

**WING TAI MALAYSIA BERHAD (6716-D)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED INCOME STATEMENTS**  
**FOR THE 6 MONTHS ENDED 31 DECEMBER 2015 - UNAUDITED**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31.12.2015 RM'000 Unaudited	Preceding year corresponding quarter 31.12.2014 RM'000 Unaudited	Current year to date 31.12.2015 RM'000 Unaudited	Preceding year corresponding period 31.12.2014 RM'000 Unaudited
Revenue	76,599	83,778	150,881	166,806
Operating expenses	(54,543)	(74,896)	(123,109)	(146,736)
Other operating income	4,622	5,356	7,313	28,697
Profit from operations	26,678	14,238	35,085	48,767
Finance costs, net	(1,875)	(2,304)	(3,897)	(4,567)
Share of results of joint ventures	4,197	4,342	3,863	7,776
Profit before tax	29,000	16,276	35,051	51,976
Tax	(9,206)	(3,683)	(12,720)	(8,156)
Profit for the period	19,794	12,593	22,331	43,820
Attributable to:				
Equity holders of the Company	19,794	12,593	22,331	43,820
Non-controlling interest	-	-	-	-
	19,794	12,593	22,331	43,820
Earnings per share (sen):				
Basic EPS	4.70	3.92	5.30	13.65
Diluted EPS	4.69	3.91	5.29	13.61

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying notes attached to the interim financial statements.

**WING TAI MALAYSIA BERHAD (6716-D)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE 6 MONTHS ENDED 31 DECEMBER 2015 - UNAUDITED**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31.12.2015 RM'000 Unaudited	Preceding year corresponding quarter 31.12.2014 RM'000 Unaudited	Current year to date 31.12.2015 RM'000 Unaudited	Preceding year corresponding period 31.12.2014 RM'000 Unaudited
Profit for the period	19,794	12,593	22,331	43,820
Other comprehensive income				
Foreign currency translation	-	(831)	3	(760)
Total comprehensive income for the period	<u>19,794</u>	<u>11,762</u>	<u>22,334</u>	<u>43,060</u>
Attributable to:				
Equity holders of the Company	19,794	11,762	22,334	43,060
Non-controlling interest	-	-	-	-
	<u>19,794</u>	<u>11,762</u>	<u>22,334</u>	<u>43,060</u>

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying notes attached to the interim financial statements.

**WING TAI MALAYSIA BERHAD (6716-D)**  
(Incorporated in Malaysia)

**NOTES TO CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE 6 MONTHS ENDED 31 DECEMBER 2015 - UNAUDITED**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31.12.2015 RM'000 Unaudited	Preceding year corresponding quarter 31.12.2014 RM'000 Unaudited	Current year to date 31.12.2015 RM'000 Unaudited	Preceding year corresponding period 31.12.2014 RM'000 Unaudited
(a) Interest income	3,222	2,606	4,553	4,345
(b) Other income including investment income	1,400	2,750	2,760	4,180
(c) Interest expense	(1,579)	(1,845)	(3,297)	(3,729)
(d) Depreciation and amortization	(2,614)	(2,854)	(5,318)	(5,596)
(e) Reversal/(Allowance) for impairment of receivables	16	(244)	(82)	(611)
(f) Provision of inventories	(475)	(795)	(1,732)	(1,204)
(g) Gain on disposal of quoted or unquoted investments or properties	-	-	-	-
(h) Reversal of impairment of assets	-	-	-	-
(i) Foreign exchange (loss)/gain	2,078	952	1,617	1,008
(j) Fair value loss on derivatives	(3,894)	-	(641)	-
(k) Exceptional items				
Gain on disposal of a joint venture	-	-	-	20,172

**WING TAI MALAYSIA BERHAD (6716-D)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2015**

	As At End Of Current Quarter 31 December 2015 RM'000 Unaudited	As At Preceding Financial Year Ended 30 June 2015 RM'000 Audited
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	122,626	126,137
Land held for property development	74,204	74,143
Investment properties	145,982	145,982
Prepaid land lease payments	1,394	1,424
Investment in joint ventures	48,792	45,485
Deferred tax assets	20,887	20,694
	<u>413,885</u>	<u>413,865</u>
<b>Current assets</b>		
Property development costs	893,285	834,934
Inventories	165,906	165,304
Trade and other receivables	93,699	94,439
Other current assets	7,109	26,152
Tax recoverable	15,028	16,961
Cash and bank balances	341,161	144,403
	<u>1,516,188</u>	<u>1,282,193</u>
<b>Total assets</b>	<u>1,930,073</u>	<u>1,696,058</u>
<b>Equity and liabilities</b>		
<b>Current liabilities</b>		
Borrowings	117,517	100,740
Trade and other payables	111,799	148,409
Other current liabilities	844	2,609
Derivative financial instruments	641	-
Tax payable	1,832	389
	<u>232,633</u>	<u>252,147</u>
<b>Net current assets</b>	<u>1,283,555</u>	<u>1,030,046</u>
<b>Non-current liabilities</b>		
Borrowings	388,901	325,651
Deferred tax liabilities	1,762	1,762
Deferred income	25,563	25,563
Provision	1,929	1,929
	<u>418,155</u>	<u>354,905</u>
<b>Total liabilities</b>	<u>650,788</u>	<u>607,052</u>
<b>Net assets</b>	<u>1,279,285</u>	<u>1,089,006</u>
<b>Equity attributable to owners of the parent</b>		
Share capital	486,798	328,390
Reserves	155,543	131,758
Treasury shares	(18,264)	(18,262)
Retained earnings	655,208	647,120
<b>Total equity</b>	<u>1,279,285</u>	<u>1,089,006</u>
<b>Total equity and liabilities</b>	<u>1,930,073</u>	<u>1,696,058</u>

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying notes attached to the interim financial statements.

**WING TAI MALAYSIA BERHAD (6716-D)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE 6 MONTHS ENDED 31 DECEMBER 2015 - UNAUDITED**

	-----> Attributable to Equity Holders of the Parent <-----								
	Share Capital	Treasury Shares	Share Premium	Revaluation Reserves	Foreign Exchange Reserves	Reserve of disposal group classified as held for sale	Share Option/Grant Reserve	Retained Earnings	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2015	328,390	(18,262)	119,623	12,508	(1,438)	-	1,065	647,120	1,089,006
Total comprehensive income for the period	-	-	-	-	3	-	-	22,331	22,334
Disposal of interest in a joint venture	-	-	-	-	-	-	-	-	-
Issue of rights shares	158,187	-	23,728	-	-	-	-	-	181,915
Acquisition of treasury shares	-	(2)	-	-	-	-	-	-	(2)
Dividends	-	-	-	-	-	-	-	(14,243)	(14,243)
Issue of ordinary shares pursuant to RSP	221	-	269	-	-	-	(490)	-	-
RSP Expenses	-	-	-	-	-	-	275	-	275
At 31 December 2015	486,798	(18,264)	143,620	12,508	(1,435)	-	850	655,208	1,279,285
At 1 July 2014	326,359	(18,251)	118,793	12,508	194	10,695	1,535	599,398	1,051,231
Total comprehensive income for the period	-	-	-	-	(760)	-	-	43,820	43,060
Disposal of interest in a joint venture	-	-	-	-	-	(10,695)	-	-	(10,695)
Acquisition of treasury shares	-	(6)	-	-	-	-	-	-	(6)
Dividend	-	-	-	-	-	-	-	(22,132)	(22,132)
Issue of ordinary shares pursuant to ESOS/RSP	1,821	-	357	-	-	-	(387)	-	1,791
RSP Expenses	-	-	-	-	-	-	419	-	419
At 31 December 2014	328,180	(18,257)	119,150	12,508	(566)	-	1,567	621,086	1,063,668

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying notes attached to the interim financial statements.

**WING TAI MALAYSIA BERHAD (6716-D)**  
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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE 6 MONTHS ENDED 31 DECEMBER 2015 - UNAUDITED**

	Period ended 31.12.2015 RM'000 Unaudited	Period ended 31.12.2014 RM'000 Unaudited
<b>Operating activities</b>		
Profit before tax	35,051	51,976
Adjustment for:		
Non-cash items	7,542	(11,667)
Non-operating items	<u>(5,120)</u>	<u>(8,392)</u>
Operating profit before working capital changes	37,473	31,917
Net change in assets	(33,353)	7,453
Net change in liabilities	<u>(37,109)</u>	<u>(18,826)</u>
Cash (used in)/generated from operations	(32,989)	20,544
Interest paid	(10,994)	(9,742)
Taxation paid	(9,538)	(8,506)
Retrenchment benefits paid	-	(74)
Net cash (used in)/generating from operating activities	<u>(53,521)</u>	<u>2,222</u>
<b>Investing activities</b>		
Interest received	4,553	4,345
Advances to joint ventures	-	(571)
Proceeds from disposal of property, plant and equipment and prepaid land lease payments	5	128
Proceeds from disposal of a joint venture	-	20,172
Purchase of property, plant and equipment	(1,780)	(5,143)
Expenditures on land held for development	(61)	(18,139)
Expenditures on investment properties	-	(23)
Withdrawal/(Addition) of deposits of more than 3 months maturity with licenced banks	<u>(9,592)</u>	<u>(2,334)</u>
Net cash used in investing activities	<u>(6,875)</u>	<u>(1,565)</u>
<b>Financing activities</b>		
Drawdown of borrowings	96,795	-
Repayment of borrowings	(16,907)	(22,478)
Dividends paid to shareholders of the company	(14,243)	(22,132)
Proceeds from issuance of ordinary shares	181,915	1,792
Shares repurchased	(1)	(6)
Net cash generated from/(used in) financing activities	<u>247,559</u>	<u>(42,824)</u>
Net increase/(decrease) in cash and cash equivalents	187,163	(42,167)
Effect of foreign exchange rate changes	3	(760)
Cash and cash equivalents at the beginning of the financial period	143,169	221,715
Cash and cash equivalents at the end of the financial period	<u>330,335</u>	<u>178,788</u>
Cash and bank balances:		
Cash on hand and at banks	41,403	164,636
Deposits of up to 3 months maturity with with licensed banks	<u>288,932</u>	<u>14,152</u>
	330,335	178,788
Deposits of more than 3 months maturity with licensed banks	<u>10,826</u>	<u>6,715</u>
	<u>341,161</u>	<u>185,503</u>

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying notes attached to the interim financial statements.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE 6 MONTHS ENDED 31 DECEMBER 2015 - UNAUDITED**

**A1 Basis of preparation**

The interim financial statements have been prepared under the historical cost convention except for the revaluation of land and buildings included within property, plant and equipment and investment properties that have been measured at their fair values and financial instruments as sets out in FRS 139.

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard ("FRS") 134, Interim Financial Reporting and paragraph 9.22 of the listing requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015.

The Group adopted the same accounting policies and methods of computation as in the audited financial statements for the financial year ended 30 June 2015 except for the adoption of the effective new and revised FRSs, IC interpretations, amendments to FRSs and IC Interpretations which are applicable to its financial statements and are relevant to its operations.

The applications of the effective new and revised FRSs, IC Interpretations, and Amendments did not have any material impact on the financial statements of the Group.

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework").

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141: Agriculture and IC Interpretation 15: Agreements for Construction of Real Estate, including its parent, significant investor and venturer ("herein called "Transitioning Entities").

On 8 September 2015, MASB has decided to allow Transitioning Entities to defer adoption of the MFRS Framework. Adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2018.

The Group falls within the scope definition of Transitioning Entities and accordingly has the option to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 30 June 2019.

The Group have not adopted the following standards and interpretations that have been issued but not yet effective:

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
Annual Improvements to FRSs 2012-2014 Cycle	1 January 2016
Amendments to FRS 10, FRS 12 and FRS 128: Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to FRS 10 and FRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to FRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to FRS 101: Disclosure Initiative	1 January 2016
Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 127: Equity Method in Separate Financial Statements	1 January 2016
FRS 14: Regulatory Deferral Accounts	1 January 2016
FRS 9: Financial Instruments	1 January 2018
MFRS 15: Revenue from Contracts with Customers	1 January 2018

The Group expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application, except for FRS 9: Financial Instruments and MFRS 15 Revenue from Contracts with Customers. The adoption of FRS 9 will have an effect on the classification and measurement of the Group's financial asset but no impact on the classification and measurement of the Group's financial liabilities. The Group is currently assessing the impact of MFRS 15.

**A2 Audit Report**

The audit report of the preceding annual financial statements was not subject to any qualification .

**A3 Seasonal or cyclical factors**

The principal business operations of the Group were not significantly affected by seasonal or cyclical factors.

#### A4 Unusual items

There were no unusual items for the current quarter and financial year-to-date.

#### A5 Changes in estimates

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

#### A6 Debt and equity securities

During the current financial year-to-date, the Company increased its issued and paid up ordinary shares from RM328,390,132 to RM486,797,698 by way of:

- i) issuance of 158,187,066 new ordinary shares RM1.00 each pursuant to right issue, and
- ii) vesting of 220,500 ordinary shares of RM1.00 granted under Restricted Share Award.

As at 28 January 2016, the total number of treasury shares held under Section 67A of the Companies Act, 1965 were 12,017,000 or 2.5% of the total paid up share capital of the Company.

During the current financial year-to-date, the Company bought back its issued shares from the open market as follows:-

<u>Month</u>	<u>No of shares</u>	<u>Lowest Price</u> RM	<u>Highest Price</u> RM	<u>Average Price</u> RM	<u>consideration paid #</u> RM
November 2015	1,000	1.30	1.30	1.30	1,332

# Inclusive of commission, stamp duty and other charges

#### A7 Dividends paid

A first and final dividend of 3 sen per share Single Tier for the financial year ended 30 June 2015 was paid on 16 December 2015.

#### A8 Segment information

Segment information for the period ended 31 December 2015:

	Property Development RM'000	Property Investment RM'000	Retail RM'000	Manufacturing RM'000	Elimination RM'000	Total RM'000
<u>Revenue</u>						
External sales	44,478	12,262	91,129	3,012	-	150,881
Inter-segment sales			-		-	-
	<u>44,478</u>	<u>12,262</u>	<u>91,129</u>	<u>3,012</u>	<u>-</u>	<u>150,881</u>
<u>Results</u>						
Segment results	23,113	4,144	8,532	421	-	36,210
Unallocated results						(1,125)
Profit from operations						<u>35,085</u>
Finance costs						(3,897)
Share of results of joint ventures						<u>3,863</u>
Profit before tax						<u><u>35,051</u></u>
<u>Assets</u>						
Segment assets	1,253,304	243,397	149,329	10,740		1,656,770
Unallocate assets:						
Tax assets						35,915
Corporate assets						<u>237,388</u>
Total assets						<u><u>1,930,073</u></u>
<u>Liabilities</u>						
Segment liabilities	111,071	5,758	16,884	1,784		135,497
Unallocated liabilities:						
Borrowings						506,418
Tax liabilities						3,594
Corporate liabilities						<u>5,279</u>
Total liabilities						<u><u>650,788</u></u>



Segment information for the period ended 31 December 2014:

	Property Development RM'000	Property Investment RM'000	Retail RM'000	Manufacturing RM'000	Elimination RM'000	Total RM'000
<b>Revenue</b>						
External sales	65,669	12,225	86,233	2,679	-	166,806
Inter-segment sales	-	-	-	-	-	-
	<u>65,669</u>	<u>12,225</u>	<u>86,233</u>	<u>2,679</u>	<u>-</u>	<u>166,806</u>
<b>Results</b>						
Segment results	14,158	3,494	12,146	519	-	30,317
Unallocated results						<u>18,450</u>
Profit from operations						<u>48,767</u>
Finance costs						(4,567)
Share of results of joint ventures						<u>7,776</u>
Profit before tax						<u><u>51,976</u></u>
<b>Assets</b>						
Segment assets	1,157,499	239,692	136,405	8,323		1,541,919
Unallocate assets:						
Tax assets						46,424
Corporate assets						<u>74,715</u>
Total assets						<u><u>1,663,058</u></u>
<b>Liabilities</b>						
Segment liabilities	157,813	6,612	23,342	1,821		189,588
Unallocated liabilities:						
Borrowings						393,656
Tax liabilities						2,566
Corporate liabilities						<u>13,580</u>
Total liabilities						<u><u>599,390</u></u>

#### A9 Carrying amount of revalued assets

The valuations of land and buildings (under property, plant and equipment) have been brought forward without amendments from the previous audited financial statements.

#### A10 Subsequent events

Saved as disclosed in B6, there were no other material events subsequent to the end of the current quarter that have not been reflected in the interim financial statements.

#### A11 Changes in composition of the Group

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

#### A12 Significant related party transactions

The significant related party transactions for the period ended 31 December 2015 were as follows:

	Period ended 31.12.15 RM'000	Period ended 31.12.14 RM'000
Management fees charged by a related company	514	488
Licence fees and central marketing contribution charged by related companies	93	90
Administrative charges by related companies	2,034	841
Purchase of products and raw materials from a related company	839	58
Professional fee charged by a firm in which a director is a partner	61	222
Administrative charges to a joint venture	573	596

The above transactions have been entered in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with other parties.

## **ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**

### **B1 Review of performance**

For the period ended 31 December 2015 ('current period'), the Group's revenue of RM150.9million was 9.5% lower as compared to RM166.8million for the period ended 31 December 2014 ('corresponding period').

The revenue from property development division was RM44.5million in the current period compared with RM65.7million in the corresponding period. Lower revenue from the property development division was mainly attributable to lower revenue recognition for Jesselton Hills Phase 2 project in the current period which were completed in September 2015. Despite lower revenue recorded in current period, the property development division recorded a higher operating profit of RM23.1million as compared with RM14.2million in the corresponding period. The higher operating profit was mainly attributable to the recognition of net claims against contractor arising from settlement of final contract accounts for one of the subsidiary's completed project.

The revenue from the retail division was RM91.1million in the current period compared with RM86.2million in the corresponding period. Despite higher revenue, the operating profit of the retail division was lower at RM8.5million in the current period compared with RM12.1million in the corresponding period. The lower operating profit from retail division was due to declining gross profit margin arising from currency depreciation and higher sales discounts.

In the current period, the Group's recorded share of profit from joint ventures of RM3.9million compared with share of profit of RM7.8million in the corresponding period. One of the joint ventures recorded lower profit as margins were affected by the weakened ringgit, absorption of 6% GST with minimal price increase and pre-operating expenses of numerous stores opening in the current period.

The Group recorded a profit before tax of RM35.1million for the current period compared with RM52.0million for the corresponding period. This is mainly due to the recognition of a net gain of RM20.2million from disposal of shares in its joint venture in Indonesia in the corresponding period.

### **B2 Variation of results against preceding quarter**

The Group recorded a 3% increase in revenue from RM74.3million in the quarter ended 30 September 2015 ('preceding quarter') to RM76.6million in the quarter ended 31 December 2015 ('current quarter'). This was mainly due to the higher revenue contribution from the retail division.

The revenue from property development division was RM19.5million in the current quarter compared with RM25.0million in the preceding quarter. Operating profit of the property development division was RM21.1million in the current quarter compared with RM2.0million in the preceding quarter mainly due recognition of net claims against contractor from settlement of final contract accounts in current quarter.

The revenue from the retail division was RM49.3million in the current quarter compared with RM41.8million in the preceding quarter. Despite the higher revenue, the operating profit of the retail division was lower at RM3.0million in the current quarter compared with RM5.6million in the preceding quarter. The higher operating profit from the preceding quarter was mainly due to the recognition of a net forex gain of RM3.4million as compared to a net forex loss of RM2.2million in the current quarter.

The Group recorded a profit before tax of RM29.0million in the current quarter compared with RM6.1million in the preceding quarter. This is mainly due to higher operating profit from the property development division.

### **B3 Prospect for the current financial year**

With the current market volatility in currency and subdued consumers' sentiment, the retail and property outlook is expected to be challenging in this financial year.

### **B4 Profit forecast and profit guarantee**

- i) - variance from profit forecast - not applicable.
- ii) - variance from profit guarantee - not applicable.

**B5 Tax**

	Quarter ended 31.12.15 RM'000	Cumulative year to date 31.12.15 RM'000
Current period provision		
Income tax	8,871	12,977
Deferred tax	335	(193)
Under/(Over)provision in prior year		
Income tax	-	(64)
Deferred tax	-	-
	<u>9,206</u>	<u>12,720</u>

For the current quarter and financial year-to-date ended 31 December 2015, the effective tax rate for the Group is higher than the statutory rate principally due to losses of certain subsidiaries which cannot be set off against taxable profits of other subsidiaries and certain expenses which are not deductible for tax purposes.

**B6 Status of corporate proposal announced**

In May 2015, the Company embarked on a renounceable Rights Issue of 158,187,066 new ordinary shares of RM1.00 each on the basis of one (1) Rights Share for every two (2) existing shares held by the entitled shareholders, at an issue price of RM1.15 per Rights Share.

On 4 September 2015, the Rights Issue has been completed following the listing of and quotation for 158,187,066 Rights Shares on the Main Market of Bursa Malaysia Securities Berhad.

As at 28 January 2016, the status of utilisation of the proceeds raised by the Company from the Rights Issue is as follows:

	Approved utilisation RM'000	Actual utilisation RM'000	Balance unutilised RM'000
Development expenditure, working capital requirements and refinancing of bank borrowings	181,115	45,782	135,333
Estimated expenses for the corporate exercise	800	800	-
Total gross proceeds	<u>181,915</u>	<u>46,582</u>	<u>135,333</u>

**B7 Borrowings and debt securities**

	As at 31.12.2015 RM'000
a) Short term borrowings	
Secured	81,517
Unsecured	<u>36,000</u>
	117,517
b) Long term borrowings	
Secured	388,901
	<u>506,418</u>
c) There were no foreign currency borrowings included in the above.	

**B8 Changes in material litigation**

To the best of the knowledge of the Company, neither the Company nor its subsidiaries are engaged in any material litigation, claims or arbitration either as plaintiff or defendant and the Directors are not aware of any proceeding pending or threatened against the Company and/or its subsidiaries or of any fact likely to give rise to any proceeding which might materially affect the position or business of the Company and/or its subsidiaries.

## B9 Dividend

The Board of Directors does not recommend the payment of any dividend for the current financial period ended 31 December 2015.

## B10 Derivative financial instruments

The Group's outstanding derivative financial instrument as at 31 December 2015 were analysed as follows:

	Notional Value RM'000	Fair value RM'000	Derivative Liabilities RM'000
Foreign currency forward contracts - Less than one year	55,551	54,910	(641)

Foreign exchange forward contracts were entered into by subsidiaries company in the retail division to manage some of its foreign currency exposure against the foreign currency risks of the underlying transactions denominated in foreign currency.

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and its subsequently remeasured at fair value at the end of the reporting period. The gain or loss arising from the fair value changes of derivatives are recognised in the income statement when changes arises. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken.

The Group recognised a total net loss of RM0.6million in current period ending 31 December 2015 arising from the fair value changes on the derivative financial instruments.

The Group measured the derivatives at fair value with inputs other than quoted prices that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

## B11 Earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31.12.2015 RM'000	Preceding year corresponding quarter 31.12.2014 RM'000	Current year to date 31.12.2015 RM'000	Preceding year corresponding period 31.12.2014 RM'000
Profit attributable to equity holders of the Company	19,794	12,593	22,331	43,820
Weighted average no of shares ('000)*	421,030	321,331	421,030	320,985
Effects of dilution from ESOS/RSP ('000)	834	1,014	723	920
Adjusted weighted average no of shares in issue and issuable ('000)	421,864	322,345	421,753	321,905
Basic earnings per share (sen)	4.70	3.92	5.30	13.65
Diluted earnings per share (sen)	4.69	3.91	5.29	13.61

\* Comparative figures for the weighted average number of ordinary shares for both the basic and fully diluted earnings per share have been restated to reflect adjustments arising from the Rights Issue which was completed on 4 September 2015.

**B12 Realised and unrealised profit/(losses) disclosure**

The retained earnings as at 31 December 2015 may be analysed as follows:

	As at 31.12.2015 RM'000
Total retained profits of the Company and its subsidiaries:	
- Realised	438,589
- Unrealised	215,251
	<u>653,840</u>
Total share of accumulated losses from an associate:	
- Realised	(4)
- Unrealised	-
Total share of retained profits from jointly controlled entities:	
- Realised	34,136
- Unrealised	-
	<u>687,972</u>
Less : Consolidation adjustments	(32,764)
Total group retained earnings as per consolidated financial statements	<u><u>655,208</u></u>

**By Order of the Board**

**LOH LAY EONG  
CHUA SIEW CHUAN  
Company Secretaries**

**Date : 3 February 2016**