

GUH HOLDINGS BERHAD (Company No. 4104-W)

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/12/2015 RM '000	PRECEDING YEAR QUARTER 31/12/2014 RM '000	CURRENT YEAR TO DATE 31/12/2015 RM '000	PRECEDING YEAR TO DATE 31/12/2014 RM '000
Revenue	75,042	80,392	285,373	299,379
Operating expenses	(75,375)	(73,772)	(278,844)	(281,160)
Other operating income	2,606	2,351	9,921	8,468
Finance costs	-	(1)	-	(5)
Share of (loss)/profit of associate	(1,060)	1,875	2,224	6,955
Profit before tax (Note 16)	1,213	10,845	18,674	33,637
Tax expense	(3,359)	(2,877)	(8,746)	(13,124)
(Loss)/profit for the period/financial year	(2,146)	7,968	9,928	20,513
(Loss)/Profit for the period/financial year attributable to:				
Owners of the Company	(2,145)	7,968	9,931	20,513
Non-controlling interests	(1)	-	(3)	-
	(2,146)	7,968	9,928	20,513
(Loss)/Earnings per share (sen):				
(a) Basic	(0.81)	3.02	3.76	7.75
(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 YEAR ENDED 31 DECEMBER 2015

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/12/2015 RM '000	PRECEDING YEAR QUARTER 31/12/2014 RM '000	CURRENT YEAR TO DATE 31/12/2015 RM '000	PRECEDING YEAR TO DATE 31/12/2014 RM '000
(Loss)/Profit for the period/financial year	(2,146)	7,968	9,928	20,513
Other comprehensive income:				
Item that will not be reclassified to profit or loss:				
Deferred tax income relating to change in tax rate	77	-	77	-
Items that may be reclassified subsequently to profit or loss:				
Gain/(Loss) on available-for-sale financial assets	453	(64)	(464)	263
Currency translation differences for foreign operations	(9,229)	7,105	27,138	4,140
Reclassification adjustments on:				
- Derecognition of available-for-sale financial assets	(27)	-	(405)	(1,970)
- Impairment of available-for-sale financial assets	-	99	847	99
Other comprehensive income for the period/financial year	(8,726)	7,140	27,193	2,532
Total comprehensive income for the period/financial year	(10,872)	15,108	37,121	23,045
Total comprehensive income for the period/financial year attributable to:				
Owners of the Company	(10,871)	15,108	37,124	23,045
Non-controlling interests	(1)	-	(3)	-
	(10,872)	15,108	37,121	23,045

(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 31 DECEMBER 2015**

	AS AT 31/12/2015 RM '000	AS AT 31/12/2014 RM '000
Non-Current Assets		
Property, Plant and Equipment	157,967	156,029
Investment Properties	8,900	7,800
Goodwill	3,348	3,348
Investment in Associate	7,367	5,083
Available-for-sale Financial Assets	7,880	305
Land Held for Property Development	121,857	122,006
Deferred Tax Assets	224	-
	<hr/>	<hr/>
	307,543	294,571
Current Assets		
Property Development Costs	31,168	11,989
Accrued Billings	6,396	5,997
Amounts Due from Customers for Contract Work	2,517	4,876
Inventories	44,250	41,831
Trade and Other Receivables	78,375	73,381
Prepayments	3,991	2,205
Current Tax Assets	4,207	1,835
Cash and Cash Equivalents	135,992	132,474
	<hr/>	<hr/>
	306,896	274,588
Current Liabilities		
Trade and Other Payables	79,483	59,251
Amounts Due to Customers for Contract Work	93	659
Current Tax Liabilities	2,815	2,890
	<hr/>	<hr/>
	82,391	62,800
Net Current Assets	224,505	211,788
Non-Current Liabilities		
Deferred Tax Liabilities	14,097	12,073
	<hr/>	<hr/>
	14,097	12,073
Net Assets	<hr/> <hr/>	<hr/> <hr/>
	517,951	494,286
Equity		
Share Capital	277,905	277,905
Treasury Shares	(18,038)	(17,778)
Reserves	258,073	234,145
	<hr/>	<hr/>
Equity Attributable to Owners of the Company	517,940	494,272
Non-controlling Interests	11	14
	<hr/>	<hr/>
Total Equity	<hr/> <hr/>	<hr/> <hr/>
	517,951	494,286
Net Assets per Share Attributable to Owners of the Company (RM)	<hr/> <hr/>	<hr/> <hr/>
	1.96	1.87

(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 YEAR ENDED 31 DECEMBER 2015

	← Non-Distributable →						Distributable *				
	Share capital RM '000	Treasury shares RM '000	Share premium RM '000	Capital reserve 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
Deferred tax income relating to change in tax rate	-	-	-	-	77	-	-	-	77	-	77
Loss on available-for-sale financial assets	-	-	-	-	-	(464)	-	-	(464)	-	(464)
Currency translation differences for foreign operations	-	-	-	-	-	-	27,138	-	27,138	-	27,138
Reclassification adjustments on:											
- Derecognition of available-for-sale financial assets	-	-	-	-	-	(405)	-	-	(405)	-	(405)
- Impairment of available-for-sale financial assets	-	-	-	-	-	847	-	-	847	-	847
Other comprehensive income for the financial year	-	-	-	-	77	(22)	27,138	-	27,193	-	27,193
Profit/(Loss) for the financial year	-	-	-	-	-	-	-	9,931	9,931	(3)	9,928
Total comprehensive income for the financial year	-	-	-	-	77	(22)	27,138	9,931	37,124	(3)	37,121
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)
Transfer to capital reserve	-	-	-	11,537	-	-	-	(11,537)	-	-	-
At 31/12/2015	277,905	(18,038)	87	11,537	38,929	(21)	46,176	161,365	517,940	11	517,951
At 01/01/2014	277,905	(12,131)	87	-	38,852	1,609	14,898	168,859	490,079	-	490,079
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	14	14
Gain on available-for-sale financial assets	-	-	-	-	-	263	-	-	263	-	263
Currency translation differences for foreign operations	-	-	-	-	-	-	4,140	-	4,140	-	4,140
Reclassification adjustments on:											
- Derecognition of available-for-sale financial assets	-	-	-	-	-	(1,970)	-	-	(1,970)	-	(1,970)
- Impairment of available-for-sale financial assets	-	-	-	-	-	99	-	-	99	-	99
Other comprehensive income for the financial year	-	-	-	-	-	(1,608)	4,140	-	2,532	-	2,532
Profit for the financial year	-	-	-	-	-	-	-	20,513	20,513	-	20,513
Total comprehensive income for the financial year	-	-	-	-	-	(1,608)	4,140	20,513	23,045	-	23,045
Purchase of own shares	-	(5,647)	-	-	-	-	-	-	(5,647)	-	(5,647)
Interim single tier dividend of 5.0 sen per share	-	-	-	-	-	-	-	(13,205)	(13,205)	-	(13,205)
Total transactions with owners	-	(5,647)	-	-	-	-	-	(13,205)	(18,852)	-	(18,852)
At 31/12/2014	277,905	(17,778)	87	-	38,852	1	19,038	176,167	494,272	14	494,286

* Retained profits as at 31 December 2015 amounting to RM17,951,000 (31 December 2014: RM17,691,000), 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 YEAR ENDED 31 DECEMBER 2015**

	CURRENT YEAR TO DATE 31/12/2015 RM '000	PRECEDING YEAR TO DATE 31/12/2014 RM '000
Cash flows from operating activities		
Profit before tax	18,674	33,637
Adjustments for:		
Depreciation	14,208	16,045
Dividend income	(42)	(251)
Gain on derecognition of available-for-sale financial assets	(405)	(1,970)
Gain on disposal of investment properties	-	(380)
Gain on fair value adjustment of investment properties	(1,100)	(765)
Impairment loss on available-for-sale financial assets	847	99
Impairment loss on loans and receivables	2,736	184
Interest expense	-	5
Interest income	(4,674)	(4,505)
Inventories written down	360	108
Investments in club memberships written off	-	28
Loss on disposal of property, plant and equipment	79	48
Loss/(Gain) on foreign exchange	286	(722)
Loss on disposal of investments in club memberships	-	9
Property, plant and equipment written off	198	7
Reversal of impairment loss on loans and receivables	(20)	-
Reversal of inventories written down	(130)	(235)
Share of profit of associate	(2,224)	(6,955)
	<u>28,793</u>	<u>34,387</u>
Operating profit before working capital changes		
	28,793	34,387
Changes in:		
Property development costs	(19,030)	4,181
Accrued billings	(399)	3,393
Amounts due from/to customers for contract work	1,793	1,054
Inventories	(2,649)	(7,168)
Receivables and prepayments	(9,976)	(7,936)
Payables	16,564	936
Cash generated from operations	<u>15,096</u>	<u>28,847</u>
Interest paid	-	(5)
Tax paid	(8,091)	(15,737)
Tax refunded	282	698
	<u>7,287</u>	<u>13,803</u>
Net cash from operating activities		
Cash flows from investing activities		
Acquisition of subsidiary, net of cash acquired	-	(70,631)
Dividends received	1,366	13,153
Interest received	4,674	4,505
Proceeds from disposal of available-for-sale financial assets	8,931	21,073
Proceeds from disposal of investment properties	-	850
Proceeds from disposal of investments in club memberships	-	114
Proceeds from disposal of property, plant and equipment	32	302
Purchase of available-for-sale financial assets	(16,970)	(4,021)
Purchase of property, plant and equipment	(5,355)	(12,805)
	<u>(7,322)</u>	<u>(47,460)</u>
Net cash used in investing activities		
Cash flows from financing activities		
Dividend paid	(13,196)	(13,205)
Purchase of own shares	(260)	(5,647)
Repayment of hire purchase obligations	-	(136)
Changes in term deposits pledged as security	217	190
	<u>(13,239)</u>	<u>(18,798)</u>
Net cash used in financing activities		
Currency translation differences	17,009	1,857
	<u>3,735</u>	<u>(50,598)</u>
Net increase/(decrease) in cash and cash equivalents		
Cash and cash equivalents brought forward	129,515	180,113
	<u>133,250</u>	<u>129,515</u>
Cash and cash equivalents carried forward		
	<u>133,250</u>	<u>129,515</u>
Note:		
Cash and cash equivalents	135,992	132,474
Term deposits pledged as security	(2,742)	(2,959)
	<u>133,250</u>	<u>129,515</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 YEAR ENDED 31 DECEMBER 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"):

	<u>Effective for annual periods beginning on or after</u>
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 year ended 31 December 2015.

5. Changes in Estimates

There were no changes in the estimates that have a material effect in the current year quarter and year ended 31 December 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 year ended 31 December 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 YEAR ENDED 31 DECEMBER 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 year ended 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
Revenue							
Total revenue	239,257	15,014	8,353	1,735	20,259	26,961	311,579
Intersegment revenue	-	-	(14)	-	-	(26,192)	(26,206)
External revenue	239,257	15,014	8,339	1,735	20,259	769	285,373
Results							
Segment results	16,106	580	78	684	(1,469)	(4,203)	11,776
Interest income	3,513	295	5	-	152	709	4,674
Share of profit of associate	-	-	-	-	-	2,224	2,224
Profit/(Loss) before tax	19,619	875	83	684	(1,317)	(1,270)	18,674
Tax (expense)/income	(7,819)	(374)	-	(191)	253	(615)	(8,746)
Profit/(Loss) for the financial year	11,800	501	83	493	(1,064)	(1,885)	9,928
Assets							
Segment assets	338,762	186,176	5,639	22,341	25,644	24,079	602,641
Associate	-	-	-	-	-	7,367	7,367
Income tax assets	77	3,393	16	13	928	3	4,431
Total assets	338,839	189,569	5,654	22,355	26,572	31,449	614,439
Liabilities							
Segment liabilities	50,636	12,221	1,458	47	2,828	12,386	79,576
Income tax liabilities	14,304	1,035	1	122	-	1,450	16,912
Total liabilities	64,940	13,256	1,459	169	2,828	13,836	96,488

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 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.

10. Changes in the Composition of the Group

There were no changes in the composition of the Group during the year ended 31 December 2015 other than:

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.

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 31/12/2015 RM '000	Preceding Year Quarter 31/12/2014 RM '000	Current Year To Date 31/12/2015 RM '000	Preceding Year To Date 31/12/2014 RM '000
Revenue				
Manufacture of printed circuit boards	67,587	56,951	239,257	232,558
Property development	1,377	9,659	15,014	24,888
Sale of electrical appliances	1,943	1,785	8,339	6,506
Cultivation of oil palm	214	187	1,735	1,566
Water and wastewater treatment	3,867	11,486	20,259	32,297
Unallocated non-operating segments	54	324	769	1,564
Total	75,042	80,392	285,373	299,379
Profit/(Loss) before tax				
Manufacture of printed circuit boards	4,757	5,089	19,619	15,182
Property development	(889)	2,331	875	5,118
Sale of electrical appliances	71	(21)	83	(38)
Cultivation of oil palm	(23)	(61)	684	581
Water and wastewater treatment	(1,191)	1,739	(1,317)	4,177
Unallocated non-operating segments	(1,512)	1,768	(1,270)	8,617
Total	1,213	10,845	18,674	33,637

a) Current Year Quarter vs Preceding Year Quarter

The Group's profit before tax of RM 1.2 million for the current year quarter ended 31 December 2015 was RM 9.6 million lower than the profit before tax of RM 10.8 million for the preceding year quarter mainly due to lower revenue generated by Property, Water and Wastewater Treatment Divisions coupled with share of loss of associate upon the expiration of Power Purchase Agreement in May 2015.

Detailed analysis of the performance of the Group's operating segments for the current year quarter ended 31 December 2015 compared to the preceding year quarter is as follows:

i) **Manufacture of printed circuit boards**

Profit before tax decreased to RM 4.8 million from RM 5.1 million mainly due to impairment loss on loans and receivables of RM2.6 million which was partly offset by the surge in revenue.

ii) **Property development**

Loss before tax of RM0.9 million was in line with lesser property units sold.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

12. Review of the Performance (cont'd)

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

iii) Sale of electrical appliances

Profit before tax of RM 0.07 million was mainly due to higher purchase incentive.

iv) Cultivation of oil palm

Loss before tax reduced to RM 0.02 million from RM 0.06 million mainly due to higher FFB output and average CPO price.

v) Water and wastewater treatment

Loss before tax of RM 1.2 million was in line with the lower revenue generated upon completion of high margin water projects and slow initial start up of new water projects.

vi) Unallocated non-operating segments

Loss before tax of RM1.5 million was mainly due to lower contribution from associate upon the expiration of Power Purchase Agreement in May 2015.

b) Current Year To Date vs Preceding Year To Date

For the year ended 31 December 2015, the Group recorded a lower profit before tax of RM 18.7 million compared to RM 33.6 million for the preceding year mainly due to the drop in contribution from associate, Property, Water and Wastewater Treatment Divisions.

Detailed analysis of the performance of the Group's operating segments for the year ended 31 December 2015 compared to the preceding year is as follows:

i) Manufacture of printed circuit boards

Profit before tax increased to RM 19.6 million from RM 15.2 million mainly driven by improved contribution from Malaysian operation on higher revenue and stronger USD.

ii) Property development

Profit before tax decreased to RM0.9 million from RM 5.1 million in tandem with lesser property units sold and delay in new property launches.

iii) Sale of electrical appliances

Profit before tax of RM 0.08 million was 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 due to higher FFB output.

v) Water and wastewater treatment

Loss before tax of RM 1.3 million was mainly due to lower revenue generated upon completion of high margin water projects and slow initial start up of new water projects.

vi) Unallocated non-operating segments

Loss before tax of RM1.3 million was mainly due to RM4.7 million drop in contribution from associate upon the expiration of Power Purchase Agreement in May'15, lower interest income and management fee of RM1.2 million, lower gain on derecognition of available-for-sale financial assets of RM1.6 million, unrealised loss on foreign exchange of RM1.1 million, higher impairment loss on available-for-sale financial assets of RM 0.7 million and recognition of gain on disposal of asset held for sale of RM 0.4 million in the preceding year.

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 1.2 million (Q3'15: RM 5.3 million) mainly due to impairment loss on loans and receivables of RM2.6 million and unfavourable foreign exchange of RM2.3 million on weaker USD which were partly offset by gain on fair value adjustment of investment properties of RM1.1 million.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

14. Prospects for 2016

Electronic Division expects to sustain positive growth momentum on more focused business strategy in 2016.

Property Division foresees property sales to pick up in tandem with new launches in 2016.

Electrical Division envisages sale of electrical products to remain flat in 2016.

Plantation Division anticipates stable FFB production and CPO prices in 2016.

Water and Wastewater Treatment Division expects to achieve higher construction progress of water projects and secure some of the water projects tendered with an approximate value of RM1.6 billion in 2016.

Going forward, the Group foresees improved contribution from Electronic, Property and Water and Wastewater Treatment Divisions in 2016.

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 31/12/2015 RM'000	Current Year To Date 31/12/2015 RM'000
Profit before tax is arrived at after charging:		
- Interest expense	-	-
- Depreciation	3,613	14,208
- Impairment loss on loans and receivables	2,736	2,736
- Inventories written down	393	360
- Inventories written off	-	-
- Impairment loss on available-for-sale financial assets	-	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	1,222	286
- Loss on financial instruments at fair value through profit or loss	-	-
- Exceptional items	-	-
and crediting:		
- Interest income	1,056	4,674
- Bad debts recovered	-	5
- Dividend income	-	42
- Gain on disposal of property, plant and equipment	-	-
- Gain on derecognition of available-for-sale financial assets	27	405
- Gain on fair value adjustment of investment properties	1,100	1,100
- Gain on financial instruments at fair value through profit or loss	-	3
- Gain on foreign exchange - realised	1,287	4,121
- Gain on foreign exchange - unrealised	-	-
- Reversal of impairment loss on loans and receivables	-	20
- Reversal of inventories written down	-	130
- Gain on derivatives	-	-

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

17. Tax Expense

Tax expense comprises:

	Current Year Quarter 31/12/2015 RM '000	Current Year To Date 31/12/2015 RM '000
Current income tax	(729)	(5,117)
Withholding tax on dividend income from foreign subsidiary	(2,840)	(2,840)
Deferred tax	210	(789)
	<u>(3,359)</u>	<u>(8,746)</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 and reinvestment 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 31 December 2015.

20. Financial Instruments

a) Derivatives

There were no outstanding derivatives as at 31 December 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 year ended 31 December 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.

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

c) Fair Value (cont'd)

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

i) Available-for-sale financial assets

	31/12/2015 RM '000
Shares quoted in Malaysia - at fair value	7,830
Unquoted shares - at cost less impairment losses	50
	<u>7,880</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 year ended 31 December 2015.

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

The breakdown of the retained profits of the Group as at 31 December 2015, into realised and unrealised profits, pursuant to the directive of Bursa Malaysia Securities Berhad, is as follows:

	As at 31/12/2015 RM'000	As at 31/12/2014 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	251,125	264,141
- Unrealised	2,017	4,255
	<u>253,142</u>	<u>268,396</u>
Total share of retained profits of associate:		
- Realised	4,754	3,881
- Unrealised	-	-
	<u>257,896</u>	<u>272,277</u>
Consolidation adjustments and eliminations	(96,531)	(96,110)
Total retained profits as per statement of financial position	<u>161,365</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 YEAR ENDED 31 DECEMBER 2015**

22. **Material Litigation**

There was no material litigation against the Group as at 31 December 2015.

23. **Earnings Per Share**

	Current Year Quarter 31/12/2015	Current Year To Date 31/12/2015
Profit attributable to owners of the Company (RM '000)	(2,145)	9,931
Number of ordinary shares in issue at the beginning of the period ('000)	263,870	264,110
Effect of shares purchased ('000)	-	(171)
Weighted average number of ordinary shares in issue ('000)	263,870	263,939
Basic (loss)/earnings per share (sen)	(0.81)	3.76

Diluted earnings per share are not presented as there are no dilutive potential ordinary shares in the current year quarter and year ended 31 December 2015.

24. **Authorisation for Issue**

The Board of Directors authorised the issue of this unaudited interim financial report on 23 February 2016.