

GUH HOLDINGS BERHAD (Company No. 4104-W)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED 31 MARCH 2016**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2016 RM '000	PRECEDING YEAR QUARTER 31/03/2015 RM '000	CURRENT YEAR TO DATE 31/03/2016 RM '000	PRECEDING YEAR TO DATE 31/03/2015 RM '000
Revenue	73,405	66,475	73,405	66,475
Operating expenses	(72,160)	(64,503)	(72,160)	(64,503)
Other operating income	1,529	2,129	1,529	2,129
Finance costs	-	-	-	-
Share of (loss)/profit of associate	(6)	2,168	(6)	2,168
Profit before tax (Note 16)	2,768	6,269	2,768	6,269
Tax expense	(94)	(1,445)	(94)	(1,445)
Profit for the period	2,674	4,824	2,674	4,824
Profit for the period attributable to:				
Owners of the Company	2,672	4,825	2,672	4,825
Non-controlling interests	2	(1)	2	(1)
	2,674	4,824	2,674	4,824
Earnings per share (sen):				
(a) Basic	1.01	1.83	1.01	1.83
(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 2015)

GUH HOLDINGS BERHAD (Company No. 4104-W)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2016**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2016 RM '000	PRECEDING YEAR QUARTER 31/03/2015 RM '000	CURRENT YEAR TO DATE 31/03/2016 RM '000	PRECEDING YEAR TO DATE 31/03/2015 RM '000
Profit for the period	2,674	4,824	2,674	4,824
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Loss on available-for-sale financial assets	(369)	(576)	(369)	(576)
Currency translation differences for foreign operations	(14,120)	9,192	(14,120)	9,192
Reclassification adjustments on:-				
- Derecognition of available-for-sale financial assets	(106)	-	(106)	-
- Impairment of available-for-sale financial assets	-	4	-	4
Other comprehensive income for the period	(14,595)	8,620	(14,595)	8,620
Total comprehensive income for the period	(11,921)	13,444	(11,921)	13,444
Total comprehensive income for the period attributable to:				
Owners of the Company	(11,923)	13,445	(11,923)	13,445
Non-controlling interests	2	(1)	2	(1)
	(11,921)	13,444	(11,921)	13,444

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015)

GUH HOLDINGS BERHAD (Company No. 4104-W)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016**

	AS AT 31/03/2016 RM '000	AS AT 31/12/2015 RM '000
Non-Current Assets		
Property, Plant and Equipment	149,775	157,967
Investment Properties	8,100	8,900
Goodwill	3,348	3,348
Investment in Associate	17,910	7,367
Available-for-sale Financial Assets	6,330	7,880
Land Held for Property Development	146,961	121,857
Deferred Tax Assets	224	224
	332,648	307,543
Current Assets		
Property Development Costs	38,387	31,168
Assets Held for Sale	800	-
Accrued Billings	6,509	6,396
Amounts Due from Customers for Contract Work	2,203	2,517
Inventories	45,378	44,250
Trade and Other Receivables	74,192	78,375
Prepayments	5,229	3,991
Current Tax Assets	4,176	4,207
Cash and Cash Equivalents	108,090	135,992
	284,964	306,896
Current Liabilities		
Trade and Other Payables	78,257	76,643
Amounts Due to Customers for Contract Work	2,195	93
Current Tax Liabilities	2,612	5,655
	83,064	82,391
Net Current Assets	201,900	224,505
Non-Current Liabilities		
Loans and Borrowings	15,800	-
Deferred Tax Liabilities	12,727	14,097
	28,527	14,097
Net Assets	506,021	517,951
Equity		
Share Capital	277,905	277,905
Treasury Shares	(18,047)	(18,038)
Reserves	246,150	258,073
Equity Attributable to Owners of the Company	506,008	517,940
Non-controlling Interests	13	11
Total Equity	506,021	517,951
Net Assets per Share Attributable to Owners of the Company (RM)	1.92	1.96

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2016

	← 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 01/01/2016	277,905	(18,038)	87	11,537	38,929	(21)	46,176	161,365	517,940	11	517,951
Loss on available-for-sale financial assets	-	-	-	-	-	(369)	-	-	(369)	-	(369)
Currency translation differences for foreign operations	-	-	-	-	-	-	(14,120)	-	(14,120)	-	(14,120)
Reclassification adjustment on derecognition of available-for-sale financial assets	-	-	-	-	-	(106)	-	-	(106)	-	(106)
Other comprehensive income for the period	-	-	-	-	-	(475)	(14,120)	-	(14,595)	-	(14,595)
Profit for the period	-	-	-	-	-	-	-	2,672	2,672	2	2,674
Total comprehensive income for the period	-	-	-	-	-	(475)	(14,120)	2,672	(11,923)	2	(11,921)
Purchase of own shares	-	(9)	-	-	-	-	-	-	(9)	-	(9)
Transfer to capital reserve **	-	-	-	195	-	-	-	(195)	-	-	-
At 31/03/2016	277,905	(18,047)	87	11,732	38,929	(496)	32,056	163,842	506,008	13	506,021
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	-	-	-	-	-	(576)	-	-	(576)	-	(576)
Currency translation differences for foreign operations	-	-	-	-	-	-	9,192	-	9,192	-	9,192
Reclassification adjustment on impairment of available-for-sale financial assets	-	-	-	-	-	4	-	-	4	-	4
Other comprehensive income for the period	-	-	-	-	-	(572)	9,192	-	8,620	-	8,620
Profit for the period	-	-	-	-	-	-	-	4,825	4,825	(1)	4,824
Total comprehensive income for the period	-	-	-	-	-	(572)	9,192	4,825	13,445	(1)	13,444
Purchase of own shares	-	(163)	-	-	-	-	-	-	(163)	-	(163)
At 31/03/2015	277,905	(17,941)	87	-	38,852	(571)	28,230	180,992	507,554	13	507,567

* Retained profits as at 31 March 2016 amounting to RM17,960,000 (31 March 2015: RM17,854,000), being the excess of treasury shares over share premium, were considered as non-distributable.

** This represents the amount transferred from the retained profits of a subsidiary under the statutory requirements of the People's Republic of China.

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015)

GUH HOLDINGS BERHAD (Company No. 4104-W)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2016**

	CURRENT YEAR TO DATE 31/03/2016 RM '000	PRECEDING YEAR TO DATE 31/03/2015 RM '000
Cash flows from operating activities		
Profit before tax	2,768	6,269
Adjustments for:		
Depreciation	3,514	3,501
Gain on derecognition of available-for-sale financial assets	(106)	-
Gain on winding up of foreign subsidiary	(4)	-
Impairment loss on available-for-sale financial assets	-	4
Interest income	(804)	(1,187)
Inventories written down	54	135
Loss on disposal of property, plant and equipment	-	92
Property, plant and equipment written off	1	198
Reversal of impairment loss on loans and receivables	(10)	(10)
Reversal of inventories written down	(38)	(77)
Share of loss/(profit) of associate	6	(2,168)
Unrealised loss/(gain) on foreign exchange	2,505	(374)
Unrealised loss on financial instruments at fair value through profit or loss	-	1
	<u>7,886</u>	<u>6,384</u>
Operating profit before working capital changes	7,886	6,384
Changes in:		
Property development costs	(30,043)	(4,751)
Accrued billings	(113)	(1,320)
Amounts due from/to customers for contract work	2,416	3,223
Inventories	(1,144)	(2,404)
Receivables and prepayments	2,325	(4,480)
Payables	(2,988)	3,693
Cash (absorbed by)/generated from operations	<u>(21,661)</u>	<u>345</u>
Tax paid	<u>(4,392)</u>	<u>(2,624)</u>
Tax refunded	<u>513</u>	<u>246</u>
	<u>(3,879)</u>	<u>(2,378)</u>
Net cash used in operating activities	<u>(25,540)</u>	<u>(2,033)</u>
Cash flows from investing activities		
Acquisition of associate	<u>(5,217)</u>	<u>-</u>
Acquisition of subsidiary, net of cash acquired	<u>(3,504)</u>	<u>-</u>
Interest received	<u>804</u>	<u>1,187</u>
Proceeds from disposal of available-for-sale financial assets	<u>1,773</u>	<u>-</u>
Purchase of available-for-sale financial assets	<u>(592)</u>	<u>(5,214)</u>
Purchase of property, plant and equipment	<u>(1,464)</u>	<u>(3,222)</u>
Net cash used in investing activities	<u>(8,200)</u>	<u>(7,249)</u>
Cash flows from financing activities		
Purchase of own shares	<u>(9)</u>	<u>(163)</u>
Proceeds from bank borrowings	<u>15,800</u>	<u>-</u>
Changes in term deposits pledged as security	<u>(106)</u>	<u>(990)</u>
Net cash from/(used in) financing activities	<u>15,685</u>	<u>(1,153)</u>
Currency translation differences	<u>(9,953)</u>	<u>5,605</u>
Net decrease in cash and cash equivalents	<u>(28,008)</u>	<u>(4,830)</u>
Cash and cash equivalents brought forward	<u>133,250</u>	<u>129,515</u>
Cash and cash equivalents carried forward	<u>105,242</u>	<u>124,685</u>
Note:		
Cash and cash equivalents	<u>108,090</u>	<u>128,634</u>
Term deposits pledged as security	<u>(2,848)</u>	<u>(3,949)</u>
	<u>105,242</u>	<u>124,685</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015)

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2016**

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 2015.

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 2015 except for the adoption of the following Financial Reporting Standards ("FRSs"):

	Effective for annual periods beginning on or after
FRS 14 <i>Regulatory Deferral Accounts</i>	1 January 2016
Amendments to FRS 10, FRS 12 and FRS 128 <i>Investment Entities: Applying the Consolidation Exception</i>	1 January 2016
Amendments to FRS 11 <i>Accounting for Acquisitions of Interests in Joint Operations</i>	1 January 2016
Amendments to FRS 101 <i>Disclosure Initiative</i>	1 January 2016
Amendments to FRS 116 and FRS 138 <i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 January 2016
Amendments to FRS 127 <i>Equity Method in Separate Financial Statements</i>	1 January 2016
Amendments to FRSs contained in the document entitled " <i>Annual Improvements to FRSs 2012 - 2014 Cycle</i> "	1 January 2016

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 31 March 2016.

5. **Changes in Estimates**

There were no changes in the estimates that have a material effect in the current year quarter and period ended 31 March 2016.

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 and period ended 31 March 2016, the Company purchased 10,000 ordinary shares of its issued share capital from the open market for a total consideration of approximately RM 0.01 million at an average cost of RM 0.91 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 31 MARCH 2016**

7. Dividend Paid

No dividend was paid during the current year quarter and period ended 31 March 2016.

8. Segmental Reporting

Analysis by activity	Electronic	Property			Utility	Unallocated Non-Operating Segments RM '000	Group RM '000
	Manufacture of Printed Circuit Boards RM '000	Property Development RM '000	Sale of Building Materials RM '000	Cultivation of Oil Palm RM '000	Water and Wastewater Treatment RM '000		
Revenue							
Total revenue	62,668	3,526	2,317	489	4,262	1,343	74,605
Intersegment revenue	-	-	(3)	-	-	(1,197)	(1,200)
External revenue	62,668	3,526	2,314	489	4,262	146	73,405
Results							
Segment results	2,759	(6)	(33)	255	(943)	(62)	1,970
Interest income	596	24	3	-	41	140	804
Share of loss of associate	-	-	-	-	-	(6)	(6)
Profit/(Loss) before tax	3,355	18	(30)	255	(902)	72	2,768
Tax income/(expense)	94	(104)	(6)	(60)	-	(18)	(94)
Profit/(Loss) for the period	3,449	(86)	(36)	195	(902)	54	2,674
Assets							
Segment assets	293,096	216,347	6,182	22,079	25,419	32,179	595,302
Associate	-	-	-	-	-	17,910	17,910
Income tax assets	3	3,301	15	-	1,078	3	4,400
Total assets	293,099	219,648	6,197	22,079	26,497	50,092	617,612
Liabilities							
Segment liabilities	42,223	15,000	2,008	68	3,131	18,022	80,452
Loans and borrowings	-	15,800	-	-	-	-	15,800
Income tax liabilities	12,715	1,095	1	131	-	1,397	15,339
Total liabilities	54,938	31,895	2,009	199	3,131	19,419	111,591

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.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2016**

10. Changes in the Composition of the Group

There were no changes in the composition of the Group during the period ended 31 March 2016 other than:

On 21 March 2016, GUH Capital Sdn. Bhd., a wholly-owned subsidiary of the Company, entered into a subscription agreement to subscribe for 1,166,667 new ordinary shares of RM1.00 each in Straits International Education Group Sdn. Bhd. ("SIEG"), representing 25% equity interest in SIEG, for a total cash consideration of RM11.0 million. SIEG is a company incorporated in Malaysia and its principal activities are investment holding and the provision of management services for the operation of a private international school.

Upon completion of the above subscription on 30 March 2016, SIEG is now a direct and indirect associate of GUH Capital and the Company respectively.

On 21 March 2016, GUH Asset Holdings Sdn. Bhd. (formerly known as GUH Electrical Holdings Sdn. Bhd.) ("GUH Asset"), a wholly-owned subsidiary of the Company, entered into a share purchase agreement to acquire 2 ordinary shares of RM1.00 each in Milan Diamond Sdn. Bhd. ("MDSB"), representing 100% equity interest in MDSB, for a cash consideration of RM2 and the settlement of liabilities of approximately RM6.77 million. MDSB is a company incorporated in Malaysia and has not commenced business since its incorporation. Its intended principal activities are investment holding and leasing.

Upon completion of the above acquisition MDSB is now a wholly-owned subsidiary of GUH Asset and an indirect subsidiary of the Company.

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 31/03/2016 RM '000	Preceding Year Corresponding Quarter 31/03/2015 RM '000	Current Year To Date 31/03/2016 RM '000	Preceding Year Corresponding Period 31/03/2015 RM '000
Revenue				
<u>Electronic</u>				
- Manufacture of printed circuit boards	62,668	47,785	62,668	47,785
<u>Property</u>				
- Property development	3,526	7,637	3,526	7,637
- Sale of building materials	2,314	2,708	2,314	2,708
- Cultivation of oil palm	489	513	489	513
<u>Utility</u>				
- Water and wastewater treatment	4,262	7,585	4,262	7,585
Unallocated non-operating segments	146	247	146	247
Total	73,405	66,475	73,405	66,475
Profit before tax				
<u>Electronic</u>				
- Manufacture of printed circuit boards	3,355	2,080	3,355	2,080
<u>Property</u>				
- Property development	18	1,779	18	1,779
- Sale of building materials	(30)	(29)	(30)	(29)
- Cultivation of oil palm	255	148	255	148
<u>Utility</u>				
- Water and wastewater treatment	(902)	488	(902)	488
Unallocated non-operating segments	72	1,803	72	1,803
Total	2,768	6,269	2,768	6,269

The Group's profit before tax of RM 2.8 million for the current year quarter ended 31 March 2016 was RM 3.5 million lower than the profit before tax of RM 6.3 million for the preceding year corresponding quarter mainly due to share of loss of associate upon the expiration of Power Purchase Agreement in May 2015 and lower contribution from Property Division.

Detailed analysis of the performance of the Group's operating segments for the current year quarter ended 31 March 2016 compared to the preceding year corresponding quarter is as follows:

i) Manufacture of printed circuit boards

Profit before tax increased to RM 3.4 million from RM 2.1 million mainly due to improved contribution from Malaysia operation on higher revenue.

ii) Property development

Profit before tax reduced to RM 0.02 million from RM 1.8 million in line with minimal property units sold.

iii) Sale of building materials

Loss before tax was almost the same at RM 0.03 million compared to the preceding year corresponding quarter.

iv) Cultivation of oil palm

Profit before tax increased to RM 0.3 million from RM 0.1 million mainly due to write off of lost motor vehicle in Q115.

v) Water and wastewater treatment

Loss before tax of RM 0.9 million was mainly due to lower revenue generated upon completion of high margin water project and slow initial start up of new water projects.

vi) Unallocated non-operating segments

Profit before tax reduced to RM 0.1 million from RM 1.8 million mainly due to RM2.2 million drop in contribution from associate upon the expiration of Power Purchase Agreement in May'15 partly offset by favourable foreign exchange of RM0.5 million.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2016**

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 increased to RM 2.7 million (Q4'15: RM 1.2 million) mainly due to impairment loss on loans and receivables of RM2.7 million in Q4'15 and lower share of loss of associate by RM1.0 million partly offset by higher unfavourable foreign exchange of RM2.5 million on the back of weaker USD.

14. Prospects for 2016

Electronic Division is positive on its future earnings with more focused business strategy and higher margin products in 2016.

Property Division foresees slower property sales in tandem with weaker consumer spending and tighter credit control by the financial institutions.

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

Plantation Division anticipates CPO prices to rise on lower FFB output due to the effects of El Nino.

Water and Wastewater Treatment Division expects to return to the black on higher construction progress of existing water projects.

Going forward, the Group foresees improved performance from Electronic 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 31/03/2016 RM'000	Current Year To Date 31/03/2016 RM'000
Profit before tax is arrived at after charging:		
- Interest expense	-	-
- Depreciation	3,514	3,514
- Impairment loss on loans and receivables	-	-
- Inventories written down	54	54
- Inventories written off	-	-
- Impairment loss on available-for-sale financial assets	-	-
- Loss on disposal of property, plant and equipment	-	-
- Property, plant and equipment written off	1	1
- Loss on foreign exchange - realised	-	-
- Loss on foreign exchange - unrealised	2,505	2,505
- Loss on financial instruments at fair value through profit or loss	-	-
- Exceptional items	-	-
and crediting:		
- Interest income	804	804
- Dividend income	-	-
- Gain on disposal of property, plant and equipment	-	-
- Gain on derecognition of available-for-sale financial assets	106	106
- Gain on foreign exchange - realised	107	107
- Gain on foreign exchange - unrealised	-	-
- Gain on winding up of foreign subsidiary	4	4
- Reversal of impairment loss on loans and receivables	10	10
- Reversal of inventories written down	38	38
- Gain on derivatives	-	-

17. Taxation

Taxation comprises:

	Current Year Quarter 31/03/2016 RM '000	Current Year To Date 31/03/2016 RM '000
Income tax	(854)	(854)
Deferred tax	774	774
Real Property Gains Tax	(14)	(14)
	<u>(94)</u>	<u>(94)</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 reinvestment allowances by certain subsidiary

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2016**

18. **Status of Corporate Proposals**

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

19. **Group Borrowings and Debt Securities**

Group borrowings and debt securities as at 31 March 2016

	RM '000
Secured	15,800
Unsecured	-
(a) Total	15,800
Short term	-
Long term	15,800
(b) Total	15,800
Ringgit Malaysia	15,800
Foreign currency	-
(c) Total	15,800

20. **Financial Instruments**

a) Derivatives

There were no outstanding derivatives as at 31 March 2016.

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 31 March 2016.

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.

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

i) Available-for-sale financial assets

	31/03/2016 RM '000
Shares quoted in Malaysia - at fair value	6,280
Unquoted shares - at cost less impairment losses	50
	<u>6,330</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.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2016**

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

c) Fair Value (cont'd)

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 31 March 2016.

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

The breakdown of the retained profits of the Group as at 31 March 2016, into realised and unrealised profits, pursuant to the directive of Bursa Malaysia Securities Berhad, is as follows:

	As at 31/03/2016 RM'000	As at 31/12/2015 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	255,291	251,222
- Unrealised	449	1,920
	255,740	253,142
Total share of retained profits of associate:		
- Realised	4,748	4,754
- Unrealised	-	-
	260,488	257,896
Consolidation adjustments and eliminations	(96,646)	(96,531)
Total retained profits as per statement of financial position	163,842	161,365

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.

22. **Material Litigation**

There was no material litigation against the Group as at 31 March 2016.

23. **Proposed Dividend**

No dividend has been proposed or declared for the current year quarter ended 31 March 2016.

24. **Earnings Per Share**

	Current Year Quarter 31/03/2016	Current Year To Date 31/03/2016
Profit attributable to owners of the Company (RM '000)	2,672	2,672
Number of ordinary shares in issue at the beginning of the period ('000)	263,870	263,870
Effect of shares purchased ('000)	(7)	(7)
Weighted average number of ordinary shares in issue ('000)	263,863	263,863
Basic earnings per share (sen)	1.01	1.01

Diluted earnings per share are not presented as there are no dilutive potential ordinary shares in the current year quarter and period ended 31 March 2016.

25. **Authorisation for Issue**

The Board of Directors authorised the issue of this unaudited interim financial report on 24 May 2016.