

**NYLEX (MALAYSIA) BERHAD**

(Incorporated in Malaysia)

(Company No : 9378-T)

**CONDENSED CONSOLIDATED INCOME STATEMENTS  
FOR THE FINANCIAL QUARTER ENDED 29 FEBRUARY 2016  
THE FIGURES HAVE NOT BEEN AUDITED**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>29.02.2016</b>	<b>28.02.2015</b>	<b>29.02.2016</b>	<b>28.02.2015</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	256,358	270,601	906,435	948,603
Cost of sales	<u>(230,897)</u>	<u>(248,510)</u>	<u>(824,981)</u>	<u>(872,842)</u>
<b>Gross profit</b>	25,461	22,091	81,454	75,761
Other income	355	991	1,283	2,520
Selling and distribution expenses	(12,275)	(11,857)	(38,280)	(36,098)
Administrative expenses	(9,665)	(7,037)	(27,633)	(23,124)
Other expenses	50	(516)	(72)	(1,575)
Finance cost	<u>(1,144)</u>	<u>(2,003)</u>	<u>(5,028)</u>	<u>(5,893)</u>
<b>Profit before taxation</b>	2,782	1,669	11,724	11,591
Taxation	<u>(1,914)</u>	<u>(2,992)</u>	<u>(7,507)</u>	<u>(7,388)</u>
<b>Profit/(loss) for the period</b>	<u>868</u>	<u>(1,323)</u>	<u>4,217</u>	<u>4,203</u>
Profit/(loss) for the attributable to:				
Owners of the parent	789	(634)	4,669	5,144
Non-controlling interests	<u>79</u>	<u>(689)</u>	<u>(452)</u>	<u>(941)</u>
	<u>868</u>	<u>(1,323)</u>	<u>4,217</u>	<u>4,203</u>
Earnings/(loss) per share attributable to owners of the parent (sen)				
- basic	0.41	(0.33)	2.42	2.67
- diluted	N/A	N/A	N/A	N/A

**(The Condensed Consolidated Income Statements should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2015)**

**NYLEX (MALAYSIA) BERHAD**

(Incorporated in Malaysia)

(Company No : 9378-T)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL QUARTER ENDED 29 FEBRUARY 2016  
THE FIGURES HAVE NOT BEEN AUDITED**

	Individual Quarter		Cumulative Quarter	
	29.02.2016 RM'000	28.02.2015 RM'000	29.02.2016 RM'000	28.02.2015 RM'000
<b>Profit/(loss) for the period</b>	868	(1,323)	4,217	4,203
Other comprehensive (loss)/income :				
Currency translation differences	(156)	6,834	19,762	11,187
<b>Other comprehensive (loss)/income for the period</b>	(156)	6,834	19,762	11,187
<b>Total comprehensive income for the period</b>	<u>712</u>	<u>5,511</u>	<u>23,979</u>	<u>15,390</u>
Total comprehensive income attributable to:				
Owners of the parent	737	5,634	23,274	15,524
Non-controlling interests	(25)	(123)	705	(134)
	<u>712</u>	<u>5,511</u>	<u>23,979</u>	<u>15,390</u>

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2015)

**NYLEX (MALAYSIA) BERHAD**

(Incorporated in Malaysia)

(Company No : 9378-T)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
AS AT 29 FEBRUARY 2016

	As at 29.02.2016 RM'000 (Unaudited)	As at 31.05.2015 RM'000 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	100,308	92,650
Goodwill arising on consolidation	102,203	92,355
Deferred tax assets	25,811	26,527
	<u>228,322</u>	<u>211,532</u>
<b>Current assets</b>		
Inventories	103,240	96,970
Trade debtors	185,978	198,095
Other debtors, deposits and prepayments	13,641	10,931
Investment securities	488	448
Tax recoverable	877	1,882
Amount owing by related companies	10,715	10,617
Short-term deposits	13,440	30,293
Cash and bank balances	57,035	65,579
	<u>385,414</u>	<u>414,815</u>
<b>TOTAL ASSETS</b>	<u><b>613,736</b></u>	<u><b>626,347</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	194,338	194,338
Reserves	29,911	11,306
Retained profits	97,223	96,403
Less: Treasury shares, at cost	(1,102)	(888)
	<u>320,370</u>	<u>301,159</u>
<b>Non-controlling interests</b>	11,582	10,877
<b>Total equity</b>	<u>331,952</u>	<u>312,036</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	1,595	1,601
Long term borrowings	4,111	10,510
Provision for retirement benefits	3,421	3,198
	<u>9,127</u>	<u>15,309</u>
<b>Current liabilities</b>		
Trade creditors	78,088	111,126
Other creditors and accrued expenses	21,422	25,474
Amount owing to related companies	102	708
Short-term borrowings	169,170	160,593
Provision for taxation	3,875	1,078
Dividends payable	-	23
	<u>272,657</u>	<u>299,002</u>
<b>Total liabilities</b>	<u>281,784</u>	<u>314,311</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>613,736</b></u>	<u><b>626,347</b></u>
Net Assets per share attributable to owners of the parent (RM)	1.67	1.56

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2015)

**NYLEX (MALAYSIA) BERHAD**

(Incorporated in Malaysia)

(Company No : 9378-T)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 29 FEBRUARY 2016**

	←----- Attributable to owners of the parent ----->						Non- controlling interests	Total equity
	Share capital RM'000	Share premium RM'000	Translation reserve RM'000	Retained profits RM'000	Treasury shares RM'000	Total RM'000	RM'000	RM'000
<b>9 month period ended 29 February 2016</b>								
Balance as at 01 June 2015	194,338	805	10,501	96,403	(888)	301,159	10,877	312,036
Total comprehensive income for the period	-	-	18,605	4,669	-	23,274	705	23,979
<b>Transactions with owners</b>								
Dividends								
- Final single-tier dividend for the financial year ended 31 May 2015	-	-	-	(3,849)	-	(3,849)	-	(3,849)
Repurchase of shares	-	-	-	-	(214)	(214)	-	(214)
Total transactions with owners	-	-	-	(3,849)	(214)	(4,063)	-	(4,063)
Balance as at 29 February 2016	194,338	805	29,106	97,223	(1,102)	320,370	11,582	331,952
<b>9 month period ended 28 February 2015</b>								
Balance as at 01 June 2014	194,338	805	(753)	95,385	(869)	288,906	12,320	301,226
Total comprehensive income/(loss) for the year	-	-	10,380	5,144	-	15,524	(134)	15,390
<b>Transactions with owners</b>								
Dividends								
- Final dividend for the financial year ended 31 May 2014	-	-	-	(5,784)	-	(5,784)	-	(5,784)
Winding up of subsidiary	-	-	-	-	-	-	(92)	(92)
Acquisition of non-controlling interests of a subsidiary	-	-	-	(583)	-	(583)	(67)	(650)
Repurchase of shares	-	-	-	-	(19)	(19)	-	(19)
Total transactions with owners	-	-	-	(6,367)	(19)	(6,386)	(159)	(6,545)
Balance as at 28 February 2015	194,338	805	9,627	94,162	(888)	298,044	12,027	310,071

**(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2015)**

**NYLEX (MALAYSIA) BERHAD**

(Incorporated in Malaysia)

(Company No : 9378-T)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE PERIOD ENDED 29 FEBRUARY 2016**

	<b>FY 2016</b>	<b>FY 2015</b>
	<b>9 months ended 29.02.2016 RM'000 (Unaudited)</b>	<b>9 months ended 28.02.2015 RM'000 (Unaudited)</b>
<b>Cash Flows From Operating Activities</b>		
Profit before taxation	11,724	11,591
Adjustments for non-cash items	6,660	8,782
Operating cash flows before working capital changes	18,384	20,373
<b>Working Capital Changes</b>		
Receivables	19,014	45,115
Inventories	757	18,772
Payables	(38,971)	(47,319)
Group companies	(6,116)	(4,084)
Cash flows (used in)/generated from operations	(6,932)	32,857
Income tax paid	(2,893)	(7,187)
Retirement benefits paid	(176)	(84)
<b>Net Cash Flows (Used In)/Generated From Operating Activities</b>	<b>(10,001)</b>	<b>25,586</b>
<b>Cash Flows From Investing Activities</b>		
Proceeds from disposal of property, plant and equipment	102	30
Purchase of property, plant and equipment	(7,240)	(20,984)
Acquisition of investment securities	(23)	-
Distribution of surplus assets to non-controlling interests on winding up of a subsidiary	-	(92)
Acquisition of non-controlling interests in a subsidiary	-	(650)
Interest received	1,157	1,283
Dividend received	4	5
<b>Net Cash Flows Used In Investing Activities</b>	<b>(6,000)</b>	<b>(20,408)</b>
<b>Cash Flows From Financing Activities</b>		
Dividends paid to shareholders of the Company	(3,849)	(5,784)
Repayment of hire-purchase creditors	(41)	(66)
Drawdown of term loans and advances	81,975	57,905
Repayment of term loans and advances	(86,515)	(47,978)
Purchase of Company's own shares	(214)	(19)
Interest paid	(5,028)	(5,893)
<b>Net Cash Flows Used In Financing Activities</b>	<b>(13,672)</b>	<b>(1,835)</b>
<b>Net (Decrease)/Increase in Cash and Cash Equivalents</b>	<b>(29,673)</b>	<b>3,343</b>
<b>Effects of Exchange Rate Changes</b>	<b>7,735</b>	<b>3,960</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>95,872</b>	<b>76,325</b>
<b>Effects of Exchange Rate Changes</b>	<b>(3,459)</b>	<b>(2,094)</b>
	<b>92,413</b>	<b>74,231</b>
<b>Cash and Cash Equivalents at End of Period</b>	<b>70,475</b>	<b>81,534</b>
<b>The Cash and Cash Equivalents Comprise:</b>		
Cash and bank balances	57,035	62,304
Short-term deposits	13,440	19,230
	<b>70,475</b>	<b>81,534</b>

(The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2015)



(Incorporated in Malaysia)  
(Company No.: 9378-T)

## **Notes to the Interim Financial Report – For the 3<sup>rd</sup> Financial Quarter Ended 29 February 2016**

<b>A. COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134, INTERIM FINANCIAL REPORTING AND BURSA SECURITIES LISTING REQUIREMENTS</b>
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### **A1. Basis of Preparation**

This Interim Financial Report (“Report”) is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”). This Report complies with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board.

This Report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 May 2015.

These notes to the Report 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 May 2015.

### **A2. Significant accounting policies**

The significant accounting policies and methods of computation adopted by the Group in this Report are consistent with those adopted in the most recent audited financial statements for the year ended 31 May 2015 except for the adoption of the following Amendments/Annual Improvements to MFRSs (collectively referred to as “pronouncements”):

Amendments to MFRS 119 Defined Benefit Plans: Employee Contributions  
Annual Improvements to MFRSs 2010 – 2012 Cycle  
Annual Improvements to MFRSs 2011 – 2013 Cycle

The adoption of the above pronouncements will have no material impact on the financial statements of the Group and of the Company.

### **A3. Seasonality or Cyclicity of Interim Operations**

The operations of the Group were not significantly affected by seasonality and cyclicity factors.

### **A4. Items of Unusual Nature and Amount**

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

### **A5. Changes in Estimates Reported in Prior Interim Periods**

There were no changes in estimated amounts reported in prior periods, which have a material effect on the current period.

**A6. Debts and Equity Securities**

There were no issuance, cancellation, repurchases, resale and repayments of debts and equity securities for the current quarter and financial year-to-date, except for the following:

Treasury shares:

At the Company's 45<sup>th</sup> Annual General Meeting held on 19 November 2015, the shareholders of the Company approved the proposed renewal of shareholders' mandate for the Company to repurchase up to 10% of its own ordinary shares. For the current quarter and the financial year-to-date, the Company purchased 108,200 and 385,000, respectively, of ordinary shares of RM1.00 each in the Company pursuant to Section 67A of the Companies Act, 1965, details of which are as follows:

Date	No. of Shares	Highest Price (RM)	Lowest Price (RM)	Average Price (RM)	Total Consideration (RM)
July 2015	32,300	0.5900	0.5300	0.5630	18,424
August 2015	112,400	0.5600	0.4700	0.5243	59,520
September 2015	64,000	0.5400	0.4800	0.5089	32,954
October 2015	23,200	0.5500	0.5200	0.5295	12,558
November 2015	44,900	0.5900	0.5650	0.5817	26,269
	276,800				149,725
December 2015	48,200	0.6050	0.5550	0.5776	28,220
January 2016	15,000	0.6600	0.5650	0.5800	8,798
February 2016	45,000	0.6250	0.5700	0.5883	26,808
	385,000				213,551

Notes: The consideration is inclusive of brokerage, contract stamp and clearing fees.

As at 29 February 2016, a total of 1,946,124 treasury shares at a total cost of RM1,101,836 were held by the Company pursuant to Section 67A (3A) (b) of the Companies Act, 1965.

**A7. Dividend Paid**

On 18 December 2015, the Company paid a final single-tier dividend of 2.0 sen per share amounting to RM3,849,738.72 in respect of the financial year ended 31 May 2015.

**A8. Segment Revenue and Results**

The segment revenue and segment results for business segments for the current financial year-to-date are as follows: -

<b>9-Month period ended 29.02.2016</b>	<b>Polymer RM'000</b>	<b>Industrial Chemical RM'000</b>	<b>Others RM'000</b>	<b>Eliminations RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>					
External sales	84,541	821,894	-	-	906,435
Inter-segment sales	-	1,157	-	(1,157)	-
<b>Total revenue</b>	<b>84,541</b>	<b>823,051</b>	<b>-</b>	<b>(1,157)</b>	<b>906,435</b>

<b>9-Month period ended 29.02.2016</b>	<b>Polymer RM'000</b>	<b>Industrial Chemical RM'000</b>	<b>Others RM'000</b>	<b>Eliminations RM'000</b>	<b>Consolidated RM'000</b>
<b>Results</b>					
Segment result	10,004	10,747	(3,999)	-	16,752
Finance costs					(5,028)
Profit before taxation					11,724
Taxation					(7,507)
Net profit for the period					4,217
Non-controlling interests					452
Net profit after non-controlling interests					4,669
<b>9-Month period ended 28.02.2015</b>					
	<b>Polymer RM'000</b>	<b>Industrial Chemical RM'000</b>	<b>Others RM'000</b>	<b>Eliminations RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>					
External sales	94,257	854,346	-	-	948,603
Inter-segment sales	1	1,750	-	(1,751)	-
<b>Total revenue</b>	<b>94,258</b>	<b>856,096</b>	<b>-</b>	<b>(1,751)</b>	<b>948,603</b>
<b>Results</b>					
Segment result	9,904	11,473	(3,893)	-	17,484
Finance costs					(5,893)
Profit before taxation					11,591
Taxation					(7,388)
Net profit for the period					4,203
Non-controlling interests					941
Net profit after non-controlling interests					5,144

#### **A9. Valuation of Property, Plant and Equipment**

The valuations of land and buildings have been brought forward, without amendment from the Audited Financial Statements for the financial year ended 31 May 2015. The carrying values are based on valuations carried out in 1985 by independent qualified valuers less accumulated depreciation. Upon transition to MFRS 1 on 1 June 2011, the Group elected to use the previously revalued leasehold land and buildings carrying amounts as deemed cost.

#### **A10. Material Events Subsequent to the End of the Current Period**

There were no material events subsequent to the end of the current period up to the date of this Report that have not been reflected in the financial statements for the current period.

#### **A11. Changes in Composition of the Group**

There were no material changes in the composition of the Group for the current quarter and financial year-to-date including business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructuring or discontinuing operations.

#### **A12. Contingent Liabilities**

There were no contingent liabilities since the last annual Statements of Financial Position as at 31 May 2015.

**A13. Capital Commitment**

The capital commitment as at 29 February 2016 are as follows:

	<b>RM'000</b>
Property, plant and equipment	
- Approved and contracted	47,216
- Approved but not contracted	<u>0</u>
	<u>47,216</u>

<b>B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS</b>
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**B1. Detailed Analysis of the Performance of All Operating Segments of the Group for the Current Quarter and Financial Year-To-Date**

For the nine months ended 29 February 2016, the Nylex Group posted lower revenue of RM906.4 million, which represents a decrease of 4.4% from RM948.6 million recorded in the same period last financial year. The reduction in revenue was due to lower contribution from both the Industrial Chemical Division and the Polymer Division. Despite lower revenue, the Group recorded higher profit before tax ("PBT") of RM11.7 million, compared to RM11.6 million recorded in the corresponding period last financial year.

For the current quarter under review, the Nylex Group registered lower revenue of RM256.4 million, which represents a decrease of 5.3% from RM270.6 million recorded in the same period last financial year. The decline in revenue was mainly due to lower contribution from the Industrial Chemical Division. The PBT for the period increased to RM2.8 million, compared to RM1.7 million recorded in the corresponding period last year.

The Polymer Division recorded lower revenue of RM27.9 million for the current financial quarter, which represents a decrease of 7.5% from RM30.1 million in the corresponding quarter in Q3 FY 2015 mainly due to lower contribution by films and coated fabrics segment and lower demand for its geosynthetics drainage products. However, as a result of the capitalization of loan interest relating to the new calendar project during the quarter and higher margin achieved for certain products, the Division registered higher PBT of RM4.1 million compared with RM2.4 million achieved in the same period last year.

Due to the weak market sentiment, the Industrial Chemical Division's revenue decreased by 5.0% from RM240.5 million recorded in the same period last year to RM228.5 million for the quarter. Consequently, the Division generated lower PBT of RM0.3 million for the quarter, as compared to RM0.9 million achieved in the same period last year.

**B2. Material Change in the Profit Before Taxation for the Current Quarter as compared with Immediate Preceding Quarter**

For the current quarter under review, the Group recorded lower revenue of RM256.4 million and a lower PBT of RM2.8 million compared to revenue of RM327.3 million and PBT of RM5.8 million achieved in the immediate preceding quarter.

The lower revenue and PBT for the current quarter is due to weaker demand for our products because of the year end and new year festivities.

**B3. Current Year's Prospects**

Given the prevailing uncertain economic climate and financial outlook, the Board expects the operating environment would remain challenging for the remaining period of financial year ending 31 May 2016.

The Board will continue to seek ways to improve the Group's profitability.

**B4. Variance of Actual Profit from Forecast Profit/Profit Guarantee**

This is not applicable as there was no forecast profit or profit guarantee issued in respect of the current financial year.

**B5. Taxation**

	Individual Quarter		Cumulative Quarter	
	Current Year 29.02.2016	Preceding Year 28.02.2015	Current Year 29.02.2016	Preceding year 28.02.2015
	RM'000	RM'000	RM'000	RM'000
Taxation based on results for the period				
- Current				
Malaysian	(824)	(1,744)	(4,779)	(5,550)
Foreign	(1,010)	(583)	(1,726)	(1,821)
- Deferred tax	(42)	(684)	(963)	(128)
	<u>(1,876)</u>	<u>(3,011)</u>	<u>(7,468)</u>	<u>(7,499)</u>
(Under)/Over provision in prior years	(38)	19	(39)	111
	<u>(1,914)</u>	<u>(2,992)</u>	<u>(7,507)</u>	<u>(7,388)</u>

The effective tax rate of the Group is higher than the statutory tax rate mainly due to the losses recorded in certain foreign subsidiaries in the current financial period were not allowed for any tax benefit in the Group and also certain expenses which are not deductible for tax purposes.

**B6. Status of Corporate Proposals**

There were no corporate proposals announced but not completed as at the date of this report.

**B7. Utilisation of Proceeds**

Not applicable as the Company has not raised any proceeds from any of its corporate exercise.

**B8. Group Borrowings**

	As At 29.02.2016 (RM'000 equivalent)	As At 31.05.2015 (RM'000 equivalent)
<b>Short-term borrowings</b>		
Secured		
- Indonesian Rupiah	1,860	2,343
- United States Dollar	31,732	33,785
- Vietnamese Dong	<u>4,910</u>	<u>0</u>
	<u>38,502</u>	<u>36,128</u>
Unsecured		
- Ringgit Malaysia	126,701	122,870
- United States Dollar	<u>3,967</u>	<u>1,595</u>
	<u>130,668</u>	<u>124,465</u>
	<u>169,170</u>	<u>160,593</u>
<b>Long-term borrowings</b>		
Secured		
- Indonesian Rupiah	<u>4,111</u>	<u>10,510</u>
<b>Total Borrowings</b>	<u>173,281</u>	<u>171,103</u>

**B9. Derivatives Financial Instruments**

The Group enters into foreign exchange derivatives to manage the exposure to foreign exchange risk when the Company and its subsidiaries enter into transactions that are not denominated in their functional currencies.

The Foreign exchange derivatives are recognised on the contract dates and are measured at fair value with changes in fair value recognised in profit or loss.

The outstanding foreign exchange derivatives as at 29 February 2016 are as follows:

Type of Derivatives	Currency	Contract/Notional Value RM'000	Fair Value RM'000
Foreign exchange - Less than 1 year	USD	1,336	1,342

The above derivatives were entered into as hedges for sales and purchases denominated in foreign currencies and to limit the exposure to potential changes in foreign exchange rates with respect to the Group's foreign currencies denominated financial assets and liabilities.

There is minimal credit risk as the derivatives were entered into with reputable banks.

**B10. Disclosure of Realised and Unrealised Profits/Losses**

Bursa Securities has, on 25 March 2010 and 20 December 2010, issued directives requiring all listed issuers to disclose the breakdown of unappropriated profits or accumulated losses as at the end of the reporting period, on a group basis, into realised and unrealised profits or losses, as the case may be, in the notes to its quarterly reports.

The breakdown of retained profits of the Group as at 29 February 2016, pursuant to the format prescribed by Bursa Securities, is as follows:

	<b>As At End of Current Quarter 29.02.2016 RM'000</b>	<b>As At End of Last Financial Year 31.05.2015 RM'000</b>
Total retained profits of Nylex (Malaysia) Berhad and its subsidiaries:		
- Realised	126,344	122,934
- Unrealised	27,979	29,073
	<u>154,323</u>	<u>152,007</u>
Less: Consolidation adjustments	(57,100)	(55,604)
Total Group retained profits as per consolidated accounts	<u>97,223</u>	<u>96,403</u>

**B11. Notes to the Statements of Comprehensive Income for the Current Quarter and Financial Year-To-Date**

The Profit Before Taxation was arrived at after charging/(crediting) the following:

	<b>Current Quarter 29.02.2016 RM'000</b>	<b>Financial Year-To-Date 29.02.2016 RM'000</b>
Interest income	(349)	(1,157)
Dividend income	-	(5)
Interest expense	1,144	5,028
Depreciation and amortisation	1,734	4,595
Impairment/(Write-back) of receivables	69	(75)
Provision for and write off of inventories	76	386
Loss on disposal of unquoted investments	-	-
Gain on foreign exchange	(2,644)	(7,524)
Impairment of goodwill	-	-
Fair value loss/(gain) on investments	20	(17)
Fair value loss on derivatives	6	6

**B12. Material Litigation**

There was no material litigation since the date of the last annual Statements of Financial Position as at 31 May 2015.

**B13. Dividends**

The Directors do not recommend the payment of any dividend for the current financial quarter (FY 2015: Nil).

**B14. Earnings per Share**

*Basic Earnings Per Share*

The calculation of basic earnings per share was based on the net profit attributable to owners of the parent for the current quarter of RM789,533 (28.02.2015: net loss of RM634,394) and net profit of RM4,668,967 (28.02.2015: RM5,144,176) for the financial year-to-date as reported in the condensed consolidated income statements of the Group, divided by the weighted average number of ordinary shares in issue during the current quarter of 192,444,636 (28.02.2015: 192,784,783) and for the financial year-to-date of 192,578,923 (28.02.2015: 192,791,208).

*Diluted Earnings Per Share*

Not applicable as the Company does not have dilutive potential ordinary shares in issue as at the date of the Statements of Financial Position.

**B15. Qualification of Auditors' Report of Preceding Financial Statements**

There was no audit qualification in the auditors' report of the Group's Audited Financial Statements for the financial year ended 31 May 2015.

**BY ORDER OF THE BOARD**

Choo Se Eng  
Stephen Geh Sim Whye  
*Company Secretaries*

Petaling Jaya  
27 April 2016