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

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 JUNE 2016
(The figures have not been audited)

	CURRENT 3 months ended		YEAR TO DATE 9 months ended	
	30.06.2016 RM'000	30.06.2015 RM'000	30.06.2016 RM'000	30.06.2015 RM'000
Revenue	11,123	12,566	57,368	55,532
Cost of sales	(5,086)	(6,522)	(30,821)	(32,623)
Gross profit	6,037	6,044	26,547	22,909
Other income	344	184	710	680
Administrative expenses	(2,732)	(2,507)	(9,377)	(6,854)
Selling and marketing expenses	(594)	(1,117)	(4,883)	(4,906)
Other expenses	(700)	(734)	(1,828)	(2,084)
Operating profit	2,355	1,870	11,169	9,745
Finance costs	(188)	(214)	(585)	(565)
Share of profit of associates	8	-	64	-
Profit before tax	2,175	1,656	10,648	9,180
Income tax expenses	(651)	(73)	(3,111)	(2,069)
Profit for the period	**1,524**	**1,583**	**7,537**	**7,111**
Other comprehensive income that will subsequently be reclassified to profit or loss:				
Foreign currency translation	4	(118)	(353)	182
Total comprehensive income for the period	1,528	1,465	7,184	7,293
Profit attributable to:				
Owners of the Company	**1,457**	**1,419**	**7,463**	**6,651**
Non-controlling interests	67	164	74	460
	1,524	1,583	7,537	7,111
Total comprehensive income attributable to:				
Owners of the Company	**1,900**	1,319	**7,151**	6,752
Non-controlling interests	(372)	146	33	541
	1,528	1,465	7,184	7,293
Earning per share attributable to owners of the Company :				
Basic (Sen)	1.48	1.44	7.56	6.74
Diluted (Sen)	1.48	1.44	7.56	6.74

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 30 JUNE 2016
(The figures have not been audited)

	As at 30.06.2016 RM'000	As at 30.9.2015 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	60,610	59,986
Investment properties	1,953	1,953
Intangible assets	272	330
Investment in associates	76	16
Other Investments	1,027	1,027
Deferred tax assets	4,075	2,889
	68,013	66,201
Current assets		
Inventories	31,274	33,475
Trade receivables	19,254	14,089
Other receivables	910	1,139
Prepayment	1,304	1,035
Tax recoverable	404	2,071
Cash and bank balances	18,632	17,035
	71,778	68,844
TOTAL ASSETS	**139,791**	**135,045**
EQUITY AND LIABILITIES		
Current liabilities		
Short term borrowings	1,356	1,795
Trade Payables	5,385	6,946
Other Payables	15,800	14,962
Tax Payable	1,116	282
	23,657	23,985
Non current liabilities		
Long term borrowings	14,008	14,934
Deferred tax liabilities	2,210	2,185
	16,218	17,119
Total liabilities	39,875	41,104
Equity attributable to owners of the parent		
Share capital	50,000	50,000
Treasury shares	(1,408)	(1,408)
Reserve	237	549
Retained earnings	50,295	44,041
	99,124	93,182
Non-controlling interests	792	759
Total equity	99,916	93,941
TOTAL EQUITY AND LIABILITIES	**139,791**	**135,045**
Net assets per share attributable to owners of the parent (RM)	1.0330	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 30 JUNE 2016
(The figures have not been audited)

	Share Capital	Treasury Shares	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	-	-	(312)	7,463	7,151	33	7,184
Dividend	-	-	-	(1,209)	(1,209)	-	(1,209)
At 30 June 2016	50,000	(1,408)	237	50,295	99,124	792	99,916
At 1 October 2014	50,000	(1,408)	448	43,496	92,536	264	92,800
Total comprehensive income	-	-	101	6,651	6,752	541	7,293
Dividend	-	-	-	(1,935)	(1,935)	-	(1,935)
Ordinary shares contributed by minority shareholders of a subsidiary	-	-	-	-	-	20	20
At 30 June 2015	50,000	(1,408)	549	48,212	97,353	825	98,178

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 30 JUNE 2016
(The figures have not been audited)

	9 months ended	
	30.06.2016	30.06.2015
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	10,648	9,180
Adjustments for non-cash items	2,959	1,220
Operating profit before working capital changes	13,607	10,400
Net change in current assets	(3,316)	(8,550)
Net change in current liabilities	(959)	(9,673)
Cash generated from/(used in) operations	9,332	(7,823)
Tax paid (net of tax refunded)	(1,770)	(2,164)
Interest paid	(585)	(565)
Net cash from/(used in) operating activities	6,977	(10,552)
Cash flows from investing activities		
Interest received	182	165
Proceeds from disposal of property, plant and equipment	55	139
Purchase of property, plant and equipment	(2,724)	(4,449)
Purchase of intangible assets	-	(390)
Purchase of other investment	-	(1,000)
Net cash used in investing activities	(2,487)	(5,535)
Cash flows from financing activities		
Dividend paid on ordinary shares	(1,209)	(1,935)
Issuance of ordinary shares of subsidiary to non-controlling interest	-	20
Proceeds from term loans	-	13,950
Proceeds from finance leases	-	1,699
Repayment of obligation under finance leases	(391)	(521)
Repayment of term loans	(973)	(706)
Net cash (used in)/from financing activities	(2,573)	12,507
Net increase/(decrease) in cash and cash equivalents	1,917	(3,580)
Effect of exchange rate changes	(320)	37
Cash and cash equivalents at beginning of period	17,035	20,300
Cash and cash equivalents at end of period	18,632	16,757

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

	9 months ended	
	RM'000	RM'000
Cash on hand and at banks	13,283	10,963
Fixed deposits	5,349	5,794
	18,632	16,757

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 Malaysian 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:

<u>Amendments to MFRS 119 Defined Benefit Plans: Employee Contributions</u>

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.

<u>MFRS 3 Business Combinations</u>

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).

<u>MFRS 8 Operating Segments</u>

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.

<u>MFRS 13 Fair Value Measurement</u>

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.

<u>MRFS 116 Property, Plant and Equipment and MFRS 138 Intangible Assets</u>

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 difference between the gross and carrying amounts of the assets.

<u>MFRS 124 Related Party Disclosures</u>

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.

Annual Improvements to MFRSs 2011 – 2013 Cycle, including:

MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards

It clarifies in the Basis for Conclusions that an entity may choose to apply either a current standard or a new standard that is not yet mandatory, but permits early application, provided either standard is applied consistently throughout the periods presented in the entity's first MFRS financial statements.

MFRS 3 Business Combinations

The amendment clarifies for those scope exceptions within MFRS 3 that:
- Joint arrangements, not just joint ventures, are outside the scope of MFRS 3;
- The scope exception applies only to the accounting in the financial statements of the joint arrangement itself.

MFRS 13 Fair Value Measurement

The amendment clarifies that the portfolio exception in MFRS 13 can be applied not only to the financial assets and financial liabilities, but also to other contracts within the scope of MFRS 9 (or MFRS 139, as applicable).

MFRS 140 Investment Property

The description of ancillary services in MFRS 140 differentiates between investment property and owner-occupied property (i.e. property, plant and equipment). The amendment clarifies that MFRS 3, and not the description of ancillary services in MFRS 140, is used to determine if the transaction is the purchase of an asset or business combination.

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"

Amendments to MFRS effective 1 January 2017

Amendments to MFRS 107 Statement of Cash Flows: Disclosure Initiative
Amendments to MFRS 112 Income Taxes: Recognition of Deferred Tax Assets for Unrealised Losses

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

Amendments to MFRS effective 1 January 2019

MFRS 16 Leases

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

Amendments to MFRS 107 Statement of Cash Flows: Disclosure Initiative

The amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financial activities, including changes from cash flows and non-cash changes. The disclosure requirement could be satisfied in various ways, and one method is by providing reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities.

Amendments to MFRS 112 Income Taxes

The amendments clarify whether deferred tax assets should be recognised for unrealised losses on fixed-rate debt instrument measured at fair value. The decreases in value of a debt instrument measured at fair value for which the tax base remains at its original cost give rise to a deductible temporary difference. The estimate of probable future taxable profits may include recovery of some of an entity's assets for more than their carrying amounts if sufficient evidence exists that it is probable the entity will achieve this. An example is when an entity holds a fixed-rate debt instrument (measured at fair value) and expects to collect all the contractual cash flows.

The amendments also clarify that deductible temporary differences should be compared with the entity's future taxable profits excluding tax deductions resulting from the reversal of those deductible temporary differences when an entity evaluates whether it has sufficient future taxable profits. In addition, when an entity assesses whether taxable profits will be available, it should consider tax law restrictions with regards to the utilisation of the deduction.

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.

MFRS 16 Leases

MFRS 16 replaces MFRS 117 Leases. MFRS 16 eliminates the distinction between finance and operating leases for lessees. As off-balance sheet will no longer be allowed except for some limited practical exemptions, all leases will be brought onto the statement of financial position by recognising a "right-of-use" asset and a lease liability. In other words, for a lessee that has material operating leases, the assets and liabilities reported on its statement of financial position are expected to increase substantially.

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 revenue of the Group comes from 1st quarter of our financial year (October 2015 to December 2015) before school term reopened. The revenue 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 revenue 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
On 18 May 2016, the Company has transtacted share buy back of 1,000 ordinary shares at RM0.56 from the open market. The share buy back transaction had resulted the increase of ordinary shares being held as treasury shares by the Company to a total of 3,272,100 with the carrying amount of RM1,407,602 for the period ended of 30 June 2016.

The buyback transactions were financed through internally generated funds. The shares purchased were held as treasury in accordance with Section 67A of the Company Act 1965. None of the treasury shares are held were resold or cancelled during the period ended 30 June 2016.

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

A single tier final dividend of 1.25 sen per ordinary share of RM0.50 each amounting to RM1,209,115 in respect of the financial year ended 30 September 2015 was paid on 28 April 2016.

9. Segment information

	Quarter ended		Financial period ended	
	30.06.2016 RM'000	30.06.2015 RM'000	30.06.2016 RM'000	30.06.2015 RM'000
Segment Revenue				
Revenue				
Publishing	9,181	10,457	51,054	49,089
Printing	2,896	3,102	9,553	10,417
Education	124	81	323	226
Others	900	903	12,845	3,472
Total revenue including inter segment sales	13,101	14,543	73,775	63,204
Elimination of inter-segment sales	(1,978)	(1,977)	(16,407)	(7,672)
Total revenue	11,123	12,566	57,368	55,532
Segment Results				
Publishing	2,061	1,574	10,203	8,457
Printing	53	15	280	612
Education	(43)	9	(168)	(20)
Others	284	272	854	696
Total operating profit	2,355	1,870	11,169	9,745

10. Valuation of property, plant and equipment

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

11. Subsequent events

There are no subsequent events from the end of the financial period to 29 August 2016.

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

There were no capital commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 30 June 2016.

15. Significant related party transactions

The following are significant related party transactions:

	Quarter ended		Financial period ended	
	30.06.2016 RM'000	30.06.2015 RM'000	30.06.2016 RM'000	30.06.2015 RM'000
Purchase of production papers	2,710	2,285	4,574	5,580
Rental expense	19	19	57	51

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

16. Performance review (YTD Q3 2016 vs YTD Q3 2015)

The Group reported consolidated revenue of RM57.4 million for the current period ended 30 June 2016 as compared to RM55.5 million for the corresponding period ended 30 June 2015. The consolidated revenue increased by RM1.9 million or equivalent to 3.4% for the financial period under review.

The Group reported a profit after tax of RM7.5 million for the current period ended 30 June 2016 as compared to RM7.1 million for the comparative period ended 30 June 2015. The increase in consolidated profit after tax for the period under review by RM0.4 million was mainly contributed by higher sales in the Publishing Segment.

Publishing Segment still remains as a main contributor towards the profitability of the Group for the current period.

Publishing Segment

During the current period, Publishing Segment generated revenue of RM51.1 million for the current period ended 30 June 2016 as compared to RM49.1 million for the comparative period ended 30 June 2015. Publishing Segment recorded operating profit of RM10.2 million in the current period compared to RM8.5 million in the comparative period, an increase of RM1.7 million.

However, there was a dropped in revenue from RM10.5 million in previous corresponding quarter to RM9.2 million in the current quarter due to higher sales return in this 3rd quarter. The higher sales return in the current quarter was in line with the higher sales for the financial period under review and business trend and annual cyclical order as explained in Note 4.

Printing Segment

The Printing Segment generated a total revenue of RM9.6 million in the current period as compared to a total revenue of 10.4 million for the comparative period ended 30 June 2015.

The Printing Segment recorded a operating profit on RM0.3 million for the current period as compared to RM0.6 million in the comparative period, and decrease RM0.3 million was mainly due to reduction in printing jobs. Printing segment recorded higher operating profit in last comparative quarter due to additional order form printing jobs resulting from GST implementation.

Education Segment

During the current period, the Education Segment generated a total revenue of RM323,000 as compared to a total turnover of RM226,000 for the comparative period ended 30 June 2015.

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 RM168,000 compared to loss of RM20,000 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 RM12.8 million in the current period as compared to RM3.5 million for the comparative period ended 30 June 2015, and the significant increase of RM9.3 million was mainly due to settlement of debts between inter-companies and declaration of dividend-in-kind by its subsidiaries.

17. Comparison of current quarter with preceding quarter results (Q3 2016 vs Q2 2016)

The Group reported a profit before tax of RM2.2 million for the current quarter ended 30 June 2016 as compared to the profit before tax of RM1 million generated in the preceding quarter ended 31 March 2016. 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 into new markets and pursuing the development and registration of new products for both local and overseas market. Nevertheless, the Group will remain focused in managing its operating costs effectively.

Despite 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	
	30.06.2016 RM'000	30.06.2015 RM'000	30.06.2016 RM'000	30.06.2015 RM'000
Income tax:				
Malaysian	(680)	489	(3,935)	(1,814)
Overseas	(326)	(232)	(336)	(592)
Deferred tax:				
Malaysian	435	(330)	1,260	337
Overseas	(80)	-	(100)	-
Total income tax expenses	(651)	(73)	(3,111)	(2,069)

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

21. Corporate proposals

Besides the annoucements made on 23 February 2016, 3 February 2016, 23 February 2016, 27 January 2016 and 28 December 2015 on proposed establishment of an employees' share option scheme ("ESOS") of up to 15% of the issued and paid-up capital of Pelangi Publishing Group Bhd ("PPG") (excluding treasury shares) for its eligible employees and Directors and proposed purchase by PPG of up to 10% of its issued and paid-up capital during the approved period, there were no other corporate proposals announced or not completed as at the date of this report.

22. Borrowings and debt securities

	As at 30.06.2016		
	Secured RM’000	Unsecured RM’000	Total RM’000
Short term	1,356	-	1,356
Long term	14,008	-	14,008
	15,364	-	15,364

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	
	30.06.2016 RM'000	30.06.2015 RM'000	30.06.2016 RM'000	30.06.2015 RM'000
Net profit for the year (RM'000)	1,457	1,419	7,463	6,651
Weighted average number of Ordinary shares in issue ('000)	98,744	98,744	98,744	98,744
Earnings per share (Sen)	1.48	1.44	7.56	6.74

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	
	30.06.2016 RM'000	30.06.2015 RM'000	30.06.2016 RM'000	30.06.2015 RM'000
a) Interest income	(82)	(68)	(182)	(165)
b) Other income	(262)	(249)	(528)	(515)
c) Interest expense	188	214	585	565
d) Depreciation and amortisation	678	745	2,068	2,126
e) (Reversal)/provision for and write off receivables	(735)	(143)	(165)	16
f) Provision for and write off of inventories	(1,000)	(1,400)	-	700
g) (Gain)/loss on disposal of property, plant and equipment	-	(2)	4	(139)
h) (Gain)/loss on foreign exchange	(383)	(838)	209	(1,310)
i) Impairment of asset	-	-	-	-
j) Derivative gain	-	-	-	-
k) Exceptional items	-	-	-	-

26. Realised and unrealised profit

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

	As at 30.06.2016 RM'000	As at 30.09.2015 RM'000
Holding Company & its Subsidiaries		
Realised	73,948	68,594
Unrealised	2,475	1,215
	76,423	69,809
Associates		
Realised	(294)	(355)
Unrealised	-	-
	76,129	69,454
Consolidation adjustments	(25,834)	(25,413)
	50,295	44,041

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 29 August 2016.