

**EWEIN BERHAD****(Company No. 742890-W)****(Incorporated in Malaysia)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2017****(The figures have not been audited)**

	As at 31 March 2017 (Unaudited) RM'000	As at 31 December 2016 (Audited) RM'000
ASSETS		
Property, plant and equipment	14,420	14,855
Investment properties	82,100	82,100
Investment in an associate	131	114
Deferred tax assets	3,131	3,131
Total non-current assets	<u>99,782</u>	<u>100,200</u>
Inventories	5,555	6,141
Property development costs	167,770	159,839
Current tax assets	249	142
Trade and other receivables	70,211	81,758
Fixed Deposit with licensed banks	15,379	14,312
Cash and cash equivalents	20,979	21,761
Total current assets	<u>280,143</u>	<u>283,953</u>
TOTAL ASSETS	<u>379,925</u>	<u>384,153</u>
EQUITY AND LIABILITIES		
Share capital	105,213	101,533
Reserves	43,176	39,846
Total equity attributable to shareholders of the Company	<u>148,389</u>	<u>141,379</u>
Non-controlling interests	10,978	9,350
Total equity	<u>159,367</u>	<u>150,729</u>
Long term borrowings	89,507	92,077
Other payables	36,004	47,078
Deferred tax liabilities	1,664	1,664
Total non-current liabilities	<u>127,175</u>	<u>140,819</u>
Loans and borrowings	56,893	53,092
Trade and other payables	35,561	38,605
Current tax liabilities	929	908
Total current liabilities	<u>93,383</u>	<u>92,605</u>
TOTAL LIABILITIES	<u>220,558</u>	<u>233,424</u>
TOTAL EQUITY AND LIABILITIES	<u>379,925</u>	<u>384,153</u>
Net Assets per ordinary share (RM)	<u>0.65</u>	<u>0.63</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2016 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 MARCH 2017

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		3 months ended	
	31 March		31 March	
	2017	2016	2017	2016
	RM'000	RM'000	RM'000	RM'000
Revenue	22,759	20,243	22,759	20,243
Cost of goods sold	(15,233)	(9,765)	(15,233)	(9,765)
Gross profit	<u>7,526</u>	<u>10,478</u>	<u>7,526</u>	<u>10,478</u>
Other operating income	415	2,250	415	2,250
Distribution and administrative expenses	(2,094)	(4,848)	(2,094)	(4,848)
Finance costs	(85)	(618)	(85)	(618)
Share of result of associate	17	-	17	-
Profit before taxation	<u>5,779</u>	<u>7,262</u>	<u>5,779</u>	<u>7,262</u>
Tax expense	(1,618)	(1,686)	(1,618)	(1,686)
Profit for the period	<u>4,161</u>	<u>5,576</u>	<u>4,161</u>	<u>5,576</u>
Other Comprehensive Income, net of tax	-	-	-	-
Total Comprehensive Income for the period	<u>4,161</u>	<u>5,576</u>	<u>4,161</u>	<u>5,576</u>
Profit attributable to:				
Owners of the Company	2,533	4,174	2,533	4,174
Non-controlling interests	1,628	1,402	1,628	1,402
	<u>4,161</u>	<u>5,576</u>	<u>4,161</u>	<u>5,576</u>
Total comprehensive income attributable to:				
Owners of the Company	2,533	4,174	2,533	4,174
Non-controlling interests	1,628	1,402	1,628	1,402
	<u>4,161</u>	<u>5,576</u>	<u>4,161</u>	<u>5,576</u>
Basic earnings per share (sen)	<u>1.11</u>	<u>1.89</u>	<u>1.11</u>	<u>1.89</u>
Diluted earnings per share (sen)	<u>1.11</u>	<u>1.70</u>	<u>1.11</u>	<u>1.70</u>

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2016 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 MARCH 2017
 (The figures have not been audited)

	Share capital RM'000	Share premium RM'000	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 2017	101,533	1,290	(31,482)	-	21,919	3,800	44,319	141,379	9,350	150,729
Total comprehensive income for the period	-	-	-	-	-	-	2,533	2,533	1,628	4,161
Exercise of warrants	3,680	797	-	-	-	-	-	4,477	-	4,477
At 31 March 2017	105,213	2,087	(31,482)	-	21,919	3,800	46,852	148,389	10,978	159,367
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	-	-	-	-	-	-	4,174	4,174	1,402	5,576
Exercise of warrants	5,063	1,114	-	-	-	-	-	6,177	-	6,177
At 31 March 2016	101,062	1,186	(31,482)	-	21,919	3,800	38,088	134,573	7,156	141,729

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2016 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 MARCH 2017
 (The figures have not been audited)

	3 Months ended 31 March	
	2017	2016
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	5,779	7,262
Adjustments for:		
Non-cash items	687	534
Non-operating items	(118)	(2,144)
Operating profit before working capital changes	6,348	5,652
Changes in working capital		
Net changes in current assets	4,200	13,970
Net changes in current liabilities	(14,117)	(33,013)
Taxes paid	(1,704)	(2,015)
Net cash used in operating activities	(5,273)	(15,406)
CASH FLOW FROM INVESTING ACTIVITIES		
- Dividend Income	-	13
- Interest income	186	178
- Proceeds from disposal of plant and equipment	-	96
- Placement of short term deposits with licensed banks	-	(694)
- Purchase of other investment	-	(1,100)
- Purchase of property, plant and equipment	(252)	(160)
Net cash used in investing activities	(66)	(1,667)
CASH FLOW FROM FINANCING ACTIVITIES		
- Interest paid	(85)	(128)
- Repayment of finance lease obligations	(87)	-
- (Repayment)/Drawdown of term loans	(2,545)	864
- Proceeds from exercise of warrant	4,479	5,063
Net cash from financing activities	1,762	5,799
Net change in cash and cash equivalents	(3,577)	(11,274)
Cash and cash equivalents at beginning	(12,352)	(12,268)
Cash and cash equivalents at end	(15,929)	(23,542)
<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	20,979	21,021
Bank overdrafts	(52,287)	(44,563)
Fixed deposits with licensed banks	15,379	-
	(15,929)	(23,542)

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2016 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”) subsequent to 31 December 2016.

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 2016 except for the adoption of the new and revised Malaysian Financial Reporting Standards (“MFRS”) with effect from 1 January 2017.

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 2018

MFRS 9	Financial Instruments (2014)
Amendments to MFRS 2	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 4	Insurance Contracts- Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts
Amendments to MFRS 128	Investment in Associates and Joint Ventures (Annual Improvement to MFRS Standards 2014-2016 Cycle)
Amendments to MFRS 140	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 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 2016 in their report dated 28 April 2017.

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 affecting assets, liabilities, equity, net income, or cash flows during the quarter and three months ended 31 March 2017.

6. Changes in estimates

There were no changes in estimates that had a material effect in the current quarter and three months ended 31 March 2017.

7. Debt and equity securities

During the financial period, there was issuance of 7,360,928 new ordinary shares of RM0.50 each during the three months ended 31 March 2017. All shares arising from exercise of warrants were at an exercise price of RM0.61 per ordinary share.

There were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities by the Company during the quarter and three months ended 31 March 2017.



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8. Dividend paid

There was no dividend paid by the Company in the current quarter and period to date.

9. Segment information

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

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	31 March 2017 RM'000	31 March 2016 RM'000	31 March 2017 RM'000	31 March 2016 RM'000
Segment Revenue				
Property development and construction	10,911	14,020	10,911	14,020
Manufacturing	10,237	4,776	10,237	4,776
Investment holding, property management and letting	1,611	1,447	1,611	1,447
Total revenue	<u>22,759</u>	<u>20,243</u>	<u>22,759</u>	<u>20,243</u>
Segment Results				
Property development and construction	4,538	4,881	4,538	4,881
Manufacturing	344	257	344	257
Investment holding, property management and letting	796	2,074	796	2,074
Results excluding inter segment sales	5,678	7,212	5,678	7,212
Interest expense	(85)	(128)	(85)	(128)
Interest income	186	178	186	178
Profit before taxation	<u>5,779</u>	<u>7,262</u>	<u>5,779</u>	<u>7,262</u>
Taxation	(1,618)	(1,686)	(1,618)	(1,686)
Profit for the period	<u>4,161</u>	<u>5,576</u>	<u>4,161</u>	<u>5,576</u>



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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 investment

There is no other investment involved by the Company except for investment in an associate company.

12. Events subsequent to the balance sheet date

Subsequent to the financial period ended, the Company proposed to undertake a private placement exercise involving the issue of up to 22,264,800 new ordinary shares (“Proposed Private Placement”).

The Proposed Private Placement was approved by Bursa Malaysia Securities Berhad on 23 March 2017. The issue price for the Proposed Private Placement was fixed at RM0.755 per ordinary share on 6 April 2017.

On 18 April 2017, the Company completed the listing and the quotation of 10,000,000 new ordinary shares issued pursuant to the Proposed Private Placement.

13. Changes in Group’s composition

There were no changes in the composition of the Group during the financial period ended 31 March 2017.

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

	3 Months Ended 31 March 2017 RM '000	3 Months Ended 31 March 2016 RM '000
Contracted but not provided for: Land held for future development	145,800	145,800



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Notes to the Unaudited Interim Financial Report

16. Review of performance (Cont'd)

	Individual Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	31 March 2017 RM'000	31 March 2016 RM'000	31 March 2017 RM'000	31 March 2016 RM'000
Revenue	22,759	20,243	22,759	20,243
Profit before taxation	5,779	7,262	5,779	7,262

Comparison with previous year's corresponding quarter

Overall, the Group continue to maintain a healthy current ratio in its ability to pay off its short-term liabilities with its current assets. The current ratio of the Group at 31 March 2017 and 31 December 2016 were 3.00 times and 3.07 times respectively.

The Group recorded a revenue of RM22.76 million in Q1'2017 as compared to RM20.24 million in Q1'2016. The Group reported a pre-tax profit of RM5.78 million in Q1'2017 against a pre-tax profit of RM7.26 million in Q1'2016 mainly due to various factors as explained in the respective operating segments as follows:

(i) Property development and construction

The revenue recorded in Q1'2017 was RM10.91 million as compared to RM14.02 million in Q1'2016. The pre-tax profit of RM4.54 million achieved in Q1'2017 was slightly lower than RM4.88 million in Q1'2016. The property development and construction segment remained the main revenue and profit contributor of the Group.

(ii) Manufacturing

The revenue recorded in Q1'2017 was RM10.24 million as compared to RM4.78 million in Q1'2016. The pre-tax profit of RM0.34 million achieved in Q1'2017 was higher than RM0.26 million in Q1'2016. The increases were mainly due to higher market demand from customers for Q1'2017.

(iii) Investment holding, property management and letting

The revenue recorded in Q1'2017 was RM1.61 million as compared to RM1.45 million in Q1'2016. The rental income from Menara IJM Land secures recurring and stable income annually. Revenue contribution from this segment is expected to increase in the coming years.



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Notes to the Unaudited Interim Financial Report

16. Review of performance (Cont'd)

The pre-tax profit of RM0.8 million achieved in Q1'2017 was lower than RM2.07 million in Q1'2016, mainly due to the weakening of Ringgit against US Dollar as the loan in this segment was denominated in USD.

17. Variation of results against preceding quarter

	3 Months Ended 31 March 2017 RM'000	3 Months Ended 31 December 2016 RM'000
Revenue	22,759	7,685
Profit before taxation	5,779	1,266

The Group recorded a revenue of RM22.76 million in Q1'2017 as compared to RM7.69 million in Q4'2016. The Group reported a pre-tax profit of RM5.78 million in Q1'2017 against a pre-tax profit of RM1.27 million in Q4'2016 mainly due to various factors as explained in the respective operating segments as follows:

(i) Property development and construction

The revenue recorded in Q1'2017 was RM10.91 million as compared to RM1.2 million in Q4'2016. The pre-tax profit of RM4.54 million achieved in Q1'2017 was higher than the RM0.2 million in Q4'2016. The increases were due to the faster pace of progress of property development for this quarter.

(ii) Manufacturing

The increased revenue recorded in Q1'2017 was RM10.24 million as compared to RM3.8 million in Q4'2016. Correspondingly the pre-tax profit of RM0.34 million achieved in Q1'2017 was higher than RM0.26 million in Q4'2016, This was mainly due to higher market demand from customers.

(iii) Investment holding, property management and letting

The revenue recorded in Q1'2017 was RM1.61 million as compared to RM1.52 million in Q4'2016. The rental income from Menara IJM Land secures recurring and stable income annually. Revenue contribution from this segment is expected to increase in the coming years.

The pre-tax profit of RM0.80 million achieved in Q1'2017 was higher than RM0.45 million in Q4'2016.



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Notes to the Unaudited Interim Financial Report

18. Prospects for 2017

In cognizant to the challenging environment, the Board is cautiously optimistic on the Group's performance for the rest of the financial year.

19. Variance between actual profit and forecast profit

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

20. Tax expense

	3 Months Ended 31 March 2017 RM '000	3 Months Ended 31 March 2016 RM '000
Current tax expense	1,618	1,686

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 March 2017 are as follows:

	As at 31 March 2017 Secured RM '000	As at 31 December 2016 Secured RM '000
Current:		
– Bank overdraft	52,286	48,426
– Term loans	4,486	4,545
– Finance lease obligations	121	121
	<hr/> 56,893 <hr/>	<hr/> 53,092 <hr/>
Non-current:		
– Term loans	89,322	91,804
– Finance lease obligations	185	273
	<hr/> 89,507 <hr/>	<hr/> 92,077 <hr/>
Total	<hr/> 146,400 <hr/>	<hr/> 145,169 <hr/>



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Notes to the Unaudited Interim Financial Report

22. Borrowings (Cont'd)

	As at 31 March 2017	As at 31 December 2016
	Secured RM '000	Secured RM '000
Denominated in:		
Ringgit Malaysia	103,395	103,142
USD (Ringgit Malaysia equivalent)	43,005	42,027
	146,400	145,169
	146,400	145,169

23. Material litigation

Ewein Group is not engaged in any material litigation for the current quarter and the three months ended 31 March 2017.

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 3 Months Ended		Cumulative Quarter 3 Months Ended	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Profit attributable to owners of the Company (RM'000)	2,533	4,174	2,533	4,174
Weighted average number of ordinary shares in issue after taking into account the effect of Rights and Bonus shares ('000)	228,305	221,075	228,305	221,075
Basic earnings per share (sen)	1.11	1.89	1.11	1.89
	1.11	1.89	1.11	1.89



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Notes to the Unaudited Interim Financial Report

25. Diluted earnings per share

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

	Individual Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Profit attributable to owners of the Company (Basic) (RM'000)	2,533	4,174	2,533	4,174
Interest expense saving on borrowings (RM'000)	434	191	434	191
Profit attributable to owners of the Company (Diluted) (RM'000)	2,967	4,365	2,967	4,365
Weighted average number of ordinary shares in issue after taking into account the effect of Rights and Bonus shares ('000)	228,305	221,075	228,305	221,075
Adjustments for warrants granted ('000)	13,186	36,407	13,186	36,407
Adjusted weighted average number of ordinary shares in issue ('000)	241,491	257,482	241,491	257,482
Diluted earnings per share (sen)	*	1.70	*	1.70

*The diluted earnings per share for the period ended 31 March 2017 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*.

26. Profit before taxation

	Current Quarter Ended		Cumulative Quarter Ended	
	31 March 2017 RM'000	31 March 2016 RM'000	31 March 2017 RM'000	31 March 2016 RM'000
Profit before tax is arrived at after charging/(crediting):				
Interest income	(186)	(178)	(186)	(178)
Interest expense	85	128	85	128
Depreciation	687	534	687	534



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Notes to the Unaudited Interim Financial Report

27. Realised and unrealised retained earnings

	As at 31 March 2017 RM'000	As at 31 December 2016 RM'000
Total retained profits of Ewein Berhad and its subsidiaries:		
– Realised	36,323	33,528
– Unrealised	20,568	19,218
	<hr/> 56,891	<hr/> 52,746
Total share of retained earnings of associates		
– Realised	31	14
Less: Consolidated adjustments	(10,070)	(8,441)
	<hr/> 46,852	<hr/> 44,319

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: 29 May 2017