



ML GLOBAL BERHAD

(Company No. 589167-W)

(Incorporated in Malaysia under the Companies Act, 1965)

CONSOLIDATED FINANCIAL RESULTS AND NOTES FOR THE 1ST QUARTER ENDED 31 MARCH 2016

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2016 (The figures presented here have not been audited unless stated otherwise)

	Current Year Quarter 31 March 2016 RM'000	Preceding Year Corresponding Quarter 31 March 2015 RM'000	Current Year To Date 31 March 2016 RM'000	Preceding Year Corresponding Period 31 March 2015 RM'000
Revenue	10,727	4,441	10,727	4,441
Cost of sales	(8,966)	(3,552)	(8,966)	(3,552)
Gross (loss)/profit	1,761	889	1,761	889
Other income	108	56	108	56
Operating expenses	(545)	(271)	(545)	(271)
Depreciation	(130)	(117)	(130)	(117)
Plant & equipment written off	-	-	-	-
Operating profit	1,194	557	1,194	557
Finance costs	(288)	(364)	(288)	(364)
Profit before tax	906	193	906	193
Taxation	-	-	-	-
Profit for the period	906	193	906	193
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	906	193	906	193
Profit for the period attributable to :				
Equity holders of the Parent	906	193	906	193
Non- controlling interests	-	-	-	-
	906	193	906	193
Total comprehensive income attributable to:				
Equity Holders of the Parent	906	193	906	193
Non-controlling interests	-	-	-	-
	906	193	906	193
Basic earnings per share attributable to :				
Equity Holders of the Parent (Sen)	1.01	0.22	1.01	0.22
Non-controlling interests	-	-	-	-
Diluted earnings per share attributable to :				
Equity Holders of the Parents (Sen)	0.78	0.17	0.78	0.17
Non-controlling interests	-	-	-	-

The Condensed Consolidated Statement of Comprehensive Income 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.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016
(The figures presented here have not been audited unless stated otherwise)

	Note	31 March 2016 RM'000	(Audited) 31 December 2015 RM'000
ASSETS			
Non-Current Assets			
Property, Plant & Equipment		18,690	18,610
Deferred Tax Asset		1,500	1,500
		20,190	20,110
Current Assets			
Inventories		1,326	1,254
Trade receivables		24,739	21,162
Other receivables		1,314	7,489
Fixed deposit		4	4
Cash and bank balances		1,861	2,984
		29,244	32,893
Non-Current assets held for sale		12,086	12,086
TOTAL ASSETS		61,520	65,089
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		44,817	44,817
Warrants Reserves		2,675	2,675
Reserves		(16,311)	(17,217)
		31,181	30,275
Non-Controlling interests		-	-
Total Equity		31,181	30,275
Long term borrowings	B9	13,976	13,976
Current Liabilities			
Trade payables		12,618	13,383
Other payables		3,001	4,451
Bank overdraft	B9	744	3,004
		16,363	20,838
Total liabilities		30,339	34,814
TOTAL EQUITY AND LIABILITIES		61,520	65,089
Net assets per share attributable to ordinary equity holders (RM)		0.35	0.34

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.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2016
(The figures presented here have not been audited unless stated otherwise)

<--- Attributable to Equity Holders of the Parent --->

	Share Capital RM'000	Warrant Reserves RM'000	Accumulated Losses RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Balance as at 1 January 2016	44,817	2,675	(17,217)	30,275	-	30,275
Total comprehensive income for the period	-	-	906	906	-	906
Balance as at 31 March 2016	44,817	2,675	(16,311)	31,181	-	31,181
Balance as at 1 January 2015	44,817	2,675	(27,391)	20,101	-	20,101
Total comprehensive expense for the period	-	-	193	193	-	193
Balance as at 31 March 2015	44,817	2,675	(27,198)	20,294	-	20,294

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 explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2016

(The figures presented here have not been audited unless stated otherwise)

	Current Year 31 March 2016 RM'000	Preceding Year 31 March 2015 RM'000
Cash flows from operating activities		
Profit before taxation	906	193
Adjustments for:		
Depreciation	196	246
Bad Debts written off	7	-
Waiver of debts	(53)	-
Bad Debts recovered	(3)	-
Dividend Income	(15)	(56)
Interest expenses	288	364
Operating profit / (loss) before working capital changes	1,326	747
Changes in working capital		
Inventories	(72)	(302)
Receivables	2,593	(2,026)
Payables	(2,161)	(352)
	360	(2,680)
Cash used in operations	1,686	(1,933)
Interest paid	(288)	(364)
Tax Paid		
Net cash used in operating activities	1,398	(2,297)
Cash flows from investing activities		
Purchase of property, plant and equipment	(276)	(18)
Proceeds from disposal of property, plant and equipment	-	599
Dividend Income	15	56
Net cash from /(used in) investing activities	(261)	637
Cash flows from financing activities		
Repayment of hire purchase	-	(278)
Repayment of Term Loans	-	(466)
Net cash (used in) / from financing activities	-	(744)
Net (decrease) / increase in cash and cash equivalents	1,137	(2,404)
Cash and cash equivalents at the beginning of the period	(20)	4,276
Cash and cash equivalents at the end of the period	1,117	1,872

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2016 (Continue)
(The figures presented here have not been audited unless stated otherwise)

Closing balance of cash and cash equivalents comprises:

Cash and bank balances	1,861	6,701
Fixed deposits	4	4
Bank overdrafts	(744)	(4,829)
	<u>1,121</u>	<u>1,876</u>
Fixed deposits pledged to bank	(4)	(4)
	<u>1,117</u>	<u>1,872</u>

The Condensed Consolidated Statement of Cash Flows 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.

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A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR PERIOD ENDED 31 MARCH 2016

A1. Basis of Preparation

The condensed financial statements is unaudited and has been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The condensed financial statements have been prepared on the assumption that the Group is a going concern.

The condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015. These explanatory notes attached to the condensed financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of ML Global Berhad ("the Company") and all its subsidiaries (collectively known as "the Group") since the financial year ended 31 December 2015.

The financial information presented herein has been prepared in accordance with the accounting policies to be used in preparing the annual consolidated financial statements for 31 December 2015 under the Malaysian Financial Reporting Standards ("MFRS") framework. These policies do not differ significantly from those used in the audited consolidated financial statements for 31 December 2015.

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A2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this condensed financial statements are consistent with those adopted in the financial statements for the financial year ended 31 December 2015 except for the adoption of the following:

During the financial period, the Group have adopted the following applicable new Malaysian Financial Reporting Standards ("MFRSs"), revised MFRSs, Issues Committee ("IC") Interpretations and amendments to MFRSs, issued by the Malaysian Accounting Standards Board that are mandatory for the current financial period:

Amendments to MFRS 119 : Defined Benefits Plans - Employee Contributions
 Annual Improvements to MFRSs 2010 - 2012 Cycle
 Annual Improvements to MFRSs 2011 - 2013 Cycle

The adoption of the above Accounting Standards and / or interpretation (including the consequential amendments, if any) did not have any material impact on the Group's and the Company's financial statements

The Group and the Company have not adopted the following MFRSs 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 Group and the Company : -

MFRSs and IC Interpretations (including The Consequential Amendments)	Effective Date
MFRS 9 (2014) Financial Instruments	1 January 2018
MFRS 15 Revenue from Contracts with Customers and Amendments to MFRS 15 : Effective Date of MFRS 15	1 January 2018
Amendment to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	Deferred : To be advised
Amendment to MFRS 10, MFRS 12 and MFRS 128 Investment Entities : Applying the Consolidation Exception	1 January 2016
Amendment to MFRS 11 Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 101 : Disclosure Initiative	1 January 2016
Amendment to MFRS 116 and MFRS 138 : Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendment to MFRS 116 and MFRS 141 : Agriculture – Bearer Plants	1 January 2016
Amendment to MFRS 127 : Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRS's 2012-2014 Cycle	1 January 2016

A2. Changes in Accounting Policies (Cont'd)

MFRS 15 establishes a single comprehensive model for revenue recognition and will supersede the current recognition guidance and other related interpretations when it becomes effective. Under MFRS 15, an entity shall recognise revenue when (or as) a performance obligation is satisfied i.e. when "control" of goods or services underlying the particular performance obligation is transferred to the customers. In addition, extensive disclosures are required by MFRS 15. The Group / Company anticipates that the applications of MFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the financial statements. However, it is not practicable to provide a reasonable estimate of the financial impacts of MFRS 15 until the Group / Company performs a detailed review.

MFRS 9 (IFRS 9 issued by IASB in July 2014) replaces the existing guidance in MFRS 139 and introduces a revised guidance on the classification and measurement of financial instruments, including a single forward-looking "expected loss" impairment model for calculation impairment on financial assets, and a new approach to hedge accounting. Under this MFRS 9, the classification of financial assets is driven by cash flow characteristics and the business model in which a financial asset is held.

The amendments to MFRS 10, MFRS 12 and MFRS 128 (2011) clarify that the exemption from preparing consolidated financial statements is available to intermediate parent entity which is a subsidiary of an investment entity, even when the investment entity measures its subsidiaries at fair value. The intermediate parent entity would need to meet the other criteria for exception in MFRS 10.

The amendments to MFRS 116 and MFRS 138 prohibit revenue-based depreciation and/or amortisation because revenue does not, as a matter of principle, reflect the way in which an items of property, plant and equipment and/or intangible assets is used or consumed.

The amendments to MFRS 116 and MFRS 141 require biological assets that meet the definition of a bearer plant to be accounted for as property, plant and equipment in accordance with MFRS 116 instead of MFRS 141. But the produce growing on bearer plants continues to be accounted for in accordance with MFRS 141.

The amendments to MFRS 127 allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.

A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2015, was opinion as follows :

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2015 and of their financial performances and cash flow for the financial year then ended in accordance with Malaysia Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Company Act 1965 in Malaysia.

A4. Segmental Information

(a) Segment analysis for the financial period to date ended 31 March 2016 :

	Manufacturing & Trading	Construction Contract	Others	Elimination RM'000	Group RM'000
	RM'000	RM'000	RM'000		
Revenue					
External	2,011	8,716	-	-	10,727
Inter-segmental revenue	-	-	-	-	-
Total Revenue	2,011	8,716	-	-	10,727
Results					
Profit from operations	80	1,114	-	-	1,194
Interest expenses	(288)	-	-	-	(288)
(Loss) / Profit before tax	(208)	1,114	-	-	906
Taxation	-	-	-	-	-
(Loss) / Profit after tax	(208)	1,114	-	-	906
Non-controlling interest	-	-	-	-	-
(Loss) / Profit for the period	(208)	1,114	-	-	906
Other Information					
Segment assets	35,715	24,688	1,117	-	61,520
	35,715	24,688	1,117	-	61,520
Segment liabilities	19,664	9,356	1,319	-	30,339
	19,664	9,356	1,319	-	30,339

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A4. Segmental Information (Cont'd)

(b) Segment analysis for the financial period to date ended 31 March 2015 :

	Manufacturing & Trading	Construction Contract	Others	Elimination RM'000	Group RM'000
	RM'000	RM'000	RM'000		
Revenue					
External	2,400	2,041	-	-	4,441
Inter-segmental revenue	-	-	-	-	-
Total Revenue	2,400	2,041	-	-	4,441
Results					
Profit from operations	77	480	-	-	557
Interest expenses	(364)	-	-	-	(364)
(Loss) / Profit before tax	(287)	480	-	-	193
Taxation	-	-	-	-	-
(Loss) / Profit after tax	(287)	480	-	-	193
Non-controlling interest	-	-	-	-	-
(Loss) / Profit for the period	(287)	480	-	-	193
Other Information					
Segment assets	36,006	3,396	11,572	-	50,974
	36,006	3,396	11,572	-	50,974
Segment liabilities	25,525	4,179	976	-	30,680
	25,525	4,179	976	-	30,680

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A5. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flow that are unusual of their nature, size or incidence during the current quarter.

A6. Changes in estimates

There were no material changes in estimates used for the preparation of the interim financial report.

A7. Comments about Seasonal or Cyclical Factors

The Group's business are generally affected by the various festive seasons.

A8. Dividends Paid

There were no dividends paid during the current quarter ended 31 March 2016.

A9. Valuation of Property, Plant and Equipment

There was no fair value adjustment of property, plant and equipment during the quarter.

A10. Debt and Equity Securities

There were no other issuances, cancellation, repurchases, resales and repayment of debts and equity securities during the current period under review.

A11. Changes in Composition of the Group

There were no changes in the composition of the Group for the quarter under review.

A12. Capital Commitments

There were no outstanding capital commitments for the quarter under review.

A13. Changes in Contingent Liabilities and contingent assets

There was no changes in contingent liabilities or contingent assets since the last annual reporting period date up to the date of this report.

A14. Significant Events

(a) Practice Note 17 – Status of Plan to Regularise Condition

The regularisation plan had been completed on 31 October 2014. ML Global Berhad (“MGB”) made an application to Bursa Malaysia Securities Berhad (“Bursa Securities”) for the upliftment of the PN17 status of MGB upon the Company recording two (2) consecutive quarterly results of net profits immediately after the completion of the implementation of the Regularisation Plan.

On 9 December 2015, Hong Leong Investment Bank Berhad (“HLIBB”) on behalf of MGB has announced that Pursuant to Paragraph 5.2© of PN17 of the Listing Requirements, MLGB is required to record a net profit in two (2) consecutive quarterly results immediately after the completion of the implementation of its regularisation plan, namely the FPE 31 March 2015 and FPE 30 June 2015. Notwithstanding the above, it is to be noted that after the adjustments of one-off items from the net profits of the Group for the abovementioned financial quarters, the Group was not able to meet the requirements of the Paragraph 5.2© of PN17 of the Listing Requirements. As such, an application was submitted to Bursa Securities for the modification. Bursa Securities had on 9 December 2015, approved the medication and allowed for the Company to comply with Paragraph 5.2© of PN17 of the Listing Requirements based on the net profit for the 3-months FPE 30 September 2015 and FPE 31 December 2015, being the third and fourth financial quarter of the Company after the completion of the implementation of the Company’s regularisation plan.

On 10 March 2016, HLIBB on behalf of ML Global Berhad (“MGB”) has announced that the Company has regularised its financial condition and level of operations and no longer triggers any of the criteria under Paragraph 2.1 of Practice Note 17 (“PN17”) of the Main Market Listing Requirements. After due consideration of all facts and circumstances of the matter, Bursa Securities has decided to approve the Company’s application for an upliftment from being classified as a PN17 company. MGB will be uplifted from being classified as a PN17 company effective from 9.00 a.m., Friday 11 March 2016.

(b) Disposal of Property located at Mukim Rawang, District of Gombak, Selangor Darul Ehsan

On 17 February 2015, M&A Securities Sdn Bhd, on behalf of ML Global Berhad (“MGB”) had announced that on 17 February 2015, Vintage Tiles Industries Sdn Bhd (“VTISB”) had entered into a sale and purchase agreement (“SPA”) with Finston Sdn Bhd (Company No. 1020457-W) having its place of business at No. 32, Lorong Sungai Puloh 1A/KU6, Taman Teknologi Gemilang, Kawasan Perindustrian Sungai Puloh, 42100 Klang, Selangor Darul Ehsan for the proposed disposal of an industrial property known as Lot PT 6466 held under Title No. H.S (M) 17269, Mukim Rawang, District of Gombak, Selangor Darul Ehsan by VTISB of the Property for a total cash consideration of RM 17,050,000 only (“Disposal Consideration”).

An ordinary resolution on the proposed disposal of the property has been held and shareholder approval has been obtained and approved during an Extraordinary General Meeting (“EGM”) of MGB held on 27 May 2015.

On 3 November 2015, MGB had had announced that the Vendor and the Purchaser had on 2 November 2015 agreed to the extension of time until 16 November 2015 for the fulfilment of the Conditions Precedent stated in the Sales and Purchase Agreement dated 17 February 2015.

A14. Significant Events (Cont'd)

(b) Disposal of Property located at Mukim Rawang, District of Gombak, Selangor Darul Ehsan

On 25 November 2015, ML Global Berhad (“MGB”) had announced that the Vendor and the Purchaser had on 24 November 2015 mutually agreed to the further extension of time until 16 February 2016 for the fulfilment of the Conditions Precedent stated in the Sales and Purchase Agreement dated 17 February 2015.

On 23 February 2016, MGB had announced that the bank’s solicitor had submitted the original title to the Gombak Land Office for the endorsement of title into the category of the use as “Industries” on 22 February 2016. Due to the status of the conversion of category of land title is still pending endorsement from the relevant authority, the Vendor and the Purchaser have mutually agreed to the further extension of time for another one (1) month from 22 February 2016 or upon receive of the endorsement of title from the land office, whichever is earlier, for the fulfilment of the Conditions Precedent stated in the Sales and Purchase Agreement dated 17 February 2015.

On 1 April 2016, MGB had announced that the Company’s solicitor has vide its letter dated 31 March 2016 informed the Company that the conversion of category of land title has been endorsed by the Land Office as “Light Industrial”. As such, the Conditions Precedent stated in the Sale and Purchase Agreement dated 17 February 2015 (“SPA”) has been fulfilled (“Unconditional Date”). Further to that, the Completion Date for the SPA shall be three (3) months from the Unconditional Date, i.e. by 30 June 2016 and the Extended Completion Date shall be two (2) months from the Completion Date, i.e. by 31 August 2016.

(c) Take Overs & Mergers (Paragraph / Rule 9.19 (47A)

On 11 April 2016, ML Global Berhad (“MGB”) had announced that the Company has on event date received a notice of unconditional take-over offer (“Notice”) from AmInvestment Bank Berhad (“AmInvestment Bank”) on behalf of the Offeror to acquire:

(i) All the remaining ordinary shares of RM 0.50 each in MGB (“ MLGB Shares”) not already owned by the Offeror and such number of MGB Shares that may be issued pursuant to the exercise of any outstanding warrants 2014/2019 in MGB (“MGB Warrants”)(“Offer Shares”) for a cash offer price of RM 0.56 per Offer Share; and

(ii) All the remaining MGB Warrants constituted by the deed poll dated 22 July 2014 not Already owned by the Offeror (“Offer Warrants”) for a cash price of RM 0.06 per Offer Warrant(“Offer”).

The MGB will convene a meeting within 24 hours to deliberate on whether the Board will be seeking another person to make a take-over offer for its voting shares and voting rights.

On 11 April 2016, MGB had announced that the Company does not intend to seek an alternative person to make a take-over offer for the Offer Shares and Offer Warrants.

On 13 April 2016, MGB had announced that in accordance with the Malaysia Code on Take-Over and Mergers 2010, the Company has appointed MainStreet Advisers Sdn Bhd to advise the non-interested directors and holders of the Offer Shares and Offer Warrants in relation to the Offer.

On 3 May 2016, MGB had announced that MGB has received a press notice from AmInvestment Bank on behalf of the Offeror, informing that the offer document dated 3 May 2016 which set out details of the Offer together with the Forms of Acceptance and Transfer have been despatched to the shareholders and warrant holders of MGB on even date (“Press Notice”).

A14. Significant Events (Cont'd)

(c) Take Overs & Mergers (Paragraph / Rule 9.19 (47A))

On 24 May 2016, MGB had announced that MGB has received a press notice from AmlInvestment Bank on behalf of the Offeror, informing that the offer has closed at 5.00 p.m (Malaysia time) today, 24 May 2016 ("Closing Date").

A15. Contingent Liabilities

	As at 31 March 2016 RM'000	As at 31 March 2015 RM'000
Corporate guarantees given to banks for credit facilities granted to subsidiaries	<u>18,440</u>	<u>21,012</u>
Corporate guarantees issued to third parties in respect of trade facilities granted to subsidiaries	<u>1,000</u>	<u>1,000</u>

A16. Significant Related Party Transactions

The related party transactions for the current period were as follows: -

	Current Quarter 31 March 2016 RM'000
Income	
Contract revenue	8,716

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ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

B1. Review of performance

Revenue	Current Year Quarter 31 March 2016	Corresponding Quarter 31 March 2015	Increase / (Decrease)	Percentage Increase / (Decrease)
	RM' Million	RM' Million	RM' Million	%
Roof Tiles	2.01	2.40	(0.39)	(16.25)
Construction Projects	8.72	2.04	6.68	327.45
Total	10.73	4.44	6.29	141.54

For the period ended 31 March 2016, the Group's revenue had increased by 141.54% to RM 10.73 million as compared to RM 4.44 million in corresponding period 2015. This increase in revenue was due to the increase revenue generated from construction projects by RM 6.68 million or 327.45% from RM 2.04 to RM 8.72. However, there was a decreased in roofing tiles sales by RM 0.39 million or 16.25% from RM 2.40 million to RM 2.01 million. The decrease was due to the decrease sales volume for the Group's Hacienda and Modern Slate roof tiles by 27.50% and 56.34% respectively despite there was an increase in Mineral Zen sales volume by 38.06%.

	Current Year Quarter 31 March 2016	Corresponding Quarter 31 March 2015	Increase / (Decrease)	Percentage Increase / (Decrease)
	RM' Million	RM' Million	RM' Million	%
Gross Profit	1.76	0.89	0.87	97.52
Loss Before Tax - Roof Tiles	(0.20)	(0.29)	0.09	31.03
Profit Before Tax - Construction Projects	1.11	0.48	0.63	131.25
Profit Before Tax - Group	0.91	0.19	0.72	141.54

For the period ended 31 March 2016, the Group has generated a profit before tax of RM 0.91 million as compared to a profit before tax of RM 0.19 million for the same period of last year. The increase was mainly due to the gross profit for period under review increase by RM 0.87 or 97.75% from RM 0.89 million to RM 1.76 million. The significant increase in Group's Gross Profit was due to profit generated from the construction projects by 131.25% or RM 0.63 million from RM 0.48 million to RM 1.11 with a marginal increase in profit generated from roof tiles division despite there was an increase in administrative expense of RM 0.29 million as a results of the reversal of over accrued legal fee of RM 0.25 million and other expense of RM 0.04 million. However, the increase in administrative expense was mitigated by the increase in Other Income amounted to RM 0.52 million and reduction in finance cost by RM 0.76 million.

B2. Variation of results against preceding quarter

	Current Quarter Ended 31 March 2016 RM'000	Preceding Quarter Ended 31 December 2015 RM'000	Variance RM'000
Revenue	<u>10,727</u>	<u>16,317</u>	<u>(5,590)</u>
Profit before taxation	<u>906</u>	<u>4,311</u>	<u>(3,405)</u>

For the quarter under review, the revenue of the Group had decreased by 34.26% as compared to the preceding quarter ended 31 December 2016. This was due to the decrease revenue generated from the construction project by RM 5.23 million or 37.49% from RM 13.95 million to RM 8.72 million and also the decrease revenue from roof tiles sales by RM 0.36 million or 15.19% from RM 2.37 million to RM 2.01 million. The Company registered a profit before tax amounted to RM 0.91 million as compared to profit before tax of RM 4.31 million in the preceding quarter ended 31 December 2015. The decrease mainly due to the decreased in gross profits generated from the construction projects by RM 3.04 million or from RM 4.66 million to RM 1.62 million and also decrease in gross profit generated from the roof tiles sales by RM 0.26 million from gross profit of RM 0.05 million to gross loss of RM 0.21 million. The decrease also due to decrease in other income by RM 0.44 million or 80.29% due to the income from the disposal of property Tuaran Land and waiver of loan interest.

B3. Prospects

The Group's products are expected to remain competitive in the present operating environment. Moving forward, the Board expects the Group to achieve a satisfactory performance for the next quarters.

B4. Profit forecast

No Profit forecast was issued to the public during the period under review.

B5. Taxation

No provision of taxation was provided for the current quarter.

B6. Unquoted investments and properties

The Group did not deal in any unquoted investments and properties.

B7. Quoted investments

The Group did not deal in any quoted investments.

B8. Status of Corporate Proposals and utilisation of proceeds

(a) Status of corporate proposals

Disposal of Property located at Mukim Rawang, District of Gombak, Selangor Darul Ehsan

There were no corporate proposals issued as at the date of this report except the following property held for sales: -

On 17 February 2015, M&A Securities Sdn Bhd, on behalf of ML Global Berhad had announced that on 17 February 2015, Vintage Tiles Industries Sdn Bhd ("VTISB") had entered into a sale and purchase agreement ("SPA") with Finston Sdn Bhd (Company No. 1020457-W) having its place of business at No. 32, Lorong Sungai Puloh 1A/KU6, Taman Teknologi Gemilang, Kawasan Perindustrian Sungai Puloh, 42100 Klang, Selangor Darul Ehsan for the proposed disposal of an industrial property known as Lot PT 6466 held under Title No. H.S (M) 17269, Mukim Rawang, District of Gombak, Selangor Darul Ehsan by VTISB of the Property for a total cash consideration of RM 17,050,000 only ("Disposal Consideration").

An ordinary resolution on the proposed disposal of the property has been held and shareholder approval has been obtained and approved during an Extraordinary General Meeting ("EGM") of ML Global Berhad held on 27 May 2015.

On 3 November 2015, ML Global Berhad had announced that the Vendor and the Purchaser had on 2 November 2015 agreed to the extension of time until 16 November 2015 for the fulfilment of the Conditions Precedent stated in the Sales and Purchase Agreement dated 17 February 2015.

On 25 November 2015, ML Global Berhad had announced that the Vendor and the Purchaser had on 24 November 2015 mutually agreed to the further extension of time until 16 February 2016 for the fulfilment of the Conditions Precedent stated in the Sales and Purchase Agreement dated 17 February 2015.

On 23 February 2016, ML Global Berhad had announced that the bank's solicitor had submitted the original title to the Gombak Land Office for the endorsement of title into the category of the use as "Industries": on 22 February 2016. Due to the status of the conversion of category of land title is still pending endorsement from the relevant authority, the Vendor and the Purchaser have mutually agreed to the further extension of time for another one (1) month from 22 February 2016 or upon receive of the endorsement of title from the land office, whichever is earlier, for the fulfilment of the Conditions Precedent stated in the Sales and Purchase Agreement dated 17 February 2015.

On 1 April 2016, MLGB had announced that the Company's solicitor has vide its letter dated 31 March 2016 informed the Company that the conversion of category of land title has been endorsed by the Land Office as "Light Industrial". As such, the Conditions Precedent stated in the Sale and Purchase Agreement dated 17 February 2015 ("SPA") has been fulfilled ("Unconditional Date"). Further to that, the Completion Date for the SPA shall be three (3) months from the Unconditional Date, i.e. by 30 June 2016 and the Extended Completion Date shall be two (2) months from the Completion Date, i.e. by 31 August 2016.

B8. Status of Corporate Proposals and utilisation of proceeds (Cont'd)

(b) Status of utilisation of proceeds

The gross proceeds arising from the Private Placement, Rights Issue with Warrants and Agreements to Assign Debts amounting to RM 21.612 million are expected to be utilised in the following manner:-

	Amount RM'000	Expected timeframe for utilisation
Proceeds from Private Placement	4,000	
Proceeds from Rights Issue with Warrants	12,748	
Proceeds from Agreements to Assigned Debts (Note 2)	4,864	
Total	<u>21,612</u>	
Proposed Utilisation :		
1) Working capital for construction activities and / or the existing roofing tiles operations	19,662	Within 12 months
2) Estimated expenses (Note 1)	1,950	Within 1 month
Total	<u>21,612</u>	

As at 31 March 2016, all proceeds had been received from the Private Placement, Rights Issue with Warrants and Assigned Debts amounted to RM 21.612 million and was utilised in the following manner :-

Purpose	Intended Timeframe for Utilisation	Proposed utilisation	Actual utilisation	Transfer of unutilised amount	Balance Unutilised
		RM'000	RM'000	RM'000	RM'000
1) Working capital for construction activities and or/the existing roofing tiles operations (Note 3)	Within 12 months	19,662	17,012	658	3,308
2) Estimated Expenses (Note 4)	Within 1 month	1,950	1,292	(658)	-
Total		21,612	18,304	-	3,308

Notes:

(1) expenses relating to the Regularisation Plan including professional fees, brokerage and placement fees, fees payable to the relevant authorities, printing, postage and other miscellaneous cost relating to the Regularisation Plan. Any variation surplus or shortfall will be adjusted to or from the portion allocated for working capital for construction activities and/or the existing roofing tiles operations

(2) The remaining Proceeds from Agreements to Assigned Debts amounting to RM 4,365,080 had been received on 23th February 2016.

(3) The balance unutilised proceeds will be utilised as working capital for existing roofing tiles operations activities and construction projects which the commencement of the projects has been delayed due to the change in building design and environmental statutory obligations.

B9. Borrowings and debt securities

The total borrowings of the Group as at 31 March 2016 comprised of the followings:

	31 March 2016
	RM'000
Secured bank borrowings:	
Term loans	13,976
Bank overdrafts	744
Hire purchase	-
Total Bank Borrowing	14,720
Short Term	
Term loans	-
Bank overdrafts	744
Hire purchase	-
Total Short Term	744
Long Term	
Term loans	13,976
Total Long Term	13,976

B10. Off balance sheet financial instruments

There were no material instruments with off balance sheet risk issued as at the date of this report.

B11. Material litigation, claims or arbitration

As date of this report, there is no litigation, claims or arbitration, which has a material effect on the financial position of the Group, and the Board is not aware of any proceedings pending or threatened or of any fact likely to give rise to any proceedings.

B12. Realised and Unrealised Profits

	Current	Previous
	Period Ended	Year Ended
	31 March	31 December
	2016	2015
	RM'000	RM'000
Total accumulated losses of the Group		
- Realised	(14,811)	(15,7117)
- Unrealised	(1,500)	(1,500)
	(16,311)	(17,217)

B13. Dividends

No dividend was proposed in respect of the current quarter under review.

B14. Basic earnings per share

Earnings per share is calculated by dividing the net profit for the period by weighted average number of shares in issue during the period.

	Current Quarter 31 March 2016	Preceding Year Quarter 31 March 2015	Current Year To Date 31 March 2016	Preceding Year Year To Date 31 March 2015
Total comprehensive profit attributable to equity holders of the parent (RM'000)	<u>906</u>	<u>193</u>	<u>906</u>	<u>193</u>
Weighted average no of ordinary shares in issue ('000)	<u>89,634</u>	<u>89,634</u>	<u>89,634</u>	<u>89,634</u>
Basic earnings per share (sen) *	<u>1.01</u>	<u>0.22</u>	<u>1.01</u>	<u>0.22</u>
Weighted average no of Warrants in issue ('000)	<u>26,749</u>	<u>26,749</u>	<u>26,749</u>	<u>26,749</u>
Diluted earnings per share (sen) *	<u>0.78</u>	<u>0.17</u>	<u>0.78</u>	<u>0.17</u>

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B15. Notes to the Statement of Comprehensive Income

	Current Quarter 31 March 2016 RM'000	Preceding Year Quarter 31 March 2015 RM'000	Current Period Ended 31 March 2016 RM'000	Preceding Period Ended 31 March 2015 RM'000
Dividend Income	(15)	(56)	(15)	(56)
Interest Expenses	288	364	288	364
Depreciation and amortization	196	246	196	246
Bad debts written off	7	-	7	-
Bad Debts recovery	(3)	-	(3)	-
Waiver of Debts	(53)	-	(53)	-

Other than above, there were no impairment of assets, gain or loss on disposal of quoted or unquoted investments, gain or loss on derivatives and exceptional items for the quarter under review

B16. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors on 27 May 2016.

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