and amortisation is the different between the gross and carrying amounts of the assets.

MFRS 124 Related Party Disclosures

The amendments clarifies that a management entity (and entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services.

Standards issued but not yet effective

At the date of authorisation of these interim financial statements, the following standards and interpretations were issued but not yet effective and have not applied by the Group:

MFRS and Amendments to MFRSs effective 1 January 2016

MFRS 14 Regulatory Deferral Accounts
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between anInvestor and its Associate or Joint Venture
Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities: Applying the Consolidated Exception
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations
Amendments to MFRS 101: Disclosure Initiative
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 116 and MFRS 141: Agriculture: Bearer Plants
Amendments to MFRS 127: Equity Method in Separate Financial Statements
Annual improvements to MFRSs 2012-2014 Cycle, including the amendments to:
MFRS 5 Non-current Assets Held for Sale and Discontinued Operations: Changes in methods of disposal
MFRS 7 Financial Instruments-Disclosure: Servicing contracts
MFRS 7 Financial Instruments-Disclosure: Applicability of the amendments to MFRS 7 to the condensed interim financial statements
MFRS 119 Employee Benefits: Discount rate-regional market rate
MFRS 134 Interim Financial Reporting: Disclosure of Information "elsewhere in the interim financial report"

MFRS and Amendments to MFRS effective 1 January 2018:

MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)
MFRS 15 Revenue from Contracts with Customers
Amendments to MFRS 7 Financial Instruments-Disclosures: Mandatory effective date of MFRS 9 and transitional disclosures

The adoption of the above standards, amendments and interpretations are not expected to have any financial impact to the financial statements except for:

MFRS 9 Financial Instruments

MFRS 9 replaces MFRS 139 Financial Instruments: Recognition and Measurement and all previous version of MFRS 9. The new standard introduces extensive requirements and guidance for classification and measurement of financial assets and financial liabilities which fall under scope of MFRS 9, new "expected credit loss model" under the impairment of financial assets and greater flexibility has been allowed in hedge accounting transactions.

Upon adoption of MFRS 9, financial assets will be measured at either fair value or amortised cost. It is also expected that the Group's investment in unquoted shares will be measured at fair value through other comprehensive income.

The adoption of MFRS 9 will result in a change of accounting policy. The Group is currently examining the financial impact of adopting MFRS 9.

MFRS 15 Revenue from Contracts with Customers

MFRS 15 presents new requirements for the recognition of revenue, replacing the guidance of MFRS 111 Construction Contracts, MFRS 118 Revenue and the related interpretations when it becomes effective. The principles in MFRS 15 provide a more structured approach to measuring and recognising revenue. It establishes a new five-step model that will apply to revenue arising from contracts with customers. Under MFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods and services to a customer.

The adoption of MRFS 15 will result in a change in accounting policy. The Group is currently assessing the impact of MRFS 15 and plans to adopt the new standards on the required effective date.

3. Auditors’ report on preceding annual financial statements

The auditors’ report on the financial statements for the year ended 30 September 2015 was not subject to qualification.

4. Comments about seasonal or cyclical factors

The Group is basically involved in the production and distribution of books. In relation to our academic books, school terms will have impact on revenue and margin.

The bulk of turnover of the Group comes from 1st quarter of our financial year (October 2015 to December 2015) before school term reopened. The turnover cycle is expected to drop in the 2nd and 3rd quarter of our financial year (January 2016 to June 2016), in which the goods returns are usually higher than the 1st and 4th quarter of our financial year.

The 4th quarter of our financial year (July 2016 to September 2016) is expected to be the period of heavy production and promotion. However, the turnover starts picking up towards the end of our 4th quarter and the momentum is well carried forward to the 1st quarter of our next financial year before school term reopens again.

5. Unusual items due to their nature, size and incidence

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

6. Changes in estimates

There were no changes to the estimates that have a material effect in the current quarter under review.

7. Debts and equity securities

Treasury Shares
The Company has not repurchased any ordinary shares from the open market during the current quarter ended 31 December 2015.

As at 31 December 2015, a total of 3,271,100 ordinary shares of RM0.50 each are held as treasury shares by the Company. These treasury shares are held at a total carrying amount of RM1,407,602.

The buyback transactions were financed by internally generated funds. The shares purchased are held as treasury in accordance with Section 67A of the Company Act 1965. None of the treasury shares are held are resold or cancelled during the period ended 31 December 2015.

Other than as mentioned above, there are no issuance, cancellation, repurchase, resale or repayment of debts and equity securities for the current quarter.

8. Dividends

The Board of Directors has proposed a single tier final dividend of 2.5% on 96,728,900 ordinary shares, amounting to a dividend payable of RM1,209,111 (1.25 sen per ordinary share of RM0.50 each) in respect of the year ending 30 September 2016. The proposed dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 September 2016.

9. Segment information

	Quarter ended		Financial period ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Revenue				
Publishing	25,595	21,217	25,595	21,217
Printing	3,680	3,713	3,680	3,713
Education	75	29	75	29
Others	850	747	850	747
Total revenue including inter segment sales	30,200	25,706	30,200	25,706
Elimination of inter-segment sales	(2,330)	(1,913)	(2,330)	(1,913)
Total revenue	27,870	23,793	27,870	23,793
Segment Results				
Publishing	6,874	4,988	6,874	4,988
Printing	511	245	511	245
Education	(46)	(49)	(46)	(49)
Others	309	243	309	243
Total operating profit	7,648	5,427	7,648	5,427

10. Valuation of property, plant and equipment

There were no revaluation of property, plant and equipment during the quarter under review.

11. Subsequent events

Pelangi Publishing Group Bhd ("PPG") proposed an establishment of an employees' share option scheme ("ESOS") and proposed share buy-back of up to 15% and 10% of PPG issued and paid-up capital respectively (Refer to Note 21 corporate proposal for detail explanations).

12. Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter under review.

13. Changes in contingent liabilities or contingent assets

There were no material changes in contingent liabilities and contingent assets since the last statements of financial position as at 30 September 2015.

14. Capital commitments

	As at 31.12.2015 RM'000
Capital expenditure	
Authorised and contracted for:	
Property, plant and equipment	233,800

15. Significant related party transactions

The following are significant related party transactions:

	Quarter ended		Financial period ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RM'000	RM'000	RM'000	RM'000
Purchase of production papers	742	2,091	742	2,091
Rental expense	19	15	19	15

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

16. Performance review (YTD Q1 2016 vs YTD Q1 2015)

The Group reported consolidated turnover of RM27.9 million for the current period ended 31 December 2015 as compared to RM23.8 million for the corresponding period ended 31 December 2014. The consolidated turnover increased by RM4.1 million or equivalent to 17.2% for the financial period under review.

The Group reported a profit after tax of RM4.0 million for the current period ended 31 December 2015 as compared to RM3.7 million for the comparative period ended 31 December 2014. The increase in consolidated profit after tax for the period under review by RM0.3 million was mainly contributed by higher sales in the Publishing Segment.

The main contributor towards the profitability of the Group still remains with Publishing Segment for the current period.

Publishing Segment

During the current period, the Publishing Segment generated a turnover of RM25.6 million as compared to RM21.2 million for the comparative period ended 31 December 2014. The Publishing Segment recorded operating profit of RM6.9 million in the current period compared to RM5.0 million in the comparative period, an increase of RM1.9 million. Adequate marketing effort and positive market response contributed towards the increase in turnover and operating profit in this segment for the current period.

Printing Segment

The Printing Segment generated a constant turnover of RM3.7 million for the current period as compared to the comparative period ended 31 December 2014.

The Printing Segment recorded a operating profit on RM0.5 million for the current period as compared to RM0.2 million in the comparative period, and increase of RM0.3 million was mainly due to better cost control for this segment.

Education Segment

During the current period, the Education Segment generated a total revenue of RM75,000 as compared to a total turnover of RM29,000 for the comparative period ended 31 December 2014.

The Education Segment remains as a minor segment within the Group, a component that still yields no profit since its inception. The Education Segment recorded operating loss of RM46,000 compared to loss of RM49,000 in the comparative period.

However, Education Segment still plays a role to complement the Group in promoting a greater brand name for public awareness.

Other Segment

The Other Segment generated turnover of RM0.9 million in the current period as compared to RM0.7mil for the comparative period ended 31 December 2014, and increase of RM0.2 million mainly contributed by the increased of rental income from a factory building in Pasir Gudang, Johor, owned by its wholly owned subsidiary.

17. Comparison of current quarter with preceding quarter results (Q1 2016 vs Q4 2015)

The Group reported a profit before tax of RM7.5 million for the current quarter ended 31 December 2015 as compared to the loss before tax of RM4.2 million generated in the preceding quarter ended 30 September 2015. The profit generated during this current quarter is in line with the business trend and annual cyclical order as explained in Note 4.

18. Commentary of prospects

The Group will continue to look for opportunities to maintain its competitive advantage against other market players by penetrating new market and pursuing the development and registration of new products for both local and overseas market. Nevertheless, the Group will remain focussed in managing its operating costs effectively.

Due to competitiveness of this industry, the Board will strive towards more satisfactory Group's performance for the financial year ending 30 September 2016.

19. Profit forecast and profit guarantee

The Group has not issued any profit guarantee during the current quarter under review.

20. Taxation

	Quarter ended		**Financial period ended**	
	31.12.2015	**31.12.2014**	**31.12.2015**	**31.12.2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Income tax:				
Malaysian	(3,538)	(2,414)	(3,538)	(2,414)
Overseas	(25)	-	(25)	-
Deferred tax:				
Malaysian	34	780	34	780
Overseas	4	20	4	20
Total income tax expenses	(3,525)	(1,614)	(3,525)	(1,614)

The effective tax rate of the Group for the financial period is higher than the statutory tax rate principally due to certain non-qualified expenses incurred during the period which are not deductible for tax purposes.

21. Corporate proposals

On 28 December 2015, PPG proposed an establishment of an employees' share option scheme ("ESOS") of up to 15% of the issued and paid-up capital of the Company and proposed share buy-back of up to 10% of its issued and paid-up capital of the Company.

On 27 January 2016, the Proposed ESOS has been submitted to Bursa Malaysia Securities Berhad ("Bursa Securities) on 27 January 2016. Bursa Securities via its letter dated 2 February 2016 resolved to approve the listing of such number of additional new ordinary shares of RM0.50 each in PPG, to be issued pursuant to the exercise of options under the proposed ESOS, subject to the following conditions:

i) RHB Investment Bank Berhad ("RHBIB") is required to submit a confirmation to Bursa Securities of full compliance of the Proposed ESOS pursuant to paragraph 6.43(1) of the Main Market Listing Requirements of Bursa Securities ("Listing Requirements") and stating the effective date of implementation together with a certified true copy of the resolution passed by the shareholders in general meeting approving the Proposed ESOS; and

ii) RHBIB/PPG is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of options under the Proposed ESOS as at the end of each quarter together with a detailed computation of listing fees

ii) RHBIB/PPG is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of options under the Proposed ESOS as at the end of each quarter together with a detailed computation of listing fees

In addition, RHBIB is required to ensure full compliance of all the requirements pertaining to the Proposed ESOS as provided under the Listing Requirements at all times.

22. Borrowings and debt securities

	As at 31.12.2015		
	Secured RM'000	**Unsecured RM'000**	**Total RM'000**
Short term	1,648	-	1,648
Long term	14,625	-	14,625
	16,273	-	16,273

23. Changes in material litigation

As at the date of this report, there are no material litigations that have material effect to the Group.

24. Earnings per share

a) Basic

The basic earnings per share for the quarter and cumulative year to date are computed as follows:

	Quarter ended		Financial period ended	
	31.12.2015 RM'000	**31.12.2014 RM'000**	**31.12.2015 RM'000**	**31.12.2014 RM'000**
Net profit for the year (RM'000)	3,945	3,701	3,945	3,701
Weighted average number of Ordinary shares in issue ('000)	98,744	98,744	98,744	98,744
Earnings per share (Sen)	4.00	3.75	4.00	3.75

b) Diluted

The diluted earnings per share is the same as the basic earnings per share, as there are no potential dilutive ordinary shares outstanding as reporting date.

25. Notes to the condensed consolidated statement of comprehensive income

The following items have been (credited)/charged in arriving at profit before tax:

	Quarter ended		Financial period ended	
	31.12.2015 RM'000	**31.12.2014 RM'000**	**31.12.2015 RM'000**	**31.12.2014 RM'000**
a) Amortisation of intangible assets	20	-	20	-
b) Depreciation of property, plant and equipment	669	681	669	681
c) Loss/(Gain) on disposal of property, plant and equipment	5	(7)	5	(7)
d) Gain on foreign exchange	(190)	(753)	(190)	(753)
e) Impairment loss on receivables	377	67	377	67
f) Interest expenses	203	144	203	144
g) Interest income	(35)	(45)	(35)	(45)
h) Provision for stock obsolences	360	-	360	-
i) Reversal of impairment loss on receivables	(8)	(150)	(8)	(150)

26. Realised and unrealised profit

The retained earnings as at reporting date are analysed as follows:

	Current Quarter 31.12.2015 RM'000	Cumulative Period to 31.12.2014 RM'000
Holding Company & its Subsidiaries		
Realised	72,783	68,168
Unrealised	1,254	2,838
	74,037	71,006
Associates		
Realised	(305)	(370)
Unrealised	-	-
	73,732	70,636
Consolidated adjustments	(25,746)	(23,439)
	47,986	47,197

27. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors in accordance with a resolution of the Directors on 19 February 2016.