



KEY ALLIANCE GROUP BERHAD (609953-K)
(Incorporated in Malaysia)
FIRST QUARTER ENDED 30 JUNE 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>30/6/2017</u>	<u>30/6/2016</u>	<u>30/6/2017</u>	<u>30/6/2016</u>
	RM'000	RM'000	RM'000	RM'000
REVENUE	6,474	6,386	6,474	N/A
Operating expenses	(8,715)	(2,081)	(8,715)	N/A
Other income	65	52	65	N/A
Interest income	102	48	102	N/A
Interest expense	(137)	(130)	(137)	N/A
Profit/(Loss) before taxation	(8,685)	(2,111)	(8,685)	N/A
Taxation	0	0	0	N/A
Profit/(Loss) after taxation	(8,685)	(2,111)	(8,685)	N/A
Profit/(loss) attributable to:				
Equity holders of the company	(8,968)	(1,888)	(8,968)	N/A
Non-controlling interest	283	(223)	283	N/A
Profit/(Loss) after taxation	(8,685)	(2,111)	(8,685)	N/A
Weighted average number of shares in issue ('000)	1,305,087	727,049	1,305,087	N/A
Earnings per share (sen) - basic	(0.69)	(0.26)	(0.69)	N/A

In view of the change in financial year end in previous year end, there were no comparative financial information available for the 3-month financial period ended 30 June 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 period ended 31 March 2017 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD (609953-K)
(Incorporated in Malaysia)
FIRST QUARTER ENDED 30 JUNE 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT END OF CURRENT QUARTER 6/30/2017 (Unaudited) RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 3/31/2017 (Audited) RM'000
ASSETS		
Non-current Assets		
Property, Plant and Equipment	24,924	25,736
Other investment	1,761	2,131
Goodwill	4,407	8,047
	31,092	35,914
Current Assets		
Inventories	7,737	8,105
Trade and other receivables	8,048	11,988
Amount owing by associate	10	-
Tax recoverable	466	522
Fixed deposits with licensed banks	5,144	5,106
Cash and bank balances	41,505	1,422
	62,910	27,143
TOTAL ASSETS	94,002	63,057
EQUITY AND LIABILITIES		
Capital and Reserves		
Issued capital	81,906	40,953
Share premium	9,216	10,037
Accumulated loss	(38,995)	(16,185)
Share option reserve	3,045	570
Warrants reserve	17,617	3,775
	72,789	39,150
Non-controlling interest	1,712	1,429
Total Equity	74,501	40,579
Non-current Liability		
Deferred tax liabilities	1,466	1,466
Borrowings	5,996	6,367
	7,462	7,833
Current Liabilities		
Trade and other payables	8,059	10,632
Bank overdrafts	1,985	1,996
Bank borrowings	1,690	1,712
Tax liabilities	305	305
	12,039	14,645
Total Liabilities	19,501	22,478
TOTAL EQUITY AND LIABILITIES	94,002	63,057

Net assets per share attributable to ordinary equity holders of the parent (RM)	0.0558	0.0538
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The unaudited condensed consolidated Balance Sheet should be read in conjunction with the annual audited financial statements for the financial period ended 31 March 2017 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD (609953-K)
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FIRST QUARTER ENDED 30 JUNE 2017

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	3-MONTHS ENDED	12-MONTHS ENDED
	30/6/17	31/3/17
	(Unaudited)	(Audited)
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(8,685)	(4,786)
Adjustment for:		
Non-cash items	8,115	3,462
Non-operating items	35	514
Operating loss before working capital changes	(535)	(810)
Net changes in current assets	3,824	4,256
Net changes in current liabilities	(2,574)	(8,448)
Cash used in operations	715	(5,002)
Interest paid	(137)	(747)
Net tax paid	56	(488)
Net cash used in operating activities	634	(6,237)
CASH FLOWS FOR INVESTING ACTIVITIES		
Advance to an associate	(10)	(29)
Interest received	102	232
Placement of fixed deposits	(37)	562
Proceeds from disposal of plant and equipment	0	35
Proceeds from redemption of redeemable preference shares	0	296
Purchase of property, plant and equipment	(408)	(5,276)
Net cash used in investing activities	(353)	(4,180)
CASH FLOWS FOR FINANCING ACTIVITIES		
Repayment of finance lease liabilities	(210)	(1,211)
Repayment of term loan	(109)	(525)
Share issuance expenses	(821)	(533)
Proceeds from bill payables	0	(345)
Proceeds from issuance of shares	40,953	11,913
Net cash generated from/(used in) financing activities	39,813	9,299
NET DECREASE IN CASH AND CASH EQUIVALENTS	40,094	(1,118)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD/YEAR	(574)	544
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR	39,520	(574)
CASH AND CASH EQUIVALENTS COMPRISE OF:		
Fixed deposits with licensed bank	5,144	5,106
Cash and bank balances	41,505	1,422
Bank overdrafts	(1,985)	(1,996)
	44,664	4,532
Less : Fixed deposits pledged	(5,144)	(5,106)
	39,520	(574)

The unaudited condensed consolidated Cash Flow Statement should be read in conjunction with the annual audited financial statements for the financial period ended 31 March 2017 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD (609953-K)
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FIRST QUARTER ENDED 30 JUNE 2017

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 April 2017	40,953	10,037	3,775	570	(16,185)	1,429	40,579
Total comprehensive loss for the period	0	0	0	0	(8,968)	283	(8,685)
Grant of share issuance scheme	0	0	0	2,475	0	0	2,475
Issuance of right share	40,953	(821)	13,842	0	(13,842)	0	40,132
Balance as of 30 June 2017	81,906	9,216	17,617	3,045	(38,995)	1,712	74,501
	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 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	(3,327)	(111)	(3,438)
Share issuance	7,913	(533)	0	0	0	0	7,380
Balance as of 30 June 2016	36,953	9,554	3,775	1,053	(14,310)	1,211	38,236

The unaudited condensed consolidated Statement of Changes in Equity should be read in conjunction with the annual audited financial statements for the financial period ended 31 March 2017 and the accompanying explanatory notes attached to this interim financial statements.