

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2016

The figures have not been audited.

| | Note | 3 months ended | | 6 months ended | |
|---|------|----------------------|----------------------|----------------------|----------------------|
| | | 30.06.2016 RM'000 | 30.06.2015 RM'000 | 30.06.2016 RM'000 | 30.06.2015 RM'000 |
| Continuing Operations | | | | | |
| Revenue | A5 | 2,933 | 2,335 | 5,265 | 3,258 |
| Cost of sales | | (324) | (181) | (627) | (988) |
| Gross profit / (loss) | | 2,609 | 2,154 | 4,638 | 2,270 |
| Other income | | 11 | 63 | 120 | 65 |
| Administrative and other expenses | | (1,670) | (1,702) | (3,342) | (2,851) |
| Finance cost | | (343) | (390) | (690) | (747) |
| Share of results in associate | | - | - | (12) | - |
| Profit / (Loss) before taxation | A5 | 607 | 125 | 714 | (1,263) |
| Taxation | B5 | (489) | - | (489) | 1,455 |
| Profit / (Loss) for the financial period | | 118 | 125 | 225 | 192 |
| Other comprehensive income | | - | - | - | - |
| Total comprehensive income for the financial period | | 118 | 125 | 225 | 192 |
| Profit / (Loss) attributable to: | | | | | |
| Equity holders of the parent | | 121 | 126 | 229 | 193 |
| Minority interests | | (3) | (1) | (4) | (1) |
| | | 118 | 125 | 225 | 192 |
| Total comprehensive income attributable to: | | | | | |
| Equity holders of the parent | | 121 | 126 | 229 | 193 |
| Minority interests | | (3) | (1) | (4) | (1) |
| | | 118 | 125 | 225 | 192 |
| Earnings per share attributable to equity holders of the parent: | | | | | |
| Basic, for profit / (loss) for the period (sen) | B10 | 0.01 | 0.02 | 0.03 | 0.03 |
| Diluted, for profit / (loss) for the period (sen) | B10 | N/A | N/A | N/A | N/A |

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

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2016

The figures have not been audited.

| | Note | As at 30.06.2016 RM'000 | As at 31.12.2015 RM'000 (Audited) |
|--|------|-------------------------------|--|
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | A10 | 1,755 | 2,007 |
| Investment property | A10 | 70,000 | 70,000 |
| Building-in-progress | | 27,180 | 21,198 |
| Investment in an associate | | - | 316 |
| Deferred Tax Assets | | 1,416 | 1,527 |
| | | 100,351 | 95,048 |
| Current Assets | | | |
| Trade receivables | | 49 | 739 |
| Other receivables | | 779 | 375 |
| Amount owing from related parties | | 1,310 | 735 |
| Fixed deposits with licensed institution | | 251 | 230 |
| Cash and bank balances | | 538 | 5,892 |
| | | 2,927 | 7,971 |
| TOTAL ASSETS | | 103,278 | 103,019 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Share capital | | 86,346 | 86,346 |
| Reserves | | 3,011 | 2,441 |
| Retained earnings | | (23,047) | (23,276) |
| Equity attributable to owners of the Company | | 66,310 | 65,511 |
| Minority interest | | (6) | (2) |
| Total equity | | 66,304 | 65,509 |
| Non-current liabilities | | | |
| Borrowings - Hire purchase & finance lease | B7 | 454 | 522 |
| Borrowings - Term loan | B7 | 12,551 | 13,080 |
| Amount due to director | | 14,107 | 8,082 |
| | | 27,112 | 21,684 |
| Current Liabilities | | | |
| Borrowings - Overdraft | B7 | 2,965 | 3,000 |
| Borrowings - Term loan | B7 | 928 | 964 |
| Borrowings - Hire purchase & finance lease | B7 | 131 | 129 |
| Trade payables | | 137 | 137 |
| Other payables | | 5,591 | 11,312 |
| Income tax payable | | 110 | 284 |
| | | 9,862 | 15,826 |
| Total Liabilities | | 36,974 | 37,510 |
| TOTAL EQUITY AND LIABILITIES | | 103,278 | 103,019 |
| Net assets per share (RM) | | 0.0768 | 0.0759 |

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

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2016

The figures have not been audited.

| Note | ←----- Attributable to Equity Holders of the Parent -----> | | | | | Minority Interest RM'000 | Total Equity RM'000 |
|---|--|----------------------------|-------------------------------------|--------------------------------|-----------------|--------------------------------|---------------------------|
| | Share Capital RM'000 | Share Premium RM'000 | SIS Options Reserve RM'000 | Distributable | | | |
| | | | | Retained Earnings RM'000 | Total RM'000 | | |
| Balance as at 01.01.2015 | 77,224 | 1,404 | - | (24,715) | 53,913 | 75 | 53,988 |
| Total comprehensive income for the financial period | - | - | - | 1,439 | 1,439 | (77) | 1,362 |
| Transaction with owners: | | | | | | | |
| Private Placement | 7,822 | - | - | - | 7,822 | - | 7,822 |
| Exercise of SIS Options | 1,300 | 487 | (387) | - | 1,400 | - | 1,400 |
| Vested | - | - | 937 | - | 937 | - | 937 |
| Total transaction with owners | 9,122 | 487 | 550 | - | 10,159 | - | 10,159 |
| Balance as at 31.12.2015 | 86,346 | 1,891 | 550 | (23,276) | 65,511 | (2) | 65,509 |
| Balance as at 01.01.2016 | 86,346 | 1,891 | 550 | (23,276) | 65,511 | (2) | 65,509 |
| Total comprehensive income for the financial period | - | - | - | 229 | 229 | (4) | 225 |
| Transaction with owners: | | | | | | | |
| Private Placement | - | - | - | - | - | - | - |
| Exercise of SIS Options | - | - | - | - | - | - | - |
| Vested | - | - | 570 | - | 570 | - | 570 |
| Total transaction with owners | - | - | 570 | - | 570 | - | 570 |
| Balance as at 30.06.2016 | 86,346 | 1,891 | 1,120 | (23,047) | 66,310 | (6) | 66,304 |

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2016

The figures have not been audited.

| | 6 months ended | |
|---|-----------------------|-------------------|
| | 30.06.2016 | 30.06.2015 |
| | RM'000 | RM'000 |
| Net cash generated from / (used in) operating activities | (11,080) | (4,393) |
| Net cash generated from / (used in) investing activities | 367 | (243) |
| Net cash generated from / (used in) financing activities | 5,394 | 3,596 |
| Net increase / (decrease) in cash and cash equivalents | (5,319) | (1,040) |
| Cash and cash equivalents at beginning of financial period | 2,892 | (1,499) |
| Cash and cash equivalents at end of financial period | (2,427) | (2,539) |

Cash and cash equivalents at the end of the financial period comprise the followings:

| | | |
|------------------------|----------------|----------------|
| Cash and bank balances | 538 | 234 |
| Bank overdraft | (2,965) | (2,773) |
| | (2,427) | (2,539) |

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2016

The figures have not been audited.

| | 6 months ended | |
|--|----------------|------------|
| | 30.06.2016 | 30.06.2015 |
| | RM'000 | RM'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit / (Loss) before taxation | 714 | (1,263) |
| Adjustments for: | | |
| Depreciation | 268 | 195 |
| Gain on disposal of Associate | (96) | - |
| Interest expense | 690 | 747 |
| Interest income | (4) | (3) |
| Impairment loss on trade receivables | 13 | - |
| Impairment of Goodwill | - | 6 |
| Share Options to employees | 570 | 329 |
| Share of results in associate | 12 | - |
| Operating profit/ (loss) before working capital changes | 2,167 | 11 |
| (Increase) / Decrease in building-in-progress of investment property | (5,982) | (2,838) |
| (Increase) / Decrease in receivables | (302) | (1,656) |
| Increase / (Decrease) in payables | (6,193) | 837 |
| Cash generated from / (used in) operations | (10,310) | (3,646) |
| Tax paid | (80) | - |
| Interest paid | (690) | (747) |
| Net cash generated from / (used in) operating activities | (11,080) | (4,393) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of plant, property and equipment | (16) | (246) |
| Proceed from disposal of an associate company | 400 | - |
| Increased in pledged deposits placed with licensed banks | (21) | - |
| Interest received | 4 | 3 |
| Net cash generated from / (used in) operating activities | 367 | (243) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Net drawdown / (repayment) of term loan & borrowings | (565) | (516) |
| Net drawdown / (repayment) of hire purchase | (66) | (26) |
| Advance from/ (repayment) to director | 6,025 | 3,038 |
| Proceeds from issuance of shares | - | 1,100 |
| Net cash generated from / (used in) investing activities | 5,394 | 3,596 |
| Net increase / (decrease) in cash and cash equivalents | (5,319) | (1,040) |
| Cash and cash equivalents as at 1 January | 2,892 | (1,499) |
| Cash and cash equivalents as at end of period | (2,427) | (2,539) |
| CASH AND CASH EQUIVALENTS COMPRISE: - | | |
| Cash and bank balances | 538 | 234 |
| Bank overdraft | (2,965) | (2,773) |
| | (2,427) | (2,539) |

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

Part A – Explanatory Notes Pursuant to FRS 134

A1. BASIS OF PREPARATION

The interim financial statements have been prepared under the historical cost convention except for the financial assets and investment properties which were stated at fair values.

The interim financial statements were unaudited and have been prepared in accordance with requirements of the Financial Reporting Standards (“FRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2015. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that were significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2015.

A2. CHANGES IN ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2015 except for the adoption of the following Amendments and Annual improvements to Standards:

Effective for financial periods beginning on or after 1 January 2016:

Annual Improvements to FRSs 2012 - 2014 Cycle

Amendments to FRS 10, FRS 12, FRS 128: Investment Entities: Applying the Consolidation Exception

Amendments to FRS 11: Accounting for Acquisitions of Interests in Joint Operations

Amendments to FRS 101: Disclosure Initiatives

Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation

Amendments to FRS 127: Equity Method in Separate Financial Statements

FRS 14 Regulatory Deferral Accounts

The adoption of the above standards, amendments and annual improvement do not have any significant financial impact to the Group's financial statements.

A3. COMPARATIVES

There were no changes to the comparatives during the current financial period.

A4. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors’ report on the preceding financial statements for the year ended 31 December 2015 was not qualified by the Auditors of the Company.

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

Part A – Explanatory Notes Pursuant to FRS 134

A5. SEGMENTAL INFORMATION

| Period ended | Project Management Consultancy RM'000 | Investment Property RM'000 | Trading RM'000 | Investment Holding And Others RM'000 | Eliminations RM'000 | Group RM'000 |
|--|--|----------------------------------|-------------------|---|------------------------|-----------------|
| 30 June 2016 | | | | | | |
| <u>Revenue</u> | | | | | | |
| External Revenue | 5,220 | 45 | - | - | - | 5,265 |
| Inter Segment Revenue | - | - | - | - | - | - |
| Total Segment Revenue | 5,220 | 45 | - | - | - | 5,265 |
| <u>Results</u> | | | | | | |
| Segment Results | 4,593 | (411) | - | (3,562) | 796 | 1,416 |
| Finance Costs | | | | | | (690) |
| Share of associate's result | | | | | | (12) |
| Profit/ (loss) before taxation | | | | | | 714 |
| Taxation | | | | | | (489) |
| Net profit/ (loss) after taxation | | | | | | 225 |

| Period ended | Project Management Consultancy RM'000 | Investment Property RM'000 | Trading RM'000 | Investment Holding And Others RM'000 | Eliminations RM'000 | Group RM'000 |
|--|--|----------------------------------|-------------------|---|------------------------|-----------------|
| 30 June 2015 | | | | | | |
| <u>Revenue</u> | | | | | | |
| External Revenue | 2,367 | 45 | 846 | - | - | 3,258 |
| Inter Segment Revenue | - | - | - | - | - | - |
| Total Segment Revenue | 2,367 | 45 | 846 | - | - | 3,258 |
| <u>Results</u> | | | | | | |
| Segment Results | 2,185 | (234) | 40 | (2,580) | 73 | (516) |
| Finance Costs | | | | | | (747) |
| Profit/ (loss) before taxation | | | | | | (1,263) |
| Taxation | | | | | | 1,455 |
| Net profit/ (loss) after taxation | | | | | | 192 |

Part A – Explanatory Notes Pursuant to FRS 134

A6. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE, OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 30 June 2016.

A7. CHANGES IN ESTIMATES

There was no change in estimates that had a material effect on the current quarter results.

A8. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group's performance is not affected by any seasonal or cyclical factors during the quarter under review.

A9. DIVIDENDS PAID

No interim ordinary dividend has been paid in the current financial period ended 30 June 2016 (30 June 2015: Nil).

A10. CARRYING AMOUNT OF REVALUED ASSETS

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 December 2015.

A11. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale or repayments of debts and equity securities for the current quarter ended 30 June 2016.

A12. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group for the current financial quarter, other than as disclosed.

On 25 April 2016, the Group initiated an internal reorganisation exercise as follows:-

- i) 2,040,000 ordinary shares of RM1.00 each representing 51% equity interest in the share capital of **Bitarex Sdn. Bhd.** (Company No. 262011-W) ("**Bitarex**") for a cash consideration of RM1.00 (Ringgit Malaysia: One) only ("**Bitarex Disposal**");
- ii) 2 ordinary shares of RM1.00 each representing 100% equity interest in the share capital of **Consistent Harvest Properties Sdn. Bhd.** (Company No. 1065903-K) ("**CHP**") for a cash consideration of RM1.00 (Ringgit Malaysia: One) only ("**CHP Disposal**"); and

Part A – Explanatory Notes Pursuant to FRS 134

A12. CHANGES IN COMPOSITION OF THE GROUP (Continued)

- iii) 2 ordinary shares of RM1.00 each representing 100% equity interest in the share capital of **Ni-Corp Oil & Gas Technology Sdn. Bhd.** (Company No. 635676-W) (“**NCOGT**”) for a cash consideration of RM1.00 (Ringgit Malaysia: One) only (“**NCOGT Disposal**”).

The Bitarex Disposal, CHP Disposal and NCOGT Disposal are collectively referred to as “the Internal Reorganisation”.

The above internal reorganisation is to streamline NICORP’s group of companies. Upon completion of the above internal reorganisation:-

- Bitarex will become a subsidiary of AL; and
- CHP and NCOGT will become wholly owned subsidiaries of AL

The Internal Reorganisation will not have any effect on NICORP’s share capital and substantial shareholders’ shareholdings. There will be no material effect on the earnings per share, gearing and net assets per share of the NICORP Group for the financial year ending 31 December 2016.

Other than the above, there were no other material changes in the composition of the Group for the current quarter ended 30 June 2016.

A13. DISCONTINUED OPERATION

There were no existing business segments that can be categorised as discontinued in the current financial period.

A14. CAPITAL COMMITMENTS

There were no material changes in capital commitments since the previous quarter.

A15. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no material changes in contingent liabilities or contingent assets since the previous quarter.

A16. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the reporting quarter that have not been reflected in the quarter under review.

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

Part A - Explanatory Notes Pursuant to FRS 134

A17. RELATED PARTY TRANSACTIONS

Except as disclosed below, there was no other related party transaction during the financial quarter ended 30 June 2016.

| | 3 months ended 30.06.2016 RM'000 | 6 months ended 30.06.2016 RM'000 |
|---|---|---|
| Project Management Consultancy services rendered to related parties | 2,910 | 5,220 |
| Rental income received from a related party | 9 | 9 |

PART B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. PERFORMANCE REVIEW

For the current quarter financial period ended 30 June 2016, the Group's revenue was RM2.93 million as compared to RM2.33 million in the preceding financial period ended 30 June 2015. Revenue increased was mainly due to revenue recognized from project management consultancy activities based on the consultancy service rendered was higher as compared to the preceding financial period ended 30 June 2015.

The Group recorded a profit before tax of approximately RM0.61 million as compared to a loss before tax of approximately RM0.13 million for the corresponding preceding financial period ended 30 June 2015. Mainly due to the higher profit margin derived from project management consultancy activities.

B2. COMMENT ON MATERIAL CHANGE IN PROFIT BEFORE TAXATION

The Group's recorded a turnover of approximately RM2.93 million for the current quarter as compared to RM2.33 million for the preceding quarter ended 31 March 2016 due to the amount of works certified for project management consultancy services provided in current quarter was higher as compared to preceding quarter 31 March 2016.

The profit after tax of approximately RM0.12 million for the current quarter increased as compared to profit after tax approximately RM0.11 million for the preceding quarter ended 31 March 2016. Mainly due to higher turnover from project management consultancy in the current quarter.

B3. COMMENTARY ON PROSPECTS

The refurbishment of the Seremban mall will be completed and expected fully operational in third quarter 2016 whereby the tenants are renovating the rented retail unit presently. The rental income receivable expected to contribute positively towards the revenue and cash flow to the Group in the coming years.

The Directors are of the view that the project management consultancy activities is an important contributor to the Group's earnings. The Group is also actively identifying suitable business opportunities to venture into property investment, construction and renewable energy, where these businesses are expected to contribute substantially to the Group performance.

Barring any unforeseen circumstances, the Directors expect to achieve better financial results of the Group in the coming years as compared to previous year.

PART B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B4. PROFIT FORECAST OR PROFIT GUARANTEE

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interests and forecast profit after tax and minority interests and for the shortfall in profit guarantee are not applicable.

B5. INCOME TAX EXPENSE

| | 3 months ended | | 6 months ended | |
|----------------------|----------------|------------|----------------|--------------|
| | 30.06.2016 | 30.06.2015 | 30.06.2016 | 30.06.2015 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Current tax: | | | | |
| Malaysian income tax | (378) | - | (378) | - |
| Deferred taxation | (111) | - | (111) | 1,455 |
| | <u>(489)</u> | <u>-</u> | <u>(489)</u> | <u>1,455</u> |

The income tax expense was derived from a subsidiary for additional tax payable for the year of assessment 2012.

B6. CORPORATE PROPOSALS

There were no corporate proposals in the current quarter under review except for the following:

On 15 June 2015, Naim Indah Corporation Berhad ("NICORP") announced that Naim Indah City Development Sdn. Bhd. ("NICDSB"), a wholly-owned subsidiary of NICORP has signed a Memorandum of Understanding ("MOU") with United Pacific Development Co. Ltd ("UPD"), a company incorporated in Myanmar and under the control of Hla Myint Shwe and Aye Myat Mon for the proposed development a 32-storey office tower in Pyay Road, Yangon Myanmar on part of all that piece of lands belonging to Hla Myint Shwe and Aye Myat Mon through the incorporation of a joint venture company ("JVC") in Myanmar which shall be set up and approved under the Myanmar Foreign Investment Law 2012 to undertake the project. The proposed shareholding of the JVC will be NICDSB shall hold an equivalent to fifty one percent (51%) and UPD equivalent to forty nine percent (49%) interest in the JVC.

On 16 June 2015, NICORP further announced the UPD is to contribute its proportion of the committed investment amount in kind through a lease of the said Land while NICDSB is to contribute its proportion of the committed investment amount in cash in accordance with a payment scheduled agreed between the Parties. The MOU is for a period of six (6) months. On 14 December 2015, NICORP announced extension for another three (3) months to 10 March 2016 to facilitate both parties to complete the documentation for the Joint Venture Agreement.

PART B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B6. CORPORATE PROPOSALS (Continued)

On 10 March 2016, The MOU has been further extended to another three (3) months to 10 June 2016. The extension is for the parties to finalise the terms of the Joint Venture Agreement and the materials required for the application to Myanmar Investment Commission for its approval to be proceed prior to signing of the joint venture agreement.

On 6 June 2016, the Board of Directors of NICORP announced that its wholly-owned subsidiary, NICDSB has terminated the MOU with immediate effect on 6 June 2016 as both parties are unable to reach an agreement on the terms of the proposed Joint Venture. As such, the MOU would therefore no longer subsist.

PROCEEDS UTILISATION FROM PRIVATE PLACEMENT

Pursuant to the completion of the private placement exercise on 2 December 2015, the utilisations of the gross proceeds of RM7,822,300 raised from the Private Placement as at the date of this quarterly announcement are as follows:

| Purpose | Proposed Utilisation (RM'000) | Actual Utilisation (RM'000) | Intended Timeframe for Utilisation | Balance / (Deviation) (RM'000) | % | Note |
|-------------------------------------|--------------------------------------|------------------------------------|---|---------------------------------------|----------|-------------|
| Renovation of Shopping Mall | 2,968 | 3,092 | Within 6 mths | (124) | 4 | |
| Repayment of Bank Borrowings | 2,160 | 1,480 | Within 12 mths | 680 | - | |
| Working Capital | 2,614 | 2,614 | Within 12 mths | - | - | 1 |
| Exercise Expenses | 80 | 72 | Within 1 mth | 8 | - | |
| TOTAL | 7,822 | 7,258 | | 564 | | |

Note 1: The utilisations of the RM2.6 million are as follows:-

PART B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B6. CORPORATE PROPOSALS (Continued)

PROCEEDS UTILISATION FROM PRIVATE PLACEMENT (Continued)

| <u>Purpose</u> | RM'000 |
|---|--------------|
| 1. Salaries, Wages & Contributions | 1,162 |
| 2. Administrative expenses (e.g. Professional fees, AGM expenses, quit rent & assessment, rental and etc) | 1,452 |
| TOTAL | <u>2,614</u> |

B7. BORROWINGS

| | As at 30.06.2016 RM'000 |
|-------------------------|-------------------------------|
| Secured borrowings: - | |
| Payable within one year | 1,059 |
| Payable after one year | 13,005 |
| | <u>14,064</u> |

B8. CHANGES IN MATERIAL LITIGATION

There was no material litigation for the current financial period under review.

B9. DIVIDENDS PAYABLE

No interim ordinary dividend has been declared for the financial period ended 30 June 2016 (30 June 2015: Nil).

B10. EARNINGS PER SHARE

| Basic EPS | 3 months ended | | 6 months ended | |
|--|----------------|------------|----------------|------------|
| | 30.06.2016 | 30.06.2015 | 30.06.2016 | 30.06.2015 |
| Profit / (Loss) attributable to ordinary equity holders of the parent (RM'000) | 121 | 126 | 229 | 193 |
| Weighted average number of Ordinary Shares in issue ('000):- | 863,460 | 772,237 | 863,460 | 772,237 |

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

PART B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B10. EARNINGS PER SHARE (Continued)

| Basic EPS | 3 months ended | | 6 months ended | |
|--|----------------|-------------|----------------|-------------|
| | 30.06.2016 | 30.06.2015 | 30.06.2016 | 30.06.2015 |
| Effect of new ordinary shares issued ('000) | - | 5,452 | - | 5,452 |
| Weighted average number of ordinary shares at 30 June ('000) | 863,460 | 777,689 | 863,460 | 777,689 |
| Basic earnings per share (sen) | 0.01 | 0.02 | 0.03 | 0.03 |

The diluted earnings per share was not presented as there is anti-dilutive effect arising from the assumed conversion of the SIS.

B11. DISCLOSURE OF REALISED AND UNREALISED PROFITS / LOSSES

| | 6 months ended 30.06.2016 RM'000 | 6 months ended 30.06.2015 RM'000 |
|--|--|--|
| Total retained profits / (accumulated losses) of the Company and its subsidiaries: | | |
| -Realised | (25,248) | (20,427) |
| -Unrealised | 1,416 | 1,455 |
| Total share of profit / (loss) from associate | | |
| -Realised | (12) | - |
| -Unrealised | - | - |
| | (23,844) | (18,972) |
| Less: Consolidation adjustments | 796 | (5,676) |
| Total group retained profits / (accumulated losses) as per consolidated accounts | (23,048) | (24,648) |

NAIM INDAH CORPORATION BERHAD (19727-P)
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PART B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B12. DISCLOSURE OF ADDITIONAL INFORMATION

| | 6 months ended 30.06.2016 RM'000 | 6 months ended 30.06.2015 RM'000 |
|--------------------------------------|---|---|
| Interest income | 4 | 3 |
| Interest expenses | (690) | (747) |
| Impairment loss on trade receivables | (13) | - |
| Impairment on goodwill | - | (6) |
| Depreciation and amortization | (268) | (195) |
| Gain on disposal of associate | 96 | - |

By order of the Board
Dated this 24 August 2016