

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2015

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 June 2015 – unaudited

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Year To-Date Ended	Preceding Year To-Date Ended
		30 June		30 June	
		2015	2014	2015	2014
	Note	RM'000	RM'000	RM'000	RM'000
Revenue		576,564	423,807	1,018,064	903,427
Profit from operations		4,940	6,155	9,884	17,513
Finance costs		(5,096)	(4,629)	(10,855)	(9,548)
(Loss) / Profit before tax	A10	(156)	1,526	(972)	7,965
Tax expense	A11	2,420	(1,266)	1,535	(2,266)
Profit for the period		2,264	260	563	5,699
Other comprehensive income, net of tax					
Exchange differences on translation foreign operations		5,582	(2,234)	12,895	(2,671)
Hedge of net investment		-	-	-	-
Total other comprehensive income for the period, net of tax		5,582	(2,234)	12,895	(2,671)
Total comprehensive income for the period		7,846	(1,974)	13,458	3,028
Profit attributable to:					
Owners of the Company		1,963	(150)	108	5,133
Non-controlling interests		301	410	455	566
Profit for the period		2,264	260	563	5,699
Total comprehensive income attributable to:					
Owners of the Company		7,545	(2,384)	13,003	2,462
Non-controlling interests		301	410	455	566
Total comprehensive income for the period		7,846	(1,974)	13,458	3,028
Basic (loss) / earnings per ordinary share (sen)	A12(a)	0.41	(0.03)	0.02	1.08
Diluted (loss) / earnings per ordinary share (sen)	A12(b)	0.41	(0.03)	0.02	1.07

The above condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2015

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2015 – unaudited

		30 June 2015	31 December 2014
	Note	RM'000	RM'000
Assets			
Non-current assets			
Property, plant and equipment		442,896	409,509
Prepaid lease payments	A13	13,293	12,909
Intangible assets	A14	11,945	11,945
Investment property		6,180	5,833
Deferred tax assets		111	54
		474,425	440,250
Current assets			
Derivative financial assets		10,529	11,315
Inventories		688,180	724,648
Trade and other receivables		225,376	207,320
Prepayments and other assets		43,438	33,094
Deposits, bank and cash balances		34,364	41,317
		1,001,887	1,017,694
Total assets		1,476,312	1,457,944
Equity			
Share capital		119,629	119,629
Treasury shares		(5,195)	(5,195)
Foreign currency translation reserve		30,125	17,230
Retained profits		188,868	188,749
Equity attributable to owners of the Company		333,427	320,413
Non-controlling interests		4,272	3,958
Total equity		337,699	324,371
Non-current liabilities			
Amount owing to holding company		5,755	12,320
Loans and borrowings	A16	140,008	145,041
Provision for employee benefit		756	701
Deferred tax liabilities		13,193	14,842
		159,712	172,904
Current liabilities			
Derivative financial liabilities		12,730	12,772
Trade and other payables		195,984	225,090
Loans and borrowings	A16	769,602	720,773
Dividend payables		-	1,715
Tax payable		585	319
		978,901	960,669
Total liabilities		1,138,613	1,133,573
Total equity and liabilities		1,476,312	1,457,944
Net assets per share (sen)			
attributable to owners of the Company		70.01	67.27

The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2015

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2015 – unaudited

	Attributable To Owners Of The Company				Non-controlling Interests	Total Equity	
	Non-distributable		Distributable				
	Share Capital	Treasury Share	Foreign Currency Translation Reserve	Retained Profits			
	RM'000	RM'000	RM'000	RM'000	Total RM'000	RM'000	RM'000
Balance at 1 January 2015	119,629	(5,195)	17,230	188,749	320,413	3,958	324,371
Profit for the period	-	-	-	108	108	455	563
Other comprehensive income for the period:							
foreign currency translation	-	-	12,895	-	12,895	-	12,895
Total comprehensive income for the period	-	-	12,895	108	13,003	455	13,458
Change in ownership interest in subsidiary with no change in control	-	-	-	11	11	(141)	(130)
Balance at 30 June 2015	119,629	(5,195)	30,125	188,868	333,427	4,272	337,699
Balance at 1 January 2014	119,629	(5,195)	8,026	206,306	328,766	4,908	333,674
(Loss) / Profit for the year	-	-	-	(17,557)	(17,557)	265	(17,292)
Other comprehensive income for the year:							
foreign currency translation	-	-	9,204	-	9,204	-	9,204
Total comprehensive income for the year	-	-	9,204	(17,557)	(8,353)	265	(8,088)
Issuance of new shares in subsidiary	-	-	-	-	-	500	500
Dividend payable by:							
- subsidiary to non-controlling interest	-	-	-	-	-	(1,715)	(1,715)
Contribution from/distribution to owners of the Company	-	-	-	-	-	(1,215)	(1,215)
Balance at 31 December 2014	119,629	(5,195)	17,230	188,749	320,413	3,958	324,371

The above condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2015

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 June 2015 – unaudited

	Six Months Ended	
	30-Jun-15	30-Jun-14
	RM'000	RM'000
Cash flows from operating activities		
(Loss) / Profit before tax	(972)	7,965
Adjustments for:		
Non-cash and non-operating items	18,242	46,267
Operating profit before working capital changes	17,270	54,232
Changes in working capital		
Net change in current assets	26,570	179,752
Net change in current liabilities	(33,574)	(142,656)
Cash generated from operations	10,266	91,328
Tax paid	(367)	(6,203)
Interest paid	(8,705)	(7,613)
Interest received	117	66
Net cash from operating activities	1,311	77,578
Cash flows from investing activities		
Purchase of property, plant and equipment	(19,754)	(11,903)
Proceeds from disposal of PPE	82	-
Payment for the lease rental	(124)	(124)
Others	-	132
Net cash (used in) investing activities	(19,796)	(11,895)
Cash flows from financing activities		
Bank and other borrowings	26,445	(79,380)
Payment to holding company	(6,565)	-
Changes in Fixed deposit pledged	556	15
Dividend paid	(1,715)	-
Net cash from / (used in) financing activities	18,721	(79,365)
Net increase / (decrease) in cash and cash equivalents	236	(13,682)
Effect of exchange rate changes	(7,073)	1,043
Cash and cash equivalents at the beginning of financial period	39,236	25,255
Cash and cash equivalents at the end of financial period	32,399	12,616
Cash and cash equivalents at the end of financial period comprise of :		
Deposits, bank and cash balances	34,364	15,138
Bank overdrafts	(1,017)	(1,466)
	33,347	13,672
Less : Non-cash and cash equivalents		
Fixed deposit pledged to bank as collateral	(948)	(1,056)
	32,399	12,616

The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2015

A. Explanatory notes pursuant to MFRS 134

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of Guan Chong Berhad (“GCB” or the “Company”) and its subsidiaries (“Group”) for the financial year ended 31 December 2014. These explanatory notes attached to the 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 2014.

A2. Significant accounting policies

The audited financial statements of the Group for the year ended 31 December 2014 were prepared in accordance with MFRS. The significant accounting policies adopted in preparing this Condensed Report are consistent with those of the audited financial statements for the financial year ended 31 December 2014, except for those standards, amendments and IC interpretation which are effective from the annual period beginning on or after 1 January 2015. The adoptions of these standards, amendments and IC interpretations have no material impact on this Condensed Report.

A3. Seasonal or cyclical factors

The cocoa processing industry is, to a certain extent, subject to the seasonal pattern of the consumption of cocoa-based products within a year.

A4. Unusual nature and amounts affecting assets, liabilities, equity, net income or cash flows

Other than those stated in the notes, there are no other items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size, or incidence.

A5. Material changes in estimates

There was no material changes in estimates of amounts reported that will have a material effect during the current quarter under review.

A6. Issuances and repayment of debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter under review.

A7. Dividends paid

There was no dividend declared or paid by the Company during the current quarter under review.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2015

A8. Segmental information

The Group presenting segmental information on the basis of geographical segments, segment revenue and segment assets are based on the geographical location of the assets.

Six Months Ended 30 June 2015	Malaysia RM'000	Singapore RM'000	Indonesia RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Geographical Segments:						
Total external revenue	451,970	537,850	12,989	15,255	-	1,018,064
Internal segment revenue	199,776	922,335	520,747	-	(1,642,858)	-
Total revenue	651,746	1,460,185	533,736	15,255	(1,642,858)	1,018,064
Segment result	(2,339)	6,580	11,705	6,240	871	23,057
Interest income						116
Finance cost						(10,855)
Depreciation & amortisation						(13,290)
Loss before tax						(972)
Tax expenses						1,535
Profit for the period						563
Segment assets	753,120	166,395	524,470	25,159	-	1,469,144
Deferred tax assets						111
Tax recoverable						7,057
Total assets						1,476,312
Segment liabilities	26,388	175,934	6,791	6,112	-	215,225
Deferred tax liabilities						13,193
Tax payables						585
Borrowings						909,610
						1,138,613

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NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2015

A8. Segmental information – (cont'd)

Six Months Ended 30 June 2014	Malaysia RM'000	Singapore RM'000	Indonesia RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Geographical Segments:						
Total external revenue	367,837	509,131	8,310	18,149	-	903,427
Internal segment revenue	208,533	832,914	515,630	12	(1,557,089)	-
Total revenue	576,370	1,342,045	523,940	18,161	(1,557,089)	903,427
Segment result	20,731	(13)	7,125	1,868	188	29,899
Interest income						66
Finance cost						(9,548)
Depreciation & amortisation						(12,452)
Profit before tax						7,965
Tax expenses						(2,266)
Profit for the period						5,699
Segment assets	678,971	110,098	482,597	23,324	-	1,294,990
Deferred tax assets						416
Tax recoverable						18,644
Total assets						1,314,050
Segment liabilities	38,979	60,336	5,057	216	-	104,588
Deferred tax liabilities						16,763
Tax payables						631
Borrowings						855,366
						977,348

A9. Changes in the composition of the Group

On 26 May 2015, GCB Specialty Chocolates Sdn Bhd (“GCBSC”) has acquire the remaining 45% equity interest not already held by GCBSC, representing 90,000 ordinary shares of RM1.00 each fully paid-up in the share capital of GCB Gourmet Sdn Bhd, making it now a wholly owned subsidiary of GCBSC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2015

A10. Loss before tax

Included in the loss before tax are the following items:

	Current Quarter Ended 30-Jun-15 RM'000	Current Year To-Date 30-Jun-15 RM'000
Amortisation of prepaid lease payments	169	336
Bad debts written off	1	2
Depreciation	6,473	12,954
Realised loss on foreign exchange	12,079	32,105
Unrealised loss / (gain) on foreign exchange	824	(3,124)
Realised loss on commodity future contracts	310	1,465
Realised loss on forward currency contracts	1,281	1,281
Unrealised loss on commodity future contracts	7,607	4,008
Unrealised gain on commodity option contracts	(148)	(3,649)
Unrealised gain on forward currency contracts	(2,690)	(283)
Unrealised gain on currency option contracts	-	(790)
Write down of inventories	6	2,834
Interest expense	3,910	8,705
Interest income	(50)	(117)

A11. Tax expense

	Current Quarter Ended		Current Year To-Date Ended	
	30-Jun-15 RM'000	30-Jun-14 RM'000	30-Jun-15 RM'000	30-Jun-14 RM'000
Income tax expense:				
- Current period estimate	(804)	1,009	580	1,388
Deferred tax				
- Originated of temporary differences	(1,420)	257	(1,860)	883
- (Over) provision in prior year	(196)	-	(255)	(5)
	(2,420)	1,266	(1,535)	2,266

Income tax expense is recognised in each interim period based on the best estimate of the weighted average annual income tax rate expected for the full financial year. The effective tax rate for the current interim period was lower than the statutory tax rate principally due to reversal of temporary differences.

The Group's effective tax rate for the corresponding interim period ended 30 June 2014 was higher than the statutory tax rate due principally to certain expenses which were added back for tax computation purposes and losses of subsidiary companies that are not available for set-off against taxable profit of other subsidiaries.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2015

A12. (Loss) / Earnings per share

- (a) Basic earnings per share are calculated by dividing the net (loss) / profit for the period by the weighted average number of ordinary shares in issue during the financial period as follows:-

	Current Quarter Ended		Current Year To-Date Ended	
	30-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
(Loss) / Profit for the financial period attributable to owners of the Company (RM'000)	1,963	(150)	108	5,133
Weighted average number of ordinary shares in issue ('000)	476,274	476,274	476,274	476,274
Basic (loss) / earnings per share (sen)	0.41	(0.03)	0.02	1.08

- (b) For the purpose of calculating diluted EPS, profit for the period and the weighted average number of ordinary shares in issue during the financial period have been adjusted for the dilutive effects of all potential ordinary shares convert under warrants issued as shown below:

	Current Quarter Ended		Current Year To-Date Ended	
	30-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
(Loss) / Profit for the financial period attributable to owners of the Company (RM'000)	1,963	(150)	108	5,133
Weighted average number of ordinary shares in issue ('000)	476,274	476,274	476,274	476,274
Effect of dilution of warrants	-	2,599	-	4,452
Adjusted weighted average number of ordinary shares in issue and issuable	476,274	478,873	476,274	480,726
Diluted (loss) / earnings per share (sen)	* 0.41	(0.03) *	0.02	1.07

* There is no dilutive effect of the potential ordinary shares convert under warrants issued since the exercise price is above the average market value at the company's shares.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2015

A13. Prepaid lease payments

	30-Jun-15 RM'000	31-Dec-14 RM'000
Cost:		
At 1 January	12,909	13,029
Add: Payment for sub-leases	124	124
Additions	-	-
	13,033	13,153
Less: Amortisation of prepaid lease payments	(336)	(621)
Sub-lease rental	(191)	(259)
Foreign exchange difference	787	636
At 30 June / 31 December	13,293	12,909
Analysed as:		
Sub-leases of warehouse	1,016	1,084
Leasehold land	12,277	11,825
	13,293	12,909

A14. Intangible assets

	Goodwill RM'000	Technical know-how RM'000	Clientele list RM'000	Total RM'000
Cost:				
At 1 January 2015 / 31 December 2014	12,650	1,016	972	14,638
Acquisition of subsidiary	-	-	-	-
Adjustment	-	-	-	-
At 30 June 2015	12,650	1,016	972	14,638
Accumulated amortisation and impairment				
At 1 January 2014	-	(152)	(292)	(444)
Amortisation	-	(51)	(97)	(148)
Impairment	(705)	(813)	(583)	(2,101)
At 31 December 2014 and 1 January 2015	(705)	(1,016)	(972)	(2,693)
Amortisation	-	-	-	-
Impairment	-	-	-	-
At 30 June 2015	(705)	(1,016)	(972)	(2,693)
Net carrying amount:				
At 31 December 2014	11,945	-	-	11,945
At 30 June 2015	11,945	-	-	11,945

NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2015

A15. Fair value information

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – Inputs are unobservable inputs for the asset or liability.

As at reporting date, the Group held the following financial assets or liabilities that are measured at fair value:

	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
30 June 2015				
Financial assets				
Derivative assets :				
- forward foreign currency contracts	-	-	-	-
- commodity futures contract	10,529	-	-	10,529
	10,529	-	-	10,529
Financial liabilities				
Derivative liabilities :				
- forward foreign currency contracts	-	1,281	-	1,281
- commodity futures contract	11,449	-	-	11,449
	11,449	1,281	-	12,730
31 December 2014				
Financial assets				
Derivative assets :				
- forward foreign currency contracts	-	3,089	-	3,089
- commodity futures contract	8,226	-	-	8,226
	8,226	3,089	-	11,315
Financial liabilities				
Derivative liabilities :				
- forward foreign currency contracts	-	284	-	284
- commodity futures contract	11,698	-	-	11,698
- option foreign currency contracts	-	790	-	790
	11,698	1,074	-	12,772

NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2015

A16. Loans and borrowings

The Group's borrowings at the end of the current quarter are as follows:

		Denominated in currency	30-Jun-15 RM'000	31-Dec-14 RM'000
Current				
	- Bank overdrafts	RM	1,017	1,116
	- Bankers' acceptances	RM	5,981	6,944
	- Term loans	RM	2,567	3,827
		USD	63,134	51,090
	- Trade loans	USD	636,136	593,901
	- Revolving credit	RM	60,321	63,447
	- Obligation under finance leases	RM	446	448
			769,602	720,773
Non-Current				
	- Term loans	RM	18,619	20,330
		USD	121,173	124,318
	- Obligation under finance leases	RM	216	393
			140,008	145,041
			909,610	865,814

A17. Contingent liabilities

There were no material contingent liabilities as at 30 June 2015.

A18. Commitments

(a) Lease commitments

At the end of the current quarter, the Group has the following outstanding land lease rental commitments:-

	RM'000
Authorised and contracted for	1,830

(b) Capital commitments

At the end of the current quarter, capital expenditure of the Group contracted but not provided for are as follows :-

	RM'000
Authorised and contracted for :	
Property, plant and equipment	2,348

NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2015

A19. Significant related party transactions

(a) Related party relationship

- i) **SMC Food 21 Pte. Ltd.** – A company in which certain directors of a subsidiary have financial interest.
- ii) **Sanae Foods Sdn Bhd** – A company in which certain directors of a subsidiary have financial interest.

(b) Related party transactions

	Current Quarter Ended	Current Year To-Date
	30 Jun 2015	Ended
	RM'000	30 Jun 2015
		RM'000
SMC Food 21 Pte. Ltd.		
- Sale of goods	3,523	5,310
- Purchase of goods	(4,566)	(6,378)
- Sales commission	(91)	(97)
Sanae Foods Sdn Bhd		
- Sale of goods	379	643

A20. Material events subsequent to the end of the current quarter

There was no material events subsequent to the current quarter ended 30 June 2015 that have not been reflected in this quarterly report.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2015

B. Explanatory notes pursuant to Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

B1. Review of performance

The Group's revenue of RM 576.6 million for the current quarter ended 30 June 2015 is higher than the revenue in the previous corresponding quarter ended 30 June 2014 of RM 423.8 million. The increase of 36.04% in turnover is mainly due to increase in average selling price and volume of cocoa cake and powder.

The Group made a loss before tax for the quarter ended 30 June 2015 of RM 0.2 million as compared with the profit before tax of RM 1.5 million in the preceding year corresponding quarter ended 30 June 2014. This is mainly due to higher net loss on foreign exchange, which arising from weaker of Ringgit Malaysia against US Dollar and Great Britain Pound and also resulted by higher finance cost, for the quarter ended 30 June 2015 as compared to the preceding year corresponding quarter ended 30 June 2014.

B2. Comment on material change in profit before tax

The Group recorded a loss before tax of RM 0.2 million for the current quarter as compared to a loss before tax of RM 0.8 million in the preceding quarter. This is mainly due to the increased sales volume and selling price of cocoa cake and powder. The higher net gain on forward currency contract and lower inventory write down also contributed to the decrease of loss before tax for current quarter.

B3. Commentary of prospects

The Group expects the business environment for the financial year ending 31 December 2015 to be challenging. While the cocoa bean prices continue to be volatile, the demand for cocoa solids remains uncertain.

The Group will continue to focus on turnaround efforts which include reducing inventory level, exploring new markets for its wide range of cocoa ingredients, growing industrial chocolate business and optimising production according to market conditions.

B4. Profit forecast or profit guarantee

There were no profits forecast or profit guarantee issued by the Group.

B5. Corporate proposals

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

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NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2015

B6. Derivative financial instruments

Details of the outstanding derivative financial instruments as at 30 June 2015 are as follows:

	Derivative	Contract Amount RM'000	Fair Value - Net Gains/ (Losses) RM'000	Purpose
1	Forward Foreign Exchange Contracts: Sale Contracts - Less than 1 year - 1 year to 3 years Purchase Contracts - Less than 1 year	286,101 - 79,906	1,458 - (606)	For hedging currency risk
2	Commodity Futures Sale Contracts - Less than 1 year - 1 year to 3 years Purchase Contracts - Less than 1 year - 1 year to 3 years	168,660 - 67,314 -	(11,875) - 5,564 -	For hedging price risk

The fair values of the above derivatives are determined by using the market rates at the end of reporting period and changes in the fair values are recognised in the profit and loss. The subsequent cumulative change in the fair value of the commitment attributable to the hedged risk is recognised as an asset or a liability with the corresponding gain or loss recognised in the profit or loss.

There have been no significant changes to the Group's exposure credit risk, market risk and liquidity risk from the previous financial year. Also, there have been no changes to the Group's risk management objectives, policies and processes since the previous financial year end.

B7. Material litigation

There was no material litigation against the Group as at the date of these interim financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2015

B8. Dividends

The Board of Directors does not recommend any dividend for the current financial quarter.

B9. Realised and Unrealised Profits/Losses Disclosure

The retained profits as at 30 June 2015 and 31 December 2014 is analysed as follows:-

	Current Quarter Ended 30-Jun-15 RM'000	Preceding Year To-Date Ended 31-Dec-14 RM'000
Total retained profits of the Company and the subsidiaries:		
- Realised	200,036	232,128
- Unrealised	6,340	(25,448)
	206,376	206,680
Less: Consolidated adjustments	(17,508)	(17,931)
Total group retained profits as per consolidated financial statements	188,868	188,749

B10. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2014 was not qualified.

Tay Hoe Lian
 Managing Director
 Dated: 25.8.2015