

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 OCTOBER 2016

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 31.10.2016 RM'000	AS AT 31.7.2016 RM'000 <i>(Audited)</i>
ASSETS NON-CURRENT ASSETS		
	100.920	100 425
Property, plant and equipment Investment properties	100,820 8,787	100,425 8,919
Other investments	528	528
Goodwill on consolidation	1,485	1,485
Deferred tax assets	7,987	7,761
	119,607	119,118
CURRENT ASSETS		
Inventories	556,222	574,678
Trade and other receivables	5,419	4,900
Deposits and prepayments	14,091	12,358
Tax recoverable	1,884	1,215
Fixed deposits placed with licensed banks	13,680	15,125
Cash and bank balances	34,299	15,531
	625,595	623,807
TOTAL ASSETS	745,202	742,925
Equity attributable to equity holders of the Company Share Capital Reserves TOTAL EQUITY	205,176 262,601 467,777	205,176 260,831 466,007
NON-CURRENT LIABILITIES		
Long-term borrowings	81,087	82,320
Deferred tax liabilities		
Defensed tax habilities	10,961	10,961
CURRENT LIABILITIES	92,048	93,281
Trade and other payables	21,210	16,933
Deposits and accruals	19,198	17,835
Amount due to ultimate holding company	1,264	1,231
Amount due to directors (Note 1)	2,682	2,097
Short-term borrowings	139,509	142,919
Tax payable	1,514	2,622
	185,377	183,637
TOTAL LIABILITIES	277,425	276,918
TOTAL EQUITY AND LIABILITIES	745,202	742,925
Net assets per share attributable to ordinary equity owners of the Company (RM)	1.14	1.14

Note 1: Amount due to directors consists of directors' fee and directors' other emoluments.

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for, the year ended 31 July 2016)

POH KONG[®]

POH KONG HOLDINGS BERHAD (Company No : 586139-K)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 OCTOBER 2016

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		
	QUARTER ENDED 31.10.2016 RM'000	QUARTER ENDED 31.10.2015 RM'000	PERIOD ENDED 31.10.2016 RM'000	PERIOD ENDED 31.10.2015 RM'000	
Revenue	185,471	172,297	185,471	172,297	
Other operating income	910	309	910	309	
Operating expenses	(180,763)	(168,440)	(180,763)	(168,440)	
Profit from operations	5,618	4,166	5,618	4,166	
Finance costs	(3,188)	(3,679)	(3,188)	(3,679)	
Profit before taxation	2,430	487	2,430	487	
Taxation	(660)	(151)	(660)	(151)	
Profit after taxation	1,770	336	1,770	336	
Other Comprehensive Expenses	-	-	-	-	
Total Comprehensive Income	1,770	336	1,770	336	
Attributable to:- Equity holders of the Company Non-controlling Interests	1,770 1,770	336 	1,770 - 1,770	336 - 336	
Earnings per share attributable to equity holders of the Company - basic (sen)	0.43	0.08	0.43	0.08	
- diluted (sen)	0.43	0.08	0.43	0.08	

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2016)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 OCTOBER 2016

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company					
	Share Capital	<u>Non-distributable</u> Revaluation Reserve	<u>Distributable</u> Retained Profits	Total equity		
	RM'000	RM'000	RM'000	RM'000		
At 1 August 2015	205,176	25,722	228,206	459,104		
Total comprehensive income for the year	-		336	336		
At 31 October 2015	205,176	25,722	228,542	459,440		
At 1 August 2016	205,176	25,722	235,109	466,007		
Total comprehensive income for the year	-	-	1,770	1,770		
At 31 October 2016	205,176	25,722	236,879	467,777		

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2016)

POH KONG[®]

POH KONG HOLDINGS BERHAD (Company No : 586139-K)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 OCTOBER 2016

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

PERIOD PERIOD PENDED ENDED 31.10.2015 81.10.2015 31.10.2015 31.10.2015 Profit before taxation 2.430 487 Adjustments for: Depreciation of property, plant and equipment (2.046) (2.351) Case on disoution of subsidiaries 1(43) 38 Property, plant and equipment written off 2.430 487 Loss on disoution of subsidiaries 1(17) (3.00) Preversel of allowance for impairment on receivables 1(107) (107) Interest receives 7,602 6,100 Inventories 7,602 6,100 Inventories 18,456 (16.062) Inventories 3.0,031 (572) Receivables 2,560 (5.07) Amount due to directors 3.0,031 (572) Amount due to directors 3.0,031 (572) Income tax refund - 672 Income tax paid (2.649) (1.360) Net cash generated from / (used in) operations 30.031 (572) Indicatibuitor form disposition of subsidiaries (2.649) (1.360) Proceeds from disposition of subsidiaries (2.431) 96 Purchase of property, plant and equipment -		CUMULATIVE QUARTER	
31.10.2016 31.10.2016 RM000 CASH FLOWS FROM OPERATING ACTIVITES Profit before taxation 2.430 487 Adjustments for: 2.430 487 Depreciation of property, plant and equipment 2.046 2.351 (60) 43 38 Dividend income 71 - Reversal of allowance for impairment on receivables - (107) Interest expense 7,602 6,100 Operating profit before working capital changes 7,602 6,100 Inventories 7,602 6,100 Reversal of allowance for (used in) operations 30,031 (5,179) Income tax refund - - 672 Income tax refund - - 672 Income tax refund - - 672 Income tax refund - - 673 Income tax refund <			
RM000 RM000 CASH FLOWS FROM OPERATING ACTIVITES Profit before taxation 2,430 487 Adjuttments for: 2,046 2,251 Depresciation of property, plant and equipment and investment property Gain on disposal of property, plant and equipment written off 2,046 2,251 Dyrided in location of subsidiaries 94 3 3 Dyrided in location 3,188 3,679 Operating profit before working capital changes 7,602 6,100 Invencrise 18,466 (16,623) Receivables 18,466 (16,623) Proyables 5,640 3,2719 Amount due to directors 30,031 (5,179) Income tax paid 2,2467 (1,360) Net cash generated from / (used in) operating activities 27,367 672 Income tax paid 2,2461 (1,360) 3,2719 Income tax paid 2,2641 (1,360) 3,2719 Nett cash generated from / (used in) operating activities 27,367 672 Income tax paid 2,2461 (1,360) 3,210 Net cash used in investing activities (2,247) (1,360) Proceeds from disposal of property, plant and equipment 97 98 Prodeds from disposal <			
Profit before taxation 2,430 487 Adjustments for: Depreciation of property, plant and equipment and investment property 2,046 2,351 Gain on disposed of property, plant and equipment 94 38 Loss on dissolution form of subsidiaries 1 (300) Dividend nacome 1 (300) Reversal of allowance for impairment on receivables 1 (300) Interest income 1 (300) (107) (110) Interest income 1 3,879 (300) (107) (110) Interest income 13,456 (16,662) (16,662) (16,662) Reversables 2,210 16,333 (5,640) 3,210 Amount due to directors 30,031 (5,179) (6,667) Net cash generated from / (used in) operating activities 27,367 (5,667) CASH FLOWS FROM INVESTING ACTIVITIES 107 96 300,31 (2,424) (2,424) (2,424) (2,424) (2,426) (2,426) (2,426) (2,426) (2,426) (2,426) (2,426) (2,426) (2,427) (1,960) 27,367 (5,687) <			
Adjustments for: Depreciation of property, plant and equipment and investment property 2,046 2,351 Gain on disposal of property, plant and equipment mitten off 3,183 3,1 Dividend income 1,1 3,188 3,1 Dividend income 1,1 3,188 3,1 Reversal of allowance for impairment on receivables 1,1 3,188 3,1 Interest expense 7,602 6,100 Inventories 7,602 6,100 Inventories 1,8,458 (16,062) 1,6,33 Payables 2,2,367 (5,604) (20) Arnount due to directors 3,0,31 (5,179) Income tax paid - 672 (1,300) Net cash generated from / (used in) operating activities 2,7,367 (5,867) CASH FLOWS FROM INVESTING ACTIVITIES 107 96 300 Interest paid 107 96 300 16,3679 Net cash generated from / (used in) operating activities (2,247) (1,960) 2,452 Interest received 107 96 300 10 60 2,452 Interes	CASH FLOWS FROM OPERATING ACTIVITIES		
Depreciation of property, plant and equipment 2,046 2,351 Gain on disposal of property, plant and equipment 600 433 Property, plant and equipment withen off 600 600 Loss on dissolution of subsidiaries 7 (300) Reversal of allowance for impairment on receivables (107) (110) Interest income 18,456 (660) 2,257 Operating profit before working capital changes 7,602 6,100 Inventories 18,456 (2,252) (1,623) Receivables (2,264) (1,623) 3,210 Armount due to directors 30,031 (5,179) (1,000) Incorne tax refund - 672 (1,623) Incorne tax refund - 672 (1,360) Net cash generated from / (used in) operating activities 27,367 300 CASH FLOWS FROM INVESTING ACTIVITES 107 96 Divident received 107 ,300 10 Proceeds from disposal of property, plant and equipment 600 66 2,452) Net cash used in investing activities (2,247) (1,960) 224	Profit before taxation	2,430	487
Depreciation of property, plant and equipment 2,046 2,351 Gain on disposal of property, plant and equipment 600 433 Property, plant and equipment withen off 600 600 Loss on dissolution of subsidiaries 7 (300) Reversal of allowance for impairment on receivables (107) (110) Interest income 18,456 (660) 2,257 Operating profit before working capital changes 7,602 6,100 Inventories 18,456 (2,252) (1,623) Receivables (2,264) (1,623) 3,210 Armount due to directors 30,031 (5,179) (1,000) Incorne tax refund - 672 (1,623) Incorne tax refund - 672 (1,360) Net cash generated from / (used in) operating activities 27,367 300 CASH FLOWS FROM INVESTING ACTIVITES 107 96 Divident received 107 ,300 10 Proceeds from disposal of property, plant and equipment 600 66 2,452) Net cash used in investing activities (2,247) (1,960) 224	Adjustments for		
Property, plant and equipment written off 34 38 Loss on dissolution of subsidiaries 71 (300) Reversal of allowance for impairment on receivables 1 (2) Interest income 1 (300) Inventories 7.602 6.100 Inventories 18.456 (16.062) Receivables 2(2.522) 1.633 Payables 5.640 3.210 Amount due to directors 30.031 (5.179) Income tax refund - 672 Income tax refund - 672 Income tax paid 2.26644 (1.360) Net cash generated from / (used in) operating activities 27.367 (5.867) CASH FLOWS FROM INVESTING ACTIVITES 107 96 Inderst received 107 300 Frinal distribution from dissolution of subsidiaries 7(1) 96 Proceeds from disposal of property, plant and equipment 60 625 Proceeds from disposal of property, plant and equipment 60 616 71 Proceeds from disposal of property, plant and equipment 61 616 613 <		2,046	2,351
Loss on dissolution of subsidiaries 71 - Dividend income - (300) Reversal of allowance for impairment on receivables - (300) Interest expense 3,188 3,679 Operating profit before working capital changes 7,602 6,100 Inventories 18,456 (16,062) Receivables 2,242 1,633 Payables 3,0031 (5,179) Amount due to directors 30,031 (5,179) Income tax refund - 672 Purchase of property, plant and equipment <		(60)	(43)
Dividend income - (300) Reversal of allowance for impairment on receivables - (3) Interest income - (107) (110) Interest expense 7.602 6.100 Inventories Receivables 18.456 (16.062) Payables 18.456 (16.062) 3.210 Amount due to directors 30.031 (5.179) Income tax during the directors 30.031 (5.179) Income tax paid - (2.664) (1.360) Net cash generated from / (used in) operating activities 27.367 (5.867) CASH FLOWS FROM INVESTING ACTIVITES 107 96 Dividend received 107 90 60 Dividend received 107 90 60 Dividend received 107 96 62 Dividend received 107 90 60 Dividend received 107 90 60 Dividend received 107 90 62 Dividend received 107 90 62 Dividend received 107 90<		-	38
Reversal of allowance for impairment on receivables - - (10) Interest expense 3,188 3,679 Operating profit before working capital changes 7,602 6,100 Inventories 18,456 (16,62) Receivables 2,252 1,633 Payables 30,031 (5,179) Amount due to directors 30,031 (5,179) Income tax refund - 672 Income tax refund - 672 Income tax paid - 672 Income tax refund - 672 Income tax paid - 672 Interest received 27,367 (5,867) Dividend received - 672 Purchase of property, plant and equipment - 60 Purchase of property, plant and equipment - 613 Purchase of rom FinAdstribution from dissolution of subsidiaries - 107 Placement of finad estributies (2,247) (1,960) CASH FLOWS FROM FINANCING ACTIVITES - - Interest paid (3,188) (3,679)		/1	- (300)
Interest income(107)(110)Interest expense3.1883.679Operating profit before working capital changes7.6026,100InventoriesReceivables(16,062)Receivables(2,252)1,633Payables(100)585(16,062)Amount due to directors30,031(5,179)Income tax refund-672Income tax paid(2,2664)(1,360)Net cash generated from / (used in) operating activities27,367(5,867)CASH FLOWS FROM INVESTING ACTIVITIES107796Interest received107796Dividend received-672Dividend received(2,243)(2,242)Net cash used in investing activities(2,247)(1,960)CASH FLOWS FROM FINANCING ACTIVITIES(2,247)(1,960)CASH FLOWS FROM FINANCING ACTIVITIES(3,188)(3,679)Interest paid(3,188)(3,679)(5,860)Interest paid(1,960)(2,242)(1,960)CASH FLOWS FROM FINANCING ACTIVITIES(3,188)(3,679)Interest paid(1,960)(2,242)(1,960)CASH FLOWS FROM FINANCING ACTIVITIES(3,188)(1,6,00)Interest paid(1,960)(2,247)(2,251)Net cash used in financing activities(2,247)(2,581)Net cash used in financing activities(2,2547)(2,581)Net cash used in financing activities(2,2547)(2,581)Net cash used in financing activities(2		-	. ,
Operating profit before working capital changes 7,602 6,100 Inventories Receivables 18,456 (16,062) Payables 16,2252) 1,633 3,210 Amount due to directors 30,031 (5,179) Income tax paid - 672 Income tax paid - 672 Income tax paid - 672 Net cash generated from / (used in) operating activities 27,367 (5,867) CASH FLOWS FROM INVESTING ACTIVITIES 107 96 Interest received 107 - 672 Dividend received from dissolution of subsidiaries - 672 (1,360) Purchase of property, plant and equipment - 660 - 672 Purchase of property, plant and equipment - 660 - 672 Purchase of property, plant and equipment - 660 - 672 Interest paid - - - - 672 Increase in amount due to ultimate holding company - - - - - - - - - -		(107)	
Inventories Receivables Payables Amount due to directors Net cash generated from / (used in) operations income tax refund income tax paid Net cash generated from / (used in) operating activities CASH FLOWS FROM INVESTING ACTIVITIES Interest received Dividend received Final distribution from dissolution of subsidiaries Purchase of property, plant and equipment Purchase (repaid) / raised Placement of inked deposits Increase in amount due to ultimate holding company Repayment of hire purchase creditors Repayment of hire purchase creditors Net cash used in financing activities Q25, 35, 57, (10,408) OPENING CASH AND CASH EQUIVALENTS Q35, 67, 36, 36, 77, 27,406, 35,877, CLOSING CASH AND CASH EQUIVALENTS Q35, 37, 41,469 Cash and balances Bank overdrafts Q4,979, 41,469 Less: Sinking fund	Interest expense	3,188	3,679
Receivables (2,252) 1,633 Payables 5,640 3,210 Amount due to directors 30,031 (5,179) Income tax paid - 672 Interest received 107 -96 Dividend received - - Final distribution from dissolution of subsidiaries - - Proceeds from disposal of property, plant and equipment - - Proceeds from disposal of property, plant and equipment - - Parabal (3,188) (3,679) 16,138 (14,000) - - Placement of fixed deposits - - - Interest paid (3,188) (14,000) - - Placement of finace lasse creditors - - - - Repayment of finace lasse creditors - - - - Net cash used in financing activities (22,5	Operating profit before working capital changes	7,602	6,100
Payables 5,640 3,210 Amount due to directors 5,640 3,210 Net cash generated from / (used in) operations 30,031 (5,179) Income tax refund - 672 Income tax paid - 672 Net cash generated from / (used in) operating activities 27,367 (5,867) CASH FLOWS FROM INVESTING ACTIVITIES 107 96 Interest received 107 96 Dividend received - - 672 Proceeds from disposal of property, plant and equipment 0 96 Purchase of property, plant and equipment (2,2452) - Net cash used in investing activities (2,247) (1,960) CASH FLOWS FROM FINANCING ACTIVITIES (3,188) (3,679) Interest paid (3,188) (14,000) - Placement of fixed deposits - - - Interest paid (13,000) (14,000) - Placement of fixed deposits - - - Interest paid (13,000) (14,000) - Placement of fixed deposits -			
Amount due to directors585(60)Net cash generated from / (used in) operations30,031(5,179)Income tax refund-672Income tax paid(1,360)27,367Net cash generated from / (used in) operating activities27,367(5,867)CASH FLOWS FROM INVESTING ACTIVITIESInterest received10796Dividend received10796Final distribution from dissolution of subsidiaries(71)9Purchase of property, plant and equipment60(2,452)Net cash used in investing activities(2,247)(1,960)CASH FLOWS FROM FINANCING ACTIVITIES(3,188)(3,679)Interest paid(3,188)(3,679)Interest paid(3,188)(14,000)Placement of sinking fund(182)5Placement of fixed deposits(367)5Increase in amount due to ultimate holding company(867)(744)Repayment of financing activities(22,547)(2,581)Net cash used in financing activities(22,547)(2,581)Net increase in ADD CASH EQUIVALENTS2,573(10,408)OPENING CASH AND CASH EQUIVALENTS29,97925,469Cash and cash equivalents comprise the following:13,680-Fixed deposit with licensed banks13,680-CLOSING CASH AND CASH EQUIVALENTS29,97925,469Cash and bah balances34,29941,735Bank overdrafts-(266)Less: Sinking fund(16,000)(16,00			
Net cash generated from / (used in) operations 30,031 (5,179) Income tax refund - 672 Income tax paid (1,360) (1,360) Net cash generated from / (used in) operating activities 27,367 (5,867) CASH FLOWS FROM INVESTING ACTIVITIES 107 96 Interest received - - 60 Dividend received - - 60 96 Purchase of property, plant and equipment (2,243) - (2,452) Net cash used in investing activities (2,247) (1,960) - CASH FLOWS FROM FINANCING ACTIVITIES -			
Income tax refund Income tax paid - 672 (1,360) Net cash generated from / (used in) operating activities 27,367 (5,867) CASH FLOWS FROM INVESTING ACTIVITIES 107 -7 96 300 (71) - Interest received 107 -7 96 (2,343) - - Proceeds from disposal of property, plant and equipment 0 - - - Proceeds from disposal of property, plant and equipment 0 -			<u> </u>
Income tax paid Net cash generated from / (used in) operating activities(2,664) 27,367(1,360) (5,867)CASH FLOWS FROM INVESTING ACTIVITIESInterest received Dividend received107 - - - 96 (2,343)96 (2,2452)Proceeds from disposal of property, plant and equipment Purchase of property, plant and equipment(3,188) (2,2452)(3,679) (1,960)Net cash used in investing activities(2,247)(1,960)CASH FLOWS FROM FINANCING ACTIVITIES(3,188) (16,000)(3,679) (16,188)Interest paid Net loans (repaid) / raised Placement of fixed deposits Increase in amount due to ultimate holding company Repayment of finance lease creditors (867) (744) (1820)(3,188) (16,132)(3,679) (16,011)Net cash used in financing activities(22,547) (2,581)(2,547) (2,581)5 (744) (1820)Net cash used in financing activities(22,547) (2,581)(2,581) (744) (1820)Net cash used in financing activities(22,547) (2,581)(2,581) (10,408)OPENING CASH AND CASH EQUIVALENTS27,406 (35,877)35,877 (2LOSING CASH AND CASH EQUIVALENTS (2,569)Cash and cash equivalents comprise the following: Fixed deposit with licensed banks (2,266)13,680 (2,266) (2,266)Cash and bank balances Bank overdrafts34,299 (41,735 (41,600) (18,000)13,680 (16,000)	Net cash generated from / (used in) operations	30,031	(5,179)
Net cash generated from / (used in) operating activities 27,367 (5,867) CASH FLOWS FROM INVESTING ACTIVITIES 107 96 Interest received 107 96 Dividend received (71) 96 Proceeds from disposal of property, plant and equipment 96 96 Purchase of property, plant and equipment 96 (2,343) (2,452) Net cash used in investing activities (2,247) (1,960) 67 CASH FLOWS FROM FINANCING ACTIVITIES (3,188) (3,679) 16,138 (14,000) Placement of sinking fund (16,108) (14,000) 225 5 5 Repayment of finance lease creditors 2,573 (10,408) (744) (301) Net cash used in financing activities (22,547) (2,581) (25,867) Net cash used in financing activities 2,573 (10,408) 0 0 OPENING CASH AND CASH EQUIVALENTS 29,979 25,469 25,469 25,469 25,469 24,799 41,469 Cash and cash equivalents comprise the following: 13,680 - 26,247,99 41,469 41,737 41,469 <		-	
CASH FLOWS FROM INVESTING ACTIVITIES Interest received 107 96 Dividend received - 300 Final distribution from dissolution of subsidiaries - - Proceeds from disposal of property, plant and equipment 96 2.452 Net cash used in investing activities (2.452) 96 Net cash used in investing activities (2.247) (1.960) CASH FLOWS FROM FINANCING ACTIVITIES Interest paid (3.188) (3.679) Net loans (repaid) / raised (16,138) (16,1000) Placement of sinking fund (16,688) (14,000) Placement of finance lease creditors (3.671) - Repayment of finance lease creditors (3.671) - Repayment of finance lease creditors (3.672) - Net cash used in financing activities (22.547) (2.581) Net increase in amount due to ultimate holding company (3.072) (3.074) Repayment of finance lease creditors (2.547) (2.581) Net cash used in financing activities (22.547) (2.581) Net increase in amount due to ultimate holding company </td <td>•</td> <td></td> <td></td>	•		
Interest received107 (71) 96 (300) Dividend received107 (71) 96 $(2,343)$ Proceeds from dissolution of subsidiaries(71) (60) 96 $(2,343)$ Purchase of property, plant and equipment(2,243)Net cash used in investing activities(2,247)(1,960)CASH FLOWS FROM FINANCING ACTIVITIESInterest paid(3,188) (568) (3,679) (568) Net loans (repaid) / raised(3,188) $(14,000)$ (3,188) $(14,000)$ Placement of sinking fund(1,660) (225) (744) (1820) Placement of finance lease creditors(867) (744) (182) (744) (301) Net cash used in financing activities(22,547) $(2,581)$ (2,581)Net cash used in financing activities(22,547) $(2,581)$ (2,543)Net cash used in financing activities(22,547) $(2,581)$ (2,547) $(2,581)$ Net cash used in financing activities(22,547) $(2,581)$ (2,573) $(10,408)$ OPENING CASH AND CASH EQUIVALENTS2,573 $(10,408)$ (10,408)OPENING CASH AND CASH EQUIVALENTS29,979 $25,469$ 25,689 $47,979$ 41,469 $47,979$ Cash and cash equivalents comprise the following: Fixed deposit with licensed banks $Cash and bank balances$ 13,680 -5 $284,299$ 41,735 $41,469$ Less: Sinking fund(18,000) 		21,001	(0,007)
Dividend received-300Final distribution from dissolution of subsidiaries-300Proceeds from disposal of property, plant and equipment60-Purchase of property, plant and equipment-60(2,343)(2,452)Net cash used in investing activities(2,247)(1,960)CASH FLOWS FROM FINANCING ACTIVITIESInterest paid(3,188)(3,679)Net loans (repaid) / raised(568)(16,138)Placement of fixed deposits(18,000)225Increase in amount due to ultimate holding company335Repayment of finance lease creditors(22,547)(2,581)Net cash used in financing activities(22,547)(2,581)Net cash used in financing activities(22,547)(2,581)Net cash used in financing activities2,740635,877CLOSING CASH AND CASH EQUIVALENTS29,97925,469Cash and cash equivalents comprise the following:13,680-Fixed deposit with licensed banks13,680-Cash and bank balances34,29941,735Bank overdrafts-266647,97941,469Less: Sinking fund(18,000)(16,000)	CASH FLOWS FROM INVESTING ACTIVITIES		
Final distribution from dissolution of subsidiaries(71).Proceeds from disposal of property, plant and equipment96Purchase of property, plant and equipment(2,343)Net cash used in investing activities(2,247)(1,960)CASH FLOWS FROM FINANCING ACTIVITIESInterest paid(3,188)Net loans (repaid) / raised(3,188)Placement of sinking fund(568)Placement of fixed deposits(14,000)Placement of fixed deposits5Increase in amount due to ultimate holding company3Repayment of hinance lease creditors(22,547)Net cash used in financing activities(22,547)Net cash used in financing activities(22,547)OPENING CASH AND CASH EQUIVALENTS2,573CLOSING CASH AND CASH EQUIVALENTS27,406Cash and cash equivalents comprise the following: Fixed deposit with licensed banks13,680Cash and bank balances34,299Bank overdrafts13,680		107	
Proceeds from disposal of property, plant and equipment6096Purchase of property, plant and equipment6096(2,343)(2,242)Net cash used in investing activities(2,247)(1,960)CASH FLOWS FROM FINANCING ACTIVITIESInterest paid(3,188)(3,679)Net loans (repaid) / raised(3,188)(3,679)Placement of sinking fund(18,000)22533Placement of fixed deposits(14,000)2255Increase in amount due to ultimate holding company335(744)Repayment of hinance lease creditors(22,547)(2,581)(301)Net cash used in financing activities(22,547)(2,581)(301)Net cash used in financing activities2,573(10,408)0PENING CASH AND CASH EQUIVALENTS27,40635,877CLOSING CASH AND CASH EQUIVALENTS29,97925,46925,46929,97925,469Cash and cash equivalents comprise the following: Fixed deposit with licensed banks13,680-(266)Fixed deposit with licensed banks13,680-(266)-Cash and bank balances34,29941,73524,46941,735Bank overdrafts(266)-(266)-(266)Cash in fund(18,000)(16,000)(16,000)(16,000)		- (74)	300
Purchase of property, plant and equipment(2,343)(2,452)Net cash used in investing activities(2,247)(1,960)CASH FLOWS FROM FINANCING ACTIVITIESInterest paid(3,188)(3,679)Net loans (repaid) / raised(3,188)(3,679)Placement of sinking fund(18,000)225Increase in amount due to ultimate holding company335Repayment of finance lease creditors(867)(744)Repayment of hire purchase creditors(22,547)(2,581)Net cash used in financing activities(22,547)(2,581)NET INCREASE IN CASH AND CASH EQUIVALENTS2,573(10,408)OPENING CASH AND CASH EQUIVALENTS29,97925,469Cash and cash equivalents comprise the following: Fixed deposit with licensed banks13,680-Cash and bank balances34,22941,735Bank overdrafts-(266)47,97941,469Less: Sinking fund(18,000)(16,000)			- 96
CASH FLOWS FROM FINANCING ACTIVITIES Interest paid (3,188) (3,679) Net loans (repaid) / raised (568) (16,138) Placement of sinking fund (18,000) 225 Increase in amount due to ultimate holding company (867) 5 Repayment of finance lease creditors (867) (744) Repayment of financing activities (22,547) (2,581) Net cash used in financing activities (22,547) (2,581) NET INCREASE IN CASH AND CASH EQUIVALENTS 2,573 (10,408) OPENING CASH AND CASH EQUIVALENTS 27,406 35,877 CLOSING CASH AND CASH EQUIVALENTS 29,979 25,469 Cash and cash equivalents comprise the following: 13,680 - Fixed deposit with licensed banks 34,299 41,735 Cash and bank balances 34,299 41,735 Bank overdrafts - (266) 47,979 41,469 (18,000) Less: Sinking fund (18,000) (16,000)			
Interest paid(3,188)(3,679)Net loans (repaid) / raised(3,188)(14,000)Placement of sinking fund(18,000)225Increase in amount due to ultimate holding company33(14,000)Repayment of finance lease creditors(182)(744)Repayment of hire purchase creditors(182)(301)Net cash used in financing activities(22,547)(2,581)NET INCREASE IN CASH AND CASH EQUIVALENTS2,573(10,408)OPENING CASH AND CASH EQUIVALENTS27,40635,877CLOSING CASH AND CASH EQUIVALENTS29,97925,469Cash and cash equivalents comprise the following: Fixed deposit with licensed banks13,680-Cash and bank balances34,29941,735Bank overdrafts-(266)47,97941,469(18,000)Less: Sinking fund(18,000)(16,000)	Net cash used in investing activities	(2,247)	(1,960)
Net loans (repaid) / raised(568)16,138Placement of sinking fund(18,000)(14,000)Placement of fixed deposits225-Increase in amount due to ultimate holding company335Repayment of finance lease creditors(867)(744)Repayment of hire purchase creditors(182)(301)Net cash used in financing activities(22,547)(2,581)NET INCREASE IN CASH AND CASH EQUIVALENTS2,573(10,408)OPENING CASH AND CASH EQUIVALENTS27,40635,877CLOSING CASH AND CASH EQUIVALENTS29,97925,469Cash and cash equivalents comprise the following: Fixed deposit with licensed banks13,680-Cash and bank balances34,29941,735Bank overdrafts-(266)47,979Less: Sinking fund(18,000)(16,000)	CASH FLOWS FROM FINANCING ACTIVITIES		
Net loans (repaid) / raised(568)16,138Placement of sinking fund(18,000)(14,000)Placement of fixed deposits225-Increase in amount due to ultimate holding company335Repayment of finance lease creditors(867)(744)Repayment of hire purchase creditors(182)(301)Net cash used in financing activities(22,547)(2,581)NET INCREASE IN CASH AND CASH EQUIVALENTS2,573(10,408)OPENING CASH AND CASH EQUIVALENTS27,40635,877CLOSING CASH AND CASH EQUIVALENTS29,97925,469Cash and cash equivalents comprise the following: Fixed deposit with licensed banks13,680-Cash and bank balances34,29941,735Bank overdrafts-(266)47,979Less: Sinking fund(18,000)(16,000)	Interest naid	(3 188)	(3.679)
Placement of fixed deposits225Increase in amount due to ultimate holding company33Repayment of finance lease creditors(867)Repayment of hire purchase creditors(182)Net cash used in financing activities(22,547)NET INCREASE IN CASH AND CASH EQUIVALENTS2,573OPENING CASH AND CASH EQUIVALENTS2,573CLOSING CASH AND CASH EQUIVALENTS29,979CLOSING CASH AND CASH EQUIVALENTS29,979Cash and cash equivalents comprise the following:13,680Fixed deposit with licensed banks34,299Cash and bank balances34,299Bank overdrafts-Less: Sinking fund(18,000)			
Increase in amount due to ultimate holding company Repayment of finance lease creditors33 (867) (182)5 (744) (301)Net cash used in financing activities(22,547) (2,581)(2,581)NET INCREASE IN CASH AND CASH EQUIVALENTS2,573 (10,408)(10,408)OPENING CASH AND CASH EQUIVALENTS27,406 (35,877)35,877CLOSING CASH AND CASH EQUIVALENTS29,979 (25,469)25,469Cash and cash equivalents comprise the following: Fixed deposit with licensed banks13,680 (13,299) (17,35)- (266) (266)Less: Sinking fund(18,000) (16,000)(16,000)			(14,000)
Repayment of finance lease creditors(867) (182)(744) (301)Net cash used in financing activities(22,547)(2,581)NET INCREASE IN CASH AND CASH EQUIVALENTS2,573(10,408)OPENING CASH AND CASH EQUIVALENTS27,40635,877CLOSING CASH AND CASH EQUIVALENTS29,97925,469Cash and cash equivalents comprise the following: Fixed deposit with licensed banks13,680-Cash and bank balances34,29941,735Bank overdrafts-(266)47,97941,469Less: Sinking fund(16,000)	•		-
Repayment of hire purchase creditors(182)(301)Net cash used in financing activities(22,547)(2,581)NET INCREASE IN CASH AND CASH EQUIVALENTS2,573(10,408)OPENING CASH AND CASH EQUIVALENTS27,40635,877CLOSING CASH AND CASH EQUIVALENTS29,97925,469Cash and cash equivalents comprise the following: Fixed deposit with licensed banks13,680-Cash and bank balances34,29941,735Bank overdrafts-(266)47,97941,469Less: Sinking fund(18,000)(16,000)			-
NET INCREASE IN CASH AND CASH EQUIVALENTS2,573(10,408)OPENING CASH AND CASH EQUIVALENTS27,40635,877CLOSING CASH AND CASH EQUIVALENTS29,97925,469Cash and cash equivalents comprise the following: Fixed deposit with licensed banks13,680-Cash and bank balances34,29941,735Bank overdrafts-(266)47,97941,469Less: Sinking fund(18,000)(16,000)			
OPENING CASH AND CASH EQUIVALENTS27,40635,877CLOSING CASH AND CASH EQUIVALENTS29,97925,469Cash and cash equivalents comprise the following: Fixed deposit with licensed banks13,680-Cash and bank balances34,29941,735Bank overdrafts-(266)Users: Sinking fund(18,000)(16,000)	Net cash used in financing activities	(22,547)	(2,581)
CLOSING CASH AND CASH EQUIVALENTS29,97925,469Cash and cash equivalents comprise the following: Fixed deposit with licensed banks13,680-Cash and bank balances34,29941,735Bank overdrafts-(266)47,97941,469Less: Sinking fund(18,000)(16,000)	NET INCREASE IN CASH AND CASH EQUIVALENTS	2,573	(10,408)
Cash and cash equivalents comprise the following:Fixed deposit with licensed banks13,680Cash and bank balances34,299Bank overdrafts-Less: Sinking fund(18,000)	OPENING CASH AND CASH EQUIVALENTS	27,406	35,877
Fixed deposit with licensed banks 13,680 - Cash and bank balances 34,299 41,735 Bank overdrafts - (266) 47,979 41,469 Less: Sinking fund (18,000) (16,000)	CLOSING CASH AND CASH EQUIVALENTS	29,979	25,469
Cash and bank balances 34,299 41,735 Bank overdrafts - (266) 47,979 41,469 Less: Sinking fund (18,000) (16,000)	Cash and cash equivalents comprise the following:		
Bank overdrafts - (266) 47,979 41,469 Less: Sinking fund (18,000) (16,000)			-
47,979 41,469 Less: Sinking fund (18,000) (16,000)		34,299	
Less: Sinking fund (18,000) (16,000)		47.979	
	Less: Sinking fund		
		29,979	25,469

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2016)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 OCTOBER 2016

A. NOTES TO THE INTERIM FINANCIAL REPORT

A1. Accounting Policies and Methods of Computation

The interim financial report has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting and Chapter 9, Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2016.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the Annual Financial Statements for the financial year ended 31 July 2016 except for the following new Malaysian Financial Reporting Standards ("MFRSs") and Amendments / Improvements to MFRSs that are issued but not yet effective for the Group:-

Effective for financial periods

		beginning on or after
New MFRSs		
MFRS 9	Financial Instruments	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
MFRS 16	Leases	1 January 2019
MFRS 10 MFRS 107 MFRS 112	Improvements to MFRSs Consolidated Financial Statements Statement of Cash Flows Income Taxes	Deferred 1 January 2017 1 January 2017
MFRS 128	Investments in Associates and Joint Ventures	Deferred

The adoption of the above New MFRS and Amendments / Improvements to MFRSs will have no significant financial impact on the financial statements of the Group.

A2. Audit Report

The audit report of the preceding Audited Financial Statements of the Company was reported without any qualification.

A3. Seasonality or Cyclicality of Operations

It was a traditionally low peak trading period for the quarter under review.

A4. Unusual Items

There were no unusual and extraordinary items in the current quarter under review.

POH KONG[®]

POH KONG HOLDINGS BERHAD (Company No : 586139-K)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 OCTOBER 2016

A5. Changes in Estimates

There were no material changes in the estimates used for the preparation of interim financial report.

A6. Issuance, Cancellation or Repayments of Debt and Equity Securities

There was no issuance and repayment of debt and equity securities, share buy back, share cancellation, shares held as treasury shares and resale of treasury shares for the current financial year to-date.

A7. Dividend paid

No dividend was paid in the quarter under review.

A8. Segmental Information

Segmental information is presented in respect of the Group's business segments.

Business segments:

Manufacturing: Manufacturer and dealer of jewellery, precious stones and gold ornaments

Trading: Suppliers and retailers of gold ornaments, jewellery, precious stones and gold bullion

Others: Investment holding

	Results for	r financial per	riod ended	31 October 201	15
	Manufacturing Division RM'000	Trading Division RM'000	Others RM'000	Elimination RM'000	Group RM'000
Revenue	4,827	167,465	5	-	172,297
Inter-segment Revenue	56,619	22,338	22,631	(101,588)	-
Total Revenue	61,446	189,803	22,636	(101,588)	172,297
Profit before taxation	4,607	(1,791)	(1,247)	(1,082)	487
Profit after taxation	3,501	(2,093)	(1,599)	527	336
	Results for financial period ended 31 October 2016				

	Manufacturing Division RM'000	Trading Division RM'000	Others RM'000	Elimination RM'000	Group RM'000
Revenue	7,190	178,279	2	-	185,471
Inter-segment Revenue	39,509	22,194	21,419	(83,122)	-
Total Revenue	46,699	200,473	21,421	(83,122)	185,471
Profit before taxation	2,283	18,696	5,574	(24,123)	2,430
Profit after taxation	1,735	18,521	5,412	(23,898)	1,770

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 OCTOBER 2016

A9. Valuations of Property, Plant and Equipment

The Group did not carry out any valuations on property, plant and equipment in the quarter under review.

Save as disclosed, the valuation of property, plant and equipment have been brought forward without amendment from previous Audited Financial Statements.

A10. Material Events Subsequent To The Financial Period

There was no subsequent material event as at the date of this quarterly report.

A11. Changes in the Composition of the Company

There was no change in the composition of the Group for the current quarter and financial year to date including business combination, acquisition or disposal of subsidiaries and long term investment, restructuring or discontinuing of operations.

A12. Contingent Liabilities

Poh Kong Jewellers Sdn. Bhd, a wholly owned subsidiary of the Company, has granted a corporate guarantee to Danajamin Nasional Berhad in respect of Islamic Commercial Papers/ Islamic Medium Term Notes programme up to RM150,000,000 in accordance with the Shariah principle of Commodity Murabahah.

As at 31 October 2016, a total of RM171,981,999 corporate guarantees has been given in support of banking facilities granted to subsidiary companies; a total of RM11,000,000 corporate guarantee has been given to third parties in respect of leasing and hire purchase facilities; a total of RM4,040,074 corporate guarantees has been given to third parties in respect of operating lease arrangements.

Save as disclosed above, there was no change in contingent liabilities since the last annual reporting date.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 OCTOBER 2016

B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

B1. Review of Performance

The Group's revenue for the first quarter under review was higher at RM185.471 million as compared to the revenue in the corresponding quarter last year of RM172.297 million; an increase of RM13.174 million was due mainly to the demand for gold jewellery remaining stable, aided by the higher retail gold prices and additional revenue from new outlets in the current quarter under review.

The major revenue contributors are gold jewellery and gold investment products during the quarter under review.

The Group's profit before tax in the current quarter at RM2.430 million as compared to the profit before tax of RM0.487 million in the corresponding quarter last year; an increase of RM1.943 million. It was due mainly to the increase in sales and improvement in profit margin during the quarter under review.

The Group's revenue is largely derived from retail segment while the manufacturing segment supplies the finished gold jewellery to the retail segment.

B2. Comparison with Preceding Quarter's Results (1st Quarter FYE 2017 vs 4th Quarter FYE 2016)

Financial Indicators:	Q1FYE2017	Q4FYE2016	Variance	Variance
	RM('000)	RM('000)	RM('000)	(%)
Revenue	185,471	198,350	(12,879)	-6%
Profit before taxation	2,430	5,526	(3,096)	-56%
Profit after taxation	1,770	2,843	(1,073)	-38%

The decrease in profit was due mainly to the lower revenue in the current quarter under review as compared with the preceding quarter.

B3. Current Year Prospects

The Group is optimistic in maintaining our growth and leading position in Malaysia despite the more challenging and competitive conditions in the domestic jewellery market. Notwithstanding uncertainties in the global and regional economies, fundamentals in Malaysia remain resilient which have enabled corporate and industry players to meet their challenges and business performance. The Group, being cognisant of the current market situation continues to review, revise and consolidate its business strategies to meet these challenges.

Barring unforeseen circumstances, the Board of Directors is confident of the Group's resilience to weather the challenges ahead for financial year ending 31 July 2017.

B4. Profit Forecast

The Group does not publish any profit forecast.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 OCTOBER 2016

B5. Taxation

	Individual	Individual Quarter		Cumulative Quarter	
	Quarter Ended			Period Ended	
	31.10.2016	31.10.2015	31.10.2016	31.10.2015	
	RM'000	RM'000	RM'000	RM'000	
Income taxation	886	1,817	886	1,817	
Deferred taxation	(226)	(1,666)	(226)	(1,666)	
	660	151	660	151	

The effective tax rate for the cumulative quarter was higher than the statutory tax rate due principally to certain expenses disallowed for tax purposes.

B6. Status of Corporate Proposals Announced

There was no corporate proposal announced for the current quarter and financial year to date.

B7. Borrowings and Debt Securities

The Group's borrowings as at 31 October 2016 are as follows:-

	RM'000
Short-term Borrowings	
- Secured	
Other bank borrowings	106,469
Islamic Medium Term Notes ("IMTN")	30,000
	136,469
- Unsecured	
Hire purchase and lease creditors	3,040
Advance from Ultimate Holding Company	1,264
	140,773
Long-term Borrowings - Secured	
Term loans	10.275
Islamic Medium Term Notes ("IMTN")	70,000
······································	80,275
- Unsecured	
Hire purchase and lease creditors	812
	81,087
Total	221,860

B8. Realised and Unrealised Profits or Losses Disclosure

This disclosure is prepared pursuant to the directive of Bursa Malaysia Securities Berhad and in accordance with the Guidance on Special Matter No.1- Determination of Realised and Unrealised Profits or Losses, as issued by the Malaysia Institute of Accountants.

	Period Ended 31.10.2016 (RM'000)	Period Ended 31.10.2015 (RM'000)
Total retained earnings of the Company and its subsidiaries:		
- Realised	376,886	367,883
- Unrealised	(2,974)	(3,474)
	373,912	364,409
 Less: Consolidated adjustments 	(137,033)	(135,867)
Total group retained profits as per consolidated accounts	236,879	228,542

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 OCTOBER 2016

B9. Profit Before Taxation

Profit before taxation is arrived at after charging / (crediting):

	Individual Quarter		Cumulative Quarte	
	Quarter Ended 31.10.2016 RM'000	Quarter Ended 31.10.2015 RM'000	Period Ended 31.10.2016 RM'000	Period Ended 31.10.2015 RM'000
Interest income Dividend income Gain on disposal of property, plant and equipment Loss on dissolution of subsidiaries Interest expense Depreciation of property, plant and equipment and investment property Reversal of allowance for impairment on receivables Property, plant and equipment written off	(107) (60) 71 3,188 2,046 - 34	(110) (300) (43) - 3,679 2,351 (2) 38	(107) (60) 71 3,188 2,046 - 34	(110) (300) (43) - 3,679 2,351 (2) 38

B10. Material Litigation

There was no material litigation as at this quarterly report and the financial year to date.

B11. Dividend

No dividend was declared in the quarter under review.

B12. Earnings Per Share

	Individual Quarter		Cumulative Quarter	
	Quarter Ended 31.10.2016	Quarter Ended 31.10.2015	Period Ended 31.10.2016	Period Ended 31.10.2015
Profit after taxation for basic earnings per share (RM'000)	1,770	336	1,770	336
Weighted average number of ordinary shares in issue ('000)	410,352	410,352	410,352	410,352
-basic (sen)	0.43	0.08	0.43	0.08
-diluted (sen)	0.43	0.08	0.43	0.08

BY ORDER OF THE BOARD

DATO' CHOON YEE SEIONG

Executive Chairman / Group Managing Director 8 December 2016 Petaling Jaya