

THETA EDGE BERHAD (260002-W)
(Incorporated in Malaysia)

QUARTERLY REPORT

SUMMARY OF KEY UNAUDITED FINANCIAL INFORMATION FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter Ended 31-12-15 RM'000	Corresponding Quarter Ended 31-12-14 RM'000	To Date Ended 31-12-15 RM'000	Corresponding Period Ended 31-12-14 RM'000
1. Revenue	65,778	35,216	150,482	98,319
2. Gross Profit	17,771	3,640	24,251	8,050
3. Profit / (Loss) before taxation	9,155	(62)	2,539	(7,120)
4. Profit / (Loss) after taxation	9,058	(62)	2,412	(7,130)
5. Profit / (Loss) for the period	9,058	(62)	2,412	(7,130)
6. Profit / (Loss) attributable to owners of the Company	9,058	(62)	2,412	(7,130)
7. Basic Earnings/ (Loss) per share (sen)	8.45	(0.06)	2.25	(6.65)
8. Proposed/Declared dividend per share (sen)	-	-	-	-
			As At	As At
			End Of Current	Preceding
			Financial	Financial
			Year End	Year End
8. Net assets per share attributable to owners of the Company (RM)			0.62	0.60

Additional Information

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter Ended 31-12-15 RM'000	Corresponding Quarter Ended 31-12-14 RM'000	To Date Ended 31-12-15 RM'000	Corresponding Period Ended 31-12-14 RM'000
1. Gross income from short term investments	43	48	271	309
2. Gross borrowing costs	(305)	(132)	(580)	(355)

THETA EDGE BERHAD (260002-W)
(Incorporated in Malaysia)

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**UNAUDITED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2015**

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter Ended 31-12-15 RM'000	Corresponding Quarter Ended 31-12-14 RM'000	Period Ended 31-12-15 RM'000	Corresponding Period Ended 31-12-14 RM'000
Revenue	65,778	35,216	150,482	98,319
Cost of sales	(48,007)	(31,576)	(126,231)	(90,269)
Gross Profit	<u>17,771</u>	<u>3,640</u>	<u>24,251</u>	<u>8,050</u>
Other operating income	6	333	1,078	340
Operating expenses	<u>(4,066)</u>	<u>(3,019)</u>	<u>(13,193)</u>	<u>(11,278)</u>
Profit / (Loss) from operations	13,711	954	12,136	(2,888)
Income from short term investments	43	48	271	309
Depreciation	(1,424)	(811)	(5,041)	(2,694)
Allowances and non cash expenses	(2,766)	6	(3,706)	(899)
Borrowing costs	(305)	(132)	(580)	(355)
Share of loss of equity-accounted investees	<u>(104)</u>	<u>(127)</u>	<u>(541)</u>	<u>(593)</u>
Profit / (Loss) before taxation	9,155	(62)	2,539	(7,120)
Taxation	<u>(97)</u>	<u>-</u>	<u>(127)</u>	<u>(10)</u>
Profit / (Loss) for the period	<u>9,058</u>	<u>(62)</u>	<u>2,412</u>	<u>(7,130)</u>
Other comprehensive Profit/(Loss), net of taxation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive Profit/ (Loss) for the period	<u>9,058</u>	<u>(62)</u>	<u>2,412</u>	<u>(7,130)</u>
Profit / (Loss) attributable to :				
Owners of the Company	9,058	(62)	2,412	(7,130)
Non-controlling interest	-	-	-	-
Profit / (Loss) for the period	<u>9,058</u>	<u>(62)</u>	<u>2,412</u>	<u>(7,130)</u>
Total comprehensive Profit (Loss) attributable to:				
Owners of the Company	9,058	(62)	2,412	(7,130)
Non-controlling interest	-	-	-	-
Total comprehensive Profit/ (Loss) for the period	<u>9,058</u>	<u>(62)</u>	<u>2,412</u>	<u>(7,130)</u>
Earnings /(Loss) per ordinary share (sen)				
Basic	8.45	(0.06)	2.25	(6.65)
Diluted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The unaudited condensed Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2014

THETA EDGE BERHAD (260002-W)
(Incorporated in Malaysia)

QUARTERLY REPORT

**UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015**

	Unaudited As At 31-12-15 RM'000	Audited As At 31-12-14 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	12,294	4,216
Investment in jointly-controlled entity	134	675
Goodwill on consolidation	-	657
Intangible assets	2,371	3,524
Deferred income tax assets	3,902	3,902
	18,701	12,974
Current assets		
Inventories	24,720	18,191
Receivables	40,830	32,217
Deposits, cash and bank balances	51,390	19,056
	116,940	69,464
Total assets	135,641	82,438
EQUITY		
Capital and reserves attributable to the Company's equity holders		
Share capital	107,241	107,241
Reserves	(40,678)	(43,090)
Shareholder's fund / Total equity	66,563	64,151
LIABILITIES		
Current liabilities		
Payables	19,942	14,080
Hire Purchase	3,889	91
Bank borrowings	41,575	4,000
	65,406	18,171
Non Current liabilities		
Hire Purchase	3,672	116
	3,672	116
Total liabilities	69,078	18,287
Total equity and liabilities	135,641	82,438

The unaudited condensed Statements of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2014

THETA EDGE BERHAD (260002-W)
(Incorporated in Malaysia)

QUARTERLY REPORT

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

	<u>Non-distributable</u>		<u>Distributable</u>	Total Equity RM'000
	Share Capital RM'000	Other Reserves RM'000	Reserves Attributable To Revenue RM'000	
<u>Year ended 31 December 2014</u>				
At 1 January 2014	107,241	1,897	(37,857)	71,281
Comprehensive loss for the financial period	-	-	(7,130)	(7,130)
At 31 December 2014	<u>107,241</u>	<u>1,897</u>	<u>(44,987)</u>	<u>64,151</u>
<u>Year ended 31 December 2015</u>				
At 1 January 2015 (audited)	107,241	1,897	(44,987)	64,151
Comprehensive profit for the financial period	-	-	2,412	2,412
At 31 December 2015 (Unaudited)	<u>107,241</u>	<u>1,897</u>	<u>(42,575)</u>	<u>66,563</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2014

QUARTERLY REPORT

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

	Unaudited 31-12-15 RM'000	Audited 31-12-14 RM'000
Cash flow used in operating activities		
Net profit /(loss) before taxation	2,539	(7,120)
Adjustments for:		
Depreciation	5,041	2,718
Borrowing costs	580	355
Income from Short term investments	(271)	(309)
Gain on disposal of property, plant and equipment	-	(24)
Deferred expenditure written off	1,153	518
Allowance for impairment of goodwill	657	-
Fair value movement	(5)	(261)
Allowance for doubtful debts	1,895	642
Fixed assets written off	6	-
Share of loss of equity-accounted investees	541	593
	12,136	(2,888)
Operating loss before working capital changes		
Movements in working capital		
Inventories	(6,529)	(567)
Receivables	(10,402)	(1,491)
Payables	5,734	2,008
Cash flow from/(used in) operations	939	(2,938)
Taxation paid	(125)	(16)
Taxation refund	19	11
Borrowing costs paid	(580)	(355)
Income from Short term investments received	271	309
	524	(2,989)
Net cash flow from/(used in) operating activities		
Cash flow used in investing activities		
Acquisition of property, plant & equipment	(13,119)	(2,043)
Proceeds from disposal of property, plant & equipment	-	699
	(13,119)	(1,344)
Cash flow from financing activities		
Bank borrowings	37,575	1,289
Hire purchase	7,354	(91)
	44,929	1,198
Net movement in cash and cash equivalents	32,334	(3,135)
Cash and cash equivalents at beginning of financial period	19,056	22,191
Cash and cash equivalents at end of financial period	51,390	19,056
Cash and cash equivalents consist of:		
Cash & bank balances	7,253	4,259
Deposits	44,137	14,797
	51,390	19,056

Included in the cash and cash equivalents are RM4.0 million which is placed in short term deposit as security for Bank Guarantees issued and RM29.6 million in an escrow account to settle the trust receipts facilities with a financial institution.

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2014

THETA EDGE BERHAD (260002-W)
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QUARTERLY REPORT

(A) Notes to the Condensed Consolidated Interim Financial Statements

A.1 Basis of preparation and significant accounting policies

This interim financial report is based on the unaudited financial statements for the year ended 31 December 2015 and has been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and MFRS134, *Interim Financial Reporting* in Malaysia. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2014.

For the periods up to and including the year ended 31 December 2014, the Group prepared its financial statement in accordance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS")

The adoption of the MFRSs and Amendments do not have any material impact on the financial statements of the Group and of the Company.

A.2 Report On The Financial Statements

The auditors' report on the financial statement for the financial year ended 31 December 2014 was not qualified.

A.3 Seasonality and cyclicity of operations

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

A.4 Unusual items

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence for the current quarter under review and financial year to date.

A.5 Changes in estimates

There were no changes in estimates of amounts reported in prior financial years, which have a material effect in the current quarter under review and financial year to date.

A.6 Debt and equity securities

The Group was not involved in any issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current financial year to date.

A.7 Dividends

No dividends have been declared and paid during the current quarter under review and financial year to date.

A.8 Segmental reporting

Segmental reporting for the financial year to date is as follows:

Group Financial year ended 31 December 2015	Information & Communication Technology RM '000	Investment Holding And Others RM '000	Total RM '000
<u>Revenue</u>			
Total Revenue	150,482	-	150,482
<u>Results</u>			
Profit/(loss) from operations	12,019	117	12,136
Depreciation	(4,974)	(67)	(5,041)
Non-Cash item	(4,049)	343	(3,706)
Profit from operations	<u>2,996</u>	<u>393</u>	<u>3,389</u>
Income from short term borrowings, net			(309)
Share of loss of equity-accounted investees			<u>(541)</u>
Profit before taxation			2,539
Taxation			<u>(127)</u>
Net profit for the period			<u>2,412</u>
<u>Other information</u>			
Total asset	131,740	3,901	135,641

Analysis by geographical segments has not been presented as the operations of the Group are in Malaysia.

A.9 Valuation of property, plant and equipment

The valuations of all property, plant and equipment have been brought forward without amendment from the previous financial statements ended 31 December 2014.

A.10 Subsequent events

There were no material events subsequent to the end of the current quarter.

A.11 Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter and financial year ended 31 December 2015.

A.12 Changes in contingent liabilities and contingent assets

(A) There were no contingent assets for the current financial year to date.

(B) The changes in the Group's contingent liabilities are as follows:

- (a) Bank guarantees issued to mainly trade customers increased from RM8,453,028 to RM9,479,368 for the quarter.

A.13 Material Litigation

(A) Informental Sdn Bhd ("ISB") v. Theta Edge Berhad ("Theta") & 4 ors

On 17 May 2012, a Writ of Summons and Statement of Claim was served on the Defendant and four (4) others by the Plaintiff to claim the following:-

- (i) A declaration that the 1st, 2nd, 3rd, 4th and 5th defendants or any of them have together conspired to act fraudulently against the Plaintiff to deprive the Plaintiff from recovering on its judgment against Lityan Systems Sdn. Bhd. ("LSSB") obtained in Kuala Lumpur High Court Suit No S1-22-1665-2004;
- (ii) A declaration that the 1st, 2nd, 3rd, 4th and 5th defendants or any of them have breached Section 257 of the Companies Act, 1965;
- (iii) Damages in the sum of RM2,105,585.23 outstanding as at 3 May 2012;
- (iv) Aggravated and/or exemplary damages;
- (v) Interest at the rate of 4% per annum on any judgment sum from the date this Writ of Summons is filed until full settlement;
- (vi) Costs;
- (vii) Such further and other relief as the Honourable Court deems fit.

The Court had on 23 January 2013 dismissed the Defendants' Application to strike out the civil suit with cost awarded to the Plaintiff in the sum of RM5,000.00 only. The trial commenced on 19 August 2013 and concluded on 10 July 2014. The Defendant had filed their written submission to the Court on 20 October 2014 and the Plaintiff had filed their written submission to the Court on 23 October 2014

On the 27th of April 2015, the High Court Judge, had delivered her judgment in the aforementioned case as follows :-

- (i) Plaintiff's claim against 1st Defendant is allowed with interest running at 4% per annum from the date of judgment until full settlement;
- (ii) Plaintiff's claim against the 2nd, 3rd, 4th and 5th Defendants is dismissed;
- (iii) 1st Defendant to pay RM15,000-00 as cost to the Plaintiff.

The Company is unable to discern the full effect of the aforementioned judgement since the Honourable High Court Judge had only delivered the judgement without citing the grounds in arriving with the decision.

The Company filed a Notice of Appeal against the said judgement on 6 May 2015 and the Record of Appeal was filed on 29 June 2015. However, the hearing date of the appeal is yet to be fixed by the Court of Appeal and still awaiting for the grounds of Judgment of the High Court Judge.

In this case, the Plaintiff also filed an appeal on 25 May 2015 against the decision of the High Court Judge made on 27 April 2015 in dismissing its claim against the 2nd and the 5th Defendant.

The 1st Defendant had filed an application for stay of Judgment, which on 3rd July 2015, the Learned High Court Judge had allowed the stay application. A notice of motion was filed by the 1st Defendant to amend the Notice of Appeal filed earlier as there was an error on the information reflected in the Notice of Appeal, i.e the Appellant is only appealing against part of the decision and not the whole decision of the High Court Judge. On 17th September 2015, the Court of Appeal allowed the application for the amendment of the said notice of motion. The case now is fixed for **Case Management** in respect of both appeals on **25th February 2016 at 2.30PM**, pending the written Grounds of Judgment from the High Court.

(B) Impianas Sdn Bhd v Tenaga Nasional Berhad

On 25 September 2014 the sealed copy of the Writ of Summon has been served by Theta Edge Berhad's wholly-owned subsidiary, Impianas Sdn Bhd ("ISB") on Tenaga Nasional Berhad ("TNB) to claim the following:-

- (i) The payment of a sum of RM11,391,357.08;
- (ii) Interest at the rate of 8% per annum calculated on daily basis on the sum of RM11,391,357.08 starting from 7th November 2008 until the date of full settlement;
- (iii) the sum of RM2.550 million;
- (iv) General damages to be assessed by this Honourable Court and paid forthwith by TNB to ISB;
- (v) Exemplary damages to be assessed by this Honourable Court and paid immediately by TNB;
- (vi) Interest at the rate of 4% per annum on any judgment sum from the date of the Writ of Summons is filed until full settlement;
- (vii) Costs;
- (viii) Such further and other relief as the Honourable Court deems fit.

The Writ of Summon is filed following the breach by TNB of an Agreement dated 22 May 2007 executed between ISB and TNB for the Supply of Remote Meter Reading (RMR) System Low Voltage for Large Power Consumers amounting to RM57.44 million. On 7 November 2008, TNB has unilaterally and without reasonable ground, suspended the project for non-satisfactory performance, solely alleging that the RMR boxes which have been installed by ISB were defective.

ISB had taken every effort to remedy the situation including taking additional initiatives and costs to assist in areas out of its scope on factors which were also contributing to the performance, as required by TNB. Due to the actions of TNB, ISB has suffered losses and damages. The contract had expired on 31 January 2011. ISB is claiming for the remaining balance of the contract sum of RM11,391,357.08.

As per the announcement made on 14 November 2014, TNB had filed their Defence and Counterclaim against the Writ of Summons which had been served on them. In addition to denying some of the claims made in the Writ of Summons against them, TNB had claimed that all payments made to-date by TNB to ISB and/or directly to a vendor amounting RM47,280,032.00, for any portion of the RMR System which was supplied, installed and commissioned by ISB, was made under a mistake or without realization that the said RMR system was not fit for purpose and/or not in accordance with the Contract. Therefore TNB had filed a Counterclaim against ISB for:

- (i) The Sum of RM47,280,032.00 being reimbursement of all sums paid by TNB to ISB to-date;
- (ii) In the alternative, a sum to be assessed by the Honourable Court for the diminution in value of the portion of the RMR System supplied, installed and commissioned by ISB;
- (iii) Interest at the rate of 6% on the adjudged sum from the date of judgement till full settlement;
- (iv) Costs;
- (v) Such further or other reliefs that the Honourable Court deems fit.

A consent Judgment was recorded before the Honourable Justice Hanipah Farikullah on 22 June 2015 on the following terms:

- (i) TNB to pay to ISB the sum of RM1,000,000.00 as final settlement;
- (ii) The Counterclaim against ISB be withdrawn;
- (iii) ISB and TNB are released from any other claim against each other with regards to RMR Project;
- (iv) The sum of RM1,000,000.00 to be paid within 30 days from the date of the Judgment; and
- (v) No order as to costs.

The payment in respect of the above consent judgment was made to ISB on 6 July 2015.

A.14 Capital Commitments

There were no major capital commitments for the Group as at the date of this report.

A.15 Related Party Transactions

The related party transactions of the Group had been entered into in the ordinary course of business. Below are the significant transactions and balances with related parties of the Group during the current financial period.

Related Parties	Transactions	Transactions for the year ended 31 December 2015 RM '000	Balance due from / (to) as at 31 December 2015 RM '000
Lembaga Tabung Haji	Sales of equipment and services rendered	21,656	3,364
	Purchase of services	39	-
THP Bina Sdn Bhd	Sales of equipment and services rendered	-	373
THHE Fabricators Sdn Bhd	Sales of equipment and services rendered	1,272	1,710
TH Heavy Engineering Berhad	Sales of equipment and services rendered	1,575	1,778
TH Properties Sdn Bhd	Sales for equipment and services rendered	404	125
TH Travel & Services Sdn Bhd	Sales for equipment and services rendered	133	-
TH Hotel & Residences Sdn Bhd	Sales for equipment and services rendered	31	-
	Purchase of services	7	-
TH Agro Management Sdn Bhd	Services rendered	492	-
Mohamed Ridza & Co	Purchase of services	21	-

(B) Notes to the Interim Financial Statements (revised BMSB Listing Requirements)

B.1 Review of performance

The Group reported a revenue of RM 150.5 million for the year ended 31 December 2015 as compared to the revenue in the previous year of RM 98.3 million. The improvement of revenue in the current period of 53% was mainly due to the completion of some big projects milestones during the financial year end.

The improvement of gross profit margin was mainly due to the higher revenue mix from system integration works. Correspondingly, the Group reported a profit before taxation of RM2.4 million against the loss before taxation of RM7.1 million from the preceding year.

The higher depreciation was due to a large acquisition of IT equipments during the year for a three (3) years desktop management services project.

B.2 Material changes in quarterly results

The Group's revenue for the current quarter increased to RM65.8 million as compared to that of RM 21.0 million for the immediate preceding quarter. The Group reported a profit before taxation of RM 9.1 million for the current period as compared to the loss before taxation of RM 0.9 million in the immediate preceding quarter. The Group also made some allowance for impairment of goodwill and doubtful debt amounting RM2.5 million after assessing the possible indication of impairment and recoverability.

B.3 Prospects

The National ICT Association of Malaysia (PIKOM) is cautiously optimistic that the ICT spending in Malaysia is expected to grow 12-14% in 2016 to over RM70 billion. Growth is expected to come largely from the telecommunication segment as well as areas such as cloud computing, mobility, big data, e-commerce, online transactions, and the IoT (Internet of Things). 2016 will see initiatives largely driven by Government, to globalize, increase competitiveness, promote human capital development, lead the digital trend and accelerate growth of demand in the Malaysian ICT industry. The growth of the telecommunication and communication industry is expected to remain strong with the roll-out of the long term evolution network (LTE) by telecommunication providers.

There are no major changes to the Group's strategies and action plans. Strong focus and emphasis on execution and productivity to realize the action plans. The Group will also continue to leverage on the support of its major shareholder and its Group of companies.

The Group expects 2016 to remain a challenging year. The cost of ICT products and services had increased due to the depreciation of the Ringgit against major foreign currencies. The reduction in operating and capital expenditure spending by the Government and the Government linked companies is expected to continue to put competitive and margin pressures on the Group.

Nevertheless, barring unforeseen circumstances, the Group expects that the results for the financial year 2016 will be better than 2015.

B.4 Statement of the Board of Directors' opinion on profit forecast and profit guarantee

Not applicable as the Group did not publish any profit forecast or profit guarantee.

B.5 Profit before Tax

The following amounts have been included in arriving at profit before tax:

	Current Quarter Ended 31/12/2015 RM'000	Current Year To Date Ended 31/12/2015 RM'000
Depreciation	1,424	5,041
Deferred expenditure written off	217	1,153
Allowance for doubtful debts	1,892	1,896
Allowance for impairment of goodwill	657	657
Income from short term investments	43	271
Borrowing costs	305	580

B.6 Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 31/12/2015 RM '000	Preceding Year Corresponding Quarter Ended 31/12/2014 RM '000	Current Year To Date Ended 31/12/2015 RM '000	Preceding Year Corresponding Period Ended 31/12/2014 RM '000
Corporate Income Tax				
Current Year	19	-	19	-
Under/(over) provision for previous period	108	-	108	-
	<u>127</u>	<u>-</u>	<u>127</u>	<u>-</u>

B.7 Sale of unquoted investments and/or properties

The Group was not involved in any sale of unquoted investments and/or properties during the quarter under review.

B.8 Quoted securities

There were no quoted securities held by the Group.

B.9 Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 24 February 2016 the latest practicable date which shall not be earlier than seven (7) days from the date of issue of this quarterly report.

(a) Employee Share Option Scheme ("ESOS")

At an Extraordinary General Meeting on 11 May 2011, the Company's shareholders approved the establishment of a five (5) year ESOS of up to ten percent (10%) of the issued and paid-up capital of the Company, commencing from the effective date of 12 May 2011.

Set out below are the details of options over the ordinary shares of the Company under the ESOS:

Option Date	Option Expiry Date	Exercise Price	Number Of Options Over Ordinary Shares of RM1.00			
			Granted as at 14/06/2011	Exercised	Lapsed/ Cancelled	As at 31/12/2015
1/6/2011	31/5/2016	RM1.05	5,909,000	-	(3,350,000)	2,559,000

B.10 Group borrowings

Details of the Group's borrowings as at the end of the reporting period are as follows:

Short Term Borrowings

	31/12/2015 RM'000	31/12/2014 RM '000
Unsecured		
Revolving Credit	-	4,000
Trust Receipts	41,575	-
Total	41,575	4,000

Hire Purchase

	31/12/2015 RM '000	31/12/2014 RM '000
Repayable within 12 months	3,889	91
Payable more than 12 months	3,672	116
Total	7,561	207

All the borrowings are denominated in Ringgit Malaysia.

B.11 Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk as at 24 February 2016, the latest practicable date which shall not be earlier than seven (7) days from the date of issue of this quarterly report.

B.12 Changes in fair value of financial instruments

The carrying amounts of the financial instruments of the Group as at the balance sheet date approximate their fair values due to relatively short term maturity of these financial instruments.

B.13 Changes in material litigations

Other than those indicated in Note A13 to the Interim Financial Statements MFRS134, there were no changes in material litigations as at 24 February 2016, the latest practicable date which shall not be earlier than seven (7) days from the date of issue of this quarterly report.

B.14 Dividends

No dividends have been paid, declared or proposed since the end of the Company's previous financial year. The Directors do not recommend any interim dividend for the period under review.

B.15 Earnings / (loss) per share

The basic earnings / (loss) per share for the quarter and year to date ended 31 December 2015 are computed as follows:

	Individual Quarter		Cumulative Quarter	
	Current Quarter 31/12/2015	Preceding Year Corresponding Quarter 31/12/2014	Current Year To Date 31/12/2015	Preceding Year Corresponding Period 31/12/2014
Net earnings (loss) (RM'000)	9,058	(62)	2,412	(7,130)
Weighted average number of ordinary shares in issue ('000)	107,241	107,241	107,241	107,241
Basic EPS/ (LPS) (sen)	8.45	(0.06)	2.25	(6.65)
Diluted EPS / (LPS) (sen)	-	-	-	-

Diluted EPS is not computed as the exercise price of the Employees' Share Options and Warrants are higher than the average market price of the Company's ordinary shares during the period. Diluted EPS was not computed previously as it was anti-dilutive.

B.16 Realised and Unrealised Retained Profits

In relation to the Directive by BMSB on 25 March 2010, the determination of realized and unrealized 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 BMSB Listing Requirements, issued by the Malaysian Institute Of Accountants on 20 December 2010.

	31/12/2015 RM'000	31/12/2014 RM'000
Breakdown of accumulated losses of the Group		
- Realised	(92,572)	(96,962)
- Unrealised*	3,902	3,902
Less: Consolidation adjustments	46,095	48,073
Total Group Retained Losses	(42,575)	(44,987)

*Unrealised retained profits/accumulated losses comprise mainly of the recognised deferred tax asset of which probable tax profit will be available against which the deductible temporary differences can be utilized.

B.17 Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 29 February 2016.