



**PETRON MALAYSIA REFINING & MARKETING BHD**  
(Company Number 3927 V)

The Board of Directors of Petron Malaysia Refining & Marketing Bhd hereby announce the financial results of the Company for the quarter ended September 30, 2015 and for the nine months period ended September 30, 2015.

This interim report is prepared in accordance with the requirements of Malaysian Financial Reporting Standard (MFRS) 134 "Interim Financial Reporting" and paragraph 9.22 of the Main Market Listing Requirements (BURSA Securities Listing Requirements) of Bursa Malaysia Securities Berhad (BMSB).



**PETRON MALAYSIA REFINING & MARKETING BHD**  
**CONDENSED STATEMENTS OF COMPREHENSIVE INCOME**  
(Amounts in Thousand Ringgit Malaysia, Except Per Share Amounts)  
**Unaudited**

	Note	July to September		January to September	
		2015	2014 <i>Restated</i>	2015	2014 <i>Restated</i>
Revenue		2,161,298	2,621,153	6,266,901	8,611,630
Cost of sales		(2,031,124)	(2,565,082)	(5,811,048)	(8,461,358)
Gross profit		130,174	56,071	455,853	150,272
Other operating income		15,022	14,175	42,982	42,873
Other operating expenses		(57,747)	(52,868)	(167,657)	(156,699)
Administrative expenses		(770)	(1,099)	(2,349)	(1,911)
Results from operating activities		86,679	16,279	328,829	34,535
Other income		72,966	(4,220)	94,773	18,789
Other expenses		(39,726)	(3,086)	(90,397)	(20,427)
Finance income		245	228	798	589
Finance cost		(12,687)	(18,627)	(37,837)	(54,344)
Profit (Loss) before tax	15	107,477	(9,426)	296,166	(20,858)
Tax (expense) benefit	16	(33,318)	762	(91,810)	3,963
<b>Profit (Loss) for the period</b>		<b>74,159</b>	<b>(8,664)</b>	<b>204,356</b>	<b>(16,895)</b>
Other comprehensive income (loss), net of tax		-	-	-	-
<b>Total comprehensive income (loss) for the period</b>		<b>74,159</b>	<b>(8,664)</b>	<b>204,356</b>	<b>(16,895)</b>
Profit (Loss) attributable to equity holders of the Company		74,159	(8,664)	204,356	(16,895)
<b>Total comprehensive income (loss) attributable to equity holders of the Company</b>		<b>74,159</b>	<b>(8,664)</b>	<b>204,356</b>	<b>(16,895)</b>
Earnings (Loss) per share (sen)	23	27.5	(3.2)	75.7	(6.3)

Certified by:   
**MYRNA C. GERONIMO**  
Chief Finance Officer

(The condensed statements of cash flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.)



**PETRON MALAYSIA REFINING & MARKETING BHD**  
**CONDENSED STATEMENTS OF FINANCIAL POSITION**  
**(Amounts in Thousand Ringgit Malaysia)**

**Unaudited**

	Note	<i>As at</i> <i>September 30, 2015</i>	<i>As at</i> <i>Dec 31, 2014</i>
<b>ASSETS</b>			
Cash and cash equivalents		177,877	354,668
Derivative financial assets		10,275	19,507
Trade and other receivables		448,341	422,092
Inventories		405,415	442,385
Tax recoverable		-	32,149
<b>Total Current Assets</b>		<b>1,041,908</b>	<b>1,270,801</b>
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Property, plant and equipment		981,691	981,591
Long-term assets		177,779	183,767
Intangible assets- software		4,492	6,483
<b>Total Non-Current Assets</b>		<b>1,163,962</b>	<b>1,171,841</b>
<b>TOTAL ASSETS</b>		<b>2,205,870</b>	<b>2,442,642</b>
<hr/>			
<b>LIABILITIES</b>			
Loans and borrowings	18	349,446	790,000
Trade and other payables		546,700	608,168
Derivative financial liabilities		3,189	834
Retirement benefits obligations		4,452	4,452
Taxation		34,641	400
<b>Total Current Liabilities</b>		<b>938,428</b>	<b>1,403,854</b>
<hr/>			
Loans and borrowings	18	174,498	198,276
Retirement benefits obligations		44,237	42,304
Deferred tax liabilities		63,260	38,185
Other non-current liabilities		21,068	-
<b>Total Non-Current Liabilities</b>		<b>303,063</b>	<b>278,765</b>
<b>TOTAL LIABILITIES</b>		<b>1,241,491</b>	<b>1,682,619</b>

(The condensed statements of financial position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.)



PETRON MALAYSIA REFINING & MARKETING BHD  
CONDENSED STATEMENTS OF FINANCIAL POSITION  
(Amounts in Thousand Ringgit Malaysia)

Unaudited  
(Continued)

	Note	As at September 30, 2015	As at Dec 31, 2014
<b>EQUITY</b>			
Share capital		135,000	135,000
Reserves	24	8,000	8,000
Retained earnings	24	821,379	617,023
<b>TOTAL EQUITY</b>		<b>964,379</b>	<b>760,023</b>
<b>TOTAL EQUITY and LIABILITIES</b>		<b>2,205,870</b>	<b>2,442,642</b>

Certified by:   
MYRNA C. GERONIMO  
Chief Finance Officer

(The condensed statements of financial position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.)



**PETRON MALAYSIA REFINING & MARKETING BHD**  
**CONDENSED STATEMENTS OF CHANGES IN EQUITY**  
 (Amounts in Thousand Ringgit Malaysia)

Unaudited

	Non-distributable			Distributable		Total equity
	Share capital	Capital redemption reserve	Reserve for retirement plan	Retained earnings		
<b>At January 1, 2014</b>	135,000	8,000	-	718,791		861,791
Total comprehensive loss attributable to equity holders	-	-	-	(16,895)		(16,895)
Dividends for the year ended December 31, 2013	-	-	-	(37,800)		(37,800)
<b>At September 30, 2014</b>	135,000	8,000	-	664,096		807,096
<b>At January 1, 2015</b>	135,000	8,000	-	617,023		760,023
Total comprehensive income attributable to equity holders	-	-	-	204,356		204,356
Dividends for the year ended December 31, 2014	-	-	-	-		-
<b>At September 30, 2015</b>	135,000	8,000	-	821,379		964,379

Certified by:

**MYRNA C. GERONIMO**  
 Chief Finance Officer

(The condensed statements of changes in equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.)



**PETRON MALAYSIA REFINING & MARKETING BHD**  
**CONDENSED STATEMENTS OF CASH FLOWS**  
**(Amounts in Thousand Ringgit Malaysia)**  
**Unaudited**

	<i>January to September</i>	
	<i>2015</i>	<i>2014</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit (Loss) before tax	296,166	(20,858)
Adjustments for:		
Amortisation of intangible assets	1,991	1,991
Amortisation of long-term assets	14,727	15,553
Depreciation of property, plant and equipment	44,903	44,835
Finance costs	37,837	54,344
Finance income	(798)	(589)
Bad debt written off	-	147
Gain on disposal of property, plant and equipment	-	(2,414)
Property, plant and equipment written off	4,101	2,489
Retirement/separation benefit costs	3,790	3,923
Unrealised foreign exchange differences	3,375	11,485
Other gain	(7,086)	(18,515)
Changes in working capital		
Change in inventories	36,970	(153,066)
Change in long-term assets	(3,891)	(435)
Change in trade and other payables and other financial liabilities	(60,343)	33,350
Change in trade and other receivables and other financial assets	(4,967)	(53,637)
Cash generated from (used in) operations	366,775	(81,397)
Interest paid	(29,830)	(44,409)
Interest received	798	589
Real Property Gain Tax / Income tax paid	(345)	-
Retirement/separation benefits paid	(1,857)	(2,918)
<b>Net cash from (used in) operating activities</b>	<b>335,541</b>	<b>(128,135)</b>

(The condensed statements of cash flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.)



PETRON MALAYSIA REFINING & MARKETING BHD  
CONDENSED STATEMENTS OF CASH FLOWS  
(Amounts in Thousand Ringgit Malaysia)

Unaudited  
(Continued)

	<u>January to September</u>	
	<u>2015</u>	<u>2014</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(49,104)	(62,471)
Payment for long-term assets	(4,848)	(3,449)
Proceeds from disposal of property, plant and equipment	-	2,589
<b>Net cash used in investing activities</b>	<b>(53,952)</b>	<b>(63,331)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	-	238,042
Repayment of borrowings	(464,738)	(38,042)
Deposit with related company	-	(2,067)
Dividends paid to the owners of the Company	-	(37,800)
<b>Net cash (used in) from financing activities</b>	<b>(464,738)</b>	<b>160,133</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(183,149)</b>	<b>(31,333)</b>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	<b>6,358</b>	<b>37</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>354,668</b>	<b>97,593</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>177,877</b>	<b>66,297</b>

Certified by:   
**MYRNA C. GERONIMO**  
Chief Finance Officer

(The condensed statements of cash flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.)



**PETRON MALAYSIA REFINING & MARKETING BHD**  
(Amounts in Thousand Ringgit Malaysia, Except Per Share Data)

**Part A - Explanatory Notes Pursuant to MFRS 134**

**1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (BMSB). These interim financial statements also comply with IAS 134 Interim Financial Reporting issued by the International Accounting Standards Board. This report should be read in conjunction with the Company's audited financial statements for the year ended 31 December 2014.

The explanatory notes to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and the performance of the Company since the financial year ended December 31, 2014.

**2. Significant Accounting Policies**

**a) Changes in Accounting Policies**

The audited financial statements of the Company for the year ended December 31, 2014 were prepared in accordance with MFRS. The same accounting policies and methods of computation were followed in the interim financial statements as with the financial statements for the year ended December 31, 2014.

On January 1, 2015, the Company adopted the following new and amended MFRSs mandatory for annual financial periods beginning on or after July 1, 2014.

- Amendments to MFRS 8, *Operating Segments (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 13, *Fair Value Measurement (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)*
- Amendments to MFRS 116, *Property, Plant and Equipment (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 119, *Employee Benefits - Defined Benefit Plans: Employee Contributions*
- Amendments to MFRS 124, *Related Party Disclosures (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 138, *Intangible Assets (Annual Improvements 2010-2012 Cycle)*

The adoption of the above standards did not have any material impact to the interim financial statements of the Company.



**b) Standards, Amendments to Published Standards and Interpretations to Existing Standards that are applicable to the Company but not yet effective**

The new standards and amendments to published standards applicable to the Company that will be effective but have not been early adopted by the Company, are as follows:

i) Amendments effective from January 1, 2016

- Amendments to MFRS 7, *Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 11, *Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations*
- Amendments to MFRS 101, *Presentation of Financial Statements - Disclosure Initiative*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 138, *Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to MFRS 119, *Employee Benefits (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 134, *Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)*

ii) Standard effective from January 1, 2017

- MFRS 15, *Revenue from Contracts with Customers*

iii) Standard effective from January 1, 2018

- MFRS 9, *Financial Instruments (2014)*

The Company will apply the above standards and amendments from financial period beginning January 1, 2016, January 1, 2017 and January 1, 2018 respectively.

Adoptions of these standards are not expected to have any material impact on the financial position of the Company. The remaining standards and interpretations that are issued but not yet effective are not applicable to the Company's operations.

**3. Comments about Seasonal or Cyclical Factors**

The operations of the business are not seasonal or cyclical in nature.

**4. Unusual Items Due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income and cash flows of the Company during the current quarter.

**5. Changes in Estimates**

There were no changes in estimates that have had any material effect in the current quarter.

## 6. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale or repayments of debt and equity securities during the current quarter.

## 7. Dividend Paid

There has been no dividend paid since December 31, 2014.

## 8. Segmental Information

The Company is organised to operate as one integrated business segment to manufacture and sell petroleum products. These integrated activities are known across the petroleum industry as the Downstream segment. As such, the assets and liabilities are disclosed within the financial statements as one segment.

Revenues are mainly derived from the sale of petroleum products to domestic customers including its affiliates and competitors. A breakdown of the revenues by geographical location is as follows:

	<i>3 months ended</i>		<i>Period ended</i>	
	<u>30.09.2015</u>	<u>30.09.2014</u>	<u>30.09.2015</u>	<u>30.09.2014</u>
Domestic	1,937,205	2,426,681	5,645,378	7,755,133
Foreign	224,093	194,472	621,523	856,497
<b>Total Revenues</b>	<b>2,161,298</b>	<b>2,621,153</b>	<b>6,266,901</b>	<b>8,611,630</b>

For the period ended September 30, 2015 approximately RM1,400,186 (2014: RM1,896,645) of the revenues are derived from one major customer who is a related party to the Company.

All non-current assets of the Company are located in Malaysia.

## 9. Changes in Composition of the Company

There were no changes in the composition of the Company during the current quarter.

## 10. Changes in Contingent Assets and Contingent Liabilities

There were no significant changes in contingent assets or contingent liabilities since the last annual statement of financial position as at December 31, 2014.

## 11. Capital Commitments

Capital commitments not provided for in the Interim Financial Report as at September 30, 2015 are as follows:

<b>Property, plant &amp; equipment</b>	
Authorised but not contracted for	209,726
Contracted for but not provided for	19,220
<b>Total</b>	<b>228,946</b>

## Part B- Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of BMSB

### 12. Review of Performance - Current Financial period ended September 30, 2015

Petron Malaysia Refining & Marketing Bhd (PMRMB) posted an after tax profit of RM74.16 million for the 3rd quarter 2015, a significant increase from RM8.66 million loss for the same period in 2014. The Company attributed its solid performance to better operating efficiencies, stable margins and robust growth in sales volume. This brings the Company's net income to a total of RM204.36 million in the first nine months of 2015, a turnaround from the RM16.90 million loss in the same period in 2014.

Revenues for the first three quarters of the year reached RM6.3 billion, 27% lower than RM8.6 billion in 2014 as a result of significantly lower oil price. Lower revenues were partially offset as PMRMB saw a 5% growth in overall sales volumes over the period which increased to 23.1 million barrels.

The increase in sales volumes reflected growth in key segments such as retail gasoline and commercial accounts namely the LPG, fisheries and aviation sectors. The introduction of the cleaner Blaze 97 Euro4M in September and the highly successful "Fuel Happy" campaign pushed sales at the retail level.

### 13. Commentary on Prospects

The completion of the service station rebranding, continuous expansion in its retail network, increasing demand from the commercial sectors and overall growing confidence in Petron's brand are bearing fruits as evidenced by stronger sales. PMRMB is poised to pursue strategic initiatives for sustainable growth. The Company will continue to invest in strategic projects to further enhance its logistical capabilities and market reach.

To support its growth, PMRMB has made significant investments in its logistics and distribution facilities. The Company has completed the construction of additional storage tanks at its 88,000 barrel-per-day Port Dickson Refinery (PDR) to reduce vessel delivery turnaround times and improve loading efficiency, among others. It recently completed a link-up to the multi-product pipeline from PDR to the Klang Valley Distribution Terminal to enhance its ability to supply fuels in this high growth area.

### 14. Profit Forecast or Profit Guarantee

As a matter of policy, the Company does not make profit forecasts or profit guarantees.

## 15. Commentary on Profit before Tax

The profit before tax is arrived at after charging (crediting) the following items:

	<i>3 months ended</i>		<i>Period ended</i>	
	<i>30.09.2015</i>	<i>30.09.2014</i>	<i>30.09.2015</i>	<i>30.09.2014</i>
Property, plant and equipment				
- Depreciation	14,871	14,730	44,903	44,835
- Written off	(1,971)	902	4,101	2,489
- Gain on disposal	-	(1,149)	-	(2,414)
Amortisation of long-term assets	4,892	4,999	14,727	15,553
Amortisation of intangible assets	663	663	1,991	1,991
Bad debt written off	-	-	-	147
Finance income	(245)	(228)	(798)	(589)
Finance costs	12,687	18,627	37,837	54,344
Foreign exchange				
- Realised loss (gain)	46,218	2,955	65,663	(8,887)
- Unrealised loss	101	12,690	3,375	11,485
Fair value changes on derivatives				
- Realised (gain) loss				
- Forex	(68,737)	1,930	(87,090)	17,770
- Commodity	(43,145)	(31,381)	(11,817)	(23,084)
- Unrealised gain				
- Forex	(3,773)	(8,993)	(6,625)	(7,815)
- Commodity	(4,626)	(1,048)	(461)	(10,700)

There are no exceptional items, inventories written off, gain or loss on disposal of quoted or unquoted investments or properties.

## 16. Tax expense

	<i>3 months ended</i>		<i>Period ended</i>	
	<i>30.09.2015</i>	<i>30.09.2014</i>	<i>30.09.2015</i>	<i>30.09.2014</i>
Current tax expense				
- Current year	32,037	-	66,737	-
- Prior year	-	432	-	432
Real Property Gain Tax	-	-	(1)	-
Deferred tax expense (benefit)				
- Origination and reversal of temporary differences	1,281	(1,194)	25,074	(4,395)
Income tax expense (benefit) recognised in profit or loss	33,318	(762)	91,810	(3,963)

The effective tax rate is higher than the statutory tax rate primarily reflecting the varying relationship of the non-deductible expenses (which are relatively fixed over time) to changing levels of profit or loss from period to period.

## 17. Corporate Proposals

There were no corporate proposals.

## 18. Borrowings

The Company's borrowings as at September 30, 2015 are as follows:

<b>Current</b>	
Working capital facility - unsecured	325,000
Short term portion of long term loan - unsecured	24,184
Floating interest rate loan from a related company	262
<b>Non-current</b>	
Long term loan - unsecured	174,498
<b>Total</b>	<b>523,944</b>

## 19. Derivative Financial Instruments

The Company measures fair value using the following fair value hierarchy that reflects the significance of the input used in making the measurements:

### Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

### Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

### Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

There has been no transfer between Level 1 and Level 2 fair values during the year.

As at September 30, 2015, the Company has the following outstanding derivative financial instruments:

<i>Type of derivatives</i>	<i>Fair value hierarchy</i>	<i>Contract/ Notional value</i>	<i>Fair value</i>	
			<i>Assets</i>	<i>Liabilities</i>
Derivatives at fair value through profit or loss				
- Foreign currency forward contract	Level 2	398,600	7,076	(451)
- Commodity swaps	Level 2	43,142	3,199	(2,738)
		441,742	10,275	(3,189)

All the forward contracts and the commodity derivative contracts have maturities of less than one year after the end of the reporting period.

The foreign currency forward contracts, commodity swaps and options are transacted with accredited banks and traded on over-the-counter (“OTC”) markets. The related accounting policies, cash requirements of the derivatives, risk associated with the derivatives and policies to mitigate those risks are unchanged since the last financial year.

Derivatives are financial instruments classified at fair value through profit or loss. Derivative instruments are initially recognised at fair value on the date in which a derivative transaction is entered into, and are subsequently re-measured at fair value. Gains and losses from changes in fair value of these derivatives are recognised directly in profit or loss.

## 20. Fair Value Changes of Financial Liabilities

The gains and losses arising from fair value changes of financial liabilities measured at fair value through profit or loss are as follows:

	<i>Fair Value (Gain) Loss</i>		<i>Basis for fair value measurement</i>
	<i>3 months ended</i> <u>30.09.2015</u>	<i>Period ended</i> <u>30.09.2015</u>	
Foreign currency forward contract	(361)	(89)	Level 2 measurement (OTC price)
Commodity swaps	4,610	(2,266)	Level 2 measurement (OTC price)
	<u>4,249</u>	<u>(2,355)</u>	

The fair value losses on derivative financial liabilities are due to underlying risk variables.

Except for the derivative financial liabilities, all other financial liabilities are measured at the amortised cost using effective interest method. Hence, no gain or loss is recognised for changes in the fair values of these liabilities.

## 21. Changes in Material Litigation

The High Court in Kuala Lumpur, on June 30, 2015, delivered Judgment on the lawsuit against the Company brought by its former transportation contractor, Konsortium Lord Saberkat Sdn Bhd (“KLSSB”). KLSSB claimed a sum of RM41,091,732.50 in the lawsuit against the Company.

The High Court in Kuala Lumpur dismissed most of KLSSB’s claims but nevertheless ruled that a sum of RM3,387,212.50 was payable by the Company to KLSSB including interest on the said sum (at the rate of 5% per annum from the date of the filing of the Writ of Summons until the date of full and final settlement) and costs of RM15,000.

On July 13, 2015, in a clarification on the Judgment, the High Court has ruled that an additional sum of RM352,250.50 to be part of the sum payable by the Company to KLSSB.

The Company filed a notice of appeal with the Court of Appeal on July 21, 2015 in relation to parts of the Judgment that was against the Company namely: (1) the sum of RM3,739,463 (inclusive of the RM352,250.50 per clarification on the Judgment by High Court), (2) interest on the said sum (at the rate of 5% per annum from the date of filing of the Writ of Summons until the date of full and final settlement) payable by the Company to KLSSB; and (3) Costs of RM15,000 payable by Company to KLSSB.

Further, on July 24, 2015, KLSSB filed a notice of appeal with the Court of Appeal in relation to parts of the Judgment where most of KLSSB's claims were dismissed. The Court of Appeal has set December 9, 2015 for the hearing of both of the appeals by the Company and KLSSB.

## 22. Dividend Payable

The Company did not declare any dividends during the three months ended September 30, 2015.

## 23. Earnings per Ordinary Share

	<i>3 months ended</i>		<i>Period ended</i>	
	<i>30.09.2015</i>	<i>30.09.2014</i>	<i>30.09.2015</i>	<i>30.09.2014</i>
Profit (Loss) for the period attributable to equity holders of the Company	74,159	(8,664)	204,356	(16,895)
Number of ordinary shares in issue ('000)	270,000	270,000	270,000	270,000
Earnings (Loss) per share (sen)	27.5	(3.2)	75.7	(6.3)

## 24. Reserves

	<i>As at</i>	
	<i>30.09.2015</i>	<i>30.09.2014</i>
Non-distributable		
Capital redemption reserve	8,000	8,000
Reserve for retirement plan	-	-
Other reserves	8,000	8,000
Transfer to retained earnings	-	-
	8,000	8,000
Distributable		
Retained earnings	821,379	664,096
Transfer from reserve for retirement plan	-	-
Total reserves	829,379	672,096

## 25. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the Company's financial statements for the year ended December 31, 2014 was not qualified.

**26. Supplementary information disclosed pursuant to Bursa Malaysia Securities Berhad Listing Requirements**

The following analysis of realised and unrealised retained profits at the legal entity level is prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	<i>As at</i>	
	<u>30.09.2015</u>	<u>31.12.2014</u>
Total retained profits:		
- realised	880,928	636,836
- unrealised	(59,549)	(19,813)
<b>Total retained profits</b>	<b>821,379</b>	<b>617,023</b>

The disclosure of realised and unrealised profits above is solely for compliance with the directive issued by the Bursa Malaysia Securities Berhad and should not be used for any other purpose.