

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE THIRD QUARTER ENDED 31 DECEMBER 2016**  
(The figures have not been audited)

	Note	Quarter ended 31.12.16 RM'000	Quarter ended 31.12.15 RM'000	Year to date 31.12.16 RM'000	Year to date 31.12.15 RM'000
Revenue	<b>16</b>	22,060	15,443	74,999	54,691
Operating expenses		(24,451)	(15,626)	(76,808)	(53,928)
Other income		235	389	772	726
<b>Operating (loss) / profit</b>		<u>(2,156)</u>	<u>206</u>	<u>(1,037)</u>	<u>1,489</u>
Finance costs		(378)	(504)	(1,333)	(1,559)
(Loss) / Profit after finance costs		(2,534)	(298)	(2,370)	(70)
Share of results of associates		644	704	1,258	937
<b>(Loss) / Profit before taxation</b>	<b>17</b>	<u>(1,890)</u>	<u>406</u>	<u>(1,112)</u>	<u>867</u>
Taxation	<b>18</b>	427	(116)	216	(366)
<b>(Loss) / Profit for the period</b>		<u>(1,463)</u>	<u>290</u>	<u>(896)</u>	<u>501</u>
<b>Other comprehensive (loss) / income</b>					
Foreign currency translation differences on foreign operations		108	(7)	126	11
Realisation of revaluation surplus upon depreciation		(115)	27	82	82
Transfer from realisation of revaluation surplus to retained profits		115	(27)	(82)	(82)
<b>Total comprehensive (loss) / income for the period</b>		<u>(1,355)</u>	<u>283</u>	<u>(770)</u>	<u>512</u>
Attributable to :					
Owners of the Parent		(1,442)	290	(831)	504
Non-controlling interests		<u>(21)</u>	<u>-</u>	<u>(65)</u>	<u>(3)</u>
<b>(Loss) / Profit for the period</b>		<u>(1,463)</u>	<u>290</u>	<u>(896)</u>	<u>501</u>
Attributable to :					
Owners of the Parent		(1,334)	283	(705)	515
Non-controlling interests		<u>(21)</u>	<u>-</u>	<u>(65)</u>	<u>(3)</u>
<b>Total comprehensive (loss) / income for the period</b>		<u>(1,355)</u>	<u>283</u>	<u>(770)</u>	<u>512</u>
<b>(Loss) / Earnings per share attributable to owners of the parent</b>					
- Basic (sen)	<b>24</b>	<u>(0.52)</u>	<u>0.10</u>	<u>(0.30)</u>	<u>0.18</u>
Diluted (loss) / earnings per share (sen)	<b>24</b>	<u>(0.52)</u>	<u>0.10</u>	<u>(0.30)</u>	<u>0.18</u>

Notes:

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2016 and the accompanying explanatory notes attached to the interim financial statements.

**BOON KOON GROUP BERHAD**  
**Company No. 553434-U**

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2016**  
**(The figures have not been audited)**

		As At 31.12.16 RM'000	(Audited) As At 31.03.16 RM'000
	Note		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Land held for development		2,026	-
Property, plant and equipment		46,700	49,416
Investment properties		5,478	5,505
Goodwill		95	-
Investment in associates		7,315	6,057
Deferred tax assets		2,489	2,153
		<u>64,103</u>	<u>63,131</u>
<b>Current assets</b>			
Inventories		45,605	39,065
Trade receivables		22,524	32,610
Other receivables, deposits and prepayments		6,673	8,169
Tax recoverable		126	14
Cash and bank balances	20	5,595	7,032
		<u>80,523</u>	<u>86,890</u>
<b>TOTAL ASSETS</b>		<b><u>144,626</u></b>	<b><u>150,021</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Parent</b>			
Share capital		55,350	55,350
Foreign currency translation reserve		95	(31)
Revaluation reserve		13,392	13,474
Capital reserve		(28)	(28)
Warrant reserve		8,367	8,367
Retained profits	22	4,582	5,331
		<u>81,758</u>	<u>82,463</u>
Non-controlling interest		495	433
<b>Total equity</b>		<u>82,253</u>	<u>82,896</u>
<b>Non-current liabilities</b>			
Borrowings	23	1,788	1,023
Deferred tax liabilities		3,508	3,394
		<u>5,296</u>	<u>4,417</u>
<b>Current liabilities</b>			
Trade payables		11,880	10,596
Other payables and accruals		16,304	12,184
Amount due to directors		133	-
Borrowings	23	28,757	39,889
Tax Payable		3	39
		<u>57,077</u>	<u>62,708</u>
<b>Total liabilities</b>		<u>62,373</u>	<u>67,125</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>144,626</u></b>	<b><u>150,021</u></b>
<b>Net assets per share attributable to owners of the Parent (RM)</b>		0.30	0.30

Notes:

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2016 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE THIRD QUARTER ENDED 31 DECEMBER 2016**  
**(The figures have not been audited)**

	-----Attributable to Owners of the Parent-----						Total	Non-controlling interests	Total Equity
	-----Non-Distributable-----					Distributable			
	Share Capital	Warrant Reserve	Exchange Translation Reserve	Other Reserve	Revaluation Reserve	Retained Profits			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<u>9 months period ended 31 December 2015</u>									
Balance at 1 April 2015	55,350	8,367	(48)	14	13,616	7,368	84,667	134	84,801
Total comprehensive income for the period	-	-	11	(42)	(82)	586	473	282	755
Profit for the period	-	-	-	-	-	504	504	(3)	501
Foreign currency translation reserve	-	-	11	-	-	-	11	-	11
Transfer of realisation of revaluation reserve to retained profits	-	-	-	-	(82)	82	-	-	-
Effect of acquisition of subsidiary	-	-	-	-	-	-	-	310	310
Acquisition of equity interest from non-controlling interest	-	-	-	(42)	-	-	(42)	(25)	(67)
Balance at 31 December 2015	55,350	8,367	(37)	(28)	13,534	7,954	85,140	416	85,556

Notes:  
The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE THIRD QUARTER ENDED 31 DECEMBER 2016**  
**(The figures have not been audited)**

	-----Attributable to Owners of the Parent-----						Total	Non-controlling interests	Total Equity
	-----Non-Distributable-----					Distributable			
	Share Capital	Warrant Reserve	Exchange Translation Reserve	Other Reserve	Revaluation Reserve	Retained Profits			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<u>9 months period ended 31 December 2016</u>									
Balance at 1 April 2016	55,350	8,367	(31)	(28)	13,474	5,331	82,463	433	82,896
Total comprehensive loss for the period	-	-	126	-	(82)	(749)	(705)	62	(643)
Profit for the period	-	-	-	-	-	(831)	(831)	(65)	(896)
Foreign currency translation reserve	-	-	126	-	-	-	126	-	126
Transfer of realisation of revaluation reserve to retained profits	-	-	-	-	(82)	82	-	-	-
Effect on acquisition of subsidiaries	-	-	-	-	-	-	-	127	127
Balance at 31 December 2016	55,350	8,367	95	(28)	13,392	4,582	81,758	495	82,253

Notes:

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2016 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE THIRD QUARTER ENDED 31 DECEMBER 2016**  
**(The figures have not been audited)**

	Year to date 31.12.16 RM'000	Year to date 31.12.15 RM'000
(Loss) / Profit before taxation	(1,112)	867
Adjustments for :		
Bad debts recovered	-	(2)
Depreciation	2,942	3,152
Gain on bargain purchase arising from acquisition	-	(173)
Gain on disposal of property, plant and equipment	(584)	(166)
Interest expense	1,333	1,559
Interest income	(29)	(27)
Loss on deemed disposal of investments	-	94
Reversal of impairment loss on receivables	(5)	-
Share of results of associates	(1,258)	(937)
Unrealised gain on foreign exchange	31	-
Operating profit before changes in working capital	<u>1,318</u>	<u>4,367</u>
Changes in working capital		
Changes in development cost	(64)	-
Changes in inventories	(6,540)	(13,460)
Changes in trade and other receivables	11,584	(4,895)
Changes in trade and other payables	4,962	23,060
Interest paid	(1,333)	(1,559)
Interest received	4	4
Income tax paid	(155)	(164)
Net cash flows from operating activities	<u>9,776</u>	<u>7,353</u>
Investing activities		
Interest received	25	24
Acquisition of shares from non-controlling interest	-	(15)
Acquisition of subsidiaries, net of cash acquired <sup>(1)</sup>	45	205
Proceeds from disposal of property, plant and equipment	1,118	465
Purchase of property, plant and equipment	(280)	(249)
Net cash flows from investing activities	<u>908</u>	<u>430</u>
Financing activities		
Placement of fixed deposits	(33)	(100)
Repayment of borrowings	(11,664)	(4,435)
Repayment to directors	(533)	-
Net cash flows used in financing activities	<u>(12,230)</u>	<u>(4,535)</u>
Net (decrease) / increase in cash and cash equivalents	(1,546)	3,248
Effects of changes in exchange rates	126	11
Cash and cash equivalents at beginning of the period	6,882	3,522
Cash and cash equivalents at end of the period	<u>5,462</u>	<u>6,781</u>
Represented by :		
Cash and cash equivalents	5,462	6,902
Bank overdrafts	-	(121)
	<u>5,462</u>	<u>6,781</u>

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE THIRD QUARTER ENDED 31 DECEMBER 2016**  
**(The figures have not been audited)**  
**Notes to Consolidated Statement of Cash Flows**

**Acquisition of subsidiaries, net of cash acquired**

During the financial year, the fair values of net assets of subsidiaries acquired were as follows:

	Year to date 31.12.16 RM'000	Year to date 31.12.15 RM'000
(1) Land held for development	1,961	-
Equipment	-	19
Inventories	-	3,250
Trade and other receivables, deposits and prepayments	-	3,094
Tax recoverable	-	2
Cash and bank balances	303	1,353
Trade and other payables and accruals	(1,974)	(4,350)
Non-controlling interest	-	(311)
Share of net asset acquired	<u>290</u>	<u>3,057</u>
Amount previously accounted for as associated	-	(1,506)
Loss on deemed disposal of investments	-	94
Gain on bargain purchase arising from acquisition	-	(173)
Non-controlling interest	(127)	-
Goodwill arising from acquisition	<u>95</u>	<u>-</u>
Total purchase consideration	<u>258</u>	<u>1,472</u>
Less: Purchase retention sum	-	(324)
Less: Cash and bank balances	<u>(303)</u>	<u>(1,353)</u>
Acquisition of subsidiaries, net of cash acquired	<u><u>(45)</u></u>	<u><u>(205)</u></u>

Notes :

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2016 and the accompanying explanatory notes attached to the interim financial statements.

**Notes to the Interim Financial Statements for the third quarter ended 31 December 2016**

**1. Basis of Preparation**

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (MFRS) 134 : Interim Financial Reporting issued by Malaysian Accounting Standard Board ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The Interim Financial Report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2016. The explanatory notes attached to these interim financial statements provide an explanation of event and transactions that are significant to an understanding of the changes in the financial position and performance of the Group.

**2. Changes in Accounting Policies**

The significant accounting policies, methods of computation and basis of consolidation adopted by the Group in preparing the interim financial statements were consistent with those adopted in the annual audited financial statements for the year ended 31 March 2016. At the date of authorization of these financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group :

		<u>Effective Date</u>
MFRS 9	Financial Instruments	1 January 2018
MFRS 16	Leases	1 January 2019
Admendment to MFRS 1	Annual Improvements to MFRS Standards 2014-2016 Cycle	1 January 2018
Admendment to MFRS 2	Share-based Payments	1 January 2018
Admendment to MFRS 12	Annual Improvements to MFRS Standards 2014-2016 Cycle	1 January 2017
Amendment to MFRS 10 & MFRS 128	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Yet to be confirmed
Amendment to MFRS 15	Clarification of Revenue from Contracts with Customers	1 January 2018
Admendment to MFRS 107	Disclosure Initiatives	1 January 2017
Admendment to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Admendment to MFRS 128	Annual Improvements to MFRS Standards 2014-2016 Cycle	1 January 2018
Admendment to MFRS 140	Transfer of Investment Property	1 January 2018
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1 January 2018

**3. Audit Report**

The auditors' report on the financial statements for the year ended 31 March 2016 was not qualified.

**4. Seasonality or Cyclicity**

The Group's performance was not significantly affected by any seasonal or cyclical factor for the financial period under review.

**5. Exceptional Items**

There were no exceptional items for the financial period under review.

**6. Estimates**

There were no material changes in the estimates for the financial period under review.

**7. Issuance or Repayment of Debt/Equity Securities**

There were no issuance of debt/equity securities for the financial period under review.

**8. Dividend**

No dividend was declared or paid for the financial period under review.

**9. Valuation of Property, Plant and Equipment**

There were no changes in the valuation of property, plant and equipment since the last audited financial statements for the financial year ended 31 March 2016.

**Notes to the Interim Financial Statements for the third quarter ended 31 December 2016**

**10. Changes in the Composition of the Group**

- (i) BKG Development Sdn. Bhd. (Company No. 1070270-M) ("BKGD"), a wholly-owned subsidiary of the Company had on 5 April 2016 entered into a share purchase agreement ("SPA") with Dato' Goh Boon Koon and Mr Goh Boon Leong, for the acquisition of 100,000 ordinary shares of RM1.00 each in BKHS Capital Sdn. Bhd. (Company No. 966615-K) ("BKHS"), for a total cash consideration of Ringgit Malaysia One Hundred And Fifty Thousand (RM150,000.00) only as follows :-

Name of Vendors	Number of Ordinary Shares of RM1.00 each	Consideration RM
Dato' Goh Boon Koon	50,000	75,000.00
Goh Boon Leong	50,000	75,000.00

BKHS is a private limited company incorporated in Malaysia and having its registered office at 51-13-A, Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 Penang. BKHS's principal activity is to carry on the business of property development. Upon completion of the acquisition, BKGD will own 50% equity interest in BKHS.

The above acquisition is to complement the growth plan of the Group in property development business.

- (ii) Boon Koon Vehicles Industries Sdn Bhd, a wholly-owned subsidiary of the Company has on 14 April 2016 subscribed three hundred (300) units of common shares, representing 60% equity interest in Boon Koon Japan Co., Ltd ("BK Japan") for a total cash consideration of Japanese Yen Three Million, approximately Ringgit Malaysia One Hundred Seven Thousand and Five Hundred (RM107,500.00) only.

BK Japan was incorporated in Japan on 7 March 2016 and its principal activities are sourcing and trading of used components and spare parts of commercial vehicles and the provision of related services.

**11 Contingent Liabilities**

Corporate guarantee extended by the Group to banks and financial institutions for credit facilities granted to subsidiaries as at the end of current quarter under review were as follows :-

	As At 31.12.16 RM'000	As At 31.03.16 RM'000
- Limit	<u>47,552</u>	<u>48,021</u>
- Utilised	<u>29,635</u>	<u>40,779</u>

**12 Capital Commitments**

There were no outstanding capital commitments at the end of current quarter under review.

**13 Profit Forecast Variance**

Not applicable.

**14 Corporate Proposals**

There were no corporate proposals announced but yet to be completed by the Group for the financial period under review except for :-

(i) Proposed Disposal of Shares

Boon Koon Capital Sdn. Bhd ("BKC" or "Vendor"), a wholly-owned subsidiary of the Company had on 13 December 2016 entered into a share purchase agreement ("SPA") with Hitachi Capital Asia Pte. Ltd ("HCAP" or "Purchaser") in relation to the disposal of its remaining 3,750,000 ordinary shares of RM1.00 each, representing 25% equity interest in Hitachi Capital Malaysia Sdn. Bhd. ("HCM") for a total cash consideration of RM22 million.

The Proposed Disposal of Shares is subject to the approval from the shareholders of the Company at an Extraordinary General Meeting to be convened later.

**Notes to the Interim Financial Statements for the third quarter ended 31 December 2016**

**15 Related Party Transactions**

There were no related party transactions during the current quarter under review except as follows :-

	Quarter ended 31.12.16 RM'000	Year to date 31.12.16 RM'000
Rental expense paid to other related party*	(42)	(126)
Rental expense to a person connected to a director of the Company	(29)	(87)
Hire purchase interest paid to an associate	(8)	(24)
Handling charges received from associate companies	-	3

\* Being corporations in which certain directors of the Company have financial interest.

**16 Detailed Analysis of Performance**

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

The Group comprises of the following main business segments :

- |     |                                      |  |
|-----|--------------------------------------|--|
| (a) | Commercial vehicles and bodyworks    | Manufacturing and trading of rebuilt and new commercial vehicles, bodyworks and their related services |
| (b) | Rental and fleet management services | Rental of commercial vehicles and forklift, provision of fleet management and other related services   |
| (c) | Other Segment                        | Investment holding and the provision of management services  |

	Quarter ended 30.09.16 RM'000	Quarter ended 31.12.16 RM'000	Quarter ended 31.12.15 RM'000	Year to date 31.12.16 RM'000	Year to date 31.12.15 RM'000
<b>Revenue</b>					
(a)	24,888	20,581	13,387	70,461	49,175
(b)	1,510	1,482	1,938	4,544	5,618
(c)	958	370	194	1,769	575
	<u>27,356</u>	<u>22,433</u>	<u>15,519</u>	<u>76,774</u>	<u>55,368</u>
Less : Elimination	(962)	(373)	(76)	(1,775)	(677)
<b>Total</b>	<u>26,394</u>	<u>22,060</u>	<u>15,443</u>	<u>74,999</u>	<u>54,691</u>
<b>Profit / (loss) before taxation</b>					
(a)	336	(1,923)	252	(1,176)	1,973
(b)	(28)	(17)	(88)	(131)	(322)
(c)	228	(265)	(518)	(234)	(1,737)
	<u>536</u>	<u>(2,205)</u>	<u>(354)</u>	<u>(1,541)</u>	<u>(86)</u>
Less : Elimination	(501)	(329)	56	(829)	16
	<u>35</u>	<u>(2,534)</u>	<u>(298)</u>	<u>(2,370)</u>	<u>(70)</u>
Share of results of associates	350	644	704	1,258	937
<b>Total</b>	<u>385</u>	<u>(1,890)</u>	<u>406</u>	<u>(1,112)</u>	<u>867</u>

**Notes to the Interim Financial Statements for the third quarter ended 31 December 2016**

Comparison with corresponding period in the previous year

(a) For commercial vehicles and bodyworks segment, revenue for the current quarter was RM20.58 million, an increase of 53.74% compared to RM13.39 million in the previous year's corresponding quarter. The higher revenue was mainly due to higher demand in rebuilt commercial vehicles in the current quarter. Loss before taxation in the current quarter was RM1.92 million, a decrease of RM2.17 million compared to profit before taxation of RM0.25 million in the previous year's corresponding quarter. The loss before taxation was mainly due to lower profit margin attributed to higher imported component costs and price competition and higher operating expenses for rebuilt commercial vehicles incurred in the current quarter as compared to previous year's corresponding quarter.

(b) For rental and fleet management services segment, revenue for the current quarter was RM1.48 million, a decrease of RM0.46 million compared to RM1.94 million in previous year's corresponding quarter. The lower revenue was mainly due to weaker demand in the current quarter. Loss before taxation in the current quarter was RM0.02 million, a decrease of RM0.07 million compared to RM0.09 million in the previous year's corresponding quarter. The lower loss before taxation was mainly due to higher gain on disposal of forklift assets and lower finance cost incurred in the current quarter.

(c) Other Segment refers to BKG company level operations. Revenue for the current quarter was RM0.37 million, an increase of RM0.18 million compared to RM0.19 million in previous year's corresponding quarter. Loss before taxation in the current quarter was RM0.27 million, a decrease of RM0.25 million as compared to loss before taxation of RM0.52 million in previous year's corresponding quarter. The lower loss before taxation was mainly attributable to higher revenue and lower operating expenses incurred in the current quarter.

Comparison with preceding quarter

(a) For commercial vehicles and bodyworks segment, revenue for the current quarter was RM20.58 million, a decrease of 17.31% compared to RM24.89 million in the preceding quarter. The lower revenue was mainly due to lower demand in rebuilt commercial vehicles. Loss before taxation in the current quarter was RM1.92 million, a decrease of RM2.26 million compared to profit before taxation of RM0.34 million in preceding quarter. The loss before taxation was mainly due to lower profit margin attributed to higher imported component costs and price competition for rebuilt commercial vehicles incurred in the current quarter.

(b) For rental and fleet management services segment, revenue for the current quarter was RM1.48 million, a decrease of RM0.03 million compared to RM1.51 million in the preceding quarter. The lower revenue was mainly due to slightly weaker demand in the current quarter. Loss before taxation decreased by RM0.01 million compared to the preceding quarter mainly due to higher gain on disposal of forklift assets recorded in the current quarter.

(c) Other Segment refers to BKG company level operations. Revenue for the current quarter was RM0.37 million, a decrease of RM0.59 million compared to RM0.96 million in the preceding quarter. The higher revenue in the preceding quarter was mainly due to dividend received from a subsidiary company amounting to RM0.50 million. Loss before taxation for the current quarter was RM0.27 million compared to profit before taxation of RM0.23 million in the preceding quarter. There were no dividend received in the current quarter.

**17 (Loss) / Profit before taxation**

This was arrived at :

	Quarter ended 31.12.16 RM'000	Year to date 31.12.16 RM'000
After charging :		
Depreciation	962	2,942
Interest expenses	378	1,333
Realised loss on foreign exchange	200	672
Rental of equipment	2	7
Rental of hostel	2	16
Rental of premises	98	308
Rental of vehicles	77	160
Unrealised loss on foreign exchange	33	31
And crediting :		
Interest income	8	29
Gain on disposal of property, plant and equipment	195	584
Rental income	29	82
Reversal of impairment loss on receivables	-	5

**Notes to the Interim Financial Statements for the third quarter ended 31 December 2016**

**18. Taxation**

	Quarter ended 31.12.16 RM'000	Year to date 31.12.16 RM'000
Malaysian taxation based on profit for the period:		
-Current tax	4	(5)
-Deferred tax	425	223
Over/(under) provision in prior years		
-Current tax	(2)	(2)
-Deferred tax	-	-
	<u>427</u>	<u>216</u>

**19 Commentary of Prospects**

The Group foresee that the current sluggish market condition would continue into the next quarter. Despite the said condition, the Group is exploring new market segments with the view of improving the situation.

**20. Cash and Bank Balances**

	As At 31.12.16 RM'000	As At 31.03.16 RM'000
Cash and cash equivalents	5,462	6,932
Pledged fixed deposits with licensed bank	133	100
Cash and bank balances	<u>5,595</u>	<u>7,032</u>

**21. Material Litigation**

There were no material litigation for the financial period under review except for :

Boon Koon Vehicles Industries Sdn Bhd ("BKVI"), a wholly-owned subsidiary of the Company had on 22 January 2016 received a writ of summon and statement of claim from Dato' Seri Kasmi Bin Mat Arsat ("the Plaintiff") for a claim amounting to RM2,238,000.00 ("The Suit").

BKVI through its legal counsel has entered defence on the case and has also filed for an application to strike off the claim. The matter has been fixed for case management on 13 June 2016.

The Board of Directors had on 17 June 2016 announced that the Plaintiff had on 16 June 2016 withdrawn the Suit against BKVI.

**22. Realised and Unrealised Profits or Losses**

The Group's total retained profits as at 31 December 2016 were as below:-

	As At 31.12.16 RM'000	As At 31.03.16 RM'000
Total retained profits		
- Realised	5,240	7,164
- Unrealised	(1,032)	(1,219)
	<u>4,208</u>	<u>5,945</u>
Total share of profits of associates		
- Realised	1,684	996
	<u>5,892</u>	<u>6,941</u>
Less: Consolidation adjustments	(1,310)	(1,610)
Total retained profits as per consolidated accounts	<u>4,582</u>	<u>5,331</u>

**Notes to the Interim Financial Statements for the third quarter ended 31 December 2016**

**23. Group Borrowings and Debt Securities**

Group borrowings as at 31 December 2016 were as below:-

	Secured RM'000	Unsecured RM'000	Total RM'000
<u>Current liabilities</u>			
Bankers acceptance	28,143	-	28,143
Finance lease liabilities	525 *	-	525
Term loan	89	-	89
Sub-total	<u>28,757</u>	<u>-</u>	<u>28,757</u>
<u>Non-current liabilities</u>			
Finance lease liabilities	999 *	-	999
Term loan	789	-	789
Sub-total	<u>1,788</u>	<u>-</u>	<u>1,788</u>
Total	<u>30,545</u>	<u>-</u>	<u>30,545</u>

\* Included herein was an amount of RM0.351 million due to Hitachi Capital Malaysia Sdn. Bhd., an associate of the Group.

**24. Basis of Calculation of Loss Per Share Attributable to Owners of the Parent**

The basic loss per share for the current quarter and cumulative year to date were computed as follow:

	Quarter ended 31.12.16	Year to date 31.12.16
Loss for the period attributable to the owners of the Parent (RM'000)	<u>(1,442)</u>	<u>(831)</u>
Weighted average number of ordinary shares of RM0.20 each in issue ('000 units)	<u>276,750</u>	<u>276,750</u>
Basic Loss Per Share based on weighted average number of ordinary shares of RM0.20 each in issue (sen)	<u>(0.52)</u>	<u>(0.30)</u>

There is no diluted loss per share as the warrants are anti-dilutive since its exercise price exceeds the average market price of the ordinary shares.

Date : 22 February 2017