

Condensed Consolidated Statements of Comprehensive Income for the fourth quarter ended 30 November, 2015

	2015 CURRENT QUARTER ENDED 30 NOVEMBER RM'000	2014 CURRENT QUARTER ENDED 30 NOVEMBER RM'000	2015 12 MONTH CUMULATIVE TO DATE RM'000	<u>Audited result</u> 2014 12 MONTH CUMULATIVE TO DATE RM'000
Revenue	108,152	105,384	426,653	412,456
Operating expenses	(99,243)	(96,868)	(384,256)	(376,130)
Interest income	131	61	363	271
Other income	1,452	280	3,096	1,590
Operating profit	10,492	8,857	45,856	38,187
Depreciation and amortization	(2,889)	(2,406)	(10,508)	(9,519)
Finance costs	(292)	(590)	(1,826)	(1,957)
Profit before tax	7,311	5,861	33,522	26,711
Income tax expense	(1,630)	(1,494)	(6,574)	(6,801)
Profit net of tax	5,681	4,367	26,948	19,910
Other comprehensive income:				
Foreign currency translation	1,227	1,048	5,377	342
Total comprehensive income	6,908	5,415	32,325	20,252
Profit attributable to:				
Owners of the parent	4,297	3,432	21,054	15,388
Non-controlling interest	1,384	935	5,894	4,522
	5,681	4,367	26,948	19,910
Total comprehensive income attributable to:				
Owners of the parent	5,190	4,440	26,152	15,716
Non-controlling interest	1,718	975	6,173	4,536
	6,908	5,415	32,325	20,252
Earnings per share:				
(a) Basic (based on 76,146,121 ordinary shares) (sen)	5.64	4.96	27.65	22.23
(b) Fully diluted (based on 76,146,121 ordinary shares) (sen)	5.64	4.96	27.65	22.23

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 November 2014)

AJIYA BERHAD (company no. 377627-W)
(Incorporated in Malaysia)

Condensed Consolidated Statement of Financial Position as at 30 November 2015

	AS AT 30 November 2015 <u>RM'000</u>	<u>Audited result</u> AS AT 30 November 2014 <u>RM'000</u>
ASSETS		
Non-current assets		
Property, plant and equipment	189,004	182,338
Investment properties	20,917	4,447
Land use rights	3,503	3,598
Other investments	205	4,779
	<u>213,629</u>	<u>195,162</u>
Current assets		
Inventories	80,956	77,836
Trade and other receivables	119,732	125,297
Cash and bank balances	59,009	28,228
	<u>259,697</u>	<u>231,361</u>
TOTAL ASSETS	<u>473,326</u>	<u>426,523</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the company		
Share capital	76,146	69,224
Reserves	227,287	190,401
Foreign currency translation reserve	5,393	(946)
	<u>308,826</u>	<u>258,679</u>
Non-controlling interest	67,993	61,820
Total equity	<u>376,819</u>	<u>320,499</u>
Non-current liabilities		
Loans and borrowings	17,826	17,715
Deferred tax liabilities	11,113	10,945
	<u>28,939</u>	<u>28,660</u>
Current liabilities		
Trade and other payables	53,959	55,946
Short term loans and borrowings	12,173	20,823
Tax payable	1,436	595
	<u>67,568</u>	<u>77,364</u>
Total liabilities	<u>96,507</u>	<u>106,024</u>
TOTAL EQUITY AND LIABILITIES	<u>473,326</u>	<u>426,523</u>
Net assets per share (RM)	4.06	3.74

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 November 2014)

AJIYA BERHAD (company no. 377627-W)
(Incorporated in Malaysia)

Condensed Consolidated Statement of Cash Flows for the fourth quarter ended 30 November 2015

	2015 CURRENT QUARTER ENDED 30 November 2015 RM'000	2014 (audited) COMPARATIVE QUARTER ENDED 30 November 2014 RM'000
Profit before tax	33,522	26,712
Adjustment for non-cash flow:-		
Non-cash items	13,657	10,253
Non-operating items (which are investing/financing)	1,463	1,686
Operating profit before changes in working capital	<u>48,642</u>	<u>38,651</u>
Changes in working capital		
Net change in current assets	(704)	(14,964)
Net change in current liabilities	(1,987)	5,023
Tax paid	(5,565)	(7,491)
Net cash flows from operating activities	<u>40,386</u>	<u>21,219</u>
Investing Activities		
- Equity investments	-	-
- Other investments	4,574	2,515
- Property, plant & equipment	(26,932)	(25,651)
- Interest received	363	271
Net cash flows used in investing activities	<u>(21,995)</u>	<u>(22,865)</u>
Financing Activities		
- Bank borrowings	(8,539)	3,206
- Dividend paid	(3,316)	(2,076)
- Interest paid	(1,826)	(1,957)
- Proceeds from issuance of shares	26,071	-
Net cash flows from/(used in) financing activities	<u>12,390</u>	<u>(827)</u>
Net change in Cash and cash equivalents	30,781	(2,473)
Cash and cash equivalents at beginning of year	28,228	30,701
Cash and cash equivalents as at 4th quarter	<u>59,009</u>	<u>28,228</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 30 November 2014)

AJIYA BERHAD (company no. 377627-W)
(Incorporated in Malaysia)

Condensed Consolidated Statement of Changes in Equity for the fourth quarter ended 30 November 2015

	Share Capital RM	Share premium RM	Foreign currency Translation Reserve RM	Other Reserve RM	Retained earnings RM	Total RM	Non-controlling Interest RM	Total Equity RM
Balance as at 01 December 2014	69,224	3,583	(946)	729	186,089	258,679	61,820	320,499
Total comprehensive income	-	-	6,339	-	19,813	26,152	6,173	32,325
Private Placement	6,922	19,149	-	-	-	26,071	-	26,071
Transactions with owners								
Dividend paid					(2,076)	(2,076)		(2,076)
Balance as at 30 November 2015	76,146	22,732	5,393	729	203,826	308,826	67,993	376,819
Balance as at 01 December 2013	69,224	3,583	(1,274)	729	172,777	245,039	57,284	302,323
Total comprehensive income	-	-	328	-	15,388	15,716	4,536	20,252
Transactions with owners								
Dividend paid					(2,076)	(2,076)	-	(2,076)
Balance as at 30 November 2014	69,224	3,583	(946)	729	186,089	258,679	61,820	320,499

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 November 2014)

1. Basis of Preparation

The Interim financial statements are unaudited and have been prepared in compliance with Malaysian Financial Reporting Standards (MFRS) 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad and should be read in conjunction with the financial statements of the Group for the year ended 30 November 2014.

2. Changes in Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the audited financial statements for the year ended 30 November 2014, except for the adoption of the following amendments to MFRSs and IC Interpretation which are effective for the financial period beginning on and after 1 January 2014:-

<u>Amendments to MFRS and IC Interpretations</u>	<u>Effective for annual periods beginning on or after</u>
• Amendments to MFRS 10, MFRS 12 and: MFRS 127: Investment Entities	1 January 2014
• Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
• Amendments to MFRS 136: Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
• Amendments to MFRS 139: Novation of Derivatives And Continuation of Hedge Accounting	1 January 2014
• IC Interpretation 21 Levies	1 January 2014

Standards and Interpretations issued but not yet effective:

<u>MFRS</u>	<u>Effective for annual periods beginning on or after</u>
• Amendments to MFRS 119: Defined Benefit Plans: Employee Contributions	1 July 2014
• Annual Improvements to MFRSs 2010-2012 Cycle	1 July 2014
• Annual Improvements to MFRSs 2011-2013 Cycle	1 July 2014
• Annual Improvements to MFRSs 2012-2014 Cycle	1 July 2014
• Amendments to MFRS 11 Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
• Amendments to MFRS 116 and MFRS 138 Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
• Amendments to MFRS 116 and 141 Agriculture: Bearer Plants	1 January 2016
• MFRS 14 Regulatory Deferral Accounts	1 January 2016

- Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associates or Joint Venture 1 January 2016
- Amendments to MFRS 127 Equity Method in Separate Financial Statements 1 January 2016
- MFRS 15 Revenue from Contracts with Customers 1 January 2017
- MFRS 9 Financial Instruments (IFRS 9 as issued by IASB in July 2014) 1 January 2018

The adoption of the above standards and interpretations are expected to have no material impact on the interim financial statements of the Group and the Company in the period of initial application.

3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements of the Group for year ended 30 November 2014 were not qualified.

4. Seasonality or cyclical Factors

The Group's operations were not materially affected by any seasonal or cyclical factors.

5. Unusual items due to their Nature, Size or Incidence

There were no items affecting assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence.

6. Material Changes in Estimates

There were no material changes in estimates used in the preparation of the financial statements in the current financial period as compared with the previous financial period or previous year.

7. Issuance, cancellation, repurchases, resale and repayments of debts and equity securities

There were no issuance, cancellation, repurchases, resale and repayments of debts and equity securities for the current financial year to date.

8. Dividend paid

There was no dividend paid during the current financial quarter.

9. Segmental Reporting

a) Operating segment

The Group is principally involved in the manufacture and supply of materials used in the construction and building based industries. Hence no operating segment information is provided.

b) Geographical segment

	Current Quarter 30.11.2015	Year to date 30.11.2015
<u>Revenue</u>	<u>RM'000</u>	<u>RM'000</u>
- Local plant	99,451	398,953
- Overseas plant	8,701	27,700
	<u>108,152</u>	<u>426,653</u>

10. Material Events Subsequent to the End of Period

There were no material events subsequent to the period ended 30.11.2015.

11. Changes in Composition of the Group

There were no changes in the composition of the Group during the financial quarter.

12. Capital Commitments

Authorised capital commitments not provided for in the interim financial statements as at 30.11.2015:

Approved and contracted for plant and equipment RM621,000.00.

13. Changes in Contingent Liabilities or Contingent Assets

There were no contingent liabilities/assets in respect of the Group since the last annual balance sheet date.

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

14. Review of Performance

For the quarter under review, the Group achieved a turnover of RM108.152 million, which is 2% higher compared to preceding year corresponding quarter of RM105.384 million.

The increase was mainly due to the increase in demand for the Group's products.

15. Material changes in profit before taxation for the quarter against the immediate preceding quarter

The Group recorded a profit before tax of RM7.311 million for the current quarter compared to immediate preceding quarter of RM9.213 million. The decrease was mainly due to the provision for bad and doubtful debts during the quarter..

As compare to preceding year corresponding quarter of RM5.861 million, the increase was mainly due to the increase in profit margin of certain products.

16. Commentary on Prospects

The government's ETP, Economic Corridors, Green Building Tools will continue to be the main factors in generating demands for the building materials sector, which will contribute positively to the Group's turnover. The Group will continue to expand its market in Malaysia and Thailand to sustain its performance.

17. Profit Forecast

Not applicable as the Company did not provide any profit forecast in public documents.

18. Profit before tax

Profit for the period is arrived after charging/(crediting):

	Current Quarter 30.11.2015 <u>RM'000</u>	Year to date 30.11.2015 <u>RM'000</u>
Interest income	(131)	(363)
Other income including investment income	(1,452)	(3,096)
Interest expense	292	1,826
Depreciation and amortization	2,889	10,508
Foreign exchange gain	(890)	(1,395)

19. Taxation

The Taxation of the Group for the financial period under review is as follows:-

	Current Quarter Ended 30-11-2015 (RM'000)	Current Year To date 30-11-2015 (RM'000)
Current Tax	1,498	6,767
Over provision in prior year	(318)	(589)
Deferred Tax	450	396
Total	<u>1,630</u>	<u>6,574</u>
Effective tax rate	22%	19%
Statutory tax rate	25%	25%
Variance	3%	6%

20. Status of Corporate Proposals Announced

Save as disclosed below, there were no corporate proposals announced but not completed as at to date.

a) Corporate Proposal

On 26 October 2015, the Company has announced to the Bursa Malaysia on the Proposed Private Placement of up to 6,922,300 new ordinary shares of RM1.00 each in Ajiya, representing approximately 10% of the total issued and paid-up share capital of the Company.

The Private Placement is completed following the listing of and quotation for 6,922,300 placement Shares on the Main Market of Bursa Malaysia on 30 November 2015.

b) Utilisation of Proceeds

The gross proceeds received from the Private Placement was RM29.073 million. The proposed utilisation are as follows:

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended timeframe for utilization	Amount Unutilised RM'000	Explanation
Extension of existing Factory	2,500	-	within twelve(12) months	2,500	
Acquisition of Plant & machineries and factory facilities	4,500	-	within twelve(12) months	4,500	
Working Capital	21,443	2,437	within twelve(12) months	19,006	(i)
Estimated expenses in Relation to the Private Placement	630	630	within one (1) month	-	(i)
Total proceeds	29,073	3,067		26,006	

Notes:

- i. In view that the actual expenses in relation to Private Placement was higher than the estimated, the deficit was funded out of working capital.

21. Borrowing and Debt Securities as at quarter ended 30-11-2015:-

	<u>Unsecured (RM)</u>	<u>Secured(RM)</u>	<u>Total (RM)</u>
Long term borrowing:	-	17,826,000	17,826,000
Short term borrowing:	5,040,000	7,133,000	12,173,000

22. Realised and Unrealised Profits

The breakdown of the retained profits of the Group into realized and unrealized profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 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 at 30-11-2015 <u>RM</u>	As at 30-11-2014 <u>RM</u>
Total retained profits		
-Realised	304,827,606	277,322,344
-Unrealised	<u>(10,385,693)</u>	<u>(10,217,812)</u>
	294,441,913	267,104,532
Less: Consolidation adjustments	<u>(90,616,634)</u>	<u>(81,016,237)</u>
Retained profits as per financial statements	<u>203,825,279</u>	<u>186,088,295</u>

23. Changes In Material Litigation

The Group is not involved in any material litigation as at the date of this report.

24. Dividend

No dividend payment is recommended for the quarter ended 30.11.2015.

25. Earning per share

The basic earnings per share of 5.64 sen for the current quarter is calculated by dividing the Group's profit attributable to ordinary equity holders of the parent of RM4,297,000 by the number of 76,146,121 ordinary shares in issue.

By order of the Board
Chong Wui Koon (secretary)
Date : 20-01-2016