



**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2016**
(The figures have not been audited)

	CURRENT		YEAR TO DATE	
	3 months ended		3 months ended	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
	RM'000	RM'000	RM'000	RM'000
Revenue	37,897	27,870	37,897	27,870
Cost of sales	(21,428)	(13,662)	(21,428)	(13,662)
Gross profit	16,469	14,208	16,469	14,208
Other income	1,043	457	1,043	457
Administrative expenses	(3,637)	(3,121)	(3,637)	(3,121)
Selling expenses	(2,565)	(3,271)	(2,565)	(3,271)
Other expenses	(529)	(625)	(529)	(625)
Operating profit	10,781	7,648	10,781	7,648
Finance costs	(172)	(203)	(172)	(203)
Share of (loss)/profit of equity-accounted associate	(33)	51	(33)	51
Profit before tax	10,576	7,496	10,576	7,496
Tax expenses	(2,952)	(3,525)	(2,952)	(3,525)
Profit for the period	7,624	3,971	7,624	3,971
Other comprehensive income:				
<i>Item that will be reclassified subsequently to profit or loss</i>				
Foreign currency translation	(4)	(273)	(4)	(273)
Total comprehensive income for the period	7,620	3,698	7,620	3,698
Profit attributable to:				
Owners of the Company	7,730	3,945	7,730	3,945
Non-controlling interests	(106)	26	(106)	26
	7,624	3,971	7,624	3,971
Other comprehensive income attributable to:				
Owners of the Company	7,629	3,695	7,629	3,695
Non-controlling interests	(9)	3	(9)	3
	7,620	3,698	7,620	3,698
Earnings per share attributable to owners of the Company:				
Basic (Sen)	7.83	4.00	7.83	4.00
Diluted (Sen)	7.83	4.00	7.83	4.00

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 September 2016 and the accompanying notes attached to the Interim Financial Statements.



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

	As at 31.12.2016 RM'000	As at 30.9.2016 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	59,866	60,171
Investment properties	1,953	1,953
Investment in associate	185	209
Other Investments	1,027	1,027
Intangible assets	233	252
Deferred tax assets	4,978	3,980
	<u>68,242</u>	<u>67,592</u>
Current assets		
Inventories	31,765	35,061
Trade receivables	33,367	13,846
Other receivables	1,626	1,103
Prepayment	916	757
Tax recoverable	336	410
Cash and bank balances	23,111	18,898
	<u>91,121</u>	<u>70,075</u>
TOTAL ASSETS	<u>159,363</u>	<u>137,667</u>
EQUITY AND LIABILITIES		
Current liabilities		
Short term borrowings	1,642	1,211
Trade Payables	11,520	7,207
Other Payables	24,313	17,833
Tax Payable	3,867	644
	<u>41,342</u>	<u>26,895</u>
Non current liabilities		
Long term borrowings	12,963	13,704
Employees' benefits	77	74
Deferred tax liabilities	2,462	2,462
	<u>15,502</u>	<u>16,240</u>
Total liabilities	<u>56,844</u>	<u>43,135</u>
Equity attributable to owners of the parent		
Share capital	50,000	50,000
Treasury shares	(1,471)	(1,453)
Foreign exchange reserve	(102)	(1)
Employee share option reserve	385	-
Retained earnings	53,021	45,291
	<u>101,833</u>	<u>93,837</u>
Non-controlling interests	686	695
Total equity	<u>102,519</u>	<u>94,532</u>
TOTAL EQUITY AND LIABILITIES	<u>159,363</u>	<u>137,667</u>
Net assets per share attributable to owners of the parent (RM)	<u>1.0611</u>	<u>0.9781</u>

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 September 2016 and the accompanying explanatory notes to the Interim Financial Statements.



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

	Share Capital	Treasury Shares	Foreign Exchange Reserve	Employee Share Option Reserve	Retained Earnings	Total	Non - Controlling Interests	Total Equity
	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000
At 1 October 2016	50,000	(1,453)	(1)	-	45,291	93,837	695	94,532
Total comprehensive income	-	-	(101)	-	7,730	7,629	(9)	7,620
Own shares acquired	-	(18)	-	-	-	(18)	-	(18)
Grant of employee share options	-	-	-	385	-	385	-	385
At 31 December 2016	50,000	(1,471)	(102)	385	53,021	101,833	686	102,519
At 1 October 2015	50,000	(1,408)	549	-	44,041	93,182	759	93,941
Total comprehensive income	-	-	(250)	-	3,945	3,695	3	3,698
At 31 December 2015	50,000	(1,408)	299	-	47,986	96,877	762	97,639

The unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 30 September 2016 and the Notes to the Interim Financial Statements.



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

	3 months ended	
	31.12.2016	31.12.2015
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	10,576	7,496
Adjustments for non-cash items	728	1,356
Operating profit before working capital changes	11,304	8,852
Net change in current assets	(17,245)	(7,827)
Net change in current liabilities	11,590	482
Cash generated from operations	5,649	1,507
Tax paid	(635)	(502)
Net cash from operating activities	5,014	1,005
Cash flows from investing activities		
Interest received	78	35
Proceeds from disposal of property, plant and equipment	-	55
Purchase of property, plant and equipment	(132)	(58)
Net cash (used in)/from investing activities	(54)	32
Cash flows from financing activities		
Interest paid	(172)	(203)
Purchase of treasury shares	(18)	-
Repayment of obligation under finance leases	(105)	(139)
Repayment of term loans	(206)	(319)
Placement of fixed deposit with licensed bank	(100)	-
Net cash used in financing activities	(601)	(661)
Net increase in cash and cash equivalents	4,359	376
Effect of exchange rate changes	(246)	(333)
Cash and cash equivalents at beginning of period	18,498	16,835
Cash and cash equivalents at end of period	22,611	16,878

Cash and cash equivalents at the end of the period comprise the following:

	3 months ended	
	RM'000	RM'000
Cash and bank balances	23,111	17,078
Less: Fixed deposits pledged with licensed banks	(500)	(200)
	22,611	16,878

The unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 30 September 2016 and the Notes to the Interim Financial Statements.



A: EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements of Malaysian Financial Reporting Standards ("MFRSs") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 Main Market Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for financial year ended 30 September 2016. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 September 2016.

2. Significant accounting policies

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the financial statements for the year ended 30 September 2016. At the beginning of the current financial year, the Group adopted amendments to MFRSs and IC interpretations ("IC Int") which are mandatory for the financial period beginning on or after 1 October 2016.

Initial application of the amendments to the standards and IC Int did not have material impact to the financial statements.

Standard Issued But Not Yet Effective

At the date of authorisation of these interim financial statements, the Group has not applied the following new standards, amendments to standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the Group:

Amendments to MFRS effective 1 January 2017:

Amendments to MFRS 107 Statement of Cash Flows: Disclosure Initiatives

Amendments to MFRS 112 Income Taxes: Recognition of Deferred Tax Assets for Unrealised Losses

Amendments to MFRS 12 Disclosure of Interests in Other Entities (under Annual Improvements to MFRS Standards 2014-2016 Cycle)

MFRS, Amendments to MFRS and IC Interpretation effective 1 January 2018:

Amendments to MFRS 2 Share-based Payment: Classification and Measurement of Share-based Payment Transactions

MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)

MFRS 15 Revenue from Contracts with Customers

Amendments to MFRS 4 Insurance Contracts: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts)

Amendments to MFRS 140 Investment Property: Transfers of Investment Property

Annual Improvements to MFRS Standards 2014-2016 Cycle (except for Amendments to MFRS 12 Disclosure of Interests in Other Entities)

IC Interpretation 22 Foreign Currency Transactions and Advance Consideration

MFRS effective 1 January 2019:

MFRS 16 Leases

Amendments to MFRSs - effective date deferred indefinitely

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The initial application of the above standards, amendments and interpretation are not expected to have any financial impacts to the financial statements, except for:

MFRS 9 Financial Instruments

MFRS 9 replaces MFRS 139 Financial Instruments: Recognition and Measurement and all previous version of MFRS 9. The new standard introduces extensive requirements and guidance for classification and measurement of financial assets and financial liabilities which fall under scope of MFRS 9, new "expected credit loss model" under the impairment of financial assets and greater flexibility has been allowed in hedge accounting transactions. Upon adoption of MFRS 9, financial assets will be measured at either fair value or amortised cost. It is also expected that the Group's investment in unquoted shares will be measured at fair value through other comprehensive income.

The adoption of MFRS 9 will result in a change of accounting policy. The Group is currently examining the financial impact of adopting MFRS 9.



MFRS 15 Revenue from Contracts with Customers

MFRS 15 presents new requirements for the recognition of revenue, replacing the guidance of MFRS 111 Construction Contracts, MFRS 118 Revenue, IC Interpretation 13 Customer Loyalty Programmes, IC Interpretation 15 Agreements for Construction of Real Estate, IC Interpretation 18 Transfers of Assets from Customers and IC Interpretation 131 Revenue – Barter Transaction Involving Advertising Services. The principles in MFRS 15 provide a more structured approach to measuring and recognizing revenue. It establishes a new five-step model that will apply to revenue arising from contracts with customers. Under MFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchanged for transferring goods or services to a customer.

The adoption of MFRS 15 will results in a change in accounting policy. The Group is currently assessing the impact of MFRS 15 and plans to adopt the new standards on the required effective date.

MFRS 16 Leases

MFRS 16 replaces MFRS 117 Leases. MFRS 16 eliminates the distinction between finance and operating leases for lessees. As off-balance sheet will no longer be allowed except for some limited practical exemptions, all leases will be brought onto the statement of financial position by recognising a “right-of-use” asset and a lease liability. In other words, for a lessee that has material operating leases, the assets and liabilities reported on its statement of financial position are expected to be different compared with the current position.

The Group is currently assessing the impact of MFRS 16 and plans to adopt the new standards on the required effective date of 1 January 2019.

3. Auditors’ report on preceding annual financial statements

The auditors’ report on the financial statements for the year ended 30 September 2016 was not subject to qualification.

4. Comments about seasonal or cyclical factors

The Group is basically involved in the production and distribution of books. In relation to our academic books, school terms will have impact on revenue and margin.

The bulk of Group's revenue comes from 1st quarter of our financial year (i.e., that is October 2016 to December 2016) before school term reopened in January 2017. The revenue cycle is expected to drop and coupled with higher goods returns in other quarters during the financial year.

The 4th quarter of the financial year (i.e., that is July 2017 to September 2017) is expected to be the period of heavy production and promotion. However, the revenue starts picking up towards the end of our 4th quarter and the momentum is well carried forward to the 1st quarter of our next financial year before school term reopens again.

5. Unusual items due to their nature, size and incidence

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

6. Changes in estimates

There were no changes to the estimates that have a material effect in the current quarter under review.



7. Debts and equity securities

There were no issuances, cancellation, repurchases, resale and repayments of debts and equity securities for the current quarter under review except for the following:

Treasury Shares

On 24 November 2016, the Company has repurchased 31,000 ordinary shares of RM0.568 each of its issued ordinary shares from the open market. The shares repurchased had resulted the increase of ordinary shares being held as treasury shares by the Company to a total of 3,386,600 with the carrying amount of RM1,470,634 for the period ended of 31 December 2016.

The shares repurchased was financed through internally generated funds and was held as treasury shares in accordance with Section 67A of the Company Act 1965. None of the treasury shares are held were resold or cancelled during the period ended 31 December 2016.

Employees' Share Option Scheme ("ESOS")

On 9 December 2016, the Board of Directors has announced the Company has implemented ESOS with effect from 9 December 2016. A total of 7.5 million option offered at exercise price of RM0.50 each for vesting period on 1 July 2017, 1 July 2018 and 1 July 2019. During the current quarter, a total of 5,493,000 ESOS has been accepted by eligible persons pursuant to paragraph 9.19(51) of the Main Market Listing Requirements of Bursa Securities.

8. Dividends

The Board of Directors has proposed a final single tier dividend of 2.75% on 96,644,400 ordinary shares, amounting to a dividend payable of RM1,328,861 (1.38 sen per ordinary share of RM0.50 each) in respect of the financial year ended 30 September 2016. The proposed dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 September 2017.

9. Segment information

	Quarter ended		Financial period ended	
	31.12.2016 RM'000	31.12.2015 RM'000	31.12.2016 RM'000	31.12.2015 RM'000
Segment Revenue				
<u>Revenue</u>				
Publishing	35,547	25,595	35,547	25,595
Printing	3,663	3,680	3,663	3,680
Education	119	75	119	75
Others	898	850	898	850
Total revenue including inter segment sales	40,227	30,200	40,227	30,200
Elimination of inter-segment sales	(2,330)	(2,330)	(2,330)	(2,330)
Total revenue	<u>37,897</u>	<u>27,870</u>	<u>37,897</u>	<u>27,870</u>
<u>Segment Results</u>				
Publishing	10,640	6,874	10,640	6,874
Printing	403	511	403	511
Education	(250)	(46)	(250)	(46)
Others	(12)	309	(12)	309
Total operating profit	<u>10,781</u>	<u>7,648</u>	<u>10,781</u>	<u>7,648</u>

10. Valuation of property, plant and equipment

There were no revaluation of property, plant and equipment during the quarter under review.

11. Subsequent events

There is no material subsequent event from the end of period to 22 February 2017.



12. Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter under review.

13. Changes in contingent liabilities or contingent assets

There were no material changes in contingent liabilities and contingent assets since the last statements of financial position as at 30 September 2016.

14. Capital commitments

There were no capital commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 30 September 2016.

15. Significant related party transactions

The following are significant related party transactions:

	Quarter ended		Financial period ended	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
	RM'000	RM'000	RM'000	RM'000
Purchase of production papers	6,152	742	6,152	742
Rental expense	<u>19</u>	<u>19</u>	<u>19</u>	<u>19</u>



B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

16. Performance review (YTD Q1 2017 vs YTD Q1 2016)

The Group reported consolidated revenue of RM37.90 million for the current period ended 31 December 2016, as compared to RM27.87 million for the corresponding period ended 31 December 2015. Consolidated revenue increased by RM10.03 million or equivalent to 35.98% for the financial period under review.

The Group reported profit after tax of RM7.62 million for the current period ended 31 December 2016, as compared to RM3.97 million for the comparative period ended 31 December 2015. Consolidated profit after tax increased by RM3.65 million for the financial period under review.

The increase in consolidated revenue of RM10.03 million and consolidated profit after tax of RM3.65 million were mainly contributed by sales increase in Publishing Segment. The main contributor towards the profitability of the Group still remains with Publishing Segment for the current period.

Publishing Segment

Publishing Segment generated revenue of RM35.55 million for the current period ended 31 December 2016 as compared to RM25.60 million for the comparative period ended 31 December 2015. Publishing Segment recorded operating profit of RM10.64 million in the current period compared to RM6.87 million in the comparative period, an increase of RM3.77 million.

PPG's publishing subsidiary Penerbitan Pelangi Sdn. Bhd. has achieved improved sales and operating profit due to being awarded with government contracts for Mathematics and English for Form 1 and Digital English Language for Form 1, as announced on 19 May 2016 and 11 November 2016.

Printing Segment

There was slightly decrease in Printing Segment's revenue and operating profit by RM0.02 million & RM0.11 million respectively in the current period ended 31 December 2016 as compared to the comparative period ended 31 December 2015.

Education Segment

During the current period, the Education Segment generated a total revenue of RM0.12 million as compared to a total revenue of RM0.08 million for the comparative period ended 31 December 2015.

The Education Segment remains as a minor segment within the Group, a component that still yields no profit since its inception. This Segment recorded operating loss of RM0.25 million in the current period ended 31 December 2016 compared to loss of RM0.05 million in the comparative period ended 31 December 2015. The increase in operating loss of RM0.2 million was mainly due to provision of inventories obsolescence of RM0.24 million.

Education Segment still plays a role to complement the Group in promoting a greater brand name for public awareness.

Other Segment

The Other Segment generated revenue of RM0.90 million in the current period as compared to RM0.85 million for the comparative period ended 31 December 2015 with the increase in revenue of RM0.05 million. However, the Other Segment recorded an increase in operating loss of RM0.32 million, mainly due to recognition of employee benefit expenses totaling RM0.38 million for the acceptance of ESOS shares by eligible person at grant date.

17. Comparison of current quarter with preceding quarter results (Q1 2017 vs Q4 2016)

The Group reported profit before tax of RM10.58 million for the current quarter ended 31 December 2016 as compared to the loss before tax of RM6.21 million in the preceding quarter ended 30 September 2016. The profit generated in current quarter was mainly contributed by government contract sales. The loss before tax in preceding quarter was mainly due to inventory impairment expenses provided by overseas subsidiary company, coupled with lower sales and higher sales return. This is in line with the business trend and annual cyclical order.



18. Commentary of prospects

The Group will continue to look for opportunities to maintain its competitive advantage against other market players by penetrating into new markets, pursuing the development and registration of new products for both local and overseas market. Nevertheless, the Group will remain focused in managing its operating costs effectively and improving its operation efficiency.

Despite competitiveness of this industry and market players, the Board will strive towards better Group's performance for the financial year ending 30 September 2017.

19. Profit forecast and profit guarantee

The Group has not issued any profit guarantee during the current quarter under review.

20. Taxation

	Quarter ended		Financial period ended	
	31.12.2016 RM'000	31.12.2015 RM'000	31.12.2016 RM'000	31.12.2015 RM'000
Income tax:				
Malaysian	(3,929)	(3,538)	(3,929)	(3,538)
Overseas	(3)	(25)	(3)	(25)
Deferred tax:				
Malaysian	980	34	980	34
Overseas	-	4	-	4
Total income tax expenses	<u>(2,952)</u>	<u>(3,525)</u>	<u>(2,952)</u>	<u>(3,525)</u>

The effective tax rate of the Group for the financial period is higher than the statutory tax rate principally due to certain expenses incurred during the period which are not deductible for tax purposes.

21. Corporate proposals

There were no material corporate proposals entered into during the reporting period.

22. Borrowings and debt securities

	As at 31.12.2016		
	Secured RM'000	Unsecured RM'000	Total RM'000
Short term	1,642	-	1,642
Long term	12,963	-	12,963
	<u>14,605</u>	<u>-</u>	<u>14,605</u>

23. Changes in material litigation

As at the date of this report, there are no material litigations that have material effect to the Group.



24. Earnings per share

a) Basic

The basic earnings per share for the quarter and cumulative year to date are computed as follows:

	Quarter ended		Financial period ended	
	31.12.2016 RM'000	31.12.2015 RM'000	31.12.2016 RM'000	31.12.2015 RM'000
Net profit for the year (RM'000)	7,730	3,945	7,730	3,945
Weighted average number of Ordinary shares in issue ('000)	98,717	98,744	98,717	98,744
Earnings per share (Sen)	7.83	4.00	7.83	4.00

b) Diluted

The diluted earnings per share is the same as the basic earnings per share, as there are no potential dilutive ordinary shares outstanding as reporting date.

25. Notes to the condensed consolidated statement of comprehensive income

The following items have been (credited)/charged in arriving at (loss)/profit before tax:

	Quarter ended		Financial period ended	
	31.12.2016 RM'000	31.12.2015 RM'000	31.12.2016 RM'000	31.12.2015 RM'000
a) Interest income	(78)	(35)	(78)	(35)
b) Other income	(965)	(422)	(965)	(422)
c) Interest expense	172	203	172	203
d) Depreciation and amortisation	670	689	670	689
e) Provision for and write off receivables	155	377	155	377
f) Provision for and write off of inventories	243	360	243	360
g) Loss on disposal of property, plant and equipment	1	5	1	5
h) Gain on foreign exchange	(804)	(190)	(804)	(190)
i) Reversal of impairment loss on receivables	(59)	(8)	(59)	(8)
j) Derivative gain	-	-	-	-
k) Exceptional items: - employee benefit expenses	385	-	385	-

26. Realised and unrealised profit

The retained earnings as at reporting date are analysed as follows:

	As at 31.12.2016 RM'000	As at 31.12.2015 RM'000
Holding Company & its Subsidiaries		
Realised	73,058	72,783
Unrealised	3,111	1,254
	76,169	74,037
Associates		
Realised	(185)	(305)
Unrealised	-	-
	75,984	73,732
Consolidation adjustments	(22,963)	(25,746)
	53,021	47,986

27. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors in accordance with a resolution of the Directors on 22 February 2016.