

**HWANG CAPITAL (MALAYSIA) BERHAD**  
(Company no. 238969-K)

**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 OCTOBER 2016**

	As at 31-Oct-16 RM'000	As at 31-Jul-16 RM'000
<b>Non-current assets</b>		
Property, plant and equipment	2,522	2,550
Investment properties	22,653	22,819
Intangible assets	350	378
Securities available-for-sale ("AFS")	12,545	7,304
Other investments	470	470
Loans, advances and financing	280,951	291,302
Deferred tax assets	3,828	4,189
	<u>323,319</u>	<u>329,012</u>
<b>Current assets</b>		
Securities available-for-sale ("AFS")	441,118	427,404
Loans, advances and financing	52,826	62,892
Trade receivables	-	98
Other receivables, deposits and prepayments	5,787	5,686
Tax recoverable	902	524
Deposits, cash and bank balances	37,040	24,868
	<u>537,673</u>	<u>521,472</u>
<b>Total assets</b>	<u>860,992</u>	<u>850,484</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	171	173
<b>Current liabilities</b>		
Other payables and accruals	12,905	12,459
Taxation	200	274
	<u>13,105</u>	<u>12,733</u>
<b>Total liabilities</b>	<u>13,276</u>	<u>12,906</u>
<b>Equity attributable to equity holders of the Company</b>		
Share capital	255,159	255,159
Reserves	592,557	582,419
<b>Total equity</b>	<u>847,716</u>	<u>837,578</u>
<b>Total liabilities and equity</b>	<u>860,992</u>	<u>850,484</u>
<b>Net assets per share attributable to equity holders of the Company (RM)</b>	<u>3.32</u>	<u>3.28</u>

*The condensed financial statements should be read in conjunction with the most recent audited financial statements for the financial year ended 31 July 2016.*

**HWANG CAPITAL (MALAYSIA) BERHAD**  
(Company no. 238969-K)

**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED INCOME STATEMENT**  
**FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2016**

	Note	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
		3 months ended 31-Oct-16 RM'000	3 months ended 31-Oct-15 RM'000	3 months ended 31-Oct-16 RM'000	3 months ended 31-Oct-15 RM'000
<b>Operating revenue</b>		<b>14,314</b>	16,419	<b>14,314</b>	16,419
Other income		<b>820</b>	527	<b>820</b>	527
Personnel costs		<b>(1,972)</b>	(1,916)	<b>(1,972)</b>	(1,916)
Depreciation and amortisation		<b>(265)</b>	(317)	<b>(265)</b>	(317)
Allowances for impairment loss on:					
- loans, advances and financing		<b>(271)</b>	(2,274)	<b>(271)</b>	(2,274)
Other expenses		<b>(1,090)</b>	(1,301)	<b>(1,090)</b>	(1,301)
<b>Profit before taxation</b>	A10	<b>11,536</b>	11,138	<b>11,536</b>	11,138
Taxation	B6	<b>(1,785)</b>	(1,857)	<b>(1,785)</b>	(1,857)
<b>Profit for the financial period</b>		<b>9,751</b>	9,281	<b>9,751</b>	9,281
<b>Attributable to:</b>					
Equity holders of the Company		<b>9,751</b>	9,281	<b>9,751</b>	9,281
<b>Earnings per share attributable to equity holders of the Company (sen)</b>					
- Basic	B13	<b>3.82</b>	3.64	<b>3.82</b>	3.64

*The condensed financial statements should be read in conjunction with the most recent audited financial statements for the financial year ended 31 July 2016.*

**HWANG CAPITAL (MALAYSIA) BERHAD**  
(Company no. 238969-K)

**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2016**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<b>3 months ended 31-Oct-16</b>	<b>3 months ended 31-Oct-15</b>	<b>3 months ended 31-Oct-16</b>	<b>3 months ended 31-Oct-15</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Profit for the financial period</b>	<b>9,751</b>	<b>9,281</b>	<b>9,751</b>	<b>9,281</b>
<b>Other comprehensive income:</b>				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Securities AFS:				
- net change in fair value	483	93	483	93
- net gain transferred to income statement on disposal	(96)	-	(96)	-
	<b>387</b>	<b>93</b>	<b>387</b>	<b>93</b>
<b>Total comprehensive income for the financial period</b>	<b>10,138</b>	<b>9,374</b>	<b>10,138</b>	<b>9,374</b>
<b>Attributable to:</b>				
Equity holders of the Company	<b>10,138</b>	<b>9,374</b>	<b>10,138</b>	<b>9,374</b>

*The condensed financial statements should be read in conjunction with the most recent audited financial statements for the financial year ended 31 July 2016.*

**HWANG CAPITAL (MALAYSIA) BERHAD**  
(Company no. 238969-K)

**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2016**

	<b>Attributable to Equity Holders of the Company</b>						
	<b>Issued and fully paid ordinary shares of RM1 each</b>						
	<b>Number of shares '000</b>	<b>Nominal value RM'000</b>	<b>Capital redemption reserve RM'000</b>	<b>Share premium RM'000</b>	<b>AFS reserve RM'000</b>	<b>Retained profits RM'000</b>	<b>Total equity RM'000</b>
At 1 August 2016	255,159	255,159	10,686	17,029	1,111	553,593	837,578
Profit for the financial period	-	-	-	-	-	9,751	9,751
Other comprehensive income for the financial period	-	-	-	-	387	-	387
Total comprehensive income for the financial period	-	-	-	-	387	9,751	10,138
<b>At 31 October 2016</b>	<b>255,159</b>	<b>255,159</b>	<b>10,686</b>	<b>17,029</b>	<b>1,498</b>	<b>563,344</b>	<b>847,716</b>
At 1 August 2015	255,159	255,159	10,686	17,029	422	544,086	827,382
Profit for the financial period	-	-	-	-	-	9,281	9,281
Other comprehensive income for the financial period	-	-	-	-	93	-	93
Total comprehensive income for the financial period	-	-	-	-	93	9,281	9,374
<b>At 31 October 2015</b>	<b>255,159</b>	<b>255,159</b>	<b>10,686</b>	<b>17,029</b>	<b>515</b>	<b>553,367</b>	<b>836,756</b>

*The condensed financial statements should be read in conjunction with the most recent audited financial statements for the financial year ended 31 July 2016.*

**HWANG CAPITAL (MALAYSIA) BERHAD**  
(Company no. 238969-K)

**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2016**

	<b>3 months ended 31-Oct-16 RM'000</b>	<b>3 months ended 31-Oct-15 RM'000</b>
<b>Operating activities</b>		
Profit for the financial period	9,751	9,281
<b>Adjustments for:</b>		
Non-cash items	2,304	4,432
Non-operating items - investing	<u>(3,725)</u>	<u>(3,678)</u>
	8,330	10,035
<b>Changes in operating assets and liabilities:</b>		
Net changes in receivables	19,938	(1,939)
Net changes in payables	<u>439</u>	<u>402</u>
	28,707	8,498
Taxation paid	<u>(1,877)</u>	<u>(2,330)</u>
<b>Net operating cash flow</b>	<u>26,830</u>	<u>6,168</u>
<b>Investing activities</b>		
Proceeds from disposals of other investments	-	5
Purchases of property, plant and equipment	(43)	(4)
Net purchase of securities AFS	(18,447)	(13,811)
Income distributions from securities AFS received	<u>3,820</u>	<u>3,912</u>
<b>Net investing cash flow</b>	<u>(14,670)</u>	<u>(9,898)</u>
<b>Net change in cash and cash equivalents</b>	12,160	(3,730)
<b>Cash and cash equivalents at beginning of the financial period</b>	<u>23,984</u>	<u>8,631</u>
<b>Cash and cash equivalents at end of the financial period</b>	<u>36,144</u>	<u>4,901</u>
<b>Cash and cash equivalents at end of the financial period comprise:</b>		
Deposits, cash and bank balances	37,040	6,796
Less:		
Deposits with licensed banks maturing after one month	<u>(700)</u>	<u>(676)</u>
Clients' monies held in trust	<u>(196)</u>	<u>(1,219)</u>
	<u>(896)</u>	<u>(1,895)</u>
	<u>36,144</u>	<u>4,901</u>

*The condensed financial statements should be read in conjunction with the most recent audited financial statements for the financial year ended 31 July 2016.*

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2016**

**A. Explanatory Notes in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting**

**A1 Basis of Preparation**

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting and Chapter 9, Part K of the Bursa Malaysia Securities Berhad Main Market Listing Requirements. The interim financial report, which also complied with the International Accounting Standard ("IAS") 34, Interim Financial Reporting issued by the International Accounting Standards Board, should be read in conjunction with the most recent audited financial statements for the financial year ended 31 July 2016. The explanatory notes provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 July 2016.

The accounting policies and methods of computation adopted for this interim financial report are consistent with those adopted in the annual financial statements for the financial year ended 31 July 2016 except for the adoption of the following revised Malaysian Financial Reporting Standards ("MFRSs"), that are relevant and effective for the Group for the financial year ending 31 July 2017:

<u>MFRS</u>	<u>Description</u>
• Amendments to MFRS 5	Non-current Assets Held For Sale and Discontinued Operations <i>(Annual Improvements to MFRSs 2012-2014 Cycle)</i>
• Amendment to MFRS 7	Financial Instruments: Disclosures <i>(Annual Improvements to MFRSs 2012-2014 Cycle)</i>
• Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception
• Amendments to MFRS 101	Disclosure Initiative
• Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
• Amendments to MFRS 127	Equity Method in Separate Financial Statements
• Amendment to MFRS 134	Interim Financial Reporting <i>(Annual Improvements to MFRSs 2012-2014 Cycle)</i>

The adoption of the above MFRSs does not give rise to any material financial effects to the Group.

**A2 Auditors' Report**

The auditors' report of the most recent annual financial statements of the Group for the financial year ended 31 July 2016 was not subject to any qualification.

**A3 Seasonal or Cyclical Factors**

The operations of the Group were not materially affected by any seasonal or cyclical factors.

**A4 Exceptional Items**

There are no exceptional items for the current quarter and financial period ended 31 October 2016.

**A5 Changes in Estimates**

There are no material changes in accounting estimates used in the preparation of the interim financial report for the current quarter and financial period ended 31 October 2016 as compared with the prior financial year.

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2016**

**A6 Debts and Equity Securities**

There are no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the financial period ended 31 October 2016.

**A7 Dividends**

No dividend has been paid since the end of the previous financial year. The Board of Directors has not declared or recommended the payment of dividend in respect of the current financial year ending 31 July 2017.

A final single tier dividend of 3.0 sen gross per share proposed for the previous financial year ended 31 July 2016 has been approved by the shareholders of the Company at the Twenty-Fourth Annual General Meeting held on 24 November 2016. The dividend will be paid on 20 December 2016 to depositors registered in the Record of Depositors at the close of business on 2 December 2016.

**A8 Subsequent Events**

There are no material events subsequent to the financial period ended 31 October 2016.

**A9 Changes in the Composition of the Group**

There are no changes in the composition of the Group for the current quarter and financial period ended 31 October 2016.

**A10 Items of Income and Expenses**

Profit before taxation of the Group is stated after crediting/(charging):

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>3 months ended</u>	<u>3 months ended</u>	<u>3 months ended</u>	<u>3 months ended</u>
	<u>31-Oct-16</u>	<u>31-Oct-15</u>	<u>31-Oct-16</u>	<u>31-Oct-15</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Interest income	10,073	10,373	10,073	10,373
Income distributions from securities AFS	3,769	3,841	3,769	3,841
Rental income	364	634	364	634
Net gain on disposals of other investments	-	2	-	2
Net gain on disposals of securities AFS	121	-	121	-
Net foreign exchange (loss)/gain	(2)	5	(2)	5
Loans, advances and financing:				
- net individual impairment allowance written back	450	-	450	-
- collective impairment allowance made	(644)	(2,380)	(644)	(2,380)
- bad debts written off	(223)	(42)	(223)	(42)
- bad debts recovered	146	148	146	148

Other than as disclosed above, other disclosure items as required under Item 16, Appendix 9B of the Bursa Malaysia Securities Berhad Main Market Listing Requirements are not applicable to the Group for the current quarter and financial period ended 31 October 2016.

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2016**

**A11 Commitments and Contingencies**

	As at 31-Oct-16 RM'000	As at 31-Jul-16 RM'000
(a) Loan commitments	<u>845</u>	<u>-</u>
(b) Capital expenditure commitments	<u>521</u>	<u>403</u>
(c) Non-cancellable operating lease commitments		
- future minimum lease payable	175	244
- future minimum lease receivable	<u>1,655</u>	<u>1,943</u>

**A12 Segmental Information**

The Group is organised into the following operating segments:

- Moneylending - moneylending and credit financing activities
- Investment holding - investment holding activities
- Property investment - property letting and investment activities

The segmental information are as follows:

	Money- lending RM'000	Investment holding RM'000	Property investment RM'000	Inter- segment elimination RM'000	Group RM'000
<b>3 months ended 31 October 2016</b>					
<b>Revenue</b>					
External revenue *	9,994	3,956	364	-	14,314
Inter-segment revenue	-	2,198	73	(2,271)	-
Total revenue	<u>9,994</u>	<u>6,154</u>	<u>437</u>	<u>(2,271)</u>	<u>14,314</u>
<b>Segment profit</b>	<u>5,435</u>	<u>6,025</u>	<u>76</u>	<u>-</u>	<u>11,536</u>
<b>3 months ended 31 October 2015</b>					
<b>Revenue</b>					
External revenue *	11,907	3,878	634	-	16,419
Inter-segment revenue	-	2,702	73	(2,775)	-
Total revenue	<u>11,907</u>	<u>6,580</u>	<u>707</u>	<u>(2,775)</u>	<u>16,419</u>
<b>Segment profit</b>	<u>4,566</u>	<u>6,173</u>	<u>399</u>	<u>-</u>	<u>11,138</u>

\* External revenue of the Group comprises all types of revenue derived from moneylending, investment holding and rental income from property letting.



**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2016**

**A13 Fair value of financial instruments**

The fair value hierarchy, which reflects the significance of the inputs used in fair value measurement, is as follows:

- Level 1 - Quoted price (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted price included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 - Inputs for the assets and liabilities that are not based on observable market data (unobservable inputs)

There have been no significant changes to the methods and assumptions used in estimating the fair values of financial instruments since the end of the previous financial year.

**Financial instruments measured at fair value**

The table below presents the financial instruments of the Group, which are measured at fair value, classified by level of the fair value hierarchy.

	Carrying amount RM'000	Fair value hierarchy		
		Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
<b>31-Oct-16</b>				
<b><u>Financial assets</u></b>				
Securities AFS				
- Quoted securities	<u>453,663</u>	<u>453,663</u>	<u>-</u>	<u>-</u>
<b>31-Jul-16</b>				
<b><u>Financial assets</u></b>				
Securities AFS				
- Quoted securities	<u>434,708</u>	<u>434,708</u>	<u>-</u>	<u>-</u>

**Financial instruments not measured at fair value**

The fair values of financial instruments of the Group, which are not measured at fair value, approximate their carrying amounts, except as disclosed below:

	As at 31-Oct-16		As at 31-Jul-16	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
Loans, advances and financing	<u>333,777</u>	<u>336,502</u>	<u>354,194</u>	<u>356,027</u>

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2016**

**B. Explanatory Notes in accordance with Chapter 9, Part K of the Bursa Malaysia Securities Berhad Main Market Listing Requirements**

**B1 Analysis of the Performance of the Operating Segments of the Group**

The Group reported a total operating revenue of RM14.3 million for the first quarter of the financial year ending 31 July 2017 ("FY2017"), which is 13% lower than the revenue of RM16.4 million recorded in the previous corresponding quarter of the financial year ended 31 July 2016 ("FY2016"). This was primarily attributable to reduction in fee/commission income and interest income from moneylending activities as well as a lower rental income from property letting, partly mitigated by higher interest income from investment holding activities.

Notwithstanding the reduction in operating revenue, the Group posted a pretax profit of RM11.5 million for the first quarter of FY2017, which is marginally higher than the pretax profit of RM11.1 million recorded in the previous corresponding quarter, benefited from the lower loan loss provisioning on consumer financing portfolio and write back of loan loss provision previously made on debt recovery. In addition, net gain arising from disposal of securities by the investment holding segment has also contributed positively to the profitability of the Group for the current quarter under review.

The performance of the key operating segments of the Group are analysed as follows:

(a) Moneylending

Pretax profit of the moneylending segment for the first quarter of FY2017 improved to RM5.4 million from the pretax profit of RM4.6 million recorded in the previous corresponding quarter. The increased earnings was mainly attributed to lower loan loss provisioning on consumer financing portfolio and write back of loan loss provision previously made on debt recovery, partly offset by reduction in fee/commission income, net of incentive and commission expense.

(b) Investment holding

The investment holding segment registered a pretax profit of RM6.0 million, which is marginally lower than the pretax profit of RM6.2 million recorded in the previous corresponding quarter, mainly due to effect of reduction in interest income on advances to subsidiaries, partly cushioned by net gain on disposal of securities, increased interest income on bank deposit placements and lower operating expenses for the current quarter.

(c) Property investment

For the first three months of FY2017, the pretax profit of the property investment segment declined to RM0.08 million from the pretax profit of RM0.4 million recorded in the previous corresponding quarter, largely attributed to reduction in rental income and increase in operating expenses, partly mitigated by lower finance cost for the current quarter under review.

**B2 Material Change in Profit Before Taxation for the Current Quarter compared with the Immediate Preceding Quarter**

Compared to the preceding quarter ended 31 July 2016, the pretax profit of the Group for the current quarter of RM11.5 million is 33% higher than the pretax profit of RM8.6 million recorded in the fourth quarter of FY2016. This was mainly due to the reduction in loan loss provisioning on consumer financing portfolio, lower personnel costs and absence of one-off professional fee incurred in the preceding quarter, partly offset by lower fee-based income and decrease in interest income from moneylending activities as well as reduction in rental income from property letting.

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2016**

**B3 Commentary**

**(a) Current Year's Prospects**

On the moneylending activities, the Group continues to exercise prudence in approving new lending to maintain the credit quality of its loans and financing portfolio and channels more resources in its debt recovery efforts. The consumer financing portfolio of the Group is expected to continue providing a steady income stream for the Group in the medium and long term.

On the investment holding activities, the Group remains cautious in managing the market risk of its investment portfolio amidst the uncertainties in the financial markets. The investment holding and property investment activities are expected to provide stable returns for the Group.

The Group continues to seek and evaluate viable businesses to complement its existing business.

Barring unforeseen circumstances, the Board of Directors expects the Group to perform satisfactorily in the remaining quarters of the financial year ending 31 July 2017.

**(b) Progress and Steps to Achieve Revenue or Profit Estimate, Forecast, Projection and Internal Targets Previously Announced**

Not applicable.

**B4 Statement of the Board of Directors' Opinion on Achievability of Revenue or Profit Estimate, Forecast, Projection and Internal Targets Previously Announced**

Not applicable.

**B5 Profit Forecast and Profit Guarantee**

Not applicable.

**B6 Taxation**

The analysis of the tax expense for the current quarter and financial period ended 31 October 2016 are as follows:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<b>3 months ended 31-Oct-16</b>	<b>3 months ended 31-Oct-15</b>	<b>3 months ended 31-Oct-16</b>	<b>3 months ended 31-Oct-15</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
In respect of the current financial year:				
Malaysian income tax	<b>(1,425)</b>	(2,091)	<b>(1,425)</b>	(2,091)
Deferred tax	<b>(360)</b>	234	<b>(360)</b>	234
	<b><u>(1,785)</u></b>	<u>(1,857)</u>	<b><u>(1,785)</u></b>	<u>(1,857)</u>

The effective tax rate of the Group for the current quarter and financial period ended 31 October 2016 is lower than the statutory tax rate mainly due to certain income which are not subject to tax, partially offset by expenses not deductible for tax purpose.

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2016**

**B7 Status of Corporate Proposals**

There are no corporate proposals announced but not completed as at date of this announcement.

**B8 Status of utilisation of proceeds raised from corporate proposals**

The status of utilisation of proceeds raised from a corporate proposal as at 31 October 2016 is as follows:

Disposals of 100% equity interest in HwangDBS Investment Bank Berhad and its subsidiaries and associate in the financial year ended 31 July 2014

<b>Purpose</b>	<b>Note</b>	<b>Proposed utilisation RM'000</b>	<b>Amount utilised RM'000</b>	<b>Unutilised RM'000</b>
Special cash dividend to shareholders		637,897	637,897	-
General working capital requirements		73,683	73,683	-
General investment in liquid assets		75,000	75,000	-
Potential acquisition of new business	(i)	250,000	-	250,000
Repayment of borrowings		310,000	310,000	-
Expenses incurred on disposals of subsidiaries and associate		14,000	14,000	-
		<u>1,360,580</u>	<u>1,110,580</u>	<u>250,000</u>

- (i) The initial intended timeframe for utilisation of the proceeds allocated for potential acquisition of new business ("timeframe") was within twelve months from the date of completion of disposals of subsidiaries and associate on 7 April 2014. The timeframe was subsequently extended for a twelve-month period from 7 April 2015. Pending identification of a potential viable business, the timeframe is further extended for another twelve months from 7 April 2016.

Proceeds not utilised as at 31 October 2016 are invested in unit trusts and deposits with financial institutions.

**B9 Group Borrowings and Debt Securities**

The Group did not have any outstanding borrowings as at 31 October 2016 and 31 July 2016.

**B10 Disclosure of Realised and Unrealised Profits or Losses**

	<b>As at 31-Oct-16 RM'000</b>	<b>As at 31-Jul-16 RM'000</b>
Total retained profits of the Company and its subsidiaries:		
- realised	563,713	553,601
- unrealised	3,661	4,022
	<u>567,374</u>	<u>557,623</u>
Consolidation adjustments	(4,030)	(4,030)
Total Group retained profits	<u>563,344</u>	<u>553,593</u>

The disclosure of realised and unrealised profits or losses is made in accordance with the directive issued by Bursa Malaysia Securities Berhad ("Bursa Securities") and the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures pursuant to Bursa Securities Listing Requirements, issued by the Malaysian Institute of Accountants.

**B11 Disclosure of Derivatives**

The Group did not hold any derivative financial instruments as at 31 October 2016 and 31 July 2016.

**B12 Changes in Material Litigation**

The Group does not have any material litigation as at 31 October 2016 which would materially affect the financial position or business of the Group.

**HWANG CAPITAL (MALAYSIA) BERHAD**  
(Company no. 238969-K)

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2016**

**B13 Basic Earnings Per Share Attributable to Equity Holders of the Company**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<b>3 months ended</b> <b>31-Oct-16</b>	<b>3 months ended</b> <b>31-Oct-15</b>	<b>3 months ended</b> <b>31-Oct-16</b>	<b>3 months ended</b> <b>31-Oct-15</b>
Profit for the financial period attributable to equity holders of the Company (RM'000)	<b>9,751</b>	9,281	<b>9,751</b>	9,281
Weighted average number of ordinary shares in issue ('000)	<b>255,159</b>	255,159	<b>255,159</b>	255,159
<b>Basic earnings per share</b> (sen)	<b>3.82</b>	3.64	<b>3.82</b>	3.64

There were no dilutive potential ordinary shares in issue as at 31 October 2016 and 31 October 2015.

**By Order of the Board**

**Ooi Hui Ling**  
**Company Secretary**

**Penang**  
**24 November 2016**