


INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2016
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016**

	As at 31-Dec-16 (Unaudited) RM'000	As at 31-Dec-15 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	112,998	109,219
Investment in associates	14,317	12,891
Investment securities	9,779	5,472
Intangible assets	7,649	7,822
Deferred tax assets	1,071	1,274
	<u>145,814</u>	<u>136,678</u>
Current assets		
Inventories	170,736	169,558
Trade and other receivables	108,133	122,874
Tax recoverable	732	374
Cash and bank balances	31,905	32,268
	<u>311,506</u>	<u>325,074</u>
TOTAL ASSETS	<u>457,320</u>	<u>461,752</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	65,026	64,281
Share premium	13,868	12,852
Treasury shares	(4,797)	(8,960)
Irredeemable Convertible Unsecured Loan Stock ("ICULS") equity	26,240	26,491
Other reserves	18,851	11,664
Retained earnings	129,080	132,178
Total equity attributable to owners of the parent	<u>248,268</u>	<u>238,506</u>
Non-controlling interests	<u>28,712</u>	<u>26,928</u>
Total equity	<u>276,980</u>	<u>265,434</u>
Non-current liabilities		
ICULS liability	3,096	4,644
Bank borrowings	16,988	19,807
Deferred tax liabilities	562	455
	<u>20,646</u>	<u>24,906</u>
Current liabilities		
Trade and other payables	55,159	58,622
Bank borrowings	104,535	111,378
Tax payable	-	1,412
	<u>159,694</u>	<u>171,412</u>
Total liabilities	<u>180,340</u>	<u>196,318</u>
TOTAL EQUITY AND LIABILITIES	<u>457,320</u>	<u>461,752</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.



INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2016

**CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR TWELVE MONTHS ENDED 31 DECEMBER 2016 (UNAUDITED)**

	Current quarter 3 months ended 31 December		Cumulative quarter 12 months ended 31 December	
	2016 RM '000	2015 RM '000	2016 RM '000	2015 RM '000
Revenue	62,540	64,649	238,545	238,828
Operating expenses	(58,902)	(59,153)	(211,126)	(209,443)
Other income	294	2,583	1,180	3,352
Operating profit	3,932	8,079	28,599	32,737
Interest expense	(2,667)	(3,965)	(11,817)	(13,328)
Interest income	51	247	236	704
Share of results of associates	327	265	883	563
Profit before tax	1,643	4,626	17,901	20,676
Tax expense	(2,221)	(3,936)	(6,669)	(8,383)
(Loss)/Profit for the period/year	(578)	690	11,232	12,293
Profit attributable to:				
Owners of the parent	(1,688)	(403)	8,625	9,530
Non-controlling interests	1,110	1,093	2,607	2,763
(Loss)/Profit for the period/year	(578)	690	11,232	12,293
Earnings per share (“EPS”) attributable to owners of the parent (sen):				
Basic EPS	(1.35)	(0.32)	7.14	8.04
Diluted EPS	N/A	N/A	N/A	N/A

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2016****CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2016 (UNAUDITED)**

	Current quarter 3 months ended 31 December		Cumulative quarter 12 months ended 31 December	
	2016 RM '000	2015 RM '000	2016 RM '000	2015 RM '000
(Loss)/Profit for the period/year	(578)	690	11,232	12,293
Other comprehensive income / (expenses), net of tax:				
Currency translation differences arising from consolidation	7,814	(1,052)	7,368	6,525
Fair value movements on available for sale investments	(22)	246	(181)	76
Total comprehensive income for the period/year	7,214	(116)	18,419	18,894
Total comprehensive income attributable to:				
Owners of the parent	6,104	(1,209)	15,812	16,131
Non-controlling interests	1,110	1,093	2,607	2,763
	7,214	(116)	18,419	18,894

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.



INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2016

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR TWELVE MONTHS ENDED 31 DECEMBER 2016 (UNAUDITED)**

	Cumulative quarter 12 months ended 31 December	
	2016 RM'000	2015 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	17,901	20,676
Adjustments for:		
Non-cash items and non-operating items	18,989	23,125
Operating profit before working capital changes	<u>36,890</u>	<u>43,801</u>
Inventories	(1,178)	(22,652)
Receivables	14,741	(188)
Payables	(3,463)	13,303
Cash generated from operating activities	<u>46,990</u>	<u>34,264</u>
Interest paid	(11,817)	(13,145)
Net of tax paid	(8,336)	(8,751)
Net cash from operating activities	<u>26,837</u>	<u>12,368</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additional of intangible assets	(80)	(41)
Changes of equity interest in subsidiaries and associates	(988)	(1,876)
Dividend received	466	38
Interest received	236	704
Net of purchase and disposal of investment securities	(4,702)	(166)
Net of purchase and disposal of property, plant and equipment	(6,245)	(6,319)
Net cash used in investing activities	<u>(11,313)</u>	<u>(7,660)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(5,140)	(6,726)
Net of repurchase and disposal of treasury shares	(1,166)	(833)
Net changes in bank borrowings	(9,662)	(6,230)
Net cash used in financing activities	<u>(15,932)</u>	<u>(13,789)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(408)	(9,081)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	26,022	38,243
Effect of foreign exchange rates changes	2,026	(3,140)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	<u>27,640</u>	<u>26,022</u>
CASH AND CASH EQUIVALENTS COMPRISED THE FOLLOWING:		
Cash and bank balances	31,905	30,268
Overdrafts	(4,265)	(4,246)
	<u>27,640</u>	<u>26,022</u>

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.



INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2016

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR TWELVE MONTHS ENDED 31 DECEMBER 2016 (UNAUDITED)

	----- Non-Distributable -----							----- Distributable -----				
	----- Attributable to owners of the parent -----											
(RM'000)	Share capital	Share premium	Treasury shares	ICULS equity	Warrant reserve	Capital reserve	Exchange fluctuation reserve	Fair value reserve	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at 1 January 2015	64,281	12,454	(7,729)	25,253	20,946	(20,054)	810	335	127,978	224,274	26,915	251,189
Purchase of treasury shares	-	-	(2,044)	-	-	-	-	-	-	(2,044)	-	(2,044)
Resold of treasury shares	-	398	813	-	-	-	-	-	-	1,211	-	1,211
Transfer from ICULS liability	-	-	-	1,238	-	-	-	-	-	1,238	-	1,238
Changes in equity	-	-	-	-	-	-	-	-	-	-	(1,354)	(1,354)
Dividend paid	-	-	-	-	-	-	-	-	(5,330)	(5,330)	(1,396)	(6,726)
Total comprehensive income for the year	-	-	-	-	-	-	9,594	33	9,530	19,157	2,763	21,920
Balance as at 31 December 2015	64,281	12,852	(8,960)	26,491	20,946	(20,054)	10,404	368	132,178	238,506	26,928	265,434



INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2016

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR TWELVE MONTHS ENDED 31 DECEMBER 2016 (UNAUDITED) (CONTINUE)

(RM'000)	----- Non-Distributable -----						----- Distributable -----					
	----- Attributable to owners of the parent -----											
	Share capital	Share premium	Treasury shares	ICULS equity	Warrant reserve	Capital reserve	Exchange fluctuation reserve	Fair value reserve	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at 1 January 2016	64,281	12,852	(8,960)	26,491	20,946	(20,054)	10,404	368	132,178	238,506	26,928	265,434
Purchase of treasury shares	-	-	(2,268)	-	-	-	-	-	-	(2,268)	-	(2,268)
Resold of treasury shares	-	271	832	-	-	-	-	-	-	1,103	-	1,103
Distribution of treasury shares	-	-	5,599	-	-	-	-	-	(5,599)	-	-	-
Conversion of ICULS	745	745	-	(1,490)	-	-	-	-	-	-	-	-
Transfer from ICULS liability	-	-	-	1,239	-	-	-	-	-	1,239	-	1,239
Disposal of subsidiaries	-	-	-	-	-	-	-	-	(1,952)	(1,952)	-	(1,952)
Changes in equity	-	-	-	-	-	-	-	-	-	-	109	109
Dividend paid	-	-	-	-	-	-	-	-	(4,172)	(4,172)	(932)	(5,104)
Total comprehensive income for the period	-	-	-	-	-	-	7,368	(181)	8,625	15,812	2,607	18,419
Balance as at 31 December 2016	65,026	13,868	(4,797)	26,240	20,946	(20,054)	17,772	187	129,080	248,268	28,712	276,980

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2016
**NOTES TO THE INTERIM FINANCIAL REPORT
- SELECTED EXPLANATORY NOTES UNDER MALAYSIAN FINANCIAL REPORTING STANDARD
("MFRS") 134 – INTERIM FINANCIAL REPORTING**
A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in compliance with MFRS 134, Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

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

A2 Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 December 2015 save for the following new MFRSs and amendments to MFRSs are not yet effective for the Group.

MFRS	Description	Effective dates for financial periods beginning on or after
Amendments to MFRS 107	Disclosure Initiative	1 January 2017
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
MFRS 15	Revenue from Contracts with Customers	1 January 2018
MFRS 9	Financial Instruments (IMFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 16	Leases	1 January 2019
Amendments to MFS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Join Venture	To be announced

The Group is intending to adopt the above standards and interpretations, if applicable when they become effective.

The adoption of the above standards and interpretations do not have material impact to the financial statements of the Group upon their initial application.

A3 Seasonal or cyclical factors

The Group performance is not materially affected by seasonal or cyclical factors.

A4 Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter and financial year-to-date.



INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2016

A5 Changes in estimates

There were no changes in estimates that have material effect in the current quarter and financial year-to-date results.

A6 Debt and equity securities

There were no issuances and repayments of debt and equity securities during financial year ended 31 December 2016 save for shares buy back, resold of own shares and conversion of ICULS to ordinary share.

At the Annual General Meeting held on 30 May 2016, the Company's shareholders approved the renewal of authority to repurchase its own shares. During the financial year ended 31 December 2016, the Company repurchased of 2,026,800 own shares and resold of 900,000 own shares. The details of resold shares are as follows:-

	RM'000
Disposal value	1,103
Cost of shares	<u>(832)</u>
Gain on disposal	<u>271</u>

As at 31 December 2016, a total of 4,875,410 treasury shares, representing 3.75% of the issued and paid up share capital of the Company are being held as treasury shares and carried at cost at RM4.797 million.

During the financial year ended 31 December 2016, 1,489,800 ICULS were converted by the registered ICULS holders to 1,489,800 new ordinary shares of RM0.50 each.

A7 Dividend paid

A first and final single tier dividend of 3.5 sen per share amounted RM4.172 million in respect of the financial year ended 31 December 2015 was paid on 14 July 2016.

A Share-Dividends on the basis of one (1) treasury share for every twenty (20) existing ordinary shares of RM0.50 each held by the shareholders of the Company ("Share-Dividends") in respect of the financial year ended 31 December 2016. The Share-Dividends has been credited into the respective CDS accounts of the entitled shareholders on 11 October 2016.

INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2016
A8 Segment information
By business segment

	Valves, instruments and fittings RM'000	Electronic RM'000	Pumps RM'000	All others RM'000	Elimination RM'000	Total RM'000
Revenue from external customers	179,789	11,128	26,463	21,165	-	238,545
Inter-segment revenue	47,701	3,842	3,033	115	(54,691)	-
Total revenue	227,490	14,970	29,496	21,280	(54,691)	238,545
Segment results	30,669	557	2,208	(1,377)	(1,500)	30,557
Unallocated expenses						(1,958)
Interest expense						(11,817)
Interest income						236
Share of results of associates						883
Profit before tax						17,901
Tax expense						(6,669)
Profit after tax						11,232
Non-controlling interests						(2,607)
Profit attributable to owners of the parent for financial year ended 31 December 2016						<u>8,625</u>

A9 Material post balance sheet events

There was no material events subsequent to the end of the financial year ended 31 December 2016 as at the date of this report.

A10 Changes in the composition of the Group

There were no changes in the composition of the Group during the financial year ended 31 December 2016 save for the following:-

- i. On 09 May 2016, Unimech Capital Sdn. Bhd., a wholly-owned subsidiary company of the Company had acquired 45,000 ordinary shares of RM1.00 each, representing 9% of the total issued and paid up share capital of Icontronic Technology Sdn. Bhd. from Mr. Lim Yeok Beng for a total cash consideration of RM186,755.
- ii. On 09 May 2016, Unimech Capital Sdn. Bhd., a wholly-owned subsidiary company of the Company had acquired 9,000 ordinary shares of RM1.00 each, representing 9% of the total issued and paid up share capital in Icontronic Sdn. Bhd. from Mr. Lim Yeok Beng for a total cash consideration of RM134,673.
- iii. On 18 May 2016, Unimech Worldwide (Shanghai) Sdn Bhd., a wholly-owned subsidiary of the Company had disposed off 105,000 ordinary shares of USD1.00 each representing 70% equity interest in Senior Industries Resources Co. Ltd. to Ms. Shen Man for a total cash consideration of RMB1.00 (equivalent to RM0.62).
- iv. On 24 June 2016, Unimech Engineering (Korea) Ltd., a 51% owned subsidiary of Unimech Engineering (KL) Sdn. Bhd. which in turn is a wholly-owned subsidiary of the Company had been de-registered from Department of Registrar of Companies of Korea.
- v. On 15 August 2016, Unimech Capital Sdn. Bhd., a wholly owned subsidiary company of the Company had acquired 186,200 ordinary shares of RM1.00 each, representing 49% of the total issued and paid up share capital of Uni Media Studio Sdn. Bhd. from Mr. Chan Chee Keong and Mr. Foong Chee Keong for a total cash consideration of RM123,000.



INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2016

- vi. On 30 August 2016, the Company transferred its 76% owned equity interest in SSMT to Unimech Capital Sdn. Bhd., a wholly owned subsidiary company of the Company (“the Transfer”). Subsequent to the Transfer, SSMT ceases to be a direct subsidiary company of the Company and becomes a 76% owned subsidiary company of Unimech Capital Sdn. Bhd..
- vii. On 17 November 2016, Unimech Capital Sdn. Bhd., a wholly-owned subsidiary of the Company had disposed off the entire shares representing 76% equity interest in Suzhou Skyline Machinery Technology Corp. Ltd. to Mr. Cheng Ming-Chung for a total cash consideration of RMB1.00 (equivalent to RM0.62).
- viii. On 1 December 2016, the Company had transferred its 51% owned equity interest in Icontronic Technology Sdn. Bhd. to Unimech Capital Sdn. Bhd., a wholly-owned subsidiary company of the Company at its original cost of investment of RM2,595,495.
- ix. On 21 December 2016, Unimech Worldwide (Shanghai) Sdn. Bhd., a wholly-owned subsidiary of the Company had disposed off the entire equity interest representing 95.0% equity interest in Arita Engineering (Chengdu) Co. Ltd. to Mr. Goh Heng Keat for a total cash consideration of RMB1.23 million (equivalent to RM785,109).
- x. On 30 December 2016, application was made to the Companies Commission of Malaysia to strike off the name of Unimech Valve Technology Sdn. Bhd., a wholly-owned subsidiary company of Unimech Engineering (M) Sdn. Bhd. which in turn is a wholly-owned subsidiary company of the Company under Section 308(1) of the Companies Act, 1965.
- xi. On 30 December 2016, Multiplex Instrumentation & Control Equipment Services Phils., Inc. (“MICES”), a 38% owned associate of Multiplex Control & Engineering Services Pte. Ltd. which in turn is a wholly-owned subsidiary of the Company had submitted to the Securities and Exchange Commission of Philippines to de-register of MICES.
- xii. On 30 December 2016, application was made to the Companies Commission of Malaysia to strike off the name of Unimech FPC Sdn. Bhd., a wholly-owned subsidiary company of Unimech Capital Sdn. Bhd. which in turn is a wholly-owned subsidiary company of the Company under Section 308(1) of the Companies Act, 1965.

A11 Changes in contingent liabilities or contingent assets

There were no material changes in the contingent liabilities for the Group since the last financial year ended 31 December 2015.

A12 Capital commitments

No material capital commitment as at 31 December 2016.

A13 Related party transactions

	12 months ended 31-Dec-16 RM'000
Purchase of goods from a company in which the director of the Company has interests	4
Sale of goods to a company in which the director of the Company has interests	54

INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2016
NOTES TO THE INTERIM FINANCIAL REPORT
- ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS
B1 Review of performance for current quarter and financial year-to-date
Current quarter

The Group reported revenue of RM62.540 million for the current quarter ended 31 December 2016 which was RM2.109 million or 3.3% lower as compared to the preceding year corresponding quarter ended 31 December 2015 of RM64.649 million. Lower revenue was reported in current quarter ended 31 December 2016 as compared to preceding year corresponding quarter was due to soft demand in core business segment of valve, instruments & fittings.

The Group recorded a profit before tax of RM1.643 million for the current quarter which was RM2.983 million or 64.8% lower as compared to the preceding year corresponding quarter of RM4.626 million. A lower profit before tax reported was due mainly to impairment losses on receivables, inventories written down, property plant and equipment written off coupled with higher expenses incurred.

Financial year-to-date

The Group reported revenue of RM238.545 million for the financial year ended 31 December 2016, representing a decrease of 0.1% as compared to previous financial year ended 31 December 2015 of RM238.828 million. The profit before tax for financial year ended 31 December 2016 reduced by 13.4% to RM17.901 million as compared to last financial year ended 31 December 2015 of RM20.676 million. A lower profit before tax reported was due to increase in cost of sales coupled with higher expenses incurred.

B2 Comparison with preceding quarter's results

The revenue and profit before tax for the current quarter and preceding quarter are summarised as follows:

	3 months ended 31-Dec-16 RM'000	3 months ended 30-Sept-16 RM'000	Variance	
			RM'000	%
Revenue	62,540	59,667	2,873	4.8
Profit before tax	1,643	3,787	(2,144)	(56.6)

The revenue for the current quarter ended 31 December 2016 increased by 4.8% as compared to preceding quarter. Nevertheless, profit before tax decreased by 56.6% as compared to preceding quarter ended 30 September 2016 which was due mainly to the impairment losses on receivables, inventories written down, property plant and equipment written off coupled with higher expenses incurred.

B3 Commentary on prospects for 2017

The year 2017 will likely remains challenging as there is remain uncertainty which is the greatest threat to the world economy at the present with the escalation of costs due to inflation and fluctuation of exchange rates. Although the global economic conditions are expected to be still challenging, it is envisioned that the economy will continue to grow, albeit at a moderate pace. The Group's core business is not expected to be significantly adversely affected barring a drastic change in global economic conditions. The Group will continue with its competitive strategy of developing further on its own brands to enhance its market position. In addition, the Group will concentrate on improving the efficiency in operations to achieve the competitive edge in the market.

Taking into consideration the abovementioned factors and subject to the global economic conditions, the Board of Directors is of the view that the Group is optimistic of reporting a better performance and growth in the financial year ending 31 December 2017.

INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2016
B4 Profit forecast

Not applicable as no profit forecast was published.

B5 Income tax expense

	Current quarter 3 months ended 31-Dec-16 RM'000	Cumulative quarters 12 months ended 31-Dec-16 RM'000
Current period provision	2,247	6,562
Deferred tax	(26)	107
	<u>2,221</u>	<u>6,669</u>

The effective tax rate for current quarter and the cumulative quarter are higher than the statutory tax rate were due principally to losses of certain subsidiary companies cannot be used to offset against profit of other companies in the Group.

B6 Status of corporate proposals and status of utilisation of proceeds raised

There was no corporate proposal being carried out during the year under review.

B7 Group borrowings and debt securities

Total Group borrowings as at 31 December 2016 are as follows:

	Ringgit Malaysia RM'000	Singapore Dollar RM'000	Indonesia Rupiah RM'000	Thai Bath RM'000	Chinese Yuan RM'000	Total RM'000
Current						
Secured borrowings	8,220	294	156	-	181	8,851
Unsecured borrowings	52,569	-	40,169	2,946	-	95,684
	<u>60,789</u>	<u>294</u>	<u>40,325</u>	<u>2,946</u>	<u>181</u>	<u>104,535</u>
Non-current						
Secured borrowings	12,886	516	3,586	-	-	16,988
Unsecured borrowings	-	-	-	-	-	-
	<u>12,886</u>	<u>516</u>	<u>3,586</u>	<u>-</u>	<u>-</u>	<u>16,988</u>
Total borrowings	<u>73,675</u>	<u>810</u>	<u>43,911</u>	<u>2,946</u>	<u>181</u>	<u>121,523</u>

B8 Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk as at the date of this report.

B9 Changes in material litigation

The Group is not engaged in any material litigation as at the date of this report.

INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2016
B10 Dividend

The Board of Directors proposed a first and final single tier dividend of 3.0 sen per share in respect of the financial year ended 31 December 2016. The proposed dividend payment is amounting to RM3.755 million based on the issued and paid-up capital as at 31 December 2016 of 125,175,724 ordinary shares of RM0.50 each (excluding treasury shares held by the Company). The proposed dividend is subject to the shareholders' approval at the forthcoming Annual General Meeting.

B11 Earnings per share ("EPS")
Basic EPS

The basic EPS had been calculated by dividing the Group's profit for the year attributable to owner of the parent by the weighted average number of shares in issue.

	Current quarter 3 months ended 31-Dec-16	Cumulative quarters 12 months ended 31-Dec-16
(Loss)/Profit for the period/year (RM'000)	(578)	11,232
Profit attributable to non-controlling interests (RM'000)	(1,110)	(2,607)
(Loss)/Profit attributable to owners of the parent (RM'000)	<u>(1,688)</u>	<u>8,625</u>
Weighted average number of ordinary shares in issue ('000)	<u>125,287</u>	<u>120,810</u>
Basic EPS (sen)	(1.35)	7.14

Diluted EPS

The diluted EPS is not calculated due to anti-dilutive effect as exercise price of the Warrants was higher than the market price of the ordinary shares as at 31 December 2016.

B12 Auditors' report on preceding annual financial statements

The auditors' report of the annual financial statements for the financial year ended 31 December 2015 was not subject to any qualification.

**INTERIM FINANCIAL REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2016****B13 Notes to Condensed Consolidated Income Statements**

	Current quarter 3 months ended 31-Dec-16 RM'000	Cumulative quarter 12 months ended 31-Dec-16 RM'000
Profit before tax is arrived at after charging/(crediting):-		
Allowance for diminution in investment securities	80	747
Bad debts recovered	(62)	(87)
Depreciation & amortization	2,380	8,021
Dividend income	(141)	(186)
Gain/(Loss) on disposal of property, plant & equipment	77	(319)
Impairment losses in receivables	1,453	1,453
Interest expense	2,667	11,817
Interest income	(51)	(236)
Inventories written down	600	600
Gain/(Loss) on disposal of investment securities	253	(365)
Loss on foreign exchange – realised	151	354
Gain on disposal of subsidiary companies	-	166
Property, plant and equipment written off	324	327
Rental income	(35)	(111)

B14 Breakdown of Realised and Unrealised Profits/Losses

	As at 31-Dec-16 (Unaudited) RM'000	As at 31-Dec-15 (Audited) RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries:		
- Realised	172,242	173,955
- Unrealised	(15,898)	(14,589)
Total retained profits from associate companies:		
- Realised	6,200	5,318
- Unrealised	-	-
	<u>162,544</u>	<u>164,684</u>
Less: Consolidation Adjustments	(33,464)	(32,506)
Total group retained profits as per consolidated accounts	<u>129,080</u>	<u>132,178</u>

By order of the Board

Dato' Lim Cheah Chooi
Chief Executive DirectorDated this 28th February 2017