



KEY ALLIANCE GROUP BERHAD (609953-K)
(Incorporated in Malaysia)
FIFTH QUARTER ENDED 31 MARCH 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	2017	2016	2017	2016
	CURRENT QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	<u>31/3/2017</u>	<u>31/3/2016</u>	<u>31/3/2017</u>	<u>31/3/2016</u>
	RM'000	RM'000	RM'000	RM'000
REVENUE	6,872	7,713	34,417	N/A
Operating loss	(2,432)	(1,025)	(5,627)	N/A
Other income	3,023	160	3,338	N/A
Interest income	41	54	233	N/A
Amortisation and depreciation	(382)	(388)	(1,924)	N/A
Interest expense	(156)	(128)	(712)	N/A
Profit/(Loss) before taxation	94	(1,327)	(4,692)	N/A
Taxation	(50)	0	(50)	N/A
Profit/(Loss) after taxation	<u>44</u>	<u>(1,327)</u>	<u>(4,742)</u>	<u>N/A</u>
Profit/(loss) attributable to:				
Equity holders of the company	(58)	(1,429)	(4,878)	N/A
Non-controlling interest	102	112	136	N/A
Profit/(Loss) after taxation	<u>44</u>	<u>(1,327)</u>	<u>(4,742)</u>	<u>N/A</u>
Weighted average number of shares in issue ('000)	727,049	580,800	727,049	N/A
Earnings per share (sen) - basic	(0.01)	(0.25)	(0.67)	N/A

In view of the change in current financial year end from 31 December 2016 to 31 March 2017, there were no comparative financial information available for the 15-month financial period ended 31 March 2017.

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



KEY ALLIANCE GROUP BERHAD (609953-K)
(Incorporated in Malaysia)
FIFTH QUARTER ENDED 31 MARCH 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT END OF CURRENT QUARTER 3/31/2017 (Unaudited) RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 12/31/2015 (Audited) RM'000
ASSETS		
Non-current Assets		
Property, Plant and Equipment	26,698	21,268
Other investment	2,131	2,427
Goodwill	8,047	8,375
	36,876	32,070
Current Assets		
Inventories	8,105	6,773
Trade and other receivables	19,215	17,601
Amount owing by associate	108	-
Tax recoverable	629	186
Fixed deposits with licensed banks	5,106	5,668
Cash and bank balances	1,422	2,508
	34,585	32,736
TOTAL ASSETS	71,461	64,806
EQUITY AND LIABILITIES		
Capital and Reserves		
Issued capital	40,953	29,040
Share premium	10,037	10,087
Accumulated loss	(15,861)	(10,983)
Share option reserve	570	1,053
Warrants reserve	3,775	3,775
	39,474	32,972
Non-controlling interest	1,458	1,322
Total Equity	40,932	34,294
Non-current Liability		
Deferred tax liabilities	1,615	1,615
Borrowings	6,704	6,302
	8,319	7,917
Current Liabilities		
Trade and other payables	18,838	14,084
Bank overdrafts	1,996	1,963
Bank borrowings	1,376	1,540
Contingent consideration	0	5,008
	22,210	8,511
Total Liabilities	30,529	16,428
TOTAL EQUITY AND LIABILITIES	71,461	50,722

Net assets per share attributable to ordinary equity holders of the parent (RM)

0.0543

0.0568

The unaudited condensed consolidated Balance Sheet should be read in conjunction with the annual audited financial statement for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial state



KEY ALLIANCE GROUP BERHAD (609953-K)
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FIFTH QUARTER ENDED 31 MARCH 2017

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	15-MONTHS ENDED	12-MONTHS ENDED
	31/3/17	31/12/15
	(Unaudited)	(Audited)
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(4,692)	(7,707)
Adjustment for:		
Non-cash items	2,836	4,863
Non-operating items	479	263
Operating loss before working capital changes	(1,377)	(2,581)
Net changes in current assets	(2,946)	(211)
Net changes in current liabilities	4,754	1,155
Cash used in operations	431	(1,637)
Interest paid	(712)	(512)
Net tax paid	(493)	(756)
Net cash used in operating activities	(774)	(2,905)
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	233	249
Placement of fixed deposits	0	(1,398)
Purchase of property, plant and equipment	(5,415)	(2,291)
Proceeds from disposal of plant and equipment	36	3
Advance to an associate	(108)	(163)
Net cash flow on deemed disposal of subsidiary	0	(6)
Purchase of investment	296	(1,271)
Net cash used in investing activities	(4,958)	(4,877)
CASH FLOWS FOR FINANCING ACTIVITIES		
Proceeds from issuance of shares pursuant to private placement	2,904	-
Proceeds from share issuance scheme	4,000	-
Share issuance expenses	(533)	(188)
Repayment of finance lease liabilities	(888)	(463)
Repayment of term loan	(525)	(378)
Proceeds from bill payables	(345)	345
Net cash generated from/(used in) financing activities	4,613	(684)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,119)	(8,466)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD/YEAR	545	9,011
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR	(574)	545
CASH AND CASH EQUIVALENTS COMPRISE OF:		
Fixed deposits with licensed bank	5,106	5,668
Cash and bank balances	1,422	2,508
Bank overdrafts	(1,996)	(1,963)
	4,532	6,213
Less : Fixed deposits pledged	(5,106)	(5,668)
	(574)	545

The unaudited condensed consolidated Cash Flow Statement should be read in conjunction with the annual audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD (609953-K)
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued Capital	Share Premium	Warrant Reserve	Share Option Reserve	Accumulated Loss	Non - Controlling Interest	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as of 1 January 2016	29,040	10,087	3,775	1,053	(10,983)	1,322	34,294
Total comprehensive loss for the period	0	0	0	0	(4,878)	136	(4,742)
Exercise of share issuance scheme	4,000	483	0	(483)	0	0	4,000
Share issuance	7,913	(533)	0	0	0	0	7,380
Balance as of 31 March 2017	40,953	10,037	3,775	570	(15,861)	1,458	40,932

	Issued Capital	Share Premium	Warrant Reserve	Capital Reserve	Accumulated Loss	Non - Controlling Interest	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as of 1 January 2015	58,080	10,275	3,775	0	(30,820)	51	41,361
Total comprehensive loss for the period	0	0	0	0	(8,520)	1,255	(7,265)
Share issuance scheme granted	0	0	0	1,034	0	0	1,034
Par value reduction	(29,040)	(188)	0	0	29,040	0	(188)
Balance as of 31 December 2015	29,040	10,087	3,775	1,034	(10,300)	1,306	34,942

The unaudited condensed consolidated Statement of Changes in Equity should be read in conjunction with the annual audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial statements.