

**WEIN BERHAD**

(Company No. 742890-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2016****(The figures have not been audited)**

	(Unaudited) As at 31-Dec-16 RM'000	(Audited) As at 31-Dec-15 RM'000
<b>ASSETS</b>		
Property, plant and equipment	14,855	15,548
Investment properties	82,147	81,337
Investment in associates	100	97
Deferred tax assets	2,275	3,172
<b>Total non-current assets</b>	<u>99,377</u>	<u>100,154</u>
Inventories	6,141	4,099
Trade and other receivables	60,929	58,129
Property development costs	166,074	153,002
Current tax assets	262	161
Fixed Deposit with licensed banks	15,504	16,014
Cash and cash equivalents	20,841	26,154
<b>Total current assets</b>	<u>269,751</u>	<u>257,559</u>
<b>TOTAL ASSETS</b>	<u>369,128</u>	<u>357,713</u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	101,533	95,999
Reserves	40,330	28,223
<b>Total equity attributable to shareholders of the Company</b>	<u>141,863</u>	<u>124,222</u>
Non controlling interests	9,493	5,754
<b>Total equity</b>	<u>151,356</u>	<u>129,976</u>
Long term borrowings	94,154	97,531
Trade and other payables	32,918	44,803
Deferred tax liabilities	853	1,840
<b>Total non-current liabilities</b>	<u>127,925</u>	<u>144,174</u>
Trade and other payables	35,703	36,189
Loans and borrowings	53,710	43,082
Current tax liabilities	434	4,292
<b>Total current liabilities</b>	<u>89,847</u>	<u>83,563</u>
<b>TOTAL LIABILITIES</b>	<u>217,772</u>	<u>227,737</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>369,128</u>	<u>357,713</u>
Net Assets per ordinary share (RM)	<u>0.64</u>	<u>0.59</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2015 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 2016**  
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		12 months ended	
	31-Dec		31-Dec	
	2016	2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
Revenue	7,685	36,592	84,056	87,732
Cost of goods sold	(11,035)	(25,953)	(58,611)	(60,662)
Gross profit	<u>(3,350)</u>	<u>10,639</u>	<u>25,445</u>	<u>27,070</u>
Other operating income	3,317	10,327	7,290	9,614
Distribution and administrative expenses	1,035	(13,464)	(11,301)	(17,374)
Finance costs	264	(151)	(1,872)	(721)
Share of result of associate	-	-	-	(3)
Profit before taxation	<u>1,266</u>	<u>7,351</u>	<u>19,562</u>	<u>18,586</u>
Tax expense	(207)	(47)	(3,824)	(2,670)
<b>Profit for the period</b>	<u>1,059</u>	<u>7,304</u>	<u>15,738</u>	<u>15,916</u>
<b>Other Comprehensive Income, net of tax</b>				
Revaluation of property, plant and equipment at date of transfer to investment properties	-	-	-	3,800
Fair value of available-for-sale financial assets	-	-	-	(831)
<b>Total Comprehensive Income for the period</b>	<u><u>1,059</u></u>	<u><u>7,304</u></u>	<u><u>15,738</u></u>	<u><u>18,885</u></u>
<b>Profit attributable to:</b>				
Owners of the Company	1,288	4,699	11,999	11,383
Non-controlling interests	(229)	2,605	3,739	4,533
	<u><u>1,059</u></u>	<u><u>7,304</u></u>	<u><u>15,738</u></u>	<u><u>15,916</u></u>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	1,288	4,699	11,999	14,352
Non-controlling interests	(229)	2,605	3,739	4,533
	<u><u>1,059</u></u>	<u><u>7,304</u></u>	<u><u>15,738</u></u>	<u><u>18,885</u></u>
Basic earnings per share (sen)	<u>0.58</u>	<u>2.23</u>	<u>5.41</u>	<u>5.40</u>
Diluted earnings per share (sen)	<u>0.60</u>	<u>2.23</u>	<u>5.23</u>	<u>5.40</u>

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying notes attached to the interim financial statements.



**EWEIN BERHAD**  
 (Company No. 742890-W)  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 DECEMBER 2016**  
 (The figures have not been audited)

	Share capital RM'000	Share premium	Non- Distributable Reverse acquisition reserve RM'000	Non- Distributable Fair value reserve RM'000	Non- Distributable Warrant reserve RM'000	Revaluation reserve RM'000	Distributable Retained earnings RM'000	Total RM'000	Non-Controlling Interest RM'000	Total equity RM'000
At 1 January 2016	95,999	72	(31,482)	-	21,919	3,800	33,914	124,222	5,754	129,976
Total comprehensive income for the period	-	-	-	-	-	-	11,999	11,999	3,739	15,738
Exercise of warrants	5,534	1,218	-	-	-	-	-	6,752	-	6,752
Dividend	-	-	-	-	-	-	(1,110)	(1,110)	-	(1,110)
At 31 December 2016	101,533	1,290	(31,482)	-	21,919	3,800	44,803	141,863	9,493	151,356
At 1 January 2015	95,671	-	(31,482)	831	21,919	-	23,585	110,524	421	110,945
Total comprehensive income for the period	-	-	-	(831)	-	3,800	11,384	14,353	4,533	18,886
Allocation of value to warrant reserve	328	72	-	-	-	-	-	400	-	400
Dividend	-	-	-	-	-	-	(1,055)	(1,055)	-	(1,055)
Subscription of shares in subsidiaies	-	-	-	-	-	-	-	-	800	800
At 31 December 2015	95,999	72	(31,482)	-	21,919	3,800	33,914	124,222	5,754	129,976

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2015 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 2016**  
(The figures have not been audited)

	Cumulative Quarter 12 Months Ended 31-Dec-16 RM'000	Cumulative Quarter 12 Months Ended 31-Dec-15 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	19,562	18,586
Adjustments for:		
Non-cash items	2,203	2,412
Non-operating items	3,502	1,516
Operating profit before working capital changes	25,267	22,514
Changes in working capital		
Net changes in current assets	24,712	(160,987)
Net changes in current liabilities	(54,344)	29,451
Taxes paid	(5,127)	(715)
Net cash used in operating activities	(9,492)	(109,737)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
- Dividend Income	38	40
- Interest income	509	488
- Investment in associate company	-	(100)
- Proceeds from disposal of plant and equipment	341	2
- Placement of short term deposits with licensed banks	(525)	(6,002)
- Proceeds from disposal of other investment	-	1,037
- Purchase of investment properties	(1,127)	(2,237)
- Purchase of property, plant and equipment	-	(2,672)
Net cash used in investing activities	(764)	(9,444)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
- Capital contribution from a non-controlling interest of a newly incorporated subsidiary	-	800
- Interest paid	(2,598)	(721)
- Payment of dividend	(1,110)	(1,055)
- (Repayment)/Drawdown of term loans	(7,103)	48,615
- Advance from non-current payable	-	43,798
- Proceeds from exercise of warrant	-	400
- Issuance of shares	6,680	-
Net cash from financing activities	(4,131)	91,837
Net change in cash and cash equivalents	(14,387)	(27,344)
Cash and cash equivalents at beginning	(11,996)	15,348
Cash and cash equivalents at end	(26,383)	(11,996)
<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	20,841	26,154
Bank overdrafts	(47,224)	(38,150)
Short term deposits with licensed banks	-	-
	(26,383)	(11,996)

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying notes attached to the interim financial statements.



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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 paragraph 9.22 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”) since the financial year ended 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 2015 except for the adoption of the new and revised Malaysian Financial Reporting Standards (“MFRS”) with effect from 1 January 2016.

The Group plans to apply the following accounting standards, amendments and interpretations:

**MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2017**

Amendments to MFRS 112	Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to MFRS 107	Statement of Cash Flows – Disclosure Initiative
Amendments to MFRS 12	Disclosure of Interests in Other Entities ( Annual Improvements to MFRS standards 2014-2016 Cycle)

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

MFRS 9	Financial Instruments (2014)
Amendments to MFRS 2	Share-based Payment - Classification and Measurement of Share-based Payment Transactions
Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards ( Annual improvements to MFRS Standards 2014-2016 Cycle)
Amendments to MFRS 128	Investment in Associates and Joint Ventures (Annual Improvements to MFRS Standards 2014-2016 Cycle)
Amendments to MFRS 140	Investment Property - Transfer of Investment Property
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration



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**Notes to the Unaudited Interim Financial Report**

**2. Significant accounting policies (Cont'd)**

**MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019**

MFRS 16 Leases

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

Amendments to MFRS 10	Consolidated Financial Statements
MFRS 128	Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The adoption of the above standards and amendments are not expected to have any material financial impact to the Group upon their first adoption other than MFRS 9, Financial Instruments and MFRS 16, Leases which the Group is currently assessing the financial impact.

**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 2015 in their report dated 18 April 2016.

**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 twelve months ended 31 December 2016.

**7. Debt and equity securities**

During the financial period, there was issuance of 11,068,200 new ordinary shares of RM0.50 each during the twelve months ended 31 December 2016 in which 10,126,500 new ordinary shares of RM0.50 each were issued during the three months ended 31 March 2016, 163,600 new ordinary shares of RM0.50 each were issued during the three months ended 30 June 2016, 697,100 new ordinary shares of RM0.50 each were issued during the three months ended 30 September 2016 and 81,000 new ordinary shares of RM0.50 each were issued during the three months ended 31 December 2016. All shares arising from exercise of warrants were at an exercise price of RM0.61 per ordinary share.



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**Notes to the Unaudited Interim Financial Report**

**7. Debt and equity securities (Cont'd)**

There were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities by the Company during the quarter and twelve months ended 31 December 2016.

**8. Dividend paid**

There was no dividend paid by the Company in the current quarter and period to date except for the single tier first and final dividend of half cent per share totaling RM1,109,657.23 in respect of the financial year ended 31 December 2015, paid on 24 August 2016.

**9. Segment information**

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

	<b>Individual Quarter</b>		<b>Cumulative Quarters</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31 Dec 2016</b>	<b>31 Dec 2015</b>	<b>31 Dec 2016</b>	<b>31 Dec</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>2015</b>
				<b>RM'000</b>
<b>Segment Revenue</b>				
Manufacturing	9,852	13,176	38,981	41,694
Property development and construction	1,218	21,760	43,951	38,529
Investment holding, property management and letting	2,651	1,656	7,160	5,847
Inter-segment revenue - Elimination	(6,036)	-	(6,036)	1,662
<b>Total revenue</b>	<b>7,685</b>	<b>36,592</b>	<b>84,056</b>	<b>87,732</b>
<b>Segment Results</b>				
Manufacturing	259	765	586	2,353
Property development and construction	184	3,112	13,830	13,550
Investment holding, property management and letting	458	3,445	6,509	2,916
Results excluding inter segment sales	901	7,322	20,925	18,819
Interest expense	264	(151)	(1,872)	(721)
Interest income	101	180	509	488
<b>Profit before taxation</b>	<b>1,266</b>	<b>7,351</b>	<b>19,562</b>	<b>18,586</b>
<b>Taxation</b>	<b>(207)</b>	<b>(47)</b>	<b>(3,824)</b>	<b>(2,670)</b>
<b>Profit for the period</b>	<b>1,059</b>	<b>7,304</b>	<b>15,738</b>	<b>15,916</b>



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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 reclassified 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 2016.

**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 2016 to be disclosed as at the date of this report.

**16. Review of performance**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 Months Ended</b>	<b>3 Months Ended</b>	<b>12 Months Ended</b>	<b>12 Months Ended</b>
	<b>31 Dec 2016</b>	<b>31 Dec 2015</b>	<b>31 Dec 2016</b>	<b>31 Dec 2015</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	7,685	36,592	84,056	87,732
Profit before taxation	1,266	7,351	19,562	18,586





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**Notes to the Unaudited Interim Financial Report**

**16. Review of performance (Cont'd)**

**Comparison with previous year's corresponding quarter**

There was a drop with the fourth quarter revenue results of RM28.91 million. The Group's revenue for the twelve months ended 31 December 2016 was RM84.06 million, an decrease of RM3.68 million over the previous year's corresponding year to date revenue of RM87.73 million.

For the fourth quarter, the Group's profit before tax was RM1.27 million as compared to the previous year's corresponding quarter profit before tax of RM7.35 million. The decrease in revenue as compared to the previous year's corresponding quarter was mainly due to the jump in the revenue from the property development segment from the adoption of the MFRS 15 for the recognition of revenue for the property development segment in Q4 2015, as well as the increase in overheads in the manufacturing segment in this quarter under review.

**Comparison with previous year's corresponding year to date**

Same commentary as above.

**17. Variation of results against preceding quarter**

	<b>3 Months Ended 31 Dec 2016 RM'000</b>	<b>3 Months Ended 30 Sep 2016 RM'000</b>
Revenue	7,685	26,690
Profit before taxation	1,266	2,376

The lower profit before taxation compared to the preceding quarter is mainly due to higher overheads in the manufacturing segment as well as property development related expenses incurred.

**18. 2017 year prospects**

The Board is cautiously optimistic on the Group's performance for the year 2017.

**19. Variance between actual profit and forecast profit**

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



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**Notes to the Unaudited Interim Financial Report**

**20. Tax expense**

	<b>Current Quarter Ended 31 Dec 2016 RM '000</b>	<b>Current Year-to-date 31 Dec 2016 RM '000</b>
Current tax expense	(207)	(3,824)

**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 2016 are as follows:

	<b>As at 31 Dec 2016 Secured RM '000</b>	<b>As at 31 Dec 2015 Secured RM '000</b>
Current :		
– Bank Overdraft	47,224	38,150
– Term loans	6,486	4,932
	<u>53,710</u>	<u>43,082</u>
Non-current :		
– Term loans	94,154	97,531
	<u>94,154</u>	<u>97,531</u>
Total	<u>147,864</u>	<u>140,613</u>

Denominated in:

	<b>RM '000</b>
Ringgit Malaysia	105,937
USD (Ringgit Malaysia equivalent)	42,027
	<u>147,864</u>

**23. Material litigation**

Ewein Group is not engaged in any material litigation for the current quarter and twelve months ended 31 December 2016.



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**Notes to the Unaudited Interim Financial Report**

**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.

	<b>Individual Quarter 3 Months Ended</b>		<b>Cumulative Quarter 12 Months Ended</b>	
	<b>31 Dec 16</b>	<b>31 Dec 15</b>	<b>31 Dec 16</b>	<b>31 Dec 15</b>
Profit attributable to owners of the Company (RM'000)	1,288	4,699	11,999	11,383
Weighted average number of ordinary shares of RM0.50 each in issue after taking into account the effect of Rights and Bonus shares ('000)	221,457	210,936	221,457	210,936
Basic earnings per share (sen)	0.58	2.23	5.41	5.40

**25. Diluted earnings per share**

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

	<b>Individual Quarter 3 Months Ended</b>		<b>Cumulative Quarter 12 Months Ended</b>	
	<b>31 Dec 16</b>	<b>31 Dec 15</b>	<b>31 Dec 16</b>	<b>31 Dec 15</b>
Profit attributable to owners of the Company (Basic) (RM'000)	1,288	4,699	11,999	11,383
Interest expense saving on borrowings (RM'000)	168	*	674	*
Profit attributable to owners of the Company (Diluted) (RM'000)	1,456	4,699	12,673	12,317
Weighted average number of ordinary shares of RM0.50 each in issue after taking into account the effect of Rights and Bonus shares ('000)	221,457	210,936	221,457	210,936
Adjustments for warrants granted ('000)	20,469	*	20,469	*
Adjusted weighted average number of ordinary shares in issue ('000)	241,926	210,936	241,926	210,936
Diluted earnings per share (sen)	0.60	2.23	5.23	5.40

\*The diluted earnings per share for the period ended 31 December 2015 is the same as the basic earnings per share as the effect of anti-dilutive potential shares is ignored in calculating diluted earnings per ordinary share in accordance with MFRS 133, *Earnings per Share*.



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**Notes to the Unaudited Interim Financial Report**

**26. Profit before taxation**

	<b>Current Quarter Ended</b>		<b>Cumulative Quarter Ended</b>	
	<b>31 Dec 2016</b>	<b>31 Dec 2015</b>	<b>31 Dec 2016</b>	<b>31 Dec 2015</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit before tax is arrived at after charging/(crediting):				
Interest income	(101)	(180)	(509)	(488)
Dividend income	(25)	(22)	(38)	(40)
Interest expense	(264)	151	1,872	721
Depreciation	696	643	2,202	2,412

**27. Realised and unrealised retained earnings**

	<b>As at 31 Dec 2016 RM'000</b>	<b>As at 31 Dec 2015 RM'000</b>
<b>Total retained profits of Ewein Berhad and its subsidiaries:</b>		
– Realised	52,536	43,561
– Unrealised	54	(4,800)
	52,590	38,761
<b>Total share of retained earnings of associates</b>		
– Realised	-	(3)
<b>Less: Consolidated adjustments</b>	(7,787)	(4,844)
	44,803	33,914



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**Notes to the Unaudited Interim Financial Report**

**28. Authorisation for issue**

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

By Order of the Board

Chee Wai Hong (BC/C/1470)  
Secretary

Date: 28 February 2017