



METRONIC GLOBAL BERHAD

(Company No. : 632068-V)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED

31 MARCH 2016

METRONIC GLOBAL BERHAD (632068-V)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016**

(The figures have not been audited)

	Individual quarter		Cumulative quarter	
	31.03.2016 RM	31.03.2015 RM	31.03.2016 RM	31.03.2015 RM
Continuing operations				
Revenue	12,043,211	8,296,209	12,043,211	8,296,209
Cost of sales	(8,534,324)	(6,551,282)	(8,534,324)	(6,551,282)
Gross profit	3,508,887	1,744,927	3,508,887	1,744,927
Other income	3,677,402	3,712,439	3,677,402	3,712,439
Administration expenses	(734,313)	(814,170)	(734,313)	(814,170)
Other operating expenses	(3,720,262)	(3,847,574)	(3,720,262)	(3,847,574)
Profit from operations	2,731,714	795,622	2,731,714	795,622
Finance costs	(72,054)	(76,652)	(72,054)	(76,652)
Profit before taxation	2,659,660	718,970	2,659,660	718,970
Income tax expense	(54,144)	(564,270)	(54,144)	(564,270)
Profit / (Loss) for the period from				
- continuing operations	2,605,516	154,700	2,605,516	154,700
- discontinued operations	(46,490)	-	(46,490)	-
Net profit for the period	2,559,026	154,700	2,559,026	154,700
Net profit attributable to:				
Owners of the parent	2,564,140	154,700	2,564,140	154,700
Non-controlling interests	(5,114)	-	(5,114)	-
	2,559,026	154,700	2,559,026	154,700
Basic earning / (loss) per share attributable to equity holders of the Company (sen):				
- continuing operations	0.34	0.02	0.34	0.02
- discontinued operations	(0.01)	0.02	(0.01)	0.02

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

METRONIC GLOBAL BERHAD (632068-V)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2016**

	Individual quarter		Cumulative quarter	
	31.03.2016 RM	31.03.2015 RM	31.03.2016 RM	31.03.2015 RM
Net profit from:				
- continuing operations	2,605,516	154,700	2,605,516	154,700
- discontinued operations	(46,490)	-	(46,490)	-
Net profit for the period	<u>2,559,026</u>	<u>154,700</u>	<u>2,559,026</u>	<u>154,700</u>
Other comprehensive income / (expense)				
Financial assets, available-for-sale assets				
- fair value changes	-	238,569	-	238,569
Foreign currency translation	(230,397)	655,941	(230,397)	655,941
Other comprehensive income/(expense) for the period, net of tax	(230,397)	894,510	(230,397)	894,510
Total comprehensive income/(expense) for the period, net of tax	<u>2,328,629</u>	<u>1,049,210</u>	<u>2,328,629</u>	<u>1,049,210</u>
Total comprehensive income/(expense) attributable to:				
Owners of the parent	2,333,743	1,049,210	2,333,743	1,049,210
Non-controlling interests	(5,114)	-	(5,114)	-
	<u>2,328,629</u>	<u>1,049,210</u>	<u>2,328,629</u>	<u>1,049,210</u>

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

METRONIC GLOBAL BERHAD (632068-V)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2016**

	As at 31.03.2016 RM	(Audited) As at 31.12.2015 RM
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	33,662,469	23,877,336
Investment properties	347,842	347,842
Land held for property development	161,403	161,403
Available-for-sale financial assets	8,937,996	9,058,421
Deferred tax assets	7,257,642	7,257,642
	<u>50,367,352</u>	<u>40,702,644</u>
CURRENT ASSETS		
Property development cost	2,167,850	10,788,243
Inventories	3,746,760	4,041,446
Trade receivables	9,995,592	19,422,669
Other receivables	23,035,608	7,330,236
Tax recoverable	(25,260)	133,068
Short term deposits	4,710,666	4,710,666
Cash and bank balances	759,773	509,199
Asset of disposal company classified as held for sale	3,642,815	4,308,897
	<u>48,033,804</u>	<u>51,244,424</u>
TOTAL ASSETS	<u>98,401,156</u>	<u>91,947,068</u>
EQUITY AND LIABILITIES		
Share capital	75,839,750	75,839,750
Revaluation reserve	13,113,034	13,113,034
Foreign currency translation reserve	39,926	270,323
Accumulated losses	(29,500,409)	(32,064,549)
Equity attributable to owners of the parent	<u>59,492,301</u>	<u>57,158,558</u>
Non-controlling interests	<u>82,879</u>	<u>87,993</u>
TOTAL EQUITY	<u>59,575,180</u>	<u>57,246,551</u>
NON-CURRENT LIABILITIES		
Loans and borrowings	<u>133,186</u>	<u>263,226</u>
CURRENT LIABILITIES		
Trade payables	3,799,205	16,183,538
Other payables	28,907,447	14,426,965
Loans and borrowings	4,006,939	1,726,595
	<u>36,713,591</u>	<u>32,337,098</u>
Liabilities of disposal company classified as held for sale	1,979,199	2,100,193
TOTAL LIABILITIES	<u>38,825,976</u>	<u>34,700,517</u>
TOTAL EQUITY AND LIABILITIES	<u>98,401,156</u>	<u>91,947,068</u>
NET ASSET PER SHARE	0.08	0.08

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

METRONIC GLOBAL BERHAD (632068-V)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2016**

	← Attributable to owners of the parent →							
	← Non-distributable reserve →			Distributable reserve				
	Share capital RM	Revaluation reserve RM	Foreign currency translation reserve RM	Available- for-sale reserve RM	Accumulated losses RM	Total RM	Non- controlling interests RM	Total equity RM
As at 1 January 2015	69,839,750	13,113,034	207,132	-	(36,037,234)	47,122,682	-	47,122,682
Total comprehensive income/(expense)	-	-	63,191	-	3,972,685	4,035,876	87,993	4,123,869
Allotment of shares during the year	6,000,000	-	-	-	-	6,000,000	-	6,000,000
As at 31 December 2015	<u>75,839,750</u>	<u>13,113,034</u>	<u>270,323</u>	<u>-</u>	<u>(32,064,549)</u>	<u>57,158,558</u>	<u>87,993</u>	<u>57,246,551</u>
As at 1 January 2016	75,839,750	13,113,034	270,323	-	(32,064,549)	57,158,558	87,993	57,246,551
Total comprehensive income	-	-	(230,397)	-	2,564,140	2,333,743	(5,114)	2,328,629
Allotment of shares during the year	-	-	-	-	-	-	-	-
As at 31 March 2016	<u>75,839,750</u>	<u>13,113,034</u>	<u>39,926</u>	<u>-</u>	<u>(29,500,409)</u>	<u>59,492,301</u>	<u>82,879</u>	<u>59,575,180</u>

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

METRONIC GLOBAL BERHAD (632068-V)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016**

	31.03.2016	(Audited) 31.12.2015
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation from:		
Continuing operations	2,659,660	3,503,162
Profit / (Loss) from assets held for sale	(46,490)	799,937
Adjustments for:		
Loss /(Profit) on disposal of available for sale ("AFS") financial assets	-	38,677
Quoted equity	-	1,589,215
Unquoted equity	-	2,305,981
Other investment written off	-	94,000
Impairment loss on investment	859,771	-
Impairment loss / (reversal) on trade receivables	-	(4,641,021)
Loss/ (Gain) on unrealised foreign exchange	-	58,639
Gain on disposal of plant and equipment	-	(1,050)
Depreciation of property, plant and equipment and investment properties	121,920	629,851
Provision for slow moving inventory	-	198,250
Finance costs	72,054	513,498
Interest income	(19)	(248,433)
Operating profit before working capital changes	<u>3,666,896</u>	<u>4,840,706</u>
Changes in working capital:		
Inventories	294,686	(380,151)
Receivables	2,342,098	(22,244,198)
Payables	<u>2,096,149</u>	<u>14,042,400</u>
Net cash generated from/(used in) operations	8,399,829	(3,741,243)
Taxes paid, net of refund	158,328	(160,047)
Interests paid	(72,054)	(513,498)
Interests received	19	248,433
Net cash generated from/(used in) operating activities	<u>8,486,122</u>	<u>(4,166,355)</u>

METRONIC GLOBAL BERHAD (632068-V)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016**

(The figures have not been audited)

	31.03.2016	(Audited) 31.12.2015
	RM	RM
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of AFS assets	(739,346)	(4,575,305)
Purchased of property, plant and equipment	(9,907,053)	(853,336)
Proceeds from disposal of AFS assets	-	6,642,341
Proceeds from disposal of property, plant and equipment	-	20,000
Net cash outflow from disposal of subsidiary company	-	-
Net cash (used in) / generated from investing activities	<u>(10,646,399)</u>	<u>1,233,700</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Withdrawal of fixed deposits under lien with licensed financial institutions	-	235,285
(Repayment) / Drawdown of bankers' acceptances and trust receipts	1,874,420	(2,255,740)
Proceeds from allotment of shares	-	6,000,000
Repayment of obligation under finance leases and hire purchase	(6,433)	(106,594)
Net cash generated from financing activities	<u>1,867,987</u>	<u>3,872,951</u>
NET CHANGES IN CASH AND CASH EQUIVALENTS	(292,290)	940,296
EFFECT OF FOREIGN EXCHANGE RATES CHANGES	275,451	(319,121)
CASH AND CASH EQUIVALENTS AS AT 1 JANUARY 2016	(169,288)	(790,463)
CASH AND CASH EQUIVALENTS AS AT 31 MARCH 2016	<u>(186,127)</u>	<u>(169,288)</u>
Cash and cash equivalents at the balance sheet date comprise the following:		
Cash and bank balances	759,773	509,199
Bank overdraft (Note 21)	(945,900)	(678,487)
	<u>(186,127)</u>	<u>(169,288)</u>

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

**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED
31 MARCH 2016 PURSUANT TO MFRS 134**

1. Basis of Preparation

This unaudited condensed consolidated interim financial statements ("Condensed Report"), has been prepared in accordance with the reporting requirement as set out in Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached herein for a better understanding of changes in financial position and performance of the Group.

2. Significant Accounting Policies

The accounting policies adopted in the preparation of the Condensed Report are consistent with those followed in the preparation of the Group's audited financial statements for the financial year ended 31 December 2015.

2.1 Adoption of Amendments and Annual Improvements to Standards

The Group has adopted the following Amendments and Annual Improvements to Standards, with a date of initial application of 1 January 2015.

Amendments to MFRS 119 Employee Benefits - 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 did not have any impact on the financial statements of the Group.

2.2 Standards issued but not yet effective

Effective for financial periods beginning on or after 1 January 2017

MFRS 15 Revenue from Contracts with Customers

Effective for financial periods beginning on or after 1 January 2018

MFRS 9 Financial Instruments

The Directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application except as discussed below:

MFRS 9 Financial Instruments : Classification and Measurement

In November 2014, MASB issued the final version of MFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces MFRS 139 Financial Instruments: Recognition and Measurement and all previous version of MFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. MFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Restrospective application is required, but comparative information is not compulsory. The adoption of MFRS 9, will have an effect on the classification and measurement of the Group's financial assets, but no impact on the classification and measurement of the Group's financial liabilities.

2.2 Standards issued but not yet effective (Cont'd)

MFRS 15 Revenue from Contracts with Customers

The objective of MFRS 15 is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. It provides 5-step guidance for entity to recognise its revenue that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

This Standard is applicable to all entities and will supersede all current revenue recognition requirements under MFRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017 with early adoption permitted.

3. Assets classified as held for sale and disposal of subsidiary

On 29 August 2014, The Company has signed a Share Purchase Agreement to dispose of its 89%-owned subsidiary, Metronic Engineering Private Limited ("MEPL") for a consideration of INR9,840,000. The disposal is pending completion. As such, MEPL has been classified as Assets held for sales and discontinued operations. The results of assets held for sale and discontinued operations are as follows:

	31.03.2016	Audited 31.12.2015
	RM	RM
Revenue	694,122	2,641,432
Cost of sale	(782,609)	(1,758,844)
Other Income	187,188	429,167
Expenses	(142,391)	(441,092)
Interest expenses	(2,800)	(19,429)
Profit/(Loss) before tax from assets held for sale	(46,490)	851,234
Income tax expense	-	(51,297)
Profit/(Loss) after tax from assets held for sale	(46,490)	799,937

Included in assets classified as held for sale in the Group Statements of Financial Position as at 31 March 2016 are :

	31.03.2016	Audited 31.12.2015
	RM	RM
Property, plant and equipment	3,607	3,053
Deferred tax assets	26,047	11,236
Inventories	11,229	1,333,097
Trade receivables	1,559,020	1,629,305
Other receivables	1,972,101	602,722
Tax Recoverable	-	-
Cash & Bank Balances	70,811	729,484
Assets classified as held for sale	3,642,815	4,308,897

	31.03.2016	Audited 31.12.2015
	RM	RM
Trade payables	-	1,310,311
Other payables	1,942,551	789,882
Loan and borrowings	36,648	-
Provision for Taxation	-	-
Liabilities classified as held for sale	1,979,199	2,100,193

4. Seasonality or cyclicity of interim operations

The Group's interim operation are not materially affected by seasonal or cyclical factors during the financial period under review.

5. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter under review.

6. Material changes in estimates

There were no changes in estimates that have had any material effect on the result for the current financial quarter and financial period under review.

7. Debt and equity securities

There were no issuances, repurchases and repayments of debt securities during the financial quarter and financial period under review.

8. Dividends

No dividend was paid during the current financial quarter and previous corresponding quarter.

9. Segmental information

Analysis by segments is as follow:-

By geographical segments:

	31.03.2016 RM	31.03.2015 RM
Segment revenue		
Malaysia	12,043,211	7,954,208
Overseas	-	342,001
Total revenue	<u>12,043,211</u>	<u>8,296,209</u>
Inter-segment elimination	-	-
Continued operations	<u>12,043,211</u>	<u>8,296,209</u>
Discontinued operation	694,122	-
Inter-segment elimination	-	-
External customers	<u>12,737,333</u>	<u>8,296,209</u>
Results		
Operating results		
Malaysia	(357,385)	2,166,069
Overseas	<u>3,089,099</u>	<u>(1,370,447)</u>
	2,731,714	795,622
Finance costs	<u>(72,054)</u>	<u>(76,652)</u>
Profit/(loss) before tax		
- Continued operation	2,659,660	718,970
(Loss)/profit before tax		
- Discontinued operation	<u>(46,490)</u>	<u>-</u>
Profit/(Loss) before tax	<u>2,613,170</u>	<u>718,970</u>

By business segments:

	31.03.2016 RM	31.03.2015 RM
Segment revenue		
Engineering	12,043,211	8,296,209
ICT support services	-	-
Investment holding	-	-
Total revenue	<u>12,043,211</u>	<u>8,296,209</u>
Inter-segment elimination	-	-
Continued operations	<u>12,043,211</u>	<u>8,296,209</u>
Discontinued operation	694,122	-
Inter-segment elimination	-	-
External customers	<u>12,737,333</u>	<u>8,296,209</u>
Results		
Operating results		
Engineering	2,383,733	607,517
Investment holding	347,981	188,105
Share of profit of associate	-	-
	<u>2,731,714</u>	<u>795,622</u>
Finance costs	<u>(72,054)</u>	<u>(76,652)</u>
Profit/(Loss) before tax		
- Continued operations	2,659,660	718,970
(Loss)/profit before tax		
- Discontinued operation	<u>(46,490)</u>	<u>-</u>
Profit/(Loss) before tax	<u>2,613,170</u>	<u>718,970</u>

10. Material subsequent events

Other than those disclosed in Note 3 and Note 20, there were no material subsequent events during the period ended 31 March 2016.

11. Changes in the composition of the Group

Other than those disclosed in Note 3, there were no changes in the composition of the Group during the period ended 31 March 2016.

12. Contingent liabilities

Contingent liabilities of the Group as at the latest practicable date are as follows:

	RM
(a) Secured :	
Performance and financial guarantees issued by the banks to third parties	<u>5,826,325</u>
(b) Unsecured	RM
Corporate guarantees given to licensed banks for credit facilities granted to subsidiaries	<u>50,500,000</u>
Corporate guarantees given to performance for project granted to subsidiaries	<u>43,042,826</u>

13. Capital commitments

There were no capital commitments during the current quarter under review.

14. Significant related party transactions

There were no significant related party transactions for the current quarter under review.

METRONIC GLOBAL BERHAD (632068-V)

(Incorporated in Malaysia)

ADDITIONAL INFORMATION PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**15. Performance review****Continuing operations**

The Group recorded revenue of RM12.0 million for the current quarter under review, which is RM3.7 million or 45.2% higher than the corresponding quarter of RM8.3 million in the previous financial year mainly due to increase in revenue from Engineering Division.

The Group posted profit before taxation of RM2.7 million, representing an increase of RM2.0 million compared to the profit before tax of RM0.7 million for the corresponding quarter in the previous year.

16. Material Change in Profit Before Taxation of Current Quarter Compared with Preceding Quarter**Continuing operations**

	Individual quarter	
	31.03.2016	31.12.2015
	RM	RM
Revenue	12,043,211	7,835,143
Profit / (Loss) before taxation	2,659,660	2,474,340

The profit before taxation for the current quarter is higher by RM0.2 million.

17. Current year prospects

The Group is aware of the challenges ahead for the Engineering Division in view of the intense competition and current economic situation. In addition to the recent diversification to property segment, which is now at the infant stage, the Group will continue to explore other new opportunities in order to build up a strong order book. Nevertheless, the Group will continue taking various measures to enhance its operational efficiency and effective cost management in order to improve the performance of the Group.

The Group also undertake to rationalize its available asset and investments towards optimising returns.

18. Profit forecast or profit guarantee

Not applicable as no profit forecast was published by the Group.

19. Taxation

	Individual quarter		Cumulative quarter	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	RM	RM	RM	RM
Income tax expense:				
Malaysian income tax	(54,144)	(564,270)	(54,144)	(564,270)
Deferred Tax	-	-	-	-
- Relating to origination and reversal of temporary differences	-	-	-	-
	<u>(54,144)</u>	<u>(564,270)</u>	<u>(54,144)</u>	<u>(564,270)</u>

Income tax expense is recognized in each interim period based on the best estimate of the income tax payable for the full financial year.

20. Status of Corporate Proposals

- a) On 29 August 2014, The Company has signed a Share Purchase Agreement to dispose of its 70%-owned subsidiary, Metronic Engineering Private Limited ("MEPL") for a consideration of INR9,840,000. The disposal is pending completion.
- b) On 30 December 2014, M One Country Development Sdn Bhd ("MOCD") signed an agreement to acquire 2 pieces of land for a total purchase consideration of RM9,800,000 to be satisfied via the issuance of RM6,000,000 worth of new ordinary shares of RM0.10 each in the Company, cash payment of RM1.98 million and delivery of 3 shophouses completed on the land to the vendor.

The shares were issued on 25 June 2015 upon approval of shareholders being obtained on 23 June 2015 in an Extraordinary general meeting held. The purchase consideration has been settled in full.

- c) On 21 August 2015, Metronic Integrated System Sdn Bhd ("MISSB"), a wholly owned subsidiary, entered into a joint venture project with Halimuza Corporation Sdn Bhd ("HCSB") for submission of tender to the Government of Malaysia for a 100MW solar farm project in Kelantan. For this purpose, MISSB and HCSB had procured a company limited by shares known as Bonanza Partners Sdn Bhd ("BPSB"), or the JV Company, to negotiate for and conclude a contract for the execution of the project. BPSB shall have an estimate issued and paid up capital of RM1,000,000 divided into 1,000,000 ordinary shares of RM1.00 each while the shareholding structure shall be 70% owned by MISSB and 30% owned by HCSB.
- d) On 21 January 2016, the Company had disposed off 250 ordinary shares representing 17.65% of the entire issued capital of Unilink Development Limited ("Unilink") for a cash consideration of USD 551,724 equivalent to RM2,400,000 to Toch Pte Ltd ("the Purchaser" or "TPL").

21. Borrowings

	31.03.2016 RM
Current	
Secured borrowings	
Bank overdraft	945,900
Bankers' acceptances	2,810,577
Hire purchase	250,462
	<u>4,006,939</u>
Non - Current	
Secured borrowings	
Hire purchase	133,186
Total	<u>4,140,125</u>

All loans and borrowings are denominated in Ringgit Malaysia ("RM").

22. Proposed Dividend

There was no dividend proposed in the current quarter and the previous corresponding quarter.

23. Earnings per share

	31.03.2016 RM	31.03.2015 RM
Profit / (Loss) attributable to ordinary equity owners of the parent		
- Continuing operations	2,605,516	154,700
- Discontinued operations	(46,490)	-
	<u>2,559,026</u>	<u>154,700</u>
Weighted average number of ordinary shares in issue	758,397,503	698,397,503
Basic earnings per share (sen)		
- Continuing operations	0.34	0.02
- Discontinued operations	(0.01)	-
	<u>0.33</u>	<u>0.02</u>

The Group does not have in issue any financial instrument or other contract that may entitle its holder to ordinary shares and which may dilute its basic earnings per share

24. Profit/(Loss) for the period

	31.03.2016 RM	31.03.2015 RM
After charging/(crediting):		
Auditors' remuneration	25,000	-
Depreciation of property, plant and equipment	121,920	137,870
Directors' fee	28,500	-
Loss / (Gain) on foreign exchange		
- realised	-	20,377
- unrealised	-	534
Impairment loss on investment		
- Unquoted shares	1,090,646	-
Interest expenses	72,054	76,652
Interest income	(19)	(36,696)
Rental income	(3,000)	-
Rental expenses	38,557	-

25. Audit Report

The auditors' report on Group's financial statements for the year ended 31 December 2015 was not qualified.

26. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 26 May 2016.

27. Disclosure of Realised and Unrealised losses

The breakdown of the accumulated loss of the Group as at reporting date, into realised and unrealised loss, is as follows:

	31.03.2016	31.03.2015
	RM	RM
Total accumulated losses		
- Realised	(27,513,321)	(27,039,863)
- Unrealised	7,283,689	263,421
	<u>(20,229,632)</u>	<u>(26,776,442)</u>
Less: Consolidation adjustments	(9,270,777)	(9,106,092)
Accumulated loss as per consolidated accounts	<u>(29,500,409)</u>	<u>(35,882,534)</u>