STATEMENTS OF **CASH FLOWS** FOR THE FINANCIAL YEAR ENDED 31 JULY 2016

CASH FLOWS FOR OPERATING ACTIVITIES (4,022,191) (7,960,395) (3,390,461) (7,265,0) Adjustments for:- Bad debts written off - 1,129 435,064 - Deposit written off - 200,000 - - Deposit written off - 200,000 - - investment property 41,348 41,347 41,348 41,3 - investment property 1,297,929 1,849,415 89,702 11,9 Goodwill written off 9,977 - - 4,368,0 - investments in subsidiaries - - - 1,350,0 - amount owing by subsidiaries - - - 1,350,0 - trade receivables 186,422 826,298 - - - trade receivables 17,846 267,527 34,753 35,5 Invertories written off 19,324 91,355 - - Plant and equipment (8,457) 104,307 - - - gain on disposal of subsidiaries 28 (270,856) </th <th></th> <th>Noto</th> <th>2016</th> <th>he Group 2015</th> <th>2016</th> <th>Company 2015</th>		Noto	2016	he Group 2015	2016	Company 2015
OPERATING ACTIVITIES Construction (4,022,191) (7,960,395) (3,390,461) (7,265,00) Adjustments for:- Bad debts written off - 1,129 435,064 - Deposit written off - 200,000 - - - investment property 41,348 41,347 41,348 41,3 - investment property 1,297,929 1,849,415 89,702 11,9 Goodwill written off 9,977 - - - Impairment losses on: - - - 4,368,00 - investments in subsidiaries - - - - 4,368,00 - amount owing by subsidiaries 45,798 - - 1,350,00 - trade receivables 186,432 826,298 - - Interest expense 217,846 267,527 34,753 35,5 Inventories written off 119,324 91,355 - - Gain on disposal of subsidiaries 28 (270,856) - (296,240) Interest		Note	RM	RM	RM	RM
Adjustments for:- Bad debts written off - 1,129 435,064 Deposit written off - 200,000 - - investment property 41,348 41,347 41,348 41,3 - property, plant and equipment 1,297,929 1,849,415 89,702 11,9 Goodwill written off 9,977 - - - - investments in subsidiaries - - - 4,368,0 - plant and equipment 1,540 2,524,984 - - - amount owing by subsidiaries - - - 4,368,0 - other receivables 45,798 - - 1,350,0 - trade receivables 186,432 826,298 - - Interest expense 217,846 267,527 34,753 35,5 Inventories written off 119,324 91,355 - - Gain on disposal of uplant and equipment (8,457) 104,307 - - - amount owing by asubidiaries 28 (27,600) - - - (500,000) - - - - <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td></td<>						
Bad debts written off - 1,129 435,064 Deposit written off - 200,000 - Depreciation of: 41,348 41,347 41,348 41,3 - property, plant and equipment 1,297,929 1,849,415 89,702 11,9 Goodwill written off 9,977 - - - 4,368,0 Impairment losses on: - - - 4,368,0 - - 1,350,0 - investments in subsidiaries - - - - 4,368,0 - - 1,350,0 - amount owing by subsidiaries - - - - 1,350,0 - - 1,350,0 - trade receivables 45,798 - - - 1,350,0 - trade receivables 186,432 826,298 - - - 1,350,0 Interest expense 1217,846 267,527 34,753 35,5 - - - - - - - - - - - - - - - - -	Loss before taxation		(4,022,191)	(7,960,395)	(3,390,461)	(7,265,081)
Deposit written off - 200,000 - Depreciation of: 41,348 41,347 41,348 41,347 - investment property 41,348 41,347 41,348 41,347 - property, plant and equipment 1,297,929 1,849,415 89,702 11,9 Goodwill written off 9,977 - - - 4,368,0 - investments in subsidiaries - - - 4,368,0 - plant and equipment 1,540 2,524,984 - - amount owing by subsidiaries - - - 1,350,0 - other receivables 186,432 266,298 - - Interest expense 217,846 267,527 34,753 35,5 Interest expense 217,846 267,527 34,753 35,5 Interest expense (217,846 104,307 - - Gain on disposal of subsidiaries 28 (270,856) - (296,240) - Interest income (57,364) (73,071) <	Adjustments for:-					
Depreciation of: - investment property 41,348 41,347 41,348 41,3 - investment property, plant and equipment 1,297,929 1,849,415 89,702 11,9 Goodwill written off 9,977 - <td< td=""><td>Bad debts written off</td><td></td><td>-</td><td>1,129</td><td>435,064</td><td>-</td></td<>	Bad debts written off		-	1,129	435,064	-
- investment property 41,348 41,347 41,348	Deposit written off		-	200,000	-	-
- property, plant and equipment 1,297,929 1,849,415 89,702 11,9 Goodwill written off 9,977 - - - - Impairment losses on: -	Depreciation of:					
Goodwill written off 9,977 - - Impairment losses on: - - - 4,368,0 - investments in subsidiaries - - - 4,368,0 - plant and equipment 1,540 2,524,984 - 1,350,0 - other receivables 45,798 - - 1,350,0 - other receivables 186,432 826,298 - - Interest expense 119,324 91,355 - - Plant and equipment written off 119,324 91,355 - - Gain on disposal of - - - - - - amount owing by a subsidiaries 28 (270,856) - (296,240) - Interest income (57,364) (73,071) -	 investment property 		41,348			41,347
Impairment losses on: - - - 4,368,0 - investments in subsidiaries - - - 4,368,0 - amount owing by subsidiaries - - - 1,350,0 - other receivables 45,798 - - - - trade receivables 186,432 826,298 - - - trade receivables 186,432 826,298 - - Interest expense 217,846 267,527 34,753 35,5 Inventories written off 119,324 91,355 - - Plant and equipment (8,457) 104,307 - - Gain on disposal of plant and equipment (8,457) 104,307 - - Reversal of impairment loss on: - (57,364) (73,071) - - - other receivables (27,600) - - - (191,142) - Unrealised gain on (66,206) (10,766) (99,800) (95,9 - - <	 property, plant and equipment 			1,849,415	89,702	11,997
- investments in subsidiaries - - - 4,368,0 - plant and equipment 1,540 2,524,984 - 1,350,0 - other receivables 45,798 - - 1,350,0 - trade receivables 186,432 826,298 - - Interest expense 217,846 267,527 34,753 35,5 Inventories written off 46,113 - - - (Gain/Loss on disposal of plant and equipment (8,457) 104,307 - - (Gain on disposal of subsidiaries 28 (270,856) - (296,240) - Interest income (57,364) (73,071) - - - - Reversal of impairment loss on: - (191,142) - - - - - other receivables - (191,142) - - - - - Operating loss before (2,486,367) (2,329,012) (3,685,634) (1,554,1 - Inventories (13,264,017) 1,551,902 - - - -	Goodwill written off		9,977	-	-	-
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$						
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$			-	-	-	4,368,000
$\begin{array}{cccccccccccccccccccccccccccccccccccc$			1,540	2,524,984	-	-
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	v ,		-	-	-	1,350,000
Interest expense 217,846 267,527 34,753 35,5 Inventories written off 46,113 - - - Plant and equipment written off 119,324 91,355 - - (Gain)/Loss on disposal of 119,324 91,355 - - Gain on disposal of subsidiaries 28 (270,856) - (296,240) Interest income (57,364) (73,071) - - Reversal of impairment loss on: - - (500,000) - - trade receivables (27,600) - - - - other receivables - (191,142) - - Unrealised gain on foreign exchange (66,206) (10,766) (99,800) (95,9) Operating loss before working capital changes (2,486,367) (2,329,012) (3,685,634) (1,554,1) Inventories (13,264,017) 1,551,902 - - - Gross amount by a contract customer (489,166) - - - - <tr< td=""><td></td><td></td><td></td><td>-</td><td>-</td><td>-</td></tr<>				-	-	-
Inventories written off $46,113$ $ -$ Plant and equipment written off $119,324$ $91,355$ $-$ (Gain)/Loss on disposal of $(8,457)$ $104,307$ $-$ Gain on disposal of subsidiaries 28 $(270,856)$ $ (296,240)$ Interest income $(57,364)$ $(73,071)$ $-$ Reversal of impairment loss on: $ (500,000)$ $-$ amount owing by a subsidiary $ (500,000)$ $-$ trade receivables $(27,600)$ $ -$ other receivables $(2,486,367)$ $(2,329,012)$ $(3,685,634)$ $-$ other receivables $(13,264,017)$ $1,551,902$ $ -$ other receivables $(489,166)$ $ -$ Receivables $703,465$ $(12,838,269)$ $682,659$ $(5,070,6)$				· · · · · · · · · · · · · · · · · · ·	-	-
Plant and equipment written off (Gain)/Loss on disposal of plant and equipment $119,324$ $91,355$ $-$ (Gain)/Loss on disposal of plant and equipmentGain on disposal of subsidiaries28 $(270,856)$ $-$ (296,240)Interest income $(57,364)$ $(73,071)$ $-$ Reversal of impairment loss on: - amount owing by a subsidiary $-$ (27,600) $-$ (191,142) $-$ other receivables $(27,600)$ $-$ (10,766) $ -$ Operating loss before working capital changes $(2,486,367)$ $(2,329,012)$ $(3,685,634)$ $(1,554,1)$ Inventories Gross amount by a contract customer $(489,166)$ $703,465$ $-$ $(12,838,269)$ $ -$				267,527	34,753	35,583
$\begin{array}{c c c c c c c c c c c c c c c c c c c $				01.055	-	-
plant and equipment (8,457) 104,307 – Gain on disposal of subsidiaries 28 (270,856) – (296,240) Interest income (57,364) (73,071) – – Reversal of impairment loss on: – – (500,000) – - amount owing by a subsidiary – – (500,000) – - trade receivables (27,600) – – – - other receivables (27,600) – – – - other receivables (27,600) – – – Unrealised gain on foreign exchange (66,206) (10,766) (99,800) (95,9) Operating loss before working capital changes (2,486,367) (2,329,012) (3,685,634) (1,554,1) Inventories contract customer (13,264,017) 1,551,902 – – – Receivables 703,465 (12,838,269) 682,659 (5,070,6)			119,324	91,300	_	-
Gain on disposal of subsidiaries 28 (270,856) - (296,240) Interest income (57,364) (73,071) - Reversal of impairment loss on: - (500,000) - amount owing by a subsidiary - - (500,000) - trade receivables (27,600) - - - other receivables (27,600) - - - other receivables (27,600) - - Unrealised gain on foreign exchange (66,206) (10,766) (99,800) (95,9) Operating loss before working capital changes (2,486,367) (2,329,012) (3,685,634) (1,554,1) Inventories Gross amount by a contract customer (489,166) - - - Receivables 703,465 (12,838,269) 682,659 (5,070,6)			(0 457)	104 207		
Interest income (57,364) (73,071) - Reversal of impairment loss on: - - (500,000) - trade receivables (27,600) - - - other receivables (191,142) - - Unrealised gain on foreign exchange (66,206) (10,766) (99,800) (95,9 Operating loss before working capital changes (2,486,367) (2,329,012) (3,685,634) (1,554,10) Inventories Gross amount by a contract customer (13,264,017) 1,551,902 - - Receivables 703,465 (12,838,269) 682,659 (5,070,6)		29		104,307	(206.240)	_
Reversal of impairment loss on: - - (500,000) - trade receivables - - (500,000) - trade receivables - - - - other receivables - (191,142) - - Unrealised gain on foreign exchange (66,206) (10,766) (99,800) (95,9) Operating loss before working capital changes (2,486,367) (2,329,012) (3,685,634) (1,554,1) Inventories Gross amount by a contract customer (13,264,017) 1,551,902 - - Receivables 703,465 (12,838,269) 682,659 (5,070,6)		20		(73 071)	(230,240)	
- amount owing by a subsidiary - - (500,000) - trade receivables (27,600) - - - other receivables - (191,142) - Unrealised gain on foreign exchange (66,206) (10,766) (99,800) (95,9) Operating loss before working capital changes (2,486,367) (2,329,012) (3,685,634) (1,554,1) Inventories Gross amount by a contract customer (13,264,017) 1,551,902 - - Receivables 703,465 (12,838,269) 682,659 (5,070,6)			(07,004)	(10,011)		
- trade receivables (27,600) - - - - other receivables - (191,142) - - Unrealised gain on foreign exchange (66,206) (10,766) (99,800) (95,9) Operating loss before working capital changes (2,486,367) (2,329,012) (3,685,634) (1,554,11) Inventories Gross amount by a contract customer (13,264,017) 1,551,902 - - Receivables 703,465 (12,838,269) 682,659 (5,070,6)			_	_	(500,000)	_
- other receivables - (191,142) - Unrealised gain on foreign exchange (66,206) (10,766) (99,800) (95,9 Operating loss before working capital changes (2,486,367) (2,329,012) (3,685,634) (1,554,11) Inventories Gross amount by a contract customer (13,264,017) 1,551,902 - - Receivables (489,166) 703,465 - - - -			(27,600)	_	(000,000)	_
Unrealised gain on foreign exchange (66,206) (10,766) (99,800) (95,9) Operating loss before working capital changes (2,486,367) (2,329,012) (3,685,634) (1,554,11) Inventories Gross amount by a contract customer Receivables (13,264,017) 1,551,902 - - (489,166) 703,465 - - - - - -			() · · · · · /	(191,142)	_	_
foreign exchange (66,206) (10,766) (99,800) (95,9) Operating loss before working capital changes (2,486,367) (2,329,012) (3,685,634) (1,554,1) Inventories Gross amount by a contract customer (13,264,017) 1,551,902 - - (489,166) - - - - - - Receivables 703,465 (12,838,269) 682,659 (5,070,6)	Unrealised gain on					
working capital changes (2,486,367) (2,329,012) (3,685,634) (1,554,1) Inventories (13,264,017) 1,551,902 - - Gross amount by a contract customer (489,166) - - - Receivables 703,465 (12,838,269) 682,659 (5,070,6)	-		(66,206)	(10,766)	(99,800)	(95,948)
working capital changes (2,486,367) (2,329,012) (3,685,634) (1,554,14) Inventories (13,264,017) 1,551,902 - - Gross amount by a contract customer (489,166) - - - Receivables 703,465 (12,838,269) 682,659 (5,070,6)	Operating loss before					
Gross amount by a contract customer (489,166) – – – Receivables 703,465 (12,838,269) 682,659 (5,070,6)			(2,486,367)	(2,329,012)	(3,685,634)	(1,554,102)
Gross amount by a contract customer (489,166) - - - Receivables 703,465 (12,838,269) 682,659 (5,070,6)	Inventories		(13,264,017)	1,551,902	_	_
contract customer (489,166) - - Receivables 703,465 (12,838,269) 682,659 (5,070,6)	Gross amount by a					
	contract customer		(489,166)	-	-	-
Davables 2 705 504 1 025 709 2 061 770 74 1	Receivables		703,465	(12,838,269)	682,659	(5,070,605)
rayables 2,190,004 1,000,190 2,001,179 14,1	Payables		2,795,504	1,035,798	2,061,779	74,112
CASH FOR OPERATIONS (12,740,581) (12,579,581) (941,196) (6,550,5	CASH FOR OPERATIONS		(12,740.581)	(12,579.581)	(941.196)	(6,550,595)
Net tax (paid)/ refunded (12,116,601) (12,116,601) (0,000,000)					-	(3)
NET CASH FOR	NET CASH FOR					
			(12,777,512)	(12,555,582)	(941,196)	(6,550,598)

The annexed notes form an integral part of these financial statements.

STATEMENTS OF **CASH FLOWS** FOR THE FINANCIAL YEAR ENDED 31 JULY 2016 (cont'd)

			ne Group	The Company	
	Note	2016 RM	2015 RM	2016 RM	2015 RM
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES					
Acquisition of subsidiaries, net					
of cash and cash equivalents Acquisition of an associate	27	(4,981,199) (490,000)	30	(5,005,092)	(74)
Advances to subsidiaries Interest received		57,364	- 73,071	(13,307,270)	(9,428,829)
Net cash inflow from disposal					
of subsidiaries Proceeds from disposal of:	28	9,089,276	-	-	-
- plant and equipment		53,868	109,825	-	-
- subsidiaries	28	-	-	9,205,000	-
Purchase of property, plant and equipment	29	(1,682,925)	(5,021,455)	(118,077)	_
NET CASH FROM/(FOR) INVESTING ACTIVITIES		2,046,384	(4,838,529)	(9,225,439)	(9,428,903)
CASH FLOWS FROM					
FINANCING ACTIVITIES		(217,846)	(267,527)	(34,753)	(35,583)
Proceeds from issuance of					
ordinary shares pursuant to:					
- exercise of SIS		-	2,489,150	-	2,489,150
- exercise of Warrants B		8,462,650	5,494,090	8,462,650	5,494,090
 private placement Proceeds from issuance of 		-	9,200,600	-	9,200,600
ICPS with warrants		33,070,635	_	33,070,635	_
Expenses incurred for:				, ,	
private placement		_	(98,882)	_	(98,882)
- ICPS with warrants		(575,203)	—	(575,203)	-
Placement of fixed deposit pledged with licensed banks		_	(120,000)	_	_
(Repayment to)/Advances			(
from directors		(68,000)	(190,015)	2,000	2,000
Repayment of: - bankers' acceptances		_	(137,000)	_	_
- hire purchase		(355,586)	(92,913)	(8,760)	_
- term loans		(68,386)	(64,377)	(68,386)	(64,377)
NET CASH FROM FINANCING ACTIVITIES		40,248,264	16,213,126	40,848,183	16,986,998
		,,	, ,	,	
NET INCREASE/(DECREASE) IN					
CASH AND CASH EQUIVALENTS		29,517,136	(1,180,985)	30,681,548	1,007,497
EFFECTS OF FOREIGN					
EXCHANGE TRANSLATION		(4,099)	(33,450)	_	_
CASH AND CASH EQUIVALENTS					
AT BEGINNING OF THE FINANCIAL YEAR		3,065,801	4,280,236	1,663,995	656,498
		0,000,001	7,200,200	1,000,990	000,400
CASH AND CASH EQUIVALENTS					
AT END OF THE FINANCIAL YEAI	R 30	32,578,838	3,065,801	32,345,543	1,663,995

The annexed notes form an integral part of these financial statements.