

PANSAR BERHAD (Company No. 18904-M)

INTERIM FINANCIAL STATEMENTS
FOR THE 1ST QUARTER AND YEAR TO DATE ENDED 30 JUNE 2016

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PANSAR BERHAD (Company No. 18904-M)CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 1ST QUARTER AND YEAR TO DATE ENDED 30 JUNE 2016

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 30.6.2016 RM'000	Preceding year corresponding quarter 30.6.2015 RM'000	Current year to date 30.6.2016 RM'000	Preceding year corresponding year to date 30.6.2015 RM'000
Revenue	98,661	83,603	98,661	83,603
Cost of sales	(86,200)	(73,492)	(86,200)	(73,492)
Gross profit	12,461	10,111	12,461	10,111
Other income	1,271	988	1,271	988
Selling and distribution expenses	(2,295)	(2,449)	(2,295)	(2,449)
Administrative expenses	(7,727)	(6,924)	(7,727)	(6,924)
Other operating expenses	(339)	(366)	(339)	(366)
Finance costs	(165)	(168)	(165)	(168)
Share of results in an associate	(137)	(250)	(137)	(250)
Profit before taxation	3,069	942	3,069	942
Income tax expense	(863)	(334)	(863)	(334)
Profit after taxation	2,206	608	2,206	608
Other comprehensive income				
<u>Items that may be reclassified subsequently to profit or loss</u>				
Cash flow hedge	56	109	56	109
Foreign currency translation	420	577	420	577
Share of foreign currency translation differences of an associate	33	46	33	46
Total other comprehensive income	509	732	509	732
Total comprehensive income for the period	2,715	1,340	2,715	1,340
Profit after taxation attributable to owners of the Company	2,206	608	2,206	608
Total comprehensive income attributable to owners of the Company	2,715	1,340	2,715	1,340
Weighted average number of shares in issue ('000)	280,000	280,000	280,000	280,000
Earnings per ordinary share (sen):-				
-Basic	0.79	0.22	0.79	0.22
-Diluted	N/A	N/A	N/A	N/A

The condensed consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2016 and the accompanying explanatory notes attached to the interim financial statements.

PANSAR BERHAD (Company No. 18904-M)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AT 30 JUNE 2016

	30.6.2016	31.3.2016
	RM'000	RM'000
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Investment in an associate	13,751	13,855
Property, plant and equipment	6,286	6,532
Investment properties	6,700	6,729
Intangible assets	230	230
Deferred tax assets	600	479
	<hr/> 27,567	<hr/> 27,825
Current assets		
Inventories	36,002	33,545
Trade and other receivables	140,869	135,016
Derivative assets	54	29
Current tax assets	786	1,170
Deposits, cash and bank balances	36,277	33,876
	<hr/> 213,988	<hr/> 203,636
Non-current assets held for sale	180	180
	<hr/> 214,168	<hr/> 203,816
TOTAL ASSETS	<hr/> <hr/> 241,735	<hr/> <hr/> 231,641

PANSAR BERHAD (Company No. 18904-M)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D) AT 30 JUNE 2016

	30.6.2016	31.3.2016
	RM'000	RM'000
	(Unaudited)	(Audited)
EQUITY AND LIABILITIES		
Equity		
Share capital	140,000	140,000
Reserves	27,531	24,816
Total equity attributable to owners of the Company	167,531	164,816
Current liabilities		
Trade and other payables	55,316	52,430
Derivative liabilities	33	186
Bank borrowings:-		
- bank overdrafts	8,539	5,445
- other borrowings	8,000	7,000
Provision for employee benefits	2,198	1,516
Current tax liabilities	118	248
Total liabilities	74,204	66,825
TOTAL EQUITY AND LIABILITIES	241,735	231,641
Net assets per ordinary share (RM)	0.60	0.59

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2016 and the accompanying explanatory notes attached to the interim financial statements.

PANSAR BERHAD (Company No. 18904-M)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR TO DATE ENDED 30 JUNE 2016

	< ----- Non-distributable ----- >			<- Distributable- >		
	Share Capital RM'000	Reverse acquisition reserve RM'000	Foreign exchange translation reserve RM'000	Cash flow hedge reserve RM'000	Retained profits RM'000	Total equity RM'000
3-month period ended 30.6.2016						
Balance at 1.4.2016	140,000	(116,732)	3,989	(71)	137,630	164,816
Profit after taxation for the period	-	-	-	-	2,206	2,206
Other comprehensive income for the period, net of tax:-						
- Foreign currency translation	-	-	420	-	-	420
- Cash flow hedge	-	-	-	56	-	56
- Share of foreign currency translation differences of an associate	-	-	33	-	-	33
Total comprehensive income for the period	-	-	453	56	2,206	2,715
Contributions by and distributions to owners of the Company:-						
- Dividends	-	-	-	-	-	-
Balance at 30.6.2016	140,000	(116,732)	4,442	(15)	139,836	167,531

	< ----- Non-distributable ----- >			<- Distributable- >		
	Share Capital RM'000	Reverse acquisition reserve RM'000	Foreign exchange translation reserve RM'000	Cash flow hedge reserve RM'000	Retained profits RM'000	Total equity RM'000
3-month period ended 30.6.2015						
Balance at 1.4.2015	140,000	(116,732)	2,612	13	136,051	161,944
Profit after taxation for the period	-	-	-	-	608	608
Other comprehensive income for the period, net of tax:-						
- Foreign currency translation	-	-	577	-	-	577
- Cash flow hedge	-	-	-	109	-	109
- Share of foreign currency translation differences of an associate	-	-	46	-	-	46
Total comprehensive income for the period	-	-	623	109	608	1,340
Contributions by and distributions to owners of the Company:-						
- Dividends	-	-	-	-	-	-
Balance at 30.6.2015	140,000	(116,732)	3,235	122	136,659	163,284

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2016 and the accompanying explanatory notes attached to the interim financial statements.

PANSAR BERHAD (Company No. 18904-M)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR TO DATE ENDED 30 JUNE 2016

	Current year to date 30.6.2016 RM'000	Preceding year corresponding period 30.6.2015 RM'000
CASH FLOWS (FOR) / FROM OPERATING ACTIVITIES		
Profit before taxation	3,069	942
Adjustments for:-		
Allowance for impairment losses on receivables	336	362
Allowance for impairment losses on receivables no longer required	(477)	(237)
Allowance for slow-moving inventories no longer required	(3)	-
Amortisation of intangible assets	4	4
Bad debts written off	3	3
Depreciation of property, plant and equipment	399	416
Depreciation of investment properties	29	-
Fair value gain on derivatives	(113)	(10)
Gain on disposal of property, plant and equipment	(2)	(2)
Interest expense	165	168
Interest income	(265)	(132)
Provision for employee benefits	679	-
Share of results in an associate	137	250
Unrealised loss on foreign exchange	149	70
Operating profit before working capital changes	4,110	1,834
(Increase) / decrease in inventories	(2,425)	568
(Increase) / decrease in trade and other receivables	(4,968)	28,363
Increase / (decrease) in trade and other payables	2,249	(11,537)
CASH (FOR) / FROM OPERATIONS	(1,034)	19,228
Interest paid	(165)	(168)
Interest received	250	48
Income tax paid	(763)	(1,272)
Income tax refunded	17	394
NET CASH (FOR) / FROM OPERATING ACTIVITIES / BALANCE CARRIED FORWARD	(1,695)	18,230

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2016 and the accompanying explanatory notes attached to the interim financial statements.

PANSAR BERHAD (Company No. 18904-M)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D) FOR THE YEAR TO DATE ENDED 30 JUNE 2016

	Current year to date 30.6.2016 RM'000	Preceding year corresponding period 30.6.2015 RM'000
NET CASH (FOR) / FROM OPERATING ACTIVITIES / BALANCE CARRIED FORWARD	(1,695)	18,230
CASH FLOWS FOR INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	11	4
Placement of fixed deposits with licensed banks	(3,235)	-
Purchase of property, plant and equipment	(157)	(491)
NET CASH FOR INVESTING ACTIVITIES	(3,381)	(487)
CASH FLOWS FROM / (FOR) FINANCING ACTIVITIES		
Proceeds from bankers' acceptance	2,000	3,800
Repayment of bankers' acceptance	(1,000)	(5,300)
NET CASH FROM / (FOR) FINANCING ACTIVITIES	1,000	(1,500)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(4,076)	16,243
EFFECTS OF FOREIGN EXCHANGE TRANSLATION	149	115
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	5,894	(3,860)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	1,967	12,498
CASH AND CASH EQUIVALENTS COMPRISE:-		
Cash and bank balances	10,506	22,248
Bank overdrafts	(8,539)	(9,750)
	1,967	12,498

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2016 and the accompanying explanatory notes attached to the interim financial statements.

PANSAR BERHAD (Company No. 18904-M)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 1ST QUARTER AND YEAR TO DATE ENDED 30 JUNE 2016

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 Basis of preparation

The unaudited interim financial statements have been prepared in accordance with *MFRS 134: Interim Financial Reporting* issued by Malaysian Accounting Standards Board, *IAS 34: Interim Financial Reporting* issued by International Accounting Standards Board and *paragraph 9.22 of the Main Market Listing Requirements* of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 March 2016. These explanatory notes attached to the interim 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 the Group since the financial year ended 31 March 2016.

The significant accounting policies and methods of computation adopted by the Group in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 March 2016, except as follows:

On 1 April 2016, the Group adopted the following new and revised MFRSs, Amendments to MFRSs and IC Interpretations (including the consequential amendments) mandatory for annual financial periods beginning on or after 1 January 2016:-

- Amendments to *MFRSs* classified as “*Annual Improvements to MFRSs 2012 – 2014 Cycle*”
- Amendments to *MFRS 11: Accounting for Acquisitions of Interests in Joint Operations*
- 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 Method of Depreciation and Amortisation*
- Amendments to *MFRS 116 and MFRS 141: Agriculture - Bearer Plants*
- Amendments to *MFRS 127 (2011): Equity Method in Separate Financial Statements*
- *MFRS 14 : Regulatory Deferral Accounts*

The adoption of the abovementioned MFRSs, Amendments to MFRSs and IC Interpretations (including the consequential amendments) did not have any material impact on the financial statements of the Group.

A2 Comments about seasonality or cyclicity of operations

The business of the Group is not subject to seasonal or cyclical fluctuations.

A3 Unusual items due to their nature, size and incidence

There were no unusual items affecting the assets, liabilities, equity, net income, or cash flows due to their nature, size or incidence during the current quarter under review.

A4 Changes in estimates

There were no changes in the estimates that have had a material effect in the current quarter under review.

A5 Debt and equity securities

There were no issuances, repurchases and repayments of debt and equity securities during the current quarter.

A6 Dividend paid

There was no dividend paid by the Company during the current quarter under review.

PANSAR BERHAD (Company No. 18904-M)

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE 1ST QUARTER AND YEAR TO DATE ENDED 30 JUNE 2016

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A7 Segmental information

The following is an analysis of the Group's revenue and results by reportable segments:-

(a) Business segments

	Marine & Industrial RM'000	Building Products RM'000	Wood Engineering & Supplies RM'000	Electrical & Office Automation RM'000	Mechanical & Electrical RM'000	Year to date 30.6.2016 RM'000
Revenue						
External revenue	28,429	39,767	10,418	6,446	13,601	98,661
Inter-segment revenue	-	-	-	41	-	41
	28,429	39,767	10,418	6,487	13,601	98,702
Adjustments and eliminations						(41)
Consolidated revenue						98,661
Results						
Segment results	3,766	2,877	1,051	587	751	9,032
Adjustments and eliminations	-	-	-	-	369	369
	3,766	2,877	1,051	587	1,120	9,401
Share of results in an associate						(137)
Unallocated income						132
Unallocated expenses						(6,327)
Consolidated profit before taxation						3,069
Assets						
Segment assets	52,101	54,187	22,756	16,456	56,055	201,555
Investment in an associate						13,751
Unallocated assets						25,829
Deferred tax assets						600
Consolidated total assets						241,735

PANSAR BERHAD (Company No. 18904-M)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 1ST QUARTER AND YEAR TO DATE ENDED 30 JUNE 2016

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A7 Segmental information (cont'd)

(a) Business segments (cont'd)

	Marine & Industrial RM'000	Building Products RM'000	Wood Engineering & Supplies RM'000	Electrical & Office Automation RM'000	Mechanical & Electrical RM'000	Year to date 30.6.2015 RM'000
Revenue						
External revenue	17,587	32,474	7,366	4,429	21,747	83,603
Inter-segment revenue	10	6	-	250	2,372	2,638
	17,597	32,480	7,366	4,679	24,119	86,241
Adjustments and eliminations						(2,638)
Consolidated revenue						83,603
Results						
Segment results	1,883	1,979	431	747	1,359	6,399
Adjustments and eliminations	-	-	-	-	637	637
	1,883	1,979	431	747	1,996	7,036
Share of results in an associate						(250)
Unallocated income						76
Unallocated expenses						(5,920)
Consolidated profit before taxation						942
Assets						
Segment assets	56,006	48,991	24,635	21,983	62,237	213,852
Investment in an associate						13,329
Unallocated assets						16,331
Deferred tax assets						337
Consolidated total assets						243,849

(b) Geographical segments

	Year to date	
	30.6.2016 RM'000	30.6.2015 RM'000
Total revenue from external customers		
- Malaysia	95,326	79,812
- Singapore	3,335	3,791
	98,661	83,603

PANSAR BERHAD (Company No. 18904-M)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 1ST QUARTER AND YEAR TO DATE ENDED 30 JUNE 2016

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A8 Property, plant and equipment

(a) Acquisition and disposal of property, plant and equipment

There was no material acquisition or disposal of property, plant and equipment since the end of last financial year.

(b) Impairment losses

Neither loss from impairment of property, plant and equipment nor reversal of such impairment losses was recognised since the end of last financial year.

(c) Valuation

As at 30 June 2016, the Group did not have any revalued assets.

A9 Subsequent events

There were no material subsequent events as at 11 August 2016.

A10 Changes in the composition of the Group

There were no changes in the composition of the Group for the year ended 30 June 2016.

A11 Contingent liabilities or contingent assets

As at 11 August 2016, there were no material contingent liabilities or contingent assets which, upon being enforceable, might have a material impact on the financial position or business of the Group.

A12 Capital commitment

There were no commitments in respect of the Group since the last annual reporting date to the date of this report.

A13 Significant related party transactions

	Quarterly ended		Year to date	
	30.6.2016	30.6.2015	30.6.2016	30.6.2015
	RM'000	RM'000	RM'000	RM'000
Transactions with holding company	594	590	594	590
Transactions with other related parties	18,951	9,935	18,951	9,935

PANSAR BERHAD (Company No. 18904-M)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 1ST QUARTER AND YEAR TO DATE ENDED 30 JUNE 2016

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1 Review of performance

For the financial period ended 30 June 2016, the Group registered an increase of 18.0% in revenue to RM98.7 million which was RM15.1 million higher than the previous year's corresponding period of RM83.6 million.

Compared to last year's profit after taxation (PAT) of RM0.6 million, PAT of RM2.2 million for 1QFY17 was up by RM1.6 million. The higher PAT was mainly attributed to better sales performance coupled with higher gross profit margin in the current financial period.

Marine & Industrial Segment

For the current quarter under review, Marine and Industrial segment was the largest contributor to growth, achieving 61.7% increase in revenue to RM28.4 million in 1QFY17 from RM17.6 million in 1QFY16. The higher revenue was largely driven by the increased sales volume of marine engines and spares.

Compared to the corresponding period of last year, PBT of the segment was doubled or up by RM1.9 million.

Building Products Segment

Building Products segment achieved revenue and PBT for the current quarter of RM39.8 million and RM2.9 million respectively. This represents a 22.5% increase in revenue and 45.4% increase in PBT over the previous corresponding quarter. The overall better margins in the current quarter also helped to improve the PBT further.

Wood Engineering and Supplies Segment

Wood Engineering & Supplies segment's revenue increased by 41.4% year on year.

The segment saw its PBT increase by 143.9% to RM1.1 million in 1QFY17 from RM0.4 million in 1QFY16, mainly attributed to higher gross profit, better margins and lower operating expenses in the current financial quarter.

Electrical & Office Automation Segment

Compared to previous corresponding quarter, Electrical & Office Automation segment's revenue increased by RM2.0 million and PBT however decreased by 21.4% or RM0.2 million in 1QFY17. The lower PBT in the current quarter was attributed to the decrease in gross profit margins largely from air conditioners and lighting products.

Mechanical & Electrical Segment

Mechanical & Electrical segment's revenue eased 37.5% to RM13.6 million in the current quarter from RM21.7 million recorded in 1QFY16.

PBT for the current quarter was down by 43.9% to RM1.1 million from RM2.0 million achieved in 1QFY16.

B2 Material changes in profit before tax for the quarter

For the current quarter under review, the Group achieved a lower profit before taxation (PBT) of RM3.1 million despite higher revenue of RM98.7 million as compared to PBT of RM4.5 million and revenue of RM94.5 million in the immediate preceding quarter. Against the immediate preceding quarter, the decrease in PBT was mainly attributed to lower gross profit from operations of RM2.1 million and lower operating income of RM0.4 million which were partially mitigated by the decrease in overall operating expenses of RM1.2 million in the current financial quarter.

PANSAR BERHAD (Company No. 18904-M)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 1ST QUARTER AND YEAR TO DATE ENDED 30 JUNE 2016

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B3 Commentary on prospects

The Malaysian economy slowed for the 5th consecutive quarter to 4% in the 2nd Quarter of 2016. Continuous concerns remain in the export market as it is expected to remain subdued in light of the challenging global market which could weigh on Malaysia's growth moving into the 2nd half of the year.

Domestically, pre-emptive policies to sustain growth demands are in place - voluntary rate cut on employees' EPF contribution, special individual income tax relief and BRIM cumulatively add up to RM13 billion household expenditure which should boost private consumption. Additionally, Bank Negara's rate cut by 25 basis points will spur domestic spending. The government's continued spendings in infrastructure projects will also have a positive effect.

For the Group, the sectors we operate in remain subdued and the operating environment challenging, especially the unstable currency exchange regime with the weakening see-sawing Ringgit and strengthening Yen. However, we expect positive contributing results from our new thrust and strategies implemented over the past year. Certain large projects implemented post 2016 Sarawak election like the Pan-Borneo highway and other large projects will have a positive impact on our operating divisions especially building products, M&E and industrial engineering. Even though the oil and gas industry is still reeling with sub USD50 prices, the local shipbuilding industry has started to diversify their target market and this will hopefully bring positive results for our marine and industrial division. Commodity prices continue to be weak, particularly palm oil and timber, which will have a negative effect on our agro supplies division.

During this uncertain operating environment, we continue to be vigilant with our credit control and cost control measures and in our supply chain efficiencies.

B4 Profit forecast and profit guarantee

Not applicable as no profit forecast was announced.

B5 Income tax expense

	Quarter ended		Year to date	
	30.6.2016	30.6.2015	30.6.2016	30.6.2015
	RM'000	RM'000	RM'000	RM'000
Income tax:-				
- Malaysia tax	981	407	981	407
- Foreign tax	19	20	19	20
	<u>1,000</u>	<u>427</u>	<u>1,000</u>	<u>427</u>
Deferred tax:-				
- Origination and reversal of temporary differences	(137)	(93)	(137)	(93)
	<u>(137)</u>	<u>(93)</u>	<u>(137)</u>	<u>(93)</u>
	<u>863</u>	<u>334</u>	<u>863</u>	<u>334</u>

B6 Corporate proposals

As at 11 August 2016, there were no corporate proposals announced.

PANSAR BERHAD (Company No. 18904-M)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 1ST QUARTER AND YEAR TO DATE ENDED 30 JUNE 2016

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B7 Short-term borrowings

The Group's borrowings as at 30 June 2016 were as follows:-

	RM'000
Bank overdrafts, secured	921
Bank overdrafts, unsecured	7,618
Bankers' acceptance, unsecured	2,000
Revolving credit, secured	6,000
	16,539

B8 Derivative financial instruments

The outstanding foreign currency forward contracts as at 30 June 2016 were as follows:-

	Contract / notional amount RM'000	Assets RM'000	Liabilities RM'000
<u>Derivative not designated as hedging instruments:-</u>			
Forward foreign currency contracts			
- Less than 1 year	2,139	49	(8)
<u>Derivative designated as hedging instruments:-</u>			
Forward foreign currency contracts			
- Less than 1 year	831	5	(25)
	2,970	54	(33)

The Group enters into foreign currency forward contracts to hedge against the Group's exposure to foreign currency risks as a result of purchases denominated in currencies other than its functional currency for which firm commitments existed at the end of the reporting period.

There were no cash requirements for these derivatives and they are not subject to significant credit risk, market risk and liquidity risk.

In line with the Group's foreign currency hedging policy, hedging is only considered for firm commitments. These derivatives and their underlying exposures will be monitored on an on-going basis.

With respect to derivatives not designated as hedging instruments, they are stated at fair value, with any gains/losses arising on remeasurement recognised in profit or loss. These fair value changes are attributable to changes in foreign exchange spot and forward rates.

For those derivatives designated as hedging instruments (cash flow hedge), the effective portion of changes in fair value of those derivatives is recognised in other comprehensive income. The gain or loss in relation to ineffective portion is recognised immediately in profit or loss.

PANSAR BERHAD (Company No. 18904-M)

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE 1ST QUARTER AND YEAR TO DATE ENDED 30 JUNE 2016

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B9 Gain / (loss) arising from fair value changes in financial liabilities

	Current quarter gain RM'000	Year to date gain RM'000
Foreign currency forward contracts	153	153

B10 Breakdown of realised and unrealised profits

The breakdown of retained profits of the Group as at 30 June 2016 into realised and unrealised profits are presented as follows:-

	RM'000
Total retained profits of the Company and its subsidiaries:-	
- Realised	135,080
- Unrealised	488
	<hr/> 135,568
Total share of retained profits of associate:-	
- Realised	780
- Unrealised	(6)
	<hr/> 774
Add: Consolidation adjustments	3,494
At 30 June 2016	<hr/> 139,836

B11 Changes in material litigation

As at 11 August 2016, there was no material litigation against the Group.

B12 Dividend payable

No interim dividend has been declared for the financial period ended 30 June 2016.

B13 Earnings per share

(a) Basic earnings per share

	Quarter ended		Year to date	
	30.6.2016 RM'000	30.6.2015 RM'000	30.6.2016 RM'000	30.6.2015 RM'000
Profit for the period attributable to the owners of the Company (RM'000)	2,206	608	2,206	608
Weight average number of ordinary shares of RM0.50 each in issue ('000)	280,000	280,000	280,000	280,000
Basic earnings per share based on weighted average number of shares in issue (sen)	0.79	0.22	0.79	0.22

PANSAR BERHAD (Company No. 18904-M)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 1ST QUARTER AND YEAR TO DATE ENDED 30 JUNE 2016

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B13 Earnings per share

(b) Diluted earnings per share

Not applicable as at 30 June 2016.

B14 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the Company and its subsidiaries for the financial year ended 31 March 2016 was not subject to any qualification.

B15 Profit for the year

Profit before taxation is arrived at after charging / (crediting):-

	Quarter ended		Year to date	
	30.6.2016	30.6.2015	30.6.2016	30.6.2015
	RM'000	RM'000	RM'000	RM'000
Allowance for slow-moving inventories no longer required	(3)	-	(3)	-
Bad debts written off	3	3	3	3
Collective impairment losses on receivables	217	362	217	362
Collective impairment losses on receivables no longer required	(364)	(28)	(364)	(28)
Depreciation and amortisation	432	420	432	420
Individual impairment losses on receivables	119	-	119	-
Individual impairment losses on receivables no longer required	(113)	(209)	(113)	(209)
Interest expense	165	168	165	168
Interest income	(265)	(132)	(265)	(132)
(Gain) / loss on forward foreign currency contracts	(42)	30	(42)	30
Gain on disposal of property, plant and equipment	(2)	(2)	(2)	(2)
Realised loss / (gain) on foreign exchange	130	(156)	130	(156)
Realised (gain) / loss on derivatives	(72)	112	(72)	112
Unrealised loss on foreign exchange	149	70	149	70
Unrealised gain on derivatives	(41)	(122)	(41)	(122)

Other than the above, there were no gain or loss on disposal of quoted or unquoted investments or properties, impairment of assets, and exceptional items for the current quarter and financial period ended 30 June 2016.