



DUFU TECHNOLOGY CORP. BERHAD

(Company No. 581612 A)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017

CONDENSED CONSOLIDATED INCOME STATEMENTS

(The figures have not been audited)

	Individual Quarter (1st Q)		Cumulative Quarter (3 months)	
	Current Period Quarter	Preceding Period Corresponding Quarter	Current Period To Date	Preceding Period Corresponding Period
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	RM'000	RM'000	RM'000	RM'000
Revenue	46,391	41,027	46,391	41,027
Cost of sales	(33,130)	(32,646)	(33,130)	(32,646)
Gross profit	13,261	8,381	13,261	8,381
Other operating income	224	2,299	224	2,299
General and administrative expenses	(5,117)	(4,996)	(5,117)	(4,996)
Profit from operations	8,368	5,684	8,368	5,684
Finance costs	(152)	(353)	(152)	(353)
Profit before tax	8,216	5,331	8,216	5,331
Income tax expense	(1,901)	(764)	(1,901)	(764)
Profit net of tax	6,315	4,567	6,315	4,567
Profit attributable to:				
Owners of the parent	6,315	4,567	6,315	4,567
Non-controlling interests	-	-	-	-
	6,315	4,567	6,315	4,567
Basic/Diluted earnings per ordinary share (sen)	3.8	2.6	3.8	2.6

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2016.

The accompanying notes are an integral part of this statement.



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(Company No. 581612 A)
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INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Quarter (1st Q)		Cumulative Quarter (3 months)	
	Current Period Quarter	Preceding Period Corresponding Quarter	Current Period To Date	Preceding Period Corresponding Period
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	RM'000	RM'000	RM'000	RM'000
Profit net of tax	6,315	4,567	6,315	4,567
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent period:</i>				
Foreign currency translation	(464)	(10,531)	(464)	(10,531)
Total comprehensive income for the period	5,851	(5,964)	5,851	(5,964)
Total comprehensive income attributable to:				
Owners of the parent	5,851	(5,964)	5,851	(5,964)
Non-controlling interests	-	-	-	-
	5,851	(5,964)	5,851	(5,964)

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2016.

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**DUFU TECHNOLOGY CORP. BERHAD**

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(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017**

NOTES TO CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Quarter (1st Q)		Cumulative Quarter (3 months)	
	Current Period	Preceding Period	Current Period	Preceding Period
	Quarter	Corresponding Quarter	To Date	Corresponding Period
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit before taxation is arrived at after charging/(crediting) :				
(a) Interest expense	152	353	152	353
(b) Other income including investment income	-	-	-	-
(c) Interest income	(152)	(28)	(152)	(28)
(d) Depreciation and amortisation	2,531	2,406	2,531	2,406
(e) (Reversal)/Impairment loss on receivables	(52)	-	(52)	-
(f) Provision for and write off of inventories	-	-	-	-
(g) (Gain) or loss on disposal of quoted or unquoted investments or properties	166	-	166	-
(h) Property, plant and equipment written off	-	283	-	283
(i) Realised foreign exchange (gain)/ loss	(322)	679	(322)	679
(j) Unrealised foreign exchange (gain)/ loss	693	-	693	-

The Notes to Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2016.

The accompanying notes are an integral part of this statement.

**DUFU TECHNOLOGY CORP. BERHAD**

(Company No. 581612.A)
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INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	(Unaudited)	(Audited)
	As at 31 March 2017	As at 31 Dec 2016
	<u>RM'000</u>	<u>RM'000</u>
ASSETS		
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENT	42,259	44,968
INVESTMENT PROPERTIES	10,052	10,189
INVESTMENT IN CLUB MEMBERSHIP, AT COST	61	61
DEFERRED TAX ASSETS	528	522
	<u>52,900</u>	<u>55,740</u>
CURRENT ASSETS		
Inventories	22,643	20,927
Trade and other receivables	49,555	54,506
Cash and bank balances	48,018	46,562
	120,216	121,995
TOTAL ASSETS	<u>173,116</u>	<u>177,735</u>
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		
SHARE CAPITAL	87,735	87,735
TREASURY SHARES	(5,012)	(5,012)
RESERVES	54,318	48,467
TOTAL EQUITY	<u>137,041</u>	<u>131,190</u>
NON-CURRENT LIABILITIES		
BORROWINGS	5,364	6,040
DEFERRED TAX LIABILITIES	1,372	1,331
	<u>6,736</u>	<u>7,371</u>
CURRENT LIABILITIES		
Borrowings	3,973	6,955
Trade and other payables	21,224	28,129
Tax payable	4,142	4,090
	<u>29,339</u>	<u>39,174</u>
TOTAL LIABILITIES	<u>36,075</u>	<u>46,545</u>
TOTAL EQUITY AND LIABILITIES	<u>173,116</u>	<u>177,735</u>
 Net Assets per ordinary share (RM)	 <u>0.78</u>	 <u>0.75</u>

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2016.

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DUFU TECHNOLOGY CORP. BERHAD

(Company No. 581612 A)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017**

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(The figures have not been audited)

Three Months Ended 31 March 2017

	← Attributable to owners of the parent →				Non-controlling Interest	Total Equity	
	Non-distributable		Distributable				
	Share Capital	Treasury Shares	Other Reserves	Retained Earnings			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2017	87,735	(5,012)	(15,236)	63,703	131,190	-	131,190
Total comprehensive income for the period	-	-	(464)	6,315	5,851	-	5,851
Transactions with owners :							
Purchase of treasury shares	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Total transactions with owners :	-	-	-	-	-	-	-
At 31 March 2017	87,735	(5,012)	(15,700)	70,018	137,041	-	137,041

Three Months Ended 31 March 2016

	← Attributable to owners of the parent →				Non-controlling Interest	Total Equity	
	Non-distributable		Distributable				
	Share Capital	Treasury Shares	Other Reserves	Retained Earnings			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2016	87,735	-	(12,484)	40,191	115,442	-	115,442
Total comprehensive income for the period	-	-	(10,531)	4,567	(5,964)	-	(5,964)
Transactions with owners :							
Purchase of treasury shares	-	(24)	-	-	(24)	-	(24)
Dividends	-	-	-	-	-	-	-
Total transactions with owners :	-	(24)	-	-	(24)	-	(24)
At 31 March 2016	87,735	(24)	(23,015)	44,758	109,454	-	109,454

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2016.

The accompanying notes are an integral part of this statement.

**DUFU TECHNOLOGY CORP. BERHAD**(Company No. 581612 A)
(Incorporated in Malaysia)**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017****CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW**

(The figures have not been audited)

	3 months ended 31 March 2017 RM'000	3 months ended 31 March 2016 RM'000
OPERATING ACTIVITIES		
Profit before tax	8,216	5,331
Adjustments for:		
Depreciation	2,531	2,406
Interest income	(152)	(28)
Interest expense	152	353
Loss on disposal of property, plant and equipment	166	-
Plant and equipment written off	-	283
Reversal on impairment loss on loan and receivables	(52)	-
Total adjustments	2,645	3,014
Operating cash flows before changes in working capital	10,861	8,345
Changes in working capital		
Net change in current assets	3,288	21,050
Net change in current liabilities	(6,905)	(8,054)
Total changes in working capital	(3,617)	12,996
Cash flows from operations	7,244	21,341
Tax paid	(1,817)	(823)
Tax refunded	-	6
Net cash flow generated from operating activities	5,427	20,524
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(32)	(1,513)
Interest received	152	28
Proceeds from disposal of plant and equipment	90	-
Net cash used in investing activities	210	(1,485)
FINANCING ACTIVITIES		
Repayment of term loans	(757)	(746)
Repayment of hire-purchase	(557)	(704)
Purchase of treasury shares	-	(24)
Net change in other bank borrowings	-	(2,813)
Interest paid	(152)	(353)
Net cash used in financing activities	(1,466)	(4,640)
NET INCREASE IN CASH AND CASH EQUIVALENTS	4,171	14,399
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL QUARTER	43,946	24,826
Effects of exchange rate changes	(371)	(10,531)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL QUARTER	47,746	28,694
Cash and cash equivalents in the condensed consolidated statements of cash flow comprise:		
Cash on hand and at banks	36,055	28,694
Bank overdraft	(273)	-
Deposits with licensed banks:		
Fixed deposit	11,964	-
Short term placements	-	-
	47,746	28,694

The Condensed Consolidated Statements of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 31 December 2016.

The accompanying notes are an integral part of this statement.



DUFU TECHNOLOGY CORP. BERHAD

(Company No. 581612-A)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017**

NOTES TO THE INTERIM FINANCIAL REPORT

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”). These interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2016. These 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 31 December 2016.

2. Significant accounting policies

The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2016 except for the adoption of the following new MFRSs and Interpretations, and amendments to certain MFRSs and Interpretations with effect from 1 January 2017:

- Amendments to MFRS 12: Disclosure of Interests in Other Entities (Annual Improvements 2014-2016 Cycle)
- Amendments to MFRS 107: Statement of Cash Flows: Disclosure Initiative
- Amendments to MFRS 112: Income Taxes: Recognition of Deferred Tax Assets for Unrealised Losses

The adoption of the above standards and interpretations did not have any material effect on the financial performance or position of the Group.



DUFU TECHNOLOGY CORP. BERHAD

(Company No. 581612-A)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017**

NOTES TO THE INTERIM FINANCIAL REPORT

The standards and interpretations that are issued but not yet effective up to the date of issuance of these condensed consolidated interim financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 128: Investments in Associates and Joint Ventures	1 January 2018
Amendments to MFRS 1: First-Time Adoption of Malaysian Financial Reporting Standards	1 January 2018
IC Interpretation 22: Foreign Currency Transactions and Advance Consideration	1 January 2018
Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 4: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018
Amendments to MFRS 15: Clarifications to MFRS 15 Revenue from Contracts with Customers	1 January 2018
Amendments to MFRS 140: Transfers of Investment Property	1 January 2018
MFRS 15: Revenue from Contracts with Customers	1 January 2018
MFRS 9: Financial Instruments	1 January 2018
MFRS 16: Leases	1 January 2019

The directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application other than for MFRS 15 Revenue from Contracts with Customers, and MFRS 9 Financial Instruments. The Group is still in the progress of assessing the financial impact of MFRS 15 and MFRS 9.

3. Significant Accounting Estimates And Judgements

(a) Critical Judgements Made in Applying Accounting Policies

There are no critical judgements made by management in the process of applying the Group's accounting policies that have significant effect on the amounts recognised in the financial statements.

(b) Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material



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(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017**

NOTES TO THE INTERIM FINANCIAL REPORT

adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Depreciation of plant and equipment

The cost of Computer Numerical Control (“CNC”) machining is depreciated on a straight-line basis over the assets' useful lives. Management estimates the useful lives of these plant and machinery to be within ten years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

4. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2016 was not subject to any audit qualification.

5. Seasonal or cyclical factors

The Group's business operations were not materially affected by any major seasonal or cyclical factors.

6. Unusual items

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

7. Changes in estimates

There were no material changes in estimates of amount reported in prior interim period or financial period that have a material effect in the current year.

8. Debt and equity securities

There was no issuance or repayment of debt and equity securities, share buy-backs and share cancellations for the current financial period.

As of 31 March 2017, the total number of issued shares of the Company is 175,470,370 Ordinary Shares (“Shares”), inclusive of 8,651,900 Shares held as treasury shares. Hence, the number of outstanding Ordinary Shares in issue is 168,818,440 Shares. Shares purchased were stated at cost.



DUFU TECHNOLOGY CORP. BERHAD

(Company No. 581612-A)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017**

NOTES TO THE INTERIM FINANCIAL REPORT

9. Dividend paid

There were no dividends paid during the financial period ended 31 March 2017.

10. Valuation of property, plant and equipment

There was no valuation of property, plant and equipment in the current quarter under review and financial year-to-date.

11. Significant and subsequent events to the balance sheet date

There were no significant material and subsequent events at the end of the financial period ended 31 March 2017 that have not been reflected in the interim financial statements as at the date of this report.

12. Changes in the composition of the Group

There were no significant changes in the composition of the Group for the current financial quarter and financial period to date.

13. Changes in corporate guarantees, contingent liabilities or contingent assets

As at 31 March 2017, the Group has no material contingent liabilities save for corporate guarantee of RM81 million issued by the Company in respect of banking facilities granted to the subsidiary companies.

14. Related party transactions

The Board are of the opinion that there is no related party transaction which would have a material impact on the financial position and the business of the Group for the current financial period.

15. Segment reporting

Information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to single operating segment, namely precision machining of industrial products and manufacturing of high quality computer disk-drive related components.

**DUFU TECHNOLOGY CORP. BERHAD**

(Company No. 581612-A)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017****NOTES TO THE INTERIM FINANCIAL REPORT**

The segmental information of the group is presented by geographical segments. The geographical segments are based on the location of the assets and these are:

- (i) Malaysia
- (ii) Singapore
- (iii) China

Segment information for the period ended 31 March 2017 are as follows:

	Malaysia RM'000	Singapore RM'000	China RM'000	Eliminations RM'000	Total RM'000
Revenue	42,524	35,483	11,509	(43,125)	46,391
EBDITA *	9,238	364	1,177	120	10,899
Depreciation	(1,737)	(24)	(770)	-	(2,531)
Profit from operation	7,501	340	407	120	8,368
Finance costs	(109)	(2)	(41)	-	(152)
PBT **	7,392	338	366	120	8,216

As at 31 March 2017

Total assets	203,800	44,236	43,012	(117,932)	173,116
Total liabilities	74,828	22,697	4,697	(66,147)	36,075

Segment information for the period ended 31 March 2016 are as follows:

	Malaysia RM'000	Singapore RM'000	China RM'000	Eliminations RM'000	Total RM'000
Revenue	33,816	31,471	7,338	(31,598)	41,027
EBDITA *	6,345	232	1,115	398	8,090
Depreciation	(1,800)	(21)	(585)	-	(2,406)
Profit from operation	4,545	211	530	398	5,684
Finance costs	(327)	(5)	(21)	-	(353)
PBT **	4,218	206	509	398	5,331

As at 31 March 2016

Total assets	204,630	39,935	49,118	(143,893)	149,790
Total liabilities	86,662	28,119	9,831	(84,276)	40,336

* EBDITA - Earning Before Depreciation, Interest expenses, Tax and Amortisation

** PBT - Profit Before Tax

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**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017****NOTES TO THE INTERIM FINANCIAL REPORT****PART B: EXPLANATORY NOTES PURSUANT TO BURSA MALAYSIA LISTING
REQUIREMENTS: CHAPTER 9, APPENDIX 9B, PART A****16. Review of performance**

Current Year Quarter – 31 March 2017

	Malaysia RM'000	Singapore RM'000	China RM'000	Eliminations RM'000	Total RM'000
Revenue	42,524	35,483	11,509	(43,125)	46,391
EBDITA *	9,238	364	1,177	120	10,899
Depreciation	(1,737)	(24)	(770)	-	(2,531)
Profit from operation	7,501	340	407	120	8,368
Finance costs	(109)	(2)	(41)	-	(152)
PBT **	7,392	338	366	120	8,216

Preceding Year Quarter – 31 March 2016

	Malaysia RM'000	Singapore RM'000	China RM'000	Eliminations RM'000	Total RM'000
Revenue	33,816	31,471	7,338	(31,598)	41,027
EBDITA *	6,345	232	1,115	398	8,090
Depreciation	(1,800)	(21)	(585)	-	(2,406)
Profit from operation	4,545	211	530	398	5,684
Finance costs	(327)	(5)	(21)	-	(353)
PBT **	4,218	206	509	398	5,331

* EBDITA - Earning Before Depreciation, Interest expenses, Tax and Amortisation

** P/(L)BT - Profit/(Loss) Before Tax

Group

Group revenue for the period ended 31 March 2017 was RM46.4 million compared with RM41.0 million for the period ended 31 March 2016, an increase of 13.1%. The increase in revenue was mainly due to the increase in demand related to Hard Disk Drives (“HDD”). The Group’s profit before taxation for the period ended 31 March 2017 was RM8.2 million, an increase of 54.1% over RM5.3 million registered in the previous financial period ended 31 March 2016. The increase in profit before taxation was mainly due to higher revenue, favourable product mix and improvement in operational efficiency due to economies of scale in the current financial period.



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(Company No. 581612-A)
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**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017**

NOTES TO THE INTERIM FINANCIAL REPORT

17. Comparison with immediate preceding quarter's results

	Individual quarter ended		Variance	
	31.03.2017	31.12.2016		
	RM'000	RM'000	RM'000	%
Revenue	46,391	47,718	(1,327)	(2.8)
Profit before tax	8,216	19,872	(11,656)	(58.7)

Revenue for the quarter ended 31 March 2017 decreased by RM1.3 million or 2.8% while profit before taxation decreased by RM11.6 million or 58.7% for the current quarter as compared to the preceding quarter. The decrease in profit before taxation was mainly attributable to gain on dissolution of subsidiary of RM3.7 million, reversal of impairment loss on loans and receivables of RM1.2 million and reversal of inventories written down of RM1.2 million recorded in the preceding quarter. In addition, there was an unrealized foreign exchange gain of RM0.5 million registered in the preceding quarter compared to unrealized foreign exchange loss of RM0.7 million recorded in current quarter.

18. Prospects

We expect sales to continue to remain firm in 2017 as our major product is driven by the growth in high-capacity nearline HDDs as well as stabilization of client storage demand. NAND flash memory is likely to face supply constraint throughout 2017 due to the strong growth in demand for smart phones and other mobile devices, and therefore may also affect SSD ("Solid State Drive") supply.

The long-term future of HDDs are likely rests with high capacity HDDs, particularly in data centers serving cloud storage applications. The demand for high capacity storage drives, enhanced performance, and lower storage cost is set to rise. Global internet penetration, the rise in e-commerce in emerging markets, and the current trend for high-resolution media standards are the likely drivers for the continuing rise in global data storage demand.

Nevertheless, the Group will continue to improve its operational efficiency and keep a tight rein on costs to ensure price competitiveness on its products. The Group is also working closely with existing and new customers in creating value to their supply chain, and will continue to seek opportunity to venture into new business segments that can synergizes with the Group's current business model. With this in place and considering the continuing stable demand based on the current market trend and assuming that there is no volatility in the United States Dollar ("USD") currency against the Ringgit, the Group is optimistic about its earnings and growth in the coming quarters.



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**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017**

NOTES TO THE INTERIM FINANCIAL REPORT

19. Variance of actual profit from profit forecast

Not applicable.

20. Taxation

	Current Quarter 3 months ended 31 March 2017 RM'000	Year-to-date 3 months ended 31 March 2017 RM'000
Income tax		
Current year	1,868	1,868
Prior year	-	-
	<u>1,868</u>	<u>1,868</u>
Deferred tax		
Current year	33	33
Prior year	-	-
	<u>1,901</u>	<u>1,901</u>

21. Status on corporate proposals

There were no significant corporate proposals for the current financial period to date saved as disclosed below:

- (i) proposed consolidation of every two (2) existing ordinary shares of RM0.50 each in Dufu Technology Corp. Berhad ("DUFU") ("Existing Share(s)") into one (1) ordinary share of RM1.00 each in DUFU ("Consolidated Share(s)" or "DUFU Share(s)" or "Share(s)") ("Proposed Share Consolidation");
- (ii) proposed establishment of an executives' share option scheme of up to fifteen percent (15%) of the issued and paid-up share capital (excluding treasury shares) of DUFU at any point of time during the duration of the scheme for eligible executive Directors and employees of DUFU and its subsidiaries (excluding subsidiaries which are dormant) (excluding Lee, Hui-Ta also known as Li Hui Ta and Khoo Lay Tatt who have voluntarily relinquished their eligibility to the executives' share option scheme) ("Proposed ESOS" or "Scheme");
- (iii) proposed increase in the authorised share capital of DUFU from RM100,000,000 comprising 200,000,000 Existing Shares to RM200,000,000 comprising 200,000,000 Consolidated Shares ("Proposed Increase in Authorised Share Capital"); and
- (iv) proposed amendment to the Memorandum of Association of DUFU ("Proposed Amendment").



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INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017

NOTES TO THE INTERIM FINANCIAL REPORT

On 20 March 2017, after taking into consideration the recommendation of DUFU's principal adviser, Affin Hwang Investment Bank Berhad, the Board has resolved not to proceed with the Proposals and will evaluate alternative options to achieve the Company's objectives previously envisaged under the Proposals.

22. Group borrowings

The Group's borrowings as at the end of the reporting quarter are as follows:

	Short-term (Secured)	Long-term (Secured)	Total borrowing (Secured)
	RM'000	RM'000	RM'000
Bank Overdraft	273	-	273
Hire purchase	1,887	1,930	3,817
Term Loans	1,813	3,434	5,247
Total	3,973	5,364	9,337

The Group borrowings are dominated in the following currencies:

	RM'000
Ringgit Malaysia	9,070
US Dollar	267
Total borrowings	9,337

23. Derivatives financial instruments

There were no outstanding derivatives financial instruments entered into by the Group as at the date of this quarterly report.

24. Material litigation

There was no pending material litigation as at the date of this quarterly report.



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**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017**

NOTES TO THE INTERIM FINANCIAL REPORT

25. Dividend

A single tier final dividend of 3.5 sen in respect of the financial year ended 31 December 2016 proposed on 3 April 2017 has been approved by the shareholders at the Annual General Meeting held on 24 May 2017 and is to be paid on 20 June 2017. The interim report does not reflect this dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the quarter ending 30 June 2017.

26. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the quarter/period by the weighted average number of ordinary shares during the financial quarter/period.

	3 Months Period Ended 31 March		3 Months Period Ended 31 March	
	2017	2016	2017	2016
Net profit attributable to shareholders (RM'000)	6,315	4,567	6,315	4,567
Weighted average number of ordinary shares in issue ('000)	166,818	175,420	166,818	175,420
Basic earnings per share (sen)	3.8	2.6	3.8	2.6

Diluted

The Group does not have any convertible shares or financial instruments for the current financial quarter and financial year to-date.



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**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017**

NOTES TO THE INTERIM FINANCIAL REPORT

27. Realised and Unrealised Profits/Losses

The retained profits of the Group are analysed as follows: -

	As at 31.03.2017 RM'000	As at 31.12.2016 RM'000
Total retained profits of the Company and its subsidiaries: -		
-Realised	64,226	56,830
-Unrealised	16	1,183
	<hr/> 64,242	<hr/> 58,013
Add/(Less): Consolidation adjustments	5,776	5,690
Total group retained profits as per consolidated accounts	<hr/> 70,018	<hr/> 63,703

DATED THIS 24th DAY OF MAY, 2017.