

SEAL INCORPORATED BERHAD (4887-M)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015
(THE FIGURES HAVE NOT BEEN AUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter Ended 31/12/2015 RM' 000	Preceding Year Corresponding Quarter Ended 31/12/2014 RM' 000	Current Period To Date 31/12/2015 RM' 000	Preceding Year Corresponding Period 31/12/2014 RM' 000
Revenue	23,111	5,919	47,179	12,137
Cost of sales	(18,867)	(3,779)	(37,754)	(7,837)
Gross profit	4,244	2,140	9,425	4,300
Other income	1,413	2,125	2,300	2,828
Operating expenses	(2,457)	(2,850)	(5,324)	(5,372)
Finance cost	(315)	(7)	(620)	(15)
Profit before tax	2,885	1,408	5,781	1,741
Income tax	(980)	(580)	(1,641)	(872)
Profit for the period	1,905	828	4,140	869
Other comprehensive (loss)/income				
Fair value movement on available-for-sale investment	(2)	11	(3)	46
Total comprehensive income for the period	1,903	839	4,137	915
Profit/(Loss) attributable to:				
Owners of the parent	1,801	1,013	3,998	1,247
Non-controlling interests	104	(185)	142	(378)
	1,905	828	4,140	869
Total comprehensive income/(loss) attributable to:				
Owners of the parent	1,799	1,018	3,995	1,271
Non-controlling interests	104	(179)	142	(356)
	1,903	839	4,137	915
Earnings per share (sen)				
- Basic	0.84	0.47	1.86	0.58
- Diluted	-	-	-	-

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2015)

SEAL INCORPORATED BERHAD (4887-M)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	(UNAUDITED)	(AUDITED)
	As at Financial	As At Preceding
	Year End	Financial
	31/12/2015	Year End
	RM' 000	30/06/2015
	RM' 000	RM' 000
ASSETS		
Non-current assets		
Property, plant and equipment	2,103	2,147
Investment properties	51,949	51,949
Land held for development	17,499	17,487
Held-to-maturity investments	10,298	19,299
Timber concessions	16,898	19,442
	98,747	110,324
Current assets		
Property development costs	114,569	87,372
Inventories	25,092	28,224
Trade receivables	37,043	13,155
Other receivables, deposits and prepayments	66,672	61,444
Tax recoverable	2,376	1,453
Available-for-sale financial assets	20,975	37,481
Fixed deposits with licensed banks	23,295	42,052
Cash and bank balances	5,424	3,845
	295,446	275,026
TOTAL ASSETS	394,193	385,350
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	88,561	88,561
Share premium	45,448	45,448
Treasury shares	(2,154)	(2,130)
Reserves	(955)	(952)
Retained profits	110,710	106,712
	241,610	237,639
Non-controlling interests	66,158	66,016
Total equity	307,768	303,655
Non-current liabilities		
Deferred tax	6	6
Hire purchase payable	403	431
Bank borrowings	26,014	34,824
	26,423	35,261
Current liabilities		
Trade payables	10,968	8,745
Progress billing in respect of property development	1,562	532
Other payables and accruals	24,183	23,846
Hire purchase payable	207	187
Bank borrowings	21,740	12,809
Provision for taxation	1,342	315
	60,002	46,434
Total liabilities	86,425	81,695
TOTAL EQUITY AND LIABILITIES	394,193	385,350
Net assets per share attributable to owners of the parent (RM)	1.12	1.10

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2015)

SEAL INCORPORATED BERHAD (4887-M)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015
(THE FIGURES HAVE NOT BEEN AUDITED)

	←----- Attributable to owners of the parent -----→						-----→		
	←----- Non-distributable -----→			----- Distributable -----→					
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Revaluation Reserve RM'000	Fair Value Reserve RM'000	Retained profits RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
6 Months Ended 31 December 2015									
Balance at 1 July 2015	88,561	45,448	(2,130)	(955)	3	106,712	237,639	66,016	303,655
Purchase of treasury shares	-	-	(24)	-	-	-	(24)	-	(24)
Total comprehensive income for the period	-	-	-	-	(3)	3,998	3,995	142	4,137
Balance at 31 December 2015	<u>88,561</u>	<u>45,448</u>	<u>(2,154)</u>	<u>(955)</u>	<u>(0)</u>	<u>110,710</u>	<u>241,610</u>	<u>66,158</u>	<u>307,768</u>
6 Months Ended 31 December 2014									
Balance at 1 July 2014	88,561	45,448	(2,093)	353	(11)	112,235	244,493	85,741	330,234
Purchase of treasury shares	-	-	(1)	-	-	-	(1)	-	(1)
Dilution of non-controlling interest of subsidiaries	-	-	-	-	-	-	-	78	78
Payment of dividends to non-controlling interests	-	-	-	-	-	-	-	(18,620)	(18,620)
Total comprehensive income/(loss) for the period	-	-	-	-	24	1,247	1,271	(356)	915
Balance at 31 December 2014	<u>88,561</u>	<u>45,448</u>	<u>(2,094)</u>	<u>353</u>	<u>13</u>	<u>113,482</u>	<u>245,763</u>	<u>66,843</u>	<u>312,606</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 30 June 2015)

SEAL INCORPORATED BERHAD (4887-M)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015
(THE FIGURES HAVE NOT BEEN AUDITED)

	Current Period To Date 31/12/2015 RM'000	Preceding Year Corresponding Period 31/12/2014 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	5,781	1,741
Adjustments for:		
Non-cash items	214	207
Non-operating items	(2)	4
Interest expenses	620	15
Interest income	(586)	(1,100)
Dividend income	(1,403)	(1,381)
Operating profit/(loss) before working capital changes	4,624	(514)
Inventories	3,132	(262)
Timber concession	2,544	194
Property development costs	(26,877)	(24,694)
Trade and other receivables	(29,116)	(19,637)
Trade and other payables	3,590	(8,436)
Cash used in operations	(42,103)	(53,349)
Interest paid	(926)	(137)
Tax paid	(1,555)	(7,797)
Tax refund	18	-
Net cash used in operating activities	(44,566)	(61,283)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(79)	(45)
Purchase of shares from non-controlling interests	-	(1,230)
Placement of short term investment	(6,825)	(31,325)
Proceeds from redemption of other investments	32,331	39,792
Proceeds from disposal of property, plant and equipment	-	1
Dividend received	1,403	1,381
Interest received	586	1,100
Net cash generated from investing activities	27,416	9,674
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of borrowings	9,650	31,285
Payment of dividends to non-controlling interests	-	(18,620)
Payment of bank borrowings	(9,557)	(9,210)
Payment of hire purchase payable	(97)	(87)
Purchase of treasury shares	(24)	(1)
Changes in fixed deposits with licensed bank	(26)	1
Net cash (used in)/generated from financing activities	(54)	3,368
NET CHANGES IN CASH AND CASH EQUIVALENTS	(17,204)	(48,241)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	43,958	87,707
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	26,754	39,466

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2015)

Period ended 31 December 2014

	Property Construction RM'000	Property Management RM'000	Timber Related RM'000	Property Development RM'000	Investment Properties RM'000	Others RM'000	Total RM'000
Segment revenue	-	9,904	-	1,933	-	300	12,137
Segment results	-	2,503	(48)	(84)	-	(1,715)	656
Interest income							1,100
Profit from operations							1,756
Finance cost							(15)
Profit before tax							1,741
Income tax							(872)
Profit for the period							869

8 Valuation of Property, Plant and Equipment, Investment Properties and Development Properties

There has been no valuation undertaken by the Group since the last annual financial statements for the financial year ended 30 June 2015.

9 Significant Events

There were no material significant event at the date of this announcement

10 Material Subsequent Events

There were no material subsequent events at the date of this announcement.

11 Changes in the Composition of the Group

Acquisitions

On 2 July 2015, Seal Incorporated Berhad ("SEAL") has incorporated a new wholly-owned subsidiary company, namely Seal Properties (PG) Sdn Bhd. Comprising two subscribers' share of RM1.00 each for a total consideration of RM2.00.

12 Contingent Liabilities and Contingent Assets

Since the last annual financial statement ended 30 June 2015, the Group's contingent liabilities have changed due to the increase in corporate guarantees (unsecured) issued by the company to licensed financial institutes for banking facilities granted to a subsidiary of the group amounting to RM8 million.

13 Commitments

Joint venture commitments

- i) balance of cash consideration of RM15,874,640; and
- ii) construction of one block of commercial building, actual cost of which is yet to be ascertained.

14 Operating Lease Commitments

	As at 31 December 2015 RM'000
Not later than one year	9,100
Later than one year and not later than five years	-
	<u>9,100</u>

The operating lease commitments are in respect of leaseback of Selayang Mall for a term of ten years.

15 Related Party Transactions

There were no related party transactions for the financial period under review.

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

16 Review of Performance of the Company and Its Principal Subsidiaries

For the current quarter under review, the Group recorded total revenue of RM23.1 million and profit before taxation of RM2.9 million as compared to the revenue of RM5.9 million and profit before taxation of RM1.4 million in the preceding year corresponding quarter. The increase in revenue and profit before taxation were mainly contributed from property management, property development, marketing services and property construction from a development project known as "Queensville", located at Cheras, Kuala Lumpur.

17 Material Changes for the Current Quarter as Compared with the Preceding year

There are no material changes in the current quarter as compared with the preceding year.

18 Prospect

The Group expects a steady stream of income from its investment properties, property management, property construction and development segment in current financial year. Barring any unforeseen circumstances, the Group is confident it will continue to deliver satisfactory results in current financial year.

19 Variance from Forecast Profit and Profit Guarantee

The Group has not provided any profit forecast or profit guarantee.

20 Income Tax Expenses

	Current quarter RM'000	Financial period to date RM'000
Malaysian income tax:		
- Current tax expense	980	1,641
	<u>980</u>	<u>1,641</u>

The Group's effective tax rate for the financial period was higher than the statutory tax rate mainly due to tax losses incurred by certain subsidiary companies that were not available to set off against taxable profits in other companies within the group.

21 Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this announcement.

22 Group Borrowings and Debts Securities

Total Group borrowings as at 31 December 2015 are as follows:

	Secured RM'000	Unsecured RM'000
<u>Long term borrowings</u>		
Term loans	<u>26,014</u>	<u>-</u>
<u>Short term borrowings</u>		
Term loans	<u>13,740</u>	<u>8,000</u>

23 Changes in Material Litigation

On 15 February 2016, Seal Incorporated Berhad ("the Company") and its subsidiaries had been served with an Originating Summon which has been filed at the High Court at Penang under Section 181 Companies Act 1965 ("the said Action") by Sovereign Paramount Sdn Bhd (a shareholder in Seal Properties (Bayan City) Sdn Bhd, a subsidiary of the Company), alleging minority oppression. The Court has fixed the matter for case management on 29 February 2016. The Company will contest the said Action.

24 Dividends

No dividend has been proposed for the financial period ended 31 December 2015.

25 Earnings Per Share

Basic Earnings per Share

The calculation of basic earnings per share is based on the profit attributable to the owners of the parent of RM3,998,416 divided by the weighted average number of ordinary shares in issue as at 31 December 2015 of 215,545,945 shares after taking in the effects of share buy back of the Company.

Diluted Earnings per Share

There is no diluted earnings per share as there were no potential dilutive ordinary shares as at 31 December 2015.

26 Disclosure of Realised and Unrealised Profits

	As at 31 December 2015 RM'000	As at 30 June 2015 RM'000
The retained profits of the Company and its subsidiaries		
- Realised	108,840	104,802
- Unrealised	-	-
	<u>108,840</u>	<u>104,802</u>
Add : Consolidation adjustments	1,870	1,910
Total retained profits as per consolidated accounts	<u>110,710</u>	<u>106,712</u>

27 Profit before taxation

	3 months ended 31 December 2015 RM'000	Year-to-date ended 31 December 2015 RM'000
Profit before taxation is arrived at after crediting/(charging):		
Depreciation	(108)	(214)
Dividend income	1,056	1,403
Interest expenses	(315)	(620)
Interest income	214	586
	<u>214</u>	<u>586</u>

Save as disclosed above, there were no deposits written off, no impairment of assets, no foreign exchange gains or losses, no gains or losses on derivatives and exceptional items for the current quarter and the financial period 31 December 2015.

28 Auditors' Report on Preceding Annual Financial Statements

The auditors' report in respect of financial statements for the financial year ended 30 June 2015 was not subject to any qualification.