

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2016

	--- Individual Quarter ---		--- Cumulative Quarter ---	
	Unaudited Current year quarter 3 Months 31.12.2016 RM'000	Unaudited Preceding year quarter 3 Months 31.12.2015 RM'000 Restated	Unaudited Current year to date 12 Months 31.12.2016 RM'000	Unaudited Preceding year to date 12 Months 31.12.2015 RM'000 Restated
Revenue	215,128	166,854	622,586	592,570
Cost of sales	(195,300)	(139,865)	(529,338)	(500,253)
Gross profit	19,828	26,989	93,248	92,317
Other income	8,368	3,052	11,174	24,303
Administrative and other expenses	(21,262)	(26,725)	(71,749)	(95,204)
Finance costs	(4,204)	(4,840)	(16,306)	(15,823)
Profit/(Loss) before taxation	2,730	(1,524)	16,367	5,593
Income tax credit/(expense)	1,320	16,031	(1,905)	13,204
Profit after taxation	4,050	14,507	14,462	18,797
Other comprehensive income				
Foreign currency translation	(2,204)	70,780	8,305	4,868
Other comprehensive (expenses)/income for the period	(2,204)	70,780	8,305	4,868
Total comprehensive income	1,846	85,287	22,767	23,665
Profit/(Loss) after tax attributable to:				
- Owners of the Company	4,084	14,533	14,534	18,849
- Non-controlling interests	(34)	(26)	(72)	(52)
	4,050	14,507	14,462	18,797
Total comprehensive (expenses)/income attributable to:				
- Owners of the Company	1,885	85,315	22,844	23,712
- Non-controlling interests	(39)	(28)	(77)	(47)
	1,846	85,287	22,767	23,665
Basic weighted average no. of ordinary shares ('000)	824,844	805,014	824,844	805,014
Earnings per share (sen):				
- Basic	0.50	1.81	1.76	2.34
- Diluted	0.48	1.77	1.71	2.29

N1 : The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015 ("FYE 2015") and the accompanying explanatory notes attached to these interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
31 DECEMBER 2016

	Unaudited As at 31.12.2016 RM'000	Unaudited As at 31.12.2015 RM'000 Restated
ASSETS		
NON-CURRENT ASSET		
Property, plant and equipment	400,649	385,905
CURRENT ASSETS		
Inventories	10,479	-
Trade receivables	128,282	112,062
Other receivables, deposits and prepayment	17,981	44,336
Current tax assets	49,592	32,689
Short-term investments	2,775	2,451
Fixed deposits with licensed banks	115,988	133,408
Cash and bank balances	101,701	49,979
	426,798	374,925
TOTAL ASSETS	827,447	760,830
EQUITY AND LIABILITIES		
EQUITY		
Share capital	165,033	164,879
Share premium	64,070	64,014
Merger deficit	(71,909)	(71,909)
Employees' share option reserve	7,075	5,350
Redeemable convertible unsecured loan stocks ("RCULS")	610	653
Foreign exchange translation reserves	14,567	6,257
Retained profits	244,221	229,687
Equity attributable to owners of the Company	423,667	398,931
Non-controlling interest	(31)	(3)
TOTAL EQUITY	423,636	398,928

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
31 DECEMBER 2016 (CONT'D)

	Unaudited As at 31.12.2016 RM'000	Unaudited As at 31.12.2015 RM'000 Restated
NON-CURRENT LIABILITIES		
Deferred tax liabilities	641	167
Long-term borrowings	167,630	188,250
RCULS	1,719	1,704
	<hr/> 169,990	<hr/> 190,121
CURRENT LIABILITIES		
Trade payables	130,564	88,867
Other payables and accruals	16,016	11,141
Current tax liabilities	23	81
Short-term borrowings	86,052	70,841
Bank overdrafts	1,166	851
	<hr/> 233,821	<hr/> 171,781
TOTAL LIABILITIES	<hr/> 403,811	<hr/> 361,902
TOTAL EQUITY AND LIABILITIES	<hr/> 827,447	<hr/> 760,830

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the FYE 2015 and the accompanying explanatory notes attached to these interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE
FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2016

	Unaudited Current year to date 12 Months 31.12.2016 RM'000	Audited Preceding year to date 12 Months 31.12.2015 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES		
Profit before taxation	16,367	5,593
Adjustments for:-		
Depreciation of property, plant and equipment	30,805	23,268
Interest expense	16,139	15,475
Interest income	(3,663)	(4,266)
Unrealised loss/(gain) on foreign exchange	(7,321)	(19,404)
Share options to employees	1,739	4,847
Property, plant and equipment written off	660	1,414
Gain on disposal of plant and equipment	(2)	-
Impairment loss on receivables	-	37
Operating profit before working capital changes	54,724	26,964
Increase in inventories	(10,479)	-
Decrease in trade and other receivables	10,185	52,648
Increase in trade and other payables	44,898	2,898
CASH FROM OPERATIONS	99,328	82,510
Interest paid	(16,003)	(14,314)
Interest received	3,663	4,266
Income tax paid	(18,381)	(32,424)
NET CASH FROM OPERATING ACTIVITIES	68,607	40,038
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(27,107)	(21,202)
Change in pledge fixed deposits	(28,243)	(9,241)
Proceeds from disposal of plant and equipment	2	-
Acquisition of a subsidiary, net of cash and cash equivalents	49	-
NET CASH FOR INVESTING ACTIVITIES	(55,299)	(30,443)
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES		
Repayment of hire purchase obligations	(375)	(359)
Drawdown of trust receipts	281,029	156,647
Repayment of term loans	(24,774)	(22,143)
Repayment of trust receipts	(270,143)	(199,206)
Proceeds from exercise of employees' share options	25	199
Dividend paid	-	(16,378)
NET CASH FOR FINANCING ACTIVITIES	(14,238)	(81,240)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE
FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2016 (CONT'D)

	Unaudited Current year to date 12 Months 31.12.2016 RM'000	Audited Preceding year to date 12 Months 31.12.2015 RM'000
NET DECREASE OF CASH AND CASH EQUIVALENTS	(930)	(71,645)
EFFECT OF EXCHANGE RATE ON CASH AND CASH EQUIVALENTS	6,998	3,027
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	101,335	169,953
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	107,403	101,335
Cash and cash equivalents comprise the following:		
- Short-term investments	2,775	2,451
- Fixed deposits placed with licensed banks	115,988	133,408
- Cash and bank balances	101,701	49,979
- Bank overdrafts	(1,166)	(851)
	219,298	184,987
Less: Deposits pledged to licensed banks	(111,895)	(83,652)
	107,403	101,335

N1 : The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the FYE 2015 and the accompanying explanatory notes attached to these interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2016

	----- Attributable to owners of the Company -----						Retained Profits RM'000	Total RM'000	Non-controlling interests RM'000	Total Equity RM'000
	-----Non-distributable-----			Distributable						
	Share Capital RM'000	Share Premium RM'000	Merger Deficit RM'000	Employees' Share Option Reserve RM'000	RCULS RM'000	Foreign Exchange Translation Reserve RM'000				
Balance as at 01.01.2016 (Restated)	164,879	64,014	(71,909)	5,350	653	6,257	229,687	398,931	(3)	398,928
Profit after taxation	-	-	-	-	-	-	14,534	14,534	(72)	14,462
Other comprehensive expenses for the financial period, net of taxation:										
- Foreign currency translation	-	-	-	-	-	8,310	-	8,310	(5)	8,305
Total comprehensive income	-	-	-	-	-	8,310	14,534	22,844	(77)	22,767
Contributions by owners of the Company:										
Issuance of shares pursuant to:										
- Conversion of RCULS	148	23	-	-	(43)	-	-	128	-	128
- Employees' share option exercised	6	33	-	(14)	-	-	-	25	-	25
Employees' share options										
- Granted	-	-	-	1,739	-	-	-	1,739	-	1,739
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	49	49
Total transactions with owners	154	56	-	1,725	(43)	-	-	1,892	49	1,941
Balance as at 31.12.2016	165,033	64,070	(71,909)	7,075	610	14,567	244,221	423,667	(31)	423,636

**BARAKAH OFFSHORE PETROLEUM BERHAD
(980542-H)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2016
(CONT'D)**

	----- Attributable to owners of the Company -----									
	-----Non-distributable-----					Distributable				
(Restated)	Share Capital RM'000	Share Premium RM'000	Merger Deficit RM'000	Employees' Share Option Reserve RM'000	RCULS RM'000	Foreign Exchange Translation Reserve RM'000	Retained Profits RM'000	Total RM'000	Non- controlling interests RM'000	Total Equity RM'000
Balance as at 01.01.2015	152,667	62,684	(71,909)	603	4,145	1,394	227,216	376,800	44	376,844
Profit after taxation	-	-	-	-	-	-	18,849	18,849	(52)	18,797
Other comprehensive income for the financial year:										
- Foreign currency translation differences	-	-	-	-	-	4,863	-	4,863	5	4,868
Total comprehensive income	-	-	-	-	-	4,863	18,849	23,712	(47)	23,665
Contributions by and distributions to owners of the Company:										
Issuance of shares pursuant to conversion of RCULS	12,160	1,083	-	-	(3,492)	-	-	9,751	-	9,751
Employees' share option:										
- Exercised	52	247	-	(100)	-	-	-	199	-	199
- Granted	-	-	-	4,847	-	-	-	4,847	-	4,847
Dividends by the Company	-	-	-	-	-	-	(16,378)	(16,378)	-	(16,378)
Total transactions with owners	12,212	1,330	-	4,747	(3,492)	-	(16,378)	(1,581)	-	(1,581)
Balance as at 31.12.2015	164,879	64,014	(71,909)	5,350	653	6,257	229,687	398,931	(3)	398,928

N1 : The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the FYE 2015 and the accompanying explanatory notes attached to these interim financial statements.

QUARTERLY REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2016

A: EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134

A1. Accounting policies and methods of computation

The interim financial statements are unaudited and have been prepared in accordance with the MFRS 134: Interim Financial Reporting, Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”).

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 December 2015.

During the current financial period, the Company and its subsidiary companies (“Group”) have adopted the following new accounting standards and interpretations (including the consequential amendments):-

- Amendments to MFRS 10, MFRS 12 and MFRS 128 (2011): Investment Entities: Applying the Consolidation Exception
- Amendments to MFRS 101: Presentation of Financial Statements - Disclosure Initiative
- Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to MFRS 127 (2011): Equity Method in Separate Financial Statements
- Annual Improvements to MFRSs 2012 - 2014 Cycle

The adoption of the above standards and interpretations will not have any material impact on the financial position and performance of the Group.

The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:-

MFRSs and IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 9 Financial Instruments	1 January 2018
MFRS 15 Revenue from Contracts with Customers & Amendments to MFRS 15: Effective Date to MFRS 15	1 January 2018
MFRS 16 Leases	1 January 2019
Amendments to MFRS 10 and MFRS 128 (2011): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice
Amendments to MFRS 107: Statement of Cash Flows - Disclosure Initiative	1 January 2017
Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017

A2. Auditors’ Report of preceding annual financial statements

The auditors’ report on the financial statements of the Group for the financial year ended 31 December 2015 was not subject to any qualification.

QUARTERLY REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2016

A: EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134

A3. Seasonal or cyclical factors

The Group’s operations were not significantly affected by any seasonal or cyclical factor during the current quarter and financial year-to-date.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

A prior year adjustment has been made in FYE 2015, as a result of a restatement of the net book value of assets owned by a foreign operation (a wholly owned Labuan subsidiary) in accordance to MFRS 121 “*The Effects of Changes in Foreign Exchange Rates*”, as shown below:-

	As previously reported RM’000	Prior year adjustments RM’000	As restated RM’000
As at 31 December 2015			
Consolidated Statement of Financial Position			
NON-CURRENT ASSET			
Property, plant and equipment	299,795	86,110	385,905
EQUITY			
Foreign exchange translation reserve	(79,853)	86,110	6,257

There were no other significant unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter and financial year-to-date.

A5. Material changes in estimates

There were no material changes in estimates in the current quarter and current financial year-to-date.

A6. Debt and equity securities

There were no issuances, cancellation, repurchase, resale or repayment of debt or equity securities in the current quarter except for the following:-

- Share Capital

	Ordinary share of RM0.20 each No. of shares (’000)	RM’000
Share capital – issued and fully paid up as at 01.10.2016	825,073	165,015
Conversion of RCULS	93	18
Share capital as at 31.12.2016	825,166	165,033

QUARTERLY REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2016

A: EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134

A7. Dividends paid

There were no dividends paid or declared for the current quarter and financial year-to-date.

A8. Segmental information

No segmental information is provided as the Group is primarily involved in the oil and gas industry (one business segment) and the Group’s activities are primarily predominantly in Malaysia. The overseas segment account for less than 10% of the consolidated revenue and assets.

A9. Revenue

	---Individual Quarter---		---Cumulative Quarter---	
	Unaudited Current year quarter 3 Months 31.12.2016 RM’000	Unaudited Preceding year quarter 3 Months 31.12.2015 RM’000	Unaudited Current year to date 12 Months 31.12.2016 RM’000	Audited Preceding year to date 12 Months 31.12.2015 RM’000
Pipeline and commissioning services; and	39,144	42,761	135,258	257,850
Installation and construction services	175,984	124,093	487,328	334,720
	215,128	166,854	622,586	592,570

A10. Valuation of property, plant and equipment

The Group has not carried out any valuation on its property, plant and equipment in the current quarter and financial year-to-date.

A11. Capital commitments

	As at 31.12.2016 RM’000
Property, plant and equipment:-	
Approved and contracted for	2,873

QUARTERLY REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2016

A: EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134

A12. Changes in the composition of the Group

There were no material changes in the composition of the Group for the current quarter and financial year-to-date except for the following:-

- **Acquisition of 51% shares in PBJV Macfeam Sdn. Bhd. (“PBJV Macfeam”)**

On 1 November 2016, the Company announced that PBJV Group Sdn. Bhd. (“PBJV”), a wholly-owned subsidiary of the Company, had subscribed for 50,999 new ordinary shares of RM1.00 each in PBJV Macfeam. PBJV Macfeam is a joint venture company incorporated pursuant to a joint venture agreement dated 9 June 2016 entered with Macfeam Sdn. Bhd. (“Macfeam”) for a total cash consideration of RM50,999.00 (“Acquisition”). Simultaneously, PBJV had also acquired one (1) ordinary share in PBJV Macfeam for a consideration of RM1.00 (“Transfer”). Upon completion of the Acquisition and Transfer, PBJV holds 51,000 ordinary shares of RM1.00 each representing 51% of the total issued and paid up capital of PBJV Macfeam.

PBJV Macfeam was incorporated as a private limited company in Malaysia on 23 June 2016. The current authorised share capital of PBJV Macfeam is RM1 million comprising 1 million ordinary shares of RM1.00 each. The issued and paid up share capital of PBJV Macfeam is RM100,000.00 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid up share capital of PBJV Macfeam shall be held by PBJV and Macfeam respectively in the ratio of 51:49.

The principal activity of PBJV Macfeam is to provide procurement, construction and commissioning (“PCC”) of pressurized piping system, to develop, built and to do any other work relating to infrastructure, civil and engineering works and to undertake, execute all kinds of services and activities which are related or conveniently carried on in connection with the oil and gas industry. PBJV Macfeam was set-up by the parties mainly as the vehicle to execute the contract secured from PRPC Utilities and Facilities Sdn Bhd for the Procurement, Construction and Commissioning of Underground Pressurised Non-Metallic Piping – Firewater Network for the East Side of Utilities, Interconnecting, Offsite (“UIO”) Facilities in PETRONAS Refinery and Petrochemical Integrated Development Project, widely known as RAPID, which was announced on 25 May 2016.

The Acquisition does not have any material effect on the net assets, earnings and gearing of the Group.

PBJV Macfeam is not expected to have any material effect on the Group’s earnings or net assets for the financial year to date.

A13. Contingent liabilities and contingent assets

The contingent liabilities of the Group comprise of the following:-

	As at 31.12.2016 RM’000
<u>Unsecured</u>	
Bank guarantees extended to clients	93,846

There are no contingent assets as at the date of this report.

QUARTERLY REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2016

A: EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134

A14. Material events subsequent to the end of the quarter

There are no material events subsequent to the end of the current quarter up to the date of this report that have not been reflected in the financial statements for the current quarter and financial year-to-date.

A15. Significant related party transactions

	---Individual Quarter---		---Cumulative Quarter---	
	Unaudited Current year quarter 3 Months 31.12.2016 RM’000	Unaudited Preceding year quarter 3 Months 31.12.2015 RM’000	Unaudited Current year to date 12 Months 31.12.2016 RM’000	Audited Preceding year to date 12 Months 31.12.2015 RM’000
Company in which certain Directors have interest				
Purchases	671	2,096	2,958	4,020
Donations *	150	150	600	600

* As part of the Group’s Corporate Social Responsibility program, monthly donations are made to an orphanage home managed by Yayasan Amal Kasih Harmoni (“YAKH”) known as Rumah Kasih Harmoni, which is located in Paya Jaras, Selangor and currently houses 101 children from preschool to secondary school.

The donation is a related party transaction (“RPT”) by virtue of:

- i) Common directorships held by Nik Hamdan bin Daud in the Company and YAKH. Nik Hamdan bin Daud is also a major shareholder of the Company; and
- ii) Haniza binti Jaffar, a director of YAKH who is also a key management of the Group.

QUARTERLY REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2016

B: ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B1. Review of performance

The Group had achieved a total revenue of RM622.59 million during the financial year ended 31 December 2016, with RM215.13 million generated during the current quarter. This is an increase of 28.93% compared to the corresponding quarter of the preceding year. The profit before taxation had also increase for the current financial year ended 31 December 2016 to RM16.37 million from RM5.59 million in the previous financial year. The increase in revenue was mainly due to higher revenue generated from the installation and construction activities, whereas the increase in profit before taxation was due to the continuous cost reduction and operational efficiency exercise being carried out by the Group.

Pipeline and commissioning services (“PCS”)

During the financial year ended 31 December 2016, PCS generated a total revenue of RM135.26 million, out of which RM39.14 million was generated during the current quarter. This is a decrease of 8.46% from the corresponding quarter of the preceding year, as a result of the continuous low number of work orders received for the Pipeline Services and Hook-up Commissioning activities.

Installation and construction services (“ICS”)

ICS contributed 78.27% to the overall total revenue generated during the current financial year ended 31 December 2016 of RM622.59 million, with RM175.98 million being generated during the current quarter. This is an increase of 41.82% from the corresponding quarter of the preceding year due to the on-going works from the Transportation and Installation (“T&I”) activities, as well as the Procurement, Construction and Commissioning (“PCC”) activities.

B2. Comparison with immediate preceding quarter’s results

The Group reported a higher revenue of RM215.13 million and a higher profit before taxation of RM2.73 million in the current quarter ended 31 December 2016 compared with the immediate preceding quarter of RM167.19 million and RM2.50 million respectively. The increase in revenue was due to the higher certification of work done for the Pipeline Services, T&I and PCC activities during the current quarter compared to the immediate preceding quarter. The profit before taxation however, saw a lower increase compared to the revenue, as a result of higher depreciation incurred in the current quarter due to the restatement of the Group’s asset, as disclosed in Note A4 above.

QUARTERLY REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2016

B: ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B3. Commentary on prospects

The Board of Directors are of the opinion that the business environment outlook for the financial year ended 31 December 2017 remain challenging and uncertain. Intense competition amongst industry players and lower capital outlay by clients had eroded our margin.

Nevertheless, the Board believes that the Group would remain resilient as the Group continues to improve its operational efficiency. The Group continues to pursue new business opportunities to enhance its revenue base, while actively tendering and bidding for new projects in both local and international markets.

B4. Variance of actual profit from forecast profit

The Group has not announced or disclosed any profit forecast or profit guarantee in any public documents.

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QUARTERLY REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2016

B: ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B5. Profit before taxation

	--- Individual Quarter ---		--- Cumulative Quarter ---	
	Unaudited Current year quarter 3 Months 31.12.2016 RM'000	Unaudited Preceding year quarter 3 Months 31.12.2015 RM'000	Unaudited Current year to date 12 Months 31.12.2016 RM'000	Audited Preceding year to date 12 Months 31.12.2015 RM'000
Profit before taxation is arrived at after charging/ (crediting):-				
Interest income	(1,210)	(1,424)	(3,663)	(4,266)
Interest expense	4,153	4,786	16,139	15,475
Depreciation of property, plant and equipment	14,769	8,061	30,805	23,268
Realised (gain)/loss on foreign exchange	(1,951)	3,228	393	7,048
Unrealised gain on foreign exchange	(7,362)	(2,005)	(7,321)	(19,404)
Share option expenses	-	-	1,739	4,847
Impairment loss on trade receivables	-	37	-	37
Property, plant and equipment written off	164	550	660	1,414
Gain on disposal of plant and equipment	(2)	-	(2)	-

QUARTERLY REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2016

B: ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B6. Income tax expense

	--- Individual Quarter ---		--- Cumulative Quarter ---	
	Unaudited Current year quarter 3 Months 31.12.2016 RM'000	Unaudited Preceding year quarter 3 Months 31.12.2015 RM'000	Unaudited Current year to date 12 Months 31.12.2016 RM'000	Audited Preceding year to date 12 Months 31.12.2015 RM'000
Current tax:				
- for the current period	(1,852)	(13,288)	1,349	995
- under/(over) provision in the previous financial year	13	-	71	(11,394)
	<u>(1,839)</u>	<u>(13,288)</u>	<u>1,420</u>	<u>(10,399)</u>
Deferred tax expense				
- for the current period	520	(3,670)	486	(3,732)
- under/(over) provision in the previous financial year	(1)	927	(1)	927
	<u>519</u>	<u>(2,743)</u>	<u>485</u>	<u>(2,805)</u>
	<u><u>(1,320)</u></u>	<u><u>(16,031)</u></u>	<u><u>1,905</u></u>	<u><u>(13,204)</u></u>

The effective tax rate for the financial period ended 31 December 2016 was lower than the statutory tax rate as a result of utilisation of prior year tax losses by a subsidiary.

B7. Status of corporate proposals

There were no corporate proposals announced but not completed as at the date of this announcement.

QUARTERLY REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2016

B: ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B8. Group borrowings

Total Group borrowings as at 31 December 2016 were as follows:-

	Short term Secured RM'000	Long term Secured RM'000	As at 31.12.2016 Total RM'000
Unaudited			
Term loans	39,817	166,962	206,779
Hire purchase	393	668	1,061
Trust receipt	45,842	-	45,842
Bank overdrafts	1,166	-	1,166
	87,218	167,630	254,848
	87,218	167,630	254,848

Included in the borrowings is a foreign borrowing as follows:-

	Short term Secured RM'000	Long term Secured RM'000	As at 31.12.2016 Total RM'000
Unaudited			
United States Dollar	39,160	165,842	205,002
	39,160	165,842	205,002
	39,160	165,842	205,002

B9. Material litigation

There were no material litigations pending as at the date of this announcement.

B10. Dividends

No dividend was declared or recommended for payment by the Company for the current quarter under review.

QUARTERLY REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2016

B: ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B11. Earnings per share

(a) Basic earnings per share

The basic earnings per share for the current quarter and for the financial year-to-date is computed by dividing the profit after taxation attributable to the owners of the Company by the weighted average number of ordinary shares in issue for the financial period.

	--- Individual Quarter ---		--- Cumulative Quarter ---	
	Unaudited Current year quarter 3 Months 31.12.2016	Unaudited Preceding year quarter 3 Months 31.12.2015	Unaudited Current year to date 12 Months 31.12.2016	Audited Preceding year to date 12 Months 31.12.2015
Profit/(Loss) attributable to the owners of the Company (RM'000)	4,084	14,533	14,534	18,849
Weighted average number of ordinary shares in issue ('000)	824,844	805,014	824,844	805,014
Basic earnings per share (sen)	0.50	1.81	1.76	2.34

QUARTERLY REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2016

B: ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B11. Earnings per share (Cont'd)

(b) Diluted earnings per share

The diluted earnings per share for the current quarter and for the financial year-to-date is arrived at by adjusting for the dilutive effects of all potential ordinary shares, such as the share options granted to employees and the RCULS issued, on the profit attributable to owners of the Company and the weighted average number of ordinary shares in issue for the financial period.

	--- Individual Quarter ---		--- Cumulative Quarter ---	
	Unaudited Current year quarter 3 Months 31.12.2016	Unaudited Preceding year quarter 3 Months 31.12.2015	Unaudited Current year to date 12 Months 31.12.2016	Audited Preceding year to date 12 Months 31.12.2015
Profit/(Loss) attributable to the owners of the Company (RM'000)	4,084	14,533	14,534	18,849
Weighted average number of ordinary shares in issue ('000) (Basic)	824,844	805,014	824,844	805,014
Effect of dilution from share options granted to employees ('000)	16,943	6,846	16,943	6,846
Effect of conversion of RCULS ('000)	10,619	11,361	10,619	11,361
	852,406	823,221	852,406	823,221
Diluted earnings per share (sen)	0.48	1.77	1.71	2.29

QUARTERLY REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2016

B: ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B12. Disclosure of realised and unrealised profits/(loss)

The breakdown of the retained profits of the Group as at the current financial quarter and the preceding financial year into realised and unrealised profits/(losses) are presented in accordance with the directive issued by Bursa Malaysia Securities Berhad and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants, as follows:-

	Unaudited	Audited
	As at	As at
	31.12.2016	31.12.2015
	RM'000	RM'000
Total retained profits of the Group		
- Realised	258,009	227,946
- Unrealised	6,680	19,237
	<hr/>	<hr/>
	264,689	247,183
Add: Consolidated adjustments	(20,468)	(17,496)
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	244,221	229,687
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