

**YTL E-SOLUTIONS BERHAD**

Company No. 236137-K

Incorporated in Malaysia

**Interim Financial Report**

**30 June 2015**

**YTL E-SOLUTIONS BERHAD**  
Company No. 236137-K  
Incorporated in Malaysia

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**YTL E-SOLUTIONS BERHAD (Company No. 236137-K)**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT**

Interim financial report on consolidated results for the financial year ended 30 June 2015.

The figures have not been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Current Year Quarter 30.06.2015 RM'000</b>	<b>Preceding Year Corresponding Quarter 30.06.2014 RM'000</b>	<b>12 Months Ended</b>	
			<b>30.06.2015 RM'000</b>	<b>30.06.2014 RM'000</b>
REVENUE	21,038	21,686	87,532	86,834
COST OF SALES	(1,897)	(2,824)	(8,809)	(10,377)
GROSS PROFIT	19,141	18,862	78,723	76,457
OTHER OPERATING INCOME	1,595	1,464	6,569	5,643
ADMINISTRATION EXPENSES	(2,870)	(2,711)	(9,317)	(8,461)
FINANCE COSTS	(1)	(3)	(6)	(12)
SHARE OF RESULTS OF ASSOCIATED COMPANY	(11)	6	591	607
<b>PROFIT BEFORE TAX</b>	17,854	17,618	76,560	74,234
INCOME TAX EXPENSE	(4,418)	(4,364)	(19,111)	(18,525)
<b>PROFIT FOR THE YEAR</b>	13,436	13,254	57,449	55,709
<b>ATTRIBUTABLE TO:</b>				
Owners of the Parent	7,978	7,967	35,830	34,511
Non-Controlling Interests	5,458	5,287	21,619	21,198
	13,436	13,254	57,449	55,709
<b>EARNINGS PER 10 SEN SHARE</b>				
Basic (sen)	0.59	0.60	2.66	2.57

The Condensed Consolidated Income Statement should be read in conjunction with the audited annual financial statements for the year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

**YTL E-SOLUTIONS BERHAD (Company No. 236137-K)**  
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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Current Year Quarter</b> <b>30.06.2015</b> <b>RM'000</b>	<b>Preceding Year Corresponding Quarter</b> <b>30.06.2014</b> <b>RM'000</b>	<b>12 Months Ended</b> <b>30.06.2015</b> <b>RM'000</b>	<b>30.06.2014</b> <b>RM'000</b>
<b>PROFIT FOR THE YEAR</b>	13,436	13,254	57,449	55,709
<b>OTHER COMPREHENSIVE INCOME:</b>				
<i>ITEM THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO INCOME STATEMENT:-</i>				
CURRENCY TRANSLATION DIFFERENCES	1,241	84	1,313	1,670
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX</b>	1,241	84	1,313	1,670
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	14,677	13,338	58,762	57,379
<b>ATTRIBUTABLE TO:</b>				
Owners of the Parent	9,219	8,051	37,143	36,181
Non-Controlling Interests	5,458	5,287	21,619	21,198
	14,677	13,338	58,762	57,379

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited annual financial statements for the year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

**YTL E-SOLUTIONS BERHAD (Company No. 236137-K)**  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Unaudited As at 30.06.2015 RM'000</b>	<b>Audited As at 30.06.2014 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,071	2,285
Goodwill on consolidation	2,490	2,490
Other intangible assets	60	59
Investment in associate	8,541	7,950
Investment	898	-
Deferred tax asset	185	136
	-----	-----
	14,245	12,920
	-----	-----
<b>Current assets</b>		
Inventories	-	21
Trade and other receivables	1,416	1,161
Income tax assets	149	1,596
Amount due from related parties	14,365	14,627
Cash and cash equivalents	220,243	211,517
	-----	-----
	236,173	228,922
	-----	-----
<b>TOTAL ASSETS</b>	<b>250,418</b>	<b>241,842</b>
	=====	=====
<b>EQUITY</b>		
Share capital	135,000	135,000
Share premium	1,475	1,475
Other reserves	(3,124)	(4,437)
Retained earnings	67,650	85,633
Treasury shares, at cost	(2,143)	(2,141)
	-----	-----
<b>Equity attributable to Owners of the Parent</b>	<b>198,858</b>	<b>215,530</b>
<b>Non-Controlling Interests</b>	<b>2,835</b>	<b>13,400</b>
	-----	-----
<b>TOTAL EQUITY</b>	<b>201,693</b>	<b>228,930</b>
	-----	-----

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

**YTL E-SOLUTIONS BERHAD (Company No. 236137-K)**  
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**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - continued**

	<b>Unaudited As at 30.06.2015 RM'000</b>	<b>Audited As at 30.06.2014 RM'000</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Deferred tax liabilities	165	215
Loan and borrowings	-	61
	-----	-----
	165	276
	-----	-----
<b>Current liabilities</b>		
Trade and other payables	46,386	12,321
Provisions	14	37
Amount due to related parties	25	2
Loan and borrowings	61	129
Income tax liabilities	2,074	147
	-----	-----
	48,560	12,636
	-----	-----
<b>TOTAL LIABILITIES</b>	<b>48,725</b>	<b>12,912</b>
	-----	-----
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>250,418</b>	<b>241,842</b>
	=====	=====
<b>Net assets per 10 sen share (RM)</b>	<b>0.15</b>	<b>0.16</b>
	=====	=====

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

**YTL E-SOLUTIONS BERHAD (Company No. 236137-K)**  
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**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015**

	← Attributable to Owners of the Parent →						Total RM'000	Non-Controlling Interests RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Currency translation reserve RM'000	Retained earnings RM'000	Treasury shares RM'000			
At 1 July 2014	135,000	1,475	10	(4,447)	85,633	(2,141)	215,530	13,400	228,930
Profit for the financial year	-	-	-	-	35,830	-	35,830	21,619	57,449
Other comprehensive income for the financial year, net of tax	-	-	-	1,313	-	-	1,313	-	1,313
Total comprehensive income for the financial year	-	-	-	1,313	35,830	-	37,143	21,619	58,762
Transaction with owners:									
Treasury shares acquired	-	-	-	-	-	(2)	(2)	-	(2)
Dividend to owners of the Parent	-	-	-	-	(53,813)	-	(53,813)	-	(53,813)
Dividend to non-controlling interest by subsidiary	-	-	-	-	-	-	-	(32,184)	(32,184)
Total transactions with owners	-	-	-	-	(53,813)	(2)	(53,815)	(32,184)	(85,999)
At 30 June 2015	135,000	1,475	10	(3,134)	67,650	(2,143)	198,858	2,835	201,693

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited annual financial statements for the year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014**

	← Attributable to Owners of the Parent →					Treasury shares RM'000	Total RM'000	Non-Controlling Interests RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Currency translation reserve RM'000	Retained earnings RM'000				
At 1 July 2013	135,000	1,475	10	(6,106)	78,023	(2,141)	206,261	11,701	217,962
Profit for the financial year	-	-	-	-	34,511	-	34,511	21,198	55,709
Other comprehensive income for the financial year, net of tax	-	-	-	1,670	-	-	1,670	-	1,670
Total comprehensive income for the financial year	-	-	-	1,670	34,511	-	36,181	21,198	57,379
Transaction with owners:									
Additional investment in an existing subsidiary	-	-	-	(11)	6	-	(5)	(59)	(64)
Treasury shares acquired	-	-	-	-	-	(*)	(*)	-	(*)
Dividend to owners of the Parent	-	-	-	-	(26,907)	-	(26,907)	-	(26,907)
Dividend to non-controlling interest by subsidiary	-	-	-	-	-	-	-	(19,440)	(19,440)
Total transactions with owners	-	-	-	(11)	(26,901)	(*)	(26,912)	(19,499)	(46,411)
At 30 June 2014	135,000	1,475	10	(4,447)	85,633	(2,141)	215,530	13,400	228,930

\* Less than RM1,000

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited annual financial statements for the year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.



**YTL E-SOLUTIONS BERHAD (Company No. 236137-K)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015**

	<b>12 MONTHS ENDED</b>	
	<b>30.06.2015</b>	<b>30.06.2014</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	76,560	74,234
Adjustments for:-		
Allowance for obsolete inventories	-	14
Allowance for obsolete inventories no longer required	(43)	(7)
Amortisation of other intangible assets	56	48
Depreciation of property, plant and equipment	591	587
Impairment loss on trade receivable	57	110
Interest expenses	6	12
Interest income	(6,511)	(5,639)
Inventories written off	43	-
Property, plant and equipment written-off	17	1
Reversal of impairment loss on trade receivables	(30)	-
Share of results of associated company	(591)	(607)
	-----	-----
Operating profit before working capital changes	70,155	68,753
Changes in working capital:-		
Inventories	21	28
Receivables	(343)	776
Payables	34,044	(6,641)
Related parties	285	109
	-----	-----
Cash generated from operations	104,162	63,025
Interest paid	(6)	(12)
Interest received	6,572	5,590
Tax paid	(19,215)	(19,147)
Tax refunded	3,379	39
	-----	-----
<b>Net cash from operating activities</b>	<b>94,892</b>	<b>49,495</b>
	-----	-----

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

**YTL E-SOLUTIONS BERHAD (Company No. 236137-K)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015- continued**

	<b>12 MONTHS ENDED</b>	
	<b>30.06.2015</b>	<b>30.06.2014</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from investing activities</b>		
Acquisition of investment	(898)	-
Additional investment in an existing subsidiary	-	(64)
Purchase of property, plant and equipment	(394)	(78)
Purchase of other intangible assets	(57)	(2)
	-----	-----
<b>Net cash used in investing activities</b>	<b>(1,349)</b>	<b>(144)</b>
	-----	-----
<b>Cash flows from financing activities</b>		
Dividend to owners of the Parent	(53,813)	(26,907)
Dividend to non-controlling interest by subsidiary	(32,184)	(19,440)
Repayment of loans and borrowings	(129)	(123)
Purchase of own shares (net)	(2)	(*)
	-----	-----
<b>Net cash used in financing activities</b>	<b>(86,128)</b>	<b>(46,470)</b>
	-----	-----
Net increase in cash and cash equivalents	7,415	2,881
Effects of exchange rate changes	1,311	1,682
Cash and cash equivalents at beginning of the financial year	211,517	206,954
	-----	-----
<b>Cash and cash equivalents at end of the financial year</b>	<b>220,243</b>	<b>211,517</b>
	=====	=====
Cash and cash equivalents comprise:-		
Deposits with licensed banks	219,655	210,403
Cash on hand and at banks	588	1,114
	-----	-----
	<b>220,243</b>	<b>211,517</b>
	=====	=====

\* Less than RM 1,000

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL REPORT**

**Notes:-**

**Disclosure requirements pursuant to Malaysian Financial Reporting Standard 134**

The interim financial reports should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 30 June 2014.

**A1. Accounting Policies and Methods of Computation**

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 Rule 9.22 of the ACE Market Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”).

The accounting policies and methods of computations adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the financial year ended 30 June 2014.

The adoption of MFRSs and amendments to MFRSs which were effective for financial year beginning on or after 1 July 2014 do not have significant financial impact on the Group.

**A2. Seasonality or Cyclicity of Operations**

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

**A3. Unusual Items**

During the current financial quarter, there was no item of an unusual nature that affects the assets, liabilities, equity, net income or cash flows of the Group.

**A4. Changes in Estimates of Amounts Reported**

There was no significant change in estimates of amounts reported in prior interim periods or prior financial years.

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**INTERIM FINANCIAL REPORT**

**Notes:- continued**

**A5. Changes in Debt and Equity Securities**

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities except for the following:-

During the financial period-to-date, the Company repurchased 2,000 ordinary shares of RM0.10 each of its issued share capital from the open market, at an average cost of RM0.63 per share. The total consideration paid for the share buy-back, including transaction costs during the financial year-to-date amounted to RM1,267.37 and were financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965. As at 30 June 2015, the total number of treasury shares held was 4,674,900 ordinary shares of RM0.10 each.

**A6. Dividends paid**

An interim single tier dividend of 4 sen per ordinary share of 10 sen each amounting to RM53,813,044 in respect of financial year ended 30 June 2014 was paid on 14 November 2014.

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**INTERIM FINANCIAL REPORT**

Notes:- continued

**A7. Segment Information**

The Group's segmental results for the financial year ended 30 June 2015 are as follows:-

	<b>Information technology and e-commerce RM'000</b>	<b>Communications technology RM'000</b>	<b>Content and digital media RM'000</b>	<b>Adjustments/ eliminations RM'000</b>	<b>Total RM'000</b>
External revenue	5,091	75,042	7,399	-	87,532
Inter-segment revenue	40	-	7	(47)	-
	-----	-----	-----	-----	-----
<b>Total revenue</b>	<b>5,131</b>	<b>75,042</b>	<b>7,406</b>	<b>(47)</b>	<b>87,532</b>
	=====	=====	=====	=====	=====
Segment profit before tax	1,058	73,557	1,945	-	76,560
	=====	=====	=====	=====	=====

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**INTERIM FINANCIAL REPORT**

Notes:- continued

**A7. Segment Information- continued**

The Group's segmental results for the financial year ended 30 June 2014 are as follows:-

	<b>Information technology and e-commerce RM'000</b>	<b>Communications technology RM'000</b>	<b>Content and digital media RM'000</b>	<b>Adjustments/ eliminations RM'000</b>	<b>Total RM'000</b>
External revenue	5,138	75,112	6,584	-	86,834
Inter-segment revenue	6	-	21	(27)	-
	-----	-----	-----	-----	-----
<b>Total revenue</b>	<b>5,144</b>	<b>75,112</b>	<b>6,605</b>	<b>(27)</b>	<b>86,834</b>
	=====	=====	=====	=====	=====
Segment profit before tax	1,594	72,029	611	-	74,234
	=====	=====	=====	=====	=====

**INTERIM FINANCIAL REPORT**

**Notes:- continued**

**A8. Events after the Interim Period**

There was no item, transaction or event of a material or unusual in nature during the period from the end of the quarter under review to the date of this report.

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

There were no changes in the composition of the Group for the financial year ended 30 June 2015, including business combinations, obtaining or losing control of subsidiaries and long term investments, restructurings and discontinued of operations except on 23 April 2015, YTL E-Solutions Berhad entered into a Simple Agreement for Future Equity with Business Pixel Sdn Bhd (“BPSL”) for USD250,000.00 for the right to be issued and allotted with certain shares in BPSL.

BPSL was incorporated in Malaysia on 11 March 2015 and is principally involved in research and development, design, manufacturing and trading all types of computer software technology, electronic data processing and investment holding.

**A10. Changes in Contingent Liabilities**

There were no changes in the contingent liabilities of the Group since the last financial year ended 30 June 2014.

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**INTERIM FINANCIAL REPORT**

Notes:- continued

**Disclosure requirements per Appendix 9B, Part K of Chapter 9 of the ACE Market Listing Requirements of Bursa Securities**

**B1. Review of Performance**

	Individual Quarter		Cumulative Quarter	
	30.06.2015 RM'000	30.06.2014 RM'000	30.06.2015 RM'000	30.06.2014 RM'000
<b>Revenue</b>				
Information technology and e-commerce	972	1,236	5,091	5,138
Communications technology	18,760	18,766	75,042	75,112
Content and digital media	1,306	1,684	7,399	6,584
	----- 21,038 =====	----- 21,686 =====	----- 87,532 =====	----- 86,834 =====
<b>Profit/(loss) before tax</b>				
Information technology and e-commerce	(425)	(63)	1,058	1,594
Communications technology	18,343	17,809	73,557	72,029
Content and digital media	(64)	(128)	1,945	611
	----- 17,854 =====	----- 17,618 =====	----- 76,560 =====	----- 74,234 =====

Part A – Financial year-to-date review

For the financial year under review, the Group recorded revenue and profit before tax of RM87.532 million and RM76.560 million respectively, representing an increase of 0.8% and 3.1% respectively, compared to the preceding financial year ended 30 June 2014. The increase in profit before tax was mainly due to higher profit before tax from the Content and Digital Media segment and higher interest income earned on cash deposits in the current financial year.

The performance of the respective operating segments is as follows:-

i) Information technology and e-commerce

Revenue and profit before tax of RM5.091 million and RM1.058 million respectively, representing a decrease of 0.9% and 33.6%. The decline in revenue was due to lower income recorded on hardware sales activities and maintenance services while the decline in profit before tax was due to lower interest income on lower cash deposit in the current financial year after the payment of dividends to shareholders in the 2nd Quarter 2015.



**INTERIM FINANCIAL REPORT**

**Notes:- continued**

**B1. Review of Performance - continued**

ii) Communications technology

Revenue derived from the spectrum sharing agreement in relation to the Group's 2.3GHz Worldwide Interoperability for Microwave Access ("WIMAX") spectrum was largely unchanged compared to the preceding financial year. The increase in profit before tax was due to higher interest income earned on cash deposits in the current financial year.

iii) Content and digital media

Revenue and profit before tax of RM7.399 million and RM1.945 million respectively, represented an increase of 12.4% and 218.3% respectively, compared to the preceding financial year revenue of RM6.584 million and profit before tax of RM0.611 million. The increase in profit before tax was mainly due to a higher gross profit margins as a result of substantially higher digital media advertising income recorded in the current year compared to the preceding financial year ended 30 June 2014.

Part B – Current quarter review

The Group recorded a revenue and profit before tax for the current financial quarter of RM21.038 million and RM17.854 million respectively, representing a decrease of 3.0% and an increase of 1.3% respectively, compared to preceding year's corresponding quarter. The increase in profit before tax was mainly due to higher interest income earned on cash deposits in the current financial quarter.

The performance of the respective operating segments was as follows:-

i) Information technology and e-commerce

Revenue and loss before tax of RM0.972 million and RM0.425 million respectively, represented a decrease of 21.4% and an increase of 574.6% respectively, compared to the preceding year's corresponding quarter. The decrease in profit before tax was mainly due to the lower interest income earned on lower cash deposit in the current financial quarter after the payments of dividends to shareholder in the 2nd Quarter 2015.

ii) Communications technology

Revenue derived from the spectrum sharing agreement in relation to the Group's 2.3GHz Worldwide Interoperability for Microwave Access ("WIMAX") spectrum was largely unchanged compared to the preceding year's corresponding quarter. The increase in profit before tax was due to higher interest income earned on cash deposits in the current financial quarter.

**INTERIM FINANCIAL REPORT**

**Notes:- continued**

**B1. Review of Performance - continued**

iii) Content and digital media

Revenue and loss before tax of RM1.306 million and RM0.064 million respectively, represented a decrease of 22.4% and 50.0% respectively, compared to the preceding year's corresponding quarter. The decrease in loss before tax was mainly due to a higher gross profit margin compared to the preceding year's corresponding quarter.

**B2. Comparison with Preceding Quarter**

	<b>Current Quarter 30.06.2015 RM'000</b>	<b>Preceding Quarter 31.03.2015 RM'000</b>
Revenue	21,038	22,127
Profit before tax	17,854	19,259

Group revenue decreased marginally and the profit before tax decreased by 8.6% compared to that recorded in the preceding quarter. The decrease was mainly due to higher administrative expenses in current financial quarter.

**B3. Audit Report of the Preceding Financial Year Ended 30 June 2014**

The auditors' report on the financial statements of the financial year ended 30 June 2014 did not contain any qualification.

**B4. Prospects**

Given a very significant portion of Group revenue is derived from spectrum sharing fee income from its Communications Technology segment, the outlook for the Group's overall performance in the financial year ending 30 June 2016 should be satisfactory. The Group is continually focusing on improving the returns from its Content and Digital Media segment by seeking to spread its reach and improve its sales mix. Meanwhile, the Information Technology and e-Commerce segment should remain stable.

**B5. Profit Forecast**

The Group did not issue any profit forecast or profit guarantee in a public document during the current financial quarter.

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Notes:- continued

**B6. Profit for the period/year**

	<b>Current Year Quarter 30.06.2015 RM'000</b>	<b>Financial Year- To-Date 30.06.2015 RM'000</b>
Profit for the period is derived after charging /(crediting):-		
Amortisation of other intangible assets	16	56
Depreciation of property, plant and equipment	166	591
Impairment loss on trade receivables	57	57
Interest expenses	1	6
Interest income	(1,585)	(6,511)
Inventories written off	43	43
	=====	=====

Other than the above items, there was no investment income, write off of receivables, allowance for impairment, gain or loss on disposal of quoted or unquoted investments or properties, impairment of assets, foreign exchange gain or loss, gain or loss on derivatives and exceptional items for the current financial quarter and financial year-to-date.

**B7. Income Tax Expense**

	<b>Current Year Quarter 30.06.2015 RM'000</b>	<b>Financial Year- To-Date 30.06.2015 RM'000</b>
Taxation based on profit for the period/year	4,517	19,258
Under provision of taxation in prior year	-	(48)
Deferred taxation	(100)	(100)
Over provision of deferred taxation in prior year	1	1
	----- 4,418 =====	----- 19,111 =====

The provision for taxation for the current financial quarter and financial year-to-date reflects an effective tax rate which approximates to the statutory income tax rate.

**B8. Status of Corporate Proposals**

As at the date of this report, there are no corporate proposals announced and pending completion.

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**Notes:- continued**

**B9. Group Borrowings and Debt Securities**

The Group's borrowings from financial institutions as at 30 June 2015 are as follows:-

	<b>Short term RM'000</b>	<b>Total RM'000</b>
Secured	61	61
	=====	=====

**B10. Derivative Financial Instruments, Fair Value Changes of Financial Liabilities and Realised and Unrealised Profits and Losses**

**i) Derivative Financial Instruments**

There is no outstanding derivative financial instrument as at 30 June 2015.

**ii) Fair Value Changes of Financial Liabilities**

As at 30 June 2015, the Group does not have any financial liabilities measured at fair value through profit or loss.

**iii) Realised and Unrealised Profits and Losses**

	<b>Unaudited As at 30.06.2015 RM'000</b>	<b>Audited As at 30.06.2014 RM'000</b>
Retained earnings of the Company and its subsidiaries		
- Realised	48,268	77,507
- Unrealised	21	(79)
	-----	-----
	48,289	77,428
	-----	-----
Retained earnings of the associated company		
- Realised	1,325	718
- Unrealised	(34)	(18)
	-----	-----
	1,291	700
	-----	-----
Consolidated adjustments	18,070	7,505
	-----	-----
Total Group retained earnings as per consolidated interim financial report	67,650	85,633
	=====	=====

**INTERIM FINANCIAL REPORT**

**Notes:- continued**

**B11. Material Litigation**

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

**B12. Dividend**

The Board of Directors (“Board”) is pleased to declare an interim single tier dividend of 40% or 4 sen per ordinary share of 10 sen each for the financial year ended 30 June 2015.

The book closure and payment dates in respect of the aforesaid dividend are 7 October 2015 and 23 October 2015, respectively.

The Board does not recommend a final dividend for the financial year ended 30 June 2015 (2014 : nil).

**B13. Earnings Per Share**

**i) Basic earnings per 10 sen share**

The basic earnings per share of the Group has been computed by dividing the profit attributable to owners of the parent for the financial quarter by the weighted average number of ordinary shares in issue during the financial quarter as set out below:-

	<b>Current Year Quarter 30.06.2015</b>	<b>Preceding Year Corresponding Quarter 30.06.2014</b>
Profit attributable to owners of the parent (RM'000)	7,978	7,967
Weighted average number of ordinary shares in issue ('000)	1,345,326	1,345,327
Basic earnings per share (sen)	0.59	0.60

**ii) Diluted earnings per share**

The Group does not have any convertible securities and accordingly, the disclosure of diluted earnings per share is not applicable.

By Order of the Board  
HO SAY KENG  
Secretary

Kuala Lumpur  
Dated: 20 August 2015