

**ECO WORLD DEVELOPMENT GROUP BERHAD**  
**(Company No: 17777-V)**  
**(Incorporated in Malaysia)**

**Interim Financial Report**  
**31 January 2016**

**ECO WORLD DEVELOPMENT GROUP BERHAD**

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**Interim Financial Report - 31 January 2016**

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**ECO WORLD DEVELOPMENT GROUP BERHAD**  
(Company No: 17777-V)  
(Incorporated in Malaysia)

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 31 JANUARY 2016**

*(The figures have not been audited)*

	<b>3 MONTHS ENDED</b>	
	<b>31 JANUARY 2016</b>	<b>31 JANUARY 2015</b>
	<b>RM'000</b>	<b>RM'000</b>
Revenue	463,511	158,027
Cost of sales	(353,799)	(118,620)
<b>Gross profit</b>	<u>109,712</u>	<u>39,407</u>
Other items of income	5,460	1,532
Selling and marketing expenses	(31,794)	(19,487)
Administrative expenses	(47,148)	(12,264)
Finance costs	(3,141)	(3,551)
Share of results of a joint venture	(1,926)	-
<b>Profit before tax</b>	<u>31,163</u>	<u>5,637</u>
Income taxation expense	(10,492)	(2,674)
Profit net of tax	<u>20,671</u>	<u>2,963</u>
<b>Other comprehensive loss</b>		
<i>Other comprehensive loss to be reclassified</i>		
<i>to profit or loss in subsequent periods (net of tax):</i>		
Exchange differences on translation of foreign operations	(423)	(103)
<b>Total comprehensive income for the period</b>	<u>20,248</u>	<u>2,860</u>
<b>Profit net of tax attributable to:</b>		
Owners of the Company	20,671	3,059
Non-controlling interests	-	(96)
	<u>20,671</u>	<u>2,963</u>
<b>Total comprehensive income attributable to:</b>		
Owners of the Company	20,248	2,956
Non-controlling interests	-	(96)
	<u>20,248</u>	<u>2,860</u>
<b>Earnings per share attributable to owners of the Company:</b>		
Basic earnings per share (sen)	<u>0.87</u>	<u>0.60</u>
Diluted earnings per share (sen)	<u>*</u>	<u>N/A</u>

\* *Anti-dilutive*

(The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 31 October 2015 and the accompanying explanatory notes.)

**ECO WORLD DEVELOPMENT GROUP BERHAD**

(Company No: 17777-V)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 JANUARY 2016**

*(The figures have not been audited)*

	<b>As At 31 JANUARY 2016 RM'000</b>	<b>As At 31 OCTOBER 2015 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	180,244	176,433
Investment properties	17,686	17,288
Land held for property development	3,898,767	3,708,541
Other receivables	144,267	12,900
Deferred tax assets	49,444	35,488
	<u>4,290,408</u>	<u>3,950,650</u>
<b>Current assets</b>		
Property development costs	1,905,749	1,693,135
Gross amount due from customer	473	1,054
Inventories	25,113	25,410
Trade and other receivables	746,490	734,777
Current tax assets	19,732	14,601
Deposits	57,975	256,602
Cash and bank balances	240,972	260,574
	<u>2,996,504</u>	<u>2,986,153</u>
<b>TOTAL ASSETS</b>	<u>7,286,912</u>	<u>6,936,803</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	1,182,132	1,182,132
Share premium	1,662,972	1,662,972
Warrants reserve	194,395	194,395
Foreign currency translation reserve	569	992
Retained earnings	137,055	116,384
<b>Total equity</b>	<u>3,177,123</u>	<u>3,156,875</u>
<b>Non-current liabilities</b>		
Other payables	437,389	485,535
Long term borrowings	1,191,485	1,264,305
Deferred tax liabilities	46,679	48,865
	<u>1,675,553</u>	<u>1,798,705</u>
<b>Current liabilities</b>		
Trade and other payables	1,864,526	1,533,229
Short term borrowings	554,405	436,040
Current tax liabilities	15,305	11,954
	<u>2,434,236</u>	<u>1,981,223</u>
<b>Total liabilities</b>	<u>4,109,789</u>	<u>3,779,928</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>7,286,912</u>	<u>6,936,803</u>
<b>Net Assets Per Share (RM)</b>	<u>1.34</u>	<u>1.34</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 October 2015 and the accompanying explanatory notes.)

**ECO WORLD DEVELOPMENT GROUP BERHAD**  
**(Company No: 17777-V)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 JANUARY 2016**

*(The figures have not been audited)*

	← Attributable to Equity Holders of the Company →					Total	Non-controlling interests	Total Equity
	← Non-Distributable →			Foreign currency translation reserve	Retained earnings			
	Share capital	Share premium	Warrants reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 November 2015</b>	1,182,132	1,662,972	194,395	992	116,384	3,156,875	-	3,156,875
Profit for the period	-	-	-	-	20,671	20,671	-	20,671
Other comprehensive loss	-	-	-	(423)	-	(423)	-	(423)
<b>At 31 January 2016</b>	<b>1,182,132</b>	<b>1,662,972</b>	<b>194,395</b>	<b>569</b>	<b>137,055</b>	<b>3,177,123</b>	<b>-</b>	<b>3,177,123</b>
<b>At 1 November 2014</b>	253,317	22	-	(6)	72,531	325,864	(3)	325,861
Profit for the period	-	-	-	-	3,059	3,059	(96)	2,963
Other comprehensive loss	-	-	-	(103)	-	(103)	-	(103)
<b>At 31 January 2015</b>	<b>253,317</b>	<b>22</b>	<b>-</b>	<b>(109)</b>	<b>75,590</b>	<b>328,820</b>	<b>(99)</b>	<b>328,721</b>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 October 2015 and the accompanying explanatory notes.)

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

AS AT 31 JANUARY 2016

*(The figures have not been audited)*

	3 MONTHS ENDED	
	31 JANUARY 2016 RM'000	31 JANUARY 2015 RM'000
<b>Operating activities</b>		
Profit before tax	31,163	5,637
Adjustments for :		
Non-cash items	8,762	923
Non-operating items	(1,095)	1,597
Operating cash flows before changes in working capital	38,830	8,157
Changes in property development expenditure	(47,039)	13,174
Changes in gross amount due from customers	581	(1,242)
Changes in inventories	297	6,193
Changes in receivables	(34,905)	(79,826)
Changes in payables	8,065	96,618
Cash flows generated from operations	(34,171)	43,074
Interest received	1,194	704
Interest paid	(22,393)	(9,768)
Rental received	43	-
Net income taxes paid	(28,414)	(2,927)
<b>Net cash flows (used in)/ from operating activities</b>	<b>(83,741)</b>	<b>31,083</b>
<b>Investing activities</b>		
Additions to land held for property development	(139,338)	(31,134)
Purchase of property, plant and equipment and investment properties	(11,195)	(9,325)
Proceeds from disposal of property, plant and equipment	10	-
Development expenditure paid	(874)	-
Acquisition of subsidiary companies, net of cash acquired	-	8,975
Acquisition of Development Rights	-	186,661
Advances to a joint venture	(128,796)	-
Other investments	(22,648)	(77,621)
<b>Net cash flows (used in)/ from investing activities</b>	<b>(302,841)</b>	<b>77,556</b>
<b>Financing activities</b>		
Drawdown of bank borrowings	175,686	395,251
Advances from a shareholder/ director	100,000	-
Repayment of bank borrowings	(130,263)	(21,552)
<b>Net cash flows from financing activities</b>	<b>145,423</b>	<b>373,699</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>(241,159)</b>	<b>482,338</b>
<b>Effect of exchange rate changes</b>	<b>(63)</b>	<b>13</b>
<b>Cash and cash equivalents at 1 November 2015 / 2014</b>	<b>443,469</b>	<b>43,423</b>
<b>Cash and cash equivalents at 31 January 2016 / 2015</b>	<b>202,247</b>	<b>525,774</b>
<b>Cash and cash equivalents comprise the following:</b>		
Deposits	57,975	383,025
Cash and bank balances	240,972	220,823
	298,947	603,848
Less: Deposit pledged, Sinking Fund, Debt Service Reserve and Escrow Accounts	(96,700)	(78,074)
	202,247	525,774

(The Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 October 2015 and the accompanying explanatory notes.)

## NOTES TO THE INTERIM FINANCIAL REPORT

### 1. **Basis of Preparation**

The interim financial report has been prepared in accordance with Financial Reporting Standard 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 October 2015.

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the financial year ended 31 October 2015.

### 2. **Seasonal or Cyclical Factors**

The business operations of the Group during the 3 months ended 31 January 2016 under review have not been materially affected by any seasonal or cyclical factors.

### 3. **Unusual items affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items for the 3 months ended 31 January 2016.

### 4. **Changes in Estimates**

There were no material changes in estimates for the 3 months ended 31 January 2016.

### 5. **Debts and Equity Securities**

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the 3 months ended 31 January 2016.

### 6. **Dividends Paid**

There were no payment of dividend during the 3 months ended 31 January 2016.

## 7. Segmental Reporting

The segmental analysis for the 3 months ended 31 January 2016 is as follows:-

	<b>Property Development RM'000</b>	<b>Trading RM'000</b>	<b>Others RM'000</b>	<b>Eliminations RM'000</b>	<b>Consolidated RM'000</b>
<u>Revenue</u>					
External revenue	402,433	58,433	2,645	-	463,511
Inter-segment revenue	27,104	-	-	(27,104)	-
Total revenue	429,537	58,433	2,645	(27,104)	463,511
Gross profit	104,208	5,504	-	-	109,712
Other operating income	2,519	27	2,914	-	5,460
Operating expenses	(74,580)	(468)	(3,894)	-	(78,942)
Share of net profits less losses of joint venture	(1,926)	-	-	-	(1,926)
Profit before finance costs and taxation	30,221	5,063	(980)	-	34,304
Finance costs					(3,141)
Tax expense					(10,492)
Profit for the period					<u>20,671</u>

## 8. Events after the End of the Interim Financial Period

There were no significant events after 31 January 2016 till 17 March 2016 (the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report).

## 9. Changes in the Composition of the Group

There were no changes in the composition of the Group during the 3 months ended 31 January 2016 except as follows:

- (i) Incorporation of Eco World Capital (L) Ltd (“EW Capital”) as a wholly-owned subsidiary of the Company on 2 November 2015. EW Capital has an issued and paid-up share capital of USD 1.00; and
- (ii) Acquisition of 2 ordinary shares of RM1.00 each in Eco Grandeur Sdn Bhd (“EGSB”) on 22 January 2016, resulting in EGSB became a wholly-owned subsidiary of the Company.



## 10. Contingent Liabilities

There were no contingent liabilities that has arisen since the date of the latest audited balance sheet.

## 11. Capital Commitments

	<b>As at 31/01/2016 RM'000</b>
(i) Approved and contracted for:-	
Commitment to purchase development land	1,157,709
Commitment to acquire plant and equipment	2,638
	<u>1,160,347</u>
(ii) On 21 April 2015, the Company accepted a Letter of Award from the Penang Development Corporation (“PDC”) for the proposed development of 449.64 acres of land situated at Bandar Cassia, Batu Kawan, Seberang Perai Selatan, Penang for a total consideration of RM796.3 million of which an initial deposit of RM159.3 million has been paid.	

## 12. Significant Related Party Transactions

	<b>3 MONTHS ENDED 31/01/2016 RM'000</b>
(i) Transactions with shareholders/directors of the Company and subsidiary companies, and companies in which they have interests	
- Sales of development property to director of subsidiary companies	886
- Rental paid to a company in which a director has interest	90
- Commission charged to a company in which a director has interest	117
- Advances by a shareholder /director	100,000
(ii) Transactions with joint venture	
- Advances	128,796
- Interest receivable	2,571
	<u>                    </u>

## ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### 1. Review of Group Performance

During the 3 months ended 31 January 2016, the Group recorded revenue of RM463.5 million and gross profit of RM109.7 million with gross margins averaging 24%. The Group recorded Profit before tax (“PBT”) of RM31.2 million in the current financial period.

Ongoing projects which contributed to the revenue and gross profit achieved include *Eco Majestic* and *Eco Sky* in the Klang Valley, *Eco Botanic*, *Eco Spring*, *Eco Summer* and *Eco Business Park 1*, *Eco Tropics* and *Eco Business Park III* in Iskandar Malaysia and *Eco Terraces* in Penang Island.

### 2. Material Changes in the Quarterly Results compared to the Results of the Preceding Quarter

The Group's current quarter revenue is RM218.4 million lower than the preceding quarter ended 31 October 2015. This is consistent with the slower progress of works typically experienced during the year-end festive season and in the lead-up to the Chinese New Year.

On the expenditure front, selling and marketing as well as administrative expenses are 45% and 38% lower respectively as compared to the preceding quarter. Along with the consistent gross profit margin of 24% achieved, this has enabled the Group to record a current quarter PBT of RM31.2 million which is close to the amount recorded in the preceding quarter of RM34.9 million.

### 3. Prospects for the Current Financial Year

The Board is pleased to announce that the Group achieved RM410.7 million sales during the first quarter of FY2016 as compared to sales achieved in the first quarter of FY2015 of RM439.9 million. As at 29 February 2016, year-to-date Group sales amounted to RM607.8 million which is broadly in line with the sales achieved in the first four months of FY2015 amounting to RM621.1 million. RM344.6 million came from projects in the Klang Valley, RM233.1 million came from projects in Iskandar Malaysia and the remaining RM30.1 million was contributed by projects in Penang.

The sustained sales momentum is an encouraging sign that the Group's projects continue to be sought-after by customers.

In FY2016, the Group's sales will be underpinned by the launch of new phases and introduction of new products within its on-going projects.

During the 1<sup>st</sup> quarter, Eco Majestic launched a small parcel of its Mellowood Limited Editions series of parkhomes following a successful preview in October 2015. Inspired by the black & white houses of the Straits era, these generously proportioned terraces have been embraced by upgraders thus setting a new price benchmark for landed properties in this up and coming township. To appeal to the first-time homeowner market, Eco Majestic also launched its Karisma apartments in February 2016 - the strong bookings achieved for these affordable units will progressively add on to the Group's sales in the ensuing months.

Eco Sanctuary's location close to a highly matured and relatively affluent population catchment has enabled it to offer a wide variety of products to cater to the diverse needs of its target market. To complement the landed homes range of bungalows, semi-dees and terraced villas launched last year, the Group unveiled Parque Residences @ Eco Sanctuary. These well-designed low-density apartments with ample amenities focused on health, wellness and sustainability are suitable for first-time homeowners, young families and empty-nesters alike and have garnered considerable interest since its launch in December 2015.

### 3. Prospects for the Current Financial Year (continued)

Down South in Iskandar Malaysia the Group's townships, Eco Botanic, Eco Spring, Eco Summer and Eco Tropics and its two business parks Eco Business Parks I & III continued to enjoy steady sales. Accordingly, small parcels of terraces, cluster and semi-dee homes as well as shops and cluster factories have been selectively launched to meet ongoing customer demand at the respective projects. The Group is also preparing for the launch of Eco Business Park II in the Senai Corridor during the 2<sup>nd</sup> half of the year to tap onto the strong demand for warehousing facilities and industrial properties there.

As at 29 February 2016, Eco Meadows in Penang has achieved 90% cumulative sales of the terraced homes first launched in September 2015. Since the opening of its Sales Gallery and Show Village, a large number of visitors have been welcomed on site which has enabled them to personally experience what an EcoWorld Signature township has to offer. The highly positive response received to date validates the Group's decision to focus on township development on the mainland to capture the growing demand for landed residential homes and commercial properties there.

In the upcoming quarter the Group targets to launch the Bukit Bintang City Centre (BBCC) – plans are underway to make this the foremost leisure-tainment destination at the heart of Kuala Lumpur's retail precinct which will drive demand for the strata offices and serviced apartments comprised within the Phase 1 launch.

On the branding and marketing front the Group's extensive efforts and investment over the last two years to grow its customer database and social media presence have continued to bear fruit. EcoWorld's 2016 family-focused Chinese New Year video, festivities and the Season's Flower Shows were all successfully promoted via social media channels. This enabled the Group to save on marketing costs whilst still achieving the desired effect of attracting more visitors to its project sites to further increase the pool of registrants for future launches.

### 4. Variance of Actual Profit from Forecast Profit

There were no profit forecast published as at 31 January 2016.

### 5. Income Tax

Income Tax comprises:-

	<b>3 MONTHS ENDED 31/01/2016 RM'000</b>	<b>3 MONTHS ENDED 31/01/2015 RM'000</b>
Current tax		
- for current quarter	26,633	5,670
Deferred tax		
- for current quarter	(16,144)	(2,944)
- in respect of prior years	3	(52)
	<u>10,492</u>	<u>2,674</u>

The Group's effective tax rate for the current quarter is higher than the statutory tax rate mainly due to certain non-tax deductible expenses.

## 6. Status of Corporate Proposals

(a) The following are the corporate proposals that have been announced by the Company which had been completed since the preceding quarter report and those which are not completed as at 17 March 2016, the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report:-

- (i) On 2 July 2014, Eco Majestic Development Sdn Bhd, a wholly-owned subsidiary of the Company, entered into a conditional sale and purchase agreement (“SPA”) with Univas (Far East) Sdn Bhd (“Vendor”), for the proposed acquisition of freehold land measuring approximately 492.66 acres in Mukim Beranang, Daerah Ulu Langat, Negeri Selangor (“Semenyih Land”) for a purchase consideration of RM225,331,550 (“Proposed Semenyih Land Acquisition”).

The Proposed Semenyih Land Acquisition was approved by shareholders of the Company at the EGM held on 12 December 2014.

As announced on 21 January 2016, all conditions precedent set out in the SPA have been fulfilled. Accordingly, the SPA has become unconditional on 20 January 2016;

- (ii) On 16 October 2014, the Company expressed its interest to subscribe for 1,125,000,000 ordinary shares of RM0.01 each in Eco World International Sdn. Bhd. (formerly known as Eco World International Berhad) (“EWI”) (“EWI Shares”) together with 1,125,000,000 free detachable warrants at an indicative subscription price of RM0.50 per EWI Share for an indicative aggregate consideration of RM562.5 million. It was then the intention of EWI to apply to the relevant authorities for an IPO and listing of its securities as a Special Purpose Acquisition Company (“SPAC”) on the Main Market of Bursa Malaysia Securities Berhad.

On 17 June 2015, the Board was notified by EWI of its intention to withdraw its proposed listing application as a SPAC and to instead pursue an IPO and listing of its securities on the Main Market of Bursa Malaysia Securities Berhad via the Market Capitalisation Route (“Proposed IPO”).

On 10 December 2015, the Company expressed its interest to subscribe up to 30% of EWI’s enlarged share capital under the Proposed IPO, subject to the approval of the relevant authorities and the Company’s shareholders;

## 6. Status of Corporate Proposals (continued)

- (iii) On 21 April 2015, the Company accepted the letter of award from the Penang Development Corporation (“PDC”) for the proposed development of 449.64 acres of land situated at Bandar Cassia, Batu Kawan, Seberang Perai Selatan, Penang (“Proposed Eco Marina Development”).

The Proposed Eco Marina Development comprises the following:

- the purchase of 299.64 acres of 99-year leasehold land (“Development Parcel”) for an estimated purchase consideration of RM730.93 million, and
- the lease of approximately 150 acres of land (“Lease Parcel”) for a 30-year period with an option for renewal for a further 30-year period for the development of an international standard golf course with a minimum of 18 holes and a club house (“Golf Course Development”) for an estimated lease consideration of RM65.34 million.

As announced on 22 September 2015, PDC agreed to extend the Planning Permission Period for a period of six (6) months until 26 March 2016 and the Shareholder Approval Period for a period of three (3) months until 26 December 2015.

The Proposed Eco Marina Development was approved by shareholders at the EGM held on 13 October 2015; and

- (iv) On 22 September 2015, Paragon Pinnacle Sdn Bhd (“Purchaser”), a wholly-owned subsidiary of the Company, has entered into a conditional sale and purchase agreement (“SPA”) with Mujur Zaman Sdn Bhd, Ringgit Exotika Sdn Bhd, Liputan Canggih Sdn Bhd and LBCN Development Sdn Bhd (collectively known as “Vendors”), for the proposed acquisition of leasehold land measuring approximately 2,198.40 acres in Mukim Ijok, District of Kuala Selangor, Negeri Selangor for a purchase consideration of RM1,181,335,536.65 (“the Proposed Ijok Land Acquisition”).

The Proposed Ijok Land Acquisition is pending fulfillment of conditions precedent within the period commencing on the date of the SPAs and ending on 9 March 2016, or six months from the date of procurement of the Preliminary Letter, whichever is later or such other extension period as shall be granted by the Purchaser to the Vendors to fulfil the relevant conditions precedent after having procured the Preliminary Letter.

On 26 February 2016, the Company announced that an EGM to seek shareholders’ approval on the Proposed Ijok Land Acquisition will be held on 24 March 2016.

## 6. Status of Corporate Proposals (continued)

- (b) Proceeds totaling RM638.3 million were raised under the Placement exercise, which was completed on 19 May 2015. As at 31 January 2016, the proceeds were fully utilised as set out below:-

<b>Purpose</b>	<b>Proposed utilisation RM'mil</b>	<b>Actual utilisation RM'mil</b>	<b>Reallocation RM'mil</b>	<b>Balance unutilised RM'mil</b>	<b>Intended timeframe for utilisation from completion date</b>
To part finance or repayment of any short-term bank borrowings to be drawn down to part finance the Total Reimbursable Sum	250.0	(223.5)	(26.5)	-	Fully utilised within 3 months
Future land acquisitions and investments and/or general working capital	381.6	(408.1)	26.5	-	Within 12 months
Estimated expenses for the Placement	6.7	(6.7)	-	-	Fully utilised within 3 months
<b>Total</b>	<b>638.3</b>	<b>(638.3)</b>	<b>-</b>	<b>-</b>	

## 7. Group Borrowings and Debt Securities

Total group borrowings and debt securities as at 31 January 2016 were as follows:-

	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
Short Term Bank Borrowings	194,405	360,000	554,405
Long Term Bank Borrowings	1,191,485	-	1,191,485
	<b>1,385,890</b>	<b>360,000</b>	<b>1,745,890</b>

There were no bank borrowings denominated in foreign currencies as at the reporting date.

## 8. Material Litigation

The Group was not engaged in any material litigation as at 17 March 2016 (the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report).

## 9. Dividends Declared

No interim dividend has been declared or paid in respect of the 3 months ended 31 January 2016.

## 10. Earnings Per Share Attributable To Owners of The Company

Earnings per share has been calculated by dividing the Group's profit for the current quarter attributable to owners of the Company by the number of shares in issue as follows:-

	<b>3 MONTHS ENDED 31/01/2016</b>	<b>3 MONTHS ENDED 31/01/2015</b>
Profit for the period attributable to owners of the Company (RM'000)	20,671	3,059
Weighted average number of ordinary shares in issue ('000)	2,364,265	506,634 <sup>^</sup>
Basic Earnings Per Ordinary Share (sen)	0.87	0.60

<sup>^</sup> Adjusted to take into account the effects of subdivision of 1 ordinary share of RM1.00 each into 2 ordinary shares of RM0.50 each pursuant to the share split exercise which was completed on 23 January 2015.

The diluted earnings per share has been calculated by dividing the Group's profit for the current quarter attributable to equity holders of the Company by the weighted average number of shares that would have been in issue upon full exercise of the Warrants, adjusted for the number of such shares that would have been issued at fair value, calculated as follows:

	<b>3 MONTHS ENDED 31/01/2016</b>	<b>3 MONTHS ENDED 31/01/2015</b>
Profit for the period attributable to owners of the Company (RM'000)	20,671	3,059
Weighted average number of ordinary shares for basic Earnings Per Ordinary Share ('000)	2,364,265	506,634
Effect of potential exercise of Warrants ('000)	#	-
Weighted average number of ordinary shares ('000)	2,364,265	506,634
Diluted Earnings Per Ordinary Share (sen)	*	0.60

# The calculation of diluted earnings per share does not assume the potential exercise of Warrants as the effect on earnings per share is anti-dilutive

\* Anti-dilutive

## 11. Realised and Unrealised Profits

The breakdown of the Group's retained profits as at 31 January 2016 into realised and unrealised profits pursuant to Bursa Malaysia's directive, is as follows:-

	<b>31/01/2016</b>	<b>31/10/2015</b>
	<b>RM'000</b>	<b>RM'000</b>
Total retained profits of the Company and its subsidiaries:		
- Realised	174,118	140,271
- Unrealised	31,622	22,321
	<u>205,740</u>	<u>162,592</u>
Total share of accumulated losses from a joint venture:		
- Realised	(5,122)	(2,673)
- Unrealised	1,140	617
	<u>(3,982)</u>	<u>(2,056)</u>
Consolidation adjustments	(64,703)	(44,152)
Total Group retained profits as per consolidated accounts	<u>137,055</u>	<u>116,384</u>

The determination of realised and unrealised profits is based on the Guidance of 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*, issued by the Malaysian Institute of Accountants.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in Bursa Malaysia's directive and should not be applied for any other purposes.

## 12. Auditors' Report on Preceding Annual Financial Statements

The preceding audited financial statements for the financial year ended 31 October 2015 were unqualified.



### 13. Notes to the Statement of Comprehensive Income

Comprehensive Income has been arrived at after crediting/(charging):-

	<b>3 MONTHS ENDED 31/01/2016 RM'000</b>
Interest income	4,109
Other income including investment income	1,350
Interest expense	(3,141)
Depreciation and amortisation	(4,645)
Provision for write off of receivables	N/A
Provision for and write off of inventories	N/A
Gain or loss on disposal of quoted or unquoted investments or properties	N/A
Impairment of assets	N/A
Foreign exchange gain or loss	(20)
Gain or loss on derivatives	N/A
Exceptional items	N/A
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By order of the Board

Chua Siew Chuan  
Company Secretary