

**KARYON INDUSTRIES BERHAD (Company No: 612797-T)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE 2ND QUARTER ENDED 30 JUNE 2015**  
(The figures have not been audited)

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>CURRENT YEAR QUARTER 30/06/15 RM'000</u>	<u>PRECEDING YEAR CORRESPONDING QUARTER 30/06/14 RM'000</u>	<u>CURRENT YEAR TO DATE 30/06/15 RM'000</u>	<u>PRECEDING YEAR CORRESPONDING PERIOD 30/06/14 RM'000</u>
REVENUE	31,251	34,518	65,217	65,547
COST OF SALES	(26,784)	(30,977)	(55,957)	(57,634)
GROSS PROFIT	4,467	3,541	9,260	7,913
OTHER INCOME	123	169	476	324
ADMINISTRATIVE AND OPERATING EXPENSES	(2,678)	(3,119)	(5,544)	(5,717)
FINANCE COSTS	(21)	(3)	(24)	(8)
SHARE OF PROFIT/(LOSS) OF A JOINT VENTURE	98	9	38	(96)
PROFIT BEFORE TAX	1,989	597	4,206	2,416
TAXATION	(623)	(405)	(1,210)	(974)
PROFIT FOR THE FINANCIAL PERIOD	1,366	192	2,996	1,442
OTHER COMPREHENSIVE INCOME / (LOSS)				
Foreign currency translation	183	(75)	511	(232)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,549	117	3,507	1,210
Profit attributable to:				
Owners of the parent	1,366	192	2,996	1,442
Total comprehensive income attributable to:				
Owners of the parent	1,549	117	3,507	1,210
Earnings per share (sen)				
Basic	0.29	0.05	0.63	0.38
Diluted	0.29	0.05	0.63	0.38

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to this interim financial statements on page 5-15)

**KARYON INDUSTRIES BERHAD (Company No: 612797-T)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2015**  
(The figures have not been audited)

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>As at 30/06/15</b>	<b>As at 31/12/14</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	31,308	22,978
Prepaid lease payments for land	514	518
Investment in a joint venture	6,017	5,468
	<u>37,839</u>	<u>28,964</u>
<b>Current assets</b>		
Inventories	16,364	18,077
Trade and other receivables	25,695	23,202
Current tax assets	218	413
Cash and cash equivalents	19,760	21,639
	<u>62,037</u>	<u>63,331</u>
<b>TOTAL ASSETS</b>	<u>99,876</u>	<u>92,295</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	47,572	47,572
Reserves	33,157	29,650
	<u>80,729</u>	<u>77,222</u>
<b>TOTAL EQUITY</b>	<u>80,729</u>	<u>77,222</u>
<b>Non-current liabilities</b>		
Borrowings	5,480	-
Deferred tax liabilities	1,628	1,628
	7,108	1,628
<b>Current liabilities</b>		
Trade and other payables	10,239	12,710
Borrowings	1,681	703
Current tax liabilities	119	32
	<u>12,039</u>	<u>13,445</u>
<b>TOTAL LIABILITIES</b>	<u>19,147</u>	<u>15,073</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>99,876</u>	<u>92,295</u>
Net assets per share attributable to owners of the parent (RM)	<u>0.17</u>	<u>0.16</u>

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to this interim financial statements on page 5-15)

**KARYON INDUSTRIES BERHAD (Company No: 612797-T)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE 2ND QUARTER ENDED 30 JUNE 2015  
(The figures have not been audited)**

**Quarter ended 30 June 2015**

	ATTRIBUTABLE TO OWNERS OF THE PARENT				
	SHARE CAPITAL	SHARE PREMIUM	EXCHANGE TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Balance as at 01.01.2015	47,572	37	816	28,797	77,222
Total comprehensive income for the period	-	-	511	2,996	3,507
Balance as at 30.06.2015	47,572	37	1,327	31,793	80,729

**Quarter ended 30 June 2014**

	ATTRIBUTABLE TO OWNERS OF THE PARENT				
	SHARE CAPITAL	SHARE PREMIUM	EXCHANGE TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Balance as at 01.01.2014	38,038	9,646	598	29,414	77,696
Total comprehensive income for the period	-	-	(232)	1,442	1,210
Transaction with owners					
- Exercise of ESOS	7	1	-	-	8
Balance as at 30.06.2014	38,045	9,647	366	30,856	78,914

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to this interim financial statements on page 5-15)

**KARYON INDUSTRIES BERHAD (Company No: 612797-T)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE 2ND QUARTER ENDED 30 JUNE 2015  
(The figures have not been audited)**

	<b>CURRENT YEAR TO DATE 30/06/15 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD 30/06/14 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	4,206	2,416
Adjustments for:		
Amortisation of prepaid lease payments for land	4	3
Bad debts recovery	(2)	-
Depreciation on property, plant and equipment	477	426
Interest expenses	24	8
Interest income	(221)	(175)
Unrealised loss on foreign exchange	42	
Share of (profit) / loss of a joint venture	(38)	96
Operating profit before working capital changes	<u>4,492</u>	<u>2,774</u>
Net changes in inventories	1,713	(3,418)
Net changes in trade and other receivables	(2,441)	(1,675)
Net changes in trade and other payables	(2,498)	829
Net changes in deposits	(6)	(7)
CASH FROM/(USED IN) OPERATIONS	<u>1,260</u>	<u>(1,497)</u>
Interest paid	(24)	(8)
Tax paid	(928)	(1,784)
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<u>308</u>	<u>(3,289)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	221	175
Purchase of property, plant and equipment	(8,807)	(471)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(8,586)</u>	<u>(296)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown / (repayment) of term loans	5,944	(136)
Drawdown of bankers' acceptances	514	-
Proceeds from issuance of shares - ESOS	-	8
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<u>6,458</u>	<u>(128)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<u>(1,820)</u>	<u>(3,713)</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON CASH &amp; CASH EQUIVALENTS</b>		
	(65)	-
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	20,642	24,294
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD (Note 1)</b>	<u>18,757</u>	<u>20,581</u>

Note:

**RM'000**

**1) Cash and cash equivalents**

Cash and cash equivalents included in the statement of cash flows comprise of the following:

Cash and bank balances	19,760
Less: Deposits pledged with licensed banks	(1,003)
Cash and bank balances at end of the period	<u>18,757</u>

(The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to this interim financial statements on page 5-15)

**KARYON INDUSTRIES BERHAD (“KIB”)**

(Company No: 612797-T)

(Incorporated in Malaysia)

**UNAUDITED QUARTERLY REPORT FOR THE 2ND QUARTER ENDED 30 JUNE 2015**

Explanatory notes to the Interim Financial Statements

**1. Accounting Policies and Basis of Preparation**

This interim financial statements has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2014.

**2. Significant Accounting Policies**

The significant accounting policies adopted by KIB and its subsidiaries (“Group”) in this interim financial statements are consistent with those adopted in the financial statements for the financial year ended 31 December 2014 except for the newly-issued Malaysian Accounting Standards Board approved accounting framework - MFRS and IC Interpretations to be applied by all Entities Other Than Private Entities for the financial period beginning on 1 January 2015, which are as follows:

Amendments to MFRS 119	Defined Benefit Plans: Employee Contributions
Amendments to MFRSs Annual Improvements to MFRSs 2010-2012 Cycle	
Amendments to MFRSs Annual Improvements to MFRSs 2011-2013 Cycle	

The adoption of the abovementioned MFRS, Amendments to MFRS and Interpretations will have no material impact on the financial statements of the Group upon their initial application.

At the date of authorisation of these interim financial statements, the following MFRS and Amendments to MFRSs were issued but not yet effective and have not been applied by the Group:

<b>MFRSs and Amendments to FRSS issued but not yet effective</b>		<b>Effective for annual periods beginning on or after</b>
MFRS 14	Regulatory Deferral Accounts	1 January 2016
MFRS 101	Disclosure Initiative	1 January 2016
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 127	Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 10, MFRS12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 116 & MFRS 141	Agriculture: Bearer Plants	1 January 2016
Amendments to MFRSs Annual Improvements to MFRSs 2012-2014 Cycle		1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2017
MFRS 9	Financial Instruments	1 January 2018

**3. Audit Report of the Preceding Audited Financial Statements**

The auditors' report of the preceding annual financial statements of the Group was not subject to any qualification.

**4. Seasonal or Cyclical Factors**

There were no seasonal or cyclical factors affecting the results of the Group for the current financial quarter under review.

**5. Unusual Items**

There were no items or events that arose, which is unusual because of its nature, size, or incidence that has affected the assets, liabilities, equity, net income or cash flows of the Group for the current financial quarter under review.

**6. Material Changes in Estimates**

There were no material changes in estimates of amounts reported in prior financial years that have material effect on the current financial year under review.

**7. Changes in Debts and Equity Securities**

There were no issuance and repayment of debt and equity securities, share buy-backs and share cancellation for the current financial quarter under review.

**8. Dividends Declared/ Paid**

The dividend declared/paid during the current financial quarter and cumulative financial year-to-date is as follows:

	<b>2015</b>	<b>2014</b>
	<b>RM</b>	<b>RM</b>
Interim dividend:		
Single tier interim dividend of 4.00% or RM0.0040 per ordinary share of RM0.10 each in respect of the financial year ended 31 December 2015, which was declared on 3 June 2015 and paid on 3 July 2015	<u>1,902,853</u>	
Final dividend:		
Final single tier dividend of 6.00% or RM0.0060 per ordinary share of RM0.10 each in respect of the financial year ended 31 December 2013, which was declared on 22 April 2014 and paid on 18 July 2014		<u>2,282,702</u>

## 9. Segmental Reporting

The segmental result of the Group for the current financial quarter under review is set out below:

### 3 months ended 30 June 2015

	Investment Holding	Manufacturing of Polymeric Product	Manufacturing of Oleochemical Product	Total
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>				
Sales (Gross)	3,228	33,388	27	36,644
Inter-segment sales	(3,215)	(2,177)	-	(5,393)
External	13	31,211	27	31,251
<b>RESULT</b>				
Segment result	(552)	2,645	(181)	1,912
Finance costs	-	(21)	-	(21)
Share of profit of a joint venture	98	-	-	98
(Loss)/Profit before tax	(454)	2,624	(181)	1,989
Taxation	(122)	(501)	-	(623)
(Loss)/Profit after tax	(576)	2,123	(181)	1,366

### **Consolidated Statement of Financial Position**

Segment assets	10,925	82,260	6,691	99,876
Segment liabilities	539	18,572	36	19,147

### 3 months ended 30 June 2014

	Investment Holding	Manufacturing of Polymeric Product	Manufacturing of Oleochemical Product	Total
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>				
Sales (Gross)	3,666	34,085	2,791	40,542
Inter-segment sales	(3,641)	(2,378)	(5)	(6,024)
External	25	31,707	2,786	34,518
<b>RESULT</b>				
Segment result	(1,117)	1,840	(132)	591
Finance costs	-	(3)	-	(3)
Share of profit of a joint venture	9	-	-	9
(Loss)/Profit before tax	(1,108)	1,837	(132)	597
Taxation	(265)	(154)	14	(405)
(Loss)/Profit after tax	(1,373)	1,683	(118)	192

### **Consolidated Statement of Financial Position**

Segment assets	8,572	74,492	10,226	93,290
Segment liabilities	492	12,945	939	14,376

## 9. Segmental Reporting

The segmental result of the Group for the cumulative financial quarter under review is set out below:

### 6 months ended 30 June 2015

	Investment Holding	Manufacturing of Polymeric Product	Manufacturing of Oleochemical Product	Total
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>				
Sales (Gross)	3,812	65,976	3,210	72,999
Inter-segment sales	(3,793)	(3,986)	(2)	(7,782)
External	19	61,990	3,208	65,217
<b>RESULT</b>				
Segment result	(1,120)	5,398	(86)	4,192
Finance costs	-	(24)	-	(24)
Share of profit of a joint venture	38	-	-	38
(Loss)/Profit before tax	(1,082)	5,374	(86)	4,206
Taxation	(164)	(1,046)	-	(1,210)
(Loss)/Profit after tax	(1,246)	4,328	(86)	2,996

### **Consolidated Statement of Financial Position**

Segment assets	10,925	82,260	6,691	99,876
Segment liabilities	539	18,572	36	19,147

### 6 months ended 30 June 2014

	Investment Holding	Manufacturing of Polymeric Product	Manufacturing of Oleochemical Product	Total
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>				
Sales (Gross)	4,533	64,818	5,204	74,555
Inter-segment sales	(4,476)	(4,514)	(18)	(9,008)
External	57	60,304	5,186	65,547
<b>RESULT</b>				
Segment result	(1,918)	4,431	7	2,520
Finance costs	-	(8)	-	(8)
Share of loss of a joint venture	(96)	-	-	(96)
(Loss)/Profit before tax	(2,014)	4,423	7	2,416
Taxation	(383)	(591)	-	(974)
(Loss)/Profit after tax	(2,397)	3,832	7	1,442

### **Consolidated Statement of Financial Position**

Segment assets	8,572	74,492	10,226	93,290
Segment liabilities	492	12,945	939	14,376



**10. Valuation of Property, Plant and Equipment**

The Group's property, plant and equipment is carried at cost and have been brought forward without amendment from the latest audited annual financial statements.

**11. Material Events Subsequent to the End of the Current Financial Quarter**

There were no material events that have occurred from 1 July 2015 to the date of announcement.

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

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

**13. Contingent Liabilities and Contingent Assets**

**(a) Contingent liabilities**

The amounts of contingent liabilities as at 30 June 2015 are as follows:

	<u>RM</u>
Guarantees to banks for trade facilities granted	34,550,000
Guarantees to suppliers	<u>3,000,000</u>

**(b) Contingent assets**

There were no contingent assets as at the end of current financial quarter under review.

**14. Capital Commitment**

Capital commitment as at 30 June 2015 is as follows:

	<u>RM</u>
Property, plant and equipment: Approved and contracted for	<u>878,278</u>

## 15. Performance Review

### Current Financial Quarter as compared with Previous Year Corresponding Quarter

	3 Months Ended		Variance	
	30.06.2015	30.06.2014	Amount	%
	RM'000	RM'000	RM'000	
Revenue	31,251	34,518	(3,267)	(9.46)
Profit before tax	1,989	597	1,392	233.17

For the quarter ended 30 June 2015, the Group recorded revenue of RM31.251 million, a decrease of RM3.267 million or 9.46% as compared to revenue of RM34.518 million recorded for the corresponding quarter ended 30 June 2014. The decrease in revenue was due mainly to the cessation of operation of the oleochemical division.

Notwithstanding the decrease in revenue, the Group's profit before tax for the quarter ended 30 June 2015 had increased to RM1.989 million as compared to the profit before tax of RM0.597 million recorded in the corresponding period of the preceding financial year, which was due mainly to the decrease in cost of materials for the polymeric division. In addition, there was an expense incurred for transfer listing exercise in the preceding financial year corresponding quarter.

Performance of the respective operating business segments for the current financial quarter as compared to the corresponding quarter of the previous year is analysed as follows:

#### Polymeric division

The revenue of the polymeric division had decreased by RM0.496 million which was due mainly to the slight decrease in average selling price despite the increase in sales volume of polymeric products by 345 metric tonnes. However, the profit before tax had increased by RM0.787 million from RM1.837 million recorded in the corresponding quarter of the preceding financial year to RM2.624 million for the current financial period which was due mainly to the decrease in cost of materials.

#### Oleochemical division

The revenue of oleochemical division had decreased by RM2.759 million due to the cessation of operation.

#### Investment holding

The loss before tax had decreased by RM0.654 million due mainly to the non-occurrence of one-off expenses incurred for transfer listing exercise in the current financial period under review.

## 15. Performance Review (cont'd)

### Current Financial Period compared with Previous Year Corresponding Period

	6 Months Ended		Variance	
	30.06.2015	30.06.2014	Amount	%
	RM'000	RM'000	RM'000	
Revenue	65,217	65,547	(330)	(0.50)
Profit before tax	4,206	2,416	1,790	74.09

The Group's revenue for the cumulative financial quarter ended 30 June 2015 has shown a decrease of 0.50% from RM65.547 million to RM65.217 million as compared to the corresponding period in the preceding financial year. The decrease in the Group's revenue of RM0.330 million was attributed mainly to the cessation of operation of the oleochemical division.

However, the profit before tax had increased by RM1.790 million, from RM2.416 million for the period ended 30 June 2014 to RM4.206 million for the current financial period. This was due mainly to the decrease in cost of materials and there was an expense incurred for transfer listing exercise in the preceding financial year.

Performance of the respective operating business segments for the current financial period as compared to the corresponding period of the previous year is analysed as follows:

#### Polymeric division

Sales performance of the polymeric division has improved by RM1.686 million, from RM60.304 million to RM61.990 million. This was due mainly to increase in sales volume of polymeric products by 1,233 metric tonnes. Similarly, the profit before tax had also increased by RM0.951 million due mainly to the decrease in cost of materials.

#### Oleochemical division

The revenue of oleochemical division had decreased by RM1.978 million, from RM5.186 million to RM3.208 million. This was due mainly to the cessation of operation of the oleochemical division.

#### Investment holding

The loss before tax had decreased by RM0.932 million due mainly to the non-occurrence of one-off expenses for transfer listing exercise in the current financial period under review.

**16. Material Changes in Profit Before Tax as Compared with the Immediate Preceding Quarter**

	3 Months Ended		Deviation	
	30.06.2015	31.03.2015	Amount	%
	RM'000	RM'000	RM'000	
Revenue	31,251	33,966	(2,715)	(7.99)
Profit before tax	1,989	2,217	(228)	(10.28)

The Group's revenue and profit before tax had decreased by RM2.715 million and RM0.228 million respectively due mainly to the cessation of operation of the oleochemical division.

**17. Future Prospects**

The financial performance of the Group for the financial year 2015 shall remain profitable.

The Board plans to increase the revenue/profit of the Group by:

- i) increasing the production capacity;
- ii) increasing export sales to existing and potential customers by penetrating new territories; and
- iii) continuing new and higher value product development for polymeric products.

**18. Variance of Profit Forecast and Shortfall in Profit Guarantee**

The Group has not issued any profit forecast or profit guarantee for the current financial quarter under review.

**19. Tax Expense**

The tax expense charged for the current financial quarter under review and financial year-to-date includes the followings:

	Current Quarter 30.06.2015 RM'000	Financial Year-To-Date 30.06.2015 RM'000
Estimated current tax expense	623	1,210

The Group's effective tax rate was higher than the statutory tax rate of 25% due mainly to certain expenses that are not deductible for tax purposes.

**20. Status of Corporate Proposal**

There was no outstanding corporate proposal for the current financial quarter under review.

**21. Group Borrowings and Debt Securities**

The Group's borrowings, which are all denominated in Ringgit Malaysia, as at 30 June 2015 are shown below:

	As at 30.06.2015 RM'000	As at 30.06.2014 RM'000
<b>Long Term Borrowing - secured</b>		
Term loan	5,480	-
	<u>5,480</u>	<u>-</u>
<b>Short Term Borrowing – secured</b>		
Banker acceptance	1,128	-
Term loan	553	225
	<u>1,681</u>	<u>225</u>
<b>Total</b>	<u><u>7,161</u></u>	<u><u>225</u></u>

**22. Realised and Unrealised Profits or Losses**

	Current quarter ended 30.06.2015 RM'000	Preceding quarter ended 31.03.2015 RM'000
Total retained earnings of KIB and its subsidiaries:		
- Realised	32,579	31,268
- Unrealised	(1,670)	(1,628)
	<u>30,909</u>	<u>29,640</u>
Total share of retained earnings from a joint venture:		
- Realised	884	787
Total Group retained earnings	<u><u>31,793</u></u>	<u><u>30,427</u></u>

**23. Material Litigation**

The Group does not have any material litigation which would materially affect the financial position of the Group.

**24. Dividend Payable**

Single tier interim dividend of 4.00% or RM0.0040 per ordinary share of RM0.10 each in respect of the financial year ending 31 December 2015, which was declared on 3 June 2015 and paid on 3 July 2015.

**25. Notes to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**

Profit before tax is arrived at after charging/(crediting) the following items:

	2nd Quarter Ended		6 Months Ended	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
	RM'000	RM'000	RM'000	RM'000
Amortisation of prepaid lease payments for land	1	1	4	3
Depreciation on property, plant and equipment	241	213	477	426
Net foreign exchange loss/(gain)- realised	55	(56)	52	(123)
Net foreign exchange loss- unrealised	42	-	42	-
Interest income	(112)	(102)	(221)	(175)
Interest expenses	21	3	24	8

Save as disclosed above, the other items required under Section 16, Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Securities are not applicable.

**26. Earnings Per Share ("EPS")****Basic**

The calculation of the basic EPS is based on the net profit for the current financial quarter and the six (6) months financial period, divided by the weighted average number of ordinary shares of RM0.10 each in issue during the current financial quarter and the six (6) months financial period.

	2nd Quarter Ended		6 Months Ended	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
Net profit for the period attributable to owners of the parent (RM'000)	1,366	192	2,996	1,442
Weighted average number of ordinary shares in issue ('000)	475,713	380,407	475,713	380,406
Basic EPS (sen)	0.29	0.05	0.63	0.38

26. Earnings Per Share (“EPS”) (cont’d)

**Diluted**

The EPS is not diluted for the current financial quarter and the six (6) months financial period.

The calculation of the diluted EPS for comparative quarter was based on the net profit for the comparative quarter and the six (6) months financial period, divided by the adjusted weighted average number of ordinary shares of RM0.10 each issued under the exercise of share options granted under the ESOS exercise.

	<b>2nd Quarter Ended</b>		<b>6 Months Ended</b>	
	<b>30.06.2015</b>	<b>30.06.2014</b>	<b>30.06.2015</b>	<b>30.06.2014</b>
Weighted average number of ordinary shares in issue ('000)	475,713	380,407	475,713	380,406
Effect of ESOS ('000)	-	91	-	91
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	475,713	380,498	475,713	380,497
Diluted EPS (sen)	0.29	0.05	0.63	0.38