

IQ GROUP HOLDINGS BERHAD
(Company No. 636944-U)

(Incorporated in Malaysia under the Companies Act, 1965)

FOURTH QUARTER REPORT ENDED 31 MARCH 2015

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE QUARTER AND TWELVE MONTHS ENDED 31 MARCH 2015**

	Individual Quarter		Cumulative Quarter	
	Current year quarter ended	Preceding year corresponding quarter ended	Current year to-date for 12 months ended	Preceding year corresponding period of 12 months ended
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
Revenue	38,926	37,102	193,987	171,388
Investment revenue	86	8	207	108
Other gains and losses	2,173	461	5,233	1,009
Changes in inventories of finished goods and work-in-progress	(901)	4,405	(3,085)	6,032
Raw materials and consumables used	(11,165)	(11,940)	(68,471)	(63,599)
Purchase of trading goods	(5,011)	(5,489)	(25,582)	(24,514)
Employee benefits expense	(9,389)	(9,002)	(39,221)	(36,199)
Depreciation and amortisation of non-current assets	(1,514)	(1,772)	(5,953)	(6,813)
Finance costs	-	(5)	(7)	(49)
Other operating expenses	(9,861)	(13,868)	(29,816)	(33,973)
Share of results of jointly controlled entity	-	-	-	(663)
Profit/(loss) before tax	3,344	(100)	27,292	12,727
Tax income/(expense)	(1,068)	308	(6,442)	(1,764)
Profit/(loss) for the period	2,276	208	20,850	10,963
Profit/(loss) for the period attributable to:				
Owners of the Company	2,127	461	20,995	11,216
Non-controlling interests	149	(253)	(145)	(253)
	2,276	208	20,850	10,963
Earnings/(loss) per ordinary share attributable to owners of the Company (sen):				
Basic	2.45	0.54	24.49	13.19
Diluted	2.45	N/A	24.47	N/A

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to this interim financial report.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND TWELVE MONTHS ENDED 31 MARCH 2015**

	Individual Quarter		Cumulative Quarter	
	Current year quarter ended	Preceding year corresponding quarter ended	Current year to-date for 12 months ended	Preceding year corresponding period of 12 months ended
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
Net profit/(loss) for the period	2,276	208	20,850	10,963
Exchange differences on translating foreign operations	1,065	(1,081)	3,388	644
Total comprehensive income/(loss) for the period	<u>3,341</u>	<u>(873)</u>	<u>24,238</u>	<u>11,607</u>
Total comprehensive income/(loss) attributable to:				
Owners of the Company	3,192	(620)	24,383	11,860
Non-controlling interests	149	(253)	(145)	(253)
	<u>3,341</u>	<u>(873)</u>	<u>24,238</u>	<u>11,607</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to this interim financial report.

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at end of current quarter 31 March 2015 Unaudited RM'000	As at preceding financial year ended 31 March 2014 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	16,069	15,617
Prepaid lease payments on leasehold land	1,657	1,706
Product development costs	8,466	7,380
Deferred tax assets	806	1,040
Goodwill on consolidation	279	101
Total non-current assets	<u>27,277</u>	<u>25,844</u>
Current assets		
Inventories	40,854	39,409
Trade and other receivables	41,703	45,219
Other financial assets	125	85
Current tax assets	20	10
Other assets	2,893	5,956
Short-term deposits with licensed banks	17,625	-
Cash and bank balances	25,535	20,927
Total current assets	<u>128,755</u>	<u>111,606</u>
Total assets	<u><u>156,032</u></u>	<u><u>137,450</u></u>
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	87,363	85,030
Reserves	6,162	2,710
Retained earnings/(accumulated losses)	26,599	8,772
Total equity attributable to Owners of the Company	<u>120,124</u>	<u>96,512</u>
Non-controlling interest	683	611
Total equity	<u>120,807</u>	<u>97,123</u>
Non-current liabilities		
Deferred tax liabilities	1,354	1,452
Deferred revenue	235	132
Total non-current liabilities	<u>1,589</u>	<u>1,584</u>
Current liabilities		
Trade and other payables	27,381	36,405
Borrowings	-	198
Other financial liabilities	2,339	-
Tax liabilities	3,720	2,008
Deferred revenue	196	132
Total current liabilities	<u>33,636</u>	<u>38,743</u>
Total liabilities	35,225	40,327
Total equity and liabilities	<u><u>156,032</u></u>	<u><u>137,450</u></u>
Net assets per share attributable to owners of the Company (RM)	1.37	1.14

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to this interim financial report.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE TWELVE MONTHS ENDED 31 MARCH 2015**

	< -----Attributable to owners of the Company ----->								
	Non-Distributable					Distributable			
	Share Capital RM'000	Share Premium RM'000	Translation Reserve RM'000	Share Option Reserve RM'000	Legal Reserve RM'000	Retained Earnings RM'000	Non- controlling interest RM'000	Total RM'000	
Balance as of 1 April 2014	85,030	7,504	(5,231)	409	28	8,772	611	97,123	
Profit/(Loss) for the year						20,995	(145)	20,850	
Other comprehensive income/(loss) for the period			3,388					3,388	
Total comprehensive income/(loss) for the period			<u>3,388</u>			<u>20,995</u>	<u>(145)</u>	<u>24,238</u>	
Transactions with owners of the Company:									
Share-based payment forfeited				(1)		1		-	
Share-based payment exercised				(326)		326		-	
Recognition of share-based payment								-	
Non-controlling interest arising on the acquisition of subsidiary							217	217	
Issue of ordinary shares under employee share option scheme	2,333	350						2,683	
Dividends paid						(3,454)		(3,454)	
Appropriation to reserve on dividends paid by subsidiary					41	(41)		-	
Balance as of 31 March 2015	<u>87,363</u>	<u>7,854</u>	<u>(1,843)</u>	<u>82</u>	<u>69</u>	<u>26,599</u>	<u>683</u>	<u>120,807</u>	
Balance as of 1 April 2013	85,000	7,504	(5,875)	145	28	(2,455)	-	84,347	
Profit/(Loss) for the year						11,216	(253)	10,963	
Other comprehensive income/(loss) for the period			644					644	
Total comprehensive income/(loss) for the period			<u>644</u>			<u>11,216</u>		<u>11,607</u>	
Transactions with owners of the Company:									
Share-based payment forfeited				(7)		7		-	
Share-based payment exercised				(4)		4		-	
Recognition of share-based payment				275				275	
Non-controlling interest arising on the acquisition of subsidiary							864	864	
Issue of ordinary shares under employee share option scheme	30	-						30	
Balance as of 31 March 2014	<u>85,030</u>	<u>7,504</u>	<u>(5,231)</u>	<u>409</u>	<u>28</u>	<u>8,772</u>	<u>611</u>	<u>97,123</u>	

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to this interim financial report.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE TWELVE MONTHS ENDED 31 MARCH 2015**

	Individual Quarter	
	Current year quarter ended 31 March 2015 RM'000	Preceding year corresponding quarter ended 31 March 2014 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) for the year	20,850	10,963
Adjustments for :		
Depreciation and amortisation of non-current assets	5,953	6,813
Tax expense recognised in profit or loss	6,442	1,764
Share of results of jointly controlled entity	-	663
Unrealised (gain)/loss on foreign exchange	(821)	(396)
Finance costs recognised in profit and loss	7	49
(Gain)/Loss on disposal of property, plant and equipment	(12)	176
Allowance for slow moving inventories	-	599
Product development cost written off	(2,052)	503
Expenses recognised in respect of equity-settled share-based payment		275
Allowance for slow moving inventories no longer required	-	(470)
Net fair value (gain)/loss on other financial asset	2,299	(86)
Interest revenue recognised in profit and loss	(173)	(20)
Other receivable written off		166
Reversal of reserve for product guarantee		(157)
Amortisation of government grant	-	(33)
Property, plant and equipment written off	-	4
Operating profit/(loss) before working capital changes	32,493	20,813
(Increase) / Decrease in:		
Inventories	(1,445)	(6,710)
Trade and other receivables	4,370	(1,944)
Other assets	3,063	(2,818)
Increase / (Decrease) in:		
Trade and other payables	(9,057)	6,915
Deferred revenue	168	-
Cash generated from operations	29,592	16,256
Tax refunded	202	551
Tax paid	(4,855)	(1,646)
Net cash (used in)/generated from operating activities	24,939	15,161
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	565	514
Interest received	173	20
Purchase of property, plant and equipment	(4,006)	(2,513)
Addition to capitalised development costs	(1,085)	(2,083)
Net cash on acquisition of subsidiary	216	630
Net cash (used in)/generated from investing activities	(4,137)	(3,432)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	2,684	30
Repayment of borrowings	(198)	(1,995)
Dividend paid	(3,455)	-
Interest paid	(7)	(49)
Net cash (used in)/generated from financing activities	(976)	(2,014)
NET INCREASE IN CASH AND CASH EQUIVALENTS	19,826	9,715
Effect of foreign exchange rate changes	2,407	123
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	20,927	11,089
CASH AND CASH EQUIVALENTS AT END OF PERIOD	43,160	20,927

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to this interim financial report.

FOURTH QUARTER REPORT ENDED 31 MARCH 2015

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2015

PART A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134 - INTERIM FINANCIAL REPORTING

1. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting, Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities).

The accounting policies and methods of computation adopted by the Group for the interim financial report are consistent with those adopted in the audited financial statements for the year ended 31 March 2014 except for the accounting policy changes that are expected to be reflected in financial statement for the year ended 31 March 2015.

The preparation of an interim financial report in conformity with MFRS 134, Interim Financial Reporting requires management to make judgement, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

At the transition date, the Group reviewed its accounting policies and the adoption of MFRS has no significant impact on the financial statements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2014.

2. CHANGES IN ACCOUNTING POLICIES

At the date of authorisation of these interim financial statements, the following MFRSs and Amendments to MFRS were issued but not yet effective and have not been applied by the Group.

MFRS and Amendments to MFRS	Effective for annual period beginning on or after
MFRS 9 Financial Instruments (Hedge Accounting and amendments to MFRS 9, MFRS 7 and MFRS 139)	To be announced by the Board
IC Int. 21 Levies	1 January 2014
Amendments to MFRS 9 and MFRS 7 Mandatory Effective Date of MFRS 9 (IFRS 9 issued by IASB in November 2009 and October 2010 respectively) and Transition Disclosures	
Amendments to MFRS 10, MFRS 12 and MFRS 127 Investment Entities	1 January 2014
Amendments to MFRS 119 Employee Benefits (Amendments relating to Defined Benefit Plans: Employee Contributions)	1 July 2014
Amendments to MFRS 132 Financial Instruments: Presentation (Amendments relating to Offsetting Financial Assets and Financial Liabilities)	1 January 2014
Amendments to MFRS 136 Impairment of Assets (Amendments relating to Recoverable Amount Disclosures for Non-Financial Assets)	1 January 2014
Amendments to MFRS 139 Financial Instruments: Recognition and Measurement (Amendments relating to Novation of Derivatives and Continuation of Hedge Accounting)	1 January 2014
Amendments to MFRS contained in the document entitled Annual Improvements to MFRSs 2010-2012 Cycle	1 July 2014
Amendments to MFRS contained in the document entitled Annual Improvements to MFRSs 2011-2013 Cycle	1 July 2014

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3. AUDIT REPORT ON THE PRECEDING ANNUAL FINANCIAL STATEMENTS

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

4. SEASONAL OR CYCLICAL FACTORS

The Group serves a wide customer base in Europe, Japan, Australasia and USA with localised seasonal and model mix requirements. Hence fluctuations in demand during the year are normal and expected.

5. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There was no unusual material event during the reporting quarter.

6. MATERIAL CHANGES IN ESTIMATES

There were no changes in estimates that have a material effect in the current quarter results.

7. CHANGES IN DEBT AND EQUITY SECURITIES

Proposed Authority for the Company to purchase its own shares

At the Annual General Meeting of the Company held on 26 September 2014, the shareholders of the Company had granted a mandate for the Company to purchase its own ordinary shares of RM1.00 each as may be determined by the Directors of the Company up to maximum of 10% of the issued and paid-up capital of the Company. The mandate will expire upon the conclusion of the next Annual General Meeting of the Company.

There were issuance of 920,300 shares related to Employee share option scheme during the quarter. There were no cancellations, repurchases, resale and repayment of debt and equity securities, share buy-back or shares held as treasury shares during the quarter ended 31 March 2015.

8. DIVIDENDS PAID

An interim dividend of RM0.04 per share, exempt from income tax in respect of the financial year ending 31 March 2015 has been paid on 29 January 2015 to shareholders registered in the Record of Depositors at the close of business on 30 December 2014.

9. SEGMENT REPORTING

**Cumulative quarter ended
31 March 2015**

	Investment holding RM'000	Manufacturing RM'000	Trading RM'000	Eliminations RM'000	Total RM'000
Revenue					
External revenue	-	134,072	59,915		193,987
Inter-segment revenue	8,719	110,318	117,863	(236,900)	-
Total revenue	<u>8,719</u>	<u>244,390</u>	<u>177,778</u>	<u>(236,900)</u>	<u>193,987</u>
Results					
Profit/(loss) from operations	4,507	17,981	7,951	(3,347)	27,092
Investment revenue	97	110			207
Finance cost					(7)
Profit/(loss) before tax					27,292
Income tax income/(expense)					(6,442)
Profit/(loss) after tax					<u>20,850</u>

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10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation. There was no revaluation of property, plant and equipment for the current quarter.

11. MATERIAL SUBSEQUENT EVENT

There were no material events subsequent to the current financial quarter ended 31 March 2015 up to the date of this report.

12. CHANGES IN THE COMPOSITION OF THE GROUP

On 20 March 2015, the Company's wholly owned subsidiary company, IQ Group Limited was reinstated in the Register, pursuant to the BVI Business Companies Act, 2004.

13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no material contingent liabilities or contingent assets as at date of issue of this interim financial report.

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2015

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. PERFORMANCE REVIEW

For the current quarter under review, the Group's revenue increased by RM1.82 million or 4.9% as compared to the fourth quarter ended 31 March 2014. The Group recorded a profit before taxation of RM3.34 million for the quarter under review, representing an increase in profit by RM3.44 million as compared to that of the preceding year quarter. This was due to improved sales performance, improved gross margin as a result of favourable US Dollar exchange rate against Ringgit Malaysia and higher foreign exchange gain of RM1.4 million in the current year quarter as compared to preceding year quarter.

The performance of the respective operating segments are analysed as follows:-

	Individual Quarter		Cumulative Quarter	
	Current year quarter ended	Preceding year corresponding quarter ended	Current year to-date for 12 months ended	Preceding year corresponding period of 12 months ended
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
	RM'000	RM'000	RM'000	RM'000
Revenue				
Investment holding	1,625	1,472	8,719	7,546
Manufacturing	53,996	46,294	244,390	204,854
Trading	39,937	31,749	177,778	148,081
Total	<u>95,558</u>	<u>79,515</u>	<u>430,887</u>	<u>360,481</u>
Eliminations	(56,632)	(42,413)	(236,900)	(189,093)
Revenue after eliminations	<u><u>38,926</u></u>	<u><u>37,102</u></u>	<u><u>193,987</u></u>	<u><u>171,388</u></u>
Profit/(loss) before tax				
Investment holding	690	(62)	4,604	2,535
Manufacturing	2,617	(2,016)	18,084	3,490
Trading	793	2,523	7,952	9,335
Total	<u>4,100</u>	<u>445</u>	<u>30,640</u>	<u>15,360</u>
Eliminations	(756)	(545)	(3,348)	(2,633)
Profit/(loss) before tax after eliminations	<u><u>3,344</u></u>	<u><u>(100)</u></u>	<u><u>27,292</u></u>	<u><u>12,727</u></u>

Investment Holdings

Q4 FY2015 vs. Q4 FY2014

The investment holdings segment profit increased by RM0.75 million in the current quarter as compared to preceding year quarter, mainly due to higher foreign exchange gain by RM0.56 million in the current year quarter as compared to preceding year quarter.

Q4 YTD FY2015 vs. Q4 YTD FY2014

The investment holdings segment YTD profit increased by RM2.07 million, mainly due to the following:

- a. Higher dividends received from wholly owned subsidiaries by RM1.46 million in the current year period as compared to preceding year period.
- b. Higher foreign exchange gain by RM0.65 million in the current year period as compared to preceding year period.

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Manufacturing

Q4 FY2015 vs. Q4 FY2014

The manufacturing segment profit increased by RM4.63 million. The profit increased mainly due to the following:

- a. Higher gross profit as a result of higher revenue by RM7.7 million and favourable exchange rate on US Dollar against Ringgit Malaysia in current quarter as compared to preceding year quarter.
- b. Higher foreign exchange gain by RM1.07 million in the current year quarter as compared to preceding year quarter.

Q4 YTD FY2015 vs. Q4 YTD FY2014

The manufacturing segment YTD profit increased by RM14.59 million, mainly due to the following:

- a. Higher gross profit as a result of increase in revenue by RM39.5 million and favourable exchange rate on US Dollar against Ringgit Malaysia in current year period as compared to preceding year period.
- b. Higher foreign exchange gain by RM1.77 million in the current year period as compared to preceding year period.

Trading

Q4 FY2015 vs. Q4 FY2014

Despite increase in revenue, the profit decreased by RM1.73 million in the current quarter as compared to preceding year quarter, mainly due to the following:

- a. Decrease in gross margin as a result of change in sales model mixes and unfavourable exchange rate on Japanese Yen against US Dollar in current quarter as compared to preceding year quarter
- b. Lower foreign exchange gain by RM0.22 million in the current year quarter as compared to preceding year quarter.

Q4 YTD FY2015 vs. Q4 YTD FY2014

The trading segment YTD profit decreased by RM1.38 million, mainly due to decrease in gross margin as a result of change in sales model mixes and unfavourable exchange rate on Japanese Yen against US Dollar in current year period as compared to preceding year period.

2. COMPARISON WITH THE IMMEDIATE PRECEDING QUARTER'S RESULTS

The Group's revenue for the current quarter was RM38.93 million, representing a decrease of RM6.94 million or 15.1% as compared to that of the immediate preceding quarter ended 31 December 2014 due to shorter production days as a result of extended Chinese New Year holidays for China's plant.

The Group recorded a profit before taxation of RM3.34 million for the quarter under review, representing a decrease in profit by RM3.93 million as compared to that of the immediate preceding quarter. This was mainly due to decrease in revenue, inventories written off of RM0.71 million, product development cost written off of RM0.1 million and performance based bonus accrual of RM0.56 million in current quarter.

3. COMMENTARY ON PROSPECTS

As evident from the recent results, initiatives remain focused on driving business growth. Such current and emerging initiatives remain central to our considerations and as such the Directors are confident that the Group is well positioned to enjoy a positive business outlook.

4. VARIANCE OF ACTUAL AND FORECASTED PROFIT AND SHORTFALL IN PROFIT GUARANTEE

The disclosure requirements for explanatory notes for the variance of actual profit after tax and forecast profit after tax are not applicable.

The Group did not announce any profit guarantee.

5. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

	Quarter ended 31 Mar 2015 RM'000	Current year- to-date ended 31 Mar 2015 RM'000
Interest income	(86)	(207)
Other income including investment income	(872)	(850)
Interest expense	-	7
Depreciation and amortisation	1,514	5,953
Provision for and written off of receivables *	-	-
Provision for and written off of inventories	708	1,251

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(Gain)/loss on disposal of quoted/unquoted investments		
(Gain)/Loss on disposal of properties *	-	-
Impairment of assets #	103	103
Foreign exchange (gain) or loss	(1,301)	(4,383)
(Gain) or loss on derivatives *	-	-
Exceptional item charged / (credited) *	-	-

* Not applicable during the period

Product development cost written off

6. INCOME TAX EXPENSE

	Quarter ended 31 Mar 2015 RM'000	Current year- to-date ended 31 Mar 2015 RM'000
Estimated income tax expense:		
Current tax expense/(income)	1,620	6,432
Under/(over)-provision in prior quarter/ year	97	97
Deferred tax	(649)	(87)
	<u>1,068</u>	<u>6,442</u>

The Group's current quarter income tax reflects an effective tax rate which is higher than the statutory income tax rate mainly due to higher corporate tax rate for a subsidiary in Japan. The financial year to-date income tax reflects an effective tax rate which is lower than the statutory income tax rate mainly due to profit of a subsidiary which is not subject to corporate tax.

7. DISCLOSURE ON REALISED AND UNREALISED PROFITS/(LOSSES)

The breakdown of the retained earnings/(accumulated losses) are as follows:

	As at 31 Mar 2015 RM'000	As at 31 Dec 2014 RM'000
Total retained earnings/(accumulated losses) of the Company and its subsidiaries		
Realised	61,863	62,030
Unrealised	1,755	2,075
	<u>63,618</u>	<u>64,105</u>
Add: Consolidation adjustments	(37,019)	(36,298)
Total Group retained earnings/(accumulated losses) as per statement of financial position	<u>26,599</u>	<u>27,807</u>

8. STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT YET TO BE COMPLETED

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

9. GROUP BORROWINGS AND DEBT SECURITIES

There were no group borrowings and debt securities as at the end of the reporting quarter.

10. FINANCIAL INSTRUMENTS

As at 31 March 2015, the foreign currency contracts which have been entered into by the Group to hedge its foreign receivables in US Dollar are as follows:

	Contract value USD'000	Notional value RM'000	Financial liabilities carried at fair value RM'000
Forward Foreign Currency Contracts			
Less than 1 year	7,000	23,987	2,339
	<u>7,000</u>	<u>23,987</u>	<u>2,339</u>

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	Contract value JPY'000	Notional value USD'000	Financial assets carried at fair value RM'000
Forward Foreign Currency Contracts Less than 1 year	<u>426,286</u>	<u>3,589</u>	<u>125</u>

Financial instruments are classified as Financial assets/liabilities at fair value through profit or loss (FVTPL).

Financial assets/liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss is included in the "other gains and losses" line item in the statement of comprehensive income.

11. MATERIAL LITIGATION

There was no material litigation pending as at date of issue of this interim financial report.

12. DIVIDENDS DECLARED OR PAYABLE

As of the date of this announcement, the Board of Directors approved and declared an interim dividend of RM0.04 per share, exempt from income tax in respect of the financial year ended 31 March 2015. The dividend will be paid on 29 July 2015 to shareholders whose names appear in the Record of Depositors on 30 June 2015.

13. EARNINGS PER SHARE

a. Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

	Current Quarter ended 31 Mar 2015	Current year- to-date ended 31 Mar 2015
Profit/(loss) for the period attributable to the owners of the Company (RM'000)	<u>2,127</u>	<u>20,995</u>
Weighted average number of ordinary shares in issue ('000)	<u>86,751</u>	<u>85,721</u>
Basic earnings/(loss) per share (sen)	<u>2.45</u>	<u>24.49</u>

b. Diluted earnings per share

	Current Quarter ended 31 Mar 2015	Current year- to-date ended 31 Mar 2015
Profit/(loss) for the period attributable to the owners of the Company (RM'000)	<u>2,127</u>	<u>20,995</u>
Weighted average number of ordinary shares in issue ('000)	<u>86,805</u>	<u>85,793</u>
Basic earnings/(loss) per share (sen)	<u>2.45</u>	<u>24.47</u>

Date: 28 May 2015