

**EUROSPAN HOLDINGS BERHAD (351927-M)**

(Incorporated in Malaysia)

**AND ITS SUBSIDIARIES****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 28 FEBRUARY 2017**

|   | <b>(Unaudited)<br/>28-Feb-17<br/>RM'000</b> | <b>(Audited)<br/>31-May-16<br/>RM'000</b> |
|---|---|---|
| <b>ASSETS</b>   |   |   |
| Property, plant and equipment                             | 22,595                                      | 23,541                                    |
| Other investments   | 7,825                                       | 5,654                                     |
| <b>Total non-current assets</b>                           | <u>30,420</u>                               | <u>29,195</u>                             |
| Inventories   | 11,084                                      | 13,348                                    |
| Trade and other receivables                               | 6,267                                       | 5,671                                     |
| Tax recoverable   | 374   | 261                                       |
| Cash and cash equivalents                                 | 9,161                                       | 10,421                                    |
| <b>Total current assets</b>                               | <u>26,886</u>                               | <u>29,701</u>                             |
| <b>TOTAL ASSETS</b>                                       | <u><u>57,306</u></u>                        | <u><u>58,896</u></u>                      |
| <b>EQUITY</b>   |   |   |
| Share capital   | 44,421                                      | 44,421                                    |
| Reserves  | 3,432                                       | 2,777                                     |
| <b>Total equity attributable to owners of the Company</b> | <u>47,853</u>                               | <u>47,198</u>                             |
| <b>LIABILITIES</b>  |   |   |
| Provision for gratuity benefit                            | 1,327                                       | 1,243                                     |
| Deferred tax liabilities                                  | 278   | 423                                       |
| <b>Total non-current liabilities</b>                      | <u>1,605</u>                                | <u>1,666</u>                              |
| Borrowings  | 1,478                                       | 2,926                                     |
| Trade and other payables                                  | 6,370                                       | 7,106                                     |
| <b>Total current liabilities</b>                          | <u>7,848</u>                                | <u>10,032</u>                             |
| <b>Total liabilities</b>                                  | <u>9,453</u>                                | <u>11,698</u>                             |
| <b>TOTAL EQUITY AND LIABILITIES</b>                       | <u><u>57,306</u></u>                        | <u><u>58,896</u></u>                      |
| Net assets per share (sen)                                | 107.73                                      | 106.25                                    |

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 May 2016.)

(The notes set out on pages 5 to 10 form an integral part of, and, should be read in conjunction with, this interim financial report.)

**EUROSPAN HOLDINGS BERHAD (351927-M)**

(Incorporated in Malaysia)

**AND ITS SUBSIDIARIES****CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2017 (UNAUDITED)**

|  | Individual Quarter                       |  | Cumulative Quarter                       |  |
|--|--|--|--|--|
|  | 3 months<br>ended<br>28-Feb-17<br>RM'000 | 3 months<br>ended<br>29-Feb-16<br>RM'000 | 9 months<br>ended<br>28-Feb-17<br>RM'000 | 9 months<br>ended<br>29-Feb-16<br>RM'000 |
| <b>Continuing operations</b>                     |  |  |  |  |
| Revenue  | 13,600                                   | 11,750                                   | 39,937                                   | 41,365                                   |
| Cost of sales                                    | (10,775)                                 | (9,594)                                  | (32,685)                                 | (33,415)                                 |
| <b>Gross profit</b>                              | <u>2,825</u>                             | <u>2,156</u>                             | <u>7,252</u>                             | <u>7,950</u>                             |
| Selling and distribution expenses                | (626)                                    | (509)                                    | (1,794)                                  | (1,635)                                  |
| Administrative expenses                          | (1,747)                                  | (1,669)                                  | (5,192)                                  | (5,064)                                  |
| Finance costs                                    | (62)                                     | (55)                                     | (223)                                    | (186)                                    |
| Other operating expenses                         | 835                                      | 112                                      | (25)                                     | (369)                                    |
| Other incomes                                    | (130)                                    | 101                                      | 422                                      | 364                                      |
| <b>Profit before tax</b>                         | <u>1,095</u>                             | <u>136</u>                               | <u>440</u>                               | <u>1,060</u>                             |
| Taxation   | (210)                                    | (38)                                     | 129                                      | (231)                                    |
| <b>Profit after tax for the period</b>           | <u>885</u>                               | <u>98</u>                                | <u>569</u>                               | <u>829</u>                               |
| Other comprehensive income for the period        | 65                                       | -  | 86                                       | -  |
| Total comprehensive income for the period        | <u>950</u>                               | <u>98</u>                                | <u>655</u>                               | <u>829</u>                               |
| Profit attributable to :                         |  |  |  |  |
| Owners of the Parent                             | 885                                      | 98                                       | 569                                      | 829                                      |
| Minority interest                                | -  | -  | -  | -  |
| Profit after tax for the period                  | <u>885</u>                               | <u>98</u>                                | <u>569</u>                               | <u>829</u>                               |
| Total comprehensive profit attributable to :     |  |  |  |  |
| Owners of the Parent                             | 950                                      | 98                                       | 655                                      | 829                                      |
| Minority interest                                | -  | -  | -  | -  |
| <b>Total comprehensive profit for the period</b> | <u>950</u>                               | <u>98</u>                                | <u>655</u>                               | <u>829</u>                               |
| Basic earnings per ordinary share (sen)          | 1.99                                     | 0.22                                     | 1.28                                     | 1.87                                     |

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 May 2016.)

(The notes set out on pages 5 to 10 form an integral part of, and, should be read in conjunction with, this interim financial report.)

**EUROSPAN HOLDINGS BERHAD (351927-M)**

(Incorporated in Malaysia)

**AND ITS SUBSIDIARIES****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2017  
(UNAUDITED)**

|                                  | <u>Non Distributable</u> |              |          |            | Retained                 |               |
|----------------------------------|--------------------------|--------------|----------|------------|--------------------------|---------------|
|                                  | Share                    | Share        | Share    | Fair value | profits/<br>(Accumulated | Total         |
|                                  | capital                  | premium      | option   | reserve    | losses)                  | RM'000        |
|                                  | RM'000                   | RM'000       | RM'000   | RM'000     | RM'000                   | RM'000        |
| <b>Balance as at 1 June 2015</b> | 44,421                   | 8,375        | -        | 234        | (5,876)                  | 47,154        |
| Total comprehensive              |                          |              |          |            |                          |               |
| (loss)/income for the period     | -                        | -            | -        | (208)      | 829                      | 621           |
| <b>Balance as at 29 Feb 2016</b> | <b>44,421</b>            | <b>8,375</b> | <b>-</b> | <b>26</b>  | <b>(5,047)</b>           | <b>47,775</b> |
| <b>Balance as at 1 June 2016</b> | 44,421                   | 8,375        | -        | 66         | (5,664)                  | 47,198        |
| Total comprehensive income       |                          |              |          |            |                          |               |
| for the period                   | -                        | -            | -        | 86         | 569                      | 655           |
| <b>Balance as at 28 Feb 2017</b> | <b>44,421</b>            | <b>8,375</b> | <b>-</b> | <b>152</b> | <b>(5,095)</b>           | <b>47,853</b> |

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 May 2016.)

(The notes set out on pages 5 to 10 form an integral part of, and, should be read in conjunction with, this interim financial report.)

**EUROSPAN HOLDINGS BERHAD (351927-M)**

(Incorporated in Malaysia)

**AND ITS SUBSIDIARIES****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2017 (UNAUDITED)**

|   | Cumulative Quarters |           |
|---|---------------------|-----------|
|   | 9 months ended      |           |
|   | 28-Feb-17           | 29-Feb-16 |
|   | RM'000              | RM'000    |
| <b>Cash flows from operating activities</b>                 |                     |           |
| Profit before tax   | 440                 | 1,060     |
| Adjustments for :   |                     |           |
| Depreciation  | 1,378               | 1,284     |
| Fair value loss on derivatives                              | 333                 | (67)      |
| Gain on disposal of property, plant and equipment           | -                   | (4)       |
| Interest expense  | 48                  | 45        |
| Interest income   | (381)               | (349)     |
| Property, plant and equipment written off                   | 23                  | -         |
| Provision for gratuity benefit                              | 84                  | 78        |
| Impairment of other investment                              | -                   | 36        |
| Gain on foreign exchange - unrealised                       | (349)               | (454)     |
| Operating profit before working capital changes             | 1,576               | 1,629     |
| Decrease/(increase) in inventories                          | 2,264               | (1,343)   |
| (Increase)/decrease in receivables                          | (615)               | 176       |
| Decrease in payables  | (1,050)             | (2,418)   |
| Cash generated/(used in) from operations                    | 2,175               | (1,956)   |
| Income tax paid   | (221)               | (106)     |
| Income tax refunded   | 91                  |           |
| Interest paid   | (48)                | (45)      |
| Interest received   | 381                 | 349       |
| Net cash from/(used in) operating activities                | 2,378               | (1,758)   |
| <b>Cash flows from investing activities</b>                 |                     |           |
| Acquisition of other investments                            | (2,084)             | (38)      |
| Purchase of property, plant and equipment                   | (455)               | (1,413)   |
| Proceeds from disposal of property, plant & equipment       | -                   | 4         |
| Net cash used in investing activities                       | (2,539)             | (1,447)   |
| <b>Cash flows from financing activities</b>                 |                     |           |
| Short term borrowing repayment                              | (1,458)             | (539)     |
| Net cash used in financing activities                       | (1,458)             | (539)     |
| Net decrease in cash and cash equivalents                   | (1,619)             | (3,744)   |
| Effects of changes in exchange rates                        | 359                 | 367       |
| Cash and cash equivalents at beginning of the period        | 10,421              | 11,823    |
| Cash and cash equivalents at end of the period              | 9,161               | 8,446     |
| Cash and cash equivalents at end of the period consist of : |                     |           |
| Short term funds  | 2,364               | 2,286     |
| Cash and bank balances                                      | 6,797               | 6,160     |
|   | 9,161               | 8,446     |

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 May 2016.

(The notes set out on pages 5 to 10 form an integral part of, and, should be read in conjunction with, this interim financial report.)

# **EUROSPAN HOLDINGS BERHAD (351927-M)**

(Incorporated in Malaysia)

## **AND ITS SUBSIDIARIES**

### **EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2017**

#### **PART A: REQUIREMENTS OF MFRS 134 INTERIM FINANCIAL REPORTING**

##### **A1. Basis of Preparation**

The interim financial report is unaudited and has been prepared in compliance with MFRS 134, Interim Financial Reporting and the additional disclosure requirements as in Part A of Appendix 9B of the Revised Listing Requirements of Bursa Malaysia Securities.

This interim financial report should be read in conjunction with the Group's annual audited financial statements for the year ended 31 May 2016. These explanation notes attached to the interim financial report provides an explanation of events and transactions that are significant for an understanding of the financial position and performance of the Group since the financial year ended 31 May 2016.

The accounting policies and methods of computation adopted for the interim financial report is consistent with those adopted by the Group in the audited financial statements for the year ended 31 May 2016, except for the followings :

##### **Effective for annual periods beginning on or after 1 January 2016**

- MFRS 14 *Regulatory Deferral Accounts*
- Amendments to MFRS 10 and MFRS 128 *Investment Entities : Applying the Consolidation Exception*
- Amendments to MFRS 11 *Accounting for Acquisition of Interests in Joint Operations*
- Amendments to MFRS 101 *Disclosure Initiative*
- Amendments to MFRS 116 and MFRS 138 *Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to MFRS 116 and MFRS 141 *Agriculture: Bearer Plants*
- Amendments to MFRS 127 *Equity Method in Separate Financial Statements*
- *Annual Improvements to MFRS 2012-2014 Cycle*

##### **Effective for annual periods beginning on or after 1 January 2017**

- Amendments to MFRS 107 *Disclosure Initiative*
- Amendments to MFRS 112 *Recognition of Deferred Tax Assets for Unrealised Losses*

##### **Effective for annual periods beginning on or after 1 January 2018**

- MFRS 9 *Financial Instruments (IFRS 9 issued by IASB in July 2014)*
- MFRS 15 *Revenue from Contracts with Customers*
- Amendments to MFRS 7 *Mandatory Date of MFRS 9 and Transition Disclosures*

##### **Effective for annual periods beginning on or after 1 January 2019**

- MFRS 16 *Leases*

##### **Effective date yet to be confirmed**

- *Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The initial application of the above standards is not expected to have any material impacts to the financial statements of the Group and of the Company upon adoption except as mentioned below:

##### ***MFRS 9 Financial Instruments***

MFRS 9 replaces the guidance in MFRS 139, *Financial Instruments: Recognition and Measurement* on the classification and measurement of financial assets. Upon adoption of MFRS 9, financial assets will be measured at either fair value or amortised cost.

### ***MFRS 15 Revenue from Contracts with Customers***

*MFRS 15* replaces the guidance in *MFRS 111 Construction Contracts*, *MFRS 118 Revenue*, *IC Interpretation (“IC Int”) 13 Customer Loyalty Programmes*, *IC Int 15 Agreements for Construction of Real Estate*, *IC Int 18 Transfers of Assets from Customers* and *IC Int 131 Revenue – Barter Transactions Involving Advertising Services*. Upon adoption of *MFRS 15*, it is expected that the timing of revenue recognition might be different as compared with the current practices.

The adoption of *MFRS 15* will result in a change in accounting policy. The Group and the Company are currently assessing the financial impact of adopting *MFRS 15*.

### ***MFRS 16 Leases***

The scope of *MFRS 16* includes leases of all assets, with certain exceptions. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

*MFRS 16* requires lessees to account for all leases under a single on-balance sheet model in a similar way to finance leases under *MFRS 117*. The standard includes two recognition exemptions for lessees – leases of ‘low-value’ assets (e.g., personal computers) and short-term leases (e.g., leases with a lease term of 12 months or less).

At the commencement date of a lease, a lessee will recognise a liability to make lease payments (e.g., the lease liability) and an asset representing the right to use the underlying asset during the lease term (e.g., the right-of-use asset).

Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will be required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessees will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting is substantially unchanged from today’s accounting under *MFRS 117*. Lessors will continue to classify all leases using the same classification principle in *MFRS 117* and distinguish between two types of leases: operating and finance leases.

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2019 with early adoption permitted. The Group and the Company are currently assessing the financial impact of adopting *MFRS 16*.

## **A2. Qualification of Financial Statements**

The auditors' report of the preceding annual financial statements was not qualified.

## **A3. Seasonal or Cyclical Factors**

The principal business of the Group was not significantly affected by any seasonal or cyclical factors in the current quarter.

## **A4. Exceptional and Extraordinary Items**

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

## **A5. Changes in Estimates**

There were no major changes in estimates from those of the prior financial year which have a material effect in the current financial period ended 28 February 2017.

**A6. Debt 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 current financial period ended 28 February 2017.

**A7. Dividends Paid**

No dividends were paid during the current financial period ended 28 February 2017.

**A8. Segmental Information**

The Group is principally engaged in the manufacturing and trading of furniture and wood-based products. Segmental information has therefore not been prepared as the Group's revenue and operating profit are mainly confined to one business segment.

**A9. Material Events Subsequent to the Balance Sheet Date**

There were no material events subsequent to the balance sheet date up to the date of this report.

**A10. Changes in the Composition of the Group**

There were no changes in the composition of the Group for the current financial period ended 28 February 2017.

**A11. Contingent Liabilities or Contingent Assets**

There were no contingent liabilities or contingent assets as at the date of this report.

**A12. Capital Commitment**

There was no capital commitment as at date of this announcement.

# **EUROSPAN HOLDINGS BERHAD (351927-M)**

(Incorporated in Malaysia)

## **AND ITS SUBSIDIARIES**

### **EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2017**

#### **PART B: REQUIREMENTS OF PART A OF APPENDIX 9B OF THE REVISED LISTING REQUIREMENTS**

##### **B1. Review of Performance**

###### Current Quarter

The Group recorded revenue of RM13.60 million for the current financial quarter ended 28 February 2017 compared to the revenue of RM11.75 million in the preceding year corresponding financial quarter ended 29 February 2016. The Group registered a profit before tax of RM1.10 million compared to the profit before tax of RM0.14 million in the preceding year corresponding financial quarter ended 29 February 2016. A better profit before tax in current financial quarter was mainly due to strengthening of US Dollar against Ringgit Malaysia.

###### Financial period-to-date

The Group recorded revenue of RM39.94 million for the current financial period ended 28 February 2017 compared to the revenue of RM41.37 million in the preceding year corresponding financial period. The Group registered a profit before tax of RM0.44 million compared to the profit before tax of RM1.06 million in the preceding year corresponding financial period. The lower of profit before tax for the financial period ended 28 February 2017 was mainly due to lower revenue.

##### **B2. Comparison with Preceding Quarter's Results**

The Group recorded revenue of RM13.60 million for the current financial quarter ended 28 February 2017 compared to the revenue of RM13.24 million in the preceding quarter ended 30 November 2016. The Group registered a profit before tax of RM1.09 million compared to the loss before tax of RM1.30 million in the preceding quarter. The better of profit before tax in current financial quarter was mainly due to fair value loss on derivatives of RM1.13 million in the preceding quarter.

##### **B3. Current Year Prospects**

Barring any unforeseen changes in the global economic climate and market conditions, the Group will continue to be cautious on the challenge ahead. The management will continue its effort in improving its operating results.

##### **B4. Profit Forecast**

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



## B5. Tax Expense

|                      | Individual Quarter                 |                                    | Cumulative Quarters                |                                    |
|----------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
|                      | 3 months ended 28-Feb-17<br>RM'000 | 3 months ended 29-Feb-16<br>RM'000 | 9 months ended 28-Feb-17<br>RM'000 | 9 months ended 29-Feb-16<br>RM'000 |
| Current tax expense  |                                    |                                    |                                    |                                    |
| Malaysian - Current  | 7                                  | 6                                  | 17                                 | 10                                 |
| - Prior years        | -                                  | -                                  | (1)                                | -                                  |
| Deferred tax expense |                                    |                                    |                                    |                                    |
| Malaysian - Current  | 203                                | 32                                 | (138)                              | 221                                |
| - Prior years        | -                                  | -                                  | (7)                                | -                                  |
|                      | <u>210</u>                         | <u>38</u>                          | <u>(129)</u>                       | <u>231</u>                         |

The effective tax rate for the current financial quarter was lower than the statutory tax rate was due to the availability of business losses brought forward. The tax credit for the cumulative quarters was due to the reversal of deferred tax.

## B6. Status of Corporate Proposal Announced

There were no corporate proposals as at the date of this report.

## B7. Group Borrowings and Debt Securities

The group borrowings and debt securities were as follows:

|                                   | 28-Feb-17<br>RM'000 | 29-Feb-16<br>RM'000 |
|-----------------------------------|---------------------|---------------------|
| Short term borrowings - unsecured |                     |                     |
| Trust receipt                     | 1,478               | 2,782               |

Borrowings are denominated in US Dollars.

## B8. Derivative Financial Liabilities

Details of outstanding derivative financial instruments as at 28 February 2017:

| Foreign Exchange Forward Contracts : | Value<br>RM'000 | Fair Value<br>RM'000 | (Gain)/Loss<br>RM'000 |
|--------------------------------------|-----------------|----------------------|-----------------------|
| Within 1 year                        |                 |                      |                       |
| - Used to hedge trade receivables    | 16,594          | 16,925               | 331                   |
| - Used to hedge trade payables       | 664             | 662                  | <u>2</u>              |
|                                      |                 |                      | <u>333</u>            |

Forward foreign exchange contracts are entered into with licensed banks to hedge part of the Group's sales and purchases from exchange rate movements.

## B9. Changes in Material Litigation

There were no material litigations pending as at the date of this report.

## B10. Dividends

The directors do not recommend the payment of any dividend for the current financial period ended 28 February 2017.

## B11. Earnings Per Share

Basic earnings per share amounts are calculated by dividing profit for the period/year attributable to owners of the parent by the weighted average number of ordinary shares in issue during the period/year.

|   | <b>Individual Quarter</b>       |                                 | <b>Cumulative Quarters</b>      |                                 |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
|   | <b>3 months ended 28-Feb-17</b> | <b>3 months ended 29-Feb-16</b> | <b>9 months ended 28-Feb-17</b> | <b>9 months ended 29-Feb-16</b> |
| Profit attributable to owners of the parent (RM'000)      | 885                             | 98                              | 569                             | 829                             |
| Weighted average number of ordinary share in issue ('000) | 44,421                          | 44,421                          | 44,421                          | 44,421                          |
| Basic earnings per share (sen)                            | 1.99                            | 0.22                            | 1.28                            | 1.87                            |

## B12. Additional Disclosures

Included in the condensed consolidated statement of comprehensive income for the period are the followings:

|  | <b>Individual Quarter</b>              |  | <b>Cumulative Quarters</b>             |  |
|--|--|--|--|--|
|  | <b>3 months ended 28-Feb-17 RM'000</b> | <b>3 months ended 29-Feb-16 RM'000</b> | <b>9 months ended 28-Feb-17 RM'000</b> | <b>9 months ended 29-Feb-16 RM'000</b> |
| Depreciation   | 502                                    | 433                                    | 1,378                                  | 1,284                                  |
| Fair value (gain)/loss on derivatives                        | (694)                                  | (565)                                  | 333                                    | (67)                                   |
| Net gain on foreign exchange - unrealised                    | (124)                                  | (41)                                   | (349)                                  | (454)                                  |
| Net (gain)/loss on foreign exchange - realised               | (332)                                  | 486                                    | 2                                      | 869                                    |
| Interest expense   | 16                                     | 17                                     | 48                                     | 45                                     |
| Interest income  | (175)                                  | (96)                                   | (381)                                  | (349)                                  |
| (Reversal)/impairment loss on fair value of other investment | (33)                                   | 21                                     | -                                      | 36                                     |
| Gain on disposal of property, plant and equipment            | -                                      | -                                      | -                                      | (4)                                    |
| Property, plant and equipment written off                    | -                                      | -                                      | 23                                     | -                                      |
| Rental income  | (6)                                    | (5)                                    | (16)                                   | (11)                                   |

**B13. Realised and unrealised profits / (accumulated losses)**

The breakdown of retained profits/(accumulated losses) of the Group as at the reporting date, into realised and unrealised profit / (accumulated losses) are as follows:

|  | <b>As at<br/>28-Feb-17<br/>RM'000</b> | <b>As at<br/>31-May-16<br/>RM'000</b> |
|--|---------------------------------------|---------------------------------------|
| The retained profits/(accumulated losses) of the Group |                                       |                                       |
| - Realised   | 20,409                                | 19,739                                |
| - Unrealised   | <u>(262)</u>                          | <u>(103)</u>                          |
|  | 20,147                                | 19,636                                |
| Less : Consolidation adjustments                       | <u>(25,242)</u>                       | <u>(25,300)</u>                       |
|  | <u>(5,095)</u>                        | <u>(5,664)</u>                        |

BY ORDER OF THE BOARD

Lim Kim Teck (MAICSA 7010844)  
Secretary  
Penang  
26 April 2017