



**WARISAN TC HOLDINGS BERHAD**

*(Company No: 424834-W)*

*(Incorporated in Malaysia)*

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2014**

*(The figures have not been audited)*



**WARISAN TC HOLDINGS BERHAD**

(Company No: 424834-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2014**

	Quarter ended 30 September		Period ended 30 September	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Revenue	112,072	121,277	356,885	353,525
Cost of sales	(84,433)	(83,927)	(262,606)	(254,666)
Gross profit	27,639	37,350	94,279	98,859
Other income	226	1,319	1,411	2,326
Selling and distribution expenses	(13,779)	(13,837)	(40,322)	(36,297)
Administrative and general expenses	(15,211)	(15,405)	(46,733)	(40,496)
Interest expenses	(3,054)	(2,343)	(8,933)	(7,220)
Interest income	615	487	1,595	1,253
Share of profit from equity accounted investments, net of tax	1,628	262	2,828	2,339
(Loss)/Profit before tax	(1,936)	7,833	4,125	20,764
Tax expenses	(345)	(2,108)	(2,383)	(6,519)
<b>(Loss)/Profit for the period</b>	<b>(2,281)</b>	<b>5,725</b>	<b>1,742</b>	<b>14,245</b>
Other comprehensive income, net of tax				
<i>Items that are or may be reclassified subsequently to profit or loss:</i>				
Net change in fair value of cash flow hedge	610	48	164	554
Foreign exchange differences from translation	307	364	(5)	734
<b>Total other comprehensive income for the period</b>	<b>917</b>	<b>412</b>	<b>159</b>	<b>1,288</b>
<b>Total comprehensive (loss)/income for the period</b>	<b>(1,364)</b>	<b>6,137</b>	<b>1,901</b>	<b>15,533</b>
(Loss)/Profit attributable to:				
Owners of the Company	(2,186)	5,779	1,887	14,350
Non-controlling interests	(95)	(54)	(145)	(105)
	<b>(2,281)</b>	<b>5,725</b>	<b>1,742</b>	<b>14,245</b>
Total comprehensive income attributable to:				
Owners of the Company	(1,269)	6,191	2,046	15,638
Non-controlling interests	(95)	(54)	(145)	(105)
	<b>(1,364)</b>	<b>6,137</b>	<b>1,901</b>	<b>15,533</b>
Basic earnings per share (sen)	<b>(3.36)</b>	<b>8.87</b>	<b>2.90</b>	<b>22.03</b>
Diluted earnings per share (sen)	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to these interim financial statements.

**WARISAN TC HOLDINGS BERHAD***(Company No: 424834-W)**(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED) AS AT 30 SEPTEMBER 2014**

	<b>As at 30.09.2014 RM'000</b>	<b>As at 31.12.2013 RM'000</b>
<b>ASSETS</b>		
Property, plant and equipment	<b>214,011</b>	202,159
Investment property	<b>42,600</b>	42,600
Investments accounted for using the equity method	<b>32,820</b>	31,727
Other investments	<b>10</b>	10
Lease receivables	<b>5,655</b>	3,471
Deferred tax assets	<b>2,296</b>	734
Intangible assets	<b>9,131</b>	9,131
<b>Total non-current assets</b>	<b>306,523</b>	289,832
Inventories	<b>152,358</b>	158,516
Trade and other receivables	<b>155,748</b>	117,870
Derivative financial assets	<b>429</b>	366
Current tax assets	<b>6,339</b>	5,877
Cash and bank balances	<b>111,496</b>	109,540
<b>Total current assets</b>	<b>426,370</b>	392,169
<b>TOTAL ASSETS</b>	<b>732,893</b>	682,001
<b>EQUITY</b>		
Share capital	<b>67,200</b>	67,200
Share premium	<b>615</b>	615
Other reserves	<b>(28,490)</b>	(28,649)
Retained earnings	<b>260,789</b>	264,761
Treasury shares	<b>(4,203)</b>	(4,201)
Total equity attributable to owners of the Company	<b>295,911</b>	299,726
Non-controlling interests	<b>37</b>	182
<b>TOTAL EQUITY</b>	<b>295,948</b>	299,908
<b>LIABILITIES</b>		
Deferred tax liabilities	<b>14,913</b>	16,766
Retirement benefit obligations	<b>2,894</b>	2,434
Loans and borrowings	<b>97,041</b>	43,025
<b>Total non-current liabilities</b>	<b>114,848</b>	62,225
Trade and other payables	<b>125,687</b>	95,356
Loans and borrowings	<b>193,963</b>	222,286
Derivative financial liabilities	<b>67</b>	129
Current tax liabilities	<b>2,380</b>	2,097
<b>Total current liabilities</b>	<b>322,097</b>	319,868
<b>TOTAL LIABILITIES</b>	<b>436,945</b>	382,093
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>732,893</b>	682,001
Net assets per share attributable to owners of the Company (RM)	<b>4.55</b>	4.60

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to these interim financial statements.



**WARISAN TC HOLDINGS BERHAD**

(Company No: 424834-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)  
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014**

	Attributable to owners of the Company								Total	Non-controlling interests	Total equity
	Non-distributable				Distributable						
	Share capital	Share premium	Treasury shares	Merger reserve	Translation reserve	Hedging reserve	Revaluation reserve	Retained earnings	RM'000	RM'000	RM'000
At 1 January 2013 - restated	67,200	615	(4,128)	(41,614)	(228)	(284)	12,205	236,153	269,919	400	270,319
Foreign currency translation differences for foreign operations	-	-	-	-	734	-	-	-	734	-	734
Cash flow hedge	-	-	-	-	-	554	-	-	554	-	554
Total other comprehensive income for the year	-	-	-	-	734	554	-	-	1,288	-	1,288
Profit for the period	-	-	-	-	-	-	-	14,350	14,350	(105)	14,245
Total comprehensive income for the period	-	-	-	-	734	554	-	14,350	15,638	(105)	15,533
Purchase of treasury shares	-	-	(71)	-	-	-	-	-	(71)	-	(71)
Dividend - 2012 final	-	-	-	-	-	-	-	(2,931)	(2,931)	-	(2,931)
Dividend - 2013 interim	-	-	-	-	-	-	-	(2,930)	(2,930)	-	(2,930)
At 30 September 2013	67,200	615	(4,199)	(41,614)	506	270	12,205	244,642	279,625	295	279,920
At 1 January 2014	67,200	615	(4,201)	(41,614)	562	198	12,205	264,761	299,726	182	299,908
Foreign currency translation differences for foreign operations	-	-	-	-	(5)	-	-	-	(5)	-	(5)
Cash flow hedge	-	-	-	-	-	164	-	-	164	-	164
Total other comprehensive income for the year	-	-	-	-	(5)	164	-	-	159	-	159
Profit for the period	-	-	-	-	-	-	-	1,887	1,887	(145)	1,742
Total comprehensive income for the period	-	-	-	-	(5)	164	-	1,887	2,046	(145)	1,901
Purchase of treasury shares	-	-	(2)	-	-	-	-	-	(2)	-	(2)
Dividend - 2013 final	-	-	-	-	-	-	-	(2,930)	(2,930)	-	(2,930)
Dividend - 2014 interim	-	-	-	-	-	-	-	(2,929)	(2,929)	-	(2,929)
At 30 September 2014	67,200	615	(4,203)	(41,614)	557	362	12,205	260,789	295,911	37	295,948

The Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to these interim financial statements.



## WARISAN TC HOLDINGS BERHAD

(Company No: 424834-W)

(Incorporated in Malaysia)

### CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014

	Nine months ended 30 Sep 2014 RM'000	Nine months ended 30 Sep 2013 RM'000
<b>Cash flow from operating activities</b>		
Profit before tax	4,125	20,764
Adjustments for:		
Depreciation	34,035	37,750
Property, plant and equipment written off	1,303	18
Gain on disposal of property, plant and equipment	(1,391)	(1,570)
Gain on disposal of assets held for rental	(8,728)	(10,250)
Other non-cash items	(3,898)	(2,953)
Non-operating items	9,029	7,412
<b>Operating profit before working capital changes</b>	<b>34,475</b>	<b>51,171</b>
Changes in working capital	(3,940)	(17,239)
Tax paid	(5,698)	(6,532)
Retirement benefit paid	(38)	(82)
Proceeds from disposal of assets held for rental	29,334	13,953
<b>Net cash generated from operating activities</b>	<b>54,133</b>	<b>41,271</b>
<b>Cash flows from investing activities</b>		
Dividend received from jointly controlled entities	1,735	2,226
Dividend received from other investment	4	-
Purchase of property, plant and equipment	(30,423)	(40,196)
Proceeds from disposal of property, plant and equipment	4,672	4,497
Interest received	1,595	1,253
<b>Net cash used in investing activities</b>	<b>(22,417)</b>	<b>(32,220)</b>
<b>Cash flows from financing activities</b>		
Dividends paid to shareholders of the Company	(5,859)	(5,861)
Repayment of hire purchase financing	(9,045)	-
Drawdown of bankers' acceptances	236,072	116,570
Repayment of bankers' acceptances	(248,646)	(96,340)
Drawdown of term loans	35,000	20,000
Repayment of term loans	(32,707)	(35,837)
Drawdown of revolving credits	233,000	215,500
Repayment of revolving credits	(230,000)	(206,000)
Interest paid	(8,933)	(7,220)
Purchase of treasury shares	(2)	(71)
<b>Net cash (used in)/generated from financing activities</b>	<b>(31,120)</b>	<b>741</b>
<b>Net changes in cash and cash equivalents</b>	<b>596</b>	<b>9,792</b>
Cash and cash equivalents at beginning of period	108,328	84,653
Effects of exchange rate fluctuation on cash and cash equivalents	8	566
Cash and cash equivalents at end of period	<b>108,932</b>	<b>95,011</b>
Cash and cash equivalents comprise:		
Short term deposits	13,080	18,019
Cash at bank and in hand	38,661	21,658
Fixed deposits with licensed banks	59,755	56,243
Bank overdrafts	(2,564)	(909)
	<b>108,932</b>	<b>95,011</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to these interim financial statements.



## Part A: Explanatory notes as per MFRS 134: *Interim Financial Reporting*

### 1. Basis of preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134: *Interim Financial Reporting* in Malaysia and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2013. These explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2013.

#### **Adoption of Standards, Amendments and Issues Committee ("IC") Interpretations**

During the financial period, the Group has adopted the following standards, amendments and IC interpretations issued by the Malaysian Accounting Standards Board, effective for annual periods beginning on or after 1 January 2014:

Amendments to MFRS 10, MFRS 12 and MFRS 127	<i>Investment Entities</i>
Amendments to MFRS 132	<i>Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities</i>
Amendments to MFRS 136	<i>Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets</i>
Amendments to MFRS 139	<i>Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting</i>
IC Interpretation 21	<i>Levies</i>

The adoptions of the above did not have any significant impact on the financial statements of the Group.



## 2. Audit qualification of financial statements

The auditors' report of the preceding annual financial statements was not subject to any qualification.

## 3. Seasonal or cyclical factors

Apart from the general economic environment in which the Group operates, the businesses of the Group are not affected by any significant seasonal or cyclical factors.

## 4. Nature and amount of unusual items

There were no unusual items that have a material effect on the assets, liabilities, equity, net income, or cash flows during the current quarter and nine months ended 30 September 2014.

## 5. Significant estimates and changes in estimates

There were no changes in estimates that have had any material effect in the current quarter and nine months ended 30 September 2014.

## 6. Debt and equity securities

The Company repurchased a total of 500 of its ordinary shares from the open market at RM3.65 per share for a total consideration of RM1,868 in the previous quarters of this year. The repurchased transactions were financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

There were no other issuances, repurchases and repayments of debt and equity securities, share cancellation and resale of treasury shares during the current quarter and nine month ended 30 September 2014.

## 7. Dividends paid

The following dividends were paid:

Interim single tier dividend of 4.5 sen (2013: 6 sen less tax at 25%) for the financial year ending 31 December 2014 approved by the Board of Directors on 19 August 2014 was paid on 29 September 2014

**RM'000**

**2,929**

Final single tier dividend of 4.5 sen (2013: 6 sen less tax at 25%) for the financial year ended 31 December 2013 approved by the shareholders on 29 May 2014 was paid on 26 June 2014

**2,930**





## Operating segments (continued)

	Nine months ended 30 Sep	
	2014 RM'000	2013 RM'000
<b>Reconciliation of reportable segment profit or loss</b>		
Total profit or loss for reportable segments	48,850	68,169
Depreciation	(34,035)	(37,750)
Interest expenses	(8,933)	(7,220)
Interest income	1,595	1,253
Non-reportable segment expenses	(6,180)	(6,027)
Share of profit from equity accounted investments, net of tax	2,828	2,339
Consolidated profit before tax	<u>4,125</u>	<u>20,764</u>
<b>Reconciliation of reportable segment assets</b>		
Total assets for reportable segments	691,913	599,563
Assets for non-reportable segment	8,160	13,441
Share of assets from equity accounted investments	32,820	29,755
Consolidated assets	<u>732,893</u>	<u>642,759</u>
<b>Reconciliation of reportable segment liabilities</b>		
Total liabilities for reportable segments	421,705	343,458
Liabilities for non-reportable segment	15,240	19,562
Consolidated liabilities	<u>436,945</u>	<u>363,020</u>

## 9. Valuation of investment property

Subsequent to initial recognition, investment property of the Group is stated at fair value which reflects market conditions at reporting date. The Group last recognised the fair value of the investment property based on a valuation carried out by external valuer on 1 October 2013. This valuation will be updated annually towards year end.

## 10. Material subsequent event

There were no material events subsequent to the end of the current quarter.

## 11. Changes in composition of the Group

There were no changes in the composition of the Group during the current quarter and nine months ended 30 September 2014.

## 12. Changes in contingent liabilities

There was no material change in contingent liabilities since the last financial year end.



### 13. Capital commitments

Capital commitments of the Group in respect of property, plant and equipment not provided for as at the end of the quarter are as follows:

	As at 30.09.14 RM'000
Approved and contracted for	<u>39,176</u>
Approved but not contracted for	<u>47,844</u>

### 14. Operating lease commitments

(a) As lessor – for the leases of commercial vehicles and machinery:

The future minimum lease rental receivables under non-cancellable leases are as follows:

	As at 30.09.14 RM'000
Not later than 1 year	39,726
Later than 1 year and not later than 5 years	<u>39,619</u>
	<u>79,345</u>

(b) As lessee – for office premises

The future minimum lease payments under non-cancellable operating leases are as follows:

	As at 30.09.14 RM'000
Not later than 1 year	4,296
Later than 1 year and not later than 5 years	<u>4,248</u>
	<u>8,544</u>

## 15. Related party disclosures

Related party transactions between the Group and Tan Chong Motor Holdings Berhad group, APM Automotive Holdings Berhad group and companies in which a Director and substantial shareholder of the Company is deemed to have substantial interests are as follows:

	Individual quarter		Cumulative quarters	
	30.09.14 RM'000	30.09.13 RM'000	30.09.14 RM'000	30.09.13 RM'000
Sales	<b>2,014</b>	7,967	<b>23,641</b>	26,179
Travel agency, car rental and workshop services	<b>1,255</b>	3,243	<b>4,347</b>	8,484
Rental income	<b>533</b>	422	<b>1,531</b>	1,201
	<b>3,802</b>	11,632	<b>29,519</b>	35,864
Purchases of trucks and spare parts	<b>840</b>	527	<b>1,871</b>	1,604
Workshop services	<b>289</b>	286	<b>820</b>	1,008
Rental expenses	<b>93</b>	30	<b>215</b>	102
Purchases of property, plant and equipment	<b>5,780</b>	9,982	<b>31,685</b>	21,992
Insurance agency services	<b>199</b>	948	<b>1,692</b>	3,221
Administrative services	<b>1,889</b>	1,813	<b>4,079</b>	3,757
Financing and leasing	<b>13,191</b>	-	<b>42,014</b>	-
Assembly services	<b>903</b>	2,544	<b>4,080</b>	5,110
	<b>23,184</b>	16,130	<b>86,456</b>	36,794

Related party transactions between the Group and its jointly controlled entities are as follows:

	Individual quarter		Cumulative quarters	
	30.09.14 RM'000	30.09.13 RM'000	30.09.14 RM'000	30.09.13 RM'000
Sales	<b>230</b>	1,199	<b>2,027</b>	4,099
Travel agency , car rental and workshop services	<b>242</b>	348	<b>1,337</b>	1,022
	<b>472</b>	1,547	<b>3,364</b>	5,121
Purchases of products	<b>(3)</b>	23	<b>90</b>	145

The above transactions were entered into in the ordinary course of business based on normal commercial terms and on arms-length basis. These transactions were established on terms that are not materially different from those with unrelated parties.



**Part B: Additional Information required in accordance with the Main Market Listing Requirements of Bursa Securities**

**1. Review of performance**

**9 months ended 30 September 2014**

Group revenue increased to RM356.9 million from RM353.5 million in the first nine months of last year, representing an increase of 1.0%. The higher revenue was attributable mainly to the increased contribution from the Travel and Car Rental Division. Profit before tax ("PBT") was recorded at RM4.1 million as compared with RM20.8 million in the first nine month of last year due to escalating costs and interest expenses. Profit after tax decreased to RM1.7 million from RM14.2 million recorded last year.

Machinery Division

Revenue from the Machinery Division of RM153.4 million was lower compared with the first nine months of last year of RM155.9 million. Segment profit was lower compared with last year due to higher input costs, lesser unit sales of the Heavy Machinery division and higher staff costs, marketing costs and travelling costs.

Travel and Car Rental Division

The Travel and Car Rental Division recorded an increase in revenue of 4.3% at RM159.4 million compared with the first nine months of last year. Retail and Distribution was performing better in this first nine months of current year contributed by better wholesale activities. China Inbound business was affected by the plane tragedies and the on-going security concern in Sabah but showing sign of recovery. This has also affected corporate travel as companies cut down travelling. It was further distorted by the slower business from the Middle East, who has other inexpensive option to go to Europe instead.

Automotive Division

The Automotive Division recorded a growth of 3.9% in revenue to RM37.9 million as compared with the first nine months of last year as the sale of vehicles picked up after the launching of the heavy commercial trucks in the second quarter of 2012 and passenger pick-up vehicles in September last year. The Division recorded a segment loss of RM1.9 million as compared to segment profit of RM1.5 million achieved in the first nine months of last year due to higher CKD import costs and branches setup costs to widen the distribution network.

Jointly controlled entities

Our share of profit of our joint ventures, namely Shiseido Malaysia Sdn Bhd ("Shiseido") and Wacoal Malaysia Sdn Bhd, increased compared with the first nine months of last year because of higher sales recorded due to growth from new brand and several successful campaigns for Shiseido.



### **3 months ended 30 September 2014**

The Group recorded slightly lower revenue at RM112.1 million in the third quarter of 2014 compared with RM121.3 million in the corresponding quarter last year. Loss before tax of RM1.9 million was recorded compared to profit before tax of RM7.8 million in corresponding quarter. Lower revenue was recorded by Travel and Car Rental Division and Automotive Division whilst loss before tax was due to increase in operating costs. Share of joint ventures profit in the third quarter of 2014 increased by RM1.4 million as compared to the corresponding quarter last year due to better performance of Shiseido.

#### **2. Comparison with preceding quarter's results**

The Group recorded slightly lower revenue by 13.9% at RM112.1 million compared with RM130.1 million in the preceding quarter due to the lower sales contribution from all segments. Loss before tax was recorded at RM1.9 million, as opposed to profit before tax of RM2.6 million in the preceding quarter due to overall decreased in revenue and increased in operating cost.

#### **3. Prospects**

The recently announced Malaysia 2015 Budget seeks to balance fiscal consolidation with economic growth, which will be driven by infrastructure spending and investment in human capital and technology. Public infrastructure spending and expected growth in private sectors provide good outlook prospect for the Group's Machinery and Automotive Divisions, whilst we strengthened the Group's sales teams and backend support to seize all opportunities and deliver consistent service excellence.

The negative impact on arrivals of big-spender tourists from China, Middle East and Europe has affected the result of the Group Travel and Car Rental Division. Whereas, Corporate Travel sub division sales are expected to increase with the acquisitions of new clients. Malaysia Year of Festival 2015 will be the follow up event after Visit Malaysia Year 2014 with the aim to increase the number of tourist arrivals and also tourism spending in Malaysia.

Going forward, the Group continues to focus on strengthening market presence, increase product range, cost stabilisation and productivity improvement, whilst expanding our market to neighbouring countries widening our regional footprint.

#### **4. Profit forecast**

This is not applicable to the Group as there was no profit forecast issued.

## 5. Tax expenses

	Individual quarter		Cumulative quarters	
	30.09.14 RM'000	30.09.13 RM'000	30.09.14 RM'000	30.09.13 RM'000
<b>Tax expenses</b>				
Current year	688	2,902	4,933	8,051
Prior year	109	(79)	586	(79)
<b>Deferred tax expense</b>				
Current year	(386)	(715)	(3,070)	(1,453)
Prior year	(66)	-	(66)	-
	<u>345</u>	<u>2,108</u>	<u>2,383</u>	<u>6,519</u>

The Group's effective tax rate for the nine months ended 30 September 2014 was higher than the prima facie tax rate due mainly to deferred tax assets have not been recognized for certain loss making subsidiaries.

## 6. Status of corporate proposals

There were no corporate proposals announced but not completed as at the reporting date.

## 7. Group borrowings

Particulars of the Group borrowings as at the reporting date are as follows:

	As at 30.09.14 RM'000
<b>Current</b>	
<u>Unsecured</u>	
Bankers' acceptances	82,969
Revolving credits	83,000
Term loans	21,161
Bank overdrafts	2,564
	<u>189,694</u>
<u>Secured</u>	
Hire purchase creditors	4,269
	<u>193,963</u>
<b>Non-current</b>	
Term loans-unsecured	57,210
Hire purchase creditors-secured	39,831
	<u>97,041</u>

The above borrowings were denominated in Ringgit Malaysia.

## 8. Material litigation

On 3 July 2002, the Company and a subsidiary claimed for damages against two former directors of the subsidiary for breaches of their fiduciary and/or contractual duties. On or about 25 June 2004, two (2) former employees of subsidiaries of the Company were added as defendants to the action.

On 7 February 2006, the plaintiffs filed an application for leave to include another party as co-defendant. The application was allowed by the Court.

The parties are awaiting further direction from the Court to set a date for a further mention date.

## 9. Dividend

No dividend has been recommended since the last quarterly announcement.

## 10. Earnings per share

Basic earnings per share is calculated based on profit for the period attributable to owners of the Company and weighted average number of ordinary shares in issue during the period.

	Individual quarter		Cumulative quarters	
	30.09.14	30.09.13	30.09.14	30.09.13
Profit attributable to owners of the Company (RM'000)	<u>(2,186)</u>	<u>5,779</u>	<u>1,887</u>	<u>14,350</u>
Weighted average number of ordinary shares in issue ('000)				
At beginning of period	65,104	65,141	65,119	65,141
Effect of share buyback	-	(20)	(15)	(7)
At end of period	<u>65,104</u>	<u>65,121</u>	<u>65,104</u>	<u>65,134</u>
Basic earnings per share (sen)	<u>(3.36)</u>	<u>8.87</u>	<u>2.90</u>	<u>22.03</u>

## 11. Notes to the Condensed Consolidated Statement of Comprehensive Income

Loss/Profit before tax is arrived at after charging/(crediting) the following items:

	Individual quarter		Cumulative quarters	
	30.09.14	30.09.13	30.09.14	30.09.13
	RM'000	RM'000	RM'000	RM'000
Depreciation and amortisation	11,293	12,347	34,035	37,750
Provision for doubtful debts	75	41	75	88
Bad debts written off	72	67	72	68
Provision for inventories	70	41	229	373
Inventories written off	-	-	-	-
(Gain)/Loss on disposal of quoted or unquoted investments	-	-	-	-
(Gain)/Loss on disposal of properties	-	-	-	-
Impairment of assets	-	-	-	-
Foreign exchange (gain)/loss	176	(838)	89	(512)
(Gain)/Loss on derivatives	-	-	-	-
Exceptional items	-	-	-	-

## 12. Derivative financial instruments

Forward foreign currency contracts are entered into by the Group in currencies other than the functional currency to manage exposure to the fluctuation in foreign currency exchange rates.

As at 30 September 2014, the notional amount, fair value and maturity period of the forward foreign currency contracts are as follows:

	<b>Notional amount RM'000</b>	<b>Fair value assets/ (liabilities) RM'000</b>
Less than 1 year	<u>19,086</u>	<u>362</u>

## 13. Disclosure of realised and unrealised profits

The breakdown of the retained profits of the Group as at 30 September 2014, into realised and unrealised profits/losses, is as follows:

	<b>As at 30.09.14 RM'000</b>	As at 31.12.13 RM'000
Total retained profits of the Group:		
- Realised	<b>235,810</b>	249,694
- Unrealised	<b>7,943</b>	5,225
	<u>243,753</u>	254,919
Total retained profits from jointly controlled entities:		
- Realised	<b>16,716</b>	13,888
- Unrealised	<b>483</b>	483
	<u>17,199</u>	14,371
Less: Consolidation adjustments	<b>(163)</b>	(4,529)
Total retained profits as per Statement of Financial Position	<u>260,789</u>	<u>264,761</u>

The determination of realised and unrealised profits is based on the Guidance on Special Matter No. 1: *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure pursuant to Bursa Securities Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

BY ORDER OF THE BOARD  
 LEE KWEE CHENG  
 ANG LAY BEE  
 CHANG PIE HOON  
 Company Secretaries  
 Kuala Lumpur  
 24 November 2014