



CHIN WELL HOLDINGS BERHAD

(371551-T)

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

	Unaudited As at 30.09.15 RM'000	Audited As at 30.06.15 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	169,423	160,674
Investment properties	5,043	5,060
Other investment	166	165
	<u>174,632</u>	<u>165,899</u>
Current assets		
Inventories	221,215	213,279
Trade and other receivables	143,770	134,752
Derivative financial assets	278	278
Current tax assets	976	1,785
Cash and bank balances	91,342	55,163
	<u>457,581</u>	<u>405,257</u>
TOTAL ASSETS	<u>632,213</u>	<u>571,156</u>
EQUITY AND LIABILITIES		
Share capital	149,767	149,767
Reserves	334,713	298,231
Total equity	<u>484,480</u>	<u>447,998</u>
Non-current liabilities		
Other payable	19,446	19,261
Deferred tax liabilities	8,767	8,761
	<u>28,213</u>	<u>28,022</u>
Current liabilities		
Trade and other payables	45,527	40,178
Provision for retirement benefits	457	914
Borrowings	60,971	53,011
Dividend payable	11,502	-
Current tax liabilities	1,063	1,033
	<u>119,520</u>	<u>95,136</u>
Total liabilities	<u>147,733</u>	<u>123,158</u>
TOTAL EQUITY AND LIABILITIES	<u>632,213</u>	<u>571,156</u>
Net assets per share attributable to owners of the Company (RM)	1.62	1.50

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited Financial Statements for the financial year ended 30 June 2015. The accompanying notes are an integral part of these interim financial statements.



CHIN WELL HOLDINGS BERHAD

(371551-T)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 3 MONTHS PERIOD ENDED 30 SEPTEMBER 2015 - UNAUDITED

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	30.09.15	30.09.14	30.09.15	30.09.14
	RM'000	RM'000	RM'000	RM'000
Revenue	140,627	127,517	140,627	127,517
Cost of sales	<u>(116,788)</u>	<u>(104,363)</u>	<u>(116,788)</u>	<u>(104,363)</u>
Gross profit	23,839	23,154	23,839	23,154
Other income	5,841	491	5,841	491
Administrative expenses	(3,958)	(3,923)	(3,958)	(3,923)
Selling and distribution expenses	<u>(3,597)</u>	<u>(4,487)</u>	<u>(3,597)</u>	<u>(4,487)</u>
Operating profit	22,125	15,235	22,125	15,235
Finance costs	<u>(298)</u>	<u>(233)</u>	<u>(298)</u>	<u>(233)</u>
Profit before tax	21,827	15,002	21,827	15,002
Tax expense	<u>(3,647)</u>	<u>(1,502)</u>	<u>(3,647)</u>	<u>(1,502)</u>
Profit for the period	18,180	13,500	18,180	13,500
Other comprehensive income, net of tax				
Item that will be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	<u>29,804</u>	<u>4,264</u>	<u>29,804</u>	<u>4,264</u>
Total comprehensive income for the period	<u><u>47,984</u></u>	<u><u>17,764</u></u>	<u><u>47,984</u></u>	<u><u>17,764</u></u>

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's audited Financial Statements for the financial year ended 30 June 2015. The accompanying notes are an integral part of these interim financial statements.



CHIN WELL HOLDINGS BERHAD

(371551-T)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 3 MONTHS PERIOD ENDED 30 SEPTEMBER 2015 - UNAUDITED (CONT'D)

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30.09.15 RM'000	30.09.14 RM'000	30.09.15 RM'000	30.09.14 RM'000
Profit attributable to:				
Owners of the Company	18,180	8,950	18,180	8,950
Non-controlling interest	-	4,550	-	4,550
	<u>18,180</u>	<u>13,500</u>	<u>18,180</u>	<u>13,500</u>
Total comprehensive income attributable to:				
Owners of the Company	47,984	11,509	47,984	11,509
Non-controlling interest	-	6,255	-	6,255
	<u>47,984</u>	<u>17,764</u>	<u>47,984</u>	<u>17,764</u>
Earnings per share attributable to owners of the Company (sen)				
- Basic/Diluted	<u>6.07</u>	<u>3.28</u>	<u>6.07</u>	<u>3.28</u>



CHIN WELL HOLDINGS BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 3 MONTHS PERIOD ENDED 30 SEPTEMBER 2015 - UNAUDITED

	----- Attributable to Owners of the Company -----						Total Equity RM'000
	---- Non-distributable ----			Distributable		Non-controlling Interest RM'000	
	Share Capital RM'000	Share Premium RM'000	Foreign Translation Reserve RM'000	Retained Profits RM'000	Total RM'000		
At 1 July 2015	149,767	28,163	23,115	246,953	447,998	-	447,998
Foreign exchange differences on translation	-	-	29,804	-	29,804	-	29,804
Profit for the period	-	-	-	18,180	18,180	-	18,180
Total comprehensive income for the period	-	-	29,804	18,180	47,984	-	47,984
Transaction with owners:							
Dividends	-	-	-	(11,502)	(11,502)	-	(11,502)
At 30 Sept 2015	<u>149,767</u>	<u>28,163</u>	<u>52,919</u>	<u>253,631</u>	<u>484,480</u>	<u>-</u>	<u>484,480</u>
At 1 July 2014	136,267	2,513	1,348	239,056	379,184	60,420	439,604
Foreign exchange differences on translation	-	-	2,559	-	2,559	1,705	4,264
Profit for the period	-	-	-	8,950	8,950	4,550	13,500
Total comprehensive income for the period	-	-	2,559	8,950	11,509	6,255	17,764
Transaction with owners:							
Dividend	-	-	-	(7,713)	(7,713)	-	(7,713)
At 30 Sept 2014	<u>136,267</u>	<u>2,513</u>	<u>3,907</u>	<u>240,293</u>	<u>382,980</u>	<u>66,675</u>	<u>449,655</u>

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Group's audited Financial Statements for the financial year ended 30 June 2015. The accompanying notes are an integral part of these interim financial statements.



CHIN WELL HOLDINGS BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE 3 MONTHS PERIOD ENDED 30 SEPTEMBER 2015 - UNAUDITED

	30.09.15 RM'000	30.09.14 RM'000
Cash flows from operating activities		
Profit before tax	21,827	15,002
Adjustments for:		
Bad debts	-	10
Depreciation	5,033	4,308
Gain on disposal of property, plant and equipment	-	(48)
Impairment loss on receivables (reversed)/charged	(6)	40
Interest expense	113	233
Interest income	(482)	(207)
Amortisation of Unwinding interest	185	-
Unrealised (gain)/loss on foreign exchange	(1,875)	863
Operating profit before working capital changes	24,795	20,201
Decrease/(Increase) in inventories	4,267	(4,824)
Increase in receivables	(606)	(120)
Increase/(Decrease) in payables	3,204	(754)
Cash from operations	31,660	14,503
Interest paid	(113)	(233)
Income tax paid	(2,914)	(2,730)
Retirement benefits paid	(457)	(464)
Net cash from operating activities	28,176	11,076
Cash flows from investing activities		
Interest received	482	207
Proceeds from disposal of non-current asset held for sale	-	2,541
Proceeds from disposal of property, plant and equipment	-	48
Purchase of property, plant and equipment	(2,322)	(1,538)
Net cash (used in)/from investing activities	(1,840)	1,258
Cash flows from financing activities		
Net change in borrowings	3,946	4,264
Net increase in cash and bank balances	30,282	16,598
Effect of changes in exchange rate on cash and bank balances	5,897	610
Cash and bank balances at beginning	55,163	47,934
Cash and bank balances at end	91,342	65,142

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited Financial Statements for the financial year ended 30 June 2015. The accompanying notes are an integral part of these interim financial statements.



CHIN WELL HOLDINGS BERHAD

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Part A - Explanatory Notes Pursuant To MFRS 134

A1. Basis of Preparation

The condensed consolidated interim financial statements ("Report") have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The audited financial statements of the Group for the financial year ended 30 June 2015 were prepared in accordance with MFRS. The significant accounting policies adopted in preparing this Report are consistent with those of the audited financial statements for the financial year ended 30 June 2015.

A2. Significant Accounting Policies

A2.1 Standards issued but not yet effective

At the date of authorisation of this Report, the following MFRS, Amendments to MFRS and IC Int were issued but not yet effective and have not been early applied by the Group:

MFRS, Amendments to MFRS and IC Int	Effective date
MFRS 14 <i>Regulatory Deferral Accounts</i>	01/01/2016
Amendments to MFRS 10 <i>Investment Entities: Applying the Consolidation Exception</i>	01/01/2016
MFR 12 and MFRS 128	
Amendments to MFRS 10 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	01/01/2016
MFRS 128 <i>Venture</i>	
Amendments to MFRS 11 <i>Accounting for Acquisitions of Interests in Joint Operations</i>	01/01/2016
Amendments to MFRS 101 <i>Disclosure Initiative</i>	01/01/2016
Amendments to MFRS 116 <i>Clarification of Acceptable Methods of Depreciation and Amortisation</i> and MFRS 138	01/01/2016
Amendments to MFRS 116 <i>Agriculture: Bearer Plants</i> and MFRS 141	01/01/2016
Amendments to MFRS 127 <i>Equity Method in Separate Financial Statements</i>	01/01/2016
<i>Annual improvements to MFRS 2012-2014 Cycle</i>	01/01/2016
MFRS 9 <i>Financial Instruments (IFRS 9 issued by IASB in July 2014)</i>	01/01/2018
MFRS 15 <i>Revenue from Contracts With Customers</i>	01/01/2018
Amendments to MFRS 7 <i>Mandatory Date of MFRS 9 and Transition Disclosures</i>	01/01/2018

A3. Audit Report of Preceding Annual Financial Statements

The auditors' report of the Group's most recent annual audited financial statements for the financial year ended 30 June 2015 was not subject to any qualification.

A4. Seasonal or Cyclical Factors

The business of the Group was not affected by seasonal or cyclical factors. Factors such as world economic growth might have implication on the Group's revenues.

A5. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period under review.

A6. Changes in Estimates

There were no changes in estimates of amounts reported in the prior financial year that have a material effect in the financial period under review.

A7. Debt and Equity Securities

There was no issuance, cancellation, repurchases, resale and repayment of debt and equity securities during the current financial period under review.

A8. Dividend Paid

There was no dividend paid during the current financial period under review and previous corresponding period.

A9. Segment Information

Segment information is presented in respect of the Group's business segments. Inter-segment pricing is determined based on negotiated basis.

(i) Analysis by business segments

	Fastener Products RM'000	Wire Products RM'000	Investment Holding RM'000	Elimination/ Adjustment RM'000	Group RM'000
3 months ended 30 September 2015					
Revenue					
External revenue	119,878	20,749	-	-	140,627
Inter-segment revenue	-	-	-	-	-
Total revenue	119,878	20,749	-	-	140,627
Results					
Segment profit/(loss)	23,932	2,776	(32)	-	26,676
Finance costs	(87)	(26)	(185)	-	(298)
Interest income	450	32	-	-	482
Depreciation	(4,345)	(688)	-	-	(5,033)
Profit before tax	19,950	2,094	(217)	-	21,827
Segment assets	552,696	79,457	60	-	632,213
Segment liabilities	87,891	14,066	45,776	-	147,733

	Fastener Products RM'000	Wire Products RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
3 months ended 30 Sept 2014					
Revenue					
External revenue	106,432	21,085	-	-	127,517
Inter-segment revenue	-	-	-	-	-
Total revenue	106,432	21,085	-	-	127,517
Results					
Segment profit/(loss)	18,355	1,006	(25)	-	19,336
Finance costs	(182)	(51)	-	-	(233)
Interest income	152	55	-	-	207
Depreciation	(3,710)	(598)	-	-	(4,308)
Profit/(Loss) before tax	14,615	412	(25)	-	15,002
Segment assets	500,282	77,412	1,709	-	579,403
Segment liabilities	106,660	15,140	7,948	-	129,748

(ii) Analysis by geographical segments

	Revenue 3 months		Non-current Assets* 3 months	
	ended 30.09.15 RM'000	ended 30.09.14 RM'000	ended 30.09.15 RM'000	ended 30.09.14 RM'000
Malaysia	43,674	19,832	82,378	83,317
Vietnam	3,274	3,867	92,088	76,241
Other Asian countries	6,730	10,463	-	-
European countries	76,541	76,721	-	-
Others	10,408	16,634	-	-
	140,627	127,517	174,466	159,558

* Non-current assets information presented excludes financial assets.

A10. Valuations of Property, Plant and Equipment

There were no changes in the valuation of property, plant and equipment since the last audited financial statements for the financial year ended 30 June 2015.

A11. Event Subsequent to the End of the Reporting Period

There were no other material events subsequent to the end of the current reporting period.

A12. Contingencies

There were no contingent assets or contingent liabilities since the end of the last annual reporting period.

A13. Changes in Group's Composition

There were no changes in the composition of the Group during the financial period under review.

A14. Capital Commitments

The Group has no major capital commitments as at the end of the reporting period.

Part B - Explanatory Notes Pursuant To Appendix 9B Of The Listing Requirements Of Bursa Malaysia Securities Berhad

B1. Performance Analysis of all Operating Segments

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	3 months ended		3 months ended	
	30.9.15	30.9.14	30.9.15	30.9.14
	RM'000	RM'000	RM'000	RM'000
<u>Revenue - Business Segments</u>				
-- Fasteners Products	119,878	106,432	119,878	106,432
-- Wire Products	20,749	21,085	20,749	21,085
	<u>140,627</u>	<u>127,517</u>	<u>140,627</u>	<u>127,517</u>
	-	-	-	-
<u>Profit/(Loss) before tax</u>				
-- Fasteners Products	19,950	14,615	19,950	14,615
-- Wire Products	2,094	412	2,094	412
-- Investment Holding	(217)	(25)	(217)	(25)
	<u>21,827</u>	<u>15,002</u>	<u>21,827</u>	<u>15,002</u>

Individual and Cumulative Quarter

During the current quarter under review, the Group recorded total revenue and total profit before tax of RM140.63 million and RM21.83 million respectively.

Fasteners Products

Fasteners Products posted a revenue of RM119.88 million and profit before tax of RM19.95 million respectively in the current reporting quarter. Stronger demand from the local market and trading sales are the main contributors to the higher revenue in the current quarter. In addition, foreign exchange gain is also one of the main reasons for achieving of better profit before tax of the division in the current quarter.

Wire Products

Wire division recorded a total revenue of RM20.75 million with profit before tax of RM2.09 million in the current reporting quarter. This represents an increase of RM1.68 million in its profit before tax. The improved profit before tax is mainly due to the higher foreign exchange gain recorded in the current reporting quarter.

B2. Variation of Results Against Preceding Quarter

	3 months ended 30.9.15 RM'000	3 months ended 30.6.15 RM'000
<u>Revenue - Business Segments</u>		
-- Fasteners Products	119,878	111,540
-- Wire Products	20,749	17,957
	<u>140,627</u>	<u>129,497</u>
<u>Profit/(Loss) before tax</u>		
-- Fasteners Products	19,950	14,933
-- Wire Products	2,094	(208)
-- Investment Holding	(217)	(387)
	<u>21,827</u>	<u>14,338</u>

The Group achieved a total revenue of RM140.63 million and profit before tax of RM21.83 million in the current quarter under review.

Fasteners Products

The revenue in Fastener division increased by 7.48% to RM119.88 million in the current quarter as compared to the immediate preceding quarter. In addition to the higher revenue, gain from foreign exchange had also contributed to the higher profit before tax of the division by 34% to RM19.95 million in the current quarter as compared to the immediate preceding quarter.

Wire Products

Wire Products division recorded a revenue of RM20.75 million and profit before tax of RM2.09 million in current quarter. The result of the immediate preceding quarter was mainly due to the revaluation of its slow moving stock to its net realisable value.

B3. Prospects

The outlook for global political and economic condition remains uncertain and the Group will continue with ongoing efforts to raise operational efficiency and productivity so as to further enhance its competitive edge in the current challenging market environment.

Barring any unforeseen circumstances, the Group anticipates satisfactory performance and growth in the next reporting quarter.

B4. Profit Forecast

There was no profit forecast made in any public document.

B5. Profit For The Period

Included in profit for the period are as follows:

	Current quarter RM'000	Current Year To date RM'000
Depreciation	5,033	5,033
Reversal of impairment loss on receivables	(6)	(6)
Interest expense	113	113
Interest income	(482)	(482)
Amortisation of unwind interest	185	185
Unrealised gain on foreign exchange	(1,875)	(1,875)
Realised gain on foreign exchange	(2,869)	(2,869)

Other than the above items, there were no gain or loss on disposal of quoted or unquoted investments or properties, write off of inventories, gain or loss from derivatives as well as other exceptional items.

B6. Tax Expense

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	3 months ended		3 months ended	
	30.9.15	30.9.14	30.9.15	30.9.14
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax				
- Current tax	(3,641)	(1,496)	(3,641)	(1,496)
- Deferred tax liabilities	(6)	(6)	(6)	(6)
	<u>(3,647)</u>	<u>(1,502)</u>	<u>(3,647)</u>	<u>(1,502)</u>

The Group's effective tax rate for the current quarter under review is lower than the Malaysian statutory tax rate of 24%. This is mainly due to the lower tax rate enjoyed by our Vietnam subsidiary.

B7. Status of Corporate Proposals

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

B8. Borrowings and Debt Securities

The Group's borrowings as at 30 June 2015 were as follows:

	Denominated in USD RM'000	Denominated in RM RM'000	Total RM'000
Secured:			
Short term			
Onshore foreign currency loans	<u>60,971</u>	<u>-</u>	<u>60,971</u>

B9. Material Litigation

There was no material litigation during the financial period under review.

B11. Proposed Dividend

a. Dividend declared during the current reporting quarter and the corresponding quarter:

	Current Quarter	Corresponding Quarter
Interim dividend for the financial year	30.6.2015	30.6.2014
Declared and approved on	27.8.2015	21.8.2014
Entitlement date	30.10.2015	25.9.2014
Payment date	23.11.2015	21.10.2014
Dividend per share	3.84 sen	2.83 sen
Dividend % (Single Tier)	7.68% (single tier)	5.66% (single tier)
Net dividend payable	RM11,502,074	RM 7,712,689

b. There is no dividend declared for the financial year 2016.

B12. Earnings Per Share

(i) Basic earnings per share

The basic earnings per share has been calculated based on the Group's profit after tax attributable to owners of the Company divided by the weighted average number of ordinary shares in issue during the year.

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>3 months ended</u>	<u>3 months ended</u>	<u>3 months ended</u>	<u>3 months ended</u>
	<u>30.9.15</u>	<u>30.9.14</u>	<u>30.9.15</u>	<u>30.9.14</u>
Profit after tax				
Attributable to owners of the Company (RM'000)	18,180	8,950	18,180	8,950
Weighted average number of ordinary shares of RM0.50 each ('000)	299,533	272,533	299,533	272,533
Basic Earnings Per Share (sen)	6.07	3.28	6.07	3.28

(ii) Diluted Earnings Per Share

Diluted Earnings Per Share (sen)	6.07	3.28	6.07	3.28
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There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the reporting

B13. Realised and Unrealised Profits Disclosure

	<u>As at</u>	<u>(Audited)</u>
	<u>30.09.15</u>	<u>As at</u>
	<u>RM'000</u>	<u>30.6.15</u>
		<u>RM'000</u>
Total retained profits of the Company and of its subsidiaries:		
- Realised	377,796	371,652
- Unrealised	(5,531)	(6,071)
	372,265	365,581
Less: Consolidation adjustments	(118,634)	(118,628)
Total retained profits	253,631	246,953