

**EWEIN BERHAD**

(Company No. 742890-W)

(Incorporated in Malaysia)

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

	(Unaudited) As at 31-Dec'15 RM'000	(Audited) As at 31-Dec-14 RM'000
ASSETS		
Property, plant and equipment	15,353	18,518
Investment properties	81,461	65,570
Investment in associates	100	-
Other investments	-	952
Deferred tax assets	2,491	65
Total non-current assets	<u>99,405</u>	<u>85,105</u>
Inventories	4,099	4,486
Trade and other receivables	53,484	47,643
Property development costs	168,259	-
Current tax assets	159	559
Fixed Deposit with licensed banks	17,014	10,012
Cash and cash equivalents	25,154	18,032
Total current assets	<u>268,169</u>	<u>80,732</u>
TOTAL ASSETS	<u>367,574</u>	<u>165,837</u>
EQUITY AND LIABILITIES		
Share capital	95,999	95,672
Reserves	25,283	14,853
Total equity attributable to shareholders of the Company	<u>121,282</u>	<u>110,525</u>
Non controlling interests	6,978	421
Total equity	<u>128,260</u>	<u>110,946</u>
Long term borrowings	102,419	39,316
Deferred tax liabilities	1,156	1,330
Total non-current liabilities	<u>103,575</u>	<u>40,646</u>
Trade and other payables	94,296	7,744
Loans and borrowings	39,364	6,364
Current tax liabilities	2,079	137
Total current liabilities	<u>135,739</u>	<u>14,245</u>
TOTAL LIABILITIES	<u>239,314</u>	<u>54,891</u>
TOTAL EQUITY AND LIABILITIES	<u>367,574</u>	<u>165,837</u>
Net Assets per ordinary share (RM)	<u>0.58</u>	<u>0.52</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.



WEIN BERHAD
(Company No. 742890-W)
(Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2015
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		12 months ended	
	31-Dec		31'Dec	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Revenue	36,592	10,816	86,070	44,640
Cost of goods sold	(25,953)	(10,391)	(59,888)	(39,550)
Gross profit	<u>10,639</u>	<u>425</u>	<u>26,182</u>	<u>5,090</u>
Other operating income	10,327	5,992	13,857	7,846
Distribution and administrative expenses	(13,464)	(3,774)	(19,009)	(8,985)
Finance costs	(151)	(110)	(602)	(655)
Share of result of associate	-	-	-	275
Profit before taxation	<u>7,351</u>	<u>2,533</u>	<u>20,428</u>	<u>3,571</u>
Tax expense	(47)	4	(1,954)	(686)
Profit for the period	<u>7,304</u>	<u>2,537</u>	<u>18,474</u>	<u>2,885</u>
Other Comprehensive Income, net of tax				
Fair value of available-for-sale financial assets	-	(290)	(832)	(102)
Total Comprehensive Income for the period	<u>7,304</u>	<u>2,247</u>	<u>17,642</u>	<u>2,783</u>
Profit attributable to:				
Owners of the Company	4,699	2,702	12,317	3,162
Non-controlling interests	2,605	(165)	6,157	(277)
	<u>7,304</u>	<u>2,537</u>	<u>18,474</u>	<u>2,885</u>
Total comprehensive income attributable to:				
Owners of the Company	4,699	2,412	11,485	3,060
Non-controlling interests	2,605	(165)	6,157	(277)
	<u>7,304</u>	<u>2,247</u>	<u>17,642</u>	<u>2,783</u>
Basic earnings per share (sen)	<u>2.23</u>	<u>1.37</u>	<u>5.84</u>	<u>1.61</u>
Diluted earnings per share (sen)	<u>2.23</u>	<u>-</u>	<u>5.84</u>	<u>-</u>

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying notes attached to the interim financial statements.



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

	Share capital RM'000	Non- Distributable Reverse acquisition reserve RM'000	Non- Distributable Fair value reserve RM'000	Non- Distributable Warrant reserve RM'000	Distributable Retained earnings RM'000	Total RM'000	Non-Controlling Interest RM'000	Total equity RM'000
At 1 January 2015	95,672	(31,482)	832	21,920	23,583	110,525	421	110,946
Total comprehensive income for the period	-	-	(832)	-	12,317	11,485	6,157	17,642
Capital contribution from a non-controlling interest of a newly incorporated subsidiary	-	-	-	-	-	-	400	400
Exercise of warrants	327	-	-	-	-	327	-	327
Dividend	-	-	-	-	(1,055)	(1,055)	-	(1,055)
At 31 December 2015	<u>95,999</u>	<u>(31,482)</u>	<u>-</u>	<u>21,920</u>	<u>34,845</u>	<u>121,282</u>	<u>6,978</u>	<u>128,260</u>
At 1 January 2014	52,731	(31,482)	934	12,129	47,842	82,154	698	82,852
Total comprehensive income for the period	-	-	(102)	-	3,162	3,060	(277)	2,783
Right issue	26,366	-	-	-	-	26,366	-	26,366
Bonus issue	26,366	-	-	-	(26,366)	-	-	-
Allocation of value to warrant reserve	(9,791)	-	-	9,791	-	-	-	-
Dividend	-	-	-	-	(1,055)	(1,055)	-	(1,055)
At 31 December 2014	<u>95,672</u>	<u>(31,482)</u>	<u>832</u>	<u>21,920</u>	<u>23,583</u>	<u>110,525</u>	<u>421</u>	<u>110,946</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying notes attached to the interim financial statements.



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

	Cumulative Quarter 12 Months Ended 31-Dec-15 RM'000	Cumulative Quarter 12 Months Ended 31-Dec-14 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	20,428	3,571
Adjustments for:		
Non-cash items	2,342	2,259
Non-operating items	(9,732)	(5,444)
Operating profit before working capital changes	13,038	386
Changes in working capital		
Net changes in current assets	(147,161)	(20,127)
Net changes in current liabilities	53,659	(3,552)
Taxes paid	(811)	(953)
Net cash used in operating activities	(81,275)	(24,246)
CASH FLOW FROM INVESTING ACTIVITIES		
- Dividend Income	-	342
- Interest income	451	440
- Investment in associate company	(100)	2,000
- Proceeds from disposal of other investments	1,037	2,678
- Proceeds from disposal of plant and equipment	5	27
- Purchase of property, plant and equipment	(2,607)	(1,212)
- Additions to investment properties	-	(901)
- Withdrawal of fixed deposits with licensed banks	9,067	2,798
Net cash (used in)/ from investing activities	7,853	6,172
CASH FLOW FROM FINANCING ACTIVITIES		
- Capital contribution from a non-controlling interest of a newly incorporated subsidiary	400	-
- Interest paid	598	(655)
- Repayment of finance lease obligations	-	(58)
- Drawdown/ (Repayment) of term loans	60,335	(1,006)
- Payment of dividend	(1,055)	(1,055)
- Withdrawal of pledged fixed deposits	-	-
- Issuance of shares	328	26,366
Net cash from financing activities	60,606	23,592
Net change in cash and cash equivalents	(12,816)	5,518
Cash and cash equivalents at beginning	15,620	10,102
Cash and cash equivalents at end	2,804	15,620
<u>Cash and cash equivalents</u>		
Cash and cash equivalents included in the condensed consolidated cash flow statement comprise the following:		
Cash and bank balances	25,154	9,573
Bank overdrafts	(39,364)	(2,412)
Fixed deposits with licensed banks	17,014	8,459
	2,804	15,620

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying notes attached to the interim financial statements.



EWEIN BERHAD
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Notes to the Unaudited Interim Financial Report

1. Basis of preparation

The condensed consolidated interim financial information is unaudited and have been prepared in accordance with the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and MFRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and IAS 34, Interim Financial Reporting issued by the International Accounting Standards Board.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to the understanding of the changes in financial position and performance of the Company and its subsidiaries (“the Group”) subsequent to 31 December 2015.

2. Significant accounting policies

The significant accounting policies applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent annual audited financial statements for the financial year ended 31 December 2014 except for the adoption of the following new and revised Malaysian Financial Reporting Standards (“MFRS”) with effect from 1 January 2015.

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016

MFRS 14	Regulatory Deferral Accounts*
Amendments to MFRS 5	Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements 2012-2014 Cycle)*
Amendments to MFRS 7	Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)
Amendments to MFRS 10	Consolidated Financial Statements, MFRS 12, Disclosure of Interests in Other Entities and MFRS 128, Investments in Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception
Amendments to MFRS 11	Joint Arrangements- Accounting for Acquisitions of Interests in Joints Operations*
Amendments to MFRS 101	Presentation of Financial Statements – Disclosure Initiative
Amendments to MFRS 116	Property, Plant and Equipment and MFRS 138, Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 116	Property, Plant and Equipment and MFRS 141 Agriculture - Agriculture: Bearer Plants*
Amendments to MFRS 119	Employee Benefits (Annual Improvements 2012-2014 Cycle)
Amendments to MFRS 127	Separate Financial Statements _Equity Method in Separate Financial Statements
Amendments to MFRS 134	Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)



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MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018

MFRS 9 Financial Instruments (2014)

MFRSs, Interpretations and amendments effective for a date yet to be confirmed

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128, Investments in Associate and Joint ventures – Sales or Contribution of Assets between an Investor and its Associate or Joint Venture

The adoption of the above MFRSs and amendments did not have any significant effect on the interim financial report upon their initial application

The Group early adopted MFRS 15, *Revenue from Contracts with Customers* which is only effective for annual periods beginning on or after 1 January 2018. The adoption of MFRS 15 resulted in the Group recognising revenue from its property development activities using the stage of completion method. (See Note 9 for revenue and results from the Group's property development segment).

3. Auditors' report on preceding annual financial statements

The auditors have expressed an unqualified opinion on the Company's statutory financial statements for the year ended 31 December 2014 in their report dated 29 April 2015.

4. Seasonality or cyclical factors

The business of Ewein Group is not significantly affected by any seasonality or cyclical factors.

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

There were no unusual items for the period under review.

6. Changes in estimates

There were no changes in estimates that had a material effect in the current quarter and nine months ended 31 December 2015.

7. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities by the Company during the quarter and twelve months ended 31 December 2015.

8. Dividend paid

There was no dividend paid by the Company in the current quarter and twelve months ended 31 December 2015 except for the first and final tax exempt dividend of half sen per share



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totaling RM1,054,626 in respect of the financial year ended 31 December 2014, paid on 20 August 2015.

9. Segment information

The following comprises the main business segments of the Group:-

	Individual Quarter		Cumulative Quarters	
	3 months ended		12 months ended	
	31 Dec	31 Dec	31 Dec	31 Dec
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Manufacturing	13,176	5,450	41,694	36,387
Property development & construction	21,760	-	38,529	3,486
Investment holding, property management and letting	1,656	5,366	5,847	4,767
Total revenue	36,592	10,816	86,070	44,640
Segment Results				
Manufacturing	758	425	2,353	515
Property development & construction	3,112	-	13,550	(156)
Investment holding, property management and letting	3,445	2,076	4,672	3,417
Total results	7,317	2,501	20,575	3,786
Elimination	-	21	-	-
Results excluding inter segment				
Sales	7,317	2,522	20,575	3,786
Interest expense	(146)	(110)	(598)	(655)
Interest income	180	121	451	440
Profit before taxation	7,351	2,533	20,428	3,571
Taxation	(47)	4	(1,954)	(686)
Profit for the period	7,304	2,537	18,474	2,885



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Notes to the Unaudited Interim Financial Report

10. Valuation of property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

The valuation of land and buildings has been brought forward without amendment from the previous audited financial statements.

11. Other investments

The Group's other investments comprised quoted shares which are categorised as available-for-sale financial assets.

Other investments are marked-to-market with the gains or losses (except in the case of an impairment) being recognized in fair value reserve within equity. On derecognition, the cumulative gain or loss recognized in other comprehensive income is reclassify from equity into profit or loss.

12. Events subsequent to the balance sheet date

There was no material event subsequent to the end of the current quarter.

13. Changes in Group's composition

There were no changes in the composition of the Group during the financial period ended 31 December 2015 save for the following:

- (i) On 28 December 2015, Ewein Zenith II Sdn. Bhd. ("EZSB II"), a wholly owned subsidiary of the Company acquired a freehold land which situated in Section 1, Bandar Tanjung Pinang, Daerah Timur Laut, Negeri Pulau Pinang measuring approximately 4.4252 acres (192,761.7 square feet) for a total consideration of RM162,000,000 from Consortium Zenith BUCG Sdn. Bhd.

14. Changes in contingent liabilities and assets

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

15. Commitments

There were no material capital commitments or contingent assets as at 31 December 2015 to be disclosed as at the date of this report.



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Notes to the Unaudited Interim Financial Report

16. Review of performance

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
	RM'000	RM'000	RM'000	RM'000
Revenue	36,592	10,816	86,070	44,640
Profit before taxation	7,351	2,533	20,428	3,571

Comparison with previous year's corresponding quarter

For the 3-month period ended 31 December 2015, the Group recorded an increase in revenue as it incorporated the revenue from its maiden property development activity which has commenced during this quarter under review. The Group, in early-adopting MFRS 15- "Revenue from contracts with customers" has recognised revenue from its property development based on stage of completion method.

Comparison with previous year's corresponding year to date

The Group recorded revenue of RM86.07 million for the twelve months ended 31 December 2015 which was RM41.43 million higher as compared to the previous financial period ended 31 December 2014 of RM44.64 million. The higher revenue was mainly from the property development activities as mentioned above of Ewein Zenith Sdn. Bhd..

The Group recorded an increase in profit before tax of RM16.86 million compare to previous year's corresponding year to date which also contributed by property development segment as mentioned above of Ewein Zenith Sdn. Bhd.

17. Variation of results against preceding quarter

	3 Months	3 Months
	Ended	Ended
	31 Dec 2015	30 Sep 2015
	RM'000	RM'000
Revenue	36,592	29,212
Profit before taxation	7,351	11,897

Revenue increased by RM7.38 million for this quarter under review as the Group started to recognize revenue from its property development activities under Ewein Zenith Sdn. Bhd. which commenced its activity during this quarter under review. The Group, in early-adopting MFRS 15 – Revenue from contracts with customers has recognized revenue from its property development based on stage of completion method.



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Notes to the Unaudited Interim Financial Report

18. 2016 year prospects

The Board is optimistic that the manufacturing division will be positive and it is poised to further improve in view of the current weak currency environment for the remaining months of this year. The Board expects a significant contribution from its property development segment which will be expected to drive the Group's performance positively in the future.

19. Variance between actual profit and forecast profit

This is not applicable as no profit forecast has been published.

20. Tax expense

	Current Quarter Ended 31 Dec 2015 RM '000	Current Year-to-date 31 Dec 2015 RM '000
Current tax expense	(47)	(1,954)

The effective tax rates were lower than the statutory tax rate mainly due to the reversal of deferred taxation.

21. Status of corporate proposals

There were no corporate proposals outstanding at the date of this report.

22. Borrowings

Ewein Group's borrowings as at 31 December 2015 are as follows:

	As at 31 Dec 2015 Secured RM '000	As at 31 Dec 2014 Secured RM '000
Current :		
– Bank Overdraft	39,054	2,412
– Term loans	310	3,952
	<u>39,364</u>	<u>6,364</u>
Non-current :		
– Term loans	102,419	39,316
Total	<u>141,783</u>	<u>45,680</u>



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Notes to the Unaudited Interim Financial Report

Denominated in:

	RM '000
Ringgit Malaysia	94,013
USD (Ringgit Malaysia equivalent)	47,770
	<u>141,783</u>

23. Material litigation

Ewein Group is not engaged in any material litigation for the current quarter and twelve months ended 31 December 2015.

24. Basic earnings per share

The calculation of basic earnings per share is based on the net profit attributable to ordinary shareholders divided by the weighted average number of ordinary shares.

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	31 Dec 15	31 Dec 14	31 Dec 15	31 Dec 14
Profit attributable to owners of the Company (RM'000)	4,699	2,702	12,317	3,162
Weighted average number of ordinary shares of RM0.50 each in issue after taking into account the effect of Rights and Bonus shares ('000)	211,580	195,900	211,580	195,900
Basic earnings per share (sen)	2.23	1.37	5.84	1.61

There is no diluted earnings per share presented as the exercise price of the warrants is higher than the market price of the Company's ordinary shares.

25. Profit before taxation

	Current		Cumulative	
	Quarter Ended		Quarter Ended	
	31 Dec	31 Dec	31 Dec	31 Dec



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Notes to the Unaudited Interim Financial Report

	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at after charging/(crediting):				
Interest income	(180)	(121)	(451)	(440)
Dividend income	(22)	(32)	(41)	(192)
Interest expense	146	110	598	552
Depreciation	643	600	2,343	2,259
(Gain)/Loss on disposal of quoted or unquoted investments or properties	-	(6)	-	380
Realised foreign exchange (gain)/loss	-	1,986	-	(495)
Unrealised foreign exchange (gain)/loss	744	(368)	10,238	3,651
Loss on disposal of an associate	-	780	-	780

26. Realised and unrealised retained earnings

	As at 31	As at 31
	Dec 2015	Dec 2014
	RM'000	RM'000
Total retained profits of Ewein Berhad and its subsidiaries:		
- Realised	46,063	28,814
- Unrealised	(10,904)	(4,918)
	<hr/>	<hr/>
	35,159	23,896
Less: Consolidated adjustments	(314)	(313)
	<hr/>	<hr/>
	<u>34,845</u>	<u>23,583</u>

27. Authorisation for issue

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



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Notes to the Unaudited Interim Financial Report

By Order of the Board

Chee Wai Hong (BC/C/1470)
Secretary

Date: 29 February 2016