

# GUH HOLDINGS BERHAD (Company No. 4104-W)

## UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE QUARTER ENDED 30 SEPTEMBER 2015

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/09/2015 RM '000	PRECEDING YEAR QUARTER 30/09/2014 RM '000	CURRENT YEAR TO DATE 30/09/2015 RM '000	PRECEDING YEAR TO DATE 30/09/2014 RM '000
Revenue	73,113	70,926	210,331	218,987
Operating expenses	(71,488)	(66,998)	(203,469)	(207,388)
Other operating income	3,535	2,936	7,315	6,117
Finance costs	-	(1)	-	(4)
Share of profit of associate	141	1,570	3,284	5,080
Profit before tax (Note 16)	5,301	8,433	17,461	22,792
Tax expense	(2,468)	(7,149)	(5,387)	(10,247)
Profit for the period	2,833	1,284	12,074	12,545
Profit for the period attributable to:				
Owners of the Company	2,834	1,284	12,076	12,545
Non-controlling interests	(1)	-	(2)	-
	2,833	1,284	12,074	12,545
Earnings per share (sen):				
(a) Basic	1.07	0.49	4.57	4.73
(b) Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014)

# GUH HOLDINGS BERHAD (Company No. 4104-W)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2015

	INDIVIDUAL QUARTER CURRENT YEAR QUARTER 30/09/2015 RM '000	PRECEDING YEAR QUARTER 30/09/2014 RM '000	CUMULATIVE QUARTER CURRENT YEAR TO DATE 30/09/2015 RM '000	PRECEDING YEAR TO DATE 30/09/2014 RM '000
Profit for the period	2,833	1,284	12,074	12,545
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
(Loss)/Gain on available-for-sale financial assets	(1,146)	(41)	(917)	327
Currency translation differences for foreign operations	24,002	5,710	36,367	(2,965)
Reclassification adjustments on:-				
- Derecognition of available-for-sale financial assets	-	(1,687)	(378)	(1,970)
- Impairment of available-for-sale financial assets	805	-	847	-
Other comprehensive income for the period	23,661	3,982	35,919	(4,608)
Total comprehensive income for the period	26,494	5,266	47,993	7,937
Total comprehensive income for the period attributable to:				
Owners of the Company	26,495	5,266	47,995	7,937
Non-controlling interests	(1)	-	(2)	-
	26,494	5,266	47,993	7,937

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014)

**GUH HOLDINGS BERHAD** (Company No. 4104-W)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2015**

	AS AT 30/09/2015 RM '000	AS AT 31/12/2014 RM '000
<b>Non-Current Assets</b>		
Property, Plant and Equipment	163,816	156,029
Investment Properties	7,800	7,800
Goodwill	3,348	3,348
Investment in Associate	10,174	5,083
Available-for-sale Financial Assets	8,858	305
Land Held for Property Development	120,942	122,006
	<hr/>	<hr/>
	314,938	294,571
<b>Current Assets</b>		
Property Development Costs	26,661	11,989
Accrued Billings	6,439	5,997
Amounts Due from Customers for Contract Work	7,151	4,876
Inventories	43,750	41,831
Trade and Other Receivables	76,396	73,381
Prepayments	4,020	2,205
Current Tax Assets	4,141	1,835
Cash and Cash Equivalents	134,234	132,474
	<hr/>	<hr/>
	302,792	274,588
<b>Current Liabilities</b>		
Trade and Other Payables	70,882	59,251
Amounts Due to Customers for Contract Work	214	659
Current Tax Liabilities	3,294	2,890
	<hr/>	<hr/>
	74,390	62,800
<b>Net Current Assets</b>	<b>228,402</b>	<b>211,788</b>
<b>Non-Current Liabilities</b>		
Deferred Tax Liabilities	14,517	12,073
	<hr/>	<hr/>
	14,517	12,073
<b>Net Assets</b>	<b>528,823</b>	<b>494,286</b>
<b>Equity</b>		
Share Capital	277,905	277,905
Treasury Shares	(18,038)	(17,778)
Reserves	268,944	234,145
	<hr/>	<hr/>
<b>Equity Attributable to Owners of the Company</b>	<b>528,811</b>	<b>494,272</b>
Non-controlling Interests	12	14
	<hr/>	<hr/>
<b>Total Equity</b>	<b>528,823</b>	<b>494,286</b>
<b>Net Assets per Share Attributable to Owners of the Company (RM)</b>	<b>2.00</b>	<b>1.87</b>
	<hr/>	<hr/>

**(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014)**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 30 SEPTEMBER 2015

	← Non-Distributable →					Distributable *				
	Share capital RM '000	Treasury shares RM '000	Share premium RM '000	Revaluation surplus RM '000	Fair value reserve RM '000	Currency translation reserve RM '000	Retained profits RM '000	Equity attributable to owners of the Company RM '000	Non-controlling interests RM '000	Total equity RM '000
At 01/01/2015	277,905	(17,778)	87	38,852	1	19,038	176,167	494,272	14	494,286
Loss on available-for-sale financial assets	-	-	-	-	(917)	-	-	(917)	-	(917)
Currency translation differences for foreign operations	-	-	-	-	-	36,367	-	36,367	-	36,367
Reclassification adjustments on:-										
- Derecognition of available-for-sale financial assets	-	-	-	-	(378)	-	-	(378)	-	(378)
- Impairment of available-for-sale financial assets	-	-	-	-	847	-	-	847	-	847
Other comprehensive income for the period	-	-	-	-	(448)	36,367	-	35,919	-	35,919
Profit for the period	-	-	-	-	-	-	12,076	12,076	(2)	12,074
Total comprehensive income for the period	-	-	-	-	(448)	36,367	12,076	47,995	(2)	47,993
Purchase of own shares	-	(260)	-	-	-	-	-	(260)	-	(260)
Interim single tier dividend of 5.0 sen per share	-	-	-	-	-	-	(13,196)	(13,196)	-	(13,196)
Total transactions with owners	-	(260)	-	-	-	-	(13,196)	(13,456)	-	(13,456)
At 30/09/2015	277,905	(18,038)	87	38,852	(447)	55,405	175,047	528,811	12	528,823
At 01/01/2014	277,905	(12,131)	87	38,852	1,609	14,898	168,859	490,079	-	490,079
Gain on available-for-sale financial assets	-	-	-	-	327	-	-	327	-	327
Currency translation differences for foreign operations	-	-	-	-	-	(2,965)	-	(2,965)	-	(2,965)
Reclassification adjustment on derecognition of available-for-sale financial assets	-	-	-	-	(1,970)	-	-	(1,970)	-	(1,970)
Other comprehensive income for the period	-	-	-	-	(1,643)	(2,965)	-	(4,608)	-	(4,608)
Profit for the period	-	-	-	-	-	-	12,545	12,545	-	12,545
Total comprehensive income for the period	-	-	-	-	(1,643)	(2,965)	12,545	7,937	-	7,937
Purchase of own shares	-	(5,646)	-	-	-	-	-	(5,646)	-	(5,646)
Interim single tier dividend of 5.0 sen per share	-	-	-	-	-	-	(13,206)	(13,206)	-	(13,206)
Total transactions with owners	-	(5,646)	-	-	-	-	(13,206)	(18,852)	-	(18,852)
At 30/09/2014	277,905	(17,777)	87	38,852	(34)	11,933	168,198	479,164	-	479,164

\* Retained profits as at 30 September 2015 amounting to RM17,951,000 (30 September 2014: RM17,690,000), being the excess of treasury shares over share premium, were considered as non-distributable.

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

	CURRENT YEAR TO DATE 30/09/2015 RM '000	PRECEDING YEAR TO DATE 30/09/2014 RM '000
Cash flows from operating activities		
Profit before tax	17,461	22,792
Adjustments for:		
Depreciation	10,595	11,066
Dividend income	(41)	(252)
Gain on derecognition of available-for-sale financial assets	(378)	(1,970)
Gain on disposal of asset held for sale	-	(380)
Gain on foreign exchange	(936)	(419)
Impairment loss on available-for-sale financial assets	847	-
Interest expense	-	4
Interest income	(3,618)	(3,384)
Inventories written down	56	131
Investments in club memberships written off	-	28
Loss on disposal of property, plant and equipment	79	82
Loss on disposal of investments in club memberships	-	9
Property, plant and equipment written off	198	3
Reversal of impairment loss on loans and receivables	(20)	-
Reversal of inventories written down	(219)	(143)
Share of profit of associate	(3,284)	(5,080)
	<u>20,740</u>	<u>22,487</u>
Operating profit before working capital changes		
	20,740	22,487
Changes in:		
Property development costs	(13,608)	4,073
Accrued billings	(442)	7,967
Amounts due from/to customers for contract work	(2,720)	6,167
Inventories	(1,756)	(8,647)
Receivables and prepayments	(3,583)	(11,715)
Payables	9,870	(5,549)
Cash generated from operations	<u>8,501</u>	<u>14,783</u>
Interest paid	-	(4)
Tax paid	(6,537)	(12,831)
Tax refunded	246	-
	<u>(6,291)</u>	<u>(12,835)</u>
Net cash from operating activities	2,210	1,948
Cash flows from investing activities		
Dividends received	41	11,810
Interest received	3,618	3,384
Proceeds from disposal of available-for-sale financial assets	7,501	21,073
Proceeds from disposal of property, plant and equipment	32	263
Proceeds from disposal of asset held for sale	-	850
Proceeds from disposal of investments in club memberships	-	110
Purchase of available-for-sale financial assets	(16,971)	(4,021)
Purchase of property, plant and equipment	(4,267)	(8,967)
Net cash (used in)/from investing activities	(10,046)	24,502
Cash flows from financing activities		
Dividend paid	(13,196)	(13,206)
Purchase of own shares	(260)	(5,646)
Repayment of hire purchase obligations	-	(136)
Changes in term deposits pledged as security	(777)	310
Net cash used in financing activities	(14,233)	(18,678)
Currency translation differences	23,052	(1,787)
Net increase in cash and cash equivalents	983	5,985
Cash and cash equivalents brought forward	129,515	180,113
Cash and cash equivalents carried forward	<u>130,498</u>	<u>186,098</u>
Note:		
Cash and cash equivalents	134,234	188,937
Term deposits pledged as security	(3,736)	(2,839)
	<u>130,498</u>	<u>186,098</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014)

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

1. **Basis of Preparation**

The interim financial report has been prepared in accordance with requirements of FRS 134: "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2014.

The same accounting policies and methods of computation are followed in the interim financial report as compared with the annual financial statements for the year ended 31 December 2014 except for the adoption of the following Financial Reporting Standards ("FRSs"):

Effective for annual periods beginning on or after

Amendments to FRS 119 <i>Defined Benefit Plans: Employee Contributions</i>	1 July 2014
Amendments to FRSs contained in the document entitled " <i>Annual Improvements to FRSs 2010 - 2012 Cycle</i> "	1 July 2014
Amendments to FRSs contained in the document entitled " <i>Annual Improvements to FRSs 2011 - 2013 Cycle</i> "	1 July 2014

The adoption of the above FRSs did not have any significant impacts on the financial statements of the Group.

In November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS") Framework. The issuance was made in conjunction with the MASB's plan to converge with International Financial Reporting Standards ("IFRS") in 2012. The MFRS Framework is a fully IFRS-compliant framework and equivalent to IFRSs.

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/or IC Interpretation 15 Agreements for the Construction of Real Estate, including their parents, significant investors and joint venturers ("Transitioning Entities"). As announced by the MASB on 28 October 2015, Transitioning Entities are allowed to defer the adoption of the MFRS Framework to annual periods beginning on or after 1 January 2018.

Being a Transitioning Entity as defined above, the Group and the Company have elected to continue preparing their financial statements in accordance with the FRS Framework and will first present the financial statements in accordance with the MFRS Framework for the financial year ending 31 December 2018.

2. **Audit Report**

The preceding annual financial statements of the Group were reported on without any qualification.

3. **Seasonal or Cyclical Factors**

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

4. **Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current year quarter and period ended 30 September 2015.

5. **Changes in Estimates**

There were no changes in the estimates that have a material effect in the current year quarter and period ended 30 September 2015.

6. **Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities except for the following:

During the current year quarter, the Company purchased 98,100 ordinary shares of its issued share capital from the open market for a total consideration of approximately RM 0.1 million at an average cost of RM 0.99 per share. During the period ended 30 September 2015, the Company purchased 240,100 ordinary shares of its issued share capital from the open market for a total consideration of approximately RM 0.3 million at an average cost of RM 1.08 per share. The shares purchased were financed by internally generated funds and are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act. 1965.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

7. **Dividend Paid**

On 18 August 2015, the Board of Directors proposed for an interim dividend of 5.0 sen per share for the financial year ending 31 December 2015. The dividend was paid on 18 September 2015 to shareholders whose names appear in the Record of Depositors of the Company at the close of business on 3 September 2015.

8. **Segmental Reporting**

Analysis by activity	Manufacture of Printed Circuit Boards RM '000	Property Development RM '000	Sale of Electrical Appliances RM '000	Cultivation of Oil Palm RM '000	Water and Wastewater Treatment RM '000	Unallocated Non-Operating Segments RM '000	Group RM '000
<b>Revenue</b>							
Total revenue	171,670	13,637	6,408	1,521	16,392	4,766	214,394
Intersegment revenue	-	-	(12)	-	-	(4,051)	(4,063)
External revenue	171,670	13,637	6,396	1,521	16,392	715	210,331
<b>Results</b>							
Segment results	12,264	1,510	8	707	(229)	(3,701)	10,559
Interest income	2,598	254	4	-	103	659	3,618
Share of profit of associate	-	-	-	-	-	3,284	3,284
Profit/(Loss) before tax	14,862	1,764	12	707	(126)	242	17,461
Tax (expense)/income	(4,440)	(760)	(6)	(184)	(14)	17	(5,387)
Profit/(Loss) for the period	10,422	1,004	6	523	(140)	259	12,074
<b>Assets</b>							
Segment assets	340,430	184,375	5,370	22,493	27,452	23,295	603,415
Associate	-	-	-	-	-	10,174	10,174
Income tax assets	116	3,273	34	-	704	14	4,141
Total assets	340,546	187,648	5,404	22,493	28,156	33,483	617,730
<b>Liabilities</b>							
Segment liabilities	44,139	9,731	1,264	161	3,545	12,256	71,096
Income tax liabilities	15,492	1,303	1	145	43	827	17,811
Total liabilities	59,631	11,034	1,265	306	3,588	13,083	88,907

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

9. **Subsequent Material Events**

There were no material events subsequent to the end of the reporting period that have not been reflected in the financial statements except for the following:

On 19 November 2015, the Company announced the acquisition of the entire issued and paid-up share capital of GUH Capital Sdn. Bhd. ("GUH Capital") comprising 2 ordinary shares of RM1.00 each for a total cash consideration of RM2.00, making it a wholly-owned subsidiary of the Company.

GUH Capital was incorporated as a private limited company in Malaysia on 28 October 2015 with an authorized share capital of RM400,000.00 divided into 400,000 ordinary shares of RM1.00 each, of which 2 ordinary shares of RM1.00 each had been issued and fully paid up. GUH Capital is currently dormant and the proposed business activity is that of investment holding.

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

There were no changes in the composition of the Group during the period ended 30 September 2015.

11. **Contingent Liabilities or Contingent Assets**

The Group has no contingent liabilities and contingent assets as at the end of the current year quarter or last annual reporting date.

12. **Review of the Performance**

Operating Segment	Current Year Quarter 30/09/2015 RM '000	Preceding Year Quarter 30/09/2014 RM '000	Current Year To Date 30/09/2015 RM '000	Preceding Year To Date 30/09/2014 RM '000
<b>Revenue</b>				
Manufacture of printed circuit boards	63,038	59,984	171,670	175,607
Property development	2,459	4,074	13,637	15,229
Sale of electrical appliances	2,102	1,665	6,396	4,721
Cultivation of oil palm	390	352	1,521	1,379
Water and wastewater treatment	4,906	4,356	16,392	20,811
Unallocated non-operating segments	218	495	715	1,240
<b>Total</b>	<b>73,113</b>	<b>70,926</b>	<b>210,331</b>	<b>218,987</b>
<b>Profit/(Loss) before tax</b>				
Manufacture of printed circuit boards	8,573	4,370	14,862	10,093
Property development	(520)	834	1,764	2,787
Sale of electrical appliances	(46)	(42)	12	(17)
Cultivation of oil palm	145	132	707	642
Water and wastewater treatment	(737)	123	(126)	2,438
Unallocated non-operating segments	(2,114)	3,016	242	6,849
<b>Total</b>	<b>5,301</b>	<b>8,433</b>	<b>17,461</b>	<b>22,792</b>

a) **Current Year Quarter vs Preceding Year Quarter**

The Group's profit before tax of RM 5.3 million for the current year quarter ended 30 September 2015 was RM 3.1 million lower than the profit before tax of RM 8.4 million for the preceding year quarter mainly due to 91.0% decline in share of profit of associate amounted to RM 1.4 million upon the expiration of Power Purchase Agreement in May 2015 and gain on derecognition of available-for-sale financial assets of RM 1.7 million in the preceding year quarter.

Detailed analysis of the performance of the Group's operating segments for the current year quarter ended 30 September 2015 compared to the preceding year quarter is as follows:

i) **Manufacture of printed circuit boards**

Profit before tax increased to RM 8.6 million from RM 4.4 million mainly due to higher revenue coupled with favourable foreign exchange on stronger USD and RMB.

ii) **Property development**

Negative variance of RM 1.4 million was in tandem with lesser residential units sold.

iii) **Sale of electrical appliances**

Loss before tax increased to RM 0.05 million from RM 0.04 million despite the hike in revenue mainly due to lower purchase incentive and higher administrative expenses.



**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

12. **Review of the Performance (cont'd)**

**a) Current Year Quarter vs Preceding Year Quarter (cont'd)**

iv) Cultivation of oil palm

Profit before tax increased to RM 0.14 million from RM 0.13 million mainly due to gain on disposal of motor vehicle.

v) Water and wastewater treatment

Negative variance of RM 0.9 million was mainly due to the completion of high margin water project in the second quarter of 2015 and increased operating expenses.

vi) Unallocated non-operating segments

Negative variance of RM 5.1 million was mainly due to reduction of RM 1.4 million in contribution from associate upon the expiration of Power Purchase Agreement in May 2015, recognition of gain on derecognition of available-for-sale financial assets of RM 1.7 million in the preceding year quarter, impairment loss on available-for-sale financial assets of RM 0.8 million and unrealised loss on foreign exchange of RM 1.1 million.

**b) Current Year To Date vs Preceding Year To Date**

For the period ended 30 September 2015, the Group recorded a lower profit before tax of RM 17.5 million compared to RM 22.8 million for the preceding year to date mainly due to lower contribution from Water and Wastewater Treatment Division, 35.4% decline in share of profit of associate upon the expiration of Power Purchase Agreement in May 2015 and lower gain on derecognition of available-for-sale financial assets.

Detailed analysis of the performance of the Group's operating segments for the period ended 30 September 2015 compared to the preceding year to date is as follows:

i) Manufacture of printed circuit boards

Profit before tax increased to RM 14.9 million from RM 10.1 million despite the slump in revenue mainly due to prudent costs management coupled with favourable foreign exchange on stronger USD and RMB.

ii) Property development

Profit before tax decreased to RM 1.8 million from RM 2.8 million as a consequence of 41.2% decline in property units sold due to fewer launches.

iii) Sale of electrical appliances

Positive variance of RM 0.03 million mainly due to higher purchase incentive.

iv) Cultivation of oil palm

Profit before tax increased to RM 0.7 million from RM 0.6 million mainly attributed to higher FFB production.

v) Water and wastewater treatment

Negative variance of RM 2.6 million was mainly due to the completion of high margin water project in the second quarter of 2015 and increased operating expenses.

vi) Unallocated non-operating segments

Profit before tax reduced to RM 0.2 million from RM 6.8 million as a result of RM 1.8 million lower contribution from associate upon the expiration of Power Purchase Agreement in May 2015, lower gain on derecognition of available-for-sale financial assets of RM 1.6 million, impairment loss on available-for-sale financial assets of RM 0.8 million, unrealised loss on foreign exchange of RM 1.3 million and recognition of gain on disposal of asset held for sale of RM 0.4 million in the preceding year to date.

13. **Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter**

As compared to the preceding quarter, the Group's profit before tax reduced to RM 5.3 million (Q2'15: RM 5.9 million) mainly due to reduction of RM 0.8 million in share of profit of associate upon the expiration of Power Purchase Agreement in May 2015.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

14. **Prospects for 2015**

Electronic Division expects the slow down in demand for rigid PCBs and stiff price competition to affect its bottom line in the last quarter of 2015.

Property Division foresees sale of residential properties to pick up with new launches in the last quarter of 2015.

Electrical Division envisages sale of electrical products to remain sluggish amidst challenging market environment.

Plantation Division anticipates lower FFB production on unfavourable weather condition in the last quarter of 2015.

Water and Wastewater Treatment Division predicts better results in line with higher construction progress of water projects in the last quarter of 2015.

Looking ahead, the Group expects improved contribution from Property and Water and Wastewater Treatment Divisions. Nevertheless, the drop in contribution from associate upon expiration of Power Purchase Agreement would take a toll on its overall performance for 2015.

15. **Variance from Profit Forecast and Profit Guarantee**

The Group has not provided any profit forecast or profit guarantee in a public document.

16. **Profit Before Tax**

	Current Year Quarter 30/09/2015 RM'000	Current Year To Date 30/09/2015 RM'000
Profit before tax is arrived at after charging:		
- Interest expense	-	-
- Depreciation	3,578	10,595
- Impairment loss on loans and receivables	-	-
- Inventories written down	15	56
- Inventories written off	-	-
- Impairment loss on available-for-sale financial assets	805	847
- Loss on disposal of property, plant and equipment	-	79
- Property, plant and equipment written off	-	198
- Loss on foreign exchange - realised	-	-
- Loss on foreign exchange - unrealised	-	-
- Loss on financial instruments at fair value through profit or loss	-	-
- Exceptional items	-	-
and crediting:		
- Interest income	1,258	3,618
- Bad debts recovered	5	5
- Dividend income	41	41
- Gain on disposal of property, plant and equipment	13	-
- Gain on derecognition of available-for-sale financial assets	-	378
- Gain on financial instruments at fair value through profit or loss	-	3
- Gain on foreign exchange - realised	1,670	2,834
- Gain on foreign exchange - unrealised	743	936
- Reversal of impairment loss on loans and receivables	-	20
- Reversal of inventories written down	38	219
- Gain on derivatives	-	-

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

17. **Tax Expense**

Tax expense comprises:

	Current Year Quarter 30/09/2015 RM '000	Current Year To Date 30/09/2015 RM '000
Income tax	(1,301)	(4,388)
Deferred tax	(1,167)	(999)
	<u>(2,468)</u>	<u>(5,387)</u>

The Group's effective tax rates differ from the statutory tax rate mainly because:

- (i) certain income and expenses which are not taxable and allowable; and
- (ii) utilisation of unabsorbed capital allowances by certain subsidiary.

18. **Status of Corporate Proposals**

There were no corporate proposals as at the date of this announcement.

19. **Group Borrowings and Debt Securities**

There were no borrowings and debt securities as at 30 September 2015.

20. **Financial Instruments**

a) Derivatives

There were no outstanding derivatives as at 30 September 2015.

b) Gains/(Losses) arising from Fair Value Changes of Financial Liabilities

There were no gains/(losses) arising from fair value changes of financial liabilities for the current year quarter and period ended 30 September 2015.

c) Fair Value

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The inputs to valuation techniques used to measure fair value are categorised into the following levels of fair value hierarchy:

- i) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- ii) Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- iii) Level 3 - unobservable inputs for the asset or liability.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

**20. Financial Instruments (cont'd)**

**c) Fair Value (cont'd)**

The fair value measurement of financial instruments at the end of the reporting period are as follows:

**i) Available-for-sale financial assets**

	30/09/2015 RM '000
Shares quoted in Malaysia - at fair value	8,808
Unquoted shares - at cost less impairment losses	50
	<u>8,858</u>

The fair values of quoted investments are directly measured using their unadjusted closing prices in active markets (i.e. Level 1).

The fair values of unquoted investments cannot be reliably measured due to the lack of quoted prices in active markets for identical instruments. In addition, the variability in the range of reasonable fair value measurements is expected to be significant and the probabilities of the various estimates within the range cannot be reasonably assessed.

**ii) Other financial assets and financial liabilities**

The carrying amounts of receivables, cash and cash equivalents, payables and loans and borrowings which are short-term in nature or repayable on demand are reasonable approximations of fair values. The fair values of long-term loans and borrowings are measured using present value technique by discounting the expected future cash flows using observable current market interest rates for similar liabilities (i.e. Level 2).

There were no transfers between Level 1 and Level 2 during the period ended 30 September 2015.

**21. Breakdown of Realised and Unrealised Profits or Losses of the Group**

The breakdown of the retained profits of the Group as at 30 September 2015, into realised and unrealised profits, pursuant to the directive of Bursa Malaysia Securities Berhad, is as follows:

	As at 30/09/2015 RM'000	As at 31/12/2014 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	259,082	264,141
- Unrealised	2,363	4,255
	<u>261,445</u>	<u>268,396</u>
Total share of retained profits of associate:		
- Realised	7,138	3,881
- Unrealised	-	-
	<u>268,583</u>	<u>272,277</u>
Consolidation adjustments and eliminations	(93,536)	(96,110)
Total retained profits as per statement of financial position	<u>175,047</u>	<u>176,167</u>

The segregation of realised and unrealised profits or losses is based on Guidance on Special Matter No.1 "*Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*", issued by the Malaysian Institute of Accountants on 20 December 2010.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

22. **Material Litigation**

There was no material litigation against the Group as at 30 September 2015.

23. **Earnings Per Share**

	Current Year Quarter 30/09/2015	Current Year To Date 30/09/2015
Profit attributable to owners of the Company (RM '000)	2,834	12,076
Number of ordinary shares in issue at the beginning of the period ('000)	263,968	264,110
Effect of shares purchased ('000)	(65)	(148)
Weighted average number of ordinary shares in issue ('000)	263,903	263,962
Basic earnings per share (sen)	1.07	4.57

Diluted earnings per share are not presented as there are no dilutive potential ordinary shares in the current year quarter and period ended 30 September 2015.

24. **Authorisation for Issue**

The Board of Directors authorised the issue of this unaudited interim financial report on 23 November 2015.